

**COUNCIL MINUTES**  
**February 6, 2012**

The regular Council Meeting was held on Monday, February 6, 2012 at 7:00 PM in the Euclid Municipal Center Council Chamber. Council President Holzheimer Gail presided.

Members Present: Gilliam, Scarniench, Jones, Lynch, McLaughlin, O'Hare, Langman, Van Ho, Holzheimer Gail.

Others Present: Mayor Cervenik, Law Director Frey, CS&ED Director Pietravoia, Service Director Bock, Fire Chief Cosgriff, Police Chief Brickman, Recreation Manager Stephens, Building Official Kulchytsky, Asst. Director Sweeney, Commissioner Beno, Clerk of Council Cahill.

**COMMUNICATIONS**

Council has received a request for a new C1 liquor permit to Onestop African Mart LLC, 423 E. 200<sup>th</sup> Street.

Asst. Director Sweeney – I did talk to Lt. Meyer from Narcotics & Vice and he looked up the gentleman who was the permit applicant. That gentleman had no criminal record. The female had an arrest for domestic violence in 2002 but there was no disposition, the arrest was in Cleveland. I looked up the Cleveland Court docket and there was no disposition. We're comfortable saying this will be okay and we wouldn't oppose the permit.

Councilman Lynch – Just a question for Law Director Frey, the process with the Council's recommendations for permits and how that relates to the State's decision, could you just clarify that for us please?

Director Frey – We would send a correspondence to the Ohio Department of Liquor Control indicating that we have an objection and why or we have no objection. They will act independently with our information and that of any other stakeholder involved. Typically it has to be as we've found, a pretty egregious situation for them to deny a request. This case in particular doesn't present that.

Councilman Lynch – Is the criminal record that we just discussed usually the main criterion for council and the state's determination?

Director Frey – That or violations, under age sales, history of that sort. But again, none present here.

Councilman Lynch moved to receive and approve without objection a new C1 liquor permit to Onestop African Mart LLC, 423 E. 200<sup>th</sup> St. Councilwoman Jones seconded. Roll Call: Yeas: Unanimous.

Council President Holzheimer Gail moved to approve Clerk of Council Cahill and Asst. Clerk Lovett to attend and represent Council in the House Bill 9 Training offered by Ohio Auditor's Office on February 16<sup>th</sup>. Councilwoman Scarniench seconded.

Roll Call: Yeas: Gilliam, Scarniench, Jones, Lynch, McLaughlin, O'Hare, Langman, Van Ho, Holzheimer Gail.

**Council Minutes**

Councilwoman Scarniench moved to receive the Council Minutes of January 17, 2012. Councilman O'Hare seconded. Yeas: Unanimous.

**ADMINISTRATION REPORTS & COMMUNICATIONS**

Mayor Cervenik presented a Proclamation to Mr. Ron Emser for organizing and administrating the Poker Run which generated \$1,000 donation to the Euclid Animal Shelter.

Recreation Mgr. Mac Stephens – I wanted to make a public thank you to the Cleveland Cavaliers organization which gave our Recreation Dept. Quicken Loans arena yesterday for two hours. This gave our young people access to the same court that the Cavaliers play on, we had a great time.

Secondly I just wanted to mention the Recreation Dept. we offer over 50 different programs that you can register for. We're currently accepting registrations for Learn to Skate, Start Smart Baseball, Start Smart Basketball, Start Smart Soccer, Slo-Pitch and Fast Pitch girls softball. We're offering a free softball clinic this coming March. We have a new program call H2O Ball, which is a form of water polo. Lifeguard training and swim lessons. Also the 2012 pool passes are now available. During the month of February you can register Monday-Friday, 10 AM until 4:30 PM. If you have any questions, please call 289-8114, option 8. Thank you.

Chief Cosgriff – I'm pleased to announce our application for the 2011 Department of Homeland Security Assistance to Firefighter Grant has been approved. In that application we requested funds to buy mobile data terminals for our vehicles. Portable four gas monitoring systems for our frontline fire apparatus and patient movement systems for each of our frontline rescue squads. The total project cost is \$61,000 but the City of Euclid will only be responsible for 10% of that amount.

All of these items should improve firefighter safety. The MDT's will give us rapid access to our pre-plans and company inspection information. We will replace our out-dated gas detection meters and we will be able to maintain those meters internally. The patient movement systems will allow us to move patients from our cots to the hospital beds in a more back-friendly manner.

Finally I would be remiss if I did not publicly commend our Asst. Chief Frank Prijatel for his grant writing ability. Including this grant, this puts his total at well over \$1.3 million in accepted grants for the City of Euclid.

Director Pietravoia – I just wanted to invite Council and members of the public to the Grand Opening of Euclid's newest restaurant, Southern Fusion at the corner of E. 266 & Lake Shore Blvd. They've already had a soft opening but their official grand opening is this Friday, Feb. 10<sup>th</sup> at 2 PM. The address is 26598 Lake Shore Blvd., the corner of 266 & Lake Shore. I hope you all can make it.

#### REPORTS & COMMITTEE MINUTES

Councilwoman Scarniench moved to receive the Police Report of Dec., 2011; 2011 Annual Municipal Court Report; Safety Committee Min. of 1/11/12; Service Committee Min. of 1/18/12; Housing & Building Standards Minutes of 1/23/12; Regionalism/Collaboration Min. of 1/25/12; Board of Control Minutes of 01/09/12, 1/17/12, 1/23/12. Councilman Gilliam seconded. Yeas: Unanimous.

#### COMMITTEE OF THE WHOLE FOR LEGISLATIVE MATTERS ONLY

Ms. Rose M. Allen – 26241 Lake Shore Blvd. I am Chairman of the Golf Course Commission in Euclid and I'm here to ask for support on item #2, to ask Council members to approve the purchase of a picker, for lack of a better term, it is a piece of golf equipment that retrieves golf balls. Our golf course is, no pun intended, on course, for being one of Euclid's jewels. It has done better in a year when most golf courses were affected by the unusual amount of rain in 2011. Our golf course did better than most. We have an excellent manager, through Billy Casper who has been keeping the course running and doing great things.

We need not spend time with employees having to take time and pick up golf balls. So I would hope all council members would approve the purchase of the equipment that is needed. Thank you.

Mr. Brian Mikelbank – 114 E. 212 St. I'm here to speak in support of the vacant property registration, #7. I'm currently the Chair of Euclid's Foreclosure Prevention Committee. Our Committee has been focused on these programs for, my notes say last several months, but if I look back at the committee it might have been the better part of a year. The vacant registration is an increasingly common tool in the fight against the foreclosure crisis. They hold owners of vacant properties responsible for the condition of those properties and the cost that would otherwise impart upon the city.

The Committee thinks this program is an important step in supporting stable neighborhoods and protecting neighborhood housing values and we hope you will support it. Thank you.

Mr. Victor Goodman – 20201 Glen Russ Lane. I'm here tonight to talk about 8, 9 & 10 briefly. As the Committee is aware, I did attend the Committee Meeting and at that time made a request. I'm here to follow up on that request in the hopes that a letter has been sent out, if not will be sent out to every single resident in the City of Euclid talking about these sewer increases. This is something we have no choice of, but certainly before the tsunami hits, the people of Euclid have a right to know it. I'm requesting of this council, these nine elected people, who put your right hand up and your left hand on the Bible to protect and serve, to make sure that before there is any further readings of this, that the administration has sent out a letter to every single resident in the City of Euclid. Not only should that letter explain in simple language what it is and what is happening, but it should also list at least four town hall meetings, one in each section of town, the date and place so nobody could ever say we didn't know. I hope you as council members will put the feet to the fire and make sure this is done. Thank you.

Mr. Kenneth Boukis, Attorney for Hasrouni Investments and with me is George Hasrouni on item #6, 22574 Lake Shore Blvd., request to grant a non-exclusive license of 140 municipal parking spots in the municipal lot. There are 224 spaces available. We've conferred with neighbors including the movie theater, they not only have no objection, but they'd be thrilled to have us as neighbors using the parking lot. That building that we're talking about has been using the parking lot since 1954. This is nothing new. We feel that we, hopefully you know George Hasrouni from his 17 years operating Maria's Restaurant a few doors away from this building and he's been a model citizen and he'll continue to be a model citizen in the community. We're here to answer any questions.

## LEGISLATION

### **Ord. 10-2012 (032-12) Lincoln Electric Incentive Grant**

An emergency ordinance authorizing the Mayor of the City of Euclid, Ohio, or his designee, to enter into an Incentive Grant Agreement with the Lincoln Electric Company (hereinafter referred to as "LINCOLN") in the amount of Two Hundred Fifty Thousand and 00/100 Dollars (\$250,000.00) payable in \$50,000 increments over a five-year period beginning in 2013 and ending in 2017. (Sponsored by Mayor Cervenik, Council President Holzheimer Gail, and Councilperson Gilliam)

Councilman Gilliam moved for passage, Councilwoman Scarniench seconded.

Director Pietravoia – I have some prepared remarks tonight given the nature of the project before us and the importance of it, I wanted to make sure I was able to cover all the details for Council and the members of the public.

I'm very pleased this evening to bring forward this legislation in support of an opportunity for both business growth and investment and job retention at the world headquarters of the Lincoln Electric Company right here in Euclid Ohio. As I'm sure all of you are aware, Lincoln is the city's largest employer, recently with nearly 2,000 employees at the Euclid campus. Over the past several months, the company officials have been analyzing a potential major investment here in the City of Euclid at the world headquarters campus, to relocate a recently acquired out of state company here to Euclid. As the economy in northeast Ohio begins to recover from the recession, this is particularly tremendous news for Euclid and the region.

The ordinance on tonight's agenda would authorize the city's participation in a portion of a proposed financial incentive package that would support the relocation of this company to Euclid. Before I get into the specifics of the financial incentive itself, I would like to give just a little bit of background on the project and what has led to the opportunity that we're discussing here tonight. Lincoln has become a global and growing organization through strategic acquisitions and it is the world leader in the welding industry. The company has grown to 42 manufacturing facilities in 19 countries by the year 2011 which is phenomenal, including the US World Headquarters right here in Euclid, Ohio.

Last year Lincoln acquired an out of state company that manufactures welding consumable products, not the actual welders themselves but the ancillary products associated with welding. This particular company makes them out of nickel alloy and stainless steel. This is a segment of the business that Lincoln sees expanding and expects to continue to grow on a worldwide basis. It was an important acquisition for the company.

Shortly after that acquisition they began to study how they could incorporate that operation and the production capabilities in that out of state company into their existing operations worldwide. Where would it fit best and where would it be the most efficient and productive fit. As a result after analyzing various options including the relocation of jobs, out of or into Ohio or to other states and even looking at international locations for this opportunity.

The option to relocate this particular business to Euclid will result in substantial cost to the company. Lincoln will need to physically move equipment from out of state to Ohio. It will have to undertake capital improvements at the Euclid plant to make space for the new production lines associated with the company, and purchase new equipment to support the operation here. Therefore a financial incentive package, not only from the city but the state and county as well to help offset these costs is going to be a major factor in Lincoln's decision to implement the decision to come to Euclid.

Our department staff, Jim Sonnhalter and myself along with the Mayor, we met with the Lincoln officials to assess the needs, concerns and costs associated with the relocation to Euclid. We also partnered with officials from the State of Ohio, the Jobs Ohio organization established by the Governor, run by Team NEO locally, along with Cuyahoga County Department of Development under County Executive Ed Fitzgerald and the Greater Cleveland Partnership, which is basically the regional chamber for this area. They joined with us to analyze the needs and together to put forth a competitive package to make sure that the package we did come up with would address the needs of the company, in particular the relocation.

So what do we stand to gain if this company relocates here? It is pretty impressive. Lincoln will create a minimum of 100 new jobs with an annual payroll of approximately \$5 million. That will generate an estimated \$142,000 in new income tax revenue annually for the city and schools. Lincoln will also invest a minimum of \$20 million at the Euclid plant as I've explained, in order to make the improvements necessary to purchase the machinery and equipment to support the relocation. This would entail campus-wide improvements and facility upgrades to accommodate the new operation. In turn this will increase the standing of the headquarters campus to become what Lincoln refers to as the Knowledge Center of the company, really upgrading the Euclid headquarters.

