

**City of Worthington**

**Community Visioning Committee**

**Monday, October 28, 2019 - 6:00 P.M. – 8:00 P.M.**

**Worthington Municipal Building, 6550 North High Street, Worthington, OH**

Committee Members Present: Jack Miner, Paul Cynkar, Kathryn Burris, Don Mottley, Cynthia Findlay, Matthew Lees, Beth Sommer, Jon Melchi, Austin Mitchell, Graham Wood, Laura Abu-Absi, Linda Mercadante

Committee Members Absent: Joe Sherman

Others Present: *City Manager Matt Greeson, Assistant City Manager Robyn Stewart, Assistant City Clerk Ethan Barnhardt, Lauren Falcone (on conference line) and no visitors were in attendance*

**Mr. Miner convened the meeting at 6:02 p.m.**

*Mr. Miner explained how he presented to the City Council a week ago and they unanimously passed the scope of services. There were not any out of the ordinary questions. The most pointed question was from Mr. Myers making sure that the edits to the scope were done by the Visioning Committee and they were the ones driving the process.*

*He stated that there are copies of the minutes available and encouraged letting staff know if there are any edits or changes.*

*He described that the bulk of tonight's agenda is a presentation from City Manager Matt Greeson.*

*Mr. Greeson explained that he would be giving a broad ranging presentation that he hopes is thought provoking and generates questions. For those who do not know him personally, he described how he is the City Manager and he believes that he manages the best place in America to raise kids.*

*He showed how Worthington's population is approximately 14,725 and accounts for a little less than a quarter of the school district's population. He showed a map showing the border of Worthington and detailed landmarks that mark the city boundaries. Riverlea is a separate village surrounded by Worthington, they have their own Village government. There are some areas along 161 that have not annexed into Worthington and are still part of the township.*

*The City provides a wide range of traditional municipal services as well as the Community Center, Griswold Center, and financially supports the McConnell Arts Center. We provide significant services for a community of 14,000 people. Additionally, we provide Fire and EMS services to Perry and Sharon townships and Riverlea. All services are provided with one mission in mind which is to ensure an exceptional quality of life for our citizens. However, we cannot achieve that mission alone. We also provide financial assistance to a variety of partners including the Old Worthington Partnership, the Worthington Historical Society, and community grants to local non-profit organizations.*

*Worthington was founded in 1803 which gives us a rich history, but it also gives us aging infrastructure and buildings. We spend a lot of money on maintaining what we already have. Many recent expenditures have been dedicated to sanitary sewers and we are looking to shift resources to old waterlines. We find with an engaged citizenry, there are always requests for new projects and that must be balanced with maintaining existing assets.*

*We have been able to develop and provide a robust level of services due to strong income tax generation and strong financial management, but costs are rising, and revenues are not keeping pace. This next year we are projected to dip into our reserves. Reserves are important because we rely on incomes taxes which are a volatile revenue stream. Having a reserve is critical to sustaining services in the face of loss of employer, recession, or catastrophic events. He explained that he has said to the City Council that we need to consider new revenues to help fund needed capital investments.*

*Next year for the proposed budget 47% is dedicated to Public Safety for Police, Fire, and EMS services. Parks and Recreation is next at 18%. 12% is for Service and Engineering. General Administration makes up 11%. Other categories make up less than 5%.*

*When thinking of City revenues, we primarily think about the income tax which is estimated to be 68% of total revenue next year. Property taxes are a distant second place at 11% and Parks and Recreation revenue is next at 8%. We are projecting that income tax revenue is essentially going to be flat in 2020 due to Anthem being vacant and due to changes the State made to how income taxes are collected. Even when Anthem is filled, we are projecting that expenditures will exceed revenues.*

*Mr. Mitchell asked what goes into the Parks and Recreation fees. Mr. Greeson said they are primarily from the Community Center and Griswold Center with memberships and programming. Mr. Mitchell asked about the trends for those fees. Mr. Greeson said they were rising.*

*Mr. Greeson detailed how the City levies about five mills of property taxes which makes up about 6% of your overall tax bill. The schools receive the largest share, which is about 68% of your property taxes. Franklin County gets the second largest amount.*

*Ms. Sommer stated that the libraries serving the entire school district.*

*Mr. Mitchell asked about how we compare to other communities. Mr. Greeson said we compared the "all in" costs a couple years ago and we were pretty competitive with other communities. Worthington places a lot in the income tax area and pays for a lot of our services using income tax. Our neighbors in Dublin may have a lower income tax rate, but the township levies property taxes to pay for Washington Township fire protection services. Westerville is different, they utilize a fire levy to help pay for their fire services. The way we have historically done it, puts a lot on the worker and relies on a strong tax base and workforce.*

