

MINUTES FROM SPECIAL COUNCIL MEETING
CITY OF NORTH CANTON
MONDAY, JUNE 19, 2017

1. Call to Order

COUNCIL PRESIDENT PETERS: I'd like to call to order the Special Council Meeting Monday, June 19, 2017 at 7:29pm.

2. Roll Call

COUNCIL PRESIDENT PETERS: Clerk, please call the roll?

Roll call found the following council members in attendance: Foltz, Fonte, Griffith, Kiesling, Peters and Werren. Thus having 6 in attendance.

COUNCIL PRESIDENT PETERS: Thank you. Motion and a second to excuse Member Cerreta?

COUNCILMAN FOLTZ: So moved.

COUNCILWOMAN KIESLING: Second.

Roll call vote of 6 yes to excuse Councilman Cerreta.

COUNCIL PRESIDENT PETERS: Okay, at this time, if you wish to address council please step forward state your name and address.

3. Recognition of Visitors

CHUCK OSBORNE: 307 Fairview Street SE, North Canton, Ohio. I've said it before, both before the school Board of Education, and this Council. The schools are the number one economic driver for this City. For any city. If you don't have a sound school system, if you don't support your school system, your community is going to die. It's not going to be a magnet to bring in purchasers of homes, young families are not going to want to come to your schools. They're going to flee your community. This is why I don't understand why this City hasn't jumped on the bandwagon immediately last spring, when it was revealed that after nearly three and half years on nearly a million dollar tax abatement had been given behind closed doors by a rogue employee of the City. Last August 22, 2016, among many meetings where Mayor Held has addressed this, he made a number of remarks. "Why would anyone approve a tax abatement for an apartment complex? That is something personally I would never support. How could this happen?" He says. Mayor Held states that in this case that did not happen. "Why didn't that happen?" He says. "I want to find out. Council wants to find out." Although I've never heard anything from Council in the whole 14 months since this was revealed. How this tax abatement came to be given if it never came before Council and it never came before the school board. Mr. Held wants to make sure there's no appearance of impropriety. Later in the meeting he states that he personally would never support the North Ridge abatement. That his hunch is that councilmembers wouldn't be so excited about supporting something like that. Because why would we give away tax money to bring in apartment complexes? And this is something I don't think the school board comprehends, because they are running with this with the assumption that this would have been crammed down their throat years ago. And I contend that this Council along with our Mayor would never have supported it. And it would never haven't gotten legs. Mayor Held continues "people are upset, because I'm upset." "We have members of Council who are upset, very upset." I haven't seen any members of Council who are very upset. We want to know why it didn't go before this Council, we want to know why it didn't go before the school board. So it is very interesting. He continues "how can somebody do this, why would we even do something like this?" Finally, Mr. Held calls the abatement stupid. He also continues "it defies commonsense to give a tax abatement on an apartment complex that is what councilmembers are asking, that is what I am asking." This tax abatement is so flawed, you're compounding experientially. All the violations and illogic. It's come to my attention and I've been hearing this for a year, there were many partners on this. They, I've got the articles of corporation. I think this Councils should ask "who are the partners in all this?" You should not be giving a tax abatement poor Mr. Lemmon, and poor Mr. DeHoff. They're on the frontlines here. Who else participated in this windfall? Because that's what it is. I've never heard anything about proceeding with the Housing Council. That is the next logical step, long before you enter into an agreement. I might say that many times we've had ordinances come before this body and since there's an absence, you defer and say "it wouldn't be fair to that absent councilmember to vote on it." Mr. Cerreta is not here tonight. You should at least defer until you have the entire Council body here.

COUNCIL PRESIDENT PETERS: Can you wrap it up, Mr. Osborne? Please?

CHUCK OSBORNE: I vigorously, vigorously disagree with this. In the zoning code or the statute it says "the City's Director of Economic Development can site these violations and urge Council to terminate any abatement." That's another avenue for the Mayor. Housing Council before you even go this path. This body should be supporting its schools. Unequivocally. And I will look for you to do that.

COUNCIL PRESIDENT PETERS: Anyone else wishing to address Council, Rita?

RITA PALMER: 307 Fairview Street SE, North Canton. And these are my personal comments. I have a couple of concerns about the impending agreement between the City of North Canton, the North Canton City Schools and the North Ridge Developers.

