

Dennis Murray called the meeting to order at 5 p.m. after the Invocation, given by Dave Waddington, and the Pledge of Allegiance.

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

Upon motion of Greg Lockhart and second of Dave Waddington, the commission voted to excuse Wes Poole. The President declared the motion passed.

City staff present: Aaron Klein – Public Works Director, John Orzech – Police Chief, Rick Wilcox – Fire Chief, Matt Lasko – Chief Development Officer, Angela Byington – Planning Director, Stuart Hamilton – IT Manager, Hank Solowiej – Finance Director, Trevor Hayberger – Assistant Law Director, Eric Wobser – City Manager and Kelly Kresser–Commission Clerk.

APPROVAL OF MINUTES

Upon motion of Nikki Lloyd and second of Dave Waddington, the commission voted to approve the minutes of the June 11 meeting and suspend the formal reading. The President declared the motion passed.

AUDIENCE PARTICIPATION

Susie Wyse, 105 West Water Street, said she is a property owner and resident in downtown Sandusky. The city bus and government is being driven by Eric Wobser, Commissioners Lloyd and Murray. The city just had an increase in income and admissions tax to pay for a city parking lot and city parks, but it is not enough and they want more. With others, they (Eric Wobser, Dennis Murray and Nikki Lloyd) along with Mr. Hografe and other developers, are running over people downtown and taking their money but are not obligated to do anything with it. The Special Improvement District (SID) will take money from people downtown for five years and the Ohio Revised Code will allow the SID to issue bonds and put people severely in debt as they will be obligated to pay them. No one knows what the real agenda is to take over and these people can be taken out (of the bus).

Sharon Johnson, 1139 Fifth Street, said the city is spending \$2 million on the design work for The Landing project and is totally against this kind of spending. We have deplorable streets, 150 houses to take down and a crappy subway which needs to be remodeled. TIF proceeds will pay back the \$2 million but in the meantime, this is tying up city money for other things. The city is expanding transient rentals in the Cove District and this is spreading like a disease. The city promised this would not get into neighborhoods but it is; she is disappointed this is being permitted and this will drive out homeowners.

Diane Sadowski, property owner in Sandusky, asked whose responsibility it was to notify the Chesapeake owners about the SID and send them a petition or notify them of this project. Diane Sadowski asked how the property developers and partners were vetted and how they will be held accountable as there are still issues not addressed by the city with the Chesapeake developers and asked where the city plan is. Diane Sadowski asked if the city's goal is to jack up the taxes of everybody at Chesapeake who purchased property around the lofts and what matching funds the city has.

Marcie Platte, 1217 Columbus Avenue, said the Sandusky Bay Pathway update was not available on the city's website and asked if there is a picture of what will be on the pathway. Although not a planner or an accountant, she said it looks as if the City of Sandusky is going to bear the entire burden of the design process at a cost of \$2 million. The city is doing a lot of Cedar Point's work for them as their operations will be on The Landing. The city is also doing work for Erie MetroParks and we are taking out easements and it will only arbitrarily affect the average person living in Sandusky. We have enough bars and restaurants and will not need to go here to eat or drink. This will be right off the street in Bay View but in Sandusky, we are allowing people to go along the trail which incorporates property owned by Cedar Point without any financial

consideration. The city is also giving them a 30-year, 100% tax abatement and it sounds like the city is putting all of the money in. Two million dollars is a lot of money for just a design and knows there is a lot of work to be done with the EPA and assessments, but the city should not be shouldering this burden alone.

Regis Robbins, 105 West Water Street and President of the Hubbard Building Owners Association, said the creation of a SID is not meant to be driven by a municipality or a governmental body; rather, it should be driven by non-government property owners and then the government should be given an opportunity to participate. What has happened here is a process fully controlled by the City Manager who blatantly gerrymandered the proposed SID boundaries so he can force his personal agenda - with essentially zero support by the residents - of the proposed SID. It is extremely important to note without the city frontage, the creation of the SID would fail. Equally outrageous is how the burden of taxation is formulated. While the City represents thirty one percent of the yes votes, city dollars being contributed into the SID only represent 3½ percent while the residential contribution is double that of the commercial contribution; this is unjust and rigged. To add insult to injury, the purpose of the SID is to clean up the neighborhood yet what is proposed is to have the downtown residents pay for the trash left behind by tourists and visitors coming into their neighborhood while enriching the businesses and the city through sales taxes. This trash burden was not created by residents of the neighborhood. Creating a SID with its own bureaucracy and power to raise money in order to hire extra hands to keep downtown clean during the tourist season seems like overkill. The City Manager and his friends have an ulterior motive to create this SID and this is troubling. Tax increases do not stimulate economic growth; this SID tax would need to be disclosed to prospective buyers and will act as a deterrent to those looking at purchasing properties in the historic district hampering residential development which would enhance business growth and tax revenue to the city. He has already heard stories of businesses being told by their landlord their rents will go up if the SID is created and tenants will be forced to move out of the district. This is the counter-veiling force which is not being talked about and when he first purchased his condominium, his property tax was abated and he could afford to rent a boat and have a slip at Dock of the Bay Marina. When the abatement expired, his property tax doubled and in looking at ways to pay for the tax increase, he moved his boat out of the marina. Commercial business owners need to think hard about property tax increases because it does impact disposable income and what people can afford. The request to create a SID in the historic downtown is the agenda of one person, the City Manager, who has hijacked a noble program for the gain of a few. He (Eric) clandestinely pushed his agenda as he (Regis) is not aware of a single resident who received a petition. The only logical explanation is the City Manager was controlling the process, along with a select number of commercial property owners, and wanted to get this approved without letting the residents of the community know it was moving forward because if they had found out, they would have reason to put a stop to it. They now have found out all of the facts and is the reason he is here to voice his deep concern. Democracy and fairness is the guiding light and reminded the City Commissioners our ancestors commenced a revolt against a British King for what the City Manager is attempting to do and is asking for a no vote on creating this district.

Dan Delahunt, 1025 Cedar Point Road, said he owns property in the Hubbard Building and the City Manager attended a meeting about one year ago to explain the SID but details were not known at that time. This is a progressive tax on the residential properties in the downtown area, but not on commercial properties. For the first five years, as it is outlined, the residential tax begins at about a 7.8% increase and will rise every year for five years only on residential properties. The residents are not the ones creating problems in the downtown area needing to be cleaned up. The tax is based on the fair market value as opposed to the assessed value and asked why it is being figured on this; it is because the fair market value is higher and will generate more money. Dan Delahunt asked if they will be taxed at fair market value after completion of these projects as well as the SID assessment, or if they will enjoy the abatement as they do with their regular tax bill. It seems oppressive to place this kind of tax on the residents with very little ability for them to vote on it.

Kiuko Sanders, 401 Shoreline Drive, said she is against the SID because residents of the Chesapeake have had absolutely no input and have never been asked for it. The civil rights of the residents in the district are being violated and they are not being treated equally if this goes through as an assessment will be added to their property tax and this will not be the same as the rest of the residents of Erie County. It is unconstitutional to have a segment of residents being taxed more than the rest of the people in the county. Since they have had no input, taxation without representation is tyranny and this is what the city is doing to them. The only people who benefit from this are the consulting firm doing the work behind the scenes. The commissioners do not have any personal stake in this district, other than Dennis Murray, and she is dead set against the creation of a SID.

George Gast, owner of Musicians Alley, 151 Columbus Avenue, said he had high hopes a SID would clean up the city and the downtown but has not seen this happening. He personally feels when the Main Street Association was in existence and had personnel, the downtown area was much cleaner but does not see anything has improved. This was a test program for the summer but does not want to get railroaded into a five-year deal without representation or a vote. George Gast said he has been in downtown Sandusky for 29 years, loves downtown and the city and wants what is best for it.

