



**CITY COUNCIL
MEETING MINUTES
May 19, 2020**

CALL TO ORDER/ROLL CALL

A virtual regular meeting of Powell City Council was called to order by Mayor Frank Bertone on Tuesday, May 19, 2020 at 7:30 p.m. City Council members present included Jon C. Bennehoof, Frank Bertone, Tom Counts, Heather Karr, Brian Lorenz, Melissa Riggins and Daniel Swartwout. Also present were Andy White, City Manager; Eugene Hollins, Law Director; Steve Hrytzik, Chief of Police; Chris Huber, City Engineer; Aaron Scott, Staff Engineer; Karen Sybert, Finance Director; Megan Canavan, Communications Director; Karen J. Mitchell, City Clerk; and interested parties.

PLEDGE OF ALLEGIANCE

PROCLAMATION: [Declaring May 19, 2020 PowerTalk 21 Day in the City of Powell](#)

CERTIFICATE OF RECOGNITION: [Marge Bennett](#)

APPROVAL OF MINUTES: May 5, 2020

MOTION: Councilman Bennehoof moved to approve the minutes of May 5, 2020. Councilman Swartwout seconded the motion. By unanimous consent of the remaining members, the minutes were adopted.

CONSENT AGENDA

Item

- *Departmental Reports – April 2020*

Action Requested

Receipt of Electronic Reports

MOTION: Councilman Lorenz moved to adopt the Consent Agenda. Councilman Bennehoof seconded the motion. By unanimous consent of the remaining members, the Consent Agenda was adopted.

SECOND READING: [ORDINANCE 2020-07](#): AN ORDINANCE TO AMEND THE CODE OF ORDINANCES, CITY OF POWELL, OHIO TO PROVIDE AMENDMENTS TO GENERAL OFFENSES POWELL CITY CODE SECTIONS 501.01, 509.03, 513.01, 513.03; TO PROVIDE FOR PENALTIES; TO PROVIDE FOR CODIFICATION; TO PROVIDE FOR SEVERABILITY; TO REPEAL CONFLICTING ORDINANCES; TO PROVIDE AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

Gene Hollins, Law Director: There have been no changes from the first reading of these Ordinances. Our codifier prepares them. We have an obligation on an annual basis to update our criminal and traffic codes to conform substantially to state traffic and criminal law so that we can enforce our Ordinances in our own courts. This achieves that purpose.

Mayor Bertone opened this item to public comment.

Karen J. Mitchell, City Clerk: There are no questions or comments from the public. I would add that at the last reading Councilman Bennehoof had a question with regard to Section 501.02(o) and if there were missing language before the subsections. I confirmed with our codifier that there is no missing language and that was how it was intended to be.

Hearing nothing further, the Mayor closed the public comment session.

MOTION: Councilman Bennehoof moved to adopt Ordinance 2020-07. Councilman Counts seconded the motion.

VOTE: Y 7 N 0

SECOND READING: ORDINANCE 2020-08: AN ORDINANCE TO AMEND THE CODE OF ORDINANCES, CITY OF POWELL, OHIO, TO PROVIDE AMENDMENTS TO POWELL CITY TRAFFIC CODE SECTIONS 301.031, 301.04, 301.20, 301.251, 301.26, 301.27, 301.33, 301.35, 301.361, 301.42, 301.43, 301.44, 301.51, 303.06, 313.01, 313.09, 331.01, 331.02, 331.03, 331.04, 331.05, 331.06, 331.07, 331.08, 331.09, 331.10, 331.12, 331.13, 331.14, 331.15, 331.16, 331.18, 331.19, 331.20, 331.22, 331.23, 331.24, 331.26, 331.27, 331.28, 331.29, 331.30, 331.31, 331.33, 331.40, 331.43, 333.03, 333.031, 333.04, 333.05, 335.15, 337.16, 337.27, 339.12, 351.03, 371.01, 371.02, 371.07, 373.01, 373.02, 373.03, 373.04, 373.05, 373.06, 373.07, 373.10, 373.11; TO PROVIDE FOR PENALTIES; TO PROVIDE FOR CODIFICATION; TO PROVIDE FOR SEVERABILITY; TO REPEAL CONFLICTING ORDINANCES; TO PROVIDE AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

Mr. White: This is similar to the last Ordinance. It is an annual review by our codifier, Municode, with amendments to the City's traffic code to encompass those traffic statute changes since the last codification.

Mayor Bertone opened this item to public comment.

Ms. Mitchell: There are no public comments.

Hearing nothing further, the Mayor closed the public comment session.

MOTION: Councilman Lorenz moved to adopt Ordinance 2020-08. Councilman Bennehoof seconded the motion.

