

**VILLAGE OF SOUTH LEBANON
REGULAR MEETING MINUTES
JANUARY 15, 2015
6:30 P.M.**

1. Mayor Lawhorn opened the meeting at 6:30 p.m. with the Pledge.
2. Linda Allen - Present Sue Johnson - Present
Randall Atkins – Present Steve Riley – Present
Jim Boerio – Present James Smith – Absent
3. Mayor Lawhorn opened the floor to the public: No one approached council
4. Mayor Lawhorn opened the floor to Peter Golfstein – 8044 Montgomery Road, Suite 710, Cincinnati, Ohio – He said that things have been progressing very well at River’s Crossing. He said we are feeling the effects of a good economy and a healthy project right now. Peter said Dollar Tree just opened up and PetSmart is scheduled to open February 2nd, and Famous Footwear will open on March 18th. He said they have the first prospect on the space next to Target, it is a medical use. Peter said we have three clothing prospects for the space between Kohl’s and PetSmart. He said they have two leases next to Starbucks, one is Dickie’s Barbeque and the other is Sports Clips. He said there was an exciting end to the year with Speedway. He said they have been under contract with them for over two years and have worked hard with the village, the county and the state to resolve all issues. Peter said we have road work that needs to be complete for Speedway. He said the overlay and fence have been completed and we were able to upgrade the fence from a basic farm fence to the white one and he thinks it is a prettier entrance to the development. Peter said the next phase is with the west side and we will be extending Corwin Nixon to the Oeder property line and bringing the utilities to the Oeder property as well for future development. He said he expects the work to commence in February and Speedway’s construction is expected to take no more than 120 days. Peter stated they have prospects for that side of the development. He said the next focus is for the west side of the road, filling up those out parcels. He said they continue to talk to prospects about what he calls the back twenty acres and they are hunting for a large user that would want a build to suit opportunity, like a hospital. He said there is some interest from some multi-family users for the residential area for homes from \$300,000 to \$500,000. Peter stated this is the first truly healthy year in development in a long time. He thanked the village for all their help.

Atkins asked about Chic-Fil-A and Peter said we keep pushing but there seems to be indication of looking for possible managers. He said that is one of the more positive indications we have had from Chic-Fil-A in a while.

Mayor Lawhorn thanked Peter for coming and that everyone likes to hear good news for a change.

5. Mayor Lawhorn presented minutes for approval:

Regular meeting – December 18, 2014 – Atkins stated in #5 it says Smith made the motion and seconded. It will be corrected. A motion to approve was made by Boerio, seconded by Atkins, Allen abstained stating she was not present due to death in family, all others yea. Mayor Lawhorn said Allen was at this meeting.

Regular meeting – December 4, 2014 – motion to approve made by Atkins, seconded by Boerio, Allen abstained she was not present at the meeting, all others yea.

Workshop meeting – December 4, 2015 – Motion to approve was made by Boerio, seconded by Riley, Allen abstained, all others yea.

6. Mayor Lawhorn presented Resolution 2015-01 for the third reading which authorizes an agreement with Choice One Engineering. Gary stated we have been using Choice One for a year or so and he satisfied with their performance and believes council is as well. He said their current contract does not have an expiration date and he thinks it would be wise to review yearly. A motion to adopt Resolution 2015-1 was made by Boerio, seconded by Riley, all yeas.

7. Mayor Lawhorn presented an ordinance for a second amendment to the infrastructure agreement with Rivers Crossing Power, LLC, relating to TIF. Gary said there are three pieces of legislation in front of council and have to be passed in the order on the agenda. He said this first one is a contract with the developer to perform the construction work.

Gary said the second ordinance is a new issue of bond anticipation notes. He said the value is 1.2 million dollars and that amount is intended to pay for the construction of those projects listed in the first ordinance. He said there are some soft costs built into this as well. Gary said this is over and above the 6 million dollars already in place for projects already completed.

Gary said the third ordinance is a roll over of the 6 million bonds already issued. He said bonds are short term notes so they expire every so often. He said our bond council felt it would be appropriate that while doing these others we should begin rolling these bonds over as well.

Boerio asked who buys the bonds and Gary said they are being bought by the developer, Rivers Crossing. Gary said in many cases the community buys the bonds and in this case the developer has agreed to buy the bonds. He said there is no public market to sell those bonds and once the work is complete and the development is well under way, we are hoping there will be a bond market. Gary said the developer is responsible to buy those bonds and any costs that exceed the bonds, not financed by the TIF, are also the responsibility of the developer. He said there is no risk to the village. Peter stated bonds we are issuing at 1.05 debt service coverage ratio and makes them less marketable. Peter said the long term goal is to have more of the project developed, which generates more tax revenue, which creates a higher debt service coverage ratio so a more traditional buyer of municipal bonds will then come in and buy them. Boerio said he does not understand the 1.05 and Peter said for every dollar of debt service, there is only \$1.05 of available revenue. Gary said if you get a home mortgage, a bank is going to give you an 80% or 90% loan to value, that is a 10% to 20% coverage. He said in this case it is a 5% coverage.