Why is Council scheduled to vote on this agreement on emergency tonight? According to your agenda. According to the Ohio Revised Code 3735.671(a)(1) titled "Written Agreement Where Commercial or Industrial Property Is To Be Exempted". It says "the Board of Education by resolution adopted by a majority of the board shall approve or disapprove the agreement and certify a copy of the resolution to the legislative authority not later than 14 days prior to the date stipulated by the legislative authority as the date upon which approval of the agreement is to be formally considered by the legislative authority. The legislative authority may approve an agreement at any time after the board of education certifies its resolution approving the agreement to the legislative authority. Or if the board approves the agreement conditionally at any time after the conditions are agreed to by the board and the legislative authority." According to Mr. Bruce Hunt, president of the North Canton Board of Education, the board will be voting on this issue on Wednesday, June 21, 2017. Council, it seems should therefore wait until after the board votes on the agreement in order to be in compliance with the Ohio Revised Code. Further the agreements specially offers the developers of North Ridge an abatement for new construction. In November 2012 the Community Reinvestment Area abatements in North Canton were only for remodeling improvements and not for new construction. If the pending agreement is using the 2012 CRA rules as the Mayor told me it is. How can this abatement be given for new construction? It's contrary to City ordinances as of 2012. If, however, the agreement is using 2017 rules there are currently no CRA abatements available for any remodeling or any new construction in the City. So how is this agreement with North Ridge legal at all? It seems you're just making up rules as you go along. And if you proceed with this questionable agreement, what is there to keep a developer such as Akron Children's Hospital from asking for a new construction abatement for their planned building on the property at the corner and Glenwood and Whipple? You're setting a precedent for CRA new construction abatements, that don't exist. And if they did, they would do nothing but hurt the city schools. If you agree with the Mayor, who publicly stated on August 22, 2016 that he personally would never support the North Ridge abatement, and that his hunch is that councilmembers wouldn't be so excited about supporting something like that. It defies commonsense to give a tax abatement on an apartment complex. That is what councilmembers are asking, that's what I'm asking. If you agree then you should change this agreement to eliminate any and all abatements for North Ridge. And Mayor, if the Council does not do so you can always veto the legislation when it hits your desk. Remember if the city schools fail financially and they are dear to my heart, the City will not be far behind. Why are you greasing the slide? Thank you.

COUNCIL PRESIDENT PETERS: Just a point of clarification, there could not be a new construction CRA for the development of the children's hospital. Because CRAs no longer exist in our books. Anyone else wish to address council please step forward state your name and address.

LARRY TRIPP: 1127 East Maple, North Canton. I'll leave the CRA programs to you, I'll go more in just my own emotions. If you haven't not already done so, please read Martin Olson's recent report on North Canton government, current state of affairs. Just google Stark County Political Report, and read installments 1, 2 and 3. Tell me his writings don't make North Canton elected officials look like, well what is the slang word for donkey. The Democratic Party symbol. On the other hand, he recognizes excellence. And I commend him for his very favorable comments on the likes of Revoldt, Osborne, Roll and Baughman. Without these folks and their constant fact checking this city would be in far deeper doo-doo to which Mr. Olson suggests City Council mirrored in. Mrs. Baughman, without your fact checking some City councilmembers might still be taking City health insurance on top of two pay increases. Of course, automatic pay increase to qualify for state pension would have been a given, if not caught early by you folks. Thank you. We know the demise of sound government principles in North Canton began in the fall of 2012 with the arrival of our current law director. And since then has operated under the darkest cloud of suspicion. Why City Council's total respect of their own Constitution, the City Charter, and an oath they took upon becoming councilmembers. Of course, the demise is brought very little meaningful legislation, which one might consider as a real boost to this city. It is brought on turmoil within employee ranks, with turnover of key city employees. Suspicious? Yes. I only bring up CRA abatement because this is where ever city official reeks of suspicion. Now, let's just take a step back to the evening of April 10, 2017. The evening I quoted Council President Peters infamous words of February 27, "you know every lawmaker from top, down are a bunch of crooks and criminals." "Do I stand by my quote? Absolutely." "Do I believe his statement is true?" "Of course, this country has many hardworking lawmakers." Do I believe he's talking of North Canton lawmakers? Perhaps. Now, some of the dialogue as I left that podium. Peters: Mr. Tripp that was a flat out lie. Tripp: Pardon? Peters: Flat out lie. Tripp: Do you want to see the minutes? Peters: Flat out lie. Tripp: Do you want to see the minutes? Fox: Please don't approach. Peters: Please have a seat. Fox: Stay back there. Tripp: Oh, I have the minutes, I have the video. Okay. Mr. Peters was that you calling me a liar, or was that you lying? The truth is that statement came from the mouth of Council President Jeff Peters. Mr. Peters, one has to be thinking of something of a subject before one speaks. Of course, he speaks later saying he doesn't care what's in the minutes, nor the words would never come out of his mouth. Then I am called shameful, and shame on you. Which I merely shrug off considering the source. Again, Mr. Peters with a straight face tell me you didn't say those words? The truth is, then he suggests he doesn't know what the minutes say, and that frankly he could care less. Did I expect him to say anything else? When he could care less what the City Charter says? Once again, I only bring this up because of the vote coming tonight. Are these the kind of people we have in City Council? Thank you.

COUNCIL PRESIDENT PETERS: Thank you, Larry. Anyone else wishing to address council, please step forward state your name and address. Okay, with that we will move onto old business. May I have a motion and a second to read by title only the second reading of Ordinance No. 61 – 2017?

COUNCILWOMAN KIESLING: So moved.

COUNCILMAN FOLTZ: Second.

Roll call vote of 6 yes to read by title only the second of Ordinance No. 61 – 2017.

4. Old Business

5. Ordinance No. 61 – 2017 Ordinance, Rules and Claims Committee

An ordinance to provide for an election on the proposed amendment to ARTICLE VI, Section 6.04, Charter Review, of the Charter of the City of North Canton.

COUNCIL PRESIDENT PETERS: Thank you, Chairwoman Werren.

COUNCILWOMAN WERREN: We discussed this, and this was the recommendation from the Charter Commission and it was a majority vote of the commission members during their Charter meetings.

