

JULY 10

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Council President Dietrich opened the Public Hearing regarding the JEDD Contract at 6:35 p.m. Present were Mayor Costilow, Safety/Service Director Jeffries, Treasurer Ramsey, Law Director Pecora, Auditor Kukucka, Mr. Van Treuren, Mrs. Wasilk, Mr. Winiarski, Mr. Dembinski, Mr. Goodell, members of the public and the press.

Mr. Dietrich opened the meeting to the Public for questions and comments. Mayor Costilow said this has been advertised and noted that it had been on display for viewing. The Township has had their public hearing and this will be good for both communities. We will be able to share infrastructure and utilities. Income tax that develops will be split. Mr. Winiarski asked for a summary of what a JEDD is. Mayor Costilow said it was a joint economic district and it's for cities and townships to work together. Typically a township will not have the infrastructures such as a wastewater treatment plant to help it economically develop the area and the cities participate by providing services. The businesses that would come to a JEDD pay income tax and according to the agreement, you would split that with the township; in this agreement, 50/50. This does not affect residents. Even if a resident was within the district, they would have to sign a petition allowing them to come into the district. But this particular JEDD, solely by living in the economic district does not affect them. They may receive a lower utility rate, but it will not affect residents, and they don't have to pay income tax, only the businesses. This is a great tool for cities and townships to use. Mr. Winiarski noted that townships are not usually in the business of collecting income tax. They usually get property taxes, assessments, levies and bond issues. So we would get 50% of the income tax generated within the 35 acres and they get the other 50%? Mayor Costilow agreed. Mr. Winiarski said but then everything else still goes to the township? Mayor Costilow agreed and said they still will provide their own police protection, fire protection they have with the city will still continue to contract with the city, they will continue to take care of the streets. This will affect the utilities and income tax, that's all. Everything else stays the same. Mr. Winiarski asked if we know what is going in there? If we collect income tax and it's just a farm, it's little fire, little police, but if you are putting up a couple of Target Stores, then that would require a lot of police attention with the shoplifting and things going on, do we know what's going in there that we are comfortable with the 50/50 split will cover our expenses? Mayor Costilow said they will provide their own police protection, it will still be by Sheriff. We would provide mutual aid no matter what was there. This is hopefully just a start of it, just one piece of property, and hopefully when we find out this works well, we will find other areas that would be great for economic development and partner with some more properties. Mr. Winiarski said he went to the Lorain County Auditor's website and he sees we are entering into a contract with the Township, but the land is owned by the Port Authority and the County Commissioners? How does that work? Mayor Costilow said they own property just like anyone else. This is the Golden Acres property. The county owns that land so they are treated just like any other land owner. So when it comes time they will have to sign that petition to be part of this, and they are the only owners, so they are treated just like any other landowner as far as we are concerned. They would have to jump through the hoops if they had to since they are a government agency. Mr. Winiarski noted that this is through the County, but the agreement is with the township. Mayor Costilow said it's just like any other business or us owning the park, the county owns property within the township. They own that land, they are the owners on record. But it's in the township so we have to form an agreement with the township. The township is the governing body of that land. The county just happens to own it. Mr. Winiarski asked about the 100 year agreement with two 50 year renewals – that seems pretty typical – are there any other considerations for a shorter term? Mayor Costilow felt this was a good long term agreement and he sees no reason to go less. Mr. Winiarski asked if the Township offers elderly assistance whereas Amherst does with the Office on Aging. Are we committing to sharing the Office on Aging with them? Mayor Costilow said we are just saying that if there are any opportunities for grant money we will work on getting any grant available. Mr. Winiarski asked about the board that is formed and identifies the positions – there are up to five board members – do they vote amongst themselves for the positions or are they assigned within the group? Mayor Costilow said there will only be three positions and they vote amongst themselves for the positions. Two of those would be business owners, and there are no business owners yet. That will get revised once a business moves in. Mr. Winiarski asked about the resolution of bylaws that the township and Amherst each provide one one thousands of a percent of about \$2500 a year that we are paying? Mayor Costilow said there is a zero revenue so there won't be any payments. This would be from the JEDD area and not the city budget and it would be a very small amount. Mr. Winiarski asked about the requirement that there would be no annexation – and why is that in there? Why are we not allowed to annex that area? Mayor Costilow said that would be bad for the township if we get this great agreement and a wonderful business moves in there and we decide to annex – there would be no benefit to the township. That language actually was a lot broader than that but we focused on the JEDD itself. When you work together, you want to show some good faith to help economically develop the area. You don't want to be stealing business from the township when you bring it in. Mr. Winiarski said the back yard of this "business" is the Amherst School District's land back there. Mayor Costilow said we could annex that. Mr. Winiarski said he just wanted to make sure of that. Limited scope within the JEDD will not impact the school districts or the city's ability to annex that land.

