

City of Springdale Council

October 2, 2019

President of Council Vanover called Council to order on October 2, 2019.

The governmental body and those in attendance recited the Pledge of Allegiance.

Mrs. McNear took roll call. Council members Anderson, Emerson, Ghantous, Hawkins, Shroyer, Sullivan-Wisecup, and Vanover were present.

The minutes of the September 18, 2019 meeting were considered. Mr. Anderson made a motion to accept the minutes; Mrs. Emerson seconded. The minutes were approved with seven affirmative votes.

President Vanover: We do, or were having a presentation, but I don't see, and my last communication was yesterday, that she (Ms. Fultz) was going to be here. We'll bounce around and maybe they'll come in a little later.

Communications - None

Communications from the Audience - None

Ordinances and Resolutions

Resolution No. R16-2019

RESOLUTION ACCEPTING THE AMOUNTS AND RATES AS DETERMINED BY THE BUDGET COMMISSION & AUTHORIZING THE NECESSARY TAX LEVIES AND CERTIFYING THEM TO THE COUNTY AUDITOR

Mrs. Emerson made a motion to adopt Resolution No. R16-2019; Mrs. Sullivan-Wisecup seconded.

Resolution No. R16-2019 passes with seven affirmative votes.

Resolution No. R17-2019

AUTHORIZING THE EXECUTION OF A PETITION TO CREATE THE SPRINGROSE MEADOWS COMMUNITY AUTHORITY, A NEW COMMUNITY AUTHORITY TO BE ORGANIZED PURSUANT TO CHAPTER 349 OF THE OHIO REVISED CODE

Mrs. Ghantous made a motion to adopt Resolution No. R17-2019; Mrs. Emerson seconded.

Mayor Webster: I'd like to ask for our Economic Development Director to step forward. She's sort of the architect, if you will, of this. She has all the answers in that folder. We also have TJ Ackermann and Brenda Wehmer, our bond counsel with us this evening. I'm sure that they can answer all of the questions that you could possibly think of.

Mrs. Russell: Wow, with that bar being set very high, let me see if I can meet that. I wanted to give a fairly detailed overview of what is before you in this resolution just so everybody had a full understanding and also an opportunity to ask questions. As you know, the public improvements in Springrose Meadows were always intended to be financed through bonds issued by the port authority and then repaid through special assessments from each of the homeowners in that community. Because certain documents were not put in place earlier this year prior to construction starting, we have, since that time, found out that the special assessments cannot be put in place as we had originally intended. We worked with the Port Authority, and the developer to evaluate a number of different options for financing for this project, and collectively, all three of these organizations and groups have decided that the only available path forward to us right now is to use, what is called a new community authority. That is the subject of this resolution. A new community authority is a separate organization that can be established under Ohio law. It covers a defined geographic area. It's governed by an independent board and it has the ability to levy fees. The developer has submitted a petition to create this new community authority and that's

