

ASHTABULA CITY COUNCIL MEETING MINUTES
CITY OF ASHTABULA, OHIO
4717 Main Avenue, Ashtabula, OH 44004

Public Hearing

Monday, August 15, 2016

The City Council met in a **PUBLIC HEARING**. The President of Council called the hearing to order at 5:37 p.m.

Member(s) Present:	Mrs. Josephine Misener	(Ward 4)
	Mr. John S. Roskovics	(Ward 1)
	Mr. August A. Pugliese	(Ward 2)
	Mr. Christopher J. McClure	(Vice President)
	Mr. J. P. Ducro IV	(Council President)
Member(s) Absent:	Mr. Kris E. Hamrick	(Ward 5)
	Mrs. Alice T. Cook	(Ward 3)
Officer(s) Present:	Mr. James M. Timonere	(City Manager)
	Mr. Michael Franklin	(City Solicitor – arrived @ 5:40p)
	Mrs. Dana D. Pinkert	(Finance Director)
	Mrs. LaVette E. Hennigan, MMC	(Clerk of Council)

Officer(s) Absent: None

SUNSHINE LAW: The Clerk of Council certified conformity to the Sunshine Law.

PURPOSE: The President announced the purpose of this Public Hearing was to allow for public comments and recommendations regarding the request to AMEND THE JOINT ECONOMIC DEVELOPMENT DISTRICT (J.E.D.D.) II CONTRACT BETWEEN THE CITY OF ASHTABULA AND SAYBROOK TOWNSHIP.

WELCOME: The President welcomed visitors.

DISCUSSION

The Manager provided the following overview:

- This most recent modification will be with Mann Management, LLC dba Napa Auto Parts. They are opening a new store on Route 20 & Sanborn Road, in Saybrook, at the location of a former restaurant.
- They are downsizing by combining their City of Geneva and City of Ashtabula locations.
- Their Ashtabula City location is on Elm Avenue across the street from Ashtabula Towers.

CITY COUNCIL QUESTIONS and/or COMMENTS

Ward 1: Do we know how many people are currently employed at both locations, and how many will be employed at the new location?

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Manager: I do not know that number.

Ward 1: So, they will get tax abatement?

Manager: No, tax abatement is not a factor. Without a J.E.D.D., if they were to locate in Saybrook Township, there would be no income tax revenue to the City. Because of the J.E.D.D. and because they are tying into our systems and using our services, they have to pay income tax on employee withholdings and on business profits, which will be shared with Saybrook Township.

Ward 1: I understand the whole idea behind it. My concern is, I would imagine that combining two stores into one, they will have less employees. I do not think that is a good thing, even though some of those employees are Geneva's. It is still not a good thing. And, we do not know how much property taxes we will lose.

Manager: The property tax should not be affected unless they go for a reevaluation of the property, if it sits vacant. From what I understand, I think they have had inquiries about the building. But the property tax should remain the same because the structure and everything is still there.

Ward 1: Something like an "inventory tax"?

Manager: We do not get anything for that. Depending on how many employees they actually have, if they were to keep the same staff that was here and would move there, we would lose 50% of the 1.8% income tax withholding.

Ward 1: For how many years?

President: Forever, because of the J.E.D.D.

Manager: Yes, once they are in the J.E.D.D. they are in. The way the contract is laid out with the City/County Sewer Agreement and J.E.D.D.s, is as long as that Agreement is in place, so goes the J.E.D.D.s. So, something drastic would have to change in the Agreement to make these ineffective.

Ward 1: My concern is the same as I expressed when we saw the plaza go up near Wal-Mart. The Landing at Saybrook will be all new jobs, so I can see where you would want to have a J.E.D.D. because you are gaining something. In a situation like this we are going to lose half the income tax on however many employees we have, plus we are going to end up with another vacant building in town. Like you said at one time there is not much we can do about it, but it is just discouraging.

Manager: The other way to look at it is we are mitigating a loss by being able to collect half.

President: ... as opposed to nothing, which was the case prior to the J.E.D.D.s being put in place. Because, you're not going to be able to stop them from relocating to Saybrook or any place they want to go.

PUBLIC QUESTIONS and/or COMMENTS

None

ANNOUNCEMENT

The President announced that, by law, no formal action may be taken at a public hearing. The ordinance enacting the J.E.D.D. Amendment is scheduled for a vote of Council at this evening's Regular Council meeting scheduled to begin at 7:00 p.m.

ADJOURN

Hearing no further business to come before this Council, the President adjourned the Public Hearing at 5:43 p.m.

DATE APPROVED: September 6, 2016

ATTESTED BY: J. P. Ducro IV
J. P. Ducro IV
President of Council

ATTESTED BY: LaVette E. Hennigan
LaVette E. Hennigan, MMC
Clerk of Council