Centerville City Council Work Session Meeting Wednesday, March 22, 2017

TIME: 6:30 P.M.

PLACE: Centerville Municipal Building – Law Library Mayor **Brooks Compton** Deputy Mayor **Belinda Kenley** Councilmembers John Beals Mark Engert John Palcher JoAnne Rau Clerk of Council Carin Andrews City Manager Greg Horn Finance Director Jonathan Hudson Economic Development Administrator Nathan Cahall City Planner Andrew Rodney Public Works Director Doug Spitler City Engineer Jim Brinegar Municipal Attorney Scott Liberman

Mr. Tremayne Hogue – Dayton Daily News

Mr. George Oberer – Oberer Land Developers Mr. Bob Curry – Attorney for Oberer Development Bob McCann– CEO, Oberer Companies Robert Hall – Oberer Land Developers Chris Conley – Oberer Realty Services

The work session meeting began at 6:30 P.M. Representatives from Oberer Development were present and provided a PowerPoint presentation to discuss debt issuance for Cornerstone Phases IV and V. The update on the sale and leasing of the property indicated that all the out lots in Phases I, II and III had been sold with the exception of one.

Mr. McCann explained that Phase I and II are fully constructed and will be on the tax rolls, but TIF monies will not be distributed until the beginning of 2019. The estimated valuation of Phases I, II and III, when completed, will be approximately \$42 million.

Mr. Beals expressed disappointment that the City and contractor had worked diligently to complete the roadway, yet work had not started on the hotel. Mr. McCann expressed that the developers also were disappointed the buyer did not immediately start construction. Mr. Curry interjected that the hotel did not have the plans ready. Mr. Conley gave his explanation of the delay stating that the hotel has always been shown in the plan, yet Planning Commission decisions delayed approvals. Mr. Rodney added that he met with the architect one month ago and to date had not seen any final plans even though the hotel development was approved last May.

Oberer Development representatives presented concerns about conditions that were listed by the Planning Commission for Phase IV at the February 28<sup>th</sup> meeting. They objected to the following conditions:

<u>Condition #8</u>: The ownership entity and long-term plan for perpetual maintenance of the Park shall be approved by the City prior to the issuance of zoning and building permits for private development in Phase 4.

<u>Condition #9:</u> The Park shall be under construction prior to the issuance of zoning compliance and building permits for private development in Phase IV.

<u>Condition #10:</u> The 20 foot easement between Lots #4 and #7 shall be a platted extension of the Park parcel – rather than an easement – to ensure consistent and perpetual maintenance by the park ownership entity. The resulting setbacks along these boundary lines shall be zero (0) feet for parking, paving, and buildings.

<u>Condition #11:</u> The Park extension between Lots #4 and #7 shall be irrigated and lit to the satisfaction of the City Planner and City Engineer.

<u>Condition #21:</u> All areas proposed for turf grass within Phase IV shall be laid with sod unless otherwise approved by the City Planner or City Engineer.

Zoning for the Office Village was brought up. Mr. Hall questioned the appropriateness of the recommendation for rezoning the 10.5 acres in the northwest corner of the development. Mr. Rodney explained that the rezoning was a prudent issue to consider and that Planning Commission members wanted the rezoning to protect the uses on the prominent corner at the entry to Centerville. They felt the O-PD zoning could still accommodate the proposed end user. Obserer representatives expressed that this was a problematic way to interpret the need for the rezoning. Mr. Liberman clarified the intentions of the Planning Commission at the meeting held on February 28, 2017.

Oberer representatives argued against the rezoning. Mr. Oberer pointed out, with the current zoning, only a major site plan approval would be required for "Happy Meadows" to move forward. Mr. Oberer objected to the proposed rezoning because he felt it would lower property values. Mr. Conley added the "Happy Meadows" end-user requested the current zoning remain. Mr. Curry stated the client was committed and did not want to deal with a conditional use application. It was stated that "Happy Meadows" will begin to pay the fixed fee in-lieu of payments immediately, even if construction does not begin for 2 to 3 years. Mrs. Rau inquired about confirmation as to when the payments in-lieu would begin, and Mr. Oberer confirmed that they would begin as soon as the client closed on the property.

Mr. Curry noted the Memorandum of Settlement between Cornerstone, Sugarcreek Township and the City of Centerville had not yet been signed by the City. Mr. Horn explained the City's concerns about the County Auditor indicating he was not going to process TIF payments in accordance with our legal counsel's interpretation of the Department of Taxation's Letter of Determination. Master Property Owner Association dues, park ownership, park improvement and park development costs were discussed. Oberer Land Developers stated the company did not intend to own and have responsibility for the park for the long term.

Council, Staff and the Oberer representatives discussed the Brown Road traffic signal, the Greene County Engineers proposal to cooperate with costs and the definition of third party funds. There were strong differences of opinion on this issue.

In concluding, Mr. McCann and Mr. Conley conveyed that three major users for much of the remainder of Cornerstone North were lining up at the present time, and Oberer Land Developers was eager to move forward. They asked the City to honor their request to issue more debt.

At 8:50 P.M. the representatives from Oberer Land Developers and Tre Hogue of the Dayton Daily News left the meeting.

Council continued the discussion of the issuance of debt for Cornerstone Phase IV and V. Finance Director Jonathan Hudson provided figures on six properties where values had been determined by the County Auditor. These official valuations were significantly lower than the projections provided by the developer prior to construction. Requesting an appeal of the valuation was discussed along with concerns about issuing further debt and about the development schedule.

Mr. Horn gave an update on Special Assessment Financing for The Grove, including fees per lot and the estimated costs of the project.

The meeting was adjourned at 9:41 P.M.

Approved: Brooks A. Compton, Mayo

Carin R. andrews

Carin R. Andrews, Clerk of Council