Mr. Dembinski asked if there are other JEDDs? Mayor Costilow said this is new to the city. It has been discussed in the past but nothing came of them. Mr. Dembinski said if the standard operating procedure before was to do annexations, is there are reason we are doing a JEDD instead? Mayor Costilow said the township does not have to agree to an annexation. This is a good way to partner together, and this is done pretty broadly. There are other communities around us that have JEDDs.

It's a tool that we just have not used in the past. It's a win/win for both the communities. Mr. Dembinski asked if this was proposed by us or the township? Mayor Costilow said mutual discussion brought it forward. We knew this property would be a substantial business of some sort at some time and we could both benefit from it. Mr. Pecora said at some point that property was targeted for some business without our input whatsoever so this gives us an opportunity to have some sort of control of what goes in the area jointly, vs. annexation which could be adversarial. Mr. Dembinski felt that the City was doing most of the "heavy lifting." Mayor Costilow said we are not, we will provide utilities and they will pay for those. This will give us a chance to make a little extra revenue in the utilities. But the township will provide everything they already provide. So we are not stretching our necks out at all, we both have something to gain. Mr. Dembinski said he was reading that we are providing all the income tax collection, secretarial services, and sewer services, so he wanted to make sure we were not liable for this. Mayor Costilow said they provide their own police protection, they plow their own streets, their own fire protection. Mr. Ramsey said as it sits right now, there are no residents in this area for any tax we have to collect. But that may change in the future. If and when that changes, we still process returns by hand so that may increase the work load. Mayor Costilow said this will never affect the residents, only the businesses, so residents won't pay income tax. He had thought about that and it would have been a bigger work load, but there won't be any of that within the JEDD. Mr. Ramsey said he sees that the tax rate is the same, but what about credits and other provisions of the tax code? Mayor Costilow said they will be a business working within a city so they will all be taxed. There are no credits as they are a business. Mr. Ramsey wanted to make sure these are just businesses and no residents? Mayor Costilow assured him this was so, this would not affect residents. Mr. Ramsey said because then they would have to buy new modules and have to spend money on that. Mr. Goodell asked what if they put a residential area in there? Mayor Costilow said they would not be affected. Mr. Goodell said the Township Resident would still be a Township Resident. Mayor Costilow said "yes." Mr. Goodell asked if we would be providing utilities for them? Mayor Costilow said we do from some areas, but this agreement says that this will stay zoned as presently zoned and this property is not zoned residential. We are going to keep this zoned to provide the best benefit for both communities. If a residential community would come in there, we would treat them like any other residential area that is in the township that we are already providing utilities for. We charge them at a higher rate for someone that is not a city resident for utilities. Mr. Goodell asked if this were to be a residential area, how would that affect the schools? Mayor Costilow said they are still in the school district, regardless.

Mr. Dietrich reminded everyone that the township covers us on three sides. This kind of helps for future protection between the township and the city. The Mayor may agree, this may be just the beginning. It behooves us to work with the township because of that three sided connection except for the north. He feels it's a good deal for us all around.

Mr. Goodell asked if we are only going to look at JEDD type agreements, wouldn't it make sense, since we are surrounded on all three sides by township and one side by Lorain, we would be saying this is as big as Amherst will ever get? Mayor Costilow said there are areas that he would target for annexation. This JEDD is a good step toward working together, but there are other areas that would be better for annexation. Mr. Goodell said he thought this was a good thing as it's not adversarial to the township? Mr. Pecora said this was just for this particular area. The mayor indicated that the township was proposing that as long as this contract is in existence, there would be no annexation of other property but that can never be, we would be giving up rights. So this is all limited just to the JEDD area as indicated on the map. This does not include the vast majority of the township property that surrounds us. Mr. Dietrich said this agreement only pertains to this section of the city and does not include any other portions of the township.

The Public Hearing was closed at 6:52 p.m.

Olga Sivinski
Clerk of Council

Amherst City Council met in a Regular Session under full compliance of State Law with President Dietrich opening the meeting at 7:00 p.m. Roll call: Mr. Van Treuren, Mrs. Wasilk, Mr. Winiarski, Mr. Dembinski, Mr. Miller- absent, Mr. Janik – absent, Mr. Goodell. Also present were Mayor Costilow, Safety/Service Director Jeffries, Treasurer Ramsey, Law Director Pecora, Auditor Kukucka, members of the Public and the Press. Mrs. Wasilk motioned to excuse Mr. Miller and Mr. Janik as they had letters on file. Seconded by Mr. Goodell. Voice vote 5-0 to excuse.

