

**CITY COUNCIL AGENDA**

**October 3, 2016**

**7:30 p.m.**

**All meetings are held in Council Chambers, 1<sup>st</sup> Floor, 538 N. Market Street**

**I. ROLL CALL & ORDERING OF AGENDA**

**II. APPROVAL OF MINUTES**

**III. COMMUNICATIONS FROM MAYOR/ADMINISTRATION**

**- Appointment for Civil Service Commission**

**IV. PETITIONS/COMMUNICATIONS FROM PUBLIC**

**V. COMMITTEE REPORTS/PUBLIC HEARINGS**

**VI. OLD BUSINESS**

**1. Second Reading - ORDINANCE NO. 2016-25**

AN ORDINANCE GRANTING TO EACH OF THE FOLLOWING PROVIDERS OF ELECTRIC ENERGY: THE OHIO POWER COMPANY, ITS SUCCESSORS AND ASSIGNS; AND THE HOLMES-WAYNE ELECTRIC COOPERTIVE, INC., ITS SUCCESSORS AND ASSIGNS; AND THE OHIO EDISON COMPANY, ITS SUCCESSORS AND ASSIGNS, AND ANY OTHER EXISTING OR FUTURE ELECTRIC UTILITY, A NON-EXCLUSIVE FRANCHISE FOR ELECTRIC POWER AND OTHER PURPOSES TO THE CITY OF WOOSTER AND RESIDENTS, RIGHT TO ACQUIRE, OPERATE, CONSTRUCT AND MAINTAIN IN THE STREETS, THOROUGHFARES, ALLEYS, BRIDGES AND PUBLIC PLACES IN THE CITY OF WOOSTER, LINES FOR THE TRANSMISSION AND DISTRIBUTION OF ELECTRIC ENERGY (Sanders)

**VII. NEW BUSINESS**

**1. First Reading- ORDINANCE NO. 2016-26**

AN ORDINANCE AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH WOOSTER FIT HOLDINGS LLC FOR COMMUNITY REINVESTMENT AREA TAX INCENTIVES, AND DECLARING AN EMERGENCY (Knapic)

**VIII. MISCELLANEOUS**

**IX. ADJOURNMENT**

**WOOSTER CITY COUNCIL MINUTES**  
**September 19, 2016**

**I. ROLL CALL & ORDERING OF AGENDA**

President Mike Buytendyk called the regular meeting of Wooster City Council to order at 7:30 p.m. in council chambers. All members of City Council were present. City Administration present: Mayor Bob Breneman, Finance Director Andrei Dordea, Director of Administration Joel Montgomery, Law Director Linda Applebaum, City Engineer Roger Kobilarcsik, Fire Chief Barry Saley, and Police Chief Matt Fisher.

**II. APPROVAL OF MINUTES**

Councilman Silvestri moved to approve the minutes of the September 6, 2016 meeting, seconded by Councilman Cavin. By voice vote motion passed unanimously.

**III. COMMUNICATIONS FROM MAYOR/ADMINISTRATION**

Mayor Breneman shared that the BioHio meeting happened this week. They moved forward to fund Shauna Brummet position for three years. There have been two WCGLA (Wooster Citizens Government Leadership Academy) sessions since council last met. They covered the Finance Department as well as the Engineering and Property Maintenance Divisions. There was a tour of the new Daisy plant. They are very close to starting production. OARDC just had a dedication of their new entrance and art sculpture. The Mayor met with the new dean of Wayne College. The City was just notified that the Bike Trail grant for \$117,600 to complete Phase II has been awarded. The recent hostage situation in Ashland was handled by the WARCOG. The Police Department received the new MARCS radios and have been using them with success; the Fire Department will be using them shortly.

**IV. PETITIONS/COMMUNICATIONS FROM PUBLIC**

Mr. Keith Topovski, of 1699 Lemar Drive, spoke on Resolution 2016-40. He would like to see the City keep the gazebo as part of the downtown streetscape, asked that the uneven sidewalks/brickwork be addressed in the update, and if there would be any assessments to the residents affected by the updates.

Ms. Peggy Schmitz, of 225 N. Market Street, represented Mr. Glenn Miller, CEO of Holmes-Wayne Electric concerning Ordinance 2016-25. She requested that the City renew the franchise agreement as it was written in Ordinance 1991-58. Mr. Glenn Miller, of 2594 Timothy Place, supports Ms. Schmitz statements.

Mr. Greg Gehris, of 347 N. Grant Street, spoke concerning Resolution 2016-40. He also shared Mr. Topovski sentiments on the uneven sidewalks downtown.

**V. COMMITTEE REPORTS; PUBLIC HEARINGS – N/A**

**VI. OLD BUSINESS**

1. Tabled- RESOLUTION NO. 2016-40

A RESOLUTION AUTHORIZING THE DIRECTOR OF ADMINISTRATION TO ENTER INTO A CONTRACT WITH OHM ADVISORS FOR PROFESSIONAL ENGINEERING SERVICES RELATED TO THE DOWNTOWN STREETScape (Ulbright)

Councilman Ulbright moved to take Resolution No. 2016-40 from the table, seconded by Councilwoman Knapic. By voice vote, motion passed unanimously.

