

MIDDLETOWN, OHIO

January 21, 2023

ROLL CALL

At 9:00 a.m., Mayor Condrey called the Special City Council meeting to order at Central Connections, 3907 Central Avenue, Middletown, Ohio.

City Council Members present: Z. Ferrell, M. Nenni, T. Moon, R. Muterspaw, N. Condrey.

City Manager Lolli presented the American Rescue Plan Act funding opportunities and capital improvements needs. He reviewed the projects that had already been approved.

Project	<u>Amount Approved</u>	<u>Notes</u>	<u>ARPA CATEGORY</u>
Duke Energy LED Street Light Conversion	\$815,000.00	Duke Energy	REV REPLACE
Premium Pay/Staffing	\$1,118,528.10		PREMIUM PAY/REV REPLACE
Police Locker Room Remodel	\$430,000.00	Lutz Construction	NEG ECON IMPACT
Robert "Sonny" Hill Community Center	\$2,600,000.00	Total authorized for Project \$2.6M	NEG ECON IMPACT
Park Public Wi-Fi	\$469,739.19	Altafiber	REV REPLACE
Event Center	\$3,750,000.00	Funds promised but not approved yet	REV REPLACE
Total Committed	\$9,183,267.29		

City Manager Lolli presented the following American Rescue Plan Act funding opportunities:

Middletown Event Center (Towne Mall Galleria) This \$500,000 is in addition to the \$3.75M that has already been earmarked with the understanding that Warren County will be discussing making a similar increase. There was additional discussion about the financing package for the project. This project has the potential to be a major economic development project for Middletown, the total investment of this project is right around \$175M. There was some discussion. Council expressed a desire to not encumber all of the ARPA funds and to leave a significant amount in the undetermined category because of the fluctuations in costs.

Economic Development - \$1,250,000. Economic development site preparation would take almost \$1M. There are a few areas in town that have the potential to bring in industry but we don't have the necessary infrastructure in place. We have been rejected by companies to not locate here or expand due to lack of infrastructure. This would allow us to put the infrastructure in and put us in a better position to draw business and industry to Middletown. There was discussion about how long it would take to create the infrastructure. The other \$250K would go toward small business grants. There was discussion about potentially increasing the business grants to help businesses get back on their feet. There was additional discussion about small business grants.

Neighborhood Revitalization - \$800,000. This will go towards infill sites, community cleanup efforts and maybe a program similar to Hamilton's neighborhoods 17 strong. Development Services will present plans to Council on exactly what we will do. Mr. Muterspaw commented that the Amanda, Mayfield and Oakland neighborhoods definitely need a cleanup. The alleys in these neighborhoods are a mess. The sewers in the Amanda neighborhood need addressed, when the City annexed them years ago, promised were made but not kept. That's a big part of what we are trying to do for our City over the next few decades. We want to clean up our City and keep people here. Mr. Moon commented that he is fully supportive of the \$800K. We need to invest in our neighborhoods to have a strong community. I would hope that moving forward we have a recurring annual investment. My caution to staff is that if you add staff with these funds for things like the strong neighborhood type of organization, make sure it is sustainable. Mr. Lolli confirmed that there is no plan to add any additional staff besides the two positions already accounted for in our budget. He pointed out that there is a \$481,887 buffer left to work with. Ms. Condrey commented I would like to see the remaining balance in the millions after today because we're halfway until the end of the course. In my mind that's where I'm going to move numbers as far as requests. I fully support an investment in our people, the only comment I have about the neighborhood revitalization efforts is that we've got so many great organizations both here in Middletown and regionally that help people do home improvements and we could make those dollars stretch even further by working with those types of organizations.

Downtown RFQ's - \$3,000,000. Ms. Condrey commented that originally there was more than \$10M allocated to our downtown and we have really scaled back. I spoke with representatives of Weyland Ventures and this is the year of Middletown. That is a huge statement and I feel like our entire City should be jumping for joy because this company successfully redeveloped many properties in Louisville, KY and Dayton, OH and now they're coming to Middletown. It is really exciting to me. If we don't commit enough to our downtown, we commit to fail because if we just throw a little bit at it it's not enough and then what do we do? How do we move

