



**CITY COUNCIL  
MEETING MINUTES  
January 5, 2021**

**CALL TO ORDER/ROLL CALL**

A regular Zoom meeting of Powell City Council was called to order by Mayor Frank Bertone on Tuesday, January 5, 2021 at 7:28 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; Yazan Ashrawi, Legal Counsel; Megan Canavan, Assistant City Manager; Stephen Hrytzik, Chief of Police; Jeffrey Tyler, Community Development Director; Elise Schellin, Development Planner; Aaron Scott, Assistant City Engineer; Karen J. Mitchell, City Clerk; and interested parties.

**PLEDGE OF ALLEGIANCE**

**CITIZEN PARTICIPATION**

Mayor Bertone opened the citizen participation session for items not included on the agenda. Hearing none, the Mayor closed the public comment session.

**APPROVAL OF MINUTES:** December 15, 2020

**MOTION:** Councilmember Swartwout made a correction to the third paragraph on page 2. Councilmember Counts moved to adopt the minutes of December 15, 2020 as amended. Councilmember Swartwout seconded the motion. By unanimous consent of the remaining members, the minutes were adopted as amended.

**CONSENT AGENDA**

<u>Item</u>	<u>Action Requested</u>
<b><u>RESOLUTION 2021-02:</u></b> A RESOLUTION TO CONDITIONALLY ACCEPT AND BEGIN THE REQUIRED MINIMUM TWO-YEAR MAINTENANCE PERIOD FOR PUBLIC IMPROVEMENTS ASSOCIATED WITH THE COURTYARDS OF GRANDSHIRE, DEVELOPED BY EPCON COMMUNITIES, LOCATED AT THE SOUTHEAST QUADRANT OF GREY OAKS DRIVE AND SAWMILL ROAD. ( <a href="#">EX. A</a> ) ( <a href="#">MEMO</a> )	Adoption

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

**RESOLUTION 2021-01:** A RESOLUTION PROVIDING FOR THE SUBMISSION TO THE ELECTORS OF THE CITY OF POWELL, AT THE PRIMARY/SPECIAL ELECTION TO BE HELD ON MAY 4, 2021, OF AN ORDINANCE TO AMEND SECTIONS 182.13 AND 182.081 TO INCREASE THE CREDIT FOR TAXES PAID TO ANOTHER MUNICIPALITY TO 100%, FROM ONE-FOURTH OF ONE PERCENT (0.25%) TO TWO PERCENT (2%), AND ENACTING SECTION 182.012.1 OF THE CODIFIED ORDINANCES OF THE CITY OF POWELL TO INCREASE THE CITY INCOME TAX RATE FROM THE CURRENT RATE OF THREE-QUARTERS OF ONE PERCENT (0.75%) TO A RATE OF TWO PERCENT (2%) TO BECOME EFFECTIVE IMMEDIATELY FOR THE PURPOSES OF PUBLIC SAFETY, ECONOMIC DEVELOPMENT, OPERATIONS EFFICIENCIES AND CAPITAL IMPROVEMENTS AND RELATED COSTS. ([EX A](#)) ([MEMO](#))

**Andrew White, City Manager:** I will give a brief overview of the order that we are procedurally required to go through for Resolution 2021-01 and its companion, Ordinance 2021-01. Prior to tonight's first reading, notice has to be submitted to the public by way of an advertisement that was done just before the Christmas break. It stipulates the question that will be considered for placement before the electors at a special election on May 4, 2021. To accommodate this, we have the month of January to certify the specific language, have discussion for placement, and get all the materials presented to the Board of Elections by February 3. This schedule provides us this meeting and the second meeting in January, as well

as any additional discussion to be held at the Finance Committee. We also wanted to be careful to preserve the opportunity, if Council wishes to pursue this, to be able to have a third meeting in January, if needed, to continue deliberations to make sure that the language we have contemplated is correct and onboard with everyone. In local government, this is probably the most democratic process going forward. It is a modification to the structure of the City's tax system and its credit to be market competitive with the central Ohio-Columbus region. This is a first step in a process that has to be afforded a democratic approval.

I will review some of the metrics that we have come up with for these two pieces. This effort spans 20 years. The discussion of the City's tax rate has been something that Council has afforded options going back to at least 2010, and most recently in 2018. The option that is in front of you tonight incorporates many experiences that did not work out. Specifically, to try to have a positive experience, we have included language that has been taken directly from surveys conducted after the 2018 loss and the feedback we received from the public. The most significant feedback received was the value of the tax credit. A credit provided to the individual tax filer for taxes paid to another jurisdiction was too low. Staff began an analysis of how that would financially work with our existing tax stream. The most recent data we looked at was 2018-2019 and we have formulated a strategy that would provide for a full 100% credit for all residents who live in Powell and work in another community that also has a host income tax. What that means is an individual who lives in Powell and works in the City of Columbus right now has a tax liability threshold of 3%. The 3% is comprised of the 2.5% rate provided by the City of Columbus and half a percent paid to the City of Powell because of the quarter percent credit we have now. What is being proposed for this individual by this measure would include a reduction of that 3% to 2.5%. You would receive a full 2% credit for the payments made to the City of Columbus up of to that 2.5% and an additional 1 ½% would be paid to the City of Powell, but it is in essence the threshold liability for that individual would be reduced from 3% to 2.5%.

In a similar setting at a different rate, we did an analysis for an individual that lives in the City of Powell and works in the City of Marysville. Marysville has an income tax rate of 1.5%. That 1.5% would be withheld from the individual through their payroll at work. 100% of that 1.5% would be recognized by the City of Powell and the individual would remit to the City a half percent. So it is really trying to become fairer. The taxed threshold that Chairman Counts had identified through our Finance Committee discussions today is broad. At the low end, we have tax filers that are responsible for a half percent income tax paid to the City, total. We have folks that are paying .75%, and then for those individuals that are paying combined rates, as high as 3%. Half a percent to 3% is volatile. What we also noticed through our analysis is that there is a lot of money that right now, because of the structure that we have in the form of a credit, is being deposited outside of the City of Powell. Establishing a 100% credit is really anticipated to generate, based on our 2018 estimates, \$3.4 million dollars of new income tax receipts to the City, and of those, nearly 80% of that amount will come from Powell tax filers that do not live in Powell but work here. Nonresidents would be picking up a substantial portion of that cost. That is not to say there is not an impact, roughly 16%, to Powell businesses. 3% of that \$3.4 million would be borne by the residents of Powell. We are trying to create equity but we are also trying to create a competitive scenario where we can pay for the services for which the City is responsible.

I think that this rate is going to provide a useful economic development tool as well. Our income tax is too low to be effective in terms of economic development plans. Most importantly, the dollars that will be generated for this would be at the discretion of Council to perpetuate safety services, capital infrastructure, but also the business programs that we are tackling right now. We were very fortunate in the City of Powell to receive almost one million dollars in CARES Act funds that were credited back for law enforcement cost and created an opportunity for the City to invest it where it was needed at this critical time in our local businesses. But that is a one-time program and we cannot rely on that forever. Some of the proceeds that we are talking about if this is successful would be brought back to a more perpetual program, as well as keeping up with the infrastructure costs that the City is responsible for.

