

CITY OF GROVE CITY, OHIO
COUNCIL MINUTES

June 29, 2015

Special Meeting

The Special Meeting of Council was called to order by President Berry at 6:08 p.m. in the Council Chambers, City Hall, 4035 Broadway.

Roll was called and the following members were present:

Jeff Davis Maria Klemack-McGraw Ted Berry Steve Bennett Laura Lanese

1. President Berry recognized Mr. Dan Gore, Pizzuti, who presented the latest plan for the apartments behind City Hall.

Mr. Gore thanked Council for the special meeting and introduced some members of his team. He went through a Power Point presentation. He said they believe the Town Center is ready for apartments. He showed the latest rendering with a club room, fitness center, rental office and apartments above. It creates a pedestrian connection to the library and parking in-between. There would be a plaza between the apartments and City Hall. He said today, the revised plan focuses on developing the apartments, improving the parking to the north and the pedestrian walkway. In the future, they see City Hall moving and the building being used for retail/restaurants and office use. He reviewed the parking within the Town Center. He said it is important to find the right balance. In 2009 there were 984 spaces. This study showed that there were 500+ spaces open during peak hours, which concludes that there is not a parking shortage. Today, there are 1,091 spaces and they feel there is plenty of parking to accommodate the Town Center. He showed the Preliminary sketch of the apartment buildings and reviewed the suggestions that were given by Planning Commission and Council Members during the preliminary plan approval. The latest proposal takes into consideration all those comments.

Mr. Ed Fahair explained the site layout, ingress/egress, and screening. The center of the site has a linear green space with gazebos and fire place. Mr. Gore continued to explain the exterior building design. Lobbies have been enclosed and elevators added. There are small balconies for most. They are offering a high quality unit. Mr. Chris Deibel with Scioto property management group shared how Pizzuti sees this project fitting into the market. Chris talked about the millennial population. He said this group wants an urban setting, a walk-able area, and a relaxed environment. It is important to have authenticity and the Town Center has this, naturally. This is what they are looking for - walking to Planks, over to see the art, and going to the theater. They want an apartment, not a home. They are cost conscious but will pay for quality. He believes they will help grow the natural, organic flavor of the city. The empty-nesters like being around this crowd and are a natural fit.

President Berry asked Council to share what they like about the project.

Ms. Lanese asked why it isn't more of a mixed use project. Mr. Deibel said the apartment area doesn't have the exposure needed to have successful retail spaces. He has seen many multi-story mixed use projects fail. He said it is better to have a mixed-use area. He said office users like to be close to retail, so any office space would need to have a discounted rent. Ms. Lanese said she also hears a lot of concerns about parking. She asked where the spots are for City Hall. Mr. Gore said while the building operates as City Hall, the 8 visitor spaces will remain. The rest will be street parking or the lots on Park Street or Grove City Road could be used. She said she feels the more upscale amenities may help. There is still concern that these units will get rented, but the buildings seem to fit into the Town Center better now. She said the new rendering shows three homes being taken for parking expansion and she feels there needs to be more discussion about that.

Ms. Davis said he has always been supportive of the idea of apartments on the site. He agrees that the upscale units are better. He said there is the "children and egg" question that he hope they have some insight on. Mr. Gore said what they would like to see overall, is more demand for retail, commercial, increased rents, a very vibrant Town Center. To make that happen, there needs to be more demand for that commercial. He said they estimated that the 120 apartment units would yield about \$1,000,000.00 in spendable income. The stores would have that money available to capture. Mr. Gore said they believe there is already enough in the Town Center to capture these renters. It can and needs to get better but the potential is there. He said there is already a fundamental energy of walkability in the Town Center. That is why they believe the apartments will work. Mr. Davis asked about the hours of operation of businesses in the Te. Mr. Gore said current business owners will need to consider their hours and expand their opportunities. Mr. Davis asked if that will prevent them from moving here. Pizzuti said no. They went to be part of the community and feel there is enough already here. Mr. Davis said he has never believes we have an existing parking problem.