VOTE: Y 7 N 0

FIRST READING: ORDINANCE 2020-09: AN ORDINANCE AUTHORIZING THE CITY MANAGER TO AWARD A BID TO COLUMBUS ASPHALT PAVING, INC. IN THE AMOUNT OF \$_____ FOR THE 2020 STREET MAINTENANCE AND REPAIR PROGRAM, AND DECLARING AN EMERGENCY. (EX. A)

Mr. White: I have had conversations with some of you about this. I know at least Dan [Swartwout] would prefer this to be reviewed more thoroughly at a committee level due to the significant size of the potential award. From the administrative point of view, I would say there are a couple of moving pieces to this. While it may be out of the traditional order, from the standpoint of where we are at with our road infrastructure, we have a significant unfunded liability throughout the City. As I outlined in a recent memo to Council, in a minimum year we are looking at a half a million dollars of investments. The combined averages for the last three years for the resurfacing program are about \$275,000. Totaling all City infrastructure maintenance, we are looking at north of \$1 million dollars per year. In addition to the points I already made I would like Council to consider the fact that we have gone with a fairly low amount of funding. This is a critical investment. We had a \$400,000 savings to our Sawmill Parkway paving program. We have about a million dollars left in the resurfacing fund. If this is elected to be produced as it stands today, we would still have about a million dollars available to the City for use on future programs, additional programs – probably not in 2020, but you would have a solid anchor in terms of buildout costs for next year.

There is also a component of this cost that is coming out of the Downtown TIF. If that portion were executed as laid out with Staff's recommendation, that fund would additionally have about a \$1.4 million dollars available for use. In all, this project is a significant undertaking. It is almost three quarters of a million dollars. By my review, there is a significant balance of a million dollars left in Fund 211 and about \$1.4 million left in the Downtown TIF fund and those are conservative estimates on the Downtown TIF. We will collect additional dollars there. We did not include that for your review, wanting to maintain your consideration of a conservative path forward, but I believe these are serious considerations. I am confident that we can accomplish these smaller repairs in 2020 and try to set up a more robust program moving forward.

Councilman Bennehoof: If you remove the grant and TIF funding from the ask, does the number align with what we have been historically spending?

Mr. White: Yes. About \$612,000 of the overall \$744,000 directly relates to just the maintenance and resurfacing. \$131,000 would be pledged through TIF funds. If you account for the savings that were received through the offset of the competitive bids that we had with the Sawmill Parkway resurfacing and the grant, that would leave about \$400,000 of additional resources that we did not plan for. So the real cost in that \$612,000 would be closer to \$212,000 and that is more in line with what we have done in the last couple of years.

Councilwoman Riggins: How were these streets and areas chosen? Where they the worst of worst?

Chris Huber, City Engineer: We separated the street program into the base bid and five alternates. The base bid, in general, is our worst streets. They are marked in red on your exhibit. The alternates are chosen close by and are just a step up, not quite as critical. I would mention that Alternate 1 is critical, in my opinion, because of the subsurface. We have some infrastructure pipework that is failing and there is some unknown there so I would like to be proactive on Alternate 1. In addition, Alternate 1 is being funded with the TIF.

Councilman Counts: I would like to remind everyone that we had no street maintenance program last year. The streets that are covered in this program would have been covered in last year's program if we had one, but we were saving money for Sawmill Parkway. We have now found out that we have money from Sawmill Parkway, so I believe it is appropriate that we should try to do the roads that should have been done last year. We all know that it is only going to get worse.

The other thing I would add is if we are talking about the financial impact to the City, if we are going to have a committee meeting on this then Finance Committee should be a part of that.

Councilman Lorenz: I was going to say that if we were going to have a committee meeting, Development Committee should be part of that as well. I would encourage this. Tom makes a great point: we did not do anything last year. We always receive the presentation of our letter grade and it continues to go downhill. I think this gives us an opportunity to slow that pitfall [down].

I want to call out Chris. Alternate 1 is super important. That is getting a lot more use with all the people that are going back to Nocterra Brewery. We have a serious issue back there, so hopefully this alternate will be considered as well.

Councilman Swartwout: Ever since I have been on Council, we have talked about how there was less and less money for these types of repairs. If you look at the amount of money we have spent over the last few years and you look at the projections going forward, we were told at one point there would be no money to make any street repairs. And then to have such a sudden reverse course from what we have been told for 4 or 5 years to doing the most expansive street repair maintenance program since I have been on Council, at a time when we still do not know the economic impacts of dwindling revenues and tax dollars. We do not know where the City's financial position is going to be in four months and yet we have decided to make a sudden reverse course from what our practice has been in the past without any vetting at a committee level. I am exceedingly uncomfortable with what we are doing tonight.

Councilwoman Karr: Dan, your point is well taken; however, I can say after walking around for the better part of last year, we also have to do something with our road maintenance. We have some streets that quite frankly I was embarrassed about when walking on them. Some of the residents pointed out some of the issues. Most of those are in the base bid, but I also think we really need to take a hard look and make sure that we are maintaining our streets and roads.

Mr. White: I was not part of the past conversations, but as a new set of eyes on this, while this is a large amount of money, I believe it is woefully inadequate from a long-term approach the City needs to take. I think we are fortunate in a couple of breaks that we got which provided some available funds.

If Chris totaled up the entire cost to replace the City's infrastructure on just roads and curbs, it would be an astronomically large number, hundreds of millions of dollars. If you look at this as a product or a relative to that number, you come up with some benchmarks of what percentage at that total liability that we possess on an annual basis we should be attacking. This is a small portion of that.