Matt Ehrhardt, 105 Water Street, distributed a map overlaying city-owned property and commissioner-owned property so the commissioners can see the portions owned by each. Additionally, each person who signed the petition is listed along with the number of parcels owned by them and the zoning (commercial or residential). Of the 110 parcels listed, 107 are commercial and three are residential which also happens to have a commercial owner. There were many city-driven pre-map design discussions with owners to determine who would vote yes and who would vote no. City inclusion meetings were held with Sandusky Yacht Club and with the owners of 333 East Water Street Condominium Association, both of whom said no and the map was not drawn to include them. The 400' city-owned parking lot in front of Variety Village is included as well as 1,392' of city-owned park (Washington Park) and further proves the city led the intent to gerrymander the SID map. The district property is made up of 237 district owners who own 381 parcels; 212 owners, yet 271 parcels said "no" which is 89% of the ownership saying they did not want this. The City of Sandusky, a few commissioners and a few developers and businesses own a significant amount of property footage with very low value and cost in this SID yet 89% of those who said no will pay 73% of the money (\$83,000 in the first year). Year one, the Chesapeake residents will pay \$113.50/sq. foot; those in the Hubbard Building will pay \$57.74/sq. foot; the Murray property will pay \$11.65/sq. ft.; Commissioner Lloyd will pay \$4.17/sq. ft.; and the city will pay \$1.04/sq. ft. while most others will pay \$6.64/sq. ft. The City of Sandusky and two commissioners collectively own 4,470/sq. ft. and without 37% of frontage, they would have reached 45.6% on frontage. If the developer who has business ventures with a commissioner is removed, this would be down to 27%. There are some business owners who felt pressured to sign this and some were tricked into signing the petition. If the city commissioner/business owner can lobby district property owners to vote yes, this is an ethics issue. This SID process has formed a deep divide between residents/owners and the City Manager, the City Commission and a few developers and businesses. He understands the pressure businesses are under and they fear city repercussions including less grant money and more rules and regulations by not signing. They know exactly what businesses not to support and tonight, the commission can drive the final nail into the coffin for this relationship, or they can vote this down and make this a starting point to earn the trust back. How the commission votes tonight will significantly impact how the downtown residents support them (Commissioners) and the City Manager in the future.

Bob Reardon, 401 West Shoreline Drive, said many reasons have been given for a no vote on the SID and strongly encouraged the commission to listen to them. All residents of the Chesapeake currently give 99.95% of their property tax dollars to the City of Sandusky because of the TIF which was founded when it was built and amounts to over \$500,000 each year. Now the city wants another ten percent to take care of the SID which the residents will get very little use of.

They have their own frontage and their own maintenance which they pay dearly for is also used for the sidewalks in front of the building and removal of graffiti. They do not need a ten percent tax increase, do not need city help and do not need to pay for the downtown merchants to take care of their property. When he was a kid, Bob Reardon said the merchants took care of their own property and remembers them hosing the sidewalks and washing windows, but now the city needs this money from people who do not really live in the district to pay for cleaning up this area. This is not right and strongly urges a no vote on the SID.

Nancy Bertsch, 105 West Water Street, said she has not seen community service workers downtown for the last two years since this started being planned and the city looks very dirty. Our jails are overcrowded and these people could clean, pull weeds and sweep. Business owners can clean in front of their units and reap the benefit of people coming into town; she is glad the downtown is developing but this is being done on the backs of people who live here and support it. The condos being filled will add a lot of tax money but should not be taxed before they are even here; usually this is done before the city starts to build up. She has a two-bedroom condo with no garage or balcony and her taxes are very high and these progressives and add-ons add up. She is glad people are coming in from California with their big money but we have a very nice town here and people should not be pushed out with taxes before being brought in. The people pushing the carts around downtown are usually sitting at Subway for hours on end or in the restroom at the Segway business for 30 minutes at a time. They have a truck now and are already spending the city's money but this is an unnecessary push and has deep suspicion there are big plans for the money and it is not for health and safety. She has never felt unsafe and said the Police Department is doing a fine job and this is an under-handed push to get money with no vote from the property owners. It is very unfortunate what the city is trying to do and she did not receive notice of this.

Trudy Thompson, 105 West Water Street, said the SID is not something we should do and hopes the commission votes no. The city took over the Chesapeake TIF (over \$500,000/year) and from the very beginning, residents never got to vote on this.

Sue Trzynka, 401 West Shoreline Drive, said she and her husband purchased their property after looking at over 30 properties between Huron and Marblehead. The reason they selected downtown Sandusky was because of its location and the ability to walk everywhere. They enjoy this, their children love to come here and they enjoy being a part of the downtown community. They are highly dissatisfied with the municipal government which has pushed through their own private agenda against the will of the people. This is backhanded, underhanded and the Boston Tea Party is a precedent and to consider the Sandusky Tea Party does not want, nor do they deserve, taxation without equal representation.

Dudley Ehrhardt, 401 West Shoreline Drive, said his real estate taxes are \$7,202 per year and he also pays \$358 per month for homeowner association fees. Adding the SID assessment will take them over \$12,000 per year to live downtown and he is against it.

David Long, 401 West Shoreline Drive, said he and his wife purchased a condo at Chesapeake Lofts last year as a second home after coming back and forth for many years. The reinvestment in Sandusky is awesome and reminds him of Cleveland and its rebirth. This afternoon, he spent some time reading through the proposed ordinance and the proposal states owners are required to contribute their fair share; per ORC 1710.06, each members' special assessment will be proportionate to their benefits. In his opinion, linking front footage and market values is not fair as one does not correlate with the other and proposes amending this by multiplying the rate by percent of overall square footage approach.

Tim Schwanger, 362 Sheffield Way, said a sleeping giant has awoken and this is an indication of what is going on in the community with this and other issues. This represents the real segment of what Sandusky is all about and should be used as a wake-up call not everyone is happy with

the direction the city is going in now. After following city politics for over 33 years, this issue ranks in the top five of all-time Sandusky great scams or con jobs.

PUBLIC HEARINGS

Dennis Murray announced the opening of a Public Hearing regarding the 2019 Tax Budget.

Hank Solowiej said the purpose of this hearing is to comply with the state as part of our annual audit. The ORC requires information contained in a tax budget including historical and budget data. Prior to 2011, the Erie County Budget Commission waived this requirement. According to the Budget Commission, the purpose for the tax budget is to assist the Erie County Auditor in setting property tax rates to allocate local government funds and to help start the planning process for next year. The information is available on our website and we are probably the most transparent local government in Erie County as far as the wealth of information online including the monthly financial reports, our comprehensive annual financial report, the agendas and minutes of the Audit/Finance Committee, our audit reports and our Issue 8 reports.

Nikki Lloyd said the members of the Audit/Finance Committee gave great accolades for Hank Solowiej's work and for the transparency given by the city.

Matt Ehrhardt, 401 West Shoreline Drive, said the general fund category seems to be overwhelmingly large and asked what goes into the general fund. Hank Solowiej said about 70% of what is spent from the general fund primarily is wages and fringes including those for the Police, and Fire and service departments.

The President announced the Public Hearing is closed.

Dennis Murray announced the opening of a Public Hearing regarding the proposed transient rental overlay area for the Cove District.

Angela Byington, Planning Director, said the Planning Commission recommended an amendment of the zoning map to create a transient overlay district for multiple properties within the Cove District. This would not change the underlying zoning of properties, but would provide them with the ability to transient rent. The city conducted a very open process related to this; a general public meeting, a work session and a Public Hearing was held with the Planning Commission prior to this Public Hearing. Notices were posted and mailed throughout the process. The proposed overlay district includes properties on both sides of Meigs Street between Washington and Monroe Streets, both sides of First Street between Meigs and Erie Streets and properties east of Meigs and north of First Street to Sandusky Bay. The current zoning of these properties includes single- and two-family residential, commercial recreation and public facility zoning. Some of those designated as commercial recreation and located outside of the district are currently permitted to transient rent. This proposed overlay district was initiated in part due to the success of transient rental properties located adjacent to the proposed district. Approval of the transient overlay district would mean property owners could rent these properties for less than thirty days at a time. In 2017, the city approved a zoning ordinance outlining the process to create such districts and stated they shall be created to spur investment in declining geographic areas with the goal of increasing property values and maintaining homes in areas close in proximity to commercial and retail areas. At the same time, the city amended the environmental rental and housing code to create a transient rental application and regulations such as parking, inspection and violations. Per the Erie County Auditor's website, the average market value of properties within this district are well below the county and city averages. Staff and members of the Planning Commission, recommended approval of the proposed transient overlay district as it is in line with the Bicentennial and Comprehensive Plan, is adjacent to properties already permitted to transient rent and will help to continue to increase property values within this neighborhood.