Mr. Bennett asked what the anticipated height of these buildings will be. Mr. Grove said about 37 ft. Mr. Bennett said the walls of City Hall are 30% less than that. He said he liked the ornamentation and attitude of trying to fit into the Torus Center. He shared his thought on needing more retail and immediate access parking. He said this is only one piece of the puzzle and we need to justify the bigger picture and the numbers to our residents. He said the town of Delaware has multiple layers of retail and they don't have front road spaces. He said people need to have something to walk to, other than a piazza shop. He said he is pleased to hear that that the apartment amenities inside are what people want.

Ms. Klemack-McGraw said she likes the way the building look and fit into the Town Center.

Mr. Berry said most of the questions deal with parking, City Hall, and the few houses on Park Street. He asked Mayor Stage about City Hall. Mayor Stage said the next four or five years will keep City Hall here. Unless someone comes to the City with a great offer, that is what the horizon looks like. Mr. Berry asked if the homes in question have any historical value. Mayor Stage said they are checking. The City is not in the business of tearing down historical structures, but, the City doesn't own them. The property owner controls these homes.

Mr. Berry asked how many spaces are lost behind City Hall. Mr. Gore said your lose 78 and gain 69 in other areas. There are 57 at the current library that could be gained once they move. Other spaces were also identified. Mr. Berry questioned the need to even buy those homes. Ms. Lanese said it also dilutes the historical value and view for the apartments. She asked if the Historical Commission could investigate these homes and see if there is any value. Mr. Berry said, for now, he agrees with keeping the houses and if the developer needs them for something in the future they can negotiate that.

Mr. Bennett asked how many of the one bedroom units will be occupied by one person. He said he is just trying to figure out how many people will be in 89 of the units and how many cars this will need to accommodate. Then there are 31 units with two bedrooms. It appears to him that even the residents will have to go across the street and park in the public spaces. Mr. Gore said he understands where Mr. Bennett is coming from. He said they never want to build an apartment project that doesn't work. He said there is always going to be some vacancy and there is always turn-over. However, they realize people will have friends over. They recognize it will activate the on-street parking. They feel they will be fine with the number of spaces shown on the plan. Mr. Bennett asked if any parking on Park Street will become parallel. Mayor Stage said they did look at that and there may be some, but most of the street doesn't allow for much of a gain. He asked Teri Fogler to weigh in. Mr. Fogler said he worked with Dublin on a similar issue. He said it becomes more about managing the spaces, rather than adding more spaces. He said you need something to build on. You need these types of projects to show proof of concept. The success of this will breed more interest in

retail and more housing, as long as it is successful. He said the discussion of framing the street with homes is a good one. They tend to be more walk-able when you have buildings on both sides. He said the kinds of things that are trying to be achieved, is that first pioneering project. To the extent of it being successful, you will get more redevelopment in the area.

Mr. Davis said the only creeping problem he has is the parking of visitors at City Hall, the visitors for the Town Center and visitors at the apartments. He doesn't like them using the new Library spots as available spaces for this area. Mr. Berry said he doesn't feel there is a parking problem right now and we need to plan for the future. Mr. Gore agreed that having some parking issues can be good. He said spaces could always be added vertically in the future. He said the apartment project is teed up and ready to go. If they couple that with parking he said it will be hard to move the apartment deal forward. He knows they have a number of short-term issues that they are willing to work on.

Mayor Stage said when they started aggregating the property they realized that they have not received any tax dollars for 15 years. He said the whole area is tax abated; and won't receive taxes. He said a Tax Increment Financing system will work. The abatement is released and the owner would pay taxes to pay off the debt. He said they have talked to the School District and the Township and they are open to the TIF proposal. He showed the parcels the city has acquired; an outline of the partnership with Pizzuti for vertical and horizontal improvements. He explained this would be a 24 year debt of \$4.8 million dollars, including .4 million in interest. Pizzuti is guaranteeing a \$335,500.00 payment each year and the annual debt cost would be \$330,500.00, given today's rates. They are asking that the schools forego any tax money for nine years. Any extra monies collected would be used to pay down the debt quicker. He said the other piece is Pizzuti's money, which is close to \$12 million.

