

FRANKLIN COUNTY BOARD OF COMMISSIONERS

MINUTES OF GENERAL SESSION

August 13, 2019

The Franklin County Board of Commissioners convened in the Commissioners Hearing Room at 9:00 A.M. on Tuesday, August 13, 2019.

Present were: Marilyn Brown, President
John O'Grady, Commissioner
Kevin L. Boyce, Commissioner

Also present on the dais were Nick Soulas, First Assistant Prosecuting Attorney, Prosecuting Attorney's Office; Kenneth N. Wilson, County Administrator; Zachary Talarek, Director, Office of Management & Budget; and, Victoria Caldwell, Interim Clerk to the Board of Commissioners.

President Brown called the meeting to order at 9:05 A.M.

Approval of the minutes of the May 30, 2019 Briefing Session. Commissioner O'Grady moved to approve the minutes, seconded by President Brown. The minutes were approved by roll call vote.

Resolution No. 0579-19, authorizing a transfer of General Fund appropriations for increased operational costs (Public Defender), presented by Christine Clarizio, Controller, Public Defenders Office.

Ms. Clarizio: Good morning, Commissioners. This resolution for \$73,380, is a request for transfer from fringe benefits to services and charges. The need for these additional charges relates to three different areas. One, the Appellate unit has had an increase in the request for transcripts. Voir dire, PCC, and death penalty cases has increased, as has the cost per page. We estimate that we are going to be over budget by 29 percent by the end of the year. The Common Pleas unit has exceeded their witness fee budget already this year, due to an increase in the number of experts on cases, like interpreters, second opinion psychologists, and forensic cases that need an interpretation of matter. Then, we had a five percent increase in our monthly rent, so today, pending any questions we are requesting your approval to transfer \$73,380 in appropriations to help provide for services and charges, for 2019 year end.

Commissioner O'Grady moved to approve Resolution 0579-19, seconded by Commissioner Boyce. The Resolution was unanimously adopted by roll call vote.

Resolution No. 0580-19, authorizing a First Contract Extension and Modification with Trinity Services Group, Inc. to provide, manage, and operate a food service program for the Franklin County Juvenile Detention Facility (\$320,000.00) (Domestic Relations), presented by Barb Reeves, Deputy Director, Common Pleas, Domestic Relations.

Ms. Reeves: Good morning, Commissioners. This resolution is requesting a contract modification and a one-year extension with the food service vendor, Trinity. Modifications were made to the weekly menu and food items for the youth rewards program. Additionally, due to a decrease in the population at the facility, the contractor requested a sliding scale price versus a fixed price. Pending any questions, the court requests the approval of this resolution.

Commissioner O'Grady moved to approve Resolution 0580-19, seconded by Commissioner Boyce. The Resolution was unanimously adopted by roll call vote.

Resolution No. 0581-19, establishing, altering and widening of the Murnan Road Drainage Outlet, Prairie Township, Franklin County, Ohio, declared necessary (Engineer), presented by Cornell Robertson, Engineer, and William "Fritz" Crosier, Chief Deputy Engineer, Engineer's Office.

Mr. Robertson: Good morning, Commissioners. This first resolution is for a drainage improvement in the southwest part of the county, in Prairie Township. It will improve the drainage along Murnan Road into Hamilton Run. This resolution is for declared necessary, and will allow us to move forward with the project.

Commissioner O'Grady moved to approve Resolution 0581-19, seconded by Commissioner Boyce. The Resolution was unanimously adopted by roll call vote.

Resolution No. 0582-19, establishing, altering and widening of the Zuber Road/Plum Run South Drainage Outlet, Pleasant Township and Jackson Township, Franklin County, Ohio, declared necessary (Engineer), presented by Cornell Robertson, Engineer, and William "Fritz" Crosier, Chief Deputy Engineer, Engineer's Office.

Mr. Robertson: Commissioners, this project is similar in that it is declared necessary, also for a drainage improvement, in the southwest part of the county, including Pleasant Township and Jackson Township, for drainage improvement along Zuber Road into Plum Run. Again, this resolution is for declared necessary, and will allow us to move forward with the project.

Commissioner O'Grady moved to approve Resolution 0582-19, seconded by Commissioner Boyce. The Resolution was unanimously adopted by roll call vote.

Resolution No. 0583-19, establishing, altering and improving the vacant property located at 50 East Mound Street, City of Columbus, Franklin County, Ohio, declared necessary (Engineer), presented by Cornell Robertson, Engineer, and William “Fritz” Crosier, Chief Deputy Engineer, Engineer’s Office.

Mr. Robertson: Commissioners, this is also a declared necessary resolution. However, it is for a project in downtown Columbus, at 50 East Mound Street. The county has requested that the Engineer’s Office help in administering the construction of a parking lot, and the addition of storm water management. Again, this resolution will allow us to move forward and begin design, and qualify construction.

Commissioner O’Grady moved to approve Resolution 0583-19, seconded by Commissioner Boyce. The Resolution was unanimously adopted by roll call vote.

Resolution No. 0584-19, establishing, altering and improving the Madison Township Fire Station 182 Parking Lot located at 6600 Gender Road, Madison Township, Franklin County, Ohio, declared necessary (Engineer), presented by Cornell Robertson, Engineer, and William “Fritz” Crosier, Chief Deputy Engineer, Engineer’s Office.

Mr. Robertson: This resolution is the fourth declared necessary resolution of the day. This is in the southeast part of the county. Madison Township has requested our help in designing a parking lot reconstruction, and also administering the construction of that parking lot. This resolution will allow us to move forward with the project, begin design, and so forth.

Commissioner O’Grady moved to approve Resolution 0584-19, seconded by Commissioner Boyce. The Resolution was unanimously adopted by roll call vote.

Resolution No. 0585-19, plans reviewed for the Franklin County Road Maintenance & Safety Program, Franklin County, Ohio (Engineer), presented by Cornell Robertson, Engineer, and William “Fritz” Crosier, Chief Deputy Engineer, Engineer’s Office.

Mr. Crosier: Commissioners, as noted, this resolution authorizes plan approval for the Franklin County Road Maintenance & Safety Program. This is a new program for our office, which includes seven roadways throughout Franklin County. The work includes crack sealing, surface treatment, and coating of roadways, to extend the life of the current roadways. Pending any questions, I’d ask for your approval.