COUNCIL PRESIDENT PETERS: Yeah, that's the majority?

COUNCILWOMAN WERREN: Yes. Any discussion? I motion to adopt.

COUNCILMAN FOLTZ: Second.

Roll call vote of 6 yes to adopt the second reading for Ordinance No. 61 – 2017.

ORDINANCE NO. 61 – 2017 WAS GIVEN SECOND READING.

COUNCIL PRESIDENT PETERS: Thank you. May I have a motion and a second to read by title only the second reading of Ordinance No. 62 – 2017?

COUNCILMAN FOLTZ: So moved.

COUNCILWOMAN WERREN: Second.

Roll call vote of 6 yes to read by title only the second reading of Ordinance No. 62 – 2017.

6. Ordinance No. 62 – 2017 Ordinance, Rules and Claims Committee

An ordinance to provide for an election on the proposed amendment to ARTICLE VI, Section 6.04, Charter Review, of the Charter of the City of North Canton.

COUNCIL PRESIDENT PETERS: Thank you, Chairwoman Werren.

COUNCILWOMAN WERREN: This ordinance provides for officers to be put in place during the Charter Commission. Again, it was a recommendation for that commission, a chairperson, a vice chairperson and secretary. If there's no discussion, I move to adopt.

COUNCILMAN GRIFFITH: Second.

Roll call vote of 6 yes to adopt the second reading for Ordinance No. 62 – 2017.

ORDINANCE NO. 62 – 2017 WAS GIVEN SECOND READING.

COUNCIL PRESIDENT PETERS: Thank you. Onto new business, may I have a motion and a second to read by title only the first reading of Ordinance No. 66 – 2017?

COUNCILMAN GRIFFITH: So moved.

COUNCILWOMAN KIESLING: Second.

Roll call vote of 6 yes to read by title only the first reading of Ordinance No. 66 – 2017.

7. New Business

LAW DIRECTOR FOX: Wait please before you read it. I wish to point out that counsel for the board of education had contacted me about the agreement. And to asked to make a, what I believe would be a minor modification and actually makes it a little better for the City. And it's in page 2, it's on paragraph 2, and as in the opening paragraph there's a line that's left open. It states this agreement is made and entered into this, you leave open the day and the month. And the reason being is, we don't know what that day will be. But when the parties agree to execute the agreement that day will be handwritten in there along with the signature. A similar section that paragraph 2, and page 2, there was a section that was left open for the same thing. For the

date to be included and that would be the date that the initial payment would be due and owing. Much like your water bill. You receive your water bill, from the point you receive it, it's due and owing from that point in a reasonable period of time that you make that payment. Counsel had stated that a resident had called their board, had called counsel and complained that the blank there just for the date that the legal implication from that and the result that that resident believed would nullify the City's obligation to make the payment. So she asked would we be willing to say "that the initial payment would be due and owing within 15 days from the execution of this agreement." So instead of the blank, what's been changed is that the City would have an additional 15 days from the date of the agreement to make the payment. Fully beneficial to the City, and leave that, what would have been open and would have been the date of the agreement. So this is the only alteration that I have. I think it's quite beneficial to the City, very straightforward. Instead of due and owing on the date of the agreement, due and owing 15 days from the date of execution. So I ask that you amend the agreement for this reading with that provision.

COUNCIL PRESIDENT PETERS: Okay.

COUNCILMAN GRIFFITH: Do we need a motion to amend or we...

LAW DIRECTOR FOX: Yes.

COUNCILMAN GRIFFITH: Okay, I would move to amend.

COUNCILWOMAN WERREN: Second.

Roll call vote of 6 yes to amend Ordinance No. 66 - 2017.

ORDINANCE NO. 66 – 2017 WAS AMENDED BY A ROLL CALL VOTE OF 6 YES.

COUNCIL PRESIDENT PETERS: Thank you. Motion to read as amended.

COUNCILMAN FOLTZ: Motion to read as amended.

COUNCILWOMAN KIESLING: Second.

Roll call vote of 6 yes to read by title only the first reading of amended Ordinance No. 66 – 2017.

8. Ordinance No. 66 – 2017

Community and Economic Development Committee

An ordinance authorizing the Mayor of the City of North Canton, Ohio, to enter into a settlement agreement between the City and the North Canton City District Board of Education regarding a disputed complaint involving a Community Reinvestment Area tax abatement for certain real property located at 1303-1305 North Main Street, North Ridge, and declaring the same to be an emergency.

COUNCIL PRESIDENT PETERS: Thank you, Chairwoman Kiesling.

COUNCILWOMAN KIESLING: Yes, at the risk of further litigation, I'm going to let Tim go ahead and explain this.

