**ITEM 1: CALL TO ORDER:** Mayor Flaute called the Riverside, Ohio City Council Meeting to order at 6:00 p.m. at the Riverside Municipal Center located at 1791 Harshman Road, Riverside, Ohio.

**ITEM 2: ROLL CALL:** Council attendance was as follows: Ms. Campbell, present; Mr. Curp, present; Deputy Mayor Denning, present; Mr. Fullenkamp, absent; Mr. Schock, present; Mr. Smith, present; and Mayor Flaute, present.

Staff present was as follows: Bryan Chodkowski, City Manager; Emily Christian, Assistant City Manager; Mitch Miller, Service Department; Mark Reiss, Police Department; Mark Carpenter, Fire Department; Tom Garrett, Finance Department; Bob Murray, Planning and Economic Development; and Elizabeth Glaser-Rice; Acting Clerk of Council.

**ITEM 3: EXCUSE ABSENT MEMBERS:** Mayor Flautesaid Mr. Fullenkamp did write me an email that his mother is very ill again and had major surgery today; he asked that we excuse him. A motion was made by Deputy Mayor Denning to excuse absent member Mr. Fullenkamp. Mr. Schock seconded the motion. All were in favor; none were opposed. **Motion passed.**

**ITEM 4: ADDITIONS OR CORRECTIONS TO AGENDA:** The agenda was revised prior to the meeting removing item 14 (I) a, Ordinance No. 12-O-497.

**ITEM 5: APPROVAL OF AGENDA:** A motion was made by Deputy Mayor Denning to approve the agenda as revised. Mr. Schock seconded the motion. All were in favor; none were opposed. **Motion passed.**

**ITEM 6: WORK SESSION ITEMS:**  Mayor Flaute welcomed everyone to the meeting and advised the audience if they wanted to speak about any items on the work session or other agenda items to please fill out a form.

1. NAI Presentation on Center of Flight Listing

Mr. Murray said who we have here today is NAI; it’s a local company but it is international in its scope; the largest commercial realtor in the world. The idea and the purpose of them being here is to list the five acres of ground on Center of Flight that we originally designated for the job-ready sites building. They are marketing not only the acreage but also the concept of investing in that office building right outside the front gate at Wright-Patt. I don’t want it believed in any way, shape, or form that there is somebody waiting to do this, the idea is these people are going to market that property internationally and they are going to market the building concept internationally. We are trying to throw as large a net as possible, as widely as possible to attract someone to that site. He introduced Mr. Russ Maas who is the principal at NAI Dayton.

Mr. Maas thanked the Mayor and Council and said we appreciate the opportunity to be with you this evening to talk about your plans for development. He introduced Ed Patterson, a Senior Associate, and said Ed has a long track record with development site acquisition. He also introduced Marvin Puckett, and said same thing, he’s relatively new at the office, but I recruited him from another firm; and Emmy Jergens is the Administrative Assistant who is going to work with us on the project if you deem it fit for us to move forward with the project.

Mr. Maas said I’ve been around the City of Dayton for quite some time; I came here in 1967, had various jobs, and eventually moved into commercial real estate. A couple jobs early on were in Riverside; when USF Holland was thinking about moving from the area, we were brought aboard to try to keep that group and facility in Riverside and we did that by acquiring and developing the old drive-in theater on Valley and subsequent to that relocation by Holland, we sold their old truck terminal to a group out of California who was a short haul railroad owner and was picking up transportation facilities around the country. Beyond that we have done several other things; worked with Mechanical Systems of Dayton to relocate in their new facilities, we represented the union in the sale of their building on Valley, auto sales people, etc. The two big clients in town we are working for are PNC Bank, which we represent in Southwest Ohio; and HTA, which is a publically traded health care related company.

Mr. Maas said what I want to accomplish tonight, and I feel confident we can put this together so you understand what NAI is, we’re part of a large footprint around the world and I want to introduce some of the moving parts within NAI. There’s a group called C3, a very large group that services distressed real estate; we’ll talk about our ISG Team which is Investment Sales Group Team; we’ll talk about NAI Global; and we’ll explain in detail as we go through.

Mr. Maas said C3 Capital is a primary and special loans servicer in the US and they are currently working with about $160 Billion in commercial real estate and commercial real estate notes. We work with them; they are part of NAI Global. A second part of NAI Global is the Investment Sales Group; it’s 150 top people around the world and they handled about $10 Billion in investment transactions this year including the FBI Headquarters in Little Rock, the Department of Energy, the Law Enforcement Center in North Carolina, the Department of Justice facilities, and so on. These are the probably the hardest driving group of investment real estate sales agents and brokers in the country. He displayed a slide showing where the NAI offices are located around the world and said we are in 55 countries, have 350 offices around the world, have $45 Billion in annual transactions, we are a private company that is in the top 5 in the world, we have presence in 47 of the states with 5,000 of us that fall under the NAI umbrella, and we’ve got some pretty slick award winning technology which we will touch on a little later. A sampling of clients we work with is anybody from Gillette to the U. S. Postal Service to Midas to Ikea to Hertz to Pepsi and that’s only a partial list to kind of give you a feel of the level of service we provide.

Mr. Maas said around the country, one of the things that make us large and influential in the real estate field is the presence in a vast majority of communities; we have 188 offices around the United States and I’ll explain how that fits in with the plan we have on marketing. A little background on NAI Dayton, but we are all part of that Global and C3; the brokers average about 20 years of experience and we’ve done over a billion dollars in transactions which brings a lot of experience to the table. We manage about 1.5 Million square feet of commercial and industrial property here in the Dayton region; we’ve got 35 years of presence in the community; we have 16 agents and brokers – largest in the region; and probably within the next 30 days, we will have another broker on board with us. We draw the business and we appreciate the growth.

Mr. Maas said part of my background is working with defense contractors and black box environments, trying to bring technology from early stages to commercialization and finish out development, bringing companies into a whole different realm. In the process, I’ve learned the smartest thing you can do is start with an asset assessment which we’ve done with the real estate you’ve got; we looked at Riverside, looked at the area, looked at what’s going on, what’s worked, what hasn’t worked, and from that we go into a problem solving mode which determines how we can integrate the owner’s - your experience in so we have a better understanding because there’s individual things that you are aware of that we aren’t aware of – so we are looking for that; integrate our whole financial experience into that, and then try to leverage our local and national relationships and leverage the NAI Global relationships to client requirements. From that our purpose, the end game, is to convert these concepts into projects which mean results for you.

Mr. Maas said a real quick market assessment; what do you have and what do you want. We know what you have, we know where we are starting; the keys are what do you want. You’ve brought on Forest City and Woolpert and several people, so you’ve got a preliminary plan on what you’re looking for and we’ve gone through that. He displayed some drawings of building concepts from traditional to more modern and said that’s what we’re after, the end game; that’s what we’re all looking for. Part of the analysis and assessment is to look at what’s happening in the area; you’ve got most of the development within a 6 mile radius of this area has been by one broker, one development company. He displayed graphs showing 2009, 2011, and the current quarter; vacancy rates which were down, then with the economy kind of changing they were way back up, and they are starting to come back down again which is a good sign. Vacancy is about 14% and lease rates are about $22 per foot; that kind of determines what you can do with a building, we can’t put a user in a building and expect them to pay over what market is and we can’t get an investor to hold it for a user if we are over market so we have to set some meets and bounds on where we price a building. The forecast which is the one thing we are pretty optimistic with, the red line talks about vacancies which is anticipated over the next couple years, through 2014, going way back down and the requirement then for additional buildings to come up, so we think we are in the right place at the right time but nobody knows in this economy what direction it’s going to take.

