

**EXECUTIVE & FINANCE COMMITTEE MEETING  
SEPTEMBER 26, 2011**

Chairwoman Holzheimer Gail called an Executive & Finance Committee Meeting for Monday, September 26, 2011 at 6:30 PM in the Euclid Municipal Center Council Chamber.

AGENDA

MONTHLY BUDGET UPDATE

Members Present: Gilliam, Scarniench, Jones, Minarik, Wojtila, Langman, Van Ho,  
Holzheimer Gail

Excused: O'Neill

Councilwoman Scarniench moved to excuse Councilman O'Neill. Councilman Langman seconded.

Yeas: Unanimous.

Others Present: Mayor Cervenik, Law Director Frey, Acting Finance Director Fisher, CS&ED Director Pietravoia, Service Director Bock, Fire Chief Cosgriff, Executive Officer Brickman, Clerk of Council Cahill.

President Holzheimer Gail – The first item on our agenda is a general fund budget update and a draft of budget amendments that will be on October 3<sup>rd</sup> Council Meeting. I will turn it over to Mayor Cervenik.

Mayor Cervenik – You should have received the report for August, it was dated September 12<sup>th</sup>, summarizing not only income tax collections but also the revenue and expenditures through August 31, 2011 in various categories. I'm happy to report that as of August 31<sup>st</sup>, we were \$1,031,773 above what we collected in 2010. We also are \$622,000 ahead of our projections through this date, August 31<sup>st</sup>. A lot of it is the local economy, I firmly believe both large and small companies are growing at a faster rate than many of our neighboring cities and that has much to do with the various economic development projects that we've all been pushing and supporting through the years and we're starting to see the fruits of our work. We certainly hope it continues. There's no crystal ball that will tell me it will continue. I do know that as of today our September collections are in a positive mode over projections. Again, that's nothing but good news.

Are there any questions on any of the items you received in the budget performance report? We do have a number of areas that have revenues as well that are higher than income and our expenditures, we're keeping them low, we're behind what we projected at this moment.

Councilwoman Minarik – Mayor do we know if the increase is due to an increase in profits or an increase in W2's?

Mayor Cervenik – A little bit of each. Profits from some of our larger companies are up over last year, a couple of them are down a little bit, nothing significant; but, there's also more people working so our withholdings are up as well. We can get those exact numbers for you but withholdings are up significantly and that's good news because some of those people work in Euclid and that helps our local economy very much.

On the budget amendment under General Fund, the first item is a small item but it is still retaining our receptionist, our Senior Chore program. Our present receptionist has expended her time under that program and due to the fact of significant cuts in that Senior Chore program to begin with and the knowledge and experience that she has, we felt it was in our best interest to continue her working. That's \$4,000 which includes wages, benefits, she's not on hospitalization but our retirement benefits that have to be paid through PERS.

In Law, we had an unanticipated retirement, Gerri Allay, who has been here for 30 plus years in various capacities and lately has served a number of years as Chris Frey's secretary. Although she had planned on retiring on December 31<sup>st</sup>, for whatever reasons in the retirement system, it was more advantageous to retire on November 30<sup>th</sup>, therefore her retirement payout that would have been budgeted in January 2012, has now been moved to December 2011, it is approximately \$36,000.

Other promotional testing is for the Police Chief and the Lieutenant position. That's the \$10,000 on that line item. We had another unanticipated retirement under Police Administration and that is Linda Bush, that's estimated at \$35,000. Linda will be leaving this week, September 30<sup>th</sup>, originally she would have been here longer.

Under police, it is a rather large number of \$240,000. We had a number of unanticipated retirements. We had five of those, I think I sent an email out to you earlier and also three additional officers in the FOP contract, they officers had the ability to cash in 400 accumulated sick pay hours their last three years before they retire. As you know they get 1200 total upon retirement. We had three additional police officers decide to do that which means we have probably at least six police officers retiring in 2012 because of their election, because after the third year they have to retire. It appears we have at least nine retiring in 2013 because they started taking the 400 out this year. It hurts us a little this year but over the long run it will greatly reduce the total pay out that happens on their year of retirement

because the sick time pay out is the largest amount that is given to employees leaving in that bargaining unit. There has been some unused vacation time that would be paid out as well. What they're doing is spreading out their separation pay over three years.

Three new firefighters. I sent an email to city council, we were budgeted for the most part at 24 hoping we would get a shot at the SAFER grant. It appears only communities that have significant lay offs receive SAFER grants. The Chief received notification that we would not be eligible, we would not be receiving a SAFER grant, so this will bring for the end of this year our man staffing up to 25 per shift, which in the long saves us dollars on overtime being used to keep the 16 minimum manning. When we fall below 16, we end up normally having to take an apparatus whether it be an ambulance or pumper or ladder out of duty and have sort of agreed that we don't really want to do that for the safety of our residents.

