



**SANDUSKY CITY COMMISSION  
REGULAR SESSION AGENDA  
MAY 22, 2017  
CITY HALL, 222 MEIGS STREET**

<b>INVOCATION</b>	<b>W. Poole</b>
<b>PLEDGE OF ALLEGIANCE</b>	
<b>CALL TO ORDER</b>	
<b>ROLL CALL</b>	<b>G. Lockhart, D. Waddington, D. Brady, D. Murray, W. Poole, N. Lloyd &amp; N. Twine</b>
<b>APPROVAL OF MINUTES</b>	<b>May 8, 2017</b>
<b>AUDIENCE PARTICIPATION</b>	
<b>PROCLAMATION</b>	<b>Click It or Ticket Mobilization Weeks</b>
<b>PRESENTATION</b>	<b>Tara Toft – SCS Regional Center for Advanced Academic Studies</b>
<b>COMMUNICATIONS</b>	
<b>CURRENT BUSINESS</b>	

**REGULAR AGENDA ITEMS**

**ITEM #1 - Submitted by Aaron Klein, Director of Public Works**

**EMERGENCY REPAIR TO CENTRIFUGE AT WASTE WATER TREATMENT PLANT**

**Budgetary Information:** The cost of \$19,832.60 for the repairs will be paid from the sewer fund.

**ORDINANCE NO. \_\_\_\_\_:** It is requested an ordinance be passed approving the emergency repair work to be performed to the centrifuge at the Waste Water Treatment Plant by Andritz Separation of Arlington, Texas, in the amount of \$19,832.60; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

**ITEM #2 – Submitted by Hank Solowiej, Finance Director**

**AMENDMENT #2 TO 2017 BUDGET**

**Budgetary Information:** Appropriation amendments are required to update the budget for previous actions of the city. Examples include, but are not limited to: vehicle purchase for Code Enforcement, parts and materials for water meters, BIWW PAC system improvements and the storm water utility program.

**ORDINANCE NO. \_\_\_\_\_:** It is requested an ordinance be passed adopting amendment #2 to Ordinance 17-064 passed by this City Commission on March 27, 2017, making general appropriations for the FY 2017; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

**ITEM #3 – Submitted by Jane Cullen, Project Engineer**

**AUTHORIZATION TO BID VENICE ROAD SANITARY SEWER CLEANING PROJECT**

**Budgetary Information:** The estimated cost of the project, including engineering, inspection, advertising and miscellaneous costs is \$30,000 and will be paid with sewer funds from the operating and maintenance budget.

**RESOLUTION NO. \_\_\_\_\_:** It is requested a resolution be passed declaring the necessity for the city to proceed with the proposed Venice Road 30" sanitary sewer cleaning project; approving the specifications and engineer's estimate of cost thereof; and directing the City Manager to advertise for and receive bids in relation thereto; and declaring that this resolution shall take immediate effect in accordance with Section 14 of the city charter.

**ITEM #4 – Submitted by Maria Muratori, Development Specialist**

**GRANT AGREEMENTS FOR BAIT HOUSE BREWERY, LLC**

**Budgetary Information:** The city will be responsible for providing a total of \$31,852.50 in grant proceeds from the Economic Development capital projects fund on a reimbursable basis at the completion of the project.

**A. ORDINANCE NO. \_\_\_\_\_:** It is requested an ordinance be passed authorizing and approving a small business assistance grant in the amount of \$15,000 to the Bait House Brewery, LLC in relation to the property located at 223 Meigs Street; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

**B. ORDINANCE NO. \_\_\_\_\_:** It is requested an ordinance be passed authorizing and approving a façade and signage grant in the amount of \$16,852.50 to the Bait House Brewery, LLC in relation to the property located at 223 Meigs Street; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

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**ITEM #5 – Submitted by Maria Muratori, Development Specialist**

**GRANT AGREEMENT WITH ZELLER GAMING**

**Budgetary Information:** The city will be responsible for providing \$21,993.75 in grant proceeds from the Economic Development capital projects fund on a reimbursable basis at the completion of the project.

**ORDINANCE NO. \_\_\_\_\_:** It is requested an ordinance be passed authorizing and approving a grant in the amount of \$21,993.75 to Zeller Gaming Enterprises, LLC, in relation to the property located at 142 Columbus Avenue; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

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**ITEM #6 – Submitted by Maria Muratori, Development Specialist**

**COMMUNITY REINVESTMENT AREA TAX ABATEMENT AGREEMENT WITH ZELLER GAMING**

**Budgetary Information:** The project will have an ongoing positive impact on the general fund as 25% of the increase in value will be subject to real estate taxes during the abatement period. The project will also help sustain construction jobs in the local economy and will create an estimated four full-time equivalent employment positions that will be subject to city income tax.

**ORDINANCE NO. \_\_\_\_\_:** It is requested an ordinance be passed approving the Community Reinvestment Area agreement with Zeller Gaming Enterprises, LLC; authorizing the City Manager to execute the Community Reinvestment Area agreement; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

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**CITY MANAGER’S REPORT**

**OLD BUSINESS**

**NEW BUSINESS**

**AUDIENCE PARTICIPATION**

Open discussion on any item (5-minute limit)

**EXECUTIVE SESSION(S)**

**ADJOURNMENT**

**Buckeye Broadband broadcasts on Channel 76:**

**Monday, May 22 at 8:30 p.m.**

**Tuesday, May 23 at 5 p.m.**

**Monday, May 29 at 8:30 p.m.**

**YouTube:** [https://www.youtube.com/channel/UCBxZ482ZeTTixa\\_Rm16YWTQ](https://www.youtube.com/channel/UCBxZ482ZeTTixa_Rm16YWTQ)

# PROCLAMATION

WHEREAS, the safety and security of the citizens of the City of Sandusky and the surrounding areas are vitally important; and

WHEREAS, a large percentage of our citizens regularly drive or ride in motor vehicles on our roadways; and

WHEREAS, the use of seat belts in passenger vehicles saved an estimated 13,941 lives in 2015; and

WHEREAS, regular seat belt use is the single most effective way to reduce injuries and fatalities in motor vehicle crashes; and

WHEREAS, the use of seat belts is supported by the laws of the City of Sandusky; and

WHEREAS, May 22 through June 4, 2017, has been selected as the national **Click It or Ticket** mobilization enforcement period; and

WHEREAS, across the country, law enforcement officers will actively be participating in the mobilization to ensure all motor vehicle occupants are buckled up day and night to reduce the risk of injury and death caused in traffic crashes; and

WHEREAS, increased enforcement of seat belt laws coupled with publicity has proven to be an effective method to increase seat belt use rates and decrease fatal crashes;

**NOW THEREFORE**, I, Dennis E. Murray, Jr. – President of the Sandusky City Commission - do hereby proclaim and announce May 22 through June 4, 2017, as the

## **“Click It or Ticket Mobilization Weeks”**

in the City of Sandusky, and urge all citizens to always wear seat belts when driving or riding on our roadways.

Dated this 22<sup>nd</sup> day of May, 2017.

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Dennis E. Murray, Jr. - President  
Sandusky City Commission  
City of Sandusky, Ohio



## DEPARTMENT OF PUBLIC WORKS

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AARON M. KLEIN, P.E.  
Director

222 Meigs Street  
Sandusky, Ohio 44870  
Phone 419/627-5829  
Fax 419/627-5933  
aklein@ci.sandusky.oh.us

To: Eric Wobser, City Manager  
From: Jeffrey Meinert, WWTP Superintendent  
Date: May 9, 2017  
Subject: **Commission Agenda Item – Wastewater Treatment Plant Centrifuge Emergency Repairs**

**ITEM FOR CONSIDERATION:** Legislation approving the emergency repair work to the centrifuge at the Wastewater Treatment Plant (WWTP).

**BACKGROUND INFORMATION:** The centrifuge at the WWTP is used to dewater sludge material, which is subsequently disposed of at the Erie County Landfill. The current centrifuge contains many moving parts, including the rotating assembly that spins very fast separating the liquid from the solids. The machine was placed into operation in 2011, but maintenance is very time consuming because there are so many moving parts. Staff is currently analyzing options to provide redundancy within the treatment process to ensure flexibility during potential catastrophic failure.

Recently, the centrifuge experienced processing issues, causing the equipment to activate a shut down of that process due to excessive vibration, which could result in additional failure to other parts on the centrifuge. This did not allow sludge to be processed and staff had to turn away all outside haulers, including the county. Andritz Separation, the manufacturer of the equipment and only company that can perform the repairs at their shop in Texas, deployed a service technician to determine the extent of damage. The plan is to order parts while continuing operations, then send the equipment to Texas for the necessary repairs. This will minimize downtime of the equipment.

**BUDGETARY INFORMATION:** The cost of \$19,832.60 for the repairs will be paid from the Sewer Fund.

**ACTION REQUESTED:** It is recommended that legislation be approved for the emergency repair work for the centrifuge at the Wastewater Treatment Plant (WWTP) under suspension of the rules and in accordance with Section 14 of the City Charter to ensure timely repairs that will minimize down time; also because there is no redundancy for this equipment and the City could endure significant problems if the equipment fails.

I concur with this recommendation:

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Eric Wobser  
City Manager

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Aaron Klein, PE  
Director

cc: K. Kresser, Commission Clerk; H. Solowiej, Finance Director; J. Harris, Law Director

## QUOTATION

Customer: 126187  
**City of Sandusky**  
CITY HALL  
222 Meigs Street  
Sandusky OH 44870

Contact:  
Fax: **+14196275825**  
Copy to:  
Your inquiry:

Our quote no: **20430065**

Supplier: **Andritz Separation Inc.**  
Contact: **Katelin Cimino**  
Phone: **+18174191789**  
Fax: **+18174191989**  
E-mail: **katelin.cimino@andritz.com**

Date: **04/28/2017**

Sales Responsible: **NITZSCHE, DAN**

Ladies and Gentlemen,

We thank you for your inquiry and are pleased to quote as follows:

### 1. **Scope of supply**

Andritz Job #805177

Thank you for the opportunity to quote.  
Please reference this quote when ordering.  
Freight is not included in this price.

\*\*\*\*\* Should you choose to purchase, please include the following information on all Purchase Orders\*\*\*\*\*

1. Shipping Address
2. Billing Address
3. Shipping terms. For example, collect on your UPS (include account #) or Prepaid and Add
4. Quote #
5. Contact name and number

Approx. Ship Date:

Your purchase order can be faxed to 817-419-1989

Thank you,  
Katelin Cimino  
817-419-1789

ANDRITZ is pleased to offer.  
Preventative Maintenance estimate based on:

Our quote no: 20430065

8 Hr. Travel days  
 8 Hr. Service days  
 Day expense to include, but not limited to:  
 Airfare (booked two weeks in advance)  
 Hotel  
 Car rental + fuel  
 Meals  
 Taxi, parking, luggage fees, if applicable  
 Tools/supplies

15 % administrative fee on expenses only.

In an effort to keep costs down for our customers, service personnel will book in advance, non-refundable tickets as quickly as possible after the request for service is received. This is a conscientious effort to keep cost to the customer, for air, travel, as low as possible. If such expenses have been incurred in good faith, and the customer must cancel, we must invoice for those expenses to be fairly reimbursed.

Travel, if by employee-owned or company automobile will be at the rate \$ 0.56.5 per mile all and parking charges.

If time onsite is in excess of the quoted days, you be notified prior to final billing. If revised purchase order is required a final billing will be sent to you to display cost of expenses, overtime, and parts. Thank you for the opportunity!

Item	Product	ID No.	S/W*	Quantity	Unit	Unit Price	Amount
10	FIELD SERVICE	100031977		1	EA	8,400.00	8,400.00

Listed is an estimated cost:

Description of Work:

Disassembly of feed end of machine to replace bowl & scroll nozzles and all associated seals and bearings.

Estimated Time Frame:

- 2 - Travel Days
- 3 - Service Days

(Please note service rates are calculated based on eight (8) hour traveling and service days; any additional time will be calculated as overtime)

Customer Responsibilities:

Have 2 plant personnel available to assist in service. Machine must be cleaned and area around machine must be clear of any obstructions. Have crane inspected before service.

