

INTERNAL MEMORANDUM

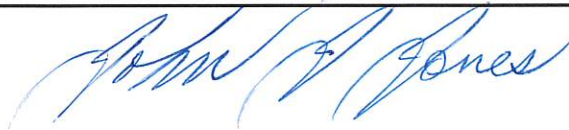
Office of the City Administrator

Springdale, Ohio

March 1, 2024

To: Mr. Jeffrey Anderson
President
Springdale City Council

From: John J. Jones
City Administrator



Re: Report on Pending and Future Legislation

Item I

An Ordinance Authorizing the City Administrator to Execute an Agreement with Swimsafe Pool Management, Inc. and Declaring an Emergency

In recent years, it has become increasingly difficult to obtain a sufficient number of applicants to fill the various positions needed for operation of the pool at the Community Center. Preferred staffing levels are 24 Lifeguards, 4 Gate Attendants, 4 Concession Workers, and 1 Concession Manager.

In order to ensure adequate staffing and uninterrupted operation of the pool, the Parks & Recreation Department surveyed other municipalities and received proposals from pool management vendors. Following review, it was determined Swimsafe Pool Management was best equipped to provide the services needed with minimal disruption to existing operations. Swimsafe will be responsible for staffing, maintaining, and operating the pool for the duration of the pool season. The City will retain responsibility for various pre-and post-season activities.

An ordinance, with an emergency clause, authorizing the City Administrator to execute an agreement with Swimsafe Pool Management, Inc. came before Council at the **02/21/2024** meeting. The legislation was tabled to allow time for further discussion. The ordinance will come before Council again at the **03/06/2024** meeting.

Item II

An Ordinance Removing Special Assessments Previously Levied for Certain Public Improvements in the City of Springdale, Ohio in Cooperation with the Suburban Communities Energy Special Improvement District (Sheakley Project) and Declaring an Emergency

City Council passed Resolution R13-2019 on September 4, 2019, and levied property-assessed clean energy ("PACE") special assessments for \$763,000 to acquire and construct certain public improvements at 1 Sheakley Way. These improvements included a new roof, LED lighting, light control systems, and other upgrades intended to enhance the energy efficiency of the facility.

The property was sold in January 2024, and a condition of the sale was to pay off the outstanding debt for the improvements to which the special assessments are pledged to be repaid. The new property owner has provided proof the outstanding debt has been paid and has requested the City remove the special assessments, as they are no longer required.

An ordinance, with an emergency clause, removing special assessments previously levied for certain public improvements in the City of Springdale in cooperation with the Suburban Communities Energy Special Improvement District (Sheakley Project) will come before Council at the **03/06/2024** meeting.

Item III

An Ordinance Authorizing the Execution of a Tax Increment Financing Agreement with Respect to the Glensprings Fuel Station Project, and the Execution of Ancillary Development Related Documents, and Declaring an Emergency

Wawa, a growing popular chain of fuel stations and convenience stores, is proposing to locate a new retail location on the northwest corner of Glensprings Drive and Springfield Pike. The \$10 million building will be owned by CA Development and leased to Wawa for 20 years. The two vacant buildings currently on the property will be removed to make room for the new location that will employ approximately 35 people with a total payroll of approximately \$873,000.

The City requires the developer to construct a new turn lane on Glensprings Drive and the installation of a new traffic signal system at the intersection with Springfield Pike, which will cost approximately \$590,000. This additional expense is jeopardizing the financial viability of the project for the developer, therefore the City has proposed to reimburse \$500,000 of eligible public infrastructure costs so the project can proceed.

The City is proposing to establish a Tax Increment Financing (TIF) district on the property. The TIF is intended to capture incremental increases in property tax revenue resulting from the new construction and to be able to utilize those funds to facilitate economic development or pay for other eligible public infrastructure in the vicinity of the site. This proposed agreement will utilize those future TIF funds to make annual reimbursement payments to the developer until \$500,000 is reimbursed.

The proposed TIF will redirect 75% of the real estate taxes in the increased value for 10 years. Conservatively estimating a \$5.1 million value for tax purposes, the TIF will generate the following:

- \$93,799 in gross TIF revenue annually at full value, or \$867,000 over 10 years
- \$307,000 in total additional unencumbered TIF revenue to the City, which will be available to pay for a range of eligible public infrastructure improvements

The projections estimate the developer will be reimbursed within 6.5 years. For the remaining 3.5 years of the TIF, the City will retain any TIF revenue collected. At the end of the 10 years, the TIF will dissolve and taxes will be distributed normally.

It is important to note these funds will only be paid out of the TIF Fund, **not** the City's General Fund. The agreement contains a clause that does not require the City to reimburse the developer if for any reason the TIF district is not established.

An ordinance, with an emergency clause, approving and authorizing the execution of a tax increment financing agreement with relation to the Glensprings Fuel Station Project, and the execution of ancillary development related documents, is scheduled to come before Council at the **03/06/2024** meeting.

Item IV

An Ordinance Authorizing the Purchase of Certain Real Property Associated with the Northland Boulevard Reconstruction Project and Declaring an Emergency

Both permanent and temporary right-of-way easements are necessary to complete the Northland Boulevard Reconstruction project scheduled this year. Council has previously authorized agreements for thirteen of the twenty-four locations. Negotiations continue for the remaining properties and are nearing completion. This legislation will reflect settlement of all but three of the agreements.

An ordinance, with an emergency clause, authorizing the purchase of certain real property associated with the Northland Boulevard Reconstruction project will come before Council at the **03/06/2024** meeting.

Other Item of Interest

1. Introduction of New Employees in the Police Department – **03/20/2024** meeting.

Mayor
City Council
Assistant City Administrator
Clerk of Council
Law Director
City Engineer
Department Directors