

**Cuyahoga Falls City Council
Minutes of the Finance and Appropriations Committee Meeting**

February 7, 2022

Members: Mary Nichols-Rhodes, Chair
Tim Gorbach
Adam Miller

Ms. Nichols-Rhodes called the meeting to order at 6:30 p.m. All members were present.

The minutes of the December 6, 2021, December 20, 2021, and January 4, 2022 Finance Committee meetings were approved as written.

Legislation Discussed

Temp. Ord. A-10

Temp. Ord. A-11

Temp. Ord. A-12

Temp. Ord. A-13

Discussion:

Temp. Ord. A-10

An ordinance authorizing the Mayor to enter into a contract or contracts, without competitive bidding, with InVeris for Police Department virtual reality training devices, and declaring an emergency.

Chief Davis presented Temporary Ordinance A-10 to Council. The Police Department trains its officers and neighboring communities' personnel at the department training facility. The facility houses a training system and needs new equipment. The Mayor will be authorized to enter into a contract or contracts, without competitive bidding, with InVeris for Police Department training devices. The Director of Finance will be authorized to make payment for same from the Capital Projects Fund, Line Item Capital Outlay.

Chief Davis stated that this purchase was discussed at budget time. This is a virtual reality system for the training department. The Police Department has used a screen-type interactive tool which is now out of date. The cost to refurbish that system would be as much as getting a new and better system. After it is up and running and once they are trained on the system, they will open it for use by officers in other communities.

Mr. Gorbach asked how many officers are going to have to be trained to be the instructors for this system. Chief Davis stated that, right now, they have a two-person training department. They hope to train shift supervisors for times in the evening; that way, if they want to run something overnight when there is some down time or if an officer wants to go through a particular scenario, they can.

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Mr. Gorbach moved to bring out Temp. Ord. A-10 with a favorable recommendation, second by Mr. Miller. Motion passed (3-0).

Temp. Ord. A-11

An ordinance authorizing the Parks and Recreation Board to enter into a contract or contracts for interior improvements to Northampton Town Hall to increase the functionality of the structure and make the building compliant with the Americans with Disabilities Act, and declaring an emergency.

Mr. Brian Ehmann, Parks and Recreation Operations Manager, presented Temporary Ordinance A-11 to Council. Northampton Town Hall was built around 1875. The City desires to implement an architectural design that is appropriate for the Town Hall and surrounding area, improves the functionality of the existing structure, and ensures compliance with the Americans with Disabilities Act. The improvements will add many years to the life expectancy of Northampton Town Hall.

The Parks and Recreation Board will be authorized to enter into a contract or contracts, according to law, for interior improvements to Northampton Town Hall to increase the functionality of the structure and make the building compliant with the Americans with Disabilities Act. The Director of Finance will be authorized and directed to make payment for same from the Recreation Levy and Capital Projects Funds, Line Item Capital Outlay. Furthermore, the Director of Finance is hereby authorized to increase appropriations in Capital Projects Fund, Line Item Capital Outlay by \$112,200.

Ms. Nichols-Rhodes stated that she was recently at the Town Hall for one of the meetings. It was built in approximately 1875, but it definitely needs a lot of things done to bring it into compliance. She asked how many times it had been rented pre-Covid. Mr. Ehmann stated that there were 155 rentals in 2018 and 124 in 2019. Ms. Nichols-Rhodes stated that there may be an increase in rental costs just like when Lions Park was renovated.

Mr. Tom Sullivan, 447 Tallmadge Road, stated that it is good for the City to lead by example. There are still a few places in town that are not ADA compliant, and it does not look like they have any hopes of ever being that way. It is nice to see that the City is taking steps to take one of their properties and make sure that it is set up so that everyone can use it.

Mr. Gorbach moved to bring out Temp. Ord. A-11 with a favorable recommendation, second by Mr. Miller. Motion passed (3-0).

Temp. Ord. A-12

Declaring the improvement to certain parcels on an approximate 37.9 acre site west of Wyoga Lake Road and approximately 2,000 feet north of Steels Corners in the City to be a public purpose

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and exempt from taxation pursuant to ORC 5709.40(b); providing for the collection and deposit of service payments and specifying the purposes for which those service payments may be expended; authorizing school compensation payments; and declaring an emergency.

Ms. Diana Colavecchio, Community Development Director, presented Temporary Ordinance A-12 to Council. Ohio Revised Code (“ORC”) 5709.40, 5709.42, and 5709.43 (collectively, the “TIF Act”) authorize this Council, by ordinance, to declare the improvement to parcels of real property located within the City to be a public purpose and exempt from taxation, require the owner of each parcel to make service payments in lieu of taxes, establish a Municipal Public Improvement Tax Increment Equivalent Fund for the deposit of those service payments, and specify the purposes for which money in that fund will be expended.

The City desires to implement a tax increment financing program on the Parcels pursuant to the TIF Act to enable the City to make public infrastructure improvements that will directly benefit the Parcels. Notice of this proposed ordinance has been delivered to the Boards of Education of the Woodridge Local School District and the Six District Educational Compact (each a “School District”) in accordance with and within the time periods prescribed in ORC 5709.40 and 5709.83. Make-whole compensation payments will be made to each School District.

Mr. Gorbach moved to bring out Temp. Ord. A-12 with a favorable recommendation, second by Mr. Miller. Motion passed (3-0).

