

On Wednesday, June 22, 2016, at 8:30 a.m., the Dayton City Commission met in regular session in the Commission Chambers of City Hall.

CALL TO ORDER

Mayor Whaley called the meeting to order.

INVOCATION

Commissioner Mims gave the invocation.

PLEDGE OF ALLEGIANCE

Mayor Whaley led the public in the Pledge of Allegiance.

ROLL CALL

Roll call was taken and Mayor Whaley, Commissioners Williams, Joseph, Mims and Shaw were present. The Clerk of Commission, Ms. Rashella Lavender, and the City Manager, Ms. Shelley Dickstein, were also present.

APPROVAL OF MINUTES

**Commissioner Mims made the motion to approve the minutes from the June 15, 2016, meeting.
Commissioner Williams seconded the motion. The previous meeting minutes were unanimously approved.**

COMMUNICATIONS AND PETITIONS

Communication #21145

State of Ohio, Department of Liquor Control – Permit Application C1, C2 Permit #66934040005 – Paradies Cooper LLC, DBA CNBC Main, 3600 Terminal Drive, Suite T112 -Vandalia, Dayton, OH 45377.

The Clerk of Commission reported receipt of Permit Application C1, C2 Permit #66934040005 – Paradies Cooper LLC, DBA CNBC Main, 3600 Terminal Drive, Suite T112-Vandalia, Dayton, Ohio 45377. The application was referred through the City for investigation.

Communication #21146

State of Ohio, Department of Liquor Control – Permit Application C1, C2 Permit #6693404 – Paradies Cooper LLC, DBA Dayton Market Place, 3600 Terminal Drive, Buiste B216 – Vandalia, Dayton, OH 45377.

The Clerk of Commission reported receipt of Permit Application C1, C2 Permit #6693404 – Paradies Cooper LLC, DBA Dayton Market Place, 3600 Terminal Drive, Buiste B216 – Vandalia, Dayton, OH 45377. The application was referred through the City for investigation.

Communication #21147

Handout at City Commission Meeting from Monica Williamson regarding pictures of a vacant property on Niagara Avenue

Communication #21148

Work session handout - Convention Center Study Briefing

SPECIAL AWARDS/PRESENTATIONS

There were no awards or presentations.

ADDITIONS OR DELETIONS TO THE CALENDAR

There were no additions or deletions to the calendar.

REPORTS:

- A. Purchase Orders, Price Agreements and Contracts:**
(All contracts are valid until delivery is complete or through December 31st of the current year).

1. Purchase Order:

AVIATION

- A1. P & R Communications Service, Inc.** (two dispatch radio consoles, six software licenses, antennae, maintenance and related items) **\$88,750.39**

1. (Cont'd):

A2. Motorola Solutions, Inc. (five radio base stations and related items) **\$20,475.75**

FIRE

B1. EMOD LLC (construction and construction management services to build a 24' by 56' modular office site) **32,679.00**

B2. Motorola Solutions, Inc. (radio communication encryption software upgrades and related items) **72,500.00**

WATER

C1. Recruiter Solutions International (professional personnel recruitment and placement services as needed through 12-31-16) **24,166.00**

-Depts. of Aviation, Fire and Water. **Total: \$238,571.14**

2. **Evans Landscaping – Contract** – for Obstruction (Tree) Removal & Clearing, Dayton Wright Brothers Airport (20% SBE Goal, 20.2% SBE Participation) – Dept. of Aviation. **\$150,150.00**
(Thru 12/2017)

3. **Lykins Oil Company, DBA STEP Resources Consulting, LLC – First Amendment** – for Electric Management – Dept. of Water. **\$140,000.00**
(Thru 5/2018)

4. **Montg. Co. Board of Commissioners – Supplemental Agreement** – for the Electronic Home Detention Program – The Municipal Court/Court Administration **N/A**

5. **Montgomery County Transportation Improvement District – Air Cargo Access Improvement Projects Management and Financing Agreement** – for Phase 1 professional services related to proposed infrastructure improvements at the Dayton International Airport – Dept. of Aviation. **\$150,000.00**

6. **Patrick Hansford – Professional Services Agreement** – for renovation of the Human Relations Council offices – The Human Relations Council. **\$25,600.00**
(Thru 12/31/16)

B. Construction Contracts/Estimates of Cost:

7. **Adleta, Inc. – Contract** – for the 2016 Curb Ramp Replacement (15% MBE Participation Goal/15.75% MBE Achieved) (5% WBE Participation Goal/9% WBE Achieved) – Dept. of Public Works/Civil Engineering. **\$225,000.00**

