

**CITY OF DELAWARE
CITY COUNCIL
CITY COUNCIL CHAMBERS
1 SOUTH SANDUSKY STREET
7:00 P.M.**

AGENDA

REGULAR MEETING

March 25, 2019

1. ROLL CALL
2. INVOCATION – Pastor Deb Patterson, First Presbyterian Church
3. PLEDGE OF ALLEGIANCE
4. APPROVAL of the Motion Summary of the regular meeting of Council held on March 11, 2019, as recorded and transcribed.
5. CONSENT AGENDA
 - A. Acceptance of the Motion Summary of the Board of Zoning Appeals meeting held on November 14, 2018, as recorded and transcribed.
 - B. Acceptance of the Motion Summary of the Parks and Recreation Advisory Board meeting held on January 15, 2019, as recorded and transcribed.
 - C. Resolution No. 19-13, a resolution authorizing the City Manager to enter into an agreement with the Ohio Development Services Agency for the Administration of Housing Revolving Loan Funds for the period beginning January 1, 2019 and ending December 31, 2021.
 - D. Resolution No. 19-14, a resolution authorizing the City Manager to enter into an Intergovernmental Affiliation Agreement between the Delaware Area Career Center and the City of Delaware Fire Department.
 - E. Resolution No. 19-15 , a resolution authorizing the City Manager to enter into an agreement with the Ohio Department of Transportation to participate in the cooperative purchase of road salt through the ODOT winter salt purchase contract (018-20).
6. LETTERS, PETITIONS, AND PUBLIC COMMENTS
7. COMMITTEE REPORTS

8. STAFF UPDATE & PRESENTATION
 - A. Bill Ferrigno, Public Works Director/City Engineer
9. 7:30 P.M PUBLIC HEARING AND THIRD READING of Ordinance No. 19-07, an ordinance amending Chapter 1121 and 1143 of the Planning and Zoning Code of the Codified Ordinances of the City of Delaware. (Massage Establishment Regulations)
10. 8:00 P.M. PUBLIC HEARING AND SECOND READING of Ordinance No. 19-08 (Amended), an ordinance prohibiting smoking within 50 feet of recreational facilities of city parks.
11. CONSIDERATION of Resolution No. 19-16, a resolution expressing Council's direction regarding the Special Events Policy enhancements.
12. CONSIDERATION of Resolution No. 19-17, a resolution accepting the recommendations of the Delaware City Tax Incentive Review Council (TIRC) on the status of the 2018 Community Reinvestment Area (CRA), Enterprise Zone (EZ) and Tax Increment Financing Programs (TIF).
13. CONSIDERATION of Ordinance No. 19-10, an ordinance approving a Community Reinvestment Area Agreement and School Compensation Agreement with SELO BOLNO LLC, Delaware City Schools, Delaware Area Career Center and the City of Delaware for investment in real property improvements on a building 5 North Sandusky Street and declaring an emergency.
14. CONSIDERATION of Ordinance No. 19-11, an ordinance amending the Management, Professional, Technical, Confidential, and Supervisory Employee Pay Plan.
15. FINANCE DIRECTOR'S REPORT
16. CITY MANAGER'S REPORT
17. COUNCIL COMMENTS
18. ADJOURNMENT

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BEAR GRAPHICS 800-325-8094 FORM NO. 10148

Held

March 11

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6:30 EXECUTIVE SESSION: Mr. Rohrer motioned to enter into executive session at 6:30 p.m. This motion was seconded by Vice-Mayor Shafer and approved by a 7-0 vote. Council met in executive session pursuant to Ohio Revised Code Section 121.22 (G) (3) pending or imminent court action, Section 121.22 (G) (1) personnel, Section 121.22 (G) (5) matters required to be kept confidential by State statute, Section 121.22 (G) (2) acquisition of property for public purpose and 121.22(G) (8) consideration of confidential information related to a request for economic development assistance. Council conducted a discussion of those items with the following members present: First Ward Chris Jones, Second Ward Lisa Keller, Third Ward Jim Browning, Fourth Ward Kyle Rohrer, At-Large George Hellinger, Vice-Mayor Kent Shafer, and Mayor Carolyn Kay Riggle. Following the discussion at 7:00 p.m., it was moved by Mr. Jones that Council move into Open session, seconded by Mr. Hellinger and approved by a 7-0 vote.

The regular meeting of Council held March 11, 2019 was called to order at 7:00 p.m., in the City Council Chambers. The following members of Council were present: First Ward Chris Jones, Second Ward Lisa Keller, Third Ward Jim Browning, Fourth Ward Kyle Rohrer, At-Large George Hellinger, Vice-Mayor Kent Shafer, and Mayor Carolyn Kay Riggle who presided. The invocation was given by Pastor Sylvester Onyeachonam, followed by the Pledge of Allegiance.

Staff Present: Chris Ballard, Assistant City Prosecutor, Lee Yoakum, Community Affairs Coordinator, Blake Jordan, Public Utilities Director, Dean Stelzer, Finance Director, Bill Ferrigno, Public Works Director/City Engineer, Dave Efland, Planning and Community Development Director, John Donahue, Fire Chief, Bruce Pijanowski, Police Chief, Jackie Walker, Assistant City Manager and Tom Homan, City Manager

ITEM 4: APPROVAL OF MINUTES

APPROVAL of the Motion Summary of the regular meeting of Council held on February 25, 2019, as recorded and transcribed.

APPROVAL of the Motion Summary of the work session meeting of Council held on March 4, 2019, as recorded and transcribed.

Motion: Vice-Mayor Shafer motioned to approve the Motion Summary of the regular meeting of Council held February 25, 2019, seconded by Mr. Browning. Motion approved by a 7-0 vote.

Motion: Vice-Mayor Shafer motioned to approve the Motion Summary of the work session meeting of Council held March 4, 2019, seconded by Mr. Browning. Motion approved by a 7-0 vote.

ITEM 5: CONSENT AGENDA

- A. Acceptance of the Motion Summary of the Shade Tree Commission meeting held on November 27, 2018, as recorded and transcribed.
- B. Acceptance of the Motion Summary of the Planning Commission meeting held on February 6, 2019, as recorded and transcribed.
- C. Resolution No. 19-10, a resolution authorizing the City Manager to enter into an Intergovernmental Cooperation Agreement between the Delaware County Board of Commissioners and the City of Delaware as required by the Ohio Development Services Agency to conduct a joint analysis of impediments to fair housing.
- D. Establish March 25, 2019 at 8:00 p.m. as a date and time for a

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public hearing and second reading of Ordinance No. 19-08, an ordinance prohibiting use of any form of tobacco within 50 feet of recreational facilities in city parks.

Motion: Vice-Mayor Shafer motioned to approve the Consent Agenda, seconded by Mr. Browning. Motion approved by a 7-0 vote.

ITEM 6: LETTERS, PETITIONS, AND PUBLIC COMMENTS

PUBLIC PARTICIPATION:

Mike Rush
778 Canal Street
Delaware, Ohio

Mr. Rush informed Council that he attended the March 4 Council Work Session. He discussed the need to make Delaware more attractive to businesses and easier to develop. He discussed plans to create a Pittsburgh Drive Committee to have the plant managers at the various buildings get together and talk about constraints to develop in the City of Delaware.

ITEM 7: COMMITTEE REPORT

Mr. Hellinger informed the Commission that there will be a Board of Zoning Appeals meeting held on March 13.

Vice-Mayor Shafer will be attended a MORPC meeting on March 14.

ITEM 8: PRESENTATIONS

- A. Proclamation recognizing Social Work Month presented to Chief John Donahue
- B. Senator Andrew Brenner, Ohio Senate District 19

ITEM 9: CONSIDERATION OF LIQUOR PERMIT (Relating to Stockholder Change)

- A. TH Midwest Inc. DBA Turkey Hill 707, 2740 Stratford Road, Delaware, Ohio 43015. Permit Class: C1,C2, D6

Motion: Mr. Browning motioned to approve the liquor permit without objection, seconded by Vice-Mayor Shafer. Motion approved by a 7-0 vote.

ITEM 10: ORDINANCE NO. 19-02 [Third Reading]

AN ORDINANCE AMENDING CHAPTER 529 OF THE GENERAL OFFENSES CODE OF THE CITY OF DELAWARE.

The Clerk read the ordinance for the third time.

Motion: Vice-Mayor Shafer motioned to adopt Ordinance No. 19-02, seconded by Mr. Jones. Motion approved by a 7-0 vote.

ITEM 11: ORDINANCE NO. 19-06 [Third Reading]

AN ORDINANCE FOR CARROLS CORPORATION APPROVING A FINAL DEVELOPMENT PLAN FOR BURGER KING ON APPROXIMATELY 1.14 ACRES ON PROPERTY ZONED B-3 PUD (GENERAL BUSINESS DISTRICT WITH A PLANNED UNIT DEVELOPMENT OVERLAY DISTRICT) AND LOCATED AT 1034 WEST CENTRAL AVENUE (US 37).

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The Clerk read the ordinance for the third time.

Motion: Mrs. Keller motioned to adopt Ordinance No. 19-06, seconded by Vice-Mayor Shafer. Motion approved by a 7-0 vote.

ITEM 12: ORDINANCE NO. 19-07 [Second Reading]
AN ORDINANCE AMENDING CHAPTER 1121 AND 1143 OF THE PLANNING AND ZONING CODE OF THE CODIFIED ORDINANCES OF THE CITY OF DELAWARE.

The Clerk read the ordinance for the second time. A public hearing and third reading has been scheduled for March 25, 2019 at 7:30 p.m.

ITEM 13: RESOLUTION NO. 19-11 [First Reading]
A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A COOPERATION AGREEMENT WITH DELAWARE COUNTY FOR THE RESURFACING OF SECTION LINE ROAD.

The Clerk read the resolution for the first time. Mr. Rohrer informed Council that he would abstain from the vote relating to his employment with the County.

Motion: Mr. Jones motioned to approve Resolution No. 19-11, seconded by Mrs. Keller. Motion approved with a 6-0-1 (Rohrer) vote.

ITEM 14: RESOLUTION NO. 19-12 [First Reading]
A RESOLUTION EXPRESSING COUNCIL'S SUPPORT OF OHIO HOUSE BILL 62 AND THE PROPOSED INCREASE IN THE OHIO MOTOR FUEL TAX OF \$.18 PER GALLON.

The Clerk read the resolution for the first time.

Mrs. Keller expressed support for the need for funding for roads, but questioned if there was different ways to get this funding. She discussed previous cuts that were made in 2008 at a State level, but need to look at other opportunities. Vice-Mayor Shafer voiced support over the resolution and discussed that the tax would be a user tax and the more you drive on the roads the more you will pay. Council discussed the recent changes to HB 62 to reduce the tax.

Motion: Vice-Mayor Shafer motioned to approve Resolution No. 19-12, seconded by Mr. Jones. Motion approved by a 5-2 (Keller, Rohrer) vote.

ITEM 15: ORDINANCE NO. 19-08 [First Reading]
AN ORDINANCE PROHIBITING USE OF ANY FORM OF TOBACCO WITHIN 50 FEET OF RECREATIONAL FACILITIES IN CITY PARKS.

The Clerk read the ordinance for the first time.

Council held a discussion over the wording of "any form of tobacco" and discussed not including smokeless tobacco products and what is included in ingestible forms of tobacco. There was also a discussion relating to the enforcement of the ban. Council discussed the definition of recreational facilities.

PUBLIC PARTICIPATION:

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Abby Trimble
181 North Washington Street
Delaware, Ohio

Ms. Trimble discussed the meaning of ingestible forms of tobacco which include chewing tobacco.

Motion: Vice-Mayor Shafer motioned to amend Ordinance No. 19-08 to strike smokeless tobacco and add definition of recreational facilities, seconded by Mr. Jones. Motion approved by a 7-0 vote.

ITEM 16: ORDINANCE NO. 19-09 [First Reading]
AN ORDINANCE FOR METRO DEVELOPMENT LLC FOR APPROVAL OF A FINAL DEVELOPMENT PLAN FOR SEATTLE HOUSE APARTMENTS (240 UNITS) ON APPROXIMATELY 24.212 ACRES ZONED R-6 AND B-3 PMU (MULTI-FAMILY RESIDENTIAL AND COMMUNITY BUSINESS DISTRICT WITH A PLANNED MIXED USE OVERLAY DISTRICT) AND LOCATED ON THE NORTH SIDE OF US 36/37 AND SOUTH OF BOWTOWN ROAD JUST EAST OF CHESROWN AUTO STORAGE LOT.

The Clerk read the ordinance for the first time.

APPLICANT:
Joe Thomas
Metro Development
470 Olde Worthington Road
Westerville, Ohio 43082

Motion: Vice-Mayor Shafer motioned to suspend the rules for Ordinance No. 19-09, seconded by Mr. Rohrer. Motion approved by a 5-2 (Keller, Hellinger) vote.

Motion: Vice-Mayor Shafer motioned to adopt Ordinance No. 19-09, seconded by Mr. Rohrer. Motion approved by a 6-1 (Hellinger) vote.

ITEM 17: CONTINUED DISCUSSION AND RECOMMENDATION OF SPECIAL EVENTS POLICY - Jackie Walker, Assistant City Manager

Mrs. Walker reviewed the recommendations from the Special Events Committee. She recommended that Main Street Delaware events be clarified as existing Main Street Delaware events, additional events could be subject to a charge. She also recommended that changes be made to the DORA policy that in the event road closures are needed, then additional liability insurance will not be required. Council recommended that staff put the recommendations into a resolution.

ITEM 18: CITY MANAGER'S REPORT

Mr. Homan reminded Council that the Council retreat will be March 16 at Camp Lazarus beginning at 8:30 a.m. He provided an update from IT regarding improvements to video quality for streaming meetings and the need to complete some electrical work.

ITEM 19: COUNCIL COMMENTS

Mrs. Keller informed Council that she will not be able to attend the March 25, City Council meeting, as she will be out of town.

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Mr. Hellinger discussed the need to look at the ordinance regulating food trucks as the City proceeds with the Food Truck Depot development. He discussed a potential ethics issue relating to a member on the Sister City Advisory Board and recommended that the issue go before the Ohio Ethics Commission. He discussed his Transparency Initiative that he presented before Council at the February 25 meeting.

Mayor Riggle provided an apology to Council relating to having the City order a tree for her yard. She expressed that the tree was paid for by herself, but that staff had ordered an additional cherry tree while they were placing an order.

ITEM 20: ADJOURNMENT

Motion: Vice-Mayor Shafer motioned to adjourn the meeting, seconded by Mr. Browning. The meeting adjourned at 8:44 p.m.

Mayor Carolyn Kay Riggle

Elaine McCloskey, Council Clerk

BOARD OF ZONING APPEALS
MOTION SUMMARY
November 14, 2018

ITEM 1. Roll Call

Chairman Dick called the meeting to order at 7:00 p.m.

Members Present: Beth Fisher, Adam Vaughn, Todd Daughenbaugh, Robert Whitmore, Councilman George Hellinger, Vice-Chairman Paul Junk, and Chairman Matt Dick.

Staff Present: Lance Schultz, Zoning Administrator

ITEM 2. Approval of the Motion Summary of the Board of Zoning Appeals meeting held on October 10, 2018, as recorded and transcribed.

Motion: Councilman Hellinger moved to approve the Motion Summary for the Board of Zoning Appeals held on October 10, 2018 meeting, seconded by Ms. Fisher. Motion approved by a 7-0.

ITEM 3. ELECTION OF OFFICERS

- A. Chairperson
- B. Vice-Chairperson

Motion: Ms. Fisher motioned to nominate Mr. Dick as Chairperson, seconded by Mr. Vaughn. There were no other nominations and motion approved with a 6-0-1 (Dick) vote.

Motion: Mr. Vaughn motioned to nominate Mr. Junk as Vice-Chairperson, seconded by Mr. Daughenbaugh. There were no other nominations and motion approved with a 6-0-1 (Junk) vote.

ITEM 4. REGULAR BUSINESS

- A. 2018-2857: A request by Fahey Bank for approval of front yard setback variances for a proposed new building at 75 West William Street on approximately 0.814 acres and zoned B-3 (Community Business District).

Mr. Schultz discussed the proposed demolition of the current building and the proposed plan to construct a new bank structure on the site. He discussed the current 50 feet setback code requirement and the request by the applicant for a 20 foot setback along Williams Street and a 40 foot setback along South Washington Street. He discussed the current setback for the surrounding properties. Mr. Schultz discussed the issue with the flood plain in the rear of the property. He provided examples of the elevations of the development plan.

Chairman Dick swore in the following participants from the public:

Timothy Niemiec
1824 East VanBeck Ave.
St. Francis, Wisconsin

Mr. Niemiec discussed the issue with the flood plain and the need to move the development up from the rear of the property. Mr. Schultz discussed that the applicant will have to also go before the Planning Commission and City Council for the development plan approval.

Motion: Councilman Hellinger moved to approve 2018-2857, along with all staff conditions, finding beyond a reasonable doubt that the decision factor necessary for approval of a variance according to Chapter 1128 of the Planning and Zoning Commission are met, with the staff conditions as noted. Seconded by Ms. Fisher. Motion approved by a 7-0 vote. Conditions are as follows:

1. The building addition shall be setback a minimum 20 feet from West William Street and 40 feet from Washington Street.
2. The new building shall achieve compliance with all other City zoning and development requirements or as approved by City Council.

ITEM 4. BOARD MEMBER COMMENTS AND DISCUSSION

ITEM 5. NEXT REGULAR MEETING: December 12, 2018.

ITEM 6. ADJOURNMENT

Motion: Councilman Hellinger moved to adjourn the Board of Zoning Appeals meeting, seconded by Vice-Chairman Junk. The Board of Zoning Appeals meeting adjourned at 7:14 p.m.



Matt Dick, Chairman



Elaine McCloskey, Clerk

PARKS AND RECREATION ADVISORY BOARD
MOTION SUMMARY
January 15, 2019

ITEM 1. Roll Call

Chairwoman Lash called the meeting to order at 6:30 p.m.

Members Present: Bradley Brookover, Joshua Bricker, Cassie Cunningham, Bob Dalton, Gary Hayward, Michael Rush, Corie Thompson, Angela MacWhinney, Vice-Chairwoman Dianna Hibinger, and Chairwoman Allyson Lash

Members Absent: Councilmember Jim Browning

City Staff Present: Ted Miller, Parks and Natural Resource Director

YMCA Staff Present: Liz Zingale, Executive Director

Motion to Excuse: Mr. Bricker motioned to excuse Councilmember Browning, seconded by Mr. Dalton. Motion approved by a 10-0 vote.

ITEM 2. APPROVAL of the Motion Summary for the meeting held October 16, 2018 as recorded and transcribed.

Motion: Ms. Thompson moved to approve the Motion Summary for the meeting held October 16, 2018 as recorded and transcribed, seconded by Mr. Rush. Motion approved by a 10-0 vote.

ITEM 3. PUBLIC COMMENTS

ITEM 4. UPDATE of YMCA Recreation Services, Programs and Events

Mr. Miller introduced Executive Director, Liz Zingale, to the Board. Ms. Zingale updated the Board on youth sports and that enrollment is down from 2017. The Father-Daughter Dance was sold out with over 400 couples attending the event. On March 8, 2019 the Mother-Son Super Hero Party will be held and reservations are already being accepted. She requested volunteers to assist with the event. Other classes being offered include fencing, which will require an additional three participants to continue, and a robotics class.

Mr. Miller provided an update regarding the Riptide Swim Team and that a new coach was hired. Ms. Thompson informed the Board that she had received a concern relating to funding and the swim team.

ITEM 5. UPDATE of Parks Activities

Mr. Miller provided an update on the Rutherford B. Hayes Memorial Monument that will be unveiled at the October 4 First Friday event. He will be providing the Board with a Master Plan for the Ross Street Park. He discussed that the Parks Department has moved locations and the open building on Ross Street has the SWCI interested in utilizing the site. He discussed plans to use the site as rental space and for a STEM Lab. An update was provided regarding the Central Avenue trail both west and east of Houk Road. He discussed interest by the Community Coalition to have a 3 on 3 Gus Macker Basketball Tournament. An update was provided on updates to the Mingo facilities which includes new HVAC and lighting.

ITEM 6. REVIEW of YMCA Annual Report

Mr. Miller informed the Board that the report is currently being updated.

ITEM 7. DISCUSSION on Oak Grove Cemetery Master Plan

A discussion was held regarding the Oak Grove Cemetery Master Plan. Mr. Miller informed the Board that the financials on the plan were just estimates. He discussed that the City has repaired over 200 headstones and that repairs are being made in sections of the cemetery. He did express that some of the responsibility for repairs was by family members and some stones are too delicate for further repairs. Staff will be receiving training on tombstone repairs.

ITEM 8. STAFF COMMENTS

A discussion was held regarding snow removal and who to contact if a mailbox is damaged during plowing.

ITEM 9 MEMBERS COMMENTS

Ms. Cunningham provided an update on Ohio Wesleyan Universities Community Day which will be February 16, 2019.

Chairwoman Lash requested a status update on the recommendation from the Board to Council regarding no smoking in parks.

Ms. Thompson informed the Board that she had received a complaint regarding the Riptide Swim Team while the meeting was occurring and that she will have concerns forwarded to Mr. Miller.

Mr. Brookover informed the Board that there was a discussion held in his Environmental AP Science Class regarding what students would like to have in City Parks. He discussed interest in more beautification efforts and educational plaques around the trees at parks.

ITEM 10. ADJOURNMENT

Motion: Vice-Chairwoman Hibinger moved to adjourn the Parks and Recreation meeting, seconded by Mr. Rush. The meeting adjourned at 7:05 p.m.



Chairperson



Elaine McCloskey, Clerk



FACT SHEET

AGENDA ITEM NO: CONSENT ITEM C DATE: 03/25/2019
ORDINANCE NO: RESOLUTION NO: 19-13
READING: FIRST PUBLIC HEARING: NO

TO: Mayor and Members of City Council
FROM: R. Thomas Homan, City Manager
VIA: David Efland, Planning & Community Development Director

TITLE OF PROPOSED ORDINANCE/RESOLUTION:

A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH THE OHIO DEVELOPMENT SERVICES AGENCY FOR THE ADMINISTRATION OF HOUSING REVOLVING LOAN FUNDS FOR THE PERIOD BEGINNING JANUARY 1, 2019 AND ENDING DECEMBER 31, 2021.

BACKGROUND:

The City of Delaware is required to enter into this Housing Revolving Loan Fund Administration Agreement with the Ohio Development Services Agency (ODSA) in order to continue to locally administer this fund. The City currently maintains a zero balance in this fund as requested by the State several years ago. The fund, however, is required to be in existence for potential program income that may be received from previous home rehabilitation assistance mortgages that may be called or become due. This home rehabilitation assistance was funded by federal Community Development Block Grant (CDBG) and/or HOME funds from ODSA and must follow the rules and regulations established by the United States Department of Housing and Urban Development (HUD), as well as the ODSA.

This Agreement is a renewal of previous agreements the City has signed with the State in the past and extends the administration period for another three years to 2021. The State requires a resolution and the signature of the City Manager on the Agreement.

REASON WHY LEGISLATION IS NEEDED:

Legislation is required by the State of Ohio authorizing the City Manager to execute agreement. The Agreement is currently due to ODSA.

COMMITTEE RECOMMENDATION:

N/A

FISCAL IMPACT(S):

N/A

POLICY CHANGES:

N/A

PRESENTER(S):

David Efland, Planning & Community Development Director

RECOMMENDATION:

Staff recommends approval as presented. The Agreement is a renewal of previous agreements the City has signed with the State and extends the administration period for another three years to 2021.

