

RECORD OF PROCEEDINGS

Minutes of COUNCIL

Meeting

DAYTON LEGAL BLANK, INC., FORM NO. 10148

Held April 3

20 06

The Council of the City of Centerville, County of Montgomery, State of Ohio, met on Monday, April 3, 2006, at 8:00 P.M., in the Council Chambers of the Centerville Municipal Building. The Meeting was opened with an Invocation given by Councilmember James Singer, and the pledge of allegiance to the flag, with Mayor C. Mark Kingseed presiding. Councilmembers and City Staff present were as follows:

Deputy-Mayor Douglas Cline
 Councilmembers Brooks Compton
 Paul Gresham
 Susan Lienesch
 James Singer
 Clerk of Council Debra James
 City Manager Gregory Horn
 Public Works Director Robert James
 City Engineer Douglas Spitler
 Assistant to the City Manager Jennifer Wilder
 Assistant to the City Manager Jennifer Kuschnerus
 Economic Development Administrator William Covell
 Municipal Attorney Nick Farquhar

Dr. Gresham moved that Councilmember Robert Corbin be excused from this meeting. Mr. Singer seconded the motion. The motion passed unanimously.

Mayor Kingseed explained that there are several items dealing with Pre-annexation agreements. Technically, this is not a public hearing where one would take testimony but the process to follow is one where Mr. Horn, City Manager, is going to give a brief report. If there are members in the audience who wish to speak briefly then we would request that you come up to the microphone. If these items are approved and if development plans come before Council; then there would be a public hearing where there would be formal staff reports and a full opportunity for people to come and present pros and cons as to whether they favored the development.

Mr. Horn gave an overview of the three items at one time. The three resolutions pertain to land in Greene County that is owned by different landowners and authorizing the City Manager to enter into a pre-annexation agreement concerning these various parcels. The property comprising the three resolutions consists of approximately 270 acres. Approximately 173 acres north of I-675 and approximately 96 acres south of I-675 and including about 32 acres of I-675 Interstate right-of-way. The pre-annexation agreement would require the developer to prepare and file annexation petitions within 20 days of this agreement if Council decides to move forward. The City will agree to pass a Service Resolution within 20 days of the filing of the annexation petitions. Once annexation is placed before our City Clerk, Council has 120 days to accept or reject the annexation petitions. Tax Increment Financing will be utilized to assist with the public infrastructure portion of the development in an amount to be determined during a formal process in the future. The developer has done their due diligence on utilities and have stated such in the pre-annexation

RECORD OF PROCEEDINGS

Minutes of COUNCIL

Meeting

DAYTON LEGAL BLANK, INC., FORM NO. 10148

Held

April 3

20 06

agreement, therefore the City is not obligated to guarantee any provision of utilities - that is the Developer's responsibility. Another provision in the pre-annexation agreements is that the school district (in this case it is the Sugarcreek School District) will be made whole. There will be no negative financial impact regarding any tax increment financing on the school district. Also included is the fact that this is a 100% owner petition. The Developer and future owner approached the City. The City has the full time staff, the expertise, the planners, economic development staff, including CPA's, Registered Engineers and a certified Building Inspection Program to assist with the overall development of this project to make sure it is done in a quality and timely manner.

Mayor Kingseed asked Mr. Horn to explain the process if this land comes into the City and if there were development plans of the annexed land. Mr. Horn explained the process and procedures that the City would go through before any plans would actually be approved. It would most likely be a mixed use type of development. Mr. Feverston went on to explain with regard to a development plan, first of all the land would be zoned into a City Zoning Classification. The public would be invited to a public hearing to comment on any rezoning of this property. The next step would be for the developer to come to the City with the final development plans showing how the property is going to be developed for a portion or all of the property. Most likely that would be in a public hearing setting where the public would be invited for their comments. Once that is done, the Master Plan and the zoning plans are approved, the next step would be the task of the Planning Commission to review and approve the individual parcels. This is not a formal public hearing but a public meeting.

