

**MINUTES
OF THE
REGULAR MEETING OF
LAKEWOOD CITY COUNCIL
HELD IN COUNCIL CHAMBERS
12650 DETROIT AVENUE
JULY 6, 2009
7:30 P.M.**

Regular Meeting of the Lakewood City Council called to order at 7:31 PM by President Dever.

....

Present: Councilmembers Nickie J. Antonio, Thomas R. Bullock III, Kevin Butler, Michael W. Dever, Mary Louise Madigan, Brian E. Powers, Michael P. Summers.

....

Also Present: Mayor FitzGerald, Law Director Hurley, Finance Director Pae, Police Chief Malley, Fire Representative, Public Works Director Beno, Human Services Director Buckon, Planning & Development Director Kelly, Tax Administrator Pat Chittock, Assistant Director Safety – Division of Building and Housing Ashby.

....

Reading and disposal of the Minutes of the Regular Meeting of Council held June 15, 2009.

Motion by Mr. Dever, seconded by Ms. Madigan, to approve the minutes without the necessity of a reading.

Motion adopted. All members present voting yea.

******OLD BUSINESS******

1. Communication from Councilmembers Antonio and Madigan regarding Legislation Reducing Excessive Vehicle Idling. (Pg.5)

Motion by Ms. Antonio, seconded by Mr. Dever, to receive, file and refer the communication to the Rules & Ordinances Committee.

Motion adopted. All members voting yea.

....

2. **ORDINANCE NO. 56-09** – AN ORDINANCE to enact a new Section 331.47, Excessive Idling, of the Codified Ordinances of the City of Lakewood. (Pg. 6)

Motion by Mr. Dever, seconded by Ms. Madigan, to place Ordinance No. 56-09 on 1st Reading and refer it to the Rules & Ordinances Committee.

Motion adopted. All members voting yea.

....

3. **ORDINANCE NO. 52-09** – AN ORDINANCE to amend Section 521.17, Shopping Cart Litter, of the Lakewood Codified Ordinances for the purposes of allowing the City of Lakewood to donate, recycle or otherwise dispose of the carts that are unclaimed. (PLACED ON 1ST READING 6/1/09, 2ND READING 6/15/09) (Pg. 9)

Motion by Mr. Dever, seconded by Ms. Madigan, to adopt Ordinance No. 52-09.
Motion adopted. All members voting yea.

....

4. **ORDINANCE NO. 53-09**- AN ORDINANCE to take effect immediately provided it receives the affirmative vote of at least five (5) members elected to Council, otherwise, it shall take effect and be in force after the earliest period allowed by law, amending section 905.07, Animals, of the Codified Ordinances of the City of Lakewood to allow the Director of Public Works to enact rules permitting leashed dog-walking in Lakewood parks. (PLACED ON 1ST READING AND REFERRED TO THE PUBLIC SAFETY COMMITTEE 6/15/09) (Pg. 12)

Motion by Mr. Dever, seconded by Ms. Madigan, to place Ordinance No. 53-09 on 2nd Reading.
Motion adopted. All members voting yea.

....

4A (ADD-ON) – Finance Committee Report (provided that evening)

Finance Committee Report Regarding 54-09 & 55-09 – Amnesty Program to Encourage Payment of Delinquent Taxes & Agreement w/ Cleveland for Services Related to Collection of Delinquent Taxes– Mike Summers

The Finance Committee met tonight to consider three items. The first item is proposed ordinance 54-09, which is a tax amnesty strategy. There's not institutional knowledge of amnesty being given, at least not in the last 20 years for tax payments in the City of Lakewood. This ordinance proposes to grant basically penalty relief and not tax relief and not interest relief but penalty relief for past taxes due if they're paid between July 21st and September 30th. The tax department estimates that there are about 2,000 Lakewood citizens who have unknown tax obligation status. There are approximately another 1,000 taxpayers who have known delinquency. We would like to create a two-step approach to collecting monies due to the City. This amnesty is the first step which is the softer approach which is we'll grant penalty free relief if in fact you pay your obligation prior to September 30th. The second is the more onerous burden, which is the second item on the agenda, which is proposed ordinance 55-09 which basically allows the City of Lakewood, creates an agreement between the City of Lakewood and the City of Cleveland to utilize the City of Cleveland's access to Federal Income Tax records. First, on the amnesty, Euclid recently gained approximately, I think it was \$110,000 or thereabouts from their recent amnesty program. Estimated implementation costs of the amnesty program probably will not exceed \$10,000. About 80% of the cost will be in postage targeting those 3,000 residents and about 20% will be in over-time costs due to extended hours to allow for folks to accommodate their access to payment. Most of that over-time would occur probably in the last week or so when folks are more than likely to meet their obligation if they are going to do so. So, the sense is that for a minimal amount of up front cost we can probably stand to gain a significant amount of tax revenue that we might gain otherwise but certainly not in that timely basis and probably with considerably more effort than this program will require. So, we'll give a little bit in terms of penalties and gain in tax due and interest. The second item is in fact is, I alluded to earlier, the more onerous approach which is for those who don't pay their taxes due, we will actually access the federal income tax records through the City of Cleveland and this will allow us to more clearly identify folks who have obligations and more