I would ask that you take a careful look at where this money is coming from. It is not your general pot of funding. It is from the state and its projections that I think we have to pay close attention to with regard to the gasoline consumption tax that was just increased 10.5 cents per gallon. These are dollars that you have available for use today, but the state has forecasted a significant reduction in that consumption which will have an impact on our ability to move forward on this type of project in the future if we continue to rely upon that resource as the undercurrent of that capital improvement. The dollars that are on the table tonight are available in your coffers but the dollars that were forecast and probably went into the budget adoption for 2020 and 2019 were predicated on a set of numbers that were estimates that I do not feel we will hit, and they will have a material impact on your ability to do this type of work if it continues for the long term.

Mayor Bertone opened this item to public comment.

Ms. Mitchell: There are no public comments.

Hearing nothing further, the Mayor closed the public comment session.

Mayor Bertone: Dan, you call out some interesting points and I agree. We can take this to our next regular meeting or we could move it to a date certain period. If to the betterment of the group to put this through a committee process and review the conversation, I am open to that, but then that puts it out to the second meeting on June 16.

From a budget point of view, we have not spent a ton of money on our road improvement projects because we were parking money for Sawmill Parkway. We were hopeful that we would have received some funding in order to help us support that project. We did. We actually went out to bid in a very unique way and we won in this situation, to another \$400,000. To that end, the roads identified in the base bid are pain points that I fear that if we continue to kick the can down the road, which we do a lot, [we may lose this opportunity]. We have these awkward conversations about spending money on an investment within our community. It is imperative that we do so. We all know that. So it may seem painful looking at \$745,000, but to know that \$400,000 if it is coming from an alternate source, which is 53% of this budget that we did not plan for but here it is. That is just my two-cents on it. It has been a strategic play on our part over the last several years not to invest in order to support the Sawmill Parkway effort. Now that we are here for both of those efforts, we are in a position to make some investment into our community.

Councilman Counts: Andy, in terms of timing, when do we need to make a decision on this in order to meet the bid?

Mr. White: We are pretty tight, particularly as it relates to the base bid. You are talking about a significant amount of materials, structures to be ordered, crews to be mobilized, etc. Based on past conversations, these are projects I anticipated Council was comfortable moving forward to on.

Mr. Huber: In terms of the contract we would sign with the contractor, I believe we have 60 days to sign the bid. From a construction schedule, all the pavement and overlay, I think we would be fine. The only one I am concerned about is the intersection at Scioto & Liberty Roads because we do have to order storm structures and get a lot of information to order those structures with that lead-time. I would like to get that all paved before November. If we order the structures now, we may not start on that intersection until mid-summer where the streets could be done sooner.

Councilman Lorenz: I would like to offer a solution. We do have Development Committee meeting on Thursday. I think we will have plenty of time, and in the spirit of collaboration and to appease Dan's comments, we could have this discussion in the second hour of our meeting and invite the entire Council to participate, I would be happy to facilitate that, Then we can vote on it on June 2 or 3 at our next regular meeting.

Councilman Counts: I am not sure what we would talk about. We have a recommendation as to the condition of the roads. I am sure not going to go out there and look at those roads and make another determination. To me it is merely about the dollars. That is what is in our purview to make a decision on. So frankly, I have heard enough tonight to know we have funds in segregated accounts to cover this and I think we should do it. I am ready to move, but if we think there is something else to talk about on Thursday, then let us go ahead. But I would like to identify what that might be.

Councilman Bennehoof: I am also ready to move. We have talked about the Sawmill project, we have talked about the street projects and the deferments of our projects over the last few years, and we have talked about how our roads are determined. We have a grading system. We are all familiar with that. We trust Staff and while this might be a little fast, we also have the risk of losing advantages with respect to bids and I think we should move forward tonight.

Councilwoman Riggins: I am ready to go forward as well.

Councilwoman Karr: As am I.

MOTION: Councilman Counts moved to amend Ordinance 2020-09 to add the amount \$744,495.75 in place of

the blank in the title and add Alternates 1, 2, 3, 4, and 5 in the amount of \$744,495.75 in the blank line of Section 1 of the Ordinance. Councilwoman Karr seconded the motion.

VOTE: Y 6 N 1 (Swartwout)

MOTION: Councilman Counts moved to suspend the rules regarding Ordinance 2020-09. Councilman Bennehoof seconded the motion.

VOTE: Y 6 N 1 (Swartwout)

MOTION: Councilman Counts moved to adopt Ordinance 2020-09. Councilman Bennehoof seconded the motion.

VOTE: Y 6 N 1 (Swartwout)

FIRST READING: ORDINANCE 2020-10: AN ORDINANCE MODIFYING APPROPRIATIONS FOR THE CALENDAR YEAR 2020. (EX. A)

Mr. White: This item was discussed in Finance Committee. We are requesting an appropriation for time compensation liabilities incurred because of retirement or pending retirement. We have an compensated absences fund that is set up for this. There are roughly \$3,000 available in the fund. The fund has a \$30,000 balance. We are seeking to appropriate that fund balance and to offset it with general fund support of \$44,000 from one account, and \$7,000 from another account. Uncompensated absences total \$30,000 out of that fund, another fund of \$44,000, and \$7,000 is for a change from single health care coverage to family coverage for the City's health insurance. This makes up the total amount.

Councilwoman Riggins: Whom are we talking about with these numbers?

Mr. White: First is Steve Lutz who has roughly \$40,000 in a maximum amount of unpaid sick leave that has accrued on the books, per the Revised Code, that can be paid at a fraction of what was totaled throughout his career as well as his unused vacation balance. The second is Dave Betz who is set to retire at the end of the month. Those two items would be removed from our liability and paid out.

