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CITY OF NORTH CANTON, OHIO

IN RE:)	
)	
NORTH CANTON)	
SPECIAL COMMITTEE)	
OF THE WHOLE MEETING)	
)	TRANSCRIPT OF PROCEEDINGS
)	

Transcript of Proceedings held before the North Canton City Council, taken by the undersigned, Shannon Roberts, a Registered Professional Reporter and Notary Public in and for the State of Ohio, via Teleconference, North Canton, Ohio, on Monday, the 13th day of April, 2020, at 7:32 p.m.

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APPEARANCES:

- Daniel Jeff Peters, President
- Daryl Revoldt, Vice-President
- Douglas Foltz, Member, Ward 1
- Stephanie Werren, Member, Ward 3
- Dominic Fonte, Member, Ward 4
- Matthew Stroia, Member, At Large
- Mark Cerreta, Member, At Large
- Stephan Wilder, Mayor
- Timothy Fox, Director of Law
- Patrick DeOrio, Director of Administration
- Catherine Farina, Deputy Director of Administration
- Jina Alaback, Director of Finance
- Robert Graham, PE
- Martin Van Gundy, IV, Chief Building Officer
- Benjamin R. Young, Council Clerk

1 MR. PETERS: Now I'd like to open the
2 Special Committee of the Whole meeting, April
3 13th, 2020. The time is 7:32.

4 Ben, will you please call the roll?

5 MR. YOUNG: Member Revoldt.

6 MR. REVOLDT: Present.

7 MR. YOUNG: Member Cerreta.

8 MR. CERRETA: Here.

9 MR. YOUNG: Member Stroia.

10 MR. STROIA: Here.

11 MR. YOUNG: Member Werren.

12 MS. WERREN: Here.

13 MR. YOUNG: Member Foltz.

14 MR. FOLTZ: Here.

15 MR. YOUNG: Member Peters.

16 MR. PETERS: Here.

17 MR. YOUNG: And Member Fonte.

18 MR. FONTE: Here.

19 MR. YOUNG: Seven present.

20 MR. PETERS: All right. Thank you. One
21 item on the agenda, Community Economic
22 Development. Chairman Revoldt, the floor is
23 yours.

24 MR. REVOLDT: Thank you very much, Mr.
25 President. Fellow Council members, I'm going

1 to ask tonight that we authorize legislation
2 for next Monday night to give the City the
3 authority to borrow \$4.5 million. I'm asking
4 for this legislation to be adopted on an
5 emergency basis.

6 This -- this debt will run for
7 approximately one year. And the interest
8 rate is approximately 2.4 percent. The
9 purpose of this debt will be the purchase of
10 real estate for economic development
11 purposes.

12 We have, as many of you know, a tentative
13 project that could bring at a minimum of 200
14 salaried jobs to the City. The justification
15 for this request is that the City is acting
16 because it cannot wait for developers whose
17 interests and priorities may not align with
18 the City's.

19 By having this property in our own land
20 bank, whose disposition we control, we are in
21 a position to secure the best and highest use
22 for scarce commercial real estate. We have
23 pursued this in discussion with outside
24 entities. Patrick has been the principal
25 lead on this, as many of you know.

1 I'm going to turn it over to Patrick now
2 to fill in some of the blanks that -- spaces
3 that I have left.

4 Patrick.

5 MR. DEORIO: Well, thank you,
6 Mr. Chairman. We should, you know, preface
7 this first by making sure -- and I know the
8 Mayor will cover it in some of his remarks.
9 But for purposes of providing a narrative,
10 you know, this goes back to conversations
11 that took place in November, after the new
12 Mayor was elected, talking with us, what
13 priorities he wished to pursue and what his
14 objectives were. And then to the extent that
15 they were going further than where we were
16 and that they were going in a direction that
17 we weren't going at all, that is the
18 directive that we kind of begin to move
19 forward with.

20 And it involved the idea of -- and I'll
21 let him explain, you know, further. But it's
22 basically kind of what Daryl was saying, is
23 that we -- we want to get in control of our
24 own destiny and land bank properties for
25 potential development.

1 As it so turns out, some of those
2 properties started to become available after
3 the first of the year. As you know, we -- we
4 have had an interest, going back to the
5 beginning of the year, on the K-Mart property
6 and those properties around. And at that
7 time that we had submitted the bid, we -- we
8 were not chosen.

9 But as -- as fate would have it, the
10 property became available again, and we
11 sought an opportunity to pursue that. We
12 reached a real estate purchase agreement with
13 the seller and have been working through the
14 due diligence requirements. That included on
15 site inspections, both on the grounds and
16 inside. That occurred today.

