



Norwood City Council Council Chambers September 27, 2011

A) CALL TO ORDER

The Council for the City of Norwood met in regular session on the above date with Ms. Jane Grote presiding. The meeting opened with a prayer and the Pledge of Allegiance.

B) PRAYER

C) PLEDGE OF ALLEGIANCE

D) ROLL CALL

On roll call, all members were present.

E) AMENDMENT OF AGENDA

On a motion by Mr. Mumper, seconded by Mrs. Laake, it was moved to add a letter from the Division of Liquor Control regarding the hearing for Five Rivers Petroleum liquor permit as communication number 2. All members present voted, "Yes."

F) MINUTES OF PREVIOUS MEETING

On a motion by Mr. Thornbury, seconded by Mr. Schneider, it was moved to approve the minutes from the August 23, 2011 meeting as if read. All members present voted, "Yes."

G) REQUESTS TO ADDRESS COUNCIL ON AGENDA ITEMS

(Please see discussion of the ordinance section J-3.)

H) REPORTS OF STANDING COMMITTEES OF COUNCIL

1. Finance Committee RE: City Finances

Mr. Schneider read the report that the Finance Committee recommends discussion and passage of the change in appropriations for 2011 ordinance. On a motion by Mr. Mumper, seconded by Mr. Thornbury, it was moved to accept the committee report. All members present voted, "Yes."

2. Finance Committee RE: Woodall Claim

Mr. Schneider read the report regarding the denial of the claim made by Bill Woodall based on a report provided by police administration. On a motion by Mr. Mumper, seconded by Mr. Thornbury, it was moved to accept the committee report. All members present voted, "Yes."

I) THIRD READINGS OF ORDINANCES

1. ORDINANCE AMENDING VARIOUS SECTIONS OF PART II OF THE CODIFIED ORDINANCES OF THE CITY OF NORWOOD, ENTITLED "PLANNING AND ZONING CODE."

On a motion by Mr. Moore, seconded by Mrs. Laake, it was moved to have the third reading of the ordinance. All members present voted, "Yes." On a motion by Mrs. Laake, seconded by Mr. Mumper, it was moved to pass the ordinance. All members present voted, "Yes."

2. ORDINANCE AMENDING SECTION 1121.03 OF THE CODIFIED ORDINANCES OF THE CITY OF NORWOOD OHIO, ENTITLED "IDENTIFICATION OF OFFICIAL ZONING MAP" TO ADOPT THE OFFICIAL ZONING MAP OF THE CITY OF NORWOOD.

On a motion by Mrs. Laake, seconded by Mr. Mumper, it was moved to have the third reading of the ordinance. All members present voted, "Yes." On a motion by Mrs. Laake, seconded by Mr. Moore, it was moved to pass the ordinance. All members present voted, "Yes."

J) INTRODUCTORY READINGS OF ORDINANCES

1. ORDINANCE AUTHORIZING THE CLERK/TREASURER TO CERTIFY UNPAID BILLS FOR THE COST OF GRASS CUTTING TO THE HAMILTON COUNTY AUDITOR FOR FILING AS A LIEN ON THE TAX DUPLICATE OF THE OWNER(S) OF SAID PARCELS AND TO BE COLLECTED AS OTHER TAXES, AND DECLARING AN EMERGENCY.

On a motion by Mrs. Laake, seconded by Mr. Thornbury, it was moved to suspend the rules and have all three readings of the ordinance. All members present voted, "Yes."

On a motion by Mrs. Laake, seconded by Mr. Mumper, it was moved to pass the ordinance. Mr. Schneider wanted to clarify to everyone that it is \$227.00 for the city to cut your grass. Property owners should arrange to cut their own grass, as it is very expensive for the city to do it. On the motion to pass the ordinance, all members present voted, "Yes."