We talked about this in Finance Committee, but I would like Council's consideration and discussion of a 5-year review of a specific demographic profile of employees that qualify for retirement benefits and an expression of that total liability of each individual's time on the books. Right now, for those who are not familiar with it, you can carry around 1,040 unused vacation hour per year. You forgo an amount above that of vacation time. On sick leave, you can accrue an amount and then you are paid out at the time of retirement a fraction of what that total is [25%]. I think you can max out somewhere around 1,440 hours, but are only able to cash out one-fourth of those unused sick leave hours, or 480 hours. That is what is represented in this total amount on the appropriations adjustment.

As the budget stands and as I understand the financial practice of the City coming up to this point, this is easy to do when you only have two or three employees that are effected, but if you think about the organization, you might have a band of folks within an 8-10 year age range and there could be 17-20 people that could effectively accrue this time. Then you are looking at a significant amount of liability that would have to be retired. I think it is important to identify these liabilities and take a fractional amount of the budget per year and transfer it into that compensated absences fund. I would like to come up with a policy so that we can project and cover a percentage of the liability for those employees that are eligible to retire. There have been other communities that have been run over by this with seven figure numbers due to not be properly prepared for a large group of employees retiring. I think we need to consider this as we move forward.

Councilwoman Riggins: What was the amount being paid out for Dave?

Mr. White: The total between the two is \$74,000, roughly \$40,000 for Steve and \$30,000 for Dave. That is not uncommon for employees that have 25 plus years of service.

Councilman Counts: I would acknowledge that we did review this in Finance Committee and approved this approach to dealing with it.

Mayor Bertone opened this item to public comment.

Ms. Mitchell: There are no public comments.

Hearing nothing further, the Mayor closed the public comment session.

MOTION: Councilman Counts moved to suspend the rules regarding Ordinance 2020-10. Councilman Bennehoof seconded the motion.

VOTE: Y 7 N 0

MOTION: Councilman Bennehoof moved to adopt Ordinance 2020-10. Councilman Counts seconded the motion.

VOTE: Y 7 N 0

COMMITTEE REPORTS

Development Committee: *Next Meeting: June 2, 2020, 6:30 p.m. We will have special meeting on Thursday, May 21 at 7:00 p.m. to continue discussion of the cell tower at Arbor Ridge Park and potential development north of Home Road.*

Finance Committee: *Next Meeting: June 9, 2020, 7:00 p.m.*

Operations Committee: *Next Meeting: May 19, 2020, 6:30 p.m. We met tonight and discussed our approach to Powell Fest and how to deal with it in light of the pandemic and a possible approach to the DORA. Andy gave us some feedback on some of the bullet points he was supposed get back to us on based on our last meeting.*

Planning & Zoning Commission: *Next Meeting: June 10, 2020, 7:00 p.m.*

Powell CIC: *Next Meeting: TBD*

CITY MANAGER'S REPORT/CITY CALENDAR

Mr. White: In consultation with the Operations Committee, we have had some conversations about the personnel manual and job descriptions. We will be having a Staff meeting tomorrow to further that conversation to connect the ebb and flow of what we are working on and have a conversation about expectations of Council. We are trying to lay it out so that we are coordinated with Council's overall objections. We would then like to pursue this with Council when time permits.

The reports I have been sending to you about the City's economic development, partnerships and in particular, the conversation out of Delaware County, the legislation the Commissioners just passed establishing a revolving loan fund as a response to the pandemic. The Liberty Township Trustees have jumped in at the \$250,000 dollar amount; the City of Delaware is having a conversation, etc. I have been looking at this for a conversation because I think it is important for the City to be considered a partner in this pursuit, but a commitment of a \$100,000 dollar level from the City would provide us a seat on the committee. That was not included in the legislation that was attached by the Commission, but there was some hope that we may be able to modify that. I do not believe that is the case. I know all of you have a lot of questions and I tried to provide you with as much information as possible to produce a good conversation. But in the spirit of cooperation and collaboration, I have talked to the mayor about this and invited Mr. Lamb and Mr. Rankey from the county to answer any questions you may have.

Bob Lamb, Delaware County Economic Development Director: I think this is a really exciting program that is being moved forward by the County Commissioners in partnership with a lot of our local jurisdictions. Last Thursday, the County Commissioners authorized up to \$2.5 million dollars to be allocated to a revolving loan fund to help our small business community. Delaware County Finance Authority allocated \$250,000 on Thursday as well. Both Orange and Liberty Townships took action to authorize \$250,000 toward the fund. We are currently at \$3.25 million dollars that has been authorized for support of this fund. In an effort to maximize the potential of that, we went to Jobs Ohio and requested they match that funding to increase the available funds to \$6.5 million dollars. What we would like to see happen over the next week is for other communities to step in and authorize dollars for that fund as well. That is why we are here tonight.

We spoke with the village of Sunbury this morning and they are very interested in the program and are considering it. We have another conversation on Thursday with Sunbury. We are currently speaking with the cities of Delaware and Westerville as well. They have not authorized funds at this point in time, but we plan to have further conversations over the next week or two with them.