Our quote no: 20430065

Item	Product	ID No.	S/W*	Quantity	Unit	Unit Price	Amount
Tentative Date: To be Determined							
If additional time, parts, expenses, or work will be required it will be included prior to final cost and you will be informed prior to billing so revised purchased order can be sent to Andritz Separation.							
We greatly appreciate your business! Thank you!							
20	O-RING	131320355		1	PC	10.00	10.00
	<b>Id of migrated system</b>					<b>Old material number</b>	
	SYTE_003					H28006700250YMA	
30	RETAINING RING	100022224		1	PC	10.00	10.00
	<b>Id of migrated system</b>					<b>Old material number</b>	
	VANT_001					471-110	
40	V-RING	131071721		1	PC	47.65	47.65
50	CYL.ROLLER BEARING	131045885		1	PC	400.00	400.00
	<b>Id of migrated system</b>					<b>Old material number</b>	
	SYTE_003					1004174-01	
60	NOZZLE BOWL L 63 D 69.6 MM	300001264		8	PC	500.00	4,000.00
70	TURCON-GLYD-RING	131521015		2	PC	105.00	210.00
80	ROTARY SHAFT SEAL	100023457		1	PC	8.00	8.00
	<b>Id of migrated system</b>					<b>Old material number</b>	
	SYTE_003					F1112.046.60776	
	VANT_001					C-JNT/B/LE-N-BA.D080	
90	V-RING	131071714		1	PC	17.00	17.00
	<b>Id of migrated system</b>					<b>Old material number</b>	
	VANT_001					V140A	
100	V-RING	131129762		1	PC	26.00	26.00
	<b>Id of migrated system</b>					<b>Old material number</b>	
	VANT_001					V160A	
110	SEALING RING	131073758		1	PC	1.00	1.00
120	SEALING RING	132120200		1	PC	6.00	6.00
130	O-RING	131128749		8	PC	0.50	4.00
	<b>Id of migrated system</b>					<b>Old material number</b>	

Our quote no: 20430065

Item	Product	ID No.	S/W*	Quantity	Unit	Unit Price	Amount
	VANT_001		C-CS550				
	VANT_001		ORG-55.25X2.62				
<b>140</b>	<b>O-RING</b>	<b>131128786</b>		<b>1</b>	<b>PC</b>	<b>2.00</b>	<b>2.00</b>
	<b>Id of migrated system</b>		<b>Old material number</b>				
	VANT_001		C-CS656				
<b>150</b>	<b>O-RING</b>	<b>131320448</b>		<b>1</b>	<b>PC</b>	<b>1.35</b>	<b>1.35</b>
	<b>Id of migrated system</b>		<b>Old material number</b>				
	SYTE_003		652117				
	SYTE_003		H28004200046YAC				
	SYTE_003		651537				
	VANT_001		C-CS533				
	VANT_001		ORG-101.2X3.53				
<b>160</b>	<b>O-RING</b>	<b>131128833</b>		<b>1</b>	<b>PC</b>	<b>9.00</b>	<b>9.00</b>
	<b>Id of migrated system</b>		<b>Old material number</b>				
	VANT_001		C-CS572				
	VANT_001		ORG-506.78X5.33				
<b>180</b>	<b>DEEP GROOVE BALL BEARING</b>	<b>131045575</b>		<b>1</b>	<b>PC</b>	<b>180.00</b>	<b>180.00</b>
	<b>Id of migrated system</b>		<b>Old material number</b>				
	VANT_001		C-CR160				
	VANT_001		6220C3				
<b>190</b>	<b>O-RING</b>	<b>131128746</b>		<b>1</b>	<b>PC</b>	<b>2.00</b>	<b>2.00</b>
	<b>Id of migrated system</b>		<b>Old material number</b>				
	SYTE_003		652275				
	SYTE_003		H28006000042YAC				
<b>200</b>	<b>O-RING</b>	<b>131320443</b>		<b>1</b>	<b>PC</b>	<b>1.31</b>	<b>1.31</b>
	<b>Id of migrated system</b>		<b>Old material number</b>				
	SYTE_003		H28003500197YAC				
	VANT_001		ORG-3.25X.125				
<b>210</b>	<b>O-RING</b>	<b>131320423</b>		<b>1</b>	<b>PC</b>	<b>1.58</b>	<b>1.58</b>
	<b>Id of migrated system</b>		<b>Old material number</b>				
	SYTE_003		H28003100023YAC				
<b>220</b>	<b>TEFLON RING DEC-14994</b>	<b>131127349</b>		<b>1</b>	<b>PC</b>	<b>86.00</b>	<b>86.00</b>
	<b>Id of migrated system</b>		<b>Old material number</b>				
	VANT_001		C-14994				
<b>230</b>	<b>HEX HEAD SCREW</b>	<b>131042305</b>		<b>16</b>	<b>PC</b>	<b>4.00</b>	<b>64.00</b>
<b>240</b>	<b>BUSHING FOR NOZZLE SRCOLL BUSH DEC-48009 L 125 W 75 H 27 MM D5LX</b>	<b>131369601</b>		<b>4</b>	<b>PC</b>	<b>1,300.49</b>	<b>5,201.96</b>



Our quote no: 20430065

Item	Product	ID No.	S/W*	Quantity	Unit	Unit Price	Amount
250	O-RING	131128828		1	PC	2.00	2.00
	<b>Id of migrated system</b>					<b>Old material number</b>	
	SYTE_003					1121834-01	
	VANT_001					C-CS515	
	VANT_001					ORG-107.3X5.33	
260	DEEP GROOVE BALL BEARING	131541305		1	PC	175.00	175.00
	<b>Id of migrated system</b>					<b>Old material number</b>	
	VANT_001					6222C3	
	VANT_001					C-CR2079	
270	O-RING	131320476		1	PC	4.75	4.75
	<b>Id of migrated system</b>					<b>Old material number</b>	
	SYTE_003					1096957-01	
	SYTE_003					158383	
	SYTE_003					656113	
	SYTE_003					651375	
	SYTE_003					154982	
	SYTE_003					H28011700281YAC	
	SYTE_003					155057	
	SYTE_003					611268	
280	O-RING	131128827		2	PC	1.00	2.00
	<b>Id of migrated system</b>					<b>Old material number</b>	
	SYTE_003					652679	
	VANT_001					C-CS191	
	VANT_001					ORG-50.2X5.33	
290	GREASE	131411051		4	PC	10.00	40.00
	<b>Id of migrated system</b>					<b>Old material number</b>	
	VANT_001					GREASE-013	
300	GREASE	131411050		4	PC	230.00	920.00
	<b>Id of migrated system</b>					<b>Old material number</b>	
	VANT_001					GREASE-012-T	

<b>Items total</b>		19,832.60
<b>Total Amount</b>	USD	19,832.60

\* S = Spare Parts, W = Wear Parts

**Technical contact:** Carl Malkiewicz / **Phone:** +18174191768\* / [carl.malkiewicz@andritz.com](mailto:carl.malkiewicz@andritz.com)

Our quote no: 20430065

## Terms and Conditions

2. **Delivery Time:**  
after receipt of order and any clarifications.
3. **Terms of delivery:**  
Our terms of delivery are FCA Origin Prepaid & Add, according to INCOTERMS 2010.
4. **Terms of Payment:**  
Within 30 days Due net  
(1% default interest per month for delayed payment).
5. **Validity of quotation:**  
This quotation is valid to 06/28/2017.

## Other Terms:

6. See Attached Terms & Conditions.

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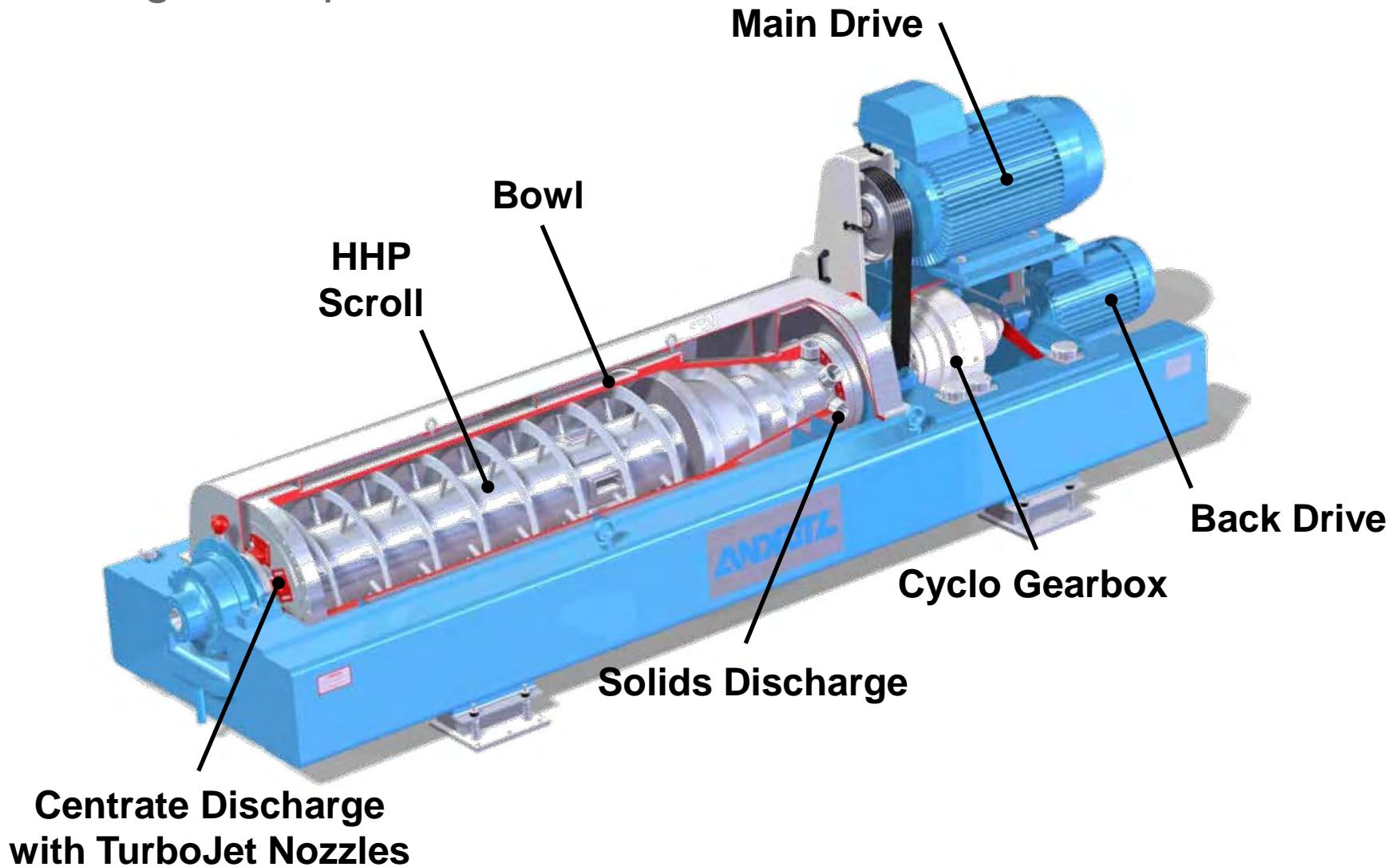
Please do not hesitate to contact us if you require further information.

Yours sincerely

**Andritz Separation Inc.**

# D5LX-E2

## Centrifuge Components



# D5LX-E2 Power Reduction Features

## TURBOJET® Energy Recovery

- TurboJet® nozzles recover the fluid kinetic energy from liquid discharge
- Reduction of absorbed power by up to 15% over standard weir plates

1. Centrate discharge opposite to bowl rotation



2. Generation of reaction force acting on weir plates

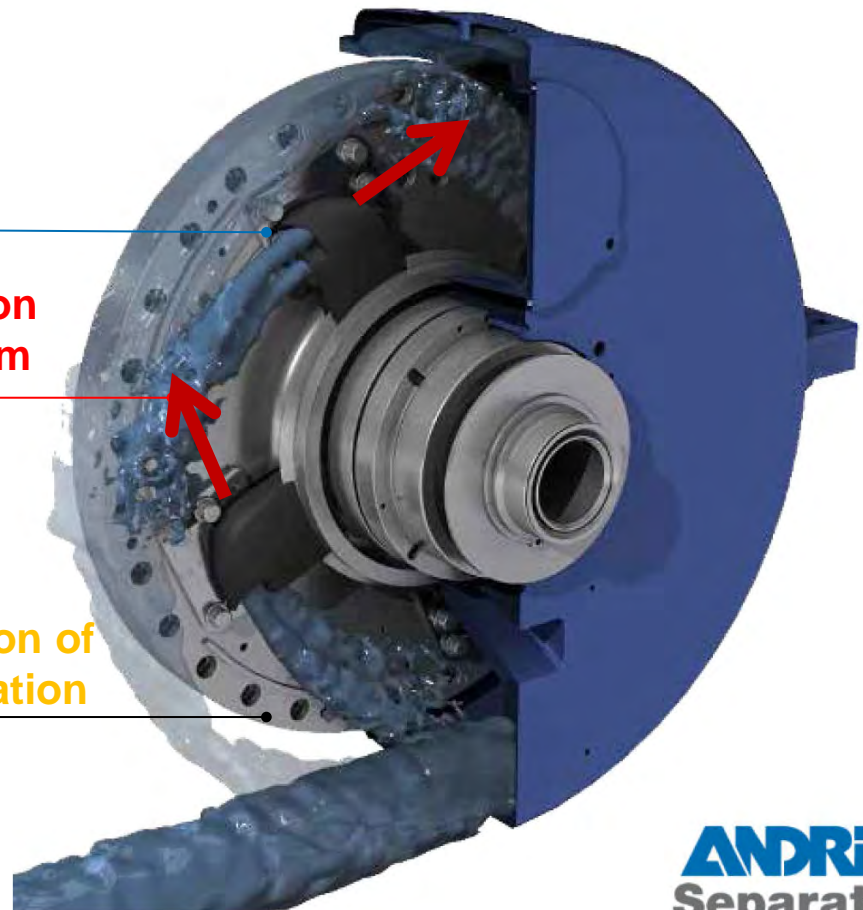


3. Force used to rotate the bowl

1-Liquid outlet

2-Reaction force from liquid outlet

3-Direction of bowl rotation



# D5LX-E2 Power Reduction Features

## High Hydraulic Pressure (HHP)

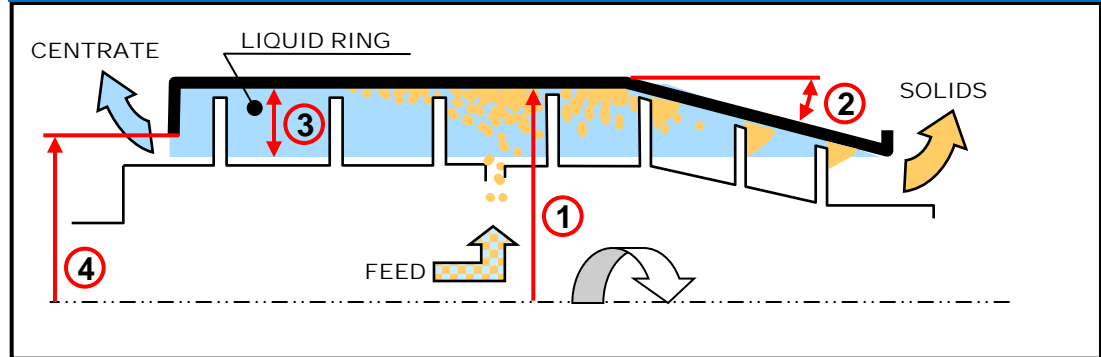
The HHP bowl design reduces the liquid discharge radius, thereby reducing hydraulic power consumption:

- ① Bowl diameter is unchanged
- ② Cone angle is increase
- ③ Pond depth is increased
- ④ Discharge radius is decreased