ATTACHMENT(S)

Housing Revolving Loan Fund Administration Agreement

HOUSING REVOLVING LOAN FUND ADMINISTRATION AGREEMENT

This Housing Revolving Loan Fund Administration Agreement (the "Agreement") is made and entered into by and between the **State of Ohio, Development Services Agency**, located at 77 South High Street, P.O. Box 1001, Columbus, Ohio 43216-1001 (the "Grantor"), and the City of Delaware, located at 1 S Sandusky St Delaware, OH 43015-2326 with F.T.I. Number: FTI 316400225 (the "Grantee"), and shall be effective beginning **January 1, 2019** (the "Effective Date") and terminate **December 31, 2021** (the "Termination Date").

BACKGROUND INFORMATION

A. Grantor, through its Office of Community Development ("OCD"), administers the federal Community Development Block Grant ("CDBG") Program and the HOME Investment Partnerships ("HOME") Program for the State of Ohio.

B. Grantee has been determined to be an eligible recipient of CDBG and/or HOME funds and Grantee has been awarded CDBG and/or HOME funds from the Grantor for use to finance eligible activities that may generate Program Income as defined herein.

C. Grantor has recognized the positive impact on community development initiatives when the use of Program Income is locally determined. Grantor has permitted the establishment of Housing Revolving Loan Funds within local political subdivisions to meet the primary development goals of: 1) improving the affordable housing stock; and 2) providing for the affordable housing needs of low-and moderate-income persons in designated areas of the Housing Revolving Loan Fund.

D. Grantor desires to have Grantee to administer a Housing Revolving Loan Fund using the CDBG and/or Home Program Income and Grantee desires to administer a Housing Revolving Loan Fund using the CDBG and/or Home Program Income for the purposes stated above.

E. Grantee has adopted a Resolution or Ordinance authorizing the execution of this Agreement.

NOW THEREFORE, in consideration of the foregoing and the mutual promises and covenants hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

STATEMENT OF THE AGREEMENT

1. **Housing Revolving Loan Fund Capitalization.** Grantee shall deposit any and all Housing Program Income into a Housing Revolving Loan Fund account held by the Grantee.

2. **Definitions.**

a.) Housing Revolving Loan Fund ("RLF") is a separate fund established for the purpose of accounting for Housing Program Income and of carrying out the specific activities designated in OCD's Housing Handbook and the applicable Community Housing Impact and Preservation (CHIP) Program Application Instructions, which, in turn, generate payments to the fund ("RLF Funds") for the continued use in carrying out the same activities.

b.) Housing Program Income is defined as gross income received by the recipient directly generated from the use of Ohio State Administered CDBG Program funds and/or Ohio State Administered HOME Program funds for housing activities.

3. **RLF Plan and Use of Funds.** Grantee has adopted the Local Housing Policy and Procedures Manual that has been previously submitted and approved by the Grantor. The Local Housing Policy and Procedures Manual must include the policies and procedures established by Grantor. Any changes to the Local Housing Policy and Procedures Manual must be submitted to Grantor for review and approval. Grantee shall use the Housing RLF Funds solely for the stated purposes set forth in this Agreement, OCD's Housing Handbook, the applicable CHIP Program Application Instructions, and the Local Housing Policy and Procedures Manual. All Housing Program Income funds must be expended in compliance with all CHIP Program requirements, including those found in Grantor's Non-Participating Jurisdiction Housing Handbook and the current Ohio Consolidated Plan.

4. **Program Income Distribution for CHIP Program Partnerships.** Grantee shall distribute Housing Program Income generated by an activity partially assisted with RLF Funds contributed by multiple CHIP Program Partners in conformance with the Grantee's OCD-approved CHIP Program Partnership Agreement.

5. **Project Approvals.** Grantee shall submit to Grantor a request for approval if the proposed project does not meet the requirements of this Agreement, OCD's Housing Handbook, the applicable CHIP Program Application Instructions, and/or the Local Housing Policy and Procedures Manual. Grantee must receive Grantor's written approval prior to the commencement of the Grantee's local project.

6. **National Objective/Income Eligibility Requirements.** Grantee shall ensure that all projects funded as a result of this Agreement meet the applicable CDBG national objective and HOME income eligibility requirements of the provision of a housing related direct benefit for low-and-moderate income persons.

7. **Subrecipient Agreements.** Grantee shall not subgrant the Housing Program Income funds to any other local political jurisdiction or non-profit agency. Grantee may contract with a non-profit agency to administer the RLF Funds, but the funds are to remain with the Grantee in the Revolving Loan Fund Account. If there is a change in the designated administrative agent of the RLF Funds, it is the responsibility of the Grantee to notify OCD within fifteen (15) days of any change in status of the designated administrative agent.

8. **Accounting of RLF Funds.** CDBG RLF Funds and HOME RLF Funds shall be deposited and maintained in separate fund accounts upon the books and records of Grantee (the "Accounts"). Grantee shall keep all records of the Accounts in a manner that is consistent with generally accepted accounting principles. All disbursements from the Accounts shall be for obligations incurred in the performance of this Agreement and shall be supported by contracts, invoices, vouchers, and other data, as appropriate, evidencing the necessity of such expenditure.

9. **Reporting Requirements.** Grantee shall submit RLF Status Reports to Grantor no more than (30) days after notification of the RLF Status Report request. RLF Status Reports may include but are not limited to the following: program income; program activities; and program outcomes.

10. **Compliance with General CDBG and HOME Requirements.** Grantee shall comply with all applicable provisions of the statutes, rules, regulations and guidelines as passed by Congress or promulgated by the Secretary of the Department of Housing and Urban Development (HUD).

11. **Compliance with Environmental Requirements.** Grantee shall comply with the provisions of 24 CFR Part 58, Environmental Review Procedures for Entities Assuming HUD Environmental Responsibilities, for all activities funded with Housing Program Income.

a. **Use of Housing Program Income in association with an active Community Housing Impact and Preservation (CHIP) Program Grant.**

- i. If Grantee is the responsible entity for an active CHIP grant and Grantee uses its Housing Program Income to assist a CHIP-funded activity, the environmental procedures associated with the CHIP grant shall fulfill the environmental requirements for the Housing Program Income. Grantee does not submit separate Request for Release of Funds and/or Certification documentation to Grantor for the Housing Program Income, and Grantor does not issue a Project Specific Release of Funds Respecting Environmental Grant Conditions for the Housing Program Income.
- ii. If Grantee is a partnering jurisdiction committing Housing Program Income to an active CHIP Program partnership, Grantee must prepare environmental review records, publish applicable public notices, and submit Request for Release of Funds and/or Certification documentation to Grantor for each activity assisted with Housing Program Income. Grantee may not commit Housing Program Income or initiate project work until Grantor issues a Project Specific Release of Funds Respecting Environmental Grant Conditions for the Housing Program Income and Grantee fulfills any applicable site-specific environmental review requirements.

b. **Use of Housing Program Income independent of a Community Housing Impact and Preservation (CHIP) Program Grant.** If Grantee uses Housing Program Income independent of an active CHIP-funded activity, Grantee must prepare environmental review records, publish any applicable public notices, and submit Request for Release of Funds and/or Certification documentation to Grantor. Grantee may not commit Housing Program Income or initiate project work until Grantor issues a Project Specific Release of Funds Respecting Environmental Grant Conditions for the Housing Program Income and Grantee fulfills any applicable site-specific environmental review requirements.

12. **Acquisition and Relocation.** Grantee shall comply with the relocation requirements of Title II and the acquisition requirements of Title III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and the implementation regulations set forth in 570.488 and 49 CFR Part 24 as they apply to the activities covered by this Agreement. Grantee shall comply with the process established under the Anti-Displacement and Relocation Plan.

13. **Term of the Agreement.** This Agreement shall begin on the Effective Date and shall terminate on the Termination Date, unless otherwise modified pursuant to Section 30(f) herein. At least sixty (60) days prior to the Termination Date, Grantor will determine if the Grantee continues to have the capacity to administer the Housing RLF Funds based on the performance of the Grantee and its designated administrative agent. Grantor shall promptly notify Grantee in writing of a determination questioning administrative capacity. Grantor reserves the right to determine if the State of Ohio will renew this Agreement to allow the Grantee to continue to administer the RLF, have the Grantee close out the RLF by executing a CDBG and/or HOME Closeout Agreement or recapture the RLF Funds.

14. Records, Access and Maintenance. Grantee shall establish and maintain for at least three (3) years from the expiration of this Agreement, all direct information and such records as are reasonably related to the administration of an RLF as set forth in OCD's Housing Handbook. Both parties further agree that records required by the Grantor with respect to any questioned costs, audit disallowances, litigation or dispute between the Grantor and the Grantee shall be maintained for the time needed for the resolution of said question and that in the event of early termination of this Agreement as provided in Section 21 of this Agreement, or if for any other reason the Grantor shall require a review of the records related to the RLF Funds, the Grantee shall, at its own cost and expense, segregate all such records related to the Housing RLF Funds from its other records of operation.

15. Inspections. At any time during normal business hours upon three days prior written notice and as often as Grantor may deem necessary and in such a manner as not to interfere unreasonably with the normal business operations, Grantee shall make available to Grantor and its agents, appropriate state agencies or officials, HUD officials and the U.S. Government Accountability Office (GAO) for examination, all of its records with respect to matters covered by this Agreement including, but not limited to, records of personnel and conditions of employment and shall permit Grantor to audit, examine and make excerpts or transcripts from such records.

16. Audits. The Grant Funds shall be audited according to the requirements of 2 CFR 200. In addition, Grantee must follow the guidelines provided in the OCD Financial Management Rules and Regulations Handbook. The Grantee shall submit to the Federal Audit Clearinghouse (FAC) and make available for public inspection a copy of the single audit, data collection form, and reporting package as described in 2 CFR 200 within the earlier of 30 days after receipt of the auditor's report(s) or nine months after the end of the audit period. No later than seven (7) days following submission to the FAC, the Grantee must notify ODSA at singleaudit@development.ohio.gov that the single audit was submitted to the FAC. A copy of the audit report may be attached, but is not required.

17. Equal Employment Opportunity. Grantee will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, disability, age, military status, or ancestry. Grantee will take affirmative action to ensure that applicants are considered for employment and that employees are treated during employment, without regard to their race, religion, color, sex, national origin, disability, age, military status, or ancestry. Grantee will, in all solicitations or advertisements for employees placed by or on behalf of Grantee, state that all qualified applicants will receive consideration for employment without regard to race, religion, color, sex, national origin, disability, age, military status or ancestry. Grantee will incorporate the requirements of this paragraph in all of its respective contracts for any of the work for which the RLF Funds are expended (other than subcontracts for standard commercial supplies or raw materials), and Grantee will require all of its subcontractors for any part of such work to incorporate such requirements in all subcontracts for such work.

18. Prevailing Wage Rates and Labor Standards. In the commission of any Project(s) wherein federal funds are used to finance construction work as defined in the Code of Federal Regulations (CFR) Title 29, Part 5 to the extent that such activity is subject to the Davis-Bacon Act (40 United States Code (U.S.C.) 3141 to 3148, as amended), all laborers and mechanics employed by contractors or subcontractors on any such construction work assisted under this Agreement shall be paid the wages that have been determined by the U.S. Secretary of Labor to be the wages prevailing for the corresponding classes of laborers and mechanics employed on project(s) of a character similar to the contract work in the civil subdivision of the state wherein the work is to be performed. In addition, all laborers and mechanics employed by contractors or subcontractors on such construction work assisted under this Agreement shall be paid overtime compensation in accordance with the provisions of the Contract Work Hours and Safety Standards Act, 40 U.S.C. 3701 to 3708. Furthermore, Grantee shall require that all contractors and subcontractors shall comply with all regulations issued pursuant to these acts and with other applicable federal and state laws and regulations.

In the event that the construction work to be undertaken does not lie within the purview of the Davis-Bacon Act, and neither the federal government nor any of its agencies prescribes predetermined minimum wages to be paid to mechanics and laborers to be employed in the construction work to be assisted by this Project(s), Grantee will comply with the provisions of Ohio Revised Code (ORC) Sections 4115.03 to 4115.16, inclusive, as applicable, with respect to the payment of all mechanics and laborers employed in such construction work.

19. Use of Federal Grant Funds. Grantee acknowledges that this Agreement involves the use of federal funds and as such, is subject to audit by the agency of the United States Government granting the funds to Grantor for the purposes of performing the work and activities as listed in the Grantee's RLF project report forms and in conformance with OCD's Revolving Loan Fund Policies and Procedures Manual, OCD's Housing Handbook, and the Local Housing Policy and Procedures Manual. Grantee shall fully reimburse Grantor for any cost of Grantee which is disallowed by said federal agency and which must be refunded thereto by Grantor.

20. Property and Equipment Purchases. All items purchased by Grantee are and shall remain the property of Grantee, except if Grantor exercises its right to terminate this Agreement pursuant to paragraph 21, in which case all property and equipment purchased by Grantee with any Grant Funds herein awarded shall revert to Grantor. Grantee shall provide for the security and safekeeping of all items obtained through this Agreement.

21. Termination.

a. Grantor may immediately terminate this Agreement by giving reasonable written notice of termination to Grantee for any of the following occurrences:

i. Failure of Grantee to fulfill in a timely and proper manner any of its obligations under this Agreement.

- ii. Failure of Grantee to submit any report required by this Agreement that is complete and accurate.
 - iii. Failure of Grantee to use the Grant Funds for the stated purposes in this Agreement.
 - iv. Cancellation of the grant of funds from HUD.
- b. **Early Termination:** Grantor may also terminate this Agreement if Grantee (i) defaults under another Agreement between the Grantor and/or the Tax Credit Authority and Grantee and/or the Clean Ohio Council, (ii) admits Grantee's inability to pay its debts as such debts become due, (iii) Grantee commences a voluntary bankruptcy, (iv) an involuntary bankruptcy action occurs against Grantee which remains undismissed or unstayed for 60 days, (v) Grantee fails to meet the minimum funding requirements under the Employee Retirement Income Security Act or other such employee benefits plan, or (vi) Grantor has reason to believe Grantee has ceased operations at the Project location. The events permitting early termination by Grantor shall be considered a default by Grantee and subject to the Effects of Termination under Section 18 of this Agreement.
- c. Grantor reserves the right to suspend the administration of the RLF at any time for failure of the Grantee or its designated administrative agent to administer the local RLF in compliance with the OCD's Housing Policies and Procedures Manual which is not attached but incorporated herein by reference. Throughout this Agreement, Grantee and any designated administrative agent must continue to demonstrate administrative capacity in the administration of the RLF. Failure to accurately report on the RLF Funds could result in Grantor placing the RLF Funds on hold or recapturing the RLF Funds. Grantor also reserves the right to request the RLF Funds be returned to the State of Ohio upon failure to comply with the OCD RLF Policies and Procedures Manual.

22. Effects of Termination. Within 60 days after termination of this Agreement, Grantee shall surrender all reports, documents, and other materials assembled and prepared pursuant to this Agreement, which shall become the property of Grantor, unless otherwise directed by Grantor. After receiving written notice of termination, Grantee shall incur no new obligations and shall cancel as many outstanding obligations as possible. Upon compliance with this Section, Grantee shall receive compensation for all activities satisfactorily performed prior to the effective date of termination.

23. Forbearance Not a Waiver. No act of forbearance or failure to insist on the prompt performance by Grantee of its obligations under this Agreement, either express or implied, shall be construed as a waiver by Grantor of any of its rights hereunder.

24. Conflict of Interest. No personnel of Grantee, contractor of Grantee or personnel of any such contractor, and no public official who exercises any functions or responsibilities in connection with the review or approval of any work completed under this Agreement, shall, prior to the completion of such work, voluntarily or involuntarily acquire any personal interest, direct or indirect, which is incompatible or in conflict with the discharge or fulfillment of his or her functions or responsibilities with respect to the completion of the work contemplated under this Agreement. Grantee shall immediately disclose in writing to Grantor any such person who, prior to or after the execution of this Agreement, acquires any personal interest, voluntarily or involuntarily. Grantee shall cause any such person who, prior to or after the execution of this Agreement, acquires any personal interest, voluntarily or involuntarily, to immediately disclose such interest to Grantor in writing. Thereafter, such person shall not participate in any action affecting the work under this Agreement unless Grantor determines that, in light of the personal interest disclosed, his or her participation in any such action would not be contrary to the public interest.

25. Liability. Unless Grantee is an Ohio political sub-division and can prove to Grantor that it is self-insured, Grantee shall maintain liability and property insurance to cover actionable legal claims for liability or loss which are the result of injury to or death of any person, damage to property (including property of Grantor) caused by the negligent acts or omissions, or negligent conduct of Grantee, to the extent permitted by law, in connection with the activities of this Agreement. Furthermore, each party to this Agreement agrees to be liable for the negligent acts or negligent omissions by or through itself, its employees, agents and subcontractors. Each party further agrees to defend itself and themselves and pay any judgments and costs arising out of such negligent acts or omissions, and nothing in this Agreement shall impute or transfer any such liability from one to the other.

26. Adherence to State and Federal Laws, Regulations.

- a. **General.** Grantee shall comply with all applicable federal, state and local laws in the performance of Grantee's obligations under this Agreement, the completion of the Project and the operation of the Project as long as Grantee has any obligation to Grantor under this Agreement. Without limiting the generality of such obligation, Grantee shall pay or cause to be paid all unemployment compensation, insurance premiums, workers' compensation premiums, income tax withholding, social security withhold, and any and all other taxes or payroll deductions required for all employees engaged by Grantee in connection with the Project, and Grantee shall comply with all applicable environmental, zoning, planning and building laws and regulations.
- b. **Ethics.** Grantee, by its signature on this document, certifies: (1) it has reviewed and understands the Ohio ethics and conflicts of interest laws including, without limitation, ORC Section 102.01 et seq., Sections 2921.01, 2921.42, 2921.421, 2921.43, and 3517.13(I) and (J), and (2) will take no action inconsistent with those laws, as any of them may be amended or supplemented from time to time. Grantee understands that failure to comply with the Ohio ethics and conflict of interest laws, is in itself, grounds for termination of this Agreement and the grant of funds made pursuant to this Agreement and may result in the loss of other contracts or grants with the State of Ohio.

27. **Outstanding Liabilities.** Grantee represents and warrants that it does not owe: (1) any delinquent taxes to the State of Ohio (the "State") or a political subdivision of the State; (2) any amount to the State or a state agency for the administration or enforcement of any environmental laws of the State; and (3) any other amount to the State, a state agency or a political subdivision of the State that are past due, whether or not the amounts owed are being contested in a court of law.

28. **Falsification of Information.** Grantee affirmatively covenants that it has made no false statements to Grantor in the process of obtaining this award of the Grant Funds. If Grantee has knowingly made a false statement to Grantor to obtain this award of the Grant Funds, Grantee shall be required to return all the Grant Funds immediately pursuant to ORC Section 9.66(C) (2) and shall be ineligible for any future economic development assistance from the State, any state agency or a political subdivision pursuant to ORC Section 9.66(C) (1). Any person who provides a false statement to secure economic development assistance may be guilty of falsification, a misdemeanor of the first degree, pursuant to ORC 2921.13(F)(1), which is punishable by a fine of not more than \$1,000 and/or a term of imprisonment of not more than one hundred eighty (180) days.

29. **Public Records.** Grantee acknowledges that this Agreement and other records in the possession or control of Grantor regarding the Project are public records under ORC Section 149.43 and are open to public inspection unless a legal exemption applies.

30. **Miscellaneous.**

a. **Governing Law.** This Agreement shall be governed by the laws of the State of Ohio as to all matters, including but not limited to matters of validity, construction, effect and performance.

b. **Forum and Venue.** Grantee irrevocably submits to the non-exclusive jurisdiction of any federal or state court sitting in Columbus, Ohio, in any action or proceeding arising out of or related to this Agreement, Grantee agrees that all claims in respect of such action or proceeding may be heard and determined in any such court, and Grantee irrevocably waives any objection it may now or hereafter have as to the venue of any such action or proceeding brought in such court or that such court is an inconvenient forum. Nothing in this Agreement shall limit the right of Grantor to bring any action or proceedings against Grantee in the courts of any other jurisdiction. Any actions or proceedings by Grantee against Grantor or the State of Ohio involving, directly or indirectly, any matter in any way arising out of or related to this Agreement shall be brought only in a court in Columbus, Ohio.

c. **Entire Agreement.** This Agreement, including its exhibits and documents incorporated into it by reference, constitutes the entire agreement and understanding of the parties with respect to its subject matter. Any prior written or verbal agreement, understanding or representation between parties or any of their respective officers, agents, or employees is superseded and no such prior agreement, understanding or representation shall be deemed to affect or modify any of the terms or conditions of this Agreement.

d. **Severability.** Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions of this Agreement.

e. **Notices.** All notices, consents, demands, requests and other communications which may or are required to be given hereunder shall be in writing and shall be deemed duly given if personally delivered or sent by United States mail, registered or certified, return receipt requested, postage prepaid, to the addresses set forth hereunder or to such other address as the other party hereto may designate in written notice transmitted in accordance with this provision.

i. In the case of Grantor, to:

Ohio Development Services Agency
Office of Community Development
77 South High Street, P.O. Box 1001
Columbus, Ohio 43216-1001
Attention: Deputy Chief

ii. In the case of Grantee, to:

Grantee Name: City of Delaware
Address: 1 S Sandusky St
City, State, Zip: Delaware OH, 43015-2326
Attention: _____

- f. Amendments or Modifications. Either party may at any time during the term of this Agreement request amendments or modifications, as described in the applicable State of Ohio Consolidated Plan Submission. Requests for amendment or modification of this Agreement shall be in writing and shall specify the requested changes and the justification of such changes. The parties shall review the request for modification in terms of the regulations and goals relating to the Project(s). Should the parties consent to modification of this Agreement, then an amendment shall be drawn, approved, and executed in the same manner as the original agreement.
- g. Pronouns. The use of any gender pronoun shall be deemed to include all the other genders, and the use of any singular noun or verb shall be deemed to include the plural, and vice versa, whenever the context so requires.
- h. Headings. Section headings contained in this Agreement are inserted for convenience only and shall not be deemed to be a part of this Agreement.
- i. Assignment. Neither this Agreement nor any rights, duties, or obligations described herein shall be assigned, subcontracted or subgranted by Grantee without the prior express written consent of Grantor.
- j. Permissible Expenses. If "travel expenses," as defined in Ohio Administrative Code Section 126-1-02 (the "Expense Rule"), are a cost of the Project eligible for reimbursement with Grant Funds, Grantee shall be reimbursed accordingly. Grantee agrees that it shall not be reimbursed and Grantor shall not pay any items that are deemed to be "non-reimbursable travel expenses" under the Expense Rule, whether purchased by the Grantee or Grantor or their respective employees or agents.
- k. Binding Effect. Each and all of the terms and conditions of this Agreement shall extend to and bind and inure to the benefit of Grantee, its successors and permitted assigns.
- l. Survival. Any provision of this Agreement which, by its nature, is intended to survive the expiration or other termination of this Agreement shall so survive and shall benefit the parties and their respective successors and permitted assigns.
- m. Counterparts: PDF Accepted. This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Copies of signatures sent by facsimile transmission or provided electronically in portable document format ("PDF") shall be deemed to be originals for purposes of execution and proof of this Agreement

Signature: Each of the parties has caused this Housing Revolving Loan Fund Administration Agreement to be executed by its authorized representatives as of the dates set forth below, their respective signatures effective as of the Effective Date:

GRANTEE:

GRANTOR:

City of Delaware

**State of Ohio
Development Services Agency**

Thomas Homan, City Manager

David Goodman, Director

By: _____

By: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Date: _____

Date: _____



FACT SHEET

AGENDA ITEM NO: CONSENT ITEM D DATE: 03/25/2019
ORDINANCE NO: RESOLUTION NO: 19-14
READING: FIRST PUBLIC HEARING: NO

TO: Mayor and Members of City Council
FROM: R. Thomas Homan, City Manager
VIA: Add Presenter's Name(s)

TITLE OF PROPOSED ORDINANCE/RESOLUTION:

A RESOLUTION AUTHORIZING THE CITY TO ENTER INTO AN INTERGOVERNMENTAL AFFILIATION AGREEMENT BETWEEN THE DELAWARE AREA CAREER CENTER AND THE CITY OF DELAWARE FIRE DEPARTMENT.