C. Revenue to the City:

8. **NP Dayton Building 1, LLC – Ground Lease and Development Agreement (PAD 1)** – for a 39 acre development site located at the Dayton International Airport – Dept. of Aviation. **\$1,500,000.00 Infrastructure**
\$5,902,109.93 Lease Payment
(49 Yrs.)
(Revenue to the City)

D. Neighborhood Grant:

9. **CityWide Development Corporation – Subrecipient Agreement** – for the 2015 RTA Community Grants Program – CityWide for the Sugarcreek Bus Shelter Project – Dept. of Planning & Community Development. **\$12,000.00**
(Thru 6/30/18)

CITIZENS' COMMENTS ON CALENDAR ITEMS

There were no citizens' comments on calendar items.

DISCUSSION OF CALENDAR ITEMS

Calendar Item No. 8.-NP Dayton Building 1, LLC-Ground Lease and Development Agreement PAD 1

Commissioner Williams asked for clarifications of this Agreement.

Ms. Dickstein asked Mr. Terry Slaybaugh, Director of Aviation, to the podium to provide clarification of this Agreement.

Mr. Slaybaugh said this Agreement is for commercial development of a building with 572 square feet located at the Dayton International Airport. Mr. Slaybaugh said this endeavor is very exciting because after two years this company will relocate their main operations to this building. Mr. Slaybaugh said the Dayton International Airport is a great location for companies for this type of development.

APPROVAL OF CITY MANAGER'S RECOMMENDATIONS

Commissioner Joseph made the motion to approve the City Manager's Reports. Commissioner Shaw seconded the motion. The City Manager's Reports were approved with a 5-0 vote. Voting in the affirmative were Mayor Whaley, Commissioners Williams, Joseph, Mims and Shaw.

LEGISLATION

EMERGENCY RESOLUTIONS – FIRST AND SECOND READING

Emergency Resolution No. 6195-16- Accepting the 2016 Community Development Grant from the Ohio Environmental Protection Agency in an Amount Not to Exceed Two Hundred Fifty Thousand Dollars and Zero Cents (\$250,000.00) on Behalf of the City of Dayton; and Declaring an Emergency.

Commissioner Williams moved that this being an emergency measure for the immediate consideration of the Resolution. Commissioner Mims seconded the motion. The motion was passed with a 5-0 vote. Voting in the affirmative were Mayor Whaley, Commissioners Williams, Joseph, Mims and Shaw. The question being shall Emergency Resolution No. 6195-16 be adopted. A roll call vote was taken resulting in a 5-0 vote. Voting in the affirmative were Mayor Whaley, Commissioners Williams, Joseph, Mims and Shaw. The Emergency Resolution was adopted.

Emergency Resolution No. 6196-16- Authorizing the City Manager to Accept Funding from the Economic Development and Government Equity Program, as Approved by the Board of County Commissioners of Montgomery County, Ohio, on Behalf of the City of Dayton; and Declaring an Emergency.

Commissioner Joseph moved that this being an emergency measure for the immediate consideration of the Resolution. Commissioner Shaw seconded the motion. The motion was passed with a 5-0 vote. Voting in the affirmative were Mayor Whaley, Commissioners Williams, Joseph, Mims and Shaw. The question being shall Emergency Resolution No. 6196-16 be adopted. A roll call vote was taken resulting in a 5-0 vote. Voting in the affirmative were Mayor Whaley, Commissioners Williams, Joseph, Mims and Shaw. The Emergency Resolution was adopted.

CITIZENS' COMMENTS

Citizens' comments were received from the following:

1. **Ms. Monica Williams, 126 Niagara Ave.** – spoke about the vacant homes in her neighborhood.

COMMENTS BY THE CITY MANAGER

The City Manager, Ms. Shelley Dickstein, had no closing comments.

COMMENTS BY THE CLERK OF COMMISSION

The Clerk of Commission, Ms. Rashella Lavender, said the Work Session regarding the Convention Center Study briefing will be held immediately following the City Commission Meeting and, she informed citizens the City Commission Meeting on June 29, 2016, will be held at 8:30 a.m.

COMMENTS BY CITY COMMISSION

Commissioner Williams

Commissioner Williams wished all Father's a belated Father's Day and highlighted his attendance at Celebrate Fatherhood Montgomery County.

Commissioner Mims

Commissioner Mims highlighted the Cleveland Cavaliers for their championship win.

Commissioner Shaw

Commissioner Shaw thanked Ms. Colleen Ryan, Vectren of Dayton, for her sponsorship of youth groups at the Dayton Air Show.

