

FINANCE AND ECONOMIC DEVELOPMENT COMMITTEE

SEPTEMBER 26, 2016

The meeting was called to order at 5:04 p.m. by Chairman Jim Matuszak. Committee members present were Nelson Evans, Jim Matuszak and Tim McCarthy. Also present were Finance Director Dave Creps, Law Director Karlene Henderson and Tax Commissioner Steve Bronder.

JOBS GRANT REQUEST

Glenn Grisdale, Economic Development Consultant to the City of Perrysburg, presented a request from The Cousino Group, Inc. (the "company") for a Jobs Grant and a request from the company and West South Boundary, Ltd. (the "property owner") for a Community Reinvestment Area Grant (CRA). The company is currently located on Eckel Road and is looking to consolidate operations and to build their new corporate headquarters on Flagship Drive. The company and the property owner are also exploring sites in Maumee and Monclova Township, but Mr. Cousino, a principal owner, said that his preference is to stay in Perrysburg.

As to the Jobs Grant, the company anticipates it will retain its 80 full-time employees with a combined payroll of \$2 million or more with the addition of 50 full-time employees with additional estimated payroll of \$2.7 million within three years. With an estimated combined payroll of \$4.7 million, the company would be eligible for an estimated annual refund of \$22,500 for up to five years.

The CRA would be 75% for ten years on an estimated \$1.9 million in new real property investment. The estimated savings to the property owner would be approximately \$108,000 over ten years. Perrysburg City Schools and Penta County Vocational Schools would not be financially impacted by the grant.

Mr. Cousino explained that they are in the restoration industry but have a new line of work in restoration for health care facilities. Mr. Grisdale said that he has reached out to the schools and neither Penta nor the Perrysburg Schools, both of which will be made whole per the City's policy, have any concerns with the request. Mr. Matuszak asked if Maumee and Monclova have agreed to a jobs grant. Mr. Cousino said that he has not gotten that far with those communities yet. Mr. McCarthy said that we need to do what we can to keep this company in town. The Committee agreed 3-0 to recommend approval of the Jobs Grant and CRA request.

SALE OF RIGHT-OF-WAY

Ms. Henderson stated that hotel owner Ramesh Patel, representing Sunrise Hospitality, Inc., is interested in purchasing a portion of the City's right of way located on Carronade Drive for \$5,000. He would like to install a driveway for the new Holiday Inn Express that will be located on Carronade and, if approved, the driveway would line up with Kroger's

existing drive across the street. The property would need to be surveyed. It is only about 1/5 of an acre and does not contain any utilities and does not have any foreseeable use for the City. The City currently maintains the property. The CREAD Committee met and recommended approval of the sale. Mr. Matuszak asked how the proceeds from the sale of the property would be accounted for. Mr. Creps said it would be included as revenue in the 403, Capital Improvements Fund. Mr. Matuszak said his recommendation would be that the purchaser be responsible for paying all out-of-pocket costs associated with the transaction. The Committee agreed 3-0 to recommend approval of the sale with the understanding that the Administration will negotiate the highest and best price they can for the property.

FINANCE DIRECTOR'S REPORT

The Committee reviewed expenses over \$5,000 for August. Mr. McCarthy asked about the payment to the cemetery. Mr. Creps explained that Wood County collects the taxes on behalf of the cemetery, forwards them to the City because we are the taxing authority, and we then send them to the cemetery. Mr. Matuszak asked questions about second half real estate tax distributions, TIF payments, landscaping for the divergent diamond interchange, police body armor and the YMCA, all of which were satisfactorily addressed by the administration. There was a brief discussion regarding payments for the Employees' Health and Welfare account.

Mr. Creps reported that the balance in the Health and Welfare Fund as of August 31, 2016 was \$451,194.50 which is down slightly from last month but is still relatively high.

Mr. Creps stated that the only notes we have on the books are for the water towers. He said there is \$3,440,000 in outstanding notes and we have a budgeted pay down of \$715,000 so the new notes to be issued will be for \$2,725,000. The Committee agreed 3-0 to recommend approval of the note issuance. Mr. Creps reminded the committee that the ordinance has to coincide with the sale date which is later in October.

Mr. Creps requested approval of legislation accepting the amounts and rates from the Certificate of Estimated Revenues. He said this is an acknowledgement to the Wood County Budget Commission that we have received their numbers and it works for us. Mr. Matuszak noted that the total on the certificate exceeds the total budgeted by the administration. The Committee agreed 3-0 to recommend approval of this legislation.

Mr. Creps requested approval of legislation approving the updates to the Codified Ordinances. Mr. Evans asked if there were any major changes over the last year. Mr. Creps said that the biggest changes were to the Tax Code so that those provisions would be in agreement with the Ohio Revised Code. There was brief discussion with Mr. Bronder regarding those changes and the possibility of additional changes that may be mandated by the State of Ohio in the future. The Committee agreed 3-0 to recommend approval of legislation accepting the updates to the Codified Ordinances.

TAX COMMISSIONER'S REPORT

Mr. Bronder reported that income tax collections for August were a little over \$1.1 million, which is up 3% from the same month last year. He explained that withholding taxes were up due to a change in the filing dates. Year-to-date collections through August were a little over \$13.2 million, which is up 6.8% from the same period last year.

2017 BUDGET

The Committee discussed the 2017 proposed budget. Mr. Creps reminded the committee that it reviews the court's budget and he offered to invite Judge Mack and Amy Rife, Clerk of Courts to the next committee meeting. Mr. McCarthy asked about the Personnel Resource Allocation Project. Mr. Evans said that this is for a study to do what the Matrix study did not do regarding staffing levels in the police division. Mr. Matuszak asked about the budget for salt purchases since we had a mild winter last year. Mr. Creps explained that the same amount was budgeted for the purchase of salt, but the transfer into the fund was reduced. Mr. Matuszak said that he would like to see the Findlay Street extension removed from the budget, if the project it is not expected to be completed during the year. Mr. Creps said that we have a long standing contractual agreement regarding that potential project that he does not think will expire prior to December 31, 2017. Based on the information provided, Mr. Matuszak asked if \$840,000 is enough to complete the work if the project is undertaken and completed in 2017. Ms. Henderson said that she believes the amount the City has to pay towards the project is limited by the contract. Mr. Matuszak asked that Ms. Henderson find out the expiration date of the contract for the committee. There was discussion regarding the multi-use path from the Rapids Road parking lot to SR 25. Mr. Matuszak stated that funds for the three new firefighters are in the budget but he did not see the offsetting revenue from the grant in the budget. Mr. Creps said that he is not sure that it is in the budget, but he will check. Mr. Evans asked about the \$50,000 for the Hood Park retaining wall. He said the Mayor's memo said that there may be additional work done at Hood Park. Mr. Creps said that the work on the retaining wall could be rolled into the other project.

OTHER BUSINESS

Mr. Matuszak distributed information to the committee members regarding various business and tax matters relative to the regulating of food trucks operating in the City of Perrysburg. He asked that the other committee members review the information for future discussion regarding potential legislation. He said that overall he generally prefers less regulation, but he wants to make sure that they are at least filing tax returns and perhaps given incentive to comply with other city ordinances. Mr. Evans said that he will review the information, but he is hesitant to get the Police Division involved in chasing down food truck vendors.

There being no further business, the meeting adjourned at 6:38 p.m.

Respectfully submitted,

Jim Matuszak, Chairman
Finance and Economic Dev. Comm.

Next meeting: Monday, October 24, 2016 at 5:00 p.m.