

CITY OF HUDSON
COUNCIL MINUTES
SPECIAL MEETING
April 6, 2011

Mayor Currin called to order the special meeting of the Council of the City of Hudson at 7:30 p.m. in the Meeting Room of the Town Hall.

Members Present: Mr. Basil, Mr. Wooldredge, Mr. DeSaussure, Mr. Hasbrouck, Mr. Williams, Mr. Jeffers, Mr. Roth.

Officials Present: Mrs. George, Clerk of Council; Mr. Bales, City Manager; Mr. Hunt, City Solicitor; Ms. Roberts, Communications Manager; Mr. Wiedie, Economic Development Director.

The minutes of the special meeting on March 16, 2011, and the regular meeting on March 16, 2011, were approved as written.

Mr. William Hopkins, 5879 Laurawood Lane, said TECHudson is an important endeavor for our community. He said it is an opportunity to move the community forward. He said young people who live in Hudson leave Hudson after college. He said this is a job opportunity and he feels strongly about it. He said Council needs to dedicate resources to the future.

Mr. Vince Spitalieri, said he represents Pasco Inc., which is owned by his father and located at 1140 Terex Road, and his family who lives at 3087 Hudson-Aurora Road, and they are in support of TECHudson. He said they have taken their business to new levels and they could benefit from the services of TECHudson. He said the Hudson playground is their corporate charity this year. He said there are many colleges and universities in this area and the talent coming from them could benefit from TECHudson.

Mr. Robert Kahr, 7624 Red Fox Trail, said he joined the Board of TECHudson last summer. He said the tax base in Hudson has existed for twenty-five years. He said Council has tried to deal with the lack of an industrial tax base, but we have an inadequate commercial tax base. He said TECHudson is a moderate risk with a lot of upside. He said with the investment of a modest amount, we can build a tax base. He said the City needs to provide seed money. He said people ask how long will TECHudson need money from Hudson and how long before they know if it is going to be successful. He said people also want to know if others have helped fund TECHudson and if the clients are paying for services. He said the Board thinks that in 18 months to two years we will have answers for people. He said this is a high reward risk.

Mr. Tom Vail, Jr., owner of Milford Corporate Center, said he has invested much money in the Milford Corporate Center. He said he is in favor of attracting new people to Hudson. He said one of the unexpected side effects is the loss of some of his tenants. He

said one has gone to a month-to-month lease because the new business incubator may offer lower rent. He said other property owners will be hurt. He said we all want to attract business to Hudson, and giving grants to help them succeed could help with rent, etc. He said they should be helped without causing harm to the property owners and the existing tax payers. He asked that the people that are here be protected.

Mr. Tom Finley, 1560 Callander Drive, said he owns the largest commercial development in Hudson. He said TECHudson is needed in Hudson and it will give all the owners a chance to fill their buildings. He said if the incubator is going to offer lower rent, it is going to hurt property owners in Hudson. He said we have made great strides, but we need to do more. He said we need to show that we are willing to help businesses and show that we are open to new business. He said if this does not work, we will know it and won't ask the City for more money. He said Stow and Hudson have the largest amount of vacant commercial property in Summit County.

Ms. Belinda Wing, 48 Bard Drive, said she represents the League of Women Voters. She said they have completed their Library Study and they want to present a copy of the Study to each Council member. (A copy of the Library Study is attached to the record copy of the minutes.) Mayor Currin thanked Ms. Wing and the League of Women Voters for their work.

Mr. Jeffrey Tauring, 5620 Hudson Drive, asked who is expected to be helped by TECHudson, the city, the county, the residents or the area. Mr. Bales said we are trying to help anyone who wants to start a business in Hudson.