Commissioner Joseph

Commissioner Joseph thanked Mr. Terry Slaybaugh, Director of Aviation, for a successful Airshow this year.

Mayor Whaley

Mayor Whaley highlighted the following:

CareSource Job announcement

New West Dayton Library

Children's Medical Center's new tower.

ADJOURNMENT

There being no further business, the meeting was adjourned at 8:55 a.m.

Mayor Nan Whaley

Attest: _____
Clerk of Commission

WORK SESSION

A copy of prepared material has been recorded as Communication & Petition Number 21148 dated June 22, 2016.

The Dayton City Commission met in a Work Session on Wednesday, June 22nd at 9:04 a.m., following the regularly scheduled City Commission meeting. The meeting was held in the City Manager's Large Conference Room, located in City Hall. Mayor Whaley, Commissioners Williams, Mims and Shaw were present. Mr. Kery Gray, Director, City Commission Office, and Ms. Rashella Lavender, Clerk of Commission, were also in attendance.

Ms. Shelley Dickstein, City Manager, Mr. Joe Parlette, Deputy City Manager, Ms. Jackie Powell, a representative from the Dayton Convention and Visitors Bureau, along with Ms. Susan Sieger and Mr. David Greusel, consultants with Crossroads Consulting Services, were the presenters.

An overview was provided regarding The Dayton Convention Center Study Briefing (DCC).

Ms. Dickstein spoke about the needs assessment/market analysis study for the Dayton Convention Center. She said the Dayton Convention and Visitors Bureau (DCVB) is a partner involved with the study, and Crossroad Consulting Services was selected to conduct the study.

Ms. Sieger reviewed the Work Plan proposed in the DCC Study. She said the Work Plan involves a situational overview of general market, industry trends, historical operations, general management practices, physical facility and competitive facility assessments. The Work Plan highlights the recommended action steps, the implementation strategy and the cost estimate.

She explained the convention/meetings market has experienced tremendous growth in the supply of space over the last two decades. The gap in supply and demand for space led to a more competitive buyer's market. The DCC must compete on the overall package of price, value, quality customer service and destination attributes. Studies have proven that facilities located in destinations offering an attractive package in terms of overall appeal, hotel supply, accessibility, and facility/travel-related costs have been better able to maintain, grow and diversify their business in challenging economic times.

She said more communities are realizing the value of sports tourism as an economic generator. The demand is less impacted by economic fluctuations as participants and family/friends are willing to travel significant distances for their preferred sport. More communities are developing specialized indoor/outdoor complexes to accommodate multiple games/competitions due to their value as a tourism generator. It is important for destinations to have a strong volunteer base and elite level leagues to support and promote tournament activity that generates overnight stays.

Mr. Parlette said there is an increase in sports market events held at the DCC.

Ms. Sieger explained the study indicates that recent changes in dedicated funding for on-going operations and capital improvements have led to operating challenges including a lean staff, less timely responsiveness, and growing maintenance/capital needs. She said operating under the Department of Recreation and Youth Services is not common in the convention center industry. She said the vision statement does not appear to be in line with perceived success factors and performance measures, and that staffing issues have hindered overall operating effectiveness and efficiency. Overall, customer feedback was positive and users indicated they are generally pleased with management as well as the overall layout/functionality of DCC. Spectra, the caterer, have a very responsive staff and compliment the DCC well.

The recommendations of management practices was to consider forming an authority that has representation from the City of Dayton and Montgomery County to enhance involvement from both jurisdictions, align ownership with a broader set of potential funding sources, and foster a vested interest in the DCC's long-term success. Additional recommendations are to include:

- Explore merits of outsourcing management of the DCC to a third party – either a professional management company of the Dayton Convention and Visitors Bureau
- Secure dedicated funding for ongoing DCC operations and capital reserves as well as marketing
- Develop a formal mission statement and booking policy with priorities that supports it
- Increase full-time staffing levels and experience level of staff from the hospitality/convention industry
- Increase sales efforts and related funding necessary to drive short-term bookings
- Provide incentives for DCC sales staff for achieving stated performance goals
- Allow the DCVB with real-time access to view the DCC calendar to increase response time to customers
- Continue to improve joint marketing efforts with partners
- Streamline the event contract and billing processes to be more in line with industry best practices
- Continue to offer discount pricing/packages for target market segments that generate economic activity
- Develop a formal maintenance and capital improvement process/plan

Ms. Sieger pointed out regional competitors profiled in terms of facility program/operations and destination attributes. Some noted competitors are: Cleveland Convention Center, Greater Columbus Convention Center, Duke Energy Convention Center in Cincinnati, Grand Wayne Convention Center in Indiana, Kalahari Sandusky Hotel/Conference Center, and Sharonville Convention Center. She said most competitive facilities are privately managed.

