

MANAGER'S CONFERENCE MINUTES

Portsmouth City Council Meeting on

July 25, 2016 – 8:00 p.m.

All members of Council were present, Manager Allen, Solicitor Haas, Auditor Williams and City Clerk Ratliff

Mayor Kalb had requested that the Second and Sixth Ward Councilmembers as well as the Fourth Ward present their recommendations for the Land Reutilization committee. He started off by stating that he would be appointing Gerald Albrecht to replace Carol Caudill. Second Ward Councilwoman Aeh stated that Janice Shanks would continue in that position and Sixth Ward Councilman Lowe stated that Bill Shope will be replacing Jeff Brant.

Councilman Kevin W. Johnson stated that there were two speakers present and he would like to move forward items 3, 4 and 5 which was CM-16-85, CM-16-86, CM 16-87 and Jason Kester of SOPA was here to speak in regard to those items. Councilwoman Aeh requested that items 3 and 4 be combined since the one item was for the appropriation of the other and Council would be appropriating money before approving the actual legislation.

Jason Kester stated that the basic concept of the downtown redevelopment district was that it was sort of like a tax increment finance district where a portion of the tax proceeds could be put back into a development project. The things that made the project different would be that you have to have a historic building and designated parcels around that building, then with any improvement in that district, 70% of the new tax revenue could go back into paving the sidewalk, putting in new fire hydrants for a period of 10 years. Because the law just passed about one month ago, we would be one of the first communities to take advantage of it which was part of the plan to make Portsmouth a little more attractive to redevelopment. The two initial areas they would be looking at was around the area where Shawnee State was redeveloping at the corner of 3rd and Chillicothe Street and where Mr. Wolfe was redeveloping the J.C. Penny Building across the street; that would be one district. The second district would be the Yost Building, the Daehler Building and the West End Electric Building. The Daehler and West End Electric have had a number of proposal to develop them over the last three years but none have come to fruition but this would be a possible incentive. The Montrose Group taught the State wide class on how to develop the district and the leader of the firm was Attorney David Robinson who is a long-time political consultant and worked for a lot of the bid named firms in Columbus and his Deputy was a former director at JobsOhio. The Water Filtration Plant is going to need to be rebuilt and in working with both the County and City, one of the things we're working on was a comprehensive strategy to upgrade water and sewer throughout the City, Village and County. Manager Allen was working on a water study to figure out capacities and found that the intake plant would need to be replaced due to the aging equipment. There was not enough property on-site to build and they've been working with Strand Engineering and have identified a one acre tract of land behind where the current plant is located. Brownfield Restoration Group which had done all of the environmental work in that area and were subject matter experts was ask to update their Environmental I report after it was identified that a new plant was needed for the city and it came back with some action items on it as the area was still relatively contaminated and Environmental II would be part of process to identify the actual contamination. Environmental I was just a historic review of the documents and any permits, reports, release or discharge on that property. During the Environmental II phase they do the soil testing and once that comes back there would be a remediation plan and the key would be to get the property into a clean enough status so that it could be the new Filtration Plant and they do believe that it would be possible. It's the ultimate goal of the city to upgrade that plant within the next 5 years. He's met with U.S. EPA on this project and at one point they had 17 Attorney's in the room in addition to 10 staff members. They were excited about the Filtration Plant project and agree that it would be the perfect site and SOPA has expended approximately \$10,000 in legal fees. If you go through the Environmental II phase the EPA would send a letter which basically breaks the chain of title and states that the new property owner would not be responsible for prior contamination. Manager Allen stated that the Water Plant couldn't be moved to another location because of the cost to move an intake and plumbing would be millions of dollars.

1. Supplemental Appropriation Fire Pension CM-16-83

Manager Allen stated that this was for Police and Fire Pension liability in the amount of \$290,000. Auditor Williams ask for the Readings to be waived.

Councilwoman Aeh recommended alternative #1.

There were no questions or comments. VOTE: 6 Ayes – 0 Nay

2. Supplemental Appropriation Fund 243 CM-16-84

Manager Allen stated that the State Auditor met with him on this and it was a financial transaction that didn't happen. The money was appropriated last year and then there were issues with the project which carried over to 2016 but the money wasn't carried forward.

Councilman Kevin W. Johnson recommended alternative #1 as requested.