In our analysis, the City, over the last 20-25 years, has benefited greatly by the receipt of proceeds driven by a robust development community throughout Columbus. The problem is that the structures that were put in place to bring in that money have a shelf life and they do not go on forever. So what we are seeing throughout some of our older communities is the wear and tear of the infrastructure that was put in place in the late 90s and early 2000s and is starting to come of age just as those development dollars are starting to retire. From a responsible maintenance effort, we feel this is a fair overview and an attempt to create equitable distribution of the tax. We believe the importance of recognizing the 100% credit, as an incentive for the individuals who live in the City of Powell, will have a positive impact and really put the City on a path to do many of the things we have been struggling to do because of a lack of resources.

**Yazan Ashrawi, Legal Counsel:** Both the Resolution and Ordinance work hand-in-hand. By law, the City can only increase an income tax by passing an ordinance. If that income tax increase is above 1%, the electors must approve that increase. In order to get that question before the electors on a ballot, a resolution must be passed. That resolution must state the amount of the income tax, the purpose of the income tax, and ask the Board of Elections to put it on a specific

date for the election. That is the Resolution you have before you tonight. The exhibit to that Resolution is the Ordinance. What the ballot language will ask a voter to decide is whether the City shall pass the Ordinance, which, in turn, would increase the income tax to 2%. That is the only item, the tax increase that must be approved by the electorate body. The 100% credit Andy referred to is something that can be done without a vote, but in this particular instance, the tax increase and credit go hand-in-hand. For that reason, both of those items are included in the Ordinance for an up or down vote. The ballot language, although very specifically prescribed by state statute, is ultimately going to ask the elector whether the City should pass Ordinance 2021-01, which will increase the income tax to 2% for the following reasons and present a credit of 100% for taxes paid outside the municipality. That Resolution, once passed, must be certified and filed with the Board of Elections by February 3<sup>rd</sup>, which is 90 days before the election. This is a very long, deliberate and democratic process where the electors ultimately decide whether the tax is increased to the level being requested here.

Mr. White: I have talked about this to a number of you individually, but by way of comparison, in 27 central Ohio communities, the City of Powell's .75% rate today is the lowest rate. In that competitive arena, it makes it very difficult for us to move forward. The overall median rate is just under 2%. However, when we look at comparable communities, such as Bexley, Grandview Heights, Upper Arlington, and Worthington, those communities are all at 2.5%. I think this proposed increase puts us middle-of-the-road. But by way of introducing that elevated rate and the credit itself, the numbers work out with 80% of the increase of that \$3.4 million dollars coming from tax filers that live outside the City and then would bear a proportionate response. I do not know how much of that money would be new money as opposed to what percentage of it would be just a redistribution because of the updated tax structure. It puts the City in a good position to negotiate a top-flight service, but also to continue to think about smart growth going forward and partnering with future development projects like The Ohio State University Wexner Medical program.

I realize that this is the first introduction and I just wanted to provide Council with some useful oversight summarization and open it up to conversation. This is not a tax increase; this is a discussion of a question to be placed before the electorate so that they can decide what is in the best interest of the community.

Councilmember Riggins: Just to be clear, for the majority of Powell residents who will be voting on this, the great majority of us will be paying less tax to the City of Powell, is that correct?

Mr. White: Yes. Taken together our numbers reflect that roughly \$2 million dollars will be reduced expenses borne by City residents.

Councilmember Riggins: I think the 100% credit is great and we need to do this for our residents. I do not see this as a tax increase, even though it may be worded as such, but in reality, for most of us, it is going to be a tax reduction. That is how I look at the big picture.

Mr. White: Yes, I believe that is accurate taken together. There will be outliers within the community that are affected differently. Again, we cannot tailor a tax structure program specific to individual after individual. I believe it is a fair structure. I am confident if this were to go forward, there would be a great deal of engagement within the community. I think the points of the measure itself are sufficient to warrant an approval at the ballot box. I do not have a crystal ball, but I am confident in the work that we have done that the 100% credit is the story - the tax restructuring. Yes, there will be some offset to a demographic component of the City, but you cannot find anywhere in Central Ohio where folks are paying .75% for the same current level of service as we have here. Council just presided over a grant program for our local businesses and distributed \$228,000. That is impossible to perpetuate at the current level. As we look around, you cannot get Powell Police and the quality of life that we provide with our services industry anywhere else for this rate. The biggest consideration is that it is a right sizing of the tax that will be borne by a significant portion of the population outside of the public, which is no different from what many other communities are doing right now. With our low rate, we are losing a significant amount of dollars that should be invested. At an appropriate rate, it would be invested here in Powell.

Councilmember Swartwout: I want to present a hypothetical here of a Powell resident that works in Dublin and earns \$100,000 a year in salary. [Councilmember Counts: Megan has a graph that she can put up with a similar scenario, and this may answer your question.] I would like to talk it through so that it is a part of the record and to allow Andy to answer it for anyone that may be listening. So that Powell resident that works in Dublin currently pays 2% tax to Dublin and .5% to Powell, correct? [Mr. White: Correct.] Under this proposal we have here, if this were to pass, this individual would still pay 2% to Dublin, but no longer pay .5% to Powell, giving them a net savings of local municipal income taxes of \$500, correct? [Mr. White: Correct.] In addition, that person would no longer have to deal with Regional Income Tax Agency (RITA) on a yearly or quarterly basis and all the paperwork that entails. That administrative factor of dealing with RITA would be gone, correct?

Mr. White: It would be significantly reduced because of the quarterly filing. I have talked to folks about this who have

been impacted with penalties because it is hard to estimate exactly what to pay. The crux of the issue is that many employers outside of Powell will withhold for the employer of the host city, but each individual is responsible to come up with the difference for the city they live in. So that would be eliminated because the value of the credit at 100% is going to reduce that completely for that individual. RITA would still be a component part of the City, but it would be much easier for the majority of people. I think many residents would experience the Columbus model with that 3% total tax liability being brought back down under this scenario to 2.5%. Therefore, it is a similar situation to what you are talking about in Dublin, but probably even more so in Columbus just by volume.

We do have a chart that expresses this and I would like to introduce it for the record. [01.05.2021 EXHIBIT 1].

Councilmember Counts: On slide 3, Tale of Two Neighbors, I illustrated these using two professionals, both living in Powell with one working in Worthington at a 2.5% rate. The other working and living in Powell, [both with a] salary of \$150,000. You can see the difference under our existing structure. That professional who works in Worthington, lives in Powell, pays \$4,500 in aggregate city income tax. That same person living next door who lives and works in Powell only pays \$1,125 in aggregate city income tax. There is a \$3,375 differential between those two individuals earning the same amount of money and both living in Powell. It just depends on what their workplace community has as a tax rate.

What we intend to have happen after the restructuring of our income tax rate is to change it so that you do not have such a great disparity. [temporary loss of audio]...who lives in Powell and works in Worthington. The person who both lives and works in Powell would see an increase in their income tax but now the disparity would be so much less, only about \$750. That is where this whole issue of fairness [comes in]. We talk about having the lowest income tax rate, but we have the highest aggregate income tax rate in central Ohio – 3%, 2.5% in the workplace and a half of percent in Powell. When you look at the disparity among our residents, you see that there is a big disparity.

