

COUNCIL MINUTES
MONDAY, MARCH 2, 2009

The regular Council Meeting was held on Monday, March 2, 2009 at 7:00 PM in the Euclid Municipal Center Council Chamber. Council President Holzheimer Gail presided.

Members Present: Gruber, Scarniench, Jones, Minarik, O'Neill, Wojtila, Langman,
Van Ho, Holzheimer Gail.

All Present.

Others Present: Mayor Cervenik, Law Director Frey, Finance Director Johnson, Recreation Director Will, Service Director Gulich, CS&ED Director Pietravoia, Police Chief Repicky, Fire Chief Cosgriff, Asst. Director Beno, Asst. Director Gliha, Sgt.-at-Arms Novosel, Clerk of Council Cahill.

Invocation was given by Pastor Willie Trotter of the House of Jubilee.

Communications

Council received a memo from Director Pietravoia re: Ord. (244-09) on agenda.

COUNCIL MINUTES

Councilman Gruber moved to receive and approve the Council Minutes of February 17, 2009.
Councilwoman Scarniench seconded. Yeas: Unanimous.

ADMINISTRATION REPORTS & COMMUNICATIONS

Mayor Cervenik – I have a couple of announcements myself and then some of the Directors and Chiefs have announcements as well. Tonight before you is the budget, both capital and the operating budget of the City of Euclid. Unfortunately some of these cuts are necessary and they are going to be implemented very soon. March will be the last month for curbside recycling. March 31st the city, the second time unfortunately, must cancel their contract for curbside recycling. It is costing approximately \$236,000 for bi-weekly pick-up and approximately 25% of our residents are actually using it on a weekly or even a monthly basis. The Fire Dept. collects tin cans for the University Hospitals Burn Unit, aluminum cans. We're also working with various charitable organizations such as the Hunger Center, Petpals and Schools and Churches and the Boy Scouts to help those that cannot take their newspapers to one of the ABITIBI bins of their choice, that they could come and actually pick it up on a schedule basis to help.

There was just an article today in the paper about the great decrease in the profitability and the income that the recyclable goods bring. I must ask all of us to do our share and continue to recycle, continue to use rain barrels, or start to use rain barrels and protect our environment. We need to know that on March 31st, that is the last day and that is why you haven't gotten blue bags delivered.

Also due to budget cuts, as we talked about last Wednesday, we will not have our normal July 4th Fireworks Show. The cost of the show, including the actual fireworks display between police salaries and overtime, fire department salaries and overtime, clean up of the park, portable restrooms and the like, the cost is actually now approaching close to \$100,000. As we're making some very difficult decisions, I felt and I think you all agree with me that it is important that we send a message that the fireworks will not go off this year. We intend to have a very good summer in the City of Euclid. Lots of activities, concerts in the park, most of our recreational programs will go on as they have in the past. This is a real big ticket item that we felt in prudence should be canceled.

I want to send a special thanks, talking about tough decisions, to our videographers, Dennis Urban and Matt Mizak, for their years of service to the City of Euclid. They have both been laid off and tonight is their last official day as a city employee.

Due to recent budget cuts, we are also no longer televising public access television, Channel 21. If you look at it today, it is just Time Warner's video guide. We were able to eliminate that, we were stuck in a contract where we were required to provide public access to residents and really we're spending close to 60% of our budget on public access submissions, at least that much, not government, government a lot of it is done right here. It doesn't need the editing and what have you. Since Time Warner opted out of our contract as State law allows, we were no longer responsible for providing public access. Anyone who still wants to provide public access has the right to contact Time Warner and use their facilities, as FCC requires and it can be on their station. Their station goes beyond the City of Euclid. One of the problems we always had in the past was anything we produced, never left the borders of the City of Euclid. Using the Time Warner facilities, you will now get the message or your show, whatever it may happen to be, your program to virtually all Time Warner users. It won't be as long, or it won't be shown as often as we did it, but our residents still have the opportunity for public access submission and it will just be done through Time Warner.

We do also have some good news. The City is locked into a new gas price of \$7.33 per mcf. This is a fixed cost that will go from May 2009 through next winter's month to April 2010. We were paying \$10.66 so this is quite a drop that we can look forward to for next year. Can I predict with certainty that some communities may strike something lower than that? No I can't, but I can tell you that \$7.33 appears to be a very, very good price right now, especially as a fixed rate. If we find out that the market indicates next year that a variable rate is better as it was this year, then our residents have the ability to opt out of our program, no penalty to opt out, and go with that lower variable rate. I think \$7.33 is a very good price and I want to thank the Law Department in their efforts in getting this done.

I will also like to thank all the Euclid elementary school students for participating in Black History Month. You can see the wall out there. They really got into it, the drawings, the pictures, the essays are phenomenal. I think it just really shows what kind of great students we have in our elementary schools and Euclid High School through the Euclid Public Schools. With that I'll turn it over to Director Will who always has very good things to announce.

Director Will – I would just like to take this time to remind everybody that the C.E. Orr Ice Arena will be open for one more month. It will close its doors for the season on Tuesday March 31st. We do have public sessions for the entire month of March on Tuesday evenings, from 7:30-9:00. Saturday from 11:00 until Noon. Thursday evenings from 6:30-8:00 PM, and on Sunday afternoons from 5:30-7:30.

We'll also be having a special event on Tuesday, March 10th 7:30-9:00 during the public session, Keeping it Retro. It will be time to swing back and bring out your bell bottoms and any clothing you may have from the 50's, 60's or 70's. Dust them off and bring them on in. If you wear any of this retro attire, administration is free and \$2.50 for skate rental.

On Thursday, March 19th, we will have an event, sports of all sorts. Wear team wear from your favorite sports, whether it be college, semi-pro, NFL, high school. If you wear anything like that you will get a \$2 off admission. Again we have extra public sessions. You can call the ice arena at 289-8649.

I want to remind everybody on Saturday April 18th in Sims Park from 10-3 PM we will have our Annual Spring Fling. Home Depot will be there with plenty of demonstrations and other vendors to help get your yard ready for spring. Fox 8 Dick Goddard will be there from 11AM until 1 PM. You can bring your leashed dog to the park that day from 10 AM until 3 PM. We'll also be having contests for the dogs. We'll have entertainment. Our Euclid Petpals will be serving the refreshments for us that day. If you have any questions, call 289-8107.

On Saturday, March 21st and Saturday, April 4, from 9 AM until Noon, we will start all of our registration for our Spring and Summer programs. That will be here at City Hall, two Saturday mornings, 9 AM until Noon. You can register for girls softball, slo-pitch and fast pitch; boys softball; 4x4 soccer; tennis; basketball; start smart programs; fall football; cheerleading; swimming lessons; swim passes; swim team and plenty of special events that we have coming up for the summer. You can check out our website, www.euclidrecreation.com and we will have all the information about the different programs and the prices.

For the girls softball and boys softball this year, we are starting our programming at age 7. For any of the t-ball programs that we have had in the past, that league, we are collaborating with the Euclid Boys League and they will be offering those programs. You can register for Boys League at 299-4724. There's also registration going on for Pony League and for Colt League and for Euclid Youth Soccer. If you want information on any of those programs, call our office.

On May 15 & 16, the City of Euclid will be participating in the American Cancer Society's Relay for Life. We'll be doing this at the Euclid High School, it will run on Friday night from 6 PM and go through the following morning at Noon. There will be entertainment going on continuously and we're looking for teams to sign up to try to raise money again for the American Cancer Society. If anybody is interested in participating, you can go on Relay for Life.org, and get all the information that you need. It is a great worthwhile program. If you don't want to participate, you can at least come in, take a look at what happens. We will be camping out that night. Someone from our team has to be walking during the entire time. It is the first year that the City of Euclid is going to host it through the High School and hopefully they will continue to do this every year. If you have any questions, call our office, 289-8114. We look forward to seeing you, we've got a lot of programs planned for the spring and summer, thank you.

Director Gulich – On March 23 at our Board of Control meeting, we'll be opening up the 2009 proposals for a city sidewalk program, something I worked with Council President on last year, we brought it back after it took a couple year hiatus. It was quite successful. Basically what we're doing is soliciting prices from local contractors here that are bonded, registered and licensed in the city to achieve an economy of scale of sorts to offer a better price to residents who mainly need one or two blocks done or just their apron and quite frankly they've had a hard time getting anybody to give them

a price, much less a good price. I look forward to sharing that information with Council, the administration and all the local publications and we'll get up on community TV when we have those prices. We're looking forward to that.

The Mayor gave some bad news about the recycling, but in cooperative effort with Cuyahoga County we're still having Recycle Your Computer month for the entire month of April. We'll get word on that out too through local publications. Any item you have computer related, you'll be able to take to our Service Garage on Lakeland Blvd. by E. 260th. That will be open 24/7 for the entire month of April. Everything will either be recycled or reprocessed and then given to local schools.

Last announcement, Saturday April 18th we'll have our first Community Shred Day. We had three community shred days last year which brought in something over 10 tons of materials brought in by residents. That will be starting at 9 AM and go through Noon on April 18th. That will be right here behind City Hall in the back bay of the parking lot.

Chief Cosgriff – This upcoming Sunday, March 8th is when daylight savings time begins. As such I would always like to remind our citizens to make sure that they change their batteries in their smoke detectors and they make sure that they have working smoke detectors at the very minimum on each level of their home in particularly outside of sleeping areas. To date in 2009 during the first two months of this year 21 people have died in fires in the State of Ohio alone, smoke detectors were present and functioning in only three of those fires. Despite all the publicity in trying to get this message out that you need working smoke detectors, there still are lots of people out there that don't have working smoke detectors in their houses. State Fire Marshal recommends a combination of photo-electric and ionization smoke detectors. But really any smoke detector that is working is better than nothing.

If you can't afford smoke detectors, Euclid citizens may call our Fire Prevention Bureau at 289-8425 and we will provide smoke detectors and/or batteries for them. So there really is no excuse for Euclid citizens to not have working smoke detectors in their home.

Chief Repicky – Before you I have two pieces of information. Council has requested the Victims Assistance Program as far as the two contracted individuals, their names and phone numbers are on the sheet and also the services they provide. One might note also, it is not just for domestic violence it is for all victims of crime regardless of prosecution.

The second piece of information is our public safety facility which we'll be looking at on Wednesday, March 5 at 6:30 in the Safety Committee. There's information to look over prior to that meeting if you'd like to review for questions. Thank you.

Mayor Cervenik – That concludes our comments for this evening.

REPORTS AND COMMITTEE MINUTES

Councilman Gruber moved to accept the Police Report of January 2009; Fire Report of January 2009; Board of Control Min. of 2-9-09 and 2-17-09. Councilwoman Jones. Yeas: Unanimous.

President Holzheimer Gail – Just one comment on the Police Report, if you had a chance to look at it or didn't, I noticed a new addition to that at the end was the community diversion program numbers. I was glad to see that in there it is something we'll continue to keep our eyes on.

Chief Repicky – Also like you request, we're going to try to get the domestic violence information on victim status throughout the year.

President Holzheimer Gail – For those of you who are watching and are asking how do I get in touch with the Victims Assistance Program, their hotline number is 216-289-8232.

This is the time for Committee of the Whole for Legislative Matters Only. You may speak to anything on the Agenda.

COMMITTEE OF THE WHOLE FOR LEGISLATIVE MATTERS ONLY

Mr. Victor Goodman – 20201 Glen Russ Lane. Actually it is a point, I'm just not understanding #1. Is this money to be a loan that will be repaid back to the City, or is the city paying for storefront renovation, can somebody answer that?

Director Pietravoia – The legislation for #1 authorizes the city to enter into a storefront agreement using our Block Grant funds to pay for part of the renovation of Lake Shore Plaza.

Mr. Goodman – This says loan guaranty and a grant.

Director Pietravoia – It actually authorizes three different agreements, the storefront agreement, a loan guaranty between the City and the owner of the property which in essence backs part of the loan that they're going to be receiving from the County for the project. Then third agreement is called a pledge document where we're basically telling the county that we're backing part of the loan.

Mr. Goodman – I realize that some of these funds, I don't know at all, come from different places, but just somehow laying off police, laying off fire and spending \$240,000 to fix up the outside of a shopping center, I don't know if that's the best use of money, but at least I just wanted to question it.

The other one I'm questioning is #8, which is this new camera control signals. I would like to know why we need it. I would like to know where it is going to be placed and I would like to know how much is it going to cost. Why is this now something that is needed in Euclid? Do we have people running through here at incredible speeds and the police can't catch them? I'd appreciate those answers, thank you.

President Holzheimer Gail – I neglected to say that #8 will go to the Safety Committee and will be part of the Committee meeting this coming Wednesday.

Mayor Cervenik- The money that is being used for the shopping center is community development block grant money. It cannot be used for salaries and operations. It is to be used for municipal beautification and other things like that. We need to in these trying times to delineate the sources of the funding, what they are legally and not legally allowed to be spent on.

I will say that #8 is going to committee. I believe we've had 5 fatalities; 11 in the last 2-3 years on I-90. That's after we've had as many five traffic officers on duty. Those accidents have been caused by speeds. We need to make that stretch safer and that's the reason for looking into this and discussing this. No decision has been made, that ultimately lies with City Council. We've had our share of accidents and again, most of them have been caused by speed.

Mr. David Gilliam – 20240 Kathy Drive. I wanted to comment about #8 and I know it is going into the Safety Committee. But I just wanted to give my opinion so council could hear it and when they go into Committee they will make whatever decision they feel is best for the city.

About a year and a half ago the Police dept. requested that there be video cameras in certain squad cars. I came up here and stated that I was all for that because it was definitely a necessary need and it was a win/win for the police dept. and the citizens. But I also stated that I hoped that this didn't lead to the automated traffic enforcement systems that is being proposed that is now going back to committee. While I'm an ardent supporter of the police dept. and safety, I wonder about the impact on our residents with these particular things such as the automated cameras.

I have a few reasons for why I think that this should be withdrawn at this point in time and revisited at a later date. Most importantly I don't understand how an automated camera gives an individual a right to face their accuser. I'll be honest with you. I had a ticket in Cleveland and it was only an administrative situation where I could not talk to a police officer. I talked to an individual who worked for a for profit company that made a determination. I had no problem paying it, but I felt like I didn't get my due right to present my case to the accuser.

That being said, who would be accountable if the cameras are actually wrong? The police dept. has been issuing tickets for numerous years and I don't think they've done it without any criticism and I think most of the citizens that have been here for a long period of time have been satisfied with their performance.

Now when it talks about using the cameras, it is usually a second party or a partner that monitors, a police officer signs off, but they handle the administrative part of it. When you have a partner, in certain cities, and I'm not saying that this is being done here, that partner is part profit driven, not safety driven. So therefore, they're looking at taxing the citizens for profit, even if in earnest the police department is looking at being safety conscience. It could be a conflict of interest at some point in time depending on the revenue that's generated from it.

Thirdly, you get a traffic ticket from an automated camera, by the time you get it, you don't even have time to get information to defend yourself. That process in the City of Cleveland, if you want to contest it, they make you pay the fine and then set up another date. That takes time off of work for a citizen, it is also an implication of guilt. I've got to pay a fine before I can defend myself, so I'm coming back, it's an inconvenience.

Sometimes information with cameras, not saying the police would do that, but some cases can be abused. Is this for profit company, if it exists going to be reputable because information could be collected for other things outside of law and safety enforcement. So I have a concern about privacy.

Locally the economy is not doing what we'd like it to do so people aren't going out as much, people are not going to dinner and then going shopping. The people that are driving in Euclid are Euclidians so who is going to benefit the most? I don't think anybody will because the citizens who go to church, might get a ticket. The citizens that might go to their school, might get a ticket. The

citizens who want to go out to dinner or visit their friends, might get a ticket. This is going to, in my opinion, fall solely on the citizens of Euclid because many people aren't traveling out of their neighborhoods and their cities to go out and visit and basically find ways of recreation.

I just have a very serious problem with this particular legislation and it hasn't been presented it and maybe the administration has thought those things through. But these are the problems that are facing other cities and I don't want to replicate it here. As a citizen who loves this city and who lives in this city, I have no problem with a police officer pulling me over and giving me a ticket because I didn't wear my seatbelt, I was speeding or I was violating some other traffic law. But I have a real issue with the camera taking a snapshot and then a company stating, okay what is our profit margin. Because the reality of it is and it is not being told tonight, most of those for profit companies average about 16-18% of that \$100 that they get from Cleveland. Therefore, they become profit driven and this might not be in the best spirit of the city right now to apply it now. Thank you.

Mr. Jeffrey Beck – 25540 Chatworth Dr. I also want to speak on #8 and I do understand that it is going into committee. It's a bad idea in Cleveland and I think it will be a bad idea in Euclid. In this country you are innocent until proven guilty but a camera twists it around that your guilty until proven innocent. I think if you want to cut down on the traffic hazards in this city, take those cameras and face them down the middle of the side streets like Morris, Miller, Gay, Ball Ave. and ticket those people who walk down the middle of the street. There's your traffic hazards. Thank you.

Ms. Regina Hauck – 116 E. 197 St. I also want to talk about #8. I also am against this legislation. We talk about safety and that we're doing this for safety, we're not doing it for money. I don't believe that. In the City of Cleveland a survey was done for all of the locations where they were putting a camera. They surveyed the six months before the cameras were put up and in that timeframe there were 187 accidents. After the cameras were put up, they surveyed the six months after, there were 184 accidents. It is not helping safety by putting these cameras up. This is helping the profitability of the cities that are putting it up. This is not a safety issue.

The other thing I think we need to look at is the economic impact of this on the businesses. I know myself personally I used to go to the Walgreen's on 156th Street. I don't bother going there now because there's a red light camera right before you get there. Not because I'm breaking the law but because I don't want to go through the hassle if the camera is malfunctioning. So I don't go to that store. I have friends that live in Shaker Heights and Cleveland Heights who used to regularly go downtown to Cleveland a couple of times a month for dinner because it was easy just to go down Chester. They don't do that any more because it is not worth the hassle because of the red light cameras all down Chester. We all know what kind of situation downtown Cleveland is in now. Do you really want to be responsible for putting these cameras in front of a business and having people not go to that business anymore. I don't think any of you want that so you better look at the economic impact of putting these cameras up and what it may do to a small business that's suffering right now because of the economic situation any way. I don't think you want to give them any more problems.

