

BLUE ASH CITY COUNCIL

February 22, 2018

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**1. MEETING CALLED TO ORDER**

A regular meeting of the Council of the City of Blue Ash, Ohio, was held on February 22, 2018. Mayor Thomas C. Adamec called the meeting to order in Council Chambers at 7:00 PM.

**2. OPENING CEREMONIES**

Mayor Adamec led those assembled in the Pledge of Allegiance.

**3. ROLL CALL**

MEMBERS PRESENT: Councilwoman Linda Bauer, Councilman Joe Leet, Councilman Pramod Jhaveri, Councilman Jeff Capell, Councilman Lee Czerwonka, and Mayor Tom Adamec

MEMBERS ABSENT: Vice Mayor Marc Sirkin

Councilman Czerwonka moved, Councilman Jhaveri seconded to excuse Vice Mayor Sirkin from the meeting. A voice vote was taken. All members present voted yes. Motion carried.

ALSO PRESENT: City Manager David Waltz, Solicitor Bryan Pacheco, Clerk of Council Jamie Eifert, Assistant City Manager Kelly Harrington, Treasurer Sherry Poppe, Administrative Assistant Karla Plank, and interested citizens

**4. ACCEPTANCE OF AGENDA**

Councilman Czerwonka moved, Councilman Leet seconded to accept the agenda. A voice vote was taken. All members present voted yes. Motion carried.

1. MEETING CALLED TO ORDER
2. OPENING CEREMONIES
3. ROLL CALL –Clerk of Council Jamie K. Eifert
4. ACCEPTANCE OF AGENDA
5. APPROVAL OF MINUTES
  - a. Regular Meeting of February 8, 2018
6. COMMUNICATIONS
  - a. Communications to Council –Clerk of Council Jamie K. Eifert
  - b. Reports From Outside Agencies
7. HEARINGS FROM CITIZENS
8. COMMITTEE REPORTS
  - a. Finance & Administration Committee, Lee Czerwonka, Chairperson
    1. Ordinance No. 2018-2, amending Chapter 174 “Income Tax” of the Codified Ordinances
9. MISCELLANEOUS BUSINESS
10. ADJOURNMENT

**5. APPROVAL OF MINUTES**

Councilwoman Bauer moved, Councilman Czerwonka seconded to approve the minutes of the regular meeting of February 8, 2018. A voice vote was taken. All members present voted yes. Motion carried.

**6. COMMUNICATIONS**

**a. Communications to Council**

There were no communications presented to Council.

**b. Reports From Outside Agencies**

There were no representatives from outside agencies present at the meeting.

**7. HEARINGS FROM CITIZENS**

Dick Huskey, 5061 Myerdale Drive, addressed Council with his concerns with a tear-down/rebuild house under construction at 5001 Myerdale Drive. The developer/construction workers are spreading construction debris onto his and surround yards in the neighborhood.

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Mr. Huskey appreciated his conversation with Community Development Director Dan Johnson who contacted the developer to advise them of violations of code issues to which the debris was cleaned up. Mr. Huskey provided Council with photographs of the unkept conditions. He further requested Council to ensure the developer not redirect the water drainage onto his or his neighborhoods property.

Hearings from Citizens was declared closed at 7:08 PM.

**8. COMMITTEE REPORTS**

Prior to the Council meeting, Council members received the following report describing agenda items:

*This memo offers a brief description of the topics included on the February 22<sup>nd</sup> Council agenda.*

**8.a.1. Ordinance No. 2018-2 amending Chapter 174 "Income Tax" of the Codified Ordinances**

*As you may recall, the City of Blue Ash joined a coalition of Ohio municipalities challenging the State's recent mandates related to municipal income tax in H.B. 49. Under H.B. 49, municipalities were required to adopt the mandates noted below by January 31, 2018. Due to the lawsuit challenge, that deadline was extended to February 24, 2018. A preliminary injunction hearing occurred on February 12<sup>th</sup> and 13<sup>th</sup>, but a decision is not expected until February 23<sup>rd</sup>. In an abundance of caution, Administration recommends passing this ordinance to avoid doubt or a later taxpayer challenge over the City's ability to impose a municipal income tax. Because the City believes that the H.B. 49 mandates are unconstitutional, the ordinance states that if any of the H.B. 49 provisions are found unconstitutional or stayed that such changes are likewise invalid or stayed.*

