1. Call To Order And Quorum Verification
Roll Call Attendance
Mayor Bernabei
Franklin Williams
Mike Gill
Robert Thompson
Greg Hawk
John Beard
Chris Smith
Mark Shousen

Absent:
Mark Cousar - ABSENT
Jude Hardwick
Justin Hardwick (Sam - Acting Member)

STAFF PRESENT:
Mark Cousar - CCIC Administrator
Dave Angus - Planning Director
Chris Ferdinand - CPD

VISITOR PRESENT:
Kelly Byers - Canton Repository

PROCEEDINGS:

Mayor Bernabei called the meeting to order at 9:30 am. A quorum was present as reflected above.

2. Approval Of Prior Meeting Minutes From November 12, 2019
Motion to approve the meeting minutes from the CCIC meeting on November 12, 2019. Gregkaw
Roll Call Vote
Motion passed by unanimous voice vote

3. Election Of Officers
Mark Cousar stated that this is the first meeting of the year and per the code of regulations, it is required that we hold officers every year.
Mayor Bernabei stated that the proposed slate of officers consist of:

a. President - Mayor Bernabei
b. Vice President - Franklin Williams
c. Treasurer - Mike Gill
d. Secretary - Chris Smith

Motion made to approve slate of officers as presented: Robert Thompson
Roll Call Vote

Mayor Bernabei - YES
Franklin Williams - YES
Mike Gill - YES
Robert Thompson - YES
Greg Hawk - YES
John Beard - YES
Chris Smith - YES
Mark Shousen - YES

Motion passed unanimously.

4. Approval Of Financial Management Report
FINANCIAL MANAGEMENT REPORT:

Mark Cousar explained that on the screen is the December 31st, 2019 consolidated version of the report. He further elaborated that the total revenue for 2019 was $224,260.98.

Mayor Bernabei stated that the consolidated version was.

Mark Cousar explained that the consolidated version is a combination of the CCIC Operations financials and the CCIC Innovation District financials. These two are broken out by the board can see how they are individually performing.

Mark Cousar went back to the revenues for 2019 stating that the revenues were up from 2018 $73,827.69. The main difference from 2019 to 2018 was the grant received from the Stark Community Foundation ($25K) through the Black Economic Development Board ($5000) in the amount of $30,000 for the Innovation District. He also stated that the CCIC received $38,000 in TIF Funds which has never been received before and also $5,000 in rent from the CSB Court Ave. Innovation District Headquarters.

Mark Cousar then moved on to state that on the expense side, $266,382.29 was spent for 2019. In 2018, only $128,176.46 was spent. The main difference being $50,000 for rent for the CSB Court Ave. location (Innovation District Headquarters) and $72,750.00 paid to Jones/Bartlett for the operations of the Innovation District. He went on to explain that there were some savings for the Lehman High School Maintenance from 2018 to 2019. In 2018, $74,200 was spent compared to $7,200.00 in 2019. There were also some wage decreases from 2018 to 2019 when the CCIC went from having a paid employee to having a Business Development Co-Op in place with the SBDA. The wages ran lower in 2019, but the contract took the place of the wages. The CCIC ended 2019 with a cash balance of $381,420.28 and there is an upcoming audit which is going to be done by Julian & Grosu and Matt Rose of that organization will be performing that audit.

Mark Cousar stated that he spoke with Kim Kenkel that morning about asking for an increase in funding from the city of Canton. The CCIC has a contract with the city of Canton for $70,000 for the funding of the Innovation District and the CCIC typically asks the city of Canton for $100,000 in operating costs but this year the CCIC will ask for $110,000 in operating costs. The reason for this is because it is unknown when the CCIC will be with the Lehman Property, so the additional funding will cover future costs which are currently unknown. One cost which will not be in 2020 is the Huntington Bank downturn in the amount of $30,000. The last payment was in 2019 but it is unknown if there would be another downturn put in place.

Greg Hawk stated that he feels the idea of paying another $50,000 toward the CCIC.

Mike Gill stated if the Tiberio/El Group is still in the Innovation District.

Mark Cousar replied that they are still there but are moving out in February.

Mayor Bernabei stated that he believe they would be moving out at some point in the first quarter of 2020.

Mark Cousar stated that they have paid their rent and continue to pay it on time.

Greg Hawk asked if we have found a place to stay in Canton, inside our City Limits.

Mike Gill stated that he has three places for them. But they have bacteriut.