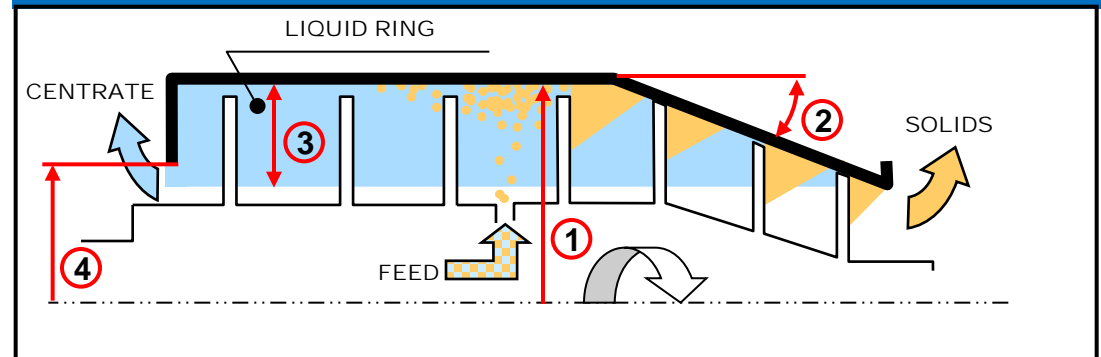


The hydraulic power consumption of a centrifuge is **proportional to the square of the liquid discharge radius**

### Traditional Hydraulic Pressure Arrangement



### High Hydraulic Pressure Arrangement (HHP)



ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE APPROVING THE EMERGENCY REPAIR WORK TO BE PERFORMED TO THE CENTRIFUGE AT THE WASTE WATER TREATMENT PLANT (WWTP) BY ANDRITZ SEPARATION OF ARLINGTON, TEXAS, IN THE AMOUNT OF \$19,832.60; AND DECLARING THAT THIS ORDINANCE SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.**

**WHEREAS**, the centrifuge at the WWTP was placed into operation in 2011 and is used to dewater sludge material, which is subsequently disposed of at the Erie County Landfill, and contains many moving parts, including the rotating assembly that spins very fast separating the liquid from the solids, and due to the magnitude of moving parts maintenance is very time consuming; and

**WHEREAS**, recently the centrifuge experienced processing issues causing the equipment to activate a shutdown of that process due to excessive vibration which could result in additional failure to other parts on the centrifuge; and

**WHEREAS**, Andritz Separation of Arlington, Texas, is the manufacturer of the equipment and the only company that can perform repairs and recently deployed a service technician to determine the extent of damage and the plan is to order parts while continuing operations, then ship the equipment to Texas for the necessary repairs to minimize downtime of the equipment; and

**WHEREAS**, the City Manager notified this City Commission at their May 8, 2017, regularly scheduled meeting of the emergency nature of the situation and necessary repair work to be completed and subsequently the City Commission approved the emergency action to proceed by passage of a motion; and

**WHEREAS**, the cost for the repair work by Andritz Separation is \$19,832.60 and will be paid with Sewer Funds; and

**WHEREAS**, this Ordinance should be passed as an emergency measure under suspension of the rules in accordance with Section 14 of the City Charter in order to ensure timely repairs to minimize downtime and there is no fail safe mechanism for this equipment; and

**WHEREAS**, in that it is deemed necessary in order to provide for the immediate preservation of the public peace, property, health, and safety of the City of Sandusky, Ohio, and its citizens, and to provide for the efficient daily operation of the Municipal Departments, including the Department of Public Works, of the City of Sandusky, Ohio, the City Commission of the City of Sandusky, Ohio finds that an emergency exists regarding the aforesaid, and that it is advisable that this **Ordinance** be declared an emergency measure which will take immediate effect in accordance with Section 14 of the City Charter upon its adoption; and NOW, THEREFORE,

BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF SANDUSKY, OHIO, THAT:

Section 1. This City Commission confirms the finding of a real and present emergency regarding repair work to the centrifuge at the Waste Water Treatment Plant (WWTP) and authorizes and directs the City Manager and/or Finance Director to make payment to Andritz Separation, of Arlington, Texas, in an amount **not to exceed** Nineteen Thousand Eight Hundred Thirty Two and 60/100 Dollars (\$19,832.60), consistent with the quote submitted by Andritz Separation, of Arlington, Texas.

Section 2. If any section, phrase, sentence, or portion of this Ordinance is for any reason held invalid or unconstitutional by any Court of competent jurisdiction, such portion shall be

deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

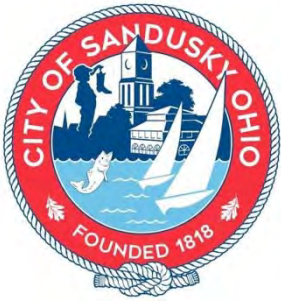
Section 3. This City Commission finds and determines that all formal actions of this City Commission concerning and relating to the passage of this Ordinance were taken in an open meeting of this City Commission and that all deliberations of this City Commission and of any of its committees that resulted in those formal actions were in meetings open to the public in compliance with the law.

Section 4. That for the reasons set forth in the preamble hereto, this Ordinance is hereby declared to be an emergency measure which shall take immediate effect in accordance with Section 14 of the City Charter after its adoption and due authentication by the President and the Clerk of the City Commission of the City of Sandusky, Ohio.

\_\_\_\_\_  
DENNIS E. MURRAY, JR.  
PRESIDENT OF THE CITY COMMISSION

ATTEST: \_\_\_\_\_  
KELLY L. KRESSER  
CLERK OF THE CITY COMMISSION

Passed: May 22, 2017



DEPARTMENT OF FINANCE  
HANK S. SOLOWIEJ, CPA, FINANCE DIRECTOR

222 Meigs Street  
Sandusky, Ohio 44870  
Phone (419) 627-5888  
Fax (419) 627-5892

TO: Eric L. Wobser, City Manager  
FROM: Hank S. Solowiej, CPA, Finance Director  
DATE: May 11, 2017  
RE: Commission Agenda Item

**ITEM FOR CONSIDERATION:**

Ohio Rev. Code Section 5705.40 states that any appropriation ordinance or measure may be amended or supplemented, provided that such amendment or supplement shall comply with all provisions of law governing the taxing authority in making an original appropriation and that no appropriation for any purpose shall be reduced below an amount sufficient to cover all unliquidated and outstanding contracts or obligations certified from or against the appropriation.

I am submitting amendment #2 to the 2017 General Appropriations.

**BUDGETARY INFORMATION:**

Appropriation amendments are required to update the budget for previous actions of the City. Examples include, but are not limited to:

- Vehicle purchase for Code Enforcement
- Parts and materials for water meters
- BIWW PAC system improvements
- Storm water utility program

**ACTION REQUESTED:**

It is requested the City Commission enact the ordinance and have it take immediate effect under Section 14 of the City Charter so that the budget amounts can be entered into the financial system and purchases can be made to continue the flow of city operations.

CC: Justin Harris, Law Director



ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE ADOPTING AMENDMENT NO. 2 TO ORDINANCE NO. 17-064 PASSED BY THIS CITY COMMISSION ON MARCH 27, 2017, MAKING GENERAL APPROPRIATIONS FOR THE FISCAL YEAR 2017; AND DECLARING THAT THIS ORDINANCE SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.**

**WHEREAS**, this City Commission made general appropriations for the Fiscal Year 2017 Operating Budget by Ordinance No. 17-064, passed on March 27, 2017; and

**WHEREAS**, this City Commission adopted Amendment No. 1 to Ordinance No. 17-064 to cover deficiencies or needs which existed in the General, Transit, State & Federal Grants, Enforcement & Education, Capital Projects, Special Assessment, Water, Sewer, General Trust, and Park Endowment Funds by Ordinance No. 17-083, passed on April 24, 2017; and

**WHEREAS**, this Ordinance has been prepared to cover other deficiencies or needs which exist in the General, State, Capital Projects, Water, and Sewer Funds; and

**WHEREAS**, amendments are required to adjust the budget for previous actions of the City; and

**WHEREAS**, this Ordinance should be passed as an emergency measure under suspension of the rules in accordance with Section 14 of the City Charter to prevent delays in the use of the funds for an extended period of time and not restrict the operation of City departments; and

**WHEREAS**, in that it is deemed necessary in order to provide for the immediate preservation of the public peace, property, health, and safety of the City of Sandusky, Ohio, and its citizens, and to provide for the efficient daily operation of the Municipal Departments, including the Finance Department, of the City of Sandusky, Ohio, the City Commission of the City of Sandusky, Ohio finds that an emergency exists regarding the aforesaid, and that it is advisable that this **Ordinance** be declared an emergency measure which will take immediate effect in accordance with Section 14 of the City Charter upon its adoption; and NOW, THEREFORE,

BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF SANDUSKY, OHIO, THAT:

Section 1. Ordinance No. 17-064 passed by this City Commission on the 27<sup>TH</sup> day of March, 2017, be amended as hereinafter set forth:

DEPARTMENT	PERSONAL SERVICES	OTHER	TOTAL
BUILDING DIVISION		4,000	4,000
COMMUNITY DEVELOPMENT	(11,450)	12,950	1,500
GENERAL FUND	(11,450)	16,950	5,500
REVOLVING LOAN-ECO DEV	15,000	0	15,000
STATE GRANTS FUND	15,000	0	15,000
HORTICULTURAL SERVICES - GLRI	16,000	0	16,000
CAPITAL PROJECTS FUND	16,000	0	16,000
EQUIPMENT REPLACEMENT	0	125,000	125,000
BIWW BUILDING IMPROVEMENTS	0	1,300,000	1,300,000
PAC & BAY INTAKE REPLACEMENT	0	(1,300,000)	(1,300,000)
WATER FUND	0	125,000	125,000
ADMINISTRATIVE SUPPORT	0	100,000	100,000

EQUIPMENT REPLACEMENT	0	50,000	50,000
SEWER FUND	0	150,000	150,000
TOTAL ALL FUNDS	19,550	291,950	311,500

Section 2. The Finance Director is authorized to draw warrants upon the City treasury for funds appropriated in this Ordinance upon presentation of properly approved vouchers and when in conformity with the Charter and general laws of the State of Ohio. In addition, the Finance Director is authorized to make transfers between funds, to cover deficiencies in City funds provided said transfers are included in the general appropriations.

Section 3. If any section, phrase, sentence, or portion of this Ordinance is for any reason held invalid or unconstitutional by any Court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

Section 4. This City Commission finds and determines that all formal actions of this City Commission concerning and relating to the passage of this Ordinance were taken in an open meeting of this City Commission and that all deliberations of this City Commission and of any of its committees that resulted in those formal actions were in meetings open to the public in compliance with the law.

Section 5. That for the reasons set forth in the preamble hereto, this Ordinance is hereby declared to be an emergency measure which shall take immediate effect in accordance with Section 14 of the City Charter after its adoption and due authentication by the President and the Clerk of the City Commission of the City of Sandusky, Ohio.

\_\_\_\_\_  
 DENNIS E. MURRAY, JR.  
 PRESIDENT OF THE CITY COMMISSION

ATTEST: \_\_\_\_\_  
 KELLY L. KRESSER  
 CLERK OF THE CITY COMMISSION

Passed: May 22, 2017



**DEPARTMENT OF PUBLIC WORKS**

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**AARON M. KLEIN, P.E.**

222 Meigs Street  
Sandusky, Ohio 44870  
Phone 419/627-5829  
Fax 419/627-5933  
aklein@ci.sandusky.oh.us

To: Eric Wobser, City Manager  
From: Jane E. Cullen, P.E.  
Date: May 9, 2017  
Subject: **Commission Agenda Item – Permission to bid the Venice Road 30” Sanitary Sewer Cleaning Project**

**ITEM FOR CONSIDERATION:** Requesting legislation authorizing the City to accept bids for the Venice Road 30” Sanitary Sewer Cleaning Project.

**BACKGROUND INFORMATION:** The existing 30” sanitary sewer is located along the south side of Venice Road at the Thorpe Drive intersection extending east to Edgewater Drive. As part of the Bay View Project, Erie County cleaned approximately 500 linear feet of the existing 30” sanitary sewer from Thorpe Drive to the manhole in front of #4304 Venice Road to allow video inspection to determine the location of sanitary service laterals along Venice Road before this section of pipe was slip lined under their contract. This project will clean the remainder of that sewer approximately 3,100 feet to gain full capacity in the existing 30” sanitary sewer. This project isn’t being completed by the City’s sewer maintenance department due to the fact that contractors have larger equipment that will allow them to more efficiently clean this size sewer and the volume of debris that needs to be removed.

**BUDGETARY INFORMATION:** The estimated cost of the project, including engineering, inspection, advertising, and miscellaneous costs is \$30,000.00 and will be paid Sewer Funds from the O&M budget.

**ACTION REQUESTED:** It is recommended that the proposed Venice Road 30” Sanitary Sewer Cleaning Project be approved and that the necessary legislation be passed under suspension of the rules and in accordance with Section 14 of the City Charter in order to bid the project, receive competitive prices and complete the project prior to October when wet weather issues may prove to be cumbersome to the contractor.