LAW DIRECTOR FOX: Okay, as we had discussed in Committee, this is a, to make clear for those that had made comments, this is not a new CRA. We're not negotiating a commercial CRA. This and the accompanying Ordinance No. 67, these are settlement agreements, negotiated between the developer North Ridge Place and the North Canton Board of Education. Settling a dispute that has been ongoing for more than eight months. This is the result of negotiations between the parties and their legal counsel. This has been fully vetted between the parties, and these documents are the result of those negotiations. These are the recommendations for those that participated in the negotiations that have gone through all the documents involved in this entire process. And wish to resolve this matter between the developer, the board of education and the City of North Canton to resolve it with these two agreements. And the rationale behind settling this is because no one wishes to participate willing in protracted litigation; where the result could be a, it's just a scenario that would come out that there would not be this opportunity to enter into an agreement to give certainty to the outcome. If you continued in the litigation it very well would likely result in 100% for one of the parties, and 0 for the others. Parties wish to resolve that and not as well go down this path of frustration and acrimony between the parties and arguably hundreds of thousands dollars of legal fees. And I imagine that this case would not be resolved at the Common Pleas Courts, the 5th District Court of Appeals. That this would be resolved by our Supreme Court. Several years from now, and several thousand, thousand dollars of attorney fees to resolve it with an uncertain outcome. The parties that decided collectively in this settlement that they wish to have the provisions that are provided in each of these agreements. And as was mentioned the board of education will vote on this, but preliminarily this is what the board of education wanted to see. Same with the City, and with the developer. So the combination of these two ordinances and the accompanying agreements are the wishes of the parties. Yes, sir?

COUNCILMAN FONTE: So the school wants this arrangement?

LAW DIRECTOR FOX: Correct.

COUNCILMAN FONTE: They're the ones driving it. Now why is it...?

LAW DIRECTOR FOX: That, I don't want to say that, we're all three are driving it. It's not necessarily one above the other. All three believe this is a full, fair settlement for certainty in this tax abatement.

COUNCILMAN FONTE: So it's on emergency, so why would it be on emergency?

LAW DIRECTOR FOX: It's on emergency because there's a lot of money sitting waiting for the board of education that essentially once this becomes law, they receive that, that payment.

COUNCILMAN FONTE: Thank you.

COUNCILMAN FOLTZ: Yeah, I have a few comments. Mayor, I'd like you to weigh in eventually if you could, because you weren't here last week when we had Committee. But I think we can't argue the before and after. I mean we're very pleased with the after, obviously. And we know what the before was. And if that was enticement to a developer to help build the apartment complex, maybe the agreement wasn't perfect. But we're here to make a collaborative effort with the schools with the developer, a compromise so it can move forward with this. I think that's about as best as I can say it. Obviously, one thing this has been a catalyst to have more of an open forum on how this is going to occur in the future. We know that it wasn't in perfect process before. We weren't aware of it. And comments have been made about it. But I think leadership is moving forward with this, with all the parties involved. And working through it. And then looking toward the future of how we can do this better. And I think that's what's happened here. Those are my comments. Listen, as far as the Lemmon/DeHoff, everyone knows I've had I think they're a quality developer, they work in the city. They do quality housing developments and commercial developments. But I haven't always been favorable to what's happened on their end, I think the zoning, and even Waterside. I'm not afraid to say that to them, if they were sitting in the room. But I think in this case, you know, they went in good faith with whatever the agreement was forward to build this complex. And we are here just to collaborate and make this a better situation for our schools. Obviously, the comments tonight about our schools are very important. I was never in favor of a CRA for the whole city. I think it has to be some kind of a tear down, rebuild or a restructure. And I think, you know, this is where we're going with this. And the schools are important. But I think what they have to realize too, is this is going to be around for 50 years, they'll generate a lot more property tax with. And we'll generate some income tax with the people that live there. I don't know how much. But I'm sure there's income tax being paid by the residents that live in the apartment complex that aren't working in the city, they're working in a township somewhere. So, that said I'd to see Mayor if you could weigh in on this, because this is very important. And I'd also recommend we only have one vote on this tonight. I don't think we should pass it on emergency. We should have the meeting next week that Member Cerreta can weigh in if he chooses. And we'll still have our six if we need to move it forward then. I plan on being here, I think everyone else other than Marcia can make it. So those are my thoughts on the matter. Thank you.

MAYOR HELD: I can comment on that. First off, Chuck, when you brought up your comments. You're exactly right. Those were my comments when Chuck Osborne first brought up the CRA. But the City had approved it. And, you know, one of the things that I've learned about trying to incentivize new business to come to the city or incentivize new residents to come to the city. Because there's really three mechanisms that, I would say three primary mechanisms that the city can use. One, is property tax. So if a business wants to rehab or if they want to like in the Hoover District that would be a rehab. So when we look at the property tax, I think the property valuation when the Hoover Company was in place was like \$20 million dollars. And when the Hoover Company left the property tax value was dropped down to about \$5 million dollars. Now with all the improvements I believe it's up where probably like, there's at least \$17 million dollars of improvements that have already been made. Right? A lot of those improvements were done through tax grants, tax credits and grants that the state gave us. Five millions dollars to make improvements to the Hoover District. And I believe that you that it's evident that our city has been able to be revitalized because of those tax credits. Because of grants from the state. Also because of occupancy grants, that we've given. Also for the purchase of the Gantry Crane, which was \$450,000, I think. And so in one case, we bought, the city used taxpayer's money to buy a Gantry Crane. And I remember at the time thinking "oh boy, this is a big move, is this the right thing to do?" "Should we really put the taxpayer's money on the line if we're going to incentivize a company to come to the city?" And after a lot of discussion with even Mayor Revoldt was involved with that discussion at the time, many of our councilmembers were. And we decided because we just lost the Hoover Company, that we were going to go ahead and make this decision and purchase the Gantry Crane. We did that. And you know what? That has paid for itself I think in the first three, three to four years. And now we're getting a regular return. Those jobs are here in the city producing revenue. Right now, I think we're getting about \$350,000 in income tax from the Hoover District. When the Hoover Company left, what did we get from the Hoover District? Zero. Zero income tax. What happened to the property tax when the Hoover Company left? And the property tax is mainly what the schools get. That tanked. That went down. So the schools took a big loss when the Hoover Company left. The City took a big loss when we lost those jobs. Because the primary income, and this is where I think we have to clarify is that the reason that you have the schools and the city; not just to North Canton but across the state, across the country. Well, certainly across the state when they're battling over the revenue. Because the school gets paid by property tax. Most of it. The city gets paid mainly through income tax. We want the income tax to pay for police, fire, EMS. How do we get the income tax? When we have jobs. So we're trying to incentivize jobs. The schools get paid when they have high property taxes. Not just by levies, but they get, what is it? Seventy percent of the property tax goes to the schools. And the city gets what percentage of the property taxes? Seven. Seven percent. We don't get much. We don't get that much. So, Chuck when you had mentioned about the apartment complex going in that is my personal opinion. Why would we want to incentivize residents to come in? Now, some might say "well, they're going to pay income tax." But that also depends, and not to overly make this overly complicated, but it depends

