MINUTES OF THE REGULAR MEETING MASSILLON CITY COUNCIL HELD MONDAY, MARCH 17, 2025

<u>COUNCIL PRESIDENT SLATER</u> – Good evening. Welcome to the Massillon City Council meeting for Monday, March 17, 2025. We have in attendance the following City officials: Mayor, Jamie Slutz, Safety Service Director, Renee Baker, Asst. Law Director, Edmond Mack, Director of Development, Ted Herncane, Police Chief, Jason Saintenoy and Income Tax/Budget Director, Lori Kotagides-Boron. Under #5 on the agenda is where the public can speak on any topic that appears on tonight's agenda and under #17 is where the public can speak on any topic that does NOT appear on tonight's agenda. I'd like to remind you that if you have a cell phone, please set it to mute, vibrate or turn it off. Thank you.

COUNCIL PRESIDENT SLATER – Roll call, Madam Clerk.

1. ROLL CALL

Roll call for the evening found the following Council Members present: Holly Bryan-Huth, Jill Creamer, Sarita Cunningham, Mike Gregg, Julie Harwig Smith, Seth Marcum, Ed Lewis, John Paquelet and Eric Ray

Roll call of 9 present

COUNCIL PRESIDENT SLATER - Thank you, Madam Clerk. Councilwoman Jill Creamer.

2. **INVOCATION**

COUNCILWOMAN JILL CREAMER

3. PLEDGE OF ALLEGIANCE

LED BY COUNCILWOMAN CREAMER

COUNCIL PRESIDENT SLATER – Thank you, Councilwoman Creamer.

4. READING OF THE JOURNAL

<u>COUNCIL PRESIDENT SLATER</u> – Madam Clerk are the minutes of the previous meeting transcribed and open for public viewing?

COUNCIL CLERK ROLLAND – Yes, they are.

COUNCIL PRESIDENT SLATER – Are there any additions or corrections to be made?

COUNCIL CLERK ROLLAND – No, there are not.

<u>COUNCIL PRESIDENT SLATER</u> – If not, then the minutes stand approved as written. Thank you, Madam Clerk.

COUNCIL CLERK ROLLAND – You are welcome.

- 5. REMARKS OF DELEGATIONS AND CITIZENS TO MATTERS ON THE AGENDA
- 6. NEW AND MISCELLANEOUS BUSINESS
- 7. INTRODUCTION OF ORDINANCES AND RESOLUTIONS

COUNCIL PRESIDENT SLATER – Res. No. 6 – 2025.

RESOLUTION NO. 6 – 2025 BY: FINANCE COMMITTEE

A RESOLUTION expressing opposition to proposed State Legislation that would reallocate, reduce or eliminate tax revenues allocated to Municipal Corporations or Townships through the Host Community Fund of the State's Marijuana Law, as passed by Ohio Voters in November 2023, and declaring an emergency.

COUNCIL PRESIDENT SLATER – Councilman Lewis.

COUNCILMAN LEWIS – Yes, Mr. President. I'd like to call forward the Director of Development, please.

COUNCIL PRESIDENT SLATER – Mr. Herncane.

TED HERNCANE – Mr. President, Members of Council, Councilman Lewis.

COUNCILMAN LEWIS – Yes, Mr. Herncane, if you'd like to give us a quick summary of what brings this here today.

