

**COUNCIL MINUTES
NOVEMBER 16, 1998**

The regular City Council Meeting was held on Monday, November 16, 1998 at 7 PM in the Euclid City Hall Council Chambers.

Members Present: Dallos, Farrell, Holzheimer Gail, Gallagher, Korosec, McGarry, Miller, Vadnal, Cervenik.

Others Present: Mayor Oyaski, Administrative Director Johnson, CS&ED Director Koran, Finance Director Balazs, Parks & Recreation Director DeMinico, Law Director Murphy, Fire Chief Dworning, Police Captain Maine, Housing Manager Tollerup, Asst. Service Director Gulich, Sgt.-at-Arms Stankus, Clerk of Council Cahill.

Cub Scout Pack 532 from St. Roberts and St. Stephens led the Pledge of Allegiance.

Liquor Permit

Councilwoman Holzheimer Gail moved to receive without objection a new C1, C2 liquor permit to Zigman Automotive Products, DBA Euclid Sunoco at 470 E. 200 St. President Cervenik seconded.

Roll Call: Yeas: Dallos, Farrell, Holzheimer Gail, Gallagher, Korosec, McGarry, Miller, Vadnal, Cervenik.

Passed.

Councilwoman McGarry - I have a question directed to the police department. I've done some research on both of these and I will move without objection on them, however, I had an incident occur, Officer Maine, about maybe a week and a half ago. To spare the details, if there is an incident where one thinks that there is a car traveling and it is creating a jeopardy for other passengers in regards to either liquor or whatever, in other words, we could give the location of the car and the direction it is traveling, but many people feel that the police department does not look at this real seriously. I would think that there is a process in order to follow a car such as this, preventive type stuff. And, also to alert another police department in another municipality that would be adjacent to ours. In other words, not just stop at our borders. Could you enlighten us on how that works.

Capt. Maine - I would encourage anybody who comes in contact with anybody who they feel is under the influence of either alcohol or drugs who is driving a vehicle to contact the police department. Our dispatchers will ask information such as the type of car, license plate, occupants, that sort of thing. If we have cars that are unassigned, who aren't on a more serious type of call, they will be dispatched to try and locate that driver and their occupants wherever they may be. If it appears that they have gone into another city we as a matter of course, will call that other city and let them know that they were last observed coming into their jurisdiction.

Councilwoman McGarry moved to receive without objection a transfer of a C1, C2, D6 liquor permit for CJ Beverage from 23886 Lake Shore Blvd. to 23900 Lake Shore Blvd. Councilwoman Miller seconded.

Roll Call: Yeas: Dallos, Farrell, Holzheimer Gail, Gallagher, Korosec, McGarry, Miller, Vadnal, Cervenik.

Passed.

Councilwoman McGarry moved to receive without objection a stock transfer for Shore Center Beverage at 22808 Lake Shore Blvd. Councilwoman Holzheimer Gail seconded.

Roll Call: Yeas: Dallos, Farrell, Holzheimer Gail, Gallagher, Korosec, McGarry, Miller, Vadnal, Cervenik.

Passed.

Communications

Council has received the following communications:

From the Department of the Army Corps of Engineers, an inspection of Sims Park Beach Erosion Control Project.

A memo from Building Commissioner Apanasewicz re: vacant lots at E. 214 and Lake Shore.

From the Mayor's Office, a petition for Shore Cultural Centre.

A letter from Mayor Oyaski responding to remarks made at the Church in the City Symposium.

A summary of legislation on tonight's agenda by Law Director Murphy.

Council Minutes

Councilwoman Miller moved to accept the Council Minutes of November 2, 1998. Councilman Vadnal seconded. Yeas: Unanimous.

Administration Reports and Communications

Mayor Oyaski - We have a few brief reports and then a couple of presentations. I'd ask the Recreation Director to update you on a couple of events that are soon to happen.

Director DeMinico - As you recall at our last meeting, we had some discussions regarding a facility tour, that's coming up this Thursday and Saturday. We will be viewing several civic centers, Independence, Brecksville, and Brunswick. I believe all of Council has received the information. We still have spots available on both bus trips. If somebody is interested, please call our office. We do have some spots available.

We have re-established the holiday lighting contest. We talked about it at a previous Council Meeting. We are putting the word back out again. It's open to all residents in the City of Euclid, restricted to the Parks and Recreation Department employees, unfortunately. There will be more information in the newspapers. It's going to be a contest with various prizes. Four houses will be awarded. I know Councilwoman Miller, Councilperson Cervenik and other individuals are going to be judging them. All the residents have to do is send something over to the parks and recreation department in writing. We do request that you put it in writing and get it into our office. We are looking forward to a lot of fun.

Mayor Oyaski - Thank you Mr. DeMinico. Also, on November 30th there are five Mondays in November, so 2 weeks from today we will not have a Council Meeting, but we will have our annual Christmas lighting ceremony here in City Hall at 6:00 that night, two weeks from today. We will have the Varsity Chorale singing Christmas Carols from our high school, we will go for a caroling walk in the nearby neighborhoods and I also understand that Santa Claus is scheduled to visit City Hall that night. So, we invite the Council and as well as the public and particularly Euclid children to see our new and improved light display beginning on Monday, November 30th.

Mayor Oyaski and Councilwoman Miller presented Samantha Markel, Sarah Rossi, Ron Thomas, and Katie Maxwell with the "Oaths of Office" for Lincoln Elementary School's Student Council.

Mayor Oyaski presented Ken Ferlito with Res. No. 251-1998, congratulating him on his Community Enrichment Award.

Mayor Oyaski presented Linda Crockett with Res. No. 253-1998, congratulating her on her Community Enrichment Award.

Mayor Oyaski presented June Daugherty with Res. No. 252-1998, congratulating her on her Community Enrichment Award.

Mayor Oyaski presented Superintendent Stanic with Res. No. 250-1998, congratulating Bea Kay Gruschow for her Community Enrichment Award.

Reports & Committee Minutes

Councilwoman Miller moved to receive the Fire Report for October, 1998; Humane Officer's Report for October, 1998; Service Committee Minutes of 10/26/98 & 10/28/98; Board of Control Minutes of 11/2/98 & 11/9/98. Councilman Vadnal seconded. Yeas: Unanimous.

Councilman Dallos moved to go into the Committee of the Whole for Legislative Matters Only. Councilman Farrell seconded. Yeas: Unanimous.

Committee of the Whole

Mr. Mike McPhillips - 20531 Crystal Ave. #4 on the Agenda tonight. I think it is a very good idea. While I've spoken at length with Councilman Cervenik, probably longer than he wanted to speak about it. There maybe changes to the plan when a private developer is found. I think it is a good idea for the city to put a little bit of money into it to show a developer that the City would be serious about pursuing a marina and condo conversion type project. I urge all members to support it.

Mrs. Dorothy Fike - 20271 Delaware Rd. I'm here to speak in opposition to #4, establishing a public marina. When this was first proposed it was supposed to be, the Mayor said repeatedly, that it was supposed to be, it was not to be done unless it was done with private funds. All of a sudden tonight it is changed to a public marina. I think that the first investigation into it established that the majority of people, or a great number of people in Euclid were not in favor of a marina. It seemed that the only ones that were in favor of it were those that lived along Lake Shore Blvd. I have not seen the latest study because I'm not about to pay \$24-\$27 for a public document. I can't speak to that, but I do remember the other ones. They were more informal. I can't see spending, what is it up to, \$20,000 or \$40,000 now of public funds for a marina for private enterprises. I think the city has enough problems that the money could be used for more useful things for the citizens of Euclid. Thank you.

Mrs. Madeline Scarniench - 1511 E. 221 St. On #3, would it be possible for the Finance Director, if he knows off hand, to give us the amounts of the taxes that we pay for each of the other different things like mental retardation. We used to get that on our taxes but we don't any more. It would be of interest to the public, where all our money goes, if he knows that off hand.

#9, it says in the ordinance that, when the renovations are completed, this will aid in attracting an industrial occupant to this property. I think it was 2 meetings ago, it was stated that these people were moving in, they bought it. Am I not getting this right? Are these the new people? And they are not moving in but they want to sell the property? Or is this the old people who are trying to fix it up?

#10, skateboards. I've had a couple of calls on that and I just want to make sure I'm right. This means that kids are allowed to go on the sidewalks in residential areas only. If somebody is walking, they better get out of the way. Could that please be clarified.

#13, how many renters do we have at Shore? How many of them actually pay the full rental price?

#11, I wholeheartedly applaud this. Self-serve gas stations have been a problem and I hope this goes through without a hitch. It needs to be rectified for the people in the neighborhoods.

#19, the pawn shop. I know this is going to go through. I hope it doesn't go through unanimously. I do have some concerns. In the Resolution it says that the owner will be investigated for any crimes and misdemeanors. What about the employees? I know that was done at the pawn shop that opened on Lake Shore. Will that be included? Does that have to be written into this? I would like to know if he is planning to change the name on the outside of the building? He's been doing a lot of work. The building looks really great. I love the way it looks. I would hate to see the pawn shop added to it. Are there restrictions in the hours for pawn shops. Another thing that concerns me is the pawn shop on Lake Shore, every once in awhile you'll go by and they'll have stuff all out on the sidewalk. I don't know if that's against the rules but it sure looks tacky. I would hope that would be included that they can't put things outside for sale. Thank you.

