

A work session of the Council of the City of Blue Ash, Ohio, was held on May 19, 2005. Mayor Rick Bryan called the meeting to order in Council Chambers at 7:30 PM.

OPENING CEREMONIES

Mayor Bryan led those assembled in the Pledge of Allegiance.

ROLL CALL

MEMBERS PRESENT: Mayor Rick Bryan, Vice Mayor Robert Buckman, Councilman Lee Czerwonka, Councilman Henry Stacey, Councilwoman Stephanie Stoller, Councilman James Sumner, and Councilman Mark Weber

ALSO PRESENT: City Manager Marvin Thompson, Solicitor Mark Vander Laan, Clerk of Council Jamie Eifert, Deputy Clerk of Council Sue Bennett, Assistant City Manager David Waltz, Treasurer/Administrative Services Director James Pfeffer, Parks & Recreation Director Chuck Funk, Assistant Service Director Rich Dole, member of the press, and interested citizens

HEARINGS FROM CITIZENS

Charlie Wolfenberger, 5066 Brasher Avenue, expressed concerns (similar to those already expressed by him and his wife at the May 12th meeting) regarding the proposed dog kennel/day care project to be located on Creek Road behind his home. He reiterated his family's and neighbor's concerns with noise, and that he believes the Board of Zoning Appeals should not have approved a variance associated with this dog kennel. (Note to file: the variation referred to was a fence permit variation.) Later in the meeting he presented a petition signed by 40 residents of the area requesting that the "City of Blue Ash deny the variance permitting the operation of dog kennels on those M-4 Light Industrial District properties which adjoin the boundary with Brasher Avenue residential properties."

Hearings from citizens was declared closed at approximately 7:44PM.

COMMITTEE REPORTS

Planning & Zoning Committee, James W. Sumner, Chairperson

Councilman Sumner asked the Clerk of Council to read Ordinance No. 2005-24 by title only. (This ordinance was read in its entirety during the public hearing at the May 12, 2005 Council meeting.)

THEN WAS PRESENTED AND READ BY TITLE ONLY:

ORDINANCE NO. 2005-24

AMENDING SECTION 1167.01 OF CHAPTER 1167 OF THE BLUE ASH CODE OF ORDINANCES REGARDING PERMITTED USES IN THE M-4 LIGHT INDUSTRIAL DISTRICT; AND DECLARING AN EMERGENCY

Councilman Sumner moved, Councilman Stacey seconded to suspend the rules of Council requiring a second reading of the ordinance. The Clerk called the roll. Councilpersons Weber, Sumner, Buckman, Stacey, Czerwonka, Stoller, and Mayor Bryan voted yes. Seven yeses. Motion carried.

Councilman Sumner moved, Councilman Weber seconded to adopt Ordinance No. 2005-24. Councilman Sumner commented that Planning Commission unanimously approved the Camp Bow Wow project affected by this ordinance, and that adjustments were made to the ordinance language adding restrictions related to noise and odor associated with such a use. Councilwoman Stoller, in explaining her upcoming "no" vote, commented that she does not have a problem with adding kennels to the list of permitted uses in the M-4 District, except when it abuts residential areas (such as in this case). There being no further discussion, the Clerk called the roll. Councilpersons Sumner, Buckman, Stacey, Czerwonka, Weber, and Mayor Bryan voted yes. Councilwoman Stoller voted no. Six yeses. One no. Ordinance No. 2005-24 passed.

Councilman Sumner asked the Clerk of Council to read Ordinance No. 2005-25 by title only. (This ordinance was read in its entirety during the public hearing at the May 12, 2005 Council meeting.)

THEN WAS PRESENTED AND READ BY TITLE ONLY:

ORDINANCE NO. 2005-25

AMENDING SECTION 1181.05(f) OF CHAPTER 1181 OF THE
BLUE ASH CODE OF ORDINANCES REGARDING SIGN
REGULATIONS IN THE D-1 DISTRICT; AND DECLARING AN
EMERGENCY

Councilman Sumner moved, Councilman Czerwonka seconded to suspend the rules of Council requiring a second reading of the ordinance. The Clerk called the roll. Councilpersons Buckman, Stacey, Czerwonka, Stoller, Weber, Councilman Sumner, and Mayor Bryan voted yes. Seven yeases. Motion carried.

Councilman Sumner moved, Councilwoman Stoller seconded to adopt Ordinance No. 2005-25. Councilman Sumner commented that this proposed Code change also was approved unanimously by Planning Commission. There being no further discussion, the Clerk called the roll. Councilpersons Stacey, Czerwonka, Stoller, Weber, Sumner, Buckman, and Mayor Bryan voted yes. Seven yeases. Ordinance No. 2005-25 passed.

