

Minutes of Special Meeting November 1, 2006

Present: Trustees James Havens, Lyle King, and Wes Sargent, Fiscal Officer Kennedy

Guests: Melissa Hartfield, 220 S. Pearl St
Chuck Peterson, Granville Sentinel
Joseph & Jared White, 2551 Loudon ST
James White, 2839 Loudon St.
Don Andrews, 197 Louise Dr
William Kraner, New Albany
Patte Weisent, 2040 River Rd
Abraham Godinez, New Albany
David & Diane Kintner, 166 Linnell Dr
Mickey & Ed Smith, 177 Louise Dr
Sally Brigham, 3323 Loudon St (Box 320)
Doug Wagner, 300 Pinehurst Dr
T. David Price, 3143 Burg St,
Greg Dixon, 128 Sunset Dr
Laura Mickelson, 112 Sunset Dr
Charlie Moore, 55 Beechtree Dr
Chip, Sally & Sally Gordon, 2100 Lancaster Rd
Greg Davis, 632 Mill Race Rd
Judy Preston, 54 Towpath Rd
Andrew McCall, 504 Burg ST
Jim Cooper, 75 Pine Tree Dr
George Kosko, 81 Highgate Dr
Scot Prebles, 210 Longford Dr
Lisa Bowers, ODNR Forestry, 162 Cornell Rd, Newark OH 43055
Craig & Dianne McDonald, 211 Sunrise ST
Ron Sheldon, 278 Llanberis Dr
Tony Castro, 80 Lincliff Dr
Fred Nickerson, 2025 North St
Ted Handel, 120 Westgate Dr
Jay Smithberger, 3365 Hankinson Rd
Paul Treece, 15 Louise Dr
Tony Beckerley, 210 N. Granger ST

The following minutes of this special meeting are paraphrased comments as recorded by the scribe and not necessarily direct quotations of the speakers.

Trustee Sargent opened the meeting by explaining that the Trustees had called for this public hearing for two reasons. The first is to present information on the proposed purchase and funding of the purchase of the 600+/- acre Kraner property located in Granville and Newark Townships and gather public input on the proposed transaction. The second is to obtain public input from the community on township land management, tree harvesting and agricultural activities.

Trustee Havens explained that the Trustees established a committee of citizens from the Village and Township to advise the Trustees on the use of money raised from each of the Open Space Levies. One of the properties identified by the committee was the acreage owned by William Kraner in the northeast portion of the Granville School District. Havens stated that he had recused himself from voting on the Kraner matter, having provided legal representation to him unrelated to this purchase.

Trustee Havens introduced Ron Sheldon who is a school board member and was a member several of the township's Open Space Committees.

Mr. Sheldon, in conjunction with his power point presentation introduced the other members of the Open Space Committee who were in attendance. [The committee members were Constance Barsky, Village Council; Melissa Hartfield, Village Council; Candi Moore, Village resident and member of Licking Land Trust; Keith Myers, Village resident and land planner; Ron Sheldon, Township resident and member of School District Board; Paul Treece, in 2001 Township resident and Doug Wagner, in 2001 Township resident]. He explained that the Open Space Committee had looked at many different uses for the proceeds of the Open Space Levy Funds and concluded that the purchase of the Kraner properties in the northeast corner of the school district would be the most beneficial for the community. The benefit was based upon two premises: 1) The first was to formulate acquisition plans based upon the premise that the community is desirous of acquiring land for open space and recreation uses and 2) the second was that land which has the greater potential negative impact on the school district or unfavorable growth impact on school enrollment should be acquired.

Approximately 100 acres of the Kraner properties is located in Granville Township. The remaining 483 acres are in Newark Township, but all the acreage is in the Granville School District. Unless the property were annexed into the City of Newark for development with municipal utilities the property will stay in Granville Schools. Under the permitted zoning for the townships 20 houses could be build in the Granville segment (1 per five acres) and 482 houses in the Newark Township segment (1 house per acre) for a total of 502 residences. Using the average factor of 1.5 children per house this property could support 753 additional children for the Granville School District.