The Prayer was invoked by Chaplin Wasilk, followed by the Pledge to the Flag led by Sergeant at Arms Dembinski.

Consent Agenda: The Clerk read the Consent Agenda. Mr. Van Treuren motioned to accept the Consent Agenda as read. Seconded by Mr. Goodell. Roll call vote 5-0 to accept the Consent Agenda as read.

Acknowledgement of the public pertaining to items on the agenda: There was no one speaking. Mr. Dietrich acknowledged a college student who was present as part of his Government class.

ORDINANCES AND RESOLUTIONS FIRST READING:

- (a) An Ordinance re-appropriating funds in various accounts ; and declaring an emergency. (A-17-34)

Mr. Goodell motioned to pass this on to its second reading. Seconded by Mr. Dembinski. Roll call vote 5-0 to pass to second.

ORDINANCES AND RESOLUTIONS SECOND READING: None

ORDINANCES AND RESOLUTIONS THIRD READING:

- (a) An ordinance amending Amherst Codified Ordinance Chapter 903. (A-17-29)

Mr. Goodell motioned to adopt. Seconded by Mr. Dembinski. Roll call vote 5-0 to adopt. Becomes 0-17- 26.

- (b) An ordinance amending Amherst Codified Ordinance part thirteen-Building Code, Title One-Standards, establishing new standards by adopting a new chapter 1301 and by amendments to Chapters 1303, 1305, 1307, 1309, 1311, 1313, and 1315. (A-17-30)

Mr. Dembinski motioned to adopt. Seconded by Mr. Goodell. Roll call vote 5-0 to adopt. Becomes 0-17-27.

- (c) An ordinance amending Amherst Codified Ordinance Chapter 919. (A-17-31)

Mr. Dembinski motioned to adopt. Seconded by Mr. Winiarski. Roll call vote 5-0 to adopt. Becomes 0-17-28.

- (d) An ordinance amending Amherst Codified Ordinance Chapters 1331, 1336 and 1337. (A-17-32)

Mr. Van Treuren motioned to adopt. Seconded by Mr. Dembinski. Roll call vote 5-0 to adopt. Becomes 0-17-29.

Miscellaneous and acknowledgement of the public: There was no one speaking.

Agenda requests and committee meeting schedules

- A-17-35 Finance Create a Capital Asset Policy
- A-17-36 Streets Revision of ACO Chapter 913.04 Surcharge Rates
- A-17-37 Ordinance Authorizing approving a contract to create a Joint Economic Development District with Amherst Township

A-17-38 Ordinance Add section to ACO Pertaining to food and vendor carts and trucks
Finance July 17, 2017 at 7:00 p.m. A-17-35
Streets July 17, 2017 at 7:10 p.m. A-17-36
Ordinance July 17, 2017 at 7:15 p.m. A-17-37, A, 17-38

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The remainder of Council Committee Meetings from July 10 to July 17, 2017 are cancelled.

Reports of the Administration:

Auditor Kukucka: The June monthly reports have been completed and distributed.

Treasurer Ramsey: The June monthly reports have been completed and distributed.

Reported that he has completed the annual maintenance training to make sure they are continuing all the investments and so forth. He has taken a course on commercial paper which allows the City to invest in commercial paper – which gives us another avenue if we wish to invest that way. Basically these decisions come from recommendations come from the county. This gives us the ability to do those investment. This is a onetime course.

Law Director Pecora: No report

Safety/Service Director Jeffries: No report

Mayor Costilow: Our rate consultant, Mr. Courtney will be here at our first committee meeting in September to talk about our electric rates, as to making some adjustments, some discussion about our kilowatt tax. It will be a lengthy discussion about our Electric Department and our rates. We have completed looking at all the sidewalks in the city. So adopting Chapter 903 will help us a lot with this process. We will probably be sending out groups of letters, not all at once. We will probably set up a web site, with an e mail address where people can ask questions. We will make this as informative as possible. By month end we will be rolling out this plan.

Mr. Dembinski motioned to accept the Reports of the Administration. Seconded by Mr. Goodell. Voice vote 5-0 to accept the Reports

Acknowledgement of the Receipts of reports from the Auditor and Treasurer: Mrs. Wasilk motioned to acknowledge the receipts of these reports. Seconded by Mr. Dembinski. Roll call vote 5-0 to acknowledge the receipt of reports.

Mr. Winiarski motioned to adjourn, seconded by Mr. Goodell. Voice vote 5-0 to adjourn. The meeting adjourned at 7:16 p.m.

Olga Sivinski, Clerk of Council

John Dietrich, President of Council

13. Adjournment