

**CUYAHOGA FALLS CITY COUNCIL**

**Minutes of the Council Meeting**

**February 22, 2021**

- Call to Order:** Mr. Brillhart at 6:30 p.m.
- Roll Call:** Mr. Balthis, present; Mr. Brillhart, present; Mr. Gorbach, present; Mr. Iula, present; Mr. James, present; Ms. Loza, present; Mr. Miller, present; Ms. Nichols-Rhodes, present; Mrs. Penta, present; Mrs. Spinner, present; Mr. Stams, present.
- Invocation:** Mrs. Spinner
- Pledge of Allegiance:** Mr. Brillhart
- Approval of Minutes:** The minutes of the February 8, 2021 Council Meeting were approved as written.
- Reports and Communications:** A Notice from the Ohio Division of Liquor Control regarding New Permit Number 6511951 to Owen Real Estate Services dba Not Napa Wine, 1884-86 Front Street, Cuyahoga Falls, Ohio, 44221.

**New Legislation**

(First Reading)

**Temp. Ord. B-8 (Finance)**

An ordinance amending and/or supplementing Title 7, Taxation, Chapter 164, Municipal Income Tax, to comply with State Law mandates, and declaring an emergency.

**Temp. Ord. B-9 (Finance)**

An ordinance appropriating \$1,309,632 of Community Development Block Grant carryover funds for calendar year 2021, and declaring an emergency.

**Temp. Ord. B-10 (Public Affairs)**

An ordinance amending the Traffic Control File by providing for installation of various traffic control devices, and declaring an emergency.

**Reports of Council's Standing Committees**

(Third Reading)

**Planning & Zoning**

No Report.

**Finance & Appropriations:**

No Report.

**Public Improvements:**

No Report.

**Public Affairs:**

No Report.

**Community Development:**

No Report.

**Schedule of Committee Meetings**

Planning & Zoning:	Subject to Call.
Finance:	March 1, 2021, at 6:30 p.m.
Public Improvements:	Subject to Call.
Public Affairs:	March 1, 2021, at 6:35 p.m.
Community Development:	Subject to Call.

**Miscellaneous Business**

Ms. Diana Colavecchio, Community Development Director, stated that the annual 2020 Annual Economic Development Spreadsheet Report has been distributed to Council via e-mail. Last year, as far as total economic development in Cuyahoga Falls in the downtown area, 76 new jobs were completed and an increase in economic project value was completed of \$3,145,000. Elsewhere in the city, 154 jobs were completed, and the economic base was increased \$48,295. That compared to 2019 by being an increase of four jobs over and an increase in economic development of \$44,548,500. A large part of that was as a result of French Mill building Phase II and the Woodlands building out. The improvements to the parking lot for Summit DD are underway. The bidding is going out, and they expect that the parking lot construction will start this spring. The buildings have been demolished.

Ms. Colavecchio stated that, at budget, it was mentioned that her department was allocated funds towards a new endeavor called The Facade Project at South State. The meetings had with the business owners in that area of the city have culminated in putting together a social media presence. They now have a Cuyahoga Falls South Side District with 200 members so far. In allocating those funds for the budget, they have been informed that, on January 1st, they were ready to accept

applications for both facade and sign grants. They have 17 applications for facade grants. None have been completed yet, but they will be reviewing those and bringing those down for approval before the Loan Committee. These are matching grant dollars, so whatever design they put together, the City is only giving them half, and they have to come up with the other half. They look forward to seeing the improvement and the revitalization and beautification this year along that corridor of Cuyahoga Falls.

Ms. Colavecchio stated that she also wanted to let Council know about that Mr. Fred Guerra, Planning Director, is going to retire effective March 31. He will be before Council at least one other time, so they will get to see him before he leaves. Having said that, the Department is extremely pleased that he has agreed to give sufficient notice, because he is going to be a tough person to replace. He has been a valuable resource and has an unbelievable amount of institutional knowledge.

Mr. Brillhart stated that those are absolutely fabulous numbers with growth in new jobs and business development for 2020. He is particularly thrilled about the 17 potential applications on South State Road. He stated that Ms. Colavecchio and her Department have done a wonderful job there, and it is very much appreciated.