TED HERNCANE – Sure. So, as you all are well aware, in November 2023 the voters of the State of Ohio passed Issue 2 which made adult-use cannabis or recreational marijuana legal in the State of Ohio. There have been three, that we know of, proposed changes to what was passed coming out of Columbus and we want to get ahead of it. There's a Senate bill that tweaks a lot of the things in that law. They didn't do as much in terms of changing the Host Community Fund allocation, which is what we're most concerned with. When the voters passed Issue 2, just as a refresher, when the cannabis law passed, the State imposes a 10% tax on recreational marijuana sales. It's broken down four different ways. The one we're really the most concerned with is 36% of that 10% tax was earmarked for the Host Community Fund. These are places like Massillon, who have allowed marijuana dispensaries to open up shop in their jurisdiction. So, there's a Senate bill, there's a House bill, that wants to reduce that 36% to the Host Community Fund to 20% and then sunset it after four years; and then there's the Governor's Budget that he's proposing to eliminate that entirely and save all the money to build prisons. We are opposed to any of these changes, specifically, if you look at Section One of your Resolution where it says, "Hereby expresses firm opposition to any state legislation that would reallocate, reduce or eliminate municipal income tax revenue through the Host Community Fund". This is kind of a moving thing a little bit because there's a Senate bill, there's a House bill, there's budget conversations and at the time of this that we submitted this. we don't really know where these bills are in the General Assembly process. We do know that the City of Alliance has passed a Resolution in opposition to this. We know that the City of Canton is going to be doing the same and we're also aware that the Ohio Municipal League is keeping a close eye on this just like they did a month ago when we brought forth the legislation to you on that AT&T thing which ultimately went bye-bye. So, there's a lot of jurisdictions that

are keeping an eye on this. We don't think it's fair. The people voted for something and the State, realizing how much money has been made on this, now wants to change the rules of the game. As of last month, there's been over three hundred thirty million dollars in recreational marijuana sales. At a 10% tax, that's thirty million dollars, 36% of that going to the Host Community Fund is almost twelve million dollars and the two dispensaries that are not opened yet in Massillon that will be this year, through our conversations with you folks last year, we know their estimated revenues collectively are about fifteen million dollars. Should things be the way that they were voted on by the people of the State of Ohio, we're looking at approximately five hundred thousand dollars in tax revenue to the City of Massillon, which we're not budgeting for. We're not spending, but we're highly anticipating it and frankly, we'd like to see it. I do want to mention something; there's was an article in The Repository last month. The Governor is quoted as saying "We all want more money to go back to local communities, but frankly, that was almost a lottery in the sense that some got money and some didn't." Fifty-six communities in the State of Ohio chose to ban dispensaries in their jurisdictions. We did not. So, the argument that this was a lottery and it's unfair that some communities would get some money and some communities would not, is really false. Every community had the choice to either welcome or issue a moratorium on marijuana dispensaries. We, as a City, with your support, we chose to honor the will of the people of Massillon who supported this overwhelmingly as well. So, that's an argument that you're going to hear, but I think we all know that's not true. So what we're asking you to do is pass a resolution that is very general. Attorney Edmond Mack helped craft this so we encompassed all the things that we wanted it to encompass and basically, we're asking you, the Mayor is in support of this as well, that's why he signed the legislation request. We're asking you to please pass this resolution so we can give it to our State legislators, both in the Senate and the House side so as they go back to do their work in the General Assembly, they know where the City of Massillon stands and that is the people of Ohio voted for Issue 2. Part of that is local communities getting their money and we want ours. Any guestions?

COUNCIL PRESIDENT SLATER – Councilman Lewis.

<u>COUNCILMAN LEWIS</u> – I'm just going to say that I've come along side with Mr. Herncane with this. I do not believe it is a lottery. I believe that the dispensary business is just like any other business that would operate within the City within the State of Ohio and that those cities that present opportunity for these businesses to operate and be profitable but it will be the ones that have the most gain just like any other business that operates within our State. If they do not find a community to be favorable to their business, they will not locate and that community will not receive their tax dollars. So, I would think it is a bit of an overreach for the State to take back something that they'd already put into place through a vote. So, I would be in agreement with this resolution.

COUNCIL PRESIDENT SLATER – Councilman Gregg.