Commissioner O’Grady moved to approve Resolution 0585-19, seconded by Commissioner Boyce. The Resolution was unanimously adopted by roll call vote.

Resolution No. 0586-19, plans approved for the improvement of the Roberts Road Shared Use Path from Westrock Drive to Mudsock Trail, Norwich Township, Franklin County, Ohio

(Engineer), presented by Cornell Robertson, Engineer, and William “Fritz” Crosier, Chief Deputy Engineer, Engineer’s Office.

Mr. Crosier: Commissioners, this next resolution authorizes plan approval for the Roberts Road Shared Use Path, from Westrock Drive to Mudsock Trail improvement project. This is a collaborative project between the County Engineer’s Office and the City of Columbus Parks and Recs. It includes construction of a shared use path and storm water management. It completes a missing link of pedestrian infrastructure in the area. Pending any questions, I’d ask for your approval.

Commissioner O’Grady moved to approve Resolution 0586-19, seconded by Commissioner Boyce. The Resolution was unanimously adopted by roll call vote.

Resolution No. 0587-19, awarding contract and approving contract bond to Strawser Paving Co., Inc., for the City of Groveport/Village of Obetz Resurfacing Program, Franklin County, Ohio (\$2,768,783.31) (Engineer), presented by Cornell Robertson, Engineer, and William “Fritz” Crosier, Chief Deputy Engineer, Engineer’s Office.

Mr. Crosier: Commissioners, as noted, this final resolution seeks to award the contract and approve the contract bond to Strawser Paving Company, Inc., for the City of Groveport Village of Obetz; the Obetz Resurfacing Program. Strawser was selected via the competitive bid process, with a bid opening on July 24, 2019, and Strawser had the lowest and best bid. Pending any questions, I’d ask for your approval.

Commissioner O’Grady moved to approve Resolution 0587-19, seconded by Commissioner Boyce. The Resolution was unanimously adopted by roll call vote.

Resolution No. 0588-19, authorizing a contract agreement with Tribute Contracting & Consultants, LLC for the National Pike Little Farms Neighborhood Water Main Replacement Project – Phase 1 (\$5,056,620.32) (Sanitary Engineers), presented by Ryan Stowe, Project Engineer, Sanitary Engineer’s Office.

Mr. Stowe: Good morning, Commissioners. The Sanitary Engineer is requesting the authorization of a construction contract with Tribute Contracting & Consultants, for phase one of the National Pike Little Farms Water Main Replacement Project. This project involves replacing the existing six inch cast iron water mains, on Buena Vista Avenue, Maple Drive, and Pasadena Avenue, in the New Rome area, which were installed in the 1920s and 1950s, with new eight inch ductile iron pipe. The work includes installing approximately 17,200 feet of new pipe; replacing 15 hydrants; relocating 21 existing hydrants; and, full-width pavement of the aforementioned roads. In addition, 344 water services will be transferred and new meters will be installed in pits in the right-of-way, at every residence. The project costs will be paid by loans from the Ohio Public Works Commission (OPWC) and the Water Supply Revolving Loan Account, which is jointly administered by Ohio EPA (OEPA) and the Ohio Water Development Authority. Funding

from OPWC has been awarded, while funding from OEPA is anticipated to be awarded in September of this year. Bids were received by the Sanitary Engineer and reviewed by their consultant. And, Tribute Contracting was determined to be the lowest and best bidder, for a total in contracts of \$5,056,620.32. Tribute was thoroughly vetted and came highly recommended from other municipalities and engineering firms. Construction will start in September of this year and should be completed in August of next year. Pending any questions, I request the passage of this resolution.

Commissioner O'Grady moved to approve Resolution 0588-19, seconded by President Brown. The Resolution was adopted by roll call vote, with Commissioner Boyce abstaining.

Resolution No. 0589-19, authorizing a funding agreement with the Ohio Department of Health to support a tuberculosis detection and treatment program, and administer medically approved courses of treatment in the management of individuals diagnosed with tuberculosis (Community Partnerships), presented by Dayna McCrary, Administrator, Community Partnerships.

Ms. McCrary: Good morning, Commissioners. As stated, the resolution will allow us to receive reimbursement for the increasing number of tuberculosis cases that we are seeing in Franklin County. This resolution will have us receiving \$410,742, and that is for 57 cases of TB, up from 32 in 2016, so we really have seen quite an uptick. Pending any questions, I would respectfully request the approval of this resolution.

Commissioner O'Grady moved to approve Resolution 0589-19, seconded by Commissioner Boyce. The Resolution was unanimously adopted by roll call vote.

Resolution No. 0590-19, authorizing a contract modification with Bailey Stobart and a Year Two contract extension with Karen Leffler for peer support services through the FY19 Franklin County Public Health Re-Allocation and SAMHSA MAT PDOA grants (\$22,500.00) (Justice Policy and Programs), presented by Michael Daniels, Director, Justice Policy and Programs.

Mr. Daniels: Good morning, Commissioners. As stated in the resolution title, this is a contract extension with Bailey Stobart, and a year two contract with Karen Leffler, who all of us know as Jen, to continue to provide peer support services for primarily the women who are involved in our Pathways and other programs. Pending any questions, I'd ask for your approval.

Commissioner O'Grady moved to approve Resolution 0590-19, seconded by Commissioner Boyce. The Resolution was unanimously adopted by roll call vote.

Resolution No. 0591-19, authorizing the execution of an easement to the City of Columbus, Ohio for the purpose of obtaining electricity service to the new Franklin County Corrections Center (Public Facilities Management), presented by Vivian Alexander, Chief Operating Officer, Public Facilities Management.

Ms. Alexander: Good morning, Commissioners. This resolution is necessary to grant an easement to the City of Columbus, Division of Power, to permit their entry to the Franklin County Corrections Facility, located at 2551 Fisher Road. If there are no questions, we request your approval of this resolution.

Commissioner Boyce: I know we had talked about the grid that is being tapped into for the facility, and at Briefing you had indicated that you thought it was AEP, and if I remember correctly, you now know it to be the City of Columbus. The reason that I asked that, and if you don't mind, I'd like to give a little background on it, is this. The grid that is the City of Columbus grid, is an older grid whose capacity has long been under review. Can you tell us a little bit about the assurance that the grid can host that kind of pull on it, considering the facility will be open 24/7 and have an intense use of electricity? And, regionally there are some issues there too, because as you know, this is one of the older parts of Columbus. The infrastructure in that area is not as advanced as it is in other parts of Columbus, such as downtown or some of the newer areas that have been developed, like Polaris. So, if you could, I'd like some assurance that the grids have been reviewed at a level that assures us that there won't be any outages or any problems that we can anticipate.

