

WICKLIFFE CITY COUNCIL
SPECIAL COUNCIL MEETING - July 8, 2008

A special meeting of the Council of the City of Wickliffe was called to order on Tuesday, July 8, 2008 at 6:00 p.m. by Council President William Margalis. Upon roll call, the following were present:

MAYOR:	Thomas Ruffner
LAW DIRECTOR:	Bill Gargiulo
COUNCIL PRESIDENT;	William Margalis
COUNCIL:	Jaworski, Koski, Krych, Levar, Luther, Matyja Krych, excused
BUILDING COMMISSIONER:	Raymond F. Sack
POLICE CHIEF:	Randy E. Ice, excused Sgt. Joe Matteo in attendance

Approval of minutes of council meeting of June 23, 2008

Moved by Ms. Luther seconded by Mr. Margalis that the minutes of the regular council meeting held on June 23, 2008 be approved as presented.

ROLL CALL: Ayes: Jaworski, Koski, Levar, Luther, Margalis, Matyja
Nays: None

Motion carried.

Bid Acceptance - Provision and installation of Category 6 Plenum-rated network cabling on city property

Mayor Ruffner stated that this is the second bid that we had received from Tele-Communications, there were some issues with the first one. We are satisfied with the low bid of \$20,637.00, we need to lay this cable so we can resume our security and he is recommending that the bid from Tele-Communications be accepted. Sgt. Matteo added that this is not the same low bidder as the last time. He further commented on the specifications that were amended.

Moved by Mr. Levar seconded by Ms. Luther that the bid from Tele-Communications, Inc., 5125 W. 140 Street, Brook Park, Ohio 44142 be accepted for the provision and installation of Category 6 Plenum-rated network cabling on city property, in the amount of \$20,637.00 as being the lowest and best bid and that all other bids be rejected.

ROLL CALL: Ayes: Jaworski, Koski, Levar, Luther, Margalis, Matyja
Nays: None

Motion carried.

AUDIENCE PARTICIPATION OPENED

Resident, 5421 Nan Lynn Road, Willoughby, President of the Senior Center, questioned the need of pictures on membership cards for seniors attending the center and wanted to know what the purpose for this is. Mayor Ruffner informed him that this was a security measure so that all people visiting the center are recognized. The Mayor further said that this will be discussed further.

Louise Silvestro, 1679 Empire Road, commented that the owner of the Ponderosa property is the one and only beneficiary of the sale of this loan and asked why he should be rewarded for his treatment of the city. She feels that council is underwriting the sale of this property to the tune of \$300,000. She asked for more creative thinking.

Robert Gregor, 29942 Euclid Avenue, stated he is not for this loan. He cited his experience as past attorney for the city and as assistant law director. He added that he sees no plans from this developer as to what is going to be done. All issues should be considered before this loan is given.

Mr. Margalis referred to the June 16 Finance Committee meeting when the developer did show council his plans for where the merchant development would be and also where the condo development would be and went through the process with council at an open meeting on that date. This developer has to go through the whole process with the Planning Commission and get it approved before any of the loan is forgiven of the developer. The June 16th meeting was an open public meeting. Detailed plans were not presented at the executive session.

Jim Pendzak, 29815 Phillips Avenue, asked if the city has an economic development consultant and what is their input. Mr. Margalis informed him that there is one and one of their tasks is to look for developers and buyers for that property when they came on board back in March. Mr. Pendzak suggested holding this item in abeyance.

Joe Lane, 1700 E. 290 Street, questioned the use of the word "gift" being used. Mr. Margalis replied that this is a basic term as a forgivable loan, it's an amount of money being entered into a loan agreement with this developer and as the project progresses and as he completes certain milestones portions of that loan are forgiven. The loan agreement is for eighteen months.

Lee Jackopin, 1843 E. 300 Street, inquired about the purpose of executive sessions and stated that specific reasons have to be given in order to have an executive session. He commended Mr. Matyja for questioning this. He also asked if IRS rules were followed regarding loans. He further questioned the use of including the word of emergency on all ordinances and asked that the word emergency be removed from this ordinance. He also questioned the ordinance wording about four street addresses listed and asked if there are any other parcels involved in this sale.

Mr. Gargiulo explained that the parcels listed in the ordinance are the parcels being sold. There are no other parcels. There are more parcel numbers than street addresses because some of the parcels are behind the property and they share the same street address. Mr. Jackopin added that the auditor's value of those buildings is \$638,000. The Ponderosa building is appraised at \$85,370.00 so how can this be blighted. It is his opinion that the executive sessions held to discuss sale of this property were not in accordance with the Ohio Revised Code so any actions taken after that are null and void.

Tom Thielman, 29655 Grand Blvd., Economic Development Administrator for the City of Mentor, applauded the use of the forgivable loan. We've been looking at a terrible abuse of property. There aren't a boatload of developers walking in here doing projects so the city has to figure out a way to solve this and if it is a forgivable loan so be it. The developers have to reach their level of investments without some type of loan or low interest loan from the city. As an economic development tool he thinks it is a good thing for the city to do this project. As far as creative ideas that is not for the city to decide that's for the market to decide.

Bob Anzlovar, 29440 Oakwood, stated he is one hundred per cent in support of this ordinance and for the developer. We should not wait to develop this property because the longer we wait nothing will be done. Something meaningful is finally happening.

Sue Mancino, 2507 Delaware, asked about Wickliffe Floral and if they will relocate in the city. Mr. Margalis informed her that the economic development person is working with them to find a suitable location within the city.

Robert Palmer, 1721 Douglas Road, cannot understand why everybody who wants to do something runs to the government.