Councilman Ulbright reviewed the history of Councils discussion of the Resolution and his items of concern. Councilwoman Knapic spoke in support of the Downtown streetscape project moving forward. Councilman Myers would like to see a detailed description of what the \$70,000 will be used for.

Councilman Ansel agreed. Councilman Silvestri seconded Councilman Ulbright's concerns and asked that OHM bring factual data from other similar communities to make sure the design plans proposed do actually work. Councilman Myers asked for further information on any assessments that the citizens may be responsible for. Councilman Ulbright also requested a Public Infrastructure meeting to discuss the Downtown Streetscape plan.

Councilman Ulbright moved to adopt, seconded by Councilman Myers. Upon roll call, motion to adopt passed 6/1. (Ansel-yes; Cavin-yes; Knapic-yes; Myers-yes; Sanders-yes; Silvestri-yes; and Ulbright-no).

## **VII. NEW BUSINESS**

1. First Reading- RESOLUTION NO. 2016-50  
A RESOLUTION AUTHORIZING THE DIRECTOR OF ADMINISTRATION TO ENTER INTO A COOPERATIVE AGREEMENT WITH THE OHIO DEPARTMENT OF TRANSPORTATION FOR ANNUAL BRIDGE INSPECTION WITHIN THE CITY OF WOOSTER, AND DECLARING AN EMERGENCY (Ulbright)

This agreement will allow ODOT to inspect the City's bridges at no cost to the City.

Councilman Ulbright moved to suspend the rules and place on third and final reading, seconded by Councilman Ansel. Upon roll call, motion carried unanimously (Ansel-yes; Cavin-yes; Knapic-yes; Myers-yes; Sanders-yes; Silvestri-yes; and Ulbright-yes). Councilman Ulbright moved, seconded by Councilwoman Knapic to adopt. Upon roll call, motion to adopt carried unanimously (Ansel-yes; Cavin-yes; Knapic-yes; Myers-yes; Sanders-yes; Silvestri-yes; and Ulbright-yes).

2. First Reading- ORDINANCE NO. 2016-23  
AN ORDINANCE AUTHORIZING THE DIRECTOR OF ADMINISTRATION TO ADVERTISE ACCORDING TO LAW AND ENTER INTO A CONTRACT WITH THE LOWEST AND BEST BIDDER FOR RESURFACING AND PAVEMENT REPAIRS ON VARIOUS STREETS; AND APPROPRIATE FUNDS (Ulbright)

Monies will be appropriated from the unencumbered funds in the General Fund for street repair per the September 6<sup>th</sup> meeting of the Public Infrastructure Committee. Resurfacing and repair will be made to the following streets: Old Airport Road, Buckeye Street (Liberty to Bowman), West Henry Street (Walnut to Market), Kurtz Street, Winter Street, Ihrig Avenue and Sherman Road.

Councilman Ulbright moved to suspend the rules and place on third and final reading, seconded by Councilman Cavin. Upon roll call, motion carried unanimously (Ansel-yes; Cavin-yes; Knapic-yes; Myers-yes; Sanders-yes; Silvestri-yes; and Ulbright-yes). Councilman Ulbright moved, seconded by Councilman Myers to adopt. Upon roll call, motion to adopt carried unanimously (Ansel-yes; Cavin-yes; Knapic-yes; Myers-yes; Sanders-yes; Silvestri-yes; and Ulbright-yes).

3. First Reading- RESOLUTION NO. 2016-51  
A RESOLUTION STATING TO THE WAYNE COUNTY COMMISSIONERS, PURSUANT TO REVISED CODE SECTION 709.03, THE SERVICES WHICH THE CITY OF WOOSTER WOULD BE ABLE TO PROVIDE FOR TERRITORY LOCATED ON THE WEST SIDE OF PERKINS DRIVE, SOUTH OF ITS INTERSECTION WITH ROBINSON ROAD, AND CONTIGUOUS TO THE CORPORATION LIMITS, AND DECLARING AN EMERGENCY (Knapic)

This will allow the property of Petitioners, Jackie and Cynthia Welch, to be annexed into the City of Wooster. Upon annexation to the City, the land will receive the following services: police protection, fire

protection, emergency squad services, access to the city's water and sanitary sewer lines, and other services such as solid waste pick-up, street maintenance and access to parks.

Councilwoman Knapic moved to suspend the rules and place on third and final reading, seconded by Councilman Ansel. Upon roll call, motion carried unanimously (Ansel-yes; Cavin-yes; Knapic-yes; Myers-yes; Sanders-yes; Silvestri-yes; and Ulbright-yes). Councilwoman Knapic moved, seconded by Councilman Ulbright to adopt. Upon roll call, motion to adopt carried unanimously (Ansel-yes; Cavin-yes; Knapic-yes; Myers-yes; Sanders-yes; Silvestri-yes; and Ulbright-yes).

