

SPECIAL

July 22, 2014

OPENING OF MEETING

Ms. Rinehart called the meeting to order at 5:00PM. All Board members were present. The purpose of the meeting was to hold a public hearing on the proposed JEDZ.

PUBLIC HEARING

Mr. Ritter offered a motion to open the public hearing and Mr. Deters offered the second. The roll was called:

Mr. Deters. "Aye"
Ms. Rinehart. "Aye"
Mr. Ritter. "Aye"

Mr. Rowan said the proposal is about finding a solution to repair the deteriorating infrastructure in the Township. The last road levy was in 2001. Since then we have been utilizing general fund, estate tax and local government fund dollars. With \$1.5 million gone from these funds, no longer have a source for public infrastructure. The Economic Development Council approved the plan 6-0-1.

Mr. Rowan cited some key components of the plan. He said that we are partnering with the City of Harrison for a 1% payroll tax, not subject to increase. He said the CIC may grant back funds to the residents and business in amount equal to payroll tax/net profits tax. The CIC meets August 5 and he expects that they will vote to do the grant back, so that Colerain residents or businesses who work in the zone will get funds back. Residents will pay with their payroll, but receive the funds back at the end of the year. This will bring in revenue from those to live in other communities, but work here. This goal is to not tax residents. A property tax is not in the best interest of the community.

Mr. Rowan said that 50% of the infrastructure improvements must be made in Zone. We can do projects like lighting or burying utilities, partnering with the county and ODOT. We will leverage funds to get projects done within neighborhoods first. If not successful, will have to look at how we fund parks and other non-essential areas, so we can free-up funding for public infrastructure. Mr. Rowan showed photos of Township roadways and sidewalks.

Mr. Rowan said the proposal will generate about \$1 million. They didn't factor in the net profits tax and are not sure how much will be granted back. He said that

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our proposal is for infrastructure only. He said that we could put in funding for other things, but wanted to stay focused on the infrastructure.

Mr. Rowan stressed that this is not a levy. The ballot language will read, "Shall the resolution of the Board of Township Trustees of the Township of Colerain approving the contract with the City of Harrison for the designation of the Colerain Township, Colerain Corridor Joint Economic Development Zone be approved?" He said a factual newsletter will be sent to residents and businesses with Q&A and information will be posted on the website.

The Board asked for comments from citizens.

Scott Taylor said that the Rumpke public hearing was a good meeting last night. He said he appreciated the time for residents to speak their peace. He said that with the JEDZ, it is important to clarify that money paid by residents will be refunded. Education will be key as once people have listened to an explanation, they seemed to be more open to it. Independent of the Rumpke settlement, the Board should continue down this path.

Mr. Ritter agreed and said that even if the Board agrees to the Rumpke settlement, there are still a lot of what ifs.

Mr. Taylor said that if we have the combination of funds, we could do a lot of road improvements. A lot more than what we'd be able to do with one or none. He suggested the newsletter include a note that most of roads aren't township roads. He said that residents need to understand what we're responsible for and not.

Scott Huber urged the Board to vote no on this issue. He said at the council meeting last month, the council didn't have or understand information. He asked if the plan benefits the zone as none of the photos of the roads are in the zone. Repair and maintenance of sidewalks, according to state law and Hamilton County policy, is the responsibility of the property owner. He asked why we are funding this when there is already a vehicle to do this. The Council should know that majority of roadways in the zone are owned by the state or county, not the township. He is concerned about not having funds to maintain work that township has done. The economic development plan is light on details. He said the government complex is not included in the JEDZ, and that is divisive in the community, as we are not leading by example. In their campaigns, Mr. Deters

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and Mr. Ritter said they were against higher taxes. He said he understands that residents will have the money rebated to them.

Mr. Ritter said that for sidewalk maintenance, he has no desire to repair things we don't have need to, but sidewalks are needed on Joseph Road and around Northwest High Schools. He said during the campaign that he is against more property taxes, but would consider a JEDZ.

Ms. Rinehart said this this building is not included because we are limited in how we can draw the map to get to here, as the zone may not include residential parcels.

Mr. Deters said the rebate to residents will happen as that's a deal killer for him. He said that members of the CIC are here and there will no net tax effect on residents or businesses.

Mr. Birkenhauer said that we are not building new roads, but this will be used for the Haverkos Drive turn-in to Stone Creek Town Center from Colerain Ave., and Harrison Ave.

Mr. Rowan said that the grant decision will be made before going to the ballot. This is a good way to fund public infrastructure. Neighborhoods are instrumental in success of corridor and if we can improve neighborhoods, we will have vehicles to replace the sidewalks and then assess the property owner. This will allow us to lead by example.

John Kerr asked about the contract and how Harrison will work to promote the economic development corridor in our township.

Mr. Barbieri said that Harrison will collect the funds and encourage businesses to go to the zone. They will receive a percentage of the funds collected.

Mr. Rowan said there is a tight network among economic development professionals and they know what businesses go to what communities.

Mr. Kerr asked about the amount collected and if it will be up to same amount as city collects for their income tax or if it will be as set in exhibit B of the plan, 1%.

Mr. Barbieri said council dissolved after they voted, so it cannot be changed.

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Mr. Kerr asked who gets how much from the withholding. He said there seems to be a 2% service fee of gross take and 2% in escrow. 8.5% goes to Harrison and the balance to us.

