

The President called the meeting to order at 5 p.m. after the Invocation, given by Wes Poole, and the Pledge of Allegiance.

The Clerk called the roll and the following Commissioners responded: Naomi Twine, Greg Lockhart, Wes Poole, Dennis Murray, Dick Brady, Nikki Lloyd and Dave Waddington.

City staff present: Aaron Klein - Director of Public Works, John Orzech - Police Chief, Rick Wilcox- Fire Chief, Matt Lasko – Chief Development Officer, Don Rumbutis - IT, Stuart Hamilton – IT Manager, Sally Martin – Interim Finance Director, Trevor Hayberger – Law Director, Eric Wobser – City Manager and Kelly Kresser – Commission Clerk.

Upon motion of Dave Waddington and second of Naomi Twine, the commission voted to approve the Minutes of the November 25 meeting and suspend the formal reading. The President declared the motion passed.

#### **AUDIENCE PARTICIPATION**

Tim Schwanger, 362 Sheffield Way, asked how much of the Cleveland Road TIF agreement has already been accounted for with spending (Item #2). The city contracted with Environmental Design Group earlier this year to do the engineering work, design work and easements for the Sandusky Bay Pathway but did not know which accounts were being used for this expenditure. The donation of 30 acres is shown on a map and asked if the city has clear title to the property in question or if there is an easement with Erie MetroParks or Cedar Point (Item #3).

Arlene Thompson, 1902 Adrian Circle, asked if the city is monitoring the riders on the Sandusky Transit System for those who have contracts to certify profit (Items A, B and #1).

#### **PRESENTATION**

Dennis Murray said the Kiwanis Club is a very old and established organization in our community and presented a Proclamation to members of the Kiwanis Club of Sandusky in honor of their 100<sup>th</sup> anniversary.

#### **CURRENT BUSINESS**

Upon motion of Dave Waddington and second of Naomi Twine, the commission voted to accept all communications. The President declared the motion passed.

#### **CONSENT AGENDA ITEMS**

The President asked if any of the commissioners wished to remove items from the Consent Agenda. Greg Lockhart requested Item B be placed on the Regular Agenda (renumbered as Item #1 below).

##### **A. Submitted by Nicole DeFreitas, Transit Administrator**

##### **TRANSPORTATION AGREEMENT WITH CEDAR POINT FOR THE SANDUSKY TRANSIT SYSTEM**

**Budgetary Information:** The Sandusky Transit System will receive \$175,000 for the length of the proposed contract. This money collected will be used to offset the capital planning and operating expenses through the 2020 5311 Rural grant program.

**ORDINANCE NO. 19-201:** It is requested an ordinance be passed authorizing and directing the City Manager to enter into an agreement for transportation services between the City of Sandusky and Millennium Operations LLC dba Cedar Point, for services for the Sandusky Transit System during the period of January 1, 2020 through December 31, 2020; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

##### **B. Submitted by Nicole DeFreitas, Transit Administrator**

##### **TRANSPORTATION AGREEMENT WITH ERIE COUNTY VETERAN'S SERVICE COMMISSION FOR THE SANDUSKY TRANSIT SYSTEM**

**Budgetary Information:** STS will receive \$8 per passenger trip from the Erie County Veteran's Services Commission for the length of the proposed contract. This money collected will be used

to offset the capital planning and operating expenses through the 2020 5311 Rural grant program.

**ORDINANCE NO. 19-203:** It is requested an ordinance be passed authorizing and directing the City Manager to enter into an agreement for transportation services between the City of Sandusky and Erie County Veterans Service Commission for services related to the Sandusky Transit System for the period of January 1, 2020 through December 31, 2020; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

**C. Submitted by Rick Wilcox, Fire Chief**

**AGREEMENT WITH OHIO CAT FOR EMERGENCY GENERATOR REPAIR FOR SANDUSKY FIRE DEPARTMENT**

**Budgetary Information:** The amount for this repair is \$14,759.55. The funds for this repair will be paid from the EMS account.

**ORDINANCE NO. 19-204:** It is requested an ordinance be passed approving and ratifying the emergency repair work performed on the generator control panel at the Central Fire Station; authorizing and directing the City Manager and/or the Finance Director to expend funds for the emergency repair work to Ohio CAT of Broadview Heights, Ohio, in the amount of \$14,759.55; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

**D. Submitted by Debi Eversole, Housing Development Specialist**

**ACCEPTING TWO PARCELS FOR CITY'S LAND BANK PROGRAM**

**Budgetary Information:** The cost of these acquisitions will be approximately \$200 to pay for the title exams and transfer fees. The city will not collect the \$1,679.48 owed to the city in special assessments, nor will the taxing districts collect the \$1,446.19 owed in delinquent taxes. However, all or part of these costs may be recouped and reimbursed upon the sale of the parcels. As the properties are put back into tax producing status, the taxing districts will once again begin collecting real estate taxes of approximately \$1,256.90 per year.

**RESOLUTION NO. 045-19R:** It is requested a resolution be passed approving and accepting certain real property for acquisition into the land reutilization program; and declaring that this resolution shall take immediate effect in accordance with Section 14 of the city charter.

**E. Submitted by Debi Eversole, Housing Development Specialist**

**PURCHASE & SALE AGREEMENT FOR 1006 FOURTH STREET THROUGH THE LAND BANK PROGRAM**

**Budgetary Information:** The cost associated with these purchase agreements is the total amount of the title examination, recording and transfer fees and deed preparation. Any such costs shall be recouped by the city from the nonrefundable earnest money deposits required to be paid by purchasers upon sale. By returning this non-productive land to tax producing status, the taxing districts will begin collecting real property taxes in the amount of approximately \$251.26 per year.

