## MINUTES OF RAVENNA CITY COUNCIL COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE January 17, 2012

The Meeting of the Ravenna City Community & Economic Development Committee came to order at 5:00 P.M. Present were: Frank Seman, Fran Ricciardi, Bruce Ribelin, Sharon Spencer, Jack Ferguson, Fred Berry and Amy Michael. Also attending the meeting were Mayor Joe Bica; Service Director, Kelly Engelhart; City Engineer, Bob Finney and Economic Development Director, Kerry Macomber. Also in attendance was Donna Swigart of 528 East Riddle Avenue, Ravenna.

Mr. Seman noted the first item on the agenda is White Rubber demolition schedule.

Ms. Macomber said the White Rubber demolition is scheduled to go out for bid January 30. The city will post the bid specs on the city website as well as the Clean Ohio website. The county will be advertising bid specs in the Record-Courier and post them in the county website. As they know, this is a joint activity with the county and the Community Development Block Grant monies and then with the city's Clean Ohio monies. They will be running the processes simultaneously. She expects to come back to the CED Committee to review the draft and the third party contract agreement between the City of Ravenna and the Portage County Board of Commissioners on February 13. Mr. Cimino is reviewing the document now. No problem is anticipated. It has been done before. There is a similar project in Streetsboro so they are following the same process.

Ms. Macomber said that the next issue she would like to discuss is the AMATS Connecting Communities Grant. The first meeting will be on January 26 as a steering committee. AMATS is really an arm of the city of Akron government. They will be handling all of the contracts with a consultant. They will not receive the money in-house. They will not need to do any legislation. They will handle all of the advertising and the selection. They will have input into the selection of the language of the RFQ. The steering committee is herself, John Wray (NEOMED representative), Todd Peetz (Regional Planning Commission Director), Brad Raum (Robinson Memorial Hospital), Doug Wagner (PARTA), Vince Coia (Ravenna Township Trustee) and Brett Housely (Rootstown Township Trustee). They will meet on January 26 at 6:00 in city hall and talk about what they hope to gain from this grant activity from the feasibility study and offer AMATS input as to what they want to see in an RFQ. They will also ask for their input as to the selection of the consultant and they'll have a kickoff meeting with the consultant who will then go out to each of the communities and gather their input. Follow up meetings for the steering committee will be determined as needed.

Ms. Macomber went on to say that the next issue is the Ohio Department of Development grant, the Brownfield Action Plan Pilot Program. It's a \$50,000.00 grant. She doesn't know if they'll actually get it in-house. They have a site visit with the Ohio Department of Development on January 31 from 2-4:00. That steering committee includes Bob Finney, Todd Peetz, David Dix, James Thompson, Mark Frisone and Karen Schulz. This is the area of Cleveland and Chestnut and everything in between. She doesn't know if the funding will actually come into the city. It might just be like the AMATS grant, the Ohio Department of Development will handle all of the financials; she doesn't know at this time. They will let them know the next steps so they can finalize the scope and get started with the planning. This truly is a planning grant. She is hoping that there was reference to actual implementation so she was hoping that out of the 15, they get at least five or ten for implementation, like Phase I and Phase II.

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Ms. Macomber said the next grant she would like to discuss is the USDA Farmers' Market. They had their first board meeting last week which was very well attended and had a lot of excellent discussion. She thinks they have the right people at the table. They are very energetic and passionate and enthusiastic. She thinks that will help a lot. There is one contract for them to consider and that is to engage the services of Communications Factory to provide advertising, marketing services for the Ravenna Farmers' Market as supported through the United States Department of Agriculture. This was written into the budget. This language has been reviewed by Mr. Cimino and Communications Factory.

Ms. Michael asked if this is something that has to be bid out.

Ms. Macomber responded in the negative, stating that it is only a \$5,000.00 contract.

Ms. Michael asked if the actual advertising firm being used has done farmers' markets before.