City of Springdale Council

October 2, 2019

Mrs. Russell (continued): what you have in front of you. I want to walk you through the key parts of the petition. First of all, the community authority will be called the Springrose Meadows Community Authority. The petition establishes the exact boundary of that new community authority, which, in our case, is limited to exactly the Springrose Meadows subdivision. So, there's no additional parcels that are added on there. It is just the subdivision. The petition also describes the zoning and the plans for development of the property. In order to make sure that this petition is 100% consistent with everything that the City has approved along the way; for the exhibit to that, we have included actually, the zoning approvals from Planning Commission and Council and the approved Development Plan, so that that is all 100% consistent with what the City has approved. The financing structure is also described in detail in the petition, and fortunately, the structure will sound very familiar to you. The public improvements, which in new "community authority speak" are called community facilities, and you'll see that term in the petition, the public improvements will be funded by bonds issued by the Port Authority and the bonds will be repaid over 15 years by the homeowners, by a yearly fee that they will pay. That yearly fee, instead of being a special assessment, is called a "community development charge". The petition also takes an additional step of establishing the maximum annual payment for the homeowners, and that is at \$4,950, which is the exact same number that we were envisioning under the previous structure, the special assessments. There is no change to the amount that the homeowners will be paying. Lastly, the petition establishes the size and makeup of the new community authority board. Initially, the Board will consist of three City Council members, three developer members, and one representative of the City administration. Over time, and there's kind of a complicated formula for figuring this out, but, over time, the board members will be replaced by Springrose Meadows residents, so, eventually, this will be a board that is entirely run or is entirely occupied by residents of Springrose Meadows. Even as that replacement happens though, the total number of board members will always be seven. That number will never vary; just the makeup of the board will change over time as people move in to the community. A new Community Authority requires a public hearing to be held within 30-45 days after the submittal of this petition. We are suggesting that the Public Hearing coincide with the first November City Council meeting, which is very conveniently within that 30-45 day window for us. Tonight, we are asking Council to vote on the Resolution before you, which will do two things; first of all, it will accept the petition for establishment of the Springrose Meadows Community Authority, and allow the Mayor to sign that petition, and second, it will establish the date of the public hearing for November 6th. To sum this up, I just want to highlight a few important points for you to consider and think about. The first is that there is no negative impact to the residents and the homeowners at Springrose Meadows. The amount of the payments is exactly the same. The number of years for the payments is exactly the same and the only difference is that the payments will be collected similar to a HOA (Homeowners Association) fee rather than being paid through the property taxes. So, that's the only real significant difference to the homeowner is who they are writing the check to. The new Community Authority will have no impact on the community reinvestment area that you have already approved. Homeowners will still be able to apply for and receive the 15 year property tax abatement. Just like under the special assessments structure, the City is not on the hook for any of the homeowner payments even if they do not pay their fees. Also, just like the special assessment structure, the Port Authority will issue the bonds and the City will not be on the hook for repayment of those bonds. Additionally, the Port Authority will take the lead on any compliance and reporting that the new Community Authority needs to do over the next 15 years until the bonds are paid off. We have that professional management, if you will, that will make sure that that organization is meeting all of its requirements. Lastly, the intent of the new Community Authority is that it will be dissolved after the 15 years and after the bonds are paid off. This intent will be written into the formation documents for that group. We don't intend this to be a forever organization. We feel that it will exist to collect these fees to pay back the bonds and then anything else that the homeowners may want to do can be done under the existing HOA that will be in force. I'm here to answer any questions. As the Mayor said, Brenda Wehmer and TJ Ackermann, the developer, are also here.

Mr. Anderson: Two questions. The first one I think is really minor. On Exhibit A3, I think one of the plat numbers is missing a zero. It's not a valid number. I assume it's just a missing leading zero in the last column; the last item in the corner.

City of Springdale Council

October 2, 2019

Mrs. Russell: Okay. Let me get to that. On the list of parcels?

Mr. Anderson: Yes.

Mrs. Russell: Yes, I see that. Thank you. Good catch.

Mr. Anderson: And, the second question; and, this might be too detailed. I'm not sure how specific the boundary lines need to be for an arrangement like this. There is the parcel that has remained from previous. That isn't part of the development, but did have some improvements done by the development; specifically sidewalks that went in front of that parcel. So, is there any issue with the fact that there's improvements that are outside the boundary when this agreement gets set up. I know it's a small amount, but it is outside the boundary of the agreement.

Mrs. Russell: No, and that homeowner will not be subject to the payment because they are not part of this district.

Mr. Anderson: There's no issue with some of the bonds being used for improvements that are outside the district on a technical basis?

Mrs. Russell: If there are, we would exclude those from the refund.

Mr. Anderson: Okay. Thank you.

Mrs. Emerson: I have just a couple of questions. Tagged on to the fee of \$4,950, does every household pay that?

Mrs. Russell: Yes.

Mrs. Emerson: It has nothing to do with what they paid or purchased the house for?

Mrs. Russell: It doesn't and that was a decision that the developer made up front. You can do this in many different ways. It can be based on the acreage of your lot, it can be based on the frontage, it can be based on the cost of the home and the developer decided up front that they would make it the same fee for each lot.

Mrs. Emerson: Okay, and then do they pay that fee on top of the HOA fees?

Mrs. Russell: Yes.

Mrs. Emerson: Also.

Mrs. Russell: Yes. They are separate.

Mrs. Emerson: Okay, and one other question. For that community, they follow the same zoning and ordinances and all that that we do?

Mrs. Russell: Absolutely.

Mrs. Emerson: If the HOA wants to put in their own additional rules or regulations, they can do that in that community?