Marcie Platte, 1217 Columbus Avenue, asked if transient rental licenses transfer if the property changes ownership. Angela Byington said if permitted transient rental properties within this district are sold, they would remain transient only if the new owner(s) want them to be used as such. The new owner would have to register the property as a transient rental and continue the inspection process with the Code Enforcement Division. They do not have to stay as transient rentals, this would be their option. Marcie Platte said it is a misnomer transient rental will ever increase property values and this does not make any sense; anyone who has rentals or lives next door to rentals understand this.

Dennis Murray announced the Public Hearing is closed.

Aaron Klein said the city received **\$1 million from the State of Ohio for investigation and engineering work on projects within Sandusky Bay and along the coastline**. These projects have come to a culmination and Scudder Mackey, Director of Coastal Management with ODNR, has been wonderful to work with and was instrumental in getting these funds for the city and getting us on the right track as these types of projects are not normal for a municipality of our size.

Mike Raimonde, Foth Infrastructure & Environment, said they entered this project recognizing Sandusky Bay is a significant and unique ecosystem within the Midwest and the Great Lakes and contains some of the most significant coastal wetlands on Lake Erie. As a result, the ODNR and the City of Sandusky came together and spent the last year engaged in activities including the initial analysis and engineering design for the project. There have been a number of public outreach activities and one of the primary focuses was to look at the beneficial reuse of dredged materials. In doing so, we hope to restore habitat and improve water quality in Sandusky Bay. They have entered all of these activities with a number of scientists and provided a listing of all the collaborative organizations and people involved including university personnel, scientists, the City of Sandusky, ODNR, the Ohio EPA, the U.S. Corps of Engineers and many others. A rigorous process has been followed including working with stakeholders and bringing forward ideas to understand what was possible in reusing dredged material. Critical priorities were set to help Sandusky and an approach was developed as to how to do these things in the best possible way. Projects were designed to meet objectives.

Mark Cecter, KS Associates, said the project objectives were to prioritize a nature-based shoreline approach to beneficially reusing dredged materials from Sandusky Bay as these materials will become a bigger and bigger issue over the next few years and there will no longer be disposal after 2020 to help clean up the lake. We will need to find something to do with this dredged material. It can be used to complete restoration of backwater emergent habitat which is a great goal. In looking at different alternatives, they wanted to make sure the areas would not impact recreation or navigation in Sandusky Bay. Historical collection of dredged materials was done at combined disposal facilities and they wanted to be sure what was designed would not become another combined disposal facility and to do it for habitat benefits rather than enclosing it in a facility. They looked at two sites which would take about one year to complete; the first is west of the coal docks and the second is along the Cedar Point Causeway and south of the marina basin. Cedar Point has been a great partner to work with and they have an opportunity to get more emergent habitat.

Tom Denbow, BioHabitats, said there are a number of issues with planktothrix and pollution issues and the goal is to think about how we can improve the functions of wetlands in the area as they provide important habitat for fish and fishing. After looking at the project which is located in East Sandusky Bay, the idea was to find an optimum site which would be both a benefit for the overall goal of improving water quality, provide habitat for fish resources and include the potential for recreation activities, habitat mounds and a nature-based shoreline coastal wetland restoration. The focus has been on a project to reduce turbidity, improve the overall habitat, take out the wave action which generates a lot of sediment as well as to create a series of terraces to allow water variation over time to maximize the benefit of wetland plants

to act as filters. The project is situated in an area heavily disturbed by past land use practices, filling in past airport activities and a lot of phragmites which does not do a lot of good. The idea is to integrate this project with the proposed trail as it will have an amazing benefit because of its proximity to the coastal wetlands and will serve an eco-tourism function in addition to providing an opportunity to learn about these important assets. There will be a berm created along the former airport runway to diminish the impact of wave action and erosion occurring along the shoreline which creates sediments. There will also be a series of step areas with wetland plants and removal of phragmites, including the roots, to prevent regeneration. This will create a much more diverse habitat for a lot of different species and at the same time, give visitors an amazing experience. Another pilot project is to create habitat mounds using timber to capture the sediments to bring the bottom up, regenerate the vegetation and greatly enhance the habitat.

Dennis Murray thanked Scudder Mackey and the State of Ohio for being great partners with the city and for our local resources. This is an issue which is important in the long term and said Ohio has a multi-billion dollar tourism and water-based economy and the quality of Lake Erie and Sandusky Bay are key economic drivers for our area. The Ohio EPA and the ODNR have been great partners in figuring out how to address the algal blooms and how to increase the quality of the water in our area and thanked Mr. Mackey and the Governor for their leadership.

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

Dennis Murray asked if anyone wished to remove any of the Consent Agenda items. There were no requests to do so.

A. Submitted by Angela Byington, Planning Director

SECOND READING

UPDATE TO SANDUSKY BAY PATHWAY PLAN

[CLICK HERE TO VIEW SBP DOCUMENT](#)

Budgetary Information: There is no budgetary impact to the adoption of this plan.

[ORDINANCE NO. 18-122:](#) It is requested an ordinance be passed approving and adopting the Sandusky Bay Pathway update plan for the City of Sandusky.

B. Submitted by Connie Nicholson, Human Resource Manager

PAYMENT OF ENROLLMENT FEE TO COMPANAGEMENT FOR WORKERS' COMPENSATION GROUP RETROSPECTIVE RATING PROGRAM

Budgetary Information: The contribution will be distributed to all departments.

[ORDINANCE NO. 18-123:](#) It is requested an ordinance be passed authorizing and directing the City Manager and/or Finance Director to make payment to CompManagement, Inc. for the enrollment fee for the 2019 Workers' Compensation group retrospective rating program; and declaring that this ordinance take immediate effect in accordance with Section 14 of the city charter.

C. Submitted by Aaron Klein, Director of Public Works

PURCHASE & APPLICATION OF CAPE SEAL AND MICRO SURFACING FROM STRAWSER CONSTRUCTION FOR SEALING AND MICRO SURFACING

Budgetary Information: The cost of this project is \$49,973 for materials and application, which will be paid for with capital project funds.

[ORDINANCE NO. 18-124:](#) It is requested an ordinance be passed authorizing and directing the City Manager to expend funds for the purchase and application of cape seal and micro surfacing from Strawser Construction, Inc., of Columbus, Ohio, through the State of Ohio Department of Transportation cooperative purchasing program for the 2018 sealing and micro surfacing

project; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

D. Submitted by Hank Solowiej, Finance Director

ADOPTION AND SUBMISSION OF 2019 TAX BUDGET

Budgetary Information: The tax budget will establish initial funding for 2019.

RESOLUTION NO. 024-18R: It is requested a resolution be passed adopting the tax budget for the City of Sandusky for the calendar year 2019; authorizing the submission of the tax budget to the Erie County Auditor; and declaring that this resolution shall take immediate effect in accordance with Section 14 of the city charter.

E. Submitted by Todd Gibson, Facilities & Properties Supervisor

PERMISSION TO DISPOSE OF VEHICLE

Budgetary Information: Proceeds from the sale of the vehicle will be placed into the city's Issue 8 capital projects fund – vehicles, facilities and equipment.

ORDINANCE NO. 18-125: It is requested an ordinance be passed authorizing and directing the City Manager to dispose of a vehicle as having become unnecessary and unfit for city use pursuant to Section 25 of the city charter; 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/or resolutions 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/or resolutions, whether it be in full accordance with Section 13 or Section 14 of the City Charter. Roll call on the motion: Nikki Lloyd, Dave Waddington, Naomi Twine, Dennis Murray, Greg Lockhart and Dick Brady, 6. Roll call on the ordinances and resolutions: Yeas: Nikki Lloyd, Dave Waddington, Naomi Twine, Dennis Murray, Greg Lockhart and Dick Brady, 6. The President declared the ordinances and resolutions contained in the Consent Agenda passed in full accordance with the City Charter.