2. ORDINANCE TO CHANGE APPROPRIATIONS FOR THE YEAR 2011, AND DECLARING AN EMERGENCY.

Mr. Stith announced that a change needs to be made to the exhibit of the ordinance. The key for the Police Department for increase needs to be changed as it is materials and supplies not contractual to 7300, and the key to the Police Department materials and supplies needs to be changed to 7200. On a motion by Mr. Thornbury, seconded by Mr. Schneider, it was moved to suspend the rules and have all three readings of the ordinance. Mr. Mumper asked if we received it in writing. Ms. Grote said that it does not have to be received in writing, as it is only a change to the exhibit. Mr. Moore stated that it looks like separation pay is going up and asked Mr. Schneider if it is coming out of the economic impact fund. Mr. Schneider said that it is going up due to the projections we were using. There was considerable discussion in the Finance Committee meeting on how to handle it. The increase to permanent appropriations is money coming in that must be allocated. The new Police Chief sent a letter for recertification for tasars. He said if we do not allocate money now, it will cost more in the future if we let the certifications lapse. Mr. Schneider asked Mr. Stith to address the issues of Cornerstone and CORF. Mr. Stith stated that the bulk of funds from funds 03-97 are reflective of revenue. As the revenue comes in, we increase the appropriation so we can use it. TIFF funds property tax came in. Those were estimates. These are the totals that actually came in. The CORF fund money that came in and will go back out and those numbers below all reflect revenue. Fund 28 has two expenses that are in the general fund that we're moving off to fund 28 for cash flow. If we have an opportunity to take \$150,000.00 to fund 28 than we can make payroll. Mr. Moore asked how much was left in the developmental impact fund. Mr. Moore thought it was \$120,000.00 at the beginning of the year. Mr. Stith answered that the cash balance in the fund is \$402,000.00. Actual appropriations left are \$50,000.00. The full amount of appropriations is not always spent out of those keys, as they are estimates for gas and electric. We are a little under right now. There is about \$50,000.00 left in appropriations after these changes. Mr. Moore asked if we could move money out so it's available on cash basis for September payroll. Then if it is freed up can we put money back in to offset it, or is this a budgetary problem. Mr. Stith answered that \$98,000.00 is not reflected on the cash. They should have been moved, as we do not have enough appropriated to pay payroll for the full year so we knew this would happen. We could not have paid the pumper bill and still made payroll from a cash flow standpoint. Some bills will be paid, but not on October 1st when they are due. We want to make payroll on time to protect employees who owe items such as child support. It is important to pull that off to make the pumper payment. On the flip side, there is not an appropriation for it. Mr. Stith said that he does not see that the money can be moved back as the general fund is short on cash and we will face this every two weeks until the end of the year. Mr. Mumper asked how many employees the separation pay covers. Mr. Stith answered that he did provide a spreadsheet to the Finance Committee which broke down the separation pay so far this year and through the end of the year that we know about. People can come in at any time and tell us they will be leaving. As to who this figure represents he don't recall for sure. It represents everyone who is leaving and how much we need to pay out. Mr. Mumper said that we talked about average separation pay that is needed for the city and asked if we know that number. Mr. Stith said the discussion we had was how much it would cost for people to leave under the ERI. That

is different than separation package. There is no average, but the range of separation pay is between \$12,000.00-\$100,000.00. It depends on a lot of variables. Each contract is different on carryover and each pay scale is different. Each year we calculate in CAFR how much debt we estimate that we owe employees. We paid out \$160,000.00 to one person so the average is difficult to give. If 5% of the employees in the city left, you could get an idea. Mr. Moore asked if these are people that are new to the list or is our estimate off. Mr. Stith answered that our estimates are based on everyone that we know to be leaving and has given a retirement date. People always come in and inquire about it. That doesn't mean that they've set a retirement date at that time. We know right now these people are retiring or those who already separated and we owe them. Mr. Stith offered to give Mr. Moore a list of names. Mr. Moore asked if there has been a change in the last two months. Mr. Stith answered that it has changed several times. Before the last Finance Committee meeting, he had a list but then it changed. Mr. Sanker added that Mr. Stith told the members of the Finance Committee that three more people have come forward. Mrs. Laake asked if the increase in the CORF fund means that we got all the grants we applied for. Mr. Stith said that we have this total amount so far. The \$255,000.00 is new money. Last month it had \$448,000.00. The total certificate is for \$700,000.00. On the motion to suspend the rules and have all three readings of the ordinance, all members present voted, "Yes." On a motion by Mr. Schneider, seconded by Mr. Thornbury, it was moved to pass the ordinance. All members present voted, "Yes."