**ORDINANCE NO. 19-205:** It is requested an ordinance be passed declaring that certain real property owned by the city as part of the land reutilization program identified as Parcel No. 57-0312.000, located at 1006 Fourth Street, Sandusky, is no longer needed for any municipal purpose and authorizing the execution of a purchase and sale agreement with respect to that real property; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

**F. Submitted by Debi Eversole, Housing Development Specialist**

**PURCHASE & SALE AGREEMENT FOR 1531 CAMP STREET THROUGH THE LAND BANK PROGRAM**

**Budgetary Information:** The cost associated with these purchase agreements is the total amount of the title examination, recording and transfer fees and survey and deed preparation. Any such costs shall be recouped by the city from the non-refundable earnest money deposits required to be paid by purchasers upon sale. By returning this non-productive land to tax producing status, the taxing districts will begin collecting real property taxes in the amount of approximately \$578.30 per year.

**ORDINANCE NO. 19-206:** It is requested an ordinance be passed declaring that certain real property owned by the city as part of the land reutilization program identified as Parcel No. 58-01458.000, located at 1531 Camp Street, Sandusky, is no longer needed for any municipal purpose and authorizing the execution of purchase and sale agreements with respect to that real property; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

**G. Submitted by Aaron Klein, Director of Public Works**

**ANNUAL PAYMENT TO OHIO EPA FOR LICENSE TO OPERATE BIWW FOR CY 2020**

**Budgetary Information:** The total amount of \$12,180 shall be paid with water funds and has been appropriated in the operating and maintenance budget for 2019.

**ORDINANCE NO. 19-207:** It is requested an ordinance be passed authorizing and directing the Finance Director to make payment to the State of Ohio Environmental Protection Agency for the renewal of the license to operate a public water system for the calendar year 2020; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

**Upon motion of Nikki Lloyd and second of Dave Waddington, the Commission voted to accept the Consent Agenda and declare all ordinances and resolution as drafted and presented to the City Commission under the Consent Agenda shall take effect in full accordance with the Section reflected in the ordinances and resolution in accordance with Section 14 of the City Charter. Roll call on the motion: Yeas: Naomi Twine, Greg Lockhart, Wes Poole, Dennis Murray, Dick Brady, Nikki Lloyd and Dave Waddington, 7. Roll call on the ordinances and resolution: Yeas: Naomi Twine, Greg Lockhart, Wes Poole, Dennis Murray, Dick Brady, Nikki Lloyd and Dave Waddington, 7. The President declared the ordinances and resolution contained in the Consent Agenda passed in full accordance with the city charter.**

**REGULAR AGENDA**

**ITEM #1 - Submitted by Nicole DeFreitas, Transit Administrator**

**TRANSPORTATION AGREEMENT WITH SANDUSKY CITY SCHOOLS FOR THE SANDUSKY TRANSIT SYSTEM**

**Budgetary Information:** The Sandusky Transit System will receive \$9 per passenger, per one-way trip from Sandusky City Schools for the length of the proposed contract. This money collected will be used to offset the capital planning and operating expenses through the 5311 Rural grant program.

**ORDINANCE NO. 19-202:** It is requested an ordinance be passed authorizing and directing the City Manager to enter into an agreement for transportation services between the City of Sandusky and Sandusky City Schools for services related to the Sandusky Transit System for the period of January 1, 2020 through December 31, 2020; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

**Upon motion of Naomi Twine and second of Greg Lockhart, the Commission voted to approve this ordinance under suspension of the rules and in full accordance with Section 14 of the city charter.**

*Discussion:* Nicole DeFreitas said one of the responsibilities of the provider is to track ridership and each month, First Transit provides a report showing how many passengers rode for each respective contract. This is done through the software and clients are coded in this system. ODOT also requires this recordkeeping as part of our funding agreement. Greg Lockhart said he is looking to see who our riders are in relation to what the citizens are using and how we figure out the best use of our service. Nicole DeFreitas said 116,000 employees of Cedar Point were provided rides this year, but is not sure what is being asked. Wes Poole said at the end of the year when the contracts are complete, this evaluation could show performance measures to decide whether these contracts are or are not a good idea and if they are successful. Raw numbers of how many people ride a bus do not really say anything. Nicole DeFreitas said the three items on tonight's agenda are rental contracts and make it cost effective for both entities to provide rides with the federal contracts in place. We also have to keep a balance to satisfy the contracts while not allowing them to decrease service for the general public. Wes Poole said this

is a matter of us doing all of the work necessary and comments for the benefit of the general public would be in order as to why we have certain contracts. Nicole DeFreitas said Cancer Services has volunteers who provide rides for clients and many times they use STS for wheelchair transportation and will make sure the final numbers are provided. Dennis Murray said the commission has some oversight responsibility and to take a look at whether we are increasing or adding to the point where we are denying service to others with these contracts. There is no way to do a precise account with cost accounting, but if the bus is otherwise empty during a particular period of time, any outside dollar is incremental revenue.

**Roll call on the motion: Naomi Twine, Greg Lockhart, Wes Poole, Dennis Murray, Dick Brady, Nikki Lloyd and Dave Waddington, 7. Roll call on the ordinance: Yeas: Naomi Twine, Greg Lockhart, Wes Poole, Dennis Murray, Dick Brady, Nikki Lloyd and Dave Waddington, 7. The President declared the ordinance passed under suspension of the rules and in full accordance with Section 14 of the city charter.**

## **SECOND READING**

**ITEM #2 – Submitted by Matt Lasko, Chief Development Officer**

**AMENDMENT TO CHAPTER 531 – ADDING DEFACEMENT AS A PUBLIC NUISANCE**

**Budgetary Information:** There is no budgetary effect of the proposed amendments and additions to Chapter 531 of the city's Codified Ordinances (nuisances generally).

**ORDINANCE NO. 19-208:** It is requested an ordinance be passed amending Part Five (General Offenses Code), Chapter 531 (Nuisances Generally), Sections 531.01 (Definitions) and 531.02 (Public Nuisance) and adopting new Section 531.05 (Defaced Property) of the Codified Ordinances of the City of Sandusky, in the manner and way specifically set forth hereinbelow.