Finally for those of you who are running for re-election, you may also want to think about that, because this is sure to become a hot button issue if you pass it for the campaign trail. Thanks.

Mr. Vince Riha – E. 195 St. On #8 the Mayor indicated use of these on I-90 because of the freeway. Now in my mind, if I'm traveling along there at 11:30 at night and some idiot flies by me at 75, and all of a sudden a light flashes in my face, and I'm kind of half asleep, I think that's going to create more problems than anything else. The Mayor didn't say intersections, he talked about it being on I-90. That's something to think about.

The question that brought me up here, Director Pietravoia said that we would be in a sense as I understand it, guarantying the loan for the storefront. If that is the case, to me that equates us as being co-signers. What do we have as collateral if this is defaulted upon?

Director Pietravoia – Would you like me to get into the details now or when we address the item?

President Holzheimer Gail – I think they will all be addressed, do you want an answer right now?

Mr. Riha – Not if it is going to be addressed. I'll bite my tongue and trust. Thank you.

Mr. James Saywell – Euclid Fire Dept., 775 E. 222. I would like to address #2, the ordinance for the budget. To be a professional firefighter for the City of Euclid for the past 28 years has been an honor and a privilege. I've worked with many excellent firefighters and have learned something from each one of them. I've learned that teamwork is the key to success as a Fire Dept.

Presently I am the A-Shift Platoon Chief. I have served this position since July 1, 1999 for the past almost 10 years. As the Platoon Chief, I am responsible for the EMS and firefighting operations

for the 24 hours during this shift. My goal for each 24 hour shift is to provide the citizens with the professional well-trained team of firefighter paramedics to meet all of their respective safety needs. My ultimate goal is to assure that in turn, all firefighter paramedics under my command on my shift do not get injured or killed during this 24 hour shift.

The reality of our profession and one we take very seriously is that it is an extremely dangerous job. We run into burning buildings when all others are running out of the buildings. That along with dealing with a wide variety of blood born pathogens, communicable diseases, hazardous materials, bio-terrorism threats, nva's, and many other unknowns and one begins to see that it takes special individuals to become a member of our Fire Dept. team.

This is a unique profession requiring intelligence, empathy, strength, endurance, compassion and common sense. Our young firefighter paramedics like the four that are slated to be laid off next week, are fine examples of this. At this crucial time in our fire department's history and with the apparent reality of operating my shift next week with only 13 firefighters per day, I felt compelled to speak at this meeting.

I am a member of Euclid Professional Firefighters Local 337, I am not a member of the negotiating team. I am speaking to you as shift commander as one of our shifts to inform you that I firmly do believe that the safety of our firefighters and our residents will be compromised if daily manning is allowed to go below 16 per day.

For those that may believe that the city can rely on mutual aid from other cities, I do not. Instead, I agree with Chief Tom Cosgriff when he wrote to the Council on 3-18-03 and I quote, the problem with mutual aid agreement is that there will, italicized will, be a delay in getting units to the scene and the cities we are calling on are facing issues similar to ours. If it is your family member trapped in the house, I know you will not want to wait for Wickliffe or South Euclid to come, unquote.

In closing, I am very much aware of the tough economic conditions we are facing. This is not the first time or the last time that we will face them. Obviously we were in tough times when the Fire Dept. minimum manning was cut from 19 to 16 in 2003, just six years ago. To operate with only 16 men per day and with one less fire station has been extremely challenging. To operate with only 13 will be extremely dangerous. I sincerely hope that Council can work with the administration, find the funding to avoid these dangerous cuts that are within one week of occurring. Thank you.

Ms. Fayne Copeland – I live on 60 Lake Edge Dr. My question is regarding #7 on the Agenda this evening. I was wondering what the price difference is between the Shore, between moving the American Red Cross at the Shore and what they'll be paying at the Community Center? I also would like to ask if the city is currently negotiating to move any other Shore tenants from the Shore to any other city properties right now. Thank you.

Mayor Cervenik – I believe they were paying \$80 a week at Shore. They will be paying \$125 a week at the Community Center. There was no intentional action to move the American Red Cross from the Shore Cultural Center. I received an e-mail a few months ago from the Red Cross that they were getting complaints. The room was extremely warm. They actually, because where they're located were running air conditioners in November and December. They needed somewhere to go, they felt Euclid was extremely important to their donations. I agreed with them. We drove around to a few places in the community and when they saw the annex off the main dining room, that's where they felt they could grow and increase their blood collections. That's how it happened.

The \$125 pays for the overtime, the pension and the mandatory medicare that we would have to pay a janitor to be there for the extra four hours. It also opens up the ability since now we will have a city personnel in that building each and every Thursday from 5:00-9:00, that it opens up the possibility that a few neighborhood associations could take advantage of that time slot and have their meetings in that building.

Again I was approached by the Red Cross. One of the Board members and a Council person tried to contact Jennifer Kelsie who contacted me. She's the Donor Recruitment Representative. She said that I tried to explain that we had been receiving complaints about the cleanliness from donors and many indicated that they would not donate at Shore. Over the last couple of months, we have seen a steady decline in the numbers of donors and management felt that these complaints in the decline and donors called for a change. There were other issues that played a part in this decision, but it is the best decision for the Red Cross.

I am a monthly platelet donor to the Red Cross. I don't think I would be donating platelets if the facility I went to is the facility that they're located at now, although they don't collect platelets there. Again, it was not a deliberate attempt. There was no action taken by the administration or anyone else to remove them. I was responding to a request by a very worthwhile charitable organization that some day we're all going to depend on in one way or another.

President Holzheimer Gail – Are we currently negotiating with anybody else?

Mayor Cervenik – At the moment no, we are not. No one has approached me and I have not approached them.

President Holzheimer Gail – Any other comments from residents? We will move forward with Item #1. Are the gentlemen here? Council have any objection to holding off on that? Their plane got stuck in North Carolina and they drove up because they couldn't get their connection out. Is there a problem if we start with Item #2, any objections from Council? Start with item #2 please.

LEGISLATION

Ord. 32-2009 (245-09) Annual Budget

An emergency ordinance amending Ordinance No. 247-2008 which makes the annual appropriation for all expenditures for the City of Euclid for the period ending December 31, 2009. (Sponsored by Mayor Cervenik and entire Council by request of Finance Director)

Councilman Gruber moved for passage, Councilwoman Scarniench seconded.

Director Johnson – As everyone knows we held extensive budget hearings and have discussed the budget in great detail for three nights in a row. We've had subsequent meetings to further refine our discussions. At the last Finance Committee Meeting we also presented the capital budget which was two pieces of legislation down the line. In addition to that, we've discussed that in great detail. This particular legislation which is the appropriation ordinance and the next piece #3, is the accompanying schedule of inter-fund transfers, is the culmination of those evenings of discussion.

The one thing that I would bring to your attention is that at the last Finance Committee Meeting, the Mayor discussed the possibility of canceling the fireworks and the budget booklet sheets that we did give you to insert, did not reflect that elimination of the fireworks show. The ordinance that is in front of you is the change that has occurred since then and the General Fund portion has been reduced by \$48,000 from what we presented to you last Wednesday. That reflects the elimination of the fireworks show. If there are any questions, I'd be glad to answer them.

Mayor Cervenik – In response to some statements that were made. In passing this budget, there are no layoffs or changes contained in this budget. There are reductions of dollars for various departments. No department has been left unscathed.

I will be meeting, myself, Chris Frey, Chief and possibly, probably definitely Director Johnson, have scheduled a meeting with the negotiating team of Local 337 for Thursday. Our intention is to come to a meeting of the minds so that the actions that could happen on March 9th, don't happen. Simple as that.

The sheet that the Finance Director prepared for you last week, shows a reduction in Fire changes, \$330,000. I hope we can achieve that without the layoffs and the reduction of minimum manning. At the same time as I talk to the Union Chief today, Mr. Bernacki, is that I intend to work Thursday very hard to get 2009 settled so that I don't take the action that I would have to take on the 9th. But we have to sit down and discuss changes in these contracts for future years because if we don't in January 2010, or December 2009, I will be sitting here telling you, if everything goes back to how it was last year, with overtime and comp time payout and other things that are done, that have been negotiated. We all need to understand that. This is no criticism, this is fact. I will be sitting in front of you, telling you that next year, 2010, that we will have to layoff six firefighters and go to thirteen.

There's a lot of work that needs to be done Thursday to make sure that layoffs and reduction of minimum manning does not take place. But the real work is going to begin, hopefully after we accomplish that, starting Friday when we determine how are we going to continue funding the Fire Dept. and also as we get further along, the Police Dept., at the levels of compensation that have been negotiated over the years. Most of you are newer Council people, Councilman Gruber you've been here awhile, Kirsten you've been here for awhile, during negotiations we have presented contracts that say, it's days off, it doesn't cost anything. Well we are to a point where it is costing us and it is costing us a lot. I want to assure each and everyone of you, and you out there, that this budget being passed tonight does not guaranty that one police officer or one firefighter will be laid off.

As I told you Council President, I am confident after the work we did today internally that when we meet with Local 337 on Thursday they will understand that the few changes we are asking in the proposal they gave us, protect us in 2010 from recouping some of the overtime that's deferred in 2009. I really shouldn't probably go into that any farther because we have not sat and talked with them about the specifics.

Passing this budget tonight, does not guaranty that on March 9th, minimum manning goes to 13 and four firefighters are laid off. That really is a step and a move of last resort. It is something I care not to do. It is something I don't want to do. It is something I have told you when this economic crisis

started that I'm doing my best to avoid. I need to make that very clear to you that you are not voting tonight for layoffs and reduction of minimum manning. That is up to the negotiating team, Local 337, and myself to come to terms for 2009; again we need to move forward and look at what we can do so we're not in this situation again.

As I've said before, some of this can be resolved by raising fees. 2009 is not the year to do that. Some of this can be resolved if we in fact get 1200 jobs located at PMX. The crux of the matter is, there needs to be some fundamental changes in the compensation that we pay the safety forces, or we're going to have this problem each and every year. You're not voting on layoffs tonight. You're voting on an allocation of money; a certain amount of money that the department needs to live within.

Councilman O'Neill – Thank you Mayor. Just a comment. I think a few things that were said were maybe inappropriate in front of Council and the people at home that the Local 337 didn't have an opportunity to respond to some of that. I think we might be negotiating a little bit in public here and it is somewhat of an unfair advantage to the firefighters. I appreciate the work that both sides are doing and it is very stressful. I understand it from where I work in Cleveland Heights, we're going through the negotiating process also. I believe some of that should be said in private conversation and I appreciate the work you're doing and I know you're working hard with the firefighters and I'm hoping that a resolve comes very soon and we do avoid those layoffs.

Mayor Cervenik – If I'm not mistaken virtually all of Council was invited and met with members of Local 337 whether they were on the negotiating team or not. I don't know how many of you did, but I know a number of you did. That's fine. I don't think I said anything inappropriate here tonight. I want you to understand and I want the residents to understand for your protection that what you're voting on tonight is not to lay anyone off or not to reduce minimum manning. We've still got seven days to close that gap and get that \$330,000 so that doesn't happen. I don't think that is saying anything unfair. I think that's making it very clear to you and to the residents that tonight's vote does not mean we're laying off any firefighters.

Councilman O'Neill – I appreciate that and I've talked with you on this and I appreciate the work you're doing and I'm just, I've said in the past that I support the lines of dialogue that stay open and I think we can get this done before we have to lay anybody off, or the administration has to lay anybody off. I just felt that being on a negotiating committee in the past myself, I don't want to negotiate this in public, the contract. That's all I was trying to say, thank you.

Councilman Langman – Nobody up here wants to see any layoffs in any department. I think that must be made very clear. As long as the lines of communication remain open, and there was perhaps some question of that which is the reason why many of us did meet with the firefighters, then I think we should proceed with passing the budget as presented this evening.

I would ask of you Mayor, if you could just keep us informed of the progress, lack of progress. Obviously in this situation we don't have a direct role but we will help where and how we can to see if we can't come to some mutually acceptable agreement. I don't think anybody is comfortable at 13. Thank you.

Mayor Cervenik – I will do that. The e-mail I sent you last week, was the update of where we were at that time. Outside of the internal meeting this morning, and what will happen Thursday, you will get an update at that time. I wholeheartedly agree with you that we need to pass this budget, we need to pass capital budget, we've got a lot of work to do. Thank you.

Councilwoman Scarniench – A couple of questions. The 220 Account, Street Construction Maintenance and repair. The number on the sheet in front of us is different from the book. Can you tell me why, it's about \$13,465 different? As I went through, everything else was right, but this one was different, I just wondered why.

Director Johnson – There was no intentional change that I can think of right now. It could be a typographical error, but I'm not aware of any change.

Councilwoman Scarniench – Can you tell me please, the \$77,000 from the Endowment Fund, what are we spending that on?

Director Johnson – There are several parcels of property that the city owns that we're holding for sale that doesn't qualify for property tax exemption. We pay property tax on those properties.

Councilwoman Scarniench – I guess I should make a comment too. I am supporting this budget the way it is. I think everyone has worked very hard to bring the numbers into alignment with what we are comfortable with, especially with taking out of our reserved account. As I told the firefighters and I told the Mayor, you've got two sides to a story and somewhere in the middle there should be a meeting of the minds. But people don't understand that City Council knows nothing. The only thing that comes to us is the budget and the contracts, when it is time to vote on a contract. We don't know what goes on in negotiations. We don't know what everybody is asking for. It is very difficult to sit and try to figure where you're at. I did meet with the firemen and I learned a lot that I did not know. I've also spoken to the Mayor. I am hoping in this seven days, everybody says they're working, they're open to everything, that you please get this situation under control because I for one don't want to see us lose the manpower for whatever reason it is. The same goes for the Police Dept., they've got a few extra weeks to work on theirs. Please, please find a way to come up with what needs to be done. What the Mayor said, it is great to fix this year, but when you look at things and see what will happen next year, if I'm sitting here next year, I sure as heck won't want to vote on that budget because it is going to be wrong and it is not fair to the citizens of Euclid. Please work Thursday until it is all over with and everybody can walk away reasonably happy.

Councilman Gruber – I, too, met with the Fire Dept. and I appreciate them taking the time. Not only do we not know what's going on, the representatives that I met with, they don't even know what's going on. Until everybody can sit down and get the numbers together, I was here in the past when we did some things where we pushed overtime and compensation into the next year and all you're doing is robbing Peter to pay Paul. Until everybody knows what is going on, we need to keep working together and I fully support the Fire Dept. I gave them my pledge yesterday, 13 is an unacceptable number, but we need to sit down and figure out what is going on here.

President Holzheimer Gail – I think as we move forward there are a number of things that we all agree on. One is that the budget numbers that we've talked about are set. We do need to have some savings in each category. When I met with the firefighters they agreed that we should reach a certain amount of savings. We all agree that we don't want to go below 16 minimum manning. With those two things in place, we need to come to an agreement, how to get there. I'm confident that as Lt. Saywell said earlier, teamwork is the key. Teamwork is the key. We can do this. Everybody needs to come together. We all are coming from the same point of view, it is just getting to that point.

I think it is important to set these targets in place. That was another criticism was that the targets keep moving. So we set the budget, we set the targets in place and we figure out how to get there. We've gone through a long series, we started in December, had several meetings then, we had January, February budget meetings. We've had a council work session. We've had plenty of time to look at this, but that doesn't mean this is the end of it. We will continue and we've pledged that we will have monthly finance and executive committee meetings. We will continue to look at the budget every month and I would suggest that perhaps we have an Executive Session to get an update on our union negotiations so that Council can be brought up to speed on what exactly our we talking about. I don't know if that can be done before Thursday but perhaps shortly thereafter.

Director Johnson – Councilwoman Scarniench there does appear to be a typo in the budget booklet sheets. The correct is the ordinance. Also the summary sheet that is in the front of the budget booklet agrees to the \$2,178,000.

Mayor Cervenik – We will send you a correct page, probably 79, 80, 81. Also we will send you a page for \$48,000 for the actual fireworks that are removed as well. So that your budget book agrees to the ordinance.

Councilwoman Jones – I want to say thank you to the firemen that I met with on Saturday. I appreciate their opinions and their willingness to give their side of the story. Sometimes we take for granted how much of a fire personnel it takes for something that we may look at as a easy rescue. I agree and I don't want to sit up here and say that we have to see anybody laid off. I agree that 13 is not only an unlucky number but it is to low of a number to work with. I appreciate the firemen giving their explanations as to why. I hope that the negotiations go well so we don't have to get to that point, laying anyone off. It is not the council's responsibility to lay anyone off, we're just voting on the budget, the amount of money now and how that money gets distributed is where the negotiations come in. So from now until Thursday I hope those who are into prayer, make your extra prayers that we do not get to the point where we have to lay anyone off. Again, I appreciate the comments from the Fire Dept. and hopefully when we see the fire trucks going down the street or whatever, we don't take their rescue efforts for granted.

Councilwoman Minarik – This is not related to the firefighters. My concern with this budget is I don't recall, I remember when the budget was first presented to us that Recreation had requested \$200,000 and I was under the assumption that they would not get nearly that and they are getting, according to this, almost the entire \$200,000. In the meantime, Shore Corporation got its money cut. With three proposals out there, I'm curious based on if we pass this budget when the \$107,000 runs out, even though we have three proposals and we may get someone to manage the building, we're basically saying, no building. Which was my concern when we first did the RFP's. I do recall saying that word is on the street, people go to all this trouble to do proposals and they submit them and then the city doesn't follow through. That's one of my problems with this budget is if we shut Shore down for a lack of funding, we've just sent out another message to the community. Well, yes we wanted you to do all the work, but we weren't serious.