REGULAR AGENDA

ITEM #1 - Submitted by Greg Voltz, Assistant Planner

SECOND READING

SPECIAL IMPROVEMENT DISTRICT

Budgetary Information: There is no budgetary impact.

MOTION NOT SECONDED/LEGISLATION NOT CONSIDERED: It is requested a resolution be passed approving the master petition, initial plan for public services and Articles of Incorporation for the creation and governance of the downtown Sandusky Special Improvement District, Inc. under Ohio Revised Code Chapter 1710.

Upon motion of Dick Brady and second of Dave Waddington, the Commission voted to table this Resolution for further review.

Discussion: Dick Brady said the purpose of his motion to table is not to indict the City Manager or staff and resents the implication from some residents this was a rigged deal or was inappropriate. He believes their voices can and will be heard and thinks something this important needs further review. Dick Brady said he has always believed in government for and by the people and this is what he is hearing and will not leave this room tonight feeling the city has rigged the deck or our staff has done anything unethical or inappropriate. Dave Waddington said he was contacted by some of the businesses downtown about Clean & Safe having a change in management and for any job he starts, would want to put in as much effort as possible from day one. From what he heard and in walking downtown, he did not see this effort and agrees this needs to be put under a microscope a bit further. Naomi Twine agrees with tabling this legislation and said the comments tonight were eye-opening and she got a real look into other people's perspective regarding this proposal and agrees it needs additional research and an opportunity for community feedback as well as for the ability of the commissioners to receive it

and think about what they are doing and why. It is her desire to table this motion so answers to the questions asked tonight can be answered. Greg Lockhart said he does not want this tabled because he has heard from numerous residents they did not feel comfortable with this legislation and believes it should not have made its way to this table unless fully vetted through the people. Tabling something the people are not happy with does not make sense. No matter what is done, this is not a good tax and he will not feel it is until the people are comfortable with what they are doing. This is an important issue which involves not only downtown, but everyone. Citizens of Sandusky are paying for this with all of the funds contributed by the city and would have to vote this down if it were voted on today. There are questions about fair market value and planning concepts about who is responsible which need to be answered prior to a vote. It seems there is a question of notice and input to and from the residents and is concerned about this. Most of the things we are doing are positive but in regard to comments made about the City Manager, the buck stops with the Commissioners. Greg Lockhart said Eric Wobser has been involved not only with this project and we have done a lot of great things in this city and should not knock a guy down for the one thing that people do not like. People can, however, come to the commission and hold them accountable. Dennis Murray thanked those who attended and expressed their opinions.

Roll call on the motion: Yeas: Dave Waddington, Naomi Twine and Dick Brady, 3. Nays: Greg Lockhart, 1. Abstain: Nikki Lloyd and Dennis Murray, 2. The President declared the motion fails.

Greg Lockhart made a motion to pass the resolution, but it was not considered as there was no second to the motion.

Dennis Murray then asked Eric Wobser to respond to some of the questions raised tonight. Eric Wobser said transparency has been a chorus throughout the year-long process while in dialogue with these residents and he personally attended three meetings at Chesapeake about the SID. He also attended one meeting at the Hubbard Building and recognizes most of the faces from that meeting and has never shied away from a phone call, an email or a conversation, but has not had the opportunity to have this dialogue in the time between because residents did not reach out until tonight. Many changes have been made throughout this process to accommodate the concerns raised. The city did mail a notice of the Special Improvement District to every resident and apologizes if some did not receive this. Greg Voltz said there was a notice sent to every property owner (based on the Erie County Auditor's tax mailing addresses) and they were notified to reach out to Fergus Consulting or Downtown Sandusky, Inc. to get the full petition as it was costly to mail a full petition to every property owner. Eric Wobser said this petition was provided to everyone who requested it and personally feels nearly everyone in this room was involved in the process and ultimately what we have is disagreement with the path taken by the city. Oftentimes when there is disagreement with substance, the process is put forward as the reasoning for the disagreement. Eric Wobser said he believes there is a real disagreement as to the substance of what is being proposed and ultimately is what we are hearing - masquerading as process - more than actual process concerns. There are questions about the boundaries and these were adjusted numerous times in ways which tried to provide a contiguous district that could pass and ultimately one we could provide services to. A lot of the choices folks have stated were gerrymandering to provide support or to draw more city property in were actually done so we could provide services to those areas based on current and future projects proposed in these places. We have been transparent as to the changes to the boundaries and thinks reasonable people can disagree as to why they exist and people in Chesapeake were frustrated because their property continued to be included. A great deal of the city property could be removed from the SID and we would still be above the sixty percent threshold. Many of the property owners who have not yet signed stated they did not oppose the SID and many others we simply did not hear back from so these cannot be counted as an affirmative no. We are well over seventy percent inclusion in the district when the amount is counted. The city did make adjustments so residents would pay a lower rate than commercial properties because residential property on a valuation basis generally appraises higher than

commercial property. In the last improvement districts in Cleveland and Ohio City, which he was involved in creating, they tried to make adjustments to help offset the contribution residents can make. It is very difficult under Ohio law to totally adjust in a way which can account for residents to not have to pay disproportionately more. We made accommodations to allow this to go forward although he is aware many residents were upset with this. These conversations were had in a transparent way and decided the investments we were making into the downtown comprehensively would benefit from the improvement district and would ultimately get more value over time as property values increased. The most disappointing thing is most of the meetings where he shows up to an angry crowd, they are people from the rest of the city who are complaining about how much the city is investing in downtown. The contributions the city has made for twelve vacant buildings to revitalize the downtown include over 30 new businesses which opened, property values rising, downtown marketing which did not exist before, over \$15 million in infrastructure investment planned and \$20 million for the new BGSU/Cedar Fair headquarters. The SID is mentioned in the city's Strategic Plan passed unanimously 2½ years ago and is also part of a Comprehensive Plan for downtown including an improvement district, investments in revitalizing vacant buildings, attracting new businesses and residences, and this is one important step the city believed was part of the overall process. Eric Wobser said the properties in the SID are the greatest beneficiaries of investments downtown. It was mentioned 99.2% of these property taxes go to the city and the residents are beneficiaries from this respect and every other property owner paying taxes to the city has 82% of their tax dollars going directly to the school district. Those in the Hubbard and Chesapeake buildings do not have a lot of students in the school system; rather, they get to see the value of their tax dollars being spent immediately around their buildings. There is \$14 million of planned investment on Shoreline Drive and the Jackson Street Pier which will dramatically improve these property values in addition to having redone East Water Street. The city made choices but was transparent about them. We have and will continue to invest in downtown. Eric Wobser said he is disappointed in the process arguments or personal attacks being made against him and other staff members because they work very hard to support the entire city. Voices have been heard throughout the process and the commission is deciding to table or not support this tonight and is happy to continue dialogue and do a better job of explaining the great investments we have made to benefit these properties. We feel a great sense of momentum in the downtown because of them. Eric Wobser said some of the choices about paying on frontage are dictated by the law. Greg Voltz said when the public meeting was held last summer at the Sandusky Library, there was discussion about the amount coming from the assessed value which would have been a much higher percentage (5.5%). Using the total market value in the formula was a simpler way to do it which dropped to .14% - .15%. There was discussion about abatements and this assessment would be based on the total market value on the Auditor's website. Dennis Murray said we have had a lot of discussion and we are all friends and live in the same community and would like everyone to leave that way tonight. This will not be voted on tonight and if it is to be voted on at any point in the future, it will have to be placed back on the agenda.

ITEM #2 - Submitted by Angela Byington, Planning Director

ZONE MAP AMENDMENT FOR CREATION OF OVERLAY DISTRICT PERMITTING TRANSIENT RENTALS IN THE COVE DISTRICT

Budgetary Information: There is no impact to the general fund.