Ms. Alexander: Prior to the construction of the project, there were conversations between Franklin County and the City of Columbus, to discuss the capacity that would be at this facility, and it was determined that the grid could support that.

Commissioner Boyce: Okay. So, is anyone from the city here? No, okay. I just want to follow-up if you could; if you could follow-up with me on that, I'd appreciate it. I'd like a little more detail about their review. I am digging into this because I have history with the City of Columbus's grid, as a former city council member, and I know it well, and I know the issues well. So, I am not aware of a substantial upgrade, but I would like to know more. It is possible that I am out of the loop, so I would like to know more, and learn more about it. What I don't want is three years from now to have an all-out failure of the grid, and our jail is affected. I will circle back to this day and this meeting, when I asked about it.

Ms. Alexander: I can add a little more too, Commissioner. I will still follow-up with Pizzuti, but I know that the engineers from both sides reviewed and discussed that. I know it happened prior to my arrival, but I will obtain more information for you.

Commissioner Boyce: Let me say, I trust that you are all on top of this, and have measured it in every way, appropriately. Knowing the history that I know about it, I would like to see what the review turned up, and where the upgrades were. So, I am just a little more curious.

Kenneth N. Wilson, County Administrator: Good morning, Commissioners. I would like to help our assistant director out here and go on record and say that I was one of those Franklin County officials that has been in discussions with the city, over the course of several months, leading up to the construction of this facility. Their department of public utilities, very much wants to be the provider, and that is what engaged us into those

conversations, and we have gotten those assurances that they will support not only the electrical infrastructure needs, but they will support the county, as we continue through this construction. We do need to follow-up, and we will get you information from our owner's representative. I myself, personally, have been engaged, going back into the prior Administration, when we began to have these conversations, of the city wishing to be the primary provider, as we do have back-ups in all of our buildings. That was important for them, because at some point we were looking at the future of Jackson Pike, coming off of the grid. We have evolved some of our thinking of when Jackson Pike will go off of the grid, but the city was interested in not losing capacity, and having the capability of picking up additional electric services on their grid. So, I hope that helps, but I, along with Deputy Administrator Kris Long, have been, over the course of two directors of public utilities, have been working through this, as we look at the larger picture involved.

Commissioner Boyce: I do appreciate that, Administrator, and that's helpful. But, I still want to see the technical review of the capacity. And, I only say that again, because I have a little more history with that grid, and so, I know Columbus wants the customer, and there's a strategy with them. The more customers you have, the more resources you need to upgrade and maintain. But, I am just unaware of the upgrades they have done, as a capacity issue. And, I just want to know what they are. I would like to know when they were done, and what was done. I don't think it takes an engineer to read through that and understand it.

Mr. Wilson: Understood, Commissioner. Chaos is created when you have public safety facilities and you have a risk of power failure. And, I totally understand.

Commissioner Boyce: I am very confident in our side of the review. I would just like the assurances of reviewing it myself.

Commissioner O'Grady: Many of our projects, not just this one, have predated your arrival, and so it is important for you to have comfort in this conversation. As the Administrator noted, this conversation started back in the Coleman Administration, and back to when Director Davies was in charge of public utilities. We started those conversations back then, and so it's important for you to have that comfort level; there is no question about it.

President Brown: It never hurts to have that check, so I support what you want to do, Commissioner [Boyce].

Mr. Wilson: We are in the trust, but verify business. And, so I totally understand your position.

Commissioner Boyce: The point I want to emphasize, again, is that grid is an old grid. There is a history there. I just want, and I trust everything that everyone has said, but the jail has been in the works for a long time, and I was not a part of much of that. I just want some assurance that on a technical level we are not tapping into something that is going to overwhelm that grid.

Commissioner O'Grady moved to approve Resolution 0591-19, seconded by Commissioner Boyce. The Resolution was unanimously adopted by roll call vote.

Resolution No. 0592-19, authorizing the fourth of four allowed contract extensions with Leo Meyers, Inc., for Staff Uniforms for Various County Agencies (\$70,000.00) (Purchasing), presented by Megan Perry-Balonier, Director, Purchasing.

Ms. Perry-Balonier: Good morning, Commissioners. This first resolution requests approval of the approval of the fourth and final contract extension with Leo Meyers, Incorporated, a vendor located here in Franklin County, for the provision of staff uniforms for various county agencies, primarily the Franklin County Engineer's Office, and Public Facilities Management. This extension will be in effect through April 27, 2020. Pending any questions, I recommend approval of this resolution.

Commissioner O'Grady moved to approve Resolution 0592-19, seconded by Commissioner Boyce. The Resolution was unanimously adopted by roll call vote.

Resolution No. 0593-19, approving purchases for various Franklin County agencies (\$1,795,902.54) (Purchasing), presented by Megan Perry-Balonier, Director, Purchasing.

Ms. Perry-Balonier: Commissioners, this resolution seeks approval of 74 purchase orders (POs), for which the County Auditor has pre-certified available funding. The resolution includes 10 eligible POs, totaling approximately \$61,000. These are POs for goods and services that have a higher likelihood of participation by small and emerging business enterprises (SEBEs). Of these POs, eight were awarded to SEBEs, totaling \$54,900, which is 80 percent of the eligible PO dollar volume, and 90 percent of the eligible PO dollar value. Pending any questions, I recommend approval of this resolution.

Commissioner O'Grady moved to approve Resolution 0593-19, seconded by Commissioner Boyce. The Resolution was unanimously adopted by roll call vote.

President Brown: We have a Public Hearing. Would the Clerk please read the Public Hearing?

PUBLIC HEARING, (second) resolution levying permissive increases related to the transfer of real property and manufactured homes for the purpose of addressing the need to create additional affordable housing in Franklin County (Board of Commissioners).

President Brown: Before we get started, I would like to thank everyone for being here, for those that are here for the Public Hearing. With that, we will get started.

