

RECORD OF PROCEEDINGS

Minutes of *COUNCIL*

Meeting

DAYTON LEGAL BLANK, INC., FORM NO. 10148

Held *December 19*20 *11*

The Council of the City of Centerville, County of Montgomery, State of Ohio, met on Monday, December 19, 2011, at 8:00 P.M. in the Council Chambers of the Centerville Municipal Building. The Meeting was opened with an Invocation given by Bishop Zimmerman of the Church of Jesus Christ of Latter-day Saints and the Pledge of Allegiance to the Flag with Mayor Mark Kingseed presiding. Councilmembers and City Staff present were as follows:

Deputy-Mayor	Doug Cline
Councilmembers	John Beals
	Brooks Compton
	Paul Gresham
	Belinda Kenley
	James Singer
Clerk of Council	Debra James
Acting City Manager	Steven Hinshaw
City Planner	Steven Feverston
Public Works Director	Rob James
City Engineer	Douglas Spitler
Assistant to the City Manager	Jennifer Wilder
Assistant to the City Manager	Kristen Gopman
Economic Development Administrator	Nathan Cahall
Municipal Attorney	Scott Liberman

The minutes of the following meetings had been distributed prior to this meeting:

Council Meeting	November 21, 2011.
Work Session Meetings	November 21, 2011.
	December 05, 2011.
	December 12, 2011.

Mr. Compton made a motion to approve the minutes, as distributed. Mr. Cline seconded the motion. The motion passed unanimously with Mayor Kingseed abstaining from the minutes of the meetings of November 21.

Mrs. James announced the resignation of James Teske, Chair of the Arts Commission. Mayor Kingseed thanked him for his work on the Commission.

Mayor Kingseed welcomed Judge Thomas M. Hanna who administered the oath of office to the four Council members who were reelected in the November election. The new terms begin January 1, 2012 for Mayor Mark Kingseed and Councilmembers John Beals, Belinda Kenley and Paul Gresham.

Jan Prettyman of the City Beautiful Commission announced the winners of the Business Pride and Residential Holiday Lighting Awards that are presented for exceptionally tasteful decorations and lighting. She thanked Mary Lou Pence and Rob James for the help these staff members have given to the City Beautiful Commission. The Business Pride Holiday Award went to Archers Tavern, 9496 Dayton Lebanon Pike. The Residential Award winners were as follows:

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The Ferrazza Family	2558 Tedbury Court
David and Valerie Senkowski	1107 Green Tree Road
Robert and Mary Frances Downs	7978 Southbury Drive
Sharon Sullins	620 Clareridge Drive
Heather and David Sprowl	284 Linden Drive
Steve and Renda Alexander	560 Roselake Drive
Kevin and Debbie Round	1599 Olde Haley Drive

Mrs. Prettyman stated that the City Beautiful Commission will host a spring seminar and create a new look for the Four Corners downtown in the spring.

In the Mayor's Report, Mayor Kingseed thanked Deputy Mayor Cline and Mr. Compton for the duties they performed while he was on vacation. He extended holiday greetings to all residents and expressed gratitude for the positive signs for the future of the community.

In the City Manager's Report, Dr. Hinshaw, filling in for Mr. Horn, stated that there has been an increase in burglaries in Centerville and the surrounding area. He reminded residents to be aware of what is going on in their neighborhoods and asked them to report any suspicious activity to the Police Department at 433-7661. He thanked Council for its support during 2011 and wished everyone a safe holiday season and a happy new year.

Mrs. Gopman outlined code violations and their corrections for November 2011, as well as the community calendar for December and January. The calendar included the Martin Luther King breakfast, Yankee Trace opportunities, and Michael Carr's exhibition at the Police Department. She noted that dog licenses are currently for sale at City Hall through the end of January.

