

CITY OF GROVE CITY, OHIO
COUNCIL MINUTES

April 19, 2010

Regular Meeting

The regular meeting of Council was called to order by President Berry at 8:00 p.m. in the Council Chamber, City Hall, 4035 Broadway.

After a moment of silent prayer and the Pledge of Allegiance, roll was called and the following members were present:

Greg Grinch Maria Klemack-McGraw Ted Berry Steve Bennett Melissa Albright

1. Ms. Klemack-McGraw moved to dispense with the reading of the minutes from the previous meeting and approve as written; seconded by Mr. Bennett.

Mr. Grinch	Yes
Ms. Klemack-McGraw	Yes
Mr. Berry	Yes
Mr. Bennett	Yes
Ms. Albright	Yes

2. The Chair read the agenda items and they were approved by unanimous consent.

The Chair recognized Mr. Bennett, Chairman of Finance, for discussion and voting under said Committee.

1. Ordinance C-17-10 (Authorize the City Administrator to enter into an Agreement with Community Capital Development Corporation and appropriate \$1,045,000.00 from the General Fund for the Current Expense of Administrative Costs and Loan Principal associated with the Town Center Loan Program) was given its second reading and public hearing.

Mr. Brad Shimp, CCDC representative, explained who they are and what they do. He said they are a non-profit organization that accesses U.S. Small Business Administration Loan Program and State of Ohio grant funds. He provided packets of information to the Council. He said they handle all of Franklin County and City of Columbus loans. He said they have approved over 1,500 loans, creating over 15,000 jobs in Central Ohio and all over the State. He said they have a number of Programs and they try to match the best Loan Program to the applicant. He said they understand these programs well and use them in conjunction with other loans. Mr. Bennett asked if Mr. Shimp finds these Programs successful. Mr. Shimp said yes – the range of loans he went over are the life blood of economic development for small businesses. They help people buy their building, provide working capital, help their businesses grow and create jobs. He said their mission is to create jobs.

Mr. Grinch asked about the SBA Loans, which are guaranteed and a program already up and running. He asked if there is a need to replicate it or do anything in addition to it. Mr. Shimp said it can work if a bank is willing to do it. If a bank is hesitant, then it could be supplemented with the Grove City program. Mr. Grinch voiced his concern over the City's portion. If that loan is not paid back, the taxpayer's money is lost. Mr. Shimp said that is why they service the loans and manage that risk. They stay on top of that. Ms. Klemack-McGraw asked if the City Loans are secured. Mr. Shimp said they ask for collateral. Mr. Grinch explained that CCDC makes a recommendation and final approval is with Council. He asked if that didn't make us bankers. Mr. Shimp said they are going to do their underwriting, submit their recommendation to the Loan Review Committee – who will look at it and

make a recommendation to Council. Hopefully, by the time it gets to Council, there will be a good understanding that this is a good loan. Mr. Grinch said his issue isn't with CCDC but with Council having approval. Ms. Albright asked if Mr. Shimp would look to the SBA loan first. Mr. Shimp said usually, yes. He gave an example of a business in Columbus that had money, but took the Columbus Loan Program that allowed them to borrow the equity. Then, they could use their own funds as working capital. Ms. Albright asked if Grove City funds would be considered last. Mr. Shimp said yes. Mr. Grinch noted that CCDC will be paid \$45,000.00 to administer this Program. However, anyone could go to a bank and apply for an SBC Loan for free. Mr. Shimp said they could, if the bank is willing to do it. Mr. Grinch wondered why we would pay for something that is free. Mr. Bennett said it is not free. He said CCDC is like using an independent agent to help you qualify for the right plans with the right people. He noted that this Program is not a give-away of money. Mr. Grinch asked if Mr. Shimp believes banks are not loaning money. Mr. Shimp said it has been tough. They are being really picky. Mr. Grinch showed an Ad from Chase Bank about their loan program. Mr. Shimp said large banks are being more reluctant to make loans. He said a member of his Board is in charge of that Chase Program, and he is struggling to make that happen. He said small businesses are still struggling to get financing.

Ms. Albright asked how this Program differs from some of the other City Programs he underwrites. He said it is very similar to all of them. It would essentially have two pots of money – one for real estate and one for working capital.

Mayor Stage said he has no objection to CCDC and even suggested that CCDC be used to take this out of our hands and have a discipline to the underwriting. However, he said when you are in the lending business you are risking the taxpayer's money. The one piece we haven't discussed is collection. When you are in the business of collections, the world changes, and can be faced with shutting down businesses. He said it is a risky situation, there will be losses and we must understand fully all aspects of the Program.