The relocation and result expansion of the consumable production, as I mentioned this company is into the consumable sector of the business, at the Euclid plant will ensure the retention of a large number of jobs already here in Euclid related to Lincoln's consumable technology design and production.

To make sure we receive all these local benefits, and to help ensure the relocation to Euclid, Ohio is the most cost effective choice in comparison to other sites that are under consideration, the city has partnered with the State and County to offer an incentive package that will help to level the playing field. The State of Ohio's incentive package is the largest of the three and it is estimated at \$11 million, primarily made up of what is referred to as a job retention tax credit that will extend for 15 years. The County has entered into a letter of understanding with Lincoln offering approximately \$3 million in financial assistance funded through the recently approved Economic Development Fund by County Executive Ed Fitzgerald.

Both the State and County incentives are tied to retention of jobs and payroll at the Euclid plant for a period of 18 years, which is very substantial. The creation of new jobs within the first three years after the relocation.

To compliment the State and County, the city submitted an offer letter to Lincoln, of course subject to City Council's approval of a five year incentive grant. The details of that grant, it would be a fixed grant with a total value of \$250,000 and we'd be paid annually in equal installments of \$50,000 over a five year period. It would start in 2013 and end in 2017. It specifically intended as I mentioned in my earlier comments to help offset the significant upfront moving costs and the \$20 million of capital investment associated with the relocation project.

The city has the advantage of coming under the umbrella of the State and County incentive packages which as I mentioned have related requirements for retention of existing jobs, and creation of new jobs. Therefore, we structured the city's grant so it was tied specifically to the requirement of a minimum of \$20 million in capital improvements to their campus here in Euclid related to the project.

In summary the State, County and Local incentives combined offer an aggressive and competitive financial incentive package to Lincoln in support of their relocation project. The city has successfully, I think most of you know partnered with Lincoln on several major expansions over the years to support their growth here in the City of Euclid. This includes the most recent and highly successful acquisition that most of you have been to see, the transformation of the former Hitachi building into the cornerstone showcase of the Robotics Welding Technology.

In each project, Lincoln has met and in most cases exceeded their projections. The same is anticipated for this relocation project which represents in my opinion a triple win for the city. That is first the commitment from Lincoln, the commitments I should say from Lincoln that are tied to the incentives that collectively will result in the retention of existing jobs and payroll for a minimum of 18 years. Second the relocation into the existing plant and the related reconfiguration and capital investment will allow for growth in other divisions on the main campus and make Euclid plant the Knowledge Center and further secures the future of the company here in Euclid with that major investment. Third, the project will result in new jobs and payroll taxes generated to the city and schools.

Tonight we respectfully request passage of the financial incentive legislation. This will allow Lincoln to make their final decision going forward with the certainty that not only is the city's incentive in place, but the State which has already been approved and the County which has the letter of understanding signed between the company and County. Rick Trivisonno is here tonight, the Director of Community Affairs representing Lincoln along with myself and Jim Sonnhalter from our staff and the Mayor who has been involved in the conversations. We'd be happy to answer any questions, I look forward to your support of this legislation so we can get the project started as soon as possible.

Councilwoman Scarniench – I would like my name added to this, I would hope all of Council would, but I definitely would like my name on it.

Councilman Gilliam – Director Pietravoia two questions. I know that the State has already agreed and State and Lincoln have agreed and County has a memorandum of understanding you said?

Director Pietravoia – It is referred to as a letter of understanding signed between the company and the county executive.

Councilman Gilliam – Our particular instance of a grant for \$250,000, it is conditional that Lincoln would move to their plant in Euclid?

Director Pietravoia – Yes in essence the \$20 million in capital improvements are specifically to support the relocation of the company. We've tied it to requiring Lincoln to make that full \$20 million of capital investment over the 5 year period.

Councilman Gilliam – The last question, the economy during this process could turn around and Lincoln can grow, the revenue can be quite immense. Has there been discussion about the possibility of Lincoln looking at other particular areas within the city if things were to change and it was feasible and basically necessary for Lincoln and the city as well?

Director Pietravoia – As you can imagine, we stay in regular contact with Mr. Trivisonno and the rest of the Lincoln staff and we're always exploring what their physical expansion needs might be and are prepared to work with them on other properties nearby if necessary. At this point, this particular project appears to all be accommodated within the existing main plant.

Councilman Gilliam – Thank you, I'm just throwing out a wish list, thank you.

Councilman Lynch – To Director Pietravoia, first congratulations, this is really happy, news, a tremendous thing for the City of Euclid. In particular the city's ability to have gotten the support from the State and the County at a pretty tremendous amount and we're really asking very little of the city to contribute. In regards to that, just to ask, the \$250,00 that you're asking from the city, is that a standard practice or since it is a small amount in comparison to everything we're getting from the State and County side, what sort of role is this contribution on our behalf of the city going to play? I understand the purpose, what it is going to with the move, but just in the bargaining process and as far as the relationship between Lincoln Electric and the State and the County, us putting our share in as well.

Director Pietravoia – There's always an expectation particularly when such major incentives are being provided by the County and State, that the host community would also be at the table to offer incentives. Having said that, there's also an understanding, particularly for a community of our size, that we wouldn't be able to be at the table at the level of the County and State are involved in the project. But there is an expectation and historically we have always participated in every expansion project financially and our investment I think all would agree, I know the Mayor has been through most of these expansions, have more than paid off, well beyond the investment that we made locally.

Councilman Lynch – I think it is important too for our relationship with the company and again happy, happy news.

Councilman Van Ho – This seems like it would be a winner right away just from the cash flow situation if I understood you right that it would raise about \$140,000 a year in taxes and we're paying our \$50,000 to the company. It is a real positive cash flow right away.

Director Pietravoia – Your understanding of the figures is correct. We're estimating about \$150,000 a year. If Lincoln does what they've done in the past and not only meets but potentially exceeds that figure could even grow beyond that \$150,000 as they're successful in relocating the company here. We're hopeful they'll take council's decision this evening and move quickly on a decision.

Councilman Van Ho – I think it is very good that they have done what they have done down through the years with moving the Electric Motor Company here and with the windmill, I mean, I think we should do it.

Councilman Langman – A question for the Mayor just for the folks out in the audience and at home. Can you define for them what non-tax revenues are?

Mayor Cervenik – Non –tax revenues are basically those revenues that are received that are not either income tax, real estate tax, property tax, death and gift taxes. Some examples are the fees we charge through the building department, the fines and forfeitures that we received from the Court last year totaled \$1.4 million; refunds and reimbursements. Virtually anything that is not a tax of the revenues that we receive. Probably under estimating we receive uncommitted at least \$8-9 million of non-tax revenues each and every year. We have more than the capacity to do this with non-tax revenues.

Councilman Langman – To emphasize again on what Councilwoman Scarniench said, I think all of our names should be on this legislation. I think we should get going on this.

President Holzheimer Gail – We will add everyone's name.

Councilman McLaughlin – Mr. Trivisonno this is a great opportunity. I'm very excited about this. This is a rare opportunity to show good faith gesture on the city's behalf and I think we should go for it. Thank you.

President Holzheimer Gail – In closing, thank you Mr. Trivisonno and Lincoln. They really are a true community partners, we appreciate your investment and your hard work here in Euclid. It is important that, certainly city services are the number one thing and what is available to our residents here. But we can't do anything without tax dollars. As we get into our budget hearings, the new council members and those who have been here realize how important the income tax is to our city budget, to our ability to provide safety services, city services, everything that we do. This is really an investment in that. We need to do everything we can to make sure our business base is growing and support them in their efforts. I think this is a wonderful thing, it shows Lincoln's commitment here in Euclid. It really highlights Director Pietravoia, you and your department and Mayor Cervenik's ability to work cooperatively with other institutions, the State included and County, but also the non-profit and Team NEO and those types of organizations, working across the State. I do congratulate you as well and we will add all of Council's name to it and move to close debate unless there are other comments.

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

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

Roll Call: Yeas: Gilliam, Scarniench, Jones, Lynch, McLaughlin, O'Hare, Langman, Van Ho, Holzheimer Gail.  
Passed.

President Holzheimer Gail – Sorry I didn't ask if Mr. Trivisonno wanted to say anything while he is here.

Mr. Trivisonno – I would just like to thank the Mayor, his administration and of course the entire Council for their support. We really appreciate it and look forward to .....

President Holzheimer Gail – Thank you for being here.

**Ord. 11-2012 (033-12) Golf Course Picker**

An emergency ordinance authorizing the Mayor or designee of the City of Euclid to purchase Cushman 800 Hauler from EZ GO Golf Equipment, Augusta, Georgia, with the necessary accessories to serve the Briardale Greens Golf Course for driving range and other course needs and declaring an emergency. (Sponsored by Councilperson Scarniench)

Councilwoman Scarniench moved for passage, Councilman Lynch seconded.

Councilwoman Scarniench – I hope all of Council will support this, first I want to explain. The reason this is an emergency is because they need to order this piece of equipment, the season starts in just a few short weeks. If we had to wait for 30 days, that would eliminate some really good golf days because it looks like we've got a lot of them in front of us right away.

Back in September we had our Assets meeting and Mr. Kirn told us about the situation, what was going on over there that they spend 4 hours a day having to close that driving range because they have to go out there and manually pick up the balls. Of course you're closing it during the most prime time, at lunch time when people are coming from work, hit a few buckets and so forth. By having this piece of equipment at this very minimal amount of money, that range will be open all the time which should make their revenues jump tremendously.

They finished this past year on a very good note as Ms. Allen said that golf courses all around us were failing and we did something right when we hired Billy Casper. Pat and all of his staff have done a really good job. I hope everyone will support this. If you've got any questions, Pat is still here and he can answer them. Thank you.

President Holzheimer Gail – As noted in the ordinance, this will be paid for by the Briardale Greens operating fund.

Councilman Langman – I want to thank my colleague for bringing this to our attention so we can get it done. Thank you.

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

Councilman O'Hare moved to suspend the rules, Councilman Langman seconded. Yeas: Unanimous.

Roll Call: Yeas: Gilliam, Scarniench, Jones, Lynch, McLaughlin, O'Hare, Langman, Van Ho, Holzheimer Gail. Passed.

**Ord. 12- 2012 (031-12) Smart Lighting Solutions Shore Cultural Centre**

An emergency ordinance authorizing the Director of Public Service of the City of Euclid to enter into a contract with Smart Lighting Solutions for labor and materials to provide a lighting upgrade at Shore Cultural Centre, funded through a First Energy's grant and the 2012 City of Euclid Capital Budget. (Sponsored by Mayor Cervenik)

Councilwoman Scarniench moved for passage, Councilman Lynch seconded.

Director Frey – Laura Kidder from Coral Management Group, our managing partner for the Shore Cultural Centre is here with us this evening as been the applicant on the city's behalf for a grant program through First Energy to pay for a portion of this project. The city will have to expend all of the funds and then we'll get that reimbursement from First Energy to repay a portion of that cost. The total project cost for retrofitting lights in the Shore Cultural Centre with energy efficient fluorescent lights will come in at about \$80,000, that's using prevailing wage rates for labor. We will offset that \$80,000 cost with a grant in the amount of \$11,200.

It is important to note and I sent documents to City Council today regarding this project that this will have a return on investment of just over two years for a capital project that is pretty exceptional timing. We will have both an operating savings on maintenance of the light fixtures through these new fixtures or refitted fixtures in certain cases. We will also have a considerable energy consumption saving associated with this project.

The proposals were received from a number of electrical contractors to do this work. They have priced out both the materials and the labor associated with doing the replacement and retrofitting and Smart Lighting Solutions who also provided the lighting survey and you have as part of the correspondence the executive summary from them, they were in fact the low bidder using the prevailing wage rate and so it is our recommendation and in the legislation tonight that we award that contract to Smart Lighting Solutions.

This is an emergency piece of legislation because the grant requires us to commence the work on the project before the 15<sup>th</sup> of February. With your support this evening, we will engage Smart Lighting Solutions to get started so that we are in compliance with the grant from First Energy. I'd be glad to answer questions or probably more likely Ms. Kidder is available this evening to answer questions from Council.