<u>COUNCILMAN GREGG</u> – Thank you, President Slater. I agree with Mr. Lewis. The tax dollar potential that this law has and the whole reason I voted for it in Massillon so that Massillon residents could benefit from that and that argument that some communities benefit and some didn't is ridiculous because now you're going to take...all communities are going to benefit. If they take all of the money away and it stays with the State, then the entire State gets the benefit of that money, I guess, through more prisons, but the ones that voted for it, the cities, the municipalities that voted for it that were willing to support it are not going to get any more benefit than anybody else does and I don't agree with that at all. When I read about this, I

didn't know about the other Senate bill and the House bill, but when I read about the Governor's proposal, I was gut-punched because I'm thinking that that's ridiculous. So, I would be in full agreement with this resolution. Thank you.

TED HERNCANE – And you could do your own research, but there have been several communities throughout the State that I have gone on record saying "We passed and allowed these because of the tax revenue, and should you take that away, we're going to change our mind". There's a whole slew of changes in Columbus that they want to make. They've seen how successful from a money stand point that this is and frankly, they're just getting a little greedy. They want to increase the tax already. This might be a shocker, but they're finding that the home grow rule is being abused. I don't know how they want to change that. They'll never be able to monitor it. But, there's a whole slew of things that go against the will of what the people voted for on Issue 2. From the money standpoint, we agree. There are some that are saying "We're going to ban them should you do this" and I think that's going to set off a whole legal chain reaction that I don't want any part of. Thank you.

COUNCIL PRESIDENT SLATER – Any more questions? Councilman Ray.

<u>COUNCILMAN RAY</u> – Thank you, President. I would just piggy-back off of Mike Gregg. I was basically saying the same thing. It seems as if we all knew when it came on the ballot that there was going to be benefits to the City and a lot of people who don't believe or even partake did select to vote in agreement to it due to the fact that multiple people wanted it. So for it to be snatched away due to finances, it just seems like a bell ringer and, obviously, if we have the option to take it back then that would be great too. But, I'm definitely in full agreement with going forward with this. Thank you.

COUNCIL PRESIDENT SLATER – Any more questions?

TED HERNCANE – Thank you all.

COUNCIL PRESIDENT SLATER – Thank you. Councilman Lewis.

COUNCILMAN LEWIS – With that, if there's no more discussion, I'd like to make a motion that we suspend the rules requiring three readings, bringing Res. No. 6 – 2025 forward for a vote.

COUNCIL PRESIDENT SLATER – Seconded by Councilman Gregg. Roll call for suspension.

9 yes for suspension

<u>COUNCIL PRESIDENT SLATER</u> – And for passage.

9 yes for passage

COUNCIL PRESIDENT SLATER – Thank you, Madam Clerk. Res. No. 6 – 2025 has passed.

- 8. UNFINISHED BUSINESS
- 9. PETITIONS AND GENERAL COMMINCATIONS

10. BILLS, ACCOUNTS AND CLAIMS

LocaliQ Gannett Ohio - \$ 344.56 Publication of January Ordinances

US Bank Equip. Finance - payment March 4, 2025

\$ 127.00 – March Invoice for copier submitted for

COUNCIL PRESIDEN SLATER – Councilman Lewis.

COUNCILMAN LEWIS – I make a motion that we pay the outstanding bills.

COUNCIL PRESIDENT SLATER – Seconded by Councilman Gregg. Roll call.

9 yes to pay the bills

<u>COUNCIL PRESIDENT SLATER</u> – Thank you, Madam Clerk. The Clerk will pay the bills and charge them to their proper accounts.

11. REPORTS FROM CITY OFFICIALS

Auditor's Report - February 2025

COUNCIL PRESIDENT SLATER – Councilman Lewis.

COUNCILMAN LEWIS – I make a motion that we accept the Auditor's Report.

COUNCIL PRESIDENT SLATER – Seconded by Councilman Gregg. Roll call.

9 yes to accept the Auditor's Report

<u>COUNCIL PRESIDENT SLATER</u> – Thank you, Madam Clerk. The Auditor's Report has been accepted.