**Upon motion of Naomi Twine and second of Nikki Lloyd, the Commission voted to approve this ordinance under suspension of the rules and in full accordance with Section 14 of the city charter.**

*Discussion:* Matt Lasko said the discussion at the last meeting as to whether defaced property would be permitted stemmed mostly around the idea of verbal or written permission from a property owner. In this current draft of the legislation, written permission would be required and internal discussions support this as there may be instances where a property is sold and we have written record of provided permission. We have retained the words defaced property as opposed to graffiti which the Law Director is comfortable with. This stems mostly around who would be granting permission and in which manner it is granted. Greg Lockhart said his concern regarding written permission would be for a family member who is told it is okay to do this and later on does not have this in writing. Dennis Murray said we are still at the point where we were before which is there may be question about whether this is going a little too far, or not far enough, but he is comfortable with the advice provided by Matt Lasko and Trevor Hayberger. Wes Poole said there is a reference about this being visible from a public space (public right-of-way) or at any other location and has problems with this; for clarification, he asked where a Code Compliance Officer would be other than public space. Matt Lasko said this is fairly typical as we undertake many inspections whether nuisance or housing related for issues to the rear of a property which may not be visible from an alley or roadway. This legislation is based on allowing Code Compliance Officers to utilize an adjacent property to view the backside of another. This is how we undertake our nuisance abatement as it relates to tall grass and weeds or trash in the rear of a property. Wes Poole asked if this is the wording for the rest of our laws for code issues. Trevor Hayberger said this is the wording of the plain view doctrine which states anywhere where law enforcement is permitted. Wes Poole said the point is this is a doctrine, but is not codified in our ordinances. He would not expand it to Code Enforcement Officers in private area. This is supposed to be a public nuisance and it becomes private with this phrase. The city will be engaged in private bickering between neighbors and should not get involved in this other than through mediation which can be done without this law. We have enough work to deal with and should not be getting into private disputes. This is supposed to be a public nuisance from the public right-of-way which affects everyone and mediation should be held in court. Nikki Lloyd said she appreciates making the change from calling this graffiti to defaced property, but asked the

purpose of having written permission and asked what this would really change. This is something a property owner should be handling the way they choose to and asked if we are overstepping a boundary in allowing property owners to grant permission to do certain things to their property. We are stepping in and telling people they have to document this when all we are really trying to do is clean up spray paint. Matt Lasko said this will help in instances where a property might be sold and the city cannot track down the original property owner. Written permission would allow for something to be on file permanently which tells the city it was permitted to be on a building. We may not be able to track someone down who may have given verbal permission. This creates permanency and could be a simple signed letter from a property owner which we can standardize. The more we thought about it, we believe it makes sense to have this as we go through property transfers. Dennis Murray said these types of things can be seen by our Code Compliance Officers and sees this is differently. Nikki Lloyd asked if this should be taken care of through Code Compliance or through a permitting process. Trevor Hayberger said the point of the written permission is to not get caught in a chicken versus egg situation and said written permission clearly establishes whether we will be involved or not. If written permission was given by an owner, we will go back to the neighbor and indicate this and tell them this would not fall under our Code of Ordinances and will have to be handled through civil litigation. People tend to play both sides and this will lock them into one answer.

**Roll call on the ordinance: Yeas: Naomi Twine, Greg Lockhart, Wes Poole, Dennis Murray, Dick Brady, Nikki Lloyd and Dave Waddington, 7. The President declared the ordinance passed at second reading.**

**ITEM #3 - Submitted by Matt Lasko, Chief Development Officer & Aaron Klein, Director of Public Works**

**PROJECT FUNDING AGREEMENT WITH CEDAR POINT PARK, LLC**

**Budgetary Information:** The city will be responsible for providing \$2,250,000 from the issuance of bonds or notes.

**ORDINANCE NO. 19-209:** It is requested an ordinance be passed approving a project funding agreement with Cedar Point Park, LLC relating to various development activities in connection with certain property located in the city, and declaring an emergency.

**Upon motion of Naomi Twine and second of Nikki Lloyd, the Commission voted to approve this ordinance under suspension of the rules and in full accordance with Section 14 of the city charter.**

*Discussion:* Eric Wobser said we view the Cleveland Road TIF agreement for the sport's center indoor project as the primary funding source for this and eventually to design projects for this and the second phase of the Sandusky Bay Pathway. Even with the minimum amount being collected, approximately \$10 million will be left after these payments to go toward construction. If other funds come in, we will be able to further reduce the design costs through other funding sources. If one hundred percent of the payments are made in both phases of the design, we will have approximately \$10 million left which will be the base construction budget for the pathway and The Landing project. We have been planning specifically for The Landing Park and the Sandusky Bay Pathway to be the primary recipients of the TIF agreement for years and is what was negotiated with Cedar Fair and the Sandusky City Schools as it was being created.

**Roll call on the motion: Naomi Twine, Greg Lockhart, Wes Poole, Dennis Murray, Dick Brady, Nikki Lloyd and Dave Waddington, 7. Roll call on the ordinance: Yeas: Naomi Twine, Greg Lockhart, Wes Poole, Dennis Murray, Dick Brady, Nikki Lloyd and Dave Waddington, 7. The President declared the ordinance passed under suspension of the rules and in full accordance with Section 14 of the city charter.**

**ITEM #4 - Submitted by Aaron Klein, Director of Public Works****DONATION AGREEMENT WITH CEDAR POINT PARK, LLC FOR THE LANDING**

**Budgetary Information:** There will be no impact on the city's general fund. In fact, this will actually help project costs since the city will not have to pay for acquisition fees for these 30 acres.

**ORDINANCE NO. 19-210:** It is requested an ordinance be passed approving a donation agreement with Cedar Point Park, LLC relating to certain property located in the city, and declaring an emergency.