James Schimmer, Director, Economic Development and Planning: *A PowerPoint Presentation was utilized during the review of this Public Hearing, and is on file with the Clerk to the Board of Commissioners.* Good morning, Commissioners. I am really happy to be here this morning, representing Economic Development and Planning, but also bringing forward a really important issue which relates to Franklin County's position on affordable housing. What we want to talk about this morning, is the affordable housing framework and conveyance fee issue that we would like to see moving forward. I have been working with Zak Talarek [Director, Office of Management & Budget, Board of Commissioners]. I first want to frame the issue for you this morning, and that really relates to this concern we have about housing affordability in Franklin County, and especially the need. As you know, we are an incredibly vibrant and growing area in Central Ohio; but, Franklin County itself has grown tremendously. There is a need for 54,000 housing units and currently, of those units, those households are paying fifty percent of their income on housing. Let me just say that again: 54,000 county households pay more than fifty percent of their household income on housing. There is a deficit of 6,000 housing units not being built each year. Currently, recommended efforts relate to \$17 million being invested annually, by Franklin County in housing; that's an annual number, so currently for the public's understanding, we put \$17 million into housing each year. We have a new framework that we are going to look at to add some dollars to that, over the next ten years. We want to try to get to try to get to 2,050 new units of housing. Zak [Talarek], would you speak about the conveyance fee breakdown?

Mr. Talarek, Director, Office of Management & Budget: In Franklin County, we'd collect the \$1 that is mandated by the state, and then currently a \$1 permissive fee. That permissive fee is projected to collect between \$6.5 and \$7 million, of revenue, per year. The current permissive fee is allocated at fifty percent to the Affordable Housing Trust, and the other fifty percent to the Community Shelter Board, in terms of permissive fee collections.

Mr. Schimmer: I just wanted to point out that the conveyance fee, in terms of the breakdown, that each \$1 of the conveyance fee raises approximately \$6.5 million a year.

Mr. Talarek: In terms of the other metro counties, four of the other five metro counties in Ohio, that would be Summit, Hamilton, Cuyahoga, and Lucas, have maxed out at the full \$4, with Montgomery County collecting \$2 of the \$3 permissive dollars, so they still have \$1 in capacity.

Kenneth N. Wilson, County Administrator: In total, statewide, there is a lag in the data, but our research shows that there are at least fifty-three counties out of eighty-eight that are currently at the maximum amount allowed by law, as far as the conveyance fee is concerned, specific to the permissive amount.

Commissioner Boyce: If I may, I feel like I heard you say something that is different than what is on the screen. You said that the law allows for \$4?

Mr. Talarek: That includes the mandatory [fee]; I apologize. The total is \$4, the \$1 mandatory, plus up to \$3 additional dollars that counties can levy on top of that dollar.

Commissioner Boyce: So, we would not be maxed out then?

Mr. Talarek: Correct.

Commissioner O'Grady: \$2 would max us out, \$1 would not. And, four of the five metro counties are currently maxed out; fifty-three of the eighty-eight are maxed out.

Commissioner Boyce: Got it.

Mr. Schimmer: So, Commissioners, one of the things you challenged Economic Development and Planning to do, was to really look at an economic development strategic plan. And, that plan has provided broad policy guidance. One of the major focuses that the economic development and strategic plan looked at was affordable housing, throughout Franklin County. The second item that Economic Development and Planning was challenged on was to author an affordable housing implementation framework, to recommend to the Commissioners. That's what we're doing here this morning. And, the third piece was that the framework is really three component parts that I would like to bring forward this morning to you. As I mentioned earlier to you, preserving the current county funding for housing. Remembering what I said earlier, approximately \$17 million in county funding is directed to county housing residents' needs, currently. And those [dollars] go into programs like homelessness, emergency solutions, seniors, home repairs, fair housing compliance, and affordable housing units. So, we are currently definitely engaged, and have been for a number of years, in the housing arena as it is now. The second core consideration was housing incentives and zoning updates are needed. Community Reinvestment Areas, known as CRA tax abatements, and unincorporated townships for new build units will utilize low income housing tax credits. Additionally, consideration would be that tax increment financing in unincorporated townships be utilized for new or rehabilitation of affordable units. There are a number of units in the county, currently, that are fine; they just need to be rehabbed, we need to look at those. Additionally, utilizing the Columbus-Franklin County Finance Authority's capacities to lower building costs and consider the options of financing low income housing tax credits in new builds. That would be a situation that we might consider a sales tax exemption for the units. A very important aspect of affordable housing in Franklin County really looks at and understands the idea that our zoning code plays an important part of laying out the integral framework of how land gets developed. We do zoning in ten of the 17 townships. We believe that the zoning code needs to be upgraded in order to allow for more affordable housing.

Mr. Schimmer (cont.): Commissioners, a third core consideration is that these are the things that we want to suggest to you, and we want to talk about some new funding opportunities. The first of which would be the County Land Trust, in partnership with the Central Ohio Community Improvement Corporation (COCIC) and the City of Columbus. The County Land Trust has been established through Community Improvement Corporation of Central

Ohio. What that does is preserve home ownership affordability through multiple generations. It is really important. We know, we've heard the word 'gentrification' used a lot, or a neighborhood is rehabbed and buildings are renovated, and then suddenly the people that live there can no longer afford to live there. This is a method and a really unique solution to try to make sure that the affordability stays with the property going forward, and that's a critical component to it. Additionally, we are going to propose something called the County Magnet Fund, and that Magnet Fund will fund and leverage four percent low income housing tax credits, and other state, local, and federal resources that are being left on the table. We want to make certain and have the ability to ensure the "stacking of hands," as Deputy Janas says, and this will allow us to do that. It will induce the affordability of new units within Franklin County. Commissioners, this is our service area. When we look at Franklin County as a whole, the plan that we are proposing to you this morning with the conveyance fee, relates to the service areas. And, in the unincorporated areas of Franklin County, the target that we will have is new county affordable housing, and so we are proposing tax incentives in those areas. The balance of the county, we will address with our current housing and urban development funds, CDBG [Community Development Block Grant] funds. And then countywide, the program that we are proposing to you will focus on two other areas: The Land Trust and the new Magnet Funds, so that we have the ability to participate in housing deals in a meaningful way. And, I think one of the major things that I want to leave as a point, the goal of getting to affordable housing takes numerous financing mechanisms and levels. This is something that is not easy to do, it's complicated, but we have tried to make certain that in our program, the program that we are submitting to you, we are surgical in how we participate, in how we put money into these programs, so we can get more affordable housing units. And, the goal is over 2,000 units per year that we are looking at, Commissioners. If you so choose to move forward with this program, we will look at a proposed plan that staff will convene a working group, to try and get workshops put together that will actually put the details in place that will actually get this program to move forward. That is my presentation for this morning, and I am happy to answer any questions that you might have.

