



## City of Pataskala *Legislative Report to Council*

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### Legislative Report

#### June 7, 2021 Council Meeting

#### Unfinished Business

##### A. Ordinances

➤ **ORDINANCE 2021-4384 - 2<sup>ND</sup> READING - AN ORDINANCE TO AMEND SECTION 925 (WATER REGULATIONS) OF THE CODIFIED ORDINANCES**

It is respectfully requested that this ordinance be removed from the table, amended by substitution, and the new ordinance title be read for its second reading. What originally was supposed to be a limited number of changes to the codified ordinances turned into a full ordinance review.

During a review of the codified ordinances with the Utility Committee, it was determined that several portions of Section 925 (Water Regulations) needed to be amended to bring the language in line with our current operational practices. Those changes are outlined in the red-lined "Exhibit A" attached to Ordinance 2021-4384. The most significant changes are:

- **Rule 1-** Placing the control of the water system under the Utility Director, mirroring the language already existing in the sewer ordinances.
- **Rule 4-** Clarifying that for all new water connections, each water meter will be serviced by its own individual service line.
- **Rule 8-** Dictating that existing properties with multiple water meters fed by one service line must have a method of tamper-proof isolation that allows for service to be turned off to each meter, and must be provided at the expense of the property owner.
- **Rule 15-** Clarifying that publicly owned infrastructure can only be operated by authorized personnel, barring an emergency.
- **Rule 21-** Identifying what portion of the water infrastructure is publicly owned.

Approval of Ordinance 2021-4384 is recommended.

➤ **ORDINANCE 2021-4385 -- 2<sup>ND</sup> READING- AN ORDINANCE TO AMEND SECTION 921 (SEWER REGULATIONS) OF THE CODIFIED ORDINANCES**

It is respectfully requested that this ordinance be removed from the table, amended by substitution, and the new ordinance title be read for its second reading. What originally was supposed to be a limited number of changes to the codified ordinances turned into a full ordinance review.

During a review of the codified ordinances with the Utility Committee, it was determined that several portions of Section 921 (Sewer Regulations) needed to be amended to bring the language in line with our current operational practices. Those changes are outlined in the red-lined "Exhibit A" attached to Ordinance 2021-4385. The most significant changes are:

- **921.02 (e)**- Adding this section to clarify that all sewer charges will be charged against the property and not necessarily the occupant. This language mirrors the language already existing in the water ordinances.
- **921.03(b)**- Removing this section and clarifying that septic systems fall under the direction of the Licking County Health Department, not the City Utility Department. This change happened many years ago and we are just now catching up with our ordinance language.

Approval of Ordinance 2021-4385 is recommended.

➤ **ORDINANCE 2021-4392 – 3<sup>RD</sup> READING**

Approval of this ordinance would adopt the updated Comprehensive Plan. At their March 16, 2021 meeting, the Development Committee passed a motion to bring the Comprehensive Plan to Council for consideration if all requested changes were made. Staff and the Development Committee have confirmed the requested changes have been made.

➤ **ORDINANCE 2021-4393- 3<sup>RD</sup> READING - AN ORDINANCE AUTHORIZING, DIRECTING, AND APPROVING THE EXECUTION OF A COMMUNITY REINVESTMENT AREA AGREEMENT BETWEEN THE CITY OF PATASKALA AND TPA INC.**

This ordinance initiates a CRA abatement between the City of Pataskala and TPA Partners for parcels in the corporate park. These parcels (Still owned by Mago Properties) sit at the intersection of Refugee Rd. and Mink Street. The abatement of property taxes is for 100% for 15 years (as is statute). According to the City of Pataskala's MOU with the School District, before a 100% abatement is awarded the school district where the business resides must agree to the abatement. Licking Heights (scheduled for May 18th). Within the CRA agreement CRA lists 250 to 350 full-time permanent employee positions with a total annual payroll of approximately \$13,000,000 to \$21,000,000. All necessary approvals from The Board of Zoning Appeals and The Planning and Zoning Commission have been granted. The next step would be the submission of construction plans.

