

MANAGER’S CONFERENCE MINUTES
Portsmouth City Council Meeting on
October 9, 2017 6:40 p.m.

1. Resolution on Participation with SOPA

CM-17-75

Manager Allen stated that the request was to get Council’s decision on whether to continue to participate with SOPA. He said that when he arrived in 2014 there was no written agreement and no money, in lieu of money, the city provided a vehicle to Mr. Kester for 2014, then in 2015 & 2016 the city provided \$25,000 per year. When that contract expired, the city entered into a new three-year contract and increased our financial contribution to \$45,000 because the impression was that everyone was going to contribute more also, but there was a safety mechanism in the contract by providing an exit on the contract after a 30-day notice. He said for the record that the County did not pay their \$150,000 and New Boston did not pay their \$5,000 but we did honor our word and paid our \$45,000 for 2017. There is no value for the city to continue with our financial tie to the Port Authority as all three Commissioners have stated that they will cease Economic Development activities with SOPA and the fact that there were no employees left. Mr. Kester has returned the vehicle to the city with a full tank of gas and he asked Council if they wished to terminate the contract and give the 30-day notice

Councilman Kevin W. Johnson motioned to accept Alternative #1.

There were no further questions or comments: **VOTE: 5 Ayes – 0 Nays**

2. Portsmouth Community Improvement Corporation

CM-17-76

Manager Allen stated that this was to establish a Community Improvement Corporation (CIC). He said most communities have a CIC and the reason we hadn’t set one up previously was because we utilized the Port Authority in essence as the City’s Community Improvement Corporation. A CIC is a private entity that Economic Development activities can be process through, transfer of property and such. The reason this is important was we were prepared to transfer the Adelpia property at 807 Washington Street to SOPA and they were going to work a deal out with the developer who was interested in building a Dollar Tree store and now that the city is no longer utilizing SOPA we had to quickly form a CIC which Solicitor Haas had filed and now we need legislation formed to adopt it. Solicitor Haas said the CIC was more or less what the Port Authority was for the County, but the CIC would be only for the city. He said the Port Authority was holding some city-owned property on the East end and that property will be transferred back to the city since the disintegration of the Port Authority. He outlined how the CIC would work; transfer property directly into the CIC, it will remain there until possibly down the road we could do some development. Manager Allen said that there might possibly be some anticipated private financial contributions into the CIC. Councilman Johnson asked why three reading was being proposed and Manager Allen replied that they had spoken with the developer and if we can appropriate the money for the demolition and asbestos abatement, that could be accomplished while the three reading were occurring and at the end of the three reading the CIC would be established and the permission to transfer the property into the CIC would be established and that met the developer’s timeframe for the beginning of the year.

Councilman Kevin E. Johnson asked if Solicitor Haas would be the Administrator since his name was on the paperwork. Solicitor Haas said that he was the incorporator for the city and once it was incorporated, that position doesn’t really exist any longer. He said the Office of the Solicitor would be the Agent for service of process if someone was going to sue the CIC. Bricker and Eckler, LLP a firm

out of Columbus, Ohio filed the documents with the Secretary of State. Mr. Johnson asked who would administer the CIC, Manager Allen said that there was a Board that would be appointed, Solicitor Haas said that they don't have all of the regulations for the CIC drafted at this point and that generally the rules and regulations were completed after the incorporation. Councilman Lowe ask who would be on the board and Solicitor Haas stated that it would be similar to the Downtown Redevelopment Board. Manager Allen stated that the rules and regulations will have to be adopted by City Council. Councilman Meadows stated that it mentioned "Exhibit A" and there's no attachment and he would like to know what was listed on there. Manager Allen stated that he can have that to Council before the first reading.

Councilman Kevin W. Johnson motioned to accept Alternative #1.

There were no further questions or comments: **VOTE: 5 Ayes – 0 Nays**

3. Transfer Property at 807 Washington to PCIC **CM-17-77**

Manager Allen said this was requesting that it be transferred to the CIC upon its creation.

Councilman Kevin W. Johnson motioned to accept Alternative #1.

There were no questions or comments: **VOTE: 5 Ayes – 0 Nays**

4. Appropriation for Asbestos Abatement and Demolition **CM-17-78**

Manager Allen said that he had spoken with the developer and they approved the timeline. The city made them aware that we were setting up a CIC and getting authorization to transfer the property. He said this wasn't in our budget which was why we were asking for money to be appropriated. He said the original quote was for \$49,000 from Solid Rock but we're not sure if they would still be interested and honor the price, but it needed to be done by the end of the year. The original quote was to SOPA not the city so the price remains up in the air which was why he listed it as a higher number just in case he had to use another contractor. Mayor Kalb ask if our contribution to SOPA was gone or if we would get any of it back, Manager Allen said "no" and he declined to join in on the request to have funds returned because we got \$45,000 worth of service from SOPA this year. Councilman Meadows was concerned about the price going from \$49,000 to \$75,000. Manager Allen said that if it stayed under \$50,000 he wouldn't have to bid it but if it goes over that, it would need to be handled through the bidding process. Councilman Kevin W. Johnson said that we would get the money back from the sale proceeds.

Councilman Kevin W. Johnson motioned to accept Alternative #1 as an emergency measure.

There were no further questions or comments: **VOTE: 5 Ayes – 0 Nays**

The meeting adjourned at 7:05 p.m. on a motion by Councilman Kevin W. Johnson

Submitted by: *Diana Ratliff* – City Clerk