Commissioner O'Grady: So, it's 2,000 [units] per year, over how many years?

Mr. Schimmer: We would be looking at ten years. Again, it is a framework that would include \$65 million over that ten year period.

Commissioner O'Grady: And, that is just the county's portion of this proposal?

Mr. Schimmer: Yes. I misspoke. It is not annually, it is over a ten year period.

President Brown: Can you talk a little bit about the other efforts that are going on, with the business community, and the MORPC work, and the city, and how we are participating in those approaches, as well?

Mr. Schimmer: Again, one of the best things that is going on currently is the idea that we really have a regional effort underway. As you mentioned, Commissioner, through the

Mid-Ohio Regional Planning Association, we are looking at a program that looks at a region-wide housing plan. It's important to understand that this has been a very dedicated and diligent effort. So, it started with the City of Columbus, and the City of Columbus conducted an affordability study themselves. They looked at their tax incentive programs, and how those programs work for affordable housing. They put together a program and looked at that and suggested that there should be some private sector involvement. The private sector did stand up, recently, with \$50 million; city voters included a bond issue this past spring, for affordable housing, and so that set the city's course. We are saying the county is proposing to you, a course of how the county can participate. And, on a regional basis, MORPC, is looking at a program that will look at how we do affordable housing on a regional basis, so we are covering a large geographic area with this effort.

President Brown: So, what we are really looking at is a regional and a jurisdictional plan of how our residents throughout the region can get into affordable living space. We're focused in a laser-like way on our residents and our county. And getting our residents in Franklin County into housing that is more affordable to them.

Mr. Schimmer: Affordable housing, Commissioner, knows no geographic boundaries. Or political boundaries. And so, that is the method that we are going to try and get at, and looking at a region-wide basis. And, the truth of the matter is, whether you are in the City of Columbus, or in Franklin County, we are only as strong as our region. As Commissioners, you have illustrated that to us as staff, for years. I'd like to think that, as I said earlier, this has been a very strategic process. So, I know that you take the investment of public dollars very importantly, but I would like to say that we have taken a really good job, a really solid job of making the case of how we might be able to do this, and where we fit most strategically.

President Brown: Where we fit, I think, is really important.

Commissioner Boyce: A couple of questions, Director. One, can I get a copy of the presentation, and forgive my ignorance, but for zoning code in unincorporated areas and townships, the county sets zoning codes and policies?

Mr. Schimmer: Yes, of course. And, absolutely we do.

Commissioner Boyce: So, we can actually set the code in these areas. I learned something new today. *Director Schimmer acknowledges affirmatively.* Can you talk about how we are going to leverage our four percent LIHTC (low income household tax credits) funds? How are we going to do that?

Mr. Schimmer: Commissioner, in the simplest way possible, there are two ways of participation, that we can get state tax credits; a nine percent tax credit, and a four percent tax credit. Nine percent is competitive, so developers compete for that nine percent, because it's actually a better deal for them and brings more equity to the table. The four percent has gone relatively unused. The difference between the four and nine percent is

something that developers have been a little squeamish about. Our goal is to try and reduce that down, in terms of the nine percent and four percent. The development community has told us very clearly that if we do that, there will be more deals in affordable housing in Franklin County, if we can meet on an agreement of the various components. We have taken a lot of good advice and direction, not only from private sector developers who we have met with, but also with our nonprofit partners. That is an important part of what we bring to you today, an educated proposal.

Commissioner Boyce: LIHTC is a tax credit, so I am still confused about how we are going to use that. Are we going to use them to enhance the deal?

Mr. Schimmer: Not enhance them, but it will be money that will be used to be put into the deal. I guess I would say we would use that money to fill that gap and be able to make that a stronger deal.

Commissioner Boyce: So, what we are doing is incentivizing the use of the four percent LIHTC funds?

Mr. Schimmer: Yes. As your question started out, it is leverage, and that is a perfect example of that.

Mr. Wilson: The easiest way that I look at it is the tax credit creates equity, and that equity becomes one of the funding sources in the stacking of the capital, to make the funding of the project happen. And, the more partners that you have the more leveraging that you can get. For example, that's why there are project caps being recommended, because that moves us toward the goal of 2,000 units per year. If we went all in at a higher level, per project, we won't be able to leverage as many affordable units each year.

Commissioner Boyce: I guess what I was really trying to structure was the actual transaction, which what I think Director Schimmer was describing was, you've got the transactions, four percent tax credit, theoretically, we would do a grant to the transaction, that would enhance the equity in the deal for the developer, and I think that's smart. That's a good way to do it.

Mr. Wilson: The staff (in the framework) laid out what some of those scenarios would look like, in detail.

Commissioner Boyce: The reason that becomes so critical is because, in some sectors of this region, you have housing, where you have a different type of housing, where the affordability standard is a little different, than say a different part of town. And so, costs might be higher, so having that grant might offset some of those build-out costs. And, if you're doing all stone exteriors, because that's what's in the region or something, it could offset the cost a little bit, to do the deal. That's interesting.

Mr. Schimmer: Generally, for these deals to come together we need a lot of players. The capital stack, however, are the real words that we should be using, because that is where we need to insert ourselves in a way that we never have before.

Commissioner Boyce: It is non-traditional.

President Brown: We do have some speakers that want to be heard. Mr. Schimmer, did you have anything else?

Mr. Schimmer: I don't, Commissioner, unless you have any other questions.

President Brown: I would kindly ask our speakers to remain brief and limit their comments to the topic at hand. With that, I will call Mr. Steven Gladman.

