

**IN THE COURT OF COMMON PLEAS  
SUMMIT COUNTY, OHIO**

STATE OF OHIO <i>ex. rel.</i>	)	CASE NO.:
MARCELLA GAYDOSH	)	
9250 Liberty Road	)	
Twinsburg, OH 44087	)	
	)	
Relator,	)	COMPLAINT FOR DECLARATORY
	)	JUDGMENT AND INJUNCTIVE
	)	RELIEF
vs.	)	
	)	
CITY OF TWINSBURG	)	
10075 Ravenna Rd,	)	
Twinsburg, OH 44087	)	
	)	
Respondent.	)	

Marcella Gaydosh (“Relator”), through undersigned counsel, sues the City of Twinsburg (“Twinsburg”) as a resident and taxpayer of Twinsburg under R.C. § 733.59 to restrain Twinsburg from misapplying funds to the Twinsburg Community Improvement Corporation (“Twinsburg CIC”), declare Ordinance 16-2013 that authorized the incorporation of the Twinsburg CIC to be an abuse of Twinsburg’s corporate powers under its Charter, and order Twinsburg to initiate the process to transfer the Twinsburg CIC’s real and personal property back to it and dissolve the Twinsburg CIC. Relator requests this relief in Count One.

Alternatively, if this Court finds Twinsburg Charter allows for the creation of a community improvement corporation, then Relator requests this Court under R.C. § 733.59 declare Twinsburg has abused its corporate powers by failing to properly delegate its authority to the Twinsburg CIC to act as its agent and to market Twinsburg’s real property under R.C. § 1724.10 and order Twinsburg to abide by R.C. § 1724.10 moving forward when attempting delegate authority to the Twinsburg CIC. Relator requests this relief in Count Two.

## **PARTIES**

1. Relator is a Twinsburg taxpayer and resides at 9250 Liberty Road, Twinsburg, OH.
2. Twinsburg is a chartered municipal corporation in Summit County, Ohio. Its city hall is at 10075 Ravenna Rd, Twinsburg, OH 44087. Mathew Vazzana is its Law Director.

## **JURISDICTION**

3. According to R.C. § 733.56, a city director of law may apply, in the name of the municipal corporation, to a court of competent jurisdiction for an order of injunction to restrain the misapplication of funds of the municipal corporation and to stop the abuse of its corporate powers.
4. According to R.C. § 733.59, if the law director fails – upon the written request of any taxpayer of the municipal corporation – to apply for the injunction asked for, then the taxpayer may institute suit in his own name, on behalf of the municipal corporation.
5. On December 9, 2024, Relator sent Director Vazzana a letter requesting he file an action enjoining Twinsburg from misapplying funds to the Twinsburg CIC and start the process of dissolving the CIC under R.C. § 733.56. **Ex. 1.** On January 17, 2025, Director Vazzana rejected Relator's request. **Ex. 2.** Thus, Relator now has standing under R.C. § 733.59 to bring this action on Twinsburg's behalf for Count One.
6. On April 2, 2025, Relator sent Director Vazzana a follow-up letter pointing out Twinsburg's ongoing abuse of corporate powers by allowing the Twinsburg CIC to act as its agent and market its real property without delegating such authority under R.C. § 1724.10 and asked Director Vazzana to file an action enjoining Twinsburg from misapplying funds to the Twinsburg CIC and stop the abuse of its corporate powers. **Ex. 3.** On May 8, 2025, Director Vazzana rejected Relator's request; therefore, Relator now has standing for Count Two. **Ex. 4.**

## **FACTS**

7. On May 15, 2013, Twinsburg Council passed Ordinance 16-2013, which authorized the Twinsburg mayor to create the Twinsburg CIC and file the articles of incorporation for it. **Ex. 5.**

It stated the following:

### **CITY OF TWINSBURG, OHIO**

#### **ORDINANCE 16-2013**

AN ORDINANCE CREATING THE TWINSBURG  
COMMUNITY IMPROVEMENT CORPORATION AND  
AUTHORIZING THE MAYOR TO FILE APPROPRIATE  
ARTICLES OF INCORPORATION WITH THE STATE  
OF OHIO

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**WHEREAS,** A Community Improvement Corporation (C.I.C.) is a non-profit organization which may be established through processes described at Chapter 1724 of the Ohio Revised Code for the purposes of advancing economic development; and

**WHEREAS,** the City of Twinsburg recognizes significant potential economic development benefits related to implementation of a local C.I.C.; and,

**WHEREAS,** the City Council of the City of Twinsburg has reviewed information related to the powers, organization and potential responsibilities of a C.I.C. and wishes to advance economic development opportunities utilizing such an entity; and,

**WHEREAS,** the City Council of the City of Twinsburg has reviewed draft Articles of Incorporation and draft By-laws necessary for the organization and operation of a C.I.C. and approves the same.

**NOW, THEREFORE, BE IT RESOLVED** by the Council of the City of Twinsburg, County of Summit and State of Ohio:

**SECTION I:** the Mayor is hereby authorized to create the Twinsburg Community Improvement Corporation and file appropriate Articles of Incorporation and related documents with the State of Ohio.

**SECTION II:** It is found and determined that all formal actions of this Council concerning and relating to the adoption of this Resolution were taken in an open meeting or meetings of this Council and any of its committees that resulted in such formal action, were in meetings open to the public and in full compliance with all legal requirements, including without limitation, those set forth in Section 121.22 of the Ohio Revised Code.

**SECTION III:** That this Ordinance shall take effect and be in force from and after the earliest period allowed by law.

PASSED: 5/14/13

APPROVED: 5/20/13

8. On July 1, 2013, the Twinsburg Mayor, Law Director, and Council President at the time (i.e., Katherine Procop, David Maistros, and Seth Rodin) filed articles of incorporation with the Ohio Secretary of State creating the Twinsburg CIC. **Ex. 6.** Article III stated “the corporation is formed for the sole purpose of advancing, encouraging, and promoting the industrial, economic, commercial, distribution, research and civic development of Twinsburg, Ohio.” Twinsburg Council never approved or ratified these articles of incorporation.

9. The Twinsburg CIC’s original Trustees consisted of simply Katherine Procop, David Maistros, and Seth Rodin. Later the Twinsburg CIC Board of Trustees was expanded to consist of: the Twinsburg Mayor, two members of Twinsburg Council appointed by the Mayor, a representative of the Twinsburg School District, and three residents of Twinsburg. The CIC Trustees appointed Twinsburg’s Director of Planning and Community Development – Larry Finch – to the position of Executive Director of the Twinsburg CIC.

10. Today, the Twinsburg CIC’s Executive Director is Rebecca Ziegler who is Larry Finch’s successor as Twinsburg’s Director of Planning and Community Development. Presently, the Twinsburg CIC’s Board of Trustees consist of the following people:

- Greg Rall, President
- Jeff Deeds, Resident Representative
- Kathi Powers, School District Representative
- Vacant, Resident Representative
- Kathi Procop, Resident Representative (former mayor of Twinsburg)
- Bill Furey, Vice-President
- Matt Cellura, Business Representative
- Sam Scaffide, Twinsburg Mayor
- Karen Labbe, Secretary/Treasurer

11. On January 28, 2014, Twinsburg Council passed Ordinance 153-2013, which provided starting capital of \$300,000 for the Twinsburg CIC earmarked for the “purposes of performing actions and responding to land assembly opportunities that might advance the purposes of the TCIC and support economic and social advancements for residents of the City of Twinsburg.”

**Ex. 7.**



12. Ordinance 153-2013 also provided the Twinsburg CIC with “an annual amount equal to fifty percent (50%) of the funds collected and received by the City pursuant to the Transient Guest Tax starting with year ending 2013 with such funds being utilized for the operational expenses of the TCIC.” *Id.*

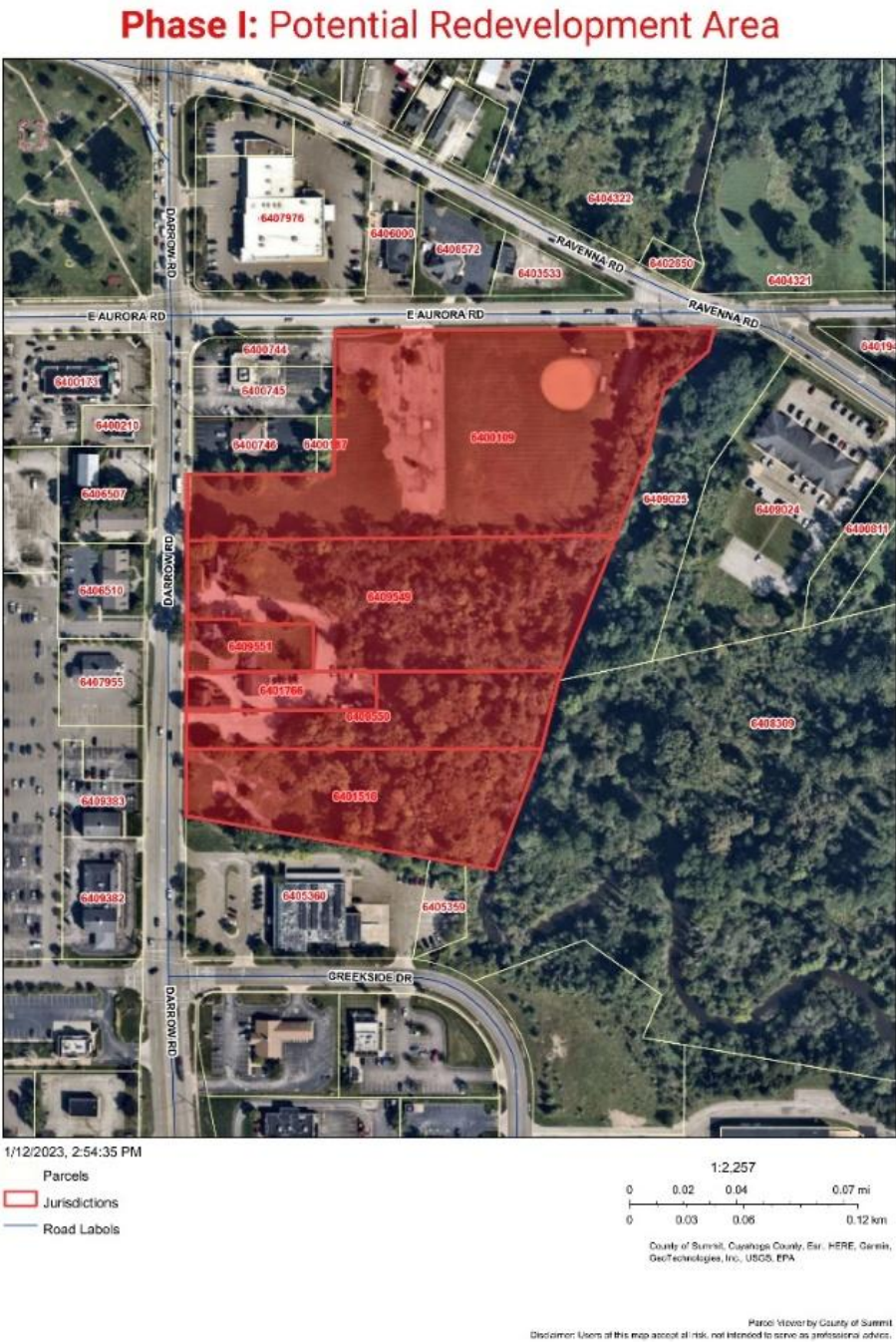
13. After passing Ordinance 153-2013, the Twinsburg Council never passed another ordinance designating the Twinsburg CIC as its agent, nor delegating it any additional authority. The only legislation Twinsburg Council ever passed again relating to the Twinsburg CIC is as follows:

- On May 13, 2014, Twinsburg Council passed Ordinance 38-2014 titled “An Ordinance Amending the Current Year Appropriations for the Various Revenue Account Established in Ordinance 19-2014, the Appropriation Ordinance of the City of Twinsburg for the Year 2014”, which provided for appropriation for previously approved \$300,000 funding for the Twinsburg CIC.
- On September 8, 2015, Twinsburg Council passed Resolution 110-2015, which authorized Twinsburg to lease space at 9833 Ravenna Road to the Twinsburg CIC,
- On December 10, 2019, Twinsburg Council passed Resolution 108-2019 in which it accepted an easement from the Twinsburg CIC for a sidewalk improvement project.

14. Based on the Twinsburg CIC’s Board of Trustees make-up (only two council persons) and Twinsburg Council’s failure to pass any further legislation governing the actions of the Twinsburg CIC, it was able to act without any legislative oversight or direction from Twinsburg Council. This allowed the Twinsburg Mayor to use it as a *quasi*-government entity to pursue actions outside the remit of Twinsburg’s corporate powers without legislative approval.

15. Immediately upon its incorporation the Twinsburg CIC started to pursue a “Downtown Redevelopment Plan” that hinged on selling the Twinsburg owned property at 8997 Darrow Rd, Twinsburg 44087 – parcel 6400109 – which was formerly Twinsburg’s first school (the “Old School property”) to a third-party developer.

16. The Twinsburg CIC’s effort also included attempts to purchase properties adjacent to the Old School property, so it could sell this newly acquired property along with Twinsburg’s Old School property to that developer in a package deal. On its website, the Twinsburg CIC describes this area as the “Potential Redevelopment Area” and provides a map stating which parcels belong to it as follows:



17. At Twinsburg CIC's incorporation, the parcels immediately to the south of the Old School property - parcels 6409549, 6409551, 6401766, and 6409550 – were owned by Twinsburg Properties, LLC which is a limited liability company owned by Regis Brown. The southernmost parcel – 6401516 – was owned by Herbert and Marilyn Holley. At times, the Twinsburg CIC also pursued opportunities to purchase properties immediately to the west of the Old School property, such as parcel 6400746 owned by Caldwell Banker and parcels 6400744, 6400745 owned by Chase bank. It even attempted to engage in negotiations to purchase parcel 6405360 from the United States postal service, which is south of the Holley's parcel.

18. Not once did the Twinsburg CIC present this plan of action to Twinsburg Council for approval, nor did it ever get authority to market or sell the Old School Property. Nevertheless, its efforts to pursue the Downtown Redevelopment Plan can be summarized as follows:

- **September 2013 to December 2014** – the Twinsburg CIC sought to hire Fairmont Properties development firm as its agent to purchase the properties to the south of the Old School Property and to provide it with a development plan for the area. It would then commit to selling the Old School Property to Fairmont Properties along with any other properties purchased. In June 2014, Fairmont Properties signed a letter of intent with the Twinsburg CIC on those terms, but Fairmont Properties terminated it in December 2014 after it determined its plan was not economically viable. ***The Twinsburg CIC never sought Twinsburg Council pre-authorization to enter into this letter of intent, nor ratification of the letter of intent.***
- **January 2015 to December 2016** – in January 2015 the Twinsburg CIC switched its focus to acquiring options on all the properties in the Potential Redevelopment Area and hired CRESCO Real Estate as brokers on a monthly retainer for that purpose. In June 2015, the Twinsburg CIC changed their strategy to entering into purchase agreements for properties south of the Old School Property that could be assigned to a future developer, who would purchase the Old School Property along with the other properties. This effort culminated on August 4, 2016, when the Twinsburg CIC purchased Herbert and Marilyn Holley's southernmost parcel no. 6401516 for \$485,000 using Twinsburg provided funds. ***The Twinsburg CIC never sought Twinsburg Council pre-authorization to enter into these purchase agreements, nor ratification after-the-fact. Further, the Twinsburg CIC's meeting minutes did not reflect its purchase of the Holley property ever took place.***

- **January 2017 to August 2017** – the Twinsburg CIC then started to interview three development firms – OHM Advisors, Montrose Group, and Urban Decision Group – to conduct a market study of the Potential Redevelopment Area. These interviews culminated in the Twinsburg CIC deciding that it would be more important to acquire the rest of the property in the Potential Redevelopment Area first, rather than spend money and time on a market study.
- **September 2017 to September 2018** – the Twinsburg CIC engaged in efforts to purchase property in and around the Potential Redevelopment Area, which are not discussed in meeting minutes due to executive session. It's board members also met with potential partner developers such as Liberty Development Company to discuss potential development of the Old School Property, which did not lead to anything.
- **October 2018 to February 2020** – the Twinsburg CIC changed strategy and began discussing creating a Downtown Redevelopment District, which would allow property taxes within the district to be diverted to redevelopment purposes. The Twinsburg CIC tasked Director Finch to give presentations on it to the Twinsburg City Council and Planning Commission. Director Finch then created a "Downtown Redevelopment Districts Preliminary Report" and asked the Twinsburg CIC to comment on it. Director Finch provided the report to Twinsburg Council who then referred the report to the Twinsburg Planning Commission for consideration and recommendation back to Council. While the Planning Commission considered the report, Director Finch discussed how the Downtown Redevelopment Districts would be governed. The Twinsburg CIC stopped work on the Downtown Redevelopment Districts planning once Covid-19 pandemic started.
- **March 2020 to September 2020** – the Twinsburg CIC did not formally engage in any activities on the Downtown Redevelopment Plan due to the Covid-19 pandemic.
- **November 2020 to October 2022** – the Twinsburg CIC started a request for qualifications process (RFQ) to identify developers for the Potential Redevelopment Area who were interested in residential development. It also resumed its work on creating a Downtown Redevelopment District. The developers Heritage Land Development and Bo Knez Homes responded to the Twinsburg CIC's RFQ. Each presented their vision for residential development of the Potential Redevelopment Area to the Twinsburg CIC and the Twinsburg CIC chose Heritage Land Development. The Twinsburg CIC then signed a memorandum of understanding with Heritage Land Development, who then started to attempt to acquire the remaining properties in the Potential Redevelopment Area from Regis Brown. Yet, in October 2022, the Twinsburg CIC decided to change direction and not pursue the Heritage Land Development residential development plan and instead create a Tax Increment Financing (TIF) district in the area to finance development. ***The Twinsburg CIC never sought Twinsburg Council pre-authorization to enter into a memorandum of understanding with Heritage Land Development, nor ratification after-the-fact.***

- **November 2022 to present day** – the new Twinsburg CIC Executive Director Rebecca Ziegler took the lead in presenting the TIF district idea to Twinsburg Council and securing agreement for it from the Twinsburg Board of Education. Starting in July 2024, the Twinsburg CIC discussed purchasing the property immediately to the west of the Potential Redevelopment Area – parcel no. 6400746 – for \$500,000.