aggressive collection efforts will ensue. At that point which will include penalties. So, interest, penalties and tax payments. So, the two items are 54-09, the tax amnesty and 55-09 which is the fee based agreement with the City of Cleveland. I would like to make it clear that the fee is a contingency based fee probably about 1 ½ - 3 % of the tax collected on average so the City of Lakewood will not pay a fixed cost to that program. The City of Cleveland will retain a portion of successful tax collections that we submit to them and this fee will not exceed 5%. It's probably important to note that the amnesty is a one time event strictly targeted to July 21st to September 30th, however the agreement using the City of Cleveland's access to federal income tax is a continuing agreement. This will allow our tax department to access those federal income tax records as deemed appropriate to make sure we get our fair share of revenues collected. The third item on the agenda tonight was the consideration of the 2010 budget process which informally began at our last meeting, more formally began really at the finance committee tonight and has several steps along the way. We start the process as we identified at our last meeting with a sense that we probably will have somewhere in the approximation of \$1 million shortfall. Not because of any excessive cost increases, in fact costs continue to be well maintained and under control but revenues are dropping probably to about the 2006 level. Just a reminder for the audience that two buckets of revenue that we collect are property tax and income tax from our residents. We know from a matter of course because of reappraisal and a reduction of 6% on average on Lakewood homes that the City would more than likely experience at least an \$800,000 decrease in property taxes revenue collections. So far, income tax collections are tracking on par with 2008 but the real acid test will be in the second quarter estimates that will come due on July 31st of this year. So, probably when we convene in September we will have a greater sense of income tax projections are beginning to look like for 2010 going forward. I think we'd all agree it's no time to be optimistic and to give a rosier view, it would be more appropriate to give a more realistic and perhaps a more sensitive view of what is likeliest to occur in terms of revenues. So, we've got our work cut out for us as we know. We did discuss the idea that we left the 2009 process with a sense of seven actionable ideas in a resolution if you recall that we passed. By agreement, I will meet with Mayor FitzGerald on those seven items. We'll begin to track some action towards the unfinished business that we identified at the end of 2009's budget process and use that as a clear starting point for 2010. I would ask that we suspend the rules and pass on second reading the two tax ordinances, the amnesty and the agreement with the City of Cleveland. This would allow our tax collection department to have a two week head start on getting that amnesty and collection agreement in place improve it's success in implementation. That concludes my report.

Motion by Mr. Dever, seconded by Ms. Madigan, to receive and file the report.

Motion adopted. All members voting yea.

....

5. **ORDINANCE NO. 54-09** - AN ORDINANCE to take effect immediately provided it receives the affirmative vote of at least five (5) members elected to Council otherwise, it shall take effect and be in force after the earliest period allowed by law authorizing the Director of Finance to conduct an Amnesty Program to Encourage The Payment of Delinquent Income Tax Accounts. (PLACED ON 1ST READING & REFERRED TO THE FINANCE COMMITTEE 6/15/09) (Pg. 15)

Motion by Mr. Dever, seconded by Ms. Madigan, to suspend the rules requiring this ordinance be read on three separate days and placing Ordinance No. 54-09 on final reading.

Yeas: Antonio, Bullock, Butler, Dever, Madigan, Powers, Summers

Nays: None

Motion adopted. Rules suspended.

Motion by Ms. Madigan, seconded by Ms. Antonio, to adopt Ordinance No. 54-09.