I did notice in the budget book that there are some departments that their expenditures have gone up, not just 3% or 5% but some departments have gone up double digits. I am concerned about when we've got a fire department and a police department that are dropping almost double digits in their departments. I would like this piece of legislation tabled. We have one more Council meeting to decide the budget and I really would like this tabled and have one more meeting to go over some of these details. I would love to know if we hire a manager for Shore, the money runs out, does that mean that we fire the manager; then this was a wasted process. I'm curious as to why, I was under the impression that Recreation was not going to get the full \$200,000 it had asked for and it is getting according to this \$193,000. When you've got the two safety departments taking huge cuts like that, I'm just curious. I would urge Council to please table this until the next Council meeting and let's have one last meeting. I know you guys don't like these meetings that much, but I do think it is a big enough deal.

The final point is, typically Director Johnson, we typically have to make amendments to the budget throughout the year, especially at the end of the year. Do you anticipate making amendments to the budget at the end of the year? If so, about how much?

President Holzheimer Gail – Director Johnson, do you want to address, start with the last.

Director Johnson – I'll try to address some of them. The original request from the Recreation Dept. was in the neighborhood of \$250,000. So \$193,000 is a significant decrease from the original request of the Recreation Dept. Your next question of how many amendments would I anticipate and how much, I would have no idea. A majority of the amendments that we do are council driven. Any legislation that council adopts that involves the additional expenditure of money, is obviously going to trigger an amendment. Other than that, any changes are going to be council driven primarily.

Councilwoman Minarik – Over the last few years, we've had about, what would you think by the end of the year \$500,000? \$2,000,000? Is what we average per year, the previous council's in amendments, amended budgets? The reason I ask and you were prepared for that question, but my concern is that if we're such on a tight budget now, I'm very concerned that if we have to amend this budget further at the end of the year because of things that have gone on in the year, that's going to take more out of our reserves. That's just another concern I have that possibly that we could take another look at maybe squeezing a few more dollars now because we know we're going to have to pay more dollars at the end of the year, unless there's ever been a year where we've not amended the budget.

President Holzheimer Gail – Council has to approve any amendments. If we don't have the money we don't do whatever it is we want to do. In terms of Shore, after looking at those proposals, if we decide on one proposal and part of the decision will be, if it costs this much money, do we amend the budget to include that, that's part of that decision. The budget doesn't end tonight. It is a static document that obviously we don't want to anticipate changing it at every drop of the hat. This sets out the framework, we have the ability to amend it.

The other question was other department saw increases. Every staff person has agreed to a reduction in salary, correct? Some of that was because of a position wasn't filled last year. We would have to look at specific line items if you want specific answers, but do you want to address that generally?

Mayor Cervenik – Not all unions have yet agreed. We're working towards, in a very positive way. There's not too many departments here that have double digit. Most of them have negatives. For instance, the Court, if that's what you're speaking of has some double digit increases, but the Judge filled a number of positions towards the end of 2008, even though she wanted to do it sooner. So those will be reflected as increases in 2009. The Humane Resources went up. We did not hire a human resource person until November so that department would go up. That human resource officer has been invaluable is what we're going through now. Community Policing was increased double digits

because we committed to keeping the two case workers, community policing specialist in the general fund. Almost everything is negative.

Councilwoman Minarik – I'm not being critical, what I'm saying is that I would like it tabled because it would be nice because I'm sure there are reasonable reasons why some of these departments are up and I don't want to have to discuss that here but I thought I would like to know some of these answers. That's fine, if you don't want to table it, that's fine.

Director Johnson – I would suppose you're right in the last several years our amendments have been somewhere around \$500,000-\$700,000. I can recall before I became Finance Director that it was in the month of December that the budget was amended by a million dollars. There are a number of items in the budget that we have absolutely no control over. If you recall last year, the escalation of fuel prices increased our tipping charges and fuel surcharge for garbage collection. The general increase in the cost of energy increased our natural gas bills, as well as our bills for gasoline and diesel. There are factors like that that are outside of our control that if we have not estimated the total amount that we need, it would require an amendment to the budget. Any amendments that we would present to Council, we would have an explanation for and obviously it would be up to Council to decide whether it is something that you want to do or not, but cost or increase in the cost of energy, or other types of costs like that, changes in staffing that are obviously decided on by council before we do them, are going to affect the budget. To say now much

President Holzheimer Gail – In the past if we've had that many amendments we've had some luxury of having some reserves. This year if we looked at adding that kind of money, we're going to look at having to cut something else out unless we want to let our reserves get dangerously low. Those are decisions for future meetings. I don't think anyone goes into a budget knowing that we're planning to amend it to that extent.

Councilman Van Ho – I would urge that we pass this budget tonight. I think to not pass it is not being fair to either the administration or the unions as they try to put this together. Give them a definite target to shoot at and let them figure out how they're going to do it. We can pass the buck for another two weeks, but that leaves both sides wondering where this council is going to come down. Give them the numbers and let's go. That's all I have.

Councilman Wojtila – Taking a step back, our revenue for 2009 projected compared to 2008 was down 3.5%. If you look at where we projected our 2008 budget to be and where we're projected our 2009 to be is about 6.4% drop. Why I'm saying that is, there's been a dramatic decrease in our revenue and there's going to continue to be, hopefully not greater, but this is a tough time. It is also obvious that going down to 13 is not a good idea. We've had the experts telling us that.

The question I have and I don't want to be in this situation but I think it is an important question, especially as we're voting on a budget tonight and we're not voting on lay offs, I understand that, but we're considering the budget. If the budget were approved and the worst were to happen in that the four lay offs were to occur and the minimum staffing were reduced to 13. What percentage of the time would we be under 16? I know it is hard, you might have to pull a number out of the air, but you pulling a number out of the air, Chief Cosgriff, is certainly better than me pulling a number out of the air. What is that number, percentage time, when we're down to a staff of firefighters at seventy, I don't know the overall number, somewhere around that number. What is the percentage of time when we'll be at a staffing below 16?

Chief Cosgriff – When we plan out the entire calendar year, we plan so that we are above 16 each and every day. We have 25 man shifts and the most that we can have off on any given day is 8 firefighters. Obviously that brings us down to 17. Where we run into problems is with long term injuries. We currently have a long term injury on two of the three shifts, so those shifts are down to 24. On the days where they have 8 firemen scheduled off, we're down to 16. If we get a sick call, paternity leave, bereavement leave, any other long term injuries, there's a possibility that we will go below that level, below 16. There are also days when we have scheduled 7 off and there's days when we have scheduled 6 off. Best case scenario, a shift with 25 firefighters on it and six firefighters off, that shift could be running at 19.

I can't predict long term injuries. Even short injuries that come at a time of year when we're at our minimum staffing. To say that if we, to make a prediction as far as a percentage on how many days we will be below 16 is next to impossible to do. Obviously laying four firefighters off and not replacing firefighters who retire, we're scheduled to have two of them retire, actually the two that are on long term injury our firefighters that I anticipate are going to retire. That's six less, two per shift, so instead of a shift of 25, we're down to a shift of 23. With 8 men off, we're down below 16.

Certainly the long term injuries hurt us and certainly decreasing our manning, less men per shift, less firefighters per shift is going to increase the chances that we're below 16.

Councilman Wojtila – I looked at all the departments, some sub-departments, trying to look at everybody. What's the impact to the individual groups. Councilwoman Minarik brought up a couple that are double digits, the Mayor referenced the judicial one and the senior program happens to be a little bit on the high side. Those are smaller departments I'm sure something happened where there was a shift from one to something else. To me it doesn't look like there's a disparity. It looks like everybody is being asked to make a significant or make a reduction, obviously Corrections was down 31.57%, they made a very significant reduction in that area.

I agree with Councilman Van Ho. We need to set the target and we know what the task in front of us and that's the to get it done. We're already dipping into the budget by \$571,000 and again I agree with Councilman Van Ho's comments.

Mayor Cervenik – Unofficially our projected revenues for February came in \$42,000 less than projected. Silver lining it could have been a lot worse. As a mentioned a community last week e-mailed us, they were 25% down for January. We were actually a little up in January because of the Lincoln bonus, a record year even though they had one of the worst last quarters, they had a record year. That's why we're going to have meetings every month and examine those items.

You should also know that I have made the appropriate adjustments in this budget assuming that each of the unions are going to give back. If they don't that savings as well in all departments will have to be met by reduction in personnel which is what we're trying to avoid so all are getting treated the same.

It is my hope that we receive the give backs and concessions versus eliminating manpower. That won't change these numbers here significantly either way. We're going to get it one way or the other and I hope it is the positive way and I'm pretty confident as I told you earlier that we will be.

Councilman Van Ho moved to close debate, Councilman Gruber seconded. Yeas: Unanimous.

Councilwoman Scarniench moved to suspend the rules, Councilwoman Jones seconded. Yeas: Unanimous.

Roll Call: Yeas: Gruber, Scarniench, Jones, O'Neill, Wojtila, Langman, Van Ho,
Holzheimer Gail
Nay: Minarik

Passed.

President Holzheimer Gail – Let's finish the budget items first and then we'll hear from Mr. Fields. #3 please.

Ord. 33-2009 (248-09) Inter-Transfer of Funds

An emergency ordinance providing for the schedule of inter-transfer of funds between all funds. (Sponsored by Mayor Cervenik by request of the Finance Director)

Councilman O'Neill moved for passage, Councilman Wojtila seconded.

Director Johnson – I had mentioned earlier that this is accompanying piece of legislation that reflects the transfers that are necessary between funds.

Councilman Gruber moved to close debate, Councilwoman Scarniench seconded. Yeas: Unanimous.

Councilwoman Minarik moved to suspend the rules, Councilman O'Neill seconded. Yeas: Unanimous.

Roll Call: Yeas: Gruber, Scarniench, Jones, O'Neill, Wojtila, Langman, Van Ho,
Holzheimer Gail
Nay: Minarik

Passed.

Ord. 34-2009 (244-09) Lake Shore Plaza

An Emergency Ordinance amending Ordinance No. 134-2008 and further authorizing the Director of Community Services and Economic Development to enter into a Special Storefront Renovation Agreement with Fields Investment doing business as Lake Shore Plaza LLC, owner of the property located at 22800 Lake Shore Boulevard (hereafter Fields Investment) for the provision of a grant in the amount of Two Hundred and Forty Thousand Dollars (\$240,000.00) to offset the costs of an estimated One Million Dollar (\$1,000,000.00) comprehensive storefront renovation and to enter into a related Pledge Document with Cuyahoga County and a related Loan Guaranty Agreement with Jeffrey Fields to utilize a portion of the City's Community Development Block Grant Line of Credit to act as a guarantee to Cuyahoga County in an amount not to exceed Two Hundred Thousand Dollars (\$200,000.00) as part of the required guarantee of a Three Hundred Thousand Dollar (\$300,000.00) Cuyahoga County Commercial Redevelopment Loan to Fields Investments as part of the renovation project. (Sponsored by Councilman O'Neill and Mayor Cervenik)

Councilman O'Neill moved for passage, Councilman Langman seconded.

Director Pietravoia – Thank you to members of Council for your willingness to re-order the agenda item. As you heard our guests that are with us this evening had some trouble traveling from the west coast to Cleveland and ended up driving a good part of the way when they were supposed to be flying in, so they just arrived moments ago.

This project has been before Council last year and we're back again this evening in the intervening months since 2008, we've been spending a lot of time trying to put the last piece of financing in place for a very important storefront project in our downtown business district, that being Lake Shore Plaza. In essence the original ordinance passed a storefront agreement in the amount of \$240,000. This has been over a year in process and our recent efforts have focused on putting the last piece of financing in place, which was a loan from Cuyahoga County for their commercial redevelopment fund in the amount of \$300,000. Bob Gliha is also here tonight, our Asst. Director, he's been instrumental in working with both the County and the property owner in trying to get this last piece of financing in place.

I'm pleased to report tonight that we finally reached that point with the County and in fact the project is scheduled to go before their loan committee on March 11th for approval of the \$300,000 loan.

The legislation that's before you tonight amends the earlier ordinance 134-2008 approved by Council and in this case the amendment authorizes two additional agreements. The original ordinance was for the storefront agreement itself, which is between the city and the property owner Fields Investment. The second agreement that has been added to the ordinance is what's referred to as a pledge document. In essence we are working with the county and with the property owner as a partner to secure part of the loan that they're getting from the county.

Mr. Fields is going to be putting up \$100,000 in cash in a letter of credit. In essence how that works is they have to put that cash on deposit in a bank for the entire period of the county loan. They can't touch those funds until the loan is paid off. It would be difficult in these economic times, especially with as much time as have passed since we originally started this project, for the owner to put the entire \$300,000 in cash on deposit and not be able to touch those funds in a time period when you need access to cash, especially with the credit crunch.

So we went back to the county and we asked them is there any other way that this could go forward. Through discussions, we landed on what's referred to as a pledge document, in essence the city will sign an agreement with the county and we will back the remaining \$200,000 of the loan through our line of credit with block grant and those funds are on deposit in some cases they're here with the city. Most of the time those funds are in our line of credit with HUD in the federal agency's budget. The County agreed to that system of helping to secure the loan and that allowed us to bring this legislation before you this evening.

The third agreement is what's called a loan guaranty and that's what Mr. Riha was asking about. It is actually just the opposite Mr. Riha. It's the property owner guarantying to the city that if the County had to draw on our line of credit that the owner would step in and pay us back within the time period, it is spelled out now, 30 days or any time period that we both agree to in writing. So that's our protection, that's our first order of protection if for some reason the loan wasn't able to be paid by the property owner, we would be able, through this loan guaranty, to work with Mr. Fields to get repaid for the amount the company Fields Investment could not repay to the County.

The second possibility although we would hope that it would never come to this, but you do have to look at worst case scenario and I discuss this with a couple members of Council today would be that we would end up putting a lien on the property if for some reason Mr. Fields through this personal loan guaranty wasn't able to pay us back in a time period that we were satisfied with. Then we would always have the right to put a, what's referred to as a judgment lien on the property and that

would give us recourse to go after the property asset itself if for some reason we couldn't get repaid through Mr. Fields personally.

This is a very important project for the downtown business district. It has been in the works for well over a year. We included with your packets conditional photos of the existing conditions of the property. Just prior to the winter months we had to work with the owner to literally put in place metal posts along the entire front canopy on the front façade on Lake Shore Blvd. That canopy is failing, we were concerned it wouldn't make it through another winter. It is secure now as long as those support posts are in place, but certainly that was never meant to be a permanent solution, it is very unsightly and the conditions of that property really need to be addressed.

We're very excited about the project and are asking tonight for Council's support. We do have with us tonight after much travel today Robert Johnson who is representing Mr. Fields. I know he has a statement from Mr. Fields that was distributed to Council and also the project Architect Jack Fay is here. If Council would be willing either I or Mr. Johnson could read into the record a letter from Mr. Fields who couldn't be here personally due to a back injury.

Councilman O'Neill – Just a couple of quick questions.

President Holzheimer Gail – Would you like to read that into the record first before we get to questions?

Director Pietravoia – I think the information contained in the letter either needs to be accepted by Council for the record or we can have it read into the record.

President Holzheimer Gail – Mr. Johnson traveled quite a bit, I think we should certainly accept the letter. I don't know if you want to summarize it. If you would come to this microphone.

Councilman Gruber moved to waive the rules, Councilwoman Scarniench seconded. Yeas: Unanimous.

Mr. Robert Johnson – 22736 Vanowen Street, Suite 100-B, West Hills, CA 91307.

President Holzheimer Gail – We did all receive it, it is a lengthy letter, so I don't know if we need to read it verbatim but it would be important to cover maybe the basics.

Mr. Johnson – I also lost my luggage, two days in the same outfit. I appreciate Mayor and Council members and administration for everything. Mr. Gliha had put it better than I certainly could after two days of traveling. But certainly I would like to address any questions that you might have specifically about either the project funds or Mr. Fields commitment to the project. This is a project that has been planned actually for about three years since it was acquired the property. Since acquiring the property he had set aside approximately \$350,000 to see this project get going.

President Holzheimer Gail – We will accept this letter into the record.

Councilman O'Neill – Thank you for your long travels and welcome to 7 degree weather, I don't know what it is like in California. Just a couple of quick questions. One, this project is using public funds. Will there be a prevailing wage agreement on this project?

Director Pietravoia – Yes, the federal government funds do require, the storefront program requires prevailing wage.

Councilman O'Neill – One other question to Director Pietravoia, there is risk here, we briefly discussed that. What is the worst case scenario for the city if for some reason the guaranteed funds that the city puts forward doesn't get reimbursed by Mr. Fields. I realize that there is going to be a lien put on a property perhaps, but what happens to the Block Grant money which the city is putting forward.

Director Pietravoia – I'll respond and then Asst. Director Gliha may want to add a comment as well. The dollars from the block grant are not actually provided to the county. They stay in our line of credit, all they're asking for from us is a written pledge document that says they will be able to approach the city and tap into that line of credit if the owner of that property wasn't able to pay back all or a portion of the loan.

So the worst case scenario, in order to answer that question if you'll indulge me just for a minute, I have to explain that one of the beauties of the county commercial loan program and the reason that we were anxious to take advantage of it, is that there's a forgiveness of 40% of the loan. In

essence it helps a project like there where the financing was very difficult by providing a 40% grant out of the \$300,000. So the maximum amount that would have to be paid back of that \$300,000 loan is the 60% which is \$180,000. Even though the county is asking us for security in the amount of \$200,000 the worst case scenario is when \$180,000 is paid off, the remaining county loan is forgiven.

So worst case scenario would be \$180,000 but to get to that we would have to go through those two steps that I already described. One is Mr. Fields would have to not been able to have acted on the loan guaranty where he's personally saying he would pay us back if the company was unable to make the loan payment. Then the second provision that we worked with Director Frey in a better understanding would be the lien placed on the property. So if we couldn't collect from those two, then the absolute worst case scenario is we would be on the line for \$180,000.