Mr. Berry said as this goes along, he thinks there should be parking east of the library for staging and temporary use. Mayor Stage said they are going through staging on the library now and working on many scenarios. The Mayor said his comfort level is about 90-95% that this is a viable project and will benefit our community.

Further discussion continued over the three homes on Park Street and the spaces on that ground. Mayor Stage said they have heard the message about saving the homes.

Mr. Bennett said he would feel more comfortable deciding on the zoning after the financials are more fully set. Mayor Stage said he wants to make sure they are on the same page with respect to numbers. Mr. Davis said he believes that we have settled that some of these things can be done incrementally, but he agreed that before they vote on things, he wants to make sure we are protected.

President Berry asked the public if they had any questions.

Mr. Roger Burket suggested removing one apartment building from the project and saving the parking spaces directly behind City Hall, along with the homes across the street. He also suggested reconsideration of the ratio of one bedroom to two-bedrooms. He thinks there are too many units. He said he is not an expert but does have a lot of experience renting homes.

Mr. Bill Lewis, II, asked about construction parking. He is concerned about the spaces in front of their home being used for construction workers and others, when they are needed for the house. He said they own a home on Park Street and are trying to decide if they want to invest in improvements. Mr. Gore said the construction crew won't take those spaces.

Ms. Christine Houk said the focus needs to be bigger on keeping the charm of the Town Center and maintaining the historical character, rather than focusing on three homes.

Broadway & Park Apartment Homes



Grove City Town Center

PIZZUTI

Concept Plan

- On August 26, 2013, Pizzuti presented a revised concept plan (the “**Revised Concept Plan**”) to City Council.
- On September 3, 2013, City Council enacted Resolution CR-42-13 which endorsed the Revised Concept Plan.

Concept Plan



Resolution CR-42-13

Grove City Town Center

PIZZUTI

Updated Master Plan



Grove City Town Center

PIZZUTI

Parking Summary

2009 Publicly Accessible Parking Spaces	984
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Per Desman Associates Report

Peak Level of Weekday Parking Activity	43%
Peak Weekday Public Parking Demand	423

Conclusion: the Town Center does not have a parking supply shortage

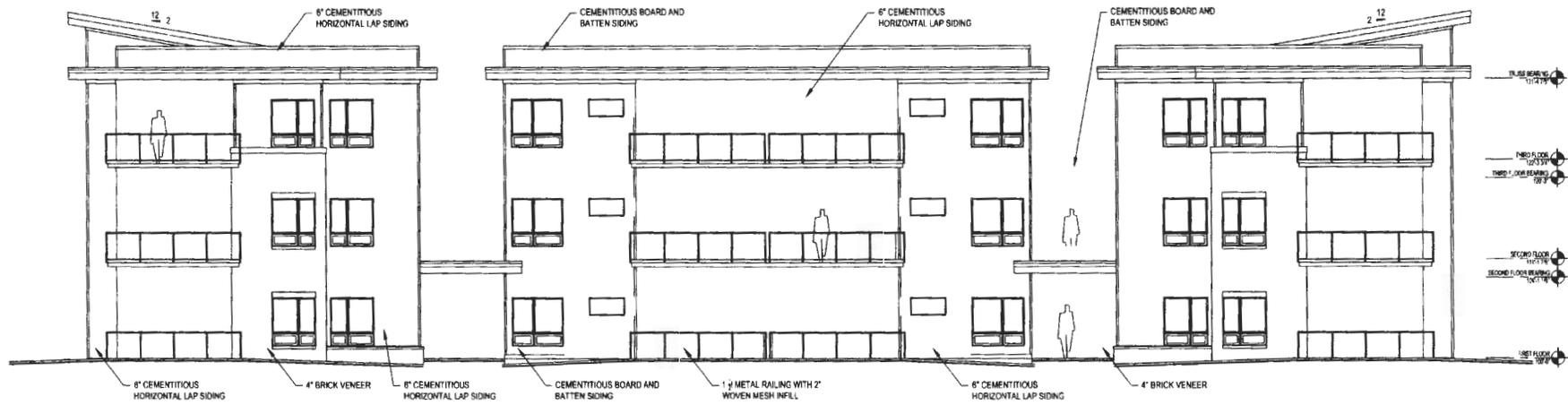
PUBLIC LOT	DESCRIPTION	INCREASE / (DECREASE)	NOTES
P1	Expanded Parking Lot at 1st and Park	15	
P2	New Parking Lot on South side of Grove City Road	15	
P3	Mill Street Market Parking modifications	0	Added 11 new, lost 11 old
P4	New Library Parking Lot	76	Added 86, lost 10
P5	Expanded Parking Lot adjacent to Dubose	10	South of the Library
P6	Park Street Lot behind Shops on Broadway	69	
P7	City Hall Parking Reduction	(78)	86 total spaces, maintain 8
P8	Future City Hall	0	Not included at this time
Total Number of Parking Spaces Added		107	Includes all Phase 3 Improvements