Ms. Christine Houk, resident and business owner, voiced support for this Program. She said it would go a long way in packaging the Tour Center and add another tool in the box to develop the Town Center. She said from the day the discussion came up for this Program, Council was supportive. Now, we are talking about risk. She said it is mystifying that in January all five council members were in support and now we are focusing on the risk. She said when you loan money, there is always risk. She said from the day this discussion came up, there has been a sense of hope in the Town Center and a sense of progress. In order for them to have a full package that makes Grove City stand out as a place to locate your business, this is an important step to take. She urged council to stay the course and see this through to completion. A lot of work has been done and it would be foolish to let it go to waste.

Ms. Klemack-McGraw said her comments relate to this ordinance and Resolution CR-19-10. She said she recognizes this as a program to make secured loans available to the Town Center businesses. She said while some have proclaimed that this will be high risk loans, the borrowers will have to pass scrutiny and provide collateral to protect the city's interest before a loan would be approved. She said this is not a give-away program. She feels we have an obligation to not only help protect our existing businesses, but in the long run our economic well being depends on establishing a climate that welcomes small business. If we, in the city, are not willing to take reasonable, calculated risk, to enhance business and encourage new ones, then we would be displaying no confidence in our community and we should either resign or be removed from office by the voters. She said the grant program approved earlier this year is a matching grant program for exterior improvements. This grant encourages improvements visible to the public. She said the more attractive the environment, the more all of the community stands to gain. She doesn't believe it to be appropriate to give money

away to benefit clients in a particular business. The secured Loan Program is the best way for individual businesses to seek help for improving their unique capital improvements that they need.

Mr. Grinch pointed out that these secured loans will only be extended to only a fraction of our businesses.

Ms. Albright noted that she received a copy of the Investment Policy. She read a section and asked how this restricts Council's vote. Mr. Turner, Finance Director, said this is not an investment.

There being no additional questions or comments, Mr. Bennett moved it be approved; seconded by Mr. Berry.

Ms. Klemack-McGraw	Yes
Mr. Berry	Yes
Mr. Bennett	Yes
Ms. Albright	No
Mr. Grinch	No

2. Ordinance C-21-10 (Authorize the City Administrator to Execute the Loan Approval Confirmation and Commitment with the Ohio Department of Development for a Logistics & Distribution Stimulus Loan and declare an emergency) was given its first reading.

Mr. Honsey, City Administrator, explained that we have until April 29, 2010 to accept the \$2 million award from the State of Ohio. He said he believes it to be in our best interest to accept that money, but it needs to be done as an emergency to meet the time lines.

There being no additional questions or comments, Mr. Bennett moved that the Rules of Council be suspended and the Waiting Period waived; seconded by Ms. Klemack-McGraw.

Mr. Berry	Yes
Mr. Bennett	Yes
Ms. Albright	Yes
Mr. Grinch	Yes
Ms. Klemack-McGraw	Yes

Mr. Bennett moved it be approved as an emergency; seconded by Ms. Klemack-McGraw.

Mr. Bennett	Yes
Ms. Albright	Yes
Mr. Grinch	Yes
Ms. Klemack-McGraw	Yes
Mr. Berry	Yes

3. Ordinance C-22-10 (Amend Ordinance C-03-10 and Replace Exhibit "A" of the Town Center Commercial Revitalization Program) was given its first reading. Second reading and public hearing will be held on 5/3/10.

Ordinance C-23-10 (Amend Various Sections of Chapter 161 of the Codified Ordinances titled Employment Provisions for City Employees) was given its first reading. Second reading and public hearing will be held on 5/3/10.

5. Resolution CR-19-10 (Adopt the Town Center Loan Program) was given its reading and public hearing.

There being no questions or comments, Mr. Bennett moved it be approved; seconded by Ms. Klemack-McGraw.

Ms. Albright	No
Mr. Grinch	No
Ms. Klemack-McGraw	Yes
Mr. Berry	Yes
Mr. Bennett	Yes

The Chair recognized Ms. Albright, Chairman of Safety, for discussion and voting under said Committee.

1. Ordinance C-18-10 (Authorize the Charitable Solicitations Board to Issue a Permit to the Knights of Columbus per Section 371.06(b)(2) of the Codified Ordinances of Grove City) was given its second reading and public hearing.

Mr. Pat Sommers, representing Council #4603 of the Knights of Columbus, said they run this campaigning each year. Most of their funds go to Grove City Special Olympics and the Heinzerling Foundation.

There being no additional questions or comments, Ms. Albright moved it be approved; seconded by Mr. Bennett.