BACKGROUND:

The Fire Department and Delaware Area Career Center have been working to enhance the learning experience for the fire and EMS students, while increasing the exposure of the students to the Fire Department. This agreement will allow the students to conduct ride-along training with the Fire Department. The Career Center is also working with the students to prepare them for taking the Fire Department ability test.

REASON WHY LEGISLATION IS NEEDED:

This agreement requires approval by City Council as this is an Intergovernmental Contract.

COMMITTEE RECOMMENDATION:

N/A

FISCAL IMPACT(S):

None

POLICY CHANGES:

None

PRESENTER(S):

Chris Ballard, Assistant City Attorney

RECOMMENDATION:

Approval

ATTACHMENT(S)

Affiliation Agreement between Delaware Area Career Center and City Of Delaware Fire Department, Delaware County, Ohio

**AFFILIATION AGREEMENT BETWEEN
DELAWARE AREA CAREER CENTER**

AND

**CITY OF DELAWARE FIRE DEPARTMENT,
DELAWARE COUNTY, OHIO**

Parties to the Agreement

THIS AFFILIATION AGREEMENT (the "Agreement"), for emergency medical provider or firefighter students (the "Students"), is made and entered into this _____ day of _____, 2018 ("Effective Date"), by and between the Delaware Area Career Center, whose current address is 1610 State Route 521, Delaware, Ohio 43015. Permanent address will be 4565 Columbus Pike, Delaware, OH 43015 as of August 1, 2019. (The "DACC"), and the City of Delaware Fire Department, whose address is 1 South Sandusky Street, Delaware, Ohio 43015 (the "Affiliate") (hereinafter, individually referred to as "Party" and collectively referred to as the "Parties").

Preliminary Statements

WHEREAS, it is the mutual desire of DACC and the Affiliate to provide high quality clinical education programs that meet or exceed standards established by accrediting bodies; and

WHEREAS, DACC and Affiliate have mutually agreed to collaborate and cooperate in order for the Students to acquire valuable experience in Affiliate's facilities.

Statement of the Agreement

NOW THEREFORE, in consideration of the above premises and the terms set forth herein, DACC and Affiliate do hereby mutually agree as follows:

I. TERM AND RENEWAL

1. The term of this Agreement shall become effective on and be inclusive of the date the last Party signs this Agreement and continue through April 30, 2022, unless otherwise terminated as provided in this Agreement.

Upon written agreement of the Parties, this Agreement may be renewed for successive one (1) year periods up to three (3) times for a maximum total term of six (6) years subject to the same terms and conditions provided herein and upon any such terms and conditions as may be specifically agreed upon, added and/or amended in writing by the Parties.

II. RESPONSIBILITIES OF THE PARTIES

- A. DACC shall:

1. bear sole responsibility for the education of its Students, establishment of its curriculum, credentialing of its volunteer clinical faculty, plus all its other operations and functions.
2. appoint an Administrator who will be responsible for overseeing DACC academic programs and will collaborate with designated representatives of the Affiliate to designate preceptors to supervise and facilitate clinical training for students, and address matters of mutual interest and concern.
3. carry and maintain throughout the term of the Agreement, without lapse, the following policies of insurance with the following minimum coverage limits:
 - a. **General Liability Coverage:** DACC shall maintain general liability insurance of one million dollars (\$1,000,000.00) each occurrence with an annual aggregate of two million dollars (\$2,000,000.00).
 - b. **Proof of Insurance:** Prior to the commencement of any work under this Agreement, DACC shall furnish Affiliate with properly executed certificates of insurance for all insurance required by this Agreement. Certificates of insurance shall provide that such insurance shall not be cancelled without thirty (30) days prior written notice to the Affiliate. DACC will replace certificates for any insurance expiring prior to completion of work under this Agreement.
4. instruct Students about the importance of patient privacy and confidentiality as well as inform them of the various laws regarding the use and disclosure of Protected Health Information ("PHI"), written and electronic.
5. make Students aware that they are responsible for transportation costs; must wear appropriate attire and identification; will not be paid for their participation in this program; are not entitled to employee benefits; and may be removed from service for violations of federal, state, or local laws or policies of the Affiliate.
6. assure that all Students placed with Affiliate are in good standing and qualified for such assignments.
7. have final responsibility for determining the Students' academic status and participation in available experiences.
8. conduct criminal background checks on all Adult Education Students and report the results to Affiliate.
9. ensure that the Student is informed that he/she must:
 - a. adhere to rules, regulations, policies and procedures of DACC and Affiliate;

- b. provide evidence of receiving required immunizations (e.g., rubella, rubella, mumps, varicella, hepatitis B) and having diagnostic tests (e.g., tuberculosis) in accordance with DACC policy which takes into consideration guidelines published by the Centers for Disease Control ("CDC") and Prevention, if requested by Affiliate;
 - c. show demonstrated immunity with documented positive serum antibody titers for certain infectious diseases if requested by Affiliate;
 - d. have received training for universal infection control precautions in accordance with the requirements of the Occupational Safety and Health Administration ("OSHA") and the Public Health Service if requested by Affiliate;
 - e. undergo, submit to, and pay for, an additional background (criminal records) check, if requested by Affiliate, at no expense to Affiliate;
 - f. maintain in strict confidence all confidential information obtained in the performance of duties and will not, unless otherwise required by law, disclose such confidential information to any third party without the prior written consent of the Affiliate; and
 - g. relinquish the rights and privileges established herein by failure to comply with requirements or otherwise adversely affecting the health or safety of the patients or personnel of Affiliate.
10. ensure that Students are informed, when participating in this program, that they are not employees, agents or representatives of Affiliate.

B. Affiliate shall:

1. determine the number of Students to be accepted on assignment at its clinical training facilities and may refuse to accept, or revoke the acceptance of any Student prior to his/her entry into the clinical training experience.
2. orient Students adequately and make available to them the full range of experiences available at its training site(s).
3. ensure that all personnel and staff that will interact with Students have undergone criminal background checks, and that no one who has committed a prior criminal offense against a minor or a sexual criminal offense will interact with Students.
4. ensure that all assigned Students are learning under the direct supervision of an appropriately credentialed, medical staff.
5. provide safe physical facilities and an environment needed for proper instruction.
6. permit Students' use of available training site facilities (e.g., conference rooms, lounges, break rooms, cafeterias/vending areas, parking lots/garages, lockers, etc.) and inform them of any associated expenses.

7. provide emergency medical care at its customary rate, if available, for Students who are in need of it while participating in the education program at Affiliate's training site(s); such costs is the Student's sole responsibility.
8. refer Students to the nearest emergency room for immediate precautionary treatment consistent with current medical practice in the event any Student is exposed to potentially infectious material; such costs is the responsibility of the Student.
9. ensure that a written performance evaluation is completed for each assigned Student using the form provided and within the timeframe specified by DACC, if requested by DACC.
10. permit DACC to inspect training site(s) related to the Students' experience upon request and continue to meet and/or exceed professional standards including standards set by the appropriate accrediting agency(ies).
11. appoint an individual who will serve as a liaison to, and be the primary contact for, the Administrator appointed pursuant to Section II.A.2.
12. remove any Student from his/her assigned training experience whenever the Affiliate determines, in its sole judgement and discretion, the Student's performance is unsatisfactory and/or his/her behavior is disruptive or detrimental to Affiliate and/or patients.

III. INDEMNIFICATION

The Parties are political subdivisions of the state of Ohio or are boards, departments, entities, or parts thereof. As such, the Parties lack authority to indemnify. Therefore, the Parties understand and agree that each Party is and shall be responsible for its own negligence, actions, or omissions and/or the negligence, actions, or omissions of their respective boards, board members, officials, officers, employees, agents, representatives, servants, and/or volunteers, resulting from or related in any manner to the performance of this Agreement. The Parties agree to be individually and solely responsible for any and all liability, loss, damages, injury, including death, penalties, costs, fines, fees, and/or related expenses that each may incur as a result of its own negligence, actions, or omissions and/or the negligence, actions, or omissions of its respective boards, board members, officials, officers, employees, agents, representatives, servants, and/or volunteers in the performance of this Agreement.

IV. REMUNERATION

The general purpose of this Agreement is strictly educational. No monetary consideration or remuneration is involved because of the mutual benefits inherent in the clinical education program provided.

V. TERMINATION

This Agreement may be terminated as follows:

A. Termination for the Convenience:

The Parties may terminate this Agreement at any time and for any reason upon the mutual written consent of the Parties. A Party may unilaterally terminate this Agreement for any reason with ninety (90) days advance notice to the other Party.

B. Breach or Default:

Upon breach or default of any of the provisions, obligations, or duties embodied in this Agreement, the aggrieved Party shall provide written notice of the breach or default to the breaching or defaulting Party and permit the breaching or defaulting Party to remedy the breach or default within a specified reasonable period of time. If the breach or default is not satisfactorily remedied within the specified time period, this Agreement may, at the election of the aggrieved Party, be immediately terminated. The Parties retain and may, without limitation, exercise any and all available administrative, contractual, equitable or legal remedies.

C. Waiver:

The waiver of any occurrence of breach or default is not and should not be interpreted as a waiver of any such subsequent occurrences. The Parties retain and may, without limitation, exercise any and all available administrative, contractual, equitable or legal remedies. If any of the Parties fail to perform an obligation or obligations under this Agreement and such failure(s) is (are) waived by the other Parties, such waiver shall be limited to the particular failure(s) so waived and shall not be deemed to waive other failure(s). Waiver by any of the Parties shall be authorized in writing and signed by an authorized representative(s) of the waiving Party.

Termination pursuant to this section shall relieve the Parties of any and all further obligations under this Agreement, except students who are in progress at Affiliate's training site(s) at the time this Agreement is terminated will be permitted to complete their education programs.

VI. GOVERNANCE

- A. In fulfilling the obligations and duties of this Agreement, both Parties shall comply with any and all applicable federal, state, and/or local laws prohibiting discrimination and providing for equal opportunity. Both Parties shall not in any way or manner discriminate on account of race, color, religion, sex, age, ancestry, disability, handicap, sexual orientation, gender identity, or military status. Both Parties shall agree to abide by the terms of the Americans with Disabilities Act ("ADA").

- B. To the extent possible, Both Parties shall make all services/programs provided pursuant to this Agreement accessible to the disabled/handicapped. Both Parties shall comply with any and all applicable federal, state, and/or local laws mandating accessibility and Section 503 of the Rehabilitation Act of 1973, as amended (“29 U.S.C. 794”), all requirements imposed by the applicable Health and Human Services (“HHS”) regulations (“45 CFR 8;4”), and all guidelines and interpretations issued pursuant thereto.
- C. Both Parties shall comply with the provisions of the Family Educational Rights and Privacy Act (“FERPA”) and will use Student information only for the purpose for which it was disclosed and will not make such information available to any third party without first obtaining the respective student’s consent.
- D. Both Parties agree that the Affiliate is a “covered entity” as that term is defined under the Health Insurance Portability and Accountability Act of 1996 (“Public Law 104-191”) and the rules and regulations promulgated hereunder, as well as guidance issued by the United States Department of Health and Human Services (collectively such Act, rules, regulations, and guidance is referred herein as “HIPAA”). Accordingly, DACC shall use its best efforts to comply with, and emphasize to Students the importance of complying with, the Affiliate’s written policies and procedures implemented pursuant to HIPAA.
- E. This Agreement is non-exclusive and both Parties have the right to enter into similar affiliations with other institutions, entities, and organizations.

VII. MODIFICATIONS

- A. This Agreement may be modified only by written amendment signed by DACC and Affiliate.
- B. All signed written amendments shall be attached as an Addendum.

VIII. NOTICES

All notices, consents, and/or written communications which may or are required to be given by this Agreement or by operation of law, shall be in writing and shall be deemed duly given if personally (hand) delivered, sent by certified or registered United States mail, return receipt requested, sent via nationally recognized and reputable overnight express courier, return receipt requested, via facsimile, confirmation of delivery, or email, confirmation of delivery, to the following individuals at the following addresses or facsimile numbers and shall be effective when sent or transmitted:

To Delaware Area Career Center:

Delaware Area Career Center
Attn: Mary Beth Freeman, Superintendent
1610 State Route 521
Delaware, Ohio 43015
Phone: (740) 201-3204
Email: freeman@DelawareAreaCC.org

*after August 1, 2019, DACC's address for Notice shall be:

4565 Columbus Pike
Delaware, Ohio 43015

To Affiliate:

City of Delaware Fire Department
Attn: John Donahue, Fire Chief
1 South Sandusky Street
Delaware, Ohio 43015
Phone: (740) 203-1000
Email: jdonahue@delawareohio.net

IX. DRUG FREE ENVIRONMENT

The Parties agree to comply with all applicable state and federal laws regarding drug-free environment and shall have established and have in place a drug-free workplace policy. The Parties shall make a good faith effort to ensure that all their employees and Students will not purchase, use, or possess illegal drugs or alcohol or abuse prescription drugs in any way.

X. SEVERABILITY

The provisions of this Agreement are severable and independent, and if any such provision shall be unenforceable in whole or in part, the remaining provisions and any partially enforceable provisions, to the extent enforceable, shall nevertheless be binding and enforceable.

XI. CITY POLICIES

While participating in the programs contemplated by this Agreement, DACC Students shall be bound by, conform to, comply with, and abide by all current applicable City policies (collectively "Citty Policy"). The Affiliate may, in their sole discretion, immediately terminate this Contract for failure of DACC Students to comply with City Policy. Copies

of City Policy are available upon request. The City of Delaware reserves the authority to change, amend, replace, enact, repeal, and/or rescind City Policy at any time and without notice.

XII. FORCE MAJEURE

Neither Party shall be liable for any failure of or delay in performance of its obligations (except for payment obligations) under this Agreement to the extent such failure or delay is due to acts of God, acts of a public enemy, fires, floods, power outages, wars, civil disturbances, epidemics, pandemics, sabotage, terrorism, accidents, insurrections, blockades, embargoes, storms, explosions, labor disputes (whether or not the employees' demands are reasonable and/or within the Party's power to satisfy), failure of common carriers, Internet Service Providers, or other communication devices, acts of cyber criminals, terrorists or other criminals, acts of any governmental body (whether civil or military, foreign or domestic), failure or delay of third parties or governmental bodies from whom a Party is obtaining or must obtain approvals, authorizations, licenses, franchises or permits, inability to obtain labor, materials, power, equipment, or transportation, or other circumstances beyond its reasonable control (collectively referred to herein as "Force Majeure Occurrences"). Any such delays shall not be a breach of or failure to perform this Agreement or any part thereof and the date on which the obligations hereunder are due to be fulfilled shall be extended for a period equal to the time lost as a result of such delays.

XIII. FINDINGS FOR RECOVERY

The Parties hereby respectfully certify that they are not subject to any current unresolved findings for recovery pending with or issued by the Ohio Auditor of State.

Mary Beth Freeman
Superintendent
DACC


John L. Donahue (Mar 13, 2019)

John Donahue
Fire Chief
City of Delaware Fire Department

XIV. INDEPENDENT CONTRACTOR

The Parties agree that they shall act in performance of this Agreement as independent contractors. No agency, employment, joint venture, or partnership has been or will be created between the Parties hereto pursuant to the terms and conditions of this Agreement.

Each Party respectfully assumes all responsibility for any and all federal, state, municipal, or other tax liabilities, along with Workers' Compensation, unemployment compensation, contributions to retirement plans, and/or insurance premiums which may accrue to that Party and/or become due by that Party as a result of any compensation received for services and/or deliverables rendered and/or received under or pursuant to this Agreement.

Neither Party nor their respective boards, board members, officers, officials, employees, representatives, agents, and/or volunteers are entitled to any benefits by employees of the other Party.

XV. INDEPENDENT CONTRACTOR ACKNOWLEDGEMENT/NO CONTRIBUTION TO OPERS

The Parties are public employers as defined in R.C. § 145.01(D). Each Party has classified the other as an independent contractor or another classification other than public employee. As a result, no contributions will be made by either Party to the Ohio Public Employees Retirement System ("OPERS") for or on behalf of the other Party and/or any of the other Party's boards, board members, officers, officials, employees, representatives, agents, and/or volunteers for services and/or deliverables rendered and/or received under or pursuant to this Agreement. Each Party acknowledges and agrees that, in accordance with R.C. § 145.038(A), that it has been informed by the other Party of such classification and that as provided herein no contributions will be made to OPERS.

By signature below of its representative, each Party hereby certifies that it has five (5) or more employees and therefore is not required to complete and does not complete an OPERS Independent Contractor Acknowledgement Form:

Mary Beth Freeman
Superintendent
DACC

R. Thomas Homan, ICMA-CM
City Manager
City of Delaware

XVI. STUDENTS NOT CONSIDERED EMPLOYEES

Students shall not be considered employees of the Parties and the Parties shall not be responsible for the payment of any wages, payroll taxes, Social Security, Workers' Compensation insurance, malpractice insurance, or other benefits to or on behalf of such Students.

XVII. RESPONSIBILITY OF AUDIT EXCEPTIONS:

The DACC agrees to accept responsibility for receiving, replying to, and/or complying with any audit exception by any appropriate federal, state, local, or independent audit authority that is in any way associated with this Agreement. The DACC agrees to reimburse the Affiliate and the City of Delaware the amount of any such audit exception.

XVIII. ASSIGNMENTS

This Agreement shall not be assigned in whole or in part without the prior written consent of the DACC and Affiliate.

XIX. HEADINGS

The subject headings of the Sections and Subsections in this Agreement are included for purposes of convenience only and shall not affect the construction or interpretation of any of its provisions.

XX. GOVERNING LAW

This Agreement shall be governed by and interpreted in accordance with the laws of the State of Ohio. Any and all legal disputes arising from this Agreement shall be filed and heard before the courts of Delaware County, Ohio.

XXI. INCORPORATION OF AFFILIATION AGREEMENT FOR FIELD INTERNSHIP

The Affiliation Agreement for Field Internship Form ("Form") is attached hereto as Exhibit A and by this reference is incorporated as part of this Agreement. Any term or language in the Form that contradicts this Agreement is superseded by this Agreement.

XXII. ENTIRE AGREEMENT

This Agreement represents the complete understandings of the parties and, therefore, may only be amended in a writing executed by the parties.

XXIII. DRAFTING, COUNTERPARTS, AND SIGNATURES

This Agreement shall be deemed to have been drafted by both Parties and no purposes of interpretation shall be made to the contrary. This Agreement may be executed in counterparts. Any person executing this Agreement in a representative capacity hereby warrants that he/she has authority to sign this Agreement or has been duly authorized by his/her principal to execute this Agreement on such principal's behalf and is authorized to bind such principal.

(Signatures on Page 11)

IN WITNESS WHEREOF, the Parties hereto have caused this agreement to be executed.

Delaware Area Career Center

City of Delaware Fire Department, Ohio

By: Mary Beth Freeman

John L> Donahue
John L> Donahue (Mar 13, 2019)

By: John Donahue

Its: Acting as DACC Authorizing Official
Superintendent

Its: Acting as Fire Chief

Date: _____

Date: Mar 13, 2019

CITY OF DELAWARE, OHIO

Attest:

R. Thomas Homan
City Manager

Date

Approved as to form

Carol O'Brien
Delaware County Prosecuting Attorney

Darren Shulman
Delaware City Attorney

Christopher Ballard
Christopher Ballard (Mar 13, 2019)

Assistant City Attorney

FISCAL OFFICER'S CERTIFICATION (RC 5705.41(D)):

No actual funds are to be exchanged between the Parties in connection with this Agreement. No Fiscal Officer's Certification is required.



FACT SHEET

AGENDA ITEM NO: CONSENT ITEM E DATE: 03/25/2019
ORDINANCE NO: RESOLUTION NO: 19-15
READING: FIRST PUBLIC HEARING: NO

TO: Mayor and Members of City Council
FROM: R. Thomas Homan, City Manager
VIA: William L. Ferrigno, P.E.

TITLE OF PROPOSED ORDINANCE/RESOLUTION:

A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH THE OHIO DEPARTMENT OF TRANSPORTATION TO PARTICIPATE IN THE COOPERATIVE PURCHASE OF ROAD SALT THROUGH THE ODOT WINTER SALT PURCHASE CONTRACT (018-20).

BACKGROUND:

The City must participate in a cooperative purchasing agreement in order to obtain road salt for winter snow and ice management operations within the city. Participation in ODOT's winter salt contract guarantees adequate supply of highway road salt. Salt is available through the program from September 1, 2019 through April 30, 2020, and at a competitive price through ODOT's public bid process. Participation provides access to up to 2,000 tons of road salt at an estimated delivered price of \$90.00 per ton. The City's five-year average use of winter road salt is 2,100 tons per year, and has ranged from 1,400 tons to 3,200 tons used in a season. Availability of additional road salt outside of participation in the ODOT program remains limited.

REASON WHY LEGISLATION IS NEEDED:

Resolution and signed agreement required by ODOT to participate in program

COMMITTEE RECOMMENDATION:

None

FISCAL IMPACT(S):

Requires supplemental appropriation for additional funding to participate in '19/'20 ODOT program.

POLICY CHANGES:

This is the fourth year the City has participated in ODOT's winter salt program.

PRESENTER(S):

William L. Ferrigno, P.E., Director of Public Works/City Engineer

RECOMMENDATION:

Approval

ATTACHMENT(S)

None

RESOLUTION NO. 19-15

A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH THE OHIO DEPARTMENT OF TRANSPORTATION TO PARTICIPATE IN THE COOPERATIVE PURCHASE OF ROAD SALT THROUGH THE ODOT WINTER SALT PURCHASE CONTRACT (018-20).

WHEREAS, the City of Delaware is responsible for operating and maintaining public highways within the corporate limits of the City; and

WHEREAS, the Ohio Department of Transportation invites all local governments and political subdivisions to partner with ODOT for the cooperative purchase of road salt through Winter Contract (018-20); and

WHEREAS, being a member of the State Cooperative Purchasing Program, the City of Delaware is eligible to participate in the ODOT program; and

WHEREAS, participation in the cooperative bidding and purchasing with ODOT will most likely ensure the best possible price and a reliable source of availability for road salt for the 2019-2020 winter seasons.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF DELAWARE, OHIO THAT:

SECTION 1. That the City Manager is hereby granted authority to participate in the Ohio Department of Transportation Winter (018-20) contracts for road salt and sign agreements as required.

SECTION 2. That the City Manager is hereby authorized to agree to and be bound by all terms and conditions as the Director of Transportation prescribes.