➤ **ORDINANCE 2021-4394 – 3<sup>RD</sup> READING - AN ORDINANCE DECLARING THE IMPROVEMENT OF CERTAIN REAL PROPERTY LOCATED IN THE CITY OF PATASKALA, LICKING COUNTY, OHIO TO BE A PUBLIC PURPOSE; DECLARING SUCH PROPERTY TO BE EXEMPT FROM REAL PROPERTY TAXATION; DESIGNATING SPECIFIC PUBLIC INFRASTRUCTURE IMPROVEMENTS THAT, ONCE MADE, WILL DIRECTLY BENEFIT THE PARCELS FOR WHICH IMPROVEMENT IS DECLARED TO BE A PUBLIC PURPOSE; REQUIRING ANNUAL SERVICE PAYMENTS IN LIEU OF TAXES; ESTABLISHING A MUNICIPAL PUBLIC IMPROVEMENT TAX INCREMENT EQUIVALENT FUND; AUTHORIZING THE EXECUTION OF A TAX INCREMENT FINANCING AGREEMENT; AND**

**PROVIDING RELATED AUTHORIZATIONS PURSUANT TO OHIO REVISED CODE SECTIONS 5709.40(B), 5709.42, 5709.43, 5709.832 AND 5709.85.**

This Ordinance creates a Tax Increment Financing (TIF) District for the parcels that are being purchased by TPA, creates a TIF agreement between the City and TPA for the use of TIF revenues, and creates a TIF agreement between the City of Pataskala and Licking Heights. A TIF diverts property taxes to a fund that can then be accessed by the City to reimburse TPA for certain public infrastructure improvements including road construction, widening and extensions, installation of sidewalks, street lighting, curbs and gutters, and sewer and water improvements. The City is granting a 15-year abatement (so no property taxes on the building are generated) The TIF would only be for the increase in property taxes related to increase in land value in years 1-15, and for the increase in property taxes from land and building values for years 16-30 for the parcels owned by TPA. This is a non-school TIFs meaning the property taxes owed to the schools are taken out before the funds are deposited in the TIF accounts.

B. Resolutions

**New Business**

A. Ordinances

➤ **ORDINANCE 2021-4395 - SUPPLEMENTAL APPROPRIATION – 1<sup>ST</sup> READING**

We have identified a number of adjustments to the 2021 budget which require additional appropriations. **We are respectfully requesting that Council hold the 1<sup>st</sup> reading of the ordinance at the June 7<sup>th</sup> meeting. It is anticipated that this legislation will go through all three readings, with approval requested at the 3<sup>rd</sup> reading.**

- *Sections 1-2: Bond Improvement Fund* – The Bond Improvements fund was used to account for the proceeds received from the bonds issued for the costs of design and construction for the Pataskala Police station. The fund currently has an unencumbered cash balance of \$42,021.96 which is no longer required for the project. ORC §5705.14(A) calls for any unexpended cash balance in a bond fund that is no longer needed for the project is to be transferred to the appropriate fund where the debt service on the bonds is paid. In this case, the appropriate fund is the Debt Service (401) fund. **We are requesting an increase in approved appropriations of \$42,030 from the Bond Improvements Fund (302) in order to transfer the remaining fund balance to the Debt Service (401) fund.**
- *Section 3: Police Station Fiber Connectivity* – The Police department was experiencing VPN connectivity issues with the fiber shared with City Hall. In order to eliminate the issues, the city contracted with Spectrum to run a dedicated fiber connection to the Police station. This new connection will cost approximately \$700 per month. **We are requesting an increase in approved total appropriations of \$6,300 to cover the estimated costs of the fiber connection for the remainder of 2021.**
- *Sections 4-8: Finance Manager Retirement* – Finance Manager Janice Smith has announced her retirement for August 6, 2021. Janice has been employed by the city for almost 26 years and has significant accrued paid leave (sick and vacation).

