



CITY OF HURON
CITY MANAGER'S REPORT

October 26, 2021

Matthew Lasko, City Manager

ECONOMIC/COMMUNITY DEVELOPMENT

Ardagh/Sawmill Pkwy: Staff is currently reviewing what is the last phase of the redevelopment plans. Phase 1, which is the initial addition on the western portion of the building, is nearing completion. Ardagh has submitted a petition to the city requesting a vacation of last 300-400 feet of Sawmill Parkway to make way for the major phase of construction with a public hearing set for late September. OHM has been working with Ardagh's engineering group to coordinate both the Sawmill Pkwy reconstruction and acquisition of right-of-way to make way for a turnaround at the end of the road. Staff also envisions approaching council in the next meeting or two for consideration of a CRA tax abatement request from the company.

Additionally, the City and County officials are working closely with Ardagh team members and contractors to replace the existing Sawmill Parkway wastewater pump station. Based on current projections, the level of discharge from the facility when fully operational will exceed the existing pump station's ability to move the water. Therefore, a new, larger pump station is required. All parties met on-site on October 22 to review the issue and put a plan in place quickly to replace the waste water pump station. We want to thank the County's Department of Environmental Services for their quick attention to this matter.

ConAgra: Based on the recent Council resolution authorizing staff to begin negotiations with NAI Harmon Group from Toledo, a kick-off call is schedule to occur during the week of October 11th. Action steps and updated timelines will begin to become clearer over the next few weeks. The city has engaged the assistance of Cushman Wakefield of Cleveland, a global commercial real estate service company, to assist the city in providing an updated broker price opinion (like an appraisal) for both the land as-is and with certain public infrastructure improvements in place. This will provide a great reference point during site control negotiations. Additionally, the City and NAI Harmon have begin the process of putting a framework together for a development agreement which would outline, amongst other items, responsibilities for infrastructure investments and timelines for development/construction to commence.

Sawmill Creek: On July 13th, the City voted to pursue the annexation of nine (9) parcels currently located in Huron Township – and more easily recognized as the Sawmill Creek Resort, Conference Center and Golf Course. On July 16th, Huron Township consented to the annexation and agreed to move forward. The reasoning behind the proposed annexation is to provide local subsidy to the project via a financing tool commonly referred to as a "Section 41 Tax Increment Financing." The type of proposed financing can only be undertaken by a municipality and cannot be undertaken by a township – hence the need for the proposed annexation. The final major hurdle needing to be accomplished was consideration and approval of the TIF by the Huron School District. We are happy to report that on July 20th, the School Board voted to approve the 30-year, 75% TIF. We are so grateful for the support of the School Board and the Administration and believe we set forth a truly mutually beneficial package that will both ensure a long-term predictable revenue stream to the district while also ensuring adequate revenues to both complete the Sawmill Creek Resort project and fund a capital infrastructure fund to address the western gateway to the City and the intersection of Cleveland Road and Rye Beach. This is truly

a tremendous public private partnership involving the city, Township, School District and Cedar Fair. There is still a great deal of legislation needing to be brought forth to effectuate the annexation and TIF, which will be occurring over the next several months including but not limited to:

- Development agreement
- Service payment agreement
- School compensation agreement with Huron Schools
- School compensation agreement with EHOVE
- TIF Ordinance
- Final Annexation Agreement
- Bond issuance for Sawmill Creek redevelopment

We hope to wrap everything up prior to the end of 2021.

Rye Beach TIF: The Ohio Department of Taxation issued its Final Determination regarding the application for exemption of real property from taxation filed on June 1, 2021. This determination relates to the amendment adopted by Council in Ordinance 2021-19 on May 25, 2021. The Tax Commission has consented to the requested exemption and finds that 100% of the increase in the assessed valuation of the improvements is exempt pursuant to R.C. 5709.40 and in accordance with the provisions of the municipal ordinances. Reminder that this is a non-schools TIF, and those institutions will receive similar revenues under the TIF that they otherwise would have if there were no exemption. The city will be working with the County over the next month or two to determine which parcels should begin paying into the TIF in 2022.

INFRASTRUCTURE/STREETS/UTILITIES

Leaf Pickup: Beginning on Monday October 25th, the first round of leaf pickup will begin. Crews will begin leaf pick up on the east end of town and continue westward. Once completed, crews will begin another round on the east side of town. As usual, crews are hoping to make 3-4 passes through the City.

