

A work session of the Council of the City of Blue Ash, Ohio, was held on September 22, 2005. Mayor Rick Bryan called the meeting to order in Council Chambers at 7:00 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, Deputy Solicitor Bryan Pacheco, 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, Service Director Dennis Albrinck, Community & Economic Development Director Judy Clark, Assistant Community Development Director Dan Johnson, members of the press, and interested citizens

Preliminary Discussion regarding the potential development south of Osborne Boulevard

City Manager Marvin Thompson explained that the Administration has been working with the developer (DC Development) and his representatives and agents to come up with a plan for the development of the 40+ acre site between Reed Hartman Highway and Kenwood Road south of Osborne Boulevard. This property is owned by Hines and First Industries but recently the developer presented offers to buy from both. Mr. Thompson commented that the City Administration is excited for the potential this project presents for a community such as Blue Ash. To the Administration's and the developer's knowledge, there is no other similar life-style development anywhere. This represents a potential great asset for Blue Ash.

Developer Dennis Cooper, Architect Michael Lew, and Tom Devitt of Devitt & Associates were present to discuss the potential project. Mr. Cooper commented that he has enjoyed the time he has spent in Blue Ash over the past few months. He has been in the commercial real estate business for 25 years; however, this size of a development (an estimated value of \$600 million for phase I only) is a first for him. After much market analysis, he has determined that Blue Ash is the most viable location for such a major life-style type development – a “city within a city.” In making that determination, he considered factors such as proximity to major highways, infrastructure (roads), market need and analysis, and the overall community. It is his hope that his project can further advance an already quality and progressive community of Blue Ash. He explained that Tom Devitt and David Scott of Devitt & Associates would be running the operation on a day-to-day basis.

Mr. Cooper explained the town center concept for the project. Overall it includes approximately 1 to 1½ million square feet of general office space (heavily marketed to potential medical and R&D uses); some retail shops and restaurants to support the overall development; residential mix (high end condos and apartments); and family functions (for example, internal park areas, etc.). It is their desire to begin construction during the second quarter of 2006, with build-out of Phase I expected within five years. The developers would anticipate the residential portion could be attractive to a variety of age groups. Though he is based in New Jersey, he has been working with local consultants on various portions of the project, including, for example, with CDS Associates regarding engineering issues and with Cincinnati-based Fisher Design to create a name and other promotional aspects of the project. Overall, the first phase of the project is expected to be valued at approximately \$600 million. If phase II occurs (involving the warehouse property north of Osborne Boulevard), that phase could take the entire project to \$2 billion.

Mr. Cooper explained the recent potential addition of having the City's future performing arts center/conference center (PAC) on this site as well (on land to be donated by the developer). The plan shows such a center located in a prominent location towards Reed Hartman Highway adjacent to the retention pond/lake. He believes this site would offer prominent visibility and looks forward to Council's further consideration of his site for such a project.

Architect Mike Lew reviewed the site plan. The site plan shows 17 multi-story structures (including the PAC), with three having attached parking garages. The uses include retail,

entertainment, a hotel, office/R&D, and residential. The development also shows a gym/spa, a retail anchor, and a stand-alone restaurant towards Reed Hartman Highway. A “main street” is shown in the center of the development. The residential uses are situated along Kenwood Road, with a landscaped buffer along Kenwood.

In addressing a question from Councilman Weber, the applicants explained that they would estimate a total of 700 residential units, with perhaps 60% of those being condos and 40% apartments. Further market analysis will better determine those figures.

In addressing a question from Councilman Czerwonka, Mr. Cooper explained that potential Phase II would involve the land north of Osborne Boulevard, the existing Kenwood Distribution warehouse properties. He would envision wanting to carry on the mix of the Phase I development with the second phase. It is their understanding that assuming the rezoning is approved by Council that they would be required to return to the City (via Planning Commission) for approval on each building within the development.

In addressing a question from Councilman Stacey, Mr. Thompson and Mr. Waltz agreed that there is the potential of the Administration recommending use of a Tax Increment Financing (TIF) tool to assist with construction of the parking garages.

Mr. Thompson commented that this development is scheduled to go to Planning Commission on October 4th. It would be appropriate for Council to set two public hearings for the November 10th Council meeting regarding this development. One hearing (and related ordinance) would amend the related text within the Planning and Zoning Code, and the second would approve a rezoning for this project and the related development plan.