Councilwoman Scarniench – Director Frey, I'm looking at the letter that was sent to Laura from First Energy. It said the approved amount was \$20,651. Wouldn't that be, instead of the \$11,000, shouldn't that be \$20,000?

Director Frey – We needed to work with what funds we felt we had available in the total project. Smart Lighting Solutions reconfigured that project to give us the most efficient use of funds. While we could have presumably done more work and gotten the \$20,000 our portion of it as you can see is substantial and we felt we could afford to do and would get a good return on the \$80,000 project.

Councilman Langman – Law Director Frey, I sent you an email about the committee meeting that we had back in May of last year. The figures of fixtures within the building differ from what this project will cover. Is that not correct because you mentioned that we were going to do all the lighting in your comments and that's not necessarily the case?

Director Frey – We're not going to do all the lighting now. The original grant amount provided for a grant of \$94,000. Unfortunately there were far more applicants for grant than there was grant funding available so First Energy reduced the amount of grants that were available to the applicants. Many of the applicants that started projects with the presumption that they were going to qualify for a larger grants are stuck with those larger projects without the grant dollars that they anticipated coming in. In a sense we were fortunate to find out that our grant amount was reduced before we actually began the project. The difficult thing in financing this, first of all we got these most recent proposals in January for the labor and materials for the reduced scope project. That's why we're here tonight with this legislation. The difficulty is projecting in this case, the 2012 capital budget. We are going ahead of our typical process and committing 2012 capital dollars to this project when we haven't yet passed the 2012 capital budget. What this will require is that we will have earmarked this amount in that budget already for this project. When you get the capital budget, it will already contain a committed amount for this lighting project in it. In a sense we know we're going to spend more than \$80,000 in capital funds for the year, in non-wastewater areas we will be spending more than \$80,000. It is a significant piece of that to commit to this project. In part it shows our ongoing commitment to making the building closer to self-sufficient in its operations.

Councilman Langman – To that point, since the figures have changed maybe we should back up and for the folks that are here and watching at home, what's the electrical cost now Centre and what will this project do, what's the figure projected of savings? I know we talked about it in May was about \$25,000 in savings. That's the question I sent to you earlier in the day, what are those figures like based on this project?

Director Frey – The energy savings based on this project is \$26,000 per year. That's why we're able to get that just over a two year payback on our investment. It should according to the summary provided by the Smart Lighting Solutions, should save almost 220,000 kilowatt hours in a year. Obviously that's a large building, I don't know what its total electrical consumption is for that building. I don't know what that number is Councilman, I apologize that I don't have that. But, again, this projected savings both is electrical consumption, reduction of electricity consumed and some heating related savings will or lose of heating savings will be about \$26,010 a year according to the estimate.

Councilman Langman – Maybe I should ask Ms. Kidder because I know the figure that was used in May was \$25,000 for much bigger replacement at once. So if those figures changed, perhaps Ms. Kidder can explain that.

Councilman Langman moved to suspend the rules to allow Ms. Kidder to address Council. Councilman Gilliam seconded. Yeas: Unanimous.

Ms. Kidder – First of all the electrical at Shore is about \$45,000 a year for 2011. The savings that we did is we took out exit lights, emergency exit lights that we didn't need because we got them donated, so we've done them anyways but not from the First Energy grant. We went through this program and we figured out any common areas that we could do and all the classrooms that are rented to the public and we took out some maintenance rooms, storage rooms and things like that to get the potential of the grants. That's what we did for the savings. Also it depends on the hours the building is operating. The common area hallways are on all day long. The classrooms because we are full are on more than when the building was vacant. That all number comes in the consumption of the building and how many people are in it.

Councilman Langman – Ms. Kidder, you're saying that what you told the committee in May, the savings, is about the same figure we would have saved versus the new program via the legislation we have in front of us?

Ms. Kidder – Correct.

Councilman Langman – So we're going to save \$25,000?

Ms. Kidder – Correct.

Councilman Langman – If we did the additional fixtures at a later time, we would save more?

Ms. Kidder – We can save more.

Councilman Langman – I think that's the real point. We're saving general fund dollars by investing the capital which is a good thing. My final question for Ms. Kidder or to the administration, it seems like we have a very tight window so when did First Energy first say that we received the grant?

Ms. Kidder – We started this on May 5<sup>th</sup>. The Mayor signed it on May 5<sup>th</sup> and I submitted it on May 5<sup>th</sup>. June 7<sup>th</sup> we had approval from First Energy. We filed an extension on August 29<sup>th</sup>. They gave us a revised approval on December 13<sup>th</sup>, which is the one with the reduced rate. First Energy as Director Frey said, they've promised all these people money, we're the 4,000 applicant and they ran out of money. So they went back to everybody who didn't start and said we're going to cut your kilowatt hours down what we first promised you.

Councilman Langman – But we have the best applicant, right?

Ms. Kidder – We do.

Councilman Langman- Finally, to the administration, since we're splitting the investment in half for 2013, are there plans then to finish that particular project?

Mayor Cervenik – That will be discussed. Coral has a list of priorities, what needs to be done. I again had planned on putting \$100,000 or so into our capital budget. However the statement made that we're using capital dollars for general fund monies is not true. If you all remember about 3-4 years ago we got a ruling from our bond counsel that Shore and the Henn and also the golf course, not so much the golf course but certainly Shore and Henn where we have allowed a private entity to run it and we're not operating it, the payment of the capital money must come from the general fund. We have notes that we pay each and every year for Shore and Henn. The good thing about this is with the two year payback we can use that money to payback. It is non-tax revenues that are from the general fund. That's the only problem we have as we're looking at capital investments at Shore, in real life they end up coming out of the general fund over time. We are going to, I think it is council's intention to continue to invest in this building and continue to see it grow and prosper. It is going to cost us hundreds of thousands of dollars over the next 4-5 years and we will have to deal with that if that's what Council wants done. The payments will come out of the general fund one way or the other.

Councilman Gilliam – Mayor just one quick question, we've put money as far as the heating system, thermostats and now we're up again with the grant where \$80,000 will be paid by us and reduction of \$11,200 will be reimbursed if this legislation passes. What I have seen is that since April 2010 when we passed Resolution 41-2010 basically it is a work in progress, Council approved the five year plan. Your comment was that if Council wants to move forward, this was presented by you, do you want to move forward investing into Shore Cultural Centre at the level that you're asking us to do in? Potentially it seems like we are piece by piece building up Shore and my concern is, Coral has been successful in managing it and bringing programs and I'm very proud of that. The concern that I have is, is the interim, whether this five year plan is successful or not, we are putting major appliances into this particular building. Just out of curiosity what would be the expected outcome in the next 2-3 years because once this is established, the five year program will be ending right about the time when I guess, I lost my place.

Let me redirect my question, I apologize. This is an investment submitted by you that you're asking Council to vote on. Is it your intent that we should continue to look at options to ensure that the Shore Cultural Centre is meeting energy efficiency and enhancing it for potential use after five years?

Mayor Cervenik – If I did not feel that was the case, my name would not be on this legislation and presented to you tonight. A big part, which some people still shake their head and say the guy lost his brains because I used to not always feel this way. But with the operations and the professionalism that Coral has shown, with the comments that I've heard from the residents that are using the building that much more, I have come to the personal belief that if we make that building each year just a lot better, because we did make it a lot better last year with the thermostats and the boilers and we're going to make it a lot better with this and other items. That Coral will then be able to obtain the grants that our in the five year strategic plan. Part of the ability of a non-profit organization to get grants especially when they are operating a community building or a municipal building, is that the municipality has to show their buy-in on the program as well. That's why my name is on this, it is before you tonight and I expect other, as the economy improves, I expect other improvements to be made as well. At some point in time I'm hoping contributions come in to alleviate some of the burden on the City of Euclid. I also believe that as we put more money in and as Shore grows the operation contribution to Coral to operate that building is going to shrink drastically. I think you are going to have our investment going up for awhile and then you're going to see the money we're putting in for operations, which is substantial this year, will start shrinking. They should balance themselves out and we should keep on a pretty level playing field. I hope I'm not wrong, I don't think I'm going to be wrong. I think most of council feels the same way.

Councilman McLaughlin – Mayor thank you for your support of Shore. I'm also a supporter of Shore. I think two year ORI, is incredible in the private sector. What this will do is reduce Shore's electric bill by 60%. I am supporting this ordinance.

Councilwoman Jones – I just have one question and I'm not sure if the Mayor or Law Director Frey. This document that we have which is stamped original on it, it looks like the application which has the original amount of the \$94,000., has a statement on the front as far as effective dates of when the equipment has to be purchased and when it has to be installed by. So since we're now going off of, I would assume a different application because we're in 2012, what are those dates as far as the purchase of equipment and the installation dates?

Director Frey – Ms. Kidder maybe able to answer that, I'm under the impression that we have to commence the project by the 15<sup>th</sup> of February to qualify for the grant.

Ms. Kidder – We have to be done by April 15<sup>th</sup>, so everything will be installed by April 15<sup>th</sup> of this year.

Councilman Langman – Since it is the Mayor’s night a little later on, I think you made a wise decision with Shore, I would like to add my name to the legislation.

Councilman O’Hare – I would like to add my name to the legislation as well and I concur with 24/25 months for return on investment is phenomenal and part of that is due to the grant, but even without the grant, the return on investment might move up by 5-6 months and again 2 ½-3 years is really phenomenal. I also understand that because of the age of Shore and it is coming from a relatively low efficiency standpoint, it is the low hanging fruit and it is where we can get the most benefit. You look around this building there’s energy efficient lighting here and of course the solar panels on the roof, we’re already working along those lines. Are there opportunities and is there one individual on the staff who’s responsible as Chief Cosgriff has on his staff for looking for grants related to the Fire Dept., who can go across buildings, who can go across every department to either secure the grant and even without the grants look at payback opportunities of 2 ½ - 3 years?

Director Frey – We have used a variety of grant opportunities. Kristal Grida from the police department has been involved with other members of the police administration in securing grants for a variety of programs related to public safety and the courts and so forth. CT Consultants has been a great partner with us in the grant process for some of our infrastructure needs. There is a program coming up shortly that Director Bock will be attending and its purpose is helping municipalities understand the grant process. We see that as an area where we can use some of our existing resources in a more collaborative effort in trying to secure grants for the city and again Director Bock will be attending the session coming.

Councilman Van Ho – I’d also like to be added to this Resolution.

Councilman Gilliam – Just one question for Ms. Kidder. Are there any, let me just be blunt and probably the best way to go. There has been statements made in the community that a major tenant maybe leaving, thus decreasing revenue. Do you have any potential information pertaining to that? Is that a falsehood or is there a possibility of it happening?

Ms. Kidder – No, it is true. Our anchor tenant New Day Academy in the strategic plan showed that they would transition out of the building and they are. I’m working on leasing all their space. We do add their revenue in which is about \$75,000 to the 2012 budget. Our goal is to not to have the city give us all of it and to lease it so when they leave, we fill the rooms out. As soon as they leave we’ll be putting in hourly rentals so it won’t be that we won’t rent out all the rooms but I’m working on a list of people that want to take over their rooms right away.

Councilman Gilliam – I definitely trust the management of Coral and I’ve trusted you in your position. But I have some concerns about committing general fund dollars and also losing revenue. So at this point in time, based upon all the issues that the city is facing financially, I will be voting no for this particular legislation.

Councilwoman Scarniench – I will support this. When we started this whole process with the creation of the Assets Committee, it was so that we could do things with our buildings that we haven’t done in years. We’ve seen what is going on at the Golf course. We see, anybody who goes into Shore, what is going on. I think we made the right decision on both counts, hiring outside companies to come in and manage and they’ve done a heck of a job. Laura’s enthusiasm resonates all over that building. We did make a five year commitment in the fact that in two years this will be paid off and we will be making money off of this, to me it is a win/win situation. So put my name on it too please.

Councilman Langman – Question for the Law Director. Law Director Frey, can you first provide us the interpretation from our bond counsel regarding investment into Henn and Shore. Second, if there’s a termination of a tenant at Shore, if there’s paperwork, can the Council see that particular item?