19. Thus, based on an ordinance passed in 2014, the Twinsburg CIC has engaged in a decade-long effort using Twinsburg's funds towards an unapproved Downtown Redevelopment Plan and the marketing of the Old School Property. Its stated legal authority for doing so is R.C. §1724.1 through R.C. § 1724.12, which allows a municipal corporation to create and delegate authority to community improvement corporation using the following procedures:

- R.C. § 1724.1(B) states “[a] corporation not for profit may be organized in the manner provided in [R.C. § 1702.04], and as provided in [R.C. § 1724.01 to 1724.09], for the purposes of: (1) [a]dvancing, encouraging, and promoting the industrial, economic, commercial, and civic development of a community or area...”
- R.C. § 1724.2(A) a community improvement corporation shall have the following powers:
  - (1) borrow money;
  - (2) make loans;
  - (3) purchase, receive, hold, manage, lease, lease-purchase, or otherwise acquire and to sell convey, transfer, lease, sublease, or otherwise dispose of real and personal property;
  - (4) acquire the good will, business, rights, real and personal property, and other assets of any persons, firms, partnerships, corporations;
  - (5) acquire, own, hold, sell, assign, transfer, mortgage, or pledge stocks, shares, bonds, notes, or other securities;
  - (6) mortgage, pledge, or otherwise encumber any property acquired;
  - (7) become a member of a corporation;
  - (8) serve as an agent for grant applications and for administration of grants;
  - (9) act as a county land reutilization corporation;
  - (10) engage in code enforcement and nuisance abatement;
  - (11) charge fees or exchange in-kind goods or services for services rendered to political subdivisions and other persons;
  - (12) employ and provide compensation for an executive director who shall manage the operations of the corporation;
  - (13) purchase tax certificates;
  - (14) be assigned a mortgage on real property;
  - (15) act as a portal operator for purposes of an OhioInvests offering; and
  - (16) do all acts and things necessary to carry out its R.C. § 1724.1(B) purposes.

- R.C. § 1724.4 provides that a community improvement corporation is created when its articles of incorporation are filed with the Ohio Secretary of State and then approved by the Ohio Attorney General.
- R.C. § 1724.10 provides that a community improvement corporation could be delegated additional powers above those listed in R.C. § 1724.2(A) via the following process:
  - Subsection (A) states, “a community improvement corporation may be designated (1) a ... municipal corporation[] ... as the agency of ... such political subdivision for the industrial, commercial, distribution, and research development in such political subdivision when the legislative authority of such political subdivision has determined that the policy of the political subdivision is to promote the health, safety, morals, and general welfare of its inhabitants through the designation of a community improvement corporation as such agency.”
  - Subsection (B) states, “[d]esignations under this section shall be made by the legislative authority of the political subdivision by resolution or ordinance” and “[a]ny political subdivision which has designated a community improvement corporation as such agency under this section may enter into an agreement with [the municipal corporation] to provide any one or more of the following [services]:
    - (1) That the community improvement corporation shall prepare a plan for the political subdivision of industrial, commercial, distribution, and research development, or of reclamation, rehabilitation, and reutilization of vacant, abandoned, tax-foreclosed, or other real property, and such plan shall provide therein the extent to which the community improvement corporation shall participate as the agency of the political subdivision in carrying out such plan. Such plan shall be confirmed by the legislative authority of the political subdivision. A community improvement corporation may insure mortgage payments required by a first mortgage on any industrial, economic, commercial, or civic property for which funds have been loaned by any person, corporation, bank, or financial or lending institution upon such terms and conditions as the community improvement corporation may prescribe. A community improvement corporation may incur debt, mortgage its property acquired under this section or otherwise, and issue its obligations, for the purpose of acquiring, constructing, improving, and equipping buildings, structures, and other properties, and acquiring sites therefor, for lease or sale by the community improvement corporation in order to carry out its participation in such plan.... Any agreement entered into under this section may be amended or supplemented from time to time by the parties thereto. An economic development corporation designated as the agency of a political subdivision under this section shall promote and encourage the establishment and growth in such subdivision of industrial, commercial, distribution, and research facilities.

- (2) Authorization for the community improvement corporation to sell or to lease any real property or interests in real property owned by the political subdivision determined from time to time by the legislative authority thereof not to be required by such political subdivision for its purposes, for uses determined by the legislative authority as those that will promote the welfare of the people of the political subdivision, stabilize the economy, provide employment, assist in the development of industrial, commercial, distribution, and research activities to the benefit of the people of the political subdivision, will provide additional opportunities for their gainful employment, or will promote the reclamation, rehabilitation, and reutilization of vacant, abandoned, tax-foreclosed, or other real property within the subdivision. The legislative authority shall specify the consideration for such sale or lease and any other terms thereof. Any determinations made by the legislative authority under this division shall be conclusive. The community improvement corporation acting through its officers and on behalf and as agent of the political subdivision shall execute the necessary instruments, including deeds conveying the title of the political subdivision or leases, to accomplish such sale or lease. Such conveyance or lease shall be made without advertising and receipt of bids. A copy of such agreement shall be recorded in the office of the county recorder of any county in which real property or interests in real property to be sold or leased are situated prior to the recording of a deed or lease executed pursuant to such agreement.

20. Thus, a community improvement corporation does not automatically have the power to develop and execute a development plan on behalf of a municipality as its agent, nor sell municipal owned property on the municipalities behalf under R.C. § 1724.2(A). Instead, it must use the procedures outlined in R.C. § 1724.10(A) and R.C. § 1724.10(B)(1)&(2) to do so. Yet, the Twinsburg CIC has engaged in a decade-long effort to pursue an unapproved Downtown Redevelopment Plan where it would purchase properties surrounding the Old School and then market the Old School Property with those adjoining properties to a third-party developer without abiding by any of the legislative approval procedures outlined in R.C. § 1724.10(A) and R.C. § 1724.10(B)(1)&(2).

21. Further, the Twinsburg CIC's actions overlapped with and usurped the powers of Twinsburg's executive departments created and governed by the Twinsburg Charter.

22. Section 7.08 of the Twinsburg Charter states the Twinsburg Planning Commission “*shall have all powers*” to consider the following matters:

1. Land use and other zoning regulations;
2. Location, or vacation of public buildings, thoroughfares, public ways and publicly owned open spaces;
3. Public and private utilities; planning of developments and sub-division of land;
4. Comprehensive and Master Planning;
5. Such other powers as are now or may hereafter be conferred upon it by Council.

23. Twinsburg Code of Ordinances § 1103.05 expounds on Section 7.08 by providing the Twinsburg Planning Commission with this additional power:

- (a) To adopt and recommend to Council a Comprehensive Plan for the physical development of the City or to adopt and recommend the redevelopment of any area or district through the preparation of a Business Area Plan which shall include the location of streets and other public ways, parks, playgrounds, recreation areas and other public places....

24. Finally, Section 7.08 states, “[a]ll matters before Council pertaining to zoning or land use shall be referred to the Planning Commission for report and recommendation.”

25. The Twinsburg Charter does not mention, nor make room for the Twinsburg CIC to be involved in development planning activities on behalf of Twinsburg. Instead, it states the Twinsburg Planning Commission “shall have all powers” related to land use planning in Twinsburg.

26. In addition, Twinsburg’s own ordinances provide the Twinsburg Planning Commission with explicit authority to recommend and adopt a “Comprehensive Plan for the physical development of the City or to adopt and recommend the redevelopment of any area or district through the preparation of a Business Area Plan...”



27. Twinsburg Charter Section 7.11 creates the Department of Community Planning and Economic Development to administer and execute the Business Area Plans created by the Twinsburg Planning Commission and approved by Twinsburg city council by stating:

The Department of Community Planning and Economic Development shall consist of a Director of Community Planning and Economic Development, the City Planner, and other personnel as determined appropriate by Council. The Department of Community Planning and Development shall administer the Comprehensive Plan, Zoning Code, and Subdivision Regulations. The Director shall be appointed by the Mayor and shall review and coordinate all planning and development activities in all divisions and departments of the City...

28. The Twinsburg Charter specifically gives the department's Director the authority to coordinate all planning and development activities in "all divisions and departments of the City" and does not mention the Twinsburg CIC, which is not a Twinsburg division or department. Instead, the Twinsburg CIC is third-party non-profit corporation that is legally distinct from Twinsburg, thus the director has no legal authority to review and coordinate its activities. This shows how the Twinsburg Charter does not account for the involvement of a CIC in Twinsburg's development planning processes.

29. The Director may be the Executive Director of the Twinsburg CIC, but the Twinsburg CIC's Board of Trustees are not members of the Department of Community Planning and Economic Development, nor the Twinsburg Planning Commission. Thus, the Twinsburg CIC is a vehicle for unelected people like former mayor Katherine Procop to exercise influence over land use in Twinsburg without authority from the Twinsburg Charter.

30. The Executive Director of the Department of Community Planning and Economic Development is the person under the Twinsburg Charter who should be acting on Twinsburg's behalf to execute a Twinsburg Planning Commission Business Area Plan to redevelop Twinsburg's downtown area. Instead, the Twinsburg CIC has usurped that role to make its own redevelopment plan and execute it in conflict with the Twinsburg Charter.

**Count One – R.C. § 733.59 Declaratory Judgment and Injunctive Relief**

31. All foregoing Paragraphs are incorporated as if set forth fully herein.

32. The Twinsburg Charter does not allow for the creation of a CIC because the Charter vests such development planning and execution authority exclusively in the Twinsburg Planning Commission and Department of Community Planning and Economic Development. Thus, R.C. §1724 is a general state law that conflicts with Twinsburg’s charter.

33. Article XVIII, Section 3 of the Ohio Constitution provides that “municipalities shall have authority to exercise all powers of local self-government and to adopt and enforce within their limits such local police, sanitary and other similar regulations, as are not in conflict with general laws.” “In the event of an express conflict with parallel state law, a city charter prevails on matters of local self-government.” *State ex rel. Int’l Ass’n of Fire Fighters v. Sakacs*, 172 Ohio St. 3d 462, 469 (2023).

34. The Twinsburg Charter prevails over the state law Twinsburg CIC relies on to exist; therefore, Twinsburg violated the Twinsburg Charter and abused its corporate powers by creating the Twinsburg CIC. Further, Twinsburg is misapplying its funds by continually contributing to the Twinsburg CIC over \$100,000 a year in tax revenue.

Wherefore, Relator respectfully request that this Court render a judgment in their favor and against Defendant Twinsburg under the authority R.C. § 733.59 as follows:

- a. Declaratory judgment decreeing that Twinsburg abused its corporate powers by passing Ordinance No. 16-2013 giving its mayor authority to create the Twinsburg CIC;
- b. Injunctive relief restraining Twinsburg from misapplying any further funds to the Twinsburg CIC;
- c. Injunctive relief ordering Twinsburg to dissolve the Twinsburg CIC and return its personal and real property to Twinsburg’s ownership;
- d. Award reasonable attorney’s fees pursuant to R.C. § 733.59 or any other law; and
- e. An award of costs, interest, and such further relief as this honorable Court deems equitable and necessary to compensate Relator.

**Count Two – R.C. § 733.59 Declaratory Judgment and Injunctive Relief**

35. All foregoing Paragraphs are incorporated as if set forth fully herein.

36. R.C. § 1724.10(A) and R.C. § 1724.10(B)(1)&(2) requires a community improvement corporations to have specific legislative approval to act as an agent of a municipality to promote industrial, commercial, distribution, and research development on its behalf and to market municipal property.

37. First, a municipality must designate the community improvement corporation to be its agent for industrial, commercial, distribution, and research development via an ordinance or resolution. Second, a municipality must then enter into a written agreement with that community improvement corporation whereby it contracts with the community improvement corporation to either prepare an industrial, commercial, distribution, and research development plan for the municipality and/or sell or lease municipal property. Third, the municipality's legislative authority must then either approve that development plan or provide the community improvement corporation with authority to sell or lease its real property.

38. Only after those steps are taken can a community improvement corporation act on behalf of a municipality. If the steps provided in Ohio Revised Code § 1724.10 are not followed by a municipal corporation, then the municipal corporation would be unlawfully delegating its legislative power to the community improvement corporation. *State ex rel. Burton v. Greater Portsmouth Growth Corp.*, 7 Ohio St. 2d 34, 40 (1966).

39. Twinsburg has not designated the Twinsburg CIC as its agent, nor has it ever entered into an agreement with the Twinsburg CIC to have it prepare a development plan or sell its real property on its behalf. Finally, the Twinsburg CIC has never presented a development plan for approval to Twinsburg, nor asked permission to market Twinsburg real property.

40. Yet, the Twinsburg CIC has engaged in a decades-long effort to prepare and execute development plans for the redevelopment of the Twinsburg downtown without being a designated agent of Twinsburg or with any legislative approval. Further it has marketed Twinsburg's Old School property for years and has tried to sell it multiple times to third parties. Thus, Twinsburg has abused its corporate powers by unlawfully delegating such powers to the Twinsburg CIC.

Wherefore, Relator respectfully request that this Court render a judgment in their favor and against Defendant Twinsburg under the authority R.C. § 733.59 as follows:

- a. Declaratory judgment decreeing that Twinsburg abused its corporate powers by unlawfully delegating its powers to prepare development plans and market its real property to the Twinsburg CIC;
- b. Injunctive relief restraining Twinsburg from allowing the Twinsburg CIC to prepare downtown development plans and market the Old School property without following R.C. § 1724.10(A) and R.C. § 1724.10(B)(1)&(2) first;
- c. Award reasonable attorney's fees pursuant to R.C. § 733.59 or any other law; and
- d. An award of costs, interest, and such further relief as this honorable Court deems equitable and necessary to compensate Relator.

Respectfully submitted,

/s/ Logan Trombley  
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# MENDENHALL

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Sent by certified mail

12-9-2024

Matt Vazzana, City of Twinsburg Director of Law  
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mvazzana@twinsburg.oh.us

Re: R.C. § 733.56 Law Director's Duty to Restrain Misapplication of Twinsburg's Funds to the Twinsburg Community Improvement Corporation and Abuse of Twinsburg's Corporate Powers

Dear Mr. Vazzana,

I write on behalf of Twinsburg resident and taxpayer Sally Gaydosh who desires to bring to your attention the ongoing abuse of Twinsburg's corporate powers in maintaining the existence of the Twinsburg Community Improvement Corporation (the "Twinsburg CIC") in violation of the Twinsburg Charter and its yearly misapplication of funds when it contributes its entire annual lodging tax revenue and cell tower lease proceeds to the Twinsburg CIC.

This letter will provide the legal basis by which Ms. Gaydosh contends the Twinsburg CIC violates the Twinsburg Charter and is thus an abuse of Twinsburg's corporate powers. If you agree with the below analysis, then you as Twinsburg Law Director are obligated under R.C. § 733.56 to "apply, in the name of the municipal corporation, to a court of competent jurisdiction for an order of injunction to restrain the misapplication of funds of the municipal corporation, [and] the abuse of its corporate powers..."

If you disagree with the below analysis, please provide a response letter stating so. Ms. Gaydosh would then invoke R.C. § 733.59, which states, if the "city director of law fails, upon the written request of any taxpayer of the municipal corporation, to make any application provided for in sections 733.56 to 733.58 of the Revised Code, the taxpayer may institute suit in his own name, on behalf of the municipal corporation." Please respond within two-weeks of receiving this letter.



190 North Union Street, Suite 201, Akron, OH 44304.

Tavia Galonski, Summit County Clerk of Courts

## 1. Facts

On May 15, 2013, Twinsburg Council passed Ordinance 16-2013, which added § 121.05 titled “Community Improvement Corporation” to the Twinsburg Code of Ordinances stating:

The Mayor is hereby authorized to create the Twinsburg Community Improvement Corporation and file appropriate Articles of Incorporation and related documents with the State of Ohio.

On July 1, 2013, the Twinsburg Mayor, Law Director, and Council President at the time (i.e., Katherine Procop, David Maistros, and Seth Rodin) filed Articles of Incorporation with the Ohio Secretary of State creating the Twinsburg CIC. According to Article IV of these Articles of Incorporation the Twinsburg CIC was “formed for the sole purpose of advancing, encouraging, and promoting the industrial, economic, commercial, distribution, research and civic development of Twinsburg, Ohio.” Its original Trustees consisted of simply Katherine Procop, David Maistros, and Seth Rodin. Later the Twinsburg CIC Board of Trustees was expanded to consist of: Twinsburg Mayor, two members of Twinsburg Council appointed by the Mayor, a representative of the Twinsburg School District, and three residents of Twinsburg. The CIC Trustees appointed Twinsburg’s Director of Planning and Community Development – Larry Finch – to the position of Executive Director of the Twinsburg CIC. His successor Rebecca Ziegler in the department is presently Twinsburg CIC Executive Director.