Tuition reimbursement, our firefighters, it is in their contract up to \$30,000 a year. We have a number of fire fighters that are taking college classes and earning a degree that relates to fire prevention, fire fighting and per contract we need this \$19,575 to bring the amount up to \$30,000.

Ohio Building Code assessment fees of \$8,000, we paid fees to the State of Ohio, however these are made up by revenue fees we have charged either businesses or other companies, the inspection fees. We charge them, we give "x" numbers of dollars to the State. This \$8,000 is made up by charging fees, so it is a good thing that we're amending that.

Last but not least, the transfer to the Animal Shelter fund, we need an additional \$1500 transferred in. We did not budget for when Ann was on vacation. We felt it was appropriate to have the part-time person working while Ann was on vacation, our full time Animal Control Officer. I get in trouble when I call it a pound instead of a shelter as well. It is an animal shelter, not a pound.

The total \$412,075 for the general fund. Any questions on the General Fund?

Councilwoman Scarniench – To Capt. Brickman, with eight officers that we're losing over this year are we ready to hire new officers? Do we have to do a new test or is the old test still relevant?

Capt. Brickman – We actually are in the process of hiring, have extended offers and they were accepted for two officers. They will be joining us October 3<sup>rd</sup>, being sworn in at the council meeting of that particular date. Additionally we're processing the next, 7-8 applicants, we're trying to identify some additional candidates who we feel will be good police officers and hopefully we'll be able to get them onboard very early next year to fill the void because we know we're going to be losing several officers.

Mayor Cervenik – As you know we have added some additional police officers already as retirements came through to keep our numbers where they should be.

Councilwoman Minarik – Mayor, the promotional testing, is this \$10,000 above what civil service had already asked for? I asked that because based on the meeting, depending on how much money is in their budget determines what kind of test they can administer cost wise.

Mayor Cervenik – The minimal amount for the lieutenant testing, we only have two individuals that are eligible to be promoted to lieutenant. They're probably both going to be promoted before the end of the year, at least the beginning of next year. There's really not a reason to do the full testing. The balance of it is going to be for the chief's test that will happen probably sometime I would hope very early December.

President Holzheimer Gail – I just want to follow up on that. The Civil Service Commission said those tests can be very costly and we were not anticipating the chief's test. My concern is if that \$10,000 is enough. I thought they mentioned more in the \$30,000-\$40,000 range depending on how you format the test.

Director Frey – The Commission needs to meet and decide the structure of the testing process. They need to do that and look at what will produce in their opinion provides the best result from the testing. If this is not an adequate amount budgeted, then we would need to come back in the next budget amendment for that. We certainly have time, we believe this will be enough but we anticipate a second or one final budget amendment this year and if we need to we'll address that at that time.

Councilman Gilliam – Chief Cosgriff, one quick question. I know it is in the budget and it is also in the contract for tuition reimbursement was \$30,000. Can either you or the Mayor, is this \$19,000 above the \$30,000 or it is actually within the actual budget that was approved? I thought it was \$30,000 flat and I just wanted to make sure I was clear on this.

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Chief Cosgriff – Over the last 3-4 years we never came close to using the \$30,000 that is addressed in the contract. So this year, with the budget being tight we budgeted \$10,000, so this would take us up to the \$30,000 amount that the contract calls for.

Councilman Gilliam – That's what I wanted to make clear, thank you.

President Holzheimer Gail – Mayor you mentioned that the receptionist had previously been funded through the grant through the senior volunteer program, that grant has been cut. Does that impact the workers who are at the Senior Center?

Mayor Cervenik – It will very shortly. I think we're good through this year. They received major cuts in that program just like our YOU program with the youth this past summer. Last year we had quite a few kids and this year we had very few.

Going back to the tuition reimbursement, we had budgeted \$10,425 in the budget, which was pretty standard compared to other years. This year they need another \$20,000 so it will be the whole \$30,000. I guess we pro-rate the payment.

The Animal Shelter is showing the \$1500 being transferred from the General Fund. Community Development Block Grant, we're showing the reduction in the amount of block grant funds that were received.

Acting Director Fisher – I thought that was from purchase orders that were adjusted, carried over.

Mayor Cervenik – That's right, it was purchase orders that were carried over encumbered so we put those back and they can be used for other purposes. Under NSP 3, the Neighborhood Stabilization Program fund, that is the NSP 3, we need to amend the budget in our certificate to show that those funds are coming in and we will expend them. St. Roberts Brownfield Grant came in after the budget was formulated, that's \$150,000 coming in. The last three, Issue 2, Sanitary Sewer Maintenance and Water Mains, again those are all dollars that were encumbered, they were not spent and they will more than likely be re-encumbered next year for other projects. The \$688,000 is the reimbursement from Cleveland Water, that causes us to disencumber \$688,520 plus the amount of expenditures that were not spent. That's a good thing because that means we have projects and cash that we can use for next year's various infrastructure improvements.