Mr. Jerry Corbran - 24250 Maplewood Dr. I want to commend the Mayor for his foresight in seeking seed financing for the proposed marina. The project including condominiums conversions could bring \$50-\$100,000,000 in construction to our lakefront. This would erase the zoning blunders of the 60's and change the character of this city. Yet the seed fund is needed in advance to ward off the delays like we experienced in the Danter study. That \$12,000 expenditure took one year from proposal to completion. Question, could the seed money come from the established Clay Matthews Pontiac Tax Increment Fund. Maybe you've looked at this, maybe you've haven't. Speaking of Tax Increment Fund, the lakefront TIF fund maybe a long time in coming due to the lack of movement by the Americana owners. The big question is, developer Gudenas, will he proceed on his proposed development next to a deteriorating high rise? Who knows.

May I suggest pushing for the development of the 500 x 500 parcel east of Sims Park, and the 200 x 1,000 Burger/Larrick property, that contain few houses. Both are TIF zoned, and in a better neighborhood. I also urge that the marina include the large recreation pier for the general public use. This leaves resentment for lakefront property owners. Mr. Cervenik is right in his press comments, we can't depend upon tax increment financing to retire the bonds if we do not have construction improvements. To address this problem and others like parking and winter boat storage, I suggest that the Mayor in choosing the Steering Committee, look for volunteer engineers, architects, lawyers, accountants, marketing specialists and public relations people. That sounds like a tall order, but I believe that they are out there and if you broadcast your needs they will respond. This whole marina project needs a jump start. Let's get on with the funding.

Mr. Dale Vernon - 1497 E. 196 St. I would like to comment on #9 on tonight's agenda with due regard to Ely Hoist and Crane. As long as the city is giving away money, I would like suggest that a member of the Administration might propose and some council person sponsor a grant to pay for the \$600-plus special renovation cost for the new sidewalk in front of my house that the city forced me to have installed. After all, I'm a valued member of the City of Euclid, pay my taxes and active participant in city council meetings. While we are at it, perhaps the grant could include the other taxpayers on E. 196 St., and all the other property owners in Euclid who are assessed for sidewalk renovation. I'm intrigued that a city government can assess its taxpayers over a 300% surcharge on their water bills, to finance replacement of fire hydrants and can still find \$25,000 to give away to a business for property renovation, which any business owner knows, is part of the cost of doing business. Thank you.

Councilman Farrell moved to rise and report. Councilman Gallagher seconded. Yeas: Unanimous.

LEGISLATION

Res. (269-98) Second Reading

A resolution granting a use district exception, pursuant to Chapter 1375 of the Codified Ordinances of the City of Euclid, to the T.E.A. Corp. to allow a U-R-1 (daycare) use district in a U-8 (office) use district at 26191 Brush Ave. (Sponsored by Planning & Zoning Commission)

Second Reading. Third Reading and Public Hearing December 7, 1998.

Ord. 254-1998 (293-98) 3% Pay Incr. Non-Union

An emergency ordinance approving a three percent (3%) general pay increase retroactive to January 1, 1998 for all full-time and permanent part-time, non-union employees on the payroll as of January 1, 1998, and a three percent (3%) pay increase for any other full-time or permanent part-time, non-union employees hired during 1998 who have successfully completed their probationary period retroactive to their hiring date. (Sponsored by Mayor Oyaski and the entire Council) (Recommended for passage by the Finance Committee)

Councilwoman Miller moved for passage, Councilman Dallos seconded.

Mayor Oyaski - This was discussed in conjunction with the salary study at last week's Finance Committee Meeting. The Administration wholeheartedly supports the passage of (293-98) and is continuing to work on the fine details to the salary study which we hope will be implemented January 1, 1999. In the meantime, I would ask Council to support item #2.

Councilman Vadnal moved to close debate, Councilman Korosec seconded. Yeas: Unanimous.

Councilwoman McGarry moved to suspend the rules, Councilwoman Holzheimer Gail seconded. Yeas: Unanimous.

Roll Call: Yeas: Dallos, Farrell, Holzheimer Gail, Gallagher, Korosec, McGarry, Miller, Vadnal, Cervenik.

Passed.

Res. 255-1998 (311-98) Millage to be Levied

A resolution adopting the rate of each tax necessary to be levied both inside and outside the ten-mill limitation, as certified by the Cuyahoga County Budget Commission. (Sponsored by Mayor Oyaski and the entire Council)

Councilman Farrell moved for passage, Councilman Dallos seconded.

Director Balazs - The total millage for the City of Euclid is 97.8 mills. This evening we are recommending that City Council review and pass the millage portion that applies only to the city and that's 15.6 mills. The balance of the millage is primarily for the Schools, about 63-64 mills for the Schools. The Library has about 1.3 mills. The County portion of our 97.8 mills in the City of Euclid is about 15.8 mills. Madeline Scarniench did ask the question on the Mental Retardation Programs, the Health Services and so forth, those are provided by the County and the millage. The City of Euclid's participation in those programs coming out of your taxes that we donate to the County, the city's portion is about \$8 million. I can get back to Madeline specifically and in more detail on exactly where that money goes to and that can be provided by the County and I'll get back to you on that. This evening we are talking about just passing the city's portion of the millage. It's 15.6. It is specified on the millage rate ordinance of where it goes to, general fund, permanent improvement, sewer renewal levy, recreation, recreation capital and bond retirement, make up the 15.6 mills. There is a reduction this year of about .2, last year it was 15.8. This year we are scheduled 15.60. I'm recommending that the City Council pass this and make it part of our millage for the ensuing year.

Councilman Farrell moved to close debate, Councilman Dallos seconded. Yeas: Unanimous.

Roll Call: Yeas: Dallos, Farrell, Holzheimer Gail, Gallagher, Korosec, McGarry, Miller, Vadnal, Cervenik.

Passed.

Res. (302-98) Establish Marina

A resolution declaring the intent of the City of Euclid to establish a public marina and authorizing the Mayor to secure engineering plans and estimates, apply for project funding, and form a Euclid Public Marina Steering Committee to assist the Mayor and Council in establishing a feasible project design. (Sponsored by Mayor Oyaski & Councilwoman McGarry)

Councilwoman McGarry moved for passage, Councilwoman Miller seconded.

Mayor Oyaski - This Resolution is worth reading in detail because it lays out how we got to where we are now. The point I want to make, one of several, is that the City has been looking at the issue of lakefront development for nearly a decade. Former Mayor Lynch had a Committee to study the issue. In 1994 the Council passed a TIF fund ordinance designating approximately 100 parcels along the lake east of Sims Park as potential properties to benefit from an improvement. That improvement would have been a marina and a breakwall. That basically started the concept that we would have a marina and it could be paid for by private investments that the city would recoup through a TIF program. TIF is short for tax increment financing.

Mayor Oyaski - The point of that is, once the city sets up the program, if the property values appreciate, the city is able to capture the additional taxes to be paid and use it for basically whatever Council decides to use it for. The City could basically capture all of the additional property taxes rather than sharing them as is currently done.

After the TIF fund was created, the City hired Matrix Engineering at a cost of \$30,000. The Matrix Engineering prepared a preliminary engineering study. Council received that and what it basically said is that a marina was feasible from an engineering standpoint. The marina breakwall that was contemplated was extensive running from the moss-point sewer outlet at 231st and the lake, out to 250th. Thereafter the City and the Council hired Danter Corporation, which did a market feasibility study. Based on certain estimates included in that study, determined that condo conversion was marketable and a marina with several hundred boat slips was also marketable. That brings us to today.

I have said repeatedly that the only way we can get a marina and a breakwall is through major private investment. But now that the studies have been done, the Administration has been reviewing various options to make the next step. Its evident that anyone who participates at Council, that the city has a number of issues on its plate. The redevelopment of Parklawn Gardens, the redevelopment of Ramada Inn and Innvoy Inn parcel, the future of the Euclid Square Mall, the public buildings particularly the Henn Mansion and Shore Cultural Centre. There are other issues as well.

The Administration does not have anyone on staff who has built a marina, whether it is 300 boat slips or 800 boat slips. If we are going to do this, I want to do it in a way that is protective of the city's interests and design to give the marina the greatest chance to succeed. We need outside expertise. We need to talk to people who know how the finance this, that know how to do this legally. Recall that none of the property within the marina site is owned by the public. All of it is owned by private property owners. If we are going to develop a marina, will it be a public marina? Will it be a private marina? Will it be a semi-private marina? Obviously we anticipate increases in value as Mr. Corbran mentioned. There is no guaranty right now. No one has offered to spend any money right now. The condo conversion at the Americana has been long rumored but it will cost several million dollars and requires the active participation of the owner. The development to the east of the Americana has been long rumored. It will cost several million dollars and no one at this point has offered to invest that several million dollars.

