MINUTES OF SPECIAL PERRYSBURG CITY COUNCIL

MEETING HELD MARCH 25, 2014

Mayor Olmstead called the meeting to order at 6:30 p.m. Present were Council Members Todd Grayson, John Kevern, Tom Mackin, Jim Matuszak, Tim McCarthy, Rick Rettig and Barry VanHoozen (7). Also present were Bridgette Kabat, City Administrator, Mathew Beredo, Law Director and David Creps, Clerk of Council.

Mr. Matuszak stated that he is recusing himself from this vote because of a perceived conflict of interest and an actual conflict of interest. He said that given that, he feels it is the right thing to do.

Mr. Kevern introduced **ORDINANCE 32-2014 GRANTING SPECIAL APPROVAL USE TO COSTCO WHOLESALE PURSUANT TO CODIFIED ORDINANCE 1235.04(nn) AND DECLARING AN EMERGENCY** and moved that the rules be suspended to allow for its reading by number and title only and to dispense with the second and third readings. Seconded by Mr. Grayson. Ayes: (7). Nays: (0). The Clerk read Ordinance 32-2014 by number and title only. Mr. Kevern moved that Ordinance 32-2014 be approved as an emergency. Seconded by Mr. Grayson.

Mr. McCarthy asked if the Ordinance being introduced included the conditions that he drafted. Ms. Kabat stated that the Ordinance introduced is the Administration's recommendation and does not include any restrictions or conditions.

Mr. McCarthy gave his report of the Planning and Zoning Committee meeting held on March 20, 2014, a copy of which is attached hereto and made a part of these minutes.

Mr. Mackin thanked the community for the opinions that they have expressed and asked that their comments be made a part of the minutes. He said the question to be considered is whether the Special Approval Use is appropriate for this property. He said that he has listened to residents' concerns, and he believes Costco will add value to the community, but it would be better with the conditions proposed by Mr. McCarthy. He said he will support the Special Approval Use with the conditions, but will not support it without them. Mr. Mackin said he believes there is a weakness in our Zoning Code that needs to be addressed by City Council, but it is not an issue for tonight. He recommended that in the future the Code be amended to require a traffic study for all non-residential properties that are developed in the Corridor Overlay and also require it for non-residential properties that are adjacent to properties in the Corridor Overlay.

Mr. McCarthy said that numbers one through seven of the conditions he prepared are all items Costco has agreed to. He made a motion to amend the Ordinance as introduced to include conditions one through seven. Seconded by Mr. Mackin.

Mr. McCarthy said that making the conditions part of the ordinance clarifies the issue, and he feels it's necessary. Mr. Kevern noted that number eight would be a deal killer.

Mr. Grayson said that he feels that those items should be handled by the Planning Commission as part of the Final Site Plan process and by the Administration. He said that it is not City Council's role.

Mayor Olmstead said that his concern is that we have a process to deal with issues like this. Some of the items will be handled with the Final Site Plan and others during the Construction Drawing Phase. He said that we are going outside of our process, and there is a time and place to change the process, and it's not here. He urged City Council to not amend the ordinance as presented and to move forward with the vote.

Mr. Grayson said that this property is properly zoned for Costco and if we did not want commercial development on it, it should have been rezoned. He said Costco is a highly qualified commercial applicant and if the building were not greater than 60,000 square feet, City Council would not even be discussing this issue. He said the reason for the Special Approval Use requirement for retail greater than 60,000 square feet is so we don't get stuck with a large empty building. He stated that Costco has never closed a store, and he feels the conditions are heavy handed. He noted that even with the outlots, it will be less traffic and square footage than what is permitted with C4 zoning. He said that it is properly zoned, this is an appropriate business, and he sees this as a property rights issue. He said the question to ask is will Costco be better or worse than any other C4 use, and he feels it will be better. He said to let the Planning and Zoning Division, the Administration and the Planning Commission do their job. He acknowledged that the neighbors' concerns are real and are important, but they literally have no choice but to approve this.

Mr. McCarthy said that after much deliberation he would recommend approval if it were for Costco alone. He said that in any community you reach a tipping point where you begin to choke on growth. He said that the Special Approval Use process was adopted to recognize that a project of this magnitude has to be added with care. He said he does not agree that it is a change in process and before the Code change, City Council did this all the time with Conditional Use permits. He added that he does not think it is inappropriate to attach the conditions.

Mr. Rettig said that it is his first year on Council and his first controversial issue so he has listened more than he has spoken. He said he has been struck with how it has affected the community. He said that Council has been accused of going about this unthoughtfully, but it has been a thoughtful process and he is glad to see it. He said that he has tried to not like Costco, but he can't. It is a wonderful business that treats its employees well.

Mr. Mackin said that he would echo many of Mr. McCarthy's comments. He said that Mr. McCarthy has been the chair of the Planning and Zoning Committee for a long time, and he's been on the committee the entire time he's been on Council. He said that a lot of what Perrysburg is, is due to Mr. McCarthy's thoughtful approach. Mr. Mackin said that Costco and the Administration have worked through the process and the seven conditions codifies what Costco has agreed to and gives assurance that it will happen.

Mr. VanHoozen said that he too is new to the process and this set of criteria. He said that the question was asked how would you vote if you lived across from it. He said that is a legitimate quesiton. He said that Council members are expected to defend Perrysburg from a long litiguous environment. He said that people should be able to use their land as they want to use it when it is zoned properly. He said that the two criteria that jump out at him are the impact to property values and traffic. He said the impact on the property values is based on a comparison to other permitted uses in C4 zoning. He said that with regard to traffic, three engineering firms – ODOT, Kittleson and Proudfoot – have said that the intersection will be acceptable for years to come. He said that he does not think that those issues rise to the threshhold to say no. He said he has concerns about SR199 and Eckel Junction Road, but it sounds like that will have to get worse before it can get better. He said that as long as the seven conditions are not a deal killer, he does not think they are out of the realm of acceptable.

Mr. Kevern said that as a member of the Economic Development Committee he is concerned with expanding commercial development to, among other things, shift more of the tax burden away from our residents to our businesses. He said the City is always trying to work with and land quality entities such as O-I, Levis, Promedica, Mercy, and Costco. He said that with regard to property values, Costco has shown us, through independent studies, that they and other big box stores have a neutral or even positive effect on property values. He said that regarding the inconvenience of increased wait times at the intersection, Costco is contributing to improvements to help mitigate these problems. He said that it is important to remember that denying the Special Approval Use won't keep the horse farm there; the property is zoned commercial. He said because Costco is a well run, first class operation that will benefit the City and the community through fair employment policies and through property and income tax generation and community involvement, he will be voting in favor of the Special Approval Use.

The vote on the motion to amend the Ordinance with the seven conditions was: Ayes: Mackin, McCarthy, Van Hoozen (3). Nays: Grayson, Kevern, Rettig (3). Mayor Olmstead cast a no vote to break the tie, so the motion failed by a vote of 3-4.

Mr. Kevern asked the Administration about their opinion on the seven conditions. Mayor Olmstead said that the Administration is opposed to any conditions being added onto the Ordinance. Mr. Kevern asked if the conditions will be addressed. Mayor Olmstead said that they will be addressed during the Final Site Plan or Construction Drawing phase, and it is the Administration's opinion that this is not the best place to handle it.

The vote on Ordinance 32-2014 was: Ayes: Grayson, Kevern, Rettig, VanHoozen (4). Nays: Mackin, McCarthy (2).

There being no further business, the meeting adjourned at 7:26 p.m.

David D. Creps, Clerk Michael J. Olmstead, Mayor