forward from there? I want to make sure we're thinking that through. She discussed Weyland's focus on creating a master plan for the infrastructure in our downtown that supports the redevelopment of everything. They suggested investing \$5-10M in the infrastructure of downtown, improvements that would benefit everyone. I have a lot of confidence in their ability to get the tax credits worked out over time and get these buildings taken care of. They absolutely believe that the Manchester can be saved at this point. They have done a lot of research on our City and they're very into it. Ms. Nenni commented that almost anyone who's come into our downtown to do a project discovers that we've got to have a draw in order for anything to work we've got to have a vibrant downtown that people want to visit. That speaks to us investing in the infrastructure downtown because those attractions are what draw people to want to invest and come into our downtown. Ms. Condrey stated that she is fully supportive of \$3M being set aside for this. There was some discussion about possibly creating new incentive districts downtown. Ms. Condrey explained that met the representatives of Weyland Ventures at the Great American Riverway Summit last year. City Manager Lolli explained that the City sent out requests for qualifications for 6 City owned properties including the Manchester Inn, the Sonshine Building, the First Financial Building, the Swallen's Lot and two other vacant properties on Broad Street. City staff along with two Council members vetted all of the RFQs and decided that Weyland was the company to help us develop those properties. There was additional discussion about the ARPA funds being invested throughout the City. Ms. Condrey stated that she is fully supportive of \$3M being set aside for this but she would like to see millions remaining after today.

Sorg Opera House - \$165,000. Ms. Condrey commented that the Sorg is very aware that this is a community effort and has raised \$70,000 from donations. There are three things that they need help with: to pay off the mortgage balloon payment of \$165,000, perform the necessary roof upgrades of \$50,000 and the Main Street level storefronts need white boxing estimated to be \$225,000. That's a total of \$375,000 if we want this organization to actually start making enough revenue for the building to revitalize itself. Every developer and regional partner that I've spoken with since I've been Mayor has been very clear to point out that the Sorg is the critical demand driver of our downtown. Ms. Nenni praised the Sorg volunteers for all of the work they have done revitalizing the historic venue. There was discussion about the Main Street level storefronts and commercial building. Ms. Nenni supported the \$165,000 and felt that the roof repair and the storefronts were very important. Mr. Moon supported the \$165,000 and possibly more if there were funds left at the end of the discussion.

Aquatics Center - \$2,500,000. City Manager Lolli explained that this aquatic center would be in cooperation with the Atrium YMCA and would be part of that facility. Ms. Condrey commented that the aquatic center doesn't get anything either side wants. She suggested subsidizing pool memberships at existing pools. I agree that there is a need but I don't think this is going to meet the need or that \$2.5M is going to create the aquatic center people are dreaming of and it will be all the way out at the interstate. I believe that there will be additional requests for funding in the future. I believe there is a need to help our kids and families get together and have fun and learn to swim but I don't think that this is the solution. I think this is one of those things, just like I said about downtown, if you don't put up enough money toward it, then you commit to fail. It's a poor investment. Mr. Ferrell commented that you have to schedule times to swim at the YMCA right now, so you're not going to be able to accommodate an abundance of children. We all have opinions up here and one not right or wrong. Growing up here there was nothing to do, and I'm 31 years old. This would be something for the children of Middletown to do during the summer, you can't put a price on the ecosystem of the City. Ms. Nenni commented that we have put a price on that ecosystem and it's \$30M to fix the parks. The Parks Master Plan told us it would cost \$30M to make safety, equipment and amenity improvements to get our parks where they should be. We have great opportunity to invest in the parks which serve all of the neighborhoods of Middletown. I agree that we need things for families and kids but we have an existing infrastructure in our park system that needs investment and I see that investment as a higher priority than creating a new asset that to the Mayor's point will probably require continued investment to maintain. I just see so many things that have seen disinvestment for so long that need investment and I prioritize those things a little bit higher. Mr. Ferrell suggested that the aquatic center could be an economic benefit to the City and change the perception of Middletown to people from out of town. Discussion ensued. Mr. Muterspaw commented why does everything have to be about revenue? Can't we do something nice for our community? Everything's not about money. I'm not saying you are wrong but you are dismissing it right off the bat. I literally talked to 500 or more people about this water park. People want something for their kids. I grew up a little but different, you have to look at it from an entire community perspective. Discussion ensued. Ms. Nenni commented given all of the other city-owned assets that need immediate investment I'm not saying that we don't ever build an aquatic center I'm just saying that this allocation at this time isn't something that I'm necessarily supportive of. Discussion ensued about deadline to spend the ARPA money and the buffer. Mr. Moon commented that \$2.5M probably under builds what we need. I put a couple projects above it: the entertainment center, the downtown RFQs and the education hanger. I'm not prepared to decide on the aquatic center today, I need more information on the final financial package. On the East End project, I need to know what can Public Works do for the downtown layout and infrastructure just outside of the \$3M? I would consider this proposal where the YMCA owns, manages and maintains it and City just helps them with the brick