*In addition to the H.B. 49 required provisions, some minor wording and date changes are also being addressed. Below are the significant H.B. 49 provisions to highlight.*

- *H.B.49 requires municipalities, imposing an income tax, to adopt provisions of the new Ohio Revised Code Sections 718.80 to 718.95 in the City's Income Tax Ordinance. Specifically, those provisions are outlined in sections 174.02(C), 174.062(D)(1), 174.062(D)(1)(c), 174.063 (B)(4) and (5), 174.093 (F), and 174.097 of the attachment. These sections are related to the option for business net profit returns to be centrally filed with the State of Ohio Tax Commissioner. If a business makes this election, the State will administer/collect all municipal taxes for that business and distribute them to the applicable municipalities.*
- *ORC section 718.02 eliminates the "throwback" rule. Sales of tangible personal property shipped from a location in Blue Ash may no longer be considered as sales occurring in Blue Ash. This primarily affects distribution center type businesses. The amount of sales reported on a business tax return is one of three factors that determine the percentage of a businesses' net profit allocated to a municipality. Given the information the City's has at this point, Administration believes this will have a minimal impact on collections.*

*These changes are effective for tax years beginning on or after January 1, 2018.*

*Please direct any questions regarding this Ordinance to the Treasurer.*

**a. Finance & Administration Committee, Lee Czerwonka, Chairperson**

Councilman Czerwonka asked the Clerk to read Ordinance No. 2018-2 by title only.

THEN WAS PRESENTED AND READ BY TITLE ONLY:

ORDINANCE NO. 2018-2

AMENDING CHAPTER 174 – "CITY OF BLUE ASH INCOME TAX CODE" OF THE CODIFIED ORDINANCES OF THE CITY OF BLUE ASH, INCORPORATING REQUIRED CHANGES IN STATE LAW AND OTHER RELATED PROVISIONS AS SHOWN ON THE ATTACHMENT; AND DECLARING AN EMERGENCY

Councilman Czerwonka moved, Councilman Capell seconded to suspend the rules of Council requiring a second reading of the ordinance. The Clerk called the roll. Councilpersons Bauer, Leet, Jhaveri, Capell, Czerwonka, and Mayor Adamec voted yes. Six yeses. Motion carried.

Councilman Czerwonka moved, Councilman Leet seconded to adopt Ordinance No. 2018-2.

There being no discussion, the Clerk called the roll. Councilpersons Leet, Jhaveri, Capell, Czerwonka, Bauer, and Mayor Adamec voted yes. Six yeses. Ordinance No. 2018-2 passed.

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**9. MISCELLANEOUS BUSINESS**

City Manager David Waltz advised Council that there have not been any new developments or no new submissions to the State regarding the Duke Energy gas pipeline. Mr. Waltz informed Council that he recently met with Duke Energy concerning an electric service upgrade north of the City. Duke is looking to bring a small substation to increase electrical power in the vicinity of Kenwood/Creek Road area and eliminate overhead electrical lines. Currently, Duke has substations located at Timbers and the Downtown area.

Assistant City Manager Kelly Harrington reminded Council of the Blue Ash Citizen Academy to begin on March 10<sup>th</sup>. Currently, there are not enough members to make a class and requested Council to follow-up with citizens who may be interested in participating.

Councilman Capell provided Council with a draft motion concerning the Sister City Program with Ilmenau, Germany prohibiting the City from subsidizing the program.

Councilman Leet stated a Girls Scout Troop will be attending the April 12<sup>th</sup> Council Meeting to lead the meeting with the Pledge of Allegiance. He invited Council, the Police and Fire Department Chiefs, and Administration to attend a meet and greet prior to the meeting.

Councilman Czerwonka stated that City Administration invited Blue Ash real estate stakeholders to a roundtable discussion to share their experience of marketing the City's business properties and how the City can improve on those efforts.

**10. ADJOURNMENT**

All items on the agenda having been acted upon, Councilwoman Bauer moved, Councilman Czerwonka seconded to adjourn the meeting. A voice vote was taken. All members voted yes. The Council meeting was adjourned at approximately 7:20 PM.

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Thomas C. Adamec, Mayor

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Jamie K. Eifert, Clerk of Council

MINUTES RECORDED AND WRITTEN BY:

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Karla Plank, Administrative Assistant

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