Mr. Cahall gave a Legislative Update on two bills that are pending in the State Assembly. House Bill 50 proposes to amend annexation statues by expanding the required signatures on a Type II Annexation petition. The bill would require all political subdivisions to sign the annexation petition and, in effect, give veto power to townships and other jurisdictions. This bill has the potential to stifle the growth of municipalities across the state and dampen job creation. The bill would limit the rights of private property owners to choose which political jurisdiction they want for their property. The second issue, centralized income tax collection, does not yet have a bill number. Communications with the Ohio Municipal League and other parties show that major changes to the operation of municipal income tax collections and administration across the state could be forthcoming. The proposal would do away with municipalities processing income/earnings tax locally by creating a centralized system that collects and distributes the taxes at a state level. City staff estimates that the change could reduce City revenue upwards to 10 percent or \$1 to \$1.5 million annually. The centralized system would not have a local presence or the local knowledge of our tax filers and businesses. There would be an increase in cost of collection, a reduction in customer service, a reduction in enforcement and increased inequity since there is less oversight for all to pay a fair share.

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Mr. Compton asked if studies had been done comparing the costs of centralizing collection as compared to costs locally. Dr. Hinshaw answered that Centerville currently spends 2-2.3% on collecting the local income tax. The legislature is discussing a 5% charge to municipalities, meaning our basic collection costs would more than double. Less follow-up would result in the City receiving less in delinquent taxes than it now collects, thus the estimate of a 10 percent reduction.

In Standing Committee Reports, Mr. Cline stated that he was honored to attend the grand opening of the Centerville Kroger Marketplace which was held on December 6, 2011. He congratulated Kroger management, Mr. Horn, City staff and the Planning Commission. The negotiations for the deal, the planning process and the construction of the store took six years from start to finish. The store employs 450 people, and 250 of those positions are new jobs. He also congratulated Bob Ross Mercedes for the renovation of the dealership on Loop Road, since he had attended an Open House there recently.

Dr. Gresham also thanked and congratulated Kroger for its commitment in seeing this project through to completion over the past six years.

Mayor Kingseed explained that the Consent Agenda contains procedural and administrative matters that have been discussed during Work Sessions. Approval of these items is as a group with one motion being made. He noted that a Resolution concerning an agreement with the Dayton Metropolitan Housing Authority will be added as Item "N" to the Consent Agenda. Councilmembers read the titles into the record before Mr. Singer sponsored the following legislation and moved for its approval:

- A. Approval of the 2012-2016 Capital Improvement Program.
- B. Ordinance Number 28-11, An Ordinance To Make Appropriations For The Current Expenses And Other Expenditures Of The City Of Centerville, State Of Ohio, During The Fiscal Year Ended December 31, 2012, be set for Public Hearing on January 23, 2012.
- C. Ordinance Number 30-11, An Ordinance To Repeal Ordinance Number 22-10 In Its Entirety And To Establish Class Titles, Pay Ranges, Grades, Rates of Pay, And Regulations For Employees Of The City Of Centerville, Ohio, be set for Public Hearing On January 23, 2012.
- D. Ordinance Number 32-11, An Ordinance To Repeal Ordinance Number 24-10 In Its Entirety And To Establish Class Titles, Pay Ranges, Grades, Rates Of Pay, And Regulations For Employees Associated With The Food Service, Maintenance And/Or Golf Operations Of The Golf Club At Yankee Trace, City Of Centerville, Ohio, be set for Public Hearing on January 23, 2012.