AUDIENCE PARTICIPATION CLOSED

ORDINANCES

ORDINANCE NO. 2008-57 AN ORDINANCE AUTHORIZING THE MAYOR OF THE CITY OF WICKLIFFE, OHIO TO ENTER INTO A CONTRACT WITH LTV GROUP, INC. (AN OHIO CORPORATION), AND MILESTONE BUILDING COMPANY (AN OHIO CORPORATION) TO PROVIDE ECONOMIC DEVELOPMENT ASSISTANCE TO PARTIALLY FINANCE THE COSTS ASSOCIATED WITH THE REDEVELOPMENT OF BLIGHTED PROPERTY ADDRESSED AS 29559 EUCLID AVENUE; 29555 EUCLID AVENUE; 29707 EUCLID AVENUE; AND 29553 EUCLID AVENUE IN WICKLIFFE, OHIO, AND DECLARING AN EMERGENCY. Read by title. THIRD READING.

Moved by Mr. Levar seconded by Ms. Luther that Ordinance No. 2008-57 be adopted as presented.

Mr. Matyja reiterated that he is opposed to forgivable loans and he is still very concerned about the violation of the open meeting law. He asked two questions of the Law Director. Does Cleveland give forgivable loans from the capital improvement fund to which Mr. Gargiulo said he could not answer that question because he does not know, but he does know that the forgivable loans generated by the City of Cleveland usually come from many different specific funds. Mr. Matyja then asked with an emergency clause and council passes how soon does this ordinance take effect after the Mayor signs it. Mr. Gargiulo answered almost immediately. Mr. Matyja then asked if it does not have an emergency clause and the mayor signs it, how long does it take to go into effect to which Mr. Gargiulo answered thirty days.

Mr. Matyja added that he feels that this should not have an emergency clause because residents feel very strongly and they should have some recourse and he wanted to make a motion to amend this ordinance. This was discussed and it was determined that this could not be done. Mr. Margalis responded that he is comfortable with the way this ordinance reads as an emergency measure.

Mr. Levar added that we have had three readings, have had three public hearings with audience participation. He feels that with regards to information which has been in the newspapers of general circulation there would be a large furor of more people coming out. He has had several telephone calls regarding this and after explaining what we were trying to do with this situation they felt that this would be in the best interest for the city. It is better to have some action than none at all that is why he made the motion for adoption, we need to move forward on this. There is Hall Chemical, Lubrizol and Bailey Controls and we need to improve our community and by passing this ordinance we are doing that.

Mr. Matyja again said this is not Cleveland this is Wickliffe and this is a bad ordinance. Mr. Margalis referred to a report on the internet on Crane's website. Last night Akron council okayed purchase of land to help development and the city will spend seven million dollars and it is basically the same situation as this, the city will provide low financing for the purchase over 23 years, as part of the agreement Akron would forgive the principal interest of the loan if Infocision meets at least 80 per cent of its job commitment goal. It does not say where this money is coming from but this is a very competitive market. There will definitely be a benefit in the long run to residents and to businesses along Euclid Avenue.

Mr Jaworski concurred with Mr. Matyja and said he has a problem with this money coming out of the capital improvement fund among other things. We were sworn into office to uphold the Charter of the City of Wickliffe and the Constitution of the State of Ohio and he believes that if he votes yes he would not be doing that and will be voting no.

Ms. Koski added that this project will also include streetscaping will also be done and a good amount of money will be put into that which the city will not have to add to.

Ms. Luther also stated that she is for this project because it has been a long time coming and a lot has been done to get this property taken care of.

ROLL CALL: Ayes: Koski, Levar, Luther, Margalis
Nays: Jaworski, Matyja

Motion carried. Ordinance No. 2008-57 adopted.

ORDINANCE NO. 2008-59 AN ORDINANCE AMENDING CHAPTER 1303 PLANNING AND ZONING CODE - ADMINISTRATION, OF THE CODIFIED ORDINANCES OF THE CITY OF WICKLIFFE, OHIO, AND DECLARING AN EMERGENCY. Read by title. THIRD READING.

Moved by Mr. Levar seconded by Mr. Jaworski that the rules of council be suspended and that Ordinance No. 2008-59 be adopted as presented.

ROLL CALL: Ayes: Jaworski, Koski, Levar, Luther, Margalis, Matyja
Nays: None

Motion carried. Ordinance No. 2008-59 adopted.

ORDINANCE NO. 2008-60 AN ORDINANCE AUTHORIZING THE MAYOR OF THE CITY OF WICKLIFFE, OHIO TO ENTER INTO AN AGREEMENT WITH TELE-COMMUNICATIONS, INC. FOR THE PROVISION AND INSTALLATION OF CATEGORY 6, PLENUM-RATED NETWORK CABLING ON CITY OF WICKLIFFE PROPERTY, AND DECLARING AN EMERGENCY. Read by title.

Moved by Mr. Levar seconded by Ms. Koski that the rules of council be suspended and that Ordinance No. 2008-60 be placed on third and final reading.

ROLL CALL: Ayes: Jaworski, Koski, Levar, Luther, Margalis, Matyja
Nays: None

Motion carried.

Moved by Mr. Margalis seconded by Mr. Levar that Ordinance No. 2008-60 be adopted as presented.

ROLL CALL: Ayes: Jaworski, Koski, Levar, Luther, Margalis, Matyja
Nays: None

Motion carried. Ordinance No. 2008-60 adopted.

There being no further business, it was moved by Mr. Margalis seconded by Ms. Koski that the special council meeting of July 8, 2008 be adjourned.

ROLL CALL: Ayes: Koski, Levar, Luther, Margalis, Matyja
Nays: None

Motion carried. Meeting adjourned at 6:50 p.m.

Clerk of Council

Council President and
Presiding Officer