



CITY OF HURON
CITY MANAGER'S REPORT

August 23, 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 will be submitting 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. 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.

ConAgra: By June 21, the City received five (5) proposals from firms looking to undertake development activities at the former ConAgra property. Since receipt, the City has reviewed in detail the development proposals to better understand each firm's qualifications and financial capacity as well as their broad visions for the site. Staff, along with a representative from Council and Planning Commission and our consultants, the Montrose Group, met during the week of July 5th to vet the proposals. In that meeting, the group compared each submittal to the stated evaluation criteria in the RFP to develop a short list of three (3) developers still under consideration. This list includes NAI Harmon Group from Toledo, Hoty Enterprises from Sandusky, and The Rose Company from Medina. Interviews have begun with the three finalists with the final interview occurring on August 24th. Next steps will be detailed to Council and the community shortly thereafter.

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:

- Deed transfers and indemnification agreement
- 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.

INFRASTRUCTURE/STREETS/UTILITIES

Sawmill Parkway: The City continues to finalize the financing and funding plans for Sawmill Parkway prior to finalizing construction drawings and ultimate bid documents. Based on all the funding streams involved and ultimately seasonality of the roadwork construction season, the project is anticipated to occur in Spring of 2022. A summary of the funding thus far for the approximate \$3.5-\$3.75M project include:

- \$412,500 from OPWC which has already been awarded (just waiting on final agreement with OPWC)
- \$1,000,000 from Jobs Ohio – on April 19th, the Controlling Board of the State of Ohio approved a \$1,000,000 grant through Jobs Ohio and the Development Services Agency – 629 Roadwork program. The City executed grant paperwork on May 17, 2021 and submitted the same to the State of Ohio Development Services Agency for final approval.
- The city has executed a \$250,000 grant agreement with ODOT Jobs and Commerce for grant funding as of April 23, 2021.
- The City has officially received notification from EDA of a grant award in the amount of \$2,000,153. The City is currently reviewing the grant documents/agreements and is slated to have a kickoff meeting with EDA on Thursday August 26 to talk next steps.

Additionally, the City plans to present to Council in early September a proposed agreement with OHM to begin final construction drawings and ultimately prepared the bid documents and oversee the bidding process.

Additionally, the City is finalizing several agreements with Ardagh in regards to vacating the eastern most portion of Sawmill Parkway along with Ardagh agreeing to dedicate certain lands for public use for purposes of installing a cul-de-sac at the eastern terminus to accommodate turn arounds for emergency vehicles.

Huron Public Power: The City, along with AMP-T and First Energy, are coordinating a major meter change out and the City's main transmission point to acknowledge the increased load

from new and anticipated customer base. Our partnership with AMPT has been instrumental in getting this project done quickly and cost effectively. Work is anticipated to start Sept. 6th.

Railroad Closures: As of Monday August 23, all N/S crossings should now be open. We appreciate N/S's communication during this process and the patience to all those in the community who were affected by the closures. There is a chance the River Road crossing will need to be closed in the near future due to damages to the freshly laid asphalt from vehicles driving around road closed barricades.

ZONING/CODE/PLANNING

Masterplan Update and Visioning: Staff and the teams from City Architecture have been hard at work putting the finishing touches on the Vision 2020 action plan update. Based on feedback received throughout the process, City Architecture will be prepared to present a final draft of the action plan at the regularly scheduled Planning Commission/Design Review Board meeting on August 25th (Wednesday) beginning at 5:00 in the council chambers. This will be a joint meeting of the Planning Commission and City Council. Depending on the results of that meeting, City Architecture hopes to present the final version of the plan to City Council in September for final adoption.

PARKS AND RECREATION

Fish Cleaning Station: The City received initial draft of a grant agreement between the City and ODNR for the installation of a fish cleaning station at the Public Boat Launch. We will continue review of the document and provide an update for Council, along with a Resolution seeking authorization of the application – likely in September. The grant agreement is for \$500,000. Current estimates for the station are in excess of \$500,000 based on contractor cost estimates – therefore, the City and ODNR are discussing cost saving measures to reduce the costs and ultimately the local match amount required to bring the project to fruition in 2022.

Mudbrook Creek Buoys: On August 17, 2021, the City received notification from ODNR approving the locations of 3 shallow area buoys and 2 no wake buoys for Mudbrook Creek. The City/Police Department will be working with the adjacent communities to place the buoys once received.

FINANCE

Monthly Financial Report: The monthly financial report for July was emailed to City Council and the Finance Committee with the Finance Committee meeting packet on August 5th. You can find the report here: <https://stories.opengov.com/huronoh/published/OBMXupUND>

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. Here is what we know as of August 6th:

- 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:

- Berlin Road Water Main Replacement – main has been completed and road resurfacing is underway.
- Filtration plant pipe repainting project underway – current on high service.
- Pre-construction meeting on August 16th for tube settler project.
- Placed \$100,000 in 2022 budget to begin transitioning our automated reading system away from the failing Zenner system to a new Neptune system. This should be a 5-year transition at \$100,000 per year (or 20% per year).
- Finalizing 2022 budget draft.
- Repairing Sawmill Parkway fire hydrant that was struck by industrial mowing equipment.

STREETS DEPARTMENT

- Street crews are currently focused on curb and street painting throughout the City – where needed.

- Street crews have measured the new delineated parking spaces and have ordered signs for the Standard Street parking area – just west of Main Street. This lot will be striped and signed shortly.
- Crews have also been talking to several contractors regarding the ability to spray Maple Avenue to keep dust mitigated. We will hopefully have a solution in the near future.

PERSONNEL

Assistant City Manager – Longtime Assistant City Manager, Mike Spafford, will be leaving his post in early September. Mr. Spafford has a tremendous professional opportunity, and we wish him well in his next professional chapter – as we know he will do great. This is his last council meeting with us. We are currently working on a job description with some tweaks to job responsibilities in hopes of advertising in the next 2-3 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 (Fire)
 - Staff has met with Huron Township regarding renewal of the above agreement. It was a very fruitful conversation with both jurisdictions verbally coming to agreement on multiple mutually beneficial changes to the new agreement – which will be either a two- or four-year agreement to not have this contracts expiration coincide with the expiration date of the fire bargaining unit contracts. Staff and legal counsel have completed a redline update to the existing agreement and have sent said agreement to Huron Township for review and consideration. We will update Council as that agreement moves along.
- Seeley, Savidge, Ebert & Gourash Co., LLP (Law) - **Completed.**
- FOP – Patrol Officers (Police) **Formal Negotiations in Progress.**
- FOP – Sergeants (Police) **Formal Negotiations in Progress.**
- IAFF (Fire) – **Formal Negotiations in Progress.**
- AFCSME - **Kickoff meeting will be set for early September.**

UPCOMING MEETINGS

August

Council Meeting: Tuesday, August 24, 2021, at 6:30pm in the Council Chambers.

Planning Commission/Design Review Board: Wednesday, August 25, 2021, at 5:00pm in Council Chambers.

Utilities Committee: Wednesday, September 1, 2021, at 5:00 in Main Conference Room.

Huron Joint Recreation District: Tuesday, September 7, 2021, at 6:30 in Council Chambers.

Board of Building and Zoning Appeals: Monday, September 13, 2021, at 6:30 in Council Chambers.

Council Meeting: Tuesday, September 14, 2021, at 6:30 in Council Chambers.