Mr. Maas said how do we get there; like I mentioned earlier, its marketing. We set down and do a preliminary SWOT analysis which is strengths, weaknesses, opportunities, and trends factoring in how Riverside views their future – those are important questions to all of us. What we do with that is we look at it then we try to take advantage and leverage the opportunities or threats within the business community. That would include the investors, developers, and what we are looking to take advantage of is not only the base, the museum, the shuttle trainer, the military reunions, the possibility of signage for incorporation of the building, the corporate presence in the area. We need to get on the radar and at the same time maybe look for a tenant who would be interested in finding an investor. There are 2 types of tenants out there: a tenant who’s an owner and tenant in the building; and the other is going to be just a plain tenant and their business model is to not own real estate – that is not their business model, they put their dollars into human resources which is one of the keys to base activity and why you see a lot of movement around.

Mr. Maas said on related activity for NAI Global, here again I’m talking about the big picture, the 350 offices and 5,000 agents working around the country. Since 2006 we have put together 95 real estate transactions with the top 25 award recipients at Wright-Patt; Global has provided services to over 95,000 defense development Air Force and Army research type companies since 2006, so we have a lot of experience in that. If you have taken a look a some of the books, it may prove valuable to you; 6 degrees of separation is a pretty simple book and what it boils down to, if I need to get a hold of somebody, anybody in the world, I can probably accomplish it by 6 connections and I can get to that person. What we look at is with 350 offices and 5,000 people out there and a lot of people with or around technology, military issues, or whatever – we got a lot of avenues in to take care of trying to shorten that line down and get more direct communications with the people who are interested or should be interested in the area.

Mr. Maas displayed a list of memberships of organizations they belong to; I’m not going to go into detail but there’s DV Tree for Business if your decision trees are branching on networks and you get down to the minutia with 10% of the decision going this direction and 2% can go that way; the gaming theory for business is relatively simple, it says you are either going to take this option or that option. A good example is do you want to lease or do you want to own. We know from working with the defense contractors whether their business model is lease or own so why waste conversation that isn’t even going to get up on the radar. I’ll talk about connections again; NAI Boston, I’ve been up there, I’ve met with them and I know people that have been in their offices for years and moved out to California; they were top producers. We stay in contact with these people over extended periods of times; Michael and Evan are both involved in what’s going on. Evan is the broker that calls on Hanscom Air Force Base and he’s involved with their technology and their manufacturing issues. I talked to him about this project and he said it was kind of interesting because what we found is with some of the stuff leaving Hanscom and coming to Dayton, that MIT has now become a little more engaged with the military technology and they are going after a lot of research and development money. We know now that there’s a couple of competing entities which would be MIT and Hanscom operations and we’ve got Wright State, UD, and the Dayton operations, so that’s something we need to factor in to bring people to town. Like I said, we are in constant communication with them; I sent them a lot of information the other day just on what’s going on in Dayton to get some additional feedback.

Mr. Maas displayed a slide regarding relevant experience and said here we are talking on a local basis: Kettering Medical Center – worked with them last year to acquire over 100 acres of land near Hamilton, a $11.5 Million transaction; sold land to Miami Valley Hospital – the owners tried for years and years and couldn’t get a deal, then we got involved and it worked; the Job Center – it used to be a beat up old warehouse that was converted to a very functional operation which has been recognized throughout the country as one of the best of the best and I take a lot of personal pleasure in being involved in that one; Good Samaritan North – we worked with the hospital to acquire the 20 acres around the site in Englewood; Middletown Hospital purchased 100 acres of land and that was a $141 Million facility that went up down there; the GSA Social Security Office – when government contracts come out and the government is looking to lease space you have to put together a bid package which when done converts into a lease, parties sign off, and your lease is done; Kettering Hospital – another purchase, 60 acres of land in Lebanon for the Corwin/Dixon Medical Center; Scota which is the largest European trolley manufacturer – they won the bid with the Dayton RTA to build the trolleys, we brought them into town, found them a location and we thought we were going to keep them but the cost of a test track caused us to lose them; Wright State Physicians is kind of a war story – they were going into one of the buildings we represented and the cable people wanted to hold them hostage for about $30,000 to get medical imaging piped in to their particular suite, we got a hold of a competitor who provides cable and we were able to take care of it for $5,000; so our services include more than just a real estate sign. Its problem solving and we try to do the right thing for the right people.

Mr. Maas displayed a slide showing relationships: we have breakfast with the Director of Grandview once a week; the Kettering Medical Center Lawyer is a personal; friend of ours and we catch up with him a couple times during the year; we just got asked by one of the GM suppliers Friday to find a site here in Dayton for sequencing parts which we found over the holiday and they had a list on Tuesday; lunch with the Director of Dayton’s Research Institute; etc. For the marketing plan we are going to do some brochures, contact by mail, contact by email, the internet, etc. We are marketing the Wright Point buildings, they are distressed real estate. He distributed a flyer and called it a teaser; and said that is the start of information that goes out when we get involved in the listings to get people’s attention. On the Wright Point buildings there were 5,000 people/investors contacted with a flyer around the world in regards to acquiring these buildings. They were required to sign a confidentiality form before they could get access to privileged information in regard to income, tenant information, etc. and maybe at some point I would be happy to share that with you but it’s a lot of confidential information; but I this point I don’t feel comfortable putting that out. If you would like to see it I would be more than happy to show you; that is about a 30 page document that breaks down all the details of the buildings so if you are looking at it as an investor, you understand what’s going on.

Mr. Maas said on implementation I think the important things on this page are 2 things: online resources - these are the primary locations where marketing commercial real estate happens, anywhere from our website to the Dayton Commercial Industrial Committees. Up at the top we talk about International and National Investors/Developers Association with NAI Global Activity. We track everybody that we work with and it is shared with all 350 offices so if I’m looking for a company and somebody else within those 350 offices has done business with that company, I can get a hold of that broker to see if I can get a door opened. We have other ways to get past the gatekeepers but it’s getting more challenging because those people just don’t have time to talk anymore.

Mr. Maas said the target marketing is defense contractors, general office use, aerospace, medicine use, and training. We had an inquiry this past month; the Air Force is looking for a training facility which was supposed to be designated for the City of Kettering. We took a shot at changing that and it didn’t work but those opportunities are out there for that type of operation. He displayed a timeline chart and said that’s just an idea of what we do to keep everything on track and on time. He displayed a partial client list that included Wells Fargo, Morgan Stanley, the General Services Administration, USF Holland, Montgomery County, even Victoria’s Secret.

Mr. Smith said you mentioned the average rental space is $22 per square foot, the utilities up $14; is that above. Mr. Maas said correct; it will actually run between about $10 – the rough space that used to have 1 or 2 man operations will get down to $8 and then all the way up through the mid twenties for medical or law offices or stuff like that. Some rates are quoted to include utilities plus the type of buildings it’s in. Mr. Smith asked what he would expect for the Center of Flight, a classic building. Mr. Maas said it would be a classic building, unique users in there, you have a certain market you want to hit.

Mr. Puckett said basically a lot of things have changed the last 2 ½ to 3 years; rent rates, financing – for example; I started a project with Kettering Hospital a build to suit for about 25,000 square feet. At the time we didn’t know if we could get construction money, we didn’t know if we could get anybody to finance the project and take out the construction loans, so it took 2 ½ years to start the project. Originally we thought the property was at the cap rate – return on investment of about 9 ½; today we are looking at about 7 ½ cap rate – it’s just evolved that much. Things are changing and what we have to do with this project is, first and foremost, financial feasibility – it has to make sense. If it doesn’t make financial feasibility, we’ll never get it off the ground; so there’s a couple of things, like you mentioned the Center of Flight – some of those things; we don’t know what their budget constraints are, they may be a player, they may not be a player; we have to make the numbers work first and nothing happens if we can’t make the numbers work. There is a lot of good indication that cap rates and return investments are coming back for the investors; we feel like Ohio is a great opportunity for that and there’s a lot buyers from the states doing things and coming to Ohio to do those. But to answer your question, the people that come to us tell us what their parameters are and it’s going to be up to us whether we can fit them in to this or not. It’s a good thing but it’s also an uncertain thing; the numbers have to work. Mr. Smith said well give me an example, say a 65,000 square foot building, Class A, triple debt lease; what kind of money are we looking at per square foot over in the Center of Flight. Mr. Puckett said 3 year lease or 10 year lease. Mr. Smith said probably a 3 year lease. Mr. Puckett said that’s going to be a challenge because most investors, as you know with defense contractors, they usually have a 3 year lease and even want to buy it, so realistically that’s probably not the most desirable thing for most investors. Mr. Smith said no it’s not but with the contractors coming in to the base, they are looking to locate off site over there, if they don’t get anymore contracts or their contract is not renewed they are basically out of business. Mr. Puckett said you’re right but at the same time we have to look at guys like McCauley Brown that have been in this area for 20 to 25 years and how long General Dynamics have been in this industry; prime example, the Ashford Building on Colonel Glenn – most of those tenants there have been there with the newest about eight years old in that location but they are on a 3 year lease. We can get a track record established and that changes the game a little bit.