The Mayor requested a five-minute recess at this point in the meeting.

WORK SESSION – Topic: Performing Arts Center

City Manager Thompson gave Council background information regarding the City's potential interest in a performing arts center located upon property currently owned by Blue Ash on Cooper Road across from the Recreation Center. He explained that representatives from a local group have approached the City with a unique concept for a multi-functional facility. The "components" of this approximate \$20 million project would include a 1,300 seat performing arts theatre, a conference center/banquet facility (similar to UC's Kingsgate facility), an office center (with a potential tenant to include the WARM 98 radio group (though this tenant is questionable at this point due to the recent announcement to sell the stations), and a parking garage. Mr. Thompson commented that Blue Ash could probably not complete such a project on its own. He felt the concept of this public-private joint project deserved to be heard by Council at this point.

In summary, Mr. Thompson explained that the private group would construct the project, and Blue Ash would operate the performing arts center and conference center/banquet facility through a lease arrangement. Blue Ash would book the entertainment and would rent the banquet/conference facilities. Though the numbers have not yet been confirmed, it would be the Administration's desire for such a facility to operate similar to how the Golf Course currently is structured: considered "revenue neutral" at an approximate 95% self supporting level (some months may not be self supporting; however, others would be depending upon many factors, resulting perhaps in a 10-year average of a 95% level of self support). There are some aspects of the arrangement as currently proposed that the Administration is not yet comfortable with (such as the idea that after the 30-year lease arrangement expires, the private group would own the building and land). However, the Administration felt it to be an appropriate time to present this concept to Council.

What the Administration would like to know from Council tonight is if they find the concept intriguing enough to allow the Administration to go to the next step: hiring of an outside consultant to delve more deeply and objectively into the financial aspects and assumptions of such a concept. The concept to date has been reviewed given the Administration's best guess scenarios; however, there is some level of discomfort and the Administration would highly recommend confirmation of those financials and related risks (assuming Council is interested). This process may include investigating potential variations from the concept/arrangement that is currently proposed. The estimated cost for these consulting services is approximately \$40,000, and the study would take about four to six weeks to complete. A firm from St. Louis with this exact type of experience may be the Administration's first choice at this time, though others are being considered.

In addressing some questions from Council, Mr. Thompson further explained that he believes the members of the private group are truly interested in the arts, and that much of their motivation for participating in such a project is community oriented (rather than profit oriented). Mayor Bryan, noting that virtually all of our City services generally are not "profit" oriented, encouraged Council to think about the concept as a quality of life issue – i.e., would such a project bring benefit to residents and bring value to the City? Other questions from Council could be better (and more precisely) answered by going to the next step of hiring the consultant to look more closely at the financial risks and assumptions.

The private group entered the meeting, and those present included Hank Schneider of Dove Limited, Tom Neyer and John Volbraucht from Neyer Holdings, and Architect Dick Thomas.

Mr. Schneider gave brief background info leading to this potential project.

Architect Dick Thomas displayed a colored site plan of the proposed project. He commented that it would be their desire to create a project that would set Blue Ash apart from other communities. The performing arts theatre portion of the project would have approximately 1,300 seats, plus a 150-200 seat black box theater. About 900 of these seats would be in a lower level, with 400 situated in an upper level. The facility would be state-of-the-art, including professional stage requirements, dressing rooms, sound systems/acoustics, lighting, and other features necessary for a first-rate performance facility able to accommodate a variety of productions. A total of about 975 parking spaces are proposed, as well as a banquet facility/conference center, a large lobby area, and office space. The main theatre would front Cooper Road and would have great visibility, including attractive glass fronts. He commented that there is nothing similar to this facility in the Greater Cincinnati area, except perhaps the Aronoff in downtown Cincinnati. Additional colored renderings of the proposed facility were displayed for Council's perusal.