Councilman O'Neill – When you say on the line, that means that's the line of credit extended by the Federal Government to us and those funds can only

Director Pietravoia – The County had to tap into the line of credit for the full amount of the loan that had to be paid back, which is a very unlikely scenario, that would be \$180,000.

Councilman O'Neill – The following year, we would be reimbursed the line of credit from the federal government, so if we laid out \$180,000 we'd have that much less for one year and the following year that would be replenished?

Director Pietravoia – We receive our funds from the federal government once a year in an annual allotment. So if we had to use the funds and we weren't reimbursed, then we wouldn't have funds for a storefront program for example until the following year.

Councilman O'Neill – Again, these funds can only be used for those types of projects.

Director Pietravoia – Correct, we're talking about federal block grant dollars that have already been allocated specifically for the storefront program. Since this had already been approved by Council in 2008, we had already set aside those dollars specifically for this project.

Councilman O'Neill – The way I see it, it is very low risk to the city and there's much gain. It shows that the city is willing to work, even in bad economic times to keep our downtown and the city moving forward. I would like the rest of Council to approve this ordinance.

President Holzheimer Gail – It is important to note and this is in the letter in addition to probably if you add up the other numbers. This is a \$700,000 commitment investment by the Fields Investments and Mr. Fields in that shopping center. I'll just say this too because it is in the letter and the folks out there don't have it is, he does have a commitment to greater Cleveland as well. He owns 11 additional retail shopping centers, 85% of his assets are here in Greater Cleveland. So there is a commitment to the area. I know he's been working very hard to get to this point.

The question was raised earlier about the block grant funds and we're having discussions on the general fund and I think you answered that but I do want to make sure that everybody knows we cannot use block grant money for safety forces for general fund purposes. They have to meet two criteria: eradicate slum and blight or serve low and moderate income folks. There's a whole community advisory committee that meets September, October, November to determine where those funds go. A certain portion is always set aside for storefront renovations and that is where this money is coming from.

I do want to make sure, very clear, that this is not taking money away from other general fund, safety activities.

Councilman Gruber – Also in the letter and I understand, this is going to be backed by Mr. Fields. He says, I apologize for not being able to personally come before you. I have three herniated discs in my back, practically unable to stand or sit for the past week. So I hope he's able to be employed so he can pay us back. Anyway it probably sounds like a law suit, Misny.

Anyway I have three questions. Is a million dollars enough for the total project?

Mr. Johnson – I think so. I think that well since I've been involved in the project about a year and a half now, I can tell you I guess going back three years, it was \$600,000 would be enough. A year ago, \$1.2. I think we need to scale back and I think what will be delivered ultimately will be what the City of Euclid will be pleased with and what we can live with as well.

Councilman Gruber – Will there be any interior renovations with this?

Mr. Johnson – No. Not with this funds and not with this project.

Councilman Gruber – The third thing is environmental issues. There was a BP Pro Care there for several years. I know there's a basement there that might have some issues. Are any of the environmental issues going to be addressed with this?

Mr. Johnson – No, not planned. You're referencing environmental issues, I'm not aware of any.

Councilman Gruber – There was a BP Pro Care there for many years.

Mr. Johnson – When the property was purchased there was a environmental report done, Phase I, I believe, possibly a Phase II. I'm not aware of any specific items that were on there. But no, the plan is for an exterior renovation of the project.

Councilman Gruber – This will be to Director Pietravoia, we have a large plan for downtown Euclid renovation. How does this fold into that? We were talking about two lanes and everything, this combines with us and works well with us?

Director Pietravoia – Actually Mr. Edelstein who is also here in the audience was a member of our downtown plan steering committee and worked with us throughout the process. They clearly understand what we are trying to achieve. The design of the project meets the design guidelines that were approved as part of the Overlay District. The front portion of the project is designed in such a way that when we do our street project, this particular plaza, the best treatment lend itself to the landscaping and trees and other improvements to actually be in the public right of way. So in this case there's plenty of room for that to happen in the public right of way.

Councilman Gruber – I wish Mr. Fields a speedy recovery.

Councilwoman Scarniench – Welcome to our city. I look forward to doing business with you. The picture that we have of the project, this is still the same as it was planned before, nothing is going to be changed?

Mr. Johnson – The color rendering, for all intensive purposes I'd say its going to encompass what you see there. As far as scaled back goes, we might be talking about specific materials. What we're going to have to do is basically again what you see there is not all encompassing. You don't have detail as far as landscape as well. I believe also there is a fence that is going to need to be added. We're going to have to scale back from what you see there by about \$200,000.

Director Pietravoia – The changes that we've been discussing that may have to come back before the Architectural Review Board, this project was already fully approved by the Architectural Review Board. If you look in your rendering, you'll see that three portions of the façade that are two stories high, the two ends and the center, they were projected to come out over the sidewalk by about 8 ft. There could be a very significant savings but still have the same appearance by bringing those back to come out from the front of the façade maybe a couple of feet rather than 8 ft. A very common practice and it still works very effective from an aesthetics standpoint.

The other thing, one change alone that could save close to \$100,000. We had initially required decorative stamped concrete in the sidewalk that today is underneath the canopy area. If we replace that, which is just as effective and just as attractive once it is new, with regular concrete, taking the stamped concrete out, we could save anywhere from \$70,000-\$100,000 just with that change alone. That's the kind of value engineering that we're talking about to bring the cost down by \$200,000.

Councilwoman Scarniench – I want to make it clear. We already approved the \$240,000. We have that money, so we're adding another \$200,000 to guaranty this loan?

Director Pietravoia – We did approve the \$240,000 in the previous ordinance. We would be re-approving that again tonight. There's not an additional \$200,000 going to this project. Its purely giving us the authority to sign a pledge agreement with the county that the \$200,000 in our line of credit can be utilized if needed if the loan can't be repaid by Fields Investment. So we're not giving a total of \$440,000 to the project is what I'm trying to clarify. It is still \$240,000.

Councilwoman Scarniench – That makes it a lot easier. It says that there are 11 different properties, shopping centers in Cleveland area. Tell us some of them that we might have been at?

Mr. Johnson – Church Square Shopping Center, Cleveland Town Center, a little further east on Euclid. Very small anchored by an out parcel, Rally's. Glenville Shopping Center.

Councilwoman Scarniench – On Euclid Ave.?

Mr. Johnson – Yes. Euclid Beach Shopping Center. There's a Puritas Park Plaza Shopping Center on Puritas Ave. in Cleveland.

Councilwoman Jones – Hello Mr. Johnson. A couple of questions and maybe this is a question for Director Pietravoia. This doesn't have any jeopardy as far as the 2010 when we go to apply for Block Grant funds in 2010 since this may not be paid back by that time?

Director Pietravoia – I'll let Mr. Gliha respond to the question about the order of the block grant funding.

Mr. Gliha – Once again the guaranty is a guaranty of \$200,000 from our existing line of credit. The only time that line of credit or that guaranty would be affected is if Fields Investment was unable to meet the County repayment of the loan. Therefore then in 2010 we would automatically have to assume that \$200,000 would have to go back to the County because they did not meet their demands to the county. If everything goes as planned, there will be no call on that \$200,000 in our line of credit and we could therefore budget that \$200,000 back into active storefront renovation agreements.

But we do have an idea that I would like to introduce to Council tonight and I'm sure many of you are aware of the stimulus bill, the Recovery Act funding recently passed by Congress and signed into law by our President. We were notified the other day that the City will be receiving an additional \$281,140 in Block Grant funds. The use of these funds must give priority to projects that can award contracts preferably construction type contracts that will retain or create jobs within 120 days of us executing the grant agreement.

This project is an ideal use of the Recovery Act additional funding in one that it is a construction orientated project that will help retain existing construction jobs, create new existing construction jobs and most importantly, hopefully retain existing retail jobs at the center. Of course another part of the block grant which hasn't changed whether it is coming from the Recovery Act or not is that as the Council President stated, there's two objections, the elimination of slum and blight and the direct benefit to low and moderate income individuals. In this case the center project will meet both of those criteria. Of course we're all aware of the slum and blight issues if you've been up to the Center lately. Secondly the center is located in a low/mod census tract and the nature of the stores, such as Marc's and such are the type of retail stores that have direct benefit services to the low and moderate income individuals and anyone else in the neighborhood that the store does serve.

It is an ideal project to fall within the use of those funds. I did talk to our HUD rep today to see if there were any further details out as to one, when the exact procedure for allocating these funds will be made public. They said that should happen shortly. Though I did review the project with her, and her and her colleagues felt that this would be the ideal type of project, exactly what the law would be looking for as far as putting these funds into the economy within 120 days.

So given that long description and that extra caveat there is, that we have an additional security that we're actually going to be using \$281,000 of funds that without the economy being what it is now, we wouldn't be getting. But in the long run we're not actually committing any other future regular block grant dollars towards the project. It is a good situation in both cases and I think it will need to not only us satisfying HUD and Congress in spending those funds in a timely manner, but also getting the project completed.

Councilwoman Jones – My other question is, maybe Director Pietravoia or Mr. Gliha you can answer one of these. I think Councilman Gruber asked, this is not including interior renovation of any of the storefronts. I'm wondering does any of the storefronts have any violations that also need to be corrected as part of going forward with the outside renovation, but do they also need to correct violations on the inside?

Director Pietravoia – The federal program is designed specifically for exterior upgrades. All the inspections that we have done and will conduct before we sign the agreement have been of the exterior of the property. As Mr. Fields and Mr. Johnson work with various tenants that they're trying to renew leases for, that's the time at which I would imagine they would deal with any interior improvements that are needed and I would defer to Mr. Johnson if you wants to comment further on that.

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Councilwoman Jones – I know these funds don't include the interior, but I'm just wondering, you're doing all the renovation to the outside, I don't know if any of those storefronts have any violations that definitely need fixing that you would encourage those tenants to get those taken care of. Because all this outside renovation is going on, people are going to be coming inside the storefronts and don't want to see a dilapidated store with the outside fixed up really nice. I'm not saying that any of them are that way.

Mr. Johnson – I'm not aware of any violations, as far as any specific tenant violations that are currently have been issued. But absolutely, I think you would have just by default as you mentioned a very nice center whereby tenants are certainly going to want to improve their interiors. Obviously if they are in violation then they're in jeopardy of the right to conduct business within the premises.

Councilwoman Jones – Have you approached the tenants with that?

Mr. Johnson – Many of the tenants, all of the tenants are aware of the project. I think some of them however still have yet to believe that it is going to happen. But in terms of specific improvements, no we've not discussed any specific improvements, certainly any tenants that have got improvements within the premises that are aged or what have you would bring them up to standard of a newly renovated center.

Councilwoman Jones – On this description it mentions the fencing on the east side of the property. Is there fencing currently on the south side and will there be fencing on the south side?

Mr. Johnson – As far as what is proposed.

Mr. Fay – The issue of the fence was brought up to us during the Architectural Review Board planning process and we have gone to some lengths to study the existing conditions of that fence, the one that is there now is somewhere about 450 ft. long, with 11 gates, primarily along the easterly property line. The southerly property line is not planned on having a fence. It is almost two football fields away from the center itself. Whereas the people who enjoy the privacy of the fence are a little more on top of the building. At this time we haven't planned a southerly fence just for practicality purposes.

Councilman O'Neill – Just a couple of quick questions. Usually the interior of the stores, aren't they remodeled by the tenant themselves, it is really up to them to make the look of their own shop and store? Any electrical or plumbing is part of the building itself, but the rest of it is really on the tenant to fix their own place, correct?

Mr. Johnson – Correct. Many times a landlord would contribute to tenant improvements in the form of allowance, it is certainly up to the tenant, they would dictate based on their business.

Councilman O'Neill – The only other question I have is again we're getting back to the, is there a project labor agreement that might come into play here Mr. Pietravoia? We did pass legislation, does this fall under this category with using?

Director Pietravoia – No it does not, it is not a government building. Prevailing wage question earlier would cover most of the same concerns that a project labor agreement would cover.

Councilman O'Neill – Would the Fields company be using local contractors I hope?

Mr. Johnson – We've taken the project out to bid competitively and we have not awarded the contract but we certainly have our eye on one that we believe is reputable, local, one everybody would be happy with.

Councilwoman Minarik – Director Pietravoia or Mr. Gliha, worst case scenario we do have to put out the \$180,000 in 2010. What projects will that impact?

Director Pietravoia – As Mr. Gliha explained, we would have answered that question differently just a few days ago. With the additional stimulus money, we'll be able to use those funds for this project and that in essence frees up the funds that would have been used from our original 2009 allocation. I don't believe it will impact any future projects.

Councilwoman Minarik – There is a line in this letter from Mr. Fields that I get kind of nervous about, perhaps you could explain it. Mr. Fields writes, that he has respectfully asked the City of Euclid to

further its partnership with me by committing to guaranty the remaining \$200,000 that the County requires. I have committed personally to guaranty the City's guaranty to the County. This next sentence is what concerns me. His security, he says, my security for such guaranty is my personal commitment to completing this project. So because he has a personal commitment to completing the project, if I'm reading this right, that's the guaranty that the City will get paid back?

Mr. Johnson – No, I think it more stems down the lines that he's committed to this area, City of Euclid. He's committed to this project. Resources wise, again because of the requirements by the County and the limitations that have been set up years ago when the property was acquired by the lender, this is really the only way in which it can be done. In terms of answering your question, his commitment is to see it through and to get it paid off.

Councilwoman Minarik – So other than his personal commitment to finishing the project, how, where is our guaranty? Where's the collateral? I know we can put a lien on the property but I don't think the city should be in the real estate business. I'm very concerned now that the city is going into the banking business and lending business. Where is the back up?

Mr. Johnson – One point that has not been made and I think it worthy of note is that again although this is a request, a proposal for the city to guaranty \$200,000 of a \$300,000 loan, of which 40% is forgivable; in the event of a default, which again I guess you go to the integrity of the person that's making the personal guaranty to the city. Very potentially if the city had to come in and cover the \$180,000 there's \$100,000 that's on deposit in a letter of credit that would be made by Jeff Fields to the County that the City would go after. Whereas if you put out \$180,000, you would immediately be able to recover \$100,000 of that in that letter of credit. So you're at risk is about \$80,000 not \$180,000.

Councilwoman Minarik – I'm confused. So you're telling me that the guaranty that we will get our money back and we won't lose it is based on the integrity of the individual who's involved in the project; an individual I have not met. I'm just trying to understand. When I go to a bank, they don't give me a loan based on my integrity. I'm just concerned that the only, if I'm reading this right, his guaranty is his word.

Director Pietravoia – If I could help to respond. I think we're missing a major point here and that is that's what the written guaranty is all about that we're asking for authorization to sign. It is a commitment by Mr. Fields to pay us back if the loan defaults and they have to go after our line of credit. This gives us the authority through this document once its signed to arrange that repayment with Mr. Fields. Mr. Johnson is explaining that he has \$100,000 line of credit that the County would go after that first before they would go after the city's line of credit. Out of that \$180,000 before the rest of the loan is forgiven, they would go after the \$100,000 from the letter of credit first and that would leave \$80,000 that we're covering.

Councilwoman Minarik – Since the loan was not paid, my understanding is that 40% is forgiven or 60% is forgiven, however that worked.

Director Pietravoia – 40% is forgiven.

Councilwoman Minarik – If its paid on time. If there's a default the loan is not going to be paid on time so we would then be liable for the full 200, correct?

Director Pietravoia – We would be working with the County to pay off the loan if it came to that so that the forgiveness would still kick in. The point is that we want to ensure

Councilwoman Minarik – Because we're paying the loan back now, the forgiveness would kick in because we're covering in case. We're in a banking mess as it is, I just don't think that it is wise, this doesn't, do we know the financial position of the company? Do we know the financial position of the man who's giving us his word that he'll pay us back?

Director Pietravoia – The County does a very thorough financial background analysis before they issue their own. I don't know if Mr. Gliha has the notes with you on the background check that they do.

President Holzheimer Gail – We need to change the tape unless we can wrap this up in a minute, we need to take a break.

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Director Pietravoia – Can I just respond to this question if we have just a minute. The County reviews their financial statements for the last three years on their business operation. They review all their current leases and the length of those leases. Then they do future financial projections based on the commitments in those existing leases. They also verify all collateral on the project as well as the financial condition of any other holdings of the company Fields Investment. The Loan Review Committee considers all that when they're determining at their March 11th whether in fact they're going to give this loan.

Councilwoman Minarik – I know we have to go on break so just one question so you can think about it during the break. Then why are they requiring a letter of guaranty from us, if it's the financial position that they're comfortable with that? So when we come back.

President Holzheimer Gail – Let's take a break, we'll be back in 5 minutes.

A short break was taken.

Director Pietravoia – To answer Councilwoman Minarik's question before the break. Why is there still a security needed on the loan? Every loan whether it is through a bank or through the County or if the city were to provide a loan we aren't in the habit of doing that these days, but if we were, we would require a security for the full amount of the loan. So that's not an uncommon requirement. The issue is how will that security be covered and the initial most common way that you can cover a security on the loan would be to use the property itself as a security. The original financing, the first mortgage on this property doesn't allow any other security to be used against the property, so that wasn't an option. That's where the County said your next option would be to provide the full \$300,000 letter of credit and that's putting, as I explained earlier, the \$300,000 in cash on deposit that you can't touch for the full time that the loan is being repaid. In today's economy it is difficult to set cash aside that otherwise could in fact be used in part for this project.

Councilwoman Minarik – He cannot get a loan from a private lender then, a bank or anything like that?

Director Pietravoia – A loan from the bank wouldn't have the same terms as the County loan. The County loan provides for a 40% forgiveness.

Councilwoman Minarik – No, no, for the line of credit. Never mind withdraw that question.