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- E. Ordinance Number 34-11, An Ordinance To Repeal Ordinance Number 26-10 In Its Entirety And To Establish The Personnel Manuals Of The City Of Centerville, be set for Public Hearing on January 23, 2012.
- F. Resolution 47-11, A Resolution Requesting Advances Out Of The Current Collections Of Real Estate, Personal Property And Estate Taxes Assessed And Collected On Behalf Of The City Of Centerville.
- G. Resolution 48-11, A Resolution Authorizing The Redemption Of Certain Outstanding Obligations Heretofore Issued To Improve The Municipal Golf Course.
- H. Resolution 49-11, A Resolution by the Centerville City Extending For A Period Of Ninety Days The Moratorium On The Granting of Any Permits Allowing The Operation of Sweepstakes/ Internet Cafes Within The City of Centerville.
- I. Resolution 50-11, A Resolution Authorizing And Directing The City Manager To Enter Into A Service Agreement With The Law Office Of The Montgomery County Public Defender To Provide Legal Services For Indigent Persons Charged With Jailable Offenses Under The City's Local Ordinances.
- J. Resolution 51-11, A Resolution Authorizing The Amendment Of The City Manager's Contract, Commencing January 1, 2012.
- K. Resolution 52-11, A Resolution Declaring Specific Property No Longer Used By The City Of Centerville As Surplus Property And Authorizing The City Manager To Dispose Of Said Surplus Property In Accordance With The Guidelines Stated Herein.
- L. Appointment of James Collins to the Arts Commission for a Term of Three Years.
- M. Reappointments of Mary Pizza and Phillip McLaughlin as Co-Chairs of the Sister City Committee for One Year.
- N. *Resolution 53-11, A Resolution Authorizing City Manager To Enter Into A Cooperation Agreement With Dayton Metropolitan Housing Authority For 10-86 Westerfield Drive.*

Mr. Cline seconded the motion. The motion passed with seven ayes.

Because a number of people were in attendance with an interest in the public hearing for Ordinance No. 19-11, Mayor Kingseed asked for consideration of Item E from the Old Business section of the agenda.

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PUBLIC HEARING FOR ORDINANCE NUMBER 19-11: ESTABLISHING TAX INCREMENT FINANCING IN THE AREA OF MIAMI VALLEY HOSPITAL SOUTH

Mr. Cahall gave the staff report concerning Ordinance 19-11 for the creation of a Tax Increment Financing District for the Miami Valley Hospital South campus. A TIF is an economic development tool available to local governments in Ohio to finance public infrastructure improvements, including public roads and highways, water and sewer lines, etc. What the City is proposing is not unique. In Montgomery County, there are 43 active Tax Increment Financing Districts. In a TIF, legislation exempts the value of any future improvements to a property from property taxes by the local jurisdiction for the period of the TIF. The property owners within the TIF will continue to pay their property taxes like they always have in the amounts voted by all levies (real property tax liability) that are due but the amount due on the improved value is redirected as a service payment by the County Treasurer and deposited into a separate fund to be used only for the infrastructure needs of the district. The City is proposing a 30 year non-school TIF. Under Title 57 of the Ohio Revised Code, municipalities and townships cannot implement a TIF for longer than ten years or redirect more than 75% of future property taxes without either making the school district whole or entering into a reimbursement agreement with the School District. In this case, during the duration of the TIF the City will make annual reimbursement payments to the School District, eliminating any impact on school revenues. Only schools are provided this accommodation under the TIF statutes. The funds that will be generated by this TIF for the City will go towards improvements over the next two or three decades to the area of Clys Road, Wilmington Pike, Whipp Road, Feedwire Road, the extension of Miami Valley Drive East to Clys Rd. and the I-675 interchange since it will be necessary to widen Wilmington Pike and make improvements to the overpasses and ramps. It is estimated that the interchange construction will be a \$40 million dollar commitment in today's dollars, but the infrastructure improvements will foster job growth throughout the Wilmington Pike and I-675 area. Estimated revenues from the TIF of this area as projected over the 30 year period are between \$7 million to \$14 million. It is important to remember that jurisdictions currently receiving property tax distributions will continue to receive payments for the tax base on the current value of the property. The only money diverted for construction of infrastructure is the tax due on increases in the value of the property during the period of the TIF. Mayor Kingseed noted that City income will also be affected as the revenue on the increased value is diverted.

Mr. Cahall noted that Miami Valley Hospital South is unique. Because it is a non-profit agency with tax-exempt status, only certain parts of its campus will be eligible to be included within a TIF for service payments. Taxable areas will include only those parts that it leases out to non-Miami Valley Hospital entities (third party users) or land they may sell to a taxable entity. The rest of the campus is exempt from property taxes. The TIF provides an opportunity for a multi-jurisdictional means to help fund the needed regional improvements.