4. First Reading- ORDINANCE NO. 2016-24  
AN ORDINANCE AUTHORIZING THE FIRE CHIEF TO UTILIZE OHIO STATE BID PRICING AND ENTER INTO A CONTRACT FOR THE PURCHASE OF A NEW FIRE ENGINE; AND APPROPRIATE FUNDS (Cavin)

Monies will be appropriated from the unencumbered funds in the General Fund for the purchase of a new fire engine per the September 6<sup>th</sup> meeting of the Public Infrastructure Committee.

Councilman Cavin moved to suspend the rules and place on third and final reading, seconded by Councilwoman Knapic. Upon roll call, motion carried unanimously (Ansel-yes; Cavin-yes; Knapic-yes; Myers-yes; Sanders-yes; Silvestri-yes; and Ulbright-yes). Councilman Cavin moved, seconded by Councilman Myers to adopt. Upon roll call, motion to adopt carried unanimously (Ansel-yes; Cavin-yes; Knapic-yes; Myers-yes; Sanders-yes; Silvestri-yes; and Ulbright-yes).

5. First Reading- ORDINANCE NO. 2016-25  
AN ORDINANCE GRANTING TO EACH OF THE FOLLOWING PROVIDERS OF ELECTRIC ENERGY: THE OHIO POWER COMPANY, ITS SUCCESSORS AND ASSIGNS; AND THE HOLMES-WAYNE ELECTRIC COOPERTIVE, INC., ITS SUCCESSORS AND ASSIGNS; AND THE OHIO EDISON COMPANY, ITS SUCCESSORS AND ASSIGNS; AND ANY OTHER EXISTING OR FUTURE AND OTHER PURPOSES TO THE CITY OF WOOSTER AND RESIDENTS, RIGHT TO ACQUIRE, OPERATE, CONSTRUCT AND MAINTAIN IN THE STREETS, THOROUGHFARES, ALLEYS, BRIDGES AND PUBLIC PLACES IN THE CITY OF WOOSTER, LINES FOR THE TRANSMISSION AND DISTRIBUTION OF ELECTRIC ENERGY (Sanders)

Due to the depth of this discussion Council had the first reading and will further discuss the Ordinance at the upcoming Public Infrastructure meeting scheduled for October 3, 2016.

#### **IX. MISCELLANEOUS**

Councilwoman Knapic is excited to hear that Planet Fitness is coming to Wooster and will take up residence in the Hawkins Plaza. Councilman Ulbright seconded Ms. Knapic's sentiments on Planet Fitness. Councilman Silvestri stated it was great news and would like to see a roads project schedule on the website. Councilman Ansel gave a brief overview of the year-to-date of City financials and stated the City is doing remarkable. Councilman Myers congratulated the City on the bike trail grant. Councilman Cavin ended the evening's miscellaneous comments by stating he had confidence in the downtown project.

#### **X. ADJOURNMENT**

Councilman Ulbright moved to adjourn, seconded by Councilman Silvestri. By voice vote the motion passed unanimously.

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Michael G. Buytendyk  
President of Council

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Christa Sturgeon  
Clerk of Council

# Memo

**To:** Members of Wooster City Council

**From:** Mayor Bob Breneman

**Date:** September 16, 2016

**Re:** Civil Service Appointment

*RFB*  
*9-16-16*

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Ken Vagnini has moved from the area and has asked to resign from the Civil Service Commission. I would like to recommend Steven Slack to fill Mr. Vagnini's unexpired term.

CIVIL SERVICE COMMISSION

TERM EXPIRES

Steven Slack, 4545 Huntington Woods

Filling unexpired term of Ken Vagnini 12/31/2018

ORDINANCE NO. 2016-25

AN ORDINANCE GRANTING TO EACH OF THE FOLLOWING PROVIDERS OF ELECTRIC ENERGY: THE OHIO POWER COMPANY, ITS SUCCESSORS AND ASSIGNS; AND THE HOLMES-WAYNE ELECTRIC COOPERTIVE, INC., ITS SUCCESSORS AND ASSIGNS; AND THE OHIO EDISON COMPANY, ITS SUCCESSORS AND ASSIGNS, AND ANY OTHER EXISTING OR FUTURE ELECTRIC UTILITY, A NON-EXCLUSIVE FRANCHISE FOR ELECTRIC POWER AND OTHER PURPOSES TO THE CITY OF WOOSTER AND RESIDENTS, RIGHT TO ACQUIRE, OPERATE, CONSTRUCT AND MAINTAIN IN THE STREETS, THOROUGHFARES, ALLEYS, BRIDGES AND PUBLIC PLACES IN THE CITY OF WOOSTER, LINES FOR THE TRANSMISSION AND DISTRIBUTION OF ELECTRIC ENERGY.