Mr. Grinch	Yes
Ms. Klemack-McGraw	Yes
Mr. Berry	Yes
Mr. Bennett	Yes
Ms. Albright	Yes

2. Ordinance C-24-10 (Amend Various Section of Part 11 of the Codified Ordinances titled Planning and Zoning) was given its first reading. Second reading and public hearing will be held on 5/3/10.

The Chair recognized Mr. Grinch, Chairman of Service, for discussion and voting under said Committee.

1. Ordinance C-25-10 (Authorize the City Administrator to enter into a Cooperative Agreement with the Ohio Water Development Authority for the Planning of the Big Run/Fryer Park Water Storage Tank) was given its first reading. Second reading and public hearing will be held on 5/3/10.
2. Ordinance C-26-10 (Authorize the City Administrator to enter into a Cooperative Agreement with the Ohio Water Development Authority for the Planning of the Haughn Road Water Main) was given its first reading. Second reading and public hearing will be held on 5/3/10.
3. Resolution CR-23-10 (Name the New Entrance Drive off Broadway and into Windsor Park as Babbert Way) was given its reading and public hearing and Mr. Grinch.

Ms. Klemack-McGraw stated that she feels this is a very nice way to honor Barry Babbert. He was not just a good citizen of the City and did everything for the parks, but also a beloved friend. She thinks this a wonderful to name this Way in his memory.

Mr. Bennett said he had the pleasure of working with Barry. He said Barry was extremely conscientious and stood for everything good that this city is about. He said this is an honor befitting

such a staunch supporter of our park system and the city in general.

There being no additional questions or comments, Mr. Grinch moved it be approved; seconded by Mr. Bennett.

Ms. Klemack-McGraw	Yes
Mr. Berry	Yes
Mr. Bennett	Yes
Ms. Albright	Yes
Mr. Grinch	Yes

The Chair recognized Ms. Klemack-McGraw, Chairman of Lands & Zoning, for discussion and voting under said Committee.

1. Ordinance C-19-10 (Approve a Special Use Permit for Outdoor Seating areas for Parkway Centre East located at 4180 Buckeye Parkway) was given its second reading and public hearing.

Mr. Sean Cullen, Continental Real Estate, was present. He said even though they don't have specific users now, City Staff felt it was a good idea to go through this process now to lay out specific areas and gives them greater latitude for users coming into those buildings. Mr. Bennett asked about hanging banners and flags. Mr. Cullen said they have an extensive sign policy of their own and then it goes to the City for compliance. Ms. Klemack-McGraw reviewed the five stipulations from Planning Commission. Mr. Cullen agreed to all of them.

There being no additional questions or comments, Ms. Klemack-McGraw moved it be approved; seconded by Ms. Albright.

Mr. Berry	Yes
Mr. Bennett	Yes
Ms. Albright	Yes
Mr. Grinch	Yes
Ms. Klemack-McGraw	Yes

2. Ordinance C-20-10 (Approve a Special Use Permit for Outdoor Seating for the Wet Bar located at 1849 Stringtown Road) was given its second reading and public hearing.

Mr. Charles Montgomery, petitioner, was present to answer any questions. Ms. Klemack-McGraw reviewed the stipulations set by Planning Commission. Mr. Montgomery agreed to all.

There being no additional questions or comments, Ms. Klemack-McGraw moved it be approved; seconded by Mr. Grinch.

Mr. Bennett	Yes
Ms. Albright	Yes
Mr. Grinch	Yes
Ms. Klemack-McGraw	Yes
Mr. Berry	Yes

3. Ordinance C-27-10 (Appropriate Necessary Property Interests to construct Improvements to the I-71/S.R. 665 Interchange and declare an emergency) was given its first reading.

Ms. Klemack-McGraw moved that Exhibit A be replaced with the amended Exhibit from 4:30 pm today, which is the most up-to-date with Property Owners; seconded by Mr. Bennett.

Ms. Albright	Yes
Mr. Grinch	Yes
Ms. Klemack-McGraw	Yes
Mr. Berry	Yes
Mr. Bennett	Yes

There being no additional questions or comments, Ms. Klemack-McGraw moved that the Rules of Council be suspended and the Waiting Period waived; seconded by Mr. Bennett.

Mr. Grinch	Yes
Ms. Klemack-McGraw	Yes
Mr. Berry	Yes
Mr. Bennett	Yes
Ms. Albright	Yes

Mr. Berry asked for an explanation for the emergency. Mr. Phil Hartman, filling in for Law Director, explained that we need to have a clear date for the right-of-way. Some property owners may be unhappy with the City's independent appraisal and if that happens, the City will need to file suit and deposit the appraised value for those rights-of-way. He said that clear date is end of April/beginning of May. This will keep us on track with the construction date with ODOT.