As the Law Director said, we expect to have one more budget amendment, we try not to do it in December, we try to get it to you the last meeting in November and it shouldn't be that large. That's why we put the retirement separation pay in here now, that's clearly more than one-half of the total general fund budget.

Councilwoman Minarik – Mayor, are we dipping into the cash reserves to cover this? Or is it because of all the reimbursements encumbered it is basically a wash to the general fund?

Mayor Cervenik – To the general fund on paper it looks like we would be cutting into the cash reserves, these are all expenditures, it does not take into account the fact that we're ahead on income, we're actually ahead slightly on real estate taxes and some other items as well and we're lower on our expenditures than we expect to be right now through August, that would be 67%. We're lower on almost all of our expenditures except for these here and that's why we felt we'd present these budget amendments to you now, rather than giving it to you all at one time.

Councilwoman Minarik – What is the cash reserve balance now?

Mayor Cervenik – We started the year at \$2.8. We would finish the year if we don't take into consideration any additional revenues we received, just under two. We should exceed \$2.8, which we're going to need every penny of because we're going to have to deal with State cuts in 2012 and 2013.

President Holzheimer Gail – Any questions about the amendments or the budget update? Seeing none, that completes, any other general financial budget questions? This completes the budget issues. I also did not ask the public if they had questions about the budget update or amendments that we discussed? Seeing none, we'll take a brief break.

A short break was taken.

**EXECUTIVE & FINANCE COMMITTEE  
CONCURRENTLY WITH  
CITY GROWTH COMMITTEE**

Chairwoman Holzheimer Gail and Chairman Langman called a joint meeting of Executive & Finance Committee and City Growth Committee to discuss:

Ord. (311-11) An ordinance repealing current Section 1377.01 (e) of the Planning & Zoning Code of the Codified Ordinances for the City of Euclid and enacting a replacement section to alter the required conditions of home occupations. (Sponsored by Councilpersons Wojtila, Langman and Scarniench)

President Holzheimer Gail – We will continue our Executive & Finance Committee which is in session already. We will be holding this concurrently with the City Growth Committee, whose members are here with the exception of Councilman O’Neill, who we already excused.

Director Pietravoia – As all members of Council recall and I’m sure this piece has had a long history, almost two years worth now. I do think through that process as time consuming and sometimes frustrating it has been, we have learned a lot through the process and boiled it down to the latest piece of legislation that’s before you, which incorporates both ideas from Planning & Zoning and City council.

I did spend a good deal of time going through the previous versions, the previous discussions, just trying to refresh my own memory and get a better feel for where we left off. I think it is interesting to note that we started in January 2010 and we’re on our 7<sup>th</sup> version of this legislation. We really have collectively done a lot of work to get to the point where we are today.

The piece that’s before you, (311-11), will update our home occupation regulations which all agree, both Planning & Zoning and City Council are way out of date and it is a portion of our zoning code that really needs to be brought up to modern standards like other communities have done. This piece accomplishes that. The two areas where we got hung up, so to speak and had a lot of debate back and forth, was in the number of non-resident employees allowed in a home occupation and also regulations that by nature because daycares are typically home occupations ended up getting included in this ordinance.

Where we landed and what’s before you this evening is back to the original recommendation that came from the administration and the majority of Council agreed with, which was to limit the non-related employees to one non-resident versus two. The specific provision related to daycare ends up being in, let me give you the reference to the first one, the first one versus two employees, that’s in 1377.e2, where it states only one employee in connection with the home occupation who is not a resident of the dwelling unit maybe on the site at any one time. Fairly common provision that is in the majority of the sample codes that we had help with the County Planning Commission in researching. As we’ve discussed quite a bit in the past, it is primarily to protect the residential nature and character of our neighborhoods. As you start getting beyond that, it does create concerns with traffic, parking, noise, etc., that you probably should be in a business district rather than in a home occupation.

President Holzheimer Gail – One other note of that, I think in the previous version we did not specify, at any one time. I could be wrong but I don’t remember that. One of the questions that had come up previously was for vacation time, or if someone had to come in later in the day, I don’t remember exactly but I thought that was a question or concern that came up that we might need somebody else to cover when so and so can’t be there and that under this case it could be a separate person as long as it wasn’t two employees there at the same time, non-resident.

Director Pietravoia – Your memory is correct, although I do believe some of the earlier versions did have the at any one time in there but through discussion we clarified that it didn’t mean that you could have more than one non-resident employee, it is just that they shouldn’t be on the premises at the same time, if this passes as presented.