**Upon motion of Dave Waddington and second of Naomi Twine, the Commission voted to approve this ordinance under suspension of the rules and in full accordance with Section 14 of the city charter.**

*Discussion:* Aaron Klein showed a map displaying the area to be donated which is indeed owned by the City of Sandusky. The small landlocked area in the northeastern side of the north runway of the former Griffing Airport is a portion which would be retained by Cedar Point. We are looking at obtaining an area currently owned by Erie MetroParks and are going through these negotiations now as to the exact legal description. The area in the middle of the map extends from Cleveland Road northerly and east to the corporation limit down the old east/west runway and down the north/south runway. This donation agreement is for approximately 30 acres which Cedar Point will be donating for The Landing project. Greg Lockhart asked about the use and maintenance of this property. Aaron Klein said the use would be for the construction of the pathway, boardwalks, any roadways or parking facilities, pavilions or playgrounds which are all under design as part of The Landing project. We are discussing maintenance right now and the intent is for the city to maintain it. In the agreement just approved with Cedar Fair, they will not be maintaining our park. We are negotiating with Erie MetroParks to figure out their role from ongoing maintenance, staffing on a daily basis to programming of the facility. We are doing some cost analysis for the short- and long-term responsibilities and are hoping to figure out staffing levels and budgets needed on an annual basis as we proceed. Dennis Murray said as he understands it, the reason for having these conversations with Erie MetroParks is while the city is good at maintaining the many playgrounds we have, we are not as adept as they are at maintaining natural, wide spaces. We are looking for an opportunity to partner with them and hopefully this will come to fruition. Wes Poole asked where the funding for this maintenance will come from and Aaron Klein said these details have not yet been worked out. When we do come to agreement, we will incorporate this. Greg Lockhart said his only concern is taking the property in as a donation while not yet knowing what this could mean for the city's budget, how it will impact it and how it will be maintained. Parks usually suffer when times get tough and he is hesitant to vote without knowing where we will be with this 30 acres. Dennis Murray said Sandusky has been on a growth trajectory for the last several years which has been embraced by the community, its residents and investors. We are seeing a significant uptick in revenues and the idea behind this development was to attract additional people to our community to continue to expand the services we offer. This is a prime example of a 201-year old city envisioning and bringing a new waterfront park to reality and is amazing. He has every confidence the revenues will follow and future commissions will figure out how to balance our needs. The fact we do not have all of the answers to all of the questions which will come tomorrow is one that could potentially cause us to never take new steps. This reminds him of a young person thinking about getting married, taking a job or wondering how they will pay their mortgage or utility bills. We do not always know these things, but we grow and move forward with confidence in being able to continue. These are fair questions which have to be asked and answered in due course, but respectfully says "not tonight". Wes Poole said there was a rendering of The Landing and asked what we will put here that will generate income. He does not know what has changed or what will be here, but thought the rendering was nice. Generating revenue is tied to what will be put here. Dennis Murray said this is what he was alluding to when Erie County passed the additional tax to support the construction bonds for both the indoor and outdoor sports facility. Cedar Point has pointed out all of the additional beds they will fill and additional revenues expected and is looking at what this will do for their local government partners because of employment and additional visits to our area; this is what he was alluding to as far as additional income. He

is not suggesting The Landing would create additional revenue as this is not what parks do. Greg Lockhart said when we play speculation with this much property, it does not bode as well with him and may cause much more expense and labor when we have to go out to this side of town to maintain 30 acres. We may have some interested partners, but the citizens are on the hook for the property. Eric Wobser said we have had very productive conversations with Erie MetroParks and while we do not have a specific budget as this is still being worked out with them, we think it is likely we will be able to come to an agreement and they are potentially looking at taking this cost on for themselves. As far as proximity, they have thousands of acres of existing park properties adjacent to this area. While this area might be slightly more active than some of their parks, a lot of this is wetland conservation area which has a very modest or low maintenance plan and is meant to be natural. The overall budget is so large it would become a major strain on the city's budget so in the shorter term, this would be in the low six figures. Wes Poole asked for a presentation on what The Landing Park will look like in the near future. He thought he recalled there will be activities which draw people in to spend money. Eric Wobser said the area slated for private development will be done by Cedar Point and will be a hybrid mix of private/public activities. Wes Poole said this is helpful to know and probably will not cost us any more than what we have at the end of River Avenue. Greg Lockhart asked if any environmental surveys have been done and would like to hear about this as this. This used to be airport property and he wants to make sure we would not be on the hook for anything like this. Aaron Klein said this property is currently undergoing environmental analyses for different issues and is why it is taking so long. There will be permits necessary from the EPA, the ODNR and many others before we can proceed and he will provide an update on which have been completed.

**Roll call on the motion: Naomi Twine, Greg Lockhart, Wes Poole, Dennis Murray, Dick Brady, Nikki Lloyd and Dave Waddington, 7. Roll call on the ordinance: Yeas: Naomi Twine, Greg Lockhart, Wes Poole, Dennis Murray, Dick Brady, Nikki Lloyd and Dave Waddington, 7. The President declared the ordinance passed under suspension of the rules and in full accordance with Section 14 of the city charter.**

**ITEM #5 - Submitted by Matt Lasko, Chief Development Office**

**FIRST AMENDMENT TO GRANT AGREEMENT WITH COOKE BUILDING, LLC AND HUNTLEY BUILDING, LLC**

**Budgetary Information:** The city has disbursed \$150,000 in grant funds from the capital projects fund in accordance with Section 1 of the grant agreement for the renovation to permanent Parcel #56-00816.000. These funds will then later be financed through the issuance of urban renewal revenue notes or bonds. These notes or bonds will use proceeds from the Chesapeake Tax Incremental Finance fund to pay for the debt service. The city is no longer responsible for disbursing the remaining \$350,000 in grant proceeds contemplated for permanent Parcel No's. 56-00528.001, 56-00528.000 and 56-00527.000.