WHEREAS, this City Council, with the adoption of Ord. No. 1991-58, granted to providers of electric power within the City of Wooster a non-exclusive franchise for the distribution of electric power and energy to the inhabitants of the city in accordance with each distributor's respective service areas, with such franchise to have a term of ten (10) years; and

WHEREAS, the term of each franchise will expire at the end of 2016, and each of the said distributors has requested that this Council approve the renewal of the existing franchises.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF WOOSTER, OHIO:

SECTION 1. That the Ohio Power Company, its successors, and assigns; the Holmes-Wayne Electric Cooperative, Inc., its successors and assigns; and the Ohio Edison Company, its successors and assigns, and any other existing utility or future electric utility ("Grantees"), are granted the right, privilege, franchise, and authority to acquire, construct, maintain, and operate in, above, under, across, and along the streets, thoroughfares, alleys, bridges, and public places (as now exist or may be laid out in the future) of the City of Wooster, State of Ohio, lines for the transmission and distribution of electric energy, either by means of overhead or underground conductors, together with all necessary or desirable appurtenant equipment, to render public utility service in the City and to the inhabitants by supplying electric energy to the City and its inhabitants, and persons or corporations beyond the City limits for power, or any other purposes or purpose for which electric energy is now or may in the future be used, and the transmission and distribution of the same within, through, or across the City of Wooster, State of Ohio.

SECTION 2. the lines and appurtenant equipment shall be constructed in a manner that shall not unreasonably interfere with the traveling public in its use of the streets, thoroughfares, alleys, bridges, and public places.

SECTION 3. The rights, privileges, and franchise granted shall be in force and effect for an initial term of ten (10) years from the date of the passage of this Ordinance. Thereafter, this franchise shall continue for successive one-year terms, unless either the City or any of the Grantees provides written notice of its intention not to renew at least one year prior to the term expiration.

The rights, privileges, and franchise hereby granted shall not be construed to be exclusive, and the Council of the City of Wooster hereby reserves the power to grant similar rights, privileges, and franchises to any other person or persons, firm or firms, corporation or corporations.

SECTION 4. Grantees shall save the City harmless from any and all liability arising in any way from Grantees' negligence in the erection, maintenance, or operation of said lines for the distribution and transmission of electric energy,

SECTION 5. Whenever any of the Grantees shall begin the erection or installation of any lines or equipment, it shall promptly and diligently prosecute the work to completion and leave the streets, thoroughfares, alleys, bridges, and public places where such work is done in as good condition of repair as before such work was commenced.

SECTION 6. Any lines or appurtenant equipment installed by electric providers shall be relocated or removed at such time as the City of Wooster, in its sole discretion, shall require the use of the right-of-way for improvements to the infrastructure located within or in proximity to the right-of-way.

SECTION 7. Wherever in this Ordinance reference is made to the City or any of the Grantees, it shall be deemed to include the respective successors or assigns of either; and all rights, privileges, franchises, and obligations contained by or on behalf of the City, or by or on behalf of said Grantees, shall be binding upon, and inure to the benefit of the respective successors or assigns of the City, or of the Grantees, whether so expressed or not.

SECTION 8. This Ordinance shall be accepted by the Grantees within sixty (60) days from the date of the passage of same.

SECTION 9. This Council finds and declares that all formal actions concerning and relating to the adoption of this Ordinance occurred in an open meeting of this Council or its committees, in compliance with law.

SECTION 10. This Ordinance shall take effect and be in force from and after the earliest period allowed by law.

1st reading 9/19/16 2nd reading \_\_\_\_\_ 3rd reading \_\_\_\_\_

Passed: \_\_\_\_\_, 2016 Vote: \_\_\_\_\_

Attest: \_\_\_\_\_  
Clerk of Council President of Council

Approved: \_\_\_\_\_, 2016  
Mayor

Introduced by: Craig Sanders

**Request for Agenda Item  
Non-Capital**

**Division**  **Meeting Date Requested**

**Project Name**   **Approved for Agenda**

**Description** (be as descriptive as possible, given space limitations)

Requested is Council's authorization to renew and amend the electric service franchise agreement established by City ordinance 25 years ago. This ordinance will expire at the end of 2016, and both AEP and Holmes-Wayne Electric have requested that it be renewed.

The franchise agreement requires electric service providers to provide service to all inhabitants of the City, allows them to construct the needed infrastructure for the distribution of those services within the City R/W, and establishes basic rules for doing so.

The proposed agreement would be for 10 years, with an automatic 1 year renewals if parties agree. The proposed agreement would also take precedent over ORC established Electric Service Area Maps which establish service provider territory and restrict the providers to service within those areas only.

The proposed ordinance allows electric service providers to provide electric service anywhere within the City Corporation limits, now or in the future, without the restriction of the ORC service area territories. You have also been provided a copy of the language would be required to adopt those service area restrictions within the City Corporation limits.

There are currently three electric service providers with the potential to provide service within the Wooster City area: Ohio Power Company (AEP), Wayne-Holmes Electric, and Ohio Edison.