Mr. Bryan Hoffman, Finance Director, stated that Report 21 containing the end-of-January numbers was sent out electronically last Tuesday. At the end of 2020, the General Fund balance was \$13,874,307. There were three main sources of one-time revenues in 2020 that allowed them to get to that number. The largest of those three sources was the CARES Act that accounted for approximately \$5.5 million in one-time money. The second reason was the City had done fairly well with Self-Insurance funds with medical expenses in 2020, primarily because of elective surgeries and COVID-19-related issues. There were two premium holidays in December. That obviously impacts the employees. It also impacts the City finances to a greater degree. The third piece of that was the Ohio Bureau of Workers' Compensation gave back quite a bit of money in 2020. They did three distributions in 2020, which amounted to a little over \$2 million for the City. The City had to pay that back to the Bureau of Workers' Compensation Fund, but was able to transfer a good portion of that back to the General Fund. Those sources enabled them to grow the cash balance in 2020.

Mr. Hoffman stated that, for 2021, in the month of February, they received an adjusted property tax number. The County conducted a reappraisal that was approved, in December, by the State, and it was approximately a 14-percent increase. In the Local Government Fund, they received some new numbers and projections from the State of Ohio. They anticipate those numbers coming in similar to 2020. They had budgeted a very slight decrease, so there is a little more revenue anticipated. The other areas are pretty much to budget. They have been tracking Income Tax very closely. Estimates were run at the end of last year and, again, at the beginning of this year. They anticipate income taxes coming in a little bit above what had been anticipated in 2020. One reason for that happening is the City received a large net-income deposit into the City of about \$700,000 for one of their businesses. That will be seen in the 2021 numbers. They still anticipate income tax being fairly flat throughout 2021.

Mr. Hoffman stated that, in the Street Construction Repair and Maintenance Fund, Gasoline Tax, they anticipate being down from budget very slightly, but those numbers are coming in close. Hopefully, people will drive through the summer and buy gasoline and those numbers will rebound. The one area that does not have great numbers is Hotel, Motel and Fees, Licenses and Permits. There are some timing issues with that. A couple of the State of Ohio the Mudbrook/Mill Pond Tax Incremental Funds that were budgeted received no income. That has been pending for approximately two years. He did receive an e-mail this month stating it should be approved by the end of the month, so, hopefully, that will get approved, and it would go through the process. The Enterprises Funds have not seen a huge increase in delinquencies from the past year, so they have been on track. Federal dollars and some of the relief bills that have come out in the Federal Government have focused on rental payments, and they have been working with the County on providing those numbers. Another round of assistance should be coming through in March, per the County, from the last stimulus.

Mr. Hoffman stated that, in the Leisure Time Fund, there obviously is a huge asset in the Natatorium. They have seen daily numbers pick up a bit this winter, but they have not seen an increase. They have seen a small decrease in yearly memberships. That is going to be a challenge as the Natatorium goes through 2021. They will see how the other facilities do as they go into the summer months, as those departments are very weather-dependent. They have been trying to match and control budgets on the expense side, but they do need minimum staffing to operate those facilities. In the Self-Insurance Fund, they have not seen a pickup in hospitalization numbers yet this year. Obviously, COVID-19 has been a big issue through December, January and into February. Those numbers have started to decrease, but elective surgeries have, for the most part, been on hold, and Self-Insurance numbers have been flat to even a little less than last year, but, at this time last year, COVID-19 was not a factor.

Ms. Nichols-Rhodes asked if Mr. Hoffman has an idea of how much money the City has not received in revenue from rental of Lions Park and the other rental facilities in Parks and Recreation. Mr. Hoffman stated that he does not have that number, but he will get an estimate and send that out to Council.

Mr. Brillhart noted how well Mr. Hoffman analyses all of the City's funds and in refinancing the bonds as the rates have dropped. He asked if there are any more of the City's bonds that can be refinanced. Mr. Hoffman stated that he does not know if rates are going to be dropping any more than they have. In fact, there have been some upticks in the market yields. Everything is bonded out at an extremely low rate and they have been happy with where they are from a department service perspective. They did do an analysis on refinancing the bonds that are outstanding on the Portage Crossing Development. Those are a taxable issue, where the others that were refinanced in the fall were non-taxed. Those are not considered callable for another two or three years, so they would have to do an advance refinancing on that. They did an analysis on whether it was a good time to advance refinance those, looked at the rates, what would be saved and where that break-even point would be, and decided, at that time, not to refinance, because the City would save quite a bit of money if it waited. If the yields start to go up another percent or two, they still save money on refinancing those. The Sourek Trail Development is in notes. His plan is to keep them in notes because they may be able to pay those off sooner than bonding them out for 10 years.

That would be advantageous for the City, so he wants to keep that flexible. Other than that, everything is bonded out at an extremely low rate.

Mr. James moved to adjourn, second by Mr. Iula. Motion passed, voice vote (11-0). Meeting adjourned at 6:52 p.m.

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Michael Brillhart, Council President

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Dana M. Capriulo, Clerk of Council