Ms. Macomber said he has done several countywide programs, including the United Way Campaign and the Bicentennial for the County Commissioners as well as the annual report. She did ask for three firms to come in. One was American Business Solutions, the Print Shop and the Communications Factory. The American Business Solutions chose not to bid on it. The Print Shop gave her more of a price quote of items of things that could be delivered such as copies and not really the marketing campaign. She spoke with Mr. Turner about what they were looking for, bringing this to life as a first time event. He was very enthusiastic about it and said he would be happy to work with them and when the money ran out, he would match that and continue to work. In the creative world, \$3,500.00 doesn't go very far. That's where it started. She is very appreciative of Mr. Turner's professional and community service.

Mr. Seman said his recollection is that Mr. Turner did a very nice job with the Bicentennial.

There being no further comments or questions, it was decided by those present that a tracking sheet would be submitted for finance committee approval.

Ms. Macomber went on to say that she and Todd Peetz met with the Property Manager at Smith and Cowan located at 127 Pittsburg Street. There has been a lot of background as far as trying to get that property cleaned up by the responsible parties. He seemed to be genuinely interested in working with the city and using their property for commerce in the spring. He has agreed to clean it up, moving some of the tiles out of there. He has some good ideas. She thinks they will see some action in the springtime. The group who owns this property now has a plant in Kent so they're not real excited about putting another one so close but she thinks he would be agreeable to working with them and putting in something.

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Mr. Finney said they bought the old Horning properties in a group. They really wanted the Kent plant because of the development there. That was one of their main focuses. This property came with it. They have quite an umbrella of companies from developments to construction companies to construction materials, concrete, asphalt plants. They have plants they can bring in and set up on an as needed basis. If they don't need the equipment here and they still want to have a plant here, they can bring the equipment in. It will be interesting. When they look at concrete plants in this area, other than Streetsboro, to the east, there is nothing for almost 20 miles. Hartville has a plant. The local plant is Streetsboro. They certainly want that market.

Ms. Macomber said that at 1057 West Main Street, the A-P Gas Station, she thinks they have talked with Mr. Cimino about this. He has had some discussion with the people at the prosecutor's office.

Mr. Finney said that there was a question that Mr. Cimino proposed and Mr. Ricciardi kicked it back to committee and that was if council was interested in pursuing this property and purchasing it through foreclosure process. Are they interested in purchasing it for what could be the potential cost of back taxes. There was some question as to what the minimum sale would be. He doesn't know that's been answered yet.

Ms. Macomber said that as of January 5, the real estate taxes, Mr. Cimino indicates they are somewhere in the neighborhood of \$24,000.00.

Mr. Finney said then there was a question as to whether or not the prosecutor's office would settle for less. There would also be court costs fees, which could be \$1,200-\$1,500.00. They may not have that answer until it sells, if it does sell. This can act as a mechanism to have a business owner step forward or a bank to step forward and actually take ownership. If it does go to Sheriff's auction, it starts at such a low number and the bank decides to step in and claim it, now they have that bank on the hook to maintain the property, remove pumps, etc. If nobody steps up, then the city has an opportunity at that point to step in and purchase the property and clean it up. His estimate to clean it up a year ago was that they had better have \$100,000.00 ready to spend. It could be less or more. The advantage to the city purchasing it is as long as they do something, it's better than what is going on now. He believes BUSTR would look at it the same way. The preliminary investigations have been done and if it takes ten years to remediate the complete site, so be it. That's one avenue to look at.

Mr. Ribelin said this is something they have been very concerned about for a few years. It is an eyesore. It is nice to see some movement on this.

Mr. Finney said that it's up to council to decide if they want to spend the money and obviously up to the finance director to say that the money is there.