Councilmember Lorenz: One of the things I feel that many of us on Council know is we know where the need is. But I think it is extremely important that we are transparent with our residents, no matter what we are doing, with where these monies are going. I know that Tom has done a lot of work. In addition, we have done work in the past about infrastructure and improvements that are needed in our community. We have failing roads, failing sewers downtown, etc. I would like Andy to comment on what we are planning on doing with this money just so that we are transparent and clear.

Secondly, we have talked a lot about a CIC grant program. Some might ask 'why are you asking for money after you just handed all this money out.' I want to be clear for the record that the monies we got through the CIC grant program came out of the CARES Act and those were funded to us from the federal government. It did not come out of our budget. In the event someone might be wondering, I wanted to make that point.

Mr. White: Yes, it is an expense, but it is a necessary investment to perpetuate that what we leave behind when we move on is better than what we took on. When we compare our population of Powell to a sister city like Worthington, with a similar population, we have 45 full time equivalents in our budget with not all of those positions filled and Worthington, at 2.5% [income tax rate] has a 161 full time employees. I am not suggesting that we add 120 people, but if you add just 5 people, you would have a lot of improvement in some of the service delivery.

Also perpetuating the capital investment projects we made in 2020, we increased our original allocation for resurfacing of roads this year from \$750,000 to a million. We can do that in the near term but the longer term and the price of capital in particular is so prohibitive in terms of what we are able to do within our budget right now. We have great plans, such as the Keep Powell Moving Plan, which has more than \$30 million dollars' worth of targeted capital investments that are great, but we do not have the resources right now to make that happen. A significant component, as discussed by Council, is going to perfect the service model that we have, perpetuate that it is continuing to be there for folks, but also to address the little things like sidewalk repair, drainage, curbs, potholes, equipment that is necessary, as well as economic development incentives. At .75%, we are at such an uncompetitive point to deal with these other cities when you are sharing payroll taxes generated on a \$10 million dollar payroll. The difference between what we can bring to the table to try to create capital infrastructure investment is a fraction of what these competitors are able to do. It is very important to have these dollars allocated for the capital and development of the City and to replace those dollars that were one time in nature through that development generation so that we can continue to maintain excellence in our services. These dollars are allocated specifically within the title of the legislation. The language is describing exactly what these funds have to be used for. If this legislation is a success, we will not see the proceeds derived from this tax measure until January 2022.

Councilmember Karr: This is an income tax restructuring, but I would like to clarify what it is not. It will not be implicating property taxes. I know many of our residents are seeing an increase on the auditor's website from January 1<sup>st</sup>, and you will not be seeing that with this, is that correct?



Mr. White: That is correct. That is a fair point that we should distinguish. Every one of us has an individual tax burden that is comprised of many different components. When you stack them up all up together, the disproportionate, minuscule amount of funding that is available for us needs to be discussed. In comparison to those property taxes, and other communities look at property taxes for municipal operations, but that just taints the pool of competitive resources we have. There is only a certain threshold available within any community that can be successfully approved. At some point, people get to that level and they cannot take it anymore. That is where you start to see impacts to population. I do not think that is what we are doing here. Working with the constituent that comes to the community Monday through Friday, to help work with them to share in the cost of our services, is a great way to counteract the point that you are making, Heather, in that we are looking to return in excess of \$2 million dollars to the aggregate. Over time, I think that this will be a great benefit to continue to be in the middle of the pack in terms of our costs and to be able to do other things as we bring in growth at this new rate and new development.

Councilmember Counts: Historically, the reason we had such a low credit amount was that there was no business in Powell. The only source of income tax revenue were for residents who lived here and worked somewhere else. What this proposal really does is weans us away from income revenue from our residents to income generated by nonresidents, people who are working in Powell. I have an interesting slide to show you what has happened over the last 12 years, Exhibit 1, slide 2, Growth of Income Tax Collections. That first column is the individuals that live in Powell but work elsewhere. Since 2007, we have seen that number increase but only by about 3.18%. The next column is the withholding column. That is a combination of people that live and work in Powell, but more importantly, people who live elsewhere but work in Powell. Over those 12 years, that number has increased by over 10%. Net Profits, the third column, are people who have a business and are paying tax on a net profit. Over those 12 years, that has increased about 16%. What you see is that these numbers of withholding and net profits as a percentage of our total income have increased from about 30% to 45%. What that says to me is that Powell has become more of a business community than just a bedroom community by the things we have done over time. But it also means is that at ¾%, you do not get the same pop for all the business activity as Worthington, Dublin, New Albany, or Columbus. We have to do three times the amount at ¾% in terms of getting businesses to come into the City as Worthington or Columbus has to do. This is a real opportunity to grab on to that and where that \$2.7 million dollar number is coming from – nonresidents. Also, have an opportunity to expand that. To Brian's point about what are we going to use this money for. We want to continue to wean our income tax revenue away from our residents and our non-residents like all of our surrounding neighboring communities. They all have that 2% or 2.5% rate. We have looked at it and believe that 2% should suffice for us.

There is another important point. We have OSU coming into our community and we gave them a tax abatement for 10 years of .75%. So for 10 years we get nothing from OSU. If we pass this tax proposal, we will generate 1.25% revenue that we did not expect to get. That is just going to increase the amount of tax revenue coming from non-residents to pay for our City's services, which can only benefit our City residents.

Councilmember Bennehoof: I think I said this last time, but ballot language is specific and it is also very prescribed by the Secretary of State. I do not know how we can influence it very much, but the ballot language often influences the voter so there is going to need to be some good education and ballot language if we can manage to manage that.

The other thing is this plan brings 80% of the increased revenue from non-residents that we are currently giving them a good deal on by working in Powell.

Councilmember Lorenz: I do not want to belabor the point, but I would like to comment on a couple of things Jon said. I think it is important about the language, but I would say that I know the Finance Committee has studied this and that is where a lot of that work is done, so I am comfortable with the language they have produced to us.

I am conservative and I am not for tax increases, as you may know. I want us to look at this as a credit adjustment. In order for the City to continue to be a great place to live, we need to bring in additional funds to make up and pay for these infrastructure improvements. That is also true if we want to be a serious development player going forward and address our plans like Keep Powell Moving and our Comprehensive Land Use Plan. This is a necessary adjustment we have to make. I am in favor of bringing lost funds, or recouping funds, or restructuring funds and bringing them back to our community where we can utilize those the way we need so that we can be competitive in this market.

Councilmember Riggins: This may have already been addressed and I missed it, but on both the proposed Resolution and Ordinance there is 'to become effective immediately' language. Should that be reading that way when we are looking at an actual January 2022 implementation?

Mr. White: I believe that language should reflect the effective date is January 1, 2022.

Mr. Ashrawi: Any tax measure or increase that is voted on and approved by the electors would become effective January 1, 2022. That is the key date. The effective date of the Resolution is simply to give direction to the Board of Elections to put the question on the ballot. The Ordinance would then come back to City Council and, if passed, the tax and credit would both be effective January 1, 2022.

Mayor Bertone: For the record, are you suggesting or are you advocating that we leave the Resolution alone or are you implying we change this?

Mr. Ashrawi: For sake of clarity, the words 'to become effective immediately' can be removed from the title of the Resolution.