17 We -- while we were pursuing this, we --
18 the Mayor and myself were approached by two
19 different potential end users, who both had
20 an interest in developing a corporate
21 headquarters, a campus, if you will, on the
22 property. Both involved substantial jobs.

23 And one of those entities is -- has the
24 ability to move forward immediately in 2020.
25 And it involves -- immediately on day one,

1 the potential is, as Mr. Revoldt said, 200
2 jobs, but the more reality of it is several
3 hundred jobs at that location.

4 So our focus has been to acquire that
5 property and other properties in the area
6 that would support this development. And
7 what you are being asked to approve is --
8 there is one minor modification. It's the --
9 the amount is \$4.4 million, which would be
10 what you would see in the legislation
11 language, to cover all the -- the interest
12 that we have there.

13 So we have had, you know, perhaps a half
14 a dozen different discussions and in-person
15 meetings with the end user. We are very
16 excited about this moving forward, relying a
17 lot on our consultants that we have hired who
18 have been involved with -- consultants that
19 are helping us with the State level support.
20 We've had other consultants with the building
21 and the grounds that we have been using. And
22 the City was really prepared to move and
23 should be given the opportunity. And as --
24 as fate would have it, we were given that
25 opportunity, and we were prepared.

1 That is the general background, and I'd
2 be happy to answer any questions that I feel
3 are appropriate without violating a
4 nondisclosure agreement that we have in
5 place, as far as the identity of the entity
6 at this time. But we believe that that will
7 be forthcoming in the weeks ahead.

8 MR. FONTE: Question. Dominic Fonte.
9 So --

10 MR. DEORIO: Yes.

11 MR. FONTE: -- Patrick, so basically what
12 I have been seeing a lot is people still
13 pushing retail. Right? So -- so what we are
14 thinking of, as a land bank, slash, City,
15 looking at getting into the arena of
16 controlling our own destiny, even when it
17 seems a little hesitant because of the
18 economic conditions. Right? So you
19 basically want to step on the gas and make
20 things happen.

21 And the beauty is, is that from a City,
22 what we are looking to do is try to add good
23 paying jobs to the rolls to help, really --
24 you know, because I know the retail is weak,
25 and it has been weak for a while. So we want

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to see jobs. That's the bottom line.

Because due to -- across the street from City Hall and some of those other areas, where -- where it's at the mercy of the developer, we want to sort of be more in control and power. And then with the Mayor's thought and your process and all the people on board, we are trying to say, hey, maybe this is a time that we can go ahead and let's take a little risk and let's rock and roll and see if we can make it happen.

MR. REVOLDT: Patrick, this is --

MR. DEORIO: And there --

MR. REVOLDT: Go ahead.

MR. DEORIO: May I -- may I respond to Mr. Fonte, first, please?

MR. REVOLDT: Please.

MR. DEORIO: Yes, Dominic, I -- I think you are, you know, spot on with the analysis, particularly as it relates to the retail. The City is not interested in a retail exposure there. We are not pursuing this in order to facilitate retail. We are pursuing this in order to create substantial income tax revenues for the City by, you know,

1 locating hundreds of office salaried jobs at
2 that location.

3 MR. FONTE: Got it.

4 MR. REVOLDT: Okay. Are there any other
5 questions for Patrick?

6 (No response.)

7 MR. REVOLDT: Mr. Mayor -- if -- are
8 there any other questions for Patrick at this
9 time?

10 (No response.)

11 MR. REVOLDT: If not, Mayor, would you
12 like to weigh in briefly?

13 MR. WILDER: Yes. Yes. Thank you,
14 Daryl. First of all, thank you for your
15 introduction to this process. And thank you,
16 Patrick, for being the lead on this.

17 One of my priorities, I felt when I took
18 office, was I felt that developing and
19 building an environment and working on our
20 infrastructure and thinking about community
21 growth, how could we prosper and move our
22 community forward to its greatest potential.
23 And I felt that with the limited opportunity
24 of property acquisitions in the City, one of
25 the -- this was long before the COVID crisis

1 even hit us, that as Dominic mentioned, too,
2 I wanted us to try to control our own
3 destiny.

4 And as I sit in the office of the Mayor
5 and I look across the street, and with that
6 going into a private developer,
7 unfortunately, it has been stagnant for,
8 let's say, almost a decade. And I just felt
9 that -- my discussions with Mr. DeOrio, that
10 we need to look at everything we can to
11 acquire or go through the process of securing
12 a future property development at today's
13 price.

14 And we have an opportunity here to bring
15 in a major company with the potential of more
16 than 200 jobs, salaried jobs, that would pump
17 into our economy, our local businesses, as
18 Dominic mentioned earlier, that we need
19 support, in support of our -- funding for our
20 schools, and just the advancement of our
21 community. This, I felt, is one of the
22 priorities that -- that we need.