Per the city's Employee Handbook, employees are paid out for each hour of unused vacation at the time of their retirement. In addition, employees are able to cash out a maximum of 960 hours of accrued sick leave at a 1:4 ratio. I have estimated the costs of the cash out as well as having a replacement hired and onboard prior to her retirement to be approximately \$24,000. These costs are split between the: General fund (10%); Street fund (25%); Police fund (25%); Water fund (30%); and Sewer fund (30%). **We are requesting a total increase in approved appropriations of \$24,000 to fund the overlapping staffing and employee retirement cash out.**

- *Section 9: Recreational Programming* – The city's Parks & Recreation department has applied for a \$6,000 Aquatic Education grant which they believe will be awarded. Nearly 1/2 of the requested increase in Parks & Rec appropriations is related to grant-related spending which will be fully offset by increased grant revenues. In addition, the department held a softball tournament in April which generated \$1,575 to benefit the city's 'Shop With a Cop' program. The revenues have already been received but we need additional appropriations in order to distribute the net proceeds. Finally, the Administration is requesting an additional \$5,000 in appropriations due to the increased number of activities being held by the department. **We are requesting a total increase in approved appropriations of \$12,575 to pay recreational programming-related expenses.**
- *Section 10: Foundation Park Shelter* - We currently have a shelter structure in storage that the Parks Board would like to see installed in Foundation Park. Foundation Park is our largest park location and lacks shelter for parents and residents during athletic events and day to day leisure. The Administration believes that installing the on-hand shelter this fall would provide the city with the ability to use the shelter in spring of 2022 and would be installed by an outside contractor in late-fall. They anticipate expenses to be in the range of \$10-15,000 and include concrete work (excavation to be done in-house) and construction labor. **We are requesting a total increase in approved appropriations of \$15,000 from the Park Use (207) fund to pay the costs associated of installing the existing shade structure in Foundation Park.**

## B. Resolutions

➤ **RESOLUTION 2021-024 - A RESOLUTION AUTHORIZING AND DIRECTING THE CITY ADMINISTRATOR TO EXECUTE A CONTRACT WITH SPENCO. EXCAVATING, INC. TO REPLACE TWO 36" CULVERTS ON ALWARD ROAD**

Approval of this resolution will provide for the replacement of two 36" culverts on Alward Road. The existing culverts are corrugated metal pipes that have experienced significant section loss at the flow line of the pipes. Replacement is needed now to prevent sink holes, or settling of the road, that is likely to occur in the near future if these are not replaced. The 2021 PSD budget includes funding for these replacements as part of CIP project SVC-18-002.

As this project is below the bidding threshold, the formal bidding process was not used; however, SpenCo Excavating, Inc. has been the low bidder on previous work of similar nature. They are a local contractor, and the projects that they have completed for

the City have been very successful, with them being an exceptionally responsive and responsible contractor. Similarly, in a partnering effort with the contractor, the City will be providing materials and trucking on the project to reduce the overall cost of the project.

Approval of this Resolution is recommended.

➤ **RESOLUTION 2021-025 - AMERICAN RESCUE PLAN ACT**

The city is currently slated to receive approximately \$3.1 million which will be distributed to us by State of Ohio in two tranches, or distributions. It appears that the first tranche will be distributed sometime in mid-June 2021, with the remaining balance distributed in 2022, no earlier than 1 year after the initial distribution. The Act requires that all funding be spent in accordance with the guidelines no later than December 2026 (it must be committed to be spent no later than December 31, 2024). Please know that we will be incorporating this funding source and the appropriate projects into the 2022 CIP plan, along with other planned projects to be funded by the city. As a condition of receiving the funds, the city is required to: (1) adopt legislation formally accepting the funds, designating that the funds to be spent by the city meet the requirements as called for in the ARP act; and (2) establish a new fund to account for the grant funding, such fund to be named the 'Local Fiscal Recovery Fund'. **Passage of Resolution 2021-025 by Council will meet these requirements.**