I concur with this recommendation:

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Eric Wobser  
City Manager

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Aaron M. Klein  
Director of Engineering

cc: K. Kresser, Commission Clerk; H. Solowiej, Finance Director; J. Harris, Law Director

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION DECLARING THE NECESSITY FOR THE CITY TO PROCEED WITH THE PROPOSED VENICE ROAD 30" SANITARY SEWER CLEANING PROJECT; APPROVING THE SPECIFICATIONS AND ENGINEER'S ESTIMATE OF COST THEREOF; AND DIRECTING THE CITY MANAGER TO ADVERTISE FOR AND RECEIVE BIDS IN RELATION THERETO; AND DECLARING THAT THIS RESOLUTION SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.**

**WHEREAS**, the existing 30" sanitary sewer is located along the south side of Venice Road at the Thorpe Drive intersection extending east to Edgewater Drive and as part of the Bay View Project, Erie County cleaned approximately 500 linear feet of the existing 30" sanitary sewer from Thorpe Drive to the manhole in front of #4304 Venice Road to allow video inspection to determine the location of sanitary service laterals along Venice prior to slip-lining this section of sewer; and

**WHEREAS**, this proposed Venice Road 30" Sanitary Sewer Cleaning Project involves cleaning the remainder of the sewer, which is approximately 3,100 feet, to gain full capacity in the existing 30" sanitary sewer; and

**WHEREAS**, the total estimated cost of this project including engineering, inspection, advertising, and miscellaneous expenses is \$30,000.00 and will be paid with Sewer Funds; and

**WHEREAS**, this Resolution should be passed as an emergency measure under suspension of the rules in accordance with Section 14 of the City Charter to allow the project to be bid, receive competitive prices and complete the project prior to October when wet weather issues can become cumbersome for the contractor; and

**WHEREAS**, in that it is deemed necessary in order to provide for the immediate preservation of the public peace, property, health, and safety of the City of Sandusky, Ohio, and its citizens, and to provide for the efficient daily operation of the Municipal Departments, including the Department of Public Works, of the City of Sandusky, Ohio, the City Commission of the City of Sandusky, Ohio, finds that an emergency exists regarding the aforesaid, and that it is advisable that this **Resolution** be declared an emergency measure which will take immediate effect in accordance with Section 14 of the City Charter upon its adoption; and NOW, THEREFORE

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF SANDUSKY, OHIO, THAT:

Section 1. The specifications and estimates of cost as prepared by the Director of Public Works and submitted to this City Commission, and which are now on file in the offices of the Director of Public Works and the Clerk of the City Commission, for the proposed Venice Road 30" Sanitary Sewer Cleaning Project, be and the same hereby are approved by this City Commission.

Section 2. This City Commission hereby declares it necessary to proceed with the proposed Venice Road 30" Sanitary Sewer Cleaning Project at the earliest possible time.

Section 3. The City Manager is authorized and directed to advertise for and to receive bids in relation to the proposed Venice Road 30" Sanitary Sewer Cleaning Project as required by law.

Section 4. If any section, phrase, sentence, or portion of this Resolution is for any reason held invalid or unconstitutional by any Court of competent jurisdiction, such portion shall be

deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

Section 5. This City Commission finds and determines that all formal actions of this City Commission concerning and relating to the passage of this Resolution were taken in an open meeting of this City Commission and that all deliberations of this City Commission and of any of its committees that resulted in those formal actions were in meetings open to the public in compliance with the law.

Section 6. That for the reasons set forth in the preamble hereto, this Resolution is hereby declared to be an emergency measure which shall take immediate effect in accordance with Section 14 of the City Charter after its adoption and due authentication by the President and the Clerk of the City Commission of the City of Sandusky, Ohio.

\_\_\_\_\_  
DENNIS E. MURRAY, JR.  
PRESIDENT OF THE CITY COMMISSION

ATTEST: \_\_\_\_\_  
KELLY L. KRESSER  
CLERK OF THE CITY COMMISSION

Passed: May 22, 2017



## Department of Community Development

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Maria Muratori  
mmuratori@ci.sandusky.oh.us

222 Meigs St.  
Sandusky, OH 44870  
Phone: 419.627.5891  
www.ci.sandusky.oh.us

**To:** Eric L. Wobser, City Manager  
**From:** Maria Muratori, Development Specialist  
**Date:** May 10, 2017  
**Subject:** Commission Agenda Item – Grant Agreements between City of Sandusky and Bait House Brewery, LLC.

**Items for Consideration:** Legislation approving Grant Agreements to be entered into between the City of Sandusky (“the City”) and Bait House Brewery, LLC (“Bait House”), an Ohio Limited Liability Company, for the purposes of furthering economic development efforts in the City.

**Background Information:** Dan McGookey, owner of Bait House Brewery, LLC, has practiced law in the City of Sandusky for thirty seven years and out of his current location at 225 Meigs Street for almost nine years. Mr. McGookey has developed the property that houses his law firm and the adjoining properties, branding the corner “Picket Village”.

Mr. McGookey purchased 223 Meigs Street, which at the time housed dilapidated apartments. Mr. McGookey is in the process of converting the property into a small brewery tap room with a “shack by the sea” aesthetic. Work has already begun on this endeavor and the brewery is expected to open in 2017. The project includes complete renovation of the interior, including an upstairs “laboratory” and a comprehensive façade overhaul, complete with signage and also including a new copper-colored metal roof, a wrap-around covered deck, and landscaping. According to the applicant, this project will result in approximately three (3) new jobs in the City of Sandusky.

Total project costs are estimated at over \$260,000. I recommend that the City Commission approve two (2) grants for a total of \$31,852.50 to assist with the façade / signage renovations and interior buildout / equipment costs. Grant amounts are as follows:

- Façade / Signage Grant:
  - Complete Renovation = \$16,852.50
- Small Business Assistance grant:
  - Buildout / Equipment = \$15,000.00
- Total = \$31,852.50

The above grants are conditioned upon the applicant complying with all Planning and Zoning codes and other applicable codes and regulations of the City and displaying signage noting the City of Sandusky's support. The project is expected to be complete by December 31, 2017. This application and grant amount were approved at the May 9, 2017 Economic Development Incentive Committee meeting, in accordance with the Sandusky City Economic Development Programs.

**Budgetary Information:** The City will be responsible for providing a total of \$31,852.50 in grant proceeds from the Economic Development Capital Projects Fund on a reimbursable basis at the completion of the project.

**Action Requested:** It is requested that the proper legislation be prepared to allow the City to enter into Grant Agreements with Bait House. It is further requested that this legislation be passed in accordance with Section 14 of the City Charter in order to immediately execute the grant agreement to allow Bait House to move forward with budgetary planning and facilitate rehabilitation.

I concur with this recommendation:

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Eric L. Wobser  
City Manager

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Maria Muratori  
Development Specialist

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Matthew D. Lasko, MUPDD, MSSA  
Chief Development Officer

cc: Kelly Kresser, Clerk of the City Commission  
Justin Harris, Law Director  
Hank Solowiej, Finance Director

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE AUTHORIZING AND APPROVING A SMALL BUSINESS ASSISTANCE GRANT IN THE AMOUNT OF \$15,000.00 TO THE BAIT HOUSE BREWERY, LLC, IN RELATION TO THE PROPERTY LOCATED AT 223 MEIGS STREET; AND DECLARING THAT THIS ORDINANCE SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.**

**WHEREAS**, Dan McGooney is the owner of the Bait House Brewery, LLC, located at 223 Meigs Street, and has practiced law in the City for thirty seven (37) years and has been at his current location at 225 Meigs Street for almost nine (9) years and has developed these properties along with his adjoining properties, branding the corner "Picket Village; and

**WHEREAS**, Mr. McGooney is in the process of converting the property located at 223 Meigs Street into a small brewery tap room with a "shack by the sea" aesthetic which involves complete renovation of the interior, including an upstairs "laboratory" and a comprehensive façade overhaul, complete with signage and also includes a new copper-colored metal roof, a wrap-around covered deck, and landscaping and is expected to open in 2017; and

**WHEREAS**, the City has determined that the development of the Property with the Project pursuant to this Agreement and the fulfillment generally of this Agreement are in the vital and best interests of the City and for the health and safety and welfare of its residents, and are necessary to improve the economic and general welfare of people of the City; and

**WHEREAS**, the Economic Development Incentive Committee met on May 9, 2017, and is recommending to approve a grant to the Bait House Brewery, LLC, in the amount of \$15,000.00 to assist with interior buildout and equipment costs; and

**WHEREAS**, this Ordinance should be passed as an emergency measure under suspension of the rules in accordance with Section 14 of the City Charter in order to execute the Grant Agreement and allow the project to move forward with budgetary planning and facilitate rehabilitation; and

**WHEREAS**, in that it is deemed necessary in order to provide for the immediate preservation of the public peace, property, health, and safety of the City of Sandusky, Ohio, and its citizens, and to provide for the efficient daily operation of the Municipal Departments, including the Department of Community Development, of the City of Sandusky, Ohio, the City Commission of the City of Sandusky, Ohio finds that an emergency exists regarding the aforesaid, and that it is advisable that this **Ordinance** be declared an emergency measure which will take immediate effect in accordance with Section 14 of the City Charter upon its adoption; and NOW, THEREFORE,

BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF SANDUSKY, OHIO, THAT:

Section 1. This City Commission authorizes and directs the City Manager to enter into a Grant Agreement with the Bait House Brewery, LLC, for small business assistance for the purposes of furthering economic development, substantially in the same form as Exhibit "A", a copy of which is attached to this Ordinance and is specifically incorporated as if fully rewritten herein, together with such revisions or additions as are approved by the Law Director as not being adverse to the City and as being consistent with carrying out the terms of this Ordinance.

Section 2. This City Commission authorizes and approves the grant funding to the Bait House Brewery, LLC, and the Finance Director is directed to deliver to the Bait House Brewery, LLC, a draft in the sum of Fifteen Thousand and 00/100 Dollars (\$15,000.00) from the Economic Development Capital Projects Fund of the City of Sandusky pursuant to and in accordance with



the terms of the Grant Agreement.

Section 3. If any section, phrase, sentence, or portion of this Ordinance is for any reason held invalid or unconstitutional by any Court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof;

Section 4. This City Commission finds and determines that all formal actions of this City Commission concerning and relating to the passage of this Ordinance were taken in an open meeting of this City Commission and that all deliberations of this City's Commission and any of its committees that resulted in those formal actions were in meetings open to the public, in compliance with all legal requirements;

Section 5. That for the reasons set forth in the preamble hereto, this Ordinance is hereby declared to be an emergency measure which shall take immediate effect in accordance with Section 14 of the City Charter after its adoption and due authentication by the President and the Clerk of the City Commission of the City of Sandusky, Ohio.

\_\_\_\_\_  
DENNIS E. MURRAY, JR.  
PRESIDENT OF THE CITY COMMISSION

ATTEST: \_\_\_\_\_  
KELLY L. KRESSER  
CLERK OF THE CITY COMMISSION

Passed: May 22, 2017

## GRANT AGREEMENT

This Grant Agreement (the “Agreement”) is made and entered into as of the \_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_ between the CITY OF SANDUSKY, OHIO (the “City”), a municipal corporation and political subdivision duly organized and validly existing under the Constitution, its Charter, and the laws of the State of Ohio, and Bait House Brewery, LLC (“the Company”), an Ohio Limited Liability Company.

### WITNESSETH:

WHEREAS, the owner of the Company is Daniel McGookey. Mr. McGookey previously developed 225 Meigs Street, which houses his law firm, and the adjoining parcels – branding the corner “Picket Village”. The Company also purchased the property at 223 Meigs Street (“the Property”). The Company intends to completely renovate the Property into a small brewery tap room with a “shack by the sea” aesthetic. The Property was previously vacant and dilapidated and the Company will transform it into a space that will house a revenue generating business with employees. The Company will renovate the entire interior of the building, including drain lines and plumbing, concrete floors, installation of a walk-in cooler, interior finishes, and purchase of a brewing system, herein after referred to as the “Project”; and

WHEREAS, to induce the Project, the City has agreed to provide economic incentive grants to the Company to assist in the payment of a portion of the costs of the Project as further described in Section 1 hereof; and

WHEREAS, the City has determined that the development of the Property with the Project pursuant to this Agreement and the fulfillment generally of this Agreement are in the vital and best interests of the City and for the health and safety and welfare of its residents, and are necessary to improve the economic and general welfare of people of the City;

NOW THEREFORE, in consideration of the premises and the covenants contained herein, the parties hereto agree as follows:

#### **Section 1. City Grant.**

The City agrees to grant up to \$15,000.00 to the Company (the “City Grant”) toward the costs of the Project, payable upon completion of the Project. The City Grant will be expensed from the Economic Development Capital Projects account (#431-4070-53000). Construction must be done in accordance with and to the reasonable satisfaction of the City, which includes, but is not limited to, compliance with all Planning and Zoning codes and other applicable codes and regulations of the City, including obtaining permits. Furthermore, the Company agrees to display a sign during construction and for at least one (1) year upon completion of the Project noting the City’s support; and

The Company shall notify the City promptly following the completion of the Project consistent with this Section and provide the City with any documents it reasonably requests related to Project costs and construction. The City shall then promptly review those documents and inspect the site and let the Company know if it has satisfied the conditions set forth in this

Section and, if not, describe what is found to be deficient. In order to receive the City Grant, the Project will need to be completed by December 31, 2017.

The City shall pay the City Grant by check placed in the U.S. regular mail within fourteen (14) days following confirmation of the satisfactory completion of construction to the notice address provided in Section 6 below.

**Section 2. Authority to Sign.**

The Company and the City both represent that this Agreement has been approved by formal action of the duly authorized representatives of both parties.

**Section 3. Assignment or Transfer.**

The Company agrees that this Agreement is not transferable or assignable without the express, written approval of the City.

**Section 4. Choice of Law.**

This Agreement shall be governed and interpreted in accordance with the laws of the State of Ohio and the parties hereto agree that any dispute or other matter arising out of the interpretation or operation of this Agreement shall be determined in a Court of competent jurisdiction located within the State of Ohio and County of Erie.

**Section 5. Binding Agreement.**

This Agreement shall be binding on each of the parties and their respective successors and assigns.

**Section 6. Miscellaneous.**

(a) Notice. Any notice or communication required or permitted to be given under this Agreement by either party to the other shall be deemed sufficiently given if delivered personally or mailed by United States registered or certified mail postage prepaid or by overnight delivery and addressed as follows:

- (i) TO THE CITY: City Manager  
c/o Development Specialist  
City of Sandusky, Ohio  
City Building  
222 Meigs Street  
Sandusky, OH 44870
- (ii) TO THE COMPANY: Bait House Brewery, LLC  
223 Meigs Street  
Sandusky, Ohio 44870  
Attention: Daniel McGookey

Any party may change its address for notice purposes by providing written notice of such change to the other party.