Mr. Maas said there are certain things that are vital to the base otherwise we wouldn’t be able to shake out what we’ve been able to on the BRAC; so the way it works, and I’ve been around the defense industry for awhile, the best way to look at this is the government is going to put out the contracts. Now whether it’s your company that gets the contract or his company that gets the contract, you end up doing agreements to where you are not burdened with all the human resources and you have the skill sets that he doesn’t have and you complement each other. So within that, there is movement within those operations; sometimes you’ll pick up the extra space in your building or he’ll pick it up in another building and that’s where we feel we’ve got some play – being able to look at people and create some of these things. The other thing we talked about was just preliminary discussions with Mr. Murray; Courthouse Square downtown is surrounded by office buildings and that ground is not owned by them; the ground is leased to the building owners on a ground lease that is good for 99 years or *x* number of years or whatever and that gives you control, or in your situation, that would give you control over the land in the long haul, hold down the initial cost for an investor and then the building can come off of that. Everything at the Dayton Airport is a ground lease. It’s a different breed of animal the banks don’t necessarily know how to finance it but like in Marvin’s discussion earlier with Kettering Hospital, Marvin represented the owners. Kettering wanted to move in because it’s down by MCL Cafeteria, which everybody that’s a senior in Kettering seems to migrate over there to grab dinner a couple times a week, so Kettering Hospital wanted to be down there to expand and Marvin’s owners wanted to get through and get financing as best they could as low a rate as they could. Marvin was able to put together a nonrecourse loan for the owners based on the strength of the tenants and all that. So there’s ways you can work through and whatever the banking situation is, it just takes a little time to work through those. It could just be a high rent like I talked about earlier, maybe it would be a growing lease for someone coming in that needs the building and wants that presence then at some point you can trigger a sale of the land to that particular party. There are all kinds of different ways of structuring it once finding out what their business model is, what your comfort level is, where the banks are coming from, and then you put the puzzle together and go forward. There are all kinds of options and it’s just finding the right ones to make it happen. I’d love to be able to say we should get *x* number of dollars per square foot out of that building but its raw numbers.

Mr. Puckett said one of the things that’s changed in corporate life the past 4 years, at one time corporations wanted to own their own buildings, they would take a building just like it was, pay $12 per square foot, and they did their own stuff to it; well that’s changed. Corporations now are operating by the edict that they want to keep every dime in their pocket, they want you to do the entire thing, and they will pay $18 or $20 or $22 or whatever, but they don’t want any money to come out of their pocket. Corporations have gone since 2006/2007 with just about $1.0 Trillion in cash and are now sitting on $5 ½ to $6.0 Trillion in cash. They are going to do things; they are looking for the next indications that this is the time to invest in your core businesses but the edicts we’ve heard is that they want to keep every dime in their pocket, so that’s got to refine; if they come to us and give us demands, they will have to pay a commensurate rate for those demands with a certain amount of return on investment that’s appropriate.

Mr. Maas said the companies are getting positive cash flow because they have cut back on the number of employees unfortunately; what they are waiting for is the competitor is either going to shrivel up and go away or the competitor is going to be pretty weak and they are going to buy it. If you look at what’s happened with General Dynamics, they picked up a company in Springboro last week; they are looking at those investment opportunities and they are going to go after them. That results in consolidation, that results in moves, and that gives us additional opportunity.

Mr. Smith said well the return on investment is going to come from the debt dollar after they pay the rent and pay the taxes and so forth and it’s hard to put a number on your return on investment until you’ve actually had a time period where you’ve collected your rent and your bills have come in. I don’t think that should be a factor; of course you know investors are looking for that return on investment. What I’m looking for is if the City of Riverside were to build a building over there, what kind of money can we expect to get per square foot; that’s where I’m going with this. Deputy Mayor Denning said if we were the investor. Mr. Smith said right, if we were the investor and leased it out to the contractor; that’s my question. I’m not saying we are going to do it; I’m not saying it’s the plan; I’m just throwing it out there – what if? Mr. Maas said I don’t know what the building costs are; we didn’t sit down and look at the cost for the building. Mr. Murray said I can’t remember the per square foot but it’s projected at about a $12.0 Million building for 65,000 square feet, $3.0 Million grant, $9.0 Million mortgage is what we were looking at. Mr. Smith said it’s just hypothetical, I’m not saying we’re doing it. Mr. Murray said right; he’s just looking for the square footage. Mr. Maas said get your calculator and give about a 10% return off of it against the 65,000 and that will tell you what your triple debt rate would be. Mr. Puckett said the gross would be about $1.5 Million per year; your cost would be about 50%, maybe a little less. It should net about $750,000 per year. Mr. Smith said that would be a 50% return on investment. Mr. Pucket said no; you paid $12 Million for it. A building like that depending on if there were appropriate tax abatements – there are a lot of factors but the first thing we have to focus on is who are the clients out there. Mr. Smith said say you throw a number out there at $18 per square foot, triple debt. Mr. Puckett said I wouldn’t throw a number out there; I wouldn’t want to hear you say what you wanted before you meet your clients – if I have a high tech user that has specific needs, one meeting room can cost ½ Million dollars. It’s all about the parameters of what those people need. One of my projects worked very easily because it was basically a shell; 14,000 square feet of it and I didn’t have any build out, so I built it for approximately $55/foot but you could get into $250/foot in construction – hopefully it won’t be the whole building but again, the rents have to be commensurate with what the amenities are and that’s where it has to start. Deputy Mayor Denning said it depends on if they need clearance walls and things like that because they are going to have to pay for skiffs and stuff like that. Mr. Puckett said exactly and that’s where we come back to you guys and say is there any money out there from some other organization that can help us with the technology for this or some other state programs and its all about the demands of the customer. One of the reasons we’ve been successful is we don’t take our product and cram it down the mouth of somebody that really doesn’t want to swallow that; that product has to appeal to the people that come to us so it sells itself. We have to make sure they want what we have and what we have in mind fits their needs, and they want it; then it’s our responsibility to make the numbers work.

Mr. Curp said we’ve been working on this particular piece of real estate for about 8 years or so, 2004/2005 to current; and we’ve had 5 major representative firms handling that for us over the years - one in the southwest Ohio regional, another was tri-state regional, three were national, and we had NAI in there probably in 2008/2009 trying to attract a restaurant. BRAC has passed us by - they are out at Wright-Patterson, the new buildings, plus Beavercreek and Fairborn some of those office buildings, there are roughly 70,000 square feet in the Wright Point buildings; what can you do to help us identify what’s not working for us as far as doing your swot analysis, your market and business analysis, that sort of thing. What can you do differently than whatever these other outfits might have been doing to help us understand what’s not working, how to get over these hurdles, and get something going there.

