

RECORD OF PROCEEDINGS

Minutes of

Delaware City Council

Meeting

GOVERNMENT FORMS & SUPPLIES 844-224-3338 FORM NO. 10148

Held May 26 2020

The special meeting of Council held on May 26, 2020 and was called to order at 7:00 p.m. and was held remotely through Cisco Webex and streamed Live through Facebook due to the State of Emergency – Executive Order 2020-01D. The following members of Council were remotely present: Second Ward Lisa Keller, Third Ward Cory Hoffman, Fourth Ward Drew Farrell, At-Large George Hellinger, Vice-Mayor Kent Shafer (exited the meeting at 8:30 pm) and Mayor Riggle who presided. Absent from the meeting was First Ward Chris Jones. The invocation was delivered by Mayor Carolyn Kay Riggle.

Staff Present Remotely: Sean Hughes, Economic Development Director, Justin Nahvi, Finance Director, Darren Shulman, City Attorney, Bruce Pijanowski, Police Chief, John Donahue, Fire Chief, Kyle Kridler, Assistant City Manager, and Tom Homan, City Manager

Delaware County Officials Present Remotely: Gary Merrell, Commissioner, Bob Lamb, Economic Development Director, David Stadge, Delaware County Finance Authority Treasurer, Don Rankey, Delaware County Finance Authority

Motion to Excuse: Vice-Mayor Shafer motioned to excuse Mr. Jones, seconded by Mr. Farrell. Motion approved by a 6-0 vote.

ITEM 3: APPROVAL OF MINUTES

APPROVAL of the Motion Summary of the regular meeting of Council held on May 11, 2020, as recorded and transcribed.

Motion: Vice-Mayor Shafer motioned to approve the Motion Summary of the regular meeting of Council held on May 11, 2020, as recorded and transcribed, seconded by Mrs. Keller. Motion approved by a 6-0 vote.

ITEM 4: CONSENT AGENDA

A. Approval of the Motion Summary of the Finance Committee meeting held on April 15, 2020, as recorded and transcribed.

Motion: Vice-Mayor Shafer motioned to approve the Consent Agenda, seconded by Mr. Hoffman. Motion approved by a 6-0 vote.

ITEM 5: LETTERS, PETITIONS, AND PUBLIC COMMENTS

Chris Schobert
Via Email
44 South Sandusky Street
Delaware, Ohio

Mr. Schobert provided an email that was read into the record voicing his support for the business disaster grant recovery program.

Deven McEowen
Via Email

Mr. McEowen provided an email that was read into the record voicing his support for the revolving loan program.

Tom Wolber
Via Email

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272 Hearthstone Drive
Delaware, Ohio

Mr. Wolber provided an email which was read into the record voicing his concerns over the May 19 flooding of the Delaware Run.

ITEM 6: RESOLUTION NO. 20-35 [First Reading]

A RESOLUTION AUTHORIZING THE CITY MANAGER TO ACCEPT CARES ACT GRANT (GRANT NO. 3-39-0032-025-2020) OFFER FOR DELAWARE MUNICIPAL AIRPORT – JIM MOORE FIELD AND TO ENTER INTO REQUIRED AGREEMENTS FOR SAID GRANT.

The Clerk read the resolution for the first time.

Motion: Mrs. Keller motioned to adopt Resolution No. 20-35, seconded by Mr. Hoffman. Motion approved by a 6-0 vote.

ITEM 7: ORDINANCE NO. 20-30 [First Reading]

AN ORDINANCE DIRECTING THE CITY MANAGER TO ESTABLISH A BUSINESS ASSISTANCE GRANT PROGRAM, AUTHORIZE APPROPRIATIONS, AND DECLARING AN EMERGENCY.

The Clerk read the ordinance for the first time. Council to take Ordinance No. 20-30 to a second reading and provide correction to Section 1 with change of “loan” to “grant”.