Sidewalks: The City, in partnership with Huron Township is exploring a sidewalk installation project that would link the current eastern sidewalk terminus (Gateway Boulevard) all the way to the entrance of Huron Green. This project is instrumental for enhancing walkability and connectivity between multiple subdivisions and Huron's multiple amenities but will more importantly create a safe connection for those traversing Cleveland Road. OHM is currently putting a proposal together for design costs to be shared between City and Township. If Council and the Trustees desire to move forward, 2022 would be used a planning design year with construction to occur in 2023.

Rt. 6 Streetlights: Installation of the new streetlights as part of Route 6 Phase I is substantially complete. Crews have been mobilized for approximately 4 weeks and are nearly complete with

energization. First Energy will then follow to remove the older light along the corridor with hopes of having the entire project wrapped up in late October.

Rt. 6 Striping: ODOT has provided final approval of Rt. 6 Phase I traffic studies, public outreach processes and final striping plan. Based on this, crews began laying final striping this week. Most of the refreshed pavement marking are complete and the northern, westbound, bikelane is painted. Crews will be working through the weekend and next week, as weather permits, to complete the southern bike lane and finish final pavement marking and then eventually new signage where needed to reflect the revised traffic patterns.

Maritime Assistance Program: On Friday October 15, the City, on behalf of The Huron Joint Port Authority (HJPA) officially submitted a \$4 million request to the Ohio Department of Transportation's Maritime Assistance Program. The funding is only eligible to port authorities in Ohio for projects including, but not limited to, land acquisition, equipment purchase, and dredging to name a few. Since HJPA does not own a full operational port, eligible projects are limited. However, the city is in communications with the Army Core of Engineers on future dredging needs of the Huron River. Therefore, the HJPA requested funding to assist in future dredging cycles which would serve as the local match for any federally funded work through the Army Core of Engineers. We will keep Council up to date on status of the application and ultimate funding decision.

ZONING/CODE/PLANNING

Condemnation and Demolition: Staff is currently working with SSEG to explore ways to increase the expediency and efficiency of the City's condemnation and demolition process. Although not needed often, when it is, time is usually of the essence. We hope to have recommendations for Council considering in the upcoming weeks.

Tree Assessment: Similar to the sidewalk assessment program, the City is exploring a tree assessment program for property owners who need to remove dead, dying or diseased trees from their property. The cost of removing a tree can be very expensive. Through the assessment program, property owners would have the option of, in essence, financing the removal through an assessment on their real estate taxes. Additionally, we are proposing to amend the code to ensure the services of a certified arborist are engaged to determine the health of trees being removed. Additionally, it may be worth considering a requirement be included to replant a new tree in its place to ensure long term health of the City's tree canopy.

Planning Commission & Design Review Board: Staff is recommending to Council to consider merging the current Planning Commission and Design Review Board. Currently, these bodies act independently and require separate meetings and meeting minutes. However, these meetings usually occur on the same day and all members of the Design Review Board are members of the Planning Commission. Additionally, the Design Review Board does not have detailed design

review guidelines to help review applications and make recommendations for alterations to development projects. Therefore, staff is requesting Council approval to merge these two bodies into a single Planning Commission to limit the current redundancy that is occurring. This is proposed as the first of two needed steps. A second step, which will take more dialogue and public feedback will be to develop actual design guidelines that will be applicable to certain types of development projects either based on type of project or location. It should be noted the Planning Commission is supportive of the idea of merging these two functions under a single commission/committee.

PARKS AND RECREATION

Trick or Treat: City-wide trick or treat is set for Sunday October 31, 2021 between the hours of 5:00pm-7:00pm.

Coastal Management Assistance Grant: on October 15, 2021, the City submitted two (2) pre-applications to ODNR for their Coastal Management Assistance Grant Funding. Upwards of \$500,000 (which requires a 1:1 match) is available to communities within a limited coastal area to help fund projects related to coastal planning, public access, water quality, land acquisition, habitat restoration and research. ODNR will notify applicants by November 1st if they are encouraged or discouraged for formally applying – which carries a deadline of December 13th. The City submitted two (2) applications:

- A request to secure funding to increase public access to the developing beach behind the water plant and
- A coastal planning grant that would cover the area of Lakefront Park eastward to the Huron River also encompassing the northern portion of main street.