Ms. Klemack-McGraw moved that this ordinance be approved as an emergency; seconded by Ms. Albright.

Ms. Klemack-McGraw	Yes
Mr. Berry	Yes
Mr. Bennett	Yes
Ms. Albright	Yes
Mr. Grinch	Yes

4. Ordinance C-28-10 (Levy Special Assessments for the purpose of Widening, Reconstructing and Improving S.R. 665 between North Meadows Drive & Hoover Road) was given its first reading. Second reading and public hearing will be held on 5/3/10.
5. Ordinance C-29-10 (Authorize the City Administrator to take any and all necessary action to Convey Certain Real Property to G&T Enterprises, LLC dba Sound Communications to finalize the Real Estate Exchange Agreement) was given its first reading. Second reading and public hearing will be held on 5/3/10.

The Chair asked that any new business to be brought before the attention of Council be done so at this time.

1. Mr. Steve Funk voiced thanks to Council for the job that they do and the integrity they have shown. He said sometimes you just need to hear thank you. He said Barry Babbert was a classmate of his and he thinks it is admirable what Council did for him tonight. He thanked Chief Wise and Chuck Boso for their efforts, as well.
2. Ms. Parker thanked Council for approving the Loan Program and willingness to back the businesses downtown. She then voiced her concerns over why the city is still entertaining the thought of putting a

Learning Center on the old Lumberyard Site. She is perplexed, especially when a privately funded location has been offered. She said she was even more puzzled when she attended the Mayor' meeting on the Town Center and was told several times by the presenter that the Learning Center would do nothing to help any of the retail businesses in the Town Center. At first, she said she thought she was the only one who understood it that way, but she wasn't. She said she doesn't understand why, when the city is in a unique position of owning property in a struggling area, that those officials don't capitalize on the opportunity to make it a win/win for everyone. Another consideration should be given to the fact that Penn National just bought Beulah Park and there may be a need for a hotel with a parking garage for them. She said there have been many ideas from a park to residences to a hotel that would bring people out, walking around and promote business. For as long as this property has been empty and for as much money as the city has spent on plans, surveys, committees, etc. she asked why we are rushing into a plan to put the rest of the Town Center businesses Out of business. She asked that they think about the businesses already here.

The Chair recognized members of Administration and Council for closing comments.

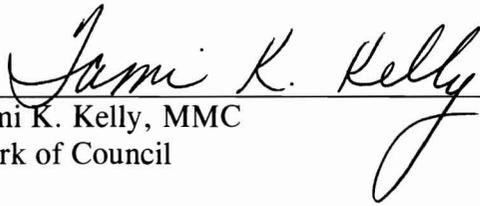
1. Mayor Stage submitted the Mayor's Monthly Report and Mr. Berry moved it be accepted; seconded by Mr. Grinch.

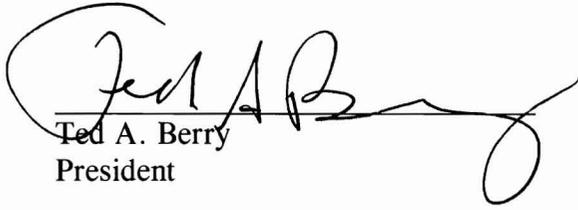
Mr. Berry	Yes
Mr. Bennett	Yes
Ms. Albright	Yes
Mr. Grinch	Yes
Ms. Klemack-McGraw	Yes

In closing, the Mayor announced that next month is Building Safety month and they will be at Home Depot on the 1st Saturday in May. He gave Mr. Mike Bos0 a Proclamation. He noted that the School Board passed a Resolution of support on the Center of Learning. He said there was a nice turn out for the State of the City address this morning and thanked staff for their assistance.

2. Mr. Turner, Dir. of Finance, submitted a Monthly Financial report. He reviewed the report and expects next month to be better in some of the slumping areas.
- 3 Ms Kelly, Clerk of Council, reported on a renewal Liquor Permit for a business on Stringtown. There being no objection, she said she would mark it as not requesting a hearing.
4. Mr. Bennett noted that from the comments he is hearing from his constituents, he will be introducing a piece of legislation to develop a park behind City Hall to enhance all types of business.
5. Chief Wise announced that the FOP has ratified their contract and as soon as Council approves it, we will have a new 3 year contract.
6. President Berry announced that by unanimous consent, Council has decided to do away with their Caucus Session and begin the Regular meeting of Council at 7:00 p.m.
7. After additional comments from Council and Administrative staff members, a motion to adjourn was approved by unanimous consent.

Council adjourned at 9:10 p.m.


Tami K. Kelly, MMC
Clerk of Council


Ted A. Berry
President