Director Frey – I certainly will look for any opinions regarding the capital investments into those facilities and get those into city council. I’m aware in correspondence with the Charter School that occupies a number of rooms at Shore that we gave them a deadline by which to agree to a new lease. If that didn’t happen, we gave them notice that at the end of this school year they would need to start looking for new space. It is not a program that is in the long term strategic plan for that building. They opted not to sign the new lease. We gave them then the notice that we would start the process to release that space. They’ve agreed that they will remain in there through the balance of this school year and I’m sure they’re looking now for a new location. It is a process that has followed a pretty orderly approach. We have letters of correspondence but really what we have is the existing lease agreement that has an end date to it and we don’t have a new agreement for a future date. I’m not sure I’ve got something more than correspondence to provide but I’d be happy to provide that.

Councilman Langman – So there's no final letter of non-compliance or non-exercising of their option?

Director Frey – They did not send us a letter saying we're not going to renew. We sent them a letter saying you had a date certain by which you were to act. They didn't act, we sent them a follow up letter saying that because of your failure to act in renewing the lease we would start the process for releasing that space.

Councilman Langman – So the bottom line it was their choice?

Director Frey – My opinion it is their choice, yes. Again, they are not a long term fit for the building as this community has developed a strategic plan for that building. Their actual timing was their choice yes.

Councilman Langman – I agree with that. When we had this strategic visioning we had the Coral process, the users of the building felt that there were certain tenants that were transitional. One item that hasn't been mentioned and we're working on is to reposition the Shore Board so that they can in fact do a better job raising money, raising money in a more strategic way that will help also take the burden off the general fund. Thank you.

Councilwoman Jones – Ms. Kidder, what is your opinion of potential tenants for when New Day does move out as far as filling the spots if it is one or multiple tenants?

Ms. Kidder – They have 19 rooms. When I first took over Shore it was half empty and now we're full. There's no doubt in my mind that we can rent these rooms. They're all in good shape. They can leave and new people can move in. We've got some minor painting to do, cleaning, but these rooms are all rentable. I'm out looking now for tenants so we can just basically walk one out and welcome a new one in.

Councilwoman Jones – Let's say if and when New Day Academy does move out and you fill all of those rooms, is the amount of rent that will be renting for these rooms, if they're individual rooms or all together, does that compare to the amount of rent that we're collecting from New Day Academy?

Ms. Kidder – New Day is paying \$8.64 square foot and I'm getting \$10 now. We're going after \$10 per square foot, so actually we'll be a little bit ahead. They will be individual people renting them.

President Holzheimer Gail – I think we've addressed the lighting issue. We can save the rest perhaps for a committee meeting.

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

Councilman Lynch moved to suspend the rules, Councilman O'Hare seconded. Yeas: Unanimous.

Roll Call: Yeas: Scarniench, Jones, Lynch, McLaughlin, O'Hare, Langman, Van Ho, Holzheimer Gail.  
Nay: Gilliam

Passed.

**Ord. (030-12) Amend Code 1705 Home Owners' Exception**

An ordinance to amend Section 1705.03 "Home Owners' Exception" of the Building and Housing Code of the Codified Ordinances of the City of Euclid to clarify the intent of council when this code section was enacted in 1970. (Sponsored by Councilman O'Hare by request of Public Service Director)

Councilman O'Hare moved for passage, Councilman Van Ho seconded.

Director Frey – This came to us from our Building Commissioner Dan Kulchytsky who is here this evening. He sent City Council a memorandum explaining the reason for this. I would defer both for his comments and questions to Mr. Kulchytsky.

Commissioner Kulchytsky – The intent of clarifying this aspect of our ordinance comes from the original ordinance when it was enacted the chapter on registration of contractors, was there to create a greater level of accountability and afford homeowners with an opportunity to have recourse when violations were present after a contractor did work on their residence. That chapter contained a sub-section called Homeowner's Exemption. This homeowner's exemption allowed an individual living in a home, living in their residence or perhaps they're a small scale landlord duplex, to make repairs to their own residence

without having to comply with the registration as a contractor. Over the past 40 years there have been significant changes in the housing market. Now the homeowner exception is used greatly by companies, businesses that are involved in rentals, house flippers, individuals who are coming in as businesses and acting as though they are homeowners and they do not provide the basic safety mechanisms for bonding, licenses and insurance for the end user.

The intention of clarifying this is to have homeowners still be permitted to pull permits for doing their own work on their residence that they're living in without having to become a registered contractor. But it would not permit individuals who are either flipping the house for profit, or have multiple rentals under their umbrella of investments to have the same rights. This would in the end provide the Building Dept., the city, the end user some sort of safety mechanism such as insurance, bonding, license, a mechanism that we could pursue the bond and fix the violations that would appear at this residence.

Councilman McLaughlin – You mention the small scale and those were the people I was thinking about when I read this ordinance because I live in my grandmother's house on E. 210 and there are people that I know who were the children, they moved out, their parents have died and they still take care of their parents' house but they rent it out. So, for these people, this would be in effect, that would mean they would have to hire contractors now to take care of their family home?

Commissioner Kulchytsky – Yes that would be correct in this instance. One aspect that we are concerned about is homeowner exemption being used on what would be termed as specialty trades, which are trades that have a higher risk involved with them, mechanical, electrical, plumbing, that we feel would benefit the homeowner and the end user of having a qualified individual do the installation work. Yes it would require that a homeowner having multiple buildings would have to register as a contractor.

Councilman Lynch – Is there any, for the small scale type of homeowners that Councilman McLaughlin was referencing, is there any discretion that we have in enforcement of this that might soften this perhaps objectionable scenario?

Commissioner Kulchytsky – At the moment the way the ordinance is rewritten, no there is not. The reasoning behind that was if for example you are in a duplex, or triplex and you're living in there you would still be able to pull the permits. However if you're carrying a household outside of your primary residence you would have to register as a contractor. The reasoning behind this was even the people with the greatest intentions of fixing their own home or doing their own work, there are times that they are not able to accomplish the task and therefore aren't able to close their violations. We feel the necessity for a license and bond is rather important. If they couldn't complete the task, fix the violations, we'd be able to collect on the bond and assist in the process.

Councilman Lynch – So this would only happen when the small scale not homeowner but small scale owner had an inability to fix a violation, is that correct?

Commissioner Kulchytsky – We would only be going after the bond if such a thing occurred, correct. But they would still have to post a bond and get licensed.

Councilman Lynch – Forgive me for clarifying, these small scale homeowners, under the proposed legislation, do they have an initial opportunity to make any of these corrections themselves or are their hands tied as any large scale multi-home venture person would be? Do they have any freedom to address this on their own or it is right away?

Commissioner Kulchytsky – I would believe the way it is written, it would require them to become licensed to do the repairs.

Councilman Lynch – I don't know the appropriate procedure but if it is possible to add some sort of an amendment for a family home with a small grace period to try to address violations themselves first but still get the benefit of the intent of the legislation which I think is a good thing to have

President Holzheimer Gail – Mr. Kulchytsky or Director Frey, would there be a possibility to provide a waiver or exceptions in certain cases? If we were looking to consider some of those might we be better off to have a committee meeting on this?

Director Frey – There are many items that a property owner can do that are not permitted items, they are not under a building permit. This doesn't apply to that. It is those items that require a permit to do the work. I don't pretend to be an electrician. One of the examples we talked about was replacing a service panel. First of all it would be foolish of me to attempt to do that. But this legislation if I were doing it on my own home would not stop me from doing it, silly as that might be. But it would stop me from doing it

on a home that I rented out for instance to the Mayor. I'm perfectly capable of endangering myself, I should not be able to endanger by tenant. That's the point. Those things that require a certain degree of skill, which is why you need a permit to do them in the first place, ought to be done by people who have that knowledge and expertise and we want them to have a bond, we want them to be licensed to do the work, we want them to have a bond so in the event they don't do it properly we have some recourse for the benefit of the person who is living in that property.

Again foolish as it may be, our code and many communities' code would allow us to have this homeowner's exception to that permit if we are doing it on our own home so we can endanger ourselves or our family, we can't endanger our tenants if we are owning 2-3 properties. That's the point of this legislation. In those cases, that property is being held for income purposes and we're requiring as many communities do, that the work be done by only those individuals who are licensed, if it is permit-type work.

Councilman Lynch – Thank you for the clarification. Would this apply to a non-primary resident's home that is not being held for income purposes? Meaning if say your brother or grandson is living in the home, it is not an income creating property, what would be the scenario there?

Director Frey – It would apply to that. When this legislation was originally enacted in 1970 that's precisely, it allowed the exception of the registered contractor only for your primary residence. Somehow it got modified along the way, we're unsure why, and we're trying to get it back to the original intent of the council when it was enacted to apply solely to your primary residence.

Councilman Lynch – Then it would be my request to send this back to the Housing Committee to actually create that narrowly tailored exception so we can capture the benefits of what was the original intent of the 1970 legislation but still avoid large profit exploiting these loopholes.

Councilman O'Hare – I have no problem with this going to the Housing Committee. I think expeditiously we could draft in using the vacant property legislation as a bit of a model, we're definitions are clearly put the forward. The last thing in the world I want is the public to get the idea that some sort of notion to get out there, Euclid requires permit to change light bulb in your own house, which is not the case here. Mr. Kulchytsky did a very good job in drafting this and providing the context. I see many different nuances here, however and as Director Frey, you made a great point, you could pull a permit to put in your own panel in your own house and you still could do this under the legislation. It is not advisable either at your house or if the Mayor is renting out your house, whatever, it is not advisable. You would need a permit to put in a water heater, you don't need a permit if Councilman McLaughlin invites me over because the p-trap underneath his sink is clogged, you don't need a permit for that. We want to make that clear and I would recommend that we put this to committee and again we can recreate and put some definitions in this and move this through rather quickly.

Councilman McLaughlin – Thank you for the offer, I appreciate that, have been having some problems. I just want to know as a recourse, couldn't we have a certificate of occupancy, is that what we withhold if these things haven't been done? How do we know this stuff is going on?

Commissioner Kulchytsky – Typically the individuals that come in to pull permits for rentals for profit or for multi-units that they hold under their corporate umbrella, they come in and they use this exemption to pull the specialty trades, the permits for them for example and state that they don't need to have licensed individuals working on it because they are in fact the homeowner. Usually that is the point that we find out that there's an issue, ask them if they are the primary resident and they say they are the homeowner, this is a rental, so we're just aware of this situation. We don't withhold a certificate of occupancy for the work. We still release the permits.

President Holzheimer Gail – There seems to be enough questions and it would give us an opportunity to go over what requires permits, what doesn't and get clarification in a committee setting rather than tonight.

Councilman Lynch moved Ord. (030-12) to Housing & Building Standards Committee. Councilman O'Hare seconded.

Roll Call: Yeas: Gilliam, Scarniench, Jones, Lynch, McLaughlin, O'Hare, Langman, Van Ho, Holzheimer Gail.  
Sent to Committee.

**Res. 13-2012 (029-12) File Grant Local Government Innovation Fund**

A resolution authorizing the Mayor or his designee to prepare and file a grant application through the Local Government Innovation Fund which seeks to promote efficiency, collaboration, merger, and shared services among local governments. (Sponsored by Mayor Cervenik)

Councilman Van Ho moved for passage, Councilwoman Jones seconded.

Chief Brickman – The Resolution that we’re requesting tonight deals with the consolidation or a feasibility study surrounding the consolidation of a communication center for the multiple communities that are part of the EDGE or Eastside Department Group Enforcement initiative. In March 2011 the City of Euclid along with the cities of South Euclid, University Hts., Shaker Hts. and Beachwood, entered into an agreement by which services can be shared amongst these communities, law enforcement services. To this point in time we are implementing an emergency response team that will be able to respond to multiple communities, it is still in the training phase and not operational at this point. However the association has caused numerous meetings between the chiefs of these agencies where there are regular discussions on what efficiencies would make sense in terms of saving money and providing a high level of service for all the communities.

We have felt that it is possible for a regional communications center to be one of these such projects and at this point in time there is a local government innovation fund grant that is available that promotes regionalism and the efficiencies that I’m talking about and it is all about sharing services between multiple agencies.