**Is there a need for rules suspension or time limitation when this must be passed?**

The current agreement is set to expire at the end of 2016.

**Manager Requesting**

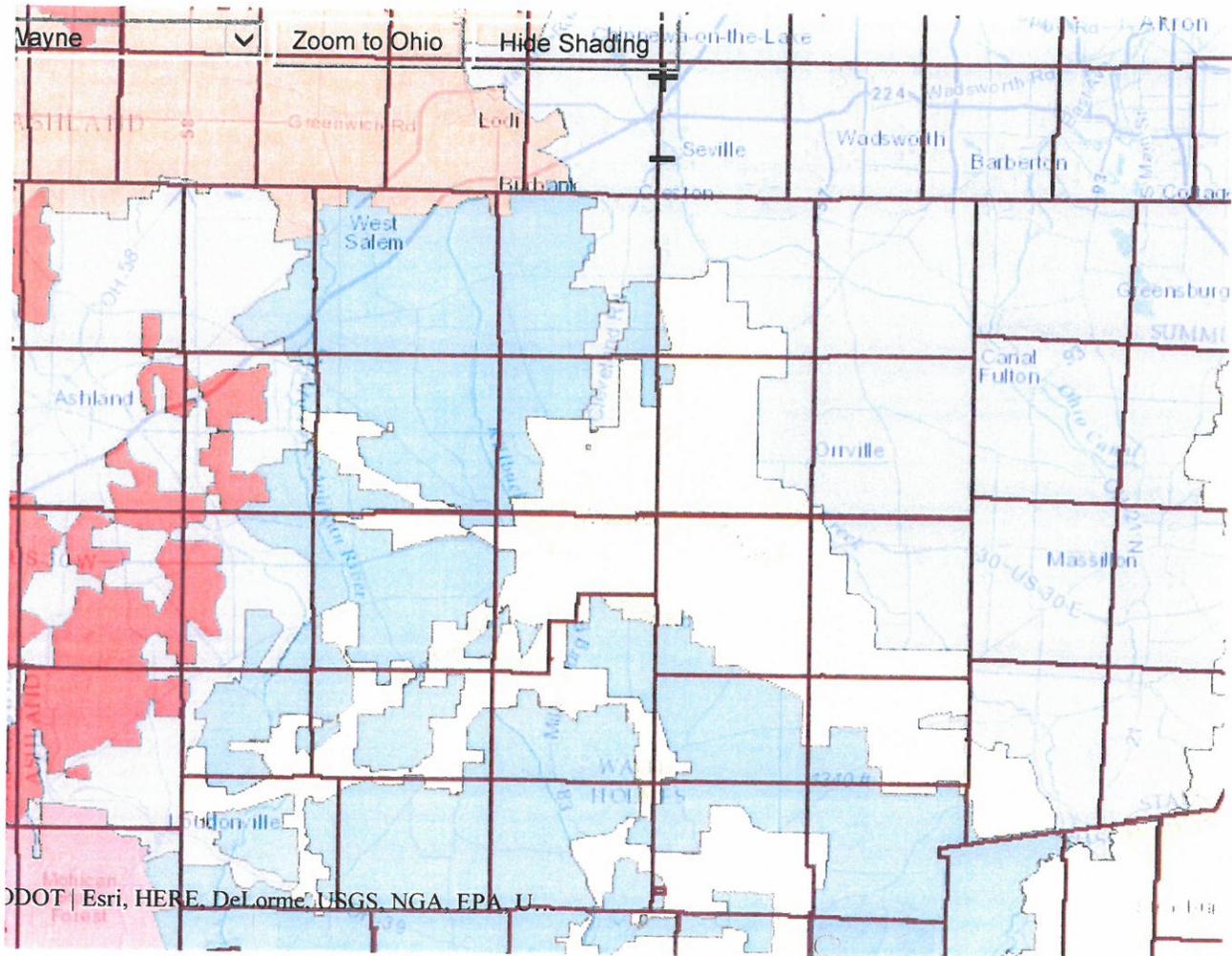
**Date**

**Approved for Agenda**

# Electric Service Areas of Ohio

The following map depicts electric service areas in Ohio. Electric service areas are regions within which an electric distribution company is authorized and required to provide service. Electric service areas are certified by the Public Utilities Commission of Ohio. Click on an individual service area for more information about it.