**ORDINANCE NO. 19-211:** It is requested an ordinance be passed authorizing and approving a first amendment to the grant agreement with Cooke Building, LLC and Huntley Building, LLC in relation to the properties located at 154 – 162 Columbus Avenue, 119 East Market Street and 133 East Market Street; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

**Upon motion of Naomi Twine and second of Dave Waddington, the Commission voted to approve this ordinance under suspension of the rules and in full accordance with Section 14 of the city charter.**

*Discussion:* Matt Lasko said earlier this year, the commission passed three pieces of legislation related to the Cooke redevelopment. There were two separate Enterprise Zone tax abatements (one for the Huntley Building and one for the Cooke Building) because they were separate legal entities. We bundled the grant into one piece of legislation and separated these. One grant was for \$150,000 to be disbursed at the completion of the Huntley Building which is now the Marketplace at Cooke. The second grant was for \$350,000 which was to be disbursed upon the completion of the main Cooke structure and for the middle building. Because of notable deterioration once construction started, the Cooke project is changing drastically and is no longer

in line with what was stated in the grant. The tax abatement application stated the total investment, the number of jobs and the makeup of the building. To clean this up, we are recommending an amendment to the grant agreement so it is only for \$150,000 which has already been disbursed, and removing the \$350,000 for the Cooke Building. Secondly, we will look to mutually terminate the tax abatement for the Cooke Building, LLC project. We are having discussions with the owners who are looking to rebuild onsite which is a great thing and it is possible there may be future requests from them. Matt Lasko said the last he heard, they are pushing for demolition in early 2020 but have not yet pulled a demolition permit. Nikki Lloyd said she will abstain due to a business relationship with the owners (Hogrefe's).

**Roll call on the motion: Naomi Twine, Greg Lockhart, Wes Poole, Dennis Murray, Dick Brady and Dave Waddington, 6. Abstain: Nikki Lloyd, 1. Roll call on the ordinance: Yeas: Naomi Twine, Greg Lockhart, Wes Poole, Dennis Murray, Dick Brady and Dave Waddington, 6. Abstain: Nikki Lloyd, 1. The President declared the ordinance passed under suspension of the rules and in full accordance with Section 14 of the city charter.**

**ITEM #6 - Submitted by John Storey, Economic Development Specialist**

**TERMINATION OF ENTERPRISE ZONE AGREEMENT WITH COOKE BUILDING, LLC**

**Budgetary Information:** There is no budgetary impact with this legislation.

**ORDINANCE NO. 19-212:** It is requested an ordinance be passed authorizing and directing the City Manager to execute a mutual agreement to terminate the Enterprise Zone agreement with Cooke Building, LLC, relating to property located at 119 East Market Street and 154 – 162 Columbus Avenue, and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

**Upon motion of Dave Waddington and second of Naomi Twine, the Commission voted to approve this ordinance under suspension of the rules and in full accordance with Section 14 of the city charter. Roll call on the motion: Naomi Twine, Greg Lockhart, Wes Poole, Dennis Murray, Dick Brady and Dave Waddington, 6. Abstain: Nikki Lloyd, 1. Roll call on the ordinance: Yeas: Naomi Twine, Greg Lockhart, Wes Poole, Dennis Murray, Dick Brady and Dave Waddington, 6. Abstain: Nikki Lloyd, 1. The President declared the ordinance passed under suspension of the rules and in full accordance with Section 14 of the city charter.**

**ITEM #7 – Submitted by John Storey, Economic Development Specialist**

**ENTERPRISE ZONE AGREEMENT WITH BAY BOAT STORAGE, LTD.**

**Budgetary Information:** The project will have an ongoing positive impact on the general fund as 25% of the increase in assessed value will be subject to real estate taxes during the abatement period. The project will also help sustain employment in the local economy and will create a minimum of three permanent full-time positions subject to city income tax.

**ORDINANCE NO. 19-213:** It is requested an ordinance be passed authorizing and directing the City Manager to enter into an enterprise zone agreement with Bay Boat Storage, Ltd., relating to property located at 1531 First Street, and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

**Upon motion of Nikki Lloyd and second of Wes Poole, the Commission voted to approve this ordinance under suspension of the rules and in full accordance with Section 14 of the city charter.**

*Discussion:* Matt Lasko said although not related, it is a great story to bring the Letter of Intent (LOI) to the commission at the same time they are considering tax abatement legislation for a new building at the Son Rise Marina site. The Hoty's own several large properties on First Street including Son Rise, Venetian and Crossview marinas. This abatement is specific to the Son Rise facility at 1531 First Street where they are looking to construct a 60,000 SF heated, indoor boat storage facility with offices and restrooms. This would result in over \$1 million in physical investment into the facility and in the hiring of three new employees, at minimum, in the form of an equipment operator and laborers. The enterprise zone agreement calls for the project to be done no later than the end of 2020 although he anticipates it will be done much sooner, and