Upon its inception as a 501c(3) non-profit organization, Twinsburg Council contributed \$388,938 to the Twinsburg CIC and every year thereafter directed between \$90,000 and \$105,000 every year to it from Twinsburg’s revenue fund derived from transient bed tax and lease of lands for cell towers to it. According to the Twinsburg CIC’s most recent financial statement, by the end of 2023, the Twinsburg CIC had \$239,833 cash on hand and \$875,078 worth of real property described as follows:

- 8949 Darrow Road, Twinsburg, Ohio 44087
- 2573 East Aurora Road, Twinsburg, Ohio 44087, and
- 2593 East Aurora Road, Twinsburg, Ohio 44087 (two parcels).

The Twinsburg CIC has publicly stated it is working on a downtown redevelopment plan, but nothing to date has formally been proposed. Further, it purchased properties on E Aurora Rd and demolished the homes on them to turn them into a pocket park.

**190 North Union Street, Suite 201, Akron, OH 44304.**

## 2. Law and Analysis

Community improvement corporations are governed by Ohio Revised Code § 1724.10, which allows a municipal corporation to create a community improvement corporation as follows:

(A) A community improvement corporation may be designated (1) by ... one or more municipal corporations ... as the agency of each such political subdivision for the industrial, commercial, distribution, and research development in such political subdivision when the legislative authority of such political subdivision has determined that the policy of the political subdivision is to promote the health, safety, morals, and general welfare of its inhabitants through the designation of a community improvement corporation as such agency.

Under Ohio Revised Code § 1724.10(B)(1), a municipal corporation may enter into an agreement with a CIC to “prepare a plan for the [city] of industrial, commercial, distribution, and research development, ... and such plan shall provide therein the extent to which the [CIC] shall participate as the agency of the political subdivision in carrying out such plan.” This plan must be “confirmed by the legislative authority of the political subdivision.” Thus, under state law the Twinsburg CIC has authority to prepare development plans on behalf of a Twinsburg, which need only be confirmed by Twinsburg Council (i.e. legislative authority of Twinsburg).

This contradicts the Twinsburg Charter because Section 7.08 of the Twinsburg Charter states the Twinsburg Planning Commission “*shall have all powers*” to consider the following matters:

1. Land use and other zoning regulations;
2. Location, or vacation of public buildings, thoroughfares, public ways and publicly owned open spaces;
3. Public and private utilities; planning of developments and sub-division of land;
4. Comprehensive and Master Planning;
5. Such other powers as are now or may hereafter be conferred upon it by Council.

Twinsburg Code of Ordinances § 1103.05 expounds on Section 7.08 by providing the Twinsburg Planning Commission with this additional power:

- (a) To adopt and recommend to Council a Comprehensive Plan for the physical development of the City or to adopt and recommend the redevelopment of any area or district through the preparation of a Business Area Plan which shall include the location of streets and other public ways, parks, playgrounds, recreation areas and other public places....

Finally, Section 7.08 states, “[a]ll matters before Council pertaining to zoning or land use shall be referred to the Planning Commission for report and recommendation.”

**190 North Union Street, Suite 201, Akron, OH 44304.**

The Twinsburg Charter does not mention, nor make room for a Twinsburg CIC to be involved in any development planning for the city. Yet, R.C. § 1724.10(B)(1) not only allows the Twinsburg CIC to engage development planning on behalf of Twinsburg, but also bypasses the Twinsburg Planning Commission in getting its development plans approved since it states Twinsburg CIC's development plans need only be approved by Twinsburg's legislative authority (i.e., Twinsburg Council).

Further, the creation of a Twinsburg CIC not only bypasses the Twinsburg Planning Commission in development planning, but also excludes the Twinsburg Charter created Department of Community Planning and Economic Development. Twinsburg Charter Section 7.11 states:

The Department of Community Planning and Economic Development shall consist of a Director of Community Planning and Economic Development, the City Planner, and other personnel as determined appropriate by Council. The Department of Community Planning and Development shall administer the Comprehensive Plan, Zoning Code, and Subdivision Regulations. The Director shall be appointed by the Mayor and shall review and coordinate all planning and development activities in all divisions and departments of the City...

Again, the Twinsburg Charter makes no reference to a Twinsburg CIC and vests authority to “review and coordinate all planning and development activities in all divisions and departments of the City” with the Department of Community Planning and Economic Development. The Twinsburg CIC is not a division or department of Twinsburg, but rather an independent non-profit corporation whose Board of Trustees does not include any members of the department. Thus, the Twinsburg CIC bypasses another body created by the Twinsburg Charter in charge of development planning and activities.

Article XVIII, Section 3 of the Ohio Constitution provides that “municipalities shall have authority to exercise all powers of local self-government and to adopt and enforce within their limits such local police, sanitary and other similar regulations, as are not in conflict with general laws.” “In the event of an express conflict with parallel state law, a city charter prevails on matters of local self-government.” *State ex rel. Int'l Ass'n of Fire Fighters v. Sakacs*, 172 Ohio St. 3d 462, 469 (2023). Courts must “give effect to all separate [charter] provisions and to harmonize them with statutory provisions whenever possible.” *State ex rel. Murray v. Scioto Cty. Bd. of Elections*, Ohio St. 3d 280, 285 (2010).



When Twinsburg adopted Ordinance 16-2013 it relied solely on Ohio Revised Code § 1724.10 to govern the Twinsburg CIC and its legal relationship to Twinsburg. Since R.C. § 1724.10 allows the Twinsburg CIC to bypass and cut out two Charter created bodies (i.e., the Planning Commission and Department of Community Planning and Economic Development) tasked with creating, reviewing, coordinating, approving, and recommending development plans – it expressly conflicts with the Twinsburg Charter. Where the Twinsburg Charter expressly conflicts with parallel state law in matters of local self-government – the Twinsburg Charter prevails. Thus, Twinsburg abused its corporate powers by passing Ordinance 16-2013 because it conflicts the Twinsburg Charter. Further, Twinsburg is continuously misapplying funds when it donates monies to the Twinsburg CIC every year because the Twinsburg CIC is an *ultra vires* legal entity that Twinsburg had no legal authority to create in the first place.

Thus, on behalf of Ms. Gaydosh, this law office respectfully requests your department conduct a review of the legality of the Twinsburg CIC. If you agree with our analysis and find that it was illegally created, then you have a duty as Law Director to seek a declaratory judgment in Summit County Court of Common Pleas asking that court to find Twinsburg abused its corporate powers by creating it. If that court agrees, then Twinsburg must dissolve the Twinsburg CIC and transfer its monies and property back to Twinsburg. If you decide not to take this necessary course of action, then Ms. Gaydosh intends to file a declaratory judgment action herself on behalf of Twinsburg and seek attorney fees against Twinsburg if successful.

Sincerely,

Warner Mendenhall

**190 North Union Street, Suite 201, Akron, OH 44304.**

*Tavia Galonski, Summit County Clerk of Courts*



January 17, 2025

*Via Electronic Mail*

Mr. Warner Mendenhall, Esq.  
Mendenhall Law Group  
190 North Union Street, Suite 201  
Akron, Ohio 44304  
warner@warnermendenhall.com

Dear Mr. Mendenhall:

As you know, I serve as the Law Director for the City of Twinsburg. I am in receipt of the December 9, 2024 demand letter that you sent related to the taxpayer's suit you intend to bring on behalf of Ms. Sally Gaydosh if the City does not, as you argue, cease in its "ongoing abuse of Twinsburg's corporate powers" - specifically as to the City's contribution of annual lodging tax revenue and cell tower lease proceeds to the Twinsburg Community Improvement Corporation ("CIC").

Fundamentally, your assertions that the CIC was formed illegally are simply incorrect and not supported by the relevant Ohio law or any reasonable interpretation of the Twinsburg Charter. The response below will clarify some confusions and inaccuracies upon which your taxpayer's suit demand letter is premised. Also, this response serves to demonstrate the flaws in your legal analysis and related position as to the threatened taxpayer's suit.

### **1. Agreement of the Facts**

Let's start with what appears to be some agreement between us. The Twinsburg CIC was created in 2013 by virtue of Twinsburg Ordinance 121.05 which was passed by Twinsburg City Council on May 15, 2013 via Ordinance No. 16-2013. The CIC has been designated as a 501(c)(3) non-profit organization under the Internal Revenue Code. Moreover, we both agree that on July 1, 2013, the CIC's Articles of Incorporation were duly filed with the Ohio Secretary of State by the Twinsburg Mayor, Twinsburg Law Director, and the Twinsburg City Council President. Finally, we both agree that Twinsburg's annual lodging tax is contributed directly to the CIC.

However, your contention that the City contributes all of its annual lodging, or bed tax, revenue to the CIC is incorrect. As evidenced by Twinsburg Ordinance No. 153-2013, only 50% of the bed tax funds annually collected are provided by the City to the CIC, not the full 100% as you contend. (See Exhibit A attached.) Similarly, your contention that Twinsburg cell tower lease proceeds are contributed directly to the CIC is incorrect. Indeed, no Twinsburg cell tower lease proceeds have been contributed to the CIC.

Your only remaining contention is that the CIC was created improperly under relevant Ohio law and the Twinsburg Charter. For the reasons stated below, it is demonstrably clear that the CIC was created properly in accordance with relevant Ohio law and the Twinsburg Charter.

## 2. No Basis for Taxpayer Lawsuit

You contend that the CIC was not legally created and violates the Twinsburg Charter. But you do not further expound on this position. Your only mention of the Charter is to state that it “does not mention, nor make room for a Twinsburg CIC to be involved in any development planning for the city.” Contrary to your assertion, the Twinsburg Charter explicitly provides the authorization for the City to establish a CIC under Chapter 1724 of the Ohio Revised Code.

The Charter states in Article II, Section 2 the following regarding the authority and powers the City and City Council may exercise (emphasis added):

The City shall have **all the powers, general or special, governmental or proprietary**, that may now or hereafter lawfully be **possessed or exercised by municipal corporations under the Constitution and general laws of the State of Ohio**. The powers of this City shall be exercised in the manner prescribed in this Charter, or, to the extent that the manner is not prescribed herein, in such manner as the Council may determine. The powers of the City may also be exercised, except if a contrary intent or implication appears in this Charter or in the enactments of the Council, in such manner as may now or hereafter be **provided by the general laws of the State of Ohio**.

Here, a charter municipality such as Twinsburg explicitly has granted itself the ability to take advantage of the authorization provided in the Ohio Constitution, Article VIII, Section 13, and R.C. Chapter 1724 to incorporate a non-profit community improvement corporation to foster economic development. Under Article II, Section 2 of the Twinsburg Charter, the City is explicitly allowed to take advantage of “general laws of the State of Ohio” that authorize the creation of economic development entities. That is precisely what Twinsburg has done with the creation of the CIC.

If your claim is that the Twinsburg Mayor, Twinsburg Law Director and Twinsburg City Council President cannot create a non-profit, that position also is incorrect. To create a non-profit organization in Ohio, an incorporator must file the Articles of Incorporation pursuant to R.C. 1702 generally. “Incorporator” is defined as the “person who signed the original articles of incorporation.” R.C. 1702.01(D). “Person” in this sense “includes, but is not limited to, a nonprofit corporation, a business corporation, a partnership, an unincorporated society or association, and two or more persons sharing a joint or common interest.” R.C. 1702.01(I). Although the definition of “person” is expansive and a non-exhaustive list, articles of incorporation are signed by named persons on behalf of a corporation. The establishment of a nonprofit corporate entity would include the step of a resolution or similar approval authorizing certain individuals to sign as the incorporators. This is precisely what Twinsburg Ordinance No. 16-2013 was enacted to do: authorize the Mayor of Twinsburg to create the CIC and file appropriate Articles of Incorporation.



Most importantly on this point, you cite to zero legal authority – caselaw, statutory, or otherwise – that would support your contention that the mayor cannot act as an “incorporator” (and by extension that Twinsburg Ordinance No. 16-2013 is unlawful). I also find no such authority – again, caselaw, statutory, or otherwise – to support your contention. Simply put, there is nothing under Ohio law that would prohibit a city mayor from serving as incorporator of a non-profit community improvement corporation entity.

Now, let’s focus on what Ohio law does say on this topic. When a decision made by a political entity is discretionary, there can be no abuse of its corporate powers. *State ex rel. Cahill v. Village of Madison*, 2018-Ohio-1449, 110 N.E.3d 597, ¶ 17 (11th Dist.). Unless there is fraud or gross abuse of discretion, “a taxpayer’s suit cannot be ‘used to control or interfere with the discretion of a municipal board.’” *Cincinnati ex rel. Ritter v. Cincinnati Reds, L.L.C.*, 150 Ohio App.3d 728, 2002-Ohio-7078, 782 N.E.2d 1225, ¶ 40 (1st Dist.), quoting 18 McQuillin, *Municipal Corporations* (3d Ed. 1993), Section 52.21, 46. This is especially so when a taxpayer’s suit seeks to abrogate a contract outside of the statute of limitations set by the General Assembly. *Id.* Ms. Gaydosh’s taxpayer’s suit demand claims that the City abused its corporate powers and seeks to control the City’s discretion, which is not a proper use of a suit brought under R.C. 733.59. Taxpayer suits “are carefully restricted by court decisions.” *Columbus ex rel. Willits v. Cremean*, 27 Ohio App.2d 137, 149, 273 N.E.2d 324 (10th Dist. 1971).

Your contention is that the CIC has in some way usurped or bypassed the authority which you contend is exclusive to the Twinsburg Planning Commission and the Twinsburg Department of Community Planning and Economic Development. You claim, without support, that the CIC is developing, preparing, and drafting development plans on behalf of Twinsburg - thereby bypassing the authority of the Twinsburg Planning Commission and, by extension, the Twinsburg Department of Community Planning and Economic Development.

Fundamentally, this contention misrepresents the authority granted to the Twinsburg Planning Commission and Department of Community Planning and Economic Development. Furthermore, your letter evidences a clear misunderstanding of how a CIC interacts with a municipality.

First, neither Charter § 7.08 nor Twinsburg Codified Ordinance § 1103.05<sup>1</sup> grants the Planning Commission with exclusive authority to create any and all plans relevant to the City. Instead, the Charter and additional enabling codified ordinances specifically grant the Planning Commission ability to be *involved* in the process of creating specific plans, both Comprehensive and Master plans. If this grant was exclusive, then no single staff member could ever work on - or even discuss - any of the City’s planning efforts. Furthermore, numerous other city departments, including the public safety forces and engineering departments, would never be able to discuss or weigh in on the City’s planning efforts.

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<sup>1</sup> Your citation to Twinsburg Code Section 1103.05 is erroneous. In November of 2024, the Twinsburg electorate approved an amendment to the City’s Planning and Zoning Code. The previous Section 1103.05 of the Twinsburg Code, of which you cite in your letter, was amended by the electorate in 2024. At the same 2024 election, the electorate approved Section 1122.07(A)(1) which reads substantially the same as prior Section 1103.05.

The Department of Community Planning and Economic Development's authority is similarly permissive and not exclusive as to the administration of "the Comprehensive Plan, Zoning Code, and Subdivision Regulations." They are tasked by Charter § 7.11 with administering these areas, but nothing in the Charter's language would indicate they are solely and exclusively the only persons who are allowed to work on these projects for the City. If that were the case, the Mayor would not be able to weigh in on these matters and the City could never hire an outside planning firm to help prepare any of the city's zoning regulations or plans.

Second, and perhaps most damning, your letter clearly misunderstands how a municipality works with a CIC. The CIC is not engaged in doing "planning" work for the City. Rather, the references to a "plan" in R.C. 1724.10(B)(1) are for a plan that defines the economic development practices and operations in which the CIC will engage to assist in implementing the City's economic development vision. Accordingly, the CIC isn't doing "planning" work for the City but drafting *a plan* to help the City achieve its economic development goals.

In addition, under R.C. 1724.10(B)(1) a community improvement corporation's actions must be "in accordance with any applicable planning and zoning regulations." As a result, the City's planning processes are left intact and operational regardless of the CIC's actions.

### **3. City's Intended Future Actions**

Given the above, the City will not be filing suit to enjoin the City or the CIC because there is no merit to your claims. I find that the CIC was not illegally created and the City did not, nor has it, abused its corporate powers by creating and continuing to operate the CIC (as well as provide certain funds to the CIC).

If you have any questions, please feel free to reach out.

Very Truly Yours,



Matthew J. Vazzana, Esq.  
Law Director

CC: Mayor Sam Scaffide  
Rebecca Ziegler, Director of Planning and Community Development

## Exhibit A – Twinsburg Ordinance No. 153-2013

Emailed to Council 11/22/13

**CITY OF TWINSBURG, OHIO****ORDINANCE 153-2013****AN ORDINANCE PROVIDING FUNDING FOR THE  
TWINSBURG COMMUNITY IMPROVEMENT  
CORPORATION FOR OPERATIONS AND ACTIVITIES**

**WHEREAS,** a Community Improvement Corporation (C.I.C.) is a non-profit organization which may be established through processes described at Chapter 1724 of the Ohio Revised Code for the purposes of advancing economic development; and

**WHEREAS,** the City of Twinsburg organized the Twinsburg Community Improvement Corporation (TCIC) to act as its development entity for land within the boundaries of the City's Community Reinvestment Area; and,

**WHEREAS,** the City desires to transfer certain economic development administrative responsibilities to the TCIC which will generate minimal operating revenues, but which will require up to a year of administration before any significant revenues become available through its operations; and,

**WHEREAS,** operating revenues are needed immediately enable the TCIC to acquire equipment, provide services, and function as an organization.

