

CITY OF GROVE CITY, OHIO
COUNCIL MINUTES

August 5, 2002

Regular Meeting

The regular meeting of Council was called to order by President Klemack 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:

Vaughn Radi Bob Hatley Maria Klemack Budd Eversman Bill Saxton

1. Mr. Saxton moved to dispense with the reading of the previous two meetings minutes and approve as written; seconded by Mr. Radi.

Mr. Radi	Yes
Mr. Hatley	Yes
Ms. Klemack	Yes
Mr. Eversman	Yes
Mr. Saxton	Yes

2. President Klemack recognized Mr. Brian Mead of the State Auditor's Office, who presented the Finance Department with the Auditor's Award for the highest standards in financial reporting and accountability. Out of 4,600 government entities in the State of Ohio, only 225 receive this award.
3. President Klemack then recognized Mr. Stage, City Admin., who introduced Mr. Ken Danter, President of The Danter Group, who did a study for the City on our housing, office and industrial development. He is here tonight to provide an update on condominiums in the community. Mr. Ken Danter provided statistical information, based on various studies done across the country. He explained that their research indicates the support for 160 - 180 condominium units per year, based on the style and amenities. Although they cannot determine what a developer determines is a success, they believe that 2.5 units per month is a good absorption rate. He said he understands that questions have come up about having basements. He indicated that they have done considerable research on this subject and the preference is based on whether the unit is for an "empty nester" or not. Price is also a deciding factor, as a basement may increase the price by \$25,000.00. He explained that most "empty nesters" want the basement for storage, but are not likely to pay the extra cost. However, many developers combat this with other storage spaces like: bigger and/or deeper closets; a bigger garage or an alcove in the garage; pull down stairs with storage in attic. For "nesters", they don't mind the extra cost because they will use it for recreational/living space. He then reviewed the four (4) condo proposals before the city currently. He explained that these proposals are offering condos in four different cost categories and that is to the city's benefit. If they were all in the same cost category, he believes we would have more product that could be absorbed.

The Mayor asked how many basements could be absorbed in a 50-unit condo complex. Mr. Danter said assuming it was an empty nester complex and basements were being offered at \$25,000 - \$30,000, and in the middle condo price range, about 10%.

Mr. Radi asked what percentages of condos in Central Ohio are purchased by families. Mr. Danter stated that approximately 15 – 18% are geared to families with children and about 35 – 40% are geared to those called “other than empty nesters”.

Mr. Saxton asked Mr. Danter to touch on garages and square footages for an upscale unit. Mr. Danter said garages are an absolute. In the \$150,000 - \$160,000 range, a two-car garage is needed. In the \$120,000 - \$130,000 range, you can get by with a one-car garage. Typically, we begin to think of an upscale condo at the 1,600 square foot range with a two-car garage and no basement.

Mr. Eversman asked what square footage sizes the empty nester was looking for. Mr. Danter said it's a broad category because there is a wide variety of people and areas of affordability. He said typically, the 1,000 – 1,200 sq. ft. is in the \$120,000 - \$130,000 range. There is a whole group of products in the 1,400, 1,500, 1,600 sq. ft. range, which is the \$150,000 - \$160,000 range. It is rare that you see any over 1,800 sq. ft. because the higher the price, the less the market. It also takes a special site to build a \$200,000 - \$250,000.00 condo. Mr. Eversman asked if the 1,400 – 1,600 sq. ft. units typically had two large bedrooms or three small bedrooms. Mr. Danter said generally, the developer would have both products in his arsenal. Once the project gets underway, it is market driven. Usually you have 30% with three bedrooms and the rest two bedrooms, never any one bedroom units.

Mr. Hatley asked how things have changed since the last report. Mr. Danter said they have looked at the price base for today's market and the current environment. They had not anticipated a change in the capture factor, which has changed significantly. The product is more acceptable than it was two years ago. There are also more people aging into the product and have not taken that into consideration. Mr. Hatley asked if we are in better or worse shape than two years ago. Mr. Danter stated that we are in worse shape because we have two developments that are close to running out of product before any new product comes on. So, we are looking at a gap in next year.

Mr. Radi asked if Mr. Danter had indication what the desire is for developers and purchasers to have upscale condos integrated into a residential neighborhood on a smaller scale rather than a condo grouping. Mr. Danter said typically, there is a certain critical mass needed for the desired neighborhood feel. People want to have a sense of arrival and community.

