

Cuyahoga Falls City Council

Minutes of the Community Development Committee Meeting

January 18, 2005

Chairman: Ken Barnhart; Vice Chair: Doug Flinn; Member: Debbie Ritzinger

Mr. Barnhart brought the Community Development Committee Meeting to order at 7:10 p.m. All members were present. The meeting minutes of December 6, 2004 were approved as submitted.

Scheduled legislation (second reading):

B-10	An Ordinance authorizing the Mayor to enter into a Community Reinvestment Area Agreement with Falls Village Retirement Community, LLC and Falls Village Realty II, LLC and the County of Summit, and declaring an emergency.
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This is the second application for the reinvestment area. The Cuyahoga River District typically is the older housing and buildings in the area. Since June 2004, the district or commercial user can apply for any abatement over \$250,000. Michael Francus converted Fallsview into a multifaceted nursing facility. There are over 135 employees of which 125 are full time. This is a 6.5 million dollar improvement. There will be 71 new fulltime positions and 12 part time employees. This project will begin in April 2005 with Council's approval and be completed in July 2006. Mr. Barnhart is thankful to have this investment in our community. This is a new building that is all steel and confirms to all handicap individuals. This will have medical adult day care. This will also have increased nursing home facilities. They are currently turning away 100 inquiries for nursing home services each month.

Mrs. Ritzinger confirms that they will be adding 71 new employees. Mr. Flinn also thanks them for converting this facility into Falls Village. It is an improvement to our community.

Mrs. Hummel: Questions the price point for their services. Mr. Francus indicates that assisted Living is \$2400 approximately. It does vary on room size to \$1850 with light care to over \$3000 with the largest unit with more care. Sunrise is 50% higher than our facility. We tend to match Stow Glen. The going rate for a retirement apartment with two meals, linen service and housekeeping is \$1650 and \$1750 per month on a one-bedroom apartment. This is the target range. Mrs. Hummel asks if there are other facilities that have taxes abated? Laurel Lake, Rockynol, and Traditions are not for profit in our area according to Mr. Francus. Council approved the development prior to the enactment of this agreement area. It seems to me that given Mr. Francus large investment in our community, I am not sure whether or not this business needs the tax abatement. This business is a growth industry. This kind of business is growing without tax abatements. When we talked about abatement on this site, it never occurred to me that this facility would take advantage of this.

Mr. Francus confirms there are no government programs for assisted living. The facility is approved for Medicare/Medicaid. Mr. Walters asks what type of leases are the residents locked into? Mr. Francus indicates they do monthly leases with residents. Increasing the nursing home beds could put a strain on calls to EMT with Station 1 and Mr. Walters is concerned with that. Mr. Gorbach would like to have the numbers on the abatement tonight. Mrs. Truby has talked to Mr. Holland (school superintendent) about the abatements, but the new payroll will generate more money for the school with the expansion at the 50% rate. Beyond the 50% rate, the state requires that we notify the school only. Mr. Gorbach indicates other companies have presented a gesture for the school system to provide monies during the abatement period. He asks Mike to keep an open mind about this. He appreciates the improvements to the community. Mr. Gorbach feels the abatements are used to maintain businesses and entice businesses

to our area. Being granted this tax abatement makes this project more successful and moves it up on the meter according to Mr. Francus.

Mrs. Truby indicates they are heavily marketing this district and hopes to continue with other businesses in this district. Don't be surprised to see more of these before council in the next six months.

Mrs. Klinger indicates that resources for Mr. Francus have changed with this CRA district. This is a business decision and am grateful that our community will benefit with a 6 million dollar investment. Virgil Arrington indicates his father spent his last two months of his life at Falls Village. There were several levels of service. The service was excellent and they went beyond their contractual agreements and as he deteriorated, I was scared the nursing home would not have a bed. They are priced at the low end of the spectrum. These are private rooms. We need to do the right thing and encourage this business to continue to operate in our city. This is a substantial investment in our Community.

Mary Ellen Pyke indicates since she works in health care, this is a critical link in the aging population. The expansion of these care services are crucial to make the resident feel at home. 80% of the residents are from Cuyahoga Falls according to Mr. Francus latest census.

Mr. Gorbach doesn't feel he was being negative but is challenged with doing the right thing every night. With an issue like this, it is personal care, and he intends to look at it with the facts he alluded to earlier. Mrs. Hummel would like to weigh the pluses and minuses of this abatement and see if there is anything that can be trimmed from this with respect to other businesses that pay their fair share on their businesses. I am not being negative, but I am doing my job by raising questions for the abatements. We get in bidding wars with other communities and businesses. There are problems with tax abatements and it is tough for local communities to address them.

The committee recommends bringing out Temp. Ord. B-10

Held legislation: None.

Other business: None.

The Community Development Committee Meeting was adjourned at 7:55 p.m.