**NOW, THEREFORE, BE IT ORDAINED** by the Council of the City of Twinsburg, County of Summit and State of Ohio:

**SECTION I:** That funds shall be provided from the City's general fund to the Twinsburg Community Improvement Corporation in an annual amount equal to fifty percent (50%) of the funds collected and received by the City pursuant to the Transient Guest Tax starting with year ending 2013 with such funds being utilized for the operational expenses of the TCIC.

**SECTION II:** The TCIC is hereby assigned the responsibilities of Twinsburg Occupancy Program (TOP) and Community Reinvestment Areas (CRA) programs, including processing applications and performing annual monitoring of active agreements, the TCIC shall collect such fees so long as the TCIC has been authorized by the City of Twinsburg to perform this service.

**SECTION III:** In contemplation of assuming the tasks designated in Section II, funds shall be provided to the Twinsburg Community Improvement Corporation from the City's general revenue fund in an amount equal to the 2013 collections of application fees and annual monitoring fees from both Twinsburg Occupancy Program (TOP) Grants and



Ordinance 153-2013

Page 2

Community Reinvestment Area (CRA) Programs in the amount of Seven Thousand One Hundred Seventy Eight dollars (\$7,178.00).

**SECTION IV:** An amount of \$300,000 shall be funded to the TCIC for the purposes of performing actions and responding to land assembly opportunities that might advance the purposes of the TCIC and support economic and social advancement for residents of the City of Twinsburg. No portion of these funds may be used for the payment of salaries to members, directors or employees of the TCIC nor may any of these funds be utilized as direct or indirect financial incentives for developers.

**SECTION V:** It is found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were taken in an open meeting or meetings of this Council and any of its committees that resulted in such formal action, were in meetings open to the public and in full compliance with all legal requirements, including without limitation, those set forth in Section 121.22 of the Ohio Revised Code.

**SECTION III:** That this Ordinance shall take effect and be in force from and after the earliest period allowed by law.

PASSED: 1/28/14APPROVED: 1/30/14

Maureen Stauffer  
Maureen Stauffer, President of Council

Submitted to the Mayor for approval this  
30 day of January, 2013.

Approved by the Mayor 1/30, 2013.

Katherine A. Procop  
Katherine A. Procop, Mayor

ATTEST:

Shannon Cole  
Clerk of Council

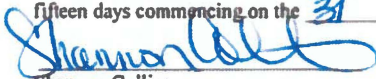
1<sup>st</sup> Reading. 11/26/132<sup>nd</sup> Reading. 12/13/13

Ordinance 153-2013

Page 3

3<sup>rd</sup> Reading. 1/28/14Passed: 1/28/14Yes 5 No 1**CERTIFICATE OF POSTING**

I, Shannon Collins, Clerk of Council, of the City of Twinsburg, State of Ohio, do hereby certify that publication of the foregoing ordinance was duly made by posting true copies thereof at five of the most public places in said City as determined by Section 113.02 of the Codified Ordinance of the City of Twinsburg; each for a period of fifteen days commencing on the 31 day of January, 2013.



Shannon Collins  
Clerk of Council  
City of Twinsburg

Amended 1/13/2014





# MENDENHALL

LAW GROUP

**Logan Trombley**  
**Warner Mendenhall**  
**(330) 535-9160**

[logan@warnermendenhall.com](mailto:logan@warnermendenhall.com)  
[warner@warnermendenhall.com](mailto:warner@warnermendenhall.com)

Sent by certified mail

4-2-2025

Matt Vazzana, City of Twinsburg Director of Law  
10075 Ravenna Road  
Twinsburg, OH 44087  
330-425-7161 phone  
mvazzana@twinsburg.oh.us

Re: Follow-up Letter on Law Director's R.C. § 733.56 Duty to Restrain Twinsburg Community Improvement Corporation's Abuse of Twinsburg's Corporate Powers

Dear Mr. Vazzana,

On December 9, 2024, this Law Office wrote you a letter on behalf of Twinsburg resident and taxpayer Sally Gaydosh who desired to bring to your attention the ongoing abuse of Twinsburg's corporate powers in maintaining the existence of the Twinsburg Community Improvement Corporation (the "Twinsburg CIC") in contradiction to the Twinsburg Charter. Specifically, that letter raised the issue that the Twinsburg CIC was usurping executive and legislative authority delegated by the Twinsburg Charter to the Twinsburg Planning Commission and the Twinsburg Department of Community Planning and Economic Development. The letter concluded by requesting you use your powers under R.C. § 733.56 to file an action for injunctive relief against the Twinsburg CIC to prevent its further abuse of Twinsburg's corporate powers. On January 17, 2025, you responded by arguing that the Twinsburg CIC did not contradict the Twinsburg Charter and therefore you did not need to exercise your powers under R.C. § 733.56 against the Twinsburg CIC.

First, you cite this portion of the Twinsburg Charter in support of your position:

The powers of the City may also be exercised, except if a contrary intent or implication appears in this Charter or in the enactments of the Council, in such manner as may now or hereafter be provided by the general laws of the State of Ohio.

This provisions supports rather than detracts from Ms. Gaydosh's contention, because it provides a stronger standard prohibiting the use of contrary general state laws than the Home Rule Amendment. Instead of having to show an "express conflict with parallel state law," Ms. Gaydosh need only show contrary intent or implication in the Charter or enactments of Twinsburg Council to prove the Twinsburg CIC abuses Twinsburg's corporate powers.

**190 North Union Street, Suite 201, Akron, OH 44304.**

*Tavia Galonski, Summit County Clerk of Courts*

**EXHIBIT**

**3**

tabbles

Second, you argue that Ms. Gaydosh cannot use a taxpayer lawsuit to restrict the political discretion of Twinsburg Council. This argument is not applicable in this case. If Twinsburg Council does not have the corporate authority under the Twinsburg Charter to create the Twinsburg CIC, regularly fund its activities, and delegate authority to it, then it does not have the discretion to do those things. To do so would be to abuse its corporate powers. Ms. Gaydosh is not asking Twinsburg to choose to enforce or not enforce a contract, but rather to stop delegating authority to the Twinsburg CIC to act on its behalf and to cease funding its activities so as to not abuse Twinsburg's corporate powers.

Third, you argue that Ms. Gaydosh misrepresents the Twinsburg CIC's authority by her stating the Twinsburg CIC is "developing, preparing, and drafting development plans on behalf of Twinsburg." Instead, you contend the "CIC isn't doing 'planning' work for the City but drafting a plan to help the City achieve its economic development goals." To address this contention, this Law Office conducted an analysis of the CIC's publicly available meeting minutes focused on the CIC's primary effort since its inception to redevelopment the Twinsburg downtown. Further, this Law Office also analyzed all the Twinsburg Council's publicly available meeting minutes using artificial intelligence to find all references to the Twinsburg CIC. Based on these two analyses, this Law Office on behalf of Ms. Gaydosh wishes to bring to your attention a different abuse of Twinsburg's corporate powers that has been taking place over the last decade.

Namely, that Twinsburg Council has never designated the Twinsburg CIC as its agent for industrial, commercial, and research development of the Twinsburg downtown area – nor any area for that matter. Further, the Twinsburg Council has never designated the Twinsburg CIC as its agent to sell any Twinsburg owned property, nor provided it authority to market such property or sign agreements to sell it. Yet, the Twinsburg CIC's minutes show it has engaged in significant efforts to redevelop the Twinsburg downtown area and it has marketed and entered into multiple agreements to sell the Twinsburg owned property at 8997 Darrow Rd, Twinsburg 44087 – parcel 6400109 – which was formerly Twinsburg's first school (the "Old School Property"). Since Twinsburg Council failed to explicitly delegate such authority to the Twinsburg CIC as required by Ohio Revised Code § 1724.10(B), the Twinsburg CIC is illegally usurping the Twinsburg Council's legislative authority and therefore represents another abuse of corporate powers. This letter will go into greater detail how this has taken place.

**190 North Union Street, Suite 201, Akron, OH 44304.**

## **The Twinsburg CIC's Additional Abuse of Twinsburg's Corporate Powers**

### **1. Facts**

On May 15, 2013, Twinsburg Council passed Ordinance 16-2013 which only stated, “[t]he Mayor is hereby authorized to create the Twinsburg Community Improvement Corporation and file appropriate Articles of Incorporation and related documents with the State of Ohio.” On July 1, 2013, the Twinsburg Mayor, Law Director, and Council President filed Articles of Incorporation with the Ohio Secretary of State creating the Twinsburg CIC.

Based on an artificial intelligence analysis of all Twinsburg Council’s publicly available meeting minutes attached hereto as **Exhibit 1**, Twinsburg Council passed the following ordinances and resolutions relating to the Twinsburg CIC:

- On January 28, 2014, Twinsburg passed Ordinance 153-2013 titled, “An Ordinance Providing for the Transfer of Funds to the Twinsburg Community Improvement Corporation for Operations and Activities.” This approved a \$300,000 donation by Twinsburg to the Twinsburg CIC for the purpose of purchasing property.
- On May 13, 2014, Twinsburg Council passed Ordinance 38-2014 titled “An Ordinance Amending the Current Year Appropriations for the Various Revenue Account Established in Ordinance 19-2014, the Appropriation Ordinance of the City of Twinsburg for the Year 2014”, which provided for appropriation for previously approved \$300,000 funding for the Twinsburg CIC.
- On September 8, 2015, Twinsburg Council passed Resolution 110-2015, which authorized Twinsburg to lease space at 9833 Ravenna Road to the Twinsburg CIC.
- December 10, 2019, Twinsburg Council passed Resolution 108-2019 in which it accepted an easement from the Twinsburg CIC for a sidewalk improvement project.

Twinsburg Council’s minutes do not ever mention Twinsburg Council adopting or passing any ordinance or resolution in which Twinsburg Council designated the Twinsburg CIC as its agent for industrial, commercial, and research development of the Twinsburg downtown area – nor any area for that matter. The only reference to the Twinsburg CIC being an agent of Twinsburg Council is at a September 8, 2015 meeting when Mr. Yates stated the Twinsburg CIC was appointed as the economic agent for downtown development through legislation. Yet this referred to legislation does not appear to exist. Twinsburg Council’s minutes also never mention it appointing the Twinsburg CIC as its agent to market the Old School Property, which Twinsburg owns – not the Twinsburg CIC. Thus, Twinsburg Council never authorized the Twinsburg CIC to act as its agent to develop the Twinsburg downtown, nor market the Old School Property.

**190 North Union Street, Suite 201, Akron, OH 44304.**

Since the Twinsburg CIC's inception, it has taken the lead role in creating a "Downtown Redevelopment Plan", which would develop this "Potential Redevelopment Area" posted on its website:



Parcel Viewer by County of Summit  
Disclaimer: Users of this map accept all risk; not intended to serve as professional advice.

The Twinsburg CIC's Downtown Redevelopment Plan hinges on selling Twinsburg's Old School Property and the lots to south of it that neither Twinsburg nor the Twinsburg CIC owned as of 2013. At the time, parcels 6409549, 6409551, 6401766, and 6409550 were owned by Twinsburg Properties, LLC – a limited liability company owned by Regis Brown. The southernmost parcel – 6401516 – was owned by Herbert and Marilyn Holley. So those would have to be purchased by the Twinsburg CIC to sell them all to a single developer.

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The Twinsburg CIC's efforts to develop the Potential Redevelopment Area since 2013 can be summarized as follows:

- **September 2013 to December 2014** – the Twinsburg CIC sought to hire Fairmont Properties development firm as its agent to purchase the properties to the south of the Old School Property and to provide it with a development plan for the area. It would then commit to selling the Old School Property to Fairmont Properties along with any other properties purchased. In June 2014, Fairmont Properties signed a letter of intent with the Twinsburg CIC on those terms, but Fairmont Properties terminated it in December 2014 after it determined its plan was not economically viable. The Twinsburg CIC never sought Twinsburg Council pre-authorization to enter into this letter of intent, nor ratification of the letter of intent.
- **January 2015 to December 2016** – in January 2015 the Twinsburg CIC switched its focus to acquiring options on all the properties in the Potential Redevelopment Area and hired CRESCO Real Estate as brokers on a monthly retainer for that purpose. In June 2015, the Twinsburg CIC changed their strategy to entering into purchase agreements for properties south of the Old School Property that could be assigned to a future developer, who would purchase the Old School Property along with the other properties. This effort culminated on August 4, 2016, when the Twinsburg CIC purchased Herbert and Marilyn Holley's southernmost parcel no. 6401516 for \$485,000 using its own funds.

The Twinsburg CIC never sought Twinsburg Council pre-authorization to enter into these purchase agreements, nor ratification after-the-fact. Further, the Twinsburg CIC's meeting minutes did not reflect its purchase of the Holley property ever took place.

- **January 2017 to August 2017** – the Twinsburg CIC started to interview three development firms – OHM Advisors, Montrose Group, and Urban Decision Group – to conduct a market study of the Potential Redevelopment Area. These interviews culminated in the Twinsburg CIC deciding that it would be more important to acquire the rest of the property in the Potential Redevelopment Area first, rather than spend money and time on a market study.
- **September 2017 to September 2018** – the Twinsburg CIC engaged in efforts to purchase property in and around the Potential Redevelopment Area, which are not discussed in meeting minutes due to executive session. It's board members also met with potential partner developers such as Liberty Development Company to discuss potential development of the Old School Property, which did not lead to anything.
- **October 2018 to February 2020** – the Twinsburg CIC changed strategy and began discussing creating a Downtown Redevelopment District, which would allow property taxes within the district to be diverted to redevelopment purposes. The Twinsburg CIC tasked Director Finch to give presentations on it to the Twinsburg City Council and Planning Commission. Director Finch then created a "Downtown Redevelopment Districts Preliminary Report" and asked the Twinsburg CIC to comment on it.

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Director Finch provided the report to Twinsburg Council who then referred the report to the Twinsburg Planning Commission for consideration and recommendation back to Council. While the Planning Commission considered the report, Director Finch discussed how the Downtown Redevelopment Districts would be governed. The Twinsburg CIC stopped work on the Downtown Redevelopment Districts planning once Covid-19 pandemic started.

- **March 2020 to September 2020** – the Twinsburg CIC did not formally engage in any activities on the Downtown Redevelopment Plan due to the Covid-19 pandemic.
- **November 2020 to October 2022** – the Twinsburg CIC started a request for qualifications process (RFQ) to identify developers for the Potential Redevelopment Area who were interested in residential development. It also resumed its work on creating a Downtown Redevelopment District. The developers Heritage Land Development and Bo Knez Homes responded to the Twinsburg CIC's RFQ. Each presented their vision for residential development of the Potential Redevelopment Area to the Twinsburg CIC and the Twinsburg CIC chose Heritage Land Development. The Twinsburg CIC then signed a memorandum of understanding with Heritage Land Development, who then started to attempt to acquire the remaining properties in the Potential Redevelopment Area from Regis Brown. Yet, in October 2022, the Twinsburg CIC decided to change direction and not pursue the Heritage Land Development residential development plan and instead create a Tax Increment Financing (TIF) district in the area to finance development.

The Twinsburg CIC never sought Twinsburg Council pre-authorization to enter into a memorandum of understanding with Heritage Land Development, nor ratification after-the-fact.

- **November 2022 to present day** – the new Twinsburg CIC Executive Director Rebecca Ziegler took the lead in presenting the TIF district idea to Twinsburg Council and securing agreement for it from the Twinsburg Board of Education. Starting in July 2024, the Twinsburg CIC discussed purchasing the property immediately to the west of the Potential Redevelopment Area – parcel no. 6400746 – for \$500,000.

Thus, the Twinsburg CIC has taken significant actions on Twinsburg's behalf to act as Twinsburg's agent for development of the Potential Development Area by marketing the Old School Property to developers and negotiating to purchase un-owned portions of the Potential Downtown Redevelopment area without any prior authorizations or post approvals from Twinsburg Council. Further, the Twinsburg CIC has entered into multiple unapproved agreements with developers to have them develop parcels wither owned by Twinsburg or to be purchased by the Twinsburg CIC using Twinsburg tax revenues. These unauthorized activities represent an abuse of Twinsburg's corporate powers.

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## 2. Law and Analysis

Community improvement corporations are governed by Ohio Revised Code § 1724.10, which allows a municipal corporation to delegate legislative authority to a community improvement corporation by designating it as its agent via resolution or ordinance as follows:

(A) A community improvement corporation may be designated (1) by ... one or more municipal corporations ... as the agency of each such political subdivision for the industrial, commercial, distribution, and research development in such political subdivision when the legislative authority of such political subdivision has determined that the policy of the political subdivision is to promote the health, safety, morals, and general welfare of its inhabitants through the designation of a community improvement corporation as such agency.

...