The general structure of the program is simple. It is looking at assisting the small business community by providing \$10,000 to \$25,000 loans to individuals with a designated credit score (680 or above). We have partnered with Buckeye State Bank in order to move this program forward. It should be noted that this entire program is contingent on Jobs Ohio stepping up and working with us. We have had excellent conversations with Jobs Ohio and we believe there is a good change they will move forward with allocating those funds, but at this, they have taken no official action.

We believe it is very important for Delaware County based on a survey we conducted in mid-April that showed there was significant concern in our small business community (25% of those responding) on not being able to reopen and to still be in business at the end of 2020. We are now in mid-May and seeing those, orders relax, so we are in the process of updating those numbers. Our expectation is that we will find that the 25% number will increase to 33% of businesses concerned about being able to reopen or going out of business before the end of 2020. We also heard from business owners that at least 40% of their employees were affected by furlough or layoffs, which is a very large portion of our workforce in the County. We believe this is an excellent way to quickly place dollars into those businesses' hands so that they can reallocate their available resources to address different issues they have.

Councilman Bennehoof: I believe the chair of the Ohio Business Roundtable supports this project. I assume therefore the Ohio Business Roundtable does as well. Are they in a position to support it financially? Bob, you have done an excellent job of crafting this program, but what safeguards do you have to, for example, safeguard a participating municipality that has dual counties within its borders, such as Westerville, from having some of this funding going to a business in Franklin County? Does the business have to be in Delaware County?

Mr. Lamb: The funds must be dispensed within Delaware County. So those jurisdictions that have multiple counties within their borders could only use it on businesses within Delaware County. We have also structured the review process to address the issue of population size because generally larger populations have multiple amounts of resources available. We wanted to structure to ensure we were also helping communities that did not have as many resources available to them.

Councilman Bennehoof: Does Buckeye State Bank charge any overhead and, if the need goes away, what happens to those [remaining] funds?

Mr. Lamb: Regarding the overhead, Buckeye State Bank is taking a fee on every loan issued, but nothing is being charged to the businesses. As we looked at the interest coming into the fund, we have negotiated that a piece of that be kept in the revolving loan fund so that this could be a true revolving loan fund that grows over time and being available to reallocate those financial resources going forward.

To your question about what happens to the dollars should the need go away, we had structured it that after 5 years, the different contributing communities will have the option to withdraw their dollars from that fund as long as the dollars are available in that fund. There are legal concerns and responsibilities that we are taking on to launch this fund. We have to be clear that we are meeting those obligations five years from now. I believe that the way we have structured this that this obligation will be met. We view this as not a 5-year endeavor; rather, we see this as an ongoing revolving loan fund that will continue to help the community 10 to 20 years from now. We also structured it so that should the fund stand dormant for one year without issuing loans, then individual jurisdictions will be able to vote to withdraw the money from the fund as long as they are not affecting any legal requirements on the issues of loans or coverage at that time.

Councilman Bennehoof: And that administrative fee comes out of the back end, right?

Mr. Lamb: Correct. The administrative fee comes off the loan so there is no cost to the applicant.

Don Rankey, Delaware County Treasurer-Elect: Regarding your question to the Ohio Business Roundtable, Pat Tiberi was the founding member of the Delaware County Recovery Advisory Task Force. Pat has been instrumental in helping us with the application that went into Jobs Ohio yesterday and I think he will also shepherd it to help us get the matching funds.

Earlier today, I had a question from Tom Counts who said he was not sure we should really be at the \$250,000 dollar level because when you compare the number of small businesses Powell has compared to Liberty Township or Delaware City. After we had that conversation, I talked with Bob and he agreed that we should probably be looking at the City of Powell in the \$150,000 dollar range. Bob and I are willing to take that back to Mike Frommer and the County Commissioners to reset that particular guideline. This morning the village of Sunbury inquired with Bob about jumping in. I think they would probably be in that range too.

Mr. Lamb: I believe at \$250,000 dollars, you would see that money reinvested within your community; however, I do understand that it is a large ask. I looked at some data just before taking this call and when we looked at the business surveys what we found was 17% of the responses we received were from the City of Powell. When we looked at the businesses that have taken advantage of the different programs we have launched over the last 2

months, 8 to 9% of businesses were from Powell. That tells me we are having a very good connection with the businesses of Powell and they are interested in these types of programs. So whatever level of your contribution, I believe this is a program your businesses will use and benefit from.

Councilman Lorenz: I think it is a great opportunity for our residents and for our City to participate in countywide initiatives like this.

As far as the board goes, are they weighed in a certain manner? How does that authority work? If the City is going to contribute dollars, we want to make sure what we are being responsive to our residents as well and having a say to benefit not only our residents but all the county.

Mr. Lamb: We structured the 'points' program so that those that contributed dollars into the program would get more points for businesses that are applying within their jurisdiction as opposed businesses applying from a jurisdiction that did not contribute funds into the program. That was done to showcase the appreciation for those jurisdictions that did contribute. We have also removed any penalty for population size if you are a contributing partner.

You also asked how we would know the money is coming back to the jurisdiction. We cannot guarantee that there will be dollars spent within the jurisdiction.

Mr. Rankey: I agree with that. There is just a tremendous amount of need, especially within the small business community in Powell. We will see a lot of applications coming from Powell. If Powell comes on board along with Orange and Liberty Townships, they would be receiving the points and their applications would be preferred and would end up seeing the largest shares of the available dollars.