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- Mr. Ricciardi said he spoke with the finance director the other day who told him he had no idea where that money might be coming from to purchase that gas station. He's still trying to figure out why the city would have an interest in buying that piece of property out there. If it's just to abate a nuisance, that's bad news because there are nuisances all over town. He would guess his question is, what is the purpose for the acquisition of that property.
  - Mr. Finney said that it's to get the dead horse out of the middle of the road.
  - Mr. Ricciardi reiterated his previous comment that it is just to abate a nuisance.
- Mr. Finney responded that in the end, Mr. Ricciardi is right. The property does not have a lot of value without other properties adjoining.
- Mr. Ricciardi asked where do they stop. They've got vacant properties all over town. How many are they going to acquire and what are they going to do with them.
  - Mr. Finney asked if this could be a mechanism for the actual bank to step forward.
- Mr. Ricciardi said he heard that argument when they did the drilling and the soil testing; it would get BUSTR off dead center and get them to do something; have they?
  - Mr. Finney said they're not going to either, probably.
- Mr. Ricciardi said they weren't going to before and there was no reason to have an expectation that they were going to after. So they go back to if this city is ready to buy this property. That is all the treasurer's office wants to know. If they are, then everybody ought to give a lot of thought to where this money is coming from and what the purpose is going to be and how much it's going to cost to do whatever may have to be done on that property.
- Mr. Finney asked what his recommendation would be to do with this property; should they let it go to Sheriff's auction stating they will purchase or tell them we are not going to step up and purchase it for the minimum price.
- Mr. Ricciardi said he would go back to the same question; what would be the city's purpose in purchasing it. If it's just to abate a nuisance, he would say no. If that's the best they can do, he would say no.
  - Ms. Michael asked if there is potential for a home to be built there.
  - Mr. Finney said it's zoned commercial.
- Mr. Seman said he thinks the problem is, they have to have the money before they can do anything.

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- Mr. Finney injected stating as Mr. Ricciardi is saying, would the city's \$100,000.00 be spent wisely elsewhere.
  - Mr. Seman said he isn't even sure they have \$100,000.00.
  - Mr. Ribelin concurred.
- Mr. Finney said if they go back a couple of years, they are discussing this today because council has called his office saying, what's going on with this property; let's do something.
- Mr. Ricciardi said there are constituents out there who have a concern about the property. You can hear that from properties all over town. People that live next to abandoned properties have those same concerns. Is it a nuisance? What are they going to do about it?
  - Ms. Michael asked if they actually ever got the food out of there. That was a big concern. Mr. Finney responded in the affirmative.
- Mr. Ricciardi said that is a health department concern as well. He doesn't think they have to buy the property to fix it up.
- Ms. Michael said that the biggest thing that bothers her is that it is on Main Street. It's right there and close to the homes. There is a plaza right across the street, which seems to be a successful plaza. Because it is zoned commercial, she always thought maybe another drug store could do well there. Is there a potential commercial property where they might want to purchase other homes to expand out there. That's another way she is looking at it, too.
- Mr. Ricciardi said they can do that without the city owning the property first. It's a little bit like owning the high school. Once you have it, what are you going to do with it? The anchor is around your neck now and not somebody else's.
- Mr. Finney said that as Ms. Michael has alluded to, if it was a green grass lot, it would have more value than the way it sits today. He agrees with Mr. Ricciardi it is potentially \$100,000.00 of the city's money, to turn it into a green grass lot.
  - Mr. Seman said that all investors know that, too, and it's not a \$100,000.00 piece of property.
- Mr. Ricciardi said that the reason the Mastromatteo property sat vacant for thirty plus year because investors had concerns about what was underground. That had some certification that it was okay but it didn't seem to sway people to get in there and buy it.