Mr. White: I had one other point. The language of the credit being included in the legislation and placed as part of the question to the electorate eliminates future Council discretion from modification without a return to the ballot box specifically referencing the credit, is that correct?

Mr. Ashrawi: I think the credit can still be legislatively increased or decreased. The tax itself cannot be increased.

Councilmember Bennehoof: I wanted to clarify something. Brian, perhaps I misunderstood you. I was not criticizing the language in the documentation here. I was stating that Secretary of State is very prescriptive about ballot language and what we would like to see in that language may not happen because of the Secretary of State's prescription on ballot language. Yaz, is that an accurate statement?

Mr. Ashrawi: Yes.

Mayor Bertone: I would like to commend the Finance Committee, Staff and each one of you for your efforts in getting us to this date and this level of conversation. It has been a long conversation about where Powell stacks up and ranks in terms of its competitive advantages and disadvantages with surrounding communities. The analysis that has been put forth tonight, Tom thank you, really does shed a lot of light and only emphasizes that a fair amount of our residents are going to see a net savings. That is the reality. What that also means is we now position an opportunity for the community to realize a return on investment. These funds are going to be generated, if we are successful, to fund capital improvement needs. The list is long, as we know. It is like having the greatest toolbox but you are missing the fundamental tool, a hammer. We are really missing the appropriate amount of tools in order for us to execute and get some of the day-to-day functions we would like to see happen for our community. The feedback as provided from the 2018 effort has been a great jumping off point for this conversation, the enhanced credit. It has always been an Achilles heel for the community. To see this come to a potential resolution for us feels good.

Tom bring brings up another great illustration of the impact to some of the economic development opportunities. The OSU effort is tremendous. It is a great win for the community. It is going to be a great win for everyone involved. For us to succeed in that, .75% is not going to do it. If we were so successful at .75% over the last 30 years, why are we not just flush with tons and tons of businesses? We know we are at a disadvantage and it is something for us as a group to find a way to solve this. I appreciate everybody's feedback and comments tonight because it is a tough conversation when you talk about taxes. It is never a positive one. This is tremendous balance and equitable structure in my opinion. I give you all the credit folks. This has been a great conversation to start 2021.

The Mayor opened this item to public comment. Hearing none, he closed the public comment session.

Resolution 2021-01 was taken to a second reading.

**SECOND READING: ORDINANCE 2020-31: AN ORDINANCE ACCEPTING THE ANNEXATION OF 8.897 ACRES, MORE OR LESS, LOCATED AT 4026 HOME ROAD, FROM LIBERTY TOWNSHIP TO THE CITY OF POWELL. (EX. A) (MEMO)**

Mr. White: We have had some pushback from the community. In particular, Jeff and I met at the request of Don Rankey who is a member of the church next door to this property. We have produced correspondence enumerating some of his concerns previously and I think some of you may have also heard from him. I have another correspondence he handed out to us today that I was not able to get to you for this evening. In essence, several variable issues of concern were expressed to us again today. The first and foremost question being why is this even being considered for annexation into the City, questioning the economic benefit to the City, and just the annexation in general. Staff and I relayed to them that we are talking about two different processes here. There is an annexation component and then there is an entitlement review component. I want to be careful not to confuse the issue. The annexation that is before you has been before us

now for a number of meetings and discussed. Moving forward, working with the applicant and his attorney, it is back in front of Council again.

There are issues we have concerns regarding some of the entitlement process that would be specific to enforcement zoning issues. One of the things we talked about today is the fact that the land had not been properly maintained over the last two years. I think there was a reference to the fact that it only had the grass cut once. That is not for us to deal with right now because, unfortunately, the City cannot enforce its zoning code in the township. To me that is a potential benefit moving forward. There is a concern over traffic potential. There is a concern about drainage, and potential wetlands. Aaron [Scott, Assistant City Engineer] came with us today too. All of these questions have their reserve point in time in the process of discussion, but I do not know that they are germane for Council's consideration for this process tonight that is for the second reading of the annexation.

Jeffrey Tyler, Community Development Director: I agree with Andy's comments. Some substantive issues came to the forefront with the entitlement review. We also reminded Mr. Rankey and those that were in attendance that we are at the sketch plan phase and so their concerns were brought up at the right time for us to be able to address those with the developer moving forward. One of the things we have talked about procedurally, not necessarily specific to this case, was when is the best time for the entitlement review and the annexation review to complement one another. That is one of the things I think is important for us as Staff to sit down and really take a look at that to make sure we are not only following the dates and times that are set up in the annexation process, but we also want to make sure that the entitlement review process really compliments that and really informs that process. I think there is some room for change in that process. So we will be coming back to both Council and Planning & Zoning to potentially discuss that once we get our new Planning Director on board and can sit down together with the Law Director and City Manager and speak through those particular comments.

Councilmember Swartwout: Can you pull up the map on the sketch plan on page 3 [01.05.2021 EXHIBIT 21]? When we are looking at the scope of this development, the red border highlights the parcel we are talking about. I do not know how many hundreds of units are on this map, but the parcel we are talking about is a very, very small part of what is happening here. So as we address the traffic and other considerations mentioned, when we talk about the overall impact on the area, the parcel we are dealing with is pretty small. Wouldn't that be a fair characterization?

Mr. White: Yes, I would agree with that.

Councilmember Swartwout: I just wanted people to see that visual. What we are talking about, instead of just this little parcel in a vacuum, but in amongst everything that is happening in the area. If this were to go through, this is the only part of the area shown on this map and the development surrounding it, this small parcel, that would be in the City of Powell, isn't that correct?

Mr. White: That is correct.

Councilmember Bennehoof: Is it Staff's recommendation to wait for the development process to proceed first to work out the concerns before voting on this annexation or is there some reason to move forward tonight?

Mr. White: I think that captures the meeting today. I think that is the request that we clarified. Just for the sake of Council's understanding, Jeff and I met with Mr. Rankey, the township fiscal officer, Mr. Karr, was also in attendance. I think Jon was invited to be there as well and we had two patrons of the church. Jon, I believe you had left at this point, but I think our intent was that we would relay to Council the request to delay consideration on this, but Staff did not feel there was any reason to do that. It is not perfect, but I believe we left acknowledging that the entitlement review process is still sufficient to carry many of the concerns that were talked about but that we would bring it up. As far as Mr. Rankey was concerned, he requested that Council consider tabling this until the zoning piece has caught up. I do not believe Staff feels that this is necessary to accommodate, but I do feel obligated to bring it to your attention.

Councilmember Counts: Andy, the applicant has requested annexation; we are at the second reading. The applicant so far has not made a request to table it. If we approve this annexation, it will come in with the current zoning that is currently there and then they will go through the rezoning process. All the issues that I have heard being talked about are entitlement or zoning issues.

Mr. White: That is correct. I believe that in the event that this was unsuccessfully accommodated through the zoning entitlement review process, the applicant possesses the right to request detachment from the City to return to the township.

Mr. Ashrawi: That is correct and I have the applicant's representative here to speak to that as well, but I believe that is a term of the pre-annexation agreement.