Councilwoman Karr: With respect to the \$150,000 figure, would that guarantee the City a seat on the board?

Mr. Rankey: Yes. I think you would want to structure your resolution as contingent upon you getting the seventh seat. Bob and I will need to do a little bit of work by going back to the County Commissioners and redefining the size of the community versus what they put in.

Mr. Lamb: We would need to go back to the Commissioners to do some restructuring of the board to allow \$150,000 to secure a seat.

Councilwoman Karr: In looking at the criteria for the loan applicants, it looks like the Finance Authority can actually award contributing partner status to certain applicants. Based on what criteria would the Finance Authority do that?

Mr. Rankey: Since they are a contributing entity and they do not have a jurisdiction per se, what we thought is that as applications came in, they could tag those they choose as if it was in their jurisdiction. The caveat is that that non-jurisdictional council would need to write a letter of support for that particular applicant.

Mr. Lamb: Both the local jurisdiction would have to issue a letter of support and the business would have to request that letter and entry by the DCFA into supporting their request. It would be a request to the DCFA to extend theirs from the business and then the jurisdiction asking the DCFA to extend it. The DCFA has very clear parameters on the types of businesses that they are seeking to support through their programming.

Mr. Rankey: There is \$2.5 million from the County that does not have any jurisdiction to it and the matching funds from Jobs Ohio for as much as \$3.25 million that does not fall under any jurisdiction. That is what makes this program a great deal for those jurisdictions that are in because those monies are available to those three jurisdictions and those tagged by the DCFA.

Councilman Swartwout: You mentioned that this was contingent on the Jobs Ohio contribution. Does that mean that the program only continues if Jobs Ohio makes their contribution or is there some other contingency?

Mr. Lamb: This program is structured in a way that if Jobs Ohio chooses not to invest in it, we would not be in a position to go forward with issuing any loans or partnership unless a proposal was brought back to the County Commissioners that specifically addressed that change in the plan. The reason for that is to make sure that we are putting at risk only dollars from outside the community. To do that we need to reserve a million dollars with Buckeye State Bank to protect for any losses that could incur with the loan issuance. After a million dollars was

lost in the loan program, should that happen, then the bank is responsible for any coverage that would be needed.

Councilwoman Riggins: Every time we hear something new, we hear something new. When I was first informed, it was a \$100,000 dollar ask, then it was a \$250,000 dollar ask, and now it is a \$150,000 dollar ask. There was only going to be one more spot on the board, but from what I am hearing, Delaware City is vying for that one spot. And now tonight I am hearing that Sunbury and Westerville are being offered the opportunity to do this. Will all these potential players dilute our Powell vote on the board? Figures are being thrown about and it does not seem particularly firm. It does not even seem we know what we would actually be getting into at this point. Why are you bringing this to us now before all of that is worked out?

Mr. Rankey: I will take the blame on the initial ask of \$100,000 dollars. We are very set moving forward, but we are trying to move fast to make these funds available as soon as we can. \$100,000 dollars was my initial thoughts, but last Thursday the County's resolution was for \$250,000 dollars. So then, in response to Tom's question to me earlier today, we came back with the contribution of \$150,000 dollars.

There are only seven seats. Whoever gets there first will be the jurisdiction that gets that open seventh seat.

Mr. Lamb: The resolution approved by the County Commissioners established seven seats for this committee, three of which were designated at the establishment. The other four were set aside for those communities who contributed \$250,000 dollars or more to the fund. Right now DCFA, Orange Township and Liberty Township have secured seats, leaving one remaining seat. To reduce that monetary requirement would require an action of the commissioners. Don and I are happy to go back and have that conversation. That said, we would have to be fair to those contributing partners that did contribute \$250,000 dollars.

Councilman Counts: Let us assume that somehow miraculously the economy rebounds more than expected within the next year. The purposes at this point are limited to rent or mortgage expense or utilities. What do you foresee the funds to be used for beyond that when that need is not there?

Mr. Lamb: To clarify, the funds being allocated are specifically for mortgage, rent or utility costs. We have structured it so that we would be evaluating the requests on that \$10,000 to \$25,000 loan based upon what is that business's 4-months' worth of rent/mortgage compared to their added on utility usage. If you are coming in and requesting \$25,000 as a business but your rent and utilities are \$12,000, we are going to be asking why you are doing that because we are trying get this balance of 4 months to reallocation of resources. But if you take those dollars and use them to support acquisition of supplies, cover costs for employees that is fine under the program. But as a way in which to structure what is \$10,000 and \$25,000, we are using your set cost of rent/mortgage and utilities for 4 months.

Councilman Counts: So on this term discussion sheet that you provided to us where it says the purpose is to provide funding to cover up to 4 months of rent and mortgage funding or utilities, it is now a little broader than that, is that right?

Mr. Lamb: Yes and no. We are using that as a set basis for the loan being issued. And it is a reallocation of your existing resources to be able to use dollars for other purposes. Do we want our dollars going to that specific use? The whole point is to free up that business's resources to invest in other portions of their business.

Councilman Counts: I think that is what the PPE is all about is that it covers rent and employment expenses and it is forgiven if it is not used for that.