(b) Amendments. This Agreement may only be amended by written instrument executed by all parties.

(c) Effect of Agreement. This Agreement is signed by the parties as a final expression of all the terms, covenants and conditions of their agreement and as a complete and exclusive statement of its terms, covenants and conditions and is intended to supersede all prior agreements and understandings concerning the subject matter of this Agreement.

(d) Counterparts. This Agreement may be signed in several counterparts, each of which shall be an original, but all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF the parties hereto, by and through their duly authorized representatives, have executed this Agreement on behalf of the corporate entities identified herein, on the date first written above.

**Bait House Brewery, LLC**  
an Ohio limited liability company

By: \_\_\_\_\_  
TITLE:

**CITY OF SANDUSKY, OHIO**

By: \_\_\_\_\_  
City Manager

The legal form of the within instrument is hereby approved.

\_\_\_\_\_  
Director of Law  
City of Sandusky

**CERTIFICATE OF DIRECTOR OF FINANCE**

The undersigned, fiscal officer of the City of Sandusky, Ohio, hereby certifies that the money required to meet the obligations of the City under the foregoing Agreement has been lawfully appropriated by the City Commission of the City for such purposes and are in the treasury of the City or in the process of collection to the credit of an appropriate fund, free from any previous encumbrances. This Certificate is given in compliance with Sections 5705.41 and 5705.44, Ohio Revised Code.

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Director of Finance

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE AUTHORIZING AND APPROVING A FAÇADE & SIGNAGE GRANT IN THE AMOUNT OF \$16,852.50 TO THE BAIT HOUSE BREWERY, LLC, IN RELATION TO THE PROPERTY LOCATED AT 223 MEIGS STREET; AND DECLARING THAT THIS ORDINANCE SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.**

**WHEREAS**, Dan McGookey is the owner of the Bait House Brewery, LLC, located at 223 Meigs Street, and has practiced law in the City for thirty seven (37) years and has been at his current location at 225 Meigs Street for almost nine (9) years and has developed these properties along with his adjoining properties, branding the corner "Picket Village; and

**WHEREAS**, Mr. McGookey is in the process of converting the property located at 223 Meigs Street into a small brewery tap room with a "shack by the sea" aesthetic which involves complete renovation of the interior, including an upstairs "laboratory" and a comprehensive façade overhaul, complete with signage and also includes a new copper-colored metal roof, a wrap-around covered deck, and landscaping and is expected to open in 2017; and

**WHEREAS**, the City has determined that the development of the Property with the Project pursuant to this Agreement and the fulfillment generally of this Agreement are in the vital and best interests of the City and for the health and safety and welfare of its residents, and are necessary to improve the economic and general welfare of people of the City; and

**WHEREAS**, the Economic Development Incentive Committee met on May 9, 2017, and is recommending to approve a grant to the Bait House Brewery, LLC, in the amount of \$16,852.50 to assist with façade & signage renovations; and

**WHEREAS**, this Ordinance should be passed as an emergency measure under suspension of the rules in accordance with Section 14 of the City Charter in order to execute the Grant Agreement and allow the project to move forward with budgetary planning and facilitate rehabilitation; and

**WHEREAS**, in that it is deemed necessary in order to provide for the immediate preservation of the public peace, property, health, and safety of the City of Sandusky, Ohio, and its citizens, and to provide for the efficient daily operation of the Municipal Departments, including the Department of Community Development, of the City of Sandusky, Ohio, the City Commission of the City of Sandusky, Ohio finds that an emergency exists regarding the aforesaid, and that it is advisable that this **Ordinance** be declared an emergency measure which will take immediate effect in accordance with Section 14 of the City Charter upon its adoption; and NOW, THEREFORE,

BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF SANDUSKY, OHIO, THAT:

Section 1. This City Commission authorizes and directs the City Manager to enter into a Grant Agreement with the Bait House Brewery, LLC, for façade and signage renovations for the purposes of furthering economic development, substantially in the same form as Exhibit "A", a copy of which is attached to this Ordinance and is specifically incorporated as if fully rewritten herein, together with such revisions or additions as are approved by the Law Director as not being adverse to the City and as being consistent with carrying out the terms of this Ordinance.

Section 2. This City Commission authorizes and approves the grant funding to the Bait House Brewery, LLC, and the Finance Director is directed to deliver to the Bait House Brewery, LLC, a draft in the sum of Fifteen Thousand and 00/100 Dollars (\$16,852.50) from the Economic Development Capital Projects Fund of the City of Sandusky pursuant to and in accordance with

the terms of the Grant Agreement.

Section 3. If any section, phrase, sentence, or portion of this Ordinance is for any reason held invalid or unconstitutional by any Court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof;

Section 4. This City Commission finds and determines that all formal actions of this City Commission concerning and relating to the passage of this Ordinance were taken in an open meeting of this City Commission and that all deliberations of this City's Commission and any of its committees that resulted in those formal actions were in meetings open to the public, in compliance with all legal requirements;

Section 5. That for the reasons set forth in the preamble hereto, this Ordinance is hereby declared to be an emergency measure which shall take immediate effect in accordance with Section 14 of the City Charter after its adoption and due authentication by the President and the Clerk of the City Commission of the City of Sandusky, Ohio.

\_\_\_\_\_  
DENNIS E. MURRAY, JR.  
PRESIDENT OF THE CITY COMMISSION

ATTEST: \_\_\_\_\_  
KELLY L. KRESSER  
CLERK OF THE CITY COMMISSION

Passed: May 22, 2017

## GRANT AGREEMENT

This Grant Agreement (the “Agreement”) is made and entered into as of the \_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_ between the CITY OF SANDUSKY, OHIO (the “City”), a municipal corporation and political subdivision duly organized and validly existing under the Constitution, its Charter, and the laws of the State of Ohio, and Bait House Brewery, LLC (“the Company”), an Ohio Limited Liability Company.

### WITNESSETH:

WHEREAS, the owner of the Company is Daniel McGookey. Mr. McGookey previously developed 225 Meigs Street, which houses his law firm, and the adjoining parcels – branding the corner “Picket Village”. The Company also purchased the property at 223 Meigs Street (“the Property”). The Company intends to completely renovate the Property into a small brewery tap room with a “shack by the sea” aesthetic. The Property was previously vacant and dilapidated and the Company will transform it into a space that will house a revenue generating business with employees. The Company will install new signage and renovate the exterior façade including installation of a new copper-colored metal roof, a wrap-around covered deck, and new windows, herein after referred to as the “Project”; and

WHEREAS, to induce the Project, the City has agreed to provide economic incentive grants to the Company to assist in the payment of a portion of the costs of the Project as further described in Section 1 hereof; and

WHEREAS, the City has determined that the development of the Property with the Project pursuant to this Agreement and the fulfillment generally of this Agreement are in the vital and best interests of the City and for the health and safety and welfare of its residents, and are necessary to improve the economic and general welfare of people of the City;

NOW THEREFORE, in consideration of the premises and the covenants contained herein, the parties hereto agree as follows:

#### **Section 1. City Grant.**

The City agrees to grant up to \$16,852.50 to the Company (the “City Grant”) toward the costs of the Project, payable upon completion of the Project. The City Grant will be expensed from the Economic Development Capital Projects account (#431-4070-53000). Construction must be done in accordance with and to the reasonable satisfaction of the City, which includes, but is not limited to, compliance with all Planning and Zoning matters and other applicable codes and regulations of the City, including obtaining permits. Furthermore, the Company agrees to display a sign during construction and for at least one (1) year upon completion of the Project noting the City’s support; and

The Company shall notify the City promptly following the completion of the Project consistent with this Section and provide the City with any documents it reasonably requests related to Project costs and construction. The City shall then promptly review those documents and inspect the site and let the Company know if it has satisfied the conditions set forth in this



Section and, if not, describe what is found to be deficient. In order to receive the City Grant, the Project will need to be completed by June 30, 2018.

The City shall pay the City Grant by check placed in the U.S. regular mail within fourteen (14) days following confirmation of the satisfactory completion of construction to the notice address provided in Section 6 below.

**Section 2. Authority to Sign.**

The Company and the City both represent that this Agreement has been approved by formal action of the duly authorized representatives of both parties.

**Section 3. Assignment or Transfer.**

The Company agrees that this Agreement is not transferable or assignable without the express, written approval of the City.

**Section 4. Choice of Law.**

This Agreement shall be governed and interpreted in accordance with the laws of the State of Ohio and the parties hereto agree that any dispute or other matter arising out of the interpretation or operation of this Agreement shall be determined in a Court of competent jurisdiction located within the State of Ohio and County of Erie.

**Section 5. Binding Agreement.**

This Agreement shall be binding on each of the parties and their respective successors and assigns.

**Section 6. Miscellaneous.**

(a) Notice. Any notice or communication required or permitted to be given under this Agreement by either party to the other shall be deemed sufficiently given if delivered personally or mailed by United States registered or certified mail postage prepaid or by overnight delivery and addressed as follows:

- (i) TO THE CITY: City Manager  
c/o Development Specialist  
City of Sandusky, Ohio  
City Building  
222 Meigs Street  
Sandusky, OH 44870
  
- (ii) TO THE COMPANY: Bait House Brewery, LLC  
223 Meigs Street  
Sandusky, Ohio 44870  
Attention: Daniel McGookey

Any party may change its address for notice purposes by providing written notice of such change to the other party.

(b) Amendments. This Agreement may only be amended by written instrument executed by all parties.

(c) Effect of Agreement. This Agreement is signed by the parties as a final expression of all the terms, covenants and conditions of their agreement and as a complete and exclusive statement of its terms, covenants and conditions and is intended to supersede all prior agreements and understandings concerning the subject matter of this Agreement.

(d) Counterparts. This Agreement may be signed in several counterparts, each of which shall be an original, but all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF the parties hereto, by and through their duly authorized representatives, have executed this Agreement on behalf of the corporate entities identified herein, on the date first written above.

**Bait House Brewery, LLC**  
an Ohio limited liability company

By: \_\_\_\_\_  
TITLE:

**CITY OF SANDUSKY, OHIO**

By: \_\_\_\_\_  
City Manager

The legal form of the within instrument is hereby approved.

\_\_\_\_\_  
Director of Law  
City of Sandusky

**CERTIFICATE OF DIRECTOR OF FINANCE**

The undersigned, fiscal officer of the City of Sandusky, Ohio, hereby certifies that the money required to meet the obligations of the City under the foregoing Agreement has been lawfully appropriated by the City Commission of the City for such purposes and are in the treasury of the City or in the process of collection to the credit of an appropriate fund, free from any previous encumbrances. This Certificate is given in compliance with Sections 5705.41 and 5705.44, Ohio Revised Code.

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Director of Finance



## Department of Community Development

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Maria Muratori  
mmuratori@ci.sandusky.oh.us

222 Meigs St.  
Sandusky, OH 44870  
Phone: 419.627.5891  
www.ci.sandusky.oh.us

**To:** Eric L. Wobser, City Manager  
**From:** Maria Muratori, Development Specialist  
**Date:** May 11, 2017  
**Subject:** Commission Agenda Item – Grant Agreement between City of Sandusky and Zeller Gaming Enterprises, LLC.

**Items for Consideration:** Legislation approving a Grant Agreement to be entered into between the City of Sandusky (“the City”) and Zeller Gaming Enterprises, LLC (“Zeller”), an Ohio Limited Liability Company, for the purposes of furthering economic development efforts in the City.

**Background Information:** Gregg Winnestaffer and Gabriel Zeller, owners of Zeller Gaming Enterprises, LLC, both have restaurant experience. In July of 2016, Zeller purchased 142 Columbus Avenue, which was vacant at the time, with the intent to completely renovate the property into a commercial restaurant.

The renovation will transform 142 Columbus Avenue into a space usable to house a modern Mexican restaurant, including buildout of the first floor, equipment installation, new signage, and the purchase of furniture and fixtures. According to the applicant, this project will result in at least four (4) new full-time equivalent jobs in the City of Sandusky.

Total project costs are estimated at almost \$300,000 (excluding acquisition). I recommend that the City Commission approve two (2) grants for a total of \$21,993.75 to assist with the new signage and the interior buildout / equipment costs. Grant amounts are as follows:

- Signage Grant:
  - Window Sign and Blade Sign = \$6,993.75
  
- Small Business Assistance grant:
  - Buildout / Equipment = \$15,000.00
  
- Total = \$21,993.75

The above grants are conditioned upon the applicant complying with all Planning and Zoning codes and other applicable codes and regulations of the City and displaying signage noting the City of Sandusky's support. The project is expected to be complete by December 31, 2017. This application and grant amount were approved at the April 11, 2017 Economic Development Incentive Committee meeting, in accordance with the Sandusky City Economic Development Programs.

**Budgetary Information:** The City will be responsible for providing \$21,993.75 in grant proceeds from the Economic Development Capital Projects Fund on a reimbursable basis at the completion of the project.

**Action Requested:** It is requested that the proper legislation be prepared to allow the City to enter into a Grant Agreement with Zeller. It is further requested that this legislation be passed in accordance with Section 14 of the City Charter in order to immediately execute the grant agreement to allow Zeller to move forward with budgetary planning and facilitate rehabilitation.