Mr. Saxton noted that last year we had 34 re-sales of condos. Today, we have 18 units on the market with three in contract, ranging from \$115,000 - \$185,000. He asked if that was typical. Mr. Danter said the resale figure was very low.

Mr. Stage noted that the largest condo builder was interviewed and as of two months ago, 40 – 50% of their purchasers live in Grove City. He said this also opens up the inventory of entry-level housing. He said it is a cycle that we are blessed with.

Council thanked Mr. Danter for his presentation and update.

4. President Klemack read the agenda items and they were approved by unanimous consent.

The Chair recognized Mr. Saxton, Chairman of the Lands & Zoning Committee, for discussion and voting of legislative agenda items under said committee.

1. Mr. Saxton moved to table Ordinance C-53-02; seconded by Mr. Hatley.

Mr. Hatley	Yes
Ms. Klemack	Yes
Mr. Eversman	Yes
Mr. Saxton	Yes
Mr. Radi	Yes

2. Ordinance C-66-02 (Rezone 9.53 acres located on the southeast corner of Gantz Road and Marlane Drive from IND-1 to PUD-R) was given its second reading and public hearing.

Mr. Mike Murphy, petitioner, explained that this site would be developed for a 52 unit condo complex. Six (6) of the units would have basements. He showed a picture of a typical unit, which has a brick front. He said they would range from \$120,000, for a two bedroom with a one-car garage, up to \$170,000, for a two bedroom with an optional third bedroom and a basement. He also provided a materials board, showing the proposed colors and materials.

Mr. Eversman commented that when this was brought to Council for its first reading, he had asked if Council would be voting on the rezoning at the same time as the development plan. At that time, he thought he was told yes. He said he understands that the development plan has been submitted and will come before Council at their next meeting. He asked if this rezoning could wait until then. Mr. Steve Fulkert explained that they have an August 15th deadline with Pizzuti to purchase the ground. He said they did try to get the development plan on the same agenda as the rezoning. However, Planning Commission delayed their last meeting, which adjusted the timing for the development plan getting on this Council agenda.

Mr. Saxton asked if they would consider doing more basement units. Mr. Murphy said this is the first time they have offered basements. If it were successful, they would look at doing another project in Grove City with more basements. Mr. Saxton and Mayor Grossman stated that they have had many residents ask them for basement units. Mr. Saxton said if they offered them, he believes they would be surprised how many people would buy them. Mr. Eversman said he appreciates the upgrading of the project and the product, since its first submittal.

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

Ms. Klemack	Yes
Mr. Eversman	Yes
Mr. Saxton	Yes
Mr. Radi	Yes
Mr. Hatley	Yes

3. Mr. Saxton moved to remove Ord. C-53-02 from the table and add it to the agenda; seconded by Mr. Radi.

Mr. Eversman	Yes
Mr. Saxton	Yes
Mr. Radi	Yes
Mr. Hatley	Yes
Ms. Klemack	Yes

Ordinance C-53-02 (Rezone 1.6 acres located east of Gantz Road and South of Marlane Drive from IND-1 to PSO) was given its second reading and public hearing.

Mr. Stage stated originally the Administration was very much opposed to de-industrializing almost 12 acres. The compromise was that they would carve out an area that was not conducive to industrial development but conducive to condominium development. He said 9.5 acres would be pulled out of the tax abatement area and the balance would be developed into office space by Pizzuti. He believes this has turned out to be an equitable solution for the property.

There being no additional speakers, the vote was called on the motion to postpone.

Mr. Radi	Yes
Mr. Hatley	Yes
Ms. Klemack	Yes
Mr. Eversman	Yes
Mr. Saxton	Yes

4. Ordinance C-74-02 (Approve a Special Use Permit for Pups At Play, located 4163 Kelnor Drive) was given its first reading and at the written request of the petitioner, Mr. Saxton moved it be withdrawn; seconded by Mr. Radi.

Mr. Hatley	Yes
Ms. Klemack	Yes
Mr. Eversman	Yes
Mr. Saxton	Yes
Mr. Radi	Yes

5. Resolution CR-52-02 (Approve the Preliminary Development Plan for the Weygandt Tract located at 2552 Demorest Rd.) was given its reading and at the request of the petitioner's agent, Mr. Saxton moved it be postponed to 9/3/02; seconded by Mr. Eversman.

