

INTERNAL MEMORANDUM

Office of the City Administrator

Springdale, Ohio

February 24, 2017

To: Mr. Thomas Vanover
President
Springdale City Council

From: Derrick Parham
City Administrator

Re: Report on Pending and Future Legislation

Item I

An Ordinance Accepting a Bid and Authorizing the Mayor and Clerk of Council/Finance Director to Enter Into an Agreement with J.K. Meurer for the Springdale Community Center Walking Path Improvement and Declaring an Emergency

The walking path at the Springdale Community Center has been an integral part of the Center and its recreational options for well over thirty years. The path was originally installed in 1972 when the outdoor facilities and ball fields were developed. In the mid to late 1980s, the path was resurfaced and widened to approximately nine feet to better accommodate the Park staff's maintenance vehicles. In recent years, the staff has performed minor repairs to the path in an effort to minimize safety hazards and attempt to prolong the life of the asphalt. Overall, the path is approximately one mile in distance around the Center.

For the past few years, City staff has actively pursued outside funding to assist with making more substantial repairs and improvements to the path. Unfortunately, none of those attempts were successful. In late 2015, the decision was made to move forward with appropriating funds to make the necessary improvements without the assistance of outside funding.

A total of eight bids were received on Thursday, February 9 for the Community Center Walking Path Improvement. J.K. Meurer submitted a bid in the amount of \$54,200 and was determined to be the best and lowest bidder. The Parks and Recreation Department's Capital Improvement line item in the 2017 Budget anticipated a \$60,000 expense for the project. In addition to the base bid for this project, an alternate bid was also included. The alternate bid involves adding a paving fabric to parts of the path to slow the cracking process of the asphalt. The amount submitted by J.K. Meurer for the alternate bid was \$481.

An ordinance, with an emergency clause, accepting a bid and authorizing an agreement with J.K. Meurer for the Community Center Walking Path Improvement will be before Council for consideration at the **03/01/2017** meeting.

Item II

An Ordinance Creating the Street Improvement Debt Fund

The City Administration continues to work towards finalizing the issuance of bonds for street improvements to upgrade the roads in the City's neighborhoods. At the conclusion of this process, the City intends to secure approximately \$8,300,000 in proceeds (funds) to cover the costs of the implementation of the Comprehensive Capital Improvement Program. As a reminder, the elements of the program can be found on the City of Springdale website.

In an effort to properly account for the payoff of this debt, it is recommended the City create the "Street Improvement Debt Fund." This fund will be used to account for the annual payments of the principal and interest associated with the debt generated from the City borrowing \$8,300,000. Annually, a transfer will be made from the City's General Fund to the new Street Improvement Debt Fund which will cover the annual principal payment and the annual interest costs.

An ordinance, with an emergency clause, creating the new Street Improvement Debt Fund is scheduled to be presented to Council for consideration at the **03/01/2017** meeting.

Item III

Adopting a Supplemental Appropriation/Estimated Receipts Ordinance to Make Appropriations for Current Expenses and Other Expenditures and Adjust Estimated Receipts for the City of Springdale During the Fiscal Year Ending December 31, 2017

The adoption of a supplemental appropriation ordinance is necessary at this time due to the City's plans to issue bonds and receive approximately \$8,300,000 in proceeds (revenue). This amount of revenue was not included as a part of the City's appropriation ordinance (Ordinance No. 1-2017) passed by Council on January 4. Therefore, Council by ordinance needs to authorize the receipt of these funds for 2017. Although these receipts have not previously been authorized by Council, the anticipated expenditures associated with these funds were appropriated in this year's 2017 appropriations ordinance. Expenses planned to be covered by the bond proceeds during 2017 as a part of the Comprehensive Capital Improvement Program are: construction and engineering costs for the 2017 Street Program; construction and engineering costs for the SR 4 (Cameron Road to I-275) Urban Paving Project; and construction and engineering costs for the Cloverdale Pavement Rehabilitation. The construction costs for the three remaining projects (Beacon Hills/Kenn Road Rehabilitation, Glensprings Drive Rehabilitation, and the Jake Sweeney Place Rehabilitation) are scheduled to be appropriated as a part of the City's 2018 Budget process. Engineering costs for these three projects will be paid in 2017.