12. REPORTS OF COMMITTEES

<u>COUNCIL PRESIDENT SLATER</u> – Our next Work Session will be Monday, March 31, 2025, at 6:30 p.m. Council will be off the week of March 24, 2025.

13. RESOLUTIONS AND REQUESTS OF COUNCIL MEMBERS

- 14. CALL OF THE CALENDAR
- 15. THIRD READING ORDINANCES AND RESOLUTIONS
- 16. SECOND READING ORDINANCES AND RESOLUTIONS

COUNCIL PRESIDENT SLATER – Ord. No. 7 – 2025.

ORDINANCE NO. 7 – 2025

BY: HEALTH, WELFARE & BLDG. REGS. COMMITTEE

AN ORDINANCE to amend Ordinance No. 103 – 2024 pertaining to Chapter 1306 "International Property Maintenance Code" under Title One – "Building Codes" of Part Thirteen – Building Code of the Codified Ordinances of the City of Massillon, Ohio.

<u>COUNCIL PRESIDENT SLATER</u> – Councilwoman Cunningham.

COUNCILWOMAN CUNNINGHAM – Thank you, Mr. President. Second reading.

COUNCIL PRESIDENT SLATER – Ord. No. 7 – 2025 has received second reading. Ord. No. 8 - 2025.

ORDINANCE NO. 8 – 2025

BY: HEALTH, WELFARE & BLDG. REGS. COMMITTEE

AN ORDINANCE to amend Ordinance No. 103 – 2024 pertaining to Chapter 1306 "International Property Maintenance Code" under Title One – "Building Codes" of Part Thirteen – Building Code of the Codified Ordinances of the City of Massillon, Ohio.

COUNCIL PRESIDENT SLATER – Councilwoman Cunningham.

COUNCILWOMAN CUNNINGHAM – Thank you, Mr. President. Second reading.

<u>COUNCIL PRESIDENT SLATER</u> – Ord. No. 8 – 2025 has received first reading. Ord. No. 9 – 2025.

ORDINANCE NO. 9 – 2025

BY: HEALTH, WELFARE & BLDG. REGS. COMMITTEE

AN ORDINANCE to amend Ordinance No. 103 – 2024 pertaining to Chapter 1306 "International Property Maintenance Code" under Title One – "Building Codes" of Part Thirteen – Building Code of the Codified Ordinances of the City of Massillon, Ohio.

COUNCIL PRESIDENT SLATER – Councilwoman Cunningham.

COUNCILWOMAN CUNNINGHAM – Thank you, Mr. President. Second reading.

COUNCIL PRESIDENT SLATER – Ord. No. 9 – 2025 has received first reading. Ord. No. 10 – 2025.

ORDINANCE NO. 10 – 2025

BY: HEALTH, WELFARE & BLDG. REGS. COMMITTEE

AN ORDINANCE to amend Ordinance No. 103 – 2024 pertaining to Chapter 1306 "International Property Maintenance Code" under Title One – "Building Codes" of Part Thirteen – Building Code of the Codified Ordinances of the City of Massillon, Ohio.

COUNCIL PRESIDENT SLATER – Councilwoman Cunningham.

COUNCILWOMAN CUNNINGHAM – Thank you, Mr. President. Second reading.

17.	REMARKS OF DELEGATIONS AND CITIZENS TO MATTERS <u>NOT</u> ON THE AGENDA	
18.	ADJOURNMENT	
	COUNCIL PRESIDENT SLATER - Councilwoman Creamer.	
	<u>COUNCIL WOMAN CREAMER</u> – I make a motion to adjourn. <u>COUNCIL PRESIDENT SLATER</u> – Seconded by Councilwoman Harwig Smith. Roll call.	
	9 yes to adjourn	
	COUNCIL PRESIDENT SLATER - Meeting adjourned.	
	DIANE ROLLAND, COUNCIL CLERK	MIKE SLATER, PRESIDENT