In addressing a question from Mayor Bryan, Mr. Thompson explained that the Planning Commission’s role, as with similar planned developments, will be to review and make a recommendation to Council. He explained the Administration envisions this new zoning district to be similar to the downtown district. The Planning Commission would be responsible for reviewing and approving appropriate changes within the development. Mayor Bryan commented that this is an exciting project for Blue Ash with the opportunity for big return.

Mr. Thompson commented that at the October 13th regular Council meeting, discussion on a potential performing arts center would be on the agenda. This opportunity for the location of a PAC at this site came up only recently and is viable due to location and the developer’s donation of the land. In addressing a question from Councilwoman Stoller, Mr. Thompson commented that timing for a potential PAC would be as Council desires. If Council decides to move forward with the PAC, he would envision that part of this development being constructed relatively early in the process.

In addressing a question from Vice Mayor Buckman, Mr. Cooper explained that there is an estimated total of 4,800 parking spaces, with 2,300 to 2,400 cars in two of the parking garages. The retail, hotel, and restaurant portions of this development would have their own parking. He commented that he believes the potential of a PAC could be a gateway for their development.

In addressing a question from Councilman Czerwonka, Mr. Cooper commented that the existing infrastructure was a major factor in selecting Blue Ash. Though some utility work may have to be done, overall, the existing road infrastructure works well for the project.

Motion setting 7:30PM, Thursday, November 10, 2005 as public hearing for consideration of changes to Chapters 1131, 1157, 1163, 1165, and 1185 of the Planning and Zoning Code related to planned developments

Councilman Sumner moved, Councilwoman Stoller seconded to set 7:30PM, Thursday, November 10, 2005 as public hearing for consideration of changes to Chapters 1131, 1157, 1163, 1165, and 1185 of the Planning and Zoning Code related to planned developments. A voice vote was taken. All members voted yes. Motion carried.

Motion setting 7:35PM, Thursday, November 10, 2005 as public hearing for consideration of a rezoning request and related development plan for property east of Reed Hartman Highway, west of Kenwood Road, and south of Osborne Boulevard

Councilman Sumner moved, Councilman Czerwonka seconded to set 7:35PM, Thursday, November 10, 2005 as public hearing for consideration of a rezoning request and related development plan for property east of Reed Hartman Highway, west of Kenwood Road, and south of Osborne Boulevard. A voice vote was taken. All members voted yes. Motion carried.

WORK SESSION – Downtown Plan Update

Assistant City Manager David Waltz reviewed the process involved with recent downtown planning efforts. Three meetings with the downtown planning committee (several members whom are in attendance at tonight’s meeting) have been held with the downtown planning consultant, Menelaos Triantafillou, with a presentation made by Menelaos at a Council meeting within the past several months. It is the intent for tonight’s meeting for Council to give Mr. Triantafillou feedback on the plan and to identify priorities for the downtown development. Mr. Waltz commented that it is the Administration’s and the development community’s belief that if downtown Blue Ash is to undergo substantial change as has been discussed, then it may only become reality with substantial public underwriting or subsidy. Redevelopment projects such as that being discussed for downtown take time to complete and a strong commitment of Council (including the potential for public investment/underwriting and the possible use of eminent domain).

Menelaos addressed Council, with some highlights of his discussion/comments below:

- ?? Currently, downtown Blue Ash has an inappropriate mix of uses. The current component of 64% service type businesses is far too high. The remaining percentages of current downtown include about 12% of finance/insurance/real estate type businesses and about 24% retail oriented.
- ?? A downtown plan update should accommodate a mixed-use development to include office; residential; niche grocery store; entertainment; retail; services; civic uses; and related amenities such as parks, sidewalks, etc.
- ?? The master plan update has the potential for about 1.26 million square feet of total building floor area. This compares favorably (i.e., is higher than most) compared to other Cincinnati, suburban lifestyle, and upscale retail centers. For example, Tower Place has 483,000 square feet; Fountain Place, 800,000; Rookwood Pavilion, 245,000; Rookwood Commons, 350,000; Center of Cincinnati (Ridge Road), 440,000; Millworks, 1.3 million; Sycamore Plaza, 320,00; Kenwood Towne Centre, 550,000; Sycamore Center (planned), 250,000 retail + 180,000 office; Streets of West Chester (phase 1), 450,000; and Deerfield Towne Center, 432,000.
- ?? Such a plan is long-term. With most properties currently being developed, it could take up to 10 or 15 years to complete.
- ?? Mr. Triantafillou explained that the concept being proposed is not a detailed plan, but more of a vision or direction. If Council decides to go ahead and move forward in this direction, then as a Council, you are publicly saying that you desire for this direction for the downtown area. This is important because it will tell residents and the development community that you want something to happen and that you will work with them. It sends a message through the community.

