

## Finance Committee Minutes

Honorable Council  
City of Newark, Ohio  
April 7, 2025  
5:45pm

The Finance Committee met in Council Chambers April 7, 2025 with these members in attendance:

Doug Marmie – Chair  
Spencer Barker – Vice Chair  
Michael Houser  
Bill Cost Jr.  
Bradley Chute

### **We wish to report:**

**Mr. Marmie** - The unappropriated balance of the General Fund is \$301,111.00 and the balance of the Budget Stabilization Fund is \$744,048.00.

- 1. Ordinance No. 25-13** AN ORDINANCE PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$1,810,000 ECONOMIC DEVELOPMENT REVENUE BONDS OR NOTES, SERIES 2025 (SPECIAL OBLIGATION – NON-TAX REVENUES) (TAXABLE), MATTERS RELATED THERETO, AND DECLARING AN EMERGENCY

**Ryan Bubb, City Auditor** – Thank you, Mr. Chairman and members of this committee. This ordinance is in reference to 33 W. Main St, directly across the street. This will be a taxable bond. It's going to be amortized over 30 years. Just a little bit of the history on it, former Mayor Moore was brought up, you know, had the foresight to buy more land at Cedar Hill, and I think the administration's kind of looked at that and thought, you know, it never hurts to expand. At some point we're probably going to have to add a third courtroom. Engineering is, they're out of space up there, so the thought was this came for sale, and there was some thought maybe just buying a portion of it. A few of us spoke, and I was totally in favor of just buying the whole thing. Why I say buy the whole thing? The revenue that comes in from that will pretty much offset this expense. And, you know, as I've raised my concerns about next year's general fund budget, kind of put our heads together, myself, Service Director Rhodes, and engineering will eventually move over there. And with that, enterprise funds can pay for this if there's any offset to it. So, we're not taking general fund dollars. So, some out-of-the-box thinking on this. There are many tenants in there. Jim Weisent and Tanner Marmie from my office are kind of helping with this transition with the tenants, because this is kind of a new venture, and you're starting to see cities do that, buying land. Like the county did this with the East Main Street Shopping Center, and you kind of have tenants in there. So, they're helping with the transition to kind of set up rent rolls, per se, get the utilities squared away. We do have maintenance in-house that can fix things, whether it's janitorial or Aaron and Cameron that can do maintenance. So, I'm very comfortable financially where it's at. I spoke with Mr. Fox. Being from the water office,

he's very comfortable. So, I think this is a win-win all around. So, I would appreciate your support.

**Motion to send to full Council by Mr. Barker, Second by Mr. Cost**

**Mr. Houser** – Thank you for presenting on this. I have a question about the numbers. You mentioned income would roughly offset the debt service and the other expenses. Where is that...?

**Mr. Bubb** - As we speak, and you know from being in the banking world, Michael, tenants can come and go. As we speak, there're 18 tenants in there now. There is going to be a management contract that's going to be worked out with, hopefully, with Newark Development Partners, and we don't know what that number is yet, but I'm going to estimate high and just say right now, as we speak, but again, leases end at the end of the year, it's netting about 130,000, which is about what this payment is amortized over 30 years.

**Motion passed 5-0**

- 2. Ordinance No. 25-14** TO PROVIDE FOR THE ISSUANCE OF NOT TO EXCEED \$1,700,000 OF BONDS FOR THE PURPOSE OF PAYING A PORTION OF THE COST OF VARIOUS ROAD AND BRIDGE IMPROVEMENT PROJECTS THROUGHOUT THE CITY, MATTERS RELATED TO SUCH BONDS, AND DECLARING AN EMERGENCY.