TOTAL DOWNTOWN PUBLIC PARKING	1091
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Preliminary Development Plan

- On December 1, 2014, City Council approved the Preliminary Development Plan (the **“Preliminary Development Plan”**).
- On December 8, 2014, City Council determined to proceed with the Project as generally described in the Preliminary Development Plan.

Preliminary Development Plan



Grove City Town Center

PIZZUTI

Community Feedback

- Make the design more contextual
- Add more brick to the elevations
- Enclose lobbies and corridors
- Add elevators
- Add carports

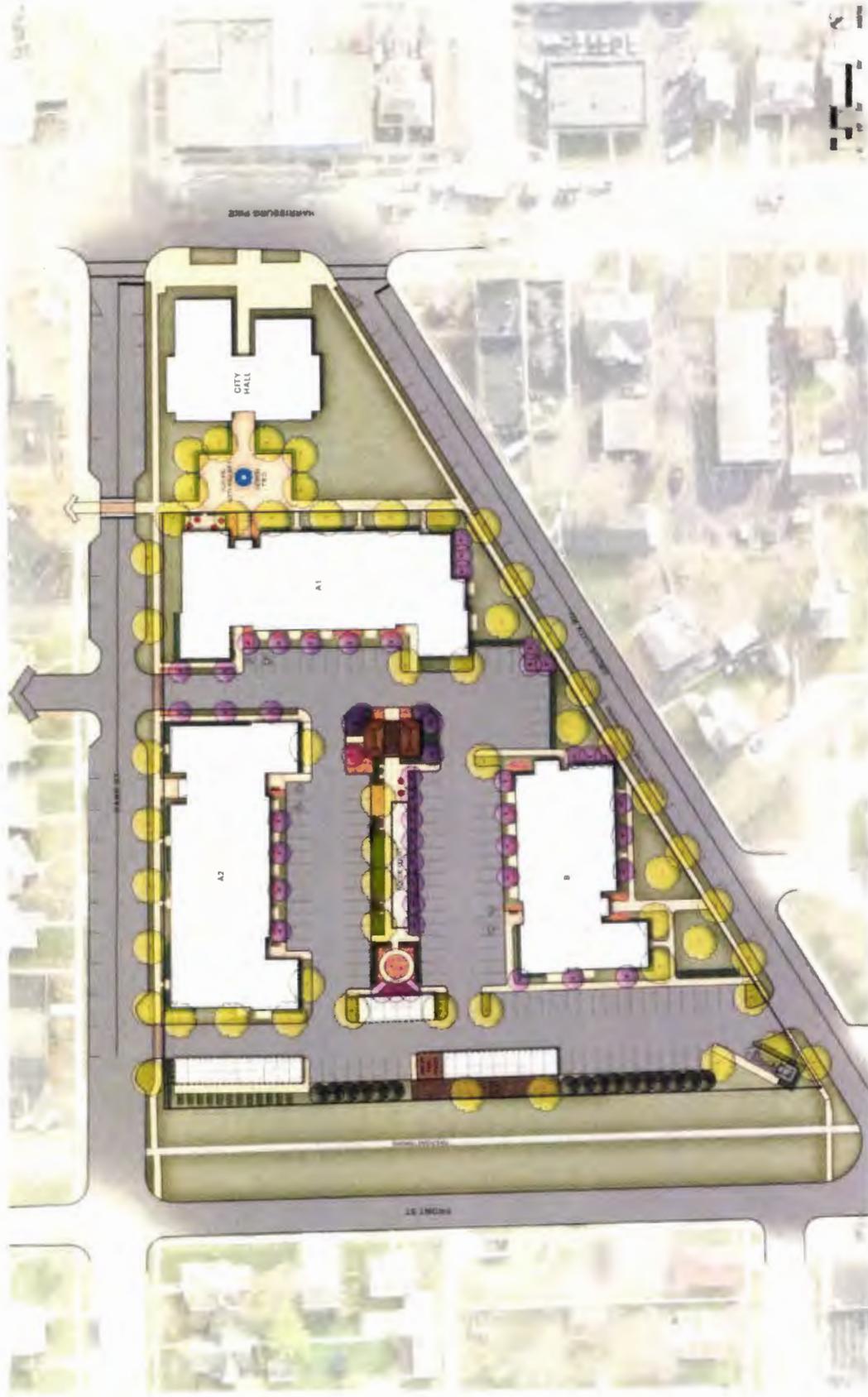
Updated Project Summary

Acreage: 3.25 acres
Buildings: 3
Building Area: 115,854 sf
Number of Units: 120

89	One Bedroom (700 sf)
<u>31</u>	<u>Two Bedroom (1,032 - 1,165 sf)</u>
120	TOTAL UNITS

Parking Spaces: 151 spaces (25 Carport)

Updated Development Plan



Grove City Town Center

PIZZUTI

Project Renderings



Grove City Town Center

PIZZAUTI

Broadway & Park Development

- **Property assemblage (1997-2001)**



- **Realized tax revenues since completed land assemblage: \$0**



City of Grove City

Broadway & Park Development

- **Property is located in a Community Reinvestment Area (CRA #3)**