Director Pietravoia – The line of credit is only possible with cash on deposit not through a loan. One other point I just wanted to make because I think it is important, I was discussing this with Councilman Langman during the break. As a city we have pushed for this project to be at the scale that it is at. The owner was ready and willing over a year ago to come in and do a basic paint up, fix up. That did not even come close to meeting the intent or goals of our downtown plan. So we have pushed and we have offered our storefront program and it is just this final piece of financing that has caused the delay that this piece of financing makes this project possible at the scale and the level of improvements that the city has pushed the owner to make here.

Councilwoman Minarik – When do you plan on starting?

Mr. Johnson – I would like to start tomorrow.

Councilwoman Minarik – It has been three years.

Mr. Johnson – As soon as the weather is right. We've got to, we have to go back and reverse engineer some of the planning. But my preference would be by April 30th we're well underway.

Councilwoman Minarik – Just to summarize, our only guaranty is the integrity of the individual who is behind the project based on his letter.

Mr. Johnson – No, not your only guaranty. I'd say that's probably more important than, in terms of \$180,000 again, as Mr. Gliha had brought up, it is a tight credit market. It is the County that's making the loan. Guaranty-wise they won't allow a second position on the property.

Councilwoman Minarik – Our guaranty that we won't get stuck losing \$180,000 is Mr. Fields' word.

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Mr. Johnson – I would say that your guaranty that that wouldn't happen is probably more important, he's going to be investing about \$700,000 of his own cash into this project. I think that is more so integrity wise; the fact that he has that to lose if things don't go well.

Councilman Wojtila – I guess our remedy in the event of a default on the loan guaranty agreement, you talked about the judgment lien. It sounds like the judgment lien really wouldn't be anything because we've already, we would be subordinate to the primary lien and they're not allowing anything else on top of that because I'm assuming it is capped out or maxed out so therefore our lien really, am I looking at it the right way?

Director Pietravoia – That's for purposes of financing the original mortgage doesn't allow another mortgage, a second mortgage or another position to be placed on the property. That doesn't prevent us legally from placing a judgment lien against the property. That's a legal matter, not a financing mechanism.

Councilman Wojtila – I'm just concerned that we close on our lien, perfect the lien, whatever the terminology is, what would we end up getting?

Mr. Johnson – The existing lender, again it is a conduit loan, it is Wall Street money that originally made the loan. They won't allow not only a secondary but any kind of position. They will not do a shared first position which is not unheard of. I wouldn't say common but a position whereby its equally shared first position. They won't allow it, they just won't do it. It has to do partially with the condition of the credit markets.

Councilman Wojtila – Can we try to put in the loan guaranty agreement that some type of remedy that it becomes painful if he defaults on the loan and the County looks to us to carry that \$200,000. We don't want that to happen. We don't to have to put a lien on the property. Let's incentivize them not to do that.

Director Frey – A couple of things and I'm not going to sit here and tell you that I understand in intricate detail judgment liens and the process for marshalling those liens against the property. But I think it is extraordinary in most business situations it is highly unusual that you have a personal guaranty. We have a personal guaranty here. That speaks of this individual's commitment to the project.

Secondly, as I understand the judgment lien, it attaches to any property that that judgment creditor holds. So there are a number of other properties in this area that are subject to our ability to marshal that lien. I'm quite comfortable that we have adequate security for that \$200,000 outside potential \$180,000 whatever that number is between 0 and \$200,000. To say nothing that we also have the rents. I realize that a lien filed against the property is secondary to the mortgage and secondary to any tax obligations. But I believe, I am confident that there is sufficient equity in this property and other properties as well as in his personal property that we will be able to satisfy our judgment amount.

Councilman Wojtila – I guess it begs to question, would the County accept his personal guaranty? He's guarantying personally to us, so why would we just remove ourselves and have him guaranty?

Director Pietravoia – We did explore that with the County and they accepted our line of credit, but not a personal guaranty. I will repeat again, as I said at the beginning, we're trying to share the risk here in a partnership between the County, the City and the Private developer in a very difficult economy on a project that we pushed to be a million dollar project.

Councilman Wojtila – I'm certainly for the project, I'm just wondering if we can't put a bigger default penalty provision in the loan guaranty agreement to make it painful if he were to default on the loan. Our remedy right now is to file a lien on the property. Can't we do something a little more significant?

Director Pietravoia – I don't have a suggestion at this point. I can tell you that the incentives that we saw in place were the sooner this loan is paid off, the sooner they get their 40% forgiveness. The sooner the loan is paid off, the sooner they're \$100,000 can come out of deposit in the bank. We can go back and revisit and see if there's another penalty, if I'm understanding you that we could put in place if the company can't pay the County and the County comes after our line of credit and then Mr. Fields' personal guaranty covers the line of credit that's being paid, you're saying can we have a penalty for Mr. Fields' personal

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Councilman Wojtila – Yes I think it is a simple concept. The loan guaranty agreement is between the City and Jeffrey Fields.

Director Pietravoia – Correct.

Councilman Wojtila – Again, I'm not an attorney, but there's really no remedy provision other than we can do what's in our rights within the law. I'm saying can we make it tougher? Can we make it painful? So he doesn't default on the loan.

President Holzheimer Gail – The loan guaranty is a legal document that would require him to pay it back. Short of, yes its important, this is public funds. Yes this is a little bit different, but in some ways I credit the Development Dept. because this is a big project that is happening at a time that there's not a whole lot of projects going on. As Director Pietravoia said, we've really pushed that this is at this level. In this case it requires a little bit of creativity and a little bit of commitment to put ourselves out there. I have faith in Director Pietravoia and Mr. Gliha that they've been working and looking at every possible to make this project work and that is why it has taken so long. I know you wanted to jump in, finish your question Councilman.

Councilman Wojtila – I agree with what you're saying, I think it is creative and I think we need to applaud our Community Services and Economic Development Dept. for being creative. I'm not opposed to it, I'm just wondering if there's not a better way to reduce our risk, is all I'm asking.

Councilman Van Ho – If I'm understanding right, the worst we have to lose is about \$80,000, which is really guaranteed by a personal signature of Mr. Fields who owns amongst other things, Church Square, which is a fairly significant shopping center that we could lien against for the \$80,000. I'm going to agree with what Councilman O'Neill said when we first started out, let's do this. \$80,000 potential risk for a \$1,000,000 project looks like a good deal to me.

President Holzheimer Gail – And a major boast to our downtown.

Councilman Gruber – I wish this was a Church Square project, that would be significant for downtown Euclid. My question, and I hate to put you on the spot Chief, any significant crime problems in that plaza with the S&S Lounge or any of the other places over there?

Chief Repicky – I don't have any statistics with me but we have had several calls at the S&S Lounge. As far as the other ones, not off the top of my head.

Councilman Gruber – Fire Chief, have you had any significant problems over there at that Plaza?

Chief Cosgriff – Not to my knowledge, I can't say that we've had any significant problems over there.

Councilwoman Jones – Mr. Johnson I know you were talking about getting something started by April. What's the duration of this whole project?

Mr. Johnson – Jack Fay the architect would have a more.

Mr. Fay – We estimate 20 weeks. We're looking at the middle or end of October.

Councilwoman Jones – How will the construction process affect the shoppers?

Mr. Fay – On a project like this where there's active retail owners every extreme measure is taken to continue shopping during the process. Everybody won't be under construction at the same time for example. We'll set up a schedule with the contractor to move in appropriate phases so that everybody is open and happy and has temporary sign banners in recognition.

Councilwoman Jones – My last question and maybe this would also be directed to Director Will, with a lot of activities that are going on in downtown during the Spring and Summer, will any of this construction work affect parking or any activities that will be going on during that time?

Director Will – I'm not aware how that would affect any of the parking for anything. The big event we will be having coming up would be the Ohio Chautauqua but we'll be utilizing the front part of Sims for that so I wouldn't think that would affect that at all.

Mayor Cervenik – I certainly hope that during Ohio Chautauqua and other events we have and this is probably repeating what Councilwoman Scarniench said about PMX a few weeks ago. I hope people drive by and say, wow, look at the investment that's coming in Euclid and let them understand that the administration and City Council partnered with this group and took a risk and we are taking a risk. But the other risk is the building continues to fall apart and we tear it down, we lose businesses and we've got a vacant space. So I strongly urge passage of this and let's move on.

Councilman Langman – Just some background history. The previous owner about a decade ago indicated that they had no interest in investing in the property. They would have no interest pending the condition of the community going forward. If you look to the west of this property, there's another major property owner that their proposed investment in their property is to paint. So we are raising the bar here substantially. The ownership is under no obligation to do this. As Director Pietravoia mentioned, we have pushed this. They are taking a substantial risk that we're going to do other things like lakefront, like other new housing, etc., etc. I applaud that they are taking the risk on a plaza that is very old, very tired looking and they're going way beyond just the minimum investment. I think for the minimal risk that is not coming out of our capital funds, its not coming out of our general fund, I think the risk is very minimal. I applaud them for taking this step and I know that when I represented the area as a Ward 2 councilman when we did have issues with S&S or noise and so forth, the management company has been very responsive and I do appreciate that, the residents appreciate that. The residents want to see a new privacy fence that I know that's going to be addressed. Madame Chair, I applaud the company for working with us to make a major investment in our downtown. I urge the passage of this soon, I hope.

Councilman O'Neill – It is my understanding this project started off with the Fields Group for about \$600,000 of which they had the funding for, am I correct Mr. Johnson?

Mr. Johnson – Approximately half of that, \$350,000.

Councilman O'Neill – Then our Community Development people kind of got a hold of you and said hey listen, we've got a plan for the downtown and we'd like to bring that up. So we raised the bar to about \$1.2 million, from what I understand those numbers were coming out. Now in the economic times, it has kind of scaled back to about \$200,000 back to about a million dollars. Am I correct in that?

Mr. Johnson – That's correct.

Councilman O'Neill – So basically you had a project that you wanted to do. We kind of stalled it a little bit to try to kick up the façade and get a better looking store, kind of like what we did over there with Burlington Coat Factory. This basically is the last piece of legislation that you need to get this project going, is that correct Director Pietravoia?

Director Pietravoia – Passage of the legislation this evening would allow them to take that authorization to the County Loan Committee on March 11th. It would show that they have all the funds in place for the remainder of the project.

Councilman O'Neill – I agree with the Mayor. This does show that again under tough economic times that the city is partnering up and getting things done in the city. It also would show other merchants in the area that will piggy back off of your renovation projects, that hey maybe they want to stay and improve what they have. I along with Councilman Langman agree that this project needs to move forward. With this, I will make a motion to close debate.

Councilman O'Neill moved to close debate, Councilman Van Ho seconded. Yeas: Unanimous.

Councilwoman Jones moved to suspend the rules, Councilwoman Scarniench seconded. Yeas: Unanimous.

Roll Call: Yeas: Gruber, Scarniench, Jones, O'Neill, Langman, Van Ho,
Holzheimer Gail.

Nays: Minarik, Wojtila

Passed.

President Holzheimer Gail – Thank you very much we look forward to seeing the progress there.

Res. (235-09) Capital Budget

A resolution adopting and approving the attached Administration's recommendations for the 2009 Capital Improvement Budget. (Sponsored by Mayor Cervenik and Entire Council). (Recommended for passage by the Executive & Finance Committee)

Councilman Van Ho moved for passage, Councilman Langman seconded.

Mayor Cervenik – This is the capital budget, the normal annual capital budget that we present to City Council. I strongly urge its passing tonight. We need to start getting our work done for the year and the sooner the better.

Councilman Van Ho – (microphone not on)

Councilman Wojtila – The wheelchair ramp, I don't know if we talked about that on Page 3, for the Senior Programs. Is that an expense that we've been looking at? Do they have a current one that they could use it for another year?

Mayor Cervenik – They do have a current one. It is getting beat up and used. This was pretty high on the priority list of our motor maintenance department to replace or supplement our existing van fleet. The transportation of our seniors is increasing more and more every day. Obviously if Council would like to push it out another year, we could do that but especially on the vehicles and the equipment end of it, I try and defer to the department heads, they give me a list for the five years and they prioritize each and everyone of them. That's what we follow to get to these numbers today.

Councilman Gruber – The State requires several checks and they're very specific on wheelchair vans and vehicles. I'm sure that if we were advised that it is time to change out, then it must be time. They are expensive to maintain and it is very important that they are maintained properly. I would suggest that we move ahead with that.

Councilman Van Ho – You can end up paying a lot of money as I have over the years, to maintain a vehicle that was going to save us money by not buying it the year when we should of. Nickels and dimes start to add up real quick, especially when you're looking at vehicles. I urge that we buy it.

Councilman Gruber moved to close debate, Councilwoman Scarniench seconded. Yeas: Unanimous.

Roll Call: Yeas: Gruber, Scarniench, Jones, Minarik, O'Neill, Wojtila, Langman,
Van Ho, Holzheimer Gail.

Passed.

Ord. 36-3009 (246-09) Motor Maintenance Contract

A resolution authorizing the Mayor of the City of Euclid to execute an Agreement by and between the City of Euclid and the International Association of Machinists and Aerospace Workers, Local 1363, as exclusive bargaining agent for Mechanic and Mechanic Helpers in the Department of Motor Maintenance, to be effective January 1, 2009 through December 31, 2011. (Sponsored by Mayor Cervenik)

Councilman O'Neill moved for passage, Councilwoman Scarniench seconded.

Director Frey- This is the first bargaining unit who has reached a final conclusion, meaning all the terms and conditions of the contract have been accepted between the administration and the union and the union took their vote on Friday and approved the resolution of this open contract with the city. This would provide the terms and conditions from 2009 through 2011 for the Motor Maintenance Dept. which consists of nine mechanics.

The summary of those contract changes that I provided with the e-mail last week, reflects a 2% hourly rate decrease for 2009. A restoration of that 2% in 2010, so effectively it is back to the 2008 rate and then a 3% increase in 2011. There are some other language changes. One that was a significant issue from our point of view is this bargaining unit had previously worked on Martin Luther King Day and had an additional personal day during the year. We felt it important as part of our Tribute to Dr. King, that that be a recognized holiday for that bargaining unit as the same as the rest of the city. It does not change the number of holidays. But instead they will be working on President's Day and will have that additional personal day during the year.

Other than that change I wanted to point out that this bargaining unit had agreed in 2006 to a reduction in their tool allowance. It is at \$900 in this contract throughout. I had been \$1500 and they

had agreed to that reduction in the prior contract and also agreed significantly, the only union who agreed to a reduction in the sick time payout hours upon retirement. So that they are consistent with the non-union employees. It is one of our bargaining goals for all of the bargaining units is to reach that. This is the unit that first made that commitment to work with the city. As I had indicated in my e-mail, this has been a most pleasant group to work with. It's not that the other groups or not, but this is the one we first reached conclusion with so I'm certainly urging City Council to accept this contract. It will probably be two weeks when we take these provisions, put them in the bargaining agreement and have it signed by the Mayor and the President of the local. I'd be glad to answer questions.

Councilman Langman – How many members are in this bargaining unit?

Director Frey – There are 9.

Councilman Langman – I would just like to thank those members for helping the city out in this very difficult time.

Councilwoman Minarik – Director Frey, since we don't have the contract in front of us, does it hurt anything if we table this until we actually can have a contract, so that we can read it ourselves?

Director Frey – I would be more than happy to provide electronically the current contract and you can match up these changes to that if you'd like. I don't have the new contract in type form yet. It won't take long to do that. I'd be glad to provide that. We've made the effective changes, the 2% wage reduction effective today. So we are already in the throws of these changes because

Councilwoman Minarik – So the answer is?

Director Frey- I'd be happy to provide you electronic copy of the contract.

Councilwoman Minarik – No, my question was, if we don't approve this tonight because we don't have a copy of the contract, then the changes don't go into effect, is that what you just said?

Director Frey – No, the Union already, we made the adjustments to the 2% wage reduction effective today. These other changes that are outlined for you are already in effect as far as the hours of work, that's in effect today. We've already made those changes so that we're not trying to go back and do anything in a retro-active manner. If you table it, you table it. That's Council's decision. These are the only changes that affect that contract. I'm not sure what more there is to see. I understand you might want to read the entire contract and I'd be happy to provide that for you. But these are the only changes that were made.

Councilman Wojtila – So the 2% decrease or reduction for 2009 and 2% increase effective 1/1/2010, is that a 2% over the 2009 rate?

Director Frey – It restores them to the 2008 level in 2010.

Councilwoman Scarniench – So in essence, over the three year period they'll have a 3% raise is what it amounts to.

Director Frey – Correct total contract period, that's correct.

Councilwoman Scarniench – Also am I understanding that they're actually decreasing their hours by one hour? So this is still 40 hours?

Director Frey – This is 40 hours reducing their hourly rate by 2% which has some other benefits for us on longevity and so forth.

Councilwoman Scarniench – I commend them for being the first in line to do this. It shows a lot of faith in what is going on in our city. Thank you.

Councilman Gruber moved to close debate, Councilwoman Scarniench seconded. Yeas: Unanimous.

Roll Call: Yeas: Gruber, Scarniench, Jones, O'Neill, Wojtila, Langman,

Van Ho, Holzheimer Gail.

Nay: Minarik

Ord. 37-2009 (242-09) ECTV Contract

An ordinance authorizing the Mayor of the City of Euclid, or his designee, to negotiate and enter into a Personal Service Contract with Matthew Mizak for services as a Video Technician for Euclid Community Television, effective March 1, 2009 through December 31, 2009, in an amount not to exceed Thirty Thousand Dollars (\$30,000.00). (Sponsored by Mayor Cervenik)

Councilman Van Ho moved for passage, Councilman Langman seconded.

