
Ashland City Council

MINUTES FOR THE REGULAR SESSION OF COUNCIL
January 2, 2007

Council President Glen Stewart called the meeting to order at 7:00 p.m.

ROLL CALL

Ward 1: Robert L. Valentine Present
Ward 2: Robert M. Valentine Present
Ward 3: Ruth Detrow Present
Ward 4: Paul Wertz Present
At-large: Glen Stewart Present

Note: Throughout the minutes, Robert L. Valentine and Robert M. Valentine are designated as to their ward representation, W1 and W2.

PLEDGE OF ALLEGIANCE

PRESENTATION OF MINUTES

There was no presentation of minutes, as they were not finished and ready.

COMMENTS OR QUESTIONS FROM THE AUDIENCE: *None*

LEGISLATION

Ord. 1-07

Item (a) AN ORDINANCE ACCEPTING THE SUBDIVISION PLAT OF SAMARITAN REGIONAL HEALTH SYSTEM FOR THE WOODVIEW SUBDIVISION IN THE CITY OF ASHLAND, OHIO, CONFIRMING THE DEDICATION OF

THE STREETS SHOWN THEREON; AND DECLARING AN EMERGENCY.

Moved by Wertz and seconded by Detrow to invoke Section 113.01 of the Codified Ordinances as the distribution of this Ordinance has satisfied the requirements of said Section and that a further reading be dispensed with at this time.

Ayes: Valentine W1, Valentine W2, Detrow, Wertz, Stewart

Comments:

City Engineer Jim Cooper told Council that this particular ordinance, as well as the next one, run together, but the piece that this ordinance is for is just one small section of land and street owned by Samaritan Hospital. The next ordinance will be for the rest of the street, and he explained the locations of Redwood and a section of Foxwood.

Stewart commented that he had driven the street; it is nicely paved; sidewalks are in; trees are in the tree lawn; it is nicely illuminated. However it specifically does not include any of the offshoots of these particular streets. The sidewalks are in on Redwood, but not on Foxwood Extension as those are individual home lots. As they are developed, the sidewalks will go in with the homes.

The small Samaritan section is the one for which this ordinance applies.

Moved by Valentine W2 and seconded by Valentine W1 that the Ordinance be passed on the first reading.

Ayes: Valentine W1, Valentine W2, Detrow, Wertz, Stewart

Moved by Wertz and seconded by Detrow that the rules requiring the reading on three separate days be suspended and that the Ordinance be passed on the second and third readings.

Ayes: Valentine W1, Valentine W2, Detrow, Wertz, Stewart

Moved by Valentine W1 and seconded by Detrow that the Ordinance be passed.

Ayes: Valentine W1, Valentine W2, Detrow, Wertz, Stewart

Motion carried.

Ord. 2-07

Item (b) AN ORDINANCE ACCEPTING THE SUBDIVISION PLAT OF H & H CUSTOM HOMES, LLC. FOR THE WOODVIEW SUBDIVISION IN THE CITY OF ASHLAND, OHIO, CONFIRMING THE DEDICATION OF THE STREETS SHOWN THEREON; AND DECLARING AN EMERGENCY.

Moved by Wertz and seconded by Valentine W1 to invoke Section 113.01 of the Codified Ordinances as the distribution of this Ordinance has satisfied the requirements of said Section and that a further reading be dispensed with at this time.

Ayes: Valentine W1, Valentine W2, Detrow, Wertz, Stewart

Moved by Stewart and seconded by Detrow that the Ordinance be passed on the first reading.

Ayes: Valentine W1, Valentine W2, Detrow, Wertz, Stewart

Moved by Wertz and seconded by Valentine W1 that the rules requiring the reading on three separate days be suspended and that the Ordinance be passed on the second and third readings.

Ayes: Valentine W1, Valentine W2, Detrow, Wertz, Stewart

Moved by Wertz and seconded by Detrow that the Ordinance be passed.

Ayes: Valentine W1, Valentine W2, Detrow, Wertz, Stewart

Motion carried.

Ord. 3-07

Item (c) AN ORDINANCE ESTABLISHING A CAPITAL IMPROVEMENT FUND TO DEPOSIT AND EXPEND MONIES FOR THE CAPITAL IMPROVEMENT PROJECT MIFFLIN AVENUE BOOSTER STATION IMPROVEMENT PROJECT; AND DECLARING AN EMERGENCY.

Moved by Wertz and seconded by Valentine W1 to invoke Section 113.01 of the Codified Ordinances as the distribution of this Ordinance has satisfied the requirements of said Section and that a further reading be dispensed with at this time.

Ayes: Valentine W1, Valentine W2, Detrow, Wertz, Stewart

Comments:

Finance Director Anna Tomasek told Council that this is for an Issue 2 project for \$493,000. For the requirements, the City has to set up a special fund to track the costs.