Mr. Rankey: I do not think there are a whole lot of businesses in Powell that ended up getting PPE. The ones that did had more than 25 employees and they had to stay in business and stay operating.

Councilman Counts: Could some of this money be used for capital items versus operating expenses?

Mr. Rankey: No, but we are not going to check to see what it is spent on.

Councilman Counts: I also understood that there is a points system, but is that only in respect to the governmental entities in that Buckeye State Bank could, if it has been approved by the entities on the point system, Buckeye State Bank could still say no to a particular applicant, is that right?

Mr. Rankey: No. Buckeye State Bank will actually do the underwriting and they will make their recommendations

first and then send that to the committee of seven. Then we would look at it and if we provided the second vote, it would get funded.

Councilman Counts: So there could be a Powell business that makes an application that we would not see because it goes to the bank first, is that right?

Mr. Rankey: Correct.

Councilman Counts: Don and I had a little bit of discussion about this loss share agreement. What I understand from that conversation is that it is really part of a much broader agreement between Jobs Ohio, Buckeye State Bank and the parties involved, is that correct?

Mr. Lamb: It would be Delaware County and Jobs Ohio. [Multiple speakers] And then a separate agreement between Delaware County and Buckeye State Bank.

Councilman Counts: Within that agreement you are going to have a loss sharing agreement? [Mr. Lamb: Correct.] To which I understand from Don today that if the City of Powell contributed to that, we would not suffer a loss – we would not be part of that million dollars.

My other question is, Don had mentioned that there was going to be a contribution from the license agency fund and is that part of the County Commissioner's contribution or where does that come in in the total of the \$3.2 million dollars?

Mr. Lamb: You are correct on the loss share statement that you made. On the license fee contribution, the County Commissioners have dedicated a million, the resolution they approved up to \$1.5 million from the Clerk's office. That is where that \$2.5 million comes from and it is the share of the local communities that pushes it up to \$3.25 million dollars with a hope to get it to \$3.5 million.

Councilman Counts: Last week when we heard this at Finance Committee my initial reaction was the City would view this as just another investment. But in my conversations with Don today, it sounds more like what I would call a grant in that there is interest earned but it goes to the fund from the bank. So it is not like the City of Powell is going to earn interest on its contribution. At the end of the day, all we are going to get back is the initial contribution, whatever that figure is, is that right?

Mr. Lamb: That is correct. But I would argue that it is an investment in your community.

Councilman Counts: Our investment policy specifies certain things we can invest in and this is not going to fit within that. It fits in another category.

Councilman Bennehoof: In Layman 's Terms, what I am interpreting from you Tom is that our return on this "investment" is that retention of jobs and income tax that our small business residents are contributing to our coffers, plus the good will to come from being a participant.

Councilman Counts: What I would suggest as a way to look at it is, in a community that has limited dollars, and we just had that discussion about limited dollars, what is the best use of those limited dollars? That is what this group is here for, it very well may be for this exact program, and that is what we can vote on. But that is a completely different discussion about where you are trying save liquid assets and invest them safely and securely and have the availability of those assets for other purposes. This ties it up for five years with only getting the principle back and I will say it is somewhat questionable. We do not think there is a loss there, but there potentially could be.

Councilman Bennehoof: Yes, I agree. We are not going to get a return on the principle other than how I stated it.

Mayor Bertone: Is there any potential for outside developers to invest in this or is this strictly public funds?

Mr. Lamb: Jobs Ohio is a private nonprofit organization established by the state so if they were to contribute funding to it we would already be bringing in technically private dollars. We do plan on going to the business community as well as the development community in the county. We have not made those asks to the business community right now.

Mayor Bertone: I can hear a private investor asking do we get a seat? Tom calls out an important distinction and we discussed this in our Finance Committee. It was a very good conversation and there was a lot of positivity associated with the whole piece. To know that potentially 25% to 30% of our businesses could be at risk and we lose that opportunity from an income tax basis to collect those revenues, yes, I do see it as a grant, but I also see it as an investment. I also align in my mind with what current CD rates may be. What does our investment policy state? What is the return? Is this an investment the City is willing to make knowing that you are going to tie up a large amount of money for a five-year window and that is all you are getting. There is an opportunity cost associated with that. It is a very creative solution.

I think this group needs to convene a conversation with our Law Director to discuss our desire and get a response back to you shortly.

Councilwoman Riggins: For my clarification, this program is for all businesses in Delaware County, correct?

Mr. Lamb: All small businesses in Delaware [County] as defined under the federal guidelines.

Councilwoman Riggins: Every small business in Delaware County is eligible for this? [Messrs. Rankey and Lamb: Yes, that is correct.] And it is regardless of whether the City of Powell contributes to it. So Powell businesses will be able to apply and potentially be granted this loan even if the City of Powell does not contribute, correct?

Mr. Rankey: Yes, but it would be a very low percentage of them that could be funded because they would not score those extra points of jurisdiction and population. So Powell would probably be at a -9. That would likely take most of those applications to the bottom of the pile.

Mayor Bertone: That is an important distinction. If I look at other municipalities who may not be completely domicile within the county confines, those applicants are still allowed to apply but where you fit in the scoring methodology may not put you somewhere even in the top third or mid-tier. So what it does is give us an opportunity to have a leg up in the conversation to support our businesses.