Then I started to explain the provisions related to daycare. The first one is in #8 of that same section where at the end of that sentence it says no outdoor display or storage materials, goods or supplies or equipment shall be allowed, with the exception of equipment for play areas of a home daycare use. That was recommended by Planning & Zoning and ultimately, I believe the majority of Council agreed with that addition.

Same thing with #11, no more than two vehicles may visit the home occupation at one time. The phrase, with the exception of vehicles involved in drop off or pick up from the home daycare use was added at the recommendation of Planning & Zoning and ultimately agreed to by the majority of Council.

#14 G, this is probably the last item that was changed in this new version related to daycare. After much discussion by Council we limited the number to six children or clients on the premises at any one time. Previous version had up to 12. I’ll let council members speak for themselves but I know there are a number of members of council that have had issues with homes that have in the range of 8-12 children where there has been complaints from neighbors.

Councilman Van Ho – The way I'm understanding this legislation, if I had a home daycare center, I could be there myself and I could have one employee. Is that safe enough for six children?

President Holzheimer Gail – I believe State law requires one for six.

Councilman Gilliam – It is one for six, Class A home domiciles can have up to 12 but they have to have two employees. So if you were a Class A, which is a state certified, for every six children you can have one adult teacher; if you're allowed to go to 12 you have to have two. Class B that is certified by the County have the same ratio. The only time it becomes different is when you're receiving no public funding, but the ratio still remains the same but different rules for daycares that don't receive any public funding, such as county vouchers. The one in six is fine.

Director Pietravoia – I jumped right in explaining the detail changes, but I neglected to make an important statement and that was the idea for tonight's meeting was to try to build consensus as best we can amongst the Council members, so this still does need to go to Planning & Zoning and it would be referred there and our hope was that we would do that knowing the piece referred, has majority support from Council, in an effort to try to avoid the continued back and forth. That's no slight to P&Z they have spent a lot of time and effort on this as well. We just happen to have a difference of opinion between Council, the administration and Planning & Zoning.

Councilman Gilliam – My decision is not based on what Planning & Zoning felt was appropriate. But after talking, there are nine Class A childcare facilities in the City of Euclid; there's only 36 in the whole entire county. Euclid out of those nine, three of them are rated high quality. As a matter of fact, the only three in the County that are rated high quality reside in the City of Euclid. I've spoken to some of those individuals and their concern is that they understand that there might be issues with new daycares. They understand that there might be even old childcare facilities that need to be addressed. Their position is that they have been allowed to have 12 kids and have never been out of compliance for an exceptional number of years. Not only does this hurt business, but they are certified by the State, their concerns are, and a perfect example of that was given to me, one day care provider in my ward, she has children that are school age. If she has to leave for an emergency, she has to have two people on-site who are non-residents, otherwise she's in violation and those children are in danger. If she has to go grocery shopping to maintain certain food levels, she has to have two people in there. If she has to do anything that's required for her business, talk to contractors outside, even to go outside would be in violation if they're not supervised. Her concerns were, can we look at this from a different perspective and go after those who are in non-compliance with the city codified ordinances, such as noise, nuisance and things of that nature and make that be the strongest effort to correct.

The other thing that she said is this particular rule would make childcare providers blatantly lie. By State law they're allowed to have volunteers because they have more than six children. Well they can put on paper that this person is a volunteer and pay them under the table anyway. When it says here employees, if we come to enforce this rule, they can say these are all volunteers and they're certified with the State. That is nothing she would desire to do and something she desires to do, but it would make some providers consider that an option to weasel their way out of, not necessarily being non-compliant with the city.

That's really the big issue that I have a problem with. At least in my ward in know of three and I haven't had any complaints about them. But I think there's about, I don't know the exact number but there are 36 Class A in the County and nine are in Euclid and three of them are rated highly.

My next statement is basically talking about G, and I'll segway into that. Exceeding six children or clients on the premises at one time. I understand clients very well, but adults bring cars, children don't. When they are on the premises, there's no cars or no vehicles or things of that nature at that time. Parents are dropping in and dropping off. So I don't have a problem with no more than six clients, but to some that could be a lot, depending on the nature of the business. But to say six children, are we going to force people who have been in the daycare business for an exorbitant amount of years to try to shy away or circumvent the law. I don't think this puts us in the best light.

As far as no more than two vehicles at a home occupation at one time, I'm in agreement with that; come in, come out. Everything else seems to be fine. But I do have one more comment and this is a P&Z statement. I had the privilege of walking my neighborhood for a meeting we're having for Ward 1 and I saw a home, it wasn't a daycare, but there were way too many play toys in the front yard and it wasn't that attractive. Maybe we need to look at saying it has to be in the back yard, because it establishes a precedent. If I'm a daycare provider and have all of my stuff in the front, what's to stop a neighbor from saying I want to put all my toys, I'm talking about swimming pools, I'm talking about little doll houses, tricycles and things of that nature. I actually saw that today where there was a huge number of toys,

children toys in the front and that's somewhat unattractive to some of the neighbors. We always tell our kids to play in the back yard so I'm just considering all the options.