According to the school district the current average cost to educate a pupil is \$8,351. The estimated annual operating cost to educate an additional 753 students would therefore be \$6,288,303. An offset to this expense is the per pupil subsidy paid by the state of Ohio (the State Foundation Program) which is estimated to be \$2,200 per pupil x 753 = \$1,656,600 as well as the property taxes paid. Those taxes for 482 \$100,000 houses in Newark Township would each be expected to be \$1,488 for a total of \$717,216. For the 20 houses in Granville Township the tax would be expected to be \$3,000 each for a total of \$60,000. The total of \$777,216 of additional property taxes to be received by the school district from development of this property would result in a net increase in operating costs to educate the 753 students of \$3,854,487. Dividing the \$3,854,487 by total the present school district property valuation of \$389,362,000 would result in the need for an additional 9.9 mills of property taxes paid by the entire school

district to cover this excess of expected increased operating costs less expected increased operating revenue.

In addition to projected increased cost of operations Mr. Sheldon also discussed the need for additional bricks and mortar to house an additional 753 students. Using the present school district levy proposal to build an additional building he projected that it would cost an additional 1.99 mills to construct the needed building if another 753 students were added to the student population.

He continued that one mill costs the owner of a \$100,000 owner occupied residence \$30.62 per year [note: this is after the state payment of 12.5% of local owner occupied properties tax]. Therefore an additional 9.9 mills would cost an extra \$303.14 per \$100,000 [again note: adding in the 1.99 mills for construction of a new building would be an additional \$60.93]. He compared this cost to the cost of paying 2.8 mills, to acquire the Kraner property to prevent this development, of \$85.74. He concluded his presentation and indicated this information would be made available to the township to place on its website.

Township Fiscal Officer Kennedy was asked to explain about the mechanics of how the millage was determined and how a bond levy would be put on the ballot. He indicated that there several dynamics at work. The negotiated terms of the purchase agreement determine how much money is needed each year to make required payments. Independent of that computation the state law requires the County Auditor to make a statutory calculation, using mandated assumptions, regardless of the actual terms of repayment. In this particular case the agreement calls for payment of interest only at 5.0% for the first five years. Beginning in the sixth year the interest rate declines to 4.25% and principal amortization starts, combined to be relatively level payments thru the 20th year. These payment streams are complicated by the fact that a bond levy passed in 2007 will not first collect money until 2008. However, interest is due on the bonds from their issuance date which means that the first payment after the cash-flow would begin would cover approximately 20 months of interest. The following year the interest would be for 12 month periods. In the sixth year the interest rate drops but the principal repayment begins. Once a bond issue levy is approved by the voters the County Auditor is required to place the amount of millage on the tax duplicate each year to collect the required payments for that year. As the repayment needs of the bonds vary over the years the millage can vary. In addition to the denominator of the computation varying the numerator, which is the township property tax base, is also changing. This base changes by the amount of new construction in the tax district, as well as the tri-annual property valuation changes. To make the millage computation certain assumptions needed to be made as to what the property tax base would be in the district. The computation determined that 2.8 mills would be the maximum millage needed over the term of the bonds to make the required payment. This amount should decline after the first year, then increase in the sixth year and continue to decline over the remaining term of the bonds.

The procedure to place the bond issue on the ballot requires that the Township Trustees vote to ask the County Auditor to evaluate the proposed bond issue, using the state statutory computation, to determine the millage required and state the amount of the present township tax district property valuation. The Trustees will state a rate to the auditor that is necessary to arrive at 2.8 mills. After this information is received back from the Auditor the Trustees must vote to place the issue on the ballot by providing the resolution to the Board of Elections.

Trustee Havens talked about the Open Space Committee recommendation to acquire the Kraner property located in the Granville School District to prevent its development. The discussions with Mr. Kraner were a long process over the last two years. An initial limited appraisal was prepared by a real estate partner of Mr. Havens, Sam Koons, at a discounted cost, in order to arrive at a starting point for negotiations. Mr. Kraner was not satisfied with the figures and engaged the services of Charles Porter Company. Both of these reports will be on the township website. After lengthy negotiations an agreement was achieved that will also be on the website.

The purchase price is to be \$10,000,000. Mr. Kraner has various development plans for the property. He agreed during this process to pause on these plans. He had an adult daughter who passed away while he was living at the property and he is thinking that this transaction could create a fitting memorial to her memory.

The property acquisition would be paid for from the proceeds of a park levy. The method in which the township's open space levy is worded does not permit us to purchase property located outside the township. The township can purchase property outside the township for parkland acquisition purposes.

Mr. Kraner commented that it was hard to let go of this property. Most of the property included in the proposed sale was part of the Price farm which dates back to 1823. He's thinking about using part of the proceeds from this sale to support the Welsh Hills School or perhaps something at Grant Hospital in the name of the daughter.