There was a meeting here in the Council chambers on January 25<sup>th</sup> that dealt with regionalism and the initiatives that are out there. Part of the financial situation in the area has resulted in communities looking to create these efficiencies. Essentially what this resolution would do is permit us to move forward to conduct feasibility study. We do have a proposal for that presented by Cleveland State’s Center for Public Management, at a total cost of \$57,096. There is a match requirement from the communities, 10% and I have learned that would be shared equally amongst the five communities. Essentially it would cost the City of Euclid, \$1,150 to conduct that study. We do plan on submitting the application with your permission, with the resolution in place by March 1<sup>st</sup> and from there it should take approximately six months to complete, depending on the actual start date.

Councilwoman Scarniench – Chief, if for some reason we don’t get the grant, have the differences discussed the idea of still going ahead with this study and paying for the whole thing?

Chief Brickman – We have not discussed the individual communities paying for it. I have however talked with an official from Cuyahoga County who instructed me to contact him in the event that our grant funding is denied because the County is really interested in these types of dynamics and situations taking place. It sounded as if there would be the possibility of alternative funding if this didn’t come through for us.

Councilman McLaughlin – I know we’re at a low level but is our aerial tower able to communicate with a city like Beachwood?

Chief Brickman – It specifies in here, that is going to be part of the study, to find out radio systems, computer aided dispatch systems. There are multiple other issues that have to be looked at. Right now I could tell you that yes, there are repeaters and stuff that could be used but the practicality of it, I don’t know at this point in time, hence the reason for the feasibility study.

Councilman Van Ho – I think one thousand dollars out of our pockets is a very good investment if we could put this together we’re going to save manpower which right away it would be paid for. That’s about half a month’s salary. I would ask that everyone vote for this as one of the first steps in a long trail of regionalization.

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

Roll Call: Yeas: Gilliam, Scarniench, Jones, Lynch, McLaughlin, O’Hare, Langman, Van Ho, Holzheimer Gail.  
Passed.

**Ord. 14- 2012 (028-12) Hasrouni Municipal Parking Lot**

An emergency ordinance authorizing the Director of Public Service of the City of Euclid to enter into a license agreement with Hasrouni Investments, Inc., 22574 Lakeshore Boulevard, granting Hasrouni Investments, Inc. and its customers, tenants, licensees and invitees a non-exclusive license over one hundred–forty (140) municipal parking spots in the municipal lot at 22490 Lakeshore Boulevard, Euclid, Ohio. (Sponsored by Councilperson McLaughlin)

Councilman McLaughlin moved for passage, Councilman Lynch seconded.

Commissioner Beno – Beginning in 1954 the City of Euclid became involved in developing a shared municipal parking lot in support of businesses along Lake Shore Blvd. In the mid-1970's the city made improvements to the lot and began granting rights to various businesses to use the lot through non-exclusive licensing agreements, similar to the type you have before you tonight.

The parking listing in the ordinance will accommodate both the first tenant being talked about which is a sweepstakes café as well as two future tenants, a restaurant and a tavern in the building. Passage of this ordinance is recommended to allow Mr. Hasrouni to reoccupy a building which has been vacant for several years. This re-use of the building should help in bringing commercial activity, both during the day and evening hours to a building which will support the city's goal of promoting the downtown area as a lively multi-purpose commercial district. I'd be happy to answer any additional questions council may have.

Councilman Lynch – I just wanted to humbly say for the record that I wasn't on Council in November 2011 when the city decided to lift its moratorium on sweepstakes cafes. I don't necessarily think it is the best thing or the best direction for the culture of the city and businesses in the city, but that said, that's done and finished and through and I'm very honored that Mr. Hasrouni investments is here on Lake Shore Blvd. and putting its care and energy behind making downtown Euclid a success, so I will be happily supporting the legislation.

Councilman Langman – Mr. Beno or Director Pietravoia, for the prior business that was in that space, did they have an agreement such as this for their parking needs?

Commissioner Beno – In fact the prior tenants had written agreements with the Al Paul Car wash and the Crobaugh funeral home which was across the street at the time. Then there was also the municipal parking lot. There is a long history of this building using the municipal parking lot but in fact they had a kind of double coverage on their parking in the past. Those two businesses are no longer, well the Al Paul car wash is still there but those agreements have expired.

Councilman Langman – This is, for the residents out in the audience and at home, this is fairly common with businesses in that strip?

Commissioner Beno – Yes it has been for quite sometime.

Councilman Langman – Director Pietravoia, obviously our downtown plan as we move along with it, one of it is to create what they call an alleys through that municipal parking lot which would eliminate certain parking within that area. Is there any problem approving this agreement with those future plans?

Director Pietravoia – The physical changes to the lot to create the walking areas to beautify the lot for the most part would not reduce the parking, it would probably help to better organize it. There is a potential in the plan that we adopted for downtown to see some actual development in the future on a portion of the municipal lot. If that were to occur, we would need to the plan even recommended we would need to probably replace some of the surface parking in parking structures, similar to what they have done in Coventry and other areas where the demand is there for a parking structure. The agreements are in place. We would have to work with the current owners of the various buildings, if we were to remove surface parking to replace it elsewhere, either in a structure or somewhere in the vicinity.

Councilman Langman – But there's no impediment approving this to us moving forward with any of that?

Director Pietravoia – Not that I can see in the way the agreements have been written. As Mr. Beno indicated they're non-exclusive so even though we're granting rights to Mr. Hasrouni in this case, it doesn't take away the right that anyone else from the public to park in those same spaces.

Councilman Langman – So if I go to the theater over there, that's perfectly legal?

Director Pietravoia – That is correct. They also have an arrangement that is still on the records for use of the municipal parking lot.

Councilwoman Jones – Director Pietravoia, so does this agreement, as far as maintenance of the lot and the spaces they will be using, who will be maintaining that as far as snow removal, any repairs that need to be made? From what I think you were saying from Councilman Langman's question, this would more or less be open parking, but these businesses would be able to use that parking additionally. If this agreement wasn't in place, would those patrons of those businesses still be able to park there anyway?

Director Pietravoia – To the later part of your question, which patrons are you referring to?

Councilwoman Jones – To the new businesses that are moving in.

Director Pietravoia – Yes they would be as a member of the general public they would be permitted to park there, but the property wouldn't have the proper agreement in place that meets our code for parking. This in essence would take the place of having their own parking per our code requirement.

Councilwoman Jones – As far as the maintenance of those sections?

Director Frey – This agreement doesn't change that relationship, it is a municipal lot. We plow it, we repair it, we stripe it from time to time. As Director Pietravoia indicated there are probably some improvements that we could and should make to that lot as funding is available to better organize it. This doesn't change any of that. We have a number of these arrangements in essence to fulfill the requirement under our zoning code that there be adequate spaces. There's no rent charged for that arrangement. It is part of our economic development for that retail business community, much the same as we have across 222<sup>nd</sup> Brock Court and some of the parking the city maintains there. Same as we have on 260<sup>th</sup> Street by the municipal garage, we maintain parking at a restaurant on 260<sup>th</sup> St. uses. We have a number of these places where the city as part of its economic development for its business community, its retail business community that we provide parking and maintenance of those parking areas. This isn't any different.

Councilwoman Jones – I know we had talked about this parking lot once before and about the driving patterns through the parking lot and maybe this is the improvement that you were speaking of. It is more of less free-form driving, there's no lanes that you go across, it is just wherever you want to go you just drive across that section. With the new businesses coming on board and using some of these sections of parking, are the improvements you're speaking of making more driving lanes through the parking lot?

Director Frey – There are driving lanes. The fact that additional use may help better define those to orient people to the traffic lanes that exist. There are painted lanes of travel in and out of that lot or across the lot from 228 and so forth. I understand, the free wheeling approach is often times because there's lot of empty space there and maybe as that lot becomes used more, we hope that it becomes used more, that it will give that a little more definition but it maybe a case that we're going to have to invest in some striping in that lot, that's an expense we've tried to keep to a minimum in the striping in that lot but it maybe as we see that we have a lot of activity, it maybe incumbent upon us to do that.

Councilman Gilliam – Director Pietravoia, I'm looking at the license agreement and clearly states in #13 that this license shall be binding to anyone who succeeds the owners of this particular business and also anyone they assign it to. Just for the public and just for clarification, if this particular business were to sell this business to another entity or assign it to another entity, they would have to go through the same registration and same investigative process to actually take ownership or to be the assignee, correct?

Director Pietravoia – I would have to defer to Director Frey in the question depending how the specific language of the agreement is written. Some of the older agreements do allow an assignment to a future tenant or owner. We have that option as we prepare the agreement whether to include that or not.

Director Frey – We did not make such a provision in the first draft of this agreement for this parking. We made it specific to this user for this business. It is something we certainly could consider. We did provide in that first draft that not only is it non-exclusive but there would be cancellation timing in there in the event we had other use for that property. We're attempting to protect ourselves for the issues that Councilman Langman brought up. We can look and see, it maybe better for us to have the licensing agreement solely with this property owner and if we have a new property owner, enter into a new agreement.

Councilman Gilliam – I think that would be prudent but I'm not an attorney, that is just a suggestion, thank you.

Commissioner Beno – I believe that the sweepstakes café license which Hasrouni investments would also hold is non-transferable. There would be all of those reviews and provisions at that point in terms of a transfer attached to the café license, not attached to the parking lot license.

Councilman Gilliam – But if I read a memo correctly there's supposed to be three different types of service businesses, the internet sweepstakes café, a tavern and a restaurant, am I correct or incorrect?

Commissioner Beno – That is correct. Under the way this is written, the tavern for example could change hands, or the restaurant could change hands without coming back to review this provision. If the sweepstakes café were to change hands, it would not come back in relation to parking but it would come back in terms of its sweepstakes café license.

Councilman McLaughlin – I have great optimism that Mr. Hasrouni patrons will fill those parking spots up and therefore I am in support of this ordinance.

Councilwoman Jones – Director Pietravoia or Director Frey, this is an emergency ordinance why? Is one of these businesses ready to open or why is this considered an emergency?

Director Frey – The reason is in the application process we had given ourselves 30 days to approve or disapprove or require additional information from the applicants. These are businesses that are ready to go but they can't invest in their properties or equipment prudently until they know that they have all of these hurdles covered. It is to get the businesses going that we drafted this as emergency legislation.

Councilwoman Jones – While the gentlemen are here regarding that property, maybe they could take a few minutes to give an overview of what their next steps are once this is approved and what their business plans are.

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

President Holzheimer Gail – Mr. Hasrouni and your representative would you like to approach the microphone. Councilwoman Jones would like to give you the opportunity to fill us in on what your next step after this and a little bit about your business plan.

Mr. George Hasrouni – 2386 Michelle Court, Willoughby Hills. The next step is basically to pull permits and start remodeling, get the process going. This is what we were waiting for to get approval, get this venture going and this is what is stopping us right now. With your approval will get this whole package unfolded.

Mr. Boukis – All three businesses would be open this year, hopefully within the next 3 months, the first one would open.

Mr. Hasrouni – Hopefully by three, six every business in probably two months. By eight months everything will be all open if no problems occur.

Councilman Gilliam – Just out of curiosity with the internet café do you have an estimate of what your total investment would be for that?

Mr. Hasrouni – With the equipment?

Councilman Gilliam – Yes.

Mr. Hasrouni – Probably around \$150,000.

Councilman Van Ho – I would like to have my name added to this but also because I think we should all be very happy. We've got a man who has had a business here for 17 years who just wants to move down the street but he'll have to add employees because he'll now have three businesses and that building has been vacant so let's let him fill it.

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

Councilman Langman moved to suspend the rules, Councilman McLaughlin seconded. Yeas: Unanimous.

Roll Call: Yeas: Gilliam, Scarniench, Jones, Lynch, McLaughlin, O'Hare, Langman, Van Ho, Holzheimer Gail.  
Passed.

**Ord. 15- 2012 (025a-12) Amend Code Chapter 1763 Vacant Property Registration**

An ordinance enacting Chapter 1763 "Vacant Property Registration" of the Building and Housing Code of the Codified Ordinances of the City of Euclid to create a Vacant Property Registration. (Sponsored by Councilpersons Holzheimer Gail, O'Hare and Van Ho) (Recommended for passage as amended by the Housing & Building Committee)

Councilman O'Hare moved for passage, Councilman Van Ho seconded.