I concur with this recommendation:

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Eric L. Wobser  
City Manager

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Maria Muratori  
Development Specialist

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Matthew D. Lasko, MUPDD, MSSA  
Chief Development Officer

cc: Kelly Kresser, Clerk of the City Commission  
Justin Harris, Law Director  
Hank Solowiej, Finance Director

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE AUTHORIZING AND APPROVING A GRANT IN THE AMOUNT OF \$21,993.75 TO ZELLER GAMING ENTERPRISES, LLC, IN RELATION TO THE PROPERTY LOCATED AT 142 COLUMBUS AVENUE; AND DECLARING THAT THIS ORDINANCE SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.**

**WHEREAS**, Gregg Winnestaffer and Gabriel Zeller, owners of Zeller Gaming Enterprises, LLC, purchased the property located at 142 Columbus Avenue in July of 2016 with the intent to completely renovate the property into a commercial restaurant; and

**WHEREAS**, the renovation will transform the property into a modern Mexican restaurant, including buildout of the first floor, equipment installation, new signage, and the purchase of furniture and fixtures and will result in at least four (4) new full-time equivalent jobs; and

**WHEREAS**, it has been determined that the development of the Property with the Project pursuant to this Agreement and the fulfillment generally of this Agreement are in the vital and best interests of the City and for the health and safety and welfare of its residents, and are necessary to improve the economic and general welfare of people of the City; and

**WHEREAS**, the Economic Development Incentive Committee met on April 11, 2017, and is recommending to approve a grant to Zeller Gaming Enterprises, LLC, in the amount of \$21,993.75, in accordance with the Sandusky City Economic Development Programs, to assist with projects costs for the purpose of furthering economic development efforts in the City; and

**WHEREAS**, this Ordinance should be passed as an emergency measure under suspension of the rules in accordance with Section 14 of the City Charter in order to execute the Grant Agreement and allow the project to move forward with budgetary planning and facilitate rehabilitation; and

**WHEREAS**, in that it is deemed necessary in order to provide for the immediate preservation of the public peace, property, health, and safety of the City of Sandusky, Ohio, and its citizens, and to provide for the efficient daily operation of the Municipal Departments, including the Department of Community Development, of the City of Sandusky, Ohio, the City Commission of the City of Sandusky, Ohio finds that an emergency exists regarding the aforesaid, and that it is advisable that this **Ordinance** be declared an emergency measure which will take immediate effect in accordance with Section 14 of the City Charter upon its adoption; and NOW, THEREFORE,

BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF SANDUSKY, OHIO, THAT:

Section 1. This City Commission authorizes and directs the City Manager to enter into a Grant Agreement with Zeller Gaming Enterprises, LLC, for financial assistance through the Small Business Assistance and Signage Grant Programs for the purpose of furthering economic development efforts in the City, substantially in the same form as Exhibit "A", a copy of which is attached to this Ordinance and is specifically incorporated as if fully rewritten herein, together with such revisions or additions as are approved by the Law Director as not being adverse to the City and as being consistent with carrying out the terms of this Ordinance.

Section 2. This City Commission authorizes and approves the grant funding to Zeller Gaming Enterprises, LLC, and the Finance Director is directed to deliver to Zeller Gaming Enterprises, LLC, a draft in the sum of Twenty One Thousand Nine Hundred Ninety Three and 75/100 Dollars (\$21,993.75) from the Economic Development Capital Projects Fund of the City

of Sandusky pursuant to and in accordance with the terms of the Grant Agreement.

Section 3. If any section, phrase, sentence, or portion of this Ordinance is for any reason held invalid or unconstitutional by any Court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof;

Section 4. This City Commission finds and determines that all formal actions of this City Commission concerning and relating to the passage of this Ordinance were taken in an open meeting of this City Commission and that all deliberations of this City's Commission and any of its committees that resulted in those formal actions were in meetings open to the public, in compliance with all legal requirements;

Section 5. That for the reasons set forth in the preamble hereto, this Ordinance is hereby declared to be an emergency measure which shall take immediate effect in accordance with Section 14 of the City Charter after its adoption and due authentication by the President and the Clerk of the City Commission of the City of Sandusky, Ohio.

\_\_\_\_\_  
DENNIS E. MURRAY, JR.  
PRESIDENT OF THE CITY COMMISSION

ATTEST: \_\_\_\_\_  
KELLY L. KRESSER  
CLERK OF THE CITY COMMISSION

Passed: May 22, 2017

## GRANT AGREEMENT

This Grant Agreement (the "Agreement") is made and entered into as of the \_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_ between the CITY OF SANDUSKY, OHIO (the "City"), a municipal corporation and political subdivision duly organized and validly existing under the Constitution, its Charter, and the laws of the State of Ohio, and Zeller Gaming Enterprises, LLC ("the Company"), an Ohio Limited Liability Company.

### WITNESSETH:

WHEREAS, the owners of the Company are Gregg Winnestaffer and Gabriel Zeller. The Company purchased the property at 142 Columbus Avenue ("the Property"). Both Mr. Winnestaffer and Mr. Zeller have restaurant experience. The Company intends to completely renovate the Property with the first floor restored back into a space suitable for a commercial restaurant. The Property was previously vacant and the Company will transform it into a space that will house a revenue generating business with employees. The Company will entirely renovate the first floor, purchase a commercial grade hood, and install new signage, herein after referred to as the "Project"; and

WHEREAS, to induce the Project, the City has agreed to provide economic incentive grants to the Company to assist in the payment of a portion of the costs of the Project as further described in Section 1 hereof; and

WHEREAS, the City has determined that the development of the Property with the Project pursuant to this Agreement and the fulfillment generally of this Agreement are in the vital and best interests of the City and for the health and safety and welfare of its residents, and are necessary to improve the economic and general welfare of people of the City;

NOW THEREFORE, in consideration of the premises and the covenants contained herein, the parties hereto agree as follows:

### **Section 1. City Grant.**

The City agrees to grant up to \$21,993.75 to the Company (the "City Grant") toward the costs of the Project (up to \$6,993.75 for façade / signage and up to \$15,000.00 for small business assistance related to interior buildout and equipment), payable upon completion of the Project. The City Grant will be expensed from the Economic Development Capital Projects account (#431-4070-53000). Construction must be done in accordance with and to the reasonable satisfaction of the City, which includes, but is not limited to, compliance with all Planning and Zoning codes and other applicable codes and regulations of the City, including obtaining permits and obtaining approval from the Landmarks Commission. Furthermore, the Company agrees to display a sign during construction and for at least one (1) year upon completion of the Project noting the City's support; and

The Company shall notify the City promptly following the completion of the Project consistent with this Section and provide the City with any documents it reasonably requests related to Project costs and construction. The City shall then promptly review those documents and inspect the site and let the Company know if it has satisfied the conditions set forth in this



Section and, if not, describe what is found to be deficient. In order to receive the City Grant, the Project will need to be completed by December 31, 2017.

The City shall pay the City Grant by check placed in the U.S. regular mail within fourteen (14) days following confirmation of the satisfactory completion of construction to the notice address provided in Section 6 below.

**Section 2. Authority to Sign.**

The Company and the City both represent that this Agreement has been approved by formal action of the duly authorized representatives of both parties.

**Section 3. Assignment or Transfer.**

The Company agrees that this Agreement is not transferable or assignable without the express, written approval of the City.

**Section 4. Choice of Law.**

This Agreement shall be governed and interpreted in accordance with the laws of the State of Ohio and the parties hereto agree that any dispute or other matter arising out of the interpretation or operation of this Agreement shall be determined in a Court of competent jurisdiction located within the State of Ohio and County of Erie.

**Section 5. Binding Agreement.**

This Agreement shall be binding on each of the parties and their respective successors and assigns.

**Section 6. Miscellaneous.**

(a) Notice. Any notice or communication required or permitted to be given under this Agreement by either party to the other shall be deemed sufficiently given if delivered personally or mailed by United States registered or certified mail postage prepaid or by overnight delivery and addressed as follows:

- (i) TO THE CITY: City Manager  
c/o Development Specialist  
City of Sandusky, Ohio  
City Building  
222 Meigs Street  
Sandusky, OH 44870
  
- (ii) TO THE COMPANY: Zeller Gaming Enterprises, LLC  
142 Columbus Avenue  
Sandusky, Ohio 44870  
Attention: Gabriel Zeller

Any party may change its address for notice purposes by providing written notice of such change to the other party.

(b) Amendments. This Agreement may only be amended by written instrument executed by all parties.

(c) Effect of Agreement. This Agreement is signed by the parties as a final expression of all the terms, covenants and conditions of their agreement and as a complete and exclusive statement of its terms, covenants and conditions and is intended to supersede all prior agreements and understandings concerning the subject matter of this Agreement.

(d) Counterparts. This Agreement may be signed in several counterparts, each of which shall be an original, but all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF the parties hereto, by and through their duly authorized representatives, have executed this Agreement on behalf of the corporate entities identified herein, on the date first written above.

**Zeller Gaming Enterprises, LLC**  
an Ohio limited liability company

By: \_\_\_\_\_  
TITLE:

By: \_\_\_\_\_  
TITLE:

**CITY OF SANDUSKY, OHIO**

By: \_\_\_\_\_  
City Manager

The legal form of the within instrument is hereby approved.

\_\_\_\_\_  
Director of Law  
City of Sandusky

**CERTIFICATE OF DIRECTOR OF FINANCE**

The undersigned, fiscal officer of the City of Sandusky, Ohio, hereby certifies that the money required to meet the obligations of the City under the foregoing Agreement has been lawfully appropriated by the City Commission of the City for such purposes and are in the treasury of the City or in the process of collection to the credit of an appropriate fund, free from any previous encumbrances. This Certificate is given in compliance with Sections 5705.41 and 5705.44, Ohio Revised Code.

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Director of Finance



## Department of Community Development

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Maria Muratori  
mmuratori@ci.sandusky.oh.us

222 Meigs St.  
Sandusky, OH 44870  
Phone: 419.627.5707  
www.ci.sandusky.oh.us

**To:** Eric L. Wobser, City Manager

**From:** Maria Muratori, Development Specialist

**Date:** May 11, 2017

**Subject:** Commission Agenda Item – Community Reinvestment Area (CRA) Tax Abatement Agreement.

**Items for Consideration:** Legislation approving a Community Reinvestment Area Tax Abatement Agreement between the City of Sandusky and Zeller Gaming Enterprises, LLC, an Ohio limited liability company, for the purposes of furthering economic development efforts within the City.

**Background Information:** Gregg Winnestaffer and Gabriel Zeller, owners of Zeller Gaming Enterprises, LLC, both have restaurant experience. In July of 2016, Zeller purchased 142 Columbus Avenue, which was vacant at the time, with the intent to completely renovate the property into a commercial restaurant.

The renovation will transform 142 Columbus Avenue into a space usable to house a modern Mexican restaurant, including buildout of the first floor, equipment installation, new signage, and the purchase of furniture and fixtures. According to the applicant, this project will result in at least four (4) new full-time equivalent jobs in the City of Sandusky.

The requested real estate tax abatement is on the increase in value for the building/project for a period of five (5) years with a 75% abatement. This abatement ultimately will be for the appraised value of the physical improvements to the building currently estimated at \$225,000.

The Board of Education of the Sandusky City Schools approved the proposed tax exemption by formal resolution at its May 8, 2017 Board meeting.

**Budgetary Information:** The project will have an ongoing positive impact on the general fund, as 25% of the increase in value will be subject to real estate taxes during the abatement period. The project will also help sustain construction jobs in the local economy and will create an estimated four (4) full-time equivalent employment positions that will be subject to City income tax.

**Action Requested:** It is requested that the proper legislation be prepared to allow the City to enter into an Community Reinvestment Area Agreement with Zeller Gaming Enterprises, LLC. It is further requested that this legislation be passed in accordance with Section 14 of the City Charter to expedite passage in order for the project to commence construction so as to be completed by the end of 2017.

I concur with this recommendation:

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Eric L. Wobser  
City Manager

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Maria Muratori  
Development Specialist

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Matthew D. Lasko, MUPDD, MSSA  
Chief Development Officer

cc: Kelly Kresser, Clerk of the City Commission  
Justin Harris, Law Director  
Hank Solowiej, Finance Director

The special meeting of the Sandusky Board of Education of May 08, 2017 was called to order by President Mr. Krabill at 8:00 a.m.

The following members were present: Mr. Jeff Krabill, Mrs. Brigitte Green-Churchwell, Mrs. Martha Murray, Ms. Kate Vargo, and Mr. Thomas Patterson.

Mr. Krabill led with the Pledge of Allegiance.

**Resolution #17-5a-1**

Ms. Vargo made the motion, seconded by Mr. Patterson to approve the March 10, 2017 Special Meeting, April 03, 2017 Regular Meeting, and April 24, 2017 Special Meeting minutes as presented.

On Roll Call: Ms. Vargo, AYE, Mr. Patterson, AYE, Mrs. Green-Churchwell, AYE, Ms. Vargo, AYE, Mrs. Murray AYE, Mr. Krabill AYE. Motion carried.

**Resolution #17-5a-2**

Mrs. Green-Churchwell made the motion, seconded by Mrs. Murray to approve the agenda as presented.

On Roll Call: Mrs. Green-Churchwell, AYE, Mrs. Murray AYE, Mr. Patterson, AYE, Ms. Vargo, AYE, Mrs. Murray AYE, Mr. Krabill AYE. Motion carried.

**Correspondence – Action**

Turner, Hillary – School Psychologist  
Fletcher, Dennis – Head Custodian, Ontario  
Homburger, Norma – Cafeteria Manager, Venice Heights  
Schoen, Denise – Paraprofessional, Ontario  
Brown, Keith – Asst. Treasurer

**Resolution #17-5a-3**

Mrs. Murray made the motion, seconded by Mrs. Vargo to approve the Treasurer's recommendation as presented.

a) **Approval of Monthly Financial Statement and Monthly Investments**

It is recommended that the Board of Education approve the financial statement and investments as provided under separate cover for the month of March, 2017.

b) **Approval of the Five-Year Financial Forecast and Assumptions**

It is recommended that the Board of Education approve the Five Year Forecast and associated notes for May 2016, as presented in the attached documentation.

c) **Approval for Services with Healthcare Process Consulting Inc. for the 17/18sy**

It is recommended that the Board of Education approve the agreement with the Healthcare Process Consulting, Inc., for HPC Medicaid processing\_for the 2017-18 school year.

d) **Approval of Community Reinvestment Area Agreement with the City of Sandusky**

It is recommended that the Board of Education approve the attached Community Reinvestment Act with the City of Sandusky.

On Roll Call: Mrs. Murray, AYE, Ms. Vargo, AYE Mrs. Green-Churchwell, AYE, Mr. Patterson, AYE, Ms. Vargo, AYE, Mr. Krabill AYE. Motion carried.