I'm presenting this to Council to develop a budget, to assess the interest of Council in pursuing this. To allow the Administration if Council's agreeable to hire the people, whether its promoters, public relation company. We have a proposal, I'll be happy to give you great detail. We have a proposal to do a business plan to demonstrate the financial feasibility of this project. We have a proposal to reduce the size of the marina. This was just recently raised as an issue within the last 2 weeks. We also have a proposal to reduce the size of the marina. This was just recently raised as an issue within the last 2 weeks. We also have a 3rd proposal, the estimates to renovate the Americana for condo conversion and to develop a budget to do that. All of these studies, whether we hire lawyers, bond counsel, financing experts, underwriters, architects, engineers, promoters, all of these things cost money. The City has invested some money that shows it is feasible from an engineering standpoint and it is marketable based on certain preliminary estimates. If we want to do this, I want to do this cautiously and I want to do it prudently and I want to do it rationally. This resolution asks the Council to agree that lakefront development is important, that we are interested in getting correct answers to the questions on the marketing and the design and the entire financial feasibility of this. It's not, obviously anytime we would go to spend more than \$10,000 we would come back before you.

The Council has had a couple of studies, you may or may not agree with the basic concept of condo conversion and some major new development east of the Americana. The reason I think this is important, it is not the number one priority facing the City. There are several others as we already well know. But, I think the future years of the lakefront where all of the highrises are located, deserve some long term planning. We are interested in the continued viability of the Horizon House, the Americana, the Normandy, the Riviera, the Watergate. These are major properties, they are very high value properties, in terms of the property taxes they pay. So, I think lakefront development, increasing public access to the lake, these are important issues. They have been in play in the community for nearly a decade.

Mayor Oyaski - But, before the administration spends any more money on any kind of expert to implement this, I need to know if Council agrees that it's worth pursuing. I know Councilwoman McGarry who represents the area, is a strong supporter. I am here to approach this subject in a very general way. We have a lot of work to do, I compare it to the Rock and Roll Hall of Fame. The Rock and Roll Hall of Fame was a major project in downtown Cleveland. It took 10 years to develop. It involved a large committee of experts putting it together. This project, whether it's \$6 million, \$10 million, or \$20 million is one of the largest public-private partnerships we have ever contemplated. If we are going to do it, and I went to see Tom Churma when he was running Gateway. Now, Gateway was the capital improvement of the century in downtown Cleveland. Tom Churma had an army of 12 professionals working with him to implement something on that scale.

So, we need expertise. There is no one, the administration as busy as it is, we have no one with experience in developing a marina. If we are going to do this, I want to do it right. We are going to need to hire outside people. I want to obviously involve private financing, that's the end game. Private financing, this will not happen without substantial private financing. I think it is a worthwhile investment to pursue lakefront development, increasing public access and maximizing private investment in that area of our City. Those are my intentions and I would now yield to Councilwoman McGarry.

Councilwoman McGarry - The dollars for this particular legislation are to be derived from the Euclid marina account that already exists. As you so ably pointed out, we are at the stage now, after the other study showing the feasibility where we have to move into a planning, an engineering phase in order to attract the private dollars. I strongly support this and would hope that my colleagues would also this evening.

Councilman Dallos - In January this year, the president of Council stated that this Council is going to make some bold moves. We did in July, Parklawn Gardens and the InnVoy Inn. As far as I'm concerned, this is probably the boldest. This is to me, the most important. In a way, it's almost 10 years too late. I don't really understand what happened to the committee that was appointed in 1988 by Mayor Lynch. I understand it was disbanded in 1989. We received that report. If I remember correctly, there were four locations that were specified for a marina. One was at 260th and Lake Shore Blvd., which is now a subdivision, the other was Sims Park, which we can't do it there anymore because we took the federal funds. I believe this is one of the locations, and I'm not sure about the other one, it might have been at 238 and Lake Shore, but I'm not sure of that location, or it might be the Clubhouse. It was 10 years ago. Nothing has happened in 10 years. What I'm concerned about, you mentioned there were 3 things, the architectural plan, the business plan, and the marina engineer. I understand that totals \$48,000. We are only approving \$40,000. If anything, we should amend this to \$48,000 and let's get it done. I'm also concerned that we are saying we are going to have a steering committee for 2 years. That makes me a little bit nervous. I don't want to delay this for another 2 years. I'd rather see it in 6 months. I think with a business plan, with the CPA, we should get some private investors who will put money into this.

Councilman Gallagher - It seems to me that we are doing things in reverse order. I think if there is any interest out there in the private sector, we have to go find that first before we do these engineering studies. I think the City has done enough to demonstrate that this is a feasible project. In the ordinance it refers to the marketing of this project. What are the aspects of this ordinance that will market this project?

Mayor Oyaski - I'm sorry Councilman, could you repeat that.

Councilman Gallagher - What are the planned activities to market this development project?

Mayor Oyaski - I agree with you that the Council and the City have made a major investment to this point about the issue and demonstrating its engineering feasibility and apparently its marketing feasibility.

Mayor Oyaski - I am reluctant to spend any money promoting or marketing this idea without having Council set up a budget for that purpose. This is private property. It would be wonderful if one of these large property owners grabbed this by the horns and ran with it. Okay, we are not seeing that happening. There are additional invitations for the public to spend more money. If, as I believe, this can eventually benefit the City, I'm willing to continue to work on it. We could promote this, obviously. We could promote this in every magazine and every periodical and hire the people that know how to do this. That's the kind of promotion we are talking about. But, I'm a little hesitant to do that without, the question is, the reason I'd like a steering committee is that do we want to make a public boardwalk around this? Do we want this to be a private only marina? If you recall the Danter study, the Danter study said this has to be exclusive, this has to be high quality, it has to be high class. The more private you make it, the more difficult it is for me to justify spending public money. If it's semi-private or public, then there is a greater justification because the public will be benefitting.

I don't exactly what to market right now. Buy the Americana and remodel the Americana. You can do that right now. I am reluctant to advertise the Americana when we don't own the Americana. We also don't own any of the property east of the Americana. The theory that Mr. Dallos was referring to is that we can demonstrate that condo conversion at that highrise will pay for itself. That's the point. We hope to attract an owner of the Americana that will make that \$6 to \$8 to \$10 million investment. We don't have a specific plan to renovate the Americana to market right now. We have a very specific plan for the marina. Out in the lake 736 boat slips. None of it adjacent to public property, it's all adjacent to private property.

Now the Council President and developer Gudenas have suggested greatly reducing that. That may be a very legitimate issue. Before the public spends anymore money, I want some public input into the design and the operation of this marina. We can do it in less than 2 years if they are highly motivated. Promoting it, I think it needs to be a little more concrete before I go out or you go out or we go out and solicit investors. The public, I want to tell the public right now and the Plain Dealer stringer, and the Sun Newspapers, that strongly supports this, if you know of any investors, refer some investors here. The City is willing to be a partner. We are willing to be a catalyst. If the request is for the City to totally finance this, it's not going to happen.

Councilman Gallagher - My point is we have to find the partner first and then share the load with that partner.

Mayor Oyaski - That is our approach and it will cost money to come up with a detailed plans in order to intelligently negotiate with a potential partner or partners.

President Cervenik - Mayor, you used the Rock and Roll Hall of Fame as an example and an accounting firm, it's losing money. An accounting firm overestimated the number of visitors by an excess of 25%. The Rock and Roll Hall of Fame is the only project or the main project for the City of Cleveland and it was financed by TIF financing. The TIF income did not come from the Rock and Roll Hall of Fame it came from the TIF financing from Tower City. Our TIF area has increased a whopping \$25,000, I believe since the zone was created. So, there is very little if any money to do that right now. I think the finance director told us the Clay Matthews TIF was somewhere in the neighborhood of \$6,000.

Director Balazs - That was Bennington Hamlet and a portion of that goes to the school board.

President Cervenik - What I would like to see and we did this, it's not new for Council, we did this for Sims Park when we had the discussion on the beach and swimming. What I would like to do is have an Executive Committee Meeting on the 27th of January at which time I would like to call in the property owners, both Gudenas and Associated Estates and hear their presentation. You have got three proposals for at least 3 different plans with just this Council. I know at least 8 of us have not read the proposals that this developer has hand chosen to do this work. I think that we have a responsibility and a right to receive those reports and I think we have a responsibility and right to hear them in public, tell us what they are going to do.

President Cervenik - I would also like our bond counsel and our underwriters to come in and give a presentation to the whole Council board on TIF financing and the 5 to 1 ratio of non-tax revenues that I received last week. I think it's only fair to the rest of Council to hear that. I would like to have one more meeting, very shortly after that where we invite the public to come and speak. Not to form a committee, but invite the homeowner associations that are along the lake, the homeowners that live on the lake and the other residents of this city to have them come in and have maybe the 5 minute rule and just let them speak out as we did, I think we had 3 public meetings with Sims Park. It worked out very good. We learned a lot from it and we made our decisions accordingly.