Yeas: Antonio, Bullock, Butler, Dever, Madigan, Powers, Summers

Nays: None

Motion adopted. Ordinance No. 54-09 adopted.

....

6. **ORDINANCE NO. 55-09** - A ORDINANCE to take effect immediately provided it receives the affirmative vote of at least five (5) members elected to Council otherwise, it shall take effect and be in force after the earliest period allowed by law Authorizing an Agreement with the City of Cleveland, Ohio, for Services related to the Collection of Delinquent Income Tax. (PLACED ON 1ST READING & REFERRED TO THE FINANCE COMMITTEE 6/15/09) (Pg.17)

Motion by Mr. Dever, seconded by Ms. Madigan, to suspend the rules requiring this ordinance be read on three separate days and placing Ordinance No. 55-09 on final reading.

Yeas: Antonio, Bullock, Butler, Dever, Madigan, Powers, Summers

Nays: None

Motion adopted. Rules suspended.

Motion by Mr. Dever, seconded by Ms. Madigan, to adopt Ordinance No. 55-09.

Yeas: Antonio, Bullock, Butler, Dever, Madigan, Powers, Summers

Nays: None

Motion adopted. Ordinance No. 55-09 adopted.

....

7. Liquor Permit Application for a New D1 permit class to 14224 Madison Avenue d/b/a/ El Tango Taqueria, (deferred 6/15/09) (Pg. 19)

Motion by Mr. Dever, seconded by Mr. Butler, to defer action on this item.

Motion adopted. All members voting yea.

******NEW BUSINESS******

8. Communication from Councilmember Madigan regarding 2010 US Census Alert. (Pg.20)

Motion by Ms. Madigan, seconded by Ms. Antonio, to receive, file and refer the communication to the Committee of the Whole.

Motion adopted. All members voting yea.

....

9. Communication from Police Chief Malley regarding Resolution Accepting and Expending Edward Byrne Memorial Grant Funds. (Pg. 21)

Motion by Mr. Dever, seconded by Ms. Madigan, to receive and file the communication.

Motion adopted. All members voting yea.

....

10. **RESOLUTION 8358-09** - AN EMERGENCY RESOLUTION authorizing the Mayor (Director of Public Safety), to enter into an agreement on behalf of the City of Lakewood with the City of Cleveland, City of Euclid, City of Garfield Heights, City of Parma and the Cuyahoga County Board of Commissioners to accept Lakewood's allocated share of grant funds, currently estimated at \$16,521, from the City of Cleveland, as fiscal agent for grant funds awarded by the U.S. Department of Justice Fiscal Year 2009 Edward Byrne Memorial Justice Assistance Grant (FY2009 JAG). (Pg. 22)

Motion by Mr. Dever, seconded by Ms. Madigan, to adopt Resolution No. 8358-09.
Motion adopted. All members voting yea.

....

11. Communication from Police Chief Malley regarding Ohio Drug Use Prevention Special Grant. (Pg.24)

Motion by Mr. Dever, seconded by Mr. Butler, to receive and file the communication.

Motion adopted. All members voting yea.

....

12. **RESOLUTION NO. 8359-09** - A RESOLUTION authorizing the Mayor (Director of Public Safety) to enter into an agreement with the Attorney General of the State of Ohio to accept and expend an Ohio Drug Abuse Prevention Special Grant in the amount of \$62,335.45 from the Ohio Attorney General's Drug Abuse Resistance Fund. (Pg.25)

Motion by Mr. Dever, seconded by Ms. Madigan, to adopt Resolution No. 8359-09.
Motion adopted. All members voting yea.

....

13. Communication from Finance Director Pae regarding 2009 Amended WWTP Professional Services Capital Contracting Authority. (Pg. 26)

Motion by Mr. Dever, seconded by Ms. Madigan, to receive and file the communication.
Motion adopted. All members voting yea.

....

14. **ORDINANCE NO. 1-09A** - AN ORDINANCE to take effect immediately provided it receives the affirmative vote of at least five (5) members elected to Council otherwise, it shall take effect and be in force after the earliest period allowed by law, amending Ordinance 1-09, adopted January 20, 2009 for the purpose of increasing contracting authority for the Mayor (Director of Public Safety), the Director of Public Works, the Director of Law, the Director of Finance, and/or the Purchasing Manager to engage architectural and/or engineering firms to provide professional services in the design and preparation of specifications and contract administration and to advertise for bids and enter into a contract with the lowest and best bidder for **Wastewater Treatment Plant Improvements** in accordance with the Administrative Code of the City of Lakewood, contracts not to exceed the specified amounts shown without separate resolution of Council. (Pg.27)

Motion by Mr. Dever, seconded by Ms. Madigan, to suspend the rules requiring this ordinance be read on three separate days and placing Ordinance No. 1-09A on final reading.