Aaron Underhill, 8000 Walton Pkwy, Ste. 260, New Albany, Attorney for Applicant: You may remember me from the OSU matter. I am going to be coming back before you very soon with some more information on that.

I did feel compelled to talk about what we have been through with the sketch plan with your Development Committee so far, which has been over the course of a number of months now. This is, in fact, a very small project. It is approximately 8.8 acres or so, some 42 units. I think that while we have a couple of individuals with the church that seem to have some concerns, I would say that the overall reception at both the Planning Commission and Development Committee was very positive. I have a call scheduled for tomorrow morning to try to address some of those concerns in an effort to get a preliminary development plan application filed next week.

As far as Mr. Rankey is concerned, I can tell you that it is very interesting to me that I was told after the Planning Commission meeting that he had had a contract out to purchase this property himself personally, so I do question some of the motivation here behind what is going on. In the end, my client, Tom Bell, did get the property in contract and purchased it.

We believe this project is very complimentary to OSU. They are high-end twin single units that are for rent at about \$2,500 per month, and are 2,500 square feet. What Mr. Bell has been successful in doing with other similar projects is that he tends to attract executives who are moving in from out of town. They move into the community, have a job, and may or may not have their family with them yet. It allows them to live close to where they work. Here I think it is a particular interest in that OSU, eventually, is going to have some 500 plus jobs, many of them, which will be very highly paid executives. If we can get them into the Powell community, and I think this is the avenue Mr. Bell sees here, and get them to love the community as you all do, maybe they will want to live here permanently. These doctors can be entrepreneurial and that may plant a seed for them to even start a side business in Powell. Economic development has many components and I view this thing as an offshoot of OSU coming here and really bringing a lot of opportunity for some of those individuals to live here. I felt compelled to speak on the merits of this tonight just to get to the other side of it.

I went back and forth, as to whether we wanted to annex before we zone here. I do not see much harm in it because we could detach if we wanted to. I hope it does not get there and I do not think it will. However, I would like to compliment your new staff and administration. I love the former group, but this is a new group and I love their energy. We have had a lot of open dialogue, they have been very forthright with us in terms of telling us what we need to improve on, and we intend to do that.

Councilmember Swartwout: I would comment that going to the heart of how the annexation process is separate from the development process and the zoning process. One of the projects I would like to point to in that area is the parcel that is very close to there where the library will be. That was a project that had a lot of push back initially from residents and the developer worked together to come forward with something that everyone very much appreciated and is bringing a library to the City of Powell. So the development process is really the time for the concerns such as traffic, turning from Home Road, and those sorts of things where we will look at that and then bring forward with the input of the residents around the area to come forward with a product that we can or cannot feel comfortable with. I think knowing how Mr. Underhill has worked in the past with Ohio State, I am certain as we move forward that the concerns of the folks around that parcel will certainly be taken into consideration as this process moves forward and something comes to us that we either like or do not like. I think it is important to differentiate between the two processes.

The Mayor opened this item to public comment.

Councilmember Bennehoof: I received a text that there is a participant on Facebook that wants to speak and does not know how to ask to do that. That is Mr. Rankey.

Megan Canavan, Assistant City Manager: He will need to join Zoom in order to speak on this forum. I am happy to send him a link so that he can join but that is the only way we can have him speak to this body online or by submitting written comments to our Clerk of Council.

Mr. White: It just occurred to me that one of the other items Mr. Rankey brought up at today's meeting was utility infrastructure, specifically with water and sewer, I think the concern was that it is clear across to the east and he wanted to be sure that you were aware through the review processes that would be another thing for us to be considerate of and be careful to make sure that it is well thought out and planned.



Councilmember Lorenz: On that utility, they may be able to go underneath Home Road and run through Golf Village. I think that is what the church did. I am not saying that is what they will need to do, but that may be a possibility. When the church was developed, if I am remembering that correctly, I believe there was no sewer in the area and they needed to go through there.

Mr. White: We actually talked about that. They showed that connection under Home Road to us today.

Councilmember Lorenz: I wanted thank Mr. Rankey. He left me a voicemail, but I was in Development Committee, so I appreciate your comments.

One of the things we are seeing along Home Road are these pocket-type developments. Not only here, but you are seeing them in Orange Township now and further to the west by Scioto Reserve, and they are sort of infill projects. We are not trying to put the cart before the horse because there will be an entitlement process, but the nature of the composition of this thoroughfare has gone from Farm Residential into more of a mixed use residential with some commercial components. I think it would be difficult now for this site to be developed as commercial simply because it is locked in with subarea F of this POD. Some of the things Dan brought up I would echo as well. We are talking about a very miniscule development. When we annex things into the City, we want to be mindful of what we are bringing in and all of Council knows that we will look at an economic impact statement with what Mr. Underhill talked about with the almost resident housing to supplant employees of OSU. We want to make sure that if we are bringing in a residential project that is going to bring in the highest amount of income tax. That income tax has to benefit the City to offset the cost of the services that we will be going to provide. I will be interested in seeing that. However, at the end of the day if someone approaches us that wants to annex into the City and develop their property, that individual has that right to do so. This has been through Development Committee. It is a good, solid opportunity for the City and if it does not work out, that is why we have those pre-annexation agreements.

Councilmember Bertone: Brian, I think you raised a good point in that Mr. Bell has an economic right to develop his parcel and follow on with the process. To that end, can you talk us through some of the high negatives or pushback points in P&Z?

Mr. Underhill: I think the issues had to do with the church and making sure, we were providing adequate setback and screening. I think in addition to the church being there, there may be some preschool or daycare component there as well. One of the things we are doing is making sure we find opportunities to increase the setback from what we provided, which was under what the underlying code would allow. I think the code is 40 feet and we were requesting 25 for our building setback. Is that right Elise?

Elise Schellin, Development Planner: I believe so, yes.

Mr. Underhill: It was certainly understood and at the sketch plan stage, you do not have the opportunity to provide full landscaping plans. It is just too early. We are going to look for opportunities to increase that setback where we can and where we cannot get all the way there, to provide more screening.

There were also some questions about traffic. We have been working with your engineer. We have hired Carpenter Marty Transportation to assist with the traffic analysis. One of the things they wanted us to study was whether a right turn drop into this site would be needed. I think overall it was well received. There is going to be a park next door to us, that large zoning that Dan pointed out earlier in that graphic. I believe there are 936 units approved in Liberty Township there, so 42 in the grand scheme of things isn't going to make a big impact on traffic. But in the stage we were at, we had not run that study yet and we are in the midst of doing that.

Ms. Schellin: Yes. I think Aaron covered all of the residents' comments. P&Z also had some additional things to add, including the variety of different architectural forms and massing and materials.

Mr. Underhill: Thank you Elise. That was one thing we heard loud and clear, and we heard it from the Development Committee too, which was to make sure you provide some façade varieties. Now, I think we have four different varieties across 21 buildings. The other thing we heard was we are going to need some extra architectural detail on the facades that face Home Road so we are working to provide some additional detailing and make that architecture extra special.

Mayor Bertone: Megan, has Mr. Rankey had an opportunity to join us?

Ms. Canavan: I do not see him in the attendee box here. I did send him an invite to join the webinar in progress; however,

I do not see him here yet. Jon, it does appear that your hand is raised here and I am not sure why.