SECTION 3. That the City Manager is hereby authorized to agree to directly pay vendors, under each such contract of the Ohio Department of Transportation in which the City of Delaware participates, for items it receives pursuant to the contract.

SECTION 4. That the City of Delaware agrees to be responsible for resolving all claims or disputes arising out of its participation in the cooperative purchasing program under Section 5513.01(B) of the Ohio Revised Code. The City of Delaware agrees to waive any claims, actions, expenses, or other damages arising out of its participation in the cooperative purchasing program which the City of Delaware may have or claim to have against ODOT



FACT SHEET

AGENDA ITEM NO: 9

DATE: 03/25/2019

ORDINANCE NO: 19-07

RESOLUTION NO:

READING: THIRD

PUBLIC HEARING: YES
March 25, 2019 at 7:30 p.m.
Third Reading

TO: Mayor and Members of City Council

FROM: R. Thomas Homan, City Manager

VIA: Darren Shulman, City Attorney

TITLE OF PROPOSED ORDINANCE/RESOLUTION:

AN ORDINANCE AMENDING CHAPTER 1121 AND 1143 OF THE PLANNING AND ZONING CODE OF THE CODIFIED ORDINANCES OF THE CITY OF DELAWARE.

BACKGROUND:

3/25/19 UPDATE:

At the March 11, 2019, City Council meeting, Council heard from District 19 Senator Andrew Brenner, who mentioned co-sponsoring S.B. 105 to regulate massage establishments. S.B. 105 was recently introduced to the Ohio Senate, and as of March 19, 2019, has not been assigned to a committee or been analyzed by the Legislative Service Commission.

S.B. 105's main change is to expand the definition of "massage therapy" requiring a state license. Previously, R.C. 4731(D) defined "massage therapy" as:

"any treatment of disorders of the human body by the manipulation of soft tissue through the systematic external application of massage techniques including touch, stroking, friction, vibration, percussion, kneading, stretching, compression, and joint movements within the normal physiologic range of

motion; and adjunctive thereto, the external application of water, heat, cold, topical preparations, and mechanical devices.”

This definition does not encompass so-called “relaxation massages” that are not for treatment of disorders. S.B. 105 would broaden the definition of State-regulated massage therapy to any of the following:

“(1) The manual application of compression, stretch, vibration, or mobilization of the body’s organs and tissues, including the components of the musculoskeletal system, peripheral vessels of the circulatory system, and fascia;

(2) Directed, assisted, resistive, or passive movements of the joints within the normal physiologic range of motion;

(3) The external application of water, heat, cold, topical preparations, and mechanical devices.”

This definition is similar to that proposed in our ordinance, which was adopted from Westerville Ordinance 759.01(f).

S.B. 105 requires that township regulation of massage establishments include a requirement that all “massage therapy,” as defined in the amended R.C. 4731.04, be performed by state license-holders, and that their licenses must be displayed in the establishment. S.B. 105 also expands the amount of shareholders of a massage establishment who would need to register with a township, if a township has enacted such a requirement.

With regards to municipalities, S.B. 105 likewise mandates that if a municipality elects to regulate massage therapy as defined in the amended R.C. 4731.04, the municipality must require massage therapy to be performed by a state licensed individual.

Importantly, these mandates are dependent on whether or not a township or municipality elects to regulate massage establishments, a choice that remains at local discretion.

3/11/2019:

Pursuant to R.C. 715.61, the City of Delaware can regulate massage establishments. Various municipalities in Ohio have adopted regulatory frameworks of various levels of complexity, as detailed in the memorandum prepared by staff and disseminated to Council on September 7, 2018. Following Council’s directive to explore regulatory options via the City’s zoning code, staff has developed the following ordinance. “Licensed massage establishments” are specifically defined at a permitted use within the B-1 Limited Business, B-2 Central Business, B-3 Community Business, and B-4

General Business districts in 1143.02 of the Planning and Zoning code. This is where they previously were a permitted use as “health and allied services,” and does not expand or contract the districts where they are permitted. To receive the necessary certificate of zoning compliance from the City’s planning and community development department to commence this use under Ordinance 1127.02, an applicant must certify that massage treatments will be provided by an individual licensed by the State Medical Board of Ohio to practice “massage therapy” or under the supervision of such a licensee. This new ordinance specifically excepts massage treatments that may be provided incidentally to medical or chiropractic treatment, so as not to over-regulate unrelated businesses.

REASON WHY LEGISLATION IS NEEDED:

While most massage establishments are legitimate businesses, massage establishments can unfortunately provide a convenient “front” for illegal activities and human-trafficking. By requiring that new massage establishments provide proof of State licensure to practice massage therapy, before being issued a certificate of zoning compliance, this ordinance adds an extra layer of scrutiny to deter illegal activity, within an established regulatory framework.

COMMITTEE RECOMMENDATION:

N/A

FISCAL IMPACT(S):

N/A

POLICY CHANGES:

N/A

PRESENTER(S):

Darren Shulman, City Attorney

RECOMMENDATION:

Staff recommends that Council take action after the fourth reading on April 8, 2019, as the public hearing is scheduled to occur at the third reading.

ATTACHMENT(S)

Sample Public Hearing Notice

List of Business

Flyer received from State Medical Board of Ohio re: Massage Therapist Licensing Requirements

ORDINANCE NO. 19-07

AN ORDINANCE AMENDING CHAPTER 1121 AND 1143 OF THE PLANNING AND ZONING CODE OF THE CODIFIED ORDINANCES OF THE CITY OF DELAWARE.

WHEREAS, the City of Delaware has both the duty and authority to enact ordinances to protect the health, safety, and welfare of those within its borders; and

WHEREAS, massage services are offered independently or as part of medical or cosmetological services which require appropriate regulations to insure the health, safety, and welfare of citizens and avoid nuisances; and

WHEREAS, pursuant to R.C. 715.61, “Any municipal corporation may regulate and license...all persons engaged in the trade, business, or profession of ... massaging”; and

WHEREAS, Council has determined it to be in the best interest of the health, safety, and welfare of the community to ensure that businesses that offer massage services are operated by individuals who have undergone State licensure; and

WHEREAS, multiple divisions of the State of Ohio already provide comprehensive health and safety requirements as part of occupational licenses that are relevant to massage services, including (but not limited to) the state medical board’s licensing and regulation of massage therapy in accordance with R.C. 4731.15 and related sanctions.

NOW, THEREFORE, BE IT ORDAINED by the City Council of Delaware, State of Ohio:

SECTION 1. That Chapter 1121.02 of the Planning and Zoning Code is amended as follows.

1121.02 – Definitions.

(b)(96.1) MASSAGE means the use of any method on, or friction against, or stroking, kneading, rubbing, tapping, pounding, vibrating, pressing, compressing, percussing, stretching, rotating, heating, cooling, or stimulating of, the external soft parts of a living human body, which may be performed with direct or indirect human contact, or with the aid of an apparatus, appliance, or other tool or object.

(b)(96.2) MASSAGE TREATMENT means providing for a fee or any consideration whatsoever any of the following services:

(1) Massage;

(2) The application of liniments, antiseptics, oils, powders, creams, lotions, ointments, hot or cold liquids or solid objects, or other similar treatments.

(b)(96.3) LICENSED MASSAGE ESTABLISHMENT means any establishment having a fixed place of business where a person or entity advertises the availability of, offers, provides, or permits to be carried on, massage treatments. Prior to issuance of a certificate of zoning compliance for a licensed massage establishment, the applicant must certify to the City that all massage treatments shall be provided by individuals licensed by the State Medical Board of Ohio pursuant to R.C. 4731.15 to practice “massage therapy” or individuals under the supervision of those so licensed pursuant to R.C. 4731.15.

(A) A “Massage establishment” does not include any establishment where massage treatment is provided as a portion of services provided by individuals licensed by, or under the supervision of individuals licensed by, any of the following:

(1) The Ohio State Cosmetology and Barber Board or its predecessors pursuant to R.C. 4709 or 4713;

(2) The State of Ohio Board of Nursing pursuant to R.C. 4723;

(3) The Ohio Occupational Therapy, Physical Therapy, and Athletic Trainers Board pursuant to R.C. 4755;

(4) The Ohio State Chiropractic Board pursuant to R.C. 4734;

(5) The State Medical Board of Ohio pursuant to R.C. 4730 or R.C. 4762; except those licensed pursuant to R.C. 4731.15 to practice “massage therapy.”

SECTION 2. That the permitted use schedule of Chapter 1143.02 of the Planning and Zoning Code is amended as follows.

(b) Office and Professional Services	B-1 Limited Business	B-2 Central Business	B-3 Community Business	B-4 General Business
(1) Offices—administrative, business and professional	P	P	P	P
(2) Financial institutions, banks	P	P	P	P
(3) Medical and dental offices, health and allied services	P	P	P	P
(4) LICENSED MASSAGE ESTABLISHMENTS	P(a)	P(a)	P(a)	P(a)
P = Principal use permitted by right C = Conditional use A = Accessory use Blank = Use not permitted				
(a) SUBJECT TO CERTIFICATE OF ZONING COMPLIANCE REQUIREMENTS ENUMERATED IN 1121.02(b)(96.3)				

PASSED: _____, 2019 YEAS ___ NAYS ___
 ABSTAIN ___

ATTEST: _____ _____
 CITY CLERK MAYOR



March 7, 2019

Business Name
Address
Delaware, OH 43015

Dear Business Owner;

Please be advised that a public hearing will be held regarding the attached legislation regarding massage operations. You may either choose to attend the meeting or you may email your comments to Elaine McCloskey, Clerk of Council prior to the public hearing in order to have your comments read into the record.

PUBLIC HEARING NOTICE

WHEN: Monday March 25, 2019 at 7:30p.m.

WHERE: City of Delaware City Hall, 1 South Sandusky Street,
Delaware, Ohio
Second Floor Council Chambers

EMAIL: Elaine McCloskey, Clerk of Council
emccloskey@delawareohio.net

PHONE: 740-203-1010

Massage Therapy Innovation, LLC
Cheri A. Clem, Licensed Massage Therapist
Address: 58 N Franklin St, Delaware, OH 43015
Phone: (740) 272-0602

The Hair Studio & Day Spa
Address: 33 N Sandusky St, Delaware, OH 43015
Hours:
Phone: (740) 369-8214

Rejuvenate with Rebecca
Address: 187 S Sandusky St, Delaware, OH 43015
Phone: (740) 369-4192

Good Habbot Massage Therapy
Address: 554 W Central Ave Suite 3, Delaware, OH 43015
Phone: (614) 327-1640

Massage Professionals
Address: Delaware, OH 43015
Phone: (740) 417-4600

Julie Cimino Lmt
Address: 681 Kingsbury Rd, Delaware, OH 43015
Phone: (740) 417-8008

Comprehensive Chiropractic Care Center
Address: 575 Sunbury Rd, Delaware, OH 43015
Phone: (740) 369-4349

Delaware Chiropractic
Address: 104 W William St, Delaware, OH 43015
Phone: (740) 362-8800

BackCare Family Chiropractic, LLC- Stephen Wallace, DC
Address: 351 W Central Ave, Delaware, OH 43015
Phone: (740) 369-4806

Green Door Salon

Address: 4 N Sandusky St, Delaware, OH 43015
Phone: (740) 417-4004

Leaf Chiropractic & Wellness Center
Address: 1012 State Rte 521, Delaware, OH 43015
Phone: (740) 363-9705

Spa Retreat
1836 columbus pike
Delaware, OH 43015
(740) 362-7050

Massage Therapy Innovation LLC
302 Troy Road
Delaware, OH 43015

Zen Relax Massage
593 Sunbury Road
Delaware, OH 43015

Uniquely Defined
113 Blakemore Drive
Delaware, OH 43015
(614) 419-5785

Spa Retreat
56 North Franklin Street
Delaware, OH 43015
(740) 362-7050

NIDA SPA
Address: 2211 U.S. Hwy 23 N, Delaware, OH 43015
Phone: (740) 990-4060

Dragon Massage Studio
35 N Sandusky St, Suite 200 (0.10 mi)
Delaware, Ohio 43015

(740) 802-3083

Therapeutic Massage by Sami
554 W. Central Ave #3 (1.24 mi)
Delaware, Ohio 43015
(614) 598-9898

MASSAGE THERAPISTS

LICENSING REQUIREMENTS

At least **18** years old



High school **graduate or equivalent**

Diploma from a school with a board-approved curriculum or an active out-of-state license for the last five years



Pass MBLEx (Massage and Bodywork Licensing Examination)

Complete application and **pay** \$150 fee (biennial renewal \$100)



Undergo FBI & BCI criminal records check

med.ohio.gov/apply/Massage-Therapist-MT
30 East Broad Street, 3rd Floor
Columbus, OH 43215
614-466-3934

See Ohio Revised Code
4731.19 and Ohio
Administrative Code 4731-1



State Medical Board of
Ohio

As of 10/29/18



FACT SHEET

AGENDA ITEM NO: 10

DATE: 03/25/2019

ORDINANCE NO: 19-08

RESOLUTION NO:

READING: SECOND

PUBLIC HEARING: YES
March 25, 2019 at 8:00 p.m.

TO: Mayor and Members of City Council

FROM: R. Thomas Homan, City Manager

VIA: Ted Miller, Parks and Natural Resources Director

TITLE OF PROPOSED ORDINANCE/RESOLUTION:

AN ORDINANCE PROHIBITING ~~SMOKING USE OF ANY FORM OF TOBACCO~~
WITHIN 50 FEET OF RECREATIONAL FACILITIES OF CITY PARKS.

BACKGROUND:

3/25/2019 UPDATE:

Following amendments and discussion by Council on March 11, 2019, Staff has stricken the references to smokeless tobacco to focus this ordinance on smoking, and has specifically defined which recreational facilities would be subject to this ordinance.

The Parks and Recreation Advisory Board Committee was reminded at their March 19 meeting of the scheduled public hearing. During this meeting the concern was voiced that the public hearing was scheduled during Delaware City Schools Spring Break. They requested that Council continue the public hearing until the April 8 Council meeting.

3/11/2019:

On June 2018, The Parks and Recreation Advisory Board recommended a ban on smoking in all City of Delaware Parks. The recommendation was presented to City Council on July 9, 2018. The discussion resulting in modifying the ordinance from a complete ban to a specified distance of 50 ft. from recreation facilities.

The attached ordinance adds a condition of use for the parks, prohibiting the use of tobacco products within 50 feet of any recreational facility of city parks. Hidden Valley Golf Course is exempted. If a person violates any of the terms of use of the parks (which already include park hours), and they refuse to leave, they may be charged with criminal trespass.

Signs will be posted in prevalent areas and education information will be distributed to athletic programs. The ordinance will allow enforcement of the non-smoking policy when initial warnings are ignored.

City Council suggested a smoking setback from athletic fields, playgrounds and facilities to allow smoking in parks but with a specific minimum distance from areas where smoking could impact others. The revised ordinance was suggested. At the February 25th meeting Council discussed of what types of smokeless tobacco to prohibit. The current draft prohibits all forms of tobacco. This allows further discussion by Council. The ordinance can be amended based on Council's preference.

REASON WHY LEGISLATION IS NEEDED:

Recommendation by the Parks and Recreation Advisory Board with modifications. The proposed ordinance would allow law enforcement to remove from the park, individuals who continue to not comply.

COMMITTEE RECOMMENDATION:

N/A

FISCAL IMPACT(S):

Reduce maintenance costs associated with tobacco product cleanup.

POLICY CHANGES:

Ordinance Revision

PRESENTER(S):

R. Thomas Homan, City Manager
Chris Ballard, Assistant City Attorney

RECOMMENDATION:

Approval

ATTACHMENT(S)

Tobacco Free Delaware County- Tobacco-Free Policies for Parks & Outdoor Recreation Facilities Make Sense.

ORDINANCE NO. 19-08

AN ORDINANCE PROHIBITING **SMOKING** ~~USE OF ANY FORM OF TOBACCO~~ WITHIN 50 FEET OF RECREATIONAL FACILITIES OF CITY PARKS.

BE IT ORDAINED by the Council of the City of Delaware, State of Ohio:

SECTION 1. That Section 933.01 Park hours and conditions of use be amended as follows, to add subsection (f). The existing subsection f will now be subsection (g):

- (a) All City Parks shall be open from dawn to dusk daily, except as follows:
 - (1) There is a sign posted in the park by the City establishing hours of operation that are different from those established herein.
 - (2) The City Manager or his designee grants written approval for the use of a park outside its established hours of operation.
- (b) Definitions:
 - (1) Dawn is defined as one hour before sunrise.
 - (2) Dusk is defined as one hour after sunset.
 - (3) Smoking is defined for the purposes of this section as inhaling, exhaling, or burning, or carrying any lighted cigar, cigarette, cigarillo, pipe, or other lighted smoking device for burning tobacco or any other plant.**
 - (4) Electronic cigarette is defined for the purposes of this section as any electronic product or device that produces a vapor that delivers nicotine or any other substance to the person inhaling from the device to simulate smoking, and that is likely to be offered to or purchased by consumers as an electronic cigarette, electronic cigar, electronic cigarillo, or electronic pipe.**
- (c) The City Manager may permit the exclusive use of an area of any City park.
- (d) Written approval for the use of a park outside its established hours or for the exclusive use of an area of a park shall be at the discretion of the City Manager or his designee and may be subject to terms, conditions, or restrictions established by the City Manager.
- (e) The City Manager may order all or part of a City Park to be closed in order to promote and protect public health, safety, and welfare.
- (F) NO PERSON SHALL ENGAGE IN SMOKING OR USE AN ELECTRONIC CIGARETTE ANY FORM OF TOBACCO WITHIN 50 FEET OF ANY RECREATIONAL FACILITY OF CITY PARKS. FOR PURPOSES OF THIS SUBSECTION, RECREATIONAL FACILITIES INCLUDE ARE DEFINED AS PLAYGROUNDS, ATHLETIC FIELDS, TENNIS COURTS, PICKLEBALL COURTS, AQUATIC AREAS, PICNIC SHELTERS AND RESTROOMS, BUT NOT THE HIDDEN VALLEY GOLF COURSE. TOBACCO USE INCLUDES SMOKING, SMOKELESS TOBACCO PRODUCTS, E-CIGARETTES, OTHER SMOKING DEVICES, AND INGESTIBLE FORMS.**
- ~~(F)~~**(G)** No person shall enter or remain on the premises of a City Park in violation of this section. A violation of this Section constitutes a criminal trespass in violation of Section 541.05.

SECTION 2. This Council finds and determines that all formal actions of this Council and any of its committees concerning and relating to the passage of this Ordinance were taken in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in those formal actions were in meetings open to the public, all in compliance with the law including Section 121.22 of the Ohio Revised Code.

VOTE ON RULE SUSPENSION:

YEAS ___ NAYS ___
ABSTAIN ___

PASSED: _____, 2019

YEAS ___ NAYS ___
ABSTAIN ___

ATTEST: _____
CITY CLERK

MAYOR



Tobacco-Free Policies For Parks & Outdoor Recreation Facilities Make Sense.

Here's why:

Parks are established to promote healthy activities. The purpose of park areas is to promote community wellness, and tobacco-free policies fit with this idea.

Secondhand smoke harms everyone. Secondhand smoke is a human carcinogen for which there is no safe level of exposure. Exposure to secondhand smoke has immediate health consequences such as asthma attacks and other respiratory diseases.

Secondhand smoke is harmful in outdoor settings. According to Repace Associates, secondhand smoke levels in outdoor public places can reach levels as high as those found in indoor facilities where smoking is permitted.

Cigarette litter is dangerous. Discarded cigarettes pollute the land and water and may be ingested by toddlers, pets, birds or fish.

Tobacco-free policies help change community norms. Tobacco-free policies establish the community norm that tobacco use is not an acceptable behavior for young people or adults within the entire community.

Policies provide consistency among community athletic facilities and groups. The majority of community sporting events are held at either city or school district athletic facilities, and nearly all school districts prohibit tobacco use on their entire grounds. Also, many community athletic associations have policies but use city recreation facilities and would benefit from a city-wide policy.

Policies reduce litter and maintenance costs. In a 2004 survey, 58% of Minnesota park directors in cities with policies reported cleaner park areas.

Tobacco-free environments promote positive community role modeling and protect the health, safety, and welfare of community members.

Tobacco-free policies help break the connection between tobacco and sports. For years the tobacco industry has sponsored sporting events and advertised at recreational events, misleading young people's perception of tobacco use. Research indicates that sporting events expose youth to extensive tobacco use by people they view as positive role models.



FACT SHEET

AGENDA ITEM NO: 11

DATE: 03/25/2019

ORDINANCE NO:

RESOLUTION NO: 19-16

READING: FIRST

PUBLIC HEARING: NO

TO: Mayor and Members of City Council

FROM: Jacqueline M. Walker, Assistant City Manager

TITLE OF PROPOSED ORDINANCE/RESOLUTION:

A RESOLUTION EXPRESSING COUNCIL'S DIRECTION REGARDING THE SPECIAL EVENTS POLICY ENHANCEMENTS.

BACKGROUND:

The City of Delaware is currently the destination of upwards of forty special events every year. These events bring positive recognition for the City and stimulate our local economy. However, the attraction of these events has drawn such recognition that the Special Events Committee was compelled to reach out to City Council for direction in establishing cost sharing policies for these events.

REASON WHY LEGISLATION IS NEEDED:

The costs of these events continue to rise as well as the number of the events being requested. The Special Events Committee is seeking direction from Council regarding cost sharing and DORA liability. This will allow the Committee to charge all event hosts equitably.

COMMITTEE RECOMMENDATION:

Special Events Committee recommends approval

FISCAL IMPACT(S):

POLICY CHANGES:

Special Events Policy

PRESENTER(S):

Jacqueline M. Walker, Assistant City Manager

RECOMMENDATION:

Approval.

ATTACHMENT(S)

RESOLUTION NO. 19-16

A RESOLUTION EXPRESSING COUNCIL'S DIRECTION
REGARDING THE SPECIAL EVENTS POLICY
ENHANCEMENTS.

WHEREAS, The City of Delaware is currently the destination of upwards of forty events every year; and

WHEREAS, the City of Delaware appreciates that these events bring positive recognition for the City and stimulate our local economy; and

WHEREAS, the City recognizes that there are costs of City resources and staff associated with holding these events,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Delaware, State of Ohio:

SECTION 1. Shared cost policy for an event without a participation fee:

If the special event host is a 501(C)(3) organization or is benefiting a City of Delaware, Ohio based 501(C)(3) entity, the host will pay 50% or \$5,000 (whichever is less) toward the City costs of the event including but not limited to extra staffing of police, fire and public works.

SECTION 2. Shared cost policy for an event with a participation fee:

If the special event host is a 501(C)(3) organization or is benefiting a City of Delaware, Ohio based 501(C)(3) entity, the host will pay 75% or \$7,500 (whichever is less) toward the City costs of the event including but not limited extra staffing of police, fire and public works.

SECTION 3. Policy exemptions:

- Current MainStreet Delaware events (specifically, First Fridays, December Holiday event and the two summer concerts).
- Parades as long as they are stand-alone events without associated events.
- Ironman as there is a separate agreement between the City of Delaware and Ironman that specifically outlines the costs.

SECTION 4. DORA liability change:

As long as a designated outdoor refreshment area pursuant to R.C. 4301.82 (DORA) event does not require a street closing, the 501(C)(3) organization does not have to produce a certificate of insurance naming the City of Delaware as an additional insured.

SECTION 5. That this resolution shall take effect and be in full force six months from the date of its passage.