23 And this isn't something that I want to
24 stop at. We have the potential of looking
25 for more control and development, and having

1 our say and influence, rather than leaving it
2 up to a personal developer, and still really
3 not knowing if that plan from that company is
4 going to go forward.

5 There has been a lot of time and patience
6 put into this, but even though it has been a
7 learning process, folks, I think we are on
8 the verge, and I need your support on this,
9 for us to get this going, to add to that
10 northern quadrant of our City and our
11 entranceway. But keeping in mind, this is
12 only a first step for us, because we have
13 other areas that we want to balance out for
14 our community, whether it's in the southern
15 portion of our City or whether it even goes
16 east or west.

17 But, folks, we have -- I am so excited
18 about the potential that we have here to move
19 forward in this time of uncertainty, but
20 knowing that we have a future, a future ahead
21 of us that's going to contribute to the
22 well-being of ourselves and for our
23 community.

24 So please consider this wholeheartedly
25 that -- I just can't say enough that -- of

1 the potential we have and what this would do
2 to help our country -- our community one step
3 forward to its potential.

4 Thank you, Daryl.

5 MR. REVOLDT: Okay. Thank you, Mayor.

6 MR. FONTE: Thanks, Mayor.

7 MR. REVOLDT: Just to wrap things up for
8 those who may be listening, there is no other
9 way forward. There is no other way forward
10 to capture these 200-plus jobs than to do
11 what we are doing. And I applaud Patrick,
12 the Mayor and his team for all the hard work
13 to get us to this point.

14 Obviously, there is some degree of risk
15 involved in any kind of economic development
16 project, that we believe that we have
17 addressed those adequately as this -- as this
18 issue -- as this project will unfold.

19 Mr. President --

20 MR. WILDER: Daryl --

21 MR. REVOLDT: Yes.

22 MR. WILDER: -- may I add one more thing?

23 MR. REVOLDT: You may.

24 MR. WILDER: That was a good summation.

25 I want our -- our Council to know and our

1 listeners to know that as we were going
2 forward with our philosophy in the
3 administration to acquire future properties,
4 the two end users that were interested in
5 this, they came to us after we were
6 working -- working toward this project or to
7 acquire this property.

8 They wanted to come to North Canton.
9 They wanted to put their business here. They
10 wanted their workers to be in our City,
11 because of what we have to offer. And
12 just -- just a -- that was just a -- a side
13 note. But when I heard that, that was a
14 great feeling to know that, you know what,
15 people do want to come to our City, because
16 we do have a lot to offer. So thank you
17 again for your time.

18 MR. REVOLDT: Okay. Just to recap, Tim,
19 we are going to be looking for legislation
20 that will allow us to borrow up to -- to not
21 exceed \$4.4 million, Patrick?

22 MR. DEORIO: Yes, Mr. Chairman, can you
23 hear me?

24 MR. REVOLDT: Yes.

25 MR. DEORIO: Okay. Yes, that legislation

1 is prepared by our bond counsel --

2 MR. REVOLDT: Okay.

3 MR. DEORIO: -- Squire Boggs, and will be
4 available in your packet for Monday.

5 MR. REVOLDT: All right. All right.
6 Very good. And it will have an emergency
7 provision in it, correct?

8 MR. DEORIO: That is correct.

9 MR. REVOLDT: Okay. My next question is
10 for the Council: Are there four votes to
11 authorize this to go to the agenda next
12 Monday night for a vote?

13 MS. WERREN: Yes.

14 MR. CERRETA: That is an emphatic yes.

15 MR. PETERS: Yes.

16 MR. FONTE: Yes.

17 MR. FOLTZ: Yes.

18 MR. STROIA: Yes. I'm excited.

19 MR. REVOLDT: Let the record reflect that
20 the Council is unanimous in its desire to
21 pursue this opportunity.

22 Mr. President, that concludes my portion
23 of the meeting.

24 MR. PETERS: Outstanding. Mayor,
25 Patrick, thank you so much for all your hard

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work on this.

MR. WILDER: Thank you, sir.

MR. PETERS: Thank you. All right.

Ladies and gentlemen, that concludes the agenda for tonight. Way to end on a high note. I'll entertain a motion to adjourn.

MR. CERRETA: So moved.

MS. WERREN: Second.

MR. PETERS: All in favor, "aye."

MR. FOLTZ: Aye.

MR. PETERS: Aye.

MR. CERRETA: Aye.

MR. REVOLDT: Aye.

MS. WERREN: Aye.

MR. FONTE: Aye.

MR. STROIA: Aye.

MR. PETERS: Opposed?

(No response.)

MR. PETERS: Motion carries. We are adjourned. Everyone have a great evening.

(This proceeding concluded at 7:48 p.m.)
