

RECORD OF PROCEEDINGS

Minutes of Rossford City Council Committee of the Whole Meeting
Held February 20, 2017

The meeting was called to order by President of Council Larry Oberdorf followed by the Pledge of Allegiance.

ROLL CALL: Oberdorf, Eckel, Marquette, Ruse, Wagner, Minarcin all present. Mr. Staczek was not present.

PRESENTATION: Mr. Oberdorf said the purpose of tonight's meeting was to talk about the financing for the Harmon Park project and forthcoming legislation. Mike Scott introduced attorney Scott Ziance who said this will be similar to the legislation for Project Red and will address the Harmon Park roadway and ideas on how to handle the cost. He said there will be two ordinances and one development agreement that will come before council later with two objectives 1) to facilitate the road construction and 2) help replenish the TIF fund. He said one of the ordinances will be to enact a new TIF in respect to the Crossroads taking the existing TIF ordinance in the Crossroads and restart with these parcels. The new ordinance will carve out some parcels from the current TIF passed in 2000 and reset with a new clock. The original TIF on these parcels only have 13 years left and the new TIF will take these undeveloped parcels and kick in either in the first year of a fair market value increase of \$500,000 or no later than 2026 and give us a longer time period on these parcels. This involves a fair amount of work to identify the affected parcels correctly and he will be working with the administration and county auditor on this. Mr. Marquette asked why restructure the current TIF now and Mr. Ziance said if do not do now the existing TIF would run out in 2030 maybe giving us 10 years of increase versus getting for 30 years.

Mr. Scott said by setting the clock at an increase/date it gives us a better opportunity to capture the increased value.

Mr. Ruse said even without a new TIF we would get the increase in tax value and this will divert the increase in tax value into the TIF rather than being dispersed over all the tax categories and putting money into the city general fund. He said the TIF's he was involved with in the past were for a specific project and it seems we are creating an avenue to put more money into the TIF without a defined policy as to where TIF money goes. He questioned why we do this for one developer and not another and that we should have some guidelines or policy as to the use of TIF money.

Mr. Heban said that is a legitimate question and that the development agreement will leave it up to the seven councilpersons to decide. He noted that the Ramco, Meijer, and Miller Diversified development agreements were all different from one another. Harmon is the first step in getting development started out there. He would not like a fixed policy but rather guidelines leaving it up to the city to negotiate agreements.

Mr. Ziance said the TIF is an economic development/public infrastructure fund and it is up to council to determine how to use and it is a flexible tool. He said the second ordinance will be to create the TIF and a public infrastructure agreement with Harmon and he is still working on. He also said the big picture is that the cap for eligible improvements would be \$3M, that there will be competitive bidding provisions, and that the city will be protected using payment performance

bonds, strong indemnification provisions, and payments only being made when specific parts are completed and verified.

Mr. Ruse asked whether the reimbursements come after the new TIF generates money or from the existing TIF and Mr. Ziance said from the existing fund which has a current balance of \$4.7M. Mr. Scott said we are also looking at some other financing options. Mr. Ruse asked who is looking at what the developer is putting in and was told the city engineer will review construction. Mr. Scott said the planning commission will also review all plans.

Mr. Heban said the planning commission reviewed the preliminary site plan along with a public hearing and there will be a final site plan review and approval by the planning commission and then will come back to council. Mr. Ruse recommended that the public works committee review before comes to council.

Mrs. Eckel asked what the timeline is on this project and Mr. Scott it is moving pretty quickly.

Mrs. Kuhlman said they would like to start as soon as possible

Stephanie Kuhlman, senior development director for NAI Harmon and Jim Howell of Logan Creek Construction introduced themselves. Mr. Howell and his company are looking to be the contractor for the roads. Mrs. Kuhlman said they are looking to have his company do the buildings to assure they look similar. Mrs. Kuhlman shared with council the preliminary site plan for the development.

Mr. Wagner moved and Mr. Marquette seconded the motion to adjourn. All ayes. Motion carried.

Larry Oberdorf
President of Council

Robert P. Watrol
Clerk of Council