John Volbraucht further explained that they estimate such a facility would cost his team about \$250 per square foot to construct. They would propose to bear the cost of construction of the facility, and then lease (30 years) the performing arts center and banquet /conference center portions to the City. The City would have input on the facility's design. They realize that what is being discussed tonight in many respects represents broad concepts. Their cost estimates (as well as the City's) would have to be confirmed if Council deems it appropriate. The team is here tonight to see if Council is interested in the general concept of this joint effort. If so, then they (along with the City) would invest more time (and expense) into confirming related expense estimates, contractual arrangements, and risks associated with such a joint venture. However, before that extra time and expense was put forth, they wanted to confirm Council's interest. Tom Neyer confirmed that they are present tonight to gauge Council's level of enthusiasm for the concept. If Council is enthusiastic, then both his team and the City Administration would move forward to verify the cost assumptions made thus far. If both parties find that this concept (or a variation of such) would make sense after that data is confirmed and gathered, then it would seem appropriate to move forward. A future work session could be scheduled to discuss the findings from both sides. If the project would move forward, it would be their desire to have such a facility ready for business by fall 2006.

In addressing questions from Council, City Manager Thompson commented that only the performing arts theatre and conference/banquet center portions of the project would be leased by the City. The parking garage would likely require a TIF, and the office space would be a private venture (though they may find that investment vehicles such as Community Reinvestment Areas [CRA's] may be utilized to construct the parking garage portion). Mr. Neyer commented that the City will be aware of all the cost components for all portions (i.e., the entire project will be "transparent"). The various portions would likely be financed separately as there are different financial components for the portions.

In addressing a question from Mayor Bryan, Mr. Schneider explained that the private group would accumulate a capital improvements fund for a pre-defined time limit of the lease, and these funds would be used by the City in the way the City deems appropriate. For example, if repair of the HVAC system would be needed, it would seem appropriate to use monies accumulated in this fund. It would be the responsibility of each party to confirm their own numbers. Once those are confirmed/verified, then each party assumes their own risks. Mr. Neyer added that the City will be managing, marketing, and programming the performing arts theatre and banquet/conference center portions of the facility.

Mr. Schneider clarified that the private group would own the building (with portions leased back to the City). Their preliminary construction cost estimate is \$20 million. They would be contributing monies to a maintenance fund over a portion of the initial period of the lease, with the City controlling the use of this fund.

Council thanked the team for their presentation, and the four gentlemen left the Council meeting.

Mr. Thompson reiterated that what the Administration wants to know tonight is the level of interest on the part of Council. If Council believes it to be an intriguing concept, then the City would next need to thoroughly analyze the finances and assumptions made thus far (via hiring of an outside consultant). The estimated cost for this consultant is \$40,000. (The private group would also be confirming their cost estimates.)

In addressing further questions from Council, the following points were made:

- ?? Mr. Thompson believes it would be a benefit to Blue Ash to have prominent radio stations based in Blue Ash. Regarding the potential sale of the WARM 98 radio group, more details should be known about this in July.
- ?? City Solicitor Mark Vander Laan commented that initially, he sees no problem with the concept; however, the City's five-year Charter limitation for contracts would have to be addressed and appropriately resolved.
- ?? Treasurer Jim Pfeffer commented that thus far, most of the estimates and assumptions have been based upon the experience and estimates from Parks & Recreation Director Chuck Funk, and he had faith in those estimates. He believes that this project does offer a unique opportunity for the City in that the City would probably not do such a project on its own. Though currently he has concern with the concept of a 30-year commitment and the fact that the City would not own the building/land after those 30 years, Mr. Pfeffer expressed support to continue to the next step of confirming the estimates and assumptions made thus far. If the numbers do not result in a revenue neutral project, then he would not support moving forward with the project or concept.
- ?? Mr. Funk confirmed that Recreation staffing would have to increase in order to manage and program this facility; however, those are the types of factors that would be included and looked at very closely during this next step of cost and assumption confirmation.

Overall, it was the consensus of Council that they would support moving to the next step: hiring a consultant (estimated cost to be \$40,000) to consider this proposal further. An ordinance would be presented at the June 9th meeting to address that professional services consulting contract.

OTHER BUSINESS

It was determined that the next Council work session would be held on Thursday, June 30, beginning at 7:00PM. Topic: Hunt House. Chuck Funk will coordinate a second tour of the Hunt House for interested Council members before the June 30th meeting.

Mayor Bryan expressed disappointment in the Sycamore School's decision to combine the DARE graduation with other school assembly and award presentations (as compared to separating the DARE graduation event as its own). Given that arrangement, he does not plan to participate.

ADJOURNMENT

All items on the agenda having been acted upon, Councilman Weber moved, Councilman Sumner seconded to adjourn the meeting. A voice vote was taken. All members voted yes. The Council meeting was adjourned at approximately 9:15 PM.

Rick Bryan, Mayor

Jamie K. Eifert, Clerk of Council

MINUTES WRITTEN BY:

Susan K. Bennett, Deputy Clerk of Council