Mr. Steven D. Gladman, Affordable Housing Trust for Columbus & Franklin County: Good morning, Commissioners. The Affordable Housing Trust of Columbus, was established in 2001 to provide specialized financing to developers in housing. The Affordable Housing Trust receives funding from Franklin County, as you know, and the City of Columbus. On behalf of the trustees of the Affordable Housing Trust, I want to thank the County Commissioners and the residents of Franklin County for their confidence in the Affordable Housing Trust, and more importantly, for your long-term support of affordable housing. As stated in the implementation framework presented to the Commissioners in May of this year, you are currently providing \$17 million annually, in investments; \$5 million in for housing finance and funding, and \$8 million for needed and supportive services. For the past 18 years, you've made investments along with the city, and those investments have allowed the Trust to do \$200 million in low market loans, and create or preserve 11,000 units of affordable housing. So much has been done, but there is still more to do. Recent housing studies in population growth estimates demonstrate the need and justification to commit additional resources now. Based on other cities, notably Austin and Seattle, deferring investments in affordable housing is a formula for a long-term housing affordability crisis. It's never an easy decision to increase fees or taxes, but increases should only occur after thoughtful consideration, regarding the impact of those paying for the increase, as well as the result of the increase. I believe that there is evidence for both the need and the benefit of an increase in the conveyance fee, at this time. Funding will be meaningful, but we cannot lose sight of the affordable housing challenge. I commend the Commissioners and staff in addressing the issue of affordable housing, and will attempt to answer any questions that you may have.

President Brown: Thank you.

Sister Barbara Kane, Dominican Sisters of Peace: Good morning. I am here representing the sisters, but also the Bread Organization. We are very grateful that you are seriously considering raising the conveyance fee by \$1, and ask that you consider raising it to the full amount allowed, the \$2, and that you designate it for the Affordable Housing Trust Fund. I really want to put a face to this issue. We've talked about units, we've talked about

cost, but what we're really talking about is people. And, I think that's what's important here. Providing more affordable housing, would ensure that it goes to building housing for people like my nephew. He is just completing his graduate degree, and even with a professional degree, his salary would not enable him to live in most of the housing being built today. And, there are a lot of professional people moving into this area. Affordable housing would also help one of the students I taught at the Dominican Learning Center. It's an English as a Second Language center on the Southside of Columbus. She is a single mother with two children, working hard to complete her GED. With the jobs she can get currently without a GED, she can barely afford subsidized housing. She wants an affordable home in a safe neighborhood, so that her children can play without fear. Affordable housing would also help another student, who had to remove his family from subsidized housing because of black mold. Unfortunately, when he left, the family was no longer eligible for public housing, so they spent some time in homeless shelters. He had to drop out of his GED program. New, clean, affordable housing would allow him to continue his studies, and his family would be able to live in a healthy environment. Affordable housing from the Affordable Housing Trust Fund would also help some of our English as a Second Language students, who have lived and worked legally in Columbus, but may lose the option to gain citizenship if they live in public housing, or take any type of public assistance. Please, help the many, many people in Columbus. Young and old, single and families, to get affordable housing, by raising the conveyance fee by \$2, and giving the funds to the Affordable Housing Trust. Now, I have a question: If you give all of the money to the Affordable Housing Trust now, are you able to adjust funds in the future to go to another organization, such as the Shelter Board?

President Brown: I think the hesitation is maxing out the one fund that we have control over. The only way that policy changes is at the state level and that is out of our control. Our colleagues in other counties that have maxed out their conveyance fee funds are not very happy that they do not have any bandwidth right now, to make changes. We cannot count on the General Assembly to increase the conveyance fee, and we're very responsible in governing. I am not willing to max out a resource that we might need in the future.

Ms. Kane: Would the Commissioners have the option to reduce the conveyance fee if at some point in the future \$2 was no longer necessary?

Mr. Wilson: That is a budgetary matter that is currently under the purview of the Commissioners, as it currently stands under the law. I think what President Brown is trying to convey is that as far as the Commissioners' discretion, as it relates to homelessness prevention and housing matters, if they were to take that action, under existing state law, there would be no additional capacity to direct toward that challenge. And, this is a challenge within the community that is not going anywhere. As you know, when we look at the key, we look at housing, we look at the creation of creating better paying jobs, to truly have a sustainable life in raising their families. At the time we are discussing this matter, this is just one of the items we are discussing to improve the quality of life for our residents. Also, at the same time, we are committed to the Franklin County Poverty Blueprint. If the Commissioners approve this action, we will be nearing \$24 million, annually, in our investment. The community at-large is working toward finding solutions.

President Brown: It is not going anywhere.

Commissioner O'Grady: I appreciate your desire to bring a personal face to this issue. My daughter is in a similar situation, where she is trying to find a job, just starting out, and what that will mean in finding a safe, affordable house. I believe it would be very irresponsible to use that extra dollar now, when we could handcuff this Board, or future Boards, when we know this is going to be an issue, when we know we have a growing community. We've got to be ready and prepared for providing housing for children, families, and senior citizens for the future. How do we do these things if we max this out?

Commissioner Boyce: I would just add, that I am open to the use of the conveyance fee for that kind of mitigation. The one area that we have not touched on is when you max out on a conveyance fee, there is an implication on our credit rating. That impact is much greater and much longer than anything that we have the capacity to change. It is my belief that affordable housing is one issue that people in poverty face. I believe that if you don't have a system around that person, then you sort of zero out the affordable housing component. That's really what this conversation is about. I will tell you, I have not made a decision about whether or not I am supporting the \$1 conveyance fee, let alone the \$2 fee. I just don't know enough to make a decision. But, that's why we're here. To listen, to learn, and to gather feedback from members of the community like you. So, thank you again for being here today.

President Brown: We have a few more speakers, so I would like to invite the next speaker up, please.

Robert Williams, Director of Residential Services, Mid-Ohio Regional Planning Commission (MORPC): Good morning, Commissioners. My department provides weatherization services for low incomes residents and home repair for moderate income residents. In that role, we are working with families on a daily basis, trying to reduce their energy costs, while making their homes safer, as well. We see firsthand how many of them struggle to make ends meet when it comes to living in safe and quality environments. When you add energy costs and transportation costs to their rent and home ownership costs, many are spending over fifty percent of their income, as was mentioned before. As part of our services, we provide replacement of furnaces, hot water tanks, we'll check individual gas lines to make sure their homes are safe, we'll also replace non-energy efficient refrigerators, as well as light bulbs. These are all things that go to help individuals who are low- to moderate income to stay in their homes, and maintain low energy costs. As a growing region, we are demonstrating a lot of success right now. Yes, we still have a lot of people who are living in or near poverty, and cannot find affordable, safe housing. As we are trying to prepare for our continued population growth, we need to make sure that we have quality housing available for those who need it today, and in the future. We need to make sure that we have all types of housing, and housing at all price points. MORPC is excited that Franklin County is a partner in the regional housing strategy that just kicked off last week. We have a diverse advisory board of over fifty members. As you know, the goal of the regional housing strategy is to foster a housing market, where every household with a fulltime wage earner can obtain housing in the market, and if they cannot, we need

to figure out a way to effectively supplement the market, where we cannot achieve that goal. We are working with a consultant team to identify the existing and future housing supply, and demand by different price points, review structural impediments to building more affordable housing, and researching financial and investment strategies, locally and across the nation. At its conclusion next spring, we hope to have a coordinated housing strategy for the region that includes investment and policy recommendations that will support fixed income neighborhoods, and regional growth, and have specific targets that are measurable over a course of time. We applaud you for all of your efforts and initiatives to move the needle on affordable housing and poverty, in general. We would like to thank you for being a partner and leader in this area, and for allowing us to make some brief remarks from MORPC.