PASSED: _____, 2019

ACCEPT___ REJECT___
ABSTAIN ___

ATTEST: _____
CITY CLERK

MAYOR



FACT SHEET

AGENDA ITEM NO: 12

DATE: 03/25/2019

ORDINANCE NO:

RESOLUTION NO: 19-17

READING: FIRST

PUBLIC HEARING: NO

TO: Mayor and Members of City Council

FROM: R. Thomas Homan, City Manager

VIA: Sean Hughes, Economic Development Director

TITLE OF PROPOSED ORDINANCE/RESOLUTION:

A RESOLUTION ACCEPTING THE RECOMENDATIONS OF THE DELAWARE CITY TAX INCENTIVE REVIEW COUNCIL (TIRC) ON THE STATUS OF THE 2018 COMMUNITY REINVESTMENT AREA (CRA), ENTERPRISE ZONE (EZ) AND TAX INCREMENT FINANCING PROGRAMS (TIF).

BACKGROUND:

City of Delaware is required, under Ohio Revised Code Sections 3735.69 and 5709.68 to submit an annual report regarding the status of each Agreement by March 31, to the Director of the Ohio Development Services Agency.

REASON WHY LEGISLATION IS NEEDED:

In order to maintain and continue commercial and residential tax exemptions/abatements (Enterprise Zone, Community Reinvestment Area and Tax Increment Financing Agreements), authorized per the Ohio Revised Code and City Resolutions and Ordinances, the City of Delaware legislative authority must appoint a Tax Incentive Review Council (TIRC). The TIRC annually reviews and makes recommendations to City Council to Continue, Modify or Terminate each tax abatement agreement. City Council's decisions to accept or change the TIRC's recommendations are annually reported to the Ohio Department of Development no later than March 31.

COMMITTEE RECOMMENDATION:

Tax Incentive Review Council, 2/20/19

VOTE: Approval

All agreements were in compliance or within their 3-year grace periods. Please see attached Minutes.

FISCAL IMPACT(S):

COST: N/A

FUND SOURCES: N/A

BUDGETED: NO

DEPARTMENTS IMPACTED: Economic Development

POLICY CHANGES:

N/A

PRESENTER(S):

Sean Hughes, Economic Development Director

RECOMMENDATION:

Approval

ATTACHMENT(S)

2019 TIRC Sign-in Sheet

2019 TIRC Minutes

2019 CRA and EZ Abatements Status Report Summary Spreadsheet

2019 TIFs Status Report Summary Spreadsheet

2019 Residential CRA Abatements Status Report Summary Spreadsheet

RESOLUTION NO. 19-17

A RESOLUTION ACCEPTING THE RECOMMENDATIONS OF THE DELAWARE CITY TAX INCENTIVE REVIEW COUNCIL (TIRC) ON THE STATUS OF THE 2018 COMMUNITY REINVESTMENT AREA (CRA), ENTERPRISE ZONE (EZ), AND TAX INCREMENT FINANCING (TIF) PROGRAMS.

WHEREAS, the purpose of the Delaware City CRA, EZ and TIF Programs is to provide the community with an effective tool for managing and guiding economic development by enhancing the tax base, by encouraging and sustaining long term investment in the community, by enhancing the quality of life, and by preserving existing and attracting new business investment within said Programs; and

WHEREAS, the duly appointed Delaware City Tax Incentive Review Council (TIRC) met on February 20, 2019, and reviewed the status of each active agreement and made certain recommendations concerning action to either continue, modify, terminate or expire said agreements; and

WHEREAS, the City of Delaware is required, under Ohio Revised Code Sections 3735.69 and 5709.68 to submit an annual report regarding the status of each Agreement by March 31, to the Director of the Ohio Development Services Agency.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Delaware as follows:

SECTION 1: That the review and recommendations made by the TIRC in the Meeting Minutes on this Resolution's Fact Sheet and the Fact Sheet Attachments "2019 Tax Incentive Review Council Summary Tax Year 2018," "2019 Tax Incentive Review Council Tax Year 2018 City of Delaware TIF Zones" and the "2019 Residential CRA Status Report Tax Year 2018" be accepted and that these reports, and all other information required by the State of Ohio be accepted by the Council of the City of Delaware and be forwarded to the Director of the Ohio Development Services Agency, and all other appropriate entities, as noted in ORC Sections 3735.69 and 5709.68.



CITY OF DELAWARE TAX INCENTIVE REVIEW COUNCIL (TIRC) MINUTES

TUESDAY, FEBRUARY 20, 2019
10:32 A.M.
CITY HALL- CITY COUNCIL CHAMBERS

1. Call to Order

Honorable George Kaitsa called to order the 2019 TIRC at 10:32 AM.

2. Roll Call

Members Present: Honorable George Kaitsa, Mayor Carolyn Kay Riggle, Emily Hatfield, Dean Stelzer, and Tom Homan

Staff Present: Sean Hughes, Kelsey Scott

No other attendees present

3. Consent Agenda: 2018 CRA/EZ Tax Abatement Reports

Mr. Hughes explained that 11 CRA/EZ (Toolmatics, Symmetry One, Sky Climber, V&P Hydraulics, AHP/Domtar, NABI, American Freight, Henkel, Engineered Materials Systems, Midwest Acoust-A-Fiber, Kirby Ventures LLC and Oak & Brazen, LLC) were in compliance with their total payroll goals and new and retained full time employee (FTE) goals. Mr. Homan made a motion to recommend COMPLIANCE and CONTINUATION on the consent agenda abatement agreements to the City Council, seconded by Mr. Stelzer and approved by a 5-0 vote.

4. Consideration Agenda: CRA 11-001 Optimum Plastics (Now Charter NEX)

Mr. Hughes explained that Optimum Plastics fell short of their commitment with 7 new FTEs out of their 8 new FTE agreement (within tolerance). Although they did not meet the new FTE count, the company did exceed their payroll goal of \$3,000,000 with a total 2018 payroll of 3,323,456.26. Mayor

Riggle recommended NON-COMPLIANCE and CONTINUATION on the Optimum Plastics CRA to the City Council, seconded by Ms. Hatfield and approved by a 5-0 vote.

5. Consideration Agenda: CRA 15-002 Sky Climber Fabricating

Mr. Hughes explained that Sky Climber Fabricating ceased operations as of August of 2018. Although the company is no longer in existence, Sky Climber Fabricating still owns the building and the land. Sky Climber and other partner-owned companies plan to continue utilizing the building. Because Sky Climber Fabricating ceased operations, the building now has 18 of the 35 committed FTEs and \$1,272,403.69 in payroll (committed to \$1,970,000). These FTEs and payroll are from the partner-owned companies. Because they are still in their 3 year grace period by state law, staff recommended NON-COMPLIANCE and CONTINUATION on the Sky Climber Fabricating CRA to Council. NONCOMPLIANCE and CONTINUATION was motioned by Mr. Homan, seconded by Mayor Riggle and approved by a 5-0 vote.

6. Consideration Agenda: CRA Symmetry II

Mr. Hughes explained that Symmetry II fell short of their FTE and payroll commitment of 28 FTEs and \$1,300,000 in payroll with 14 FTEs and \$652,593 in payroll. Symmetry II is still in their 3 year grace period by state law. Mayor Riggle recommended NON-COMPLIANCE and CONTINUATION on the Symmetry II CRA, seconded by Mr. Stelzer and approved by a 5-0 vote.

7. Consideration Agenda: CRA KB42 LTD.

Mr. Hughes explained that the company has not yet met hiring or payroll commitments with 4 new FTEs (40% of goal) and \$275,000 in payroll (46%). Mayor Riggle asked for clarification if this CRA applies only to their 42 N. Sandusky property or if their other downtown properties were included in the agreement. Mr. Hughes did confirm that this agreement only applied to their 42 N. Sandusky Street property. KB42 LTD. is still in their 3 year grace period by state law. Mayor Riggle

recommended NON-COMPLIANCE and CONTINUATION on the KB42 LTD. CRA, seconded by Mr. Stelzer and approved by a 5-0 vote.

8. Tax Increment Finance Districts (TIF)

Mr. Hughes reported that 10 active TIF agreements are in compliance by having had their respective payments in lieu of taxes on real property paid, distributed to the City to be deposited to the appropriate districts. Mr. Homan asked if the Beuhler's TIF was a full area TIF or a partial. Mr. Hughes said it was a partial and reiterated what businesses are included in that agreement. Staff recommended COMPLIANCE and CONTINUATION. Mayor Riggle made a motion to recommend COMPLIANCE and CONTINUATION, seconded by Mr. Homan and approved by a 5-0 vote.

9. Residential CRA Agreements

Mr. Hughes reported that all 35 Residential CRA agreements are active and in COMPLIANCE (residential improvements had been made and remaining non-abated taxes were up to date). Mr. Homan made a motion to recommend COMPLIANCE and CONTINUATION of all Residential CRA agreements to City Council, seconded by Mr. Stelzer and approved by a 5-0 vote.

10. School Pilot Programs

Mr. Hughes discussed that all current school pilot payments were up to date other than a missed payment by Toolmatics. He reminded the school districts to invoice the City of Delaware for the Engineered Materials System's school pilot payment for 2019 (tax year 2018) and that he would send instructions on invoicing for others.

Adjournment

Meeting was adjourned at 11:06 AM.

**2019 TAX INCENTIVE REVIEW COUNCIL SUMMARY
TAX YEAR 2018**



2018 TIRC SUMMARY				JOB & PAYROLL CREATION														REAL & PERSONAL PROPERTY INVESTMENT						
CRA	Company	Years/Abatement %	Year of Expiration	Total Payroll Goal	Retained Payroll Goal	New Payroll Goal	Current Total Payroll	Current Retained Payroll	Current New Payroll	% Achieved	FTE Goal	Retained FTE Goal	New FTE Goal	Current Total FTE	Current Retained FTE	Current New FTE	% Achieved	Parcel #	Taxes Paid in 2018	Total Taxes Paid thru Last Report	Total Taxes Paid Thru 12/31/2018	Taxes Forgone in 2018	Total Taxes Forgone Thru Last Report	Total Taxes Forgone Thru 12/31/2018
CRA 03-002	ToolMatics	15/100%	12/31/2018	\$375,000.00	\$250,000.00	\$125,000.00	\$1,251,949.62	\$250,000.00	\$1,001,949.62	334%	12.5	7	5.5	14	7	7	120%	41921001006002	\$1,972.38	\$21,631.12	\$23,603.50	\$13,098.43	\$151,174.59	\$164,273.02
CRA 04-004	Symmetry One	15/100%	12/31/2019	\$450,000.00	\$0.00	\$450,000.00	\$1,926,236.00	\$0.00	\$1,926,236.00	428%	15	0	15	32	0	32	213%	Multiple	\$22,099.44	\$59,077.62	\$81,177.06	\$57,680.48	\$689,010.70	\$746,691.18
CRA 06-001	V&P Hydraulics	15/50%	12/31/2022	\$2,300,000.00	\$0.00	\$2,300,000.00	\$3,280,183.14	\$0.00	\$3,280,183.14	143%	65	0	65	73	0	73	112%	41922001006003	\$30,565.14	\$211,631.41	\$242,196.55	\$24,077.42	\$171,019.96	\$195,097.38
CRA 06-002	Sky Climber	15/50%	12/31/2022	\$2,000,000.00	\$0.00	\$2,000,000.00	\$4,920,359.00	\$0.00	\$4,920,359.00	246%	45	0	45	85	0	85	189%	41922001006002	\$30,680.98	\$265,184.40	\$295,865.38	\$24,427.58	\$200,146.79	\$224,574.37
CRA 06-003	Associated Hygienic Products	15/75%	12/31/2022	\$7,480,879.00	\$0.00	\$7,480,879.00	\$11,660,347.00	\$0.00	\$11,660,347.00	156%	201	0	201	230	0	230	144%	41922002001000	\$117,717.00	\$1,097,467.57	\$1,215,184.57	\$356,817.00	\$2,621,184.41	\$2,978,001.41
CRA 07-001	NABI Parts Division	15/50%	12/31/2023	\$2,000,000.00	\$0.00	\$2,000,000.00	\$4,806,826.58	\$0.00	\$4,806,826.58	240%	45	0	45	84	0	84	187%	41922002001001	\$11,855.72	\$705,253.41	\$717,109.13	\$99,224.23	\$200,146.79	\$299,371.02
CRA 10-001	American Freight	10/50%	12/31/2021	\$2,120,000.00	\$1,870,000.00	\$250,000.00	\$5,163,537.54	\$1,870,000.00	\$3,293,537.54	244%	35	30	5	68	30	38	194%	51944403010000	\$28,048.12	\$154,013.06	\$182,061.18	\$5,923.91	\$32,956.50	\$38,880.41
CRA 10-002	Henkel	10/40%	12/31/2021	\$2,503,061.00	\$2,400,000.00	\$103,061.00	\$2,886,736.00	\$2,400,000.00	\$486,726.00	115%	47	42	5	47	42	5	100%	41921105009000 41921105022000	\$85,457.82	\$416,296.94	\$501,754.76	\$18,867.01	\$135,566.14	\$154,433.15
CRA 11-001	Optimum Plastics	10/100%	12/31/2022	\$3,000,000.00	\$2,800,000.00	\$200,000.00	\$3,323,456.26	\$2,800,000.00	\$523,456.26	111%	63	55	8	62	55	7	98%	41922001017005	\$11,855.72	\$67,767.00	\$79,622.72	\$11,855.72	\$44,464.00	\$56,319.72
CRA 15-001	Engineered Material Systems (101 Innovation Court)	15/100%	12/31/2030	\$3,400,000.00	\$2,700,000.00	\$700,000.00	\$3,927,925.00	\$2,700,000.00	\$1,227,925.00	116%	47	38	8	51	38	13	108%	41922002003002	\$13,823.98	\$25,629.58	\$39,453.56	\$116,535.51	\$198,311.77	\$314,847.28
CRA 15-002	Sky Climber Fabricating	15/100%	1/1/2032	\$1,970,000.00	\$0.00	\$1,970,000.00	\$1,272,403.69	\$0.00	\$1,272,404	65%	35	0	35	18	0	18	51%	41922001006004	\$8,438.66	\$5,597.80	\$14,036.46	\$158,826.69	\$19,808.61	\$178,635.30
CRA	Midwest Acoust-A-Fiber	10/100%	12/31/2026	\$6,280,000.00	\$5,860,000.00	\$420,000.00	\$8,389,567.00	\$5,860,000.00	\$2,529,567.00	134%	176	162	14	206	162	44	117%	41921006004000	\$86,884.00	\$86,884.06	\$173,768.06	\$69,794.23	\$69,794.23	\$139,588.46
CRA	Symmetry II	15/50%	12/31/2031	\$1,300,000.00	\$0.00	\$1,300,000.00	\$652,593.00	\$0.00	\$652,593.00	50%	28	0	28	14	0	14	50%	41922002003006	\$43,770.22	\$43,770.22	\$87,540.22	\$33,498.38	\$33,498.38	\$66,996.76
CRA	Kirby Ventures LLC and OAK & BRAZEN, LLC	15/100%	12/31/2032	\$165,000.00	\$0.00	\$165,000.00	\$346,499.95	\$0.00	\$346,499.95	209%	6	0	6	15	0	15	250%	51943109002000	\$4,195.00	\$0.00	\$4,195.00	\$0.00	\$0.00	\$0.00
CRA	KB42 LTD	15/50%	12/31/2031	\$600,000.00	\$0.00	\$600,000.00	\$275,000.00	\$0.00	\$275,000.00	49%	10	0	10	4	0	4	40%	51943108023000	\$5,242.38	\$0.00	\$5,242.38	\$0.00	\$0.00	\$0.00
Total:				\$35,343,940.00	\$15,880,000.00	\$19,463,940.00	\$54,083,619.78	\$15,880,000.00	\$36,929,516.83		820.5	334	485.5	984	334	636		\$493,169.18	\$3,160,204.19	\$3,378,028.41	\$728,507.29	\$4,463,790.26	\$5,351,124.24	

**2019 TAX INCENTIVE REVIEW COUNCIL
TAX YEAR 2018**



CITY OF DELAWARE TIF ZONES

Area	Total Amount Disbursed	Amount to City	Expires	Notes
Airport #527- Jet Stream, Airspace	\$0.00	\$25,001.37	2027	Improvement of intersection, utilities, ramps near airport
#565- Braumiller Subdivision	\$111,971.69	\$278,644.66	2036	Glenn Parkway addition
#562- Cheshire North	\$122,613.42	\$307,012.37	2036	Glenn Parkway addition
#563- Cheshire South	\$7,897.63	\$17,936.97	2036	Glenn Parkway addition
#564- Cheshire West	\$22,129.26	\$101,783.54	2036	Glenn Parkway addition
#566- Evans Residential	\$0.00	\$0.00	2036	Glenn Parkway addition
#776- Southeast Commercial	\$0.00	\$0.00	2037	For road improvements surrounding Ohio Health Blvd.
#945- Skyclimber & V&P Hydraulics	\$40,049.00	\$40,048.91	2037	Payment of costs for acquiring V&P and Skyclimber parcels
#1088- Zarembo- Mill Run Buehler's	\$132,229.00	\$132,229.42	2039	Paid to developer for Glenn Parkway Central Ave. Turn Lane Improvements
TOTAL	\$436,890.00	\$902,657.24		

**2018 RESIDENTIAL CRA STATUS REPORT
TAX YEAR 2018**



Name/Property Identification	Date Project Certified	Percent of Exemption	Term of Exemption	Total Project Investment	Total Real Property Investment Subject to Exemption	Date of Most Recent Council Review	Current Status	Taxes Foregone
2014-06 Dennis Ensign 5 Stilson Street 41912202005000 1 family new construction	8/28/2014	100%	7 yrs	\$87,036.54	\$87,036.54	2/20/2018	Active/Paid	\$ 1,418.11
2014-05 Christopher Shelly 56 Kurrley Street 51944307007000 1 family new construction	9/10/2014	100%	7 yrs	\$91,434.46	\$91,434.46	2/20/2018	Active/Paid	\$ 2,421.06
2014-04 David O Summers 126 Wilder Street 5194427005000 1 family new construction	5/9/2014	100%	7 yrs	137,000.00	137,000.00	2/20/2018	Active/Paid	\$ 2,589.31
2014-03 James P. Manos 9B N. Sandusky Street 519-432-25-029-000 Remodel 2nd floor to residential	4/30/2014	100%	7 yrs	50,000.00	50,000.00	2/20/2018	Active/Paid	\$ 1,184.78
2014-01 Kathleen G. Crawford 47 High Street 51943323006000 1 family new construction	1/27/2014	100%	7 yrs	111,112.80	111,112.80	2/20/2018	Active/Paid	\$ 2,091.97
2013-01 Raul and Caolina Olvera 57 Stilson Street 41912202013000 1 family new construction	6/24/2013	100%	7 yrs	102,751.49	102,751.49	2/20/2018	Active/Paid	\$ 2,313.99
2013-02 Delaware Place Senior Apartments, LLC 351 South Sandusky Street, Units A & B 41912102034000 1 family new construction	8/2/2013	100%	7 yrs	160,000 (80,000 per unit)	160,000	2/20/2018	Active/Paid	\$ 88,353.19
2013-03 Delaware Place Senior Apartments, LLC 351 South Sandusky Street, Units C & D 41912102034000 1 family new construction	8/2/2013	100%	7 yrs	160,000 (80,000 per unit)	160,000	2/20/2018	Active/Paid	
2013-04 Delaware Place Senior Apartments, LLC 351 South Sandusky Street, Units E & F 41912102034000 1 family new construction	8/2/2013	100%	7 yrs	160,000 (80,000 per unit)	160,000	2/20/2018	Active/Paid	
2013-05 Delaware Place Senior Apartments, LLC 351 South Sandusky Street, Units G & H 41912102034000 1 family new construction	8/2/2013	100%	7 yrs	160,000 (80,000 per unit)	160,000	2/20/2018	Active/Paid	
2013-06 Delaware Place Senior Apartments, LLC 351 South Sandusky Street, Units I & J 41912102034000 1 family new construction	8/2/2013	100%	7 yrs	160,000 (80,000 per unit)	160,000	2/20/2018	Active/Paid	
2013-07 Delaware Place Senior Apartments, LLC 351 South Sandusky Street Unit K & L 41912102034000 1 family new construction	8/2/2013	100%	7 yrs	160,000 (80,000 per unit)	160,000	2/20/2018	Active/Paid	
2013-08 Delaware Place Senior Apartments, LLC 351 South Sandusky Street Unit M & N 41912102034000 1 family new construction	8/2/2013	100%	7 yrs	160,000 (80,000 per unit)	160,000	2/20/2018	Active/Paid	
2013-09 Erica McCuen 85 Chamberlain Street 51944208010000 1 family new construction	11/7/2013	100%	7 yrs	113,580.12	113,580.12	2/20/2018	Active/Paid	\$ 2,569.64
2012-04 Steffan Gregory A & Karen M (formerly under KATHRYN C. RICHLEY) 81 Chamberlain Street 51944208009000 1 family new construction	12/4/2012	100%	7 yrs	99,596.63	\$99,596.63	2/20/2018	Active/Paid	\$ 2,434.66
2012-03 WALTER & TERRESA JONES, JR. 24 Eaton Street 51943311023000 1 family new construction	6/28/2012	100%	7 yrs	94,052.07	94,052.07	2/20/2018	Active/Paid	\$ 1,905.38
2012-02 FATMATA O'CONNOR 135 S Liberty Street 51943310011000 Residential new construction	5/14/2012	100%	7 yrs	\$97,729.26	\$97,729.26	2/20/2018	Active/Paid	\$ 2,038.67
2012-01 JEFFERY & TAMMY SCOTT 91 Wilder Street 51944204007000 Residential new construction	3/23/2012	100%	7 yrs	\$97,411	\$97,411	2/20/2018	Active/Paid	\$ 1,833.28
2011-01 LESLIE COX 292 Union St 51943103006000 Residential remodel	5/23/2011	100%	7 yrs	\$31,000	\$31,000	2/20/2018	Active/Paid	\$ 192.29
2011-02 CINDY MARTIN 11 Stilson St 41912202004000 Residential new construction	9/19/2011	100%	7 yrs	\$87,198.88	\$87,198.88	2/20/2018	Active/Paid	\$ 1,418.11
2010-02 CROMDALE PARTNERS LLC MANOS JAMES 32 South Sandusky St. Commercial renovation 5194330102900	7/27/2010	100%	7 yrs	\$200,000	\$200,000	2/23/2016	Active/Paid	\$ 2,983.02
2010-03 Moore Franklin & Bernice 125 S. Liberty St. Habitat residential new const. 51943310010000	9/3/2010	100%	7 yrs	\$96,823.54	\$96,823.54	2/23/2016	Active/Paid	\$ 1,820.16
2010-04 Miller Steven L & Pamela K 290 N. Sandusky St. 51943104008000 - 290 N Sandusky St. 51943104009000 - Sandusky St. Residential renovation	12/13/2010	100%	7 yrs	\$100,000	\$100,000	2/23/2016	Active/Paid	\$ -
2010-05 Delaware County Habitat For Humanity 305 Curtis St. 51934418002000 Habitat residential new const.	12/13/2010	100%	7 yrs	\$108,000	\$108,000	2/23/2016	Active/Paid	\$ -
2015-05 Jamison Bryant 51 Toledo Street 51934403002000	12/21/2015	100%	7 yrs	\$107,161	\$107,161	2/20/2018	Active/Paid	\$ 2,230.96
2015-04 Kiana Jones	9/30/2015	100%	7 yrs	\$106,762	\$106,762	2/20/2018	Active/Paid	\$ 1,866.05