In response to a question, Mr. Cahall said that the local portion of the \$40 million has been about 20-25% in the recent past with other funding coming from state highway

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funds and federal grant programs. The estimate is based on comparable projects in today's dollars and follows a major traffic study of the Wilmington Pike corridor.

When Mayor Kingseed, opened the Public Hearing, Mr. Scott Paulson, resident at 9351 Patriot Woods Ct. and Washington Township Trustee, stated his concern over the process of implementing the TIF and as well as the loss of funding. He noted that the City earns income tax, but that Washington Township depends on property tax for services it will be required to provide. Over thirty years the TIF amounts to nearly \$1 million. He asked for reconsideration.

Mr. Bill Williams of 2842 Circlewood Lane and a Park District Board Member, stressed three points. He felt that the Park District should have been involved earlier in the planning process, that the funding cuts are significant (\$600,000 of its \$120 million 30-yr budget) and that it is unfair for the park district to pay for road improvements in front of its parks if Miami Valley Hospital South does not fund improvements also. He said that TIFs have a different impact here than in communities where services are not provided by levies for separate entities.

Randy Bowling, Fiscal Officer for the Washington-Centerville Township Library Board of Trustees, residing at 5906 Mondelet Court and representing the library, stated that the board realized that it had no control over the decision tonight, but took issue that there was no communication early in the process. He emphasized that the entities need to work together. The library stands to lose \$600,000 over the 30-year life of the TIF.

Louis Duchesneau, resident at 921 El Kenna Court, Washington Twp., expressed concern about the plan for a large development with multi-story buildings without additional funding for the fire department, instead the City is taking funding away.

In response, Dr. Hinshaw stated that entities were notified at least a month prior to this meeting. He and Mr. Horn had fielded a number of inquiries. Mr. Beals noted that the tax-exempt status of the multi-story hospital building would have meant that no additional tax revenue would have come to the fire department anyway. Mr. Cahall stated that it is hoped that the presence of the hospital will cut other expenses for the fire department such as total mileage, wear and tear on vehicles and response times for the fire/EMT services.

Mr. Compton pointed out that the hospital's existence and continued growth has encouraged the revitalization and redevelopment along Wilmington Pike. The hospital draws other retailers and other end users. The presence of the hospital will generate additional real estate tax revenue from development that would not have occurred were it not for the Miami Valley Hospital South campus and keep housing property values higher because people with jobs need housing. These other properties are not exempt from real estate taxes.

Dr. Hinshaw explained the timeliness of the matter. The next phase of Miami Valley Hospital South is the new cancer center which is expected to open early in 2012. This would be the first project within the TIF District. It also allows the City to apply the TIF to

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the soon to be occupied bed tower, if portions of the building are leased and become liable to property tax.

Mr. Cahall explained that it has been a longtime City policy that improvements to the road, curb and gutters, and storm drainage need to be made in the frontage of the property whenever improvements to the land occur. Miami Valley Hospital participated in significant widening and signalization upgrades along Wilmington Pike at Miami Valley Drive and Clyo Road when Phase One was opened. Mr. Beals and Mr. Cahall discussed the requirement for similar participation from the developers of the Dille properties in areas adjacent to Cornerstone North and South and with regard to the interstate interchange. The developers will have the same responsibility to improve those roads adjoining their development as any other developer in the City. He also noted that background (general) traffic levels on Wilmington Pike have been rising steadily and that the construction at Miami Valley merely accelerated by a few years the needed changes to the roadways.

Mayor Kingseed expressed his appreciation for everyone's comments. He noted that Council did not like to cause the negative impact on colleagues in the other public entities, but the reality is that we have to raise the funds that are needed. All will benefit from the upgrades because they go hand in hand with increased jobs and increased property values throughout the entire community. He said he believed the TIF to be the most equitable way to fund a needed public improvement for the community.