ITEM 8: DISCUSSION OF COUNTY RLF PROGRAM

Mr. Homan discussed that the recent Finance Committee meeting this topic was reviewed and that staff had responded to the MOU that was provided by the County and sent comments to the County. He discussed receiving feedback from the County earlier today. Mr. Shulman reviewed the comments that he provided to the County regarding the RLF. He discussed the governance concerns over how the committee would be formed and loans reviewed and how the City would pick their representative on the committee. The other concern was that the City funds would benefit City businesses. He also discussed that the County addressed the concern on how funds can be pulled out at a later time. Mrs. Keller voiced concern that the revisions provided by the County were presented right before the meeting and that there was not much time to review it in full. Mr. Farrell discussed that the City has the duty to provide the loan rate below the prime rate and concerns that scoring points are based on the size of the company. He discussed that there are multiple small businesses that will need assistance that may lose out to larger ones. He also discussed his preference for the fee to be absorbed into the loan and the duty to the public to have a conflict of interest clause. Vice-Mayor Shafer also discussed the importance of a conflict of interest clause. Mr. Hellinger voiced his preference for the City to have their own program and that if the City does not participate that businesses are still part of the County and can apply. Mr. Hellinger discussed the preference to create a program and addresses the current issues that the City has and utilize the resources that we have to help our businesses. Mr. Hoffman discussed the challenge to have a committee overturn the bank decisions and feels the committee is too small. Mayor Riggle discussed her desire to work with the county and be concerned about all businesses, and as well voiced concerns that the program may not help those that need it the most.

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Mr. Lamb discussed the loan rate and that the 4% is very competitive and the business size and types of businesses that will be supported. He discussed that the MOU was altered to adjusting how the first round of applications would be reviewed. He discussed the importance of addressing conflict of interest. Mr. Lamb discussed that after 5 years the local jurisdictions that provided money can take a vote to withdraw the money invested with some stipulations. Mr. Homan questioned if there is a default in a loan. Mr. Lamb discussed that defaults will be handled by the bank. Mr. Lamb clarified that no applications would not be moved to the committee level until approved by the bank. Mrs. Keller questioned what the process of scoring and decisions would be made after the application is presented to the committee from the bank. Mr. Hoffman recommended an appointed trustee to be on the committee and not an elected official.

Mr. Rankey discussed the benefits of having a council representative with previous small business experience to be on the committee. He discussed that Mayor Riggle and Vice-Mayor Shafer both have current or previous small business experience. He discussed the need to get matching funds to assist more businesses and get the funds available as soon as possible. Mr. Shulman voiced a concern over having a elected officials in the position to make the decisions and recommend that each city be able to make their own selection. Mr. Rankey discussed the seats on the board and that the committee will make sure it is a fair process and the designated person will need to be an advocate to get the program out to the businesses. He voiced a concern over the percentage of small businesses that may not be able to open back up. Mr. Shulman discussed the potential alignment of the committee on making a decision. Mrs. Keller voiced a concern over the scoring system and that points are taken away from businesses if the jurisdiction did not participate in the program and how to help those small businesses that do not reside in a participating jurisdiction. Mr. Lamb discussed the point structure and what resources may be available to each business based on their location. Commissioner Merrell discussed the concern over conflict of interest and that feels this is being addressed. He discussed that for the program to be beneficial and successful then it will require a little trust. He discussed that the program is dependent on Jobs Ohio being involved.

Mr. Hoffman voiced that all businesses in the county benefit each other, but voiced a concern over the requirement to not have previously defaulted in a loan, but that recent defaults may be beyond their control. Mr. Hughes discussed the need for a small business loan program right relating to COVID-19 and flooding issues. He voiced concerns over the interest rate and credit score requirement. Mrs. Keller discussed that the program makes sense for smaller townships as they don't have the resources such as the City does. Mrs. Keller requested an update from Mr. Hughes regarding a comparison of having an in house RLF program. Mr. Hughes received a proposal from ECDI that had a 3% interest rate at a five-year term. Loans can be from \$2,500 to \$25,000. The criteria would be set with them on how the loan would be approved and discussed the credit rating requirement. Mr. Nahvi discussed the financial impact to the City if both programs were utilized. Council discussed potentially having a work session to have further conversation regarding a City vs. County RLF program.