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- Mr. Ribelin said he does think that it is a definite eyesore as you come in from the west side of town. Trying to get things going on the west side of town seems to be part of the plan on the administration right now. He'd like to see them continuing having this plan.
- Mr. Seman noted that there was some demolition but they had the funds to do it and none of them were gas stations. Right now, those funds are exhausted until they sell the house on Chestnut Street.
- Mr. Finney said that those were Neighborhood Revitalization funds which is for residential only. It's not for commercial or industrial properties.
- Mr. Ribelin said that it has been on the west side of town where the structures were taken down.
- Mr. Finney said those are a combination of revolving loan funds and the Neighborhood Revitalization funds.
- Mr. Ricciardi said he would guess they can inquire about properties all over town. What the question is, what would be the plan for those properties once they are acquired.
  - Ms. Michael said she thinks that would be Ms. Macomber's forte.
- Mr. Ricciardi asked if there is a target area where they want to acquire properties that they would hope for future development.
- Ms. Macomber that is part of why they are doing the asset mapping, to see where the properties are. They also have a project of city owned properties and look at those and see how they can build upon that. All of it is coming together, Connecting Communities as well as the Brownfield Action Plan pilot program. They are looking at Cleveland Road as light industrial corridor. Chestnut is more fitting to be a cultural or arts corridor. It's starting to come together.
- Ms. Macomber said that Mayor Bica asked her to bring this to their attention. There are two items. One is the Regional Planning Commission. She has found it to be very valuable. Unfortunately, it is also very expensive. The membership is \$8,200.00 annually because it is based on per capita. She has used their services in a number of ways and have found them to be very reliable and accurate. One of them is asset mapping so they have a better handle on what they are working with; they have assisted in grant applications and will assist in meeting the requirements of those grants.
- Mr. Finney said they did a study for him for building department fees, which was pretty thorough.

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Ms. Macomber went on to say that they have the ability to do the GIS mapping, which will tie into how they are developing engineering services. She finds them to be very worthwhile and helpful in their mission. Unfortunately, her budget for memberships is \$8,800.00. If she gives an organization \$8,200.00, that is basically her entire membership line item.

Ms. Macomber said they have recently received a request from the Portage Development Board. They put out a full page ad of all the projects they worked on in 2011. Their 2011 membership includes all of the cities except Ravenna. They approached the mayor last year and said the city just doesn't have the funds. The request is for \$5,000.00 and a three year commitment. If this body would like to be a contributing member to the Portage Development Board, she is open to suggestions as to how to make that happen.

Mr. Seman asked how did they work with the Portage Development Board on the projects that were in that ad if they aren't a member. The city put a lot of money into Portage Precision Polymers. He was shocked to see Portage Development Board taking credit for that.

Ms. Macomber said she doesn't know how they assisted on the projects.

Mr. Seman said the city gave PPP funds for a piece of equipment that was over \$100,000.00. He didn't completely understand their advertisement.

Ms. Macomber said that she didn't either. She is assuming it's because it's for the good of the whole county. Mr. Ehrhart was here at the last meeting.

Mr. Seman said that he likes what he saw from him. He's not putting them down. He doesn't mean that at all. It's not that he doesn't want to pay the city's fair share for both of these but they have to figure out where they are going to get it from. He understands but still, they are running potentially in the red at the end of this year.

- Ms. Michael noted they are looking at \$13,000.00 for membership fees this year.
- Ms. Macomber said that is just for those two organizations.
- Ms. Michael asked if all that money would have to come from the general fund.
- Ms. Macomber said her salary comes from water and sewer because it's community and economic development. Perhaps these memberships could as well.
- Ms. Seman said he would think they could build a case for part of it because usually those utilities are very prime to them locating or expanding. He doesn't have that information and can't say.
- Ms. Macomber said last year she was able to support the Portage County Regional Planning Commission membership through a donation from Direct Energy. It is just a one time donation.

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Ms. Engelhart asked if council would be interested in agreeing to the membership if they were able to look at the funding through the enterprise funds.

Mr. Seman said that as chairman of this committee, he thinks they are all players that they have to partner with. It's a matter of finding out how they can do it. It still leaves the question, because there has to be hard dollars coming from someplace but he has no problem looking for it.

Mayor Bica entered the meeting and Mr. Ricciardi said that they are trying to figure out where the money could come from for memberships in these various organizations. It's going to cost \$8,200.00 to continue with Portage Regional Planning.

Ms. Macomber said that if they decide not to continue with Portage Regional Planning, they have to be given a one year notice.