REQUEST TO ADDRESS COUNCIL ON AGENDA ITEMS

1. **Margaret Wehmever**, of 4241 Alison Street, said that she is in favor of development for businesses and neighborhoods, so she was interested in the development of Rookwood Exchange. Of those who remember, it was a trying time for all. Now is a time to show that we can all work together to obtain the best for everyone. At the council meeting, it was said there would be meetings and a copy of the plans in the Building Department. She went to the Building Department but they did not have the plans. But they found the plans and showed them to her. She saw the theater and lots of buildings. She asked if we have a traffic report. It references public improvements, but what about the road and traffic? Residents depend on council to know the basic about something for your vote.

2. **Gary Gebhardt**, Vice-President of Business Operations for Great Oaks and resident of 5065 Milikin Road, Liberty Township, Ohio, said that Great Oaks represents 36 school districts. Great Oaks specializes in career development for high school students and adults. Our training provides a vital role to provide a productive work force. Concerning the legislation on the TIF's, JVS were not included in the law for payments made in lieu of taxes for taxes paid to them if the taxes that would have been payable if not exempt from taxation. In working with legislators the JVS language will be included and will be treated the same as other districts. We have received payments in lieu of taxes from communities such as Green Township. In light of HB-153, we ask for that consideration.

3. ORDINANCE DECLARING IMPROVEMENTS TO REAL PROPERTY WITH IN THE CITY OF NORWOOD, OHIO; DECLARING IMPROVEMENTS TO CERTAIN REAL PROPERTY WITHIN THE CITY OF NORWOOD, OHIO TO BE A PUBLIC PURPOSE; DECLARING SUCH PROPERTY TO BE EXEMPT FROM REAL PROPERTY TAXATION; DESCRIBING THE PUBLIC INFRASTRUCTURE IMPROVEMENTS TO BE MADE TO BENEFIT OR SERVE SUCH REAL PROPERTY; REQUIRING ANNUAL STATUTORY SERVICE PAYMENTS IN LIEU OF TAXES; CREATING A MUNICIPAL PUBLIC IMPROVEMENT TAX INCREMENT EQUIVALENT FUND FOR THE DEPOSIT OF THE BALANCE OF SUCH STATUTORY SERVICE PAYMENTS; AUTHORIZING THE EXECUTION OF A SERVICE AGREEMENT AND A REDEVELOPMENT CONTRACT WITH THE PROPERTY OWNER OF SUCH TAX INCREMENT FINANCING REAL PROPERTY; AUTHORIZING THE EXECUTION OF A SCHOOL COMPENSATION AGREEMENT WITH THE NORWOOD CITY SCHOOL DISTRICT; REPEALING ORDINANCE NO. 2-2005; AND DECLARING AN EMERGENCY.

On a motion by Mr. Moore, seconded by Mr. Mumper, it was moved to suspend the rules and have all three readings of the ordinance. Ms. Grote announced that the Anderson's are present as well as Tom Anthony, Bond Council from Frost, Brown, & Todd; Gerry Stoker, the Building Commissioner; and Mr. Trantor. Mrs. Laake addressed Mr. Anthony about the service agreement. She asked why there is a blank on page eight where the capital reserve requirement is supposed to be. Mr. Anthony answered that these documents are substantially complete. That item is blank. He would recommend that Council adopt as drafted and allow the Law Director and a representative of the city to negotiate that. It is not a material number to the document and project. That will be negotiated sometime in the future. It will not have a substantial impact on what you were approving this evening. Mrs. Laake said that in the document it talked about credit enhancements. If we could apply special assessments, she understands that puts us ahead of other debtors and mortgagees. If the service payment is not enough, the developer will provide additional funds. She asked if she was correct in her understanding. Mr. Anthony said that the credit enhancement has to do with the ultimate sale to another party. Mrs. Laake asked if that means if it is sold to any other buyer, does the buyer get a percentage of debt or a fixed amount or an amount to be determined. Mr. Anthony said that if the bonds are later sold to another party, you then want credit enhancements. Subsequent purchasers get the entire package. Mrs. Laake asked how it would work if it was sold in parcels. She asked if it is a percentage or a fixed amount. Mr. Anthony answered that if a developer sells off pieces of it, those pieces would be sold proportionally and the purchasers would get their portion share based on dollar value in proportion to dollar value. Mrs. Laake inquired that if there's a Phase 2, and she's assuming there will be, would the developer have to come back for another TIF. She asked to confirm that this is not a rolling TIF. Mr. Anthony said only if council would choose to do it. This TIF is for one garage, theater, hotel, and the things shown to Council earlier at the last meeting. It includes one set of public improvements, streets, lighting, etc. You are not committing the city to a subsequent TIF. Mr. Moore said that he does not expect future TIFs. Proceeds from TIF can only be used for public improvements like the garage. A future TIF would have to be used for more public improvements. Mrs. Laake stated that she is trying to avoid another "Kenwood Development" and wants to make sure the city is protected. If we are asked to issue more bonds, if the land is revalued later, there is nothing here to limit what we would do. Mr. Anthony said there is nothing requiring you to do more. The full faith and credit of the city is not obligated here. You are a conduit for the financing only. The city stands to enhance its revenues through the project. Mr. Moore asked if the city would have to pay anything if the project goes bad. Mr. Anthony answered, "No." Mr. Moore said that he did an estimate on the math for the school. It looks like \$20 million will go to Norwood Public Schools over the next 30 years. Mr. Anthony said that he's not sure of the exact figure, but \$20 million sounds about right. They will get several hundred thousand dollars per year. As an example, it is \$400,000.00 in year 11, and \$750,000.00 in year 16, and continuing for 14 years after. It is lucrative for Norwood City Schools. On the motion to suspend the rules and have all three readings of the ordinance, all members present voted, "Yes." On a motion by Mrs. Laake, seconded by Mr. Moore, it was moved to pass the ordinance. All members present voted, "Yes."