- Effective CRA term: 15 year 100 percent tax abatement on real property improvements

Under the terms of the CRA the property will yield \$0 tax revenue for taxing jurisdictions (school district, county, township, library, city) for the next 15 years



City of Grove City

Broadway & Park Development

- **Partnership with Pizzuti Companies**

- Partnership will result in the redevelopment of the former lumberyard site and creates a tax generating property

Pizzuti is requesting to utilize Tax Increment Financing (TIF) as the finance vehicle to accomplish the project.

- Utilizing a TIF will result in approximately \$5 million in revenue that would otherwise be abated under the CRA designation



City of Grove City

Broadway & Park Development

- **Source of funds**

\$4.8 million of taxable special obligation bonds

- **Use of funds**

\$4.4 million TIF request

\$0.4 million in capitalized interest

\$4.8 million to be financed

- **Debt Service**

Estimated Principle and Interest: \$330,000

Guaranteed Payment (from Pizzuti): \$335,500

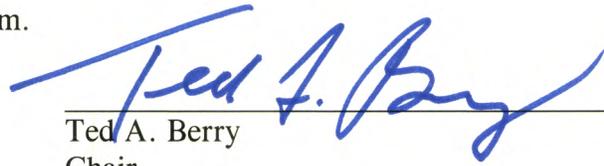


City of Grove City

After closing comments, Council adjourned at 8:16 p.m.



Jami K. Kelly, MMC
Clerk of Council



Ted A. Berry
Chair