

## Community Development Committee

### 1. Summit Street Incubator Tenants

Dan Smith reports that the current incubator tenant, Christian Edwards Hair Salon, has requested Council's consideration for another year extension to their lease. You may recall that Council already granted an extra year to the terms of their lease last year to allow the owner of Christian Edwards time to find a suitable new location to graduate the business out of the incubator and into the marketplace. The owner has requested that Council authorize another 1 year extension – bringing the total years in the incubator at 7 years at the subsidized lease rates. (attachment)

#### *Administrative Recommendation*

Dan indicates that he has two new business prospects requesting to go into the space that Christian Edwards was scheduled to vacate. According to Council policy, the incubator space was intended to help businesses get started for a period up to 5 years and I would recommend that we respectfully decline the requested extension or change the current incubator policy to allow for 7 year terms to be fair to the other tenants.

#### *Council Action*

**Review the request and direct staff accordingly.**

## Finance Committee

### 2. City Vehicle Lease Proposal

Gene Roberts has been working with his peers in our neighboring cities to identify opportunities to save money and improve efficiencies by sharing equipment and partnering on projects where possible. To that end Gene noted that the City of Aurora has requested our consideration to rent our bucket truck that we use for tree trimming at a market rate (estimated at \$500 to \$800 a week). Gene has reviewed the request with Jim Silver to develop an appropriate lease and liability agreement and he would like Council's approval to proceed. (attachment)

#### *Administrative Recommendation*

Gene and I felt that economically this could be a reasonable method to recover portions of the costs on our investment in the equipment but more importantly we think that this could serve as a test case in regional equipment sharing (similar to some of the fire apparatus agreements) that if successful could yield significant financial gain in the long term for the City. I would recommend Council's support for the proposal.

#### *Council Action*

**Review and discuss the equipment rental proposal and direct staff accordingly.**

### 3. Final 2009 Appropriations Amendment

Dave Coffee has been working with the department heads to make final changes to the year end 2009 budget ordinance. Dave plans to close the books for the departments on Dec. 4<sup>th</sup> which means he will not have the line by line changes finalized by our Dec. 2<sup>nd</sup> meeting but he wanted to at least outline the close-out process in anticipation of Council approval at the Dec. 16<sup>th</sup> meeting. (attachment)

#### *Administrative Recommendation*

The final expense items for 2009 need to be allocated appropriately in the budget and Council's authorization is required for the year-end accounting to occur.

#### *Council Action*

**Adopt the proposed changes to the 2009 Appropriations Amendment.**



## Finance Committee (continued)

### 4. Stimulus Grant Funds for Fire Operations

Bill Lillich and Chief Williams report that the City has an opportunity to apply for federal stimulus grants that have been made available for fire operations. The grant applications have to be submitted in early December so staff would like an opportunity to discuss the grant and obtain Council's approval to apply for the funds. (attachment)

#### *Administrative Recommendation*

The City has been successful in obtaining stimulus funds to supplement City capital and operating revenues and I would encourage Council's support to pursue the fire operations grants. If awarded the funds, Council would still have an opportunity at a future date to choose to either accept or decline the grant funds for the purposes designated so applying for the funds does not represent a final commitment.

#### *Council Action*

**Authorize staff to proceed with the fire grant application.**

### 5. Water and Sewer Rate Discussion for 2010

As noted during the Capital Budget presentation for 2010, Gene Roberts has been working with Steve Hardesty and Bob Brown to ensure adequate revenues for the operations of the City's water and water-reclamation plants. The preliminary staff analysis indicated the need for a 15% to 20% rate increase over the next couple of years to sustain the solvency of the water and sewer funds. Recognizing the significant impacts that such rate increases could have on our customer base, Gene recommended providing an initial 3% rate increase for water and sewer in 2010, to be followed with a comprehensive rate study to more accurately define the exact financial needs over the next 2 to 5 years for each fund. (attachment)

#### *Administrative Recommendation*

The staff and I recognize the challenge of proposing a rate increase in the current economic climate but the forecasts indicate that the funds will be in serious fiscal distress if steps are not taken to address these funds soon. I strongly urge Council's support to initiate a third party, professional assessment of the City's water and sewer rates so that we can build a financial plan to sustain the funds over the short and long term. Council could choose to not increase the water and sewer funds by 3% next year but I would caution against delaying the modest rate increase since it would likely mean larger rate increases over the following year.