Mr. Wooldredge said he is involved with the Salvation Army and he was told that a person in Hudson was ill and without heat and that the ladies in the Utility Department were very sensitive and helpful to the person. He said the person told him what a wonderful City we have because the people are so caring. Mr. Wooldredge said each Council member received a thick report about the Youth Development Center (YDC). He said he is concerned about the delay and it is important that we move forward with this property as soon as possible. He asked Mr. Bales if he could make an outline of how we are going to go forward and the schedule to go forward.

Mr. Williams agreed with Mr. Wooldredge. He said we really need to expedite the analysis of the YDC.

Mr. Basil said he shares the desire to move forward with the YDC property. He said the Ad Hoc YDC Committee is working diligently and the report should be coming soon. He said the report should be available by the first half of May.

Mr. Basil said the next Ward 2 open forum will be held on Monday, April 25, 2011, at 7:30 p.m. at the Barlow Community Center. He said the forum is open to all residents of

the community. He thanked Mr. Spitalieri and Pasco for the support of the Hudson playground effort.

Mr. Basil moved to appoint Mr. George Snider, 34 Division Street, to the Economic Growth Board for a term to expire September 6, 2014; to appoint Ms. Pat Simons, 8 Oxford Drive to the Cable Advisory Committee for a term to expire January 24, 2012, and to appoint Mr. Reed Stith, 836 Ridgewood Boulevard, to the Cable Advisory Committee for a term to expire January 24, 2013. Mr. Jeffers seconded the motion. Roll Call: Aye: Mr. Basil, Mr. Jeffers, Mr. Wooldredge, Mr. DeSaussure, Mr. Hasbrouck, Mr. Roth, Mr. Wooldredge. Nay: None. Motion carried.

Mr. Bales asked Council to meet in executive session to discuss matters to be kept confidential because of trade secrets. He reminded everyone that Hudson Cable Channel 25 will become Channel 15, Cable Channel 26 will become Channel 16, and Cable Channel 9 will become Channel 17.

Mayor Currin read the title of Resolution No. 11-30 (As Amended 4/6/11), "A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A GRANT FUNDING AGREEMENT WITH TECHNOLOGY ENTREPRENEURIAL CENTER OF HUDSON ('TECHUDSON')." He said Resolution No. 11-30 was read on February 16, 2011, on March 2, 2011, and this constitutes the third reading. Mr. Jeffers moved to pass Resolution No. 11-30 (As Amended 4/6/11). Mr. Roth seconded the motion. Mr. Wooldredge said he is strongly in support of this Resolution. He said creating jobs is the most important thing in Hudson and across the country. He said Ohio and Hudson need jobs. He said there are several incubators in this area. He said the key to the success of the incubator is the people putting it together. He said he is confident they will make it happen. He said it is necessary to take this risk. He said it is very important to focus on getting money from some other sources for the incubator. He said Council has support of the incubator in the budget for two years. He said he also wants outside funding in the second year. He said he believes in what Council is doing and he will support it. Mr. Jeffers said he agrees with Mr. Wooldredge. He said he understands the problems we are facing. He said Council has to support this type of business. He said there is a good chance the incubator will work. He said we need to grow in other areas and we have to pursue the more technical areas. He said he supports TECHudson. Mr. DeSaussure said he will not support the Resolution. He said the City is a service provider and we do not have the government to support the kind of investment that is required for the incubator. He said the City provides tax abatement to a company that will provide jobs. He said if the City invests money in TECHudson and it fails, we will have to take money from something and it might be the leaf pick-up program that is funded by the City. He said the leaf pick-up program is a service that most people find valuable. He said we may have to cut that program if programs like the revenue from the Estate Tax is eliminated. He said the City is being asked to provide up to \$174,000 in 2011 and up to \$200,000 in 2012, and more than fifty percent of this is for salaries. He said he does not have a problem with the people that are on the TECHudson Board of Directors, but we have to