*Mr. Greeson explained the City tax liabilities for someone who lives in Worthington but works in Columbus, Dublin, or Worthington. Someone who works in Columbus pays no income tax to Worthington because Worthington gives a full credit for the money you have paid to Columbus. If you work in Dublin you pay 2% to Dublin and then pay a half percent to Worthington. If you work in Worthington, you pay the full 2.5% income tax to Worthington. If you are retired and do not earn wages, you do not pay income taxes, only property taxes. For the City to fund services that are central to your quality of life, it is vitally important that there are well paying jobs in the city limits. In addition to wages, income taxes are paid on the net profits of companies. Headquarters are important to tax revenues. 52% of all our income tax revenue comes from the Wilson Bridge Road Corridor.*

*He overviewed the various business corridors in Worthington. Wilson Bridge Road has Worthington Industries headquartered there. The High Street corridor has a variety of buildings sizes and characters. Huntley Road is comprised of industrial and warehouse space for service oriented businesses. Not depicted here is Lakeview Plaza which has a lot of small service-oriented businesses. The highest rents are paid on*

*Wilson Bridge Road and the lowest rents are charged along Huntley Road. The largest employers in Worthington are Worthington Industries, Med Vet, Worthington Schools, Hyperion, and AAA. These top 5 taxpayers contribute 21% of all income tax revenue.*

*Mr. Mitchell asked about the percent contributed by Worthington Industries. Mr. Greeson said he could not disclose that information, that data can only be used in aggregate.*

*Ms. Sommer asked about Anthem. Mr. Greeson said they were interesting, and they grew and shrunk over time. We project that the building not being full costs us as much as \$1 million in revenue a year from lost income taxes.*

*Mr. Mitchell asked about the history of being income tax dependent. Mr. Greeson said that he looks back to the early 1990s when we took over the operation of the Sharon Township Fire Department. The income tax was raised, and the fire levy mills were dropped off. He believes that Sharon Township was going to put a levy on the ballot and the City did not believe that was wise at the time. That had the effect of benefitting the schools because they did not have to compete with fire levies. It resulted in one of most financially costly operations being paid for from the income tax bucket. Income tax was raised to 2.5% in 2010 after Columbus raised their income taxes to 2.5%. At the time there was a healthy discussion about raising income tax or millage rate, because we have three mills left that we can levy. The income tax increase was approved by 64% of the voters, and it had the effect of increasing our reliance on income taxes. One thing that the City needs to think about long term is diversifying its revenue. Residents have benefitted from lower fees and charges and less millage for City services. The way that we have been planned over time, we have had adequate financial corridors to support the tax base.*

*Mr. Miner asked about the total millage paid by residents as compared to other communities. Mr. Greeson said he does not have that, but we could find out that information.*

*Mr. Greeson discussed how there are number of development initiatives underway in Worthington. The former Anthem building is one where we have approved a 75% ten year property tax abatement to incentivize renovation and job location there. We anticipate a commercial outparcel to be developed to the south of that building because of the number of new employees to locate there.*

*Mr. Melchi explained how Quantum Health just announced they are moving to Dublin and asked how competitive Worthington is for employers like that who are in high growth mode. Mr. Greeson said we are competitive and are in the game. The owner of Anthem has been targeting single occupant users who are few and far in between. Mr. Mottley noted that one occupant would be more long term. Mr. Greeson said we are working extensively with them on that and anticipate working with them on helping finance and facilitate energy improvements to the building.*

*Mr. Greeson said the City has also been in conversations with new owners of the mall which is over retail, and they see office development as an opportunity in that area. We expect them to come forward with ideas for that site.*

*Mr. Cynkar asked about the parking lot being redeveloped behind Anthem. Mr. Greeson said the property owner had talked previously about residential with some neighbors, however there is nothing happening now with it. He expects they will look to fill the office space to determine the amount of parking they need first before considering whether to convert parking to another use.*

*Mr. Greeson said the Holiday Inn site is planning to have a mix of usages including retail, office, and hotel. It has faced some delays and they hope progress is made soon. City approvals have been in place for quite some time. The developers have been seeking financing. The City has received their first plans for the outbuildings. The developer is anticipated to attend a City Council meeting in the near future to give an update on their progress.*

*Ms. Sommer asked about the loss of income taxes from the Holiday Inn. Mr. Greeson explained that hotels, restaurants and retail are not a driver of income tax. Hotels are a driver of bed taxes. When we have office built there will be more income taxes.*