Mr. Dick King, 1429 Sugar Hill Lane, Sugarcreek Township, Vice Chair of the Sugarcreek Township Board of Trustees. Mr. King stated that "he cannot emphasize enough how our Township is so extremely threatened by the resolutions being considered by the Centerville Council". He explained that the Dille property represents approximately 40% of their entire commercial tax base of only 442 acres. This year their citizens experienced significant property tax increases. Some have expressed they are being forced to leave the Township because of the heavy tax burden. He stated that the Township is highly dependent on the Dille property to help share this tax load and protect their quality of life. He urged Mayor Kingseed and Council to reconsider and cancel this annexation initiative. He stated that annexation is totally devastating, an annihilation. He strongly encouraged the City to stay with us as an equal community partner and not become an adversary.

Mr. Mike Pittman, Trustee of Sugarcreek Township, explained that this annexation would be devastating to both Sugarcreek Township as well as the City of Bellbrook. He stated that Sugarcreek Township had implemented a new comprehensive land use plan back in the year 2000. The consultants documented that the citizens paid an exorbitant amount of property taxes due to the fact there is limited commercial development within the Township. The development of the Dille property was to help correct that problem and without it our residents will have to shoulder more of the burden. After a meeting on February 9, 2006 with the City of Kettering, City of Centerville and Sugarcreek Township - they understood that they needed to form a partnership. He stated that it had been Sugarcreek Township's desire to enter into a partnership

DAYTON LEGAL BLANK, INC., FORM NO. 10148

Held April 3

20 06

with Centerville. He asked that the City of Centerville work with them and to work out some kind of an agreement or at least to get additional information.

Mr. Randy Pavlak, Fire Chief, Sugarcreek Township, asked Council to look closely at the advantages of JEDD'S, CEDA'S or any other cooperative avenues that would promote regional cooperation and not create a situation that would undermine what both governments have worked so hard for and maintained over the years. To explore all other avenues of a joint relationship for economic development (of the area in question) have been exhausted through good faith and thorough discussion - this is a win-win proposition.

Mr. Peter Jones, 4098 Wagner Road, Sugarcreek Township expressed his concern "of how developers have used both property owners and municipalities as business tools for profit making." He expressed his disappointment in that the Dille Farm is one of the only remaining areas in Sugarcreek Township where we can legitimately pursue commercial development. He feels that this will change the community and will drive citizens out of the Township who can no longer afford the tax burden that this annexation will impose.

Mr. Bill Schieman, Resident of Sugarcreek Township, urged Council to live up to the principles in the Create the Vision plan. He feels if the City continues the annexation of the Dille land, it will actually undermine the very important strategies and objectives in the Create the Vision plan. He stated that if the City were to proceed with this plan it will certainly damage the economic health of your neighbor. He encouraged joint or shared economic development.

Mr. Gary Powell, Attorney with Manley Burke in Cincinnati, Ohio. He stated that one of the reasons he was brought into this matter was to help the Township deal with this very large, very important development. He and the Township officials believe the developer in this case was playing one political subdivision against another. This led to the meeting on February 9, 2006. The Township Officials and special counsel left the meeting thinking that we had pretty much had an agreement the none of the communities would go it alone. The Township officials felt very good about the prospects of cooperation with the City of Centerville. The Sugarcreek Township officials want to cooperate with the City of Centerville and to put forward the best development as possible on this property. We don't want any of the communities to go it alone because we think that it is too important of any area, too important of a project to have one community making all of the decisions. The representatives of Sugarcreek Township would ask you, because we don't see a real urgency with your approving these pre-annexation agreements, they think that it would make more sense for the City to wait until after we have had further discussion and see if we can reach an agreement on a JEDD or a CEDA. "We would like to have cooperation and would like to have the ability to sit down at the table again and renew our discussions that were started on February 9th."

