

**VILLAGE OF SOUTH LEBANON
REGULAR MEETING MINUTES
SEPTEMBER 21, 2017
6:30 P.M.**

1. Mayor Smith opened the meeting at 6:30 p.m. with the Pledge.
2. Randall Atkins – Present Bill Madison - Present
Jim Boerio – Absent Steve Riley – Present
Sue Johnson – Present George Teasdale - Present
3. Mayor Smith stated that we have some guests this evening. It is a historic moment for the Village. The owners of the Powder Plant and other owners have approached the Village about annexation into the corporation. We have the developer Ken Schon of Bloomfield/Schon here tonight. Mayor Smith said that the drone video on the screen gives us an overview of the facility and an idea of what's involved in this project. It shows you the challenges to bring this project to life. Mayor Smith said the video is an excellent view of the area.
4. Kevin Peyton 120 Vista Ridge Dr – Mr. Peyton said that he is very excited about what is being talked about tonight. Some people might not realize the tie that the Peter Cartridge Factory has to South Lebanon. When the Kings came down from Xenia, they settled here and set up their office in South Lebanon. Their earliest letterhead said Kings Powder Factory, South Lebanon. For me, this would be the crown jewel of South Lebanon. I did research on the developer and the projects they've completed are top notch. Long story short, I had a chance to meet Mr. Schon and we talked about the development and I pitched the idea; not having an idea if it was possible or if the Village was interested. To me, this is the second most important historic building, behind the Golden Lamb, in Warren County. As a citizen, I am excited and it's a great opportunity for this community and thank you for considering this opportunity.
5. Brenda Combs, South Lebanon Historical Society – Ms. Combs said that the Joe Johnson Memorial Car Show was a huge success with 102 cars present. We would like to do this annually and schedule it for Saturday, September 22, 2018 from 10:00 am to 3:00 pm. Mayor Smith said yes, if there is no objection from Council. No objections heard. Atkins said that it is a great idea. The next project that I'm working on with John Moore, Sue Johnson and Chief Napier from the Union Township Fire Department is "A Christmas In the Village" which will take place on December 17, 2017, at the Community Center from 2:00 pm until 4:00 pm. We are also discussing a parade, but it will be after October before we make a decision. We would also like to have another flea market in the spring and we will come back later to discuss the date. Mayor Smith said we just need a date when you are ready. Ms. Combs thanked everyone for coming to the prayer vigil to pray for the families involved in the incident here. I'm very proud of you for

showing support as a community and she thanked the Peyton's for their help. Teasdale said we all want to salute you for the effort you and your team put in. You make these events happen and you are wonderful to have here. Ms. Combs thanked Teasdale. Atkins told Ms. Combs that she does a great job for this community.

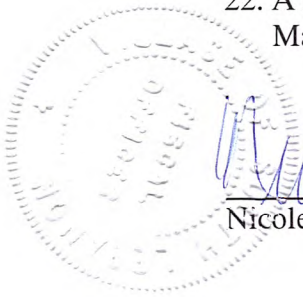
6. Mr. Schon apologized for the technical difficulties. He thanked South Lebanon for letting him present this opportunity. Steve Bloomfield and I have been working on this project off and on for 12 years but actively for the last 3 ½ years. The first part is to let you know who we are and what we have done. We were established about 14 years ago for a project that came up. It was a Ford Factory in Walnut Hills on I-71. The Ford Factory was built by Henry Ford when approximately 30 assembly plants were built around the country. The Ford Factory was about the same vintage as the Peter's Cartridge Factory and about the same construction type, but smaller with only one building at 175,000 square feet. We saw the opportunity to transform that into 100,000 sq. ft. of office space and a 200 car parking garage underneath. As soon as we bought it, it became the blight of the week in the Cincinnati Enquirer. That was our first insight into using historic tax credits and that building became our office and the offices for Children's Hospital for about 10 years. A couple of years ago they bought the building from us. The next building we came upon was the American Can Factory and that is very similar to this project at 200,000 sq. ft. It was such a blight but it became 110 loft apartments and about 15,000 sq. ft. of commercial space. We did a couple new construction projects; one in downtown Ithaca, New York, near Cornell University and that became 120 apartments in two phases and 50,000 sq. feet of commercial space and we continue to own and manage it. Another project was an old school about 100 years old in Northside. What we propose for this project is that all the buildings to stay. We have historic tax credits in place and financing except for this annexation and the tax abatement, then we can get started on this project. We have a little more work with the US EPA but the cleanup is complete. DuPont has spent six million dollars to clean it up. We propose about 130 loft apartments and 14,000 sq. ft. dedicated as commercial. We are talking with a brewery/brew pub restaurant and perhaps an event center. The boiler building is perfect for an event center for weddings and meetings. We have been through the preliminary rezoning to PUD so we would need to finalize it once it comes into the Village for the final PUD. The first part of the rezoning is already finished with the County. We have done a traffic study. Riley asked where the cleanup is. Mr. Schon said if you remember the long building along the river. Mr. Schon said that all the buildings will stay as part of the historic tax credits. Atkins asked about the timeline. Mr. Schon said that the construction timeline is 12 – 14 months. Mayor Smith said that we all grew up around the Powder Plant as kids and with the history of it. Mayor Smith stated that they have been working on this project for a long time and to get it done, it needs to be done quickly. What a great addition to the community this will be. Atkins agreed. Mayor Smith said that this is the last step and there are two other properties. This is a huge transition for the Village. Mr. Schon said that the total