Mrs. Russell: Absolutely. That is no different than any other community that might have an HOA in Springdale. They can always be more restrictive, but they can't be less restrictive.

Mrs. Emerson: Okay. Thank you.

City of Springdale Council

October 2, 2019

Mr. Hawkins: As I'm looking at the document, and it's indicating, and as you've stated, the \$4,950 per annum. It's indicating that's the maximum amount. Is there any reason to believe that it's going to be less than that or just going to be the \$4,950?

Mrs. Russell: So, the developer is, and his team of bankers and finance folks are running the numbers for the bonds. I would say, at this point, we should assume it's going to be the \$4,950. That's what's been for quite a while and what they had calculated to pay for the public improvements that were installed. It gave the City comfort though to see that number in writing in here because we know it cannot go higher than that and that's the number we've been telling homeowners for a number of months. It's the number we published in our summer resident newsletter, so we were very comforted by seeing that number in writing and we know that it cannot go higher than what we've been telling residents. If it comes in lower, that would be great, but we don't have that final number yet.

Mr. Hawkins: Okay, and then, with regard to when this commences in 2021, heaven forbid if there is a lot or a home that has not been purchased, is the developer picking up that expense for that lot or home?

Mrs. Russell: Whoever the owner is at the time, yes.

Mr. Hawkins: Okay. Thank you.

Mrs. Russell: Okay, and let me just turn to my team. (Addresses Mr. Ackermann and Ms. Wehmer behind her) Did I answer all the questions correctly? (Mr. Ackerman and Ms. Wehmer confirmed with a head nod "yes"). Okay.

Mayor Webster: We could do this after you make your decision on the resolution, but I think it might be interesting to have TJ (Ackermann) come forth and just give you an update on the status and the sales and the success of the CiTiRAMA. I think it's pretty outstanding

President Vanover: While the floor is open, just go ahead.

Mrs. Russell: Come on up TJ.

Mr. Ackermann: Good Evening Mr. Mayor, Mr. President, and Councilmembers. Thank you very much for having me here this evening and for considering the resolution you have in front of you. We would very much appreciate your support on that. My compliments both to Christine (Russell) and to Brenda (Wehmer) for assisting us and collaborating and putting that together. We think it's a very worthwhile and beneficial solution to the situation that we're in. We appreciate the help and the support that the City has given us and the people they have employed to help them. So, my compliments all the way around. In terms of the CiTiRAMA show, the HBA and the builder members are very pleased with the results. We had over 3,000 people attend the show over the two weekends and the one week in between and that is approximately a 40% increase from prior years. It's probably the largest attendance we've had in about ten years and I think that's a very good, strong statement about people's interest in Springdale and the type of community we were able to develop with the City and the overall quality of the homes that are built there. So, we're very pleased with that. To date, we have 19 homes that have been sold. There are a number of market homes that are going up or currently built. That number right now is nine. I have two more market homes that are supposed to be started in the next two to three months and, of the homes that have both sold and the market price in the market homes, the average price right now for the homes in Springrose Meadows is over \$355,000. That is probably the highest number we have seen in close to 20 years of having CiTiRAMA shows. That speaks to the market demand, the interest in Springdale and the interest in the development. I think that's a strong compliment overall to the City. We're pleased, the builders are pleased; the HBA is very pleased. My thanks to all of you for being supportive and for working with us to make this happen.

Mayor Webster: Thank you TJ.

Mr. Ackermann: Thank you Mr. Mayor.

City of Springdale Council

October 2, 2019

Mrs. Russell: Thanks.

Mr. Ackermann: Thank you.

President Vanover: Thank you Mr. Ackermann.

Resolution No. R17-2019 passes with seven affirmative votes.