***(B) Designations under this section shall be made by the legislative authority of the political subdivision by resolution or ordinance.***

(emphasis added)

Ohio Revised Code § 1724.10(B) then provides that after the community improvement corporation is designated as an agency of the municipal corporation, then that community improvement corporation can enter into an agreement with the municipal corporation to provide one or more of the following services to the municipal corporation:

(1) the community improvement corporation shall prepare a plan for the political subdivision of industrial, commercial, distribution, and research development, or of reclamation, rehabilitation, and reutilization of vacant, abandoned, tax-foreclosed, or other real property, and such plan shall provide therein the extent to which the community improvement corporation shall participate as the agency of the political subdivision in carrying out such plan. ***Such plan shall be confirmed by the legislative authority of the political subdivision....***

(2) Authorization for the community improvement corporation to sell or to lease any real property or interests in real property owned by the political subdivision determined from time to time by the legislative authority thereof not to be required by such political subdivision for its purposes, for uses determined by the legislative authority as those that will promote the welfare of the people of the political subdivision, stabilize the economy, provide employment, assist in the development of industrial, commercial, distribution, and research activities to the benefit of the people of the political subdivision, will provide additional opportunities for their gainful employment, or will promote the reclamation, rehabilitation, and reutilization of vacant, abandoned, tax-foreclosed, or other real property within the subdivision. ***The legislative authority shall specify the consideration for such sale or lease and any other terms thereof.***

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Thus, under Ohio law for a municipal corporation to delegate its authority to community improvement corporation, it must (1) designate it as its agent for the industrial, commercial and research development of a particular area via resolution or ordinance, and then (2) enter into an agreement with the community improvement corporation whereby the municipal corporation (a) requires the community improvement corporation to provide it with a plan for how it will develop the particular area, and (b) gives it authority to sell or lease property on its behalf. Further, the municipal corporation's legislative authority retains the power to approve the community improvement corporation's plan – before it executes it – and to specify the terms of the sale or lease of its property.

In *State ex rel. Burton v. Greater Portsmouth Growth Corp.*, 7 Ohio St. 2d 34, 40 (1966), the Ohio Supreme Court explains how this lawful delegation of power operates:

[Section 1724.10, Revised Code] in general provides that a county or municipality may designate a community improvement corporation as its agent for the industrial, commercial and research development of the area.

An examination of the provisions of this section indicates no abdication of governmental powers to the corporation. Plans prepared by the corporation must be approved by the legislative authority, the debts incurred by the corporation are solely those of the corporation, not of the political subdivision, and any sale of the political subdivision's property may be made only after the legislative body has determined that it is not necessary for governmental use, and that the proposed use will be of economic benefit to the community.

There is no unlawful delegation of legislative power.

If the steps provided in Ohio Revised Code § 1724.10 are not followed by a municipal corporation, then the municipal corporation would be unlawfully delegating its legislative power to the community improvement corporation.

Twinsburg Council has not completed any of the steps required by Ohio Revised Code § 1724.10 to delegate its legislative authority to the Twinsburg CIC. It has not passed a resolution or ordinance designating the Twinsburg CIC as its agent to develop the Potential Redevelopment Area. It has not entered into an agreement with the Twinsburg CIC, whereby Twinsburg confers authority to the Twinsburg CIC to market or sell the Old School Property. Nor has Twinsburg entered into an agreement with the Twinsburg CIC, whereby the Twinsburg CIC provided Twinsburg Council with a plan to be approved for how it would attempt to develop the Potential Redevelopment Area.

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Instead, the Twinsburg CIC has proceeded to act as Twinsburg's agent to develop the Potential Redevelopment by marketing the Old School Property to developers and using taxpayer funds to purchase adjacent properties to later sell to those developers. The Twinsburg CIC has done so without Twinsburg Council ever delegating such authority to do so. Under *State ex rel. Burton v. Greater Portsmouth Growth Corp*, Twinsburg has unlawfully delegated legislative authority to a private entity – the Twinsburg CIC – by not designating it as its agent, not entering into an agreement with it to provide it services, and by abdicating its responsibility to approve the Twinsburg CIC's development plans and pre-authorize the sale of Twinsburg's public property. This is an abuse of Twinsburg's corporate powers and Twinsburg's continued funding of the Twinsburg CIC's *ultra vires* actions to develop the Potential Redevelopment Area is a misapplication of funds.

### 3. Conclusion

If you agree with the above analysis, then you as Twinsburg Law Director are obligated under R.C. § 733.56 to “apply, in the name of the municipal corporation, to a court of competent jurisdiction for an order of injunction to restrain the misapplication of funds of the municipal corporation, [and] the abuse of its corporate powers...” If you disagree with the below analysis, please provide a response letter stating so. Ms. Gaydosh would then invoke R.C. § 733.59, which states, if the “city director of law fails, upon the written request of any taxpayer of the municipal corporation, to make any application provided for in sections 733.56 to 733.58 of the Revised Code, the taxpayer may institute suit in his own name, on behalf of the municipal corporation.”. Ms. Gaydosh would file a declaratory judgment action herself on behalf of Twinsburg on the basis of her first letter and the new allegations contained in this letter and seek attorney fees against Twinsburg if successful.

Please respond within two-weeks of receiving this letter.

Sincerely,



Logan Trombley

190 North Union Street, Suite 201, Akron, OH 44304.

## Twinsburg City Council Minutes References to Twinsburg CIC

January 22, 2013 meeting:

- Ordinance 16-2013 was introduced "AN ORDINANCE CREATING THE TWINSBURG COMMUNITY IMPROVEMENT CORPORATION AND AUTHORIZING THE MAYOR TO FILE APPROPRIATE ARTICLES OF INCORPORATION WITH THE STATE OF OHIO"

February 12, 2013 meeting:

- Ordinance 16-2013 was on the agenda as pending legislation (stands on First Reading)

February 26, 2013 meeting:

- Ordinance 16-2013 was on the agenda as TABLED legislation

May 14, 2013:

- Ordinance 16-2013 appears on the agenda as standing on Second Reading

May 28, 2013 meeting:

- Ordinance 16-2013 appears on the agenda again as standing on Second Reading

November 26, 2013 meeting:

- Ordinance 153-2013 was introduced "AN ORDINANCE PROVIDING FOR THE TRANSFER OF FUNDS TO THE TWINSBURG COMMUNITY IMPROVEMENT CORPORATION FOR OPERATIONS AND ACTIVITIES"

December 3, 2013 meeting:

- Ordinance 153-2013 appears on the agenda as standing on First Reading

December 10, 2013 meeting:

- Ordinance 153-2013 appears on the agenda as standing on Second Reading

January 14, 2014 meeting:

- Ordinance 153-2013 was mentioned as "AN ORDINANCE PROVIDING FOR THE TRANSFER OF FUNDS TO THE TWINSBURG COMMUNITY IMPROVEMENT CORPORATION FOR OPERATIONS AND ACTIVITIES" (shown on page 1).

January 28, 2014 meeting:

- Ordinance 153-2013 was adopted with a 5-1 vote, with G. Sorace abstaining (pages 10-11).

March 11, 2014 meeting:

- During the adoption of Ordinance 38-2014 regarding amended appropriations, Mr. Sorace stated "he opposes the use of the CIC for this purpose but not the opposition of the development of the downtown area." The motion passed 6-1 with G. Sorace dissenting (page 46).

## Twinsburg City Council Minutes References to Twinsburg CIC

April 14, 2015 meeting:

- Mr. Yates reported that the Community Improvement Corporation would have a meeting on April 16th at 7:30 am at the Center on the Square, noting it would be open to the public.

April 28, 2015 meeting:

- Mr. Furey mentioned attending a CIC meeting on April 16th.
- Mr. Yates clarified that the CIC meeting on April 16th at 7:30 am was a public meeting.

June 9, 2015 meeting:

- Mr. Furey reported that the CIC met on June 18th and appointed Matt Cellura as a resident member of the committee.
- He mentioned that the next CIC meeting would be July 15th at 7:30 am at the Center on the Square.

July 14, 2015 meeting:

- Mr. Furey mentioned that the CIC would meet July 15th at 7:30 am.
- Mr. Yates noted there would be a CIC meeting on July 15th at 7:30 am.

August 25, 2015 meeting:

- Mr. Furey reported attending a CIC meeting on August 20th where form 1023 IRS exemption form was reviewed.
- He stated the next meeting would be September 10th at 7:30 am at 9833 Ravenna Road.

September 8, 2015 meeting:

- Michael Turle spoke about Resolution 110-2015 regarding a lease between the city and the TCIC.
- He questioned whether the use was appropriate for a PF space and suggested council members on the CIC board should abstain from voting due to conflicts of interest.
- Mr. Maistros responded that there was no conflict of interest as no CIC members are paid.
- Mr. Yates stated the CIC was appointed as the economic agent for downtown development through legislation.
- Resolution 110-2015 authorizing the Mayor to enter into a lease agreement with the Twinsburg Community Improvement Corporation for space at 9833 Ravenna Road was adopted.

September 22, 2015 meeting:

- Mr. Furey reported attending a CIC meeting on August 20th.

## Twinsburg City Council Minutes References to Twinsburg CIC

- Mr. Yates noted there is a CIC meeting on September 10th at 7:30 am still working on the central area project.

October 13, 2015 meeting:

- Larry Finch (Community & Economic Development Director) mentioned that the next TCIC meeting is scheduled for Thursday, October 22nd at 7:30 am at the Center on the Square.

November 10, 2015 meeting:

- Mr. Yates mentioned that on September 10th there would be a multi-ward meeting with an overview on the CIC.

December 8, 2015 meeting:

- Mr. Furey mentioned that the CIC will meet in January.

January 26, 2016 meeting:

- A resident named Dusty Basmagy spoke regarding the CIC and downtown development. He mentioned previously being against the CIC but now saw the city taking steps to improve it.
- He suggested there should be qualifications for resident/business members of the CIC, and that residents on the CIC should reside in Ward 3.

February 23, 2016 meeting:

- Mr. Scaffide mentioned that he had met with Mayor Yates, Mr. Maistros, and Mrs. Collins in January to make terms and language of boards and commissions (including CIC) more consistent in their codified ordinances.

April 12, 2016 meeting:

- Mr. Scaffide noted that the Community Improvement Corporation (CIC) would meet on April 19th at 5:30 pm and they were looking for resident members to be part of the group.

April 26, 2016 meeting:

- Mr. Scaffide mentioned that the CIC would meet on April 19th at 5:30 pm and they were looking for resident members to join. Interested residents could contact Larry Finch by March 31st.

June 14, 2016 meeting:

- Larry Finch, Planning & Community Development Director, reported that the TCIC sponsored a tent at Taste of Twinsburg.

June 28, 2016 meeting:

- Larry Finch reported again that the TCIC sponsored a tent at Taste of Twinsburg.

## Twinsburg City Council Minutes References to Twinsburg CIC

September 13, 2016 meeting:

- Mr. Scaffide mentioned that the next CIC meeting would be September 20th at 5:30 pm at the Center on the Square.

September 27, 2016 meeting:

- Larry Finch reported that the next CIC meeting would be Tuesday, September 20th.

November 8, 2016 meeting:

- Larry Finch reported that the Twinsburg CIC met on November 1st, and the next meeting would be December 8, 2016, at the Center on the Square (9833 Ravenna Road) at 6pm.

January 24, 2017 meeting:

- Mayor Yates mentioned that "The Twinsburg Community Improvement Corporation will meet March 7th"

March 14, 2017 meeting:

- Dan Syphen identified himself as holding "a resident position on the CIC" when speaking during public participation about the Old School demolition

March 28, 2017 meeting:

- Larry Finch (Community & Economic Development Director) reported: "The next Twinsburg Community Improvement Corporation meeting will be on April 4th at 6pm at 9833 Ravenna Road."

April 11, 2017 meeting:

- Mayor Yates reported that "The CIC met and appointed the owner of VMS in town."

June 13, 2017 meeting:

- Larry Finch noted: "The Twinsburg Community Improvement Corporation remains actively involved in the process of encouraging investment in Central Twinsburg. The next meeting of the TCIC will be Wednesday, September 20th at the Center on the Square."

September 12, 2017 meeting:

- Larry Finch reported: "The next meeting of the TCIC will be Wednesday, September 20th at the Center on the Square."

December 12, 2017 meeting:

- Larry Finch reported: "Next CIC meeting will be January 16th at 6:00 pm at city hall."

January 9, 2018 meeting:

- Mr. Furey reported attending the CIC meeting on January 16th
- Next CIC meeting scheduled for February 20th at 6:00 pm

## Twinsburg City Council Minutes References to Twinsburg CIC

January 23, 2018 meeting:

- Mr. Furey, Mr. Barr, and Ms. McFearin reported attending the CIC meeting on January 16th
- The next CIC meeting was noted as February 23rd

February 13, 2018 meeting:

- Mr. Furey mentioned CIC will meet February 20th
- Ms. McFearin noted CIC will meet February 20th

February 27, 2018 meeting:

- Mr. Furey mentioned that CIC postponed their meeting

March 13, 2018 meeting:

- Mr. Furey noted CIC will meet on March 20th at city hall
- Mr. Barr reported CIC will meet on March 20th

March 27, 2018 meeting:

- Mr. Furey reported that Tax Incentive Review Council met on March 21st and reviewed TOP and CRA agreements

April 10, 2018 meeting:

- Mr. Furey mentioned CIC will meet on April 17th at 6:00 pm
- Mr. Barr noted CIC will meet on April 17th at 6:00 pm in the Jury Room

April 24, 2018 meeting:

- Mr. Barr reported that CIC met and discussed the asbestos survey on some property
- Next CIC meeting scheduled for May 15th at 5:30 in the Jury Room

May 8, 2018 meeting:

- Mr. Furey mentioned CIC next meeting will be May 15th at 5:30 in the Jury Room
- Mr. Barr noted CIC will meet on May 15th at 5:30 in the Jury Room

May 22, 2018 meeting:

- Mr. Furey noted CIC postponed their May 15th meeting, tentatively rescheduled for June 19th at 6:00 in Council Chambers

June 12, 2018 meeting:

- Mr. Furey reported CIC will meet June 19th at 6:00 in the Jury Room

## Twinsburg City Council Minutes References to Twinsburg CIC

June 26, 2018 meeting:

- Mr. Furey reported attending CIC meeting, next meeting on July 17th at 5:30 in the Jury Room
- Mr. Barr noted attending the CIC meeting on June 19th, next meeting July 17th at 5:30 in the Jury Room
- Ms. McFearin reported attending the CIC meeting on June 19th

July 10, 2018 meeting:

- Mr. Furey noted CIC will meet on July 17th at 5:30 pm
- Mr. Barr mentioned CIC will meet on July 17th at 5:30 in the Jury Room

September 11, 2018 meeting:

- Mr. Barr noted the CIC will meet on September 27th at 6:00 pm in the Jury Room
- Ms. McFearin mentioned CIC will meet on September 27th

October 9, 2018 meeting:

- Mr. Furey reported CIC will meet on October 30th at 5:30 pm at City Hall

October 23, 2018 meeting:

- Ms. McFearin mentioned CIC will meet on September 27th
- Mr. Barr noted the CIC will meet on September 27th at 6:00 pm in the Jury Room

November 13, 2018 meeting:

- Mr. Furey reported attending CIC on October 30th and discussed the Lane properties which were salvaged and donated to Habitat for Humanity then demolished; working with a company on downtown development; next meeting December 11th at 5:30pm
- Ms. McFearin reported attending the CIC meeting on October 30th

December 11, 2018 meeting:

- Mr. Furey mentioned CIC will meet on January 15th at 5:30 pm

January 8, 2019 meeting:

- Larry Finch mentioned the next Twinsburg C.I.C. meeting was scheduled for Tuesday, January 15th at 5:30 in the Jury Room.

January 22, 2019 meeting:

- Mr. Barr reported that he attended the CIC meeting the previous week and mentioned the next meeting would be February 19 at 5:30pm.
- Mr. Furey reported on the CIC meeting from January 15, stating they discussed the Lane Properties, Downtown Redevelopment District, finances, and website.

## Twinsburg City Council Minutes References to Twinsburg CIC

February 26, 2019 meeting:

- Ms. McFearin mentioned that the CIC has an open resident seat.
- Mr. Furey reported that the CIC had to be rescheduled.

April 9, 2019 meeting:

- Mr. Barr mentioned he attended the CIC meeting.

April 23, 2019 meeting:

- Mr. Furey noted that the next CIC meeting was rescheduled for April 30 at 6:00 pm.
- Mayor Yates clarified that the CIC is a separate entity from the city, with three council members appointed by the mayor for two-year terms.

May 14, 2019 meeting:

- Mr. Furey mentioned the next CIC meeting would be on June 11.

September 10, 2019 meeting:

- Ms. McFearin reported she attended the CIC meeting on September 7.

September 24, 2019 meeting:

- Mr. Furey presented an overview of the new CIC website, highlighting the difference between the city and the CIC, the benefits of having one, and what information residents and potential business owners can find on the new website.

October 8, 2019 meeting:

- Mr. Furey reported that the CIC met and discussed the downtown development district, work with historic buildings, and sign code revisions. He noted the next meeting would be November 18 at 6:00pm.

November 12, 2019 meeting:

- Mr. Furey mentioned the CIC would meet on November 18 at 6:00pm.

December 10, 2019 meeting:

- Resolution 108-2019 was passed to accept an easement from the Twinsburg Community Improvement Corporation to the City of Twinsburg for a sidewalk improvement.

January 28, 2020 meeting:

- Mr. Furey reported that the CIC met on January 6 and worked on their budget.
- Next CIC meeting scheduled for March 2 at 6:00pm in the Jury Room.



## Twinsburg City Council Minutes References to Twinsburg CIC

March 10, 2020 meeting:

- Larry Finch (Planning & Economic Development Director) reported that the Twinsburg CIC issued a request for Qualifications for a developer/partner.
- Qualifications would be received until May 1, with a short-list of three developers to be selected for further consideration.
- The focus was development of the "Southeast Quadrant" east of Darrow Road and south of E. Aurora Road.