8. Mayor Lawhorn presented Ordinance 2015-2 and a motion to suspend the reading rule was made by Boerio, seconded by Atkins, all yeas. A motion to adopt Ordinance 2015-2 was made by Boerio, seconded by Allen, all yeas.
9. Mayor Lawhorn presented Ordinance 2015-03 for issuance of 1.2 million in TIF. A motion to suspend the reading rule was made by Atkins seconded by Riley, all yeas. A motion to adopt Ordinance 2015-03 was made by Allen, seconded by Boerio, all yeas.
10. Mayor Lawhorn presented Ordinance 2015-4 for sale of 6 million in bonds for the Rivers Crossing Project. A motion to suspend the reading rule was made by Allen, seconded by Riley, all yeas. A motion to adopt Ordinance 2015-4 was made by Allen, seconded by Boerio, all yeas.
11. Mayor Lawhorn stated under new business, we need a motion by council to allow the solicitor to file suit against the Wash and Mary Pennington Trust for failure to complete the public improvements in Shepherd's Crossing. Gary stated that we discovered that public improvements needed to be complete in Shepherd's Crossing. He said the developer has acknowledged he does not have the finances to do that. He said we filed suit against the bond and they have acknowledged a responsibility to pay us. That amount is roughly \$47,000.00. Gary said the value of the bond is insufficient to cover the costs of the improvements of about \$125,000.00. He said the developer's attorney has agreed to fill that deficiency by putting mortgages on the empty lots that they own free and clear. He said Mr. Pennington is not able mentally to sign a contract and is a member of the trust. Gary said we have not accepted the bond yet, because as soon as we collect the bond, the company will likely file suit. He said if we don't file suit ahead of them,

we will be behind them in the chain of suit. Bruce said the only error he thinks Gary made, was that we filed suit against the bond. Bruce said we did not file suit, we just made demand. He said council authorized us to sign a waiver so they would give us the money, which is standard procedure. He said in the waiver, they wanted us to sign any rights of segregation and he refused to agree to that and they conceded to that point. Everything else is accurate. Bruce said it is a timing issue. He said if we can take a judgment against them in the court, then he can file a certificate of judgment and that will become a lien on that property. A motion to allow Bruce to file the suit was made by Boerio, seconded by Riley, all yeas.

12. Mayor Lawhorn informed council they have a list of invoices to review and vote to pay. He gave them time to review the list. Atkins asked about the invoice for Community Center Appraisal, and what that was for. Gary said that was a discussion in our executive session. Mayor Lawhorn stated it is an executive session issue and we would need to go into executive session and if Atkins would like to do that we can. Riley asked about gravel for the water main break and if we keep a stock pile and Gary said very little. A motion to approve the bills to be paid was made by Allen, seconded by Riley, all yeas.
13. Mayor Lawhorn presented an invoice for the solicitor for additional services in the amount of \$1,160.00. A motion to approve the invoice was made by Boerio, seconded by Riley, all yeas. Atkins told Bruce on one line item it says Mason Montgomery Road and should be Mason Morrow Milgrove.
14. Mayor Lawhorn asked if the park committee has met yet and they said no. He said we are going to have a budget meeting soon and Atkins asked who has the information and was told Jim Smith has it. Mayor Lawhorn said he would really like to see that done.
15. Atkins said someone has approached some council about stop signs on Parkview Drive, the alley. He said they say people are not stopping at end of the alley. Mayor Lawhorn said there probably should be stop signs at both ends. Riley said it was between Johnny's and the store. Discussed issues of trying to put stop signs and decided Gary would take care of that issue.
16. Boerio said the little bridge going over Turtlecreek, there are pot holes. Gary said that is the county's responsibility and he will contact them.
17. Riley asked if we will be supplying the Siemen property water and the mayor said eventually we will. Atkins said he thought we put a waterline across the road years ago and was told there is a raw water line over there. Atkins said he thought we put a main under 48 and Gary said he believes there is a main stubbed under Mason Morrow Milgrove. Gary said you

saw that 777 Mason Morrow Milgrove on Bruce's invoice, we discovered neither that building or the building next to it have ever had water or sewer services. Gary said we are looking to see if we can force them to tap the water and sewer before they move a tenant in.

18. Sgt. Boylan said he passed out stats. He said he discovered a new report that captures everything the department does. He explained the report. He said traffic stops are down. He said he is not sure about stop signs on Parkview. He said it may have to be on the building and there is a traffic rule you have to stop coming out of an alley, but we all know if there is not a sign they probably won't stop.
19. A motion to adjourn the meeting was made at 7:20 p.m. by Atkins, seconded by Allen, all yeas.

Sharon Louallen, Fiscal Officer

Lionel Lawhorn, Mayor