Councilman O'Hare – As been chronicled before, this has been a long process and it has been a wonderful committee, it pre-dated my council term in December 1<sup>st</sup> by 8-10 months or maybe longer and to me has been a model of what you would call a public/private partnership of gathering people from multiple professions, multiple vantage points, multiple parts of the city, to craft a piece of legislation that addresses a critical item in our community which is the housing crisis in general but vacant properties which drag everything else down including people's emotions and their spirit let alone their finances and how they value the community. This is a leading step to that. We're joining with a select few but growing number of municipalities, we are taking steps so I wholeheartedly ask for everyone's support on this legislation.

President Holzheimer Gail – I want to thank Dr. Brian Mikelbank, Barb Pistillo is also here and a member of the committee and Marty Castelletti. The committee has worked very hard, Councilman Van Ho has been an ad hoc member and there's a number of people who have been working very hard on that committee to look at models of best practice so to speak, how other communities are handling this starting from identifying the issue, looking at identifying solutions and bringing forward this legislation to our committee. I want to first of all thank them for all their hard work. I also would like to thank the Housing Committee for their diligence in reviewing this at the Housing Committee and I think we had most of the questions answered there. Also thank Kelley Sweeney and the Law Dept. and Housing Dept. for their work in helping to get this moving forward as well.

It does a couple of things and certainly is by no means to be the end all be all for our housing crisis, but it is one tool that we have that will help in addressing the issue. To me it does a couple of important things, it helps create a registry so we will be aware of all the vacant houses and that helps from the perspective of making sure we can watch those houses, making sure they are being maintained. Safety forces know which houses are empty, neighbors can help us in that regard. It also puts the owners to be responsible for creating a plan to maintain it. So whether it is as simple as who is going to cut the grass and how often or making sure that the violations are repaired so it doesn't look vacant. Vacant properties do impact the rest of the houses on the street and the community as a whole so we felt it was important to get a handle on this.

We went over all the details in the Housing Committee so I won't go over all of those but it does put the responsibility on the owner and it does provide exceptions for those people who are trying to sell their house or for those folks who maybe have inherited a house. It will hold the banks responsible as well. I would like to ask Asst. Law Director Sweeney if she would like to make some remarks or briefly explain from the Housing Department side the legislation.

Asst. Director Sweeney – As Councilman O'Hare said, this took a lot of effort from the Foreclosure Prevention Committee, months they worked on different kinds of projects and this is one concrete piece that is coming out of their meetings. I went to a couple of their meetings along with some housing inspectors. We looked at different cities' codes. Talked to people from different cities. Painesville came in and chatted with us. Also I looked at some law suits that have been filed over vacant property registrations and we don't want to make the same mistakes other cities have made. We're a little bit conservative, but I think that's okay.

As Council President stated, we're getting the banks and the property owners to register these vacant properties. They're coming up with a game plan for either rehabbing the property or getting a point of sale done and keeping the exterior of the property well maintained. That is what is important, not that we're not concerned about the interior of the properties, but the exterior is what affects the neighborhood. As also Council President stated, we do have some exemptions that we will consider. In a situation of a probate estate, or a two family property where just one half is occupied by the owner. Any kind of exception we will take into consideration if it is one that we have not thought of already.

Basically we just want to make sure these vacant properties stay neat and tidy on the exterior and the property owners have a plan for rehab and getting that house on the market to somebody who is going to take care of it. I'm happy to answer any questions that we did not discuss at the committee meeting.

Councilman Gilliam – Asst. Director Sweeney, I was sorry I wasn't at the committee meeting, but I just have one question. The \$200 registration fee, I just don't know how that is an incentive for a family who may have lost income to leave a home and pay \$200 and say hey, I just lost my home. I have a concern about charging someone. We have landlords who reside in the city and outside the city that own investment properties that we sometimes have to catch because they do not pay the \$200 registration fee for a rental property. I kind of think \$200 is punitive for the average family person. If it was a company or a business, I can see the possibility of registering, but for individuals who may have lost significant amount of income, lost their job or just plain have a house that is underwater, what is going to be the incentive for them to pay \$200 when they're struggling to pay their income tax, property tax, even a mortgage?

Asst. Director Sweeney – That potential situation could be covered by one of the exemptions. We do have an exemption if the house is for sale with a realtor or by owner and they do have a point of sale on file. The point of sale inspection is \$225. I think the \$200 is also reasonable considering the number of inspections we have listed, we have expected of the inspectors. They have two exterior inspections every year and of course with every interior inspection there is a follow up inspection. There's clerical time, so the \$200 I believe is a very reasonable fee.

Getting back to the exemption, if they pay the \$225 for a point of sale inspection, they don't have to pay the \$200 while the property is vacant. We still expect them to upkeep the property but as long as the house is on the market either by themselves or through a realtor and there is a valid and current point of sale, they would not have to pay that additional \$200 for the vacant property registration.

Councilman Gilliam – Thank you for that explanation. I do see that in the exemptions, but I guess this only applies to those who are being conscientious who want to obey the law. There are significant number of homes all across this city where individuals have walked away from and have no intentions of complying with this. I still wonder the responsible homeowner who is trying to follow the rules, gets a \$200 fee unless they pay for a point of sale inspection, which I completely understand the point of sale inspection is actually correct. So they are being exempt but I just have trouble how we're going to enforce a significant number of people who potentially will walk away. I'm not saying it is a bad idea, I just feel like at this point, that fee just draws a lot of different areas of concern for me but I respect your opinion and I respect the opinion of this committee with this particular legislation. Thank you.

Councilwoman Scarniench – Asst. Law Director Sweeney, is the point of sale inspection good for a year?

Asst. Director Sweeney – It is. We have given people a little extra leeway. We're not looking to collect another \$225, the 366<sup>th</sup> day of the year. If somebody does have a potential buyer, we have given people two to three months grace period if they have a buyer within a short period of time after that point of sale has expired.

Councilwoman Scarniench – I know a lot of people that I've talked to have said they're not going to get their point of sale inspection until they know they've got a buyer because of the length of time that they have to turn around and have it done again. Have we considered extending that time?

Asst. Director Sweeney – Our code does not say they have to get a point of sale at the time they put the house on the market. They have to get a point of sale inspection at the time they are going to enter into an offer. People have waited a little bit of time and that's okay.

Councilwoman Jones – Asst. Law Director Sweeney, this goes along with Councilman Gilliam's question, how will we handle going forward those properties that either are empty and abandoned because I had to leave my house and go live with my family because I can no longer stay in my house. I can't sell it right now because of the housing market but yet I don't have the money to put up for the registration fee. I know you mentioned exemptions, I think there was something in here about a time period that a house has to be vacant?

Asst. Director Sweeney – Correct. It is 90 days under 1763.09. We don't even ask them to comply with the vacant property registration for 90 days. Also under the definition section in 19763.03 D7. It has to be unoccupied at least for a period of 90 days before we'll even enforce this code section.

Councilwoman Jones – I understand the intent of this ordinance and I agree with it to get those empty properties that are falling in bad shape, up to looking nice for the neighborhood. I'm just wondering is it going to be an administration hassle for those that are not complying and not paying that registration fee as far as how do we go about collecting that. Is that something that is assess on their taxes or how will that be handled?

Asst. Director Sweeney – Just like with the rental properties we’re going to enforce it with summons and then a warrant if they do not comply. We’re going to treat them exactly like the rental properties. I usually send them a notice, give them a couple of weeks to pay for their rental registration. If somebody calls me and they need a little more time, I’m happy to give them a reasonable extension. If they completely ignore my letters, I then send summons for them to appear in the Prosecutor’s office. We then get a compliance date from them if they appear, again giving them a little more time. If they do not appear, I give them two notices. If they don’t appear after the second one, then we issue warrants and that’s a matter for Judge LeBarron. They will be treated the same way just like the rentals, in the same manner.

President Holzheimer Gail – One of the intents of the Housing Committee and also the staff who will be helping to organize and administer this program have been that we have a review of it after maybe six months the first time and another six months to review. Is it accomplishing what we hoped it would accomplish, but also we can address some of those issues if they come up. Bottom line is if you own a home, you’re responsible for that home. If you are losing your home or walk away from your home, then the bank will be responsible. Somebody needs to maintain that home, whether that happens through putting it on their tax duplicate or unfortunately that’s the reality in some cases. The benefit to the community is we need to do what we can do to make sure our property values are staying strong.

Councilman O’Hare – I would like to close with some of the logistics of how we’re going to find these and so forth. We talked about this extensively in the committee meeting. It was our belief and again I’ll reiterate, we are committed to looking at this again in six months. Six months from now the first vacant houses may have been only two months into this. It will be really very slow moving but appropriate. We believe the houses will find us. Chief Brickman is not going to issue special patrols to find vacant houses. On the other hand, we will get comments from neighbors, this house has broken windows, this house is un-kept, the doors open and so forth. Those are legitimate concerns as part of the cost of owning a house and it is not going to solve the people who have lost their income, have all kinds of personal issues, it is not going to solve that. It is no panacea but it will help stabilize a neighborhood and that’s what it is intended to do.

President Holzheimer Gail – That is a fitting closing comment. With that I’ll take a motion to close debate

Councilman O’Hare moved to close debate, Councilman Langman seconded. Yeas: Unanimous.

Councilman Van Ho moved to suspend the rules, Councilwoman Scarniench seconded. Yeas: Unanimous.

Roll Call: Yeas: Gilliam, Scarniench, Jones, Lynch, McLaughlin, O’Hare, Langman, Van Ho, Holzheimer Gail.  
Passed.

**Ord. (018-12) First Reading**

A ordinance amending Ordinance No. 112-2000, that established sewer rental and other related charges and authorized sewer service agreements, to reflect new sewer usage rates. (Sponsored by All Members of Council) (From Service Committee)

Councilman McLaughlin moved for passage, Councilwoman Scarniench seconded.

President Holzheimer Gail – This is a first reading. Director Frey did you want to make any comments?

Director Frey – We will continue to take comments. We are working on putting together the information sheet. Councilman O’Hare has been helpful in helping us get that drafted so that we can get that information sent out. We continue to discuss the rate structure with our consultant Bob Fink from Maximus. As we get more information, we will certainly share that. Hopefully by the 21<sup>st</sup> of February or if not, the first meeting in March that we are ready to go for final action on these.

President Holzheimer Gail – Director Frey, you mentioned a letter or a briefing sheet, is the plan to send that to all residents?

Director Frey- That was our intention, yes.

President Holzheimer Gail – Do we have an idea of when that will be complete? The reason I ask is we're going to have a second reading and third reading, and I want to make sure there's ample notice for people and opportunity to hear the presentation.

Director Frey – That is our intention as well. I know that Ms. Mayernik has been working on the draft the Councilman sent over and we'll get that worked up. We hope to be able to add some graphics to it and explain just where we're going and get that out in the very short term to the residents.

Councilman Langman – Law Director Frey at the committee meeting you said the deadline would be the second meeting in February. Has your opinion changed?

Director Frey – That would be my preference would be the second meeting in February. If Council's not prepared to act on it at that point in time, then we can't make those rate changes. If it's the first meeting in March then that's what it is. Every meeting that we go later, the chances of getting those rate structure in place with the Cleveland Water Dept. for billing becomes more difficult to collect second quarter revenue. That might require a small adjustment before we finally act on the rates. Or it might require us to engage in additional borrowing to get the projects going that need to get started in 2012.

Councilman Langman – You don't have a firm date where they have to be at Cleveland Water Dept., has to have this information to put on for the second quarter?

Director Frey – We were working, trying to get that deadline date from Cleveland Water Dept. to work backwards from that from a legislative point of view. We have told them that the legislation may not be to them until the beginning of March. All they're willing to say to us is that they will try to have that rate change in place in time for second quarter billing.

Councilman Langman – It is not very comforting.

Director Frey – It is not. It is part of that ongoing frustration with working with Cleveland Water on these type of projects.

Councilman Langman – Honestly I don't see how we can approve this at the next meeting, there's no way. People need information as to what they're actually buying for the money they're going to pay and to say that we're going to have all of that out to them in a couple of weeks, I don't see that.