Mr. Maas said I go way back to when that building was owned by DAP; when it was vacated and eventually picked up by the city. I watched it through various stages and gestation; I think you got an overseer that has their own particular model, their own particular way of doing things, and their unique relationship with other parties in the region. For example, Mills has a very close working relationship with Don Huber and the Huber family; a lot of the ground he is developing out there on 675 belonged to the Huber family, so it’s a friend dealing with a friend and it wouldn’t surprise me if Huber had part interest in whatever Mills is picking up. It’s kind of like the old story – location, location, location; but it’s also who you know and its part of that 6 degrees of separation we talked about and who can you reach out to, to get it. The first part of this year we took over the buildings across from the Fraze Pavilion; they were represented over a 2 year period by two different firms. We took it over and within the first month we had a restaurant user lined up that was going to go for a lease and maybe a half dozen other people that have come into the building; the owners are telling us that they saw more activity in the building the first month than they did over the year the competitors had it. I probably don’t deserve what you’re doing for me and I greatly appreciate it but I don’t know how to answer the question other than we’re not afraid to work. I don’t know what’s worked, what hasn’t worked, where it failed, what didn’t happen, what could’ve happened or should’ve happened; right now vacancy is terrible and everybody’s concerned with the issue of sequestering and everything else that’s going on out there, that diminished some of the value of those buildings unfortunately. Plus, as I mentioned earlier, this company we are a part of, C3, has $150 Billion stressed real estate out there and that has a real impact on the market. That’s why we talked earlier about a ground lease or something like that; let us sit down and figure out how to do it but I’ve got 5,000 other people out there that I can tap into for ideas and a fair number of them are dealing with defense contractors or aerospace medicine or whatever and once we get a sniff on what’s going on with the BRAC going into next year, if we got any indication as to who’s in play – I’m not bashful, I’m not afraid to fly out to that city and sit down with the NAI office out there and say let’s get them into Dayton; we’ll find them a spot here, you represent them and we’ll be fine. We do the best that we can to make things happen. I was afraid we were going to lose Holland, they were ready to go to another site, and my question was what if I can make the Drive-In Theater available for you and he said okay we’ll talk about it. We sat down with the owner, we came up with a number, and the city was able to pitch in some incentives to control the costs and we held them here. As long as the battery doesn’t run out on the energizer bunny, we’re fine.

Deputy Mayor Denning said I think part of the answer is times have changed too. We’ve had a big BRAC influx in those 8 years; unfortunately, we haven’t gotten anybody to build a building down here. I think part of the answer is times are changing and moving in a positive direction vs. going in a downward direction they had been going.

Mr. Maas said my position is to always understate and overproduce. I can tell you the rest of the group is of the same opinion. I don’t want to blow smoke at you and put up mirrors and all that others stuff, all I can tell you is down deep from the heart, there’s a lot of drive in everybody in this office and that’s what I look for; that’s the only thing I’m going to bring in the door is the drive to make it happen.

Mr. Schock said you stated that you watched the DAP building close; why didn’t you jump in and say I can help you back then when the times were better. Mr. Maas said Kevin Carver was here at that point and was doing economic development; I threw him whatever I could. I went through the thing with Morris Furniture trying to get them to expand or whatever and he just lied to my face; so just like a little kid, you pick up the pieces and you go back and you try again. We had a couple other people we tried to bring in there. Mr. Schock said a little history helps. Deputy Mayor Denning said the answer is administration has changed since then too. Mr. Maas said true.

Mayor Flaute asked David Cole an audience member if he had a question.

Mr. Cole said you did mention that you were representing the property at Wright Point. Mr. Maas said right. Mr. Cole asked if there were other large properties in the area they were managing with more success. Mr. Maas said as far as property management; we have a couple of functions there, we are selling the building, we are managing the building – collecting the rents, paying the bills, and we have another agent in there that’s leasing the building out. Having said that let me see if I can narrow in on your question; are there other buildings like that. Mr. Cole said what other properties are you representing in Riverside; Spin-Kemp is on your website. Mr. Maas said Spin-Kemp is one of the properties, it’s a small one and it is distressed and it’s a problem. We haven’t been able to find people in there that have the cash flow and we are debating at this point to just give it up and recommend the property go up for auction. Mr. Cole said well back to the Wright Point Center then; if you were to build a brand new building right next door, you’ll never rent the Wright Point properties, right? Mr. Maas said I understand your concerns; there’s 2 things you are looking at, one, you have a Class A building you are talking about constructing that’s uniquely designed for that particular region which means the building is more efficient; and the other thing is, that’s a higher section of the market, so if you put a couple of tiers in the market, Class A building and a Class B building, the Wright Point buildings are Class B buildings and will be in the $15 to $16 per foot. We are probably looking in the $20 range for a brand new building with sufficient tenant groups situated where everybody is comfortable, unless we get lucky and we do a huge space with a high number of employees. Mr. Cole said what would be the big advantage to the south for people coming to the area not to build up Colonel Glenn somewhere; would the attraction be the view of the museum, is that the sales point? Mr. Maas said the proximately to the museum, you’re right. Mr. Cole said is it harder to sell something at the Center of Flight than just 2 blocks up the hill. Mr. Maas said I think being able to sit down with everybody here at the city and understand what has happened, what has come to the door, and what hasn’t come to the door to where we get a real good understanding of what I’m going to call the “as is” situation of today and we’ve done a lot of that with Bob. I feel comfortable we can start to turn the thing and get going in the right direction.

Mr. Puckett said I brought clients from New York to buy those 2 buildings that are vacated today 4 years ago when the buildings were at 96 to 98% occupied; my clients own buildings on Colonel Glenn and their buildings today aren’t as nice as those 2 buildings and they are 98% occupied. Mr. Cole said that’s exactly my point. Mr. Puckett said the reason those buildings are in that situation is because of the way they were handled financially and managed; financing and poor choices by previous owners – those are better buildings. Mr. Cole said they’ll be full in 90 days then, right?

Mrs. Lommatzsch said income tax is an issue too.

With no further questions; Mayor Flaute thanked Mr. Maas and said we appreciate all your hard work. We do have legislation coming up a little later and will deal with that when it gets here.

b. Discussion: Waste Collection

Mr. Chodkowski said during council’s last meeting when enacting legislation for assessments for the 2013 service, there were some questions and concerns about what options were available to the city with respect to waste collection; specifically with the additional service options with the City of Dayton and with respect to staff’s recommendation to seek bids for those services. To give council the opportunity to discuss the matter one final time and understand those options and those multiple directions that were available to you, I sent a memorandum to you a couple weeks ago that highlighted exactly what issues were identified with the Dayton service over the last 5 years and why staff was recommending the bid process for this particular service but also that the options were available with Dayton if council wanted to exercise those for the prices that were attached within the exhibit. To that end, I did provide you with that information and Mr. Stoval and Mr. Ritchie from the City of Dayton are here to answer any questions you might have regarding the information provided in the memorandum.

Mayor Flaute asked if council had any questions or concerns for Mr. Stoval or Mr. Ritchie, then we need to know which direction council wants to go. Mr. Smith said we are putting it out for bid aren’t we. Mayor Flaute said we have that option or we have to option for 2 more years with the City of Dayton.

Deputy Mayor Denning said or 1 more year and put the bid out early enough so that we know what the number is before we go to the Auditor, because I think part of our problem this year was that we had to go to the Auditor before we knew what that final number was. I don’t know where that issue came into play but to cut down on the situation and the concern, we need that number before we go to the Auditor because that’s what really caused most of the discussion; we were putting a number out there and, a. looking at what other communities the same size were getting and b. the cost. We were guessing and had nothing in concrete on what that number was. I think we need to work more in what is real than what might be or should be or whatever. I guess I would like to suggest that we continue the Dayton contract for 1 more year but that we get the bid out by May so that we have the number by July so we can vote on the legislation so we can have it to the Auditor well in advance of the deadline. That also gives us a little bit of a cushion for questionable discussion and things we have issues with that might slow us down. If we don’t have that bid in May, we are never going to get done in time. That’s probably my biggest frustration being on council is that things take so much longer to get done than if I just want to go to K-Mart and buy something; I just buy it and I don’t have to go through 6 bids. Mayor Flaute said we only do this every 5 years too. Deputy Mayor Denning said at the same time, I’m not real interested in the fact that what we did was say okay we are only going to charge you so much this year but if this bid comes in higher, next year we are going to charge you extra to make up for the difference; I’m not real comfortable with that situation either. I would rather see us if we got the option, we know it’s going to be $140, charge the $140, bill the $140, pay for the $140 to Dayton but make sure we have our bids in time to make a correct decision on what we are going to do.

