The meeting was called to order by Chair Sean Malone at 7:30 A.M.

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APPROVAL OF THE SEPTEMBER 16, 2019 MEETING MINUTES

Chair Malone stated that approval of the minutes of the September 16, 2019 were approved as recorded.

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APPROVING AND AUTHORIZING EXECUTION OF A PURCHASE AGREEMENT UNDER THE CITY’S SIDE LOT PROGRAM, FOR THE SALE OF THE CITY-OWNED PROPERTY AT 3308 SUTTON ROAD, SHAKER HEIGHTS, OHIO, (PPN 735-14-005) FOR A PURCHASE PRICE OF $100.00, AUTHORIZING THE DISPOSITION OF CITY-OWNED PROPERTY WITHOUT COMPETITIVE BIDDING.

Kamla Lewis, Director of Neighborhood Revitalization, stated that this item is requesting approval and authorizing execution of a purchase agreement for the City-owned property located at 3308 Sutton
Road, Shaker Heights, Ohio, and authorizing the disposition of City-owned property without competitive bidding.

The City has received an application from Lila Campoblanco, 3304 Sutton Road, who is interested in acquiring the city owned vacant lot adjacent to her home in order to expand her lot which has no backyard. Ms. Campoblanco proposal stated that the vacant lot would be landscaped by a professional contractor at a cost of approximately $3,000 and used for a side yard.

The Neighborhood Revitalization & Development (NRD) Committee considered this application at their October 10th meeting and recommended the sale of the vacant lot located at 3308 Sutton Road (PPN 735-14-005) to Ms. Campoblanco.

Citizen Member Kolb asked about the variance in price of the lots being sold and questioned if there was a reason the cost was not more uniformed or consistent.

Director Lewis stated that at the start of the program the Neighborhood Revitalization Committee had a discussion and it was decided that the lots are so varied in size, usage, no use, buildable verses non buildable and it was determined that a set price should not be set. The City receives a proposal to acquire the land including a statement on the development plans for the lot and how it is going to benefit community.

In response to Citizen Member Kolb regarding possible future issues, Director Lewis stated that all residents before submitting a proposal are aware of other properties sold and the amount they were sold for and are involved with information sharing meetings.

Council Member Moore stated that this is a significant investment for the resident that purchases the property and that included in the purchase is future increased property taxes.

Citizen Member Cicarella suggested that possibly one of the requirements for the purchase of a vacant lot might be the planting of trees as opposed to a few bushes or other landscaping, which in turn would benefit the City.

Director Lewis stated she agreed and that an employee from the Planning Department does meet with the resident before the purchase of the lot and does encourage planting a live fence verses just a chain link.

The Finance and Administration Committee recommended approving and authorizing execution of a Purchase Agreement under the City’s Side Lot Program, for the sale of the City-owned property at 3308 Sutton Road, Shaker Heights, Ohio, (PPN 735-14-005) for a purchase price of $100.00, authorizing the disposition of City-owned property without competitive bidding.

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APPROVING AND AUTHORIZING EXECUTION OF A PURCHASE AGREEMENT UNDER THE CITY'S SIDE LOT PROGRAM, FOR THE SALE OF THE CITY-OWNED PROPERTY AT 3713 STRANDHILL ROAD (PPN 736-15-092) FOR $1.00 AND UTILIZE IT AS AN EXPANDED BACKYARD.
Director Lewis stated that this item is requesting approving and authorizing execution of a Purchase Agreement for the City-owned property located at 3713 Strandhill Road, Shaker Heights, Ohio and authorizing the disposition without competitive bidding.

The City has received an application from Tim and Melissa Kalan, 3614 Glencarain Road, who are interested in acquiring the city owned vacant lot behind their home in order to expand their lot. Their proposal stated that the vacant lot would be landscaped by a professional contractor and used to enlarge the backyard at an approximate cost of $5,772.

The Neighborhood Revitalization & Development (NRD) Committee considered this application at their October 10th meeting and recommended the sale of the vacant lot located at 3713 Strandhill Road (PPN 736-15-092) to the Kalan family.

The Finance and Administration Committee recommended approving and authorizing execution of a Purchase Agreement under the City’s Side Lot Program, for the sale of the City-owned property at 3713 Strandhill Road (PPN 736-15-092) for $1.00 and utilize it as an expanded backyard.

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AMENDING SECTION 141.22 OF THE ADMINISTRATIVE CODE OF THE SHAKER HEIGHTS CODIFIED ORDINANCES TO INCREASE HOCKEY PROGRAM FEES.