April 28, 2020 meeting:

- Mr. Furey mentioned a CIC meeting after the performance auditors' meeting, suggesting they move the start time to 5:30pm.

July 14, 2020 meeting:

- Mr. Furey reported that CIC met on July 13 and stated there is a board vacancy with two candidates.
- The CIC is maintaining the property they own and looking at additional acquisitions on Route 82.
- Next meeting scheduled for August 3 at 4:30pm.

August 25, 2020 meeting:

- Mr. Scaffide reported that he attended the CIC meeting.
- Mr. Furey reported that CIC met on August 3, filled two resident vacancies with Doug Holtzman and David Post.
- Next CIC meeting scheduled for September 14 at 4:30pm.

September 8, 2020 meeting:

- Mrs. Stauffer reported she attended the CIC meeting on September 14 where they swore in new members.

September 22, 2020 meeting:

- Mr. Scaffide reported attending the CIC meeting.

October 13, 2020 meeting:

- Michael Turle (resident) stated at public participation that the city should "jettison the CIC."
- Bruce Baldwin (resident) asked about property on SR82 that the CIC tore down.
- Mayor Yates responded that those properties are owned by the CIC and there are current conversations with potential developers for reinvestment in that area.
- Mr. Baldwin stated the properties could have been left to provide taxes to the city.

## Twinsburg City Council Minutes References to Twinsburg CIC

- Mr. Furey reported that he attended the CIC meeting on October 12. They discussed the COVID grants along with three new zones in the downtown districts.

November 10, 2020 meeting:

- Mrs. Waldron (resident) suggested during public participation that revenue could be raised by "keeping the bed tax instead of funding the CIC with it."

November 24, 2020 meeting:

- Bob Thewes (resident) during public participation suggested the city "jettison the CIC and Mr. Finch."

December 8, 2020 meeting:

- Mr. Furey reported that the CIC will meet on January 4 at 5:00pm and mentioned that the audit from the state came back clear.
- Larry Finch reported that the TCIC meeting discussed:
  - Considering the re-issue of RFQ for central area development
  - Establishing three Downtown Redevelopment Districts and a general TIFF district to support central area development and historic property rehabilitation
- Multiple council members (Scaffide, Stauffer) reported attending the CIC meeting on November 9.

January 12, 2021 meeting:

- Bill Furey reported that the CIC met on January 4, 2021, and new officers were appointed.

February 23, 2021 meeting:

- Bill Furey reported attending a CIC meeting (date not specified, but reported at the February 23 council meeting).

March 23, 2021 meeting:

- Maureen Stauffer reported that the next CIC meeting would be on May 3, 2021, at 6:00pm.

May 11, 2021 meeting:

- Maureen Stauffer reported that the next CIC meeting would be on May 27, 2021, at 6:00pm.

May 25, 2021 meeting:

- Maureen Stauffer reported attending a CIC meeting on May 23, 2021.

## Twinsburg City Council Minutes References to Twinsburg CIC

June 8, 2021 meeting:

- Bill Furey reported attending a CIC meeting, and stated that the CIC is filed through the state and is an approved organization. He discussed the CIC working on downtown development.
- Bill Furey responded to a resident's question about properties near McDonald's, stating that the CIC purchased those properties to have more control over what can be developed there.

June 22, 2021 meeting:

- Maureen Stauffer reported that the CIC meeting would be on June 15, 2021.
- Bill Furey reported attending a CIC meeting on May 23, 2021, where they interviewed two developers who submitted RFPs for downtown development.

August 24, 2021 meeting:

- When a resident asked about the status of land between the Old School and Post Office, Mr. Furey explained that the CIC purchased those properties to have more control over what could go there.

September 14, 2021 meeting:

- Larry Finch (Community Planning & Economic Development Director) reported on CIC activities, including:
  - Advertising and receiving statements of interest from potential developer partners
  - Interviewing candidates
  - Following up with candidates for clarification
  - Noting selection could be made in the next 30 days
  - Working on creation of a development agreement
  - Planning for transparency and public communication

October 26, 2021 meeting:

- Sarah Buccigross (Finance Director) reported that the State of Ohio Auditor's Office had released audits for both the City and the Community Improvement Corporation.
- Larry Finch reported that the CIC was working with the mayor and law director to define the relationship between the city and redevelopment area.

November 23, 2021 meeting:

- Maureen Stauffer reported that the CIC met on November 18, 2021.

December 7, 2021 meeting:

- When a resident asked about properties for sale between McDonald's and the Square, Mayor Yates stated the CIC owns two properties in this stretch but they are not for sale.

## Twinsburg City Council Minutes References to Twinsburg CIC

January 11, 2022 meeting:

- Bill Furey mentioned that the CIC will meet on January 13, 2022, at 5:00pm.

January 25, 2022 meeting:

- Mayor Yates appointed council members to the CIC: Mr. Furey, Mr. Scaffide, and Mrs. Labbe were appointed to join the committee.

February 8, 2022 meeting:

- Bill Furey reported that he attended the CIC meeting on February 10th.

February 22, 2022 meeting:

- Sam Scaffide reported on attending the CIC meeting where they discussed the budget, election of new officers, and interviewing new resident members.

April 12, 2022 meeting:

- Bill Furey mentioned that the next CIC meeting will be on April 28th.

April 26, 2022 meeting:

- Bill Furey stated the CIC will meet on April 28th at 5:30pm.
- During audience participation, Sally Gaydosh expressed concerns about the CIC, stating that Ordinance 16-2013 regarding the CIC's establishment conflicts with the city's home rule charter, and that there was no public hearing or vote.
- Bill Furey clarified that the CIC is working on a coordinated downtown project where the Old School properties were, and emphasized that it's not related to historic preservation areas mentioned at a work session.
- Mayor Yates explained that the CIC has been around for nine years, is driven by statute, has a board of more than just city officials, and that when the city did a survey, residents wanted redevelopment of the downtown area.

June 14, 2022 meeting:

- Bill Furey reported that the CIC meeting on June 9th was cancelled, and the next meeting was scheduled for June 24th.

July 12, 2022 meeting:

- Bill Furey mentioned that the next CIC meeting will be on July 14th.

August 23, 2022 meeting:

- Karen Labbe reported she attended the CIC meeting and stated that the new Economic & Development Director, Rebecca Ziegler, is a wealth of knowledge and experience.

## Twinsburg City Council Minutes References to Twinsburg CIC

September 13, 2022 meeting:

- Karen Labbe mentioned that the CIC will meet on September 15th.
- Bill Furey stated that the CIC will meet on September 15th at 5:00pm.

September 27, 2022 meeting:

- Karen Labbe reported that she attended the CIC meeting on September 15th.
- Bill Furey reported that the CIC met on September 15th and discussed downtown redevelopment.

October 11, 2022 meeting:

- Bill Furey reported that the CIC will meet on October 13th at 5:00pm in Council Chambers.

October 25, 2022 meeting:

- Karen Labbe reported that she attended the CIC meeting on October 13th, and the next meeting will be in January 2023.
- Bill Furey reported that the CIC met on October 13th, and their next meeting will be January 12th at 5:00pm.

December 6, 2022 meeting:

- Karen Labbe mentioned that the CIC will meet on January 12, 2023.
- Bill Furey reported that the CIC will meet on January 12, 2023, at 5:00pm.

December 13, 2022 meeting:

- Bill Furey reported that the CIC will meet on January 12, 2023, at 5:00pm in Council Chambers.
- Karen Labbe mentioned that the CIC will meet on January 12, 2023.

January 10, 2023 meeting:

- Bill Furey reported that the CIC met on January 12.

January 24, 2023 meeting:

- Bill Furey reported that the CIC met on January 12. During this meeting, they discussed the TIF district, agreed to sell a donated parcel of land, talked about a website update, and discussed retention ratings for the auditor.
- The next CIC meeting was scheduled for February 9 at 5:00pm in council chambers.

February 28, 2023 meeting:

- Bill Furey mentioned that the CIC would meet on March 5.

## Twinsburg City Council Minutes References to Twinsburg CIC

March 28, 2023 meeting:

- Karen Labbe mentioned that the March 9 CIC meeting was cancelled.

June 13, 2023 meeting:

- Bill Furey reported that the next CIC meeting would be on June 15.

September 26, 2023 meeting:

- Karen Labbe reported that the CIC met on September 21. During this meeting, Mrs. Ziegler provided an update and also mentioned that the Blue Top property had been sold.
- The next CIC meeting was scheduled for October 12 at 5:00pm.

October 24, 2023 meeting:

- Bill Furey reported that the CIC met on October 19. They discussed financials, the sale of property, and how they receive their funding. They also planned to review the board's composition and possibly add additional member(s).
- The next CIC meeting was scheduled for January 11, 2024.

November 14, 2023 meeting:

- Karen Labbe reported that the CIC met on November 9. Gregg Rall was announced as the new president for 2024.

April 9, 2024 meeting:

- Karen Labbe mentioned that the CIC would meet on April 11.
- Bill Furey reported that the CIC would meet on April 11.

April 23, 2024 meeting:

- Bill Furey reported that the next CIC meeting would be on July 11.

August 27, 2024 meeting:

- Bill Furey reported that he attended the Capital Improvements Board meeting earlier that evening and mentioned that their next meeting would be on September 3.
- Greg Bellan also reported attending the Capital Improvements Board meeting earlier that evening and noted that their next meeting would be on September 3.

September 10, 2024 meeting:

- Chuck Bonacci reported attending the Capital Improvement Board meeting the previous week and also earlier that evening. He mentioned that the board heard about police and fire department requests, and their next meeting would be on September 17 at 5:30pm.

October 8, 2024 meeting:

- Bill Furey stated that the CIC's next meeting would be on October 23 at 5:00pm.

## Twinsburg City Council Minutes References to Twinsburg CIC

October 22, 2024 meeting:

- Bill Furey reported that the CIC would meet on October 23.

February 11, 2025 meeting:

- Bill Furey mentioned that "The next CIC meeting will be on 2/18 at 5:00 pm."



May 8, 2025

*Via Electronic Mail*

Mr. Logan Trombley, Esq.  
Mendenhall Law Group  
190 North Union Street, Suite 201  
Akron, Ohio 44304  
logan@warnermendenhall.com

Dear Mr. Trombley:

I am in receipt of the April 2, 2025 follow up letter (the "Follow Up Letter") that you sent relative to my response letter dated January 17, 2025. As a bit of background, my January 17, 2025 letter was in response to the December 9, 2024 demand letter that your partner Warner Mendenhall sent related to a possible taxpayer's suit that your firm intends to bring on behalf of Ms. Sally Gaydosh if the City does not, as Attorney Mendenhall argued, cease in its "ongoing abuse of Twinsburg's corporate powers" - specifically as to the City's contribution of annual lodging tax revenue and cell tower lease proceeds to the Twinsburg Community Improvement Corporation ("CIC"). As you may remember, in my January 17, 2025, letter, I pointed out that the assertions in your December 9, 2024 letter were simply incorrect and not supported by Ohio law (or any reasonable interpretation of the Twinsburg Charter). To that end, I concluded that the City will not be filing suit to enjoin the City or the CIC because there was no merit to the claims alleged in your December 9, 2024 letter. I further concluded that the CIC was not illegally created and that the City did not, nor has it, abused its corporate powers by creating and continuing to operate the CIC (as well as provide certain funds to the CIC) (See letter dated January 17, 2025 from Law Director Matthew Vazzana to Attorney Warner Mendenhall attached hereto and incorporated herein as Exhibit "A").

The assertions in your Follow Up Letter are inaccurate and not supported by law. The response below will clarify some confusions and inaccuracies upon which your Follow Up Letter is premised.

**1. There is Still No Basis for a Taxpayer Lawsuit**

In your Follow Up Letter, you begin by first rearguing your position that the CIC is in violation of the Twinsburg Charter through reference to Article II, Section 2 of the Charter which provides that the City shall have all powers under both the Constitution of Ohio and the general laws of the State of Ohio so long as the exercise of the aforementioned powers are not contrary to the intent or implication of the Charter. You go on to argue that Article 2, Section 2 provides a "stronger standard" that supports Ms. Gaydosh's claims in that Ms. Gaydosh "need only show



contrary intent or implication in the Charter or enactments of Twinsburg Council to prove the Twinsburg CIC abuses Twinsburg's corporate powers." You thereafter contend, without pointing to any evidence, that when the CIC is evaluated against this "stronger standard" it is clear that the CIC has usurped executive and legislative authority delegated by the Charter to the Twinsburg Planning Commission and the Twinsburg Department of Community Planning and Economic Development. As before, your argument misses the mark.

As was explained in more detail in my first response letter, the Twinsburg Charter explicitly grants the City the ability to take advantage of the authorization provided in the Ohio Constitution, Article VIII, Section 13, and R.C. Chapter 1724 to incorporate a non-profit community improvement corporation. Under Article II, Section 2 of the Twinsburg Charter, the City is vested with all powers that may be possessed or exercised by a City under the "Constitution and general laws of the State of Ohio." In creating the CIC pursuant to R.C. Chapter 1724, the City was exercising the power granted to it under the general laws of the State of Ohio via R.C. Chapter 1724. Notably (and tellingly), you fail to offer in your Follow Up Letter any examples of how the City's use of its Charter-given power to utilize the general laws of the State of Ohio under R.C. Chapter 1724 to create a CIC is contrary to the intent or implication of the Charter or the enactments of the Council.

At no point were the actions of the Council in creating the CIC pursuant to R.C. Chapter 1724 in conflict with the City's Charter or the enactments of Council (or, even the "intent or implication" of the Charter or enactments of Council as you argue). On the contrary, the Council's action to create a CIC pursuant to R.C. Chapter 1724 (via Ord. No. 16-2013) was a clear exercise of the power granted to the City via Article II, Section 2 of the City Charter that explicitly permits the City to exercise the powers granted to it by the general laws of the State of Ohio. Put another way, the CIC was created pursuant to – not in conflict of – the powers granted to the City via the Charter.

Furthermore, as was explained previously to you in my past letter, neither the Charter nor the City Ordinances grant the Planning Commission with exclusive authority to create any and all plans relevant to the City. Instead, the Charter and additional enabling codified ordinances specifically grant the Planning Commission ability to be *involved* in the process of creating specific plans, both Comprehensive and Master plans. Similarly, the Department of Community Planning and Economic Development's authority is permissive and not exclusive as to the administration of "the Comprehensive Plan, Zoning Code, and Subdivision Regulations." Yes, the Department is tasked with administering these areas, but nothing in the Charter's language indicates that the Department is solely and exclusively the only persons (or entity) who are allowed to work on these projects for the City.

Additionally, you continue to misunderstand how a municipality works relative to a CIC. The CIC is not engaged in doing "planning" work for the City. Rather, the references to a "plan" in R.C. 1724.10(B)(1) are for a plan that defines the economic development practices and operations in which the CIC will engage to assist in implementing the City's economic development vision. Accordingly, the CIC isn't doing "planning" work for the City but drafting *a plan* to help the City achieve its economic development goals. Finally, under R.C. 1724.10(B)(1) a community improvement corporation's actions must be "in accordance with any

applicable planning and zoning regulations." As a result, the City's planning processes are left intact and operational regardless of the CIC's actions.

Taking all of the above together, it is clear that no conflict exists between the Charter/enactments of Council and the creation and/or operation of the CIC – even when evaluated under your so-called "stronger standard."

Second, you claim that my argument that Ms. Gaydosh is forbidden from using a taxpayer lawsuit to restrict the Twinsburg Council's political discretion is inapplicable to the case. You base your claim of inapplicability on the argument that if Council did not have the authority to create the CIC at the outset under the Charter, then Council does "not have the discretion to do those [CIC related] things." This argument also misses the mark as it relies on the faulty premise that Twinsburg did not have the authority under the Charter to create a CIC from the beginning.

As is explained in detail above, and in my previous response letter attached hereto, the creation and operation of the CIC is in conformance with the Charter and the enactments of Council and is not in any way in conflict with the same. Therefore, any discretionary decisions made by Twinsburg Council relative to the CIC are just that: discretionary decisions. And as I explained in my previous letter, Ohio law is clear with respect to a political entity's discretionary decisions and claims of abuse of corporate powers: When a decision made by a political entity is discretionary, there can be no abuse of its corporate powers.

## **2. New Allegations – Still No Basis for a Taxpayer Lawsuit**

In your Follow Up Letter, you raise a new allegation that the CIC is illegally usurping the Twinsburg Council's legislative authority and therefore represents another abuse of the City's corporate powers by the CIC. You base this erroneous contention on a collection of misrepresentations and a misunderstanding of Ohio Law.

### **I. Mischaracterization of the CIC and its Actions.**

First off, you mischaracterize the relationship between the City and the CIC. Indeed, Ord. No. 16-2013 includes more language than you include in your Follow Up Letter. In fact, Ord. No. 16-2013 states the following:

- "the City Council of the City of Twinsburg has reviewed draft Articles of Incorporation and draft By-Laws necessary for the organization and operation of a C.I.C. and **approves the same.**" (Emphasis Added).
- "C.I.C. is a non-profit organization which may be established through processes described at Chapter 1724 of the Ohio Revised Code for the purposes of advancing economic development."
- "Mayor is hereby authorized to create the Twinsburg Community Improvement Corporation and file appropriate Articles of Incorporation and related documents with the State of Ohio."