**Resolution #17-5a-4**

**CEO & Superintendent’s Recommendations – Action Items, Eugene T.W. Sanders, PhD**

Mr. Patterson made the motion, seconded by Mrs. Murray to approve the following action items as delineated below. The recommendations presented to the Board of Education have been provided to the Board in advance of the Board meeting. Board members have had the opportunity to review available background information and request additional information to further prepare for action on recommendations presented in this section prior to the Board meeting.

a) Personnel

1) Acceptance of Supplemental Resignations –

It is recommended that the Board of Education accept the following resignation(s) as requested in the provided communications:

<b>Approval Supplemental Resignation</b>			
<b>Last Name</b>	<b>First Name</b>	<b>Position</b>	<b>Effective</b>
Doughty	Amy	Senior Class Advisor	2016/17 SY
Doughty	Amy	Student Council Advisor	2016/17 SY
Doughty	Amy	Yearbook Advisor	2016/17 SY

2) Approval of Resignations – Professional

It is recommended that the Board of Education accept the following resignation(s) as requested in the provided communications:

<b>Approval of Resignation</b>			
<b>Last Name</b>	<b>First Name</b>	<b>Position</b>	<b>Effective</b>
Turner	Hillary	School Psychologist	June 30, 2017

3) Approval of Resignation for Retirement – Support Staff

It is recommended that the Board of Education accept the following resignations for retirement:

<b>Approval of Resignation for Retirement</b>			
<b>Last Name</b>	<b>First Name</b>	<b>Position</b>	<b>Effective Date</b>
Fletcher	Dennis	Head Custodian	June 1, 2017
Homberger	Norma	Cafeteria Manager	June 1, 2017

4) Approval of Resignations – Support Staff

It is recommended that the Board of Education accept the following resignation(s) as requested in the provided communications:

<b>Approval of Resignation</b>			
<b>Last Name</b>	<b>First Name</b>	<b>Position</b>	<b>Effective</b>
Schoen	Denise	Paraprofessional	May 31, 2017

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE APPROVING THE COMMUNITY REINVESTMENT AREA AGREEMENT WITH ZELLER GAMING ENTERPRISES, LLC; AUTHORIZING THE CITY MANAGER TO EXECUTE THE COMMUNITY REINVESTMENT AREA AGREEMENT; AND DECLARING THAT THIS ORDINANCE SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.**

**WHEREAS**, the City Commission established a Downtown Community Reinvestment Area by the passage of Ordinance No. 03-109 on June 23, 2003; and

**WHEREAS**, the City of Sandusky has received a request for tax abatement within the Downtown Community Reinvestment Area from Zeller Gaming Enterprises, LLC, for the renovation of the property located at 142 Columbus Avenue into a modern Mexican restaurant; and

**WHEREAS**, Gregg Winnestaffer and Gabriel Zeller, owners of Zeller Gaming Enterprises, LLC, purchased the property located at 142 Columbus Avenue in July of 2016 with the intent to completely renovate the property into a commercial restaurant; and

**WHEREAS**, the project will have an ongoing positive impact on the General Fund as 25% of the increase in value will be subject to real estate taxes during the abatement period and the project will also help sustain construction jobs in the local economy and create an estimated four (4) full-time equivalent employment positions that will result in additional income taxes for the City; and

**WHEREAS**, it is recommend to approve the proposed real estate tax exemption on the increase in value for the building for a period of five (5) years with a 75% abatement that ultimately will be for the appraised value of the physical improvements to the building currently estimated at \$225,000.00; and

**WHEREAS**, the Board of Education of the Sandusky City Schools has approved the proposed tax exemption by formal Resolution on May 8, 2017; and

**WHEREAS**, this Ordinance should be passed as an emergency measure under suspension of the rules in accordance with Section 14 of the City Charter in order for construction to commence and allow the project to be completed by the end of 2017; and

**WHEREAS**, in that it is deemed necessary in order to provide for the immediate preservation of the public peace, property, health, and safety of the City of Sandusky, Ohio, and its citizens, and to provide for the efficient daily operation of the Municipal Departments, including the Department of Community Development, of the City of Sandusky, Ohio, the City Commission of the City of Sandusky, Ohio finds that an emergency exists regarding the aforesaid, and that it is advisable that this **Ordinance** be declared an emergency measure which will take immediate effect in accordance with Section 14 of the City Charter upon its adoption; and NOW, THEREFORE,

BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF SANDUSKY, OHIO, THAT:

Section 1. This Commission hereby approves the Community Reinvestment Area Agreement pursuant to the terms and conditions, copies of which are on file in the office of the Clerk of the City Commission.

Section 2. The City Manager is hereby authorized and directed to execute the Community Reinvestment Area Agreement with Zeller Gaming Enterprises, LLC, on behalf of the City of Sandusky in accordance with the terms and conditions as contained in the form of



the agreement on file with the Clerk of the City Commission and attached to this Ordinance, marked Exhibit "1" and specifically incorporated as if fully rewritten herein.

Section 3. If any section, phrase, sentence, or portion of this Ordinance is for any reason held invalid or unconstitutional by any Court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

Section 4. This City Commission finds and determines that all formal actions of this City Commission concerning and relating to the passage of this Ordinance were taken in an open meeting of this City Commission and that all deliberations of this City Commission and of any of its committees that resulted in those formal actions were in meetings open to the public in compliance with the law.

Section 5. That for the reasons set forth in the preamble hereto, this Ordinance is hereby declared to be an emergency measure which shall take immediate effect in accordance with Section 14 of the City Charter from and after its adoption and due authentication by the President and the Clerk of the City Commission of the City of Sandusky, Ohio.

\_\_\_\_\_  
DENNIS E. MURRAY, JR.  
PRESIDENT OF THE CITY COMMISSION

ATTEST: \_\_\_\_\_  
KELLY L. KRESSER  
CLERK OF THE CITY COMMISSION

Passed: May 22, 2017

## **COMMUNITY REINVESTMENT AREA AGREEMENT**

This Agreement made and entered into by and between the City of Sandusky, Ohio, an Ohio municipal corporation with a Commission-Manager form of government, with its main offices located at 222 Meigs Street, Sandusky, Ohio 44870 (hereinafter “City” or City of Sandusky), and Zeller Gaming Enterprises, LLC, an Ohio Limited Liability Company, with its mailing address at 142 Columbus Avenue, Sandusky, Ohio 44870 (hereinafter “Property Owner”) WITNESSETH:

WHEREAS, the City has encouraged the development of real property and the acquisition of personal property located in the area designated as a Community Reinvestment Area; and

WHEREAS, Property Owner is desirous of renovating a currently vacant commercial building located at 142 Columbus Avenue, Sandusky, Ohio and returning it to productive use as a street level restaurant (hereinafter the “Project”). The subject property is further described as Erie County, Ohio permanent parcel number 56-00082.000 within the boundaries of the aforementioned Community Reinvestment Area, provided that the appropriate development incentives are available to support the economic viability of said Project; and

WHEREAS, the City Commission of the City of Sandusky, Ohio by Ordinance No. 03-109 adopted June 23, 2003 designated the area as a “Community Reinvestment Area” pursuant to Chapter 3735 of the Ohio Revised Code; and

WHEREAS, effective July 11, 2003, the Director of Development of the State of Ohio determined that the aforementioned area designated in said Ordinance No. 03-109 contains the characteristics set forth in Section 3735.66 of the Ohio Revised Code and certified said area as Community Reinvestment Area Number 04370380-01 under said Chapter 3735; and

WHEREAS, the City of Sandusky having the appropriate authority for the stated type of project is desirous of providing Property Owner with incentives available for the development of the Project in said Community Reinvestment Area under Chapter 3735 of the Ohio Revised Code; and

WHEREAS, Property Owner has submitted a proposed agreement application (hereinafter referred to as "Application" and attached as Exhibit “A”) to the City of Sandusky; and

WHEREAS, Property Owner has remitted the required State application fee of \$750.00 made payable to the Ohio Development Services Agency (formerly known as The Ohio Department of Development) with the Application to be forwarded to said department with the final agreement; and

WHEREAS, the City Manager of the City has investigated the application of Property Owner and has recommended the same to the Commission of the City on the basis that the Property Owner is qualified by financial responsibility and business experience to create and preserve employment opportunities in said Community Reinvestment Area and improve the economic climate of the City of Sandusky; and

WHEREAS, the Sandusky City School District and its Board of Education have been notified in accordance with Ohio Revised Code Section 5709.83 and been given a copy of the APPLICATION and Draft CRA Agreement (Exhibit “B”) and formally approved the terms of the agreement by the

adoption of Resolution No.#17-5a-3 at their May 8, 2017 Board of Education meeting. Said Resolution is incorporated herein by reference and attached as Exhibit C; and

WHEREAS, pursuant to Section 3735.67(A) and in conformance with the format required under Section 3735.671(B) of the Ohio Revised Code, the parties hereto desire to set forth their agreement with respect to matters hereinafter contained;

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained and the benefit to be derived by the parties from the execution hereof, the parties herein agree as follows:

Section 1: Property Owner shall renovate a currently vacant commercial building located at 142 Columbus Avenue, Sandusky, Ohio. Said renovation shall consist of the demolition and construction necessary for the renovation and return to productive use of a currently vacant, blighted commercial building into a restaurant. The project further consists of other repairs and renovation as necessary to bring the building into compliance with current building codes.

The Project shall involve a total investment by the Property Owner of approximately \$395,000 including approximately \$140,000 for building acquisition, \$225,000 for building renovation, and approximately \$30,000 for equipment. Furniture, fixtures and inventory at the Project will be paid for by the lessee and will amount to approximately \$5,000. Due to the uncertainty inherent in the renovation of an old building the City of Sandusky elects not to further define the financial parameters of the Project.

No abatement shall be granted for the appraised value of the existing building nor is any abatement granted for the value of machinery, equipment, furniture and fixtures or inventory whether currently owned or hereinafter acquired.

The Project shall begin on or before May 2017 with all acquisition, construction and installation completed by December 31, 2017, or such later date as may be extended by the City in writing.

Section 2: The Project is anticipated to create, within the below delineated time frame, four (4) new full-time equivalent job positions. The projected hiring schedule is as follows:

<u>Hired By Date</u>	<u>New Full-Time Equivalent Positions</u>
12/31/17	4

The above full-time equivalent job positions must be sustained throughout the duration of this Agreement. The increase in the number of employees will result in approximately \$100,000 of new annual payrolls at the Project.

The Property Owner will employ an average of eight (8) full-time equivalent construction workers at the Project Site during the 2017 construction period. Total construction payroll is estimated at \$160,000.

There are currently –0- employees and –0- existing payroll at the Project.

Section 3: Construction work involved in the project must involve a good faith effort by the Property Owner to hire local (Erie County) construction workers at an equitable wage. The Property Owner is also encouraged to utilize local vendors and suppliers when feasible.

Section 4: Property Owner shall provide to the proper Tax Incentive Review Council any information reasonably required by the Council to evaluate the Property Owner's compliance with the Agreement, including returns filed pursuant to section 5711.02 of the Ohio Revised Code, or any other records that may be reasonably requested by the Council or its designated representative(s).

Section 5: Subject to compliance by the Property Owner in all material respects with its obligations under this Agreement the City hereby grants to Property Owner a tax exemption for eligible real property improvements made to the Project pursuant Section 3735.67 of the Ohio Revised Code for the increased appraised valuation of property improved as a result of construction and completion of the Project as follows:

<u>Year of Tax Exemption</u>	<u>Percentage of Appraised Valuation of Real Property Improvements Exempted</u>
1	75%
2	75%
3	75%
4	75%
5	75%

The exemption commences the first year for which the real property would first be taxable were that property not exempted from taxation. Each identified project improvement will receive a five (5) year exemption period.

No real property tax exemption for the Project shall commence before January 1, 2018 nor extend beyond December 31, 2023.

Section 6: It is the responsibility of the Property Owner to file, any form(s), including but not limited to, tax form DTE 24 (if required) with the Erie County Auditor to effect and maintain the tax exemption granted under this agreement.

Section 7: Property Owner hereby agrees to pay the City of Sandusky an annual monitoring fee of \$200.

The fee shall be payable to the City, once per year for each year this agreement is effective and is payable as follows: The fee is to be paid in cash or by check to the City of Sandusky by April 15 following each year the Agreement is in effect or at such later date as may be approved in writing by the City of Sandusky. The fee is to be paid to the Director of Finance in a check made payable to the City of Sandusky.

This fee shall be deposited in a special fund created for such purpose and shall be used exclusively for the purpose of complying with Section 3735.671(D) of the Revised Code and by the Tax Incentive Review Council created under Section 5709.85 of the Revised Code

exclusively for the purposes of performing the duties prescribed under that section.

Section 8: Property Owner shall pay such real and tangible personal property taxes as are not exempted under this agreement and are charged against such property and shall file all tax reports and returns as required by law. If Property Owner fails to pay such taxes or file such returns, all incentives granted under this agreement are rescinded beginning with the year for which such unpaid taxes are charged or such reports or returns are required to be filed and thereafter.

Section 9: The City shall perform such acts as are reasonably necessary or appropriate to effect, claim, reserve, and maintain exemptions from taxation granted under this agreement including, without limitation, joining in the execution of all documentation and providing any necessary certificates required in connection with such exemptions.

Section 10: If for any reason the Community Reinvestment Area designation expires, the Director of the Ohio Development Services Agency revokes certification of the zone, or the City Commission revokes the designation of the zone, entitlement granted under this agreement shall continue for the number of years specified under this agreement, unless Property Owner materially fails to fulfill its obligations under this agreement.

Section 11: If Property Owner materially fails to fulfill its obligations under this agreement or if the City determines that the certification as to delinquent taxes required by this agreement is fraudulent the City may terminate or modify the exemptions from taxation granted under this agreement.