Property is now owned by Habitat for Humanity and is exempt until 12/31/2017

Expired

Expired

expired

Property is owned by Habitat for Humanity and is exempt

Expired

167 Park Avenue 51943311006000										
2015-03	6/18/2015	100%	7 yrs	\$110,441	\$110,441	2/20/2018	Active/Paid	\$	2,306.99	
Chris and Marcia Ball as applicants, owned by Habitat for Humanity 93 W Harrison Street 51943320015000										
2015-02	6/8/2015	100%	7 yrs	\$428,000	\$428,000	2/20/2018	Active/Paid	\$	10,665.92	
Griswold Homes 36 Griswold Street 51943210012001										
2015-01	1/13/2015	100%	7 yrs	\$110,000	\$110,000	2/20/2018	Active/Paid	\$	1,964.38	
Brittany Murfield 51 Stilson Street 41912202012000										
2016-01	3/10/2016	100%	7 yrs	\$102,187	102,187	2/20/2018	Active/Paid	\$	2,204.74	
Adam Kroninger and Jessica Bittinger 55 David St. 51943324008000 New residential structure										
2016-02	11/14/2016	100%	7 yrs	\$93,429.57	\$93,429.57	2/20/2018	Active/Paid	\$	2,016.82	
Rebecca Hughes 181 S. Franklin St. 51943316008000 New residential structure										
2017-01	5/3/2017	100%	7 yrs	\$128,000	\$128,000.00	2/20/2018	Active/Paid	\$	-	Pcl exempt through 12/31/2017 due to Habitat owning it previously
Karianne R. Wyrick 16 David St 51943312023000 New residential structure										
2017-02	6/12/2017	100%	7 yrs	\$150,000.00+	\$150,000.00+	2/20/2018	Active/Paid	\$	3,292.50	
COSG Investments LLC, Terry Whiteside 297 W. William St. 51943304012000 Remodel - Addition										
2017-03	6/1/2017	100%	7 yrs	\$300,000	\$300,000.00	2/20/2018	Active/Paid	\$	-	Unknown - will start for tax year 2018 payable in 2019 based on when the construction began.
Jennifer S. Long; Living Trust 535 W. William St. 51934410007000 New residential structure										
2017-04	11/1/2017	100%	7 yrs	\$150,000.00	\$150,000.00	2/20/2018	Active/Paid	\$	-	Pcl exempt through 12/31/2017 due to Habitat owning it previously
Sara Hoover 252 S. Franklin St. 51943320034000 New residential structure										
2018-01	3/19/2018	100%	7 yrs	\$90,000	\$90,000	Active/Paid				Unknown - will start for tax year 2018 payable in 2019 based on when the construction began.
Rafael Rizo and Angelica Dominguez Morales 242 London Rd. 51943324020000 New residential structure										



FACT SHEET

AGENDA ITEM NO: 13

DATE: 03/25/2019

ORDINANCE NO: 19-10

RESOLUTION NO:

READING: FIRST

PUBLIC HEARING: NO

TO: Mayor and Members of City Council

FROM: R. Thomas Homan, City Manager

VIA: Sean Hughes, Economic Development Director

TITLE OF PROPOSED ORDINANCE/RESOLUTION:

AN ORDINANCE APPROVING A COMMUNITY REINVESTMENT AREA AGREEMENT AND SCHOOL COMPENSATION AGREEMENT WITH SELO BOLNO LLC, DELAWARE CITY SCHOOLS, DELAWARE AREA CAREER CENTER AND THE CITY OF DELAWARE FOR INVESTMENT IN REAL PROPERTY IMPROVEMENTS ON A BUILDING AT 5 NORTH SANDUSKY STREET AND DECLARING AN EMERGENCY.

BACKGROUND:

We are requesting City Council's approval for the City Manager to enter into a Community Reinvestment Area (CRA) Tax Incentive Agreement and School Compensation Agreement with SELO BOLNO, LLC, DELAWARE CITY SCHOOLS, DELAWARE AREA CAREER CENTER for an \$500,000 investment in the second and third floors of 5 North Sandusky St. on Parcel 51943225027000 for the creation of new office space.

Chris Devol, owner of SELO BONO LLC (Son of Thurman) and the 5 N. Sandusky St. building has submitted application for a Community Reinvestment Area Tax Abatement for building renovations to 5 N Sandusky St., Parcel 51943225027000.

The owner is working to relocate his restaurant offices into the upper floors of the building and create offices for lease to other companies. The 5 N. Sandusky St. building is in need of extensive renovations to make the second and third floors suitable office spaces. This request for a CRA is for \$500,000 in renovations to the second and third floors of the building for his offices and additional offices for lease to other companies.

Our success in assisting Mr. Devol with his renovation would create enough new office spaces to allow him to commit to the creation of 20 new FTE employees with a total annual payroll of \$820,000.

REASON WHY LEGISLATION IS NEEDED:

For incentive discussion purposes, we calculated a 100%/15 year CRA tax abatement generating an approximate \$198,779.12 in tax savings after 15 years on his \$500,000 investment. Due to the abatement being for a new payroll of \$820,000, a School Compensation Agreement is not required.

Staff is recommending a 100%/15 year CRA to assist the company with a company paid 30% School Pilot Payment Agreement equaling \$3,292.42 per year or \$49,386.27 after 15 years. These pilot payments would be divided between DCS and DACC in accordance with their respective tax rates. With the staff recommendation as made, this project would achieve a 124.87% ROI for the City with \$227,550 in income taxes after 15 years. The schools would achieve a 30% ROI, but also would retain the taxes they currently receive on the unimproved building of \$9,064.31 per year or \$135,964.65 after 15 years.

This proposed incentive package provides an opportunity to spur considerable investment and continue the upward progress of investment and new businesses in our historic downtown.

Projections		
Employees (New)		20
Employees (Retained)		0
Payroll (New)		\$820,000
Payroll (Retained)		\$0
1.85% Muni Taxes		\$15,170
50% of Muni Taxes (over \$1 million)		\$0
Real Property Investment		\$0
	New Building/Building Purchase	\$320,000
	Renovation Investment	\$500,000
	Land (not abateable)	
Personal Property Investment		\$30,000
	F&F	\$30,000 Personal Property
	M&E	\$0 Personal Property
	Inventory	Personal Property
Project Annual Value of Abatement		\$13,251.94
Project is for a target industry	Yes	Office
Project Hires at Greater than LMI average wage (\$41,000)	Yes	\$41,000.00
Project has a 25% or Greater ROI for City	Yes	
	City ROI	124.87%
Project has a 30% or Greater ROI for School	Yes	
	School ROI	30.00%

COMMITTEE RECOMMENDATION:

Tax Incentive Review Council, 2/27/19

VOTE: Approval

FISCAL IMPACT(S):

COST: N/A

FUND SOURCES: N/A

BUDGETED: NO

DEPARTMENTS IMPACTED: Economic Development

POLICY CHANGES:

N/A

PRESENTER(S):

Sean Hughes, Economic Development Director

RECOMMENDATION:

Approval

ATTACHMENT(S)

CRA School Notification Letters

Incentives Application

CRA Agreement

School Compensation Agreement

Map Exhibit of Building Location

ORDINANCE NO. 19-10

AN ORDINANCE APPROVING A COMMUNITY REINVESTMENT AREA AGREEMENT AND SCHOOL COMPENSATION AGREEMENT WITH SELO BOLNO LLC, DELAWARE CITY SCHOOLS, DELAWARE AREA CAREER CENTER AND THE CITY OF DELAWARE. FOR INVESTMENT IN REAL PROPERTY IMPROVEMENTS ON A BUILDING AT 5 NORTH SANDUSKY STREET AND DECLARING AN EMERGENCY.

WHEREAS, the City of Delaware has encouraged development of and investment in real property in the area designated as Community Reinvestment Area 141-1135-1 pursuant to ORC 3735; and

WHEREAS, the City of Delaware by Resolution Number 01-52, resolved to review and approve all Community Reinvestment Area Agreements which meet the statutory guidelines; and

WHEREAS, the City of Delaware partners with impacted school districts to ensure mutual benefit from economic development projects; and

WHEREAS, the Council of the City of Delaware established an economic development fund to attract, incentive and assist high return on investment projects in the City of Delaware.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF DELAWARE, DELAWARE COUNTY, OHIO, that:

SECTION 1. The Community Reinvestment Area Agreement by and between the City of Delaware and SELO BOLNO LLC meets all of the guidelines established by the State of Ohio and the City of Delaware, and the same is hereby approved.

SECTION 2. The School Compensation Agreement by and between the City of Delaware, Delaware City School District and SELO BOLNO LLC meets all of the school compensation guidelines established by the State of Ohio and the City of Delaware, and the same is hereby approved.

SECTION 4. That the City Council of the City of Delaware hereby authorizes the execution of said agreements by the City Manager to implement the Community Reinvestment Area Program and School Compensation Agreement for this project.

SECTION 5. This Council finds and determines that all formal actions of this Council and any of its committees concerning and relating to the passage of this Ordinance were taken in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in those formal actions were in meetings open to the public, all in compliance with the law including Section 121.22 of the Revised Code.

SECTION 6. EMERGENCY CLAUSE. That this ordinance is hereby declared to be an emergency measure necessary to provide for the public peace, safety, health and welfare of the City, and is necessary to finalize negotiations, and as such will be in full force and effect immediately upon its passage.

VOTE ON RULE SUSPENSION:

YEAS___NAYS___
ABSTAIN ___

VOTE ON EMERGENCY CLAUSE:

YEAS___ NAYS___
ABSTAIN ___

PASSED: _____, 2019

YEAS___ NAYS___
ABSTAIN ___

ATTEST: _____
CITY CLERK

MAYOR



March 5, 2019

Mary Beth Freeman
Superintendent
Delaware Area Career Center
4565 Columbus Pike
Delaware, OH 43015

Paul Craft
Superintendent
Delaware City Schools
74 W. William St.
Delaware, OH 43015

RE: Selo Bolno LLC Community Reinvestment Area Request for Tax Incentives and School Compensation Agreement

Dear Superintendents Craft and Freeman:

In an effort to create more second and third floor office space in Downtown Delaware, the City of Delaware's Incentive Negotiation Committee, that includes the superintendents and treasurers from the impacted school districts, negotiated a 100% for 15 year CRA tax abatement for the potential 2nd and 3rd floor building renovations at 5 N. Sandusky St. on Parcel # 51943225027000. As part of the CRA abatement, the company has agreed to a School Compensation Agreement with an annual payments to the school districts equaling 30% of what the school districts would have seen without the abatement on building improvements. The total of payments to both Delaware City Schools and Delaware Area Career Center would be \$3,292.42/year for a total of \$49,386.27 after fifteen years.

All incentives are based on Selo Bono LLC's commitment to the creation of 20 new full-time equivalent jobs to the City of Delaware with an annual payroll minimum of \$820,000 within 3 years of the completion of their project. A copy of their application for tax incentives is attached.

CRA (ORC 3735.65-70) guidelines require that Boards of Education be informed of amendments, notice requirements, review rights, meeting requests, revenue sharing requirements, and/or program participation. Since the CRA legislation and company agreements contain many legal requirements, you may want to review Ohio Revised Code references (please see: <http://onlinedocs.andersonpublishing.com/>).

The City of Delaware is requesting a waiver of the required 45 business day notice period so that Delaware City Council will be able to consider these requests at our regularly scheduled Council meeting on Monday, April 8, 2019 held at Delaware City Hall, 1 South Sandusky Street, Delaware, at 7:00 P.M. A second reading and public hearing may be scheduled for April 22, but may not be needed if Council chooses to take action on the first reading for economic development purposes. School Board Members, staff and the public are welcome to attend these meetings. Please let me know if you require any further assistance. I can be reached at 740.203.1016 or shughes@delawareohio.net. Please email me with confirmation of receipt of this notification so that I can send it with our petition to the Ohio Development Services Agency.

Yours Sincerely,
Sean Hughes
Economic Development Director

xc: Honorable George Kaitsa, Auditor
 R. Thomas Homan, City Manager
 Dean Stelzer Finance Director
 Melissa Swearingen , Treasurer, Delaware City School District
 Chris Bell, Treasurer, Delaware Area Career Center

Attached:

1. ORC 3735.671
2. KB42, Ltd. application for tax incentives

3735.671 Written agreement where commercial or industrial property is to be exempted.

(A) If construction or remodeling of commercial or industrial property is to be exempted from taxation pursuant to section [3735.67](#) of the Revised Code, the legislative authority and the owner of the property, prior to the commencement of construction or remodeling, shall enter into a written agreement, binding on both parties for a period of time that does not end prior to the end of the period of the exemption, that includes all of the information and statements prescribed by this section. Agreements may include terms not prescribed by this section, but such terms shall in no way derogate from the information and statements prescribed by this section.

(1) Except as otherwise provided in division (A)(2) or (3) of this section, an agreement entered into under this section shall not be approved by the legislative authority unless the board of education of the city, local, or exempted village school district within the territory of which the property is or will be located approves the agreement. For the purpose of obtaining such approval, the legislative authority shall certify a copy of the agreement to the board of education not later than forty-five days prior to approving the agreement, excluding Saturday, Sunday, and a legal holiday as defined in section [1.14](#) of the Revised Code. The board of education, by resolution adopted by a majority of the board, shall approve or disapprove the agreement and certify a copy of the resolution to the legislative authority not later than fourteen days prior to the date stipulated by the legislative authority as the date upon which approval of the agreement is to be formally considered by the legislative authority. The board of education may include in the resolution conditions under which the board would approve the agreement. The legislative authority may approve an agreement at any time after the board of education certifies its resolution approving the agreement to the legislative authority, or, if the board approves the agreement conditionally, at any time after the conditions are agreed to by the board and the legislative authority.

(2) Approval of an agreement by the board of education is not required under division (A)(1) of this section if, for each tax year the real property is exempted from taxation, the sum of the following quantities, as estimated at or prior to the time the agreement is formally approved by the legislative authority, equals or exceeds fifty per cent of the amount of taxes, as estimated at or prior to that time, that would have been charged and payable that year upon the real property had that property not been exempted from taxation:

(a) The amount of taxes charged and payable on any portion of the assessed valuation of the new structure or remodeling that will not be exempted from taxation under the agreement;

(b) The amount of taxes charged and payable on tangible personal property located on the premises of the new structure or of the structure to be remodeled under the agreement, whether payable by the owner of the structure or by a related member, as defined in section [5733.042](#) of the Revised Code without regard to division (B) of that section.

(c) The amount of any cash payment by the owner of the new structure or structure to be remodeled to the school district, the dollar value, as mutually agreed to by the owner and the board of education, of any property or services provided by the owner of the property to the school district, whether by gift, loan, or otherwise, and any payment by the legislative authority to the school district pursuant to section [5709.82](#) of the Revised Code.

The estimates of quantities used for purposes of division (A)(2) of this section shall be estimated by the legislative authority. The legislative authority shall certify to the board of education that the estimates have been made in good faith. Departures of the actual quantities from the estimates subsequent to approval of the agreement by the board of education do not invalidate the agreement.

(3) If a board of education has adopted a resolution waiving its right to approve agreements and the resolution remains in effect, approval of an agreement by the board is not required under this division. If a board of education has adopted a resolution allowing a legislative authority to deliver the notice required under this division fewer than forty-five business days prior to the legislative authority's execution of the agreement, the legislative authority shall deliver the notice to the board not later than the number of days prior to such execution as prescribed by the board in its resolution. If a board of education adopts a resolution waiving its right to approve agreements or shortening the notification period, the board shall certify a copy of the resolution to the legislative authority. If the board of education rescinds such a resolution, it shall certify notice of the rescission to the legislative authority.

(B) Each agreement shall include the following information:

(1) The names of all parties to the agreement;

(2) A description of the remodeling or construction, whether or not to be exempted from taxation, including existing or new structure size and cost thereof; the value of machinery, equipment, furniture, and fixtures, including an itemization of the value of machinery, equipment, furniture, and fixtures used at another location in this state prior to the agreement and relocated or to be relocated from that location to the property, and the value of machinery, equipment, furniture, and fixtures at the facility prior to the execution of the agreement; the value of inventory at the property, including an itemization of the value of inventory held at another location in this state prior to the agreement and relocated or to be relocated from that location to the property, and the value of inventory held at the property prior to the execution of the agreement;

(3) The scheduled starting and completion dates of remodeling or construction of real property or of investments made in machinery, equipment, furniture, fixtures, and inventory;

(4) Estimates of the number of employee positions to be created each year of the agreement and of the number of employee positions retained by the owner due to the remodeling or construction, itemized as to the number of full-time, part-time, permanent, and temporary positions;

(5) Estimates of the dollar amount of payroll attributable to the positions set forth in division (B)(4) of this section, similarly itemized;

(6) The number of employee positions, if any, at the property and at any other location in this state at the time the agreement is executed, itemized as to the number of full-time, part-time, permanent, and temporary positions.

(C) Each agreement shall set forth the following information and incorporate the following statements:

(1) A description of real property to be exempted from taxation under the agreement, the percentage of the assessed valuation of the real property exempted from taxation, and the period for which the exemption is granted,

accompanied by the statement: "The exemption commences the first year for which the real property would first be taxable were that property not exempted from taxation. No exemption shall commence after (insert date) nor extend beyond (insert date)."

(2) "..... (insert name of owner) shall pay such real property taxes as are not exempted under this agreement and are charged against such property and shall file all tax reports and returns as required by law. If (insert name of owner) fails to pay such taxes or file such returns and reports, exemptions from taxation granted under this agreement are rescinded beginning with the year for which such taxes are charged or such reports or returns are required to be filed and thereafter."

(3) "..... (insert name of owner) hereby certifies that at the time this agreement is executed, (insert name of owner) does not owe any delinquent real or tangible personal property taxes to any taxing authority of the State of Ohio, and does not owe delinquent taxes for which (insert name of owner) is liable under Chapter 5733., 5735., 5739., 5741., 5743., 5747., or 5753. of the Ohio Revised Code, or, if such delinquent taxes are owed, (insert name of owner) currently is paying the delinquent taxes pursuant to an undertaking enforceable by the State of Ohio or an agent or instrumentality thereof, has filed a petition in bankruptcy under 11 U.S.C.A. 101 , et seq., or such a petition has been filed against (insert name of owner). For the purposes of this certification, delinquent taxes are taxes that remain unpaid on the latest day prescribed for payment without penalty under the chapter of the Revised Code governing payment of those taxes."

(4) "..... (insert name of municipal corporation or county) shall perform such acts as are reasonably necessary or appropriate to effect, claim, reserve, and maintain exemptions from taxation granted under this agreement including, without limitation, joining in the execution of all documentation and providing any necessary certificates required in connection with such exemptions."

(5) "If for any reason (insert name of municipal corporation or county) revokes the designation of the area, entitlements granted under this agreement shall continue for the number of years specified under this agreement, unless (insert name of owner) materially fails to fulfill its obligations under this agreement and (insert name of municipal corporation or county) terminates or modifies the exemptions from taxation pursuant to this agreement."

(6) "If (insert name of owner) materially fails to fulfill its obligations under this agreement, or if (insert name of municipal corporation or county) determines that the certification as to delinquent taxes required by this agreement is fraudulent, (insert name of municipal corporation or county) may terminate or modify the exemptions from taxation granted under this agreement."

(7) "..... (insert name of owner) shall provide to the proper tax incentive review council any information reasonably required by the council to evaluate the applicant's compliance with the agreement, including returns filed pursuant to section [5711.02](#) of the Ohio Revised Code if requested by the council."

(8) "This agreement is not transferable or assignable without the express, written approval of (insert name of municipal corporation or county)."

(9) "Exemptions from taxation granted under this agreement shall be revoked if it is determined that (insert name of owner), any successor to that person, or any related member (as those terms are defined in division (E) of section 3735.671 of the Ohio Revised Code) has violated the prohibition against entering into this agreement under division (E) of section 3735.671 or section [5709.62](#) or [5709.63](#) of the Ohio Revised Code prior to the time prescribed by that division or either of those sections."

(10) "..... (insert name of owner) and (insert name of municipal corporation or county) acknowledge that this agreement must be approved by formal action of the legislative authority of (insert name of municipal corporation or county) as a condition for the agreement to take effect. This agreement takes effect upon such approval."

The statement described in division (C)(6) of this section may include the following statement, appended at the end of the statement: ", and may require the repayment of the amount of taxes that would have been payable had the property not been exempted from taxation under this agreement." If the agreement includes a statement requiring repayment of exempted taxes, it also may authorize the legislative authority to secure repayment of such taxes by a lien on the exempted property in the amount required to be repaid. Such a lien shall attach, and may be perfected, collected, and enforced, in the same manner as a mortgage lien on real property, and shall otherwise have the same force and effect as a mortgage lien on real property.

(D) Except as otherwise provided in this division, an agreement entered into under this section shall require that the owner pay an annual fee equal to the greater of one per cent of the amount of taxes exempted under the agreement or five hundred dollars; provided, however, that if the value of the incentives exceeds two hundred fifty thousand dollars, the fee shall not exceed two thousand five hundred dollars. The fee shall be payable to the legislative authority once per year for each year the agreement is effective on the days and in the form specified in the agreement. Fees paid shall be deposited in a special fund created for such purpose by the legislative authority and shall be used by the legislative authority exclusively for the purpose of complying with section [3735.672](#) of the Revised Code and by the tax incentive review council created under section [5709.85](#) of the Revised Code exclusively for the purposes of performing the duties prescribed under that section. The legislative authority may waive or reduce the amount of the fee, but such waiver or reduction does not affect the obligations of the legislative authority or the tax incentive review council to comply with section [3735.672](#) or [5709.85](#) of the Revised Code.

(E) If any person that is party to an agreement granting an exemption from taxation discontinues operations at the structure to which that exemption applies prior to the expiration of the term of the agreement, that person, any successor to that person, and any related member shall not enter into an agreement under this section or section [5709.62](#), [5709.63](#), or [5709.632](#) of the Revised Code, and no legislative authority shall enter into such an agreement with such a person, successor, or related member, prior to the expiration of five years after the discontinuation of operations. As used in this division, "successor" means a person to which the assets or equity of another person has been transferred, which transfer resulted in the full or partial nonrecognition of gain or loss, or resulted in a carryover basis, both as determined by rule adopted by the tax commissioner. "Related member" has the same meaning as defined in section [5733.042](#) of the Revised Code without regard to division (B) of that section.

The director of development shall review all agreements submitted to the director under division (F) of this section for the purpose of enforcing this division. If the director determines there has been a violation of this division, the

director shall notify the legislative authority of such violation, and the legislative authority immediately shall revoke the exemption granted under the agreement.

(F) When an agreement is entered into under this section, the legislative authority authorizing the agreement shall forward a copy of the agreement to the director of development within fifteen days after the agreement is entered into.

Effective Date: 09-26-2003; 03-23-2005



INCENTIVES APPLICATION

1. a. Name of property owner, home or main office address, contact person, and telephone number (attach additional pages if multiple enterprise participants).

Enterprise Name:

Selo Bolno LLC

Address:

5 North Sandusky, Delaware OH 43015

b. Project site:

Contact Person:

Chris DeVol

Address:

5667 Plantation Road Sunbury OH 43074

Date:

Contact Person:

Chris DeVol

Telephone Number:

614-403-8129

Telephone Number:

614-403-8129

2. a. Nature of commercial/industrial activity (manufacturing, warehousing, wholesale or retail stores, or other) to be conducted at the site.