Mr. Ashrawi: Megan, my screen also shows a duplicate Jon.

Mayor Bertone: Jon, are you signed in twice to the call? There are two locations where you are represented on the screen.

Councilmember Bennehoof: I see that. No, I do not believe I am. I do not know who that would be.

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

Councilmember Counts: I am personally ready to vote.

Mayor Bertone: I agree. We have extended this for some time and forwarded the invitation. There will be additional time to comment from a zoning standpoint where this conversation can return. Therefore, at this stage we are going to close public comments.

MOTION: Councilmember Counts moved to adopt Ordinance 2020-31. Councilmember Lorenz seconded the motion.

VOTE: Y 6 N 1 (Bennehoof)

**SECOND READING: ORDINANCE 2020-34: AN ORDINANCE AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH INTEGRATED WELLNESS PARTNERS AND SIGNET ENTERPRISES FOR THE PURPOSE OF PERFORMING A WELLNESS FEASIBILITY STUDY FOR THE CITY OF POWELL. (EX. A) (MEMO)**

Mr. White: I would like to recognize there are a number of representatives of Integrated Wellness available for any questions. This is on the second reading and we have had some good discussion. I know it has been through the committee. Some of us have actually been out to the New Albany facility. I wanted to point out that overall; the project is accounted for by freed up funds from last year's credits to the Cares Act for law enforcement. So the funds are available and appropriated for use right now.

This is the first phase in what I look at as a development partnership with this feasibility study. It is a partnership where both the City and our wellness partner would look at a needs assessment first by interviewing through the community for the next 90-120 days about what the community might like to see. I think it is an important first step to consider. As Megan has previously pointed out, this is something that has been identified within the community, so I think that is relevant. A market study conducted to determine the potential for actual use – how things would work, core program identification. I think this is a key in terms of outreach to our other stakeholders in the community, local government, citizens, businesses, but also since this has been in the public realm, we have had inquiries from interested parties that could potentially be partners to this development from a serviceable lease point of view and bringing additional programming to the community.

Project site analysis. As a City, we have properties available that could potentially be garnered and brought into this process. The facility-building program itself would be outlined, as would operations and staffing plan, capital requirement analysis, and ownership structure.

Potential Operating Proforma. A project that will come back to you in the form of a very wide group of different options to consider, but ultimately if successful, I think this could be the first step toward a public-private partnership. What is encouraging to me is not only that the community identified that this is something that they are interested in, this type of a partnership puts City resources together with a very specific group that produces this type of a facility, manages this type of facility, and brings these programs to the City as opposed to the City building a program, building the capital plan and running it. This would be potential for the City to collaborate in that end. To what degree that looks like, I cannot say, but the dollars are available for us to begin this program now. We would have a deliverable in our possession within a time frame that would predate the May question. Therefore, that may provide us some additional options to consider as we move forward. Overall, I believe this is a great opportunity for the City. It comes with Staff's recommendation to proceed. We have gone through legal review. We discussed the budgetary resources available.

Councilmember Bertone: Integrated Wellness Partners has been successful in rolling out in other communities. How do they make it successful? How are they able to size or scale opportunities. Is this feasibility study going to be the piece that helps us craft the right solution set if we are successful in having the study come back and say this is a fit for us?



Mr. White: IWP provides this type of assessment for a fee to communities that are just looking to do something similar. In this instance, the market we represent in the greater Columbus area is attractive to IWP. I would like to recognize Jim Ellis, Managing Director of IWP, to answer that question. I think he will do a better job than I can.

Jim Ellis, Manager Director, Integrated Wellness Program: I appreciate the opportunity to address you tonight. The purpose of the feasibility study is to provide Council with enough information, options, and recommendations as to how to proceed. One of the most important pieces of information is what does the feasibility study reveal in terms of the opportunity and the marketplace and how does that drive the programming, both the health & wellness programming, but also the building program? The key to profitability for these facilities is to right size them. We look at a number of factors when we do that. These feasibility studies are part science and part art form of looking at the demographics of the likely marketplace and based on our experience in similar marketplaces what the uptake would be from the residential demographic, as well as the business demographic in the marketplace goes a long way to driving the right-sizing of the facility. You add to that a long series of conversations and interactions with various stakeholder groups within the community, add a lot of insight as to what the needs are in the community, so is there a need for an aquatics facility, for instance, as a part of this project. Those types of questions we answer through many of the interactions with the stakeholders also go a long way in us recommending what we think is a right-sized facility. We tend to be conservative based on our analysis of the marketplace that we use to help size these facilities. The last thing we want to do is recommend a facility that is overbuilt because it has a very difficult challenge then to be a facility that can float on its own bottom financially. Therefore, right sizing is critical. If you looked at the spectrum of the facilities that we have created, they range in size from 25,000 square feet to 120,000 square feet. It is all based on a combination of market demographics, as well as needs that are identified in the community, predominately through interaction with a variety of stakeholders in the community.

Mayor Bertone: From an order of process, this is strictly the feasibility portion. We understand that. Do you have this slated in a particular committee? I was thinking it was Development, correct?

Mr. White: Yes. I have talked with Brian about it and I think based on its mission, it would be appropriate to be in Development Committee. If we move forward, my intention would be to start logistics rollout tomorrow. If you go back to the proposal itself, it is a 90-120 day process. However, I think that first legwork would be helpful for Brian and me to get together and start talking with the team. We need to identify who needs to be talked to at Olentangy, the library, within the medical facilities, the township, the businesses, etc. If there is input on that, I think we start there and rollout a move forward plan at Development.

The Mayor opened this item to public comment.

Fara Waugh, Executive Director of Sourcepoint, 800 Cheshire Road, Delaware: As Executive Director of Sourcepoint, we are definitely interested in discussing a potential partnership. Should Council approve the study, the study indicates an interest in bringing older adult programming closer to the home of older residents of Powell, which I believe it will. We are also interested in providing input to the study.

Mr. White: We are aware of that interest. Megan has actually had some outreach from a couple of outside stakeholders which I think from looking at the financial feasibility of this space and availability that is needed, it is going to generate some income that is going to help to make or break this type of concept. I appreciate the feedback. Anyone that is out there and interested in listening to the conversation that has wanted to become part of this, we would be happy to sit down and introduce you to our team.

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

MOTION: Councilmember Lorenz moved to adopt Ordinance 2020-34. Councilmember Bennehoof seconded the motion.

VOTE: Y 7 N 0

**SECOND READING: ORDINANCE 2020-36: AN ORDINANCE AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH PAVEMENT MANAGEMENT GROUP FOR ANNUAL STREET RATINGS, AND DECLARING AN EMERGENCY. (EX. A) (MEMO)**

Mr. White: We have had some discussion on this and I think we are ready to move forward on it. I appreciate and wanted to recognize Jeff's input on the information and Aaron's effort on putting the whole thing together. We had some conversation and tried to incorporate a lot of the feedback from Council. I would like to draw everyone's attention to the legislative process and the policies, which we relied upon to get to this point. We are underneath the scope of costs per Council's own policies to move forward. I think we can go forward another layer and look at the specific differential of this



firm and the way that they do things. We resisted putting that in there, but this is a unique aspect. I have had the chance, as a novice, to play around with what they produce. From an interaction stand point with the community, this is an opportunity for Staff to expediently collect data over all of our streets and produce a report that we can then use again to focus on our resurfacing. We had talked earlier tonight and increased our investment in the road-resurfacing program. This will be a great benefit to that. I also think we will have a very specific plan that will allocate a differential. What we have used in the past, the pavement conditions report, is more of a state or highway-type rating to a PCA, which is Pavement Conditions Analysis. If we move forward on this, over a short period, we will build a program mapping the entire City streets with a color-coordinated layout so you can see if your street was just paved, it will be green. If it is critical, it will be red. Beyond that, you can actually click on the interactive map that will be produced and you can see your street and the conditions on the drains, curb, street cracking, etc.