4. ORDINANCE VACATING GARLAND AVENUE, ATLANTIC AVENUE, AND A PORTION OF DACEY AVENUE, AND DECLARING AN EMERGENCY.

On a motion by Mr. Moore, seconded by Mr. Thornbury, it was moved to suspend the rules and have all three readings of the ordinance. Mrs. Laake had a question about the ordinance. She said that at the last meeting, the Anderson's said we would vacate streets for them for the development and they would deed them back to us. She asked if that needs to be in there, or if it is in the redevelopment agreement. Mr. Anthony stated that that was confusing. It is in the exhibits. It creates a public right of way and deeds back. Mr. Schneider said that these streets have been in Norwood for many years. Dacey was named after Mrs. Dacey. He would like to see street names used in the development. On the motion to suspend the rules and have all three readings of the ordinance, all members present voted, "Yes." On a motion by Mr. Thornbury, seconded by Mr. Mumper, it was moved to pass the ordinance. Mr. Moore thanked Frost, Brown & Todd for putting together a summary of this. It is very helpful and helps us understand the intention of it. Mrs. Laake added that this is the first TIF she ever voted on. The

summary was very helpful and thanks to you for that. On the motion to pass the ordinance, all members present voted, "Yes."

5. ORDINANCE AUTHORIZING THE MAYOR TO ENTER INTO A REDEVELOPMENT CONTRACT WITH ROOKWOOD PARTNERS LTD, AND DECLARING AN EMERGENCY.

On a motion by Mr. Moore, seconded by Mr. Schneider, it was moved to suspend the rules and have all three readings of the ordinance. All members present voted, "Yes."

On a motion by Mr. Mumper, seconded by Mrs. Laake, it was moved to pass the ordinance. All members present voted, "Yes."

K) ADMINISTRATION REPORTS

1. Mayor's Report RE: Miscellaneous Business

Mayor Williams said that he got an e-mail from HCDC and passed it out. They are a valuable part of Norwood.

The Mayor said that the Park Avenue street resurfacing project is a \$1 million project and will cost \$100,000.00. He met with the Finance Committee to discuss this. In dealing with the engineering company, we could make a payment in February 2012 and in April 2012. After those discussions, we're going to proceed with the project. It is not the project we envision originally, but we have some funding.

The Mayor stated that he will be requesting an ordinance to purchase a bus for the Senior Center to be paid for out in CDBG funds.

A project will go to the Planning Commission on October 05, 2011. Mercy Health Partners will build a facility where Gold Star Chili is now all. It will be an emergency room, office, and parking. It is a \$20 million project. Drawings are available in the Building Department. It will be a PUD which we have control over the design. There will be a public hearing on October 5, 2011 and notices have been sent out. The project will be under way in the first part of 2012.