ORDINANCE NO. 18-126: It is requested an ordinance be passed amending the official zone map of the City of Sandusky to establish a transient occupancy overlay district; and declaring that this ordinance shall take effect under suspension of the rules as contained in and in accordance with Section 13 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 13 of the city charter. Roll call on the motion: Yeas: Nikki Lloyd, Dave Waddington, Naomi Twine, Dennis Murray, Greg Lockhart and Dick Brady, 6. The President declared the motion passed. Roll call on the ordinance: Yeas: Nikki Lloyd, Dave Waddington, Naomi Twine, Dennis Murray,

Greg Lockhart and Dick Brady, 6. The President declared the ordinance passed at under suspension of the rules and in full accordance with Section 13 of the city charter.

ITEM #3 - Submitted by Aaron Klein, Director of Public Services

PROFESSIONAL DESIGN SERVICES AGREEMENT WITH ENVIRONMENTAL DESIGN GROUP FOR THE LANDING PARK

Budgetary Information: The total cost of this project is \$2,057,845.73 and will be paid from the capital projects fund. The city intends to finance the professional design services with short-term notes in the upcoming various purpose note renewal this fall.

ORDINANCE NO. 18-127: It is requested an ordinance be passed authorizing and directing the City Manager to enter into an agreement for professional design services with Environmental Design Group, LLC, of Akron, Ohio, for the Landing project; 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 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 said this project started with a conceptual design process about 1½ years ago and the final plan was approved by the City Commission at the end of 2017. The conceptual design goes from Cedar Point Drive to The Landing and the eastern city corporation limits. It is not the entire Sandusky Bay Pathway, it is just the portion going from Cedar Point Drive, the bridge over Pipe Creek along the old pier track right-of-way and the property on the North side of the existing Sports Force facility and its future Phase II expansion. These properties are owned by one of three entities including Cedar Point, Erie MetroParks and the City of Sandusky, we have been in discussions with them and they were involved in the original planning effort. Typically, we like to consider ten to twelve percent in construction costs and the original cost estimate for the phases included was about \$16 million not including lighting, utilities, sewer or water. Adding these in takes this amount up to about \$18 million which gets this project to twelve percent. We are now including the utilities (water and sewer) and extending the gas and power as part of the project. Aaron Klein said he has been doing environmental projects for about 18 years and this is probably the most diverse and complex environmental project with the most permitting and coordination with federal, state and local agencies, and we are spending over \$300,000 in just the environmental and permitting portion to make sure we are doing everything right. We are not negatively impacting any of the environmental habitat. Because the portion of the project on the Pier Track is privately owned, we have a significant amount of geotechnical, survey and acquisition involved so even though we are at twelve percent, about 25% of the entire cost of the project is with these types of things. The design is being paid for from future TIF proceeds which was approved in April, 2018, and includes planning, engineering, legal, acquisition, construction and installation for public improvements related to trails, recreational paths, streets, water or sewer lines, acquisition and any other real estate project which directly benefits the parcels associated with the TIF in and around the sports facility. It is the intent of these dollars to be used for a project like this; they cannot be used for projects which might be paying for something elsewhere which does not directly benefit them. Dennis Murray said a question was asked about this property having a tax abatement but understands Cedar Fair is paying the full value of the taxes and is what funds the TIF although the legislation uses the word “abatement”. Hanks Solowiej said it is more of a reallocation of resources. Aaron Klein said the city is still in discussions with Erie MetroParks about their involvement and Cedar Point will be doing the road from State Route 6 back to the north side of the sports center (Phase II) and are paying for widening of State Route 6. They also are taking care of the private portion which includes the buildings on the northeast side so these TIF dollars would only be going toward the public portion. The timeline for completion of the design will be chosen in the next couple of weeks.

Roll call on the motion: Yeas: Nikki Lloyd, Dave Waddington, Naomi Twine, Dennis Murray, Greg Lockhart and Dick Brady, 6. The President declared the motion passed. Roll call on the ordinance: Yeas: Nikki Lloyd, Dave Waddington, Naomi Twine, Dennis Murray, Greg Lockhart

and Dick Brady, 6. The President declared the ordinance passed at under suspension of the rules and in full accordance with Section 14 of the city charter.

ITEM #4 - Submitted by Stuart Hamilton, IT Manager

AUTHORIZATION TO ACCEPT BIDS FOR THE CITY-OWNED FIBER EXTENSION PROJECT

Budgetary Information: The estimated cost of the project including advertisement and miscellaneous expenses is \$50,000 to be paid out of the capital projects fund.

RESOLUTION NO. 024-18R: It is requested a resolution be passed declaring the necessity for the city to proceed with the proposed city-owned fiber extension project; and directing the City Manager to advertise for and receive bids in relation thereto; and declaring that this resolution 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 resolution under suspension of the rules and in full accordance with Section 14 of the city charter.

Discussion: Stuart Hamilton said as part of the new City Hall lease, we are logistically and financially responsible for Items #4, #5 and #6. Item #4 is a bid request to extend our fiber optic cable to the new city building. All of our off-site locations connect back to City Hall for all data and phone needs and we need to extend this usage to our new location. This is a basic project but is a specialized trade so it needs to be bid. Item #5 is to run all of the network cabling in the new City Hall so it includes cabling to point of use, fiber optics between floors and all communication racks and equipment needed. This will put the building in a state where we can migrate with zero downtime from our current location to our new location when it is time to move. A ten percent variance was added to the projects because it is fluid and as the building options change, some of the designs might also change; rewiring will cost \$47,737. Agenda Item #6 is a communication for the new city security solution from Johnson Controls which will be a fully integrated system covering interior and exterior videos and door controls and will enable us to see everything going on within the building in one location which currently is lacking at City Hall. With the help of the Police Chief, this will be the basis of how we design our security systems from this point forward.

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

ITEM #5 - Submitted by Stuart Hamilton, IT Manager

AGREEMENT WITH OHIO TELECOM, INC. FOR PROFESSIONAL SERVICES FOR CITY HALL PHYSICAL NETWORK INFRASTRUCTURE

Budgetary Information: The cost of the professional services is \$47,736.68. With the nature of the project and the probability of changes to the building itself prior to completion, it is anticipated additional funds may be necessary to complete the project and therefore a contingency of ten percent (\$4,773.77) has been budgeted for this project. No additional funds will be expended unless approved by the City Commission. The project will be expensed from the capital projects fund.

ORDINANCE NO. 18-128: It is requested an ordinance be passed authorizing and directing the City Manager to enter into an agreement with Ohio Telecom, Inc., of Port Clinton, Ohio, for professional services for the City Hall physical network infrastructure project 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 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: Yeas: Nikki Lloyd, Dave Waddington, Naomi Twine, Dennis Murray, Greg Lockhart and Dick Brady, 6. The President declared the motion passed. Roll call on the ordinance: Yeas: Nikki Lloyd, Dave Waddington, Naomi Twine, Dennis Murray, Greg

Lockhart and Dick Brady, 6. The President declared the ordinance passed at under suspension of the rules and in full accordance with Section 14 of the city charter.

ITEM #6 - Submitted by Stuart Hamilton, IT Manager

AGREEMENT WITH JOHNSON CONTROL, INC. FOR PROFESSIONAL SERVICES FOR CITY HALL SECURITY SYSTEMS

Budgetary Information: The cost of the professional services is \$157,396. With the nature of the project and the probability of changes to the building itself prior to completion, it is anticipated additional funds may be necessary to complete the project and therefore a contingency of ten percent (\$15,739.60) has been budgeted for this project. No additional funds will be expended unless approved by City Commission. The project will be expensed from the capital projects fund.

ORDINANCE NO. 18-129: It is requested an ordinance be passed authorizing and directing the City Manager to enter into an agreement with Johnson Control, Inc., of Cleveland, Ohio, for professional services for the City Hall security systems project; 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: Yeas: Nikki Lloyd, Dave Waddington, Naomi Twine, Dennis Murray, Greg Lockhart and Dick Brady, 6. The President declared the motion passed. Roll call on the ordinance: Yeas: Nikki Lloyd, Dave Waddington, Naomi Twine, Dennis Murray, Greg Lockhart and Dick Brady, 6. The President declared the ordinance passed at under suspension of the rules and in full accordance with Section 14 of the city charter.