In the documents filed with the State of Ohio pursuant to Ord. No. 16-2013 (attached hereto and incorporated herein as Exhibit “B”), the CIC was created “under Sections 1724.01 et Seq. Revised Code of Ohio” for the “purpose of advancing, encouraging, and promoting the industrial, economic, commercial, distribution, research and civic development of Twinsburg, Ohio.”

Second, throughout your Follow Up Letter, you do not point to one instance whereby the CIC actually entered into a contract for the sale of City-owned property without the approval of the City. For example, the non-binding letter of intent with Fairmount Properties that you cite was not a contract for the sale of property. Furthermore, the same letter of intent with Fairmount did not commit to selling “the Old School Property to Fairmount Properties” as you contend. With respect to your claim that the CIC entered into a memorandum of understanding with Heritage Land Development, to the City’s knowledge, this is factually untrue. But, in any event, it is also irrelevant as the CIC did not sell Heritage Land Development any City-owned property without the approval of the City.

The balance of the other examples you offer on pages 5-6 of your Follow Up Letter similarly leave me at a loss as to how they might support your claims. Put simply, the other examples on pages 5-6 of your Follow Up Letter (assuming arguendo that they are even factually accurate) are nothing more than the CIC doing exactly that which the City originally authorized the CIC to do at the outset via Ord. No. 16-2013: “...advancing, encouraging, and promoting the industrial, economic, commercial, distribution, research and civic development of Twinsburg, Ohio.” None of the examples you cite demonstrate that the CIC was acting in a way that was illegally usurping the Twinsburg Council’s legislative power.

Indeed, to claim that the CIC meeting to discuss ideas to market and/or promote the City (and the development thereof) usurped the Twinsburg Council’s legislative authority would require one to accept that the Twinsburg Council is given the EXCLUSIVE right and authority to discuss ideas to market and/or promote the City and/or its development. This is a meritless contention backed by no supporting evidence, and would lead to some absurd results:

- a nonprofit visitors center who marketed a city for development would be usurping the local political subdivision’s legislative power; or
- a local landowner who brought together stakeholders in a downtown area to create a downtown development plan would be usurping the local political subdivision’s legislative power; or
- a local chamber of commerce who hosted meetings on neighborhood development and business development would be usurping the local political subdivision’s legislative power.

## II. You Misunderstand the *Burton* Case and Chapter 1724.10.

The *Burton* case was a lawsuit to challenge the constitutionality of Section 1724.10 of the Revised Code in an attempt to invalidate the statute by claiming that the statutory language within Section 1724.10 was an unlawful delegation of the governmental power reserved to municipalities. Ultimately, the *Burton* court held that the provisions within Section 1724.10 of the Revised Code were not an unlawful delegation of governmental power. Specifically, the *Burton* court concluded that the following provisions of 1724.10 were not an abdication of governmental power (or, an unlawful delegation):

- A municipality entering into an agreement with a community improvement corporation to prepare a plan for the municipality for industrial, commercial, distribution, and research development plans so long as the plans that are prepared by the community improvement corporation for the municipality are later confirmed by the legislative authority; and
- Community improvement corporations incurring debts that are solely those of the community improvement corporation; and
- A municipality entering into an agreement with a community improvement corporation to authorize the community improvement corporation to sell a municipality's property so long as the legislative body of the political subdivision has first determined that the property is not necessary for its governmental use and that the proposed use will be of economic benefit to the community.

Ultimately, your assertion that *Burton* provides a test for whether a Council has unlawfully delegated its powers to a community improvement corporation is wrong and a misunderstanding of the *Burton* case. *Burton* stands generally for the principle that the provisions of Section 1724.10 are not an unlawful delegation of legislative power. Therefore, your reliance on *Burton* is misplaced and inappropriate to raise in relation to the claims in your Follow Up Letter.

Your reliance on Section 1724.10 of the Revised Code is similarly misplaced. You contend that Section 1724.10 of the Revised Code sets forth "steps" that are "required" for a City to "delegate its legislative authority" to a community improvement corporation. In putting it another way, you explain that the import of Section 1724.10 is as follows:

"If the steps provided in Ohio Revised Code Section 1724.10 are not followed by a municipal corporation, then the municipal corporation would be unlawfully delegating its legislative power to the community improvement corporation."

I cannot support the above conclusion relative to the specific legal conclusion for a political subdivision that is found to have violated the terms of Section 1724.10. Importantly, for purposes of this analysis, neither the City nor the CIC is in violation of the provisions of 1724.10 of the Revised Code, and no evidence to the contrary has been raised in your Follow Up Letter. For your reference, the standard for the unlawful delegation of legislative power is not whether a City follows the steps in Section 1724.10 of the Revised Code. The standard for the unlawful

delegation of legislative powers is that “public powers conferred upon a municipal corporation cannot be surrendered or delegated to others” – with various exceptions established by case law<sup>1</sup>. *City of Cleveland v. Piskura*, 145 Ohio St. 144, 157 (1945)).

But I need not adopt your understanding of Section 1724.10 for purposes of this letter. In its simplest sense, Section 1724.10, in relevant part, grants the following as between a community improvement corporation and a municipality:

- (1) The power (but not obligation) for a political subdivision to designate a community improvement corporation as the agency of the political subdivision for the industrial, commercial, distribution, and research development of a political subdivision process by which a municipality and a community improvement corporation; and
- (2) A list of service/things that a political subdivision may (but is not obligated to) enter into an agreement with a community improvement corporation to perform/provide.

Here, as stated above, neither the City nor the CIC is in violation of the provisions of 1724.10 of the Revised Code, and no evidence to the contrary has been raised in your Follow Up Letter.

### 3. City's Intended Future Actions

Given the above, the City will not be filing suit to enjoin the City or the CIC because there is no merit to your claims.

If you have any questions, please feel free to reach out.

Very Truly Yours,



Matthew J. Vazzana, Esq.  
Law Director

CC: Mayor Sam Scaffide  
Rebecca Ziegler, Director of Planning and Community Development

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<sup>1</sup> One such exception would be the *Burton* case you included in your Follow Up Letter which held that certain contractual relationships between community improvement corporations and municipalities created pursuant to Section 1724.10 do not result in the unlawful delegation of powers by a municipality.

**Exhibit "A"**  
**Letter from Law Director Matthew Vazzana to Attorney Warner Mendenhall dated  
January 17, 2025**



January 17, 2025

*Via Electronic Mail*

Mr. Warner Mendenhall, Esq.  
Mendenhall Law Group  
190 North Union Street, Suite 201  
Akron, Ohio 44304  
warner@warnermendenhall.com

Dear Mr. Mendenhall:

As you know, I serve as the Law Director for the City of Twinsburg. I am in receipt of the December 9, 2024 demand letter that you sent related to the taxpayer's suit you intend to bring on behalf of Ms. Sally Gaydosh if the City does not, as you argue, cease in its "ongoing abuse of Twinsburg's corporate powers" - specifically as to the City's contribution of annual lodging tax revenue and cell tower lease proceeds to the Twinsburg Community Improvement Corporation ("CIC").

Fundamentally, your assertions that the CIC was formed illegally are simply incorrect and not supported by the relevant Ohio law or any reasonable interpretation of the Twinsburg Charter. The response below will clarify some confusions and inaccuracies upon which your taxpayer's suit demand letter is premised. Also, this response serves to demonstrate the flaws in your legal analysis and related position as to the threatened taxpayer's suit.

**I. Agreement of the Facts**

Let's start with what appears to be some agreement between us. The Twinsburg CIC was created in 2013 by virtue of Twinsburg Ordinance 121.05 which was passed by Twinsburg City Council on May 15, 2013 via Ordinance No. 16-2013. The CIC has been designated as a 501(c)(3) non-profit organization under the Internal Revenue Code. Moreover, we both agree that on July 1, 2013, the CIC's Articles of Incorporation were duly filed with the Ohio Secretary of State by the Twinsburg Mayor, Twinsburg Law Director, and the Twinsburg City Council President. Finally, we both agree that Twinsburg's annual lodging tax is contributed directly to the CIC.

However, your contention that the City contributes all of its annual lodging, or bed tax, revenue to the CIC is incorrect. As evidenced by Twinsburg Ordinance No. 153-2013, only 50% of the bed tax funds annually collected are provided by the City to the CIC, not the full 100% as you contend. (See Exhibit A attached.) Similarly, your contention that Twinsburg cell tower lease proceeds are contributed directly to the CIC is incorrect. Indeed, no Twinsburg cell tower lease proceeds have been contributed to the CIC.

Your only remaining contention is that the CIC was created improperly under relevant Ohio law and the Twinsburg Charter. For the reasons stated below, it is demonstrably clear that the CIC was created properly in accordance with relevant Ohio law and the Twinsburg Charter.

## 2. No Basis for Taxpayer Lawsuit

You contend that the CIC was not legally created and violates the Twinsburg Charter. But you do not further expound on this position. Your only mention of the Charter is to state that it “does not mention, nor make room for a Twinsburg CIC to be involved in any development planning for the city.” Contrary to your assertion, the Twinsburg Charter explicitly provides the authorization for the City to establish a CIC under Chapter 1724 of the Ohio Revised Code.

The Charter states in Article II, Section 2 the following regarding the authority and powers the City and City Council may exercise (emphasis added):

**The City shall have all the powers, general or special, governmental or proprietary, that may now or hereafter lawfully be possessed or exercised by municipal corporations under the Constitution and general laws of the State of Ohio.** The powers of this City shall be exercised in the manner prescribed in this Charter, or, to the extent that the manner is not prescribed herein, in such manner as the Council may determine. The powers of the City may also be exercised, except if a contrary intent or implication appears in this Charter or in the enactments of the Council, in such manner as may now or hereafter be provided by the general laws of the State of Ohio.

Here, a charter municipality such as Twinsburg explicitly has granted itself the ability to take advantage of the authorization provided in the Ohio Constitution, Article VIII, Section 13, and R.C. Chapter 1724 to incorporate a non-profit community improvement corporation to foster economic development. Under Article II, Section 2 of the Twinsburg Charter, the City is explicitly allowed to take advantage of “general laws of the State of Ohio” that authorize the creation of economic development entities. That is precisely what Twinsburg has done with the creation of the CIC.

If your claim is that the Twinsburg Mayor, Twinsburg Law Director and Twinsburg City Council President cannot create a non-profit, that position also is incorrect. To create a non-profit organization in Ohio, an incorporator must file the Articles of Incorporation pursuant to R.C. 1702 generally. “Incorporator” is defined as the “person who signed the original articles of incorporation.” R.C. 1702.01(D). “Person” in this sense “includes, but is not limited to, a nonprofit corporation, a business corporation, a partnership, an unincorporated society or association, and two or more persons sharing a joint or common interest.” R.C. 1702.01(I). Although the definition of “person” is expansive and a non-exhaustive list, articles of incorporation are signed by named persons on behalf of a corporation. The establishment of a nonprofit corporate entity would include the step of a resolution or similar approval authorizing certain individuals to sign as the incorporators. This is precisely what Twinsburg Ordinance No. 16-2013 was enacted to do: authorize the Mayor of Twinsburg to create the CIC and file appropriate Articles of Incorporation.



Most importantly on this point, you cite to zero legal authority – caselaw, statutory, or otherwise – that would support your contention that the mayor cannot act as an “incorporator” (and by extension that Twinsburg Ordinance No. 16-2013 is unlawful). I also find no such authority – again, caselaw, statutory, or otherwise – to support your contention. Simply put, there is nothing under Ohio law that would prohibit a city mayor from serving as incorporator of a non-profit community improvement corporation entity.

Now, let's focus on what Ohio law does say on this topic. When a decision made by a political entity is discretionary, there can be no abuse of its corporate powers. *State ex rel. Cahill v. Village of Madison*, 2018-Ohio-1449, 110 N.E.3d 597, ¶ 17 (11th Dist.). Unless there is fraud or gross abuse of discretion, “a taxpayer’s suit cannot be ‘used to control or interfere with the discretion of a municipal board.’” *Cincinnati ex rel. Ritter v. Cincinnati Reds, L.L.C.*, 150 Ohio App.3d 728, 2002-Ohio-7078, 782 N.E.2d 1225, ¶ 40 (1st Dist.), quoting 18 McQuillin, *Municipal Corporations* (3d Ed. 1993), Section 52.21, 46. This is especially so when a taxpayer’s suit seeks to abrogate a contract outside of the statute of limitations set by the General Assembly. *Id.* Ms. Gaydosh’s taxpayer’s suit demand claims that the City abused its corporate powers and seeks to control the City’s discretion, which is not a proper use of a suit brought under R.C. 733.59. Taxpayer suits “are carefully restricted by court decisions.” *Columbus ex rel. Willits v. Cremean*, 27 Ohio App.2d 137, 149, 273 N.E.2d 324 (10th Dist. 1971).

Your contention is that the CIC has in some way usurped or bypassed the authority which you contend is exclusive to the Twinsburg Planning Commission and the Twinsburg Department of Community Planning and Economic Development. You claim, without support, that the CIC is developing, preparing, and drafting development plans on behalf of Twinsburg - thereby bypassing the authority of the Twinsburg Planning Commission and, by extension, the Twinsburg Department of Community Planning and Economic Development.

Fundamentally, this contention misrepresents the authority granted to the Twinsburg Planning Commission and Department of Community Planning and Economic Development. Furthermore, your letter evidences a clear misunderstanding of how a CIC interacts with a municipality.

First, neither Charter § 7.08 nor Twinsburg Codified Ordinance § 1103.05<sup>1</sup> grants the Planning Commission with exclusive authority to create any and all plans relevant to the City. Instead, the Charter and additional enabling codified ordinances specifically grant the Planning Commission ability to be *involved* in the process of creating specific plans, both Comprehensive and Master plans. If this grant was exclusive, then no single staff member could ever work on - or even discuss - any of the City’s planning efforts. Furthermore, numerous other city departments, including the public safety forces and engineering departments, would never be able to discuss or weigh in on the City’s planning efforts.

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<sup>1</sup> Your citation to Twinsburg Code Section 1103.05 is erroneous. In November of 2024, the Twinsburg electorate approved an amendment to the City’s Planning and Zoning Code. The previous Section 1103.05 of the Twinsburg Code, of which you cite in your letter, was amended by the electorate in 2024. At the same 2024 election, the electorate approved Section 1122.07(A)(1) which reads substantially the same as prior Section 1103.05.



The Department of Community Planning and Economic Development's authority is similarly permissive and not exclusive as to the administration of "the Comprehensive Plan, Zoning Code, and Subdivision Regulations." They are tasked by Charter § 7.11 with administering these areas, but nothing in the Charter's language would indicate they are solely and exclusively the only persons who are allowed to work on these projects for the City. If that were the case, the Mayor would not be able to weigh in on these matters and the City could never hire an outside planning firm to help prepare any of the city's zoning regulations or plans.

Second, and perhaps most damning, your letter clearly misunderstands how a municipality works with a CIC. The CIC is not engaged in doing "planning" work for the City. Rather, the references to a "plan" in R.C. 1724.10(B)(1) are for a plan that defines the economic development practices and operations in which the CIC will engage to assist in implementing the City's economic development vision. Accordingly, the CIC isn't doing "planning" work for the City but drafting a plan to help the City achieve its economic development goals.

In addition, under R.C. 1724.10(B)(1) a community improvement corporation's actions must be "in accordance with any applicable planning and zoning regulations." As a result, the City's planning processes are left intact and operational regardless of the CIC's actions.

### 3. City's Intended Future Actions

Given the above, the City will not be filing suit to enjoin the City or the CIC because there is no merit to your claims. I find that the CIC was not illegally created and the City did not, nor has it, abused its corporate powers by creating and continuing to operate the CIC (as well as provide certain funds to the CIC).

If you have any questions, please feel free to reach out.

Very Truly Yours,



Matthew J. Vazzana, Esq.  
Law Director

CC: Mayor Sam Scaffide  
Rebecca Ziegler, Director of Planning and Community Development

## Exhibit A – Twinsburg Ordinance No. 153-2013

Emailed to Council 11/22/13

**CITY OF TWINSBURG, OHIO****ORDINANCE 153-2013****AN ORDINANCE PROVIDING FUNDING FOR THE  
TWINSBURG COMMUNITY IMPROVEMENT  
CORPORATION FOR OPERATIONS AND ACTIVITIES**

**WHEREAS**, a Community Improvement Corporation (C.I.C.) is a non-profit organization which may be established through processes described at Chapter 1724 of the Ohio Revised Code for the purposes of advancing economic development; and

**WHEREAS**, the City of Twinsburg organized the Twinsburg Community Improvement Corporation (TCIC) to act as its development entity for land within the boundaries of the City's Community Reinvestment Area; and,

**WHEREAS**, the City desires to transfer certain economic development administrative responsibilities to the TCIC which will generate minimal operating revenues, but which will require up to a year of administration before any significant revenues become available through its operations; and,

**WHEREAS**, operating revenues are needed immediately enable the TCIC to acquire equipment, provide services, and function as an organization.

**NOW, THEREFORE, BE IT ORDAINED** by the Council of the City of Twinsburg, County of Summit and State of Ohio:

**SECTION I:** That funds shall be provided from the City's general fund to the Twinsburg Community Improvement Corporation in an annual amount equal to fifty percent (50%) of the funds collected and received by the City pursuant to the Transient Guest Tax starting with year ending 2013 with such funds being utilized for the operational expenses of the TCIC.