*Ms. Mercadante asked about the Worthington Inn. Mr. Greeson said that they are marketing it as a restaurant, and they are looking for the right user as opposed to just any user. He is optimistic that it will lease long term to a restaurant user, but it may take time.*

*Mr. Greeson said the former Harding Hospital site has been master planned by I Am Boundless which serves young, autistic children and adults with developmental disabilities. They have over 200 employees on that site and are a significant employer. They are in discussions with the schools and National Church Residences for the other 13 acres.*

*Ms. Mercadante said she lives in Colonial Hills and there is a group concerned about traffic on Indianola. Mr. Greeson said there are ways to design things to reduce cut through traffic.*

*Mr. Greeson said the City's Economic Development arm, the Community Improvement Corporation (CIC) has acquired a couple parcels on East Wilson Bridge Road. We want to convert some of the residential there into office at some point. We have acquired a couple of lots through the CIC to do that as a long term play to foster redevelopment.*

*We are landlocked and do not have greenfield sites. Our land values are relatively high because we are a desirable place to be, but our buildings do not always meet expectations. That is why our buildings are not Class A office space, they are Class B and C. The rent rates do not cover the investment necessary to remodel or redevelop. Sometimes sites sit vacant for several years until the property values drop. The Worthington Mall was redeveloped because the value dropped. The Fresh Thyme is another example. Remodeling or renovating space to Class A can attract quality users. We are utilizing a variety of tools to close the financing gap. The FACE program provides a combination of grants and loans for façade improvements. PACE financing for energy efficiency improvements can help get building owners to invest. We also have income tax based grants for businesses, tax abatements and tax increment financing.*

*A primary example of this dynamic is at 350 Wilson Bridge Road. The property was the former home for Mettler Toledo, and it sat vacant for a decade. The price dropped low enough for it to be acquired by a developer, gutted, and renovated into Class A office space. Demolition assistance was provided through the county. PACE was utilized for energy efficiency. A TIF (tax increment financing) arrangement was made with the City. There were also incentives from Franklin County and income tax incentives from the City. The point is that when we do it, it attracts high quality users.*

*Mr. Mottley asked if it was the developer who had the tenants. Mr. Greeson said that eight of our largest office buildings are owned by one investor in Canada. This building was not producing anything, so we were able to convince them to unload it. We had a developer who was originally interested in UMCH, but they were looking at other sites. They had one large tenant, Central Ohio Urology Group who wanted to*

*be in this area. They were able to attract the rest of the users. It is a success story but shows how difficult it is to do.*

*Ms. Findlay asked when the tax incentive deals are paid back. Mr. Greeson said that we could look at the return on investment (ROI) analysis. Because this was vacant, the ROI was quick and recouped the public investment in it. She asked if it was a non-school TIF. Mr. Greeson said he believed this was a non-school TIF. He explained how TIF is a tool to fund public infrastructure investments and then detailed how a TIF works.*

*Mr. Cynkar asked about the potential for the Canadian owners to unload other buildings. Mr. Greeson said that we are currently encouraging them to use some of the other tools available to improve the buildings and fill vacancies.*

*Ms. Sommer asked what other buildings the Canadian owner owns. Mr. Greeson said the Cascades to the sides of the Worthington Education Center.*

*Mr. Greeson explained that a core responsibility of the City is to provide an effective transportation network. A very significant project is occurring on the east side involving the reconfiguration at Huntley and Worthington Galena. We call it the Northeast Gateway. It will significantly reduce congestion and improve bike and pedestrian connections in this area. Typically, investment follows transportation infrastructure investments. The City has also partnered with other organizations to plan for future improvements on 161. There is a comprehensive study that was done with citizen input that is publicly available. The challenge is how to fund it and when to do it. Federal funds will have to be applied for.*

*Mr. Melchi mentioned the train tracks and the discussion about quiet zones and asked about the cost of them. Mr. Greeson explained how there a number of residences on the east side that deal with train noise and the west side. A number of years ago, the federal government created a process to create quiet zones to allow trains to go across crossings without making noise. We did a study recently to try to figure out the costs and it is \$2.4 million to do just the east side crossings. Mr. Melchi said there is the one south of Colonial Hills that is in Columbus. Mr. Greeson said the ones on the west side are confusing and are not clear as far as which jurisdiction they are in. It is possible with the 161 proposal that some of the things in a quiet zone could be installed as part of that, but not everything. Part of the Northeast Gateway is installing medians which are a component of a quiet zone and keep people from going around the gates when they are down. Mr. Melchi asked if there is infrastructure that could be put in place with the Northeast Gateway. Mr. Greeson said there is not a lot of funding for quiet zones out there.*