At that time, if our answers are hear, I will support you full because I do believe as Councilman Dallos said, it would be a very bold move. But, this project in a little bit of time has gone from on the four parcels east of the Americana, it's gone from 16 or 22 free standing townhouses to the possibility of a 5 story condominium complex and I think that's the farthest thing that anybody in this Council would approve at this time. At least, that's my feeling from our discussions about apartment complexes. I think that's why it's important that we have the developers here telling us what they want to do. At that time, I would recommend that we bring this out of Committee and vote for it when we have all of the information, but I think it's only fair we have the reports. They really understand the financing method, we are talking \$20,000,000. That's a tremendous amount of money. At that time I think I'd be ready to support this proposal, Mayor.

President Cervenik moved to put Res. (302-98) into Executive Committee. Councilman Vadnal seconded.

Roll Call: Yeas: Dallos, Farrell, Holzheimer Gail, Gallagher, Korosec, McGarry, Miller, Vadnal, Cervenik.

Moved to Executive Committee.

President Cervenik - Unless there is a conflict with the people we would like to be at this meeting, I would like to have that be, I believe, Wednesday, January 27th. Then we will schedule a public portion very shortly after that so we can act on this in February. I agree with Councilman Dallos we take too long between things. If we get the answers and we all fell comfortable with it, I think it's important to move forward.

Res. 256-1998 (310-98) Lake Shore Tavern - VBP Properties

A resolution in support of a proposal by VBP Properties, Inc. to purchase and completely rehabilitate and redevelop the property located at 21935 Lake Shore Blvd. (P.P. No. 642-08-083). (Sponsored by Councilwoman Holzheimer Gail)

Councilwoman Holzheimer Gail moved for passage. President Cervenik seconded.

Councilwoman Holzheimer Gail - I'm supporting this resolution tonight to support the proposal of VBP Properties to rehabilitate, renovate the building that is known as the Lake Shore Tavern building. That building has had many problems, as I think everyone is well aware. A year ago, Council supported, passed an ordinance for the City to purchase that building, which is currently condemned, demolish it and create a City parking lot. The reason that it hasn't happened yet is because we were not able to obtain the title to the property because it's in bankruptcy court. In the meantime, a proposal came to the City from VBP Properties to completely renovate and rehabilitate the building. This building is in downtown Euclid, which I think has great potential to be redeveloped and rejuvenated. The proposal is to completely renovate the building, both internally and externally. The proposal, which all of Council has received, shows the architects drawings and what the outside will look like. It tells about the inside, the first floor will not be a bar, they will be removing the bar, creating two commercial spaces. The second floor will remain rental units.

Councilwoman Holzheimer Gail - VBP Properties is a company that's located in Cleveland in the Collinwood area. They have done several projects of this nature. The one that is very similar to this project is the old Euclid Beach Tavern building at 156th & Lake Shore Blvd. Very similar project, an old bar building that was condemned and continued to be a problem. The city was ready to demolish it. VBP Properties came in and in about a year's time it took that project completely renovated it. It was full occupancy, both commercial spaces rented before they were finished. They had the apartments rented before they were finished. It really has become a greater spot on that corner in Cleveland.

To me the issue here is that, it is a problem building and the city can do two things with it. Demolish it and make it go away. Or, accept this private developer's proposal to come in and redevelop the building. My hopes is that this will be a domino effect and will also help to spur some other redevelopment in downtown Euclid. VBP Properties has a good track record. They have the financial ability to do this project. The effect on the neighborhood and the business district will be a very positive effect.

I did have a meeting with residents who live on 219, 220, 221 and the business owners along Lake Shore. They brought up some concerns. We talked about that with the representatives from VBP and haven't come to a complete resolution of all the issues, but for the most part the residents were in favor of this project. They felt that it would have a greater impact on the neighborhood than a parking lot at that point. The business owner who was there, only one business owner attended, he was in favor of it. He feels that it will bring more emphasis and more business into that district which will only help them.

Parking is the issue that needs to be addressed. That came up from the residents as well as Traffic. VBP Properties has had conversations with Mike's Marathon which is next door. They have not worked out a final agreement, but I think something can be worked out with that. Rick Zemersky from VBP Properties is here and be happy to answer some questions, or I could answer questions. I would ask Council to support me on this.

Councilman Dallos - I'm going to vote against the proposal. I took a ride down Lake Shore Blvd. from 219 to 228. Just on Lake Shore Blvd. there are 10 vacancies, not counting Shore Center Drive, not counting Shore School. The market is a lot different today than it was in the 1960's and 70's, when we had 72,000-73,000 people. We have 55,000 people in the city today. My question is do we need more commercial space. Parking has always been a problem, always has been for that particular location. I'd rather see green and have the building down, than to have two more stores and have more vacancies on Lake Shore Blvd.

Councilwoman McGarry - I would like to thank Councilwoman Gail for her excellent work with the community and with VBP Properties on the 21935 building. The VBP Properties group presented a solid proposal and they will expend a sizable sum of their dollars to turn this particular structure into a quality income and tax producing building. This company has restored an abandoned fire station on E. 152 St., as well as a unique older building at 156th & Lake Shore. Both are now anchor buildings for their surrounding neighborhood. A parking lot would not answer the need for across the street parking sufficiently and may create further traffic issues. We do however, understand that we have to address traffic patterns around this building and that work is going on.

We did all vote previously to take this building down. But time and positive creative energy have brought this current proposal to the forum. As we work towards a special improvement district for the downtown, I really feel we have to be careful not to remove critical mass. I urge my colleagues to vote for this solid project. Our job down the line is to hold building owners more accountable for the overall management of their property. A solid, high standard building will do this. We should lead the way in setting the development standards.

Councilman Farrell - I would like to suspend the rules and let the gentleman from VBP Properties, how he is going to handle the parking situation. I think that is a very key part.

Councilman Farrell moved to suspend the rules, Councilman Gallagher seconded. Yeas: Unanimous.

Mr. Zemersky - We have had 2 conversations with the adjacent property owner. They have been pretty preliminary, Mike over at Mike's Marathon. We haven't come to any solid agreements yet, although the last time I talked to Mike he has told me he'd be willing to work with us on giving us some of his existing parking lot, which we feel is under utilized. He uses it right now, sometimes even leaves some stuff there from his gas station, sometimes he lets some friends of his park some boats back there. He's got about 12-13 spots and last time we spoke with him, he would be willing to work out where we could take 6 to 8 of those. Whether that be on a leased basis for a month, or help him do some improvements to his existing lot right now.

Councilman Farrell - Do you feel you have to have an agreement work out with him in order to go forward with this project?

Mr. Zemersky - It's something I'd like to have a little bit more solidly preliminarily done. I know the resolution gives us till December 31st to get clear title of the building. That actually is going on right now, there are some final details we have to work out because the building just has gotten out of bankruptcy court and the liens have been resolved. Yes, the parking issue will be something that while it may not be 100% finalized, it would be something I'd like to have another conversation with Councilwoman Gail and I have talked about meeting with Mike again this week and hopefully finalizing if the Council approves the proposal for the building.

Councilman Farrell - Do you have any thoughts on who you want to market this property to?

Mr. Zemersky - I believe the commercial spaces, I understand there's a lot of empty retail spaces in Euclid, there will be 2 fairly large commercial spaces down there. One is about 2000 sq. ft. and one a little over 1000 sq. ft. I think it would be a nice place for some offices. We have had a couple inquiries through Gary DeWine and the City that people have heard through the grapevine that we are thinking about doing this building and would like to talk to us if the building moves forward about moving in. The business owner across the street, stated Saturday during our meeting, while he realizes there are a lot of empty spaces, we are not interested in redoing a building, spending a year of our time and a lot of our money to get tenants in there that aren't stabilized. As Councilwoman Gail pointed out, we had the spaces down the street rented out months before we were finished. That building, as well, was empty for quite some time. If anybody knows that area, that corner does too have a problem with keeping its retail district. There have been a lot of stores that have been leaving there in the last couple of years. We've got 2 very solid tenants that all sign multi-year leases there. It will be something that, as we told the business owners and the residents, we would marketing very strongly and would even sit down with them and talk to them about what type of businesses they'd like to see in there, since it is right there on their street and across from their businesses.

Councilwoman Holzheimer Gail - I just wanted to remind Council that there is also a public parking lot behind the Mary Mavec building that the City put in a couple years ago. There is a walkway from that lot behind the dance studio, which, could alleviate additional need for spaces.

President Cervenik - A third of that cost was paid for by the building next door, the furniture store and they used their own personal money to put in there. So, that's a quasi-price. Where do we go when this, we basically want to just give them time to acquire a title, but we are also saying here if they don't acquire a title by December 31st, we will promptly proceed with demolition. In Section 1 we are talking about plan. How are we going to control any great changes in the plan? Right now we've got a plan that I believe is \$200,000 total cost investment here, where do we have assurance and when do you come back and tell the Council, okay we've acquired title and when to do this? Are we still talking about \$200,000 or are we only talking about \$150,000? Or are we only talking about bringing it up to code? That's the thing that I'm concerned about in this scenario. Mr. Apanasewicz might be able to shed some light on that.

Commissioner Apanasewicz - Mr. President, I don't know that this resolution controls the private development of the property. Basically what we've been looking for, for the last 3 years in this building, is to have somebody fix it. That has not occurred. The whole problem has been getting title to the property. It's not necessarily finding somebody to fix the building up. I think if it was in the hands of somebody who had the funds, the building would eventually be fixed to a minimum standard. I certainly, whatever developer would take title to the building would be required to upgrade the building to the minimum standard. I don't know if this resolution grants any assurances beyond that.