Dr. Gresham sponsored Ordinance No. 19-11, An Ordinance Declaring The Improvement To Certain Parcels of Real Property To Be A Public Purpose And Exempt From Taxation; Establishing A Tax Increment Equivalent Fund And Providing For The Collection And Deposit Of Service Payments Into That Fund; Specifying The Public Infrastructure Improvements Directly Benefiting The Parcels; And Authorizing Make-Whole Compensation Payments To The Centerville City School District, and moved for approval. Mrs. Kenley seconded the motion. The motion passed unanimously.

PUBLIC HEARING FOR ORDINANCE NUMBER 21-11: ADOPTION OF
STANDARDIZED BUILDING AND HOUSING CODES

Mr. James explained that an Emergency Ordinance had been passed at the November 21, 2011 Council Meeting and that this ordinance is a housekeeping measure for adoption of the newest building and housing code standards. An update to its regulations for commercial properties was published by the Ohio Board of Building Standards, Division of Industrial Compliance, Ohio Department of Commerce and became effective November 1, 2011. Staff is recommending approval of these regulations. Mr. Compton sponsored Ordinance Number 21-11, An Ordinance Amending Sections 1420.01, 1424.01, Regarding Adoption Of Standardized Building And Housing Codes and moved that it be passed. Mrs. Kenley seconded the motion. The motion passed unanimously.

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ANNUAL RECODIFICATION

Mr. Liberman explained that Ordinance Number 18-11 is the annual update of the Municipal Code, incorporating our new ordinances and resolutions as well as revisions to the Ohio Revised Code as they affect city government. Dr. Gresham sponsored Ordinance Number 18-11, An Ordinance Approving The Editing And Inclusion Of Certain Ordinances And Resolutions As Parts Of The Various Component Codes Of The Codified Ordinances; Providing For The Adoption And Publication Of New Matter In The Updated And Revised Codified Ordinances; And Repealing Ordinances And Resolutions In Conflict Therewith. Mr. Cline seconded the motion. The motion passed unanimously.

PUBLIC HEARING FOR ORDINANCE NUMBER 25-11: FEES AND CHARGES
FOR THE RENTAL OF FACILITIES AT BENHAM'S GROVE

The Public Hearing was held for Ordinance Number 25-11 to adopt fees and charges for the rental of facilities at Benham's Grove. Mrs. Gopman explained that staff does an annual review of the rental rates for similar facilities in our area. Increases are being recommended for the entire complex. It is felt that, even with the 2012 proposed increases, rentals at Benham's Grove will remain competitive. With Council's approval these increases would affect rental agreements signed on and after January 1, 2012.

Mr. Compton sponsored Ordinance Number 25-11, An Ordinance To Amend Ordinance Numbers 23-93 And 7-03 To Establish Fees And Charges For The Rental Of Facilities At Benham's Grove, and moved that it be passed. Mr. Cline seconded the motion. The motion passed unanimously.

PUBLIC HEARING FOR ORDINANCE NUMBER 23-11: RULES, FEES &
REGULATIONS AT THE GOLF CLUB AT YANKEE TRACE

The Public Hearing was held for Ordinance Number 23-11 to adopt changes in fees, rules and regulations for the Golf Club at Yankee Trace. Mrs. Wilder gave the staff report on the recommendations for changes in green fees, for no increases in annual membership fees and for other housekeeping measures. There were no rule changes suggested for 2012.

Dr. Gresham sponsored Ordinance Number 23-11, An Ordinance To Amend Ordinance Number 17-10, Adopting All Fees, Rules And Regulations Associated With The Golf Club At Yankee Trace And Providing Compensation For Golf Professionals, and moved for its approval. Mr. Singer seconded the motion. The motion passed with seven ayes.

