

Olmsted Joint Economic Development District

Minutes – January 29, 2007

Annual Meeting
7:00 p.m.

Approved Minutes

The meeting was called to order in Olmsted Falls City Hall Council Chambers at 7:05 p.m. Present were Chuck Ingrassia, Martin Strelau, Joe Clarke, Garry Thompson, Pat Kost, Transcriber- Bobbi Frizzelle and fifteen audience members.

CHANGES TO AND APPROVAL OF AGENDA

A revised agenda was presented. Mr. Strelau moved to approve the revised agenda. Mr. Clarke seconded. Poll: 3 Aye. 0 Nay.

APPROVAL OF MINUTES

Mr. Ingrassia moved to approve the minutes of the September 26, 2006 meeting. Mr. Clarke seconded. Poll: 3 Aye. 0 Nay.

Mr. Ingrassia moved to approve the minutes of the November 29, 2006 meeting. Mr. Clarke seconded. Poll: 3 Aye. 0 Nay.

MEETING NOTICES

Chairman Ingrassia instructed the audience members to leave their email or regular addresses if they would like to be advised of future JEDD meetings.

APPOINTMENT OF OFFICERS

Mr. Ingrassia is currently the Chair; Mr. Strelau is the Vice Chair; Mr. Clarke is the Secretary/Treasurer.

Mr. Thompson put together a tenure list showing the JEDD Board from 2002 to 2011; the members have staggered terms. At the onset of the Board, the City representative had a one-year term and the Township rep had a two-year term; these two chose a Chairman, Mr. Ingrassia, who had a three-year term. Mr. Strelau took over Mr. Shaker's term in 2003, which was due to end in December 2003. Thus Strelau completed Shaker's term and then was re-appointed by the Trustees to serve a full term, with an optional additional term. The JEDD Board will have to elect a new Chair at the end of 2007, which will be chosen from Mr. Strelau or Mr. Clarke, if they are still on the Board at that time. Mr. Strelau's optional term will run from 2007 – 2009; Mr. Clarke's first term is from 2006 – 2008, with an optional term from 2008 – 2011. One cannot serve more than two consecutive three-years terms on the JEDD Board.

Mr. Clarke moved to affirm the positions as currently held: Ingrassia – Chair, Strelau – Vice Chair, Clarke – Secretary/Treasurer. Mr. Strelau seconded. Poll: 3 aye. 0 Nay.

FINANCIAL REPORT

Mr. Thompson (acting Assistant Treasurer) had compiled a Financial Report dated today, as shown below:

Balance – December 31, 2006	\$39,367.42
Checks Written (4)	362.80
Deposits (0)	0
Balance as of January 29, 2007	\$39,004.62
Receivables (City of Olmsted Falls)	18,000.00
Total Funds	\$57,004.62

Mr. Thompson noted that the City of Olmsted Falls Finance Director Sperling indicated that the \$18,000.00 would probably paid within the next thirty days.

Mr. Clarke moved to accept the Financial Report as presented by Mr. Thompson. Mr. Ingrassia seconded. Poll: 3 Aye. 0 Nay.

OHIO JOB READY SITE GRANT UPDATE

Pat Kost of PATCO Group reported that on December 18 a news release had been received informing the group that we had not been awarded any grant funding. Only one project from Northeast Ohio was awarded funds – this was a downtown smart office redevelopment project. They received half of the \$5 million applied for. Kost noted the Board can choose to apply again this year. Mr. Clarke noted that a year ago the Board didn't know about the grant, and was proceeding accordingly. The grant would have been a huge help, but we will still proceed. Chairman Ingrassia reiterated that at the JEDD's annual meeting in November, it was reported that we would continue to work on signing the developer, and continue seeking other means of financial backing.

JEDZ

Mr. Clarke reported that recently the City of Cleveland sent a letter to the City of Olmsted Falls and other communities proposing a Joint Economic Development Zone. Clarke does not believe that Olmsted Township received this notice. Cleveland is proposing that the City enter into this agreement with them. The boundaries would be the municipal boundaries of the City of Cleveland and the City of Olmsted Falls. Therefore, Clarke does not believe this would encompass the JEDD.

Cleveland would take over the repair and maintenance of all water lines in the JEDZ. Currently lines twenty inches and above are maintained by Cleveland, while those below twenty inches are maintained by the City. Cleveland has also agreed to appropriate \$10 million for infrastructure improvement on the water system (not new construction). This figure is an estimate and would be shared among the communities that sign up for this (not including Cleveland). Initial general consensus is that this highly favors the City of Cleveland. This would be a twenty-year agreement, fifteen years automatic, with the

option to cancel with five-year notice. Part of this agreement would be that for any entity that would move from Cleveland to Olmsted Falls, there would be a revenue sharing of the taxes for the first five years. There would also be the prevention of giving tax abatements beyond a certain amount.