Mayor Flaute said very good; any other discussion on that? Mr. Smith said I think we ought to put it out for bid and see what comes back. Mayor Flaute asked if we could wait until May. Mr. Smith said I’d like to do it this year. Mayor Flute asked why? Mr. Smith said I think it would be a good option to see what we have and if we have to wait until next year to exercise that bid, we’ll have it there in front of us. Mayor Flaute said if we do it in May, we will have it in front of us by the time we have the assessments going to the county. May is not that far away and we already know what the parameters are, we’ve talked a lot about the parameters of how we want to bid; so unless somebody really changes their mind on things, those parameters are all set and I tend to believe it would be smoother. Mr. Smith said it would be a smoother transition to wait and do it next year, I agree because we don’t know what those numbers would be and we are playing with the taxpayer’s money, however, I’m just not real happy with the City of Dayton’s service. Deputy Mayor Denning said well here are the gentlemen we can talk to. Mr. Smith said since a couple weeks ago the service has improved but if we approve their contract for another year, it’s going to back the way it was. Mayor Flaute said it better not.

Ms. Campbell said before we discussed about it being .25 cents more and the same quality. Mayor Flaute said is that what the option says. Mr. Chodkowski said it’s the first term renewal rate; currently it’s $11.50 per month, and for 2013 it would be $11.75, then it goes up another .25 cents for the second renewal term which would be 2014 at $12.00, and then the third renewal which would be 2015 would be $12.25.

Deputy Mayor Denning said to me, we know it’s going to be $11.75 for next year; we move on with that, but if we’re concerned about the services we are getting for our constituents, then we need to put it out for bid but we need to have it in time so we can make a good decision for the city. If it’s going to go up to $14.50 or something like that then we have to weigh that against the $12.00 or whatever its going to be.

Mr. Smith said realistically we are not going to be able to resolve a new trash service company this year because there’s a lot of talk about what size recycle containers we want and what we are willing to pay for that and how often we want to have our trash picked up. Deputy Mayor Denning said that’s all in the bid package and I’m not saying change any of the bid package; I’m saying put it out in March so we have everything back in May so we can make a decision and we have that decision made in time to get to the Auditors so we have a real number and we know what that number is. Mr. Smith said I agree. Deputy Mayor Denning said that to me makes the most sense for us all.

Mr. Schock said I’m all for letting it fly for another year. Ms. Campbell said I’m not sure.

Mr. Curp said I’m not concerned about the quality of the City of Dayton’s service delivery; I’m concerned about citizen perceptions. I do a 2 mile walk through our community every day; I go through 3 neighborhoods and I don’t see the major service issues that citizens might call in and talk about as far as their perception. I did have breakfast this morning with a councilman from another community that has several private haulers in their community and they told me they had the same types of complaints from their citizens, so it’s a perception issue I think we have to address. Secondly, one of the things staff has told us is there are some discussions going on between a Riverside official and officials in another community to perhaps join together in a joint trash hauling bid and the other community is currently going through a community survey to get perceptions from their citizens; it might be well for us to hold off on doing a new multi-year contract until we see where that’s going to go because that could lead us to either stabilizing our rates or maybe even improving our rates. I’m content with exercising the option.

Mr. Schock said for 1 year. Mayor Flaute said that’s all we have to do is 1 year at a time, right? I haven’t seen a lot of the issues that I’ve heard the complaints on: the 2 big complaints are – 1. put the trash can back where it was, and I know wind blows and the snow flies and sometimes that happens but it’s more than that; and 2. please send out a recycling person and a trash hauler. I’ve had more complaints about they are throwing it all into the trash, even the recyclables; if you could please work on those 2 issues, please.

Mr. Curp said one of the problems that arises there is if people throw stuff in the recyclables that’s not recyclable, the whole thing has to go into the regular trash – you can’t send that to the recycle operation. Deputy Mayor Denning said its perception.

Mr. Fred Stoval, Director of Public Works for the City of Dayton, said I’m not going to sit here and paint a picture that everything has been rosy with our contract; it hasn’t and we’ve had some service delivery issues. Bryan and I have had many discussions about those, we have addressed them, and no I haven’t fixed all of them 100%; it was just recently Bryan brought to my attention about the recycle issue. Mr. Ritchie flushed that out with his work group; it was in our error and the involved employees admitted they were putting the recycles in the trash truck. The reason they claimed they wanted to do that, they were trying to get off the job early. We’ve dealt with those employees and now we know that problem is resolved. The phone issue was brought up in the past; when we started the beginning of 2010, I will admit we had a long wait time not only with our customers in Riverside, but with customers in Jefferson Township and in Dayton because we didn’t really have the proper phone system to deal with the influx of calls we had when we established the public works call center. This year we implemented a new voice protocol phone system and now we have top technology where we can monitor the calls on how many people are waiting, how many reps are on the phone, what’s the time the caller has been waiting, and so forth. We are recording every call so now Mr. Ritchie has management tools and accountability to make sure we are answering the calls in 2 minutes or less; that’s the challenge my city manager has put on me not for your calls but for all the calls that come to the call center. So I think if you check with your people now, I think they can get calls in much faster. I think we resolved about the container being put back; I think we pretty much flushed that one out pretty well – all of you walk through your neighborhoods, I think we are there. The one thing I would recommend if we move forward next year is that I have some kind of communication so I get immediate feedback when concerns come up for the containers not being put back or whatever the reason is, that those calls can be directed to me or Mr. Ritchie; establish that protocol so I can immediately follow up and deal with that issue right then and there and know if it’s legit or just a perception that’s coming from our customers. That would be my best recommendation on how we deal with this for the next year; if we don’t perform, then I agree it should be handed over to somebody else but I want to know we are not making our best effort. I know we can deliver the service, I think we have our employees on the same page to understand what we must do and that this is a process we want to continue. I think we have a new commitment to deliver the quality and the service you expect; I think we are on that path and I think we can maintain that.

Deputy Mayor Denning said I have 2 things; one that my wife went through is that make sure your call center folks are properly trained on what services Riverside gets vs. what Dayton gets because she was not treated properly, I feel, over the phone. Secondly, do you have larger recycling bins? I have the small little blue container. Mr. Stoval said we do have the 32 gallon. Deputy Mayor Denning said if we could get something into the city news letter or some communication to folks that they can get bigger recycling bins, I think that may help both of us recycle more; I know mine most of the time is overflowing, so rather than have stuff blow all over the neighborhood, I put it in my trash which doesn’t do either of us any good. If folks knew they could get the bigger recycling bin I think a lot of them would take advantage of that so I think we need to get that information out to them. Mayor Flaute asked if that is something they would be willing to do. Mr. Stoval said that’s something we need to follow up with the City Manager.

Mr. Schock said your idea is pretty good so why not just deliver them to everybody. Mr. Stoval said well there’s the cost. Mayor Flaute said I don’t need a bigger one. Deputy Mayor Denning said a lot of people don’t; if they only have a couple people in their family, they don’t necessarily need the bigger one.

Deputy Mayor Denning said another question I have is: are those ladies and gentlemen that are working in the City of Riverside paying City of Riverside income tax or are they paying City of Dayton income tax? Mr. Stoval said Dayton, I assume. Mr. Chodkowski said that would have to be a question for Mr. Garrett. Deputy Mayor Denning said if they are working here more than 13 days a year, they should be paying our income tax first. Mr. Stoval said I don’t know if those people are working the whole year around in this area that is something we will need to follow up on; do we need to rotate some people – we’ll have to flush that out. Deputy Mayor Denning said if they work more than 12 days out of the year in our community, they should be paying our income tax.