The Mayor attended the Norwood Alumni Hall of Fame. They recognized those with outstanding careers. He met Chief Master-Sergeant Eric Benkin. He was stationed at Allied Headquarters in Brussels. He received a call from four-star-general General Ralston, who is Chairman of the Joint Chiefs of Staff. He asked what high school he went to and it turns out they both went to Norwood High School. It was a great evening and very inspirational.

Mr. Thornbury asked if there is any chance we can get a left turn arrow on to I-71 because of Mercy Health. The Mayor said we will try to work with Cincinnati on that traffic issue. He will look into it. He thinks it will be a great facility. Mr. Schneider asked if we can keep Gold Star here in town and are we working with them to do so. The Mayor answered that he would like them to stay; maybe they can go to the credit union location across the street. He's not sure where they plan to go.

Mrs. Laake asked what the Park Avenue project will entail. The Mayor said resurfacing, curbs, and a water line down the boulevard. Mrs. Laake asked if the curbs would be done on both sides. The Mayor answered that they would even though the project was scaled back.

Mr. Sanker asked if there is an update on the Perry & Derrick cleanup. The Mayor said they are setting up offices and getting ready to begin. It is monitored closely and locked up. Someone wanted to put a business across from Perry & Derrick. Mr Mumper asked if the Earnings Tax Department is aware of that project and will they start to collect taxes. The Mayor answered that he will talk to them.

L) OTHER REQUESTS TO ADDRESS COUNCIL

There were none.

M) UNFINISHED BUSINESS

Mr. Sanker said that earlier in the meeting Mr. Stith mentioned cash flow. He asked if Mr. Stith can give an update on cash flow projections. Mr. Stith answered that from a cash flow standpoint, we are below the projected to-date. Property tax came in lower than projected. Earnings tax came in lower too. Some keys have increased. We are \$240,000.00-\$270,000.00 behind what we projected. We are significantly lower than last year. We will watch closely and go over the cash flow weekly with the Mayor. September is our toughest month because we have three payrolls. Pension and pumper payments hit this month too. The third payroll is this Friday. We have a lot of bills to

pay by Monday, and cash flow is short. Some will be shifted to pay next week. We are working that out with the people who are owed money. We're constantly adjusting the cash flow monthly but a lot of cash is not reported until after the end of the month. We close out the first or second week of the following month. If we continue spending as we are in large areas like pension payment, payroll, health insurance, etc. we will be \$450,000.00 short in December. That is with "belt tightening" and cash flow remaining as projected. In December we have a big Police and Fire pension payment and we have the payout of longevity pay. Those final payments stack up. Every month through the end of the year we will be short by about \$125,000.00. We will push some bills off and pay them the following month and work with those that we owe it to. We're keeping our head above water. Things not included are items like potential Building Department fees which we hope will help bridge the gap. We will watch closely and meet regularly with the Mayor and other departments to monitor cash flow. Mr. Mumper asked if Mr. Stith thinks payroll will be made this Friday. Mr. Stith said that his intention is to make it. That will be based on a phone call with one of our debtors tomorrow morning. We are very close to making it and hope that it will go well. It is tight and if we can get a debtor to accept later payments it will be OK.

N) NEW BUSINESS

Mrs. Laake said that last Wednesday was "Wear Your Helmet to Work or School Day" but we canceled our Special Council meeting. She was told that the school celebration was great. The teachers did a lesson in class about safety. The Police and Health Department gave out helmets. She promised she would get a picture of everyone here in their helmets.

Mr. Sanker said that he received a letter from Mr. Stoker for public hearings. Ms. Grote said that she also received a letter from Mr. Stoker for setting public hearings for CDBG funding. We need to have two and he has asked for them in October. We will need to see if we have enough time to place notice. We can go ahead and schedule the public hearings for the two meetings in October. If we do not have enough time, then we will have the hearings at the last meeting in October and the first meeting in November or we may have to call a Special Council meeting. She then asked what Council wants to do about the November 8, 2011 meeting. Mrs. Laake stated that it seems like we have to have the final request for CDBG to Hamilton County by November 4, 2011. Ms. Grote said that if that is the case, we would need to have a special meeting in November. If we can't have the hearings on October 11 and October 25, then we can call a special meeting for November 1 and had the second hearing. She asked again what Council's pleasure for the November 8th meeting is. On a motion by Mr. Schneider, seconded by Mr. Mumper, it was moved to cancel the November 8, 2011 meeting as it falls on Election Day. All members present voted, "Yes."