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ITEM 9: CITY MANAGER’S REPORT & COVID-19 UPDATE

Mr. Homan informed Council of the decision made to not open Jack Florance Pool for the summer and that the decision was made based on the current federal, state, and local requirements regarding opening an outdoor pool. Mr. Homan discussed consulting with the YMCA as the pool operator, and the General Health District Commissioner to help make the decision. He discussed the requirement for social distancing and the challenge that would create. Mr. Homan discussed that the splash pad is considered a playground, which has not been opened by the Governor at this time and once the decision is made in terms of playgrounds that will influence if the splash pad will open.

Mr. Homan discussed having further conversations regarding the flooding of the Delaware Run.

A. John Donahue, Fire Chief

Chief Donahue discussed the amount of rain that was received which resulted in the flooding of the Delaware Run. Chief Donahue discussed the transition of employees returning back to full time hours and situational reports regarding COVID-19 will be on a weekly basis.

B. Bruce Pijanowski, Police Chief

Chief Pijanowski discussed the successful graduation ceremony for Rutherford B. Hayes and no recent DORA issues in the downtown were reported from over the past weekend.

ITEM 10: COUNCIL COMMENTS

Mr. Hoffman informed Council that he participated in the DORA this past weekend and spoke with business owners and that the response was that it was helpful and to keep going with the DORA.

Mayor Riggle discussed speaking with the coordinator for the Fourth of July parade and that there will not be a parade this year and that the celebration is being postponed at this time. She discussed working with other Mayors of municipalities to coordinate a different date for the celebration, but also that they can not plan much until the Governor’s orders of public gatherings are lifted. Mayor Riggle discussed the opening of Hidden Valley Golf Course, the Dog Park, and the tennis and pickleball courts. She discussed that staff is still looking at the Skate Park. She discussed the utility relief program continues and that the City has currently assisted 15 households.

ITEM 11: ADJOURNMENT

Motion: Mrs. Keller motioned to adjourn the meeting. The meeting adjourned at 9:01 p.m.

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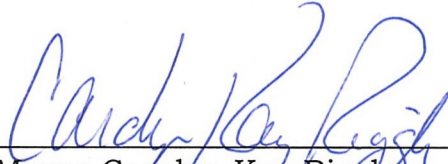
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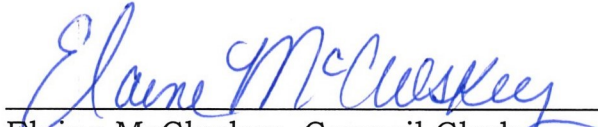
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GOVERNMENT FORMS & SUPPLIES 844-224-9338 FORM NO. 10148

Held May 26 20



Mayor Carolyn Kay Riggle



Elaine McCloskey, Council Clerk

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Held June 1, 2020

The work session meeting of Council held on June 1, 2020 and was called to order at 6:07 p.m. and was held remotely through Cisco Webex and streamed Live through Facebook due to the State of Emergency – Executive Order 2020-01D. The following members of Council were remotely present: First Ward Chris Jones, Second Ward Lisa Keller, Third Ward Cory Hoffman, Fourth Ward Drew Farrell, At-Large George Hellinger, Vice-Mayor Kent Shafer (arrived at 6:15 p.m.) and Mayor Riggle who presided.

Staff Present Remotely: Sean Hughes, Economic Development Director, Justin Nahvi, Finance Director, Darren Shulman, City Attorney, John Donahue, Fire Chief, Kyle Kridler, Assistant City Manager, and Tom Homan, City Manager

Economic and Community Development Institute Staff Present Remotely: Inna Kinney, Founder and CEO, Steve Fireman, President and General Counsel, and Anna Parlet, Senior Grant Writer and Development Manager

ITEM 2: LETTERS, PETITIONS, AND PUBLIC COMMENTS

Brett Latta
Via email
376 North Sandusky Street
Delaware, Ohio

Mr. Latta voiced his support to Business Assistance Grant Program and not supporting financial contributions to the Delaware County Finance Authority.

ITEM 3: ORDINANCE NO. 20-30 [Second Reading]

AN ORDINANCE DIRECTING THE CITY MANAGER TO ESTABLISH A BUSINESS ASSISTANCE GRANT PROGRAM, AUTHORIZE APPROPRIATIONS, AND DECLARING AN EMERGENCY.