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EMERGENCY ORDINANCE NUMBER 26-11: APPROPRIATIONS FINISHING 2011

Dr. Hinshaw noted that, each year in December, appropriations must be adjusted as final expenditures in various accounts are completed for the calendar year. To finish 2011, the Finance Department recommended only minor adjustments. Mr. Beals sponsored Emergency Ordinance No. 26-11, An Emergency Ordinance To Amend Ordinance Number 20-10 To Make Appropriations For The Current Expenses And Other Expenditures Of The City Of Centerville, State Of Ohio, During The Fiscal Year Ended December 31, 2011, and moved for its approval. The motion passed with seven ayes.

EMERGENCY ORDINANCE NUMBER 27-11: APPROPRIATIONS FOR 2012

Dr. Hinshaw noted that the formal presentation on annual appropriations will be given at the next regularly scheduled meeting, since Council has voted to set Ordinance Number 28-11 for Public Hearing on January 23, 2012. Appropriations for 2012 are \$16,160,931 in the general fund, with total appropriations of \$32,399,364. Emergency Ordinance Number 27-11 will give authority for appropriations until a regular ordinance is in place so that the City may do business immediately in 2012. Mr. Singer sponsored Ordinance Number 27-11, An Emergency Ordinance To Make Appropriations For The Current Expenses And Other Expenditures Of The City Of Centerville, State Of Ohio, During The Fiscal Year Ended December 31, 2012 and moved that it be passed. Dr. Gresham seconded the motion. The motion passed with seven ayes.

EMERGENCY ORDINANCE NUMBER 29-11: 2012 TITLES, PAY RANGES, GRADES, RATES OF PAY FOR EMPLOYEES OF THE CITY OF CENTERVILLE

The formal presentation on this annual update will be at the January meeting with the Public Hearing for Ordinance Number 30-11. This current measure allows the City to function in the interim.

Mr. Beals sponsored Emergency Ordinance Number 29-11, An Emergency Ordinance To Repeal Ordinance Number 22-10 In Its Entirety And To Establish Class Titles, Pay Ranges, Grades, Rates Of Pay, And Regulations For Employees Of The City Of Centerville, Ohio, and moved that it be passed. Dr. Gresham seconded the motion. The motion passed with seven ayes.

EMERGENCY ORDINANCE NUMBER 31-11: 2012 TITLES, PAY RANGES, GRADES, RATES OF PAY, REGULATION AND COMPENSATION AT THE GOLF CLUB AT YANKEE TRACE

Dr. Hinshaw noted that Ms. Yonak will make the formal presentation on this annual update at the January meeting with the Public Hearing for Ordinance Number 32-11. The emergency ordinance allows the Golf Club at Yankee Trace to function in the interim.

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Mrs. Kenley sponsored Emergency Ordinance 31-11, An Ordinance To Repeal Ordinance Number 24-10 In Its Entirety And To Establish Class Titles, Pay Ranges, Grades, Rates Of Pay, And Regulations For Employees Associated With The Food Service, Maintenance And/Or Golf Operations Of The Golf Club At Yankee Trace, City Of Centerville, Ohio, and moved that it be passed. Mr. Compton seconded the motion. The motion passed with seven ayes.

EMERGENCY ORDINANCE NUMBER 33-11 2012 PERSONNEL MANUALS

Annual changes are needed for the personnel manuals for both the employees of the City of Centerville and of the Golf Club at Yankee Trace. The public hearing will be held at the January meeting when Ordinance Number 34-11 is considered. Most of the updates are utilitarian in nature, with few major changes being recommended. A full explanation of the changes will be presented by Ms. Ginger Yonak at that time.

Mr. Beals sponsored Ordinance 33-11, An Emergency Ordinance To Repeal Ordinance Number 26-10 In Their Entirety And To Establish The Personnel Manuals Of The City Of Centerville, and moved that it be passed. Mr. Cline seconded the motion. The motion passed with seven ayes.

Mayor Kingseed wished everyone a Merry Christmas and Happy Holidays!

There being no further business, the meeting was adjourned.

Approved: [Signature] Mayor

ATTEST: [Signature] Clerk of Council