I think this is a good law and needed to be updated, but we have to consider are we going to entice individuals to try to circumvent the law if we pass this as such. Those are my comments.

President Holzheimer Gail – I want to give the sponsors of this particular piece of legislation a chance to make comments first and then we'll go to questions.

Councilman Wojtila – I do think it is important to recognize this entire piece of legislation accomplishes, the main objective as Director Pietravoia was to update the home occupation portion of our zoning code which desperately needed to be updated. If you go through the items 1-14 under letter E which is page 2 and top of page 3, there are approximately 17 different criteria that we're proposing as part of this legislation. Things that talk about the number of visitors, the number of employees, what they can and can't do within that home occupation. Time of deliveries, number of vehicles, all great stuff that I definitely know needs to be passed.

The second part and a small part deals with the home daycare and it is identified in letters 3 & 8 as being excepted out because of the uniqueness of home daycare, you are allowed to be outside of a completely enclosed dwelling unit for the play area, including the display or storage of materials. That takes care of #3 and #8. #11 also provides an exception for a daycare with the vehicles dropped off and picked up because of the unique nature of daycare. #13 just makes reference that if you do have an in-home daycare it needs to follow Chapter 1722, the Euclid Codified Ordinances and under 14G, it talks about in-home daycares six children or clients are not permitted.

Again we have 17 items that deal with home occupations in general and then we have just a few that talk about the home daycare. I want to make sure we're clear on that.

One thing Director Pietravoia didn't mention is this is a modification to our Planning & Zoning code. So a variance can be sought if somebody wants to obtain a variance for any of this that's in here, including the number of children or clients. I think it is important that we limit the number of children, in 14G, to six children or clients at any one time. That's our standard. Again, somebody can come back and seek a variance if they feel it is appropriate.

If you look at Euclid and you look at the majority of our housing stock, houses that are fairly close to each other, not large lots by today's standards. I think six is an appropriate number. I hope you all support me on that.

Councilman Gilliam brought up toys in the front yard, I think that's probably covered elsewhere, I don't know that would need to be mentioned in this legislation or in this section of our Planning & Zoning Code. One thing that disturbed me was just seeing, I don't know that I can do anything to make somebody lie, so I think this is good legislation, I don't think I have the power to make somebody lie; if they're going to lie, they're going to lie. I like this legislation and look forward to your support.

Councilwoman Scarniench – This legislation for me started when I was on Planning & Zoning and it was because of an issue with home occupation. It was never intended to do anything about daycares but P&Z brought that into the picture and that's fine. My question to the Law Director, these nine that we already have, would they not be grandfathered? We wouldn't make them change because they're already in business. I would expect they could be grandfathered.

Director Frey – Typically that's the case, an existing business is grandfathered unless there's some sunset provision but I thought of that question as that discussion was going on. Really we'd want to make sure we've researched that before we could officially state that yes anybody that was operating with 12 children today could continue to do so. My sense is that's probably the case, but I'd want to make sure..

Councilwoman Scarniench – So you could have that for us by Monday, so we know? To me that would solve that problem. These are good daycares and they're not having a problem, there is no issue and we don't want to take away the livelihood they have. The whole idea is that we put this into law and this is all we're going to allow from here on end and what Councilman Wojtila has said is just that. Our homes are very small, having more than 6 kids in these homes is just not suitable. As far as the play area, I don't know what we can do about that. People put their toys in strange places. Now if it is a daycare, maybe it needs to be in the back yard but I don't think we can legislate to somebody well you can't let you kid play in the front yard, maybe there's a reason they don't want them in the back yard. I hope everyone will go along with this. Thank you.

Councilman Langman – I think the overall issue is pretty clear. We have residential districts where people come, they want to live, they want to enjoy their property and now we're trying to balance it with somebody that's conducting some sort of business. Most will be non-intrusive to neighbors, but daycares can be. Let's face it, they can be.

I would prefer that we go conservative with the six children based on the typical size of a Euclid home and a typical yard. We have many elderly in the city of many residents that don't want that many children in a particular area at that one time. We don't want to detract from the enjoyment of their property and their property values. I think this is a conservative way to go and obviously our code is many decades out of date. I'm hoping we can move forward with this, of course we can always adjust it once passed to address any circumstances that might arise.