The Clerk read the ordinance into the record for the second time. Council to take Ordinance No. 20-30 to a third reading.

ITEM 4: DISCUSSION OF REVOLVING LOAN FUND OPTIONS

Mr. Homan discussed the previous discussions at the Finance Committee meeting and City Council meeting on the County's request to participate in an agreement for a revolving loan fund and the City's exploring a program with a non-profit. He discussed that the information provided includes a comparison of the true programs which will assist small businesses with loans. Mr. Hughes discussed that a program was needed to address the immediate need relating to the flooding and COVID-19, as well as long term assistance. He discussed that EDCI program provides business support to help businesses grow and pay the loans back. He felt that the program addresses short-term and long-term needs.

Ms. Kinney introduced herself and attendees Anna Parlett and Steve Fireman. Ms. Kinney provided background about EDCI and their mission. In the past 16 years EDCI have focused on three areas; invest, educate, and innovation. She discussed that the current focus with the

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City is to have access to capital. She discussed that their headquarters is located in Columbus, Ohio. She proposed a \$350,000 proposal for ECDI to operate the loan fund for the City of Delaware and reviewed different funding options that can be available that can benefit businesses. Mr. Fireman emphasize that ECDI is not a bank but is regulated by Department of Treasury office and subjected to many annual fiscal and compliance audits. He discussed the possibility of the program growing and that they can bring experience with business lending of all different types of businesses and experience. He discussed the technical assistance that they can provide including marketing assistance, legal services, or accounting if they are needed. These resources and services are not required but available. Ms. Kinney discussed the leverage of monies.

Mr. Farrell questioned if terms, i.e. interest rates, can change as needs change. Ms. Kinney discussed that the fund is revolving loan. Ms. Parlett discussed that the interest rates go back into the fund and the interest rate can change if during non-crisis times if the City decides to increase the fund. Mr. Jones questioned the loan approval process. Ms. Kinney discussed the policy and procedures and that the type of loans that can be done internally and some higher dollar loans will go through a different process. Mr. Hoffman discussed the comparison sheet regarding the application fee. Mrs. Keller questioned how long the loan process takes. Ms. Kinney discussed that this depends on the loan and usually smaller loans are done immediately. Mr. Fireman discussed that on more complicated applications that they try to get some immediate funds while they go through the underwriting process. Mr. Hughes discussed past relationships with ECDI while working in Madison County. Vice-Mayor Shafer questioned the use of the bridge loan and if they get turned down from the loan. Mr. Fireman discussed that they would continue to work with the business to continue to grow the building and that they would be responsible for the loan that was already processed.

Council discussed their preference on the revolving loan options. Mr. Homan requested direction for staff to help prepare legislation for the June 8 Council meeting. Mr. Farrell discussed meeting with downtown businesses and their concerns on taking loans out right now, but that feedback received was they would like the lower interest rate and flexibility. He discussed his preference for the ECDI proposal. Mrs. Keller also discussed her preference of the ECDI proposal. She discussed that there was an email received that the concessions in the County MOU may be removed. Mr. Farrell discussed his preference for the City process to be apolitical. Mr. Hoffman voiced his initial support to both loan processes, but that ECDI has multiple agreement templates that can be structured and revocable. He was hoping to have the County MOU be changed to their previous request and is currently supportive with the ECDI. Vice-Mayor Shafer discussed his preference to do both programs and show the County their support. Mr. Hellinger voiced his support to move forward with the ECDI program. Mr. Jones discussed his support for the ECDI program and that he liked the long-term support that they can provide to the businesses.

Motion: Mrs. Keller motioned to direct staff to prepare legislation appropriating \$350,000 for a City revolving loan fund program managed

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by ECDI under terms provided in their proposal, seconded by Mr. Hellinger. Motion approved by a 7-0 vote.

Mr. Shulman discussed that separate legislation can be written if Council decides to provide funds to the County also. Mr. Nahvi discussed the financial impact for the City to participate in both programs.

ITEM 5: ADJOURNMENT

Motion: Mrs. Keller motioned to adjourn the meeting. The meeting adjourned at 7:56 p.m.



Mayor Carolyn Kay Riggle



Elaine McCloskey, Council Clerk