and mortar and has input on what the cost would be. Discussion ensued about potential maintenance costs in the future. Mr. Muterspaw commented if we don't do this now it's never going to happen. Money doesn't count for everything, we have to do something nice for our people and that that's just how I feel about it. Ms. Nenni commented that the parks need to be invested in. Discussion ensued about replacing the aquatic center with parks, the aquatic center being a seasonal asset and quality of life amenity and comparisons were made to the Holiday Whoopla event. City Manager Lolli explained that City staff sees this as a destination location, a water park, not just a swimming pool. We have an opportunity to partner with the YMCA to make this a success, they're going to operate it. Most facilities like this fail because the cities aren't good operators of aquatic centers; the YMCA is. We are one Middletown, we are going to come up with a plan to provide buses to transport all kids to this facility. This is a project for all of Middletown. My recommendation is to keep it on the list and talk more once we get more of these numbers nailed down. Additional discussion ensued.

Recess

At 10:46 a.m. Mayor Condrey called for a recess of the special meeting to discuss the American Rescue Plan Act funding opportunities and capital improvements needs.

At 11:00 a.m., Mayor Condrey called the Special City Council meeting to consider second reading emergency passage of all ordinance items associated with the Governmental Electric Aggregation Program to order at Central Connections, 3907 Central Avenue, Middletown, Ohio.

ROLL CALL

City Council Members present: M. Nenni, T. Moon, R. Muterspaw, N. Condrey, Z. Ferrell.

Ms. Nenni moved to receive and file the special meeting documents. Mr. Ferrell seconded. Motion carried. Ayes: Mr. Moon, Mr. Muterspaw, Ms. Condrey, Ms. Nenni, Mr. Ferrell.

Waive Charter

Ms. Nenni moved to suspend the Charter provision that requires reading on two separate days and to declare Ordinance No. 02023-04, Ordinance No. 02023-05 and Ordinance No. 02023-06 emergency measures and read one time only. Mr. Ferrell seconded. Motion carried. Ayes: Mr. Muterspaw, Ms. Condrey, Mr. Ferrell, Ms. Nenni, Mr. Moon.

**Ord. No. 02023-04
Gov. Electric
Aggregation**

Ordinance No. 02023-04, an ordinance authorizing the City of Middletown, Ohio to establish a Governmental Electric Aggregation Program within the City's corporate boundaries, and directing the Warren County Board of Elections and Butler County Board of Elections to submit the question of the City's authority to aggregate to the City's electors at the May 2, 2023 general election and declaring an emergency was read.

Ms. Nenni moved to approve Ordinance No. 02023-04, an ordinance authorizing the City of Middletown, Ohio to establish a Governmental Electric Aggregation Program within the City's corporate boundaries, and directing the Warren County Board of Elections and Butler County Board of Elections to submit the question of the City's authority to aggregate to the City's electors at the May 2, 2023 general election and declaring an emergency. Mr. Ferrell seconded. Motion carried. Ayes: Ms. Condrey, Mr. Ferrell, Ms. Nenni, Mr. Moon, Mr. Muterspaw.

**Ord No. 02023-05
Gov. Natural Gas
Aggregation**

Ordinance No. 02023-05, an ordinance authorizing the City of Middletown, Ohio to establish a Governmental Natural Gas Aggregation Program within the City's corporate boundaries, and directing the Warren County Board of Elections and Butler County Board of Elections to submit the question of the City's authority to aggregate to the City's electors at the May 2, 2023 general election and declaring an emergency was read.

Ms. Nenni moved to approve Ordinance No. 02023-05, an ordinance authorizing the City of Middletown, Ohio to establish a Governmental Natural Gas Aggregation Program within the City's corporate boundaries, and directing the Warren County Board of Elections and Butler County Board of Elections to submit the question of the City's authority to aggregate to the City's electors at the May 2, 2023 general election and declaring an emergency. Mr. Moon seconded. Motion carried. Ayes: Mr. Ferrell, Ms. Nenni, Mr. Moon, Mr. Muterspaw, Ms. Condrey.

**Ord. No. 02023-06
Contract Energy
Alliances, Inc.**

Ordinance No. 02023-06, an ordinance authorizing a contract with Energy Alliances, Inc. for energy consulting and natural gas and/or electric aggregation services and declaring an emergency was read.

Ms. Nenni moved to approve Ordinance No. 02023-06, an ordinance authorizing a contract with Energy Alliances, Inc. for energy consulting and natural gas and/or electric aggregation services and declaring an emergency. Mr. Ferrell seconded. Motion carried. Ayes: Ms. Nenni, Mr. Moon, Mr. Muterspaw, Ms. Condrey, Mr. Ferrell.