Stewart asked who could explain in a little more detail this Mifflin Avenue Booster Project. Water Treatment Director Bruce Wiser explained that the Mifflin Avenue Booster Station is a pump associated with the Mifflin Avenue tank, a ground storage tank at the corner of Mifflin Avenue and Claremont Avenue. A booster station has been in service there for seventy years at least. It has been only moderately updated in the last thirty years; it needs a lot of new support equipment for electrical; they are hoping to get a back up generator so to pump up the high tanks on Baney Road. Without a generator, they have to resort to a lot of other means, and it really isn't a good situation. This has been a good station, and it is time to take care of it a little bit.

Detrow asked if Wiser said that this booster station there serves the tanks on Baney Road, too, and Wiser explained that it pushes the water from the big storage tanks at the golf course up into the other tanks. It is a secondary booster that pushes the water up into those high tanks, which gives the high-pressure zone. There are no pumps in those big high tanks; the pumps are back at the station, and pushes the water from the storage tanks up into the high tanks.

Stewart clarified that the tanks at the golf course and Mifflin Avenue are filled with water from the water treatment plant as an intermediate stop before it goes into the elevated tanks.

Moved by Valentine W1 and seconded by Valentine W2 that the Ordinance be passed on the first reading.

Ayes: Valentine W1, Valentine W2, Detrow, Wertz, Stewart

Moved by Wertz and seconded by Valentine W1 that the rules requiring the reading on three separate days be suspended and that the Ordinance be passed on the second and third readings.

Ayes: Valentine W1, Valentine W2, Detrow, Wertz, Stewart

Moved by Detrow and seconded by Stewart that the Ordinance be passed.

Ayes: Valentine W1, Valentine W2, Detrow, Wertz, Stewart

Motion carried.

Res. 1-07

Item (d) A RESOLUTION EXTENDING SUPPORT FROM THE CITY COUNCIL OF THE CITY OF ASHLAND, OHIO, TO A DEVELOPMENT PROPOSED BY L. W. ASSOCIATES AND COMMUNITY INVESTMENT CORPORATION.

Moved by Wertz and seconded by Stewart to invoke Section 113.01 of the Codified Ordinances as the distribution of this Resolution has satisfied the requirements of said Section and that a further reading be dispensed with at this time.

Ayes: Valentine W1, Valentine W2, Detrow, Wertz, Stewart

Comments:

Stewart asked if there were comments from the developers, and Todd Valentine of L. W. Associates introduced Andrew Whapham, Chief Administrative Officer at the company.

Valentine gave the background of the situation, in that at the beginning of last year he came to Council asking for a resolution of support for a six-plus acre site at the corner of SR 511 and the US Rt. 250 bypass. They then submitted this site to the Ohio Housing Financing Agency to receive tax credits for building a 48-unit senior development for Ashland.

Although their proposal scored very high, they did not receive a very favorable lottery number, and as a result they were not funded. So Valentine explained that for the beginning of 2007, he is back to Council to ask for another resolution of support for the same property. They are still proposing 48 units, one story, two bedroom homes for seniors. With the senior developments they also build a community building and offer services such as meals-on-wheels, home health care and transportation if it is needed.

One of their primary goals is to keep the rent affordable so that seniors who may be on a fixed income, social security or a pension can afford to live there. The rents are not subsidized, but other funding sources available to the company allow the property to operate on very little debt, and therefore they have lower rents than comparable market rate units. They have put together a funding package that has worked very well in the past, and use tradition loans from Fifth-Third Bank and other loans provided by the Ohio Housing Financing Agency (OHFA), which also provides housing tax credits that they sell to an equity investor that provides some of the money used to build the development.

So, essentially, Valentine stated he is here to answer any questions they may have; hopefully within the next few weeks they can secure Council's support for the development.

Stewart asked if there had been any changes to what they presented a year ago, and Valentine said there were not. The only thing that may have shifted slightly is the income limit for seniors 55 years and older, which are in a range of \$18,000 to \$29,000 for single head of household, and the affordable rents due to inflation have also gone up from \$450; this year the allocation plan is showing a little higher rent of \$475. That is the projected rent for when the development is completed.

Valentine W1 indicated he had received inquiries about what had happened and told the people that the company did not receive the grant. Valentine explained that it is not grant money but tax credits, which are allocated to non-profits and developers such as themselves, after going through a lengthy application process as they are going through now. They take those tax credits and sell them to an equity investor who basically is a bank, so for every dollar of tax credits they sell, they get approximately 90 to 96 cents. That money then is used to build the development, and what that does is help to keep the debt lower for the development so that it has better financial capabilities to run successfully through the life of the loan.