*Mr. Greeson discussed how the City makes decisions. It is important to touch on how the City gets involvement from the community. We use a variety of advisory boards and commissions that make recommendations to City Council and in some cases makes final decisions. The Municipal Planning Commission/Architectural Review Board are the most well-known. These residents volunteer their time and engage heavily in land use and architecture decisions. There is also the Board of Zoning Appeals which makes final decisions on variance from zoning code, the Community Relationship Commission, the Parks and Recreation Commission, and the Worthington International Friendship Association. As far as naming goes, a group that is required by charter is called a commission. Advisory boards are created by the City Council through resolution. A task force or committee is established by staff or Council for a shorter period of time.*

*We utilize a variety of adopted plans that are developed with community engagement. Some of our adopted plans include Design Guidelines, the Comprehensive Plan, the Parks Master Plan, and the Bike and Pedestrian Master Plan. Worthington was the first planned community in the Midwest, and we are keeping up that tradition. We have an annual retreat with Council to plan priorities for the next year or two. The City also adopts an annual Operating Budget which he encourages reading the budget message included with that, and the Five Year Capital Improvements Plan.*

*Mr. Melchi discussed how citizens interact with the City's committees and he asked about the training they undergo as far as engaging with the public and their responsibilities with the City. Mr. Greeson said there is an onboarding process in order to learn how to be a public official. There has been some discussion about bringing in a consultant for training on land use boards. Mr. Melchi said it is a trend that he is seeing with other cities. There is a liability risk if a mistake is made.*

*Mr. Greeson discussed other groups that influence how our community looks and feels and whether it succeeds. Worthington Schools has a multi-phase investment in their school buildings planned and many of which are in the city limits of Worthington. There are expansions planned for Worthingway and Phoenix/Perry Middle Schools. Planning has begun for Thomas Worthington to determine investments to be made, funded by a future bond issue. Feeder patterns for students are changing to balance future attendance at the two high schools.*

*Mr. Miner asked about Kilbourne High School as an example and if we get income tax from workers there. Mr. Greeson said we get no income tax from them. Mr. Miner asked knowing that the schools will be replacing buildings, if there could be a conversation to try to get more district properties located within in the City. There are schools that are not in the City of Worthington and that would be a surprising reality check for a lot of residents. Mr. Greeson said many of the schools are here, many of the oldest are in the city limits and will be the ones getting invested in. We host more of the schools than maybe our population would suggest we should.*

*Mr. Greeson said the second planning subject is the master plan at the Ohio State University Airport which is viewed as a teaching laboratory for students. He suggested it would be good to be familiar with what is happening there. Also there are regional bikeway plans where we are in discussions with Metroparks.*

*Mr. Cynkar asked if any of the airport is in Worthington. Mr. Greeson replied that no it is not.*

*Mr. Greeson said throughout any City's history you can identify decisions that guide its character. All the way back in 1803 the City was carefully planned to provide a central gathering point at the Village Green. Our sleepy village then grew when it became a streetcar suburb. In the 1950s we decided to annex Colonial Hills and our population doubled, moving us from village to city status under Ohio law. Upon becoming a city, Worthington adopted its first city charter which structures how we organize our government, choosing a council-manager form of government. The first comprehensive plan for land use was created in 1964. We have two commercial areas, Wilson Bridge Road and High Street. This is really important because the Comprehensive Plan and the 1970s zoning map really has driven the Worthington you experience today. The Architectural Review District was created in 1967, which resulted in high quality colonial influences encompassing the traditional old Worthington plat.*

*In the 1950s the City decided to rely on Columbus for water and sewer systems. As a result of this Columbus developed around Worthington, resulting in the landlocked city of today. The tool of annexation is water*

*and sewer. We made a decision not to build a water treatment plant and to have a growth pattern that was finite and small. Otherwise we would may have been more coterminous with the school district. At this point, we have mostly annexed as much as we can. There are some properties along 161 that we can annex and over time will fill in. We annexed the property that is now the Linworth Plaza. That property was in the township and they needed water and sewer infrastructure and were required to annex in. Other than a couple very small properties in that area, there is little to annex. There was a vote a couple years ago to annex Riverlea, which was defeated. Many of these areas are residential and it costs us to serve them. We cannot get to Worthington Hills because we are not contiguous with that area and are not allowed by our contracts with Columbus. You could also add the construction of 315 and 270 which has increased our accessibility to the region.*