on what our tax laws are for collecting taxes. Not everybody pays income tax. Okay? When they live here, but if you work here, everybody pays income tax. Everybody that works in the City of North Canton pays income tax. So that's why we love to bring jobs. Because it's a guarantee to pay for our police, our fire and EMS. Again, when we look at the schools and we look at this agreement I was opposed to a property tax abatement from the beginning when it was brought to my attention. I said that I was against it. I'm still, if we were going to build a brand new apartment complex right now, exclusively an apartment complex. A brand new one. I would not be supportive of any property tax abatement. Could I change my mind? Depending on what the situation is. Depending on what our tax collection laws are at the time. Yeah, absolutely. If we didn't offer a tax credit, right now we offer 100% tax credit. So if you live in North Canton and you work in Canton, you pay Canton, we give you a 100% tax credit. If we change that law and we gave a 50% tax credit, I would be supportive of something like the apartment complex that Lemmon and DeHoff did. It all depends on what our tax structure is. And so I think it brings such heated discussion. Rita and I and Chuck, we talked for hour and 15 minutes. Over this. Our former mayor, Daryl Revoldt, dozens of hours, dozens of hours over this. Dozens. And so the thing is, is that what we want are jobs. What we want are good schools. What the schools want, they want property tax. But if we can't reach a compromise, if the schools are going to say "every time there's new development, we're going to say no to it". You know what will happen? This is my opinion, and I think over the past 13 years we can demonstrate that. If the schools were to say no to every single property tax abatement, then you are not going to have new development. Period. You just will not. So I think we have to reach a compromise. Would it be wise for us, and Chuck, you and I have talked about this. And Rita, we've talked about this. That you would go for the 100%, try to get 100% of that property tax back in a lawsuit. And I talked with our councilmembers, I've talked with our administrative staff, our former mayor, Daryl Revoldt. And Daryl reminded me, do not get into protracted litigation. Because we've done that as a city. We've done it on a matter of principle. We need to fight this. And we fought, and we've lost. And we've spent hundreds of thousands of dollars in legal battles. So right now we have an agreement and I think this is a good compromise. Because we're basically taking the city's property tax, or the property tax that is paid on the apartment complex and we're taking half of that and we are going to collect half of that property tax. That the city would normally collect. The City's not going to collect their portion, the county, the other areas, they're not getting their portion, but the school is going to get half of that income tax. If you go up to our neighbors in Green, they really want residential development. They will give you much higher property tax abatements than other communities will. A lot of other cities are very, very aggressive with property tax abatements. We're not as, myself, I'm just not as over residential property. I'm just, it's just not something I think that we have to aggressively pursue. But, when it comes to the Hoover complex, I'm very supportive of that. Why is that? Because it's a combination of retail, commercial and residential. And we've got the building that's sitting there. We have to do something with it. It either sits vacant, or we refurbish it. If you look at the apartment complex down the road, it was an empty lot, it was a mobile home. Some would say "well, gosh it looks so much better." It really does, but that's just my own personal approach. I think that the Hoover District an empty building, it either sits vacant or you offer tax credits from the state, federal government or you offer local property tax abatements. Which I will be supporting that in the future. And I would not have supported the one down, the apartment complex for, the Lemmon and DeHoff apartment complex. However, I think now the agreement that was negotiated between Lemmon and DeHoff and the City, through Mr. Fox, and also the schools. That's a win-win. Because the school gets half of their property tax, and the city has a beautiful apartment complex. I mean it's really added to the aesthetics and to the lifestyle of people that want to live in the city. So, Chuck, you're right. And, and, and I'm sure that when we talk about property tax abatements today, and tomorrow, and five years from now, and 10 years from now, it's always going to be a heated discussion between whether we bring new development in, or whether we keep things the same. If we keep things the same in this city, the city will just die. You have to bring new development so that we bring in revenue. And the question is, we all agree, we want a great city, but we want great schools. But what's the method that we utilize? And that's where sometimes we get caught up in the method, but we all have to focus on the same goal. Which we all agree on. Great schools, great services, and a great city. And so I appreciate the points that were brought up. But I think this is a good deal, and I would urge Council to approve the agreement.