Alexandria Nichols, Director of Recreation, stated that the Shaker Youth Hockey program is operated by the City and includes several hockey programs, clinics and camps that serves both residents and non-residents with priority for residents. Shaker’s hockey program does service youth from surrounding communities that do not have a rink. The league fees are regulated by City Ordinance. A hockey fee study was conducted with the goal of learning more about what others rinks are charging with the result determining Shaker fees are neither the highest nor the lowest. The hockey fees account for approximately 33% of the rink revenue with the last hockey fee increase in 2013.

This item was presented to the Recreation Committee on October 2, 2019 followed by an extensive discussion. Following the discussion, the Recreation Committee approved the recommendation to increase the hockey fees of approximately 5% to be implemented in the springs of 2020 for the 2020-2021 program season.

Council Member Moore inquired on the origination of the Recreation Fund and how the funds became exhausted.

Chief Administrative Officer Chaikin stated that in the past the transfers from the General Fund to the Recreation Fund were more than needed. The General Fund always subsidized the Recreation activities and started to adjust the transferred amount.

In response to Council Member Moore regarding the subsidy, CAO Chaikin stated that starting in January, the Finance and Recreation Departments worked together to track non-revenue and revenue programs and have the records to identify what program needs to be subsidized.

In response to Citizen Member Lalley regarding corporate sponsorship, Chair Malone stated that private owned rinks are in a position to cover their expenses with higher fees versus public rinks and
the committees thought on corporate sponsorship and would it be enough monies to cover the subsidy.

Council Member Williams stated that for as long as he could remember the facility never received enough in fees to pay for itself, but now that it is adjacent to the Van Aken District could put the rink into a better position. The City long ago decided a rink was an asset to the City and was willing to carry the rink knowing ice rinks were money losers.

In response to Citizen Member Cicarella regarding competition, Director Nichols stated that the competition consisted of Cleveland Heights and the Cleveland Skating Club.

In response to Citizen Member Kolb regarding the expense, revenue and subsidy; Mayor Weiss stated that revenue and expenses are trackable and that the subsidy is done on a percentage basis and is used for other programs.

In response to Citizen Member Lalley regarding resident’s participation in hockey, Director Nichols stated that participation has increased with residents.

The Finance and Administration Committee recommended amending Section 141.22 of the Administrative Code of the Shaker Heights Codified Ordinances to increase hockey program fees.

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AUTHORIZING A PERSONAL SERVICES CONTRACT WITH PRECISION WILDLIFE MANAGEMENT LTD FOR THE 2019-2020 DEER MANAGEMENT PROGRAM IN THE TOTAL AMOUNT NOT TO EXCEED $68,000.

Jeffrey DeMuth, Chief of Police, stated that this item is requesting the acceptance of a proposal and authorizing a personal services contract with Precision Wildlife Management LTD for the 2019-2020 Deer Management Program for deer culling on public and private property in the total amount not to exceed $68,000.

In response to multiple resident complaints about the impact of the overabundance of deer, the Wildlife Task Force was formed consisting of residents and Council Members to study the impact of the deer population in the City. The negative impacts associated with an overabundance of deer population is well documented. The Wildlife Task Force has recommended we continue the deer culling program for the 2019-2020 season and that deer culling be permitted on private property.

This item was presented to the Safety and Public Works Committee on October 4th and after discussion, the proposal for $58,000 to cull on both public and private property was supported by a majority vote of the members.

In response to Council Member Williams regarding private property, Chief DeMuth stated that it did included all residential private property and all properties are subject to review and approval.

Council Member Zimmerman stated that he is a member of the Wildlife Task Force and attended the Safety and Public Works Committee meeting and can insure the committee that the policies of this item have been thoroughly discussed by multiple committee meetings and the only decision left to
make the financial cost of public culling or public/private culling. The contractor informed the City the deer population moved from public property to bedding down in private property and in order for the culling to be successful suggested that both public and private properties needed to be done.

Chief DeMuth stated that the contractor claimed last year is was almost impossible to draw the deer to the bait piles on the public property because their all bedded down on private property.

In response to Citizen Member Cicarella in regards to ammunition, Chief DeMuth stated that the contractor uses a 243 caliber rifle and “no risk of penetration” or “pass through” bullet.

Council Member Moore stated that the contractor takes only one shot or he does not take the shot.

Chief DeMuth stated that the contractor does have a log of all culling activities and 99% of all his cull shots are from the back of a truck on top of the cab. The spotter locates the deer through a special binoculars and once the contractor knows the wind speed, he is able to adjust his sights to where he needs to place the bullet exactly.

In response to Citizen Member Kolb, Chief DeMuth stated that this is a budgeted expense and gave a brief timeline of activities the contractor follows.

In response to Citizen Member Lalley regarding the neighing cities, Chief DeMuth stated that research has indicated that if unchecked a deer herd will multiple 20 to 30% every year. There have been conversations with other cities who are doing nothing, but trying to decide if it is time since their issues are becoming out of control.