President Holzheimer Gail – I agree and I think it is important that we take a step in that we have not allowed home occupations in our code. In order to come up to today's standard, I think we do need to address, it is more conservative I agree with the one employee. I know at least one of the daycares that Councilman Gilliam is talking about and she very appropriately has the room, has the yard for 12 people. In that case, certainly we'll get the answer of whether that would be grandfathered in. We don't want to close a successful business down that isn't causing problems. Under this scenario we could very easily set up, just like we do with fences, just like we do with other issues that don't always fit because there's different circumstances in every neighborhood, that maybe there is some criteria. If your house is so many square feet, if you have "x" size yard, if you think about where you live and if there was a home daycare next to you with 12 kids, in every situation that is not going to work. Probably in most cases it is going to cause more problems than not. That's not to say that the waiver couldn't be applied for and you could show them I have a unique situation, I bought this house because it has a nice basement that I can use for my daycare facility. It has an extra yard that I can have a playground and it is secluded from my neighbors. In your average home, on my street, on many of our streets, I can see that would be disruptive to the neighbors.

Councilman Van Ho – On the concept of grandfathering in, because I don't want to mess with anybody's successful business, could we put a section in this ordinance that says anybody who has a 12 kid daycare center is grandfathered in and do away with any? I don't want to see people have to go to Planning & Zoning all the time either and that could be arbitrary.

Director Frey – I'm going to look at our zoning code and look at pre-existing non-conforming use. It may already be in the zoning code and unnecessary to add it. Clearly the burden would be on the proponent of the exception to prove that there is a pre-existing use. If our code already provides for that, the burden would be on the proponent to show that they have in fact this pre-existing use with the 12 children or 9 children or 10 children, that they should be allowed to continue with that. I'll look at that, you'll have the answer for Monday.

Councilman Van Ho – I would like to see us encourage as many good daycare centers as we can. Let's face facts, this city and every other city has more and more two working people in the family and single parent families and we need, somebody stopped me and said we have so many daycare centers popping up. I said, I'll take all the good ones we can find because it is much better than having latch-key kids that are staying home alone and so forth. I would like to see us pursue as many good daycare centers as we can and on the bad operators, come down on them as hard as we can.

Councilwoman Jones – Director Frey or Director Pietravoia, so this ordinance once it is put in place would override what the State regulations are, is that correct? So if the State allows 12 in a household, this would override that, is that correct?

Director Frey – our legislation can be more restrictive. We couldn't allow for instance 18 children with two caregivers if the State allowed only 12 children with two caregivers. So couldn't create something that was in violation of the State code or more excessive than what the State code provided for but we certainly can be more restrictive, yes. It is not overriding it, it is being more restrictive than State code and that is within our purview to do.

Councilwoman Jones – Can you explain what the process is for someone who wants to open a daycare? I know they have to get the State okay or approval. At what point do they come to the city and say they are going to have a day care and what process do they need to go through so they're not going through this whole process and setting everything up and then find out they can't have the more than six. Is that something they'd be confronted with ahead of time, so they would know that this is what the requirements are or the restrictions are?

Director Pietravoia – Right now there's a separate chapter that's referred to in this ordinance 722 where a license is required for a home daycare. So they would come in, apply for that license and that would trigger an inspection by both building and fire to make sure the residence is safe for a home daycare occupation. I think what we would probably need to do is make sure at that time when they come in that

we're providing them with a copy of the home occupation ordinance and make sure they're aware as part of the packet of information they get when they apply for the license, that there is a restriction to the number of children. At that time it could also be explained as a couple of members of council have indicated that if there were a reason, size of the house or yard or all combined that they thought they could accommodate more than six, then they would go through the Planning & Zoning variance request process if they wanted to attempt to do more than six.

Councilwoman Jones – That would actually be stated on the application? Or is the application more of a generic application and not just specific to the set up as far as Euclid goes?

Director Pietravoia – The licensing paperwork is specific to daycares and specific to Euclid's requirements. I'm saying at that time we could make sure that the clerks that are involved in taking in the application are providing a copy of the home occupation regulations, so they'll be aware of that restriction on the number of children.

Councilwoman Jones – On the application does it ask anything about how many children they are going to have? I'm just asking that because is that something that should be added to the application, a comment in there stating that? I know that someone can give them the information, give them the paper, but if they're actually filling out the application, they're going to actually see that instead of maybe read another piece of paper that they may put aside or may not get it or may get lost or whatever. If they're actually going to fill out the application, they would have to actually have to read that or see that part while they're filling out the information that's needed.

Director Pietravoia – I think it is a good suggestion, I'll pull the application for the license and see how it is currently worded. If that question isn't on there we should add it and make a reference to the new provision. Certainly we won't do that until it gets all the way through the process but if this is all approved, then we can make that modification right on the license application.

Councilwoman Jones – Director Frey you mentioned you were going to look into the grandfathering in of existing daycares that may have more than six. Are those only the daycares that are currently registered with the City? I'm sure there maybe daycares out there that may not be registered and if we all of a sudden say now that there are, we're going to grandfather in daycares that have more than six, are there going to be others that are going to pop up and say I had more than six before this date.