Ms. Sieger said the study concluded that DCC offers a comparable amount of function space relative to the competitive market. However, DCC's largest ballroom is the smallest among profiled facilities and is not ideal in terms of quality and configuration, it has the smallest banquet capacity among profiled centers with a ballroom, and it has the second lowest amount of meeting room space. Also, Dayton has the lowest total tax on hotel rooms among competitive facilities in Ohio. She explained that competitive destinations are continuing to invest in improving the environment surrounding their Convention Centers.

Challenges relative to DCC attracting convention/meeting/sports business are:

- The largest ballroom is constrained by its size, configuration, dated finishes, and lack of modern amenities relative to its competitive set
- The major external constraint is the supply of convention quality hotel rooms within walking distance
- Changes in the competitive landscape have resulted in a loss of economic generating event activity

- Operational challenges, such as the limited number of full-time staff and a lack of operating autonomy, also hinder the ability to effectively compete for group business

Mr. Greusel identified facility needs and grouped the needs into three categories based on priority, difficulty to implement and relative cost: Short-Term/Low Cost (1-2 years), Mid-Range/Moderate Cost (3-5 Years) and Long-Term/Higher Cost (5-7 years). He presented renderings on the proposed improvements/renovations/modifications/enhancements.

Short-Term/Low Cost – Total Cost \$1,185,000

- Improvement/expanding restrooms
- Replacing skywalk carpet/ceiling
- Upgrading elevators

Mid-Range/Moderate Cost – Total Cost \$12,054,000

- Replacing telescopic seating
- Renovating the skywalk to parking garage
- Adding a passenger elevator
- Replacing north roof segments/skylight
- Repurposing theater dressing rooms

Long-Term/Higher Cost – Total Cost \$7,656,000

- Creating a new main entry
- Renovating or expanding Ballroom 103
- Developing a “Yellow Brick Road” visually connecting the DCC to the Oregon District
- Replacing theater finishes
- Reupholstering seats

Ms. Sieger provided an overall summary of the study. She reviewed the following:

- DCC is falling behind its competitive set in terms of overall condition, aesthetics, space functionality and modern patron amenities
- Remaining status quo relative to capital funding will result in decreased event activity, an increased operating deficit, and reduced economic and fiscal benefits
- Competitive facility and destination assessment indicates opportunities for improved performance with DCC renovations/enhancements
- Existing facility assessment revealed several physical improvements that should be addressed
- Needs assessment identified three categories of recommended improvements to improve marketability and competitiveness
- Recommended enhancements will be necessary for the DCC to maintain/grow its business and continue to be a significant economic generator to the area economy

A holistic approach is recommended to place Dayton in a more competitive position:

- Address the building’s physical needs and operational challenges
- Modernizes its amenities
- Enhance supporting elements of the surrounding location including streetscape improvements and additional hotel, restaurant, retail and entertainment establishments
- Increase sales and marketing efforts which will require more funding both at the DCC for short-term bookings and at the DCVB for long-term bookings

Recommended potential funding sources:

- Increase in the Montgomery County lodging tax (based on annual collections over the past three years, a one-point increase could potentially generate approximately \$900,000 annually. The cost is borne by visitors and not by area residents. An increased in lodging tax rate should not impact Dayton’s competitive position since, even with a modest increase, the City of Dayton would still have one of the lowest total tax rates on hotels among competitive destinations)
- Create a Tax Increment Financing District and/or a Tourism Improvement District (funds generated within an established district can be dedicated to physical improvements and enhanced marketing efforts. The DCC is not currently in a defined taxing district but potential exists to create one and should be considered)

The proposed next steps for implementation include:

- Exploring potential changes to ownership and operating structure
- Identifying potential financing strategy and related timeline
- Securing funding to conduct more detailed site and architectural planning studies that could include, but not be limited to, developing a more detailed spatial program and further refining the preferred renovation option construction cost estimates
- Addressing other renovation/enhancement related issues such as minimizing disruption to the existing DCC and assessing the impact to future bookings
- Developing a strategic plan for future land uses of surrounding parcels to accommodate long-term development of supporting amenities such as another convention quality hotel or potential expansion of the Crowne Plaza's room supply

Mayor Whaley thanked staff and the consultants for their work with the study. She said the information presented in the study was thorough and informative. She said funding partners are instrumental, and it is important to identify those partners.

Commissioner Williams thanked everyone for the thorough presentation.

The Work Session concluded at 9:51 a.m.