Mayor Bica said they discussed the Regional Planning Commission in Ms. Macomber's budget for this year. If they choose to become a member of the Portage Development Board, his recommendation would be to add that to the economic development department budget. Some of that budget is offset with some of the proprietary funds but not solely. So, it is a blend. That would be additional, above and beyond what was budgeted currently.

Mr. Seman asked for that \$8,200.00 because the city paid for a number of the things they did in addition to that.

Ms. Macomber said it was paid for before they got a membership. When they became members they received technical assistance hours. A lot of what they paid for, they now get. That's because they are now members.

Mr. Ricciardi asked if there are other organizations they currently belong to or would like to be associated with, ones that would require a fee.

Ms. Macomber said those are the only two.

Mayor Bica said that their discussions have been that there aren't any others that they see of value beyond this group, of what she already belongs to and these two.

Ms. Macomber said there is an additional item she would like to discuss is an idea for the committee's consideration and that would be for local government innovation fund. She went to a seminar to learn about it today. It's being offered through the Ohio Department of Development. You can apply for \$100,000.00 planning grant or up to a \$500,000.00 loan to create a collaboration that will result in cost savings and increased efficiencies. They've already been looking at a number of projects. She would like to take the preliminary work that's already been done either through the health department consolidation or the fire district or the other things they are looking at right now and build an application. Unfortunately, the deadline is

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March 1. That's the bad news. The good news is, that is round one and there will be a round two. Grants are going to be offered semi-annually. Loans will be offered quarterly. They don't have to make a decision tonight but she does think it is a worthwhile opportunity and would like to apply for it. This is the first she talked to any one about it.

Mr. Seman asked how the loans are repaid.

Ms. Macomber said the first year is forgiven. It is a ten year payback. She thinks it is at zero interest.

Mayor Bica said that they are assuming that the cost savings is actually the payment to the loan.

Mr. Seman asked what kind of parameters can you use that loan money for.

Ms. Macomber said that loan is for hard costs so you can actually have it go toward capital improvements and making things work.

Mayor Bica said that it is anything that enhances collaboration amongst partners. There has to be at least two. The more partners you have, the higher the scoring and the more money you get.

Ms. Macomber said one partner is \$100,000.00; three is \$300,000.00; five is \$500,000.00 ten is still \$500,000.00 so it is up to \$500,000.00.

Mr. Seman asked if it would work with the dispatch center.

Ms. Macomber responded in the negative stating it is already done.

Mayor Bica said that it would have if they hadn't done it already.

Ms. Macomber said that you can use 20% of the \$100,000.00 grant for consultant fees. She would like to authorize the mayor to apply for support through this opportunity as a program.

Ms. Engelhart said that once the grant is submitted, they'll have to come back and get resolution from council so any of the collaborative partners have to have resolutions from their governing bodies to actually present as part of the grant application.

Mr. Ricciardi asked if they're talking about the grant or the loan.

Ms. Macomber said that it would be whatever fit in best with the resources available. There is some discussion about building public goodwill and if they can really engage their partners. As she understands it, right now they can apply with a letter of support. After they get the letter, they have to get a resolution from council that they will commit to the process.

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Mayor Bica said that one of the things that they like for the grant is a study of how that collaborative effort would go together based on the loan. They are trying to force you into a way to do that.

Mr. Seman asked who is going to write the grant application.

Ms. Macomber said she is wondering. When they have a brownfield opportunity, they have engineers coming out of the woodwork offering to write the grant for them. Then if they are awarded the grant, they will bid on becoming the city's certified professional. She is wondering if they won't be able to find a company or person willing to write this and then if it comes to fruition, they could bid on the project. She thinks it is legal because the cap is \$25,000.00. They are only going to offer \$20,000.00 if they write a successful grant.

Mr. Ricciardi asked how they select which one of these companies would write the grant.

Ms. Engelhart said it would depend on which area they want to focus on. Are going to look at applying for this grant in regards to communications; are they going to look at applying for this grant in regards to the health departments.

Mr. Ricciardi said he's not talking about the one right now but how do they decide which outfit, for the brownfield stuff, they are going to have write the grants.