Director Frey – Mr. Mizak who is currently on his city duties this evening filming this council meeting, would become a contractor for the City of Euclid. The terms we have not drafted yet. The service contract for him, the negotiations have yielded a satisfactory result that we believe will bring us in under \$30,000 for the balance of this year. It has an hourly rate, a guaranteed minimum one hour engagement that has provision for travel time. None of those conditions are unreasonable. It will allow us to continue to filming those particular components of city government that we deem essential including the Council meetings, Planning & Zoning meetings and as this City Council deems appropriate. I applaud his willingness to continue to provide a technical service that quite frankly we had supposed that we would get other proposals and did not for the service offering to the city. Obviously as anybody who has tried to take home movies knows, there is some competence in doing so that makes us look watching these programs to be more functional that the cameras are where they need to be and focused on what they need to be and then be able to take that programming and get it to the city's cable channel for re-broadcast and transmission to organizations like the Library. Mr. Mizak would provide that service. I'm certain he would also be able to assist if need be on other community events that the city deems worthwhile for filming and rebroadcast.

Councilman Langman – The \$30,000, there are no benefits beyond that amount?

Director Frey- There are no benefits. This would be a straight service contract. The City would have no obligation, as a former employee, there is the potential for COBRA coverage that any separated employee has. But other than that, there are no city benefits that will be paid. No PERS, no unemployment compensation, worker's compensation, none of that would be paid in this situation, no pension amounts.

Councilman Langman – But to be clear the employee would pay for the COBRA benefits?

Director Frey – Yes.

Director Johnson – I would point out that as a result of the Obama Stimulus Plan, there have been some changes in the COBRA law that now require the employer to be responsible for 60% of the health care cost and the former employee would be responsible for 40%. I know originally that period of time was for 18 months. I'm not real familiar with the new law, but I think that period of time has also been extended. So you should be aware that there could potentially be some additional health care costs as a result of the recent change in the COBRA law.

Mayor Cervenik – That 60%, our share, is the way it is written, will come out of an allocation from the Stimulus Act. Although we would pay that, we would be receiving that money from the American Reinvestment Act. I would also like to say in this contract, it is a not to exceed \$30,000. I highly doubt that we're going to get to \$30,000 if you read the program and what's done there. I don't think we'll hit \$30,000. We wanted to bring it before Council for \$30,000 for your action.

Again, I just want to tell you, actually Dennis is working tonight, taping this meeting. I just want to thank him as well for being always very creative and willing to attend various city events and doing the taping for us. I wish him well and certainly he won't be a stranger.

Councilman Langman – Certainly our best to Dennis, he's been a very fine employee. Director Johnson since you brought it up, even though the 60% is coming from the Federal Government through the Stimulus Plan, if then claims were to be incurred, the city would be liable for those, correct? Or would that be paid out of the stimulus?

Director Johnson – That's correct we would be on the hook for the claims.

Councilwoman Jones – Director Johnson I think at one of the last meetings we talked that some of the meetings may be eliminated some taping. Do we know if any of the meetings will be eliminated and if so, which ones they will be?

Mayor Cervenik – If any it would be possibly the Board of Control and maybe the Architectural Review Board. We have not worked that out yet. When this contract is finalized we may not eliminate any. Recreation will continue to be done. Planning & Zoning. All Council Committees, Council meetings. There should be very little change in the broadcasting and programming that we have now.

Councilman O’Neill – That contract with Mr. Mizak is that strictly him or he and his designee?

Director Frey – No, it would be just with him.

Councilwoman Scarniench – At some point say like six months from now we’ll be able to re-evaluate this and see how it is working and if it needs to be adjusted we can adjust it?

Mayor Cervenik – Absolutely. If we see that changes need to be made, you’ll probably tell me before I tell you because you’ll notice it first.

Councilwoman Scarniench – I want to commend Dennis. He’s done a marvelous job since he’s been with the city and you’re right, he has come up with some creative things and he will be missed and I wish him well.

Mayor Cervenik – He also has been very kind throughout the years bringing plants in for various employees. I’m not sure what the names of all of them are, day lilies and hostas. He’s a good guy.

Councilman Van Ho – I would like to see included in the contract that he could have someone else work also. What happens if he gets seriously sick for six weeks or two month period?

Mayor Cervenik – We could do that. There are a number of people out there we have used even with both these employees on certain occasions that will contract out and cover that for us. We could probably slip that in if that’s acceptable if he has someone in particular that he knows has the training. That’s been done before, not often, but it has been.

Councilman Van Ho moved to close debate, Councilwoman Scarniench seconded. Yeas: Unanimous.

Councilman Wojtila moved to suspend the rules, Councilman O’Neill seconded. Yeas: Unanimous.

Roll Call: Yeas: Gruber, Scarniench, Jones, Minarik, O’Neill, Wojtila, Langman,
Van Ho, Holzheimer Gail.

Passed.

Ord. 38-2009 (241-09) Red Cross at Community Center

An ordinance authorizing the Mayor of the City of Euclid to enter into a Lease Agreement, attached as Exhibit A, with the American Red Cross for a period of one year, with a one year renewal, for rental of the Lakefront Community Center Annex for blood donations commencing on April 1, 2009 and ending March 31, 2010. (Sponsored by Mayor Cervenik)

Councilman Van Ho moved for passage, Councilman Gruber seconded.

Mayor Cervenik – As I mentioned earlier the Red Cross requested they felt that the complaints and drop off of blood collections partially had something to do with the physical quarters that they were in. We went out and looked around. They really liked the site at the annex. We were able to move one dancing class into another building in the senior programs, they were grateful to do so because it was the Red Cross. Again, as I said, this opens up the opportunity for some of our neighborhood organizations to be able to use the community center on Thursday nights from 7-8:30 or so for their meetings. There would be no real cost to us. The overtime has been paid for and that actually gives us four more hours of janitorial time down there to be able to do some things we all know we’d like to see done that maybe couldn’t be done in 40 hours a week, now we’ll have 44 hours a week. Red Cross will store no items there. They will clean up and be out and put everything in the truck and come back the following Thursday. I think they’re really going to like it there and I think it is good for the Center, it is good for the community.

Councilman Langman – I support the Red Cross in their endeavors but I cannot support this legislation. I think this result of this, having them move is a result of the continuing Byzantine nature

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with which Shore is run between the Board, part-time manager, the City. Rooms aren't cleaned; rooms aren't maintained; the environment is not maintained. Given that we maybe setting the building on a different direction, I cannot support this at this meeting. Perhaps if it was tabled and we had a different direction I might. But given that there is an erosion of how that building is handled over a period of time, I think this is a very bad signal that we couldn't find any other space in the building. Therefore Madame Chair I will be voting no.

Councilwoman Minarik – Mayor did the American Red Cross know that there were RFP's out for management of the building, Shore, to make it self sufficient?

Mayor Cervenik – I believe in our conversations I said we're looking at other ways of operation that could happen soon, could be very, very long term.

Councilwoman Minarik – Did they know that there were RFP's out there and that we were getting proposals?

Mayor Cervenik – Yes, probably if anything encouraged their decision to look farther some of the RFP's don't allow for that type of activity to be there. I've got all my e-mails.

Councilwoman Minarik – All right, I just wanted to know that they knew that. My next question is, if the problem was cleanliness, there are three custodians at Shore. Why wasn't the building manager of Shore contacted to get on top of the custodians?

Mayor Cervenik – They were. They cleaned the carpeting, they did some painting. One of the problems is it is down in the basement, it is an old building, I don't know exactly old that part of the building is, but it is up there. I know it is older than I am. A lot of it had to do with the heating system as well. Actually ran air conditioners in December and it sort of bothered not only the employees but the donors. They won't have that problem at the Lakefront Center.

Councilwoman Minarik – I'm sure they won't. I cannot support this either. It just seems that there is a deliberate attempt to vacate the building and the timing is very curious. Thank you.

Councilman Gruber – I hope that the moving of the Red Cross to our senior center will help with accessibility issues. That maybe another thing that could help, because Blood Drives are very important and we need all we can get.

Councilwoman Scarniench – I will be supporting this because I've had many phone calls from people on the building and how they don't want to go there any more including my husband.

Councilman O'Neill – To Mayor Cervenik, did you sense any type of urgency from the Red Cross that they needed to leave that building?

Mayor Cervenik – I don't know if urgency is the word. They were getting very concerned on the drop off and the complaints that they've gotten. I will tell you that when I responded to them it didn't take them long to come into my office and go for a ride and look. I felt it was important as did David Plate, the CEO of the Red Cross here, at least the unit that is downtown. That it was very important that they stay in the Euclid area, inside Euclid the people have always been very generous in donations. I don't know if urgency is the right word, but they had significant concern.

Councilwoman Jones – Mayor Cervenik I know being at Shore it was easily visible to see the signs for blood drive. I'm assuming that they'll have some type of signage on Lake Shore Blvd. since the community center is a little secluded from the visibility of the street.

Mayor Cervenik – Yes they will. In future plans we have a reader board that will be at the intersection that can be used as well. They e-mailed me the other day a flyer that if this is approved by City Council that they will be sending out to all their regular donors, giving them directions and telling them where it is and the proper name of the building. I think we could probably get CVS, I almost said Revco, we could probably get CVS on those days also to flash a blood drive is down the street. I don't think there will be any concern about that at all.

Councilman Gruber moved to close debate, Councilwoman Scarniench seconded. Yeas: Unanimous.

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Councilwoman Jones moved to suspend the rules, Councilwoman Minarik seconded. Yeas: Unanimous.

Roll Call: Yeas: Gruber, Scarniench, Jones, O'Neill, Wojtila, Van Ho, Holzheimer Gail

Nays: Minarik, Langman

Passed.

Ord (243-09) Red Light Cameras Amend Code – Safety Com.

An ordinance amending the Traffic Code of the City of Euclid to add Chapter 349, "Automated Traffic Enforcement System." Chapter 349 will provide for the implementation of automated traffic photographic systems for the enforcement of traffic code provisions relating to red light traffic control signals and speed limits. (Sponsored by Councilman Gruber by request of Police Chief)

Councilman Gruber moved for passage, Councilwoman Scarniench seconded.

President Holzheimer Gail – This will be referred to the Safety Committee. Chief, do you have any comments before we do that?

Chief Repicky – No I will hold them for Wednesday.

Councilman Gruber moved Ord. (243-09) to the Safety Committee. Councilwoman Scarniench seconded.

Roll Call: Yeas: Gruber, Scarniench, Jones, Minarik, O'Neill, Wojtila, Langman,
Van Ho, Holzheimer Gail.

Into Safety Committee.

Ord. 39-2009 (236-09) WWT Pick Up Truck

An ordinance authorizing the Director of Public Service of the City of Euclid to enter into a contract with Mike Bass Ford, Inc., 5050 Detroit Road, Elyria, Ohio 44035, for the purchase of a 2009 Ford F250 Truck for the Waste Water Treatment Plant in the amount of Twenty Six Thousand One Hundred Sixty One and 50/100 Dollars (\$26,161.50), through the State of Ohio Cooperative Purchasing Program. (Sponsored by Councilman Wojtila by request of Service Director)

Councilman Wojtila moved for passage, Councilman O'Neill seconded.

Director Gulich – This at long last is a last piece of equipment that we'll be buying from the approved 2008 Capital budget approved a year ago. The reason we had to hold off on this purchase, we had to wait for the window of opportunity to re-open with the State purchasing system and we now have that opportunity.

Councilwoman Jones moved to close debate, Councilwoman Minarik seconded. Yeas: Unanimous.

Councilman O'Neill moved to suspend the rules, Councilman Wojtila seconded. Yeas: Unanimous.

Roll Call: Yeas: Gruber, Scarniench, Jones, Minarik, O'Neill, Wojtila, Langman,
Van Ho, Holzheimer Gail.

Passed.

Ord. (237-09) Amend 1755.25 Tabled

An ordinance amending the Building and Housing Code of the Codified Ordinances of the City of Euclid to add Section 1755.25 "Maintenance of Exterior Drives, Parking, Auto Maneuvering Areas, Walks and Patios setting forth standards to be used in the inspections, construction, and repair of driveways and other paved areas. (Sponsored by Councilman Van Ho by request of CS&ED Director)

Councilman Van Ho moved for passage, Councilman Langman seconded.

Director Pietravoia – Asst. Director Beno has been working with Director Gulich to add provisions to our code that deal with clarifying our paving requirements, many of which have been practices for years that have not actually been codified. I would like to have Mr. Beno explain items #10-13, are all related. #11 will have to go to Planning & Zoning Commission since it is part of the Zoning Code.

Asst. Director Beno – The ordinance in front of us, this first ordinance really codifies much of our current practices in regards to maintenance efforts, relating to sidewalks and driveways. Basically the

primary thing which our Housing inspectors currently enforce are trip hazards in paved areas. This gives them more specific standards to go by and takes any kind of gray area out of how the given driveway sections or surfaces need to be repaired.

Councilman Langman – Multiple cracks in a block creating three or more pieces. Are we talking about cracks that go all the way through the thickness of the concrete or just any type of crack? Can you define that a little more clearly?

Asst. Director Beno – Those would be cracks within the typical blocks that have the expansion joints cut into them. If you have more three, that would mandate that that block itself gets removed as opposed to maybe just trying to fill in those cracks.

Councilman Langman – My question is and forgive me maybe perhaps I'm not understanding the context of using this. There are cracks of the surface variety and there are cracks that go much deeper. Does this particular point in the code specify definition of crack and the depth of the crack that will require replacement of a block?

Asst. Director Beno – I believe this is referring to cracks that go all the way through the block such as might in the future create trip hazards. This is not surface spalling that we're referring to, this is a crack through the block.

Councilman Langman – I guess I'm concerned, that's not defined because I know in the past, residents become concerned because they're cited for certain things and I want to be sure we're not creating more of that confusion. Does that make sense to you?

Asst. Director Beno – It does make sense, I understand the concern. I think that what we're doing here is actually clarifying what the inspector is to be looking for rather than just him having the more vague judgment to go out and determine is something a trip hazard or not. This actually gives them standards by which to go by and that if he says a certain amount of work needs to be done, it is backed up by codifying how that happens.

Councilman Langman – I don't want to belabor this since this is going to P&Z, but I think some of those issues of clarification need to be addressed.

President Holzheimer Gail – This particular item does not have to go to P&Z. #11 does.

Councilman Langman – My mistake. I would like that clarified somewhere, some how. Again inspectors are looking at different things and I've gotten complaints from residents that for whatever issue that what a crack is or what a sidewalk damage is, to them appears cosmetic.

Councilman Van Ho – I have no problems with what Councilman Langman is saying. I am happy to see this come up because for years when selling real estate I know we just standardly told people to put some patching cement on it and it passed inspection and three months later, the crack was back again because the patching cement fell off. I think it is a step in the right direction. As far as clarification I'll leave that to Councilman Langman and Mr. Beno.

Councilman Wojtila – Does this apply then to public sidewalks?

Asst. Director Beno – In terms of the maintenance provisions of this section, could be applied to the public sidewalks, yes.

Councilman Wojtila – So when an inspector is inspecting the public sidewalk, this would be the criteria that they look at?

Asst. Director Beno – When our Housing Inspectors currently look at both public sidewalk as well as the driveways when they do a point of sale inspection.

Councilman Wojtila – I like the A-H. I'm not crazy about I. To address Councilman Langman's concerns, letter B, multiple cracks in a block creating three or more pieces. A control joint is a crack and that's there purposely. An expansion joint could be considered a crack, so this is maybe a random crack or inserting a few words to make it known that it is not an intentional joint within the concrete, it is something other than that. I think crack about says it. I just question I, water, gas or other clean outs

that are not within $\frac{3}{4}$ inches of the grade. Typically that would mean then you would just do that and not rip out the concrete.

Asst. Director Beno – How you make the repair is up to the individuals. If it is possible to reset the valve than that's the easier way to eliminate the trip hazard. If it is something like a catch basin, where it is difficult to reset it, then you would replace the block.

Councilman Wojtila – I'm sorry, the legislation does say repair or replacement is required in the event of A-I. Just concrete is a very difficult product to repair. Replacement is really for most of these, I shouldn't say all of that, but okay I'm okay with I.

Councilman O'Neill – To Mr. Beno or Director Gulich. Your experience when you have a crack in the concrete, is that crack through and through, roughly the 2 or 4 inches depth of whatever that piece of material is? Or maybe it is cracked halfway through?

Asst. Director Beno – In most cases that I've looked at, I would say it goes all the way through if it is a crack. There are other conditions like spalling that.

Councilman O'Neill – Spalling is the surface but a crack, generally when concrete cracks it is all the way through the product. In time, it gets wet, water gets down and freezing and expanding and it leads to other cracks and ultimately a trip problem. It is advantageous if there are 3 or more cracks, according to this legislation that that section gets cut out and then replace. Am I correct in understanding that?

Asst. Director Beno – I believe that's the correct application or interpretation of what this is meant to say.

Councilman Van Ho – I would like something included in here that says that this will also be for public sidewalks in front of public buildings. Because we've got some less than ideal buildings and I'd hate to think that we're going to let that continue on sidewalks.

President Holzheimer Gail – Might I suggest, due to the interest of time and because #11 has to go to Planning & Zoning anyway, that perhaps and they all are related, correct Mr. Beno, that perhaps we table 10, 12 & 13 while 11 goes to Planning and Zoning and anyone who has issues about specific language that they want to be addressed discuss that with Mr. Beno before the next Council meeting.

Councilman Gruber moved to table. Councilwoman Scarniench seconded.

Roll Call: Yeas: Gruber, Scarniench, Jones, Minarik, O'Neill, Wojtila, Langman,
Van Ho, Holzheimer Gail.

Tabled.

Ord. (238-09) P&Z Parking Areas

An ordinance amending Section 1389.05 of the Planning and Zoning Code of the Codified Ordinances for the City of Euclid to alter the required conditions of parking areas. (Sponsored by Councilman Van Ho by request of CS&ED Director)

Councilwoman Scarniench moved for passage, Councilwoman Jones seconded.

Councilman Gruber moved Ord. (238-09) to Planning & Zoning Commission. Councilwoman Minarik seconded.

Roll Call: Yeas: Gruber, Scarniench, Jones, Minarik, O'Neill, Wojtila, Langman,
Van Ho, Holzheimer Gail.

To Planning & Zoning Commission.