Mr. Tyler: What we tried to address is the procedural concerns from our last meeting, I think with the two Ordinances included, we have met that objective to give some understanding as to how we got to this point, and that we have met the Ordinance requirement for the bids.

Mr. Scott: Overall, this is something we think would be a better product. The switch from a PCR to a PCI is something we have been discussing for a little while now. We did a bit of background research to make sure it is something worth doing and it does seem to be a better choice for us. We hope the updated memo, because it is a bit more detailed, helps explain how we came to this point.

The Mayor opened this item to public comment. Hearing none, he closed the public comment session.

MOTION: Councilmember Counts moved to adopt Ordinance 2020-36. Councilmember Swartwout seconded the motion.  
VOTE: Y 7 N 0

**SECOND READING: ORDINANCE 2020-38:** AN ORDINANCE AUTHORIZING THE CITY MANAGER TO ENTER INTO A PRE-ANNEXATION AGREEMENT WITH BREAGHA PLANA II, LLC AND REDWOOD USA LLC. ([EX. A](#)) ([MEMO](#))

Mr. White: Similar to some of the discussion we had with a smaller proposal north of Home Road, we are still working out the kinks of our process flow. Jeff has some great ideas. Unfortunately, we are not at that point of implementation. We would like to be, but this is something we have talked about extensively. I believe Mr. Martin is available for any questions you may have.

For the general record, this is a 70-acre parcel, half of which resides in the City and the other half is in the township. It is a challenging site as we have learned in the discussion at Development Committee and with Council. At the outset, the applicant has made some modifications, especially with the frontage of the property that abuts Home Road, to include a more significant footprint of commercial development, medical, and some planned expansion going forward. Jeff can speak to the actual project and what we would receive having worked with Redwood Development in other communities. Bringing it into the City brings us an afforded opportunity to regulate a high quality project.

Mr. Tyler: Like the last development, when we get to the entitlement review, I think we are going to be looking at a quality of development. I have had some experience with Redwood at my previous job. In both instances, they produced a good quality development for those communities. They met the needs of those communities and they were able to provide for us higher quality materials than what they started with. They were really a good company to work with from that aspect and they met a need for empty nesters and service members that worked at the base to use these particular facilities on a temporary basis in some instances, but not necessarily with the empty nesters.

Councilmember Swartwout: I just wanted to point out something in the memo that was provided that might have slightly mischaracterized something I said. It says here at the first reading, one council person noted that he had seen a sketch plan with 325 apartment units versus the current 331 apartment units and commented that this was the reverse of the norm as density normally should (?) go down as a development plan proceeds through the process. Actually what I had said was that the numbers had gone down based on the suggestions of our Planning & Zoning Commission the first time this went through the process in 2009 [sic] from our sketch plan review, from the Staff memo at the Wednesday, August 14, 2019 meeting changes since the last submission. The applicant has responded to P&Z Commission's request. They have lowered the amount of apartment units and increased the amount of office space on the north side of the property. So I was not just making the point that density should go down during the process, I was responding to something that was actually suggested by our P&Z Commission and I just wanted to clarify that so that we are all on the same page.

I had a few questions for Staff. This is the first step in the process of many steps, is it not? [Mr. Tyler: Yes.] Everything we have to go through to get to where this becomes an approved development. As a Council, we would still have to approve a



resolution to provide services, correct? [Mr. Ashrawi: Yes.] We have to approve the annexation, correct? [Mr. Ashrawi: For the portion that is not within the City, that is correct.] We have to approve the rezoning, correct? [Mr. Ashrawi: Yes.] We have to approve the development plan and we would have to approve, based on some of the notes here in the pre-annexation agreement, any kind of TIF agreement between the developer and the City. [Mr. Ashrawi: Yes.] Therefore, we have five more steps to go through to get this to be an approved project. If this were not to be passed anywhere along the line based on whatever concerns are raised, or there is not something that anyone can come to an agreement on, then this pre-annexation agreement allows everyone to walk away. In layperson's terms, would that be a good characterization?

Mr. Ashrawi: It would. I appreciate you bringing that up and I think Mr. Martin would agree with me. The pre-annexation agreement was negotiated and agreed upon and memorialized some time ago. The pre-annexation is simply a roadmap. Moreover, through a lot of the redline changes that had been made, it made that very clear. One that comes to mind as an example, there was a term that contemplated or required a TIF agreement that was changed specifically to suggest that the parties can work toward TIF agreements but that is a separate agreement. This does not lock the City into anything short of going through the entitlement process and approval every step of the way as you have laid out.

Councilmember Swartwout: When this parcel and a project somewhat similar to this was brought before Council for a resolution of services back in 2019, it passed by a 4-3 vote. I was one of the three that voted against it. I still have tremendous concerns about the project going forward. I have tremendous concerns of how this corresponds with our Comprehensive Plan. I have tremendous concerns about how little industrial land we have left, especially with the Sawmill Parkway natural growth corridor being cut off. I do have concerns about the density. However, I am going to vote yes for this for the exact same reason I laid out to Yaz. We have many steps along the way to address these concerns. Because this is a process that has been started and there are quite a few people who feel that what we have now is better than what we had before, and I certainly hope it is even better than what we have now, I will vote yes so this process can continue.

The Mayor opened this item to public comment. Hearing none, he closed the public comment session.

MOTION: Councilmember Counts moved to adopt Ordinance 2020-38. Councilmember Bennehoof seconded the motion.  
VOTE: Y 7 N 0

**FIRST READING: ORDINANCE 2021-01:** AN ORDINANCE TO AMEND SECTIONS 182.13 AND 182.081 TO INCREASE THE CREDIT FOR TAXES PAID TO ANOTHER MUNICIPALITY TO 100%, FROM ONE-FOURTH OF ONE PERCENT (0.25%) TO TWO PERCENT (2%), AND ENACTING SECTION 182.012.1 OF THE CODIFIED ORDINANCES OF THE CITY OF POWELL TO INCREASE THE CITY INCOME TAX RATE FROM THE CURRENT RATE OF THREE-QUARTERS OF ONE PERCENT (0.75%) TO A RATE OF TWO PERCENT (2%) TO BECOME EFFECTIVE IMMEDIATELY FOR THE PURPOSES OF PUBLIC SAFETY, ECONOMIC DEVELOPMENT, OPERATIONS EFFICIENCIES, CAPITAL IMPROVEMENTS, AND RELATED COSTS. (EX A & B)

Mr. White: From the onset, we have combined these two pieces together for the very reason they are companion. The first item was the required Resolution that authorizes the placement of this Ordinance on its first reading. To restate, this would go before you again as a second reading, but this is the functional question before Council to place this measure on the ballot – that being a restructuring of the City's income tax rate and structure, bringing the quarter percent credit to a full 100% effective credit for all internal Powell residents, and adjusting the income tax rate structure to 2% which we have defined as market competitive based on the review of 27 municipalities in central Ohio and probably even a smaller amount considering some of our neighbors we are more similar to which are at 2.5%. Going forward, this could be adopted at the meeting of January 19, 2021. That would put us in the position to begin campaigning with information in February and March and April for a May 4<sup>th</sup> election to address this question. Tom's Finance Committee did a lot of legwork to get us to this point. We have another Finance Committee meeting to have additional conversation. We have the next Council meeting on January 19<sup>th</sup> and we have some additional wiggle room if it is necessary to have additional conversation at a third Council meeting, if needed. I think we have covered everything, but I can answer any additional questions you may have.