ITEM #7 - Submitted by Jane Cullen, Project Engineer

CHANGE ORDER #1 & FINAL FOR WEST MARKET STREET SEWER REPLACEMENT PROJECT

Budgetary Information: Change Order #1 and final, an addition in the amount of \$16,921.45 will revise the contract amount to \$82,312.45 and will be paid with sewer funds.

ORDINANCE NO. 18-130: It is requested an ordinance be passed authorizing and directing the City Manager to approve the first and final change order for work performed by Rising Son Company, LLC, of Mansfield, Ohio, for the West Market Street sewer replacement project in the amount of \$16,921.45; 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: Aaron Klein said as with any underground projects, there are always unknowns once the surface is removed. Using cameras, this looked like a normal sewer but in bad shape. When we started digging, it was determined the sewer was not going straight, rather it was turning gradually to one side. When excavating, we had to remove the existing sewer as well as lay the new sewer straight to make sure we could have direct connections and to make sure we could clean it in the future and maintain it properly. The extra cost is for the backfill and hauling the soiled material for the larger excavation and normal construction costs to make sure the sewer is up to city standards. Dennis Murray said we use the GIS system to have a clear set of records for future generations which show exactly where things are underground but the city did not have this type of technology back then.

Roll call on the motion: Yeas: Nikki Lloyd, Dave Waddington, Naomi Twine, Dennis Murray, Greg Lockhart and Dick Brady, 6. The President declared the motion passed. Roll call on the ordinance: Yeas: Nikki Lloyd, Dave Waddington, Naomi Twine, Dennis Murray, Greg Lockhart and Dick Brady, 6. 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 Todd Gibson, Sr., Facilities & Properties Supervisor**PURCHASE OF VEHICLE FROM SHERRY CHRYSLER FOR DIVISION OF ENGINEERING**

Budgetary Information: The total cost of the purchase of the 2019 RAM 1500 Quad Cab ST 4 x 4 truck is \$25,198 of which \$9,599 will be paid with water funds; \$9,599 will be paid with sewer funds; and the remaining balance of \$6,000 will be paid with capital projects funds (Issue 8).

ORDINANCE NO. 18-131: It is requested an ordinance be passed authorizing and directing the City Manager to purchase a 2019 RAM 1500 Quad Cab ST 4 x 4 truck from Sherry Chrysler of Piqua, Ohio, through the State of Ohio Department of Administrative Services cooperative purchasing program for the Engineering Division; 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 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: Yeas: Nikki Lloyd, Dave Waddington, Naomi Twine, Dennis Murray, Greg Lockhart and Dick Brady, 6. The President declared the motion passed. Roll call on the ordinance: Yeas: Nikki Lloyd, Dave Waddington, Naomi Twine, Dennis Murray, Greg Lockhart and Dick Brady, 6. The President declared the ordinance passed at under suspension of the rules and in full accordance with Section 14 of the city charter.

ITEM #9 - Submitted by Todd Gibson, Sr., Facilities & Properties Supervisor**PURCHASE OF VEHICLE FROM LEBANON FORD COMMERCIAL FOR WATER DISTRIBUTION DIVISION**

Budgetary Information: The total cost of the 2018 F450 4 x 4 regular chassis cab, dual rear wheel truck with dump body is \$55,622 and will be paid from water funds which were budgeted in the capital improvement plan and accounted for in the 2018 rate review.

ORDINANCE NO. 18-132: It is requested an ordinance be passed authorizing and directing the City Manager to purchase a 2018 Ford F450 4 x 4 regular chassis cab truck with dump body from Lebanon Ford Commercial of Lebanon, Ohio, through the State of Ohio Department of Administrative Services cooperative purchasing program for the Water Distribution Division; 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: Yeas: Nikki Lloyd, Dave Waddington, Naomi Twine, Dennis Murray, Greg Lockhart and Dick Brady, 6. The President declared the motion passed. Roll call on the ordinance: Yeas: Nikki Lloyd, Dave Waddington, Naomi Twine, Dennis Murray, Greg Lockhart and Dick Brady, 6. The President declared the ordinance passed at under suspension of the rules and in full accordance with Section 14 of the city charter.

ITEM #10 - Submitted by Todd Gibson, Sr., Facilities & Properties Supervisor**PURCHASE OF VEHICLE FROM LEBANON FORD COMMERCIAL FOR SEWER MAINTENANCE DIVISION**

Budgetary Information: The total cost of the 2018 F450 4 x 4 regular chassis cab, dual rear-wheel truck with dump body is \$55,622 and will be paid from sewer funds which were budgeted in the capital improvement plan and accounted for in the 2018 rate review.

ORDINANCE NO. 18-133: It is requested an ordinance be passed authorizing and directing the City Manager to purchase a 2018 Ford F450 4 x 4 regular chassis cab truck with dump body from Lebanon Ford Commercial of Lebanon, Ohio, through the State of Ohio Department of Administrative Services cooperative purchasing program for the Sewer Maintenance Division; 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. Roll call on the motion: Yeas: Nikki Lloyd, Dave Waddington, Naomi Twine,

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

ITEM #11 - Submitted by Angela Byington, Planning Director

PROFESSIONAL SERVICES AGREEMENT WITH ENVIRONMENTAL DESIGN GROUP FOR GRANT WRITING SERVICES

Budgetary Information: The cost of the grant writing service is not to exceed \$45,000. The service will be paid with Issue 8 capital projects funds (parks and recreation) in the amount of \$9,500 and parks and recreation capital projects funds in the amount of \$35,500.

ORDINANCE NO. 18-134: It is requested an ordinance be passed authorizing and directing the City Manager to enter into an agreement with Environmental Design Group of Akron, Ohio, for professional services in preparation of a grant application to the U.S. Department of Transportation for financial assistance through the Build Discretionary grant application 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 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: Angela Byington said authorization is being requested to enter into a contract for professional services to complete and submit a build discretionary grant application. The request would be for \$25 million and the fund would be used for construction of the Sandusky Bay Pathway. There is not a match required but the city would propose a 25% match which would make our application much more aggressive and looked upon favorably. For example, if the City of Sandusky were awarded the full amount of the grant, our match would be \$7.8 million for a total project cost of \$31.25 million. They could also approve a lesser amount and our match would be adjusted accordingly. This is a very aggressive application and is very technical and the cost of the process for Environmental Design Group to complete it would be \$45,000. It is proposed \$9,500 be paid from Issue 8 capital project funds/parks and recreation and \$35,500 from parks and recreation capital project funds. If the city would not be funded in this round, the materials in this application could be used again for the next round. We are requesting authorization be provided under Section 14 of the city charter as the grant application is due by July 19. Dennis Murray said this is a lot of money to spend to write a grant application, but a lot of money is at stake and can predict if we do not apply, we will not get it and supports this legislation.

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

ITEM #12 - Submitted by Jeff Keefe, Project Engineer

REIMBURSEMENT TO SANDUSKY CITY SCHOOLS FOR GREEN INFRASTRUCTURE IMPROVEMENTS AT THE NEW HAYES INTERMEDIATE SCHOOL

Budgetary Information: This project is intended to reduce future costs for the Combined Sewer Overflow plan as requested via negotiations with the Ohio EPA. The cost for the original work was \$13,500 and with the additional cost of \$63,613.29 for the additional work, the total reimbursement cost is \$77,113.29 and will be paid with sewer funds.