Mr. Birkenhauer said they did an RFP with the communities and Harrison had lowest rate.

Mr. Kerr said the plan should contain a schedule and asked if it could be considered objectionable since this isn't laid out.

Mr. Barbieri said the Board approved the plan, but satisfied this by limiting it to infrastructure. Other plans include items such as police, so this satisfies the requirement.

Mr. Kerr said that he understands visiting workers use our infrastructure and should have some skin in the game, but they don't use our residential streets. We say there is no penalty, but residents won't get the money back until they file at the end of the year. There are financial ramifications for residents.

Tom Hart asked about the left turn going into Haverkos. He said there are six spots and with the light, there is only time for five to pass. How many will be added? It needs another 10 since it backs up traffic all the way to Galbraith. He asked about how much we plan to spend on Colerain or county roads.

Mr. Rowan said that we will comply with the law, but not committing any funds yet, as we will work in neighborhoods first.

In response to Mr. Hart, Mr. Barbieri said that will be acceptable to the law and we will comply with the law.

Mr. Hart asked if work done in the Township and withheld will be able to be credited to other cities. Mr. Rowan said that he is not sure of reciprocity in other cities.

Mr. Hart said there should be a legislative change to have the funds only withheld from non-residents. If someone doesn't owe the tax, they don't pay it.

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Mr. Barbieri said that other communities have done this and have promoted economic development via grants. It originated with the CIC to promote economic development.

Mr. Rowan said other communities are not doing the grant backs.

Mr. Hart said that other townships have the zone cover the entire area and asked why we didn't do that. Mr. Barbieri said that is a matter of legal opinion and he can't discuss in an open meeting.

Dennis Mason said that he has paid a lot of taxes in last 23 years in Cincinnati, despite being a Township resident. This is the only option a township has. He has no problem with going to the voters.

Ms. Rinehart said that the reason we have a police beat at Northgate Mall is to change image of mall and deal with volume of runs. Businesses use infrastructure and safety services.

Frank Ruggerie said he is not a resident, but has operated business for 50 years in the Township. He disagrees with a lot of this. If the Board passes this and it goes to the ballot, this will be the most lopsided victory. It's a no brainer for a resident not involved in paying taxes. This is a new revenue stream. He asked about the process to change it from 1% to 2%? Where does it stop?

Mr. Rowan said that we would need to have a new law, and new council would have to approve. We are not permitted to change the percentage.

Mr. Ruggerie said that he printed all of the materials from the website and nothing talks about residential streets receiving priority. He suggested the Board be sure the materials are accurate and lay it out so that it's objective.

Jim Acton asked several questions. He asked what percentage of workers are residents. Mr. Birkenhauer said that we don't know that, and no way to learn.

Mr. Acton asked about the net profits tax. Mr. Rowan said that they didn't calculate this and it will all be rebated.

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Mr. Acton asked how many businesses are owned by residents. Mr. Rowan said that we don't know that either. Mr. Birkenhauer said many businesses have LLCs and there is no way to know.

Mr. Acton asked why the JEDZ area does not go south of Galbraith Road. Mr. Birkenhauer said this is a Community Reinvestment Area and we are trying to get development in that area. He said he rarely gets calls about south of Galbraith. Mr. Birkenhauer cited examples of losing businesses to cities with income tax.

Mr. Acton said Walmart should be here to speak. Mr. Birkenhauer said they have reviewed the plan and voted to approve.

Mr. Ritter offered a motion to close the public hearing and Mr. Deters offered the second. The roll was called:

Mr. Deters. "Aye"
Ms. Rinehart. "Aye"
Mr. Ritter. "Aye"

Ms. Rinehart said that how bad funding was cut and how much it hurt us is not a myth. This is our last opportunity and we can't let this pass this by. She thinks we should put this on the ballot and have the residents vote. It's not a property tax, so it's not adding to the burden on homeowners. She said she works in the City of Cincinnati and they take her money with no say over it. This is the best way to not burden our residents further.

Mr. Ritter said that in large measure, this will replace some of funds that were eliminated. He dislikes taxes, but sees this as the lesser of all evils, when you look at it in totality. He Ritter read Sen. Seitz's comments about JEDZ law. These are Attachment 1 to these minutes. Mr. Ritter said that he supports this measure and its alternative is more property taxes.

Mr. Deters said the decision to put this on the ballot is responsible. Colerain is ensuring there is no effect on residents. We were careful where we placed this and the funds will be used responsibly. This is a critical point in our history. He supports it.

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Mr. Deters made a motion to approve Resolution 46-14, "Resolution Approving the Colerain Corridor Joint Economic Development Zone Contract." Mr. Ritter offered the second. The roll was called:

Mr. Deters. "Aye"
Ms. Rinehart. "Aye"
Mr. Ritter. "Aye"

Mr. Ritter made a motion to approve Resolution 47-14, "Resolution to Proceed to Board of Elections with Approved Colerain Corridor Joint Economic Development Zone Agreement" and Mr. Deters offered the second. The roll was called:

Mr. Deters. "Aye"
Ms. Rinehart. "Aye"
Mr. Ritter. "Aye"

ADJOURNMENT

With no further business, at 6:12PM, Mr. Ritter made a motion to adjourn and Mr. Deters offered the second. The roll was called:

Mr. Deters. "Aye"
Ms. Rinehart. "Aye"
Mr. Ritter. "Aye"



Fiscal Officer



Trustee



Trustee



Trustee