Mr. Stoval said let me follow up on the first concern you brought up about the delivery of service; the wind storm seems to be a common thing for us now and those are the ones I think have been causing the issue. When I do a public announcement after we have a wind storm in City of Dayton – this is what we are doing for the City of Dayton and that does cause some confusion for the City of Riverside and for Jefferson Township, what am I providing for you as far as picking up debris when we have these frequent wind storms that seem to be occurring every year now. That’s something we need to flush out for next year; what will be the established protocol for that.

Deputy Mayor Denning said I do like the way that the only holiday that is not picked up is Christmas if Christmas is during the week. My trash day happens to be Monday so it’s really confusing if it is a holiday but I know that unless Christmas is Monday, I put my trash out on Monday and it doesn’t matter. I really do like that service. Mr. Stoval said I try to make that distinction on the news releases because in Dayton, I don’t pick up on the holiday, we go to the next day. Deputy Mayor Denning said I’m sure on the next contract that may change.

Ms. Campbell said no matter who we have, you are going to have complaints, but he’s trying. Mayor Flaute said I agree.

A motion was made by Mr. Schock to extend the contract with the City of Dayton for one year. Deputy Mayor Denning seconded the motion.

Deputy Mayor Denning asked if that was we are going to put the bids out in March. Mr. Schock said right. Mr. Chodkowski said I don’t think it needs to be built into the motion; we’ll have some timing issues because there are price guarantee timelines and what not. Deputy Mayor Denning said right; I just want to make sure we have that information well in time to beat the Auditor situation we ran into this time.

With no further discussion, all were in favor; none were opposed. **Motion passed.**

Mayor Flaute thanked Mr. Stoval and Mr. Ritchie for coming and said I know we will see good results. He also thanked Mr. McNelly from Rumpke for coming in and helping answer our questions. Mr. McNelly said you made a good decision not to rush anything and get what you want; they are doing a good job.

**ITEM 7: RECESS:** The Council took a recess at 7:26 p.m.

**ITEM 8: RECONVENE:** The meeting was reconvened at 7:40 p.m.

**ITEM 9: PLEDGE OF ALLEGIANCE:** Council Member Deputy Mayor Denning led all those in attendance in the pledge of allegiance.

**ITEM 10: MINUTES: Consider approval of the minutes of the August 16, 2012 council meeting.** A motion was made by Deputy Mayor Denning to approve the minutes as written. Mr. Schock seconded the motion. All were in favor; none were opposed. **Motion passed.**

**ITEM 11: ACCEPTANCE OF WRITTEN CITIZENS PETITIONS:** Mayor Flaute advised citizens to fill out a form if they wished to speak about agenda or non-agenda items.

**ITEM 12: CITY MANAGER’S REPORT:**

1. FYI Items
2. Council Request Sheets.

1. Council Agenda Calendar.
2. Memo from Bryan Chodkowski, City Manager, with Revenue Enhancement follow-up information from the August 2, 2012 City Council meeting.
3. Minutes of the July 16, 2012 Planning Commission meeting.
4. Minutes of the April 24, 2012 BZA meeting.
5. Weekly Manager’s Report.

Mr. Chodkowski said you have my report and I would be happy to answer any questions.

Deputy Mayor Denning said I am glad the lights are finally up at Airway; are they going to add concrete across the area that used to be the entrance. Mr. Chodkowski said no; the way that will work is it will be posted for right turn exit only from both the old location leaving Airway Shopping Center as well as right turn only leaving the Goodyear facility. The legal requirement to obey the law is still the same, the maintenance and costs thereof to put in the concrete outweigh its ability to actively influence the flow of traffic. Deputy Mayor Denning said I know this is in the first few days but I rode my motorcycle through there the other day and somebody pulled right in front of me and made the left turn. I hope the Chief will keep an eye on that; possibly, once folks get used to that it may go away but I think we need to keep a really close eye on that because I’m afraid that we’re going to have some major injuries there if we don’t do something. I’d be happy with the plastic road crossing barricades for a while just so people understood they’re not supposed to go through there anymore because I think it’s a safety issue looking to happen. Mr. Chodkowski said we’ve talked about if the need arises within the delineators, you might think of the Stebbins exit on Valley – the flexible plastic poles there, if the situation dictates, we would have the ability to put those in. Those are actually surface mounted so we have the ability to add those after the fact; sometimes they are effective, sometimes they are not – we’ll have to wait and see.

Mr. Smith said at that intersection we are talking about, what would it cost to put cement in there to have a right turn only out of the shopping center and a right turn only going in. Mr. Chodkowski said you’re talking a few thousand dollars. Mr. Smith said that would work better than those poles you’re talking about. Mayor Flaute said we’ll just have to keep our eyes on that.

Mayor Flaute said Linda Gray is leaving us; that’s such a shame she is moving to Kettering. I knew that was coming and she has certainly been a big part of our city so we are going to miss her greatly. You have in the report that we need to formally accept Ms. Gray’s resignation enabling the clerk to advertise for this vacancy.

A motion was made by Deputy Mayor Denning to accept Ms. Linda Gray’s resignation, with regrets, from her position on the Board of Zoning Appeals. Mr. Schock seconded the motion. All were in favor; none were opposed. **Motion passed.**

**ITEM 13: PUBLIC COMMENT ON AGENDA ITEMS:**  There were no public comments on agenda items.

**ITEM 14: NEW BUSINESS:**

**I. RESOLUTIONS**

* + 1. **Resolution No. 12-R-1707 consent for ODOT to perform Bridge Inspection Program Services on the Harshman Road Bridge over Springfield Street (RVS-74-3.30) and the Woodman Drive Bridge over the Bikeway (RVS-74-0.65) further identified as PID No. 92541.**

Mr. Chodkowski said this resolution is to authorize ODOT to perform bridge inspections for 2 bridges on Harshman/Woodman.

A motion was made by Mr. Smith to approve Resolution No. 12-R-1707. Deputy Mayor Denning seconded the motion.

Mayor Flaute said this bridge inspection is for the Harshman Road Bridge over Springfield Street; is there a reason why – a concern? Mr. Chodkowski said as I understand it there are funds available in ODOT’s budget this year that have not been allocated for other purposes and so they have graciously offered to utilize those funds for these 2 specific bridge inspections.

Mr. Smith asked if they were going to pay 100% of the cost of the inspections. Mr. Chodkowski said yes.

Deputy Mayor Denning said we have to have the bridges inspected every so often anyway so this will meet that requirement so we’ll be good for however many more years we are allowed. Mr. Chodkowski said those specific bridges, yes; I believe we are on a 3 year rotation for all bridges.

With no further discussion, all were in favor; none were opposed. **Motion passed.**

**b. Resolution No. 12-R-1708 authorizing the City Manager to enter into an Electric Generation Supply Agreement with DPL Energy Resources (DPLER for municipal accounts.**

Mr. Chodkowski said this resolution is to authorize the city to enter into an Electric Generation Supply Agreement with DPL Energy.

A motion was made by Mr. Schock to approve Resolution No. 12-R-1708. Deputy Mayor Denning seconded the motion.

Mayor Flaute said so what you’ve said here is this is what we have done in the past. Mr. Chodkowski said not necessarily; several communities throughout the Miami Valley Cable Council cooperatively negotiated a service agreement with DPL. We were not part of that at the time, we were in an off cycle, and the last cycle contract that the city negotiated with DPL put us on the same cycle with the cable council communities. Our contract is expiring and I contacted the MVCC and asked them if the city can be incorporated into their existing agreement; right now there are 2 contracts, one for general service – the electricity here and station 6 and the sign shop; in 2015, the street light contract will be renegotiated and we will be part of those contracts in 2015 and we are also moving into that existing contract at the start of this year as well. We will see savings on both accounts although we are not required to enter into any specific agreement related to the street lights. Mayor Flaute said and just for clarification, this has nothing to do with any of the residents’ DP&L bills. Mr. Chodkowski said that is correct.