Brad DeHays, Owner, Connect Real Estate: Good morning, Commissioners. I have been working closely with Economic Development, as they have gone and did interviews for this program approach that they have put together. I would really like to applaud Director Schimmer, Erik Janas, and Alex Beres, who helped draft the program. I think the key thing here, over the last few years is the realization of how far behind we are in affordable housing. The 54,000 unit shortage, by the Affordable Housing Alliance, is a real number. The economic burden of almost fifty percent, of an annual gross income, going towards rent, with inflation, sometime in the near future is not going to get any better. We are growing that number of the need for affordable housing, by about 4,500 units, per year. Just to put this into perspective, one of the most respected affordable housing developers in Columbus, Homeport, who is a nonprofit, they have 250 units scheduled to be constructed in the next three years; 250. The nine percent loan from tax credit housing program, is profitable, however, the scoring system for it, pushes affordable housing out into the rural areas, outside of the county. These rural districts also have a need. So, we don't see that turning back around, pushing nine percent back into Columbus. So, when we look at how many low income housing units we get per year, right now, the nine percent deal is 150 to 200 units. It's a real problem. So, getting out ahead of it, I really want to applaud you and your Economic Development team, because they are really looking at it, and coordinating efforts. I think one of the largest pieces here that I am in support of increasing the conveyance fee, but the additional \$7 million per year, is one component of many that is going to be needed to bridge this gap. I think that one of the most important attributes though, is to look at the existing programs that are unlimited. You've got a four percent affordable housing tax credit program, is an underutilized program, because of the gap. We could go and develop this next year, however, the nine percent deal covers the cost and you can actually get it done, whereas the four percent program, typically twenty to thirty percent of the project, because you cannot get big enough institutional debt to build the project, that creates the gap. The reason why you cannot get institutionalized debt to create the project, is because the benefits are exactly where it should: it lies with the tenant. The rents are low, so the value of the project, from a bank's perspective, is low, when it is based on income. So, the funds that go out from a conveyance fee increase, are going to benefit the tenants. And, I am for a transactional increase, like this, because the vast increases in affordable housing are going to create an economic burden on homeowners who are going to sell their real estate. So, as we see transactional real estate,

you are actually putting the cost where it should be. So, I want to applaud you for thinking this way, I know the City of Columbus is thinking this way, I know MORPC is here. And, I am here to answer any questions that you might have.

President Brown: Thank you.

John Myers, 2019 President, Columbus Realtors: Good morning. Columbus Realtors represents over 8,000 realtors in Central Ohio. On behalf of our members, I want to thank you, Jim Schimmer, Erik Janas, Alex Beres, for your hard work on tackling housing affordability. Your thoughtful approach, countless meetings with interested parties and stakeholders, decisive action and reasonable approach, is to be applauded. Columbus Realtors is grateful to have been included in conversations from the beginning. Although we do not have a formal position on the conveyance fee increase, I can stand here today and tell you that our membership fully recognizes that we must be part of the housing affordability solution. Columbus Realtors Foundation, recently made a \$300,000 commitment to the Southside; a renaissance that supported 45 single family homes, along with another \$40,000 donated to a nonprofit, is a small part of our commitment to housing affordability. The average Franklin County sales price, June of this year, was \$253,000, which with the proposed increase, would cost property owners an additional \$253.00, per transaction. Continuing to burden property owners with additional fees and costs, at all levels of government, is something our organization and members take seriously. We recognize that raising fees is rarely easy and never popular. However, nearly 14 years ago, Columbus Realtors supported the additional \$1 increase, as it went to support the Affordable Housing Trust and Community Shelter Board. Although simply due to timing, I can confidently say any increase on property owners should only be allocated in supporting housing affordability. As we have mentioned previously in interested party meetings, subsidies, allocations to non-housing affordability entities or causes, or doubling the current conveyance fee from \$2 to \$4, may cause us to reevaluate our position moving forward, however, it is our understanding those issues are not being considered. Again, I want to reiterate our commitment to housing affordability, not only through our continued community financial commitment, but also by being a good community partner. Again, thanks to each of you and your staff, for your diligence, thoughtful approach, and reasonable recommendations, on such an important issue, and backing our communities, county, and region.

Curtiss Williams, President, Central Ohio Community Improvement Corporation (COCIC): Good morning, Commissioners. I am here to speak in favor of the increase in the conveyance fee. As you well know, COCIC is serving as the Franklin County Land Bank, and we continue to partner with many communities, and other nonprofit organizations to remove blight, and revitalize many neighborhoods throughout Franklin County. We have also provided over \$3 million in grants and loans, to assist in the development of affordable housing. We know the critical nature of housing in our community and the lack of affordable housing, where too many residents are paying far more for their housing than they should. For those reasons, and your support, along with the City of Columbus, we created the Central Ohio Community Land Trust. The Land Trust

will provide assistance to those qualified buyers, with income levels of \$40,000 to \$80,000, to buy new homes. Our model of leasing the land to the homeowner, providing financial assistance to the buyer, and sharing the equity, if and when the property is sold, is structured to keep the home affordable for the long haul. And, this is very important, we will be assisting people buying homes that they would otherwise not be able to afford. Already, we will be signing agreements with nonprofits and for-profit developers, to build approximately 45 to 50 homes in the next 18 months. And, we literally just opened our doors months ago. We just recently celebrated the construction of our first Trust home, two weeks ago. We are in conversations with townships, villages, and small towns throughout the county, regarding building new homes within their communities. Part of our education is requiring the interested buyers, go through a home buyers training process, to get pre-qualified to buy a Trust home. Interest has been very high, as we continue to do public outreach, to educate folks about the Trust, and we are in the process of scheduling a series of continuing education classes with the Board of Realtors. We see them as being critical partners in this endeavor. Early on, we created an advisory group, consisting of those stakeholders, participating in housing and community development, such as banks and other financing groups, nonprofit developers, and public officials. An increase in the conveyance fee will allow the Land Trust, and other affordable housing providers to literally up their game in providing safe, affordable housing to those currently in need. And, those new folks who we expect to move into our communities sometime in the very near future. Thank you for what you do, and for the opportunity to share.