Trustee Havens indicated to those in attendance that the community will now have the information and the future with respect to the property is going to be up to the community.

Fred Nickerson – I understand the purchase price is to be \$10,000,000 less the estimated \$100,000 of due diligence costs. Havens – Kraner is going to pay up to \$100,000 of the due diligence costs which would include bond counsel, surveying, an EPA phase 1 environmental study and the cost of a real estate attorney.

Unknown - What is the future of the property as a park? Who would maintain it? – Havens – Mr. Kraner has agreed to maintain the property while he has hunting rights. Kraner – part of letting go is that I would hate to not have the property properly taken care of.

Havens – We would form a community group to oversee the park. There would be no immediate need to do anything.

Nickerson – There would be the cost of mowing, also the cost of maintaining whatever buildings are located on the property being purchased. The more property you purchase the less tax money will be received.

Havens – How does taking the land cost us money?

Nickerson – Why is this being voted on as a special election in February?

Havens – Mr. Kraner agreed to pay for the cost of the special election as part of the \$100,000.

Kraner – It's a matter of timing. This deal couldn't get done in time for the November 2006 general election.

Havens - This was the first available date for a vote after the contract was signed.

Nickerson – Are you sure it's not because fixed income people will be out of town in February?

Havens - This is the first time I have heard mention of such a reason for holding a special election.

Sally Brigham – How are you going to maintain the property's CAUV classification if you're only mowing it?

Havens – Mr. Kraner has the property in CAUV now and the township would continue that classification.

Kraner – We abide by the law.

Dave Price – I commend the township trustees for recognize that the permanent way to control this property is by owning it. Without owning the property the zoning could be changed tomorrow. In the future there can be changes made by the legislature, or in the personalities of the local judges or other elected officials. This is important and I support it 100%. This is the way to control growth.

Havens – Granville Township is one of the first townships in the state to have an Open Space levy to acquire property and development rights in order to limit density. We are fortunate that the residents are willing to support this effort with their tax money.

Tony Castro - I'm new to the area. I have only lived here one year. Do I understand that a township cannot annex property so you couldn't just annex the property from Newark Township. Havens – That's correct. One township cannot annex property from

another township. Newark Township would still collect whatever taxes are paid on the portion of the property located in Newark Township. Likewise Granville Township would receive the taxes on the segment located in Granville Township.

Scott Prebles - I'm a new community member. I can see the value of the community protecting space that generates trouble for the school district. I support this as a taxpayer.

Kraner – I'm on the fence about whether or not I actually want this issue to pass. It's hard to sell this property. I love this land so much. But I do recognize this is a problem with the schools if it's developed. This vote is an opportunity for the community.

Ron Sheldon – I met Mr. Kraner 20 years ago and remember him saying at the time that he wanted to protect this property.

Tony Beckerley – I am on the school board. I give my thanks to Mr. Kraner for giving the community the opportunity to vote on acquiring this property.

There were no more public comments regarding proposed acquisition of the Kraner property.

After a short break Part II of the public hearing began.

Trustee Sargent stated that the Trustees wish to obtain input from the community about management of township properties. The whole matter arose as a result of tree harvesting on the Salt Run Park property. If the township purchases development rights then the property continues to be managed by the owner subject to the easement restrictions. However, if the township acquires actual ownership of a property it needs to be managed. In some cases a property is maintained through continued farming. In the case of the Salt Run Park only a small portion of the property is being used to generate hay. The Trustees determined that a number of trees came down in Salt Run during the 2004/5 ice storm. These trees still had value if they were harvested by a tree company. He agreed that the Trustees needed to have done a better job of communicating with the neighbors.

He indicated the Trustees were thinking of possibly forming a committee of community members to review and make recommendations for the management of the open space properties owned by the township.

Lisa Bowers – She indicated that she lives in Licking Township and works for the ODNR Department of Forestry. She's the regional urban forester for a 15 county area. Her main focus is to provide technical assistance. This is a new service of ODNR. Three years ago she started assisting townships. She used to just work with Villages.

Sargent – We're looking for ideas for our wooded areas, not things in cities or villages.

Bowers – We look for grape vines and invasive plants. We will mark and designate areas for forestry. Things can be done in stages. It should be noted that when you take down a tree it releases other trees to be healthier. A dense leaf canopy hurts other trees.