Director Frey – It is a fair question. My sense is this would only apply to registered daycare use. That's a good question that ought to be addressed in the research.

Councilwoman Minarik – Director Pietravoia 14G, exceeding six children or clients, is that a total between the two groups? It is not just home daycare we're talking about here, it could be a regular home business, that's where clients come in, right?

Director Pietravoia – Right, it was meant to cover both situations, either home daycare limit to six children or a non-home daycare business limited to not more than six clients.

Councilwoman Minarik - #2, only one employee, Councilman Gilliam raised some good concerns. If it is a home daycare, if there is an emergency, if something does have to be done, it would be nice to have up to two employees. I also think about, in the private sector, not necessarily daycare, sometimes some of these home based businesses, they'll have a boom time where everything is, they have contracts they have to fill, it may only be for 2-3 months at a time. So they want to hire somebody to bring in for the duration of those projects. But this would prohibit that from happening. Anything that we can do to encourage jobs, I think would be a good thing. I would like to see this go up to two employees outside of the homeowner and I know my colleagues don't agree with that.

Director Pietravoia – It is important that we don't lose sight of the fact that what we have currently on the books is very limiting and not business friendly at all. The current regulations don't allow even one non-resident employee. They also limit the type of home occupation to a physician, surgeon, teacher, lawyer, dentist or musician who has an office in their own associated with their business. Any other type of business would not be allowed under our current regulations. Obviously we know the home occupations are out there, that's why for two years now we've been trying to update our codes because we do believe home occupation is an important and positive trend and as long as it can be done in a way so it doesn't negatively impact the neighborhoods, we really should broaden what we allow as a home occupation and at least allow the one additional employee that we don't currently allow under our existing code.

Councilwoman Minarik – My concern is, in home daycare if we're limiting it to six children, you probably won't have three employees anyway. If a home based business is not doing, if it is holding its own, they probably won't have an additional two employees either. But there might be times where they do need to pull somebody in for a short period of time. Nobody is going to put more people on their payroll than they need, except the government.

Director Pietravoia – Which level?

Councilwoman Minarik – So I don't think that's a huge issue. I would like to reconsider that, otherwise I'm fine with this because I've been illegal for about 15 years.

Councilwoman Scarniench – As Director Pietravoia said, we've been running a long time without having this done. Please keep in mind they can always come to P&Z for the request for the other. Rest assured we don't have any home occupation police out there. So, what somebody is doing in their home, really as long as they're not bothering their neighbor, because that's what triggered this, it was a problem because somebody was doing it. They brought somebody in for a couple of weeks to help and nobody knows it, who is going to say anything. This is just to bring us up to code. This was never intended for daycares. This is for those people who are doing the woodworking and doing all kinds of funky little stuff out there that are bothering people. It is a residential neighborhood and we need to keep it that way. If you need to have more employees, then do find a storefront, or go find a building, we've got lots of them that are available in this city that they can use. Residence is for residential and that's why it is just the one. They can always go to P&Z and request to change that for themselves with good reason.

Councilman Gilliam – Director Pietravoia, going 14G, let's take home daycare out of that for a second and you say no more than six clients on the premises at any one time. But then we go back to #11, and it says, no more than two vehicles. If I have six clients, I can guaranty you four of them are not coming on the bus in my neighborhood which means there is going to be at least four cars. There's a conflict in what we're trying to do. The intent is fine, but there's a conflict. If six adults are coming to a home occupation, let's say to do facials, or make up or Tupperware, Amway is another one; there's a pretty good expectation that you're going to have more than two cars with six people in a home occupation at any one time. That's one of the conflicts that I possibly see if people don't car pool.

As far as asking for a variance for home daycare, everything in this particular legislation is going to be resident driven. Now, was it one resident that drove this or was it a whole community? I'm not even going to try to go into that. I'm just saying that if we're going to bring this up to date, there's a lot of little nuances that we need to do and we worked on it for two years and obviously we had different opinions. The realistic part of it is, I understand my colleagues position and I have no problem if this passes. I think at the end of the day, letter G is in total conflict with #11 because like I said, if you could have six people in your home, there's going to be more than two cars.

President Holzheimer Gail – The way I read that is, in the case of home daycares, home daycares could be for children or it could be for adults. That doesn't mean all six adults will be driving there. In today's age if you're taking care of your parents or you have an elderly, that specific section starts out by in home daycares exceeding. Maybe it is just the word clients, maybe we need to rephrase that as persons. Let's take the example of a beautician. If you're a beautician, you may have lots of clients but you're certainly not going to have six in your home at one time, I would hope not. That's where the problems are going to arise.