Yeas: Antonio, Bullock, Butler, Dever, Madigan, Powers, Summers

Nays: None

Motion adopted. Rules suspended.

Motion by Mr. Dever, seconded by Ms. Antonio, to adopt Ordinance No. 1-09A.

Yeas: Antonio, Bullock, Butler, Dever, Madigan, Powers, Summers

Nays: None

Motion adopted. Ordinance No. 1-09A adopted.

....

15. Communication from Public Works Director Beno regarding CUY-Lakewood Signals (PID 82793) Clifton Boulevard. (Pg. 30)

Motion by Mr. Dever, seconded by Ms. Madigan, to receive and file the communication.

Motion adopted. All members voting yea.

....

16. **ORDINANCE NO. 57-09** - AN ORDINANCE to take effect immediately provided it Receives the affirmative vote of at least five (5) members elected to Council otherwise, it shall take effect and be in force after the earliest period allowed by law, authorizing the City of Lakewood to participate in a the construction of traffic signals, radio interconnect and video diction on Clifton Boulevard in the City of Lakewood with the Ohio Department of Transportation. (Pg. 31)

Motion by Mr. Dever, seconded by Ms. Madigan, to suspend the rules requiring this ordinance be read on three separate days and placing Ordinance No. 57-09 on final reading.

Yeas: Antonio, Bullock, Butler, Dever, Madigan, Powers, Summers

Nays: None

Motion adopted. Rules suspended.

Motion by Mr. Dever, seconded by Ms. Madigan, to adopt Ordinance No. 57-09.

Yeas: Antonio, Bullock, Butler, Dever, Madigan, Powers, Summers

Nays: None

Motion adopted. Ordinance No. 57-09 adopted.

....

17. Communication from Public Works Director Beno regarding Clean Fuels Ohio and Earth Day Coalition. (Pg. 34)

Motion by Mr. Dever, seconded by Ms. Madigan, to receive and file the communication.

Motion adopted. All members voting yea.

....

18. **RESOLUTION NO. 8360-09** - AN EMERGENCY RESOLUTION authorizing the Mayor, on behalf of the City, to enter into an agreement with the Clean Fuels Ohio and Earth Day Coalition to accept and expend funds in the amount of \$166,400, to retrofit 19 City vehicles with diesel exhaust systems and requiring a match in the amount of \$8,569. (Pg. 35)

Motion by Mr. Dever, seconded by Ms. Antonio, to adopt Resolution No. 8360-09.

Motion adopted. All members voting yea.

....

19. Communication from Planning & Development Director Kelly regarding Sale of PPN 311-15-011 (approximately 1383 Sloane Avenue) (Pg. 37)

Motion by Mr. Dever, seconded by Ms. Madigan, to receive, file and refer the communication to the Committee of the Whole.

Motion adopted. All members voting yea.

....

20. **ORDINANCE NO. 58-09** - AN ORDINANCE authorizing the Director of Planning and Development to enter into an agreement with a licensed real estate broker to market for sale the real property, Permanent Parcel Number 311-15-011, located approximately 1383 Sloane Avenue for a period not to exceed 120 days, pursuant to Section 155.07 of the Codified Ordinances. (Pg. 38)

Motion by Mr. Dever, seconded by Ms. Antonio, to place Ordinance No. 58-09 on 1st Reading and refer it to the Committee of the Whole.

Motion adopted. All members voting yea.

....

21. Liquor Permit Application for C1 and C2 transfers to Convenience Management Services d/b/a AMPM 3614 located at 14718 Madison Avenue from BP Products North America d/b/a Site 5036 same address. (Pg.39)

Motion by Mr. Dever, seconded by Ms. Madigan, to defer action on this item.

Motion adopted. All members voting yea.

....

Motion by Mr. Dever, seconded by Ms. Madigan, to adjourn.

Motion adopted. All members voting yea.

Meeting adjourned 8:28 PM.

Approved: _____

CLERK

PRESIDENT