Council Member Zimmerman stated that the City has made very strong efforts with the neighing cities to bring them on board with the program, but for whatever reason the other cities have not been interested in working with us.

In response to Chair Malone regarding Precision’s personnel, Chief DeMuth stated that the owner of Precision is the only shooter and he has a spotter that works with him and presently he is only culling for Shaker Heights.

In response to Citizen Member Cicarello regarding Lyme disease, Chief DeMuth stated that it is the responsibility of the Ohio Department Natural Resources and they control the herd and are opponents of hunting.

Chair Malone asked what is the proper size of a private lot for culling.

Council Member Moore stated that most of the decision on this topic was about safety and it is up to the contractor to determine whether a private property is safe. The contractor has his parameters that are defined and it has been determined that the contractor will make that decision on a private lot being safe.

In response to Chair Malone, Council Member Zimmerman stated that the parameters are that the City is hiring an expert to perform the culling whose entire business and background is performing this type of work. The City has made a decision to cull and know that they have hired the right person
to perform the job and are comfortable with his experience and expertise. The contractor will not take a shot unless he knows that it is safe.

In response to Council Member Williams regarding the Shaker Heights Country Club refusing culling, Mayor Weiss stated that they were not interested because presently there are not many deer on the property.

The Finance and Administration Committee recommended authorizing a personal services contract with Precision Wildlife Management LTD for the 2019-2020 Deer Management Program in the total amount not to exceed $68,000.

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**AUTHORIZING THE CITY’S APPLICATION FOR AND ACCEPTANCE OF A GRANT IN THE TOTAL AMOUNT OF UP TO $50,000 FROM THE CUYAHOGA COUNTY DEPARTMENT OF DEVELOPMENT 2020 SUPPLEMENTAL GRANT PROGRAM FOR PEDESTRIAN AND BICYCLE IMPROVEMENTS AT THE CHAGRIN BOULEVARD-LYNNFIELD ROAD INTERSECTION.**

Ann Klavora, Principal Planner, stated that this item is requesting authorizing the application for and acceptance of a grant from the Cuyahoga County Department of Development 2020 Supplemental Grant Program in the amount of $50,000 to fund pedestrian and bicycle improvements at the Chagrin Boulevard-Lynnfield Road intersection.

The Cuyahoga County Department of Development has allocated $1M for the Supplemental Grant Program (CDSG) and will award up to twenty grants of $50,000. The Supplemental Grant Program is a competitive grant that makes awards to help strengthen cities, encourage regional collaboration and improve quality of life for county residents. CDSG applications are open to all 59 Cuyahoga County communities and 501(c)(3) community development corporations. All grant projects must meet a community development need related to the health or welfare of the community. Last year, the Planning Department applied for and received $50,000 to make landscape improvements in the Van Aken District RTA busway area.

The 2020 grant application will request funding to install enhancements at the Chagrin-Lynnfield intersection to make it easier for pedestrians and bicyclists to cross Chagrin Boulevard. The heavy volume of traffic through the intersection (approximately 15,000 cars/day) makes crossing the street difficult and dangerous without a traffic signal.

This project was presented at a public meeting discussing the grant program on September 23. Sussex neighborhood residents in attendance voiced support for the project. This request was also presented to the Safety & Public Works Committee on October 4, where it was unanimously approved.

In response to Council Member Williams, Ms. Klavora stated that the $50,000 is strictly for construction and the $50,000 is maximum the City can apply for.

Council Member Zimmerman suggested that the memo be changed for the Council meeting from difficult and dangerous to stating that that intersections problem could be alleviated with a traffic signal.
Citizen Member Lalley asked is the City was spending a lot of administrative time applying for this grant, when the solution of a traffic signal doesn’t seem to very satisfying in the end.

Ms. Klavora stated that this particular grant and the requirements are fairly minimal.

Chair Malone asked if this is temporary solutions and will be revisited.

Ms. Klavora stated that presently they are working with the Police Chief on this and will learn more when they have a dedicated public with the neighborhood to find out in more detail what the situations are. There are a lot of options and we are leaving open select the best option.

The Finance and Administration Committee recommended authorizing the City’s application for and acceptance of a grant in the total amount of up to $50,000 from the Cuyahoga County Department of Development 2020 Supplemental Grant Program for pedestrian and bicycle improvements at the Chagrin Boulevard-Lynnfield Road intersection.

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AUTHORIZING AN AMENDMENT TO THE PROFESSIONAL CONSULTANT CONTRACT WITH WEBER MURPHY FOX FOR ADDITIONAL FUNDS IN AMOUNT OF $35,874 FOR THE COMPLETION OF THE PHASE 2 DETAILED DESIGN DOCUMENTS FOR THE CITY HALL SPACE STUDY AND PLAN.