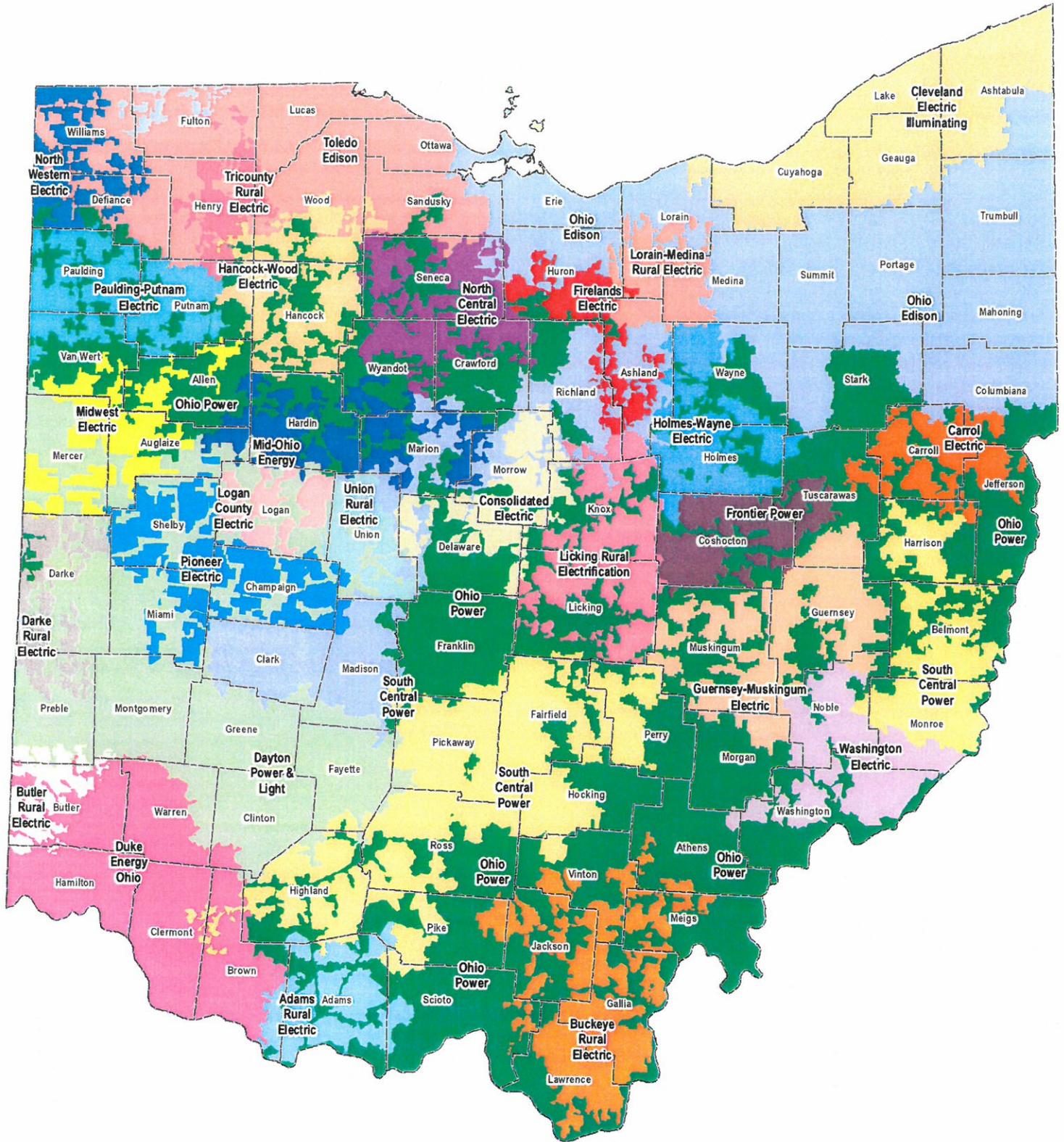
Enter street address with city/state or zip code:



## Map Legend:

- Firelands Electric
- Holmes-Wayne Electric
- Licking Rural Electrification
- Lorain-Medina Rural Electric
- Ohio Edison
- Ohio Power

# Electric Service Areas of Ohio



- |                                 |                             |                               |                            |                          |
|---------------------------------|-----------------------------|-------------------------------|----------------------------|--------------------------|
| Adams Rural Electric            | Darke Rural Electric        | Hancock-Wood Electric         | Midwest Electric           | Paulding-Putnam Electric |
| Buckeye Rural Electric          | Dayton Power & Light        | Holmes-Wayne Electric         | Midwest Energy Cooperative | Pioneer Electric         |
| Butler Rural Electric           | Duke Energy Ohio            | Licking Rural Electrification | North Central Electric     | South Central Power      |
| Carrol Electric                 | Firelands Electric          | Logan County Electric         | North Western Electric     | Toledo Edison            |
| Cleveland Electric Illuminating | Frontier Power              | Lorain-Medina Rural Electric  | Ohio Edison                | Tricounty Rural Electric |
| Consolidated Electric           | Guernsey-Muskingum Electric | Mid-Ohio Energy               | Ohio Power                 | Union Rural Electric     |
|                                 |                             |                               |                            | Washington Electric      |

ORDINANCE NO. 2016-26

AN ORDINANCE AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH WOOSTER FIT HOLDINGS LLC FOR COMMUNITY REINVESTMENT AREA TAX INCENTIVES, AND DECLARING AN EMERGENCY