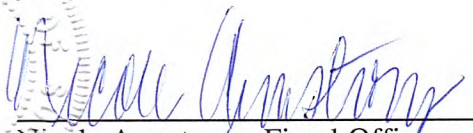
cost to us is about 26 million but the value isn't going to be that high which is why we need the tax credits and abatements. The value will be more in the range on 15-16 million. This is very similar to what we have done in the past and why we get historic tax credits and package them together so that a project can be saved; otherwise, it becomes a blight. This project will be tougher because of the vastness of the windows. Two acres of windows to be replaced and ½ acre of sky lights. Mr. Schon said we all know how the job centers have moved north up I-71 in particular to Mason, Deerfield and those areas. What we are trying to attract and keep are those who commute down I-71 southbound. The traffic coming southbound is incredible. We think this would attract them with a cool/hip living space with polished concrete floors, 15 ft. ceilings, and a wall of glass from door to door, floor to ceiling looking out at the river with 12' x 14' windows. Riley asked the approximate loft price. Mr. Schon said it will be market rent which is somewhere in the area of \$1.10 to \$1.30 a sq. ft. range which will compare to other to other areas at \$1.50 or \$1.60 sq. ft. We will have a much larger apartment with a two bedroom at 1,200 or 1,300 sq. ft. There will be one apartment in the tower that will be a 4-story apartment. Madison said that he has seen some of their work at the Ford building and he especially likes how the parking garage goes right into the building which looks like you drive into one of the floors. Mr. Schon said that this is a very similar concept to this. Madison said that he likes the uniqueness of converting a manufacturing area into a living space. Madison said that this is a long time coming and remembers back in the 80's about the hopes of resurrecting it and here it is 25-30 year later and we are looking at it happening. For our citizens, with sewer and water done by Warren County and the minimal cost to this Village it is a win-win situation. Mayor Smith said this is a history making moment and said that you don't get to see this very often. You dream about something like this but never thought it would be a reality. Mr. Schon added, as part of the uniqueness you would be living in a 100 mile state park on the river. Mayor Smith asked if Council has any questions. Riley said that he feels a lot has been put on us at one time. Revelson said the only confusing part is the CRA and it is similar to a TIF which Arik worked on so I recommend moving forward. Mayor Smith said that we asked our outside representative's that represent this Council to look at this for their opinion. Madison said that he wanted to speak to something the Riley said. Part of a business strategy is work is done behind the scenes and done quietly because of the opportunity that exists by other municipalities. We are a Village so we have to ask and cities don't have to ask and can take which puts us at a disadvantage. Riley said that this is a lot of information so I'm going to take the word of our representative's. Mayor Smith said that we have multiple council's involved. Teasdale asked if we need to act on this legislation. Mayor Smith said yes. Mayor Smith presented Resolution 2017-48. A motion to suspend the three reading rule was made by Madison, seconded by Atkins, all yeas. By title only Resolution 2017-48, a motion is needed for this historic vote. A motion was made by Madison, seconded by Teasdale, all yeas.