Ord. (239-09) Amend Code

An ordinance repealing Sections 1733.05 and 1733.06 of the Building and Housing Code for the City of Euclid to move the City's foundation, grading, and drainage standards under newly enacted Sections 1749.06 and 1749.07. (Sponsored by Councilman Van Ho by request of CS&ED Director)

Councilman Van Ho moved for passage, Councilman Langman seconded.

Councilman Van Ho moved to table. Councilman Langman seconded.

Roll Call: Yeas: Gruber, Scarniench, Jones, Minarik, O'Neill, Wojtila, Langman,
Van Ho, Holzheimer Gail.

Tabled.

Ord. (240-09) Amend Code

An ordinance amending the Building and Housing Code of the Codified Ordinances of the City of Euclid to add Section 1749.08 "Minimum Standards for Installation of Drives, Parking, Auto Maneuvering, Walks, Patios and Dumpster Screening Areas setting forth standards to be used in the installation of driveways and other paved areas outside of the public rights-of-way. (Sponsored by Councilman Van Ho by request of CS&ED Director)

Councilman Van Ho moved for passage, Councilman Wojtila seconded.

Councilman Van Ho moved to table, Councilwoman Minarik seconded.

Roll Call: Yeas: Gruber, Scarniench, Jones, Minarik, O'Neill, Wojtila, Langman,
Van Ho, Holzheimer Gail.

Tabled.

President Holzheimer Gail – I would ask those council members that have specific questions with the language or items within to be in touch with Mr. Beno, perhaps you could arrange a meeting, do it over the phone or do it via e-mail prior to the next meeting.

Res. 40-2009 (247-09) Arbor Day

A resolution celebrating Arbor Day on Friday, April 24, 2009, in the City of Euclid, and encouraging all residents throughout our community to observe Arbor Day and appreciate the beauty, value, benefit and significance of trees to our City. (Sponsored by Councilwoman Jones by request of Parks & Recreation Director)

Councilwoman Jones moved for passage, Councilwoman Minarik seconded.

Director Will – I would like to first thank our Shade Tree and City Beautification Commission members: Mike Maggio, Phyllis D. Miller, Anita Rajic, Matt Sarver, Rick Evans, Marcia Fialko, Daryl Langman and Chris Gruber, for meeting and working on our Arbor Day ceremonies.

They are always the last Friday in April. Part of the Shade Tree and City Beautification responsibility is to put together Arbor Day and to select an individual in the City of Euclid, either to honor or to have in memory of planting a tree. This year the Commission voted on honoring resident Jerry Corbran and planting a tree on the grounds of the golf course.

We will be doing the ceremony on Friday April 24th at 5:30 in honor of Jerry Corbran and would like to invite everybody there on the golf course while we plant that tree.

Councilman Gruber moved to close debate, Councilman Langman seconded. Yeas: Unanimous.

Roll Call: Yeas: Gruber, Scarniench, Jones, Minarik, O'Neill, Wojtila, Langman,
Van Ho, Holzheimer Gail.

Passed.

COMMITTEE OF THE WHOLE

Mr. Victor Goodman – Glen Russ Lane. I attended the Community Assets and Building Committee. I heard something that very much upset me and I will speak on. I need to remind everybody on Council, everybody in the administration, everybody in front of me, you work at the pleasure of the people and you work in the light.

There are three RFP's for Shore Cultural Centre and it was a decision to go to a steering committee which would then decide which of the three RFP's were acceptable. Each one of those RFP's should be presented right here in this place. They should each give their reasons for why they think theirs is the best solution of Shore and it should be done in the light.

I don't remember any other proposal for Shore that was done in the dark and I remember when we were looking at changing it to condos, they even held public sessions which I attended.

There are three proposals and I think it's important, I'm not going to tell you which one I like, I'm not going to give preference, I just feel the public must understand what could be. One is from a company called Spies. What it would do would mean the Shore Cultural Centre would be demolished. It could possibly be turned over to the Euclid Public Library for the future of presenting a new library, which would cost multi-millions of dollars and equally would require a tax levy, library levy.

Now I don't know if anybody is aware of what happened today, but AIG is selling for forty-cents a share. CitiGroup is under two and Bank of America dropped under four. I think the Schools are very lucky that the levy was last November because I doubt very much people are going to have any money and to build a new library to destroy a building is beyond my belief, but that's one proposal.

Second proposal is from a company I guess called Sandvick. That would re-bring back the changing the Shore Cultural Centre to condos. It would again like the past proposal which we remember a few years ago is that the auditorium would stay by itself but the city would have to pay for it. So I doubt very much that it would be a dollar saved from what we pay now to maintain the entire building, as to what we would have to pay to maintain through a condo association.

The final proposal is from a company called Coral which we are all familiar with in the city. They want to run the facility, manage it, sell it, promote it, and they have stated at least from what information I've received, they want to put together a five year plan and they want to use their expertise in people and connections they've had in their years with the Greater Cleveland area to bring in businesses and artists and everything else.

Now whichever one is decided, it is to be decided by the people. It is not to be decided in close session and then presented to the people as this is the only solution. If Shore is to go, then it will go. If Shore is to be turned into condos, then it will be turned into condos. If Shore remains as it is, then it remains as it is. But it will be done in the light and I will say that I will be back very often if I see one little darkness in this process.

Ms. Jinai Amos – I am a resident at 23410 Lake Shore Blvd. I am also here to agree with Victor that the RFP proposals should perhaps be put into a public forum. It is a city building and city programming that is going to be affected by these decisions. I just wanted to ask the committee, the committee members who are serving on that committee, whether or not they're aware of any plans of a public forum to be scheduled for their presentation and public comment on these proposals?

President Holzheimer Gail – There has not been, I don't believe, a date set but there will definitely be a public portion to this process. The internal steering committee is meant to be an administrative review process that was set up at the beginning with the RFP process. Thinking that if we had 10 proposals, it would be very difficult to have 10 people present. If there were 10 worthy proposals, my guess and my assumption would be the committee would not discount any of them as in this case there are three proposals, they may very well decide that all three are very worthy of a hearing at a committee meeting.

My assumption and I believe this was in the process, was after this initial steering committee meets, that's an internal function that we will then have a community assets committee meeting to review proposals. This is certainly a public issue of public building and worthy of much public discussion. I certainly don't want anyone to think that the steering committee is making the decision, that's not the case at all. Council will make the ultimate decision and involve plenty of public input and opportunity for questions and discussion. I don't know if Director Pietravoia you want to add or correct anything.

Director Pietravoia – I will agree, ultimately this will be a very public process. Initially this is the way we've done all the studies that we've done at least since I've been here. I'm a little surprised that folks are surprised by the process. Whenever we issue a request for proposals, we set up a project steering committee and that committee reviews and makes a recommendation to Council in a public setting, which of those proposals they think best met the city's goals and objectives. We could conclude that none of them do or we could conclude that all of them do and therefore Council should hear all three. We could even recommend that the parties that submit a partner, if it makes any sense to look at that. There's a whole variety of options.

The initial meeting with the Steering Committee is scheduled for this week on Wednesday afternoon and shortly after that then there would be public discussion about all the proposals and a recommendation from the committee.

Most recently the Downtown Plan was done the same way. We received six proposals in that case. The Steering Committee narrowed it down to I believe three that we interviewed and then ultimately we selected the top proposal. The lakefront work that we're doing with JJR there were only two proposals and we still had a steering committee that reviewed just those two and then recommended to Council which one we should go forward with. At that point at which the recommendation comes to Council, there will be plenty of opportunity and possibly several public meetings before we land on a decision.

Mayor Cervenik – I was going to bring up both the lakefront committee and the downtown plan. It is exactly what we did. Ultimately City Council will make the decision but my administration is going to

have to administer that decision. We have included members of Council, a member from the Shore Board and others to sit down and ask questions and make comments. For lack of a better word that went on through the campaigning and the appointment of the new President's cabinet, vetting these proposals to examine what it really means to us and make a recommendation.

I can tell you first hand, the administration has made recommendations before that Council went a different way and that's fine. That's part of our job to do that. Nothing is going to be done in the dark. I'm not going to bring up any sore subjects, but there was a lot of work done at the beginning of the Culinary School that was done in the dark and that left everybody with a problem. That's not going to happen here. The Council ultimately decides which project they want. The administration really needs to look at them, see which ones we feel work and make a recommendation. We've got three very different proposals and I'm being completely honest with you, I've just sort of scanned all three of them. All three of them have strong merit and we just want to see how that all works out. The public will hear, the Council will discuss. I'm quite sure at some point, unless the Council and administration agree that one or two or all of them are not worth discussing, you will hear about them. This is really nothing different than any other project we've had come before us. I've had meetings in my office, every other day about proposals and items and we determine if it is even worth bringing to Council. In this case, this is a Council initiative so they have all the copies. I can assure you all that you will be involved in the decision; Council is going to make the ultimate decision. Who knows, maybe inside one of those three proposals is what we've been looking for for a long time.

Ms. Amos – Thank you very much. I just wanted to, I'm kind of new to viewing these types of processes so I just hadn't seen anything on the timeline for a public presentation or forum, and because I'm interested and vested in this project, I was just asking the Council whether or not there would be an opportunity for that. Thank you for outlining that process to me so I know what to expect with this project and for those in the future. So I will continue to look at the city calendar for a committee Asset Meeting and then perhaps for the Agenda of that meeting to see if these proposals will be presented or discussed. Thank you very much.

Mrs. Penny Riha – 1515 E. 195. First of all, I understand about the expenses of garbage pick up and recycling. However I looked it over and not recycling is not an option for me and I'll tell you why; because there's twice as much goes into the recycling bags, as goes out on the curb for the garbage men. In the case of our family, we're going to be tripling the load on the garbage truck and I just think that's wrong. I know you can't continue doing what you're doing, but could you at least make available some kind of a list that we might take the recyclables to. There are places that still do recycling, I know that, but I don't have the expertise to find out. I will continue to take papers to the Dog Pound, and aluminum cans to the burn unit, but there are a lot of other things like cardboard, tin cans and glass and plastic that's very recyclable and I can't see the sense of it. I used to think it was stupid but now that my grandchildren have my children recycling, I think it is a pretty good idea because the tonnage is going to be there and you're going to pay anyway, so what's the point. We might as well try to provide something.

The next thing is the firefighters. I know you have a difficult budget, but I think that unfortunately you people are looking at the firefighters with dollars and cents and you're diss-ing them. Those are people that are professional people. They put in a college education for themselves before they even get the job. They work outrageously long and hard hours. I don't know if you're aware of it but between 7:00 and 8:00, we heard four sirens go by; that's a run every 15 minutes, that's just from that station. I don't think it was right to close station on 260th in the first place and now we're going to do even worse. How can we lay off firefighters and not increase overtime? That's an oxymoron. Is it not? Because if you have another sick firefighter, you're going to accrue even more overtime. You've got to replace them. You can't call in people and say, we'll you're going to have to wait because we got an emergency on the other side of town. It is getting to a real critical situation. We are a community of hundreds of senior citizens and they die and they get sick and we know that's the community we are so why don't we address that. I would rather see us give up the whole recreation budget than one fireman because it is just stupid, it is not good business. The government is here to serve the people and the people are not being served. Okay?

As far as that legislation on the cement, you better watch if you pass that because you're going to be in big trouble over at Shore. The stairs going into that building and the railings falling off. We've been hearing about Shore for ten years now. I wouldn't have gotten ten years to fix my house. As a matter of fact, I got a citation from the city, less than two weeks after two shingles blew off my roof. How do we allow city buildings to go to hell in a hand basket and year after year we hear what we'll have to tear it down. It is your responsibility that that building is in the shape it is. If we would have started fixing it ten years ago, we still wouldn't be up here talking about Shore. That's about it for tonight, thank you.

Mayor Cervenik – If I could respond to the firefighting. I do respect their skills, their professionalism as well. But, the residents need to understand that except in extremely difficult circumstances, emergency circumstances, there will continue to be three squads, ambulances running 24 hours a day as there is now. We need to make that clear.

There could be some instances where that doesn't happen, but that would be far and few between. Again as I stated earlier, I don't know if you were here, it is my intention and my hope that Thursday at 3:00, I close my door with the Local 337 bargaining unit, the Chief, the Law Director and Finance Director and when we leave my office, we at least have an agreement for 2009 that will avoid any lay offs or any reduction in minimum manning. Thank you.

President Holzheimer Gail – I do want to comment just quickly on the recycling too. I know we will be working to identify additional resources. I know the Mayor was working with the County Solid Waste District. We will be perhaps talking with neighboring communities to see if we could pull, we are looking at this as hopefully a temporary solution. As we look at our contracts next year, there's a possibility we could bring recycling back under a different program Recycle Bank potentially. There are options. We're not looking at it as, at least I'm not, the long term. I don't know if you've had any results with the solid waste district.

Mayor Cervenik – I do need to get in touch with Pat Holland from Solid Waste. He's in the process of retiring. He's going to bring in his future replacement. My basic message to them was, they get a certain portion of the tipping fees for County-wide program such as the computer recycling that the Director mentioned earlier. I feel it is important that they have some drop off sleds or the big containers, that maybe can be strategically placed between Cleveland and Euclid so that our residents can take tin cans, and our residents can take bottles, plastic and glass there. We do have plenty of places for the paper and for the aluminum cans.

President Holzheimer Gail- We'll make sure that everyone knows as we identify resources where those are.

Mr. Vince Riha – 1515 E. 195 St. On the lighter side last Thursday I was reading in the Sun Journal where South Euclid has passed a resolution supporting the Year of the River. I urge our Council here to do the same. The Friends of Euclid Creek, the Ohio Water Conservancy District, the Ohio EPA are in the process of cleaning up several creeks in the area, including Euclid. Being that it is named after ours or we're named after it, it runs mostly through our city, that I think we should support it, by having a resolution supporting what they're doing so more effort can be put into that.

Going back to my usual tactics, I read also in that Journal and you can answer these questions when I'm done, I guess I've got a few of them. It is stated in the one column that we're spending \$770,000 on flowers and banners. My God, I hope that's wrong.

The other thing, as far as, we're always talking about finances. The former traffic light at E. 200 and South Lake Shore Blvd., was taken out by a traffic accident. I realize all the things about not putting it back and I really could care less about it. But no matter what, there should have been an insurance claim filed and if so, what was collected being the cost was roughly \$100,000 which is what was commented on. Where did that money go? Into what fund? For what purpose? I would like to know about that.

Also, finances. The Willo Arms is throwing out high paying tenants, which is greatly going to reduce our income tax revenues. I don't know what portion we get from there, but hey, in this day in age as Councilman Van Ho has said, pennies add up. But, we don't have any idea what they're doing, they're putting in as I read it, low income, which are probably no income tax paying type people. Totally a zero balance coming out of that section, which will eat away at everything. Right now I don't know what the percentages are because everybody is so closed-mouth about it. But I'm looking from the standpoint that we're losing revenue. When did this administration collectively or individually know this was happening? Did they know how much affect this was going to have on the city? I think this should have been looked into. I can't believe the federal government says, you throw out the people that are paying and put in the totally income, low income people. Because everything else the government has tried to do was to mix low income, high income and moderate income, that's what makes it work; bringing everybody together. But essentially what they're doing here from everything I've seen from the outside is they're making an enclave of strictly low income and getting rid of any income producing tenant. I think something needs to be looked at as far as what's happening down there. I believe that's all I have today. Thank you.

President Holzheimer Gail – I believe there are some inaccuracies in the Willo Arms and we'll make sure you get that clarified.

Mayor Cervenik – First of all, \$770,000, see that guy back there; blame him. It is \$70,000. \$11,000 is a carry over from prior years and the other \$58,000 or \$59,000 is from this current year, which means we didn't spend \$70,000 last year either. But there are needs, some beautification, we are looking at reducing the number of baskets and some items like that. Chances are we won't spend \$70,000.

The River. Two meetings ago we passed that Resolution that South Euclid passed, the Year of the River. I attended the last meeting, Hank is at almost every one of those meetings and also our honorary Dorothy Fike attends those and keeps Euclid Creek near and dear to her heart. Actually the communities in the association, we have a very, very small part of Euclid Creek, but it is a very, very important waterway and we support it very strongly. In fact I was Chairman for two years.

The street light at 200th and South Lake Shore, claim was filed, they had no insurance. The person was basically indigent, not much that we could do. This city consistently files claims and if the driver has insurance whether they hit a parked car or a fire hydrant, we consistently go after reimbursement. Nine times out of ten the person is insured, this time this person is not insured and that light is not scheduled to go back up any how.

Willo Arms, financing that they received required a certain level of income, I'm not sure what the percentage is they'll be averaging for Cuyahoga County. Unfortunately the estimate of those that would have to find somewhere else was slightly underestimated, we're looking at possibly 25% being moved. However, we have been very pro-active, this administration and the Development Department where we contacted K&D and some other apartment owners. They've actually been onsite and relocating these people into Euclid, those that have been displaced. Just because the income is lower doesn't necessarily mean that you one, have more problems, you have a lower class of people, and it doesn't mean that their income isn't earned income where we receive income tax. Yes, the total amount of income if in fact 100% of Willo Arms was occupied at the time, I might agree with you a little more so. But they were about 70% plus occupancy. This program allowed them to put nearly \$8 million into the property and I firmly believe when all is said and done it is not only going to be, it is going to remain well maintained and new and a lot of green technology and improvements were put in there. But the occupancy will probably close to 92-93%. There is some good and some bad in what happened there. There is some good and some bad just about everything that happens. The fact that many people are staying in Euclid, remaining in Euclid and filling up some of the apartment buildings that had a lower occupancy actually ends up being a good thing. We were a little surprised by the percentage of present occupants that were going to be required to, they were over the guidelines. That is the financing program. I think that's all of them.

President Holzheimer Gail – I think it is important to note that it is not low income, it is affordable income and we can have Director Pietravoia get you those numbers so you know exactly what that guideline is, I don't know it off the top of my head. But perhaps Director Pietravoia could forward that to Mr. Riha so you know what those income guidelines are. It is not low income, it is affordable and affordable by today's standards is probably higher than you think.