ORDINANCE NO. 18-135: It is requested an ordinance be passed authorizing and directing the City Manager to expend additional funds to the Sandusky City School District for reimbursement of additional services necessary for the green infrastructure improvements at the new Hayes

Intermediate School property; 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: Aaron Klein said we had requested \$13,500 previously for this project to redirect storm water from the existing parking lot to the new storm drain infrastructure along Hayes Avenue. The ideal situation would have been to do the storm sewer on the north side of the entrance and the sanitary on the south side of the entrance; however, there were no records of these sewers. Once they started digging, it turned out the sanitary sewer was on the north and the storm sewer was on the south and the only way to direct this flow to the drain infrastructure was to lower the sanitary sewer because they were at the same exact elevation. Unfortunately, this is the only way for the project to succeed. This will still be a financial benefit to the city. The original estimate was to be below \$.36/gallon of green infrastructure and the original estimate was under \$.01/gallon which is a huge savings on future investments. The new cost is about \$.04/gallons so we are still \$.32/gallon below and this is a very good investment. Dennis Murray said he understands part of this expense is due to the fact we may run into bedrock and will have to bear this expense.

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

CITY MANAGER'S REPORT

- **Upon motion of Naomi Twine and second of Nikki Lloyd, the commission voted to accept a donation in the amount of \$75 for the Police Department from the Sandusky Memorial Day Association. The President declared the motion passed.**
- **Upon motion of Naomi Twine and second of Nikki Lloyd, the commission voted to accept a donation in the amount of \$75 for the Fire Department from the Sandusky Memorial Day Association. The President declared the motion passed.**
- **Upon motion of Naomi Twine and second of Nikki Lloyd, the commission voted to accept a donation in the amount of \$30 from an anonymous citizen which was made to thank the Fire Fighters for helping her change a flat tire; they are paying it forward and will be donating this to a local food shelter. The President declared the motion passed.**
- **Upon motion of Naomi Twine and second of Nikki Lloyd, the commission voted to accept an in-kind donation from Steve Spriggs of an outdoor, life-sized Jenga set in-scripted with "Sandusky's Bicentennial". The President declared the motion passed.**
- **Sgt. Susana coordinated the Torch Run for Special Olympics on June 16 and Eric Wobser thanked her for her continued commitment and passion for the Special Olympic athletes.**
- **The Fire Department will be delivering lunches daily to the kids for the duration of the playground program and thanked the Salvation Army for supplying the lunches.**
- **The 2017 Comprehensive Annual Financial Report is on schedule to be filed with**

the Government Finance Officers Association by the June 30 deadline.

- **The online utility bill pay portal is now online** and thanked Hank Solowiej and Stuart Hamilton for their work with this. Stuart Hamilton gave a brief live demonstration of the area on the city's website where this information can be found and how to use it.
- Staff is accepting Requests for Qualifications for the **Sandusky Bay Pathway detailed design and qualification packets** which are due July 9.
- Staff is accepting Requests for Proposals for a **combined sewer system flow** monitoring and proposals are due July 9.
- Staff would like to remind developers and prospective purchasers **the city has federal Brownfield funds available for Environmental Site Assessments** which are typically required prior to purchasing property. Please contact Public Works at 419.626.5829 for more information.
- The contractor has made great progress at the intersection of **Monroe Street and Gartland Avenue** and still plans to open the road after construction ends this week, barring unforeseen circumstances.
- The **Sandusky Science Masonic lodge, in conjunction with Balconi Monuments, will be dedicating a 24" x 36" x 4" section of granite** to the city at 1 p.m. during the annual Stars & Stripes celebration on July 4 at the Washington Park gazebo. This stone will be installed flush with the sidewalk in front of the entrance to the new City Hall when we are closer to relocating downtown.
- On June 16, the city received correspondence from the Ohio Development Services Agency formally accepting and **approving the city's petition for the creation of a city-wide community reinvestment area**. The designation will permit the city to offer real estate tax abatement (ten years at 75% on the value of improvements) city-wide for physical improvements to properties which contain three or less units. The department will be working over the next few weeks to formalize the application process and plan for a formal rollout and opening of the program in mid-to late-summer.
- The city received two of 31 state-wide **Ohio Historic Preservation Tax Credit awards including:**
 - **Feick Building, 158 - 170 East Market Street** – project received \$2 million in credits to assist in the \$14 million renovation being undertaken by Vintage Development; once completed, the project will include approximately 66 new apartment units and ground floor commercial space
 - **Biemiller Building, 125 East Water Street** – project received \$184,500 in credits to assist in the \$1 million dollar renovation being undertaken by Renaissance Too, LLC.; once, the project will house Lake Erie Shores and Islands and residential units on the upper floors

The amount of historic tax credits we have received over the last two years are unprecedented for a city of our size.

- The regular **Planning Commission** meeting is scheduled for June 27 at 4:30 p.m. in the first floor conference room.

- The regular **Board of Zoning Appeals** meeting is scheduled for June 21 at 4:30 p.m.
- A **Landmark Commission** meeting is scheduled for June 28 at 4:30 p.m.
- **Sandusky Transit System will be hosting a public meeting** on June 28 at 5 p.m. at the Central Fire Station. The topic will be the elimination of four stops on the SPARC 3 route which are underutilized and the addition of two new stops on the same route at Holy Angels Church and Maytag Home Laundry. Discussion will include some minor route adjustments necessary for the new Downtown Transit Hub located in front of the Social Security Office.
- There will be a **south side cleanup** on July 7 at 9 a.m. beginning at New Jerusalem Church.

Dennis Murray said **Eric Wobser has been doing an incredible job running the city** and when we are moving as quickly as we are, we will run into disagreements from time to time. He appreciates those who came tonight to speak in a respectful manner but does not appreciate comments which undermine or question Mr. Wobser's honesty and integrity which are unfair and unfounded. We have done a great job as a city of running out a lot of City Manager's and does not want to do this to him (Eric). He is doing a lot of good, as well as our staff, and the city is in a much better place than it was four years ago when Eric started. We will have disagreements, which is fine, and the commission will make changes in direction from time to time because of public input and is how it should be, but wishes for everyone to be respectful. We do not want to be like the people in Washington D.C. or Columbus too often as we are all friends and neighbors and it is important to keep this in mind. This is what makes us special and what makes us a community and thanked Eric Wobser for his leadership.

OLD BUSINESS

Dave Waddington said he is hopeful to have a **rededication of Cholera Cemetery** sometime in July. It has been around since 1968. The entrance sign has been repainted, the center piece is nice and the butterfly area has been installed and it is well kept.

NEW BUSINESS

Dave Waddington said at the **Coffee With Commissioner meeting** last Saturday, the Tiffin Avenue underpass was discussed which has been cleaned but asked if we can paint, clean or provide better lighting in this area.

Dennis Murray said the June 11 **replays of the commission meeting** did not take place on Buckeye Broadband. Buckeye is working through changing out equipment and taking care of these issues so this does not happen again. Meetings are always available online at www.YouTube.com and a link is provided from the city's website.

AUDIENCE PARTICIPATION

Susie Wyse, 101 Water Street, said none of the residents had notice the Petitions had been received for the SID stating it would have been presented at the June 11 meeting and was why no one attended. Wes Poole asked some questions at that meeting which indicated he, as a commissioner, was not well informed of the statistics as to who voted for it, and that the square footage and tax value was done. Susan Wyse asked what the three choices are to fund a SID and cited the Ohio Revised Code as to how this could happen. It was a choice made by the city to assess by front footage, but make the residents pay by tax values. They could have paid by the front footage but the city chose not to as there is \$34 million of value in Chesapeake and they only had 440' to vote on so they would not have paid much. A rational and reasonable person would ask why this funding method was chosen and the city could have obtained a lot of money from other people that way because the city would have had to pay for 4,000' while the Chesapeake owners would have had to pay for 400'. This would not have given the city much money to play with to run the board with the board makeup being made up of two residential

members, three business owners and two city board members. The residents would have kicked in all of the money but these people would get to say what happens with it. A rational person would wonder how many residents were actually for this. The consultant did not suggest these all be businesses with the exception of three residential units which also owned commercial property; there were zero residential, stand-alone owners out of more than 200 who did not receive or sign a petition and this is a “no”. This was rammed through by the city and the businesses. ORC 1710.06A states the Board of Directors of a SID may adopt a written plan for improvements or services which benefit all or any part of the district and the Board would have chosen who gets the money, not the residents. Residents would pay for the care or improvement of favored commercial and government-owned properties as voted by the Board. The ORC 1706.A5 states the board may pass the cost of issuing paying interest on or redeeming notes and bonds issued for public funding improvements or public service plans. This was not done to hire a couple of custodians for the downtown; this is a little window to put these residents in debt to issue bonds for whatever is decided to do which would then be a lien on her property when sold. Special improvement documents would have to be shared within five days of accepting an offer to purchase when sold. This will not improve her property value. People in the Chesapeake take care of their property very well. They do not obtain grants and have not gotten windows in their building through grants. They were not promised grant money if they agreed to sign the petitions and asked if the city did. They do not know what back door deals were made between commercial owners and the city or what promises were made about where the money is going. The city has done a great job and it looks good, except it is not very well swept, but the development is good. Sometimes, power goes to people’s head and they go too far and this is government overreach. The Police officers are not going to fine someone for smoking on the Jackson Street Pier and she is not a smoker, but treats people who die from smoking. People have a right to smoke and does not care if someone smokes while they are fishing.