**Mr. Bubb** - Thank you again, sir. This pertains to the Granville Road Bridge out near Ohio State, which is a major transportation path to Mr. Labutis' ward out to yours, Spencer, with the campus, one of our largest employers. It's a safety issue. It has to be replaced. We're paying about a third of it. Timing is of the essence. That's why we had to move on it. Again, due to some budget concerns I have, I spoke with Brian Morehead, our engineer, and said look, you know, we can't burden the general fund with this. We are asking the general fund, but what we've agreed to do is the license plate permissive tax, which that money can only go to roads and bridges, is going to be specifically for this. Now, with that being said, there could be some less paving depending on how budgets work out, but right now the LPP tax will pay for this and it's, again, it's a safety issue. So, it has to be done. We can't wait. Again, I'd ask for your support on it.

**Motion to send to full Council by Mr. Barker, Second by Mr. Houser**

**Mr. Barker** – Thank you, Mr. Chair. Ryan, is this also 30-year amortization?

**Mr. Bubb** - No, you can't do 30 years on this. It'll be 20 years. Similar to the next ordinance that's coming up.

**Mr. Barker** – Thank you.

**Motion passed 5-0**

- 3. Ordinance No. 25-15** TO PROVIDE FOR THE ISSUANCE OF NOT TO EXCEED \$550,000 OF BONDS FOR THE PURPOSE OF PAYING A PORTION OF THE COST OF CONSTRUCTING, RENOVATING, IMPROVING, AND EQUIPPING A PARKING LOT LOCATED NEAR CITY HALL, INCLUDING SITE WORK AND ALL NECESSARY APPURTENANCES THERETO, MATTERS RELATED TO SUCH BONDS, AND DECLARING AN EMERGENCY.

**Mr. Bubb** - Thank you. With this, this will be kind of associated obviously with the 1.7-million-dollar bond that we asked for, or this is a non-taxable bond. Again, the first one we talked about is taxable. So, this is going to be for this parking lot next to it. I can't speak to all the specifics of how it's being done. I can tell you cost-wise, savings-wise, we're very lucky to have a wonderful engineering department led by Brian Morehead, and I know Nick Shultz is doing the architecture on this. It's going to save a lot of money. So, I think it's going to be a state-of-the-art parking lot. From what I hear, it's going to tie in with everything that's being done to the Arcade and City Hall.

**Motion to send to full Council by Mr. Barker, Second by Mr. Cost**

**Mr. Houser** - Mr. Chair, do we know what the annual debt service on that bond issue is going to be at this point, a rough number on that?

**Mr. Bubb** - If you combine two and three, I'll tell you what Michael, I don't have that right in front of me, but if I, let me go get it, and I'll bring it right back down. I'll put it into the record. I'll actually send it out to email. I can't recall what it is right at the top of my head, but I have it up in my office. I'm thinking it's going to be around, you know, not going to be far off, about \$115,000 a year, \$120,000, it's right around there. So that's a good question, because rates have dropped 40 basis points over how the market's been going the last couple days. So right now, rate wise on that taxable, we're looking like a 4.72 on the building across the street right now. If it priced today, it's like a 4.1, 4.2. So that number can change, and that, again, that's dropped quite a bit since last week.

**Mr. Houser** – Thank you.

**Motion passed 5-0**

**4. Ordinance No. 25-16 AN ORDINANCE CONSOLIDATING UP TO TWO BOND ISSUES OF THE CITY OF NEWARK, OHIO, ESTABLISHING THE TERMS OF SUCH CONSOLIDATED BOND ISSUE, AND DECLARING AN EMERGENCY**

**Motion to send to full Council by Mr. Barker, Second by Mr. Houser**

**Mr. Marmie** – I'm going to comment. I think what's happening here, I mean, I know what's going on in Granville. That was kind of unexpected, but yet necessary, so I do, and it is a major corridor that really feeds into, like, the campus and everything else. But what's happening downtown here, and the vision of the future, I mean, the auditor has indicated that, you know, sometime in the future there's probably going to be another courtroom. It's already being discussed that there's going to probably be another judge in here. The magistrates are already to the brim, so it's probably going to happen. It's not if it's going to happen, it's just when. So, we know that that's happening. We know that we're expanding in the city with a lot of different things. The engineering department, he mentioned in particular. The other thing is, is that we can't, if we have it at all these different locations downtown, and they're not really close together, all of our departments pretty much work together in some way, shape, or form. So even if they're, we would love to have everybody in the same building, but that's just not, we're not capable of that, doing that, because we don't have millions of dollars to build a new structure. But right across the street from one another is fantastic. Also, what we're doing over here for economic development in this parking lot is fantastic, and also for, you know, the parking garage for employees. Now we've got the building across the street, they literally will