consider the risk involved. He said Syracuse University did a study on incubators and found that incubators did not have provable results. He said he would rather put the money in our Economic Development Department. He said investing in an incubator project, people expect a return on their investment too soon. He said he feels that after two years there will be another request for money. He said we will have to say enough is enough at some time. He said he will not vote in favor of the Resolution. Mr. Williams said the creation of new jobs is critical to revitalize the economy and he is supportive of that. He said he respects the people on the Board of Directors of TECHudson and they have done an excellent job, but he disagrees. He said Council is being asked to approve spending about \$331,000 over the next year and a half. He said this amount could increase. He said if they want to move to a building at the YDC, the renovation to a cottage as been estimated at \$150,000. He said Council has done an outstanding job on the budget for the City, but times are changing and we may lose the Estate Tax and the Local Government Fund. He said the City may be asked to fund about a half million dollars in the next two to three years for the incubator project. He said he agrees with the concept of a business incubator but it should not be financed with local tax dollars. He said funding needs to come from someone else. He said he will vote against the Resolution. Mr. Hasbrouck said he has been supportive. He said he respects those people that do not think it is a good idea. He said we cannot jeopardize existing businesses. He said this is another avenue to get people and businesses in Hudson. He said he will support the Resolution. Mr. Basil said he will support the Resolution. He said he appreciated the comments of Mr. Williams and Mr. DeSaussure, and it is a tough decision. Mr. Basil agreed with Mr. Hasbrouck. He said he received many comments from people and it seems the community is divided on this. He said this is not without risk. He said a lot of time and effort was spent on this issue. He said we are being asked to provide a platform to provide expertise to companies. He said according to the agreement, we can measure the success in the first year or two. He said Council is not being asked to provide a half million dollars at this point. He said TECHudson must secure sources of outside risk capital. He said TECHudson must move quickly to have broad financial support from other sources. He said he is encouraged that this can raise the profile of Hudson for new businesses coming in. Roll Call on motion to pass Resolution No. 11-30 (As Amended 4-6-11): Aye: Mr. Jeffers, Mr. Basil, Mr. Wooldredge, Mr. Hasbrouck, Mr. Roth. Nay: Mr. Williams, Mr. DeSaussure. Motion carried. Resolution No. 11-30 (As Amended 4/6/11) declared passed.

Mayor Currin offered and read the title of Resolution No. 11-46, "A RESOLUTION TO APPROVE THEN AND NOW CERTIFICATES FOR PURCHASES AND DECLARING AN EMERGENCY." Mr. Wooldredge moved to suspend the rules as provided in Section 220.03 of the Codified Ordinances to allow passage of Resolution No. 11-46. Mr. Roth seconded the motion. Roll Call: Aye: Mr. Wooldredge, Mr. Roth, Mr. Jeffers, Mr. Basil, Mr. Hasbrouck, Mr. DeSaussure, Mr. Williams. Nay: None. Motion carried. Mr. Basil moved to pass Resolution No. 11-46. Mr. Wooldredge seconded the motion. Roll Call: Aye: Mr. DeSaussure, Mr. Wooldredge, Mr. Hasbrouck, Mr. Roth, Mr. Basil, Mr. Williams, Mr. Jeffers. Nay: None. Motion carried. Resolution No. 11-46 declared passed.

Mr. Wooldredge moved to go into executive session to consider matters to be kept confidential because of trade secrets. Mr. Roth seconded the motion. Roll Call: Aye: Mr. Basil, Mr. Roth, Mr. Wooldredge, Mr. Hasbrouck, Mr. DeSaussure, Mr. Jeffers, Mr. Williams. Nay: None. Motion carried.

Mr. Wooldredge moved to go out of executive session and into the regular meeting. Mr. Roth seconded the motion. Roll Call: Aye: Mr. Williams, Mr. Wooldredge, Mr. Basil, Mr. Roth, Mr. Hasbrouck, Mr. DeSaussure, Mr. Jeffers. Nay: None. Motion carried.

There being no further business, Mayor Currin adjourned the meeting at 9:30 p.m.

William A. Currin, Mayor

Mary Ann George, Clerk of Council