President Cervenik - I guess that's my problem because we were given a rather extensive plan of action for the building and if we approve this tonight, maybe the Law Director can help me, if we approve this tonight, we really, if they do gain title, and redevelop the property, they don't really need by anything we have in here, to adhere to the level of work that they have said they will do.

Director Murphy - This legislation does not approve or give any indication that the City gives a stamp of approval to the plan, the preliminary plan that the developer has submitted to the City. I don't know if VBP would come back to the City and say this is the plan that we will proceed with and we would need to approve those plans. It obviously would have to get the building commissioner or zoning is probably alright for what they are going to do. They would have to get the appropriate permits and so on to insure that whatever they were doing as far as rehabbing or reconstruction in the building, complies with all of our codes.

President Cervenik - I just want to know how we are going to get there. Part of this plan means we are going to give them \$35-40,000. There has to be other legislative steps after they gain title before they do this rehabilitation. Correct?

Director Murphy - There would presumably be legislation to award probably block grant funds or some type of funding of that nature to assist them in the redevelopment of the property, yes.

President Cervenik - And therefore, if the proposal has diminished greatly, the Council would be able to reduce the block grant money.

Councilman Gallagher - According to the proposal, VBP proposes to invest \$275,000 in renovations plus another \$50,000 in acquisition costs. Mr. Koran, do you know whether that's market value for this property? Or comparable to the area?

Director Koran - Those numbers seem high are relating to the existing market value. The property was appraised at about \$170,000 prior to its becoming vacant, becoming a condemned building. Prior to this Council approving the ordinance back in October of last year, authorizing us to purchase the property at \$40,000 we did have the property appraised by Charles Bremen and Assoc., and the appraisal came in at \$40,000. There are buildings in the area for sale, as you have pointed out, that are currently still for sale that are much less than the grand total of the renovation and the acquisition of this project.

Councilman Gallagher - That is part of my concern here. Number one, like Councilman Dallos, I believe we should be constricting our store front businesses. Number two, there's a property on Lakeshore and 200th St., that's comparable in size, plus has an adjacent parking lot and it's being offered for approximately \$150,000. I'm skeptical as to the renovation plans, plus I believe we need to constrict the storefront properties.

Mr. Zemersky - Just to answer your question, we have had an appraisal done by the bank just last week. They do a preliminary appraisal. I'd be happy to give you a copy of it when I get it. With our improvements that we've put in on paper, we did the same thing down the street, we had an appraisal done before we did the construction based upon what we were going to put back in there. That one was appraised about \$200,000 based upon our plans. They just refinanced it for about another \$40,000.

Mr. Zemersky - The Lake Shore Tavern building just got appraised based upon our proposal for over \$275,000. The bank will come back in and do a reappraisal of the property after we are done, all the repairs completed.

Councilwoman McGarry - That's absolutely correct. You are talking about unimproved property. We deal with those properties a lot and they will come in when they are in a condemnable state at a very low rate. But, you can also have a projected appraisal done which shows what the property will really be worth when the dollars are put into it. This is a particularly significant building. It has a lot of value. I agree that we have a lot of empty space, but how do you attract, how do you attract to a community? By constricting it? By blowing up buildings? By having more parking lots? I don't think so.

Councilwoman Holzheimer Gail - Just a final thought. We could "what if" this forever. This is a positive proposal. It would be a positive step for downtown Euclid. We have a private investor willing to come in and spend money in our city. Who are we to say that building is not worth it. That building is worth it and can help spur downtown Euclid.

President Cervenik - As I told you I'm going to support this through December 31st, but again my concern is and it has happened to us time and time again, we receive a grand plan and then we get bare bones. If we get bare bones in that building, we've made a big mistake here. That's the only thing I'm concerned about. I just want to be assured upon that, when the project actually, this is no criticism of you. It has just happened. That's the only thing I'm concerned about. I applaud your efforts. I appreciate the way you went about this, you talked to Council members, you got us a report. It was very refreshing to have that done and that's why I'm going to support it. But I am concerned if we get burned again, I don't want that to happen.

Councilwoman McGarry - To Director Koran, this also would have to follow high guidelines if your bringing in block grant money. Its in the storefront renovation process, so that's the way you keep people's feet to the fire and make sure they do follow through. I know the track record of this particular company and that's what they do. Would you concur?

Director Koran - Certainly when Gary DeWine will work with this new owner if Council approves this tonight, there will be a storefront renovation agreement that both parties sign where we will make sure that the renovations that they have proposed are actually accomplished.

Councilwoman Miller - This will come before us again then?

Councilwoman Holzheimer Gail - The storefront renovation will.

Councilwoman Miller - The parking, will that be included at that time too? Because I have a concern with the parking.

President Cervenik - Yes. That will be part of the plan. Again, this just comes back to my concern and here is where we are taking a little bit of risk. If they decide to put \$75,000 less in that building than they are proposing now, they don't need to come for block grant money and they're still ahead of the game. They won't need our permission. We will be forced to let them bring the building up to code, period. Up to code is a nasty word. It sounds like a good word but up to code isn't the most pleasant thing in the world. That's my concern but I'm going to run with it because they do have a good track record and I hope they live up to their plans.

Councilman Gallagher - How many parking spots would a property of this size require?

Commissioner Apanasewicz - I believe we calculated them without the use of the tavern itself would be 21. They have 4 there now.

Councilman Gallagher - We've got a commitment for 6-8 more.

Councilman Farrell - Can you clarify that? If they open up their space, they would have to have to adhere to our codes, have 21 parking spaces?

Commissioner Apanasewicz - No. If Lake Shore Tavern was to be built new, as a commercial space, it would require 21 parking spaces. If there was no tavern, if the tavern was included, parking demand would go up. If the building is rehabbed there is no additional parking.

President Cervenik - Councilwoman Miller didn't hear the end of that.

Commissioner Apanasewicz - The building if rehabilitated, there is no requirement under the code that additional parking, it requires a special permit or the use of the Tavern certainly is expired, so if they were to try and reestablish the tavern, then they would have to come to Planning and Zoning for a variance to provide for some parking. In and of itself, parking is not one of the violations of the code, it's the safety of the building that's an issue.

Councilwoman Miller - I understand what you are saying, but parking is a big important factor because of the neighbors in that area. That's one of the complaints. Before when the apartments were rented, those people took up the places in the back to park from just rental. I don't know where the tavern people parked.

Commissioner Apanasewicz - That's part of the question of Lake Shore Tavern. If we rehabilitate the building, what are we getting? And, if we don't what can we do with the property? So, it is a development question.

Mayor Oyaski - I asked the Building Commissioner to make that calculation. The point was that if Lake Shore Tavern building was built today, what would the parking code require? And, he just explained that to you. You need 21 parking spaces if there was no tavern and I believe it was 33 or 35 if there was a tavern. This is the weakness for this building. I think Councilwoman Gail fully acknowledges that. There are 4 spaces, and I think that's a liberal count on the parcel right now. Euclid Beach Tavern does have adjacent parking. I've been assured that there will not be a bar in this renovated building. I have no problem supporting Ward I Councilwoman's attempt to save this building.

The point is, you know tonight we are voting on 6 discount leases at Shore. These things are related to one another. We are granting 6 discount leases at Shore, these are potential tenants in the buildings Councilman Dallos talked about and in this building if it was renovated. But, we are as a landlord competing and we do have, I think it's fair to say, more commercial space then the market will support right now. They did do a nice job at Euclid Beach Tavern. They absolutely, positively did. If this building is renovated at the Councilwoman's direction, and it's specific and it's firm and there is not a bar that, I think it's a plus. It should not divert us from the overall issue in downtown Euclid, is that we have plenty of commercial space and we're taking lots of tenants that could be in that commercial space.

We are talking about a nautical theme, and naming a thrift store Moby Dick's Thriftstore isn't going to make a big difference. So, we do have to look at this from a little bit broader perspective. I think the Councilwoman has done a lot of hard work. I went to Euclid Beach Tavern and I'm convinced there's not going to be a bar there. And, this parking problem didn't occur now, it's always been there. If they can do as nice as job at Euclid Beach Tavern, I think that area will be better off. Thank you.

Councilwoman Holzheimer Gail moved to close debate. Councilwoman Miller seconded. Yeas: Unanimous.

Roll Call: Yeas: Farrell, Holzheimer Gail, Korosec, McGarry, Miller, Vadnal, Cervenik.
Nays: Dallos, Gallagher.

Passed.

Ord. 257-1998 (321-98) Charter Review Members

An emergency ordinance amending Section 9.1 of Ordinance No. 227-1996, known as the "Consolidated Compensation Ordinance," to include the position of Charter Review Commission Members. (Sponsored by Mayor Oyaski)

Mayor Oyaski - It's my honor and duty two weeks from today to announce the 9 members of the Charter Review Commission. I have a number of well qualified persons that have demonstrated an interest. I don't have an announcement today, but 8 years ago we had paid the members of the Charter Review Commission \$25 per each meeting actually attended. I want to establish a budget of no more than \$5000 to cover the cost of this upcoming Charter Review Commission. Item #6, and #7 will authorize the administration to fully implement the upcoming Charter Review Commission. The first meeting is scheduled for January 7th. It's my intention to have these meetings on Thursday in this chamber, to be televised on Channel 51 starting on January 7th and continuing thereafter, but for no more than 2 years. I would like to properly set up a budget and to authorize the same amount that was paid to the last Charter Review Commission.