**SECTION II:** The TCIC is hereby assigned the responsibilities of Twinsburg Occupancy Program (TOP) and Community Reinvestment Areas (CRA) programs, including processing applications and performing annual monitoring of active agreements, the TCIC shall collect such fees so long as the TCIC has been authorized by the City of Twinsburg to perform this service.

**SECTION III:** In contemplation of assuming the tasks designated in Section II, funds shall be provided to the Twinsburg Community Improvement Corporation from the City's general revenue fund in an amount equal to the 2013 collections of application fees and annual monitoring fees from both Twinsburg Occupancy Program (TOP) Grants and

Ordinance 153-2013

Page 2

Community Reinvestment Area (CRA) Programs in the amount of Seven Thousand One Hundred Seventy Eight dollars (\$7,178.00).

**SECTION IV:** An amount of \$300,000 shall be funded to the TCIC for the purposes of performing actions and responding to land assembly opportunities that might advance the purposes of the TCIC and support economic and social advancement for residents of the City of Twinsburg. No portion of these funds may be used for the payment of salaries to members, directors or employees of the TCIC nor may any of these funds be utilized as direct or indirect financial incentives for developers.

**SECTION V:** It is found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were taken in an open meeting or meetings of this Council and any of its committees that resulted in such formal action, were in meetings open to the public and in full compliance with all legal requirements, including without limitation, those set forth in Section 121.22 of the Ohio Revised Code.

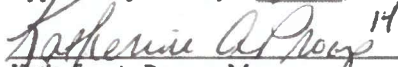
**SECTION III:** That this Ordinance shall take effect and be in force from and after the earliest period allowed by law.

PASSED: 1/28/14APPROVED: 1/30/14

  
Maureen Stauffer, President of Council

Submitted to the Mayor for approval this  
30 day of January, 2013.

Approved by the Mayor 1/30, 2013.

  
Katherine A. Procop, Mayor

ATTEST:

  
Shannon Cole  
Clerk of Council


1<sup>st</sup> Reading. 1/24/13  
2<sup>nd</sup> Reading. 12/3/13

Ordinance 153-2013

Page 3

3<sup>rd</sup> Reading. 1/28/14Passed: 1/28/14Yes 5 No 1**CERTIFICATE OF POSTING**

I, Shannon Collins, Clerk of Council, of the City of Twinsburg, State of Ohio, do hereby certify that publication of the foregoing ordinance was duly made by posting true copies thereof at five of the most public places in said City as determined by Section 113.02 of the Codified Ordinance of the City of Twinsburg: each for a period of fifteen days commencing on the 31 day of January, 2013.



Shannon Collins  
Clerk of Council  
City of Twinsburg

Amended 1/13/2014

**Exhibit "B"**  
**Articles of Incorporation of Twinsburg Community Improvement Corporation**

**ARTICLES OF INCORPORATION  
OF  
TWINSBURG COMMUNITY IMPROVEMENT CORPORATION**

The undersigned, a majority of whom are citizens of the United States, desiring to form a corporation, not for profit, under Sections 1724.01 et Seq. Revised Code of Ohio, do hereby certify:

**Article I**

The Name of the Corporation is TWINSBURG COMMUNITY IMPROVEMENT CORPORATION.

**Article II**

The place in the State of Ohio where the above corporation's principal office is located is in the City of Twinsburg, County of Summit, Ohio.

**Article III**

The corporation is formed for the sole purpose of advancing, encouraging, and promoting the industrial, economic, commercial, distribution, research and civic development of Twinsburg, Ohio.

**Article IV**

The following named persons shall serve said corporation as Trustees until the first annual meeting or other meeting called to elect Trustees:

- Mayor Katherine A. Procop, 10075 Ravenna Road, Twinsburg, Ohio
- David M. Maistros, 10075 Ravenna Road, Twinsburg, Ohio
- Seth Rodin, 2227 Meadowood Blvd., Twinsburg, Ohio

**Article V**

No part of net earnings, if any, of the corporation shall inure to the benefit of any private shareholder, individual, member, trustee or officer. No part of the activities of the corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, nor shall the corporation participate in or interfere in (including the publishing of distributing of statement) any political campaign on behalf of any candidate for public office. Upon any dissolution of the corporation none of its property and assets shall be distributed to any member, trustee or officer of the corporation or to any other individual, but all of its property and assets of every nature and description shall be applied to such public charitable purposes in the Twinsburg area as may be determined to by the Trustees, with the approval of the Court of Common Pleas of Summit County, Ohio; provided, however, that the corporations or associations engaged in such public charitable purposes shall be corporations of

associations which are exempt from federal income tax under the provisions of the Federal Internal Revenue Code.

#### Article VI

All members of this corporation shall be voting members. The Board of Trustees shall have the power to create such other non-voting members as the Trustees shall, in their opinion, deem necessary.

#### Article VII

This corporation shall have no capital stock and will not engage in business for profit, but shall be supported by contributions, rents, leases, land sales, fees for services and dues paid by members. Membership in the corporation shall be governed and controlled as provided in the Constitution and by-laws of this corporation.

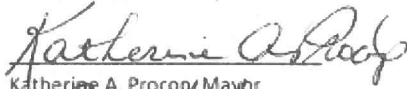
#### Article VIII

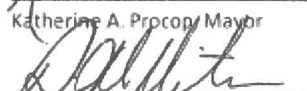
This organization shall have perpetual existence

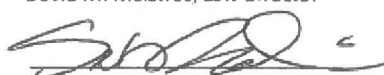
#### Article IX

The geographic area to be served by this corporation shall be the City of Twinsburg.

IN WITNESS WHEREOF, we have hereunto subscribed our names this 28<sup>th</sup> day of May, 2013.

  
Katherine A. Procop, Mayor

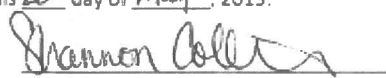
  
David M. Maistros, Law Director

  
Seth Rodin, President of Council

STATE OF OHIO       )  
                                  ) ss:  
COUNTY OF SUMMIT   )

Sworn To before me and subscribed in my presence this 28<sup>th</sup> day of May, 2013.

**SHANNON COLLINS**  
NOTARY PUBLIC  
STATE OF OHIO

  
Notary Public

TWINSBURG COMMUNITY IMPROVEMENT CORPORATION - ARTICLES OF INCORPORATION

Page 2

My Commission Expires  
2/5/17

Emailed 01/18/13

**CITY OF TWINSBURG, OHIO****ORDINANCE 16-2013**

AN ORDINANCE CREATING THE TWINSBURG COMMUNITY IMPROVEMENT CORPORATION AND AUTHORIZING THE MAYOR TO FILE APPROPRIATE ARTICLES OF INCORPORATION WITH THE STATE OF OHIO

**WHEREAS**, A Community Improvement Corporation (C.I.C.) is a non-profit organization which may be established through processes described at Chapter 1724 of the Ohio Revised Code for the purposes of advancing economic development; and

**WHEREAS**, the City of Twinsburg recognizes significant potential economic development benefits related to implementation of a local C.I.C.; and,

**WHEREAS**, the City Council of the City of Twinsburg has reviewed information related to the powers, organization and potential responsibilities of a C.I.C. and wishes to advance economic development opportunities utilizing such an entity; and,

**WHEREAS**, the City Council of the City of Twinsburg has reviewed draft Articles of Incorporation and draft By-laws necessary for the organization and operation of a C.I.C. and approves the same.

**NOW, THEREFORE, BE IT RESOLVED** by the Council of the City of Twinsburg, County of Summit and State of Ohio:

**SECTION I:** the Mayor is hereby authorized to create the Twinsburg Community Improvement Corporation and file appropriate Articles of Incorporation and related documents with the State of Ohio.

**SECTION II:** It is found and determined that all formal actions of this Council concerning and relating to the adoption of this Resolution were taken in an open meeting or meetings of this Council and any of its committees that resulted in such formal action, were in meetings open to the public and in full compliance with all legal requirements, including without limitation, those set forth in Section 121.22 of the Ohio Revised Code.

**SECTION III:** That this Ordinance shall take effect and be in force from and after the earliest period allowed by law.

PASSED: 5/14/13

APPROVED: 5/20/13





Ordinance 16-2013

Page 2



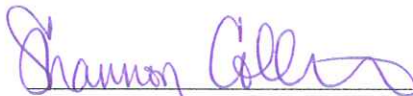
Seth Rodin, President of Council

Submitted to the Mayor for approval this  
20 day of May, 2013.

Approved by the Mayor 5/20, 2013.

  
Katherine A. Procop, Mayor

ATTEST:



Shannon Collins, Clerk of Council

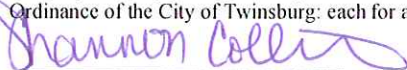
1<sup>st</sup> Reading. 1/22/132<sup>nd</sup> Reading. 4/23/133<sup>rd</sup> Reading. 5/14/13

Passed: 5/14/13

Yes 4 No 2

CERTIFICATE OF POSTING

I, Shannon Collins, Clerk of Council, of the City of Twinsburg, State of Ohio, do hereby certify that publication of the foregoing ordinance was duly made by posting true copies thereof at five of the most public places in said City as determined by Section 113.02 of the Codified Ordinance of the City of Twinsburg: each for a period of fifteen days commencing on the 21<sup>st</sup> day of May, 2013.

Shannon Collins  
Clerk of Council  
City of Twinsburg



**Exhibit "B"**  
**Articles of Incorporation of Twinsburg Community Improvement Corporation**

**ARTICLES OF INCORPORATION  
OF  
TWINSBURG COMMUNITY IMPROVEMENT CORPORATION**

The undersigned, a majority of whom are citizens of the United States, desiring to form a corporation, not for profit, under Sections 1724.01 et Seq. Revised Code of Ohio, do hereby certify:

**Article I**

The Name of the Corporation is TWINSBURG COMMUNITY IMPROVEMENT CORPORATION.

**Article II**

The place in the State of Ohio where the above corporation's principal office is located is in the City of Twinsburg, County of Summit, Ohio.

**Article III**

The corporation is formed for the sole purpose of advancing, encouraging, and promoting the industrial, economic, commercial, distribution, research and civic development of Twinsburg, Ohio.

**Article IV**

The following named persons shall serve said corporation as Trustees until the first annual meeting or other meeting called to elect Trustees:

- Mayor Katherine A. Procop, 10075 Ravenna Road, Twinsburg, Ohio
- David M. Maistros, 10075 Ravenna Road, Twinsburg, Ohio
- Seth Rodin, 2227 Meadowood Blvd., Twinsburg, Ohio

**Article V**

No part of net earnings, if any, of the corporation shall inure to the benefit of any private shareholder, individual, member, trustee or officer. No part of the activities of the corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, nor shall the corporation participate in or interfere in (including the publishing of distributing of statement) any political campaign on behalf of any candidate for public office. Upon any dissolution of the corporation none of its property and assets shall be distributed to any member, trustee or officer of the corporation or to any other individual, but all of its property and assets of every nature and description shall be applied to such public charitable purposes in the Twinsburg area as may be determined to by the Trustees, with the approval of the Court of Common Pleas of Summit County, Ohio; provided, however, that the corporations or associations engaged in such public charitable purposes shall be corporations of

associations which are exempt from federal income tax under the provisions of the Federal Internal Revenue Code.

#### Article VI

All members of this corporation shall be voting members. The Board of Trustees shall have the power to create such other non-voting members as the Trustees shall, in their opinion, deem necessary.

#### Article VII

This corporation shall have no capital stock and will not engage in business for profit, but shall be supported by contributions, rents, leases, land sales, fees for services and dues paid by members. Membership in the corporation shall be governed and controlled as provided in the Constitution and by-laws of this corporation.

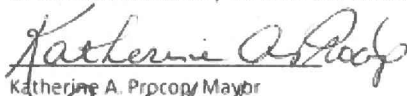
#### Article VIII

This organization shall have perpetual existence

#### Article IX

The geographic area to be served by this corporation shall be the City of Twinsburg.

IN WITNESS WHEREOF, we have hereunto subscribed our names this 28<sup>th</sup> day of May, 2013.

  
Katherine A. Procop, Mayor

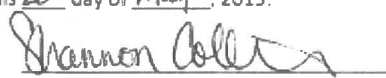
  
David M. Maistros, Law Director

  
Seth Rodin, President of Council

STATE OF OHIO       )  
                                  ) ss:  
COUNTY OF SUMMIT   )

Sworn To before me and subscribed in my presence this 28<sup>th</sup> day of May, 2013.

**SHANNON COLLINS**  
NOTARY PUBLIC  
STATE OF OHIO

  
Notary Public

TWINSBURG COMMUNITY IMPROVEMENT CORPORATION - ARTICLES OF INCORPORATION

Page 2

My Commission Expires  
2/5/17

## Exhibit A – Twinsburg Ordinance No. 153-2013

Emailed to Council 11/22/13

## CITY OF TWINSBURG, OHIO

## ORDINANCE 153-2013

AN ORDINANCE PROVIDING FUNDING FOR THE  
TWINSBURG COMMUNITY IMPROVEMENT  
CORPORATION FOR OPERATIONS AND ACTIVITIES

**WHEREAS**, a Community Improvement Corporation (C.I.C.) is a non-profit organization which may be established through processes described at Chapter 1724 of the Ohio Revised Code for the purposes of advancing economic development; and

**WHEREAS**, the City of Twinsburg organized the Twinsburg Community Improvement Corporation (TCIC) to act as its development entity for land within the boundaries of the City's Community Reinvestment Area; and,

**WHEREAS**, the City desires to transfer certain economic development administrative responsibilities to the TCIC which will generate minimal operating revenues, but which will require up to a year of administration before any significant revenues become available through its operations; and,

**WHEREAS**, operating revenues are needed immediately enable the TCIC to acquire equipment, provide services, and function as an organization.

**NOW, THEREFORE, BE IT ORDAINED** by the Council of the City of Twinsburg, County of Summit and State of Ohio:

**SECTION I:** That funds shall be provided from the City's general fund to the Twinsburg Community Improvement Corporation in an annual amount equal to fifty percent (50%) of the funds collected and received by the City pursuant to the Transient Guest Tax starting with year ending 2013 with such funds being utilized for the operational expenses of the TCIC.

**SECTION II:** The TCIC is hereby assigned the responsibilities of Twinsburg Occupancy Program (TOP) and Community Reinvestment Areas (CRA) programs, including processing applications and performing annual monitoring of active agreements, the TCIC shall collect such fees so long as the TCIC has been authorized by the City of Twinsburg to perform this service.

**SECTION III:** In contemplation of assuming the tasks designated in Section II, funds shall be provided to the Twinsburg Community Improvement Corporation from the City's general revenue fund in an amount equal to the 2013 collections of application fees and annual monitoring fees from both Twinsburg Occupancy Program (TOP) Grants and



Ordinance 153-2013

Page 2

Community Reinvestment Area (CRA) Programs in the amount of Seven Thousand One Hundred Seventy Eight dollars (\$7,178.00).

**SECTION IV:** An amount of \$300,000 shall be funded to the TCIC for the purposes of performing actions and responding to land assembly opportunities that might advance the purposes of the TCIC and support economic and social advancement for residents of the City of Twinsburg. No portion of these funds may be used for the payment of salaries to members, directors or employees of the TCIC nor may any of these funds be utilized as direct or indirect financial incentives for developers.

**SECTION V:** It is found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were taken in an open meeting or meetings of this Council and any of its committees that resulted in such formal action, were in meetings open to the public and in full compliance with all legal requirements, including without limitation, those set forth in Section 121.22 of the Ohio Revised Code.

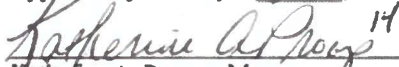
**SECTION III:** That this Ordinance shall take effect and be in force from and after the earliest period allowed by law.

PASSED: 1/28/14APPROVED: 1/30/14


  
Maureen Stauffer, President of Council

Submitted to the Mayor for approval this  
30 day of January, 2013.

Approved by the Mayor 1/30, 2013.

  
Katherine A. Procop, Mayor

ATTEST:

  
Shannon Cole  
Clerk of Council


1<sup>st</sup> Reading. 1/24/13  
2<sup>nd</sup> Reading. 12/3/13

Ordinance 153-2013

Page 3

3<sup>rd</sup> Reading. 1/28/14Passed: 1/28/14Yes 5 No 1**CERTIFICATE OF POSTING**

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Shannon Collins  
Clerk of Council  
City of Twinsburg

Amended 1/13/2014

**Exhibit "B"**  
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OF  
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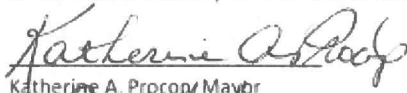
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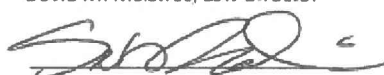
#### Article IX

The geographic area to be served by this corporation shall be the City of Twinsburg.

IN WITNESS WHEREOF, we have hereunto subscribed our names this 28<sup>th</sup> day of May, 2013.

  
Katherine A. Procop, Mayor

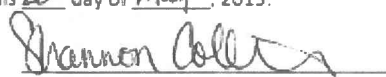
  
David M. Maistros, Law Director

  
Seth Rodin, President of Council

STATE OF OHIO       )  
                                  ) ss:  
COUNTY OF SUMMIT   )

Sworn To before me and subscribed in my presence this 28<sup>th</sup> day of May, 2013.

**SHANNON COLLINS**  
NOTARY PUBLIC  
STATE OF OHIO

  
Notary Public

TWINSBURG COMMUNITY IMPROVEMENT CORPORATION - ARTICLES OF INCORPORATION

Page 2

My Commission Expires  
2/5/17