Section 12: Property Owner hereby certifies that, at the time this agreement is executed, it does not owe any delinquent real or tangible personal property taxes to any taxing authority of the State of Ohio, and does not owe delinquent taxes for which it is liable under Chapters 5733, 5735, 5739, 5741, 5743, 5747, or 5753 of the Revised Code, or, if such delinquent taxes are owed, that Property Owner is currently paying the delinquent taxes pursuant to an undertaking enforceable by the State of Ohio or an agent or instrumentality thereof, has filed a petition in bankruptcy under 11 U.S.C.A. 101, et seq., or such petition has been filed against Property Owner. For the purpose of the certification, delinquent taxes are taxes that remain unpaid on the latest day prescribed for payment without penalty under the chapter of the Revised Code governing payment of those taxes.

Section 13: Property Owner affirmatively covenants that it does not owe: (a) any delinquent taxes to the State of Ohio or a political subdivision of the State; (b) any moneys to the State or a state agency for the administration or enforcement of any environmental laws of the State; and (c) any other moneys to the State, a state agency or a political subdivision of the State that are past due, whether the amounts owed are being contested in a court of law or not.

Section 14: Property Owner and the City of Sandusky acknowledge that this agreement must be approved by formal action, in turn, of the Board of Education of the Sandusky City School District and the Sandusky City Commission as a condition for the agreement to take effect. This agreement takes effect upon such approvals by the Schools and City Commission and

execution by the parties hereto.

Section 15: The City of Sandusky has developed a policy to ensure recipients of Community Reinvestment Area tax benefits practice non-discriminating hiring in their operations. By executing this agreement, Property Owner is committing to follow non-discriminating hiring practices agreeing that no individual may be denied employment solely on the basis of race, religion, sex, disability, color, national origin or ancestry.

Section 16: Exemptions from taxation granted under this agreement shall be revoked if it is determined that Property Owner, any successor property owner, or any related member (as those terms are defined in Section 3735.671 of the Ohio Revised Code) has violated the prohibition against entering into this agreement under Division (E) of Section 3735.671 or Sections 5709.62, 5709.63 or 5709.632 of the Ohio Revised Code prior to the time prescribed by that division or any of those sections.

Section 17: Property Owner affirmatively covenants that it has made no false statements to the State or local political subdivision in the process of obtaining approval for Community Reinvestment Area incentives. If any representative of Property Owner has knowingly made a false statement to the State or local political subdivision to obtain the Community Reinvestment Area incentives, Property Owner shall be required to immediately return all benefits received under the Community Reinvestment Area Agreement pursuant to ORC Section 9.66(C)(2) and shall be ineligible for any future economic development assistance from the State, any state agency or a political subdivision pursuant to ORC Section 9.66(C)(1). Any person who provides a false statement to secure economic development assistance may be guilty of falsification, a misdemeanor of the first degree, pursuant to ORC 2921.13(F)(1), which is punishable by a fine of not more than \$1,000 and/or a term of imprisonment of not more than six months.

Section 18: Neither the City nor Property Owner shall be considered in default of its obligations hereunder in the event of delay in performance of such obligations due to causes beyond its control without its fault or negligence, including but not restricted to acts of God, acts of the Federal or State government, acts of the other party, fires, floods, strikes, freight embargoes or unusually severe weather; it being the purpose and intent of this provision that in the event of the occurrence of any such delay, the time for performance of the obligations by the parties hereto shall be extended for the period of the delay.

Section 19: Any notices, statements, acknowledgments, consents, approvals, certificates or requests on behalf of either party shall be made in writing and addressed as follows:

**AS TO THE CITY OF SANDUSKY:**

Sandusky City Commission  
Attention: City Manager  
222 Meigs Street  
Sandusky, Ohio 44870

With copy to:

Department of Community Development  
Attention: Director  
222 Meigs Street  
Sandusky, Ohio 44870

**AS TO PROPERTY OWNER:**

Zeller Gaming Enterprises, LLC  
Attention: Gabriel Zeller and Gregg Winnestaffer  
142 Columbus Avenue  
Sandusky, Ohio 44870

or to such other contact or address as may be specified by such notice from time to time in writing.

Section 21: This agreement is not transferable or assignable without the express, written approval of the Sandusky City Commission.

[ SIGNATURES TO FOLLOW ON NEXT PAGE]

DRAFT

IN WITNESS WHEREOF, The City of Sandusky, Ohio by Eric L. Wobser, its City Manager pursuant to Ordinance No. 17-XXX, passed on Date, 2017, and Zeller Gaming Enterprises, LLC by Gregg Winnestaffer, its Partner and Gabriel Zeller, its Partner have caused this instrument to be executed this \_\_\_\_ day of \_\_\_\_\_, 2017.

**The City of Sandusky, Ohio**

\_\_\_\_\_  
Witness

\_\_\_\_\_  
by Eric L. Wobser, City Manager

**Zeller Gaming Enterprises, LLC**

\_\_\_\_\_  
Witness

\_\_\_\_\_  
by Gregg Winnestaffer, its Partner

\_\_\_\_\_  
Witness

\_\_\_\_\_  
by Gabriel Zeller, its Partner

Approved as to form:

Approved as to content:

\_\_\_\_\_  
Justin Harris,  
Law Director

\_\_\_\_\_  
Matthew D. Lasko  
Chief Development Officer

Zeller Gaming Enterprises, LLC  
mtm 3/30/2017



CITY OF SANDUSKY

COMMUNITY REINVESTMENT AREA PROGRAM APPLICATION

PROPOSED AGREEMENT for Community Reinvestment Area Tax Incentives between the City of Sandusky located in the County of Erie and Zeller Gaming Enterprises, LLC

- 1. a. Name of property owner(s), home or main office address, contact person, and telephone number (attach additional pages if multiple enterprise participants):

Zeller Gaming Enterprises, LLC Enterprise Name Gabriel Zeller Contact Person

3907 Deerpath Dr Address (419) 357-7354 Telephone Number

- b. Project Site:

barra Site Name Gabriel Zeller Contact Person

142 Columbus Ave Address (419) 357-7354 Telephone Number

- 2. a. Nature of commercial/industrial activity (manufacturing, warehousing, wholesale or retail stores, or other to be conducted at the site):

Restaurant

- b. List primary six (6) digit North American Industry Classification System (NAICS) #:

722511

Business may list other relevant SIC numbers:

- c. If a consolidation, what are the components of the consolidation? (must itemize the location, assets and employment positions to be transferred):

- d. Form of business or enterprise (corporation, partnership, proprietorship, or other):

Limited Liability Company

- 3. Name of principal owner(s) or officers of the business:

Gregg Winnestaffer, Gabriel Zeller

4. a. State the enterprise's current employment level at the proposed site:

\_\_\_\_\_  $\emptyset$  \_\_\_\_\_

b. Will the project involve the relocation of employment positions or assets from one Ohio location to another? Yes \_\_\_\_\_ No

c. If yes, state the locations from which employment positions or assets will be relocated and the location to where the employment positions or assets will be transferred to:

\_\_\_\_\_  
\_\_\_\_\_

d. State the enterprise's current employment level in Ohio (itemized for full and part-time and permanent and temporary employees):

\_\_\_\_\_  $\emptyset$  \_\_\_\_\_

e. State the enterprise's current employment level for each facility to be affected by the relocation of employment positions or assets:

\_\_\_\_\_ N/A \_\_\_\_\_

f. What is the projected impact of the relocation, detailing the number and type of employees and/or assets to be relocated:

\_\_\_\_\_ N/A \_\_\_\_\_

Only assets to be relocated? Yes \_\_\_\_\_ No \_\_\_\_\_ Attach itemized list.

5. Does the property owner owe:

a. Any delinquent taxes in the State of Ohio or a political subdivision of the State?

Yes \_\_\_\_\_ No

b. Any moneys to the State or a state agency for the administration or enforcement of any environmental laws of the State?

Yes \_\_\_\_\_ No

c. Any other moneys to the State, a state agency or a political subdivision of the State that are past due, whether the amounts owed are being contested in a court of law or not?

Yes \_\_\_\_\_ No

d. If you answered yes to any of the above, please provide details of each instance including but not limited to the location, amounts and/or case identification numbers (add additional sheets).

6. Project Description: Restore the first floor to be used as  
a restaurant.

7. Project will begin May, 2017 and be completed December, 2017  
provided a tax exemption is provided.

8. a. Estimate the number of new employees the property owner will cause to be created at the facility that is the project site (job creation projection must be itemized by name of the employer, full and part-time and permanent and temporary) (attach list if necessary):

All permanent: Full time = Front of house manager,  
Kitchen manager, 3 wait staff, 3 cooks  
Part time = 2 wait staff, 1 cook

b. State the time frame of this projected hiring: 6 months

c. State the proposed schedule for hiring (itemize by full and part-time and permanent and temporary employees):

Front of house manager hired, wait staff within 6 mos.  
Cooks within 6 mos.

9. a. Estimate the amount of annual payroll such new employees will add \$ 150,000  
(new annual payroll must be itemized by full and part-time and permanent and temporary new employees).

b. Indicate separately the amount of existing annual payroll relating to any job retention claim resulting from the project: \$ N/A

10. An estimate of the amount to be invested by the enterprise to establish, expand, renovate or occupy a facility:

A. Acquisition of Buildings:	\$ <u>140,000</u>
B. Additions/New Construction:	\$ <u>225,000</u>
C. Improvements to Existing Buildings:	\$ _____
D. Machinery and Equipment:	\$ <u>30,000</u>
E. Furniture and Fixtures:	\$ <u>~5,000 (purchased by restaurant)</u>
F. Inventory:	\$ _____
<b>TOTAL NEW PROJECT INVESTMENT</b>	\$ <u>395,000 - 400,000</u>

Construction employees:

5 FT

9 PT

11. a. Business requests the following tax exemption incentives: 75 % for 5 years covering real property as described above. Be specific as to the rate and term.
- b. Business's reasons for requesting tax incentives (be quantitatively specific as possible)

New business, tax abatement will help to  
increase cash flow during infancy of  
restaurant: city will receive ~1/2 of  
abatement back in form of income taxes

Submission of this application expressly authorizes the City of Sandusky to contact the Ohio Environmental Protection Agency to confirm statements contained within this application including Item #5 and to review applicable confidential records. As part of this application, the property owner may also be required to directly request from the Ohio Department of Taxation, or complete a waiver form allowing the Ohio Department of Taxation to release specific tax records to the local jurisdiction considering the request. The applicant also agrees to provide additional information upon request.

The applicant affirmatively covenants that the information contained in and submitted with this application is complete and correct and is aware of the ORC Sections 9.6(C)(1) and 2921.13(D)(1) penalties for falsification which could result in the forfeiture of all current and future economic development assistance benefits as well as a fine of not more than \$1,000 and/or a term of imprisonment of not more than six (6) months.

Gabriel Zeller  
 Name of Property Owner

3-31-17  
 Date

[Signature]  
 Signature

Gabriel Zeller / member  
 Typed Name and Title

Zeller Gaming Enterprises LLC  
 Business Enterprise

3-31-17  
 Date

[Signature] mgr  
 Signature

Gabriel Zeller / member  
 Typed Name and Title

- A copy of this proposal must be forwarded by the local government to the affected Board of Education along with notice of the meeting date on which the local government will review the proposal. Notice must be given a minimum of fourteen (14) days prior to the scheduled meeting to permit the Board of Education to appear and/or comment before the legislative authorities considering the request.
- Attach a final Community Reinvestment Area Agreement as Exhibit A.
- Please note that copied of this proposal must be included in the finalized Community Reinvestment Area Agreement and be forwarded to the Ohio Department of Taxation and the Ohio Development Services Agency within fifteen (15) days of final approval.



## Department of Community Development

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Maria Muratori  
mmuratori@ci.sandusky.oh.us

222 Meigs St.  
Sandusky, OH 44870  
Phone: 419.627.5891  
www.ci.sandusky.oh.us

April 28, 2017

Gina Deppert, Treasurer  
Sandusky City Schools  
407 Decatur Street  
Sandusky, Ohio 44870

**Re: Zeller Gaming Enterprises, LLC - Request for Community Reinvestment Area Agreement**

Dear Ms. Deppert:

The City of Sandusky has received a request for tax abatement from Zeller Gaming Enterprises, LLC under the Community Reinvestment Area (CRA) abatement program for the renovation of the vacant and underutilized building located at 142 Columbus Avenue, Sandusky, Ohio 44870. The company plans to return this currently vacant building to productive use by renovating the facility into a restaurant.

Following are the proposed terms and conditions:

1. Abatement of taxes of new real estate taxes for improvements made at the Project Site for a period of five (5) years at 75% is recommended. The company will be granted abatement on the appraised value of the new real improvements.
2. The company's investment includes demolition and construction necessary for the renovation of currently vacant ground floor space into a restaurant. The project further consists of other repairs and renovation as necessary to bring the building into compliance with current building codes.
3. The company will pay an annual monitoring fee of \$200 payable to the City of Sandusky no later than April 15 the year following each year the agreement is effective.
4. The company will create a minimum of four (4) new full-time equivalent jobs and have initial payrolls of approximately \$100,000.
5. All other standard terms and conditions apply.

The return of this vacant property into a revenue generating endeavor is in the interests of all parties and we hope that the Sandusky Schools agree.

Pursuant to Ohio Revised Code Section 3735.67.1(A) and 3735.67.1(B) the Sandusky City Schools are hereby notified that the proposed agreement exceeds certain statutory limitations imposed by the Ohio Revised Code. Because of the statutory limitations and the required approvals we ask that the Sandusky Schools formally approve the granting of the CRA Tax Abatement and return a record of the school's approval to the undersigned as soon as practical.

Subsequent to action by the Sandusky City Schools we will forward the agreement to the Sandusky City Commission for its approval.

We have attached the company's CRA Application as well as a draft of the Community Reinvestment Area Agreement. Please review these documents and contact the undersigned at 419-627-5891 or via e-mail at [mmuratori@ci.sandusky.oh.us](mailto:mmuratori@ci.sandusky.oh.us) with any questions, corrections or suggestions you may have.

Sincerely,



Maria Muratori  
Development Specialist