Councilman McLaughlin – I'm not sure who to direct this to, perhaps Director Frey. Do we have a letter of intent from the US or OH EPA regarding approval of our long term control plan?

Director Frey – The long term control plan is still under review at US EPA. What we have approval to do is to go forward with the clarifier portion of the project at the facility. We do not have approval to do any of the other capital projects associated with the treatment or collection system at this point.

Councilman McLaughlin – So is the money that these ordinances are going to cover, is for the Waste Water Treatment upgrades and the additional work to stop the sanitary overflows and combined sewer overflows, is that correct?

Director Frey – There are several components. The physical improvements at the plant and in the collection system. It is to offset the reduced consumption. It is to increase the amount of maintenance that is done in the collection system. Those three areas are areas that will all have to be addressed and are addressed in the rate structure that's been proposed. Obviously a portion of that, the reduced consumption has nothing to do with US EPA, it's reduced consumption. It is the very same problem that Cleveland Water is having with water consumption reduced. Capital costs and operating costs are spread over a smaller billable base, driving rate increase. That's a portion of this. The maintenance in the collection system is a Euclid specific component and that is to more frequently camera the lines to make the repairs to jet the lines as needed in problem areas to map all of that data so that we know where the problems in the collection system exist and so that we can address those either through additional maintenance or repair work as needed.

The final portion, the portion that is paid for by Euclid and the outside communities is the capital improvements to the plant, including those clarifiers. That's the only portion of that we are cleared to move forward on with EPA at this point.

Councilman McLaughlin – So is this letter that we're working on a draft to send out to citizens, is it just regarding what we've been approved for which is for the clarifiers?

Director Frey – It would explain all of the rate increases that we've proposed.

Councilman Lynch – Two comments. First I would like to reiterate the sentiment and the request that we do have the letter sent to the residents before there's an actual vote on this. I think just a matter of fair notice and this just sitting better with people, it's really obligation on all of us to provide that notice before the vote. My second comment is to say that what we're dealing with this, either \$60 or \$90 million work is really federalism at its worst in that this is an unfunded mandate that the City is going to have to foot, at least what we're budgeting is about a third of the bill. The timing couldn't be worse. Now I understand that the administration is going to be doing its good faith effort in pushing the State and the Federal government to get as many grants and low interest and no interest loans as possible. But the other side of this that I think needs to happen is there needs to be a political push back as well. When Senate Bill 5 was going on, this council passed a resolution that formally stated that it didn't sit right with us and the same effort should be done here. If the federal government is asking, strapped municipalities to finance what could be \$30 million of a \$90 million project, they need to understand that the timing couldn't be worse. The residents of Euclid value the lake and value clean water and are willing to do our fair share. But when we look at the Lincoln Electric, the first item that was on the agenda today, we are putting in \$250,000 for a \$20 million project and the federal government wasn't even involved. I think a ratio much closer to that would be what's moral and what's just. That's not always what happens in politics but it is our responsibility as a political body to voice that concern. We maybe just one voice, one small inner-ring municipality but it has to be done, so I would request the Council at the same time we vote on this we pass a similar resolution stating our dismay or at least our unhappiness at having to foot such a large percentage of this project we're going to be paying for it, financing it for almost 40 years. The timing couldn't be worse. Although it is an important project and I think it needs to get done, for federalism to work municipalities have to exercise their political will, otherwise everything is going to be put on us. That's my request, I think it will sit better with residents as well. We're asking a lot and it goes a long way for residents to feel that we're fighting for them and we're speaking up on their behalf. That would be my request that we give some notice and we also pass a resolution at the same time stating our concerns as a city.

Councilwoman Scarniench – As soon as the letter prepared, in theory we could actually have that letter prepared and ready to go out before this week is over. If we had those public meetings in there, in theory we could pass this at the next meeting if all worked out right. If we didn't, there is nothing that says we couldn't have a special meeting so that this gets done and to Cleveland Water in time, is that correct?

Director Frey – Certainly Council can call a special meeting if that's necessary. We maybe running into our budget hearings.

Councilwoman Scarniench – This is an important thing and we do have to let everybody know. They all have to have the opportunity to come hear why we have to do this and go forward from there. Thank you.

President Holzheimer Gail – We will get that letter as soon as possible. I would ask that be sent to all council members as well. Many have email lists that they use. I would ask residents to watch both the website and the letter for opportunities to come to a public hearing. This is a first reading and I believe it is important to have three readings, whether that's a special council meeting or whether that's the first meeting in March, we can decide. We will consider this a first reading.

**Ord. (019-12) First Reading**

An ordinance amending Ordinance No. 231-2008 establishing the incremental rates to be added to the sewer service charge to provide sufficient revenue to fund new sewer construction and control inflow and infiltration in the sewer system within the City of Euclid. (Sponsored by All Members of Council) (From Service Committee)

Councilman Gilliam moved for passage, Councilwoman Scarniench seconded.

President Holzheimer Gail – This is a first reading. Any additional comments Director Frey? I think you addressed them the first time. We will consider this a First Reading.

**Ord. (020-12) First Reading**

An ordinance amending Ordinance No. 133-2005 establishing the rates required to finance necessary street resurfacing and repair in conjunction with waterline replacement and repair within the City of Euclid. (Sponsored by All Members of Council) (From Service Committee)

Councilwoman Jones moved for passage, Councilman Lynch seconded.

President Holzheimer Gail – This is a first reading.

That completes our legislation and brings us to the Committee of the Whole. I will remind everyone here that after the conclusion of our meeting, the Mayor will be giving his State of the City Address so please stay tuned and stay with us for that.

#### COMMITTEE OF THE WHOLE

Mr. Bud Hilf – 891 E. 237 St. I'm here to talk about the Relay for Life of Euclid which I am a team captain and a member of the Relay Committee. The Relay this year will be June 9<sup>th</sup> & 10<sup>th</sup>, starting on June 9<sup>th</sup> at Noon and going until 10:00 on Sunday morning at the Euclid High School Football Stadium track. This will be our fourth year for the Relay. Last year we raised over \$60,000 beating our goal by over \$12,000. This year they have set a much higher goal and so we are looking for more people to join us. As of last Thursday we had made it up to 11 teams, including several new ones. We're still looking to get some of the old teams back and we're still looking for new teams. A big thing that we're looking for is survivors. One of the things that we do at Relay for Life is celebrate survivors at the beginning of the Relay. The first lap that is walked at any Relay for Life is done by cancer survivors and those that are currently battling to beat it. It is a very emotional time, they do the first lap and then they have a lunch or dinner for them. We will be having a lunch for them afterwards. They get special t-shirts and they get recognized as there to support them and let them know that there are people thinking about them, trying to do things to make things better for them and let them know that they're not in this fight alone.

We are also looking for sponsorships, so if you're out here watching and you own a business or you know somebody who owns a business or you happen to be lucky enough to have a large bank account, we're always looking for somebody to give donations and be a sponsor and you can have your name in the program or on the t-shirt and have banners put around the track.

This year our theme is going to be Rock Around the Clock. A music theme where every team is going to have some type of music theme and that's going to be last year Holidays, this year it will be music. The big thing this year will be our Kick Off. We will be having the Kick Off for the 2012 Relay for Life of Euclid, will be held at the Euclid Library on Saturday, February 25<sup>th</sup> from 12-2. We will have a table in the lobby. We will be signing up teams and giving out information about the relay. You can start a team, you can join a team, you can make a donation. If anyone starts a team or joins a team that day there will be prizes given out as well. This is a great event and we had hundreds and hundreds of people there last year and that was only our third year and the first year as a committee to learn what we were doing. We're really looking forward to it this year. We think the Saturday to Sunday is going to help us a lot more and we're looking for a great turnout from the City of Euclid because as my 11 plus years in the city I've learned that when Euclid holds an event, especially something that helps people, the residents of Euclid come out and show in force and I'm hoping that continues as it has in the past. If anybody wants to contact me with any questions or information, go to our relay website which is [www.relayforlife.org/euclid](http://www.relayforlife.org/euclid). Or just Relayforlife.org and put in your zip code and it will find our relay. My email address is [shorereport@yahoo.com](mailto:shorereport@yahoo.com) or call me at 216-978-2419. Thank you.

Mr. Raymond Tylicki – I live on 185<sup>th</sup>. My concern here is I'm a casual observer I travel in and out of the city a lot and sometimes I spend more time out of the Cleveland area than I do in the Cleveland area. If anybody got a chance to watch the Superbowl, one thing that touched my heart was the half-time in America ad with Clint Eastwood. I think it is time that if you're looking at the greater Northeast Ohio Cleveland area, it is half-time for us too.

If you pay attention to some of the scandals that are going on and I'm reading the writing on the wall and you guys should as well. All these guys, Russo, Dimora, all this, they grew up in conservative, Catholic, good kids and they were good kids, we didn't see this coming. All of this has been coming around for a long time, however very quietly. But as someone said, do you believe in conspiracy theory; no I said I believe in conspiracy fact.

There's pressure across the country, the handwriting is on the walls, for the little burbs of Euclid, South Euclid, Maple Hts., Garfield Hts., Parma, it goes on and on and on. The pressure from the banking community and Warren Buffet whose newspaper in Buffalo, NY has been pushing for something called regionalism. It is interesting we've gone from a three man county commissioner system to a council system. The pressure is on that the movement is going to say why do we have 55 different little suburbs with 55 different little credit ratings; 55 different little. It is time to start merging some of these, dissolving them or moving towards a more regional government. We can go one of two ways, we can do the positive regional government like Toronto and Seattle and Portland, Oregon. Or it can go the opposite way and that towards a bad regional government system such as Detroit has. Something must be done because it is going to come to the point, I understand the history of how these little suburbs evolved based on the drawings along ethnic lines, but I don't think is sustainable. It is time that we put aside our differences in considering merging some of these little suburbs like Garfield and Maple Hts. seem to be an obvious one. Euclid and Euclid Hts. seem to be an obvious one. Together as a whole we can get a much better bond rating and a much better issues of sharing some of the same resources. Just because

somebody lives on one side of 185, we use both sides of 185. I use stuff in Eastlake, I use stuff in Lake County, I'm all over using all these resources and putting together a more regional form of government so the cities can work together.

My question is, as it stands now, do all the Mayors of Cuyahoga County, do they meet periodically to work out little differences among each other? That's my question and my comment is, do you think there's going to be a time when with our dwindling population that we should seriously consider merging some of these suburbs together into larger political units. Thank you.

President Holzheimer Gail – I know the Mayors and Managers meet, I don't know Mayor if you want to address this.

Mayor Cervenik – The Cuyahoga County Mayors and City Managers meet once a month and they always have good attendance. There are four communities in the Mayors and Managers association that are looking at just what you're talking about, as joining and becoming one community. They are doing a study on that right now. There's also the Northeast Ohio Mayors & Managers Association, which is an off-shoot of the original group I mentioned. There's also the First Suburbs Consortium, which I was just re-elected the Chairman, where we have 19 inner-ring suburbs around Cleveland and we are looking for ways to do things together. They have talked as well about doing things together and possibly somewhere down the road, how do we bring these communities together. I guess I need to give credit to the new County government because they've been speaking that kind of strategy since they took office over a year ago.

President Holzheimer Gail – I think it is worth noting too, Councilman Van Ho and I would suggest that you get the minutes from our last, we created a new council committee this term call Regionalism/Collaboration and Councilman Van Ho is the chairperson and we held our first committee meeting a week and a half ago the 25<sup>th</sup> of January. The minutes are available and what we did at that meeting is talk about some options, talk about some steps that we as a city have already taken. We passed tonight the opportunity for the Police Dept. to be part of a grant to look at a regional dispatch system. We have taken some steps. This Council, the Mayor and administration is committed to looking at all possibilities and being creative and brainstorming in that direction. I would suggest anyone who is interested start by looking at that committee. The minutes from the committee, or watch it, they are available on the Library website and available through the Council office. We had one meeting so far and Ed Jerse who is the Director of the Regional Collaboration for the County came and spoke to us. It was a good start and appreciate Councilman Van Ho's work at that. Thank you for your question.

Seeing no further public comments, I want to welcome there's a member of Boy Scout Troop 61 who has joined us tonight, thank you for coming. We'll start with Council Members comments.