There were no questions or comments. VOTE: 6 Ayes – 0 Nay

3. Supplemental Appropriation Management Consultants CM-16-85

Councilman Kevin W. Johnson recommended alternative #1 for CM-16-85 and CM-16-86.

There were no questions or comments. VOTE: 6 Ayes – 0 Nay

4. Downtown Redevelopment District CM-16-86

Councilman Kevin W. Johnson recommended alternative #1 as requested above.

There were no questions or comments. VOTE: 6 Ayes – 0 Nay

5. Phase II Environmental Water Plant CM-16-87

Councilman Kevin W. Johnson recommended alternative #1.

There were no questions or comments. VOTE: 6 Ayes – 0 Nay

6. Fund Transfers from 603 to 604 and 606 CM-16-88

Manager Allen said this was the funding for the Environmental phase II. There was \$500,000 of debt payment came off the books because we paid a loan off. Last year we transferred some money and was asking to do the same thing this year only we're doing it earlier than the end of the year. He's requesting that \$100,000 be appropriated so that we can fund the phase II environmental. To get the property, the back taxes must be paid out of receivership in Federal Court.

Councilman Kevin W. Johnson recommended alternative #1 as requested.

There were no questions or comments. VOTE: 6 Ayes – 0 Nay

7. 2016 Codification Ordinance – Waiving of Readings Requested

CM-16-89

Manager Allen said that this year there would be two codifications because there have been so many updates. These usually pass through by Emergency because of the traffic codes and Ohio Revised Code sections.

Councilman Kevin W. Johnson recommended alternative #1.

There were no questions or comments. VOTE: 6 Ayes – 0 Nay

8. Discussion - Rental Licensing Program

CM-16-90

Director Chris Smith stated that the Rental Licensing Program needed to be re-implemented or make a decision to not implement it. He had past discussions with Council and the Solicitor, and recommended reinstating the program under the Engineering Department. The Health Department had taken it at the time to fill the void, but this would be a good opportunity to strengthen the Engineering Department. They need to have the program started fairly soon so that a mailer could be completed and the restart officially could take place in 2017. This action would require Council to create another position and fund the program for 3 months in 2016. An Employee would need to be hired to implement the program and the program would start bringing in revenue in 2017. He would like to get Council's opinion on how to move forward and then they could bring an actual product. Solicitor Haas stated that there's a moratorium on where we re-implement the program and structure it in such a way that people who paid money under the old plan would get a credit for what they've paid and that way the city wouldn't be out any money otherwise if we do away with the program and repeal that section then we would need to start writing checks to people that paid under the old program. Manager Allen stated that the sum owed to people was approximately \$200,000. Solicitor Haas stated that the prior program was **mandatory inspections** and if we were not permitted to inspect the property then they would not get a permit and that was wrong. It was revamped and was more of a voluntary inspection and if a tenant or property owner asked to have the house inspected, we can do it without any problems. If the house was bad enough that we think there were problems, there's procedures in the ordinance that would allow us to get a warrant to do an inspection. The thinking was to put someone in the Engineering office that could do inspections.

Councilman Kevin E. Johnson ask what the City's investment would be if we hired someone in the Engineering Department, how much would they be paid. Health Commission Smith said that the City would not be collecting fees until 2017 and in order to begin collecting those fees, the program needed to be started soon because that person would have to be trained, a mailer sent, and get the database back up and running. The City would be essentially fronting about 3 months' worth of salary and training costs and once the program was up and running the city should not have to subsidize the program much, but even if you do subsidize it some, the city needs to deal with the code violations. Solicitor Haas stated that on the application for permit there was a box that stated "I voluntarily allow the city to come and inspect the property" and if that was checked we could make arrangements to go and inspect and if not they still pay the fee and get their permit and if there were issues identified by neighbors, the inspector would go out and identify the problems with the property. They would go to court and get the inspection done and take away their permit until the problems were corrected.

Councilman Kevin W. Johnson motioned to move forward with a plan for a proposal.

There were no questions or comments. VOTE: 6 Ayes – 0 Nay

Councilman Kevin W. Johnson said that he forgot to request to have the ordinance regarding cigarette butts on this agenda but he will make sure that it's on the next one.

The meeting adjourned at 8:35 p.m. on a motion by Councilman Kevin W. Johnson

Submitted by: Diana Ratliff – City Clerk