Councilman Dallos - Can you grandfather this back to 1974 and 1982? We were paid zero.

Councilman Dallos moved to close debate. Councilwoman Miller seconded. Yeas: Unanimous.

Councilwoman McGarry moved to suspend the rules. Councilman Korosec seconded. Yeas: Unanimous.

Roll Call: Yeas: Dallos, Farrell, Holzheimer Gail, Gallagher, Korosec, McGarry, Miller, Vadnal, Cervenik.

Passed.

Ord. 258-1998 (320-98) Charter Review Commission

A resolution of intent by this Council to appropriate funds for the operation of the 1999 Charter Review Commission. (Sponsor Mayor Oyaski)

Councilman Vadnal moved for passage. Councilman Korosec seconded.

Mayor Oyaski - This includes the amount that was set aside in 1990. It is my anticipation that no more than \$5000 will be needed. Obviously the Charter Review Commission could decide to meet everyday for 180 days, although it's unlikely. You can leave it as is, but I would have no objection if you wanted to reduce the budgetary authority by 1/2.

President Cervenik - I think we'll leave it as is, Mayor. I don't see any motion to amend.

Mayor Oyaski - This was the amount that was set aside 8 years ago. I think we can spend slightly less than that.

President Cervenik moved to close debate. Councilwoman Miller seconded. Yeas: Unanimous.

Roll Call: Yeas: Dallos, Farrell, Holzheimer Gail, Gallagher, Korosec, McGarry, Miller, Vadnal, Cervenik.

Passed.

Ord. 259-1998 (318-98) Brownfield Program

An emergency ordinance authorizing the CS&ED Director of the City of Euclid to enter into a contract with HzW Consultants to extend the existing environmental consulting proposal to meet Brownfields program requirements. (Sponsored by Mayor Oyaski)

Councilman Farrell moved for passage. Councilman Dallos seconded.

Commissioner Apanasewicz - This legislation is necessary as part of the demolition of the InnVoy Inn. We have to add the expenses of the governmental study of the site. This includes extensive sampling, title searches, and investigation into the history of the property. The samples that need to be taken probably will exceed 100. This will require Council's approval because the cost will exceed \$10,000. We will also need HzW's expertise during demolition to verify that there is no asbestos or hazardous material on site. During demolition, HzW has a good track record of this, we used them for the Ramada demolition, we also used on the Lake Shore Tavern. If there are any questions by Council I'd be happy to answer them.

Councilman Dallos - The 100 samples, so it is going to be samples of the building?

Commissioner Apanasewicz - Yes and the soil.

President Cervenik - Any idea when it may come down? I've got WTAM radio station calls me about every 3 weeks. Bill is the building coming down yet? They want to cover the story. Do we have any estimated time frame?

Commissioner Apanasewicz - I guess they don't read the legal notices in the Plain Dealer. It is out for bid. Bid opening will be on the 30th of November. We are planning probably to present legislation to award contract, to Council by the first week in December.

President Cervenik - Okay, so towards the first of the year we will take it down. Good.

Councilman Vadnal moved to close debate. Councilman Dallos seconded. Yeas: Unanimous.

Councilwoman Holzheimer Gail moved to suspend the rules. Councilman Gallagher seconded. Yeas: Unanimous.

Roll Call: Yeas: Dallos, Farrell, Holzheimer Gail, Gallagher, Korosec, McGarry, Miller, Vadnal, Cervenik.

Passed.

Ord. 260-1998 (316-98) Ely Crane

An emergency ordinance authorizing, empowering and directing the Mayor of the City of Euclid and the CS&ED Director to enter into a Special Renovation Agreement with Ely Crane and Hoist Company, owner of the property located at 1247 E. 222 St., for the provision of a grant in an amount not to exceed \$25,000 for a new concrete entrance and landscaping. (Sponsored by Councilman Korosec)

Councilman Korosec moved for passage. Councilwoman Miller seconded.

Director Koran - This is a very nice little project that's occurred over the past 6 or 7 months. Ely Crane was currently in the City of Cleveland, they were looking for acceptable space in the City of Euclid. We worked with them for a long time finding an acceptable building for them. They finally did look at 1247 E. 222nd St., which is right immediately adjacent to the Hosemaster building and decided to purchase that. They have answered to answer Madeline Scarniench's question earlier on, they did purchase the building about 7 months ago. It is their building and they are moving in as we speak. Through our negotiations with Ely Crane, we talked about the various incentive programs that the City has including tax abatement and other programs. Fortunately for us and the schools they have decided not to apply for tax abatement. One of the issues that we do have with the building is the condition of the building. Probably, from an industrial standpoint, it is one of the most unsightly buildings we have. The south elevation facing the railroad tracks was extremely unsightly. They are in the process of renovating that building, they are spending \$420,000, complete renovation of the interior and exterior of the building. We have, if Council approves tonight, agreed to do something that really did not want to do, it's something really the City wanted to do. That is to pave the front parking lot.

Director Koran - The Service Director and the Mayor constantly complain about gravel coming down that lot. If you think of that site, it's a little bit of a hill. It's a gravel parking lot in the front, the gravel rolls down the hill into our sewers and blocks our sewers. We have a lot of those on E. 222nd St. Fortunately, over the past year we have taken care of a lot of those gravel parking lots. To make a long story short, we are going to be paying, if Council approves this tonight, landscaping of the parking lot and \$25,000 towards concrete, not asphalt and not gravel. Ely Crane will employ 18 people when they move in. Their projections are to be over 20 people by the end of next year. It's a wonderful little project and I hope you support this.

Councilman Farrell - Just a point of clarification, this is money coming from a federal block grant program that is designated for store front renovation, correct?

Director Koran - Yes it is, Councilman Farrell. This money is coming out of the Community Development Block Grant Program. It is the only fund that legally we can use on private property in an industrial area. As you very well know, this is one of the joys of this job, is we are able to work with industries in town to fix up their buildings and the only resource we have to do that is the Community Development Block Grant program.

Councilman Farrell moved to close debate. Councilman Dallos seconded. Yeas: Unanimous.

Councilman Vadnal moved to suspend the rules. Councilwoman McGarry seconded. Yeas: Unanimous.

Roll Call: Yeas: Dallos, Farrell, Holzheimer Gail, Gallagher, Korosec, McGarry, Miller, Vadnal, Cervenik.

Passed.

Ord. (301-98) Skateboards & Rollerblades

An ordinance amending Section 311.04 of the Traffic Code of the Codified Ordinances of the City of Euclid by the addition of subsections (a) through (f) and the inclusion of definitions (1) through (4) in subsection (e), regarding the use of skateboards and rollerblades. (Sponsored by Councilwoman Miller by request of the Police Chief)

Councilwoman Miller moved for passage. Councilman Vadnal seconded.

Mayor Oyaski - Administration would ask that the Council put item #10 and item #19 into the Safety Committee to be discussed at a meeting scheduled at Chairwoman Miller's convenience.

Councilwoman Miller moved to place Ord. (301-98) into Safety Committee. Councilman Dallos seconded.

Roll Call: Yeas: Dallos, Farrell, Holzheimer Gail, Gallagher, Korosec, McGarry, Miller, Vadnal, Cervenik.

Moved to Safety Committee.

Ord. (319-98) Carwash hours

An ordinance amending Chapter 1359.07 of the Planning & Zoning Code of the Codified Ordinances of the City of Euclid by the creation of new subsection (c) regulating the operating hours of self-serve car washes. (Sponsored by Councilman Dallos)

Councilman Dallos moved to place Ord. (319-98) to Planning & Zoning Commission.
Councilman Farrell seconded.

Roll Call: Yeas: Dallos, Farrell, Holzheimer Gail, Gallagher, Korosec, McGarry, Miller, Vadnal, Cervenik.

Moved to Planning & Zoning Commission.

Councilman Dallos moved Ord. (319-98) to the Building Standards Committee. Councilwoman Holzheimer Gail seconded.

Roll Call: Yeas: Dallos, Farrell, Holzheimer Gail, Gallagher, Korosec, McGarry, Miller, Vadnal, Cervenik.

Moved to Building Standards Committee.

Ord. 261-1998 (303-98) CRIS-Police Dept.

An ordinance authorizing the Mayor, as Ex-Officio Director of Public Safety of the City of Euclid to renew an agreement by and between the Board of County Commissioners and the City of Euclid for participation in the Cuyahoga Regional Information System (hereafter known as "CRIS") for the year 1999 for use in the Police Department, Prosecutor's Office, Law Department and Euclid Municipal Court. (Sponsored by Councilwoman Miller by request of the Police Chief)

Councilwoman Miller moved for passage, Councilman Korosec seconded.