The supplemental appropriation ordinance is scheduled to be presented for Council's consideration at the **03/01/2017** meeting. Due to the ordinance being financial in nature, it does not require an emergency clause to go into effect immediately.

Item IV

An Ordinance Creating the Street Improvement Operations Fund

Just as the City will need to track and account for the payment of the principal and interest associated with issuing the bonds for the City's Comprehensive Capital Improvement Program, the City will also need to account for the expenditures for the various projects. If called upon by the State Auditors, the City must be able to clearly identify that the proceeds borrowed to pay for these street improvement projects were actually used to do just that.

It is recommended that the City create the "Street Improvement Operations Fund" to account for the expenditures related to the many projects under the Comprehensive Capital Improvement Program. Once the fund is established, all expenses generated in 2017 and beyond that are associated with the various projects under the program will be charged into this fund.

An ordinance, with an emergency clause, creating the new Street Improvement Operations Fund is scheduled to be presented to Council for consideration at the **03/01/2017** meeting.

Item V

A Resolution Imposing a Moratorium for a Period of 180 Days on the Granting of Any Permit Allowing Retail Dispensaries, Cultivators, or Processors of Medical Marijuana Within the City of Springdale, Ohio

The legalization of medical marijuana was passed by the Ohio State Legislature and signed by the Governor early last year. Although the law went into effect on September 8, 2016, it was anticipated that it would be some time before persons would be able to access medical marijuana legally throughout the State. The implementation responsibilities for the process were assigned to two different State agencies (State Board of Pharmacy and Department of Commerce). Those two bodies were charged with the development of the rules and regulations for the process. Within one year, the law stated, they were to have some of the process ready for implementation, and within two years, the entire program was to be operational.

Under the law, there are three types of medical marijuana facilities that can be regulated by a municipality. They are retail dispensaries, cultivation facilities, and processing facilities. Retail dispensaries are locations where persons can go to actually purchase the product. Cultivation facilities are operations that essentially grow the product. Finally, the processing facilities are operations where the packaging and preparation to sell the product takes place. According to the law, municipalities have two options relative to the abovementioned operations. The City can prohibit the facilities from operating within their jurisdiction, or they can limit the number of facilities permitted within the jurisdiction.

The rules and regulations for operating any of these types of businesses were not known at the time of the effective date. Due to this, at its **09/07/2016** meeting, City Council adopted Resolution No. R14-2016, imposing a moratorium for a period of 180 days on granting any permits which would allow these three types of medical marijuana facilities to operate within City limits. That moratorium is scheduled to expire on Monday, March 6, 2017. Although some things have been accomplished by the responsible parties, the required rules and regulations are still not in place. As a result, it has been recommended that Council once again adopt a 180-day moratorium to allow the program to be further developed. If at the end of this second 180-day moratorium period, the two State agencies still have not fully developed the rules and regulations to the satisfaction of the City, Council may choose to continue the moratorium for an additional period of time.

A resolution imposing a moratorium for a period of 180 days on granting any permits which would allow retail dispensaries, cultivation facilities, or processing facilities for medical marijuana in the City will be before Council at the **03/01/2017** meeting for consideration.

Item VI

An Ordinance Approving a Major Modification to the Northwest Business Center Planned Unit Development (PUD) and the Preliminary Development Plan for the Ridgeline Property Group's Development

At a special meeting held on January 31, 2017, the Springdale Planning Commission voted seven in favor and zero opposed to recommend a Major Modification to the Northwest Business Center PUD for the proposed Preliminary Development Plan submitted by Ridgeline Property Group. Ridgeline is proposing to develop a 236,000-square-foot industrial facility, with some office included, on the fifteen-acre site located at the northeast corner of Pictoria Drive and Northwest Boulevard. Originally, the fifteen acres were approved to have three office buildings developed on the site.

An ordinance approving a Major Modification to the Northwest Business Center PUD and the Preliminary Development Plan for Ridgeline Property Group is scheduled for a first reading at the **03/01/2017** meeting. The second reading of the ordinance along with a Public Hearing is scheduled for Council's consideration at the **03/15/2017** meeting.

Mayor
Clerk of Council/Finance Director
City Council
Assistant City Administrator
Law Director
City Engineer
Department Directors
Recording Secretary
Reading File