Commercial Office Space (For Lease)

- b. List primary 6 digit North American Industry Classification System (NAICS) #
Business may list other relevant SIC numbers. _____

- c. If a consolidation, what are the components of the consolidation? (must itemize the location, assets, and employment positions to be transferred:

N/A

- d. Form of business of enterprise (corporation, partnership, proprietorship, or other).

Limited Liability Corporation

3. Name of principal owner(s) or officers of the business.

Christopher A. DeVol

4. a. State the enterprise's current employment level at the proposed project site:

0

- b. Will the project involve the relocation of employment positions or assets from one Ohio location to another? Yes **No X**

c. If yes, state the locations from which employment positions or assets will be relocated and the location to where the employment positions or assets will be located:

d. State the enterprise's current employment level in Ohio (itemized for full and part-time and permanent and temporary employees): **1**

e. State the enterprise's current employment level for each facility to be affected by the relocation of employment positions or assets:

N/A

f. What is the projected impact of the relocation, detailing the number and type of employees and/or assets to be relocated?

N/A

5. Does the Property Owner owe:

a. Any delinquent taxes to the State of Ohio or a political subdivision of the state?

Yes__ No X

b. Any monies to the State or a state agency for the administration or enforcement of any environmental laws of the State? Yes__ No X

c. Any other moneys to the State, a state agency or a political subdivision of the State that are past due, whether the amounts owed are being contested in a court of law or not?

Yes__ No X

d. If yes to any of the above, please provide details of each instance including but not limited to the location, amounts and/or case identification numbers (add additional sheets).

6. Project Description:

7. Project will begin July, 2019 and be completed March, 2020 provided a tax exemption is provided.

8. a. Estimate the number of new employees the property owner will cause to be created at the facility that is the project site (job creation projection must be itemized by the name of the employer, full and part-time and permanent and temporary): **20 FTEs**

b. State the time frame of this projected hiring: **3 yrs.**

c. State proposed schedule for hiring (itemize by full and part-time and permanent and temporary employees):

occupancy upon completion -1 employee

19 additional employees total within 3 years

9. a. Estimate the amount of annual payroll such new employees will add: \$ 820,000

Based upon 20 employees. Avg. \$42,000. (Employees of companies projected to lease space)

b. Indicate separately the amount of existing annual payroll relating to any job retention claim resulting from the project: \$ 0

10. An estimate of the amount to be invested by the enterprise to establish, expand, renovate or occupy a facility:

A. Acquisition of Buildings/Land:	\$ 320,000
B. Additions/New Construction:	\$
C. Improvements to existing buildings:	\$ 500,000
D. Machinery & Equipment:	\$
E. Furniture & Fixtures:	\$ 30,000
F. Inventory:	\$

Total New Project Investment: \$ 850,000

11. a. Business requests the following incentives:

100% Fifteen (15) Year Abatement

b. Business's reasons for requesting incentives (be quantitatively specific as possible):

Expense of rehabilitating and renovating 100+ year old building, amplified by current labor costs, material costs, and market forces specific to the sector of commerce (construction contracting) at this time.

Submission of this application expressly authorizes (name of local jurisdiction) to contact the Ohio Environmental Protection Agency to confirm statements contained within this application including item# 5 and to review applicable confidential records. As part of this application, the property owner may also be required to directly request from the Ohio Department of Taxation, or complete a waiver form allowing the Department of Taxation to

release specific tax records to the local jurisdiction considering the request. (The Applicant agrees to supply additional information upon request.)

The Applicant affirmatively covenants that the information contained in and submitted with this application is complete and correct and is aware of the ORC Sections 9.66©(1) and 2921.13(D)(1) penalties for falsification which could result in the forfeiture of all current and future economic development assistance benefits as well as a fine of not more than \$1,000 and/or a term of imprisonment of not more than six months.

Name of Property Owner or Business Owner

Date January 26, 2019

Christopher A. DeVol

Signature

Typed Name and Title

X



Christopher DeVol, President

* A copy of this proposal must be forwarded by the local governments to the affected Board of Education along with notice of the meeting date on which the local government will review the proposal. Notice must be given a minimum of fourteen (14) days prior to the scheduled meeting to permit the Board of Education to appear and/or comment before the legislative authorities considering the request.

** Attach to Final Incentives Agreements as Exhibit A

COMMUNITY REINVESTMENT AREA AGREEMENT
CITY OF DELAWARE, SELO BOLNO LLC

This agreement made and entered into by and between the City of Delaware, Ohio, a municipal government, with its main offices located at 1 South Sandusky Street, Delaware, Ohio 43015 and SELO BOLNO LLC, 5 North Sandusky, Delaware OH 43015, WITNESSETH;

WHEREAS, the City of Delaware has encouraged the development of real property and the acquisition of personal property located in the area designated as Community Reinvestment Area 141-1135-01; and

WHEREAS, SELO BOLNO LLC (building owner) desires to renovate an historic building for office use by multiple office users (tenants and job creators) within the boundaries of the aforementioned Community Reinvestment Area, provided that the appropriate development incentives are available to support the economic viability of said PROJECT; and

WHEREAS, the Council of the City of Delaware, Ohio, by Resolution No. 17-52 adopted July 23, 2001, designated the area as a "Community Reinvestment Area" pursuant to Chapter 3735 of the Ohio Revised Code; and

WHEREAS, effective September 4, 2001, the Director of Development of the State of Ohio determined that the aforementioned area designated in said Resolution No. 01-52 contains the characteristics set forth in Section 3735.66 of the Ohio Revised Code and confirmed said area as Community Reinvestment Area #141-1135-01 under said Chapter 3735; and

WHEREAS, the City of Delaware, having the appropriate authority for the stated type of project desires to provide SELO BOLNO LLC with incentives available for the development of the PROJECT in said Community Reinvestment Area under Chapter 3735 of the Ohio Revised Code; and

WHEREAS, SELO BOLNO LLC has submitted a proposed agreement application (herein attached as Exhibit A) to the City of Delaware (hereinafter referred to as "APPLICATION"); and

WHEREAS, SELO BOLNO LLC has remitted the required state application fee of \$750.00 made payable to the Ohio Department of Development with the APPLICATION to be forwarded to said department with a copy of the final agreement; and

WHEREAS, the Tax Incentive Negotiating Committee of the City of Delaware investigated the APPLICATION of SELO BOLNO LLC on February 27, 2019, and recommended approval to the Council of the City of Delaware on the basis that SELO BOLNO LLC is qualified by financial responsibility and business experience to create and preserve employment opportunities in said Community Reinvestment Area and improve the economic climate of the City of Delaware; and

WHEREAS, the project site as proposed by SELO BOLNO LLC is located in the Delaware City School District and effective November 26, 2001, a Delaware City School District Board of Education resolution authorized the Superintendent to act on its behalf to negotiate, approve, and define terms and conditions on any Tax Incentive Agreement; the minutes of the February 27, 2019 Tax Incentive Negotiating Committee document the Superintendent's approval, and the boards of education have been notified in accordance with Section 5709.83 and been given a copy of the APPLICATION; and

WHEREAS, the project site as proposed by SELO BOLNO LLC is located in the Delaware Area School District and effective April 15, 2004, a Delaware City School District Board of Education resolution authorized the Superintendent to act on its behalf to negotiate, approve, and define terms and conditions on any Tax Incentive Agreement; the minutes of the February 27, 2019 Tax Incentive Negotiating Committee document the Superintendent's approval, and the boards of education have been notified in accordance with Section 5709.83 and been given a copy of the APPLICATION; and

WHEREAS, pursuant to Section 3735.67(A) and in conformance with the format required under Section 3735.671(B) of the Ohio Revised Code, the parties hereto desire to set forth their agreement with respect to matters hereinafter contained;

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained and the benefit to be derived by the parties from the execution hereof, the parties herein agree as follows:

1. SELO BOLNO LLC shall renovate the second and third floors of an historic downtown building located at 5 N. Sandusky Street on Parcel 51943225027000, as the same is known and designated on the Auditor's revised list of lots in Delaware, Ohio.

The PROJECT will involve a total on-site infrastructure investment by SELO BOLNO LLC of FIVE HUNDRED THOUSAND DOLLARS (\$500,000), plus or minus 10%, at the PROJECT site according to the following:

Real Property	
New Building Construction	\$0
On-Site Infrastructure	\$500,000
Sub Total Real Property	\$500,000
Building Acquisition	\$0
Total Real Property	\$500,000
Personal Property	
Equipment	\$0
F&F	\$30,000
Inventory	\$0
Total Investment	\$530,000

No tax incentives are available for the Personal Property.

The PROJECT will begin by June 1, 2019 and all acquisition, construction and construction will be completed by June 30, 2020.

2. SELO BOLNO LLC shall create or cause to be hired within a time period not exceeding 36 months after the completion of construction and subsequent occupancy of the aforesaid facility, the equivalent of 20 new full-time equivalent (FTE) permanent job opportunities at the PROJECT site.

The job creation period begins January 1, 2020 and all jobs will be in place by December 31, 2022 (3 years or 36 months after the completion of the PROJECT per ORC3735B4).

SELO BOLNO LLC currently has 0 full-time temporary employees, and 0 part-time temporary employees at the project site.

SELO BOLNO LLC have 1 employees at other sites in Ohio or the US.

This increase in the number of employees shall result in at least EIGHT HUNDRED AND TWENTY THOUSAND DOLLARS (\$820,000) in total annual payroll generated at the PROJECT site by December 31, 2022.

Based on new job and payroll creation levels, the City of Delaware estimates an annual new employee income tax revenue amount of \$15,170 (\$820,000 payroll times the current income tax rate of 1.85%) for the PROJECT. If in any year of this Agreement after the first three years, the level of new and retained payroll does not reach or falls below levels established by this Agreement, SELO BOLNO LLC agree to reimburse the City of Delaware for lost employee income taxes. Should the City's income tax rates change, these figures are adjusted accordingly.

3. SELO BOLNO LLC shall provide to the proper Tax Incentive Review Council any information reasonably required by the council to evaluate the property owner's compliance with the agreement, including returns filed pursuant to section 5711.02 of the Ohio Revised Code if requested by the council (ORC3735.671C7).

ADDITIONAL REQUIREMENTS:

- a. SELO BOLNO LLC shall make the following payments totaling \$49,386.27 to Delaware City School District and Delaware Area Career Center (Split between districts based on current tax rate percentage split.) to benefit the districts' educational initiatives. This payment shall be subject to the terms and conditions of a separate School Compensation Agreement between SELO BOLNO LLC, DELAWARE CITY SCHOOLS, DELAWARE AREA CAREER CENTER and the CITY OF DELAWARE. The companies will make these payments directly to the school districts upon receipt of invoices from the Delaware City Schools and Delaware Area Career Center for the amounts established in the School Compensation Agreement issued at the following times.

<u>School Compensation Payment #</u>	<u>Payment Due Date</u>	<u>Amount</u>
Payment #1	9/30/21	\$3,292.42
Payment #2	9/30/22	\$3,292.42
Payment #3	9/30/23	\$3,292.42
Payment #4	9/30/24	\$3,292.42
Payment #5	9/30/25	\$3,292.42
Payment #6	9/30/26	\$3,292.42
Payment #7	9/30/27	\$3,292.42
Payment #8	9/30/28	\$3,292.42
Payment #9	9/30/29	\$3,292.42
Payment #10	9/30/30	\$3,292.42
Payment #11	9/30/31	\$3,292.42

Payment #12	9/30/32	\$3,292.42
Payment #13	9/30/33	\$3,292.42
Payment #14	9/30/34	\$3,292.42
Payment #15	9/30/35	\$3,292.42

- b. SELO BOLNO LLC or its successor shall maintain a membership in the MAINSTREET DELAWARE, INC.
 - c. SELO BOLNO LLC shall contact the Superintendent, Delaware Area Career Center for information on adult education and training services.
4. City of Delaware hereby grants SELO BOLNO LLC a tax exemption for real property improvements made to the PROJECT site pursuant to Section 3735.67 of the Ohio Revised Code and shall be for fifteen (15) years in the following amounts:

<u>Year of Tax Exemption</u>	<u>Tax Exemption Amount</u>
Year 1	100%
Year 2	100%
Year 3	100%
Year 4	100%
Year 5	100%
Year 6	100%
Year 7	100%
Year 8	100%
Year 9	100%
Year 10	100%
Year 11	100%
Year 12	100%
Year 13	100%
Year 14	100%
Year 15	100%

The exemption commences the first full taxable year the facility is 100% complete. No exemption shall commence before December 31, 2019, nor extend beyond December 31, 2034. Said exemption shall be based on the increase on the assessed value of real property attributed to the real property improvements at the PROJECT site. SELO BOLNO LLC and/or its tenant(s) must file the appropriate tax forms (DTE 23) with the County Auditor to effect and maintain the exemptions covered in the agreement.

- 5. A. The City of Delaware **waives** the annual fee equal to the greater of one percent of the dollar value of incentives offered under the agreement or five hundred dollars (ORC3735.671D).
- 6. SELO BOLNO LLC shall pay such real and tangible personal property taxes as are not exempted under this agreement and are charged against such property and shall file all tax reports and returns as required by law. If SELO BOLNO LLC fails to pay such taxes or file such returns and reports after written notification, all incentives granted under this agreement are rescinded beginning with the year for which such taxes are charged or such reports or returns are required to be filed and thereafter (ORC3735.671C2).

7. City of Delaware shall perform such acts as are reasonably necessary or appropriate to effect, claim, reserve, and maintain exemptions from taxation granted under this agreement including, without limitation, joining in the execution of all documentation and providing any necessary certificates required in connection with such exemptions (ORC3735.671C4).
8. If for any reason the Community Reinvestment Area designation expires, the Director of the Ohio Development Services Agency revokes certification of the area, or the City of Delaware revokes the designation of the area, entitlements granted under this agreement shall continue for the number of years specified under this agreement, unless SELO BOLNO LLC materially fails to fulfill its obligations under this agreement and the City of Delaware terminates or modifies the exemptions from taxation granted under this agreement (ORC3735.671C5).
9. If SELO BOLNO LLC materially fails to fulfill its obligations under this agreement, or if the City of Delaware determines that the certification as to delinquent taxes required by this agreement is fraudulent, the City of Delaware may terminate or modify the exemptions from taxation granted under this agreement and may require the repayment of the amount of taxes that would have been payable had the property not been exempted from taxation under this agreement (ORC3735.671C6).
10. SELO BOLNO LLC hereby certify that at the time this agreement is executed, SELO BOLNO LLC does not owe any delinquent real or tangible personal property taxes to any taxing authority of the State of Ohio, and does not owe delinquent taxes for which SELO BOLNO LLC is liable under Chapter 5733., 5735., 5739., 5741., 5743., 5747., or 5753. of the Ohio Revised Code, or, if such delinquent taxes are owed, SELO BOLNO LLC currently is paying the delinquent taxes pursuant to an undertaking enforceable by the State of Ohio or an agent or instrumentality thereof, has filed a petition in bankruptcy under 11 U.S.C.A. 101, et seq., or such a petition has been filed against SELO BOLNO LLC For the purposes of the certification, delinquent taxes are taxes that remain unpaid on the latest day prescribed for payment without penalty under the chapter of the Revised Code governing payment of those taxes (ORC3735.671C3).
11. SELO BOLNO LLC affirmatively covenants that SELO BOLNO LLC does not owe: (1) any delinquent taxes to the State of Ohio or a political subdivision of the State; (2) any moneys to the State or a state agency for the administration or enforcement of any environmental laws of the State; and (3) any other moneys to the State, a state agency or a political subdivision of the State that are past due, whether the amounts owed are being contested in a court of law or not.
12. SELO BOLNO LLC and the CITY OF DELAWARE acknowledge that this agreement must be approved by formal action of the legislative authority of the City of Delaware and approval and execution of this agreement by SELO BOLNO LLC as a condition for the agreement to take effect (ORC3735.671C10).
13. The City of Delaware has developed a policy to ensure recipients of a Community Reinvestment Area tax benefits practice non-discriminating hiring in its operations. By executing this agreement, SELO BOLNO LLC is committing to following non-discriminating hiring practices acknowledging that no individual may be denied employment solely on the basis of race, religion, sex, disability, color, national origin, or ancestry.

14. Exemptions from taxation granted under this agreement shall be revoked if it is determined that SELO BOLNO LLC, any successor property owner, or any related member (as those terms are defined in Division (E) of Section 3735.671 of the Ohio Revised Code) has violated the prohibition against entering into this agreement under Division (E) of Section 3735.671 or Section 5709.62 or 5709.63 of the Ohio Revised Code prior to the time prescribed by that division or either of those sections (ORC3735.671C9).
15. SELO BOLNO LLC affirmatively covenants that it has made no false statements to the State or local political subdivisions in the process of obtaining approval of the Community Reinvestment Area incentives. If any representative of SELO BOLNO LLC has knowingly made a false statement to the State or local political subdivision to obtain the Community Reinvestment Area incentives, SELO BOLNO LLC shall be required to immediately return all benefits received under the Community Reinvestment Area Agreement pursuant ORC Section 9.66 (C)(2) and shall be ineligible for any future economic development assistance from the State, any state agency or a political subdivision pursuant to ORC Section 9.66(C)(1). Any person who provides a false statement to secure economic development assistance may be guilty of falsification, a misdemeanor of the first degree, pursuant to ORC Section 2921.13 which is punishable by a fine of not more than \$1000 and/or a term of imprisonment of not more than six months.
16. SELO BOLNO LLC acknowledge that this agreement is not transferable or assignable without the express, written approval of the City of Delaware (ORC3735.671C8).
17. SELO BOLNO LLC acknowledge that if any person that is party to an agreement granting an exemption from taxation discontinues operations at the structure to which that exemption applies prior to the expiration of the term of the agreement, that person, any successor to that person, and any related member shall not enter into an agreement under this section or sections 5709.62, 5709.63, or 5709.632 of the Ohio Revised Code, and no legislative authority shall enter into such an agreement with such a person, successor, or related member, prior to the expiration of five years after the discontinuation of operations. As used in this division, 'successor' means a person to which the assets or equity of another person has been transferred, which transfer resulted in the full or partial non-recognition of gain or loss, or resulted in a carryover basis, both as determined by rule adopted by the tax commissioner. 'Related member' has the same meaning as defined in section 5733.042 of the Ohio Revised Code without regard to Division (B) of that section (ORC3735.671E).
18. SELO BOLNO LLC hereby represent that it has full authority to act, negotiate, and execute this agreement.

IN WITNESS WHEREOF, the City of Delaware, Ohio, by R. Thomas Homan, its City Manager, and pursuant to Ordinance 19-__ adopted on _____, 2019, has caused this instrument to be executed this _____ day of _____ 2019, SELO BOLNO LLC has caused this instrument to be executed on this _____ day of _____ 2019.

CITY OF DELAWARE

By: _____
R. Thomas Homan, City Manager

SELO BOLNO LLC

Chris DeVol, Owner

Approved as to form:

By: _____
Darren Shulman, Delaware City Attorney

School Compensation Agreement
SELO BONO LLC
Community Reinvestment Area #141-1135-01

This agreement between the **City of Delaware**, a municipal corporation, with its offices at 1 South Sandusky Street, Delaware, Ohio 43015; **Delaware City School District Board of Education**, a public school district, with its principal offices at 74 West William St., Delaware, Ohio 43015; **Delaware Area Career Center Board of Education**, a public school district with its principal offices at 4565 Columbus Pike, Delaware, OH 43015, and **SELO BONO LLC**, 5 North Sandusky St., Delaware, Ohio 43015, specifies the manner in which and procedures to be used pursuant to Ohio Revised Code 3735 authorizing general compensation relating to the Community Reinvestment Area tax abatement for the renovation of a building at 38 E. Winter St. in Delaware's Community Reinvestment Area #141-1135-01.

WHEREAS, the Community Reinvestment Program, pursuant to Chapter 3735 of the Ohio Revised Code authorizes cities and counties to grant real property tax exemptions on eligible new investments; and

WHEREAS, the Council of the City Council of Delaware, Ohio, by Resolution No. 01-52, adopted July 23, 2001, designated the area as a "Community Reinvestment Area" pursuant to Chapter 3735 of the Ohio Revised Code; and

WHEREAS, effective September 4, 2001, the Director of Development of the State of Ohio determined that the aforementioned area designated in said Resolution No. 01-52 contains the characteristics set forth in Section 3735.66 of the Ohio Revised Code and confirmed said area as Community Reinvestment Area #141-1135-01 under said Chapter 3735; and

Whereas, effective November 26, 2001, a Delaware City School District Board of Education resolution authorized the Superintendent to act on its behalf to negotiate, approve, and define terms and conditions on any Tax Incentive Agreement; the minutes of the February 27, 2019 Tax Incentive Negotiating Committee document the Superintendent's approval; and

Whereas, effective April 15, 2004, a Delaware Area Career Center Board of Education resolution authorized the Superintendent to act on its behalf to negotiate, approve, and define terms and conditions on any Tax Incentive Agreement; the minutes of the February 27, 2019 Tax Incentive Negotiating Committee document the Superintendent's approval; and

Whereas, the City of Delaware within **Ordinance Number 19-__** adopted on _____, 2019, has acted pursuant to ORC 3735 to grant a tax exemption to **SELO BONO LLC**, and entered into a formal Community Reinvestment Area abatement agreement on _____, **2019**; and

Whereas, Item 3(a) of the Community Reinvestment Area Agreement relating to the aforementioned project requires compensation to the Delaware City School District and Delaware Area Career Center for the sole benefit of educational initiatives.

Now therefore, in consideration of the foregoing and of the mutual promises, covenants, and agreements hereinafter set forth by the City of Delaware, Delaware City School District, Delaware Area Career Center and SELO BONO LLC, agree as follows:

Section 1. SELO BONO LLC or its tenant, shall pay THREE THOUSAND TWO HUNDRED NINETY-TWO DOLLARS AND FORTY-TWO CENTS (\$3,292.42) per year for fifteen (15) years to the Delaware City School District and Delaware Area Career Center in accordance with the terms and conditions set forth in Item 3(a) of the Community Reinvestment Area Agreement for the referenced project. This payment shall be made upon receipt of invoices per the instructions set forth in Item 3(a) of the Community Reinvestment Area Agreement relating to the aforementioned project, and the first payment shall be due September 30, 2019 and dispersed per Section 2 of this agreement.

Section 2. The cash payments made by SELO BONO LLC or its tenant(s) to the Delaware City School District and Delaware Area Career Center **satisfies ORC Section 5709.82C(2) (School Compensation Agreement is mutually acceptable)** and shall be used for educational initiatives for the sole benefit of the Delaware City Schools and the Delaware Area Career Center, as follows:

a.	Delaware City School District	\$3,158.42
b.	Delaware Area Career Center	\$134.00
c.	Total	\$3,292.42

Section 3. This agreement may be amended or modified by the parties, only in writing, signed by all parties to the agreement or by applicable law changes.

Note: All parties agree that if Ohio tax reform results in no net tax incentive benefits (if the sum of tax incentives offered through the Community Reinvestment Area Agreement minus the school compensation payment is negative), SELO BONO LLC may request that the City of Delaware Tax Incentive Review Council recommend agreement modification or termination. No School Compensation payment is required if there is no net tax benefit to SELO BONO LLC or its tenant(s).

Section 4. This agreement sets forth the entire agreement and understanding between the parties as to the subject matter contained herein and merges and supersedes all prior discussions, agreements, and undertakings of every kind between the parties with respect to the subject matter of this agreement.