If encouraged to apply after pre-application, staff will approach Council for permission to make full application at a meeting in November.

FINANCE

2022 Budget Preparation: The Finance Director has been meeting with department directors over the last few months to discuss the 2022 budget. The first draft of the 2022 budget book is expected to be completed and distributed to City Council and the Finance Committee by October 15th. The first finance committee meeting to discuss the budget is was held October 18th with the next meeting scheduled for October 25th.

Monthly Financial Report: The September financial report will be emailed Finance Committee and Council by October 15th. Please let the Finance Director know if you would like to see any other information in the monthly financial report.

American Rescue Plan Act (ARPA): On July 22, the City received the first tranche of the ARPA funds, totaling \$359,767.52. The second and final distribution will be received 12 months from now for the same amount. There are no new updates from last management report. Here is what we know as of September 24th:

- A recent proposed amendment to the State's allocation legislation for NEUs may result in the City receiving more ARPA funds in 2023 and 2024. That is, if the State has any ARPA funds left over after 2022, the proposed legislation will require the State to reallocate those funds to NEUs. If you recall, the City's initial allocation of \$1.3 million was nearly cut in half. The State approved to reduce allocations to municipalities and disburse ARPA funds to all townships in Ohio.
- The City will have until December 2024 to commit these funds to a purchase/project, and December 2026 to expend the funds.
- The Auditor of State's Office released accounting guidance on proper recording of the funds. The Office recommends creating a separate special revenue fund, like the accounting used for the CARES ACT funds. The new ARPA Fund (Fund 227) was approved by Council for separate accounting of these funds.
- Staff is preparing plans and analysis using the most recent guidance from the U.S. Treasury.
- A STAR Ohio investment account was opened to deposit the funds and earn interest in the short-term. Any interest earned on these funds may be deposited into the City's General Fund and is not required to be used on ARPA eligible uses. The 1st disbursement was transferred into the STAR Ohio account upon receipt.

WATER DEPARTMENT

Active Projects: The annual valve exercising, and hydrant flushing is in progress, the sludge lagoon spoils removal is in progress, and preparations are underway for the OEPA audit in mid-October.

PERSONNEL

Director of Operations: The first round of application acceptance for the position has closed. Although the City will continue to accept applications for the position until filled, we are going to start interviews with qualified candidates in the next week or so. We will continue to keep Council apprized of the status of filling this critical position over the next several weeks.

CONTRACTS

2021 will be busy with renegotiation of several multi-year agreements/contracts that expire this year. Agreements/contracts to be reviewed and renegotiated for 2021 include:

- OHM Advisors (Engineering) – **Completed.**
- Erie Soil and Water Conservation District (Engineering) – **Completed.**
- Chief Building Official and Inspection Services (Building) – **Completed.**
- Prosecutor (Court) - **Completed**
- HJRD Annual Agreement (Recreation) – **Completed.**
- Huron Township Fire Protection Agreement - **Completed**
- Seeley, Savidge, Ebert & Gourash Co., LLP (Law) - **Completed.**
- FOP – Patrol Officers (Police) -
 - On the agenda for consideration on October 26, 2021
- FOP – Sergeants (Police)
 - On the agenda for consideration on October 26, 2021
- IAFF (Fire) – **Formal Negotiations in Progress.**
- AFCSME – **Formal Negotiations in Progress.**

The Garbage contract with Republic is set to expire in the summer of 2022. As soon as the administration is completed with all bargaining unit negotiations, attention will turn to review of the 5-year garbage contract.

UPCOMING MEETINGS

October

Finance Committee: Monday October 25, 2021 at 4:00pm in the Main Conference Room.

Council Meeting: Tuesday, October 26, 2021, at 6:30pm in Council Chambers.

Planning Commission/Design Review Board: Wednesday, October 27, 2021, at 5:00pm in Council Chambers.

Finance Committee: Monday November 1, 2021 at 4:00p.m. in the Main Conference Room.

HJRD: Tuesday November 2, 2021 at 6:30p.m. in Council Chambers.

Finance Committee: Monday November 8, 2021 at 4:00p.m. in the Main Conference Room.

Building and Zoning Appeals: Monday November 8, 2021 at 6:30pm in the Council Chambers.