With no further discussion, all were in favor; none were opposed. **Motion passed.**

**c. Resolution No. 12-R-1709 authorizing the Lily Creek Citizens Group to place temporary promotional signs in the public right of way under certain terms and conditions.**

Mr. Chodkowski said per council’s request, this legislation is brought forward to authorize temporary signs within the right of way on behalf of the Lily Creek Citizen’s Group.

A motion was made by Mr. Schock to approve Resolution No. 12-R-1709. Deputy Mayor Denning seconded the motion.

Mayor Flaute said I did get an email from the group saying they are not really going to be doing anything in the near future as far as they know.

Mr. Smith said I got an email saying they were going to show a movie; something about “Why are we spraying”. Mayor Flaute said but they said they were just going to advertise through the emails and they weren’t going to put a sign up for that was my understanding.

Mr. Schock asked how come there are no locations posted with this resolution. Mr. Chodkowski said council asked at the last meeting that legislation be brought forward specific to the request and her initial request did not contain that information so that information is not included in the legislation. Deputy Mayor Denning said and we don’t always get locations; we prefer it, but we don’t always get it and this legislation basically mirrors what they asked for. They are not going to put anything up until 10 days prior and they are going to have it down the day after; I think this meets all the requirements we need.

Mr. Smith said they do list the locations in their letter, last paragraph. The only problem I have with it is it’s not for a specific reason; it’s just a broad based approval for them to put a sign out anytime they want to have a meeting. Mayor Flaute said that’s what we are up against.

Mr. Schock said I think we should put an expiration date on this; make it only good for one year or whatever. Mayor Flaute asked if he wanted to add that to the motion. Mr. Schock said I want to know how everybody else feels about it before I add anything to the motion.

Mr. Smith said I’m not too excited about giving them the ability to put out signs without having a purpose or cause in mind, but if we were to approve this, I like the idea of putting a time limit on it, maybe 3 months – that would take us through the end of the year. Deputy Mayor Denning said all that means is they have to come back for approval again. Mr. Smith said right now there’s really no purpose to their request for signs and this video they want to show “why are we spraying”; we don’t spray here in the City of Riverside do we? Deputy Mayor Denning said its information for our citizens, it’s positive for our citizens, it’s a way for them to get out that they want to show this movie. They may not end up putting out the sign, they may end up having only 5 people there, or they may end up with 500 people there; all we’re saying is you can put up your signs so citizens can have the information. They are going to have it out for 10 days, then take it down, and they may do this 3 or 4 times during the year and they may not do it at all. All we’re saying is its okay to put them in the right of way for 10 days. Mr. Smith said okay, I’ll go along with that.

Mr. Curp said for this resolution and for item “f”, I will be taking the same position I’ve been taking over the last several months regarding signs in the right of way and that is I won’t be voting on this one way or the other. Again, the Law Director has told us what we are doing is improper and I’m not going to vote on something our legal counsel has told us is improper. So I won’t be voting on this.

Deputy Mayor Denning said Mr. Curp if you are not voting on this will you recuse yourself and leave the room so it does not impact the quorum. The last time you chose not to vote, it impacted the quorum and it ended up being a no vote which let it fail, so you might as well either vote or recuse yourself.

Ms. Campbell said why; it’s an open meeting.

Mr. Curp called for the question.

With no further discussion, a roll call vote was as follows: Mr. Schock, yes; Deputy Mayor Denning, yes; Ms. Campbell, no; Mr. Curp, not voting; Mr. Smith, yes; and Mayor Flaute, yes. **Motion passed.**

**d. Resolution No. 12-R-1710 authorizing the City Manager to enter into a Job Creation and Retention Grant Agreement with Chuck Evanhoe and Associates.**

Mr. Chodkowski said this resolution is to authorize the city to enter into a Job Creation and Retention Grant with Chuck Evanhoe and Associates.

A motion was made by Deputy Mayor Denning to approve Resolution No. 12-R-1710. Mr. Schock seconded the motion.

Mayor Flaute said on the impact it says 50% increase in the income tax refunded; can you explain that for me please. Mr. Chodkowski said based on the language within the agreement, based on the total number of additional jobs Mr. Evanhoe is required to attempt to add, the amount of the city Job Creation/Retention Grant shall be the lesser of 50% of any new income tax revenue or 0% of any retained income tax revenue; the total payout cannot exceed $50,000 over the term and this agreement is for a 5 year term. Mr. Murray said so far he has created 7 jobs. Mr. Chodkowski said he is required to create 10 over the course of the agreement.

Mr. Smith said so instead of paying 1.5% income tax, they pay .75%. Mr. Chodkowski said on those new jobs. Mr. Smith asked what the income or pay grade is for those new jobs. Mr. Murray said we have the range starting in the lower $30,000s and go up to $120,000s.

Deputy Mayor Denning said these are software engineering jobs and every time I go by his offices the parking lot is full which is awesome for the city.

Mr. Murray said he was supposed to invest $188,000 and he’s actually up to $276,000 right now. He’s growing at a standard rate of about 25% per year and he’s a very good commercial citizen of Riverside.

With no further discussion, all were in favor; none were opposed. **Motion passed.**

**e. Resolution No. 12-R-1711 to approve changes to the Ohio Association of Professional Firefighter’s 457 Deferred Compensation Plan.**

Mr. Chodkowski said this resolution is to authorize changes to the Ohio Professional Firefighter’s Deferred Compensation Plan.

A motion was made by Mr. Schock to approve Resolution No. 12-R-1711. Deputy Mayor Denning seconded the motion. All were in favor; none were opposed. **Motion passed.**

**f. Resolution No. 12-R-1712 authorizing the Riverside Jaycees to place temporary promotional signs in the public right of way under certain terms and conditions.**

Mr. Chodkowski said this resolution is to authorize the Riverside Jaycees to place temporary signs within the right of way.

A motion was made by Mr. Schock to approve Resolution No. 12-R-1712. Deputy Mayor Denning seconded the motion. A roll call vote was as follows: Ms. Campbell, no; Mr. Curp, not voting; Mr. Smith, yes; Mayor Flaute, yes; Deputy Mayor Denning, yes; and Mr. Schock, yes. **Motion passed.**

**g. Resolution No. 12-R-1713 by the Council of the City of Riverside, Ohio authorizing the City Manager to execute a Memorandum of Understanding between the City of Riverside and the Montgomery County Land Reutilization Corporation (MCLRC).**

Mr. Chodkowski said this resolution is to authorize an agreement been the City of Riverside and the Montgomery County Land Reutilization Corporation.

A motion was made by Deputy Mayor Denning to approve Resolution No. 12-R-1713. Mr. Smith seconded the motion. All were in favor; none were opposed. **Motion passed.**

**h. Resolution No. 12-R-1714 by the Council of the City of Riverside,Ohio, authorizing the City Manager to execute a Sub-recipient Agreement with the Montgomery County Land Reutilization Corporation (MCLRC) and execute other actions as required for the purpose of participating in the State of Ohio’s Moving Ohio Forward Grant Program.**

Mr. Chodkowski said this resolution is to authorize a sub agreement between the city and the Montgomery County Land Reutilization Corporation with regarding to the Moving Ohio Forward Funds.

A motion was made by Mr. Schock to approve Resolution No. 12-R-1714. Deputy Mayor Denning seconded the motion.

Mayor Flaute said this is for the demolition of what. Mr. Chodkowski said the Moving Ohio Forward Project is the mortgage settlement money that was paid to the State filtered through the County and now it’s to us. There are 6 additional properties to be torn down and he asked Mr. Murray if he remembered what the addresses were. Mr. Murray said no; but 3 of the properties the owners asked of us to tear the properties down and they do have a commercial value after we tear those down. The other 3 properties have not been selected but we have until December 2013 to finish this up; they will be selected shortly, we have a long list of properties that qualify. Mayor Flaute said all $30,000 is coming from the state. Mr. Murray said its 50/50; 50% from us, 50% from the state.