Mayor Cervenik- And they're screening and background checks and their policies of behavior are such that I don't think we're going to see any real change in what has happened there. The Willo Arms facility under the management of Mavec at Royal American Management has greatly improved over the years and Schulman and his property managers will continue that, probably even more so.

Mr. George Riggan – 18901 Renwood Ave. President of the Renwood, Naumann, Monterey Association. I hope everybody enjoyed our TV show that we had on Friday with Robin Swoboda. She covered all of Euclid. If you missed it, you missed a good show. It was a good show for Euclid.

Capt. Repicky, I mean Chief, I remember you when you were a rookie. But, now I'm getting e-mails from people about parking on Renwood at the corner of Renwood and 200th Street, where the barbershop is and they are parking in the no parking zone and the lady that sent the e-mail, to actually Mary Jo and Mary Jo forwarded it to me. But she said it was people from Roosevelt School are parking there. I can't figure out why they would park on Renwood when Roosevelt School has got a big parking lot. Maybe their kids don't live in Euclid. They're parking there and it is hard to get in and out of that street anyway and Monterey is the same thing when the car wash is going real strong because the cars pull in and park every which way. If you could have an officer stop into that barbershop and talk to their patrons about parking. That's all I got.

Chief Repicky – We'll send a car over there and check, but in the future if you just to send me an e-mail rather than wait 2-3 weeks, we could remedy the problem probably earlier.

Mr. Riggan – She sent it to Mary Jo and Mary Jo send it to me. It doesn't happen every day, that's the problem. Mostly on the weekends. Thank you.

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President Holzheimer Gail – You're only allowed to come up once sorry.

Ms. Amos – Can I just offer something to the Council?

President Holzheimer Gail – You could give it to the Sgt.-at-Arms who can pass it. Any other public comments.

Mayor Cervenik – Robin Swoboda has this show, That's Life, and she visited the Softball Hall of Fame, Polka Hall of Fame. She went down to the airbrush, Beach Club Bistro, even visited one of our pawn shops, went to the sports plant. It was real good coverage, culinary school. Very upbeat and it was very positive show. I e-mailed her thanking her and told her that we have a lot of summertime events that they need to cover as well. It was a lot of fun. George was the star.

President Holzheimer Gail – We will move forward with Councilmen's Comments. Just so you know we won't have to change tape if we finish this 25 minutes.

COUNCILMEN'S COMMENTS

Councilman Gruber – I'll take about 30 seconds. I would like to invite everybody to our Safety Committee Meeting on Wednesday March 4 at 6:30. On the Agenda will have neighborhood association block watch signage, review of the municipal jail study, and the automated traffic enforcement cameras. Thank you.

Councilwoman Scarniench – Just wanted to say that I totally enjoyed the Motown Celebration Saturday evening. It was fun to reminisce and think about my childhood. Yesterday at the Library, the Youth Leadership Project, Stories from our Elders, was on display. This was a project that was put together by PAL and BRIDGES and I want to thank Audrey Cobb for inviting me. It was wonderful and hopefully in about two weeks we will have that project on display here. The youth took pictures, they are on black and white, of people from the community that we know. Then they went and interviewed them. They talked about their childhood and how things were for them. The kids did a marvelous job so I'm looking forward for it to be here at City Hall.

May 16 & 17, besides the Cancer Project, we're also going to be doing our clean up at the Cemetery. If you're into that, mark it down. You can call me or send me an e-mail, but I'm going to start reminding people. We want to have that all done and ready to go so that on Memorial Day, that is the spiffiest cemetery around town.

I promised I would do a plug for Euclid Blade & Edge, Spaghetti Dinner. It is going to be at the Stadium Grill on Tyler Blvd. in Mentor on Monday, March 16 from 6:00-9:00 PM. Prices for adults are \$8. Seniors and kids are \$4 and kids under 3 are free.

Last but not least, Councilman Gruber just opened up some mail and I took from him. I'm proud to announce that he is going to be honored by the Central Alumni Hall of Fame Class of 2009 on May 14th. Congratulations Councilman Gruber.

Councilwoman Jones – First of all I want to open up and say that thank you for all the Schools and Organizations that display their artwork and items for Black History Month. It was very nice to see that there is some communication about that in the School Systems. Even though it was only celebrated for a month, this is part of our history so it needs to go on continuously with our education as well. Thank you for those that did participate and for the events and it was on Channel 8, Central Middle School was mentioned on there about the displays that they had.

I also want to mention about the Foreclosure events coming up in March. This is Foreclosure Month, there are four events happening in the month of March every Wednesday there's a different location. Please participate in those. It is not just targeting foreclosure itself, it is targeting bankruptcy, how do you know, what do you need to know as far as bankruptcy. It is targeting renters who are renting in a potential foreclosed home. Please take the opportunity to go to those events. You may not be stricken by foreclosure of any of these topics right now but you never know what's going to happen in our economic times, it could happen to anybody. Or you may have a family member, friend or co-worker that is and you can always pass the information onto them. Please participate, the information is on the Euclid website as far as dates and locations.

I also want to announce that on March 18th there is a Dog Park Committee Meeting here at City Hall at 7 PM. That's open to the public. We're going to talk about the Board members that have been selected and we'll go into a little more detail about that as well.

The Relay for Life happening on the May 15 and 16, I have a team that I started for that event. If anybody is interested in joining my team, you're more than welcome to. You can go to the Relay for Life website and sign up or you can contribute your donations.

We had a lot of conversations here and over the past couple few months about the development of Lake Shore Blvd. Director Pietravoia I would like to continue our discussions that we started last year on Euclid Ave. and would like to see some of those improvements taking place when the weather permits because we have a lot of opportunities on Euclid Ave.

I want to comment on the Willo Arms issue. I wasn't aware of a lot of the tenants being displaced until the end of December. When that happened a lot of the tenants and residents were very upset that they weren't notified ahead of time. I don't agree with how it was all communicated but what I set out to do was help those residents that are currently in that position, find other locations. The Housing Dept. got together a list of other Euclid apartment complexes that had availabilities. I went and contacted some of the duplex homeowners that have for rent properties, some of the condo owners that have for rent properties and gave those lists to those tenants that are displaced.

It is frustrating to have a tenant that's loyal and reliable to be displaced like that. It is frustrating to be living in an apartment complex for a number of years and have to be displaced like that. We're in that situation now so my objective is to make the transition as smooth as possible for those tenants that are being displaced. Residents that are there, which there are still a large percentage of Willo Arms residents that are staying there. I'm working with the property owner at Willo Arms to give him as new tenants move in, and to those tenants that are staying there, a list of our ordinances for the City of Euclid, what it means to be a resident in the City of Euclid. New tenants that are moving in, they'll get the same thing. I'm working together with the property owner to put together a cluster of groups of tenants associations, so they get to know their neighbors and make it a more viable neighborhood like they want it to be.

Just because it is going to be a so-called, affordable income, doesn't necessarily mean it is going to be undesirable neighborhood. A lot of the residents that are still there are residents that do like the community and do want to stay there. It is not going to turn into what some may have referenced it to an undesirable neighborhood. I'm going to see to it as my position and as a resident in that neighborhood, to make it a viable community to live in. I see that I'm out of time, thank you.

Councilwoman Minarik – The only thing I have tonight is to promote my Rain Barrel sale, actually it is not mine. The City of Euclid, Cuyahoga Soil Water Conservation District, Friends of Euclid Creek, are all participating in a Euclid Rain Barrel sale. We have three barrels out in the lobby for anyone that wants to look at them. They show the different types of diverter system or downspout system you can use. Green flyers are at the Library, they're also there. We also on a yellow sheet, there's the city ordinance regarding rain barrels along with why rain barrels are good. The back of the green sheet, you can sign up for the rain barrel workshop put on by the Soil and Water Conservation. Where you assemble your own barrel and take it home.

The benefit of the rain barrel, when you buy these barrels, the Friends of Euclid Creek that we were talking about earlier this evening, actually benefits from any proceeds from a sale of a barrel. So if you want to purchase a barrel, this is critical, we need to have the orders in by March 16th so that we can ensure shipment. The brown 60 gallons are coming from Indiana and Cuyahoga Soil and Water need to get their order together too. March 16th, if you're going to order a barrel, call me, at 216-486-9513. If you want to take the workshop, you need to call the Cuyahoga Soil and Water Conservation District and sign up at 216-524-6580, extension 16.

When you pay for the barrels, we're not taking credit cards for the workshop or for the barrels, cash, checks only. But you can pay the day of the sale. The sale is March 28th, from 10 AM until 2 PM and it will be on the grounds of our beloved Euclid Historical Society. I would encourage everyone to at least show up that day and take a look at the barrels, but definitely come to City Hall and look at what we're talking about because I don't think a lot of people understand the concept.

The 60 gallon barrels are \$80 which is a great price because that includes the shipping. The 55 gallon barrel, if you take the workshop or if you just purchase it outright, that one needs a diverter, that barrel costs \$60. If you are a member of the Friends of Euclid Creek, you get \$5 off the barrel or the workshop. Any other questions? He is so good at reminding me what I need to talk about. Okay, I think that's it goodnight.

Councilman O'Neill – Just to reach out to the public out there as far as lakefront development going on. We are moving forward, although some people think we're moving at a snail's pace. The steering committee, it is in our sights. There are certain benchmarks that we have to meet. The committee does meet and we're due to meet very soon to go to the next phase. There are some permanent process that has to be done, we're not ready for that yet but that project is moving along.

Quick question to Director Will, if you don't have the answer tonight, you can e-mail me, that's fine. I just wanted to know what the status was of the former owner of the Strike Zone, are we in court with that person or not? If you're not prepared to answer that's fine, you can e-mail me and catch that at a later date.

Also I want to thank Council for passing the Fields Plaza renovation project. I believe that this project will be a success and it will generate more jobs in the downtown area of Euclid and add to more renovation of different buildings in the city, specifically the downtown area.

Regarding the Shore RFP's, I would encourage all people that want to have a say so in that building to attend these meetings and be heard. Everybody pro or con, whoever is for it, whoever is against it, you should be heard. This is going to be done in an open forum and transparent. Again, I encourage everybody that wants to have something said about Shore to come up to the podium and say your piece. With that I'll say goodnight.

Councilman Wojtla – I had a question from one of the residents in Ward 6 on the recycling. I know it is stopping on the 31st, April 1st is a Wednesday. Would you complete that week or will we actually stop right on the 31st?

Mayor Cervenik – It will be stopped on the 31st.

Councilman Wojtla – A couple of plugs for the Euclid Boys League. They are having a Pancake Breakfast, Sunday March 15 at the American Legion Hall on Arbor Drive. That is 20750 Arbor. It is \$6 for adults, \$4 for children from 9 AM until 12. They also have a raffle on April 24th at the Manor and you can contact 299-4724 for either of those events. Euclid Boys League is a group that's in excess of 50 years in the City of Euclid.

Mayor we wish you luck and the rest of your group on Thursday at 3:00 and look forward to hearing a positive outcome.

Councilman Langman – Director Pietravoia, I sent you an e-mail this morning about perhaps beginning the process of arranging at least tentatively for the three RFP candidates to come in. There is no sense to be waiting until Wednesday. Has that process begun?

Director Pietravoia – I have not made any calls yet, if that's what you're asking.

Councilman Langman – Yes I am. Can we begin that process? I don't want to wait until Wednesday, Thursday, Friday. I'd prefer to begin that process as soon as possible.

Director Pietravoia – When is everyone available to meet with them? Friday, during the day, that's likely when they're going to want to meet.

Councilman Langman – I'm talking about the public presentation. I don't think we're going to do it Friday during the day.

Director Pietravoia – Okay, I misunderstood your request then. I explained earlier, unless the committee makes this decision on Wednesday, I did not plan to schedule public presentations until the committee has had at least one opportunity to review and discuss the proposals as a group.

Councilman Langman – I don't think it would hurt to at least contact them and whether we actually invite them in or not, it speeds things up by just a little bit.

Director Pietravoia – I will contact them tomorrow and let them know that we anticipate that there's going to be at least one, possibly two presentations requested. One could be as early as this Friday, that was what I was going to propose at Wednesday meeting that we ask whoever the committee is interested in talking with, come in this Friday. That's pending everyone's availability of course.

Councilman Langman – Okay, I look forward to that but Friday is going to be very tough for me to make it anyway.

Director Pietravoia – I was just trying to meet the aggressive schedule that we outline and I know Councilwoman Scarniench has been pushing that we stay on that schedule. We can defer to sometime next week.

Councilman Langman – Some of us work for a living and are not available during the day. Friday during the day is not acceptable.

Director Pietravoia – I will respect everyone's availability. Again, that was something we were going to discuss Wednesday. When I do contact the three parties that submitted proposals, I won't suggest

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days or times at this point, but I'll alert them that we're going to be bringing them in for at least one presentation possibly two.

Councilman Langman – I would appreciate that. Director Gulich, I know we keep talking about that sewer line for 248-246 and you've got some ideas and I know the engineer has some ideas, but do we have tentative timeline to complete our review as to where that line is going to go?

Director Gulich – As you know if your correspondence with us, the engineer, we've put that together with the JJR study to check for compatibility and I'll be talking with our engineer tomorrow morning at CT and we'll be discussing the issue farther so that we can come to a rapid result on it.

Councilman Langman – A couple of weeks, a month?

Director Gulich – Hopefully faster.

Councilman Langman – I'd like that, faster is better. Finally back to you Director Pietravoia, a resident brought up Willo Arms and I recall we did pass something to the effect supporting the financing efforts of the new group. I don't recall that in any of those discussions there was talk of how many residents could stay or not stay. I think the thrust of that was there was going to be a tremendous amount of investment in there. Would it be possible to at least gather some of that information that maybe interested council members could review?

Director Pietravoia – Sure, although I will remind Council that the original proposal that was passed by council did not go forward. That particular investment group ended up changing and they went through the County for their approvals on the State tax credits. That came probably several months later after Council acted. I'll see if I can get the documents through the County that they approved. As the Mayor mentioned earlier, the ability to make the \$9 million of improvements hinged on getting the State multi-family rehab tax credit. That's where the requirement comes in with the income limitations for affordable housing. At least the second round several months later was something that the city didn't even act on, it went through the county.

Councilman Langman – Thank you very much with that I'll say goodnight.

Councilman Van Ho – First of all I'd like to thank Kristal Skovira and Michelle for letting me sit in on their instruction for Block Watch. I'd also like to urge people who have not signed up for it, to call 731-1234 and ask for Kristal and sign up for it. Just make your neighborhood a little bit safer.

Chief, I'm getting calls, there's a stop light on Mavec and wondering if for at least starters we could have either a crossing guard or a patrolman as those kids are walking across to go to and from school for awhile?

Chief Repicky – What school would that be? The closest one I know of is down at Milton. The only ones I see in the morning are the ones waiting for a bus. Hopefully they know that they're standing on the sidewalk. You're talking Babbitt and Mavec, right?

Councilman Van Ho – Yes.

Chief Repicky – Other than that, they'll have to stay on the sidewalk until they get down to Hartland and cross there.

Councilman Van Ho – There's been concern.

Chief Repicky – We'll have extra patrols there but other than putting a school guard, I would say no.

Councilman Van Ho – I would like to see that we do as much as we can. I'd like to say congratulations to Dr. Charles Smialek. He's a 1994 Graduate of the Euclid High School and he will be the new high school principal at the beginning of next year.

Director Pietravoia, I'd like to say thanks for getting down the house on 834 E. 232. Hopefully you can get the one down on Voelker now and then I'd be really happy.

The Foreclosure Committee as Councilwoman Jones eluded to will be meeting Wednesday 5:00 until 9:00. You don't have to stay for the whole thing, but it will be at the Church of the Epiphany. If you're not going to come to Chris' Safety meeting, please stop at the Church and learn more about foreclosure.

Also I've heard a lot of concern about the way that we're handling the RFP's for Shore. They're being handled the way they should. Everyone is so worried, we're not going to spend money without doing it right out in the open. These people are coming up with creative ideas and they're also going to have to show that they have the finances to back that and I don't think they want to do that in public session. You can do anything you want to in public session, but you keep doing it and exposing things like that, you'll have no proposers. With that I'll say goodnight.

President Holzheimer Gail – I would like to have a Council Work Session, which I think anyone who was there felt was productive. I know Saturday was not a good day for everybody so look at your calendars and I was thinking maybe the last Monday of March, the 30th, we have an extra Monday in March or possibly the 23rd. If folks would e-mail their availability for either of those days and if you have suggested topics. We could start, it could be 7:00 or 6:00 whatever works best for folks. One of the things that I would like to talk about and sort of just brainstorm about was any type of regional activities or discussions we would like to participate in, including recycling #1; just a general conversation about that. If you have other topics you would like to include in that, let me know and we'll have an agenda put together.

I think everyone else said most of my other comments, except we did get an e-mail late in the day that was very interesting from Marty Castelletti announcing that the \$1 HUD program actually came through and we have six houses that we are in the process of purchasing and we'll be able to use our neighborhood stabilization dollars to hopefully either rehab or demolish those homes depending on the condition that they are in. That was great news, I don't know if Director Pietravoia wants to comment.

Director Pietravoia – I did ask Mr. Castelletti to get that information to Council right away. We brought it to Board of Control today even though we had authority from Council to purchase the \$1 HUD homes from the legislation passed last year. So we'll have a public record of the homes we intend to purchase and we will be notifying Council as more homes become available and if they're in your ward, we will be letting you know. It is good news, HUD finally restarted the program.

President Holzheimer Gail - Before we adjourn, I would like to say thank you once again to Dennis and Matt for their hard work with the cable channel. We wish you well and best of luck in your future endeavors.

ADJOURNMENT

Councilwoman Scarniench moved to adjourn. Councilman Gruber seconded. Yeas: Unanimous.

Attest:

Clerk of Council

President of Council