Section 5. All payments, certificates, reports, and notices which are required to or may be given pursuant to the provisions of this agreement shall be sent by regular mail, postage prepaid, and shall be deemed to have been given or delivered when so mailed to the following addresses:

R. Thomas Homan, City Manager
City of Delaware
1 South Sandusky Street
Delaware, Ohio 43015

Paul A. Craft, PhD, Superintendent
Delaware City School District
74 W. William St.
Delaware, Ohio 43015

Mary Beth Freeman, Superintendent
Delaware Area Career Center
4565 Columbus Pike
Delaware, Ohio 43015

Chris DeVol
Owner
SELO BONO LLC
5 N. Sandusky St.
Delaware, OH 43015

Any party may change its contact or mailing address for receiving notices and reports by giving written notice of such change to the other parties.

Section 7. The invalidity of any provision of this agreement shall not affect the other provisions of this agreement, and this agreement shall be construed in all respects as if any invalid portions were omitted.

In witness whereof, the parties have caused this Agreement to be executed as of this **day of** **2019**.

CITY OF DELAWARE

R. Thomas Homan

DELAWARE CITY SCHOOL DISTRICT

Paul A. Craft, Superintendent

DELAWARE AREA CAREER CENTER

Mary Beth Freeman, Superintendent

SELO BONO LLC

Chris DeVol, Owner

Approved as to form:

By: _____
Darren Shulman, Delaware City Attorney



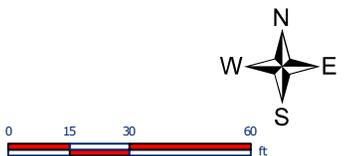
Selo Bolno Project - 5 N. Sandusky St.

Information contained within this map may be used to generally locate, identify and inventory land parcels within Delaware County. Delaware County cannot warrant or guarantee the information contained herein, including, but not limited to its accuracy or completeness. The map parcel lines shown are approximate and this information cannot be construed or used as a "legal description" of a parcel. Flood Plain information is obtained from FEMA and is administered by the Delaware County Building Department (740-833-2201). Please report any errors or omissions to the Delaware County Auditor's office at delcogis@co.delaware.oh.us. Prepared by: Delaware County Auditor's GIS Office



Delaware County Auditor
George Kaitsa

Printed on 3/15/2019





FACT SHEET

AGENDA ITEM NO: 14

DATE: 03/25/2019

ORDINANCE NO: 19-11

RESOLUTION NO:

READING: FIRST

PUBLIC HEARING: NO

TO: Mayor and Members of City Council

FROM: R. Thomas Homan, City Manager

VIA: Jessica Feller, Human Resource Manager

TITLE OF PROPOSED ORDINANCE/RESOLUTION:

AN ORDINANCE AMENDING THE MANAGEMENT, PROFESSIONAL, TECHNICAL, CONFIDENTIAL, AND SUPERVISORY EMPLOYEES PAY PLAN.

BACKGROUND:

Staff recommends that the Budget Analyst position, which is a new position for 2019, be retitled to that of a Budget and Management Analyst. The slight change in title more accurately reflects the function of the position and will assist with current recruitment efforts. This is a title change only as it has been determined that the current paygrade (M12) is adequate.

The Information Technology Department has had an open position, Database Analyst, budgeted since 2018. The position has never been filled. Following the PTI Technology Assessment done last year, it has been determined that the position be retitled to that of an Application Systems Specialist to more accurately reflect the function of the position. This is a title change only as it has been determined that the current paygrade (M14) is adequate. Please refer to the attached memo for Susie Daily, Chief Information Officer for additional details.

REASON WHY LEGISLATION IS NEEDED:

City Council approval is needed to amend the associated pay plan.

COMMITTEE RECOMMENDATION:

N/A

FISCAL IMPACT(S):

N/A

POLICY CHANGES:

N/A

PRESENTER(S):

Jackie Walker, Assistant City Manager

RECOMMENDATION:

Approval.

ATTACHMENT(S)

2019 Pay Plan (recommended changes only)
Memo

ORDINANCE NO. 19-11

AN ORDINANCE AMENDING THE MANAGEMENT,
PROFESSIONAL, TECHNICAL, CONFIDENTIAL, AND
SUPERVISORY EMPLOYEES PAY PLAN.

BE IT ORDAINED by the Council of the City of Delaware, State of Ohio:

SECTION 1. That the attached Management, Professional, Technical, Confidential and Supervisory Pay Plan shall be amended to reflect the noted changes.

SECTION 2. That the position of Budget Analyst (M12) and Database Analyst (M14) be retitled to that of Budget and Management Analyst and Application System Specialist, respectively, which more accurately reflects the functions of the positions.

SECTION 3. This Council finds and determines that all formal actions of this Council and any of its committees concerning and relating to the passage of this Ordinance were taken in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in those formal actions were in meetings open to the public, all in compliance with the law including Section 121.22 of the Revised Code.

VOTE ON RULE SUSPENSION:

YEAS___NAYS___
ABSTAIN ___

PASSED: _____, 2019

YEAS___NAYS___
ABSTAIN ___

ATTEST: _____
CITY CLERK

MAYOR



MEMORANDUM

TO: R. Thomas Homan, City Manager
FROM: Susie Daily, Chief Information Officer
DATE: 3/7/2019
RE: Application Systems Specialist position

The Information Technology Department has had an open position, Database Analyst, budgeted for since 2018. While IT is in need of an additional resource, after spending time reviewing the PTI Technology Assessment and making my own observations, I believe, the need is not that of a Database Analyst but of an Application Systems Specialist.

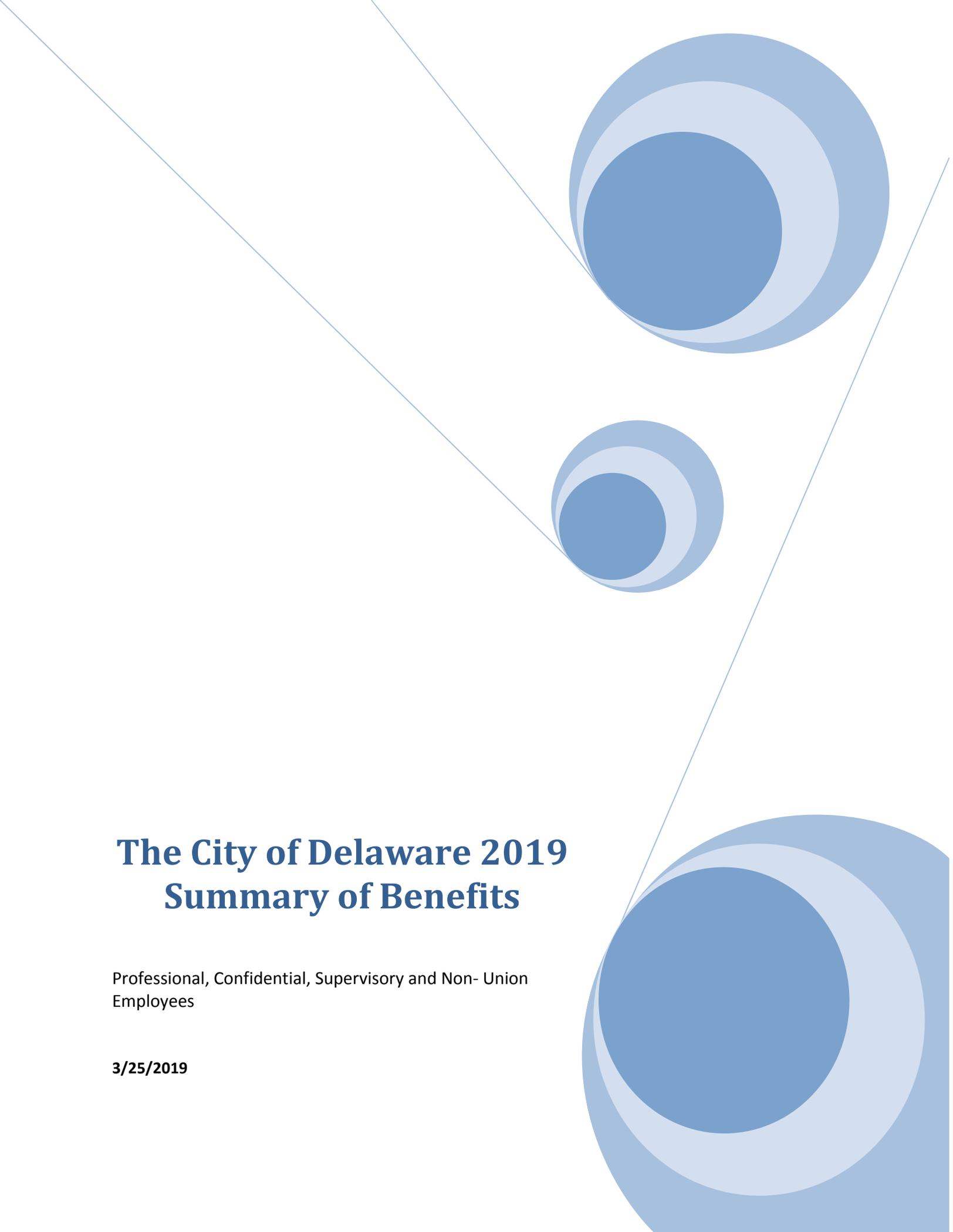
While the Application Systems Specialist does need to design, maintain and implement current and or new database management systems, we need the professional who fills this position to do a lot more. The person in this position will analyze the City's software needs, devise solutions based on those needs and help implement tasks, workflows, and enhance and improve organizational systems and applications to enable efficient and productive use of all applications

This focus to maximize the value of technology investment and project success rate addresses one of the four pillars in the PIT Technology Assessment, Governance. Also addressed are the other three pillars, Infrastructure, Customer Service, and Solutions and Services, with the hire of this new position. The Application Systems Specialist's focus on the organization as a whole when it comes to City and department systems falls into the Infrastructure. As the IT representative focuses on the third pillar, Customer Service, he or she will solicit City employee engagement and support user activities while also soliciting continuous feedback to improve future products and services. This will help create value. It will also help the City get the most out of City resources and allow City employees to address City needs and solve problems, the fourth and final pillar, Solutions and Services.

I have also reviewed the compensation amount budgeted for the Database Analyst. The paygrade, M14, is adequate for the Application Systems Specialist position as well as the salary amounts that fall into that pay plan. There would need to be a change to the Management Pay Position to remove Database Analyst and add Application Systems Specialist.

While reviewing this position, I also analyzed all jobs in the IT Department and will have future recommendations for changes in the 2020 budget discussions once my analysis is complete. One area in particular is IT Project Management. As departments discuss and design their projects, acquisitions and budgets, there is a strong need to have IT collaborating with them to assure the IT needs are addressed in the scope appropriately. Having this seat at the table will help reduce cost, align resources and potentially erase duplicity.

I recommend at this time that the title, job description and pay plan description be changed from Database Analyst to Application Systems Specialist. Future recommendations will come once my analysis is complete.



The City of Delaware 2019 Summary of Benefits

Professional, Confidential, Supervisory and Non- Union
Employees

3/25/2019

SECTION I WAGES AND PAY PLAN

A. Non-Union Employee Pay Plan

The following pay schedule is to be effective December 26, 2018 and the table below reflects a 2% increase for each step. Step increases shall take effect the first full pay period following the employee's anniversary date.

<u>PAY GRADE</u>	<u>POSITION</u>
¹ M1	Administrative Assistant, Police Administrative Aide, Desktop Technician,
M2	Airport Technician, Watershed Coordinator, Police Assistant,
M3	Economic Development Communications Specialist
M4	Cemetery Manager, Financial Specialist I, Arborist
M5	GIS/CMMS Technician, Administrative Services Specialist, Right-of-Way Inspector, Zoning Technician
M6	Police Technician
M7	Code Enforcement Officer I, Customer Service Liaison, Facility Maintenance Supervisor
M8	Engineering Technician, Airport Operations Supervisor, Division Supervisor, Financial Specialist II, Executive Assistant, Code Enforcement Officer II, Golf Course Superintendent, Project Manager I, Collections Manager, Construction Inspector
M9	Assistant City Attorney/Prosecutor, Building Inspector I
M10	Development Planner
M11	No Current Position
M12	GIS Coordinator, Project Manager II, Airport Manager, Construction Inspection Manager, IT Project Coordinator, <u>Budget AND MANAGEMENT Analyst</u> ,
M13	Building Inspector II
M14	Information Systems & Network Administrator, Human Resource Manager, Assistant Prosecutor, Database Analyst <u>APPLICATION SYSTEM SPECIALIST</u>
M15	Project Engineer I, Assistant Water Manager, Assistant Wastewater Manager, Parks Superintendent
M16	No current position
M17	Project and Maintenance Manager, Public Works Superintendent, Accountant, Zoning Administrator, Water Manager, Wastewater Manager, Community Affairs Coordinator, Project Engineer II, Income Tax Administrator
M18	Project Engineer III
M19	Deputy City Engineer
M20	No current position

¹ Per amendment to Ordinance No. 18-112 (December 20, 2018) Clerk of Council (M1) removed from Management Pay Plan effective January 15, 2019.

TO: Mayor Riggle and Members of Council

FROM: R. Thomas Homan, City Manager

SUBJECT: Miscellaneous Matters

DATE: March 21, 2019

1. **Calendar**

See Attached

2. **Per Section 73 Of The City Charter The City Manager Is To Report Contract Agreements**

See Attached

3. **Bi-Weekly Meetings**

March 6

* OCMA Winter Conference

March 11

* City Council Meeting

March 14

* MORPC

March 16

* City Council Retreat

March 21

* 2022 International City Management Association Conference
Discussion

4. **Required Reading**

Letter relating to response to Lori Houk re: YMCA

CONTRACT APPROVAL - March 25, 2019

VENDOR	EXPLANATION OF AGREEMENT	2019 AMOUNT	DEPARTMENT
Burgess & Niple	West Water Tower Power Rehabilitation Design and Inspection	\$35,500	Public Utilities
QT Pod	24 hour self fueling pump for airport	\$15,545	Public Works
Delaware County	Section Line Resurfacing	\$115,818.24	Public Works

March

2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1	2
3	4 Council Work Session 6:30 p.m.	5	6 Planning Commission 6:30 p.m.	7	8	9
10	11 City Council 7 p.m.	12	13 BZA 6:30 p.m.	14	15	16 Council Retreat 8:30 am Camp Lazarus
17	18	19 Parks and Recreation Advisory Board 6:30 pm	20	21	22	23
24	25 City Council 7 p.m.	26	27 HPC 6:30 p.m. Cancelled	28	29	30
31						

April

2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1 City Council Work Session 6:30 p.m.	2	3 Civil Service-Cancelled Finance Committee 3:30 p.m. Planning 6:30 p.m.	4	5	6
7	8 City Council 7:00 p.m.	9 Sister City Advisory Board 6:00 p.m.	10 BZA 6:30 p.m.	11	12	13
14	15 Parking & Safety 6:00 P.M.	16	17	18 Airport Commission 6:30 p.m.	19	20
21	22 City Council 7:00 p.m.	23 Shade Tree Commission 6:30 p.m.	24 HPC 6:30	25	26	27
28	29	30				



March 6, 2019

Ms. Lori Houk
222 Knight Dream Street
Delaware, Ohio 43015

Dear Ms. Houk:

I wanted to take the opportunity to respond to the letter you wrote earlier this year to Mayor Carolyn Riggle and the Members of the City of Delaware City Council. On behalf of City Council and City Manager Tom Homan, your comments were sincerely appreciated.

In your letter, you had the following concerns, which I address under each item:

1) Inconsistent Coaching and Practices

Response: I am assuming that you are referring to coaching and practices after losing the head coach for the swim team. While the swim team is not a city recreational program, I do have some information to pass along to you. Per the YMCA, there was a period of adjustment during this period. Once a new coaching team and new Aquatics Director is in place, I am told the issue will be resolved. If this was an issue prior to the head coach leaving, please let me know.

2) Lack of Communication

Response: Communication is the key to a successful organization. The Executive Director Elizabeth Zingale will be addressing this with her staff. They will be setting up a structure within the swim team community so that everyone- parents, coaches and athletes- will receive the same information as quickly as possible. Further, follow-up will be stressed to staff.

3) Poor Accounting Practices

Response: I am requesting the YMCA provide a complete financial report for the Riptide Season that will be made public. Going forward, I will work with the Y to provide more user friendly accounting reports.

4) Excessive Fees

Response: According to the YMCA, in August of 2018 the YMCA of Central Ohio standardized fees for all teams. I will be working with the YMCA to understand *all* of their fees schedules, including programs and memberships.

5) Strong Arm Tactics / Threats

Response: Quite simply this is not acceptable or appropriate. I believe addressing the communication piece discussed above will remedy this issue. To that end, I am recommending that staff training and follow through so that rules/ regulations are communicated clearly.

6) Lane Policy

Response: Via this letter, I am requesting that the YMCA explain the change in lane closures. It is important that lanes are available to members even when teams are practicing.

7) Personnel Issues/ Releasing of Information

Response: The YMCA is responsible for their personnel and dealing with their personnel issues. While the City is interested in the issues that rise to a high level, the YMCA is independent in these matters. I believe that the Y has accepted their responsibility in this matter and proper training is now in place. Accusations of this sort must be investigated.

The City of Delaware is working diligently with the YMCA to resolve these issues. I am hopeful that by working together and having an open mind we can successfully address all of these situations. To that end, I am meeting with Executive Director Elizabeth Zingale on a weekly basis and am reporting our progress to the City Manager Homan and City Council. However, tackling these issues will take time, so I ask for your patience. It is my goal to address all of these issues, provide explanations and back-up to answers and develop a better line of communication.

I am happy to address any further questions you or any of our citizens have. All I ask is that as we move forward we all agree that we want this relationship to be successful. Thank you again for writing and your presentation to City Council. Please feel free to reach out to me if I can be of further assistance.

Sincerely,



Jacqueline M. Walker
Assistant City Manager

C: Mayor Carolyn Riggle and Members of City Council
Tom Homan, City Manager
Elizabeth Zingale, Executive Director Delaware YMCA
Kim Jordan, Central Ohio YMCA Interim CEO
Delaware YMCA Board Members
Coaches and Parents of the Riptide Swim Team

Council Members,

My name is Lori Houck and I reside at 222 Knight Dream St. here in Delaware. Thank you for providing us with this opportunity to speak with you and thank you for all the work you do for our great community. Out of respect for your time and existing agenda, I will keep my comments brief.

As background, many of us here today are charter members of the Delaware Community Center and have been members of the YMCA-run swim team since its inception. Additionally, as members of the Community Center we all have at least 1, often times 2 or more children participating in this YMCA-run team. It is our belief that the Delaware Community Center and their sponsored programs should operate first and foremost to benefit the Community and the citizens of our Community. Unfortunately we have witnessed over the years that this is typically not the case.

We have faced various issues with the local YMCA management and have attempted to address those concerns directly with them. Without fail, our concerns are summarily dismissed, and typically, we are met with more of a 'my way or the highway' attitude that resolves nothing. Some of our Council members were able to witness this firsthand on Monday, December 17th as they attempted to act as facilitators during a private meeting held at the Community Center between YMCA Executive Director Matt Bruns, myself and 2 additional parents. Upon direct questioning regarding a lack of leadership, honesty of staff and the rapidly increasing discourse of the parent group with the YMCA, Mr. Bruns became angry, volunteered to refund monies and abruptly stood up and announced "this meeting is OVER". It was obvious he was unwilling to work toward resolution.

As a result of that meeting and the Central OH YMCA's management of our Delaware Community Center, I feel obligated to bring these concerns before you as a Council to make them a part of your official record.

While the issues we are experiencing are quite involved, in the interest of time, I will keep my comments as concise as possible. If in depth or further information is needed, I am available for follow up. For now, I would just like to call attention to a few issues we have experienced:

- Inconsistent coaching and practices
- Lack of communication (and in some cases NO communication at all). This includes nonresponse to direct emails. Face to face questions are often met with “let me check into it” and ultimately no follow up occurs.
- Poor accounting practices which regularly result in missing funds. This dates back to a minimum of 5 years ago when no less than \$5000 was “missing” from the parent fundraising account and the local leadership recommended just “writing off the \$5000 payment that the team owed the YMCA for the scoreboard and calling it even”. Currently there is nearly \$4000 which is due to the parent board account that has yet to be accounted for.
- Excessive fee increases in spite of increasing the number of swimmers in the program.
 - The primary reason for this increase to our Community members is to subsidize other swim team programs outside of Delaware. We are 1 of only 3 swim teams that are doing this.
 - For the 2018 season, all age groups experienced a minimum 51% increase with the 13+ age group getting a 79.4% increase over what was charged in 2017
 - In past years the YMCA has seemed to target members who choose to have a youth only membership, so their child is able to swim. From 2015 to 2017, swim fees for those with a youth only membership increased between 96% and 147% depending on age group. By comparison, rates for those with family memberships increased between 15% and 33% over that same time. Family memberships may not be an option for some people and it’s disturbing to see the YMCA specifically targeting those people with these outrageous increases.
 - To provide a specific example, in 2015 a 13+ age swimmer with a youth only membership who did the full season package was charged \$385. In 2018, that same swimmer was charged \$1,165.
- Strong arm tactics and threats made to swimmers as well as parents demanding full accommodation to newly implemented rules that have never been shared formally within the team.

- A known YMCA policy that 1-2 lanes must be left open for ANY member of the YMCA to swim recreationally are miraculously now no longer in place. This benefits the management's goal to place all 150+ swimmers into 2 practice schedules. While this may appear to benefit the swim team, it in fact increases the total numbers of swimmers in already crowded lanes at any one time. In addition, where is the regard for the members who wish to swim laps in the evenings? There appears to be none.
- Total mismanagement of *personnel* issues due to a lack of oversight and educated leadership.
- On Thursday, December 6th an employee of the YMCA released inaccurate and confidential matters in a public forum which implied criminal misconduct by one of their staff members. Upon intense questioning the organization has refused to answer parental questions regarding the allegations. Organizational protocols were not followed and in fact Mr. Bruns confirmed that his staff did not know what to do as they had never been in this situation before. Their lack of communication led to rumors, slanderous comments and defamation of a man's character. This mishandling of a **proven, unsubstantiated, allegation** of misconduct has opened not only the YMCA, but also the City, to potential legal actions and needs to be corrected immediately.

Before I wrap up, 1 additional comment: Prior to this meeting a Mother reached out via text indicating she wanted to be here with us tonight and she expressed full support of our efforts. Sadly, she said since she has a child that works at the Y she feared retaliation against her child if she was to be seen as "going against the Y". The fact she has been made to feel that way is just plain wrong.

We understand that the City is in a contracted relationship with the YMCA and we want to be clear that we do not believe that the actions of the YMCA are in any way a reflection on the City or this Council. We also understand that this relationship fulfills a need the City has in not only managing the facility but also administering many programs and activities within the Community. We do not come here to make any demands regarding this relationship, rather we have 3 requests.

1. Use whatever means are at your disposal to **encourage** the YMCA to work in concert with the citizens of this Community and ensure that their primary objective is to benefit **this Community**.
2. Explore the possibility of the Community Center operating as an 'independent' YMCA, meaning they would be independent from the Central OH YMCA operations. This would potentially allow for a greater partnership between the local YMCA management and the City.
3. Begin work on a contingency plan if it is determined at some point in the future that the YMCA is no longer operating in the best interests of our Community. This would allow for alternative management options for not only the facility, but the programs currently being administered by the Y.

Once again, thank you for the opportunity to speak before you and everything you do for our City.