Mrs. Russell: If I could just talk about next steps from there. Thank you all. The next step is the City will advertise for the Public Hearing and prepare legislation for November 6th. On November 6th, Council will hold the Public Hearing, and then you will vote to formally create the new Community Authority. You'll also appoint the three Council Members, or three Council members of your choosing, plus one local government member to the new Community Authority Board. So, that's for the Community Authority side. On the Bond Issuance side, we hope to have legislation on that day that will ask you to authorize the City to enter into a cooperative agreement with the Port Authority, the developer, and the City for the issuance of those bonds. It might slip to the meeting after that, but we're hoping to have that altogether as a nice, neat package. The twist with the 6th is that we will also be needing to convene the brand newly minted NCA Board on the 6th. I'll work with Administration for the logistics and the timing on that, but, just to tell you what then that Board will be doing. That Board will vote on the Declaration of Covenants. It will adopt the bylaws for the organization, and it will also vote on a resolution to impose the community development charges. The Declaration of Covenants; that is where the amount of those charges will officially be established. So, if there's any change, Mr. Hawkins will see that come through in that document. It will also define the powers of that new Community Authority. According to statute, the new Community Authority can have some fairly broad powers, because we are really using this for a very limited use and a very specific use. We are going to work to narrow those powers to just those that are needed in order to implement this financing and the charges for the homeowners. Lastly, I just want to publicly acknowledge the Port Authority for all their help in this. As you all know, we work frequently with them. TJ and Brenda can also attest that they stepped up to the plate with an entire team of lawyers to help us work this out. I just wanted to publicly thank them and make sure you know what a true partner they are for us. That's all I have. Thank you.

President Vanover: Thank you Christine (Russell). That would conclude our Ordinances and Resolutions and I saw a new member walk into Council Chambers. I'm assuming that's Mrs. Fultz?

Mrs. Fultz: Good evening Mayor Webster, and Council President Vanover, and thank you so much, sir, for your help prior to my appearance this evening. I had more day than I had time today. I do apologize for being delayed, but it is certainly a pleasure and actually an honor to be here in Springdale because so much excitement is going on here. Thank you all for giving me this time this evening. I just want to introduce myself as a Constituent Liaison and for the benefit of those who may not be aware, there are services available to your constituents through the First Congressional District Offices; one that is located in Hamilton County in downtown Cincinnati, and there's an office in downtown Lebanon for Warren County. Essentially, what we do is to provide assistance to citizens who are having difficulty with agencies and departments of the federal government, or branches of the military. While we can't always guarantee the results of what we do, we do work hard to achieve the results that constituents are after. If you have citizens who are concerned about Social Security, Veterans Benefits; one of my agencies happens to be HUD (Housing and Urban Development). If you have citizens who have a critical deadline with a passport, even though we don't take the applications, if there's a problem with the delay and someone has to leave the country and they're on a very tight timeline, we do intervene on those cases. The Post Office, the IRS, you name it. In fact, this evening, I have brought forms for anyone in the audience who may have some issues that may need some immediate attention. Our phone number is in the "513" area code. It's (513) 684-2723 and I have some handouts, which outline all the services, in the interest of time, that I'd like to give the appropriate person. Thank you for giving me the quantity Council President Vanover. I do have the 24 with me and, as a service to people who want to weigh in on policy and legislative issues,

City of Springdale Council

October 2, 2019

Mrs. Fultz (continued): that's not what we cover in the district, but we'll certainly take a meeting for the convenience of constituents and then we pass that information on to Congressman (Steve) Chabot and his Policy and Legislative staff in Washington (D.C.). Also, people are free to call 24 hours a day, seven days a week if they want to weigh in on a vote, either up or down that's pending in Congress, or if they have a comment to make about anything that's going on in current events, we'll certainly pass that along. We just ask that you leave your name and your zip code and, if you would like a response, we'd appreciate either an email or an actual mailing address. In fact, at www.chabot.house.gov there is a lot of information for people who feel at ease with the internet. But, if you don't, feel free to call us at (513) 684-2723 and we will help. Thank you so much for your time and your forbearance.

Old Business

Mrs. Zimmerlin: You will see on the dais that we have an ordinance amending section 73.041 which is the commercial parking ordinance. We did meet with Rules and Laws this evening and they have asked us to continue to research this. We're going to try and schedule another meeting before the next Council meeting and hopefully have some modifications.

Mr. Anderson: Could I ask one question on that. I wasn't able to attend the meeting before Council. The draft legislation that we have focuses solely on the commercial component of that statute. When we had talked about it, looking at my notes several months ago, we had also asked about other parking. Cleaning up the rest of the parking section; specifically around non-commercial vehicles on resident's property and their driveways. Is that one of those things that's still being evaluated as you go through the drafts or was this what we should expect?

Mrs. Zimmerlin: It was part of the conversation this evening. We discussed what we're going to do with large sprinter vans and personal vehicles.

Mr. Anderson: Perfect. Thank you.

President Vanover: Any other old business?