COUNCILMAN FONTE: Thanks, Dave.

COUNCILWOMAN WERREN: Yeah, thank you.

LAW DIRECTOR FOX: If I may before we get, perhaps, off topic on this. I certainly respect Member Foltz in stating that perhaps you don't vote as an emergency this evening because Member Cerreta is not here. The city participates in numerous negotiations. Sometimes from the very small on a given employee, to something as large and complex as this two separate agreements between the board of education, a sophisticated developer, and the city as a whole regarding the Community Reinvestment Act dispute. Currently, I can clearly say that the parties, it's kind of a term of art if you will, are motivated to get this resolved. The board of education is looking this evening to see if you'll pass this. If you don't pass this this evening, they may not vote on it tomorrow. They may wait till July, to wait to see "well let's determine whether or not the city is motivated as well." And so I'm putting it out there that these aren't open until they decide that they don't wish to go forward with this. These are revocable at any moment. So if you don't vote this evening, if they don't vote next week because you haven't voted. Any of the three may withdraw or state "we've decided we want an alteration in this, and we're not moving forward without it." And we're back down that path. But in speaking with the school's counsel, they're absolutely looking at "is the city motivated and wishes to get this resolved." And they are, my understanding, they are attentive waiting for the city to give its response. If you don't respond this evening, you leave it open another week, it's going to be opened another month. Because they meet once a month.

MAYOR HELD: Yeah, we don't want that.

COUNCIL PRESIDENT PETERS: When is their meeting?

COUNCILWOMAN WERREN: Tomorrow.

COUNCILMAN FOLTZ: Tomorrow or Wednesday. I understand the law director's comments, but if we pass this, if there consensus here 6/0 for first reading only. I think you're telling them there's consensus for us, you guys pass it and we'll pass it Monday. I don't understand what a week's going to do. If they're for this, if they're for this compromise they're going to vote for it knowing there's consensus here. And the mayor has made statement that he's in favor of it too. Is anybody on this council not in favor of this agreement?

COUNCILWOMAN WERREN: No.

COUNCILWOMAN KIESLING: And I agree, I understand what you're saying Tim, but I also agree. If we're going to pass it tonight we're going to pass it next week.

COUNCILMAN FOLTZ: That's right.

COUNCILWOMAN KIESLING: And in the end, it was the schools who wanted this compromise. You know, because they wanted the 50% back. We all felt we were in line, at least in the beginning with the agreement. So I'm not, I'm okay with waiting another week.

LAW DIRECTOR FOX: Well, you have, understand six more days for those that oppose this, that oppose the city entering this, that oppose the school entering in this; and would like nothing more to sit back and watch the protracted litigation.

COUNCILWOMAN KIESLING: And that's a possibility no matter when we pass it. So...

COUNCILMAN FOLTZ: And Tim, Tim, you worked hard on this, this isn't a reflection of your work ethic and everybody coming together. I know it's been a long road. I just feel it's a better way to do this. In my opinion. So, that's my opinion. You guys can weigh in.

COUNCILWOMAN KIESLING: And you've advised us...

LAW DIRECTOR FOX: If you don't have six next week...

COUNCILMAN FOLTZ: Well, I don't see why we wouldn't.

COUNCIL PRESIDENT PETERS: This also would give Mark a chance to weigh in on the record, too.

LAW DIRECTOR FOX: Okay.

COUNCILMAN FONTE: Well, who's all going to be here next week?

COUNCILWOMAN KIESLING: I will not be here next week. I will be the only one...

COUNCILMAN FONTE: So Marcia's out next week.

COUNCILMAN FOLTZ: Excuse me, Marcia's out, but everyone else should be here. So...

COUNCILMAN FONTE: Marcia's out next week.

COUNCIL PRESIDENT PETERS: But this gives Mark a chance to speak on the record.

COUNCILMAN FONTE: Sounds good to me.

MAYOR HELD: Also if I could just mention, our Law Director Tim Fox has done an excellent job negotiating this.

COUNCIL PRESIDENT PETERS: He has.

MAYOR HELD: So there's a lot of time and a lot of effort that went into this. And again, it's because it's always when you look at development, and property taxes and income tax. We're motivated to collect income tax, the schools are primarily motivated through collection of property tax. So it was not an easy thing to gain an agreement, you did an excellent job on this. But I'm confident that we've got the full support of the council. And I know Mark Cerreta, even though he's not here, and I know that and I'm confident that the schools will move ahead with this also. So, I feel very good about this.

COUNCILMAN FONTE: Yeah, they'll be watching the streaming video, so they'll get to see that.

COUNCILMAN FOLTZ: And another comment, Mayor, I appreciate your comments overall. Because, you know this was an administrative action that happen.

MAYOR HELD: It was.

COUNCILMAN FOLTZ: We're trying to work through this. And I think you needed to weigh in. If you weren't here tonight I would have said the same thing. I think you're the leader of our city, as the Mayor, and it's important to get on the record with this for everybody. So, thank you.