Motion to approve the financial management report as presented: Franklin Williams
Second: Mike Gill
Roll Call Vote

Mayor Bernabei - YES
Franklin Williams - YES
Mike Gill - YES
Robert Thompson - YES
Greg Hawk - YES
John Beard - YES
Chris Smith - YES
Mark Shousen - YES

Motion passed unanimously.

5. Old Business
There is no old business.

6. New Business

i. Review And Authorize The Amendment And Reorganization Of The Agreement And Plan Between The City Of Canton And Canton Community Improvement Corporation, Originally Established Via Ord. -03-088

Mayor Bernabei stated PNC Bickerstaff is maybe the tenn

PNC Bickerstaff stated that the agreement that everyone is looking at was created in 1988 when the CCIC was created. It is an agreement between the city of Canton and the CCIC to realize the CCIC as agent of the city for economic development purposes. It summarizes what the plan is, exactly speaking on creating jobs and promoting the city of Canton. This is what the CCIC does now. He moves on to explain that the amendment and reorganization of the agreement was to essentially cleanup some of the language and move it around. Somewhat ones. Its make it a better document. Other than that, there is one main change. There are two ways which property can be transferred by the city of Canton to the CCIC for economic development purposes without competitive bidding. Those two ways are currently included in the 1988 agreement. The first way is where the CCIC is the agent of the city of Canton and acquires deeds on behalf of the city of Canton to which there would be no transfer of property from the city of Canton to the CCIC. The CCIC takes it owns agreements and the employee and that agreement is valuable and recorded in the transfer office, but that is not a method that we have historically taken. It is authorized by the Ohio Revised Code, but the CCIC does not use it. PNC further elaborates that the second way that is used for the process which everyone is familiar with. The city of Canton passes an ordinance to transfer property to the CCIC and the CCIC takes a vote and resolution to accept the property and subsequently transfer that property to the end user for economic development purposes only. That process, will remain in the agreement with one change. In the current 1988 agreement, there is an added provision which is no longer in the Ohio Revised Code and may never have been in the Ohio Revised Code, but it was included in the 1988 agreement that when the property is transferred to the CCIC it actually has to be purchased. In the CCIC from the city of Canton for fair market value and that it is and to the Canton school board of the remaining value of the property and remain in the school board but just for the city of Canton. That is included in the current agreement, but it is not something that has ever been done because the CCIC does not have the funds to buy property from the city of Canton. This is not requested by the Ohio Revised Code and PNC recommends that that be removed in the new agreement because it is a dead clause for transferring property to the CCIC.

Greg Hawk stated that he feel the idea of passing it directly without the CCIC holding it because then we avoid paying property taxes.

PNC Bickerstaff stated that there is some caveat as which stated that the CCIC is the agent of the city of Canton that they should not have to pay the property taxes and that is being looked into.

Greg Hawk responded by saying that we have paid property taxes before.

Mayor Bernabei stated that the amendment actually brings our documented agreement, which has been in existence for 32 years, and makes it consistent with the way that we actually transfer property. A communication is sent to Canton City Council, we ask council to declare that it is no longer needed for municipal purposes and vacant then is transfer the property to the CCIC and then the CCIC accepts the property and deed-retrieves at is that property will be conveyed to for economic development purposes all of which have no requirements of appraisal or fair market value or anything and we have not done that. That is the reason why this is being clarified at this time.

Mayor Bernabei further indicated that we have an example that Franklin is going to discuss, which is working its way through council now and will come to the body probably at our next meeting.

Motion to approve the amendment and reorganization of the agreement and plan as contained in the documents that has been explained by the law director. John Beard
Second: Greg Hawk
Roll Call Vote

Mayor Bernabei - YES
Franklin Williams - YES
Mike Gill - YES
Robert Thompson - YES
Greg Hawk - YES
John Beard - YES
Chris Smith - YES
Mark Shousen - YES

Motion passed unanimously.

Prior to moving onto item two, Mayor Bernabei asked that Frankie Williams to explain what legislation was working its way through Canton City Council.

Frankie Williams stated that currently there a legislation regarding Arthur Cineli building located at 402 35th St. That building over the last 10 years or so has been occupied by the City of Canton Utility Billing, SWAT, and Dispatch. Over the years, the building has suffered damages to the roof and has spread to the walls. Because of that, it was necessary to move all departments out of the building. The building currently sits empty. Estimates to fix the roof were over a million dollars and it was not financially feasible for the city of Canton to replace the roof at the time. He went on to explain that the legislation that is in council now is asking for permission to survey that building to the CCIC because it is no longer needed for public purposes and permission is subsequently survey that building to an end user. In this case, Stark Metro Housing Authority and a developer is very interested in the demolition of the building and new construction of housing and retail. Frankie Williams further elaborated that their plans would be beneficial to the other retail establishments which have located in 30th St. Frankie Williams then stated that the legislation is asking for permission survey that building to the CCIC because it is no longer needed for public purposes and for subsequent conveyance to the end user, SMHA and the developer for reasons of demolition and subsequent new construction of housing and retail.