It is Mr. Triantafillou’s opinion that the best tool may be to take on the first project and to go at it in a different way – to carry through with a mixed-use project. Once a project becomes reality, the public (including development community) will see that something different is happening in Blue Ash. If nothing is done, the downtown will continue to deteriorate, in his opinion.

He agrees that the City may first want to concentrate on three key parcels: the Hosbrook site at the northwest corner of Cooper and Kenwood Roads; the underutilized former Thriftway site; and the “triangle” property in the Blue Ash Road/Tillsam Court area.

If Council decides to move forward, Mr. Triantafillou recommends the City start work now on design guidelines for the “new” downtown and that a business plan be developed for at least two of the key parcels (probably Hosbrook and former Thriftway). This would enable Council and the City to move from the “big picture” planning stages to implementation.

In addressing a question from Mayor Bryan, Mr. Triantafillou commented that he still believes the formation of a high-level committee of leaders would be helpful. Such high-powered business and community leaders have the ability to make things happen faster. Mr. Waltz reiterated the thought that if Council determines that change needs to occur (especially fast), then it will likely take significant public investment to foster that goal.

Councilman Sumner complimented the Administration and Menelaos on their work related to the downtown efforts. Although there are some concerns, generally, he strongly favors the plan. A

major concern is that of not intruding existing residential areas, particularly the Arcadia neighborhood and the Conklin area neighborhood to the downtown's west. He asked that strong consideration be made for improvement to the existing non-conforming uses along the end of Floral Avenue. Overall, he would favor private effort, versus public investment, and would favor the formation of a business team to act as a "cheerleader." He has a concern that if Blue Ash were to "drive" it forward, then it may artificially inflate property values.

Councilman Weber commented that he too concurs with the theory and goals of a new downtown Blue Ash. He has a concern with how to implement such a plan and with the potential that early development in such a project would become "middle aged" before the next goal happens.

Vice Mayor Buckman expressed concern with having too high of buildings at the entry – near Ronald Reagan Highway/Kenwood Road. Early recommendations showed very high buildings which he is not sure would be appropriate. It was mentioned that though multi-story buildings would still be planned in this area, they are not as high as what was once recommended.

Councilwoman Stoller commented that the plans and concepts sound exciting. She believes it should be a combination of public and private efforts, with TIF type tools acceptable with her, for example. In addressing a question from Councilwoman Stoller, Mr. Waltz explained that the reaction of the developers seems to be one of excitement. They agree that such an ambitious development would have to have the energy from City Hall and that the City and Council would have to "step up to the plate," which may entail awkward political situations. They need to know that Council will assist and support them when needed (not always referring to financial issues, with Mr. Waltz giving several examples). The Administration would like to continue work with Mr. Triantafillou on developing guidelines for the downtown vision and development.

In addressing a question from Councilman Czerwonka, Mr. Triantafillou commented that he would recommend the City first focus on acquisition.

Mayor Bryan commented that he believes the potential is exciting. He would favor working with Mr. Triantafillou on creating new standards. He would not favor violating the surrounding residential neighborhoods (such as Arcadia). He has some concern with use of extensive public monies – would such action be for the public good or is it a "quick fix" solution? The City should not use such methods in lieu of finding the best development partners. In addition, he would not be in favor of using eminent domain on any residential property.

In addressing a question from Councilman Sumner, it was the Administration's and Mr. Triantafillou's opinions that a development such as discussed earlier this evening at Osborne Boulevard would not be in competition with a redeveloped downtown. It was mentioned that downtown Blue Ash would have a different "aura" than such a metropolitan-style development discussed earlier. Mr. Triantafillou commented that some synergy in the development community for downtown could be created by the Osborne development.

It was agreed that the Administration would continue work with Mr. Triantafillou towards the creation of a new downtown plan.

ADJOURNMENT

All items on the agenda having been acted upon, Councilman Sumner moved, Councilwoman Stoller seconded to adjourn the meeting. A voice vote was taken. All members voted yes. The Council meeting was adjourned at approximately 8:57 PM.

Rick Bryan, Mayor

Jamie K. Eifert, Clerk of Council

MINUTES WRITTEN BY:

Susan K. Bennett, Deputy Clerk of Council