MAYOR HELD: Yeah, this is good. Thank you.

COUNCILMAN FONTE: So one loose end to tie up next week.

COUNCILWOMAN KIESLING: So we'll have to have a special meeting next week?

COUNCILMAN FOLTZ: No, it's already on the books for a regular meeting.

COUNCIL PRESIDENT PETERS: Regular Council meeting.

COUNCILWOMAN KIESLING: Regular Council, got it.

COUNCILMAN FOLTZ: So you need a motion to approve the first reading.

COUNCIL PRESIDENT PETERS: We already had to read, now we just need a motion and a second to adopt.

COUNCILMAN FOLTZ: As amended.

COUNCIL PRESIDENT PETERS: As amended.

COUNCILMAN FOLTZ: The first reading. Excuse me?

COUNCILMAN FONTE: So we pass it on the second reading?

COUNCILWOMAN KIESLING: Correct.

COUNCILMAN FOLTZ: We pass it on emergency next Monday if you want.

COUNCIL PRESIDENT PETERS: Yeah, the emergency clause is still in it. Okay, so you want a motion...

COUNCILWOMAN KIESLING: Motion as amended.

COUNCIL PRESIDENT PETERS: As amended, okay. Is there a second?

COUNCILMAN FOLTZ: Second.

Roll call vote of 6 yes to adopt the first reading of amended Ordinance No. 66 - 2017

AMENDED ORDINANCE NO. 66 – 2017 WAS GIVEN FIRST READING.

COUNCIL PRESIDENT PETERS: Alright, thank you. May I have a motion and a second to read by title only the first reading of Ordinance No. 67 – 2017?

COUNCILMAN GRIFFITH: So moved.

COUNCILWOMAN KIESLING: Second.

Roll call vote of 6 yes to read by title only the first reading of Ordinance No. 67 – 2017.

9. Ordinance No. 67 – 2017

Community and Economic Development Committee

An ordinance authorizing the Mayor of the City of North Canton, Ohio, to enter into a settlement agreement between the City and the North Ridge Place, LLC, regarding a disputed complaint involving a Community Reinvestment Area tax abatement for certain real property located at 1303-1305 North Main Street, North Ridge, and declaring the same to be an emergency.

COUNCIL PRESIDENT PETERS: Thank you, Chairwoman Kiesling.

COUNCILWOMAN KIESLING: This is the companion component legislation to 66, I motion we adopt. This is the agreement between...

COUNCILMAN FOLTZ: Is there any clause situation here, Law Director Fox?

LAW DIRECTOR FOX: No, sir, there is no change, but I would just wish to clarify. There was a question, there was a public record request for the agreement between the City and the developer. That was provided to the requester. The requester came back arguing "that is not what I asked for, I asked for the agreement between the developer and the City." We reaffirmed this is indeed the agreement between the developer and the City, pointing that the opening paragraph, the signature page, further dispute that they had a copy of the agreement between the city and the board of education, and the city and the developer. And they were demanding copy of this third document. Which does not exist. We responded in the public records request that there is no game playing. There's not three agreements. There are two agreements. The two agreements refer to the other agreements, and somehow there was a misunderstanding that indeed there were three; and that there was some sort of gamesmanship and that we would not provide the third agreement. So I just wish to be clear, there are not three agreements. There's two agreements, they each refer to the other, they're not binding in the other. Because they're not parties. They're simply an agreement between the city, North Ridge Development, and an agreement between the City and the North Canton Board of Education. They certainly reference each other, they relate to each other. Two independent agreements, there is no third agreement. We apologize if there's any confusion. Because of the nature of the language, the contract, but I hope this resolves the question of the unknown third agreement.

COUNCILMAN FONTE: Okay, very good.

COUNCILWOMAN KIESLING: Did the Repository call you and ask you that question before they printed what they printed yesterday?

LAW DIRECTOR FOX: Did not.

COUNCILWOMAN KIESLING: Good to know.

COUNCILMAN FONTE: Imagine that.

COUNCIL PRESIDENT PETERS: So, is there...

COUNCILWOMAN KIESLING: We are, I don't know where we are on it.

LAW DIRECTOR FOX: But I can understand if all you had received, I apologize for interrupting, if all you received was that there was a document that was being withheld, or some sort of gamesmanship and not, I can understand. But no I wasn't contacted, I don't know if it was something to do with publication, something along those lines. But, just wasn't.

COUNCILWOMAN KIESLING: Were any of us contracted?

COUNCILWOMAN WERREN: No.

COUNCILWOMAN KIESLING: No, well let's go on the record to say that as well.

LAW DIRECTOR FOX: There's no third agreement, just two, referring to each other.

COUNCILMAN FONTE: So will they retract that or will they retract that, correct that.

LAW DIRECTOR FOX: Well, see there was just a request for this third document. And we just had to be clear there isn't a third. There are two, they refer to the opposite ones. But it doesn't mean that there's two and then another document somehow. So... two documents. Two ordinances.

COUNCILMAN FONTE: Thanks Tim.

COUNCIL PRESIDENT PETERS: Alright, is there a motion and a second to adopt the first reading?

COUNCILMAN FOLTZ: So moved.

COUNCILWOMAN KIESLING: Second.