Mike Zuilhof, 243 East Market Street, commended city staff for the success with the Feick Building. For over two decades now and when the city decided to purchase the Chesapeake building and promote its redevelopment, no one believed it was going to happen but it turned out to be transformative and a huge benefit to the downtown by getting 200 market-rate residential units ready within two blocks of our downtown. The Feick Building is arguably more important and it is imperative to have as the alternative would have meant decay of an eight-story building surrounded by three-story buildings in the middle of our downtown. This is so important and we should be celebrating it, the success of this administration and of the developer for recognizing the potential of this fantastic building and we have something to be excited about.

Matt Ehrhardt, 404 West Shoreline Drive, thanked the city for not voting the SID into effect. Related to this, he would like to see a legal explanation as to how a commission can legally vote on an agenda legislative item which failed a commission motion to table. The Hubbard Building had about four parcels which were doubled up and he removed them from his calculations. The city had a 200’ submission for the former Keller Building property under the same parcel number and he also removed this. There were 237 district owners of 381 parcels; 212 owners did not sign the petition and therefore voted no. $212 \div 237 = 89.5\%$ of owners who voted no of the 271 parcels. There were 25 owners of 38 parcels who did sign the petition which means there were 212 no votes and wanted to explain this. The issue is the hugely disproportionate tax to be paid by the 89.5% who voted no and this is not fair. When looking at the district, Matt Ehrhardt asked why Jeff Krabill’s properties are excluded. A line was drawn directly around the 200’ parking lot where Variety Village is located and wonders why. The district line then goes across Water Street and down an alleyway and back. Gerrymandering is defined as a practice intended to establish a political advantage for a particular party or group by manipulating district boundaries and hopes the commission understands this. There is a group of people who started the resurgence to begin with. The unit he lives in was bought from Dan Delahunt and was the first major property purchased thirteen years ago in this building and at that time, the Chesapeake was not yet completed. The owner of the Chesapeake was sick

and it was unknown whether it would be finished, but he was able to watch the windows and balconies get built. Downtown had two or three decent food establishments at that time but the city has come around and thanked the city for helping to do this, but said the businesses are benefitting from this and they are going to make money. As an example, their taxes may increase a bit but residents will go up \$445 while Commissioner Lloyd's will increase by \$175 and this is the data from the Erie County Auditor's website as to valuation and percentages.

Dudley Ehrhardt, 105 West Water Street, said two years ago he received a letter about property he owns on Campbell Street about painting the dormers and the garage and asked if the city is still doing this as he is not seeing it. Dennis Murray said we have significantly increased our Code Enforcement staff along with the number of citations and prosecutions and are doing this more aggressively than ever by zones. Dudley Ehrhardt said he drives down city streets and sees shower curtains on windows and things that look like heck while his house was in perfect shape but just needed a little paint.

Sharon Johnson, 1139 Fifth Street, asked if the June 11 commission meeting was not aired and asked if this meeting will play on www.YouTube.com.

Bob Reardon, 401 West Shoreline Drive, said he hates to belabor this point, but wonders where the city is with the SID. Eric Wobser attended a meeting a couple of months ago and knew the people who live in Chesapeake were very unhappy but did not know where he was coming from in spite of attempting to convince them about it. They were also told he (Eric) would keep them in the loop, but the first reading took place two weeks ago and they were unaware of that and is why they are here tonight. They were not kept in the loop and they did not all receive the paperwork and notifications to begin with. They were also told they could not opt out of the SID and does not understand this. They have concluded the reason is because no one asked them if they could opt in. Bob Reardon asked if the Chesapeake and Hubbard residents will be notified if this is to come up again. Dennis Murray said the Sandusky Register does a pretty good job of writing about contentious issues and if something like this were to be placed back on the agenda, he is pretty certain it will be on the front page of the newspaper. Bob Reardon said he believe it would be the city's responsibility to notify these folks ahead of time and as the secretary of a couple of organizations, this is how they operate. Naomi Twine said she agrees if there is to be something to come up again, the city should make contact. Although she is not sure where she stands on the issue, she has heard a lot of feedback tonight and thinks there will be more discussion and more inclusion from the public. Moving forward, if this is something that will show up again, we should have due diligence and outreach to the public. Bob Reardon said there has been tremendous growth in the downtown and appreciates this; whether this continues to inflate the values of properties in the Chesapeake he is not so sure. Many of those recently purchased are being done so for rental and some property values tend to go down when this happens. There have been issues in their building with people who rent and they fight this all summer long and property values can also go down with a lot of rentals.

Tim Schwanger, 362 Sheffield Way, said he is not a downtown resident but is a Sandusky resident and taxpayer who would be contributing to the \$4,100 the city would have paid into the SID. When this came before the city, Wes Poole questioned the necessity of the city making up over thirty percent of the sixty percent (property owners within the SID). When city staff and employees and volunteers are in Washington Park five and six times a day, he wonders why this park needed to be included in the SID. The Paper District Marina is also included in this program yet there is a firm overseeing this operation and is supposed to be taking care of it. This begs the question whether this was rigged. Tim Schwanger reminded the commission the city's participation was supposed to be a one-time \$50,000 grant and was the promise made by the City Manager, but now we are in a different era where the city will be contributing \$4,100 each year over the life of the program. There is still an issue on the east wall where the Sandusky Sailing Basin comes together and asked if this will be done in the 2018 sidewalk program along with the Meigs Street Pier. He offered to put together a group to help and make these repairs, especially with people wanting to be on them to view the upcoming Fourth of July fireworks.

Aaron Klein said about \$40,000 is included in the 2018 sidewalk program for repairs on the Meigs Street Pier and will be meeting with the contractor later in the week to discuss what is to be included. There was a waterfront cleanup held this weekend and said it was an excellent program but at Shoreline Park, the thistles on the walkway are very tall. The city's process of killing weeds is to spray them, but when they die, all that is left are brown thistles and we should look into how weeds are killed and perhaps cut them down while they are still green and before they go to seed. The city has been doing this at Cholera Cemetery and it is not working.

Marcie Platte, Columbus Avenue, asked why the city is funding the \$2 million design work and permits for The Landing project as it has partners in Cedar Point and Erie MetroParks. Although a TIF agreement is involved, the abatement is for thirty years and the majority of Sandusky's population does not live on the east end of town; rather, they live middle to west end of town. The environmental work was done but its only impact is on The Landing because no one uses this area. This area has been filling in with sediment since the beginning of time when there were large willow trees. This is a lot of money for the people of Sandusky with all of their other issues when some of this burden should be handled by Cedar Point or Erie MetroParks and does not understand this concept. The city only has 25,000 people and does not see where we have gotten any more than this and Cedar Point brings in a lot of tourists. This project allows people to walk back and forth from Cedar Point's hotels. It is a better advantage for them. When this administration wants something, it goes through and knows this is going to happen and those involved believe this is a huge benefit for the City of Sandusky. She does not see where it really helps the average person who lives here when it is so far away from where they live.

At 7:43 p.m., upon motion of Naomi Twine and second of Dick Brady, the commission voted to adjourn. The President declared the motion passed.

Kelly L. Kresser, CMC
Commission Clerk

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