This is a tightening of the tax structure from a .5% to 3% bandwidth to a 2% to 2.5% bandwidth. It is expected to generate \$3,400,000 dollars of new income tax receipts to the City of Powell and 80% of those dollars are anticipated to be collected from non-Powell residents. There is an impact, albeit smaller, to Powell businesses and the net effect to Powell residents taken together is roughly 3.6% of that new money that will be generated by Powell residents. I think it is important to note that this also places us in a very competitive pool for future projects. We had Aaron Underhill on before and we were talking about another project, but he referenced the Ohio State project. They will be before us for our request to get back to the table on that project, but the payroll taxes on that alone are going to be almost triple if this passes, so you are talking about .75% on a significant employer that will generate well over 2 ½ times that amount. It is imperative that we get this done right and get it done now, and that we get in front of the community, civic organizations. I would be happy to work



with all of Council to talk to homeowners associations should this be advanced. It is a very specific and restrictive process to modify the tax structure for a reason and we are starting that process now so we can move the paperwork up to the Board of Elections and begin the next phase of this conversation which will be an all-out effort to make sure we connect with everyone who is interested in this issue and that we get it right. This has been a combination of past efforts to modify this structure. We have learned from it and I think the biggest takeaway we had from the 2018 exit survey was the modification to adjust the credit was good, but it just was not good enough. The 100% tax credit actually returns almost \$2.2 million dollars of taxes paid by Powell residents back to Powell residents. I think we have a compelling story, but we have some work to do.

Mr. Ashrawi: Similar to what we did with the Resolution, the words 'to become effective immediately' will be removed from the title so that Section 1 where the effective date is stated as January 1, 2022 is very clear. That would be the effective date of the tax credit of 100% as well as the 2% income tax should it pass.

Mayor Bertone: Compliments to Tom and the Finance Committee. I appreciate the energy and passion you have put behind this. It is laid out very clearly for us all to understand. It is hard to articulate the story repeatedly, but I think we are just getting started. We do need to be very tight and precise with this. The need is great for our community to restructure this in the proper fashion, put us at a competitive advantage opportunity, and position us, not only in the long-term for current residents, but for those in the future. Tom, thank you and great leadership on your part.

The Mayor opened this item to public comment. Hearing none, he closed the public comment session.

Ordinance 2021-01 was taken to a second reading.

#### **COMMITTEE REPORTS**

**Development Committee:** *Next Meeting: January 5, 2021, 6:30 p.m. We met tonight and discussed the Delaware County/City of Powell traffic signal coordination and agreement. You will be seeing this come to Council shortly. We are trying to align some of our signals. We also discussed some of the signals that are not timing properly and the comments we are receiving especially north of Powell Road. Staff is going to look at those in conjunction with this study. We got an update on some of our Cares Act funding projects that we are looking at. One would be especially doing some broadband underneath the CSX tracks through a conduit they have, and on some possible Depot Street upgrades along the CSX property. Finally, we discussed our CIP plan. We met in a subgroup with several consultants and are preparing final documentation to request an RFP for that. We did touch a little on the Cares Act funding grants that were provided in conjunction with Council and CIC as well. As you know, we gave out over 36 grants of up to \$10,000 each and it would be great if we could get additional funds to continue to help other businesses. We may have some discussions pertaining to some other things that we may be able to do being a Home Rule community to help with some of these restrictions and may possibly alleviate some of the restrictions that have been placed on the businesses, particularly to curfew and occupancy.*

**Finance Committee:** *Next Meeting: January 12, 2021, 7:00 p.m.*

**Operations Committee:** *Next Meeting: January 19, 2021, 6:30 p.m.*

**Planning & Zoning Commission:** *Next Meeting: January 13, 2021, 7:00 p.m.*

**Powell CIC:** *Next Meeting: January 26, 2021, 6:00 p.m. We had an opportunity to meet some of the grant recipients yesterday for some photos. I attended with the Mayor and Vice Mayor as well as Chairman Hrivnak and several Staff members. It was a real feel good episode and a nice closure for that program.*

#### **CITY MANAGER'S REPORT/CITY CALENDAR**

Mr. White: Following up on Brian's remarks about the opportunity to work with our businesses. That was phenomenal. I started having the conversation with Frank and Brian. It is great but I think the work is not yet done. We are looking at a potential challenge going into the doldrums of winter. January, February, and March is a tough time and we still have some flexibility within our budget from the freed up funds. I will be working with Karen Sybert [Finance Director] when she returns to provide an itemized report of what resources are still available. I want to be careful to track those dollars and not have them just get consumed in the larger budget. These dollars were nonrecurring, one-time, so we have roughly half a million dollars available from that. We should probably start having a conversation about how we would like to employ those funds going into the last sprint to get through spring and hopefully in the summer we can go back to Council chambers.

#### **OTHER COUNCIL MATTERS**

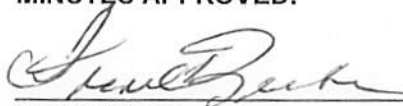
Councilmember Lorenz: I just wanted to make an announcement in an effort to be transparent. I was appointed to the Board of the Delaware County Board of Developmental Disabilities. I am very excited about that opportunity. The meetings do not conflict with Council and I do not believe the work will either, but in the spirit of transparency, I wanted to let you know that I will be undertaking that term.

Mayor Bertone: I wanted to let you know that Shyra [Eichhorn, Liberty Township Trustee] and I have been exchanging some calls over the holiday about arranging a date for our upcoming meeting between the township and us. I believe the ask is for Andy and Mike to coordinate a meeting between Shyra and I and the four of us, inclusive of Dan and others if anyone is interested, to arrange the agenda to make certain that we can hold a productive conversation here. Date to be determined on not only the pre-meeting, but also the actual meeting. I wanted to make folks aware that the train is moving.

#### ADJOURNMENT

MOTION: Councilmember Bennehoof moved to adjourn the meeting at 9:39 p.m. Councilmember Counts seconded the motion. By unanimous consent of the remaining members, the meeting was adjourned.

#### MINUTES APPROVED:

 2/2/2021  
\_\_\_\_\_  
Frank Bertone  
Mayor

Date

 2/3/2021  
\_\_\_\_\_  
Karen J. Mitchell  
City Clerk

Date