Cameron Roberts, Planner, stated that this item is a request to modify an existing professional services contract to initiate Phase 2 of the City Hall Space Study and Plan project, which aims to co-locate the Building and Housing Inspection Department by re-organizing department locations and functionality within City Hall.

The original contract for Weber Murphy Fox (WMF) was signed in July 2018 after a competitive RFP process for the not-to-exceed amount of $31,280 for completion of Phase 1: fit plans and cost estimates. The contract was amended twice to allow WMF to explore cost reduction options. Phase 1 of the project is now complete at a total cost of $38,980.

In response to Council Member Williams regard the total cost, Mr. Roberts stated the final cost would be $72,291.

The Finance and Administration Committee recommended authorizing an amendment to the professional consultant contract with Weber Murphy Fox for additional funds in amount of $35,874 for the completion of the Phase 2 detailed design documents for the City Hall Space Study and Plan.

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DISCUSSION REGARDING THE POTENTIAL TO REFUND THE 2012 URBAN RENEWAL BONDS.

Frank Brichacek, Interim Finance Director, stated in 2003 and 2009 the City issued Urban Renewal Bonds to finance public improvement projects (primarily Sussex Courts and Fire House No. 1) in the Sussex
and Shaker Towne Centre areas of the City. Those bonds were refunded in 2012 and 2016 to take advantage of favorable interest rates at that time. Interest rates are currently moving downward creating the potential opportunity to refinance the 2012 refunding issue, thereby reducing the City’s annual TIF debt service requirement. This is significant as currently the TIF PILOT payments from these projects are not sufficient to fully finance the annual debt service requirement, forcing the General Fund to finance the shortfall. As such, any reduction in the annual TIF debt service requirement will free up General Fund resources for other City needs.

Matthew Stuczynski, MAS Financial Advisory Services, LLC, updated the Committee on current trends in the debt market and reviewed potential refunding options available to the City should interest rates continue to move in a downward trend. He noted that while current rates are not yet at a level to justify refunding at this time, it would serve the City well to prepare for the opportunity, should the refunding provide a material savings to the City. Mr. Stuczynski reviewed a proposal that was prepared by Fifth Third Securities on October 4, 2019 as an example of the potential savings that refunding the existing bonds could provide. He also noted that the analysis also demonstrates the volatility of the market as the savings potential that existed on October 4th did not exist today due to changes in interest rates. As the existing bonds have a call provision in the next year, Mr. Stuczynski recommended that the City begin to plan now if the opportunity to refund the debt should occur in the future.

In response to Council Member Williams, Mr. Stuczynski stated that these are 725 bonds or general obligation/urban renewal bonds. Section 725 is a section of the Ohio Revised Code that authorizes the issuance of urban renewal bonds.

Citizen Member Lalley asked Mr. Stuczynski just how long he was suggesting this open window of opportunity.

Mr. Stuczynski stated that it would be till the call date typically which would be December 1, 2021, but no more than two years.

In response to Mayor Weiss, Mr. Stuczynski stated the legislation would cover all types of potential sales and the authorization to advance refund the Series 2012 bonds and would leave open the method of sale.

Citizen Member Lalley stated that parameters should be considered to provide the Mayor and Administration with decision making guidance since the City is in the process of hiring a new Finance Director. Mr. Stuczynski stated that the Government Finance Officers Association of America’s standard for debt refinancing is a savings of at least 3.0% and that generally most local governments will consider debt refinancing when a 3% to 5% savings can be achieved. After discussion, the consensus of the Committee was to recommend that the authorization include a recommendation that the refinancing authorization include a requirement that the debt refinancing result in at least a 3.0% savings to the City.

Mayor Weiss stated that the hiring process is moving along, but the City would not want to miss an opportunity because of that. The Mayor further stated that the Administration would be working closely with the Mr. Stuczynski, the City’s financial advisor, throughout the process.

After hearing Mr. Stuczynski’s presentation, the Finance and Administration Committee agreed with the idea of refunding the existing TIF debt issues should conditions favorable to the City exist in the future provided that the debt refinancing result in at least a 3.0% savings to the City. If the interest rate environment warrants a refunding, an ordinance authorizing the refunding will be presented to City
Council without returning to the Finance and Administration Committee for further review. The City will then be in a position to act without delay before market conditions change.

After further discussion, the Finance and Administration Committee recommended to City Council that the 2012 Urban Renewal Bonds be refunded should future market conditions become favorable to the City.

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There being no further business, the meeting was adjourned at 9:18 a.m. The next meeting will be November 18, 2019.

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Frank J. Brichacek
Finance and Administration Committee