Mayor Kingseed stated that everyone's comments were appreciated. He pointed out that there were a couple of comments he would like to make. The idea of cooperation is one that is not dead, if this land is annexed to the City. The City of Centerville, obviously, has a vital interest

RECORD OF PROCEEDINGS

Minutes of COUNCIL

Meeting

DAYTON LEGAL BLANK, INC., FORM NO. 10148

Held April 3

20 06

in the development of this property because it is going to directly impact in a very large way the quality of life of Centerville residents, so it is something that we care deeply about. We also understand that the same thing can be said for the citizens of Sugarcreek Township and in Greene County. That doesn't mean Sugarcreek Township is frozen out of having input. We want open communication. In Ohio, a City government has, because of the way the State law works, does have more resources, more planning resources, more effective ways to manage large scaled developments. One of the reasons that the City wants this land in the City of Centerville is so that we can control that - so we can make sure that it is done right. Again, that does not mean, that we are going to ignore the interests of people that live in Sugarcreek Township. It does not mean that we are not going to be willing to discuss in a reasonable fashion, ways to make sure that there is not economic harm. Mr. Horn talked about the TIF that is structured so it will not be an impact on the schools. That is something that we care deeply about, there is no desire at all on the part of the City to reek economic havoc on any other entity. We do think that this land is going to be developed, that is just an economic fact of life, and the City wants to make sure it is done in a way that minimizes the negative impact that it might otherwise have on the quality of life for both the people of Centerville and the people of Sugarcreek Township.

Mayor Kingseed stated that he had sent a letter to the Township probably two years ago saying that he was interested in talking about a JEDD and didn't get a response. When there was discussion in more recent terms about a JEDD there were a lot of conditions attached to it that frankly made it something that the City couldn't enter into.

Mr. Compton echoed the Mayor's comments and he will support going forward with the Pre-annexation Agreement. The gentleman who took the time to read the Executive Summary of the Create the Vision Plan knows how seriously we take the Comprehensive Plan. The Comprehensive Plan is followed in the City of Centerville and he believes that once this development (if it becomes a part of the City of Centerville through the annexation process), that citizens will be pleased with the result of that process itself. We welcome the participation by those in Sugarcreek Township.

Dr. Gresham stated that we have heard a lot about the meeting of February 9th. He stated that he did not attend that meeting but did attend another meeting in the evening on February 9th and that was the Neighborhood Meeting with citizens from Centerville who actually live in the neighborhood across the street from the Dille property. At that meeting they made it very clear to us that they realize that this land if going to be developed and they hoped it could be developed in the City. He is also going to support going forward.

RESOLUTION NUMBER 14-06 PRE-ANNEXATION AGREEMENT WITH DILLE LABORATORIES CORP. AND BEAR CREEK CAPITAL, LLC

Mr. Compton sponsored Resolution Number 14-06, A Resolution Authorizing And Directing The City Manager To Enter Into A Pre-annexation Agreement With Dille Laboratories Corp. And Bear Creek Capital, LLC For Property Located In Sugarcreek Township, and moved

RECORD OF PROCEEDINGS

Minutes of COUNCIL

Meeting

DAYTON LEGAL BLANK, INC., FORM NO. 10148

Held April 3

20 06

that it be passed. Mrs. Lienesch seconded the motion. The motion passed unanimously.

RESOLUTION NUMBER 15-06 PRE-ANNEXATION AGREEMENT
CHARLES A. DILLE, JR., TRUSTEE, AND BEAR CREEK CAPITAL, LLC

Dr. Gresham sponsored Resolution Number 15-06, A Resolution Authorizing And Directing The City Manager To Enter Into A Pre-annexation Agreement With Charles A. Dille, Jr. Trustee, And Bear Creek Capital, LLC For Property Located in Sugarcreek Township, and moved that it be passed. Mr. Compton seconded the motion. The motion passed unanimously.

RESOLUTION NUMBER 16-06 PRE-ANNEXATION AGREEMENT
SUGAR CREEK CROSSING, LLC AND SUGAR CREEK CROSSING PERMANENT, LLC

Mr. Cline sponsored Resolution Number 16-06, A Resolution Authorizing And Directing The City Manager To Enter Into A Pre-annexation Agreement With Sugar Creek Crossing, LLC And Sugar Creek Crossing Permanent, LLC For Property Located in Sugarcreek Township, and moved that it be passed. Dr. Gresham seconded the motion. The motion passed unanimously.

There being no further business, the meeting was adjourned.

Approved: C. Mark Kuyseel

Mayor

ATTEST: Debra A. James
Clerk of Council