will result in \$120,000 minimally in additional payroll. This is consideration for a ten-year, 75% real estate tax abatement which is a typical recommendation. We did put the Sandusky City Schools notice on November 22 of this proposed legislation and tonight's meeting, but have received no comments. We anticipate coming to the commission early in 2020 with formal easement agreements to consider which is referenced in the Letter of Intent (Item #8). This is the framework for the Hoty's who have been advocates for the creation and implementation of the Sandusky Bay Pathway and this is their first step and show of support for it. The LOI considers all three of their properties on First Street and the documentation shows exactly where the pathway will be in front of their business. The Hoty's have been very generous in allowing the city to look at crossing northwesterly through the Crossview Marina site to get closer to the water which is very important. This pathway runs very closely to their buildings and they will have the opportunity, with proper notice, to close down the pathway to do building maintenance as necessary. Because of the traffic coming out of these facilities, this LOI states - in those instances - vehicles would have the right-of-way and will be properly signed for pedestrians and bicyclists. All of the construction costs and changing the location of any vegetation or fences would be on the city which is typical for most of the properties where the pathway is crossing. This is a good show of support from a very important stakeholder and shows their support of the Sandusky Bay Pathway. Greg Lockhart said he has heard from citizens in the past about easements near the water and asked about minimal impact of this easement to the surrounding neighbors. Dennis Murray said as he understands the easement, we are only speaking about the properties owned by the Hoty's and no other private property at this point. Matt Lasko said the LOI considers all three of the properties owned by the Hoty's and the exhibits lay out where we believe the easements will ultimately be without yet having actual surveys. These were all negotiated with John Hoty and his team with Environmental Design Group. The Hoty's are satisfied with this and some of the other restrictions and protections have been put in for their traffic and staff. They have shown support for moving and relocating fences and access gates. Wes Poole said he would like an update on the bicycle plan. It is nice we are getting one easement at a time as we move down First Street, but we need to have some concept of numbers to determine whether or not this is going to be something we will actually be able to do. There are some obstacles that have to be addressed and we may end up in legal battles at extraordinary costs. Before we keep one-stepping ourselves for a project we may not be able to finish because we may not have the money or the will to spend the money, he would like some idea where we are going with this. So far everything is moving along seemingly swimmingly, but we do not have a final price and we cannot look directly at what it is going to cost like we could if we plan to build a police station. It gets to the point where the cost of a bicycle path will move very few people and may become unreasonable for what will be spent from the city's budget. Dick Brady said there are still a lot of pieces to this puzzle which need to fall into place and we are in the first few steps of a very long journey and we all realize that. Having a LOI from the Hoty's for the portion of the pathway through their property is preferential as opposed to being out on First Street and thanked them for this. Nikki Lloyd said she was really happy to see this on the agenda and thanked the Hoty's for being willing to work with us. Going forward with future LOI's or with easements, Nikki Lloyd asked the frequency they may need access the bicycle path and shut it down. She asked if we are going to sign this and how far it will be from east or west. She asked what we will do when people are on the bicycle path and if they will be expected to turn around because we did talk about this not being only for recreational purposes, but as a mode of transportation for people to use on a daily basis. Dennis Murray said he and Dave Waddington have both been on one City Commission or another for nine or ten years and have been talking about the Sandusky Bay Pathway most of that time. This is one of the biggest pieces to snap into place all at once over this entire period of time and said this is a huge win for the City of Sandusky, for the Hoty's and for the community as a whole. He is appreciative of this and highlighted the importance of having a Strategic Plan which we have been working at because these things come to fruition only over a long period of time and with sustained effort. Dennis Murray thanked the city staff for sticking to this and making sure we continue. It is true we do not necessarily know where the next piece of the pathway goes and whether we will have permissions, although we have had conversations with some of the other property owners in this particular stretch. We are hopeful we will be able to bring all of these things together. He is reminded of the fact that if he knew how hard law school was going to be, he would have never gone; if he knew how hard marriage was going to be, he never

would have gotten married; if he knew how hard it was going to be to raise children, especially three daughters, he never would have done that either, but thank God he did not know because they figured it out along the way. This is one of these things where there will be challenges but if we do not take these steps, we will never see this come to fruition and is glad we are doing this.

**Roll call on the motion: Naomi Twine, Greg Lockhart, Wes Poole, Dennis Murray, Dick Brady, Nikki Lloyd and Dave Waddington, 7. Roll call on the ordinance: Yeas: Naomi Twine, Greg Lockhart, Wes Poole, Dennis Murray, Dick Brady, Nikki Lloyd and Dave Waddington, 7. The President declared the ordinance passed under suspension of the rules and in full accordance with Section 14 of the city charter.**

**ITEM #8 – Submitted by John Storey, Economic Development Specialist**

**LETTER OF INTENT WITH THE HOTY FAMILY OF COMPANIES FOR FUTURE EASEMENTS FOR THE SANDUSKY BAY PATHWAY**

**Budgetary Information:** There is no budgetary impact to enter into this letter of intent with the companies.

**ORDINANCE NO. 19-214:** It is requested an ordinance be passed authorizing and directing the City Manager to enter into a Letter of Intent with the Hoty Family of Companies relating to future easements for the Sandusky Bay Pathway and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

**Upon motion of Wes Poole and second of Nikki Lloyd, the Commission voted to approve this ordinance under suspension of the rules and in full accordance with Section 14 of the city charter. Roll call on the motion: Naomi Twine, Greg Lockhart, Wes Poole, Dennis Murray, Dick Brady, Nikki Lloyd and Dave Waddington, 7. Roll call on the ordinance: Yeas: Naomi Twine, Greg Lockhart, Wes Poole, Dennis Murray, Dick Brady, Nikki Lloyd and Dave Waddington, 7. The President declared the ordinance passed under suspension of the rules and in full accordance with Section 14 of the city charter.**

**ITEM #9 – Submitted by John Storey, Economic Development Specialist**

**GRANT AGREEMENT WITH MARKET STREET COLLECTIVE, LLC FOR 317 EAST WASHINGTON STREET**

**Budgetary Information:** The city will be responsible for providing a total of \$139,609 in grant proceeds from the economic development capital projects fund on a reimbursable basis at the completion of the project. \$130,000 shall be budgeted from the 2019 fund budget and the remaining \$9,609 shall be budgeted from the 2020 fund budget.