Valentine W1 mentioned the age of over 55 given, and he asked if it could be the head of the household? Valentine responded that head of household has to be 55 years of age. For example, if that person has a younger spouse, as long as they meet the income limits together, then that is permissible.

Valentine W1 asked about widowed single person, and Valentine repeated that the age limit is still 55.

Valentine W1 noted that the rent went from \$450 to \$475, and Valentine responded that is what they are estimating. He stated that they are not in the business of try-

ing to keep rents low so residents can receive other benefits; they always give themselves the best cushion they can to keep the rent affordable and yet not have them so low that the property would not be able to operate.

Valentine W1 asked if inflation affects the costs over the years? Valentine said the cost could go up over the years. He asked Whapham to go into this more specifically, and Whapham emphasized there is not a process of rent escalation automatically in place. There is an allowable increase that can occur, but in some localities the rents can actually go down; it is a function of mobile area median income. So it can go up, and it can go down.

Whapham went on to say that the development itself, and this is important to know, must withstand market conditions. The rents will be what the market will bear; it has to be competitive, but there are no automatic increases.

Detrow asked about the lottery they mentioned earlier; doesn't the application have anything to do with its merits, or is it just a lottery. Whapham explained in some detail about the system, but the important point is that there are many competitors for the money. Their application scored perfectly; however the fine print in the application explains that to break a tie, it effectively comes down to literally a random number draw, and that is what happened to them last year.

They worked with OHFA to revise the process, and this year they have instituted a new process that is far more subjective, and OHFA has assured no ties this year.

Detrow asked about Valentine's statement of providing meals-on-wheels and other services, and she wanted to know if they would be working with the local services already set up or would they be doing their own. Valentine

responded that he should have said that they would work with local non-profit services and help coordinate those types of programs for the residents. Whapham added that there is a support services budget built into the operations of the development that largely supports direct coordination of services, and if needed can facilitate some additional funds to use. They don't come in to be redundant but to enhance and work closely with local programs.

Valentine W1 asked if their other developments have used the local agencies, and Whapham emphasized "absolutely".

Valentine W1 asked the square footage, and Valentine stated they are in the neighborhood of 900 square feet, though it varies a little bit; all have two bedrooms, attached garages, washer and dryer hook-ups in each unit, all one level, all accessible under fair housing guidelines, one and a half baths.

Valentine W2 asked about the chance of not receiving funding again this year, and Valentine told him there is always that chance.

Valentine W2 asked if they would try again after that, and Valentine told him as long as the market analysis is good.

Valentine W2 asked about using local labor as much as possible, and Valentine assured him as much as they can; they prefer local labor especially in the trades of HVAC, electrical, concrete work. They do not like to bring in trades from out of town if they can avoid it. Whapham added that, to be clear, they would invite local trades, but they need to be competitive. An advantage here is that local trades do not have the travel costs and can be more competitive.

Valentine W1 asked about allocation of funds; is it pretty much the same from year to year? Whapham explained that total dollars is a per capita function; it is not less than but stays pretty much the same from year to year.

Moved by Wertz and seconded by Detrow that the Resolution be passed on the first reading.

Ayes: Valentine W1, Valentine W2, Detrow, Wertz, Stewart

Moved by Wertz and seconded by Valentine W1 that the rules requiring the reading on three separate days be suspended and that the Resolution be passed on the second and third readings.

Ayes: Valentine W1, Valentine W2, Detrow, Wertz, Stewart

Moved by Valentine W2 and seconded by Valentine W1 that the Resolution be passed.

Ayes: Valentine W1, Valentine W2, Detrow, Wertz, Stewart

Motion carried.

WARD REPORTS: None

OLD BUSINESS

(a) Progress of 2007 Charter Review Commission:

Stewart reviewed the responses received from the letters sent with reference to people to serve on the Committee; he has been in contact with some of them, answering questions and talking. The deadline is next Tuesday, and Council needs to be prepared to get this whole process rolling.

NEW BUSINESS

(a) *Work sessions scheduled:*

1) Priorities 2007 and Charter Review Committee:

Stewart told Council that it's time to start the consideration process to establish the priorities for 2007 that they want to begin working with the administration on.

A work session was scheduled for Tuesday, January 9th at 7:00 p.m. to discuss two issues: the Charter Review Committee and also 2007 priorities. The session will be held in Council Chambers

2) Presentation from Silver State, ethanol development firm:

Stewart scheduled a tentative work session for this on Wednesday, January 24th at 1:00 p.m.

MAYOR'S COMMENTS: *None*

ADJOURNMENT

Moved by Valentine W1 and seconded by Valentine W2 to adjourn.

Ayes: Valentine W1, Valentine W2, Detrow, Wertz, Stewart

Council adjourned the regular session at 7:29 p.m.

Submitted by
Elaine C.

Hootman

Council

Clerk of