With no further discussion, all were in favor; none were opposed. **Motion passed.**

**i. Resolution No. 12-R-1715 authorizing the City Manager to enter into an Exclusive Right to Sell Contract with NAI Dayton regarding approximately five acres of land located at Harshman Road and Springfield Street, OH PID I39 00103 0011.**

Mr. Chodkowski said this resolution is to authorize the city to enter into a right to sell contract with NAI regarding 5 acres in the Center of Flight.

A motion was made by Deputy Mayor Denning to approve Resolution No. 12-R-1715. Mr. Schock seconded the motion.

Mr. Smith said in reading over the contract; if the property is leased we are to pay NAI full commission of 10% of the rent for 20 years at the time of leasing the property; would that be in the event the city owned the property or would that be obligated by the owner of the building. That’s kind of confusing; we are agreeing to terms on a building that hasn’t been sold or even built. Mr. Murray said what I understand is that is if the land is leased; he asked Mr. Maas for clarification.

Mr. Smith said it’s line 28; 10% of the lease term up to 20 years paid in advance. Mr. Maas said that would be on a ground lease if the city chose to do that. That could run 99 years or whatever depended on how it’s structured but that would max out the term of responsibility of the city with us. Mr. Smith said would that be based on square footage. Mr. Maas said no. Mr. Smith said I feel better; I was going off the numbers of a 65,000 square foot building, $10 a square foot, 20 years, 10%, that’s a lot of money. Mayor Flaute said excellent question.

With no further discussion, all were in favor; none were opposed. **Motion passed.**

**j. Resolution No. 12-R-1716 accepting the lowest and best bid for the Riverside Neighborhood Stabilization Project.**

Mr. Chodkowski said this resolution is to authorize the city to enter into a contract with Cox Paving, the lowest and best bidder for the Neighborhood Stabilization Program, Part 2, Phase 3.

A motion was made by Deputy Mayor Denning to approve Resolution No. 12-R-1716. Mr. Smith seconded the motion. All were in favor; none were opposed. **Motion passed.**

**ITEM 15: PUBLIC COMMENT ON NON-AGENDA ITEMS:**  There were no public comments on non-agenda items.

**ITEM 16: COUNCILMEMBER COMMENTS:** Deputy Mayor Denning said I would like to welcome Chief Carpenter to his first council meeting; I hope it wasn’t too boring for you. Mr. Schock said by the way, this was a short one. Deputy Mayor Denning said very short; but I think we got a lot of good business taken care of and I think we are taking care of the community as we should.

Mr. Curp said the Planning Commission held their public hearing on the proposed changes to the zoning ordinance and there was an extremely large turn out. The Planning Commission chose to take comments under advisement and determine when they will rule on it and forward it to council. I was thinking in the meantime, because of the large turn out of people who were interested in things such as will it affect their property taxes or other interests they had, it might be beneficial for us to have community presentations so the people have a chance to come and hear more about what this thing is and get their questions answered before it comes to council and we have our public hearing. That’s part of the problem the city had with the Lily Creek situation, the only public meetings that were held for the community were for those people directly along the ditch. There was some discussion there would be public meetings by the city for other people in the watershed at some future point in time and there were never any until Montgomery Soil and Water brought forward their sessions; so it might behoove us to get in front of this one. I’d like to see us consider doing that.

Mr. Curp said secondly, back in March when we were working on objectives for this year, one of the things I talked about was us taking a look at doing a demonstration project in the Center of Flight in some of these residential buildings that were acquired. I talked about the Village of Kimmswick in Missouri that has a little retail area that’s works out of houses they have acquired and council chose not to do that because of various reasons; we talked about doing it somewhere else such as over in Wright Point or Airway Shopping Center but chose not to do it at that time. One of the other reasons was we were waiting to see what kind of lead Forest City would provide in moving the development forward; as you know Forest City is not in the lead position from the development standpoint. It might be time to look at doing something over there in addition to having the good folks from NAI helping to site an office building there. If you’ve been looking in the local newspaper over the last couple weeks, you’ve seen one article about the City of Dayton trying to bring housing into the downtown area and one of the outfits that are bringing housing to the downtown area is the Simms folks who are putting in housing along Patterson Blvd. near the ball park. They are being very successful putting in townhouses. We know that in the grand plan Forest City brought forward for the Center of Flight there is a housing component and one of the discussions that took place at the last council meeting was the reason why some of the retail wouldn’t work well in this particular area, Center of Flight, is because there aren’t enough rooftops to support retail. If we have a housing component done by the grand plan then maybe as part of doing some demonstration projects, we contact some folks like Simms or whoever, it doesn’t matter to me who the developer is, and see about putting some housing in there to get some things going.

Mr. Curp said if you follow what else is going on with our friends at the City of Dayton, there’s an article about Downtown Dayton looking for pop-up shops and what they are talking about there is the city providing some incentive programs to get retailers to fill the first floor space in some of the office buildings in Downtown Dayton. One of the things I’ve brought up several times is putting a coffee shop or something on the ground floor of the buildings at Wright Point and it just hasn’t taken off but maybe the city can come up with some kind of incentive program. We just passed an incentive program for Mr. Evanhoe’s company and I think that is a good thing to do; we did that for InfoCision as far as getting them to come here instead of going somewhere else.

Mr. Curp said most recently, one of the things you saw in the paper was an article about food trucks and how food trucks are starting to appear. You see them in Downtown Dayton at Courthouse Square or at street fairs on the weekends and Center of Flight is just a great place to try something like that. So I hope we can come up with some kind of demonstration project to show that we can put things in place in Riverside and they will work and they will serve as capitalist magnets to call other types of businesses and revenue to the city.

Mr. Curp said and finally, I’m sorry that people are disappointed that I take the position I do on these signs. I’ve often wondered for a long period of time which vote is it that really defeats the vote on an issue; is it the first vote that takes place or is it the last vote – first person voting or the last person voting. Well the reason something fails isn’t because there are 6 people in the room or 5 people in the room, it’s because a majority of the people in the room who are voting on something decide they don’t want that thing to pass. So I appreciate everybody’s interest in my well being and thoughtfulness in approaching these sign issues but I’m just going to stay here and do the people’s work and try to do it in a legal manner.

Mayor Flaute said I just have a few comments; we had a great In-Crowd dinner, thank you Lynn for doing that. Mr. Smith and I welcomed General Moore and Colonel Barlow to Wright-Patt; it was at the Wright-Patt Club, a very good time and we are really building those relationships with the Wright-Patt folks. I also went to a library meeting where they are trying to build us some new libraries; there’s a lot more information coming about that and if anyone has questions about the libraries, they are asking us to pass a levy coming up in November. Please study the issue thoroughly and know what’s coming up and again, if you have any questions, I will try to answer them. We had a great festival again; wonderful festival, good parade, and the festival, from what I understand, went without a hitch. Next time we should have it in the Center of Flight; close the street like other communities do and make our festival grow. It was a very, very good festival and I’m very pleased for everyone who came out. I did an Oath of Office for Officer Jessica Skinner, she’s our newest Police Officer and we welcome her. I did 6 weddings which continue to be popular; we continue to have them at the Wedding Connection and it seems to be moving along very well.

Deputy Mayor Denning asked if Mayor Flaute was going to mention the closing of Rt. 444. Mayor Flaute asked if the manager wanted to take the role on that. Mr. Chodkowski said if I recall the briefing information correctly, they anticipate closing Rt. 444 October 9th just northwest of Dayton Yellow Springs Road. They are still in the design phase of the gate but they also anticipate beginning construction on that this year. The closure will happen just past Dayton Yellow Springs Road as you are heading towards Fairborn and they will also close it just as you leave downtown Fairborn at Gate A-1.

**ITEM 17: ADJOURNMENT:**  A motion was made by Ms. Campbell to adjourn. Deputy Mayor Denning seconded the motion. All were in favor; none were opposed. The meeting was adjourned at 8:12 p.m.

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

William R. Flaute, Mayor Clerk of Council