#### COUNCIL MEMBERS' COMMENTS

Councilman McLaughlin – I just wanted to let everybody know that I would like Ward 5 residents as well as other residents if they're interested to email me at my City of Euclid address, I'm getting together an email list so I can do a blog and a mass emailing.

Also I would like to encourage anybody who would like to start a neighborhood association you can contact me via email or contact Kristal Grida at the police department. I encourage you to do so, I will be seeking out people that I know in the ward and see if they'll step up to the challenge. I think it is a great way to keep everybody informed of what is going on in the city and it helps encourage neighborhood involvement. It doesn't always have to be about sewers. It can be a potluck dinner which I will be attending this Thursday. That's all I have thank you.

Councilman O'Hare – I want to reiterate about the opening of Southern Fusion Restaurant. For all of us who think maybe the American Dream is dead or maybe we truly are at half-time or whatever, stop by and visit your host Muriel and Ed Riggins. There is the grand opening, but don't just focus on that day, it is what comes afterward. That applies to a variety and number of Euclid businesses, good people who are doing good things and they are part of our community. It is very important to do that.

The Euclid Pony League which is now over 50 years in operation in Euclid, they're having registration. It goes through February and March, it is on the website. We'll give more details at the next meeting as well.

I concur about the regionalism. We'll look for and listen to Mayor's additional ten pages in his State of the City Address. Thank you.

Councilman Langman – Director Bock, an update, have we heard back from ODOT regarding the crosswalk issue at 242 and Lake Shore?

Director Bock – I have not heard back from them on that issue. I am scheduled next week to meet with ODOT on some other matters and I will definitely bring that up.

Councilman Langman – I would like to wish my Dad a happy 84<sup>th</sup> birthday on Thursday. With that I'll say goodnight.

Councilman Van Ho – No comments.

President Holzheimer Gail – I would like to thank the Chardon Hills Neighborhood Association who invited me to speak at their last meeting. I really do enjoy meeting with the neighborhood groups and look forward to any opportunity that I have to do that.

Just a reminder our next Council meeting due to the President's day Holiday will be Tuesday, February 21<sup>st</sup>. City Hall will be closed on the 20<sup>th</sup> for President's day.

Councilman Gilliham – Director Frey I have one question I'd like to be answered at the end of my five minutes. As far as the status of the towing contract, where are we at right now, has there been any recommendations or are we still in the process of determining how we move forward?

For residents of Ward 1, Thursday, February 16<sup>th</sup>, 7 PM at Central Middle School, we will have a safety meeting with Sgt. Mike Knack of Community Policing. He'll be able to answer questions and offer some information that will empower the residents to know that the police are doing a great job of addressing some issues and also providing some new information about upcoming potential plans in the near future of 2012.

The last thing I want to bring up is I read a very disturbing study from Case Western Reserve University talking about poverty. Realistically poverty is happening all over the United States, but sometimes it is intensified in certain areas. One of the things that I read was most of people who are living in poverty, in fact 57% do not live in Cleveland any more, they've moved to the suburbs. We are dealing with that situation right here in Euclid because Euclid is one of the top five cities to increase in poverty in the last five years. There were a lot of different variables but the most common ones were unemployment, a decrease in income and the cost of living in the city. I just want to compel the administration and council to look at ways that we can possibly, possibly not be in the top five for increasing in poverty. There are similar cities, Lakewood increased, Cleveland Hts. increased, just in close proximity of Ward 1 on the west side of Euclid, you have the Collinwood area that increased and you also have the Euclid Green area of Cleveland that increased which is right adjacent bordering to the southwest border. I have some major concerns, I'm sure we all have major concerns. One of the things that I just want us to be mindful of is sometimes we have to look at what we're doing to either decrease it or what we're doing not to stop it from increasing. With that being said, I'll say goodnight, I definitely want to hear the State of Address, but Director Frey could you answer that question about the towing contract?

Director Frey – Capt. Savage from the Police Dept. has taken the information that Councilman Van Ho provided from his experience with contracting and bidding at RTA and the questions or concerns that he raised in an email and addressed those in putting together a new bid packet. I have not gotten that yet from the Department to review but it will be coming over shortly and we will start over at this point with sending out that request to various tow contractors. Our hope would be that more than the two that have responded in the past several years respond to this inquiry, but we don't know that if that will be the case and we'll review those then. In the meantime, we are operating under the current system where 2/3 of the tow assignments go to United and 1/3 goes to O'Connor.

Councilman Gilliham – If we're in a situation where we do not get a fair amount of appropriate vendors, will a single source be what we have to use to remedy this situation?

Director Frey – We've not limited ourselves to a single vendor, but certainly that's a possibility is to award the towing service to a single vendor. The Police Dept. has indicated that their experience is that we've gotten better results using multiple vendors.

Councilwoman Scarniench – I've got lots of PR stuff here. On Thursday, February 16<sup>th</sup> from 10:00 until 2:00, right here at Euclid City Hall, the Passport to a Healthier Euclid 2012 Wellness Campaign will be doing free health screenings. You can come in and get your blood pressure checked, blood glucose, cholesterol and body mass index. First wealth is health, according to Waldo Emerson. This is provided by the Euclid Parks & Recreation and Euclid Hospital. If you're interested and want to find out how you're doing, please stop by.

Saturday, February 18<sup>th</sup> at 6:00, Sticks will be holding their Valentine's Wine Tasting and Dinner. For \$35 per person it includes a buffet dinner which includes London broil, crab cakes and tiramisu lots of things on their buffet. It also includes four different wines to taste. You can pay \$30 if you sign up by this Friday, February 10<sup>th</sup>, otherwise it is \$35 per person. Space is limited. Call 289-8574.

Shore has got lots of things going on, they've asked us to share. Explore Shore is a free open house featuring fun crafts, activities, performances and workshops. Music, food, art and more, Saturday, March 3<sup>rd</sup> from 1:00-4:00.

On March 11<sup>th</sup>, the Euclid Symphony Orchestra will be playing. Tickets in advance for that show is \$8 and \$10 the day of the show. The symphony concert is one of the regions longest established orchestra groups. If you have never heard them, you'd be thrilled to come out and see them.

There's also something new. It is called Prime Movie Time. Free family friendly movies the second Saturday of the month; Noon to 2:00. First one will be March 10<sup>th</sup>, April 14<sup>th</sup>, May 12<sup>th</sup>. All ages are welcomed.

Cultural Dinners. A great way to explore your way around the world through global cuisine. The 4<sup>th</sup> Friday of each month the Culinary Bistro at Shore, \$10 a person or \$25 a family includes cooking demonstrations, entertainment and a delicious meal. From 6:30-8:00 PM. On February 24<sup>th</sup>, Rain, which is a Cajun, New Orleans dinner. March 23 is a culinary journey to India. April 28<sup>th</sup>, the land of the sugar cane, food from the Islands. May 25<sup>th</sup> Locavores, the local food culture. Local foods from our farmer's market. June 29<sup>th</sup>, get grilling, all about dining outdoors. The Farmer's Market open May 25<sup>th</sup> in time for Memorial Day grilling. I hope you will share some of these times and come out and visit. They are all fun events. Thank you.

Councilwoman Jones – First of all I would like to say that February is Black History Month and the theme for 2012 is Black Women in America Culture & History. We should also be celebrating and learning the history of anyone who has contributed to the culture and history of the African-American population. In celebration of the Black History Month, on Tuesday February 7<sup>th</sup> at 11:00 AM at the Lakefront Community Center, there's a special speaker and the topic will be, What Will Martin Say Now?, presented by our own Mac Stephens, who will be a speaker for that event. Please try to get out and hear what he has to say of What Martin Would Say Now.

Other events, Tuesday, February 7<sup>th</sup> at 6:30 at the Euclid Library, in the Shore Room, there is the Life & Times of George Washington Carver, through the talent of Mr. Stephen Hood. You can bring your whole family to learn more about the amazing man through the talents of Stephen Hood. We will meet Mr. Carver and know how he came to be a scientist and inventor of over 300 uses for the peanut. He had a warm sense of humor and a painful sense of reality for the roots and slavery in Missouri. Children from Kindergarten to adults are welcomed to this special event. This event is publicized in the Euclid Library Lines as well with other events that are going on at the Library. Please participate in that, Tuesday, February 7<sup>th</sup> at 6:30. So you have the morning at the community center and the evening at the Library.

For those of you who don't know what to do for Valentine's Day, Tuesday February 14<sup>th</sup>, there's a Valentine's Day Special given by D.K. Ward Quality Entertainment Group. It is an exciting Valentine Day dinner theater event on February 14<sup>th</sup> at 7 PM. It will take place at Tizzano's Party Center, 1361 E. 260<sup>th</sup>. It includes dinner which will be steak and shrimp and lots of other foods. If you are familiar with the foods at Tizzano's the food is always good so you'll have a good time. The event will include professional stage play and Motown music. It is an opportunity for Motown Music, dancing and mingling with friends together. If you don't have anything to do and you want to take your special someone to an event, or if you just want to go as a group by yourself, you are more than welcome. Tickets and information, call 216-912-8310. Tickets are \$75 for 2 or \$40 per person.

There was a speaker earlier this evening that spoke about the Relay for Life, which is a worthwhile fundraising cause. I have participated for the last three years at the Relay for Life and I do plan on participating this year again. I will be putting together a team and if any of my colleagues would like to be part of that team, you are more than welcome. I'll wait for you to respond to that request. I'll say goodnight, thank you.

Councilman Lynch – Three final comments this evening. First is I'm going to be following step with Councilman McLaughlin and Councilman Langman in putting together a blog by next council meeting I hope to have an announcement with the address. It is really important to have an online presence for the City of Euclid and the active voices there. What I plan on doing is having something a little broader with the blog too. I certainly will be talking about some of the civic issues facing Euclid, but I'm also taking it as a real in-depth opportunity to be talking about the role of non-violence in daily and community life. It is often just buzz words and snips, but it is really about living a lifestyle with a concept and that's a life's work. With the blog I hope to help share that process and the benefits to everyone in the community.

Second point in that same vein, on March 4<sup>th</sup> at 2:00 PM at the Euclid Public Library, in the Shore Room, I'm going to be one of a panel of speakers for Building Common Ground in Euclid. It will be an opportunity for me to talk about some of these non-violence concepts and community building concepts. What I understood from the Library, the main topic is, What Does Compassion Mean? My approach is going to be something much more technical because if you can't work after an idea then it doesn't really mean anything. Too many times we talk about fluff and things that sound nice and feel good but it doesn't really translate into increasing people's confidence in their quality of life.

My final comment was in response to the last of the public comments regarding regionalism. There's a tremendous effort by the County Executive and many of the Mayors in our County towards moving to a regional government by shared services. I would describe that regionalism as a kind of contractual regionalism where we're all bargaining, we're all looking at our different needs as different cities and then we're coming to the bargaining table with a higher ideal to be sure and then seeing how to make that work. The other opportunity that's not really being discussed is political regionalism. Although I would hope as the idea grows and the movement grows, it will have the support of mayors and councils and everyone in the region. The fact is, at least my qualified understanding as just a humble law student, the fact is in the State of Ohio which is a home rule state for cities, the voters can decide to merge on their own, you don't need approval of mayors and councils. Each merging municipality would need an independent majority vote. It would mean someone would have to pull the petitions and put it to a vote. If the City of Euclid got 51% and any neighboring municipality got 51%, then we'd be one city, it would be that easy. I think a consolidated effort perhaps on behalf of all cities in the county to try to do this at once, might yield much better results. I say that with some reservation knowing that its politically taboo among many, but that hasn't been my sentiment among people. In my day to day conversations, everyone likes the concept, we all identify as Clevelanders and I think as we see success as the expansion at Lincoln. If we can really be speaking as one unified voice on behalf of our entire region, I think we're not only going to be competitive in the State and Nation but we'll be competitive in the world. That point is well taken and the great fact is the power is with the people in the county and that's something I would certainly be willing to explore further. With that, I'll say goodnight.

President Holzheimer Gail – That concludes our meeting, but I will remind you to please stay tuned for the Mayor's State of the City.

ADJOURNMENT

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

Attest:

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Clerk of Council

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President of Council