Ms. Macomber said that in her case, that outfit was already put into place. It was just a continuation of that process. They could do the same process, get the consultant selection committee together and look at the various aspects of the company's qualifications. They would hire a firm that was qualified in a field they are trying to gain access into. The deadline is March 1.

Ms. Engelhart said they need an actual resolution. They need to know exactly what it is they are applying for.

Ms. Macomber said that each community that wants to participate has to put together a letter with the application that says they will participate. That would be the city/township/county, wherever they go. They've got six weeks to get there. There is a 10% match but it can be in kind, or from the partners or from a for profit entity.

There being no further comments or questions, it was decided by those present that a tracking sheet would be submitted for finance committee approval.

Mr. Seman said that he's still not comfortable with the resolution or lack of it on the Regional Planning Commission and Portage Development Board. He asked if the money is there for some of this.

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Mayor Bica said that the money has been budgeted for Regional Planning as part of the 2012 budget. They would need to increase the budget for the Portage Development Board if they so choose to do that. They are asking for a three year commitment. The cost is \$5,000.00 per year. If they are not comfortable about \$5,000.00, they could make some other contribution to show support but based on the financial constraints of the city.

- Mr. Seman asked what Mayor Bica and Mr. Cecora are comfortable with.
- Mr. Ricciardi asked if they are still in the red in the general fund.

Mayor Bica said that one of the things to consider is the city has its own economic development department they are funding. Again, he would like to show support for the Portage Development Board. He sits on the board. Ms. Macomber helps them out. They put a lot of in kind contribution to that. It would be nice to offer them some monetary amount for membership. Maybe it's not \$5,000.00; maybe it's \$2,500.00. That is his suggestion and make a three year commitment that they are showing support. They are one of the communities that is part of this.

- Mr. Seman said that if Mayor Bica feels he can barter that, he doesn't have a problem with it.
- Ms. Macomber said she'd be happy to take it to the executive director.

Ms. Michael asked what is the difference in paying \$5,000.00 and paying \$1,000.00; are they then not going to be recognized?

Mayor Bica said the membership allocations, the \$5,000.00 and those numbers were just developed by the executive board as guidelines of what they would ask for memberships from cities, villages, townships, private industry.

Ms. Michael asked if there is something they get for that cost.

Mayor Bica said it's supporting the Portage Development Board and its regional economic development. They are trying to push economic development throughout Portage County. Their goal is not to let anything out of Portage County. If something doesn't necessarily fit in Streetsboro, they might take it to Kent or Ravenna, etc. Let's try to keep it within the county. He thinks it does have value to the city in a very big picture. He thinks the Portage Development Board hears about a lot of projects they aren't privy to that may be in other areas. If it doesn't suit an area, that's where he thinks having a membership and being at the table allows them to be privy to that information.

Ms. Macomber said that when Mr. Ehrhart was at the meeting and talked about the executive pulse. That's a software program that allows them to track businesses and assist with business retention and expansion. That membership is paid for right now by the Greater Akron Chamber of Commerce. She would bet in the next year or two, they will stop paying for it and the Portage Development Board picks it up. That is the way she sees things go. It really is keeping their place at the table as a partner.

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Mr. Seman said he thinks it is important that they do that. They won't hear him say that about all organizations because they are coming out of the woodwork but both these groups have a good track records.

Mr. Ricciardi said that someone is going to explore a reduced fee for the city.

Mayor Bica said that he thinks if this body comes up with what they want to do, he thinks that would be acceptable.

Mr. Seman asked if at this point in time they are looking at not to exceed \$2,500.00. If they can get it for \$1,000.00 and keep them there, that would be nice, too.

Mayor Bica said he thinks it is very reasonable to explain to them the city's financial situation, which he already has, he thinks it would be appropriate.

There being no further business before the Committee, the meeting adjourned at 5:50 P.M.

ATTEST:	
Clerk of Council	Frank Seman, Chairman
	Community & Economic Development Committee