At 11:12 a.m., the meeting associated with the Governmental Electric Aggregation Program was declared adjourned and the special meeting to discuss the ARPA funds and the capital improvements needs resumed.

Butler Tech Hanger - \$500,000. Mr. Moon expressed his strong support for the project. He discussed Butler Tech being a premier technical school in the state, workforce development and the \$12-14 facility. He suggested investing \$750K - \$1M into the project. Ms. Condrey

commented that while she was supportive of the project the speculative building doesn't have a set end use. She felt that private industry should be investing in the project, rather than the City with taxpayer dollars. Discussion ensued about workforce development. Mr. Ferrell commented that he thought the hangar would be built either way and suggested only supporting the project with \$200K. Discussion ensued about the City applying for state capital funds, essentially bringing \$750K to the table on this project. Ms. Nenni expressed her support of earmarking the \$500K for this project. Mr. Cahall discussed the project timeline and the land lease agreement. Discussion ensued about Butler Tech's request of up to \$2M and the number of Middletown students the facility would serve. Ms. Condrey stated that she had no financial information from Butler Tech to see if they were really in need of the money. Discussion ensued. This item was tabled until more information was received.

Parks & Recreation (non-capital items) - \$100,000. Mr. Lolli explained that this money will fund events such as the Fall Fest, Farmers Market, Food Trucks in the Park, etc. There was some discussion about getting back to having some recreational activities. They discussed the "green boxes" with sports equipment that kids used in the parks in the past. Mr. Lolli discussed some of the ideas planned for 2023. Discussion ensued and Council decided to allocate \$200,000 for 2023-2024.

Social Services/Non-profit Organization Grants - \$200,000. Mr. Lolli explained that we have organizations in the city that need assistance for various things that will help them out because of things that happened as a result of the pandemic. We would put \$200K of ARPA funds in a system much like our small business grants and the organizations could apply and we will vet their requests. The requests would be for something tangible so that they could continue to serve their clients. There was discussion about the application period and the application guidelines and criteria. Ms. Nenni suggested increasing the funding to \$250K to match the amount pledged to the small business grant program. Council concurred.

Holiday Whopla - \$245,000. Mr. Lolli explained that this would allow Holiday Whopla to purchase the ice rink. City staff believes this brought a lot of people downtown and created happiness, goodwill and holiday spirit. The Economic Development staff is working through their financial statements. We see this as Light Up Middletown in its infancy. Their current location will become part of the downtown RFQ and they will move to the top of the basin on Main Street. We can take money out of the Civic Development Fund (Hotel/Motel Tax) which is currently at \$235K. There was discussion about this being one-time only funding to get them to the point where it's sustainable and it's something the whole community can enjoy. Mr. Cahall explained that Civic Development Fund is able to address this matter and the long-term control plan allows us to create a community amenity such as a gathering space or mini park on top of the basin. Discussion ensued about the amenity being a year activity, roller and ice skating. Ms. Condrey expressed her support, if there is no aquatic center. Ms. Nenni expressed her support of Holiday Whopla from the Civic Development Fund. There was a discussion of the utility costs to operate the Holiday Whopla and Light Up Middletown event each year. Mr. Moon expressed his support of funding of Holiday Whopla one time for \$245,000 from the Civic Development Fund. Discussion ensued about the storage of the ice rink equipment and the use of the rink year-round. There was additional discussion about the financial statements and the plans at the basin site.

City Manager Lolli summarized:
Middletown Event Center \$500K
Economic Development \$1.25M
Downtown RFQs \$800K
Sorg Opera House \$165K
Aquatic Center- On Hold
Butler Tech Hanger- Pulling to the side
Parks & Rec \$200K
Social Services \$250K
Holiday Whopla \$245K out of Civic Development Fund

There was additional discussion about funding the Sorg Opera at a higher amount. Council agreed to add \$100K to their funding bringing it to \$265K.

Mr. Muterspaw requested \$25,000 for Light Up Middletown. He commented that they would like to purchase one or two large light displays and needed to upgrade some electrical components.


Assistant City Manager Cahall discussed the General Fund Reserve balance of \$11M. City staff recommends the following projects:

City Hall HVAC Replacement = \$2,900,000
Parks Master Plan Implementation = \$2,000,000
Fire Station Construction Gap = \$5,000,000

This leaves a \$1.1M cushion
Mr. Cahall reviewed and discussed each project.

ADJOURNMENT

At 12:55 p.m., the meeting was declared adjourned until February 7, 2023 at 5:30 p.m. in Council Chambers.



Nicole Condrey, Mayor

Attest: 