Roll call vote of 6 yes to adopt the first reading of Ordinance No. 67 – 2017.

ORDINANCE NO. 67 – 2017 WAS GIVEN FIRST READING.

COUNCIL PRESIDENT PETERS: Alright, may I have a motion and a second to read by title only the first reading of Ordinance No. 68 – 2017?

COUNCILMAN GRIFFITH: So moved.

COUNCILMAN FOLTZ: Second.

Roll call vote of 6 yes to read by title only the first reading of Ordinance No. 68 – 2017.

10. Ordinance No. 68 – 2017

Finance and Property Committee

An ordinance authorizing the supplemental appropriation of funds of the City of North Canton, to be appropriated from the unappropriated resources of the General Fund to the General Fund Account in the amount of \$71,000 for settlement of a disputed claim during the fiscal year ending December 31, 2017.

COUNCIL PRESIDENT PETERS: Thank you, Chairman Griffith?

COUNCILMAN GRIFFITH: As you know, our obligation under the terms of the agreement is to transfer city tax dollars to the schools. And the two companion pieces that are here, effectuate that transfer. If there aren't any other questions, I will move its approval.

COUNCILWOMAN KIESLING: Second.

Roll call vote of 6 yes to adopt the first reading of Ordinance No. 68 – 2017.

COUNCIL PRESIDENT PETERS: Thank you. May I have a motion and a second to adopt under suspension of the rules for three readings for Ordinance No. 68 – 2017?

COUNCILMAN FOLTZ: Do we want to do that, or wait.

COUNCILWOMAN KIESLING: We can just wait till next week, can't we? It's up to you, Dan.

COUNCILMAN FOLTZ: Well, if you want to put the money there. I guess...

COUNCIL PRESIDENT PETERS: Do you want to do them all at the same time?

COUNCILMAN FOLTZ: Well...

COUNCILMAN GRIFFITH: If we don't have six votes, we may as well.

COUNCILMAN FOLTZ: Well, we've got six votes for that. I just want to make sure... we can put it in the fund, we still need the agreement approved by all parties before it's paid, right.

COUNCILMAN GRIFFITH: Well the first is the appropriation, the second is the fund.

FINANCE DIRECTOR BROWN: We don't need the money until you do the agreement. So it's fine for them all to go together.

COUNCIL PRESIDENT PETERS: Do you want to wait and just do them all together at the same time?

COUNCILMAN FOLTZ: Just pass the first reading.

COUNCIL PRESIDENT PETERS: Alright, disregard that.

ORDINANCE NO. 68 – 2017 WAS GIVEN FIRST READING.

COUNCIL PRESIDENT PETERS: Okay, next. May I have a motion and a second to read by title only the first reading of Ordinance No. 69 – 2017?

COUNCILMAN GRIFFITH: So moved.

COUNCILWOMAN KIESLING: Second.

Roll call vote of 6 yes to read by title only the first reading of Ordinance No. 69 – 2017.

11. Ordinance No. 69 – 2017

Finance and Property Committee

An ordinance establishing the North Ridge Developer Payments agency fund to permit the City of North Canton to collect payments from North Ridge, LLC, and disperse those funds to the North Canton City School District Board of Education, as more fully described in the settlement agreements found in ordinance numbers 66-2017 and 67-2017.

COUNCIL PRESIDENT PETERS: Thank you, Chairman Griffith?

COUNCILMAN GRIFFITH: This is as we mentioned before, the creation of the fund itself to make sure the accounting is clean. So I move its approval.

COUNCILWOMAN KIESLING: Second.

Roll call vote of 6 yes to adopt the first reading of Ordinance No. 69 – 2017.

ORDINANCE NO. 69 – 2017 WAS GIVEN FIRST READING.

12. Meeting Dates for the Months of June and July

June 26, 2017 - Council meeting
No meeting the week of July 3, 2017
July 10, 2017 - Council meeting

COUNCIL PRESIDENT PETERS: Okay, lastly the meeting dates for the remainder of June and the beginning of July. We'll have a council meeting June 26th with public speaks. We have no meeting the week of July 3rd, and then we will have a regular Council meeting July 10th with public speaks.

13. Adjourn:

COUNCIL PRESIDENT PETERS: Alright, that concludes our special Council agenda. Motion to adjourn?

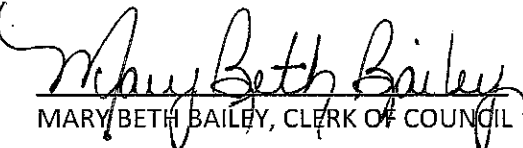
COUNCILMAN FOLTZ: So moved.

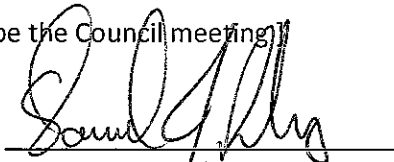
COUNCILWOMAN KIESLING: Second.

Roll call vote of 6 yes to adjourn.

COUNCIL PRESIDENT PETERS: We are adjourned.

[Let the record reflect Charles Osborne set up a tripod and appeared to videotape the Council meeting.]


MARY BETH BAILEY, CLERK OF COUNCIL


DANIEL JEFF PETERS, PRESIDENT