Temp. Ord. A-13

An ordinance approving and authorizing the execution of a tax increment financing and infrastructure agreement between the City, Wyoga Lake Road Development, LLC, Princeton Place Development, LLC and Princeton Crossroads Investment, LLC to provide for the construction of certain public infrastructure improvements, the acceptance of declarations of covenants and imposition of continuing priority lien relating to the imposition of minimum service payment obligations on Wyoga Lake Road Development, LLC and Princeton Place Development, LLC and declaring an emergency.

Ms. Diana Colavecchio, Community Development Director, presented Temporary Ordinance A-13 to Council. The City has determined that it would be in the best interests of the City to contract with Princeton Crossroads Investment, LLC to provide for the construction of certain Public Infrastructure Improvements the costs of which are to be paid or reimbursed from moneys in the TIF Fund. Wyoga Lake Road Development, LLC owns certain parcels within the Princeton Place TIF on which it has developed or will develop an approximately 150-unit apartment complex known as the Princeton Place Apartments, and Princeton Place Development, LLC owns certain parcels within the Princeton Place TIF on which it will develop approximately four commercial and industrial buildings totaling approximately 51,200 square feet of space (the “Commercial Project, and together with the Apartment Project, the “Private Project”). The Private Project will benefit from the Developer Public Infrastructure Improvements.

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The City has determined to impose, and the Developer has each agreed to the imposition of, minimum service payment obligations on the Parcels on which their respective Apartment Project and Commercial Project are located, to ensure that sufficient service payments from the TIF Fund are available to pay the Developer for the Public Infrastructure Improvements to be made by the Developer and the payment of debt service on any notes or bonds issued by the City to initially reimburse the Developer for such costs.

Ms. Colavecchio stated that these are conjoined pieces of legislation. There are 32 acres earmarked for 150 apartment units and the other remaining acreage for commercial space. Tonight, they are introducing legislation that would allow them to place a TIF over this area to do two things, the first of which is to have infrastructure improvements made within the footprint of this development of apartments. Those improvements consist of sewer and erosion control, underground electric lines, et cetera. The second thing this is going to do is raise the funds necessary to add to the other pot of money for the TIF done at Pine Ridge that was generating funds to remediate the traffic issues on north State Road between Seasons Road and Wyoga Lake Road. They have been to Council for approval for that project. That TIF was a 75-percent TIF that affected the Hudson School District, but it went through, and it was approved.

Ms. Colavecchio stated that they have had a couple of public meetings with the residents in the area. Hidden Lakes was the most vocal about the issues they were having with traffic in the morning and returning home from work at night. Ingress and egress was a real problem for them. Part of the traffic solutions they produced involve widening State Road and Seasons Road and adding some extra traffic signals. A traffic study was performed. The residents agree with the results and are anxious to have that begin. By doing the TIF, it can be done sooner rather than later waiting for funding and other dollars from other sources. This TIF would raise approximately \$2.5 million and then, from the commercial portion, about \$692,000 for a total about of \$3.2 million total TIF funds raised. This will be used for the improvements in infrastructure within the footprint of the development with the excess to be added to the pot for the traffic remediation. This represents a \$26 million economic impact to the City in the way of new real estate improvements and will create 185 temporary construction jobs with about six permanent office jobs after it is completed. Once the commercial space is built out, that would create 102 permanent jobs in the city. It is a non-school TIF. It works the same way as the one passed at the end of 2021 for the revitalization of south Front Street. It is 30 years, 100 percent. The schools do not take any financial hit on the revenue stream, and they have been informed.

Ms. Colavecchio stated that the other ordinance is related to the actual development agreement between the City and the development team. That is the terms under which they will make those improvements that they are using these funds for, because the developer is going to do the work. What they are authorizing is that the project be capped at is \$1.2 million. So, no matter what it cost the development team to make those improvements happen, the City is going to reimburse them up to and not more than \$1.2 million. Once they complete the project, the City engineer will sign off on the improvements. All rights will be dedicated to the City, as well.

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Mr. Danny Karam, 265 West Portage Trail, thanked Ms. Colavecchio for all her time, along with the Planning Department and Engineering. The current status of the project is they are about 60 percent done with the infrastructure and roadways. Next week or the week after, they will start on the apartments, themselves, working their way in from the south entry.

Mr. Stams asked how did they produce the number of \$1.2 million that the City is going to reimburse the developer. Ms. Colavecchio stated that it is attached as Exhibit A-2 to the actual development agreement that the City is entering into. It looks like a spreadsheet. She will scan that and get it out to Council.

Mr. Stams asked if the \$1.2 million is enough to cover the infrastructure costs. Mr. Karam stated that that is just a small portion of the infrastructure cost. Mr. Stams asked what the total cost will be. Mr. Karam stated that it is \$4 million.

Mr. Gorbach asked if the 102 employees once the commercial portion is completed is an industry standard estimate based on the square footage available. Mr. Karam stated that is correct.

Ms. Nichols-Rhodes asked if these will be public roads that are going to be maintained by the City. Mr. Karam stated that these are private roads. Pine Ridge is a dedicated road. Ms. Nichols-Rhodes stated that the with the non-school TIF the schools are made whole. Once this is developed, the Woodridge Schools will get over \$11 million over the course of 30 years, which is a nice revenue stream for the schools.

Mr. Gorbach moved to bring out Temp. Ord. A-13 with a favorable recommendation, second by Mr. Miller. Motion passed (3-0).

The meeting adjourned at 6:52 p.m.