WHEREAS, Wooster Fit Holdings, LLC, a limited liability company, desires to renovate 2312 Akron Road in the City of Wooster, an approximate 40,880 square foot retail facility located within the region designated by Wooster City Council as the community reinvestment area (CRA). Proposed capital investment includes approximately \$1,150,000.00 for improvements to the existing facilities, including repair costs along with facade updates to establish a new health club and with space for future retail tenants; and

WHEREAS, the Wooster Growth Corporation, as the designated community improvement corporation for the City of Wooster, has reviewed the request for CRA tax incentives and has recommended its adoption; and the Wooster City School District board of education has also received notice, as provided by law.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF WOOSTER, OHIO:

SECTION 1. That the Mayor is hereby authorized to enter into an agreement on behalf of the City of Wooster with Wooster Fit Holdings, LLC, for CRA tax incentives. The terms of such agreement will include, but not be limited to, the following: (1) abatement of real estate taxes of 50%; (2) for a maximum term not to exceed ten years; (3) the creation of four full-time jobs created within one year; (4) the creation of four part-time job equivalents within one year; and (4) other terms as the Mayor, in his/her discretion, deems appropriate.

SECTION 2. This Council finds and declares that all formal actions concerning and relating to the adoption of this ordinance occurred in an open meeting of this Council, in compliance with law.

SECTION 3. This Ordinance is hereby declared to be an emergency measure necessary to the immediate preservation of the public health, peace, safety and welfare of the City, or providing for the usual daily operation of a municipal department or division, and for the further reason that prompt action is necessary in order to facilitate implementation of the renovation project by the applicant; wherefore, this Ordinance shall be in full force and effect from and immediately after its passage and approval by the Mayor; provided it receives the affirmative vote of at least three-fourths of the members of the Council; otherwise it shall take effect and be in force from and after the earliest period allowed by law.

1st reading \_\_\_\_\_ 2nd reading \_\_\_\_\_ 3rd reading \_\_\_\_\_

Passed: \_\_\_\_\_, 2016 Vote: \_\_\_\_\_

Attest: \_\_\_\_\_  
Clerk of Council President of Council

Approved: \_\_\_\_\_, 2016 Mayor \_\_\_\_\_

Introduced by: Barbara Knapic

## Request for Agenda Item Non-Capital

Division

Meeting Date Requested

Project Name

**Approved for Agenda**

**Description** (be as descriptive as possible, given space limitations)

Requested is Council's authorization in allowing the Mayor to enter into a Community Reinvestment Area Agreement (CRA) on the City's behalf with Wooster Fit Holdings LLC, a New Hampshire-based development and property management firm that seeks to renovate a 40,880-square foot retail facility at 2312 Akron Road PPN (67-02314.001), also known as the Hawkins Plaza. The firm seeks to establish a Planet Fitness health club \ gym while also updating additional space to attract future retail tenants.

The proposed rehabilitation project involves a committed investment of \$1,150,000 in construction and repair costs. Additionally, the firm will invest \$500,000 in new equipment. A minimum of four full-time and four part-time jobs will be created within one year with a minimum combined \$150,000 annual payroll.

Originally constructed in 1965, the building operated as a grocery store with a cafeteria through the mid 2000's. Over the last several years, however, the building has sat largely vacant, despite its location along the most-travelled two-lane State route in Wayne County (and also serving as a primary entranceway into the City from Orrville and Akron).

As the building became available for sale in 2016, our office fielded several inquiries from various entities about the location and the availability of the CRA. When possible, our office also shared information on area traffic counts as well as the City's comprehensive plan, which identified the site as part of the Akron Road Priority Area.

Our office originally invited a representative of Wooster Fit Holdings LLC to apply to the CRA program in March of 2016 as the firm was seeking opportunities to expand in Wooster. Previously, the representative had been involved in a similar rehabilitation project in Brunswick, Ohio, which also featured the refurbishment of an older building and the creation of a Planet Fitness.

Please find attached our application summary report. Thank you.

**Is there a need for rules suspension or time limitation when this must be passed?**

A suspension of the rules is requested in order to allow the firm to move forward on a time-sensitive project and strategic investment. With the ability to move forward this October if approved on October 3<sup>rd</sup> 2016, the firm anticipates being able to have the Planet Fitness portion of the site open by January of 2016.

Manager Requesting

Date

Approved for Agenda

# COMMUNITY REINVESTMENT AREA REQUEST SUMMARY: Wooster Fit Holdings LLC



Prepared by the City of Wooster Department of Community Service and Development at the Request of:  
**Wooster Fit Holdings LLC** – Project Site: Portage Plaza, 2312 Akron Road, Wooster, Ohio 44691  
 Application Date: 15 September 2016.

**Project Summary:** Wooster Fit Holdings, LLC has applied for a **10-year, 50 percent** real estate abatement to assist it with a \$1,150,000 investment in renovating 2312 Akron Road (Parcel 67-02314.001), a 40,880 square-foot single-story strip mall located at the southwest corner of Akron Road and Portage Path. The site currently provides space for one retail tenant, while the majority of the structure has sat empty for multiple years.