Ms. Klemack	Yes
Mr. Eversman	Yes
Mr. Saxton	Yes
Mr. Radi	Yes
Mr. Hatley	Yes

6. Resolution CR-56-02 (Approve the Sign Request for Steed Hammond Paul located at 4011 Broadway in the Historical Preservation Area) was given its reading and public hearing.

A representative from Steed Hammond Paul was present to answer any questions. He apologized for the installation of one of their signs. There was a miscommunication with the installation crew on when to begin.

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

Mr. Eversman	Yes
Mr. Saxton	Yes
Mr. Radi	Yes
Mr. Hatley	Yes
Ms. Klemack	Yes

7. Resolution CR-57-02 (Approve the Preliminary Development Plan for Holton Run, located west of Broadway and North of Orders Road) was given its reading and at the request of the petitioner, Mr. Saxton moved it be postponed to 8/19/02; seconded by Mr. Radi.

Mr. Saxton	Yes
Mr. Radi	Yes
Mr. Hatley	Yes
Ms. Klemack	Yes
Mr. Eversman	Yes

The Chair recognized Mr. Radi, Chairman of the Safety Committee, for discussion and voting of legislative agenda items under said committee.

1. Ordinance C-72-02 (Amend Section 155.05(b) of the Codified Ordinances of Grove City, Ohio titled Promotions) was given its second reading and public hearing.

Mr. Clark, Dir. of Law, requested that this ordinance be postponed until 8/19/02 in order to clarify some language.

There being no additional questions or comments, Mr. Radi moved it be postponed until 8/19/02; seconded by Mr. Eversman.

Mr. Radi	Yes
Mr. Hatley	Yes
Ms. Klemack	Yes
Mr. Eversman	Yes
Mr. Saxton	Yes

2. Resolution CR-58-02 (Authorize the Chief of Police and Mayor to Apply for Funding from the DARE Grants Program) was given its reading and public hearing.

Mayor Grossman commented that the City has been fortunate in the past to receive several DARE grants, to support this program.

There being no additional questions or comments, Mr. Radi moved it be approved; seconded by President Klemack.

Mr. Hatley	Yes
Ms. Klemack	Yes
Mr. Eversman	Yes
Mr. Saxton	Yes
Mr. Radi	Yes

The Chair recognized Mr. Hatley, Chairman of the Finance Committee, for discussion and voting of legislative agenda items under said committee.

1. Ordinance C-75-02 (Establish the Lincoln Avenue Community Development Block Grant Fund and Appropriate \$225,783.00 from said Fund for the Current Expense of Road Reconstruction) was given its first reading. Second reading and public hearing will be held on 8/19/02.

2. Ordinance C-76-02 (Appropriate \$40,975.00 from the Sewer Fund for the Current Expense of Reimbursing The City Of Columbus For Tap Fees Collected) was given its first reading. Second reading and public hearing will be held on 8/19/02.
3. Ordinance C-77-02 (Appropriate \$3,700.00 from the Street Fund and \$3,700.00 from the Sewer Fund for the Current Expense of the Service Department Employee Safety Program) was given its first reading. Second reading and public hearing will be held on 8/19/02.
4. Ordinance C-78-02 (Appropriate \$6,748.00 from the General Fund for the Current Expense of Vehicle Replacement) was given its first reading. Second reading and public hearing will be held on 8/19/02.
5. Ordinance C-79-02 (Reappropriate \$942.57 from the LLEBG 2000 Grant Fund for the Current Expense of Acquisition of Police Equipment) was given its first reading. Second reading and public hearing will be held on 8/19/02.
6. Ordinance C-80-02 (Authorizing the Provision of Certain Incentives for the Purpose of Inducing Stringtown Partners North, LLC and Stringtown Partners South, LLC to Undertake The Buckeye Centre Commercial Development within the City, which Incentives Include Declaring Improvements to Certain Parcels of Real Property to be a Public Purpose, Describing The Public Infrastructure Improvements to be Made to Benefit those Parcels, requiring the Owners Thereof to make Service Payments in Lieu of Taxes; Establishing A Municipal Public Improvement Tax Increment Equivalent Fund for the Deposit of Such Service Payments; Approving and Authorizing the Execution of a Tax Increment Financing Agreement, An Infrastructure Agreement and a Compensation Agreement; Accepting Property Owners' Petitions Requesting that Certain of the Parcels be Specially Assessed for the Cost of the Public Infrastructure Improvements and Determining to Proceed with the Construction of the Public Infrastructure Improvements, and Declaring an Emergency) was given its first reading. Second reading and public hearing will be held on 8/19/02.

