



CITY COUNCIL

Committee of the Whole

Budget Review
Tuesday, October 20, 2015
Following Public Hearing – Penn Room
Agenda

Although Council committee meetings are open to the public, public comment is not permitted at Council Committee of the Whole meetings. However, citizens are encouraged to attend and observe the meetings. Comment from citizens or professionals during the meeting may be solicited on agenda topics via invitation by the President of Council.

All electronic recording devices must be located behind the podium area in Council Chambers and located at the entry door in all other meeting rooms and offices, as per Bill No.27-2012.

- I. Budget Review following public hearing - to 7 pm**
- II. PILOT Request re Skyline View/Episcopal House**
- III. Follow-up to Pension Discussion**
- IV. Reply to prior meeting follow up items**
- V. Expenditure detail OPTIONAL Mayor, Council, City Auditor, Managing Director, Administrative Services**
- VI. Summarize this meeting's follow up items**

MINUTES
September 28, 2015
5:00 P.M.

COUNCIL MEMBERS PRESENT:

S. Marmarou, D. Sterner, D. Reed, M. Goodman-Hinnershitz, C Daubert, J. Slifko, J. Waltman

OTHERS PRESENT:

L. Kelleher, S. Katzenmoyer, D. Cituk, R. Johnson, C. Snyder, V. Spencer, J. Miravich, F. Lachat, D. Kersley

The Committee of the Whole meeting was called to order at 5:12 pm by Mr. Waltman.

I. Episcopal House Pilot (Skyview Apartments)

Mr. Kersley distributed and reviewed information about this property.

Mr. Younger arrived at this time. Mr. Lachat left the meeting at this time.

Mr. Waltman questioned if the reduction in real estate taxes was prorated over all three taxing entities. Mr. Kersley stated that it is. Ms. Snyder reminded Council that the property is currently classified as non-profit and taxes are not collected.

Mr. Marmarou stated that the City is generally the last entity contacted after the County and School District already give their approval. He stated that there is always an expectation that the City will also approve it.

Mr. Slifko questioned how HDC arrived at \$50,000. Mr. Kersley did not have this information.

Ms. Goodman-Hinnershitz questioned if the City sent a legal representative to assessment hearings. Mr. Miravich stated that he represents the School District at assessment hearings. He stated that generally there is no City representative but suggested that it consider sending one.

Ms. Goodman-Hinnershitz questioned how the City could keep assessment reductions from being granted. Mr. Slifko suggested that the City become part of the hearing process.

Mr. Waltman questioned the percentage of ownership by HDC. Mr. Kersley stated that he did not have this information.

Ms. Snyder stated that this agreement would carry until the tax credit expired.

Mr. Daubert questioned how long that would be. Mr. Kersley stated that it would be for 10 – 30 years.

Mr. Marmarou questioned the timeline. Mr. Kersley stated that HDC would like this approved as soon as possible. He stated that the City has already committed \$40,000 of CDBG funding to this project.

Ms. Snyder stated that this project is similar to the one at the 11th & Penn property.

Ms. Reed questioned the long delay between the agreement with the School District and their approach to the City. Mr. Kersley stated that they initially contacted the City in April.

Ms. Snyder reminded Council that the City does not need to do what the School District does.

Mr. Miravich stated that he did not attend this specific assessment hearing but that he would provide additional information. He stated that the School District was told that the apartments are uninhabitable and that they are not willing to invest in the property without this agreement. He recollected that the School District negotiated this agreement approximately one year ago.

Ms. Goodman-Hinnershitz stated that she has visited this property many times. She stated that it is producing income and that residents receive many City services. She also questioned how the apartments are uninhabitable as the building is nearly rented out.

Mr. Sterner stated that the property produces revenue but that there will be no increased revenue to the City. He suggested that there be a provision in the agreement for increased payments to the City over time.

Ms. Reed questioned why the City was not contacted while the School District was in negotiations. She noted the need to work together and stated that the delay was unacceptable.

Ms. Snyder stated that HDC sent the request by mail but that there have been no meetings held.

Mr. Slifko stated that over 30 years, this agreement will cost the City \$1 million.

Mr. Younger reminded all that the property is currently classified as non-profit and that the City currently collects no taxes.

Mr. Marmarou stated that he has also visited the property many times and that it is habitable. Ms. Goodman-Hinnershitz agreed.

Mr. Waltman requested that representatives of HDC meet with Council. He voiced his support of an agreement for 10 years. He stated that HDC has leveraged the City before at the 11th & Penn property and that the status has changed to for-profit. He requested HDC's financial statements.

Mr. Kersley left the meeting at this time.