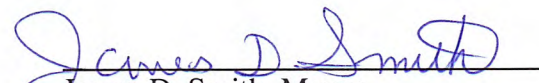
7. Mayor Smith presented Resolution 2017-49 and asked for a motion to suspend the three reading rule. A motion was made by Madison, seconded by Teasdale, all yeas. By title only Resolution 2017-49, a motion to adopt was made by Madison, seconded by Atkins, all yeas.
8. Mayor Smith presented Resolution 2017-50 authorizing the Mayor and Fiscal Officer to sign a pre-annexation agreement. A motion to suspend the three reading rule was made by Madison, seconded by Teasdale, all yeas. By title only Resolution 2017-50, a motion to adopt was made by Madison, seconded by Atkins, all yeas.
9. Mayor presented Resolution 2017-47 accepting the 2018 amount and rates determined by the Warren County Budget Commission. A motion to suspend the three reading rule and declare an emergency was made by Atkins, seconded by Teasdale, all yeas. A motion to adopt Resolution 2017-47 was made by Madison, seconded by Teasdale, all yeas.
10. Mayor Smith asked for a motion to approve the invoices for payment. A motion was made by Atkins, seconded by Madison, all yeas.
11. Mayor Smith asked for motion to approve the August Financial Statements. A motion was made by Madison, seconded by Teasdale, all yeas.
12. Mayor Smith asked for motion to approve the meeting minutes if no corrections or additions for the following:

Regular Meeting – August 17, 2017. A motion was made by Atkins, seconded by Madison, all yeas.
13. Mayor Smith reported that we cleaned about 25 tires out of the river. The water level was low enough to take care of it.
14. Mayor Smith said that street grinding in Stonebrook should start any day and the entryway repaving is on Jurgensen's schedule.
15. Mayor Smith stated that we met with a group for a micro hospital here. It would be approximately 18,000 sq. ft. with 40 + employees. Madison said that is about the same size of the ER that sits off 73 at Springboro. Mayor Smith said that they would have eight inpatient beds and seven outpatient exam rooms.
16. Administrator Haddix reported that the administration building HVAC contractor should be finished by the end of the month. The building windows will be bid out as a separate item. We will bid out for a general contractor to complete the remainder of the work. Madison suggested an integrated media system. Teasdale said a system with better acoustics.

17. Haddix said that Primrose School should be breaking ground in early October and possibly opening in spring.
18. Haddix stated that the public hearing for the rezoning of 383 S. Main is scheduled Thursday, October 26th.
19. Haddix said Grants Frederick, Section 2 and Wynstead, Section 4 final plats should be coming to Council soon.
20. Riley said that he heard a rumor about a residence for recovering heroin addicts to help them get back on their feet. It's call the Serenity House and all applicants are screened as part of this program. Haddix said this is just a house where the individuals have already been treated. Atkins asked how are the participants monitored. Riley said that they have a person that lives there that will monitor them. Madison asked are they looking to purchase a home in the Village. Riley stated that they have already purchased a house. Madison asked if we have any references. Madison said he thinks that these services are great but we need to due our homework. Haddix said that Solicitor Revelson and I reviewed this and as long as they meet the occupancy requirements. Riley asked Haddix about the number of people. Haddix said that they can have up to eight, four in each unit. Atkins asked if they need to get a permit to do this. Haddix said that they do not. Madison asked if our zoning needs to be looked at. Mayor Smith said that a motion can be made to review this. A motion was made by Madison, seconded by Riley. Revelson asked Council for clarification from Council. Madison said to look at the definition of a family or occupants and the best areas suitable for this. All yeas.
21. Mayor Smith reported that about \$1,500 in donations raised for the Ritchey plaque. A motion to donate up to \$300.00 was made by Atkins, seconded by Riley, all yeas.
22. A motion to adjourn the meeting at 8:15 pm was made by Atkins, seconded by Madison, all yeas.




Nicole Armstrong, Fiscal Officer


James D. Smith, Mayor