Capt. Maine - Every year we enter into a contract with the Board of Commissioners for CRIS. This is a service that is provided to not only the Police Department but also the Court, Prosecutor's Office and Law Department. Last year the cost was about \$41,000 for the whole city. We have been given preliminary figures that they anticipate that cost going up 5% for next year. This is a necessary tool for us to do our job as well as for the other departments to do their job. We recommend that it be passed.

Councilman Vadnal moved to close debate, Councilwoman McGarry seconded. Yeas: Unanimous.

Councilman Farrell moved to suspend the rules, Councilwoman Miller seconded. Yeas: Unanimous.

Roll Call: Yeas: Dallos, Farrell, Holzheimer Gail, Gallagher, Korosec, McGarry, Miller, Vadnal, Cervenik.

Passed.

Ord. 262-1998 (304-98) ECC - Shore Rental

An ordinance amending Ord. No. 8-1998 and authorizing the Director of Parks & Recreation of the City of Euclid to enter into a lease agreement with Euclid Community Concerns for space located at the Shore Cultural Centre at a reduced rental rate. (Sponsored by Councilwoman McGarry by request of the Parks & Recreation Director)

Councilman Gallagher moved for passage, Councilwoman Holzheimer Gail seconded.

Director DeMinico - This is a housekeeping item. Last year we sent a precedent with the six tenants that we have listed in front of you in the next six ordinances to increase their discounted rent by the amount set forth by Ord. 8-1998. If you recall that ordinance raised the rent 5% for non-profit, 8% for profit on the square footage rate. These 6 tenants are receiving a discounted rate. To do this each year, we need Council's approval to review tenant and review the discount and your final approval would continue this practice. I'd be happy to answer any questions. There was a question from the audience. Last count was 22 permanent tenants. We have had some that have moved out. That is very common, we have a turnover rate every year. Sixteen of the twenty-two are paying the full rent.

The total amount of money for all six if we were to receive the rent would be \$15,773, in additional rental income for the Shore Cultural Centre.

Councilman Gallagher - These are all for one year leases.

Director DeMinico - That is correct. Our leases are running January 1 through December 31 for 1999. We do have one tenant, Board of Education, through their grant procedures, we renew their lease in June of every year.

Councilman Gallagher - Whatever we do with Shore, we won't be doing anything during the year 1999. Whether the building is eventually demolished or not, it won't be done in 1999.

Director Murphy - The leases do contain a 90 day termination clauses notice. City can give 90 notice to any of the tenants that the lease is terminate.

Director DeMinico - Councilman Gallagher, to answer your question, that would be a very, very fast track.

Councilman Vadnal moved to close debate, Councilwoman Holzheimer Gail seconded. Yeas: Unanimous.

Councilwoman McGarry moved to suspend the rules, Councilman Korosec seconded. Yeas: Unanimous.

Roll Call: Yeas: Dallos, Farrell, Holzheimer Gail, Gallagher, Korosec, McGarry, Miller, Vadnal.
Nay: Cervenik

Passed.

Ord. 263-1998 (305-98) Euclid Teachers - Shore

An ordinance amending Ord. No. 8-1998 and authorizing the Director of Parks & Recreation of the City of Euclid to enter into a lease agreement with Euclid Teachers Association for space located at the Shore Cultural Centre at a reduced rental rate. (Sponsored by Councilwoman McGarry by request of the Parks & Recreation Director)

Councilman Korosec moved for passage, Councilwoman Holzheimer Gail seconded.

Councilwoman McGarry moved to close debate, Councilwoman Miller seconded. Yeas: Unanimous.

Councilman Vadnal moved to suspend the rules, Councilwoman Miller seconded. Yeas: Unanimous.

Roll Call: Yeas: Dallos, Farrell, Holzheimer Gail, Gallagher, Korosec, McGarry, Miller, Vadnal.
Nay: Cervenik

Passed.

Ord. 264-1998 (306-98) Adoption Netwrk-Shore

An ordinance amending Ord. No. 8-1998 and authorizing the Director of Parks & Recreation of the City of Euclid to enter into a lease agreement with Adoption Network of Cleveland for space located at the Shore Cultural Centre at a reduced rental rate. (Sponsored by Councilwoman McGarry by request of the Parks & Recreation Director)

Councilwoman McGarry moved for passage, Councilwoman Holzheimer Gail seconded.

Councilman Farrell moved to close debate, Councilman Dallos seconded. Yeas: Unanimous.

Councilwoman Miller moved to suspend the rules, Councilman Vadnal seconded. Yeas: Unanimous.

Roll Call: Yeas: Dallos, Farrell, Holzheimer Gail, Gallagher, Korosec, McGarry, Miller,
Vadnal.

Nay: Cervenik

Passed.

Ord. 265-1998 (307-98) Polka Hall of Fame

An ordinance amending Ord. No. 8-1998 and authorizing the Director of Parks & Recreation of the City of Euclid to enter into a lease agreement with American-Slovenian Polka Hall of Fame (Hall of Fame) for space located at the Shore Cultural Centre at a reduced rental rate. (Sponsored by Councilwoman McGarry by request of Parks & Recreation Director)

Councilman Vadnal moved for passage, Councilman Korosec seconded.

Councilman Vadnal moved to close debate, Councilman Gallagher seconded. Yeas: Unanimous.

Councilwoman McGarry moved to suspend the rules, Councilman Farrell seconded. Yeas: Unanimous.

Roll Call: Yeas: Dallos, Farrell, Holzheimer Gail, Gallagher, Korosec, McGarry, Miller,
Vadnal.

Nay: Cervenik

Passed.

Ord. 266-1998 (308-98) Euclid Hunger - Shore

An ordinance amending Ord. No. 8-1998 and authorizing the Director of Parks & Recreation of the City of Euclid to enter into a lease agreement with Euclid Hunger Task Force, for the year 1999, for space located at the Shore Cultural Centre at a reduced rental rate. (Sponsored by Councilwoman McGarry by request of the Parks & Recreation Director)

Councilman Farrell moved for passage, Councilman Dallos seconded.

Councilwoman Holzheimer moved to close debate, Councilman Gallagher seconded. Yeas: Unanimous.

Councilman Farrell moved to suspend the rules, Councilwoman McGarry seconded. Yeas: Unanimous.

Roll Call: Yeas: Dallos, Farrell, Holzheimer Gail, Gallagher, Korosec, McGarry, Miller,
Vadnal, Cervenik.

Passed.

Ord. 267-1998 (322-98) EYSO - Shore

An ordinance amending Ord. No. 8-1998 and authorizing the Director of Parks & Recreation of the City of Euclid to enter into a lease agreement with Euclid Youth Soccer Organization for space located at the Shore Cultural Centre at a reduced rental rate. (Sponsored by Councilwoman McGarry by request of the Parks & Recreation Director)

Councilman Farrell moved for passage, Councilman Gallagher seconded.

Councilman Vadnal moved to close debate, Councilwoman Miller seconded. Yeas: Unanimous.

Councilwoman Holzheimer Gail moved to suspend the rules, Councilman Farrell seconded. Yeas: Unanimous.

Roll Call: Yeas: Dallos, Farrell, Holzheimer Gail, Gallagher, Korosec, McGarry, Miller,
Vadnal, Cervenik.

Passed.

Res. (317-98) Pawn Shop - J.E.M. Jewelers

A resolution authorizing the Mayor as Ex-Officio Director of Public Safety of the City of Euclid to issue a second hand dealer's license as required by Section 739.06 of the Business Regulation and Taxation Code of the Codified Ordinances of the City of Euclid to James Mataich of 308 E. 280 St., Euclid, OH 44132, so that he may extend his jewelry store business, J.E.M. Jewelry and Pawn, located at 21001 Euclid Ave., to include the buying and selling of second hand goods. (Sponsored by Mayor Oyaski by request of Police Chief)

Councilwoman Miller moved for passage, Councilwoman McGarry seconded.,

Councilwoman Miller moved to Safety Committee. Councilman Vadnal seconded.

Roll Call: Yeas: Dallos, Farrell, Holzheimer Gail, Gallagher, Korosec, McGarry, Miller, Vadnal, Cervenik.

Into Committee.

CEREMONIAL RESOLUTIONS

Res. 250-1998 (312-98) Bea Kay Gruschow

A resolution of congratulations to the late Bea Kay Gruschow, a well-loved music teacher in the Euclid Schools for 23 years, and a 1998 Community Enrichment Award winner. (Sponsored by Mayor Oyaski and the entire Council)

Res. 251-1998 (313-98) Ken Ferlito

A resolution of congratulations to Kenneth Ferlito, a dedicated, successful teacher and musical director for the Euclid Schools, and a 1998 Community Enrichment Award winner. (Sponsored by Mayor Oyaski and the entire Council)

Res. 252-1998 (315-98) June Daugherty

A resolution of congratulations to June Daugherty, a devoted volunteer and dedicated citizen of the City of Euclid, on her recognition as a 1998 Community Enrichment Award winner. (Sponsored by Mayor Oyaski and the entire Council)

Res. 253-1998 (314-98) Linda Crockett

A resolution of congratulations to Linda Crockett, a Euclid High School Alumnus, artist, designer, illustrator and writer, on her recognition as a 1998 Community Enrichment Award winner. (Sponsored by Mayor Oyaski and the entire Council)

Councilman Gallagher moved for passage, Councilwoman Miller seconded.

