

Olmsted Joint Economic Development District

Approved Minutes – May 3, 2006

The JEDD special meeting of May 3, 2006 was called to order in Olmsted Falls City Hall Council Chambers at 9:05 a.m. Present were Chuck Ingrassia, Martin Strelau, Joe Clarke, Garry Thompson, Pat Kost, and Transcriber, Bobbi Frizzelle. No audience.

CHANGES TO AND APPROVAL OF AGENDA

Mr. Clarke moved to approve the agenda without change. Mr. Ingrassia seconded. Poll: 3 Aye. 0 Nay.

APPROVAL OF MINUTES

Mr. Clarke moved to approve the minutes as amended: (delete line two, second paragraph, page two “have been received” and insert “are expected”). Mr. Ingrassia seconded. Poll: 3 Aye. 0 Nay.

NEW BUSINESS

DISCUSSION OF PROPOSAL RECEIVED FOR THE JEDD PROJECT

Ms. Kost was asked for input on the proposal received. She noted that there are not a lot of particulars in the proposal. She was pleased that the originator of the proposal, FOGG, has had discussions with the landowners, and it is said that they have a letter of intent from three landowners, based upon them being the developer. Ms. Kost considers FOGG to be one of the top land developers in Cleveland. Although there are many items that would have to be negotiated, she feels optimistic about the proposal. Mr. Thompson requested a copy of the proposal from Ms. Kost.

There was some concern about the wording pertaining to the mix of the buildings in the development. Ms. Kost felt that what FOGG said in their proposal was consistent with the JEDD Board’s plans. Kost added that one of the comments was that the Board wanted a mixed-use product, which had deterred other developers who want to do industrial development only. Mr. Strelau felt that FOGG’s comments were within the Board’s intent. Mr. Clarke agreed, stating that he didn’t believe that retail would be FOGG’s primary focus, but there might be some retail to support the overall industrial portion. It was noted that the area along Stearns Road could possibly be the retail area.

Mr. Thompson said that the Chamber of Commerce was very concerned about a “big box” structure being built, such as Wal-Mart, Super K-Mart, or a large grocery store. The “big box” concern, and others were mentioned, but Ms. Kost felt that this was getting ahead of things. She felt that she should talk with Scott Ziance about putting together a list of bullet points/business issues, discuss these, and then work toward getting a development agreement.

An email from Scott Ziance of Vorys, Sater, Seymour, & Pease LLP, in which he suggested a course of action that the JEDD Board adopt in going forward with the proposal received, was briefly discussed. Step 1 in this email suggested that the Board proceed without seeking a recommendation from the Advisory Committee, since only one proposal was received. The Board did not agree with this suggestion. Step 2 had to do with approving FOGG as the developer, and Mr. Strelau said he, for one, was not ready to go ahead with that at this time. Strelau said he would like to do Step 3, however, which was, "Authorize Patco Group (as the lead deal point negotiator) and Vorys (as secondary deal point negotiator and as lawyers drafting the agreement) to negotiate proposed terms of a Development Agreement with FOGG and to make appropriate recommendations to the JEDD Board based on the results of that negotiation." Mr. Strelau felt that having Ms. Kost hold preliminary discussions with FOGG would be very beneficial.

There was discussion of the possibility of reaching a development agreement. Ms. Kost said that incentives, infrastructure, and financing have to be worked out separate from the development agreement. She further explained that even when a development agreement is worked out, it will be linked to several other lengthy transactions that require approval, and even when this agreement is executed, it will be contingent upon other things, including financing.

It was decided that Step 2 on the above mentioned email from Ziance should, in fact, read, "Approve the FOGG response as an appropriate starting point for negotiations." Everyone was comfortable with that.

Regarding Step 3, cited above, Ms. Kost wanted to know how involved the JEDD Board wanted to be from here on out in detailed discussions. She suggested that she could bring the Board up to date once a month on what had transpired; Kost added that there was no way negotiations would be completed in 30 days, as noted in Step 4 of the email. Mr. Strelau suggested that the Board meet with Fogg and then hold a meeting to decide how to proceed. Strelau didn't want to speak for Mr. Ingrassia or Mr. Clarke, but he didn't feel that he would have to be involved in every meeting that was held.

Mr. Clarke moved to adjourn to Executive Session for the purpose of discussing legal matters. Mr. Strelau seconded. Poll: 3 Aye. 0 Nay. Following discussion, Mr. Strelau moved to close the Executive Session and reopen the Regular Meeting of the JEDD Board. Mr. Clarke seconded. Poll: 3 Aye. 0 Nay.

Mr. Strelau moved to authorize Chairman Ingrassia to meet with the Advisory Committee and seek a recommendation relative to the proposal received from Ray Fogg Building Methods, Inc. Mr. Clarke seconded. Poll: 3 Aye. 0 Nay.

Mr. Ingrassia made a recommendation that a motion be made to appoint the Vice Chair and the Secretary/Treasurer and furthermore, authorize Garry Thompson to serve as the Assistant to the Secretary/Treasurer. **Mr. Ingrassia moved to appoint Mr. Strelau as Vice Chair, Mr. Clarke as Secretary/Treasurer, and Mr. Thompson as Assistant to the Secretary/Treasurer. Mr. Clarke seconded. Poll: 3 Aye. 0 Nay.**

Mr. Strelau suggested including a financial update as a standard line item on the Agenda. Mr. Ingrassia agreed with the suggestion. Mr. Thompson will prepare a financial report for the Board.
Copies of the Agendas and Minutes will be forward to the Falls and Township websites. Mr. Strelau will provide the contact information for the Township.

Ms. Kost noted that there is approximately \$13,000 left on her contract. She added that this amount will begin to be eaten up rather quickly now that there is a proposal to work with. Kost advised that she has raised her rate and will increase the rate charged to JEDD in the near future.

Mr. Ingrassia moved to adjourn the meeting at 10:53 a.m. Mr. Clarke seconded. Poll: 3 Aye. 0 Nay.

Chuck Ingrassia – Chairperson

Date

Bobbi Frizzelle – Transcriber