Councilman Gilliam – I'm just confused because the way it is written. I've never heard a home daycare provider say I have six clients.

President Holzheimer Gail – I think it is the word, clients. We should maybe change that.

Councilwoman Scarniench – My father is considered a client. Every one of the people that come to my home to take care of my father, they are working for him as the client. To me that makes perfect sense because that's what it is, in home daycare. We're talking about that specifically and that's all we're talking about. One again has nothing to do with the other. It would be really nice if we could separate the two and at some point in the future maybe we will and you have the home occupations and then you have a set of rules that are strictly for the daycares. For now, this is just a beginning of what we've been trying to do for many years now. We can always change it as we go along but we need to get it forward. I have no problem with the way that's written, because to me it makes perfect sense. Thank you.

Director Pietravoia – I brought all the previous versions. It is difficult after such a long history to try to remember exactly why we made all the changes. In the earlier version and this would correct, I apologize Councilwoman Minarik what I said earlier. As I look at the earlier version I think it becomes clearer why we changed and what the intent was. It is specifically for home daycare, it would not include other non-related businesses. The heading is, #14, the heading is, the following are prohibited as home occupations. The previous version read in home childcare exceeding 12 children on the premises at one time. Then as I recall there was a discussion that there could be a daycare situation where it is not limited just to children, it could be teens or adults being cared for and that's why we added, daycare, we changed in home childcare to in home daycare; then clarified six children or clients on the premises at any one time. I apologize for that earlier confusion on my part.

President Holzheimer Gail – The process at this point is to refer it back to Council so Council can refer it to Planning & Zoning. A committee cannot send it directly to Planning & Zoning. Our hope is sending it to Council on the October 3<sup>rd</sup> agenda, Council could send it to Planning & Zoning hopefully for their October 11<sup>th</sup> meeting and that would be the opportunity that council would have to go in and talk with Planning & Zoning members again. Our hope is they would be able to act on it at that meeting and send it back to Council, but in some cases they do hear it the first meeting and plan to act on it at the next meeting, so we do have that time if they decide to do that. The hope and our expressed intent to them would be, and they've talked about this as Director Pietravoia mentioned earlier, we've been working on this since January 2010.

Councilwoman Minarik – Regarding the process, Planning & Zoning's big deal, if I recall was the difference in how many outside employees. Because we are sending this to Planning & Zoning, if they reject it, we can still approve it, correct, how does that work?

Director Pietravoia – I'll comment and then Director Frey may want to add. When it comes back to Council, if they don't agree with the ordinance as written, and council would prefer to pass it as it is currently written, you would need a super majority to override Planning & Zoning's recommendation. The fact that it initiated at Council and we had an attempt to build consensus before we send it to Planning & Zoning, I think puts us in a stronger position if they continue to want to make changes and Council would prefer to move forward as is.

Councilwoman Minarik- The last one that they sent over to us, Council sent back to them?

President Holzheimer Gail – They sent it back with changes. It went back and forth.

Councilwoman Minarik – That needed a super majority.

President Holzheimer Gail – My understanding is because it is initiated from Planning & Zoning, it started from their legislation, we couldn't override their legislation.

Councilwoman Minarik – Even with the super majority? We couldn't override?

Director Pietravoia – We went through a lengthy process during 2010 and it came back in September and October, two different council meetings right in a row. There wasn't enough consensus among council members, so there was no super majority and ultimately council decided because of that, it was sent to Committee and in essence it died in committee because we introduced a whole new version this year.

Councilwoman Minarik – I also remember too, council may change it, send it to P&Z, P&Z rejected the changes, brought it back and that's probably when it went into committee knowing that there was no, neither side. Okay thanks.

From Executive & Finance Committee:

Councilwoman Scarniench moved Ord. (311-11) to Council. Councilman Langman seconded.

President Holzheimer Gail – Director Frey, does it matter at this point if we have a recommendation for passage or not?

Director Frey – No, you just need to move it back to Council.

Roll Call from Executive Committee:

Yeas: Gilliam, Scarniench, Jones, Minarik, Wojtila, Langman, Van Ho, Holzheimer Gail.

To Council from Executive Committee.

From City Growth Committee:

Chairman Langman moved Ord. (311-11) to Council. President Holzheimer Gail seconded.

Yeas: Holzheimer Gail, Gilliam, Wojtila, Langman

To Council from City Growth Committee.

President Holzheimer Gail – It will be on our meeting October 3<sup>rd</sup> and I would encourage council members who want to be part of the discussion to plan to attend the Planning & Zoning meeting on the 11<sup>th</sup>. Comments, questions from the public?

Councilwoman Minarik moved to adjourn the joint Committee Meeting. Councilman Van Ho seconded.

Yeas: Unanimous.

Meeting adjourned.