President Brown: Thank you, Curtiss. Is there anyone else in the audience who wishes to speak on this Public Hearing? Seeing none, this will close today's Public Hearing on the issue, and we will have a third and final Public Hearing next Tuesday [August 20, 2019]. Thank you, everyone.

With no further business before the Board, the meeting was adjourned at 10:27 A.M.

(Signature Page Follows)


These minutes are a summary of the Commissioners' meeting of August 13, 2019.


MARILYN BROWN, PRESIDENT


JOHN O'GRADY


KEVIN L. BOYCE
BOARD OF COUNTY COMMISSIONERS
FRANKLIN COUNTY, OHIO

Submitted by:


Dean M. Hindenlang,
Clerk to the Board of Commissioners

Enc.



Franklin County's Affordable Housing Framework & Conveyance Fee

August 2019



Housing Needs & Numbers

Franklin County, OH - 2019

Housing Affordability – The Need

- 54,000 County households pay more than 50% of income on housing
- Deficit of 6,000 housing units not being built a year

Current & Recommended Efforts

- Approx. \$17 million dollar annual investment in housing by the County
- The new Framework looks to add an additional \$65 million over 10 years
 - Total of 2,050 new units



County Conveyance Fee

Franklin County, OH

Conveyance Fee Breakdown

- Currently \$2 dollars per every \$1,000 of a real property transfer is levied:
 - \$1 is mandated by the State of Ohio
 - \$1 is a permissive fee that has been raised by the County since 2006 which currently funds:
 - The Affordable Housing Trust
 - The Community Shelter Board

County Conveyance Fee

Franklin County, OH

Conveyance Fee Breakdown cont...

- Each \$1 of conveyance fee raises approximately \$6.5 million a year
- Franklin County could raise up to an additional \$2 in permissive conveyance fee (Ohio law limits are \$3 permissive / \$1 mandatory) Such an action would **max out** Franklin County like four of five Metro Counties in the State and restrict the ability to add additional dollars towards affordable housing and/or homelessness prevention in the future.

Economic Development Strategic Plan

EDSP - 2019

Provided Broad Policy Guidance

- One of the main focuses of the EDSP was Affordable Housing throughout Franklin County
- Economic Development and Planning authored an Affordable Housing Implementation Framework to recommend to the Commissioners
- The Framework has Three Core Considerations as follow:



Affordable Housing Framework

1st Core Consideration

Preserving Current County Funding for Housing

- Approximately \$17 million dollars in County funding is directed to County resident's housing needs
 - Homelessness
 - Emergency Solutions
 - Seniors
 - Home Repair
 - Fair Housing Compliance
 - Affordable Housing Units

Affordable Housing Framework

2nd Core Consideration

New Housing Incentives and Zoning Updates

- Community Reinvestment Area (CRA) tax abatements in unincorporated townships for new built units utilizing Low Income Housing Tax Credits
- Tax Increment Financing in unincorporated County townships for developments including new or rehabilitation of affordable housing units
- Utilizing the Columbus-Franklin County Finance Authority's capacities to lower building costs and provide additional financing incentives for LIHTC new builds
- Updating the zoning code in 10 of the 17 townships

Affordable Housing Framework

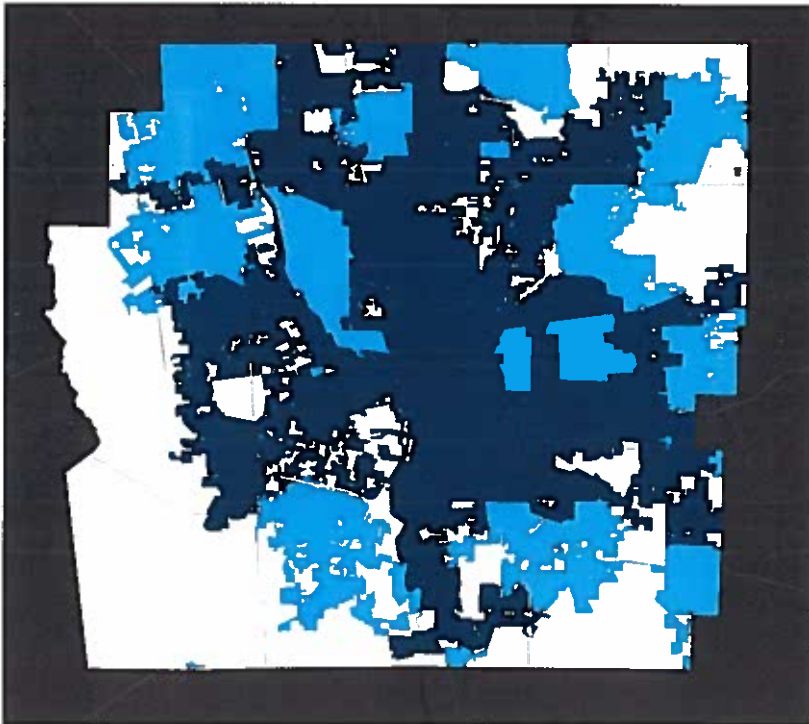
3rd Core Consideration

New County Funded Initiatives

- County Land Trust
 - In partnership with the Central Ohio Community Improvement Corp. (COCIC)
 - Preserves homeownership affordability through multiple generations
- County Magnet Fund
 - New fund to leverage 4% Low Income Housing Tax Credits and other local, state, and federal affordable housing resources currently being left on the table
 - Will induce the building of new affordable rental units within Franklin County

Economic Development & Planning

FRANKLIN COUNTY, OH



Service Areas

- Unincorporated Areas
 - *New* County Affordable Housing Tax Incentives
- “Balance of the County”
 - *Current* HUD Housing Funds
- County-wide
 - *New* Land Trust*
 - *New* Magnet Funds*

** Investment priority outside of the City of Columbus*

Thank You



Franklin County
Board of Commissioners

**ECONOMIC DEVELOPMENT
& PLANNING**