**ORDINANCE NO. 19-215:** It is requested an ordinance be passed authorizing and approving a grant in the amount of \$139,609 through the substantial development grant program to Market Street Collective, LLC, in relation to the property located at 317 East Washington Street; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

**Upon motion of Dave Waddington and second of Nikki Lloyd, the Commission voted to approve this ordinance under suspension of the rules and in full accordance with Section 14 of the city charter.**

*Discussion:* John Storey said the Market Street Collective is a limited liability company formed this summer to acquire and redevelop the former Kreimes/Cardinal Grocery building at 317 East Washington Street by Dave Yanko and Rahul Paliwal. This is the first opportunity zone investment to come across the city's desk which was reviewed by the Community Development Department and the Economic Development Incentive Committee. The principals and the Market Street Collective have a history of developing and raising/syndicating funds similar to this to foster development in cities like Sandusky across the country. They recently acquired multiple properties throughout northern Ohio in addition to this project. This is the latest plan to attract investment and investors with intent to deploy the funds from an opportunity zone into a formerly vacant building/site and transform it into a multi-tenant and four-season site with an urban food hall. This pairs wonderfully with the opening of the BGSU Resort & Management

College which is within two blocks of the site. This is a transformation of a former grocery store and construction will begin after January 1. The lot is over 42,000 SF and the building itself is over 11,000 SF. This project will result in the build-out of the site into an indoor food hall which will contain a craft coffee roaster, deli/bakery, multiple food stalls, a cocktail bar and micro-distillery and an ice creamery. Improvements to the building and property include a complete façade enhancement, the creation of a patio and public piazza and new entryways to take advantage of and maximize the location. This grant request originally was for \$256,600. After performing due diligence on the project costs, it was determined \$1,396,094 were eligible hard and soft projects costs under our rules including interior buildout, public space buildout and infrastructure improvements. The city and the EDIC determined a project of this magnitude fell in line with the previous applicants and have approved a grant in the amount of \$139,610 which is ten percent of the eligible dollars available based on the hard and soft costs. Additionally, the company also applied for a \$2+ million tax abatement for the project. We believe it is critical to continue the momentum and growth taking place in the core of our downtown. The projections by the applicant are for eight full-time employees and six seasonal employees, but do not include the tenants who will be working at the food/market stalls within the project. The company projects payrolls for the new employees to be \$404,180 in the first year, \$459,180 in the second and \$482,790 in the third year. In keeping with the tradition of this community, the abatement would be for ten years at 75% on the increase in the real estate valuation. Eligible costs in the city's program for this project are the buildout costs of \$1,176,750 and soft costs of \$219,344; the city's grant would be in the amount of \$139,610, or ten percent of the project. The proposal was approved by the EDIC on November 19 and \$130,000 will be allocated from the FY 2019 budget while \$9,610 will be allocated in the 2020 budget. It is anticipated the project will commence after January 1, and will be complete by the end of 2020. Greg Lockhart thanked the Market Street Collective partners for coming to this community and taking a chance with a significant amount of investment. He understands they have experience and multiple other venues like this. It will be unique to have this here and said he has visited other cities where they have similar developments. This site was a staple for Sandusky (formerly Kreimes Grocery) and he is fully supportive of this development. Dave Waddington said he used to go with his mom to the A & P store at this location and later when it was Kreimes Grocery. He was in the store on their last day to reminisce and thought it may have sat empty for a longer time, but is thrilled they are doing this and is in full support of it. Dennis Murray said this grant will be disbursed at the conclusion of the construction based upon the city determining all of the requirements have been established and is our general policy. There has been continued discussion in the community of our need for a grocer and staff is still working on attracting someone to fill this need. Our obligation as a city is to be open to investments and ideas and to primarily let these be driven by the private sector because ultimately, this is where we will get the best return on investment and the best service for our community; it is the American way. We had a huge land donation made by Cedar Point tonight, the Hoty's development along the Sandusky Bay Pathway, this food hall downtown, and sometimes good news will just not quit.

**Roll call on the motion: Naomi Twine, Greg Lockhart, Wes Poole, Dennis Murray, Dick Brady, Nikki Lloyd and Dave Waddington, 7. Roll call on the ordinance: Yeas: Naomi Twine, Greg Lockhart, Wes Poole, Dennis Murray, Dick Brady, Nikki Lloyd and Dave Waddington, 7. The President declared the ordinance passed under suspension of the rules and in full accordance with Section 14 of the city charter.**

**ITEM #10 - Submitted by John Storey, Economic Development Specialist**

**ENTERPRISE ZONE AGREEMENT WITH MARKET STREET COLLECTIVE, LLC FOR 317 EAST WASHINGTON STREET**

**Budgetary Information:** The project will have an ongoing impact on the general fund as 25% of the increase in assessed value will be subject to real estate taxes during the abatement period. The project will also help sustain employment in the local economy and will create a minimum of eight permanent full-time positions subject to city income tax.

**ORDINANCE NO. 19-216:** It is requested an ordinance be passed authorizing and directing the City Manager to enter into an Enterprise Zone agreement with Market Street Collective, LLC

relating to property located at 317 East Washington Street, and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

**Upon motion of Nikki Lloyd and second of Dave Waddington, the Commission voted to approve this ordinance under suspension of the rules and in full accordance with Section 14 of the city charter. Roll call on the motion: Naomi Twine, Greg Lockhart, Wes Poole, Dennis Murray, Dick Brady, Nikki Lloyd and Dave Waddington, 7. Roll call on the ordinance: Yeas: Naomi Twine, Greg Lockhart, Wes Poole, Dennis Murray, Dick Brady, Nikki Lloyd and Dave Waddington, 7. The President declared the ordinance passed under suspension of the rules and in full accordance with Section 14 of the city charter.**

#### **FIRST READING**

**ITEM #11 – Submitted by Ariella Blanca, Community Development Manager**

#### **PROGRAM AGREEMENT WITH THE OHIO HISTORIC PRESERVATION OFFICE**

**Budgetary Information:** There is no budgetary impact on the city's general fund.

**PASSED AT FIRST READING:** It is requested an ordinance be passed authorizing and directing the City Manager to enter into an amended Programmatic agreement for coordination between the city and the Ohio Historic Preservation Office for administration of programs using U.S. Department of Housing & Urban Development allocated funds.