Mr. Rankey: Exactly.

Mr. White: I commend the County's effort. The tough part is getting into the minutia of comparison. Proportionally, the City of Powell is smaller and therefore has to bare more of the cost on its personnel in the City. But I think what is also a unique angle is that Powell is also part of Liberty Township [nonconforming borders]. So for Don and Bob going to back to the County Commissioners, is there consideration that a portion of the \$250,000 that have been committed to by Liberty Township have some bearing within the City [who are also township residents]? The City is unique in that capacity that a City resident is a township resident. I believe that is at least an opener to a conversation. Some portion of the Liberty Township contribution came from the property owners of the City that have been sent on to the Township.

Mr. Rankey: I would suggest you take that conversation up with the Liberty Township Trustees. We would not be able to get involved in that type of conversation.

Mr. Hollins: It is a very interesting conversation. I commend all players. It is a very creative program and it is always great to hear about efforts like this. The devil is in the details. However the policymakers wish to push forward with this, that is their decision and we will try to figure out the mechanism to do it. This is not really an investment; it is more of an economic development program. To be able to do that for private businesses, we would normally utilize the Powell CIC. We may be able to give the money to the County through the port authority, but we just need to ensure that it is set up with the right mechanism.

OTHER COUNCIL MATTERS

Councilwoman Riggins: I wanted to mention that four of our members are members of Central Committee and we have a conflict because our next Council meeting on June 2 is the same day as the Central Committee Reorganizational meeting. I would like to suggest that we move the June 2 meeting to another night, as well as the development committee meeting.

Mayor Bertone: So we would not have quorum.

MOTION: Councilwoman Riggins moved to change the next Development Committee and Council meeting from

June 2, 2020 to Wednesday, June 3, 2020. Councilwoman Karr seconded the motion. Councilman Bennehoof abstained. By unanimous consent of the remaining members, the meetings were moved from June 2 to June 3.

Mr. White: Liberty Township did reach out to the City this week requesting consideration [to a follow up meeting] between Council and the Trustees the week of June 1. What is your pleasure in that with my communication back to them?

Mayor Bertone: From my view, I do not believe this body is yet in a position to have this conversation with the Township. We can have a Committee-of-the-Whole with them and discuss but three topics if I am not mistaken. Without us properly having our strategy sessions, I think we walk in a little bit blind to how we would best position ourselves. Knowing what you have been asked already from the Township in consideration for zoning, as well as other economic developments, such as a JEDD and things of that sort, I think this body needs to spend time discussing what that means to us and also how it actually plays against the current structure of the CEDA.

We definitely want to meet with the Township, but you have only been here six weeks or so, and we should only do so from a position of strength.

Councilman Counts: Well said, Frank.

Councilman Bennehoof: I concur with you Frank but I thought there was going to be a brief discussion about the fuel program.

Mr. White: We just briefly talked about that. Internally we see a path forward. I talked with the administrator earlier today and I think we will have to have an intergovernmental agreement at one of your next meetings. It is simple but there is a positive benefit financially, but also in the spirit of cooperation, that would be one that I would want to proceed with. Without any pushback from Council, I think at your next meeting, we will work to prepare an intergovernmental agreement between the Township and the City for the benefit of Fuel Sharing Services at their facility.

[Council gave a thumbs up to proceeding.]

Mr. Hollins: There is a draft of a prior agreement we were working on in that regard.

Councilman Lorenz: I would like to see Staff address this virtual meeting process. It has worked well but at some point in time we need to start considering coming back into the chamber. We can certainly put ourselves at minimum distances. It is time for us to move along. Other state legislatures and other bodies are meeting in person with businesses coming back together. It is time to get back to a sense of normalcy.

Mr. White: From Staff's point of view going into the next meeting, we can have some additional protocol outlined. Gene and I will get together on that this week and come back to you. I do not disagree there.

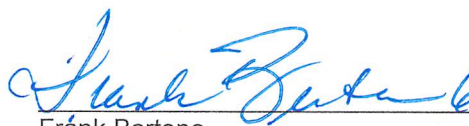
Councilman Bennehoof: I am not sure I am ready being a higher risk individual.

Mr. White: Perhaps we can provide different options to anyone on Council that may feel differently.

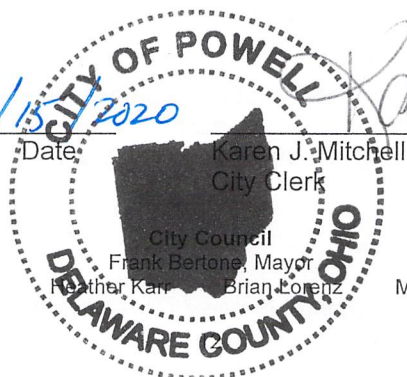
ADJOURNMENT

MOTION: Councilman Bennehoof moved to adjourn the meeting at 9:34 p.m. Councilman Lorenz seconded the motion. By unanimous consent of the remaining members, the meeting was adjourned.

MINUTES APPROVED:

 6/15/2020

Frank Bertone
Mayor



Karen J. Mitchell
City Clerk

 6/16/2020

Date

Jon C. Bennehoof

Tom Counts

Feather Karr

Brian Lorenz

Melissa Riggins

Daniel Swartwout