The concern of the JEDD Board is that if Olmsted Falls agrees to this, what possible consequences might there be to the JEDD? The JEDD's attorney is reviewing this. Also, if Olmsted Falls would enter into this agreement, the City would request its Law Director to include language that would clarify that the JEDD would not be involved. Response time is immediate. Mr. Clarke said that he believes the City is seriously considering this possibility, but he doesn't know the probability of acceptance. Clarke further explained that the water rates have already been raised to cover the \$10 million, and the increases would remain in effect whether the City participates in this program or not. A possible alternative might be to sign up with Rural Lorain County Water Authority. He believes that there would be a five-year cancellation period on the existing contract with Cleveland, if the City would decide to go with Rural Lorain County. If the City signed up with Rural Lorain County as a bulk user, using one meter, there would be a significant savings on water. The City would then have to bill the residents. As of a couple weeks ago, Mr. Clarke knew of only two of the sixty communities involved who were definitely going to participate in Cleveland's proposal; he had not heard of any who were definitely not going to participate. Mr. Thompson added that up until this point the City of Cleveland has come out to repair water main breaks at no charge. This will not be the case if you are not part of this agreement. Olmsted Falls will decide within the next two months how it will proceed. Mr. Thompson noted that there was no information about how this would impact the JEDD, if at all, since the Township has City of Cleveland water, but would be under the County.

NEW BUSINESS

Chairman Ingrassia asked the members if they had any new business to discuss. Neither Clarke nor Strelau had anything further. Mr. Thompson reported that, upon review of the tenure report he worked up, he has found in error. Initial terms are three years; subsequent terms are four years. As a result, Ingrassia's term will expire in December 2008, Strelau's first term will end in December 2007, with an optional four-year term, and Mr. Clarke's first term would end in 2009, with the possibility of extending out to 2013. Thompson will re-do the chart and distribute the corrected version.

FLOOR DISCUSSION

The meeting was opened up to questions from the audience. Ann Reichle asked whether there was signed contract with the JEDD developer yet. Mr. Ingrassia responded that there is not, but an Executive Session will be held following this meeting to discuss this. Ms. Reichle noted that the Port Authority is granting low-interest development loans, and asked if this would have any affect on the JEDD. Mr. Strelau said that although the JEDD Board feels that the Port Authority is one potential vehicle for providing funding, it has not pursued this for several reasons. He feels that there are better funding methods available.

Judy Monin expressed concern about where funding will come from, and wondered where everything stands. Mr. Ingrassia said that the Board is very close to putting a development agreement together. Our next goal will be to determine how this will be funded. Much of 2006 was focused on applying for the grant. The future timeline involves the developer, the landowners, funding, etc. Much future assistance will come

from the developer, once an agreement is signed. Ms. Monin wondered if we were beyond the time frame for being about to attract a user for the JEDD. Mr. Ingrassia didn't agree with this assessment. Mr. Clarke noted that although the residential real estate market has softened, he is optimistic about the commercial market. Ingrassia added that we have a very nice, large piece of available land, which is a rarity in Cuyahoga County. Ms. Monin reminded the Board that the Chamber of Commerce is willing to assist in any way possible. Chair Ingrassia said that the Board would certainly keep this offer in mind.

Carrie Weise asked whether having a signed agreement with the developer would have a positive affect in recruiting business to come to the JEDD. Mr. Ingrassia could not comment in detail, but felt that it would. Ryan McGilvray asked what was meant by getting the infra-structure for the JEDD. Mr. Ingrassia said that this would include the road, sewers, utilities, water, etc. The cost of these items will have to be worked out in the future. Different sewer lines to hook into are being looked at, including one from North Olmsted and one from Bagley Road. Ann Reichle asked whether bringing sewers from Lorain County had been considered. Mr. Ingrassia thought that there was some problem in crossing the turnpike, but wasn't certain. Mr. Strelau thought the other two were better options.

The landowners and others were thanked for attending.

ADJOURNMENT

Mr. Ingrassia moved to adjourn at 7:56 to Executive Session for the purpose of discussing the development agreement. Mr. Clarke seconded. Poll: 3 Aye. 0 Nay.

Chuck Ingrassia – Chairperson

Date

Bobbi Frizzelle – Transcriber