New Hampshire-based Wooster Fit Holdings LLC will own the real estate on which a separate firm, Wooster Fit LLC, will create and manage a gym as “Planet Fitness” for a portion of the facility, while façade improvements will be made to attract additional retail tenants to the remainder of the site.

The location is among one of the most highly travelled areas in Wooster, positioned at the intersection of the 585 corridor and Portage Rd/Back-Orrville Rd. Starting from the intersection and moving south, Akron Road is the most-travelled two-lane state route in the county with 13,090 trips per day, greater than the traffic volumes observed along Burbank Road in the North End (2012 ODOT traffic data). The area also serves as a key gateway into the City from Orrville and Akron.

## Wooster Fit Holdings LLC (Planet Fitness) Project Site Map 2312 Akron Road, Wooster, Oh.



Parcel 67-02314.001 is outlined in red at the intersection of Akron Rd and Portage Rd. Wooster Fit Holdings LLC seeks to perform a \$1,150,000 rehabilitation on the 40,880sf building along one of the City’s most heavily travelled intersections. The project will result in the creation of a Planet Fitness gym, employing about six full-time equivalents.

**Project Impacts:** The proposed health club land use is permitted by the site’s current C-3 Community Commercial zoning. The project will employ a *minimum* of four full-time positions and four part-time positions, with a minimum \$100,000 and \$50,000 in annual payroll respectively. An estimated \$1,150,000 in rehabilitation costs has the potential to increase the property’s \$1,989,860 property valuation by the same amount, resulting in a \$30,983 annually in property taxes. The proposed abatement may provide up to \$15,492 in annual savings for the firm.

City staff invited the applicant’s representative to apply for the CRA program in March of 2016, when the site was being considered for a future Planet Fitness. The same representative has managed and operated a similar Planet Fitness rehabilitation in Brunswick, Ohio. With approval of a CRA, the applicant hopes to move forward on the project to have the Planet Fitness facility and the remaining site ready for new prospective tenants at the start of 2017.

**Attachments:** Original Wooster Fit Holdings LLC Application.

### TABLE: Project Implication Matrix

Wooster Fit Holdings LLC Maximum Level Investment Projected Tax Impacts

| Current Value <sup>1</sup><br>(2312 Akron Rd) | Annual Tax<br>Obligation <sup>1</sup>               | Post Project Tax Value<br>(\$1,150,000 Invested) | Annual Tax Obligation<br>without Abatement <sup>2</sup> | Annual Tax Obligation<br>with 50% Abatement | Applicant's<br>Annual Savings <sup>3</sup> | Total Savings<br>after 10 Years |
|---|---|--|---|---|--|---------------------------------|
| \$1,989,860                                   | \$34,962  | \$3,139,860                                      | \$65,944.79   | \$50,453                                    | \$15,492                                   | \$154,915                       |
| <b>Wooster Fit<br/>Holdings<br/>Impacts</b>   | Annual City Income Tax <i>Creation</i> <sup>4</sup> |  | \$2,250   | Net Property Tax <i>Gain</i> with Abatement |  | \$15,492                        |
|   | Cumulative Income Tax Creation                      |  | \$22,500  | Cumulative Net Property Tax Gain            |  | \$154,915                       |
|   |   |  |   | Post-Community Reinvestment Area Gain       |  | \$30,983                        |

- Current Value of \$1,989,860 based on the Wayne County Auditor’s 100 percent 2015 valuation of taxes assessed for PPN 67-02314.001 with Annual Tax Obligation based on actual reported 2015 taxes payable for 2016. Wayne County Auditor, Wayne County, Ohio. (9/2016) Property Records CAMA Database [Data file]. Retrieved from <http://www.waynecountyauditor.org/>.
- Figure assumes current tax obligation of 67-02314.001 and \$30,983 in new possible taxes resulting from a \$1,150,000 investment. New tax figure calculated using the Wayne County Auditor’s Tax Estimator Tool for tax rates within District 65 for 2016, which is contained within the City’s 2nd Ward, the Wooster City School District, and the Wayne County Schools Career Center District, with a total millage of 76.977.
- Estimated maximum tax increase protection available to the applicant, assuming that the \$1,150,000 investment equates to a \$1,150,000 in valuation.
- Net Income Tax Gain assumes 1.5 percent income tax of Wooster Fit Holding’s committed \$150,000 in created annual payroll for six full-time equivalent employees.

*Note: Notification to local school districts and a recommendation by the Wooster Growth Corporation are required before an application for a Community Reinvestment Area (CRA) abatement may be considered by the Wooster City Council. Community Reinvestment Area #169-86548-01 is governed by Ohio Revised Code Sections 3735.65 through 3735.70, as administered by the Ohio Development Services Agency, and City of Wooster Ordinances No. 2004-33. For questions on this application or the City of Wooster’s CRA in general, please contact the City of Wooster Development Coordinator at 330.263.5250.*