Mr. Greg Stype, Squire, Sanders & Dempsy, who serves as the City's legal counsel on this project, explained that this ordinance would allow for the financing of road improvements in the Stringtown & White Roads area, and the construction of Buckeye Parkway. He said that they are wrapping up the final items with the developers and landowners.

Mr. Eversman stated that typically when this type of legislation is approved, it does not change after the approval. Written into this ordinance is language that allows the City Administrator to make non-substantial changes. He said he understands this, but wanted to know if Mr. Stype would continue to work on this and advise Mr. Stage if there were any substantial changes that needed to come back to Council. Mr. Stype said yes, absolutely. He said it is their hope to have everything in order at the time of passage, however, the unforeseen change in a company name, or something unsubstantial is what the appropriately bounded provision is for.

Mr. Radi asked if the agreement included obligations to the successors of the clients that agree to make the payments. Mr. Stype said yes. That would be an essential feature of the agreement. They are not only an obligation of the property owners at the time the Agreements are executed, but an obligation to every successor for as long as the TIF exists.

Accompanying that, there is recorded security for those payments, in rural taxes that are filed with the Franklin County Auditors Office and stands in front of standard mortgage financings. So, the responsibility and obligation to make those payments amounts to a tax lien in terms of enforcement and collectibility. Mr. Radi questioned the risk to the City. Mr. Stype said the

City's effort has been to minimize all risk to itself. He said the one thing that is out of everyone's control is the economy. The one item in the document to help guard against that is a requirement for letter of credit from a reputable financial institution that is there to secure and guard against timing. Finally, to service both the city's interest in preserving its debt capacity and as a further supplemental means of security, there is a provision for special assessments that could be used, but not anticipated. Mr. Radi asked about the numbers. Mr. Stype said they are very complicated and doesn't have all the figures/calculations in his head. Mr. Stage stated that it was explained to the School District that we would be at least eight (8) years before we had any excessive cash flow that could be passed on to them. He commented that this is a first reading so public notice could be given. However, timing is of the essence. Bids have been submitted for Stringtown and White Road improvements. They expire tomorrow and a 30-day extension has been requested. An emergency is being requested to waive the 30-day grace period at the second reading. If that happens, an award for the road improvements could take place and the immediate transfer of right-of-way from the property owners.

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

There being no new business, the Chair recognized members of Administration and Council for closing comments.

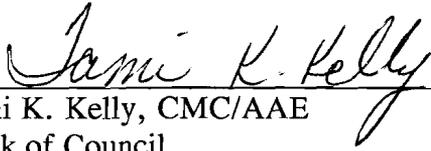
1. Mayor Grossman submitted the Mayor's Monthly Report and Mr. Eversman moved it be accepted; seconded by Mr. Saxton.

Ms. Klemack	Yes
Mr. Eversman	Yes
Mr. Saxton	Yes
Mr. Radi	Yes
Mr. Hatley	Yes

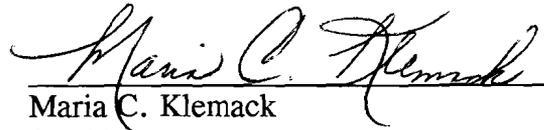
In closing, the Mayor and Council congratulated the Finance Department. The Mayor announced the passing of Keith Montague, a longtime member of the Tree Commission, and expressed condolences. She reported on the Sesquicentennial Events during the Homecoming Celebration and Council complimented everyone involved. The Mall of Yesteryear was great.

2. Mr. Stage stated that the City is offering Fall Youth Baseball for the first time and has over 300 enrolled. He also stated that they had lost in their efforts to keep a piece of property on Big Run Road from being annexed into Columbus. After testifying before the County Commissioners, it was denied. However, the next day the County's Law Director reminded them of his opinion and that it was advisable to approve the annexation. So, it is anticipated that at their next meeting, the Commissioners will revisit and approve it. He said he is writing a letter that he would like Council to read and give him their opinion as to whether he should send it or not.
3. After additional comments from Council and other Administrative staff members, a motion was made to adjourn and seconded. Motion carried.

Council adjourned at 9:34 p.m.



Tami K. Kelly, CMC/AAE
Clerk of Council



Maria C. Klemack
President