Mr. Anderson: Several sessions ago, we had some discussion about the PR (Public Relations) committee potentially meeting to work on some Welcome Packets or changes that we could use to welcome new residents. I was curious if we had made any progress on that?

President Vanover: Actually, I received some communications from Council members that are currently in campaign that they felt it was uncomfortable and asked that we would pull the reins in just a little bit so that was my decision. I did not press on forwarding it on to the PR committee, at least at this point. We will push it forward.

Mr. Anderson: So, and I can appreciate the timing of it, but we still believe that we will take that issue up later in the year.

President Vanover: Yes. Yes.

Mr. Anderson: We just want to make sure if the committee assignments may change, that we can adjust it. That's still the belief.

President Vanover: That is still a topic that will be addressed. Just with the elections at hand, and potential changes, that will sit and get that squared and then move on the new Council.

Mr. Anderson: That's great. Thank you for the update. It just occurred to me because we had two houses sell in my neighborhood, and I was thinking, "Gosh, that'd be great to have that". Thank you.

City of Springdale Council

October 2, 2019

New Business - None

Meetings and Announcements

Mrs. Sullivan-Wisecup: Planning Commission will meet Tuesday, October 8th at 7:00 p.m. in these chambers.

Mrs. Ghantous: Board of Zoning Appeals will meet on Tuesday, October 29th at 7:00 p.m. in the chambers here.

Mrs. Emerson: Board of Health will meet on October 10th at 7:00 p.m. in the conference room adjacent to here.

Mrs. Zimmerlin: Civil Service will meet tomorrow evening at 5:30 p.m. in the Administrative Conference room. I have several announcements from the Park and Rec Department. Winter youth sports registration is still underway for basketball and cheerleading. Club Rec Fall Fest will take place on October 5th from 6:00 to 8:00 p.m.. Children fifth through eighth grade will enjoy fall-themed games and activities at the Community Center. The cost is \$2 for Community Center members and \$4 for their guests. The Annual Father Daughter Dance will take place on October 19th from 6:00 to 8:00 p.m., hosted by the Springdale Youth Boosters. Fathers and their daughters Pre-K and up will enjoy music, dancing, food and create a lasting memory. Tickets go on sale October 1st at the Community Center. The cost is \$25 per couple and \$5 for an additional child. Finally, Monster Mania will be held on Saturday, October 26th from 2:00 p.m. until 4:00 p.m. It's for children ages two through fourth grade. There will be Halloween-themed games and activities. Club Rec will be designing a haunted room for tours during the event. It's free of charge, but you should contact the Community Center for information or to register.

Communications from the Audience - None

Update on legislation still in development

Mr. Hawkins: As you review your Internal Memorandum, Item Number I was addressed with Resolution No. R16-2019; A Resolution Accepting the Amounts and Rates as Determined by the Budget Commission and Authorizing the Necessary Tax Levies for 2020. That passed with a 7-0 vote. Item Number II was addressed with Resolution No. R17-2019; A Resolution Authorizing the Execution of a Petition to Create the Springrose Meadows Community Authority, a New Community Authority, to be Organized Pursuant to Chapter 349 of the Ohio Revised Code. That passed with a 7-0 vote. All other matters are forthcoming.

Recap of legislative items requested for next Council meeting

Mr. Hawkins: There's a request for An Ordinance Authorizing the Mayor and Clerk of Council/Finance Director to Enter into an Agreement with Clark Schaefer Hackett for Professional Accounting Services for the Audits for Year-End 2019 to Year-End 2023. There's also a request for An Ordinance Authorizing the Mayor and Clerk of Council/Finance Director to Enter into a Contract with TEC for the Design Engineering Services Necessary for the State Route 747 and Kemper Road Intersection Rebuild Project. That's it. It looks like there is going to be some amendment and changes; I don't know if that will be for the next meeting with regard to the parking of commercial vehicles, but that will be at least forthcoming, if not for the next meeting. That would be everything unless there is anything else from Council or from the Administration.

City of Springdale Council

October 2, 2019

Adjournment

Mr. Hawkins made a motion to adjourn; Mrs. Emerson seconded the motion and Council adjourned at 7:39 p.m.

Respectfully submitted,

Kathy McNear
Clerk of Council/Finance Director

Minutes Approved:
Tom Vanover, President of Council

_____, 2019