Craig McDonald – I called the Division of Forestry. The township needs to develop a comprehensive development plan. You could create paths. You need to work at mitigating the logging path that was created when the harvested trees were dragged out of Salt Run. It would be nice to know the best management practices. How can the township meet goals? A consensus must be developed as to what the community wants for these properties.

Fiscal Officer Kennedy commented that work needs to be done with the trees at Maple Grove. The cemetery is dependent on mostly the same variety of tree. If a disease got into the trees similar to Dutch elm disease the entire cemetery could be de-forested. He also indicated that the township is now learning that the trees it purchased almost 20 years ago were of inferior stock and are beginning to die off. It was agreed to include the cemetery in the property review.

Charlie Moore – He believes there are a number of local examples of good tree management. Denison University is an ideal display of how to deal with open space and forestry. In the bio-reserve they cut paths in the grass areas and leave the big trees alone. As soon as a tree canopy is cut the invasive plants take over. Denison doesn't harvest any of its trees. There is no danger of free load. He looked at the trees left in Salt Run Park and believes the loggers marked the trees for their monetary value and not just the damaged trees. He would forego the lumber value of the trees. He doesn't think the purpose of the Open Space levy is to acquire properties to ravish. His property borders Salt Run and he has 200 year old oak trees and three big ash trees in his backyard. The cherry trees get disease and collapse. Who cares if a tree falls? Just leave it in the forest where it falls. The Trustees could do the same thing with Salt Run Park. Maybe you could use volunteer labor. He doesn't see hunting deer. He stated that the Trustees encroached on the forest for a small amount of money.

Havens – We need to look at all the properties. This did start with downed trees and is evolving into property management.

Judy Preston from Tow Path – She is in favor of selective tree selling. Why waste the resource?

Havens – There will be disagreement over how to manage these assets.

McDonald – Every property doesn't need the same plan. There is also an issue as to the magnitude of management. If there's none then it will be 100% natural. If you manage the land or the forest they each have many uses and the management can be anywhere in between. He wants to know what are the vision and future goals.

Havens – The Township contributed \$250,000 toward the \$1,000,000 purchase price of the Spring Valley property.

Grace Gordon – I agree with Craig McDonald. We need to define the uses. It is important to have some areas to harvest. The management plan can be developed in conjunction with input from the past owners of the property.

Greg Dixon. I enjoy living near Salt Run Park. I don't think the Trustees learned from the deer hunting issue. You need to do a better job of communicating with the neighbors.

Havens – We did discuss the matter in our meetings. The minutes are on the website. The newspaper covers our meetings. We don't have a professional staff to handle these things, but I agree we need to somehow do a better job. We can't assume that people being informed through the traditional sources of information.

Dixon – I don't have a computer so I can't look at the website, but I do subscribe to the newspaper.

Havens - We didn't send a notice to everyone. Who would we notify?

Sargent – Again there is no township staff to make individual notifications.

Havens - We do try to communicate. That's why we're trying to partner with the community. We sent out six community wide news letters. The newsletters and other information are out on the website for the people that have computers.

Dixon – I'm willing to serve on a trail committee. I don't mind if trees are harvested as trees are a renewable resource. It would have been nice if you had only logged the downed trees. Anything like this is always a shock. In the future if you want to notify people on Sunset Drive call me at 587 4580. I'll let everyone know. How careful was the logger about damaging non-cut trees?

George Kusko – The cutting of trees is a no win situation. No matter what the plan. I support the volunteer committee to help work on acquired properties. You could inventory plants. You could hire a naturalist from the Columbus Parks system. Review the plants and eco-system of the park. I have a degree in forest management and manage a farm for a living.

Laura Mickelson – I was part of the group that went out to look at the situation with Wes Sargent. Tim was there from Dawes Arboretum. Volunteer workers would need to know what they're doing. People could get hurt. I'd like to see low impact uses for the forest. I believe that downed trees really need to be left where they fall so they can rot. Some of the neighbors are already helping to maintain Salt Run Park.

Havens – Our thought would be to establish a committee of up to 7 people, a good cross-section of the community. These would be people to help the trustees establish a plan and not just laborers. We can be contacted thru email addresses that can be found on the township's web site.

Sargent – We appreciate everyone coming to the meeting tonight and look forward to a working solution to this issue.

[Note: This information from Mr. Sheldon's presentation reflected in the minutes above is presently on the township's website under the Parks Section]