*Ms. Mercadante asked when you give a property tax abatement to a business whether that is recouped by the people who work there. Mr. Greeson said that loss of income depends on how the abatement is structured. It can affect the schools, the county's taxes, as well as ours. We only do those when we know we will have a significant economic development benefit with return on investment from income tax revenue. Sometimes a city will take a longer view of it. In New Albany for example, their city and schools put 100% property tax abatements on a lot of land and made investments in infrastructure and gave financial incentives to make the barrier costs of entry low. Those type of things are a long term play, they want to attract a large number of users to their corporate office parks with the idea that when the tax abatements burn off, they have all this new built environment to support the city. Ms. Mercadante referenced the people who want to build high density residential at UMCH. Mr. Greeson said that discussion is that residential does not generate revenue. On the scale of cost to serve, office is the lowest cost to serve because it generates the most income. The costliest to serve is senior housing because those residents are probably not working and are paying a small amount of property taxes. As you move up the density scale, it tends to be less costly to serve. The Heights for example is 196 units, but we do not pick any trash up there, unlike the rest of the community where we pay to pick up the trash. We also do not have many fire or police runs and there are only a handful of kids, so the schools are not overly burdened. Residential does not often pay for itself but you have to look at the project, where is it, whether it will impact the schools, and what types of services we may have to provide. Mixed use can generate some income taxes and may have a relatively small burden on the City. Ms. Findlay mentioned that residential drives demand for retail and restaurants. Mr. Greeson said while everyone wants great retail and restaurants, they do not always pay for itself either. Public safety typically has to go to where people congregate and do things. They are also traffic generators with more infrastructure and traffic management issues.*

*Mr. Cynkar asked about UMCH and the City's ability to say yes or no to a developer's plan. Mr. Greeson replied that the City can approve or disapprove zoning and it is in the Architectural Review District. A good portion is zoned S-1 currently. With the desire to change zoning which the previous plans have suggested, we would have ability to grant or deny that change.*

*Mr. Mitchell said there have been proposals to add a third rail to the CSX lines north and south and he asked if there are any active discussions around that today. Mr. Greeson said he has not heard of any active discussions around rail to the east. When he first got here there was the 3-C that was proposed and then eliminated which was the last time there was any serious conversation around rail. There is a lot going on in the transportation front and he recommends people from MORPC and COTA coming in to discuss that. There has been a study of five corridors in Central Ohio that looked at high capacity transit*

*and its relationship to land use. It did not spell out if that should be light rail, commuter rail, bus rapid transit, or autonomous transit. It looked at what would be the balance between the economics and users. High Street would be ripe for studying from Delaware to Downtown because there is plenty of congestion and only more growth. If we made it a priority to evaluate how high capacity transit could be accommodated, the regional partners would join with us and study it.*

*Ms. Findlay referenced in the proposed CIP that a circulator vehicle could be phased out. Mr. Greeson said we currently have four buses, but we planning to not replace one. It is an opportunity to save money and get some efficiencies out of the three buses we have.*

*Mr. Greeson reference the earlier discussion about quiet zones and explained they could help people sleep at night, but we have never had the resources to do it.*

*Mr. Cynkar asked about the National Church Residences proposal at Stafford Village and whether it was still viable. Mr. Greeson said he expects that they will come forward with a revision of their proposal again in the foreseeable future. They are also interested in frontage at 161 and Harding Hospital.*

*Ms. Falcone said the next meeting is on November 12<sup>th</sup> and is the one we want Chris Boring to attend. Ms. Mercadante said that she has conflicts with the library board meeting and asked if it could be filmed and put out just to the committee. Mr. Mottley noted that it is a public record. Ms. Falcone discussed cancelling the meeting on the 23<sup>rd</sup> of December. The committee agreed to cancel that meeting.*

*Ms. Falcone said that the graphics person hopes to have draft logos ready later this week. They are finishing up the document summaries and hope to have those out next week.*

*Mr. Miner closed by thanking Mr. Lees who put together a great communication plan we can discuss at one of the future meetings.*

*Mr. Lees asked members to look on the OneDrive to review the communications plan. It is centered around community awareness and driving people to the interactive opportunity with us. He expressed how communications need to be consistent.*

*Ms. Falcone asked about the purchase of the Bang the Table software. Ms. Stewart said she was not clear who would be working with Bang the Table, whether it would be staff or a committee member. She suggested having a follow up conversation to discuss how to manage that portion of the project.*

**MOTION** *Mr. Melchi moved, seconded by Mr. Mottley to approve the meeting minutes from the Community Visioning Committee meeting of October 8, 2019.*

**The motion passed unanimously.**

**The meeting adjourned at 8:00 p.m.**