have to walk out the back door for parking, those employees and those folks over there. So, I just, I love the vision of what's going on down here, and just everybody working together to kind of find solutions and answers and ways in which it's going to be a benefit to the city of Newark. The auditor's department, the mayor's, and you know, everybody's involved in this, and so I appreciate all of it. And Ryan, I didn't forget you either. I know you have a lot to contribute as well. So, I just wanted to comment on that, and I appreciate it.

**Motion passed 5-0**

**5. Resolution No. 25-22 A RESOLUTION APPROPRIATING MONIES FOR THE CURRENT EXPENSES OF THE MUNICIPAL CORPORATION**

Section 1. There is hereby an appropriation of the unappropriated balance of the 152 Budget Stabilization Fund, in the amount of \$300,000.00 (Cover City portion of N. 21<sup>st</sup> St. & Granville Rd. intersection. \$629k coming from OPWC)

|                 |        |            |
|-----------------|--------|------------|
| 152.100.5901335 | OPT CI | 300,000.00 |
|-----------------|--------|------------|

**Mr. Bubb** - Yes, sir. This is just, I'll present this, just certifying that the money is there in budget stabilization. Mr. Morehead will speak to it in capital improvements.

**Brian Morehead, City Engineer** - This is part of a project that we're working on right now, finishing up the plans. We're going to be receiving about \$629,000 of OPWC grant funding for the intersection at Granville Road and North 21st Street, the west half of the intersection, widen the curve, and then improve the southbound lane on 21st Street. We anticipate official word of that from OPWC first week of July. We'll be ready to go out to bid soon after that, but we anticipate the work will actually take place about this time next year.

**Motion to send to full Council by Mr. Houser, Second by Mr. Barker**

**Mr. Marmie** - While we're talking about that area, I'm always going to take the opportunity to say that the signs going from Granville Road on 21st Street down to 16, those signs are too late with the directions of things. Folks don't pay attention to it, and they're constantly crossing over. So, I know it's ODOT, I believe. Aren't they in charge of those signs, or is it us? The signs on 21st Street for 16. The one that tells them to go straight on to South 21st Street, the one that turns left, they have two lanes turn left. Everybody thinks that middle lane is to go straight, and then they're scrambling to try to get to the right. Even before that, when the right-hand turn on to 16, I just think that if we had some signage closer to 21st Street, given that, it would be a little bit more beneficial. So, while we're talking about that area, I thought I'd bring it up.

**Motion passed 5-0**

**Mr. Marmie** - With that, the last thing that I would say as far as finance, I know that we had a budget review committee meeting. I guess I would like to have an update on kind of what's happening there. We talked about a lot of different possibilities, ideas, things like that. I've heard absolutely nothing, and I think that we need to communicate and know what the administration's thinking or anybody else's thinking as far as our projections for next year's budget, because it's going to be really tough if we don't do some things now.

**Mr. Bubb** - Our office monitors this frequently every day, obviously. We've not seen really a decrease in spending. It does concern us on that. We really hope department heads adhere to that and hear from the administration that this is serious. With that being said, I have seen a couple things being done. I guess an ordinance or resolution you just passed recently with the annex on the west end, Mr. Rhodes is doing that in-house. It saves quite a bit of money. I know he's not filled some street department vacancies, which are saving money. We spoke about this parking lot getting engineered in-house, saving money. So those are a few cost-cutting measures, but certainly as the auditor, we really would like to see spending tampered down a little bit.

**Mr. Marmie** – Right. Thank you very much.

Meeting stands adjourned.

Doug Marmie, Chair