Roll Call: Yeas: Dallos, Farrell, Holzheimer Gail, Gallagher, Korosec, McGarry, Miller, Vadnal, Cervenik.

Passed.

COMMITTEE OF THE WHOLE

Councilman Vadnal moved to go into the Committee of the Whole. Councilman Dallos seconded. Yeas: Unanimous.

Mrs. Madeline Scarniench - 1511 E. 221 St. - Item #5, I'm glad this was passed. We collect taxes from people on parking lots. Over the past couple of days, the property that the city purchased on Euclid Ave., the home that's been taken down, was there any asbestos in the building seeing that it was such an old home?

Commissioner Apanasewicz - There's no requirement by the Ohio EPA to test for asbestos.

Mrs. Scarniench - That's just on homes?

Commissioner Apanasewicz - That applies to up to three dwellings.

Mrs. Scarniench - Mr. DiNero is not here. I wanted to thank him. Everybody knows about the street lights. They did do 7 of them for me and that was all last Thursday. I gave Tony the list and he took them down to a meeting. All but 3 of them have been turned on. I wanted to thank him for that. Heritage Park is now in the lights.

Mrs. Scarniench - I also would like to thank Kory Koran for attending Heritage Park's meeting on Tuesday. If everyone read the newsletter you know that we had Mr. Baker and Ken Roberts from Inland to show us the proposals for the building. If you haven't had a chance, both pictures are out in the Rotunda. We had a great response; a lot of people came. I want to thank Jack Johnson for allowing Channel 51 to come. We thought this was important and hopefully it will be combined with a tour that they went on in the property. It will be on Channel 51 sometime in the future for everyone in the city to see. I think its important to see what's going on in the city.

Because we had our meeting on Tuesday, we couldn't go to the DARE program and I've seen a couple of the pictures on Channel 51 and it looked great. We have a check from Heritage Park for the DARE program that I'll give to Capt. Maine.

President Cervenik - A note on Tony DiNero, his mother-in-law past away. Arrangements are being made at Brickman's. We all wish Tony and his wife and family our condolences.

Mrs. Dorothy Fike - 20271 Delaware Rd. Thank you Mr. Cervenik and Council people for putting the marina in committee so that it can be thoroughly studied. I think its a good suggestion that everything be brought out. So many studies and surveys and stuff passing around, that its hard to keep track of them.

Would you like to explain your vote on the lease agreements for Shore building?

President Cervenik - I voted no because I felt that our practice of competing with private industry in rental property is something that we need to end. The two organizations that I voted yes for, the Euclid Youth Soccer Organization, is like the right arm of our Recreation Department for our soccer goals. I feel there is a public building somewhere where they could be located and we do need to find a place for the Hunger Center. I really think competition has to end and I just could no longer vote a yes, just for the sake of voting yes.

Mrs. Fike - Thank you for being honest about it. Getting back to the marina question, I noticed one of the Councilwoman asked that the money would be coming out of a marina fund. I would like to know from the Finance Director how much is in that marina fund and where did that fund originate from? Isn't that out of general fund money?

Council President Cervenik - Thank you Dorothy. You know Dick, I've often wondered myself, how usually if we don't use something in the general fund, its gone, its back in the general fund. Somehow we've had this fund for 10 years or so. Can you explain that?

Director Balazs - This marina fund is not in the general fund. It is a special fund. It is created when the marina activity and the shoreline came about, about 10 years ago, isn't it Kory? The balance in the fund now is about \$41,000. It is pretty much down to minimal at this point.

President Cervenik - Where did it come from? The General Fund?

Director Balazs - No it didn't. Kory could explain it better than I because he was in the process of getting funds for the marina at that time.

Director Koran - I can't answer the source of the funds. The city Council in 1988 set aside \$85,000 and created the Mayor's Task Force for Lakefront Development back in 1988.

Mayor Oyaski - I believe if the Clerk wants to check, I think we did issue notes and the legislation was prepared by our bond counsel, Calfe Halter in connection with the marina improvement fund. I'm pretty sure we borrowed money off a secure against the bond retirement fund back in 1988 or 1989. Our bond counsel did regular note legislation. That has been set aside ever since.

President Cervenik - We'll got all the details and get back to you Dorothy.

Mrs. Fike - Usually the service charge on that comes out of the general fund, doesn't it? To pay back the interest on the bonds.

Mayor Oyaski - No. Not necessarily.

President Cervenik - Usually it would be the Bond Retirement Fund if it is borrowing our capital. We'll find out the details.

Mrs. Fike - Since you mentioned Mr. DiNero's loss, I also wanted to thank the Service Department and Mr. DiNero for picking up the leaves because the trees, they came down so late this year, I was kind of afraid we would miss some. I called and they are still picking them up. I think it is an asset to the city. I want to tell my thanks to Hank because I told a month or so ago about the crossings at Dille Road and Chardon Road that were supposedly fixed and almost worse condition. He said yes, they were aware of it and they have been working on it. I want to thank them for keeping up on when someone says something about it, they do try to do something about it. I want to thank them all.

President Cervenik - Hank, last year we were picking them up in the snow.

Mr. Gulich - Two years ago.

Mrs. Fike - Last year we didn't have hardly any snow. Thank you, they do it and its great.

Mr. Harvey Mlachak - 23831 Lake Shore Blvd., Euclid, Ohio. At the last Council meeting I encouraged everyone to go out and vote, which is one way we can overthrow the cloak of tyranny that the bureaucracy is smothering us with. You know it is great to be an American. I'm proud to be able to stand up and be counted. Where I like the people who preceded me can stand up to our governing bodies and to the public officials on any level and either congratulate or criticize and sensor them with impunities. Why can we do this?

President Cervenik - Harvey, I hate to do this to you, but we have to take a 2 minute break, because the tape is running out. You've got your choice, you can continue talking or wait 2 minutes. At 2 hours we have to break for TV.

Mr. Mlachak - On 11-11-11 '98 in these Council Chambers there was a short, although solemn and somber and dignified tribute to our veterans, through whose efforts and sacrifices keep our liberty and freedoms alive. I was dismayed, disappointed and saddened that only 2 out of 9 Council members were in attendance. Not even a quorum. Council President Cervenik and Councilwoman Kirsten Holzheimer Gail, I applaud you. As usual, may I leave you with a thought. My own thought that I often and very deeply think about. What would this world be like if the axis powers prevailed and defeated the allied powers in World War II? I think it's worth thinking very deeply about. Thank you very much.

President Cervenik - Harvey, in defense of the other 7 Council People, just so that you know...

Mr. Mlachak - It was not my intent to put anybody down.

President Cervenik - I understand that, but what you have to understand this is a part time job and most everyone of them are working all day. Kirsten is raising a family, which is probably a more important job than a lot of us do. I have my office right down the street, I was able to run over here. When they can, they do attend. I just want to make that clear, that these are good people. They get everywhere that they can.

Mr. Mlachak - I agree with you and I did not do this on a personal basis to degrade them. It was just a personal observation. Thank you.

John Lennon - 22450 Seabrook. I think all of you are doing a tremendous job. I think we ought to think a little bit bigger about a lighthouse and a museum. That's an interesting thought isn't it? With a marina, you think big, and get federal money, get state money and think big and go for it. Thanks.

Jim Sonhaulte - 51 E. 219 St. I'm very encouraged by the positive vote on item 5, for the VBP proposal. I've lived in Euclid for about a year, my in-laws have been here all of their lives. I am very encouraged that people are willing to invest where they are. With my work in urban planning, I'm convinced that just because something isn't shiny or new doesn't mean you have to throw it away. I think you need to look for ways to fix problems and to keep Euclid strong for the people who live here and for people who may wish to live here in the future. Thank you.

Councilman Gallagher moved to rise and report. Councilman Korosec seconded.

Councilmen's Comments

Councilwoman Miller - I'd like to make a comment to Harvey. Even though I teach 25 children in school I want you to know that at exactly 11:00, 11:11 we stopped, we discussed the issue and we had more or less recognized the veterans at that time. Even though, I couldn't be there. One reason is we have a lack of substitutes.

President Cervenik - It should be noted too that Kirsten Holzheimer Gail and myself were at your election, at Councilwoman Fay Miller's election in her classroom. It's pretty amazing. The 1st, 2nd and 3rd graders that couldn't read, they actually had some poll workers stand in a poll booth and read the names off to the voters that couldn't read them and then turn their head the other way so they couldn't see who they really voted for. It was a fun experience and it shows what good things we have going at our school. It shows the experienced teachers that we have.

I wish everybody a Happy Thanksgiving.

Councilwoman Holzheimer Gail - I want to compliment the Parks Department on the trees along Lake Shore Blvd. I think that will be a real improvement and thanks for doing that.

ADJOURNMENT

Councilman Farrell moved to adjourn. Councilwoman Holzheimer Gail seconded. Yeas:
Unanimous.

Attest:

Clerk of Council

President of Council