O) COMMUNICATIONS

1. Letter from the Ohio Division of Liquor Control RE: New Liquor Permit for Walgreens

Ms. Grote said that this Walgreens does not have a beer and wine permit. On a motion by Mr. Mumper, seconded by Mr. Thornbury, it was moved to receive and file the letter and to file no objection unless the Earnings Tax Department has an objection. Mr. Schneider said that he thinks we did object to the Marathon liquor license because it was by the high school. We have other stores around that sell liquor. Why would we not object to this one since it is close to the schools? Mr. Moore said that he thinks that Marathon violated Norwood's zoning laws so that is why we objected. The Ohio Liquor Board doesn't care what we think and overrules what we have objected to. Mr. Schneider said that that is not why he voted that way on Marathon. There were some issues brought up like selling tobacco to minors. He's just bringing this up for discussion. Mrs. Laake said she is curious and that we have restaurants that wait for years for a license. She asked how they can get this. Mr. Kiser answered that without knowing the history of how they applied he can't know for sure. There are limits for each classification and this may be different. They also may have purchased the right to get this or may have purchased a position on the waiting list. He's not sure how they got it without seeing the history. Mrs. Laake said if it was purchased it would be a transfer. Ms. Grote stated that this is a carry out license. This is for beer and wine only. Mrs. Laake said but if it was purchased they would split it all off. Ms. Grote noted this is a beer and wine and carry-out as opposed to non-premise and restrictions are different.

Mr. Gabbard said he agreed with Mr. Schneider on this. Walgreens is a good business in Norwood, but we have several outlets already. This gives more opportunity for kids to get alcohol. He has a hard time believing that there is that big of a demand. If we go on record with an objection, he would like that even though it may not matter. Mr Mumper withdrew his motion. Mr. Moore suggested if the problem is too many stores that we object at the time of the annual renewal. When the other two come up, object to them. On a motion by Mr. Moore, seconded by Mr. Sanker, it was moved to receive and file the letter. Mr. Gabbard said that we did have objections to Marathon. Ameristop has had theirs for a long time. It serves the community there. It's a fact of increasing them. Adding to it all with another license is his objection. He would object to Marathon if he could tonight. On the motion to receive and file the letter, all members present voted, "Yes."

2. Letter from the Ohio Division of Liquor Control RE: Five Rivers Petroleum

Ms. Grote asked if Mr. Kiser could provide more details. Mr. Kiser said that we objected to this on a tax basis. This is for the B. P. on Madison Road. They have not paid their taxes. The liquor board's position was, as opposed to a renewal, this was a transfer and they did not want to penalize the new owner. He would disagree with that. Mr. Brown spoke with their attorney and they said they would contact the Treasurer's Department to pay the taxes. He does not know if that was done. Ms. Grote asked if we have to file an objection, does he have any recommendations. Mr. Kiser said that we have until October 23rd to do so. He will get back to Council if they pay their taxes. He thinks we will have a chance on it. The taxes need to be paid before any transfers or renewals can take place. On a motion by Mr. Moore, seconded by Mr. Mumper, it was moved to table the letter and a decision until the next meeting. The motion passed on a 6-1 vote with Mr. Moore, Mr. Thornbury, Mrs. Laake, Mr. Mumper, Mr. Gabbard, and Mr. Sanker voting, "Yes," and Mr. Schneider voting, "No."

P) EXCUSE ABSENT MEMBERS

No members were absent.

Q) ADJOURNMENT

On a motion by Mr. Mumper, seconded by Mr. Moore, it was moved to adjourn. All members present voted, "Yes."

*Casey Brown **

Casey Brown
Clerk of Council

*Jane M. Grote **

Jane M. Grote
President of Council

*** Original copy was approved by council and signed by Ms. Brown and Ms. Grote during the regular Council Meeting held on November 22, 2011 and can be viewed at the Clerk of Council Office, 4645 Montgomery Rd, Room 205, Norwood, OH 45212**