#### *Council Action*

**Review and discuss the water and sewer rate proposals for 2010.**

### 6. Downtown Kent Corporation Line of Credit

Dan Smith has requested Committee time for Council to consider authorizing the Downtown Kent Corporation to accept a new line of credit for cash up to \$2.25 million that has been assembled by three local banks (Home Savings, Portage Community and Huntington Bank) for the purpose of land banking and economic development. The DKC would have to have Council approval to use any of the funds and the line of credit is set up so that the first 5 years is interest payments only just like the City's previous line of credit used in the revitalization of the West River Neighborhood. (attachment)

#### *Administration Recommendation*

The original line of credit provided for the West River Project will be paid off in the next 18 months and given the investment needs of the downtown revitalization efforts I would encourage Council's support to add this financial option to the City's resource base. The fees for the transaction (\$18,000) would be paid from the downtown redevelopment line item or rolled into the first draw and amortized over 5 years.

#### *Council Action*

**Authorize the creation of a \$2.25 million line of credit through the DKC.**





## Finance Committee

### 7. ODNR Cooperative Boating Grant

John Idone has requested Committee time to seek Council's acceptance of the ODNR Cooperative Boating Grant in the amount of \$250,000 with \$42,150 in local match Parks funds. The grant was received by Parks and Recreation to improve access and portage of the river for canoe and kayak activities. John is in the process of hiring a consultant to work with staff, residents and canoe/kayak enthusiasts to design the improvements over the next couple of months. John will explain the details of the project in Committee. (attachment)

#### *Administrative Recommendation*

The City has an opportunity to continue the work that began with the Dam restoration, and was followed with the whitewater park study, that led to the application and receipt of state grant funds to expand the opportunities to enjoy river recreation in Kent and promote an appreciation of the natural environment. For these reasons, I encourage Council's support to accept the grant.

#### *Council Action*

**Authorize Parks and Recreation to accept the ODNR Cooperative Boating Grant.**

## Information Items

### 1. Traffic Engineering and Safety Meeting

Bill Lillich has provided copies of the November 13, 2009 Traffic Engineering and Safety meeting. There were 4 items up for discussion including: status of the Stonewater/SR 59 street project; Cherry Street speed reduction request; next phase of Portage Hike and Bike Trail in Kent; and request to relocate speed limit signs in River Bend. (attachment)

### 2. Income Tax Report

Dave Coffee has provided a summary of income tax collections thru the end of October 2009. Overall the City income tax collections are down \$111,357 (-1.25%) through the same month last year with Kent State's collections up 4.58% (\$148,206). (attachment)

### 3. Equipment Purchase Notification

I have attached a memo from Gene Roberts that requests authorization to purchase a pipe threader from Bob Brown, Water Reclamation Facility Manager. The price of the unit that Bob has located is well below anything the staff could find for sale either new or used. I have approved the purchase but since Bob is purchasing it from a City employee we need to make sure this is a transparent transaction with full disclosure to comply with state ethics law which is why I am sending you a copy. (attachment)

### 4. NOPEC Gas Rate Update

Gene Roberts has shared an update from NOPEC on their gas rate prices guaranteed through the end of June 2010. The rates are lower than the prices have been in the last several years. (attachment)

### 5. Legislative Report

I have included a copy of a legislative report that is prepared by Squire Sanders for the Northeast Ohio Mayors and City Managers Association for your information. This is an excellent summary of the proposed bills and the likely impacts on cities. (attachment)

## 6. 2008 Code Violations Summary

Staff from Community Development and the City Manager's Office have tabulated the end of year statistical summary of code enforcement actions taken in 2008. I've attached the final report for your information and with 3 years of statistics it is interesting to compare the trends and glean insights into what impacts our code enforcement programs and policies are having in the neighborhoods. (attachment)

## 7. College Fest Arrest Resolution

Chief Peach informed me that all 51 subjects arrested during College Fest on April 25<sup>th</sup> last year have pled guilty to the Failure to Disperse charges. College Fest was certainly a troubling incident but it's a credit to the Police Department that all of suspects ended up admitting that they were in the wrong that night.

## 8. Abison Inc. RLF Application

Dan Smith has been working with the City's RLF Committee to consider a loan application submitted by Abison, Inc., for a \$50,000 two-year bridge loan to expand their software company in Kent. As noted in Dan's memo the loan application was approved with certain conditions. I have included a copy of Dan's memo for your information. (attachment)

## 9. Police Statistics

Chief Peach has forwarded his October 2009 Police Statistics report. Total calls for service are slightly below last year (-.6%) and total arrests are also down (-8%). In contrast, accident incidents are up 5% but incidents of serious crimes are down 10% from the same period as last year. For comparison purposes I've shared the chart below that illustrates the trends for each serious offense across the last 4 years.

In total, incidents of serious crimes in 2009 are 20% below 2006 figures, 13% below 2007 and 10% below 2008 – so despite the few recent news stories, the City is safer than it's been in the last 4 years. (attachment)