**Upon motion of Naomi Twine and second of Nikki Lloyd, the Commission voted to approve this ordinance at first reading. Roll call on the ordinance: Yeas: Naomi Twine, Greg Lockhart, Wes Poole, Dennis Murray, Dick Brady, Nikki Lloyd and Dave Waddington, 7. The President declared the ordinance passed at first reading.**

#### **CITY MANAGER'S REPORT**

- **Upon motion of Naomi Twine and second of Dave Waddington, the commission voted to accept a donation from Thelma Blair in the amount of \$7 for the Sandusky Police Department. The President declared the motion passed.**
- **Upon motion of Naomi Twine and second of Dave Waddington, the commission voted to accept a donation in the amount of \$500 from David Stedman, in memory of Lynn Nota Stedman, for the Red Popcorn Wagon endowment. The President declared the motion passed.**
- **Upon motion of Naomi Twine and second of Dave Waddington, the commission voted to accept a donation from San Marino Development (Mike and Allison Will) in the amount of \$500 to be used for holiday lighting in Washington Parks. The President declared the motion passed.**
- **Upon motion of Naomi Twine and second of Dave Waddington, the commission voted to accept two donations: one from Firelands Regional Medical Center (\$5,000), and another from Civista Bank (\$5,000) to be used toward the city's efforts to create an Opportunity Zone physical plan, policy recommendations and a prospectus and marketing plan. The President declared the motion passed.**
- **Upon motion of Naomi Twine and second of Wes Poole, the commission voted to accept a donation from Steven and Karen Justice in the amount of \$35 for a scholarship for the Sandusky Recreation Department's 2020 Color Me Pretty program. The President declared the motion passed.**
- **Upon motion of Naomi Twine and second of Dave Waddington, the commission voted to accept \$106,000 from The Mylander Foundation.**

*Discussion:* Eric Wobser said the Sandusky Recreation Department received these funds which represent an annual distribution. These funds are to be used, as directed, by the Sandusky City Commission for the purchase of trees and/or plantings to be planted in,

or structural improvements, in Sandusky parks, Oakland Cemetery or the Sandusky Recreation area.

**The President declared the motion passed.**

- Eric Wobser said several members of the Police Department participated in the **Shop with a Hero program for children** at Meijer and the **Rotary Clothe-A-Kid program**. Our officers partner with children in need during the holiday season for both of these programs.
- **Erie County Regional Planning has completed the planning study for Cleveland Road, Butler Street and Rye Beach Road**. If persons are interested in reviewing the final documents, they may contact Erie Regional Planning or the city's Engineering Department.
- **Barnes Nursery is still planting trees for the Great Lakes Restoration Initiative Run-off Reduction grant**. Over 100 trees have been planted throughout the city since November 11. The city received approval from the U.S. Forestry Service to plant trees at all of the boulevard locations on our current request list. These 60 trees will be planted in 2020 after appropriate species are selected.
- Because the **cost of road salt increased** so dramatically for 2020, staff has stockpiled as much material as possible at the 2019 prices.
- With winter on its way, Eric Wobser reminded residents of a few extra **precautionary steps to take to avoid frozen water lines** inside and outside the house, including setting thermostats at 55 degrees minimum, insulating exposed pipes and letting the cold-water faucet trickle continuously during extreme cold weather.
- The December 10 **Economic Development Incentive Committee meeting** has been cancelled. The next meeting is January 14, 2020, at 1:30 p.m. in the City Commission chambers.
- The **Planning Commission meeting** is January 22 at 4:30 p.m. in the City Commission chambers.
- The **Board of Zoning Appeals meeting** is January 16 in the City Commission Chambers.
- The **Landmark Commission meeting** is January 15 at 4 p.m. in the City Commission Chambers.
- The **Public Arts and Culture Commission meeting** is January 21 at 5:15 p.m. in the City Commission chambers.
- Wes Poole said the **leaves fell late this year and many remain on the trees**. The workers have done an exceedingly good job, at least in his neighborhood, and more so than he has seen in the past eight years. They have been cleaning the gutter areas rather than just taking what is on the curb and leaving a mess and has noticed this while driving through the city. He recognizes everyone's neighborhood is not going to be perfect because of cars being parked on the street, but noted they have done an extremely more detailed job than ever and wanted to pass this on and said it is noticed. As time goes on and the rest of the leaves fall, there will be an inclination to let this go, but thinks it is worth the effort to go back through the zones another time, if possible. These are the kinds of details people notice as they go through the community and make a big difference in people's impressions. Eric Wobser said he had a citizen pull him aside at an event to tell him how great leaf pickup has been this year. Aaron Klein and his team have worked really hard to be prepared for this and the weather also helped

a little bit this year. He has seen these improvements each year and is thankful this was brought up tonight.

- Dennis Murray asked for a **reminder to be issued regarding clearing sidewalks of snow after a snowfall and to keep the snow emergency routes** in mind which are all posted. It can become tough for our crews, police officers and fire fighters to get through and is why these routes are marked as such.
- Dave Waddington said he would like to **increase the number of dump dates** to three times each year. Other area communities have dump days for large items once each month and this will help keep the city clean and has noticed tires out again. The recycle center is looking tidy and he has not seen any problems and there are cameras at the site. Greg Lockhart asked the **status on recycling** and if another dumpster is needed. Aaron Klein said we analyzed the site during the last month and are still trying to figure out what all of the information will mean. The collection has been very good, the site has been clean and he thinks having staff at the location on a regular basis helps as people tend to not dump. People are respecting the signs as well.

#### **OLD BUSINESS**

Dick Brady said there was a question raised at a previous commission meeting about the **city's property at Warren and Monroe Streets** and the poor quality of the fill placed at the site. Matt Lasko already had something in motion with the contractor to replace this fill which was horrible. We are in the process of replacing this with truly clean fill and thanked the residents who brought this to our attention.

#### **NEW BUSINESS**

None.

#### **AUDIENCE PARTICIPATION**

None.

#### **ADJOURNMENT**

**Upon motion of Dave Waddington and second of Nikki Lloyd, the commission voted to adjourn at 6:30 p.m. The President declared the motion passed.**

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Kelly L. Kresser, CMC  
Commission Clerk

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Dennis E. Murray, Jr.  
President of the City Commission