Mike Gill stated there much savage there was, but Frankie Williams was unsure. but believed it was close to low score.

Chris Smith asked if they were purchasing it or it would be donated.

Frankie Williams stated that the CCIC will negotiate the terms of the transaction, financially.

Mike Gill asked about the demolition of the property.

Frankie Williams stated that part of the negotiations and requirement of the agreement would be that the building would have to be demolished.

Mayor Bernabei stated that there is much work to be done in regard to this secondary negotiation.

Robert Thompson asked is there has been any thought of redeveloping something for Arthur Cineli.

Mayor Bernabei stated that he is not aware of anything.

Robert Thompson stated that the city owns things after tides but does this happens.

Chris Smith asked if the Ko legislation that is coming down is for the conveyance to the CCIC.

Frankie Williams confirmed that the legislation is for conveyance to the CCIC but that in the communication the SMHA and developer were mentioned for full transparency. The CCIC will negotiate how the transaction will take place. Frankie also stated that there are two developers in the mix, one is CHR Partners out of Cleveland and Ohio & Associates located locally in North Canton.

Mike Gill stated because it is only two were of the building would be vertical.

Frankie Williams responded saying first housing would be vertical, probably two stories and that the retail would be one story.

Mike Gill stated that this is better than accepting liability of the building.

ii. Authorize President To Sign, As Owner, The Replat Document Authorizing The Replat Of Plat Of Our Lot 206, Also Known As Pioneer Lehman High School

Frankie Williams stated that Lehman High School is over large parcel with the school on half and a large football field on the other half. The developer asked that the parcel be replat into two separate parcels. The football field would be one parcel and the school would be another. Frankie stated that the school is refinanced 20 feet above the football field. For development purposes, please note is that the developer has received tax credits to repurpose the school portion of the property into 62 units of senior housing, approximately until 2- 1/4 million project. Currently there have been funds stated but there is a small gap of $1.8 million which needs to be covered. The city has been consistent with pressuring organizations such as the Ohio Development Services Agency (ODSA) for additional funds to close the gap, have spoken with the construction company and asked them to sharpen their pencil, and have spoken with the ODSA to contact the port authority to acquire construction material from them which could generate $400,000 in savings. The city of Canton has committed funds to this project because of the impact that it will have in the neighborhood.

Frankie Williams went on to state that the developer, Bill Rodriguez, has already started the process and application for phase two. Phase two would consist of 24 townhomes which would be located on the football field. The developer has an application for tax credits due February 6, 2020. The city of Canton has been asked to contribute $300,000 to phase two of the project from HOME Funds from HUD. The application is being made to the ODSA for phase two of the project. This is why the replat is necessary because of how the projects are done in phases. Frankie Williams stated that the replat has already gone through Canton City Council and received approval so today the CCIC needs to authorize this replat.

Greg Hawk asked who would be paying for the survey of the property.

Frankie Williams stated that the developer would be paying for that service.

Grid Discussion stated if Rodriguez would do the townhomes as well.

Frankie Williams stated that they would be.

Motion to authorize President to sign, as owner, the replat document authorizing the replay of part of lot 206, also known as former Lehman High School. John Beard
Second: Greg Hawk

John Beard asked if there was an estimated start time on phase one of the project.

Frankie Williams stated that as soon as all funds are secured and have an estimated date of March 1st, 2020.

Mayor Bernabei stated even though there is a date that this is not a done deal and that there is still a gap. They are 80- 90% of the way there, not 100%.

Frankie Williams stated that it took four years to get to this point and that we are confident but it is not completely there.

Roll Call Vote

Mayor Bernabei - YES
Franklin Williams - YES
Mike Gill - YES
Robert Thompson - YES
Greg Hawk - YES
John Beard - YES
Chris Smith - YES
Mark Shousen - YES

Motion passed unanimously.

7. Other Updates
There are no other updates.

8. Adjourn

Motion to adjourn meeting at 10:15 AM. Greg Hawk
Second: Mike Gill
Motion Passed by unanimous voice vote.

Please contact Christopher Hudkins for additional information at Christopher.Hudkins@cantonohio.gov or his cellular at (330) 438- 4006.