

MINUTES OF THE COMMITTEE OF THE WHOLE
November 12, 2018
Auditorium

Present: Councilmembers Anderson, Bullock, George, Litten, O'Malley

Also Present: Planning Director Sylvester, Assistant Law Director Swallow

Call to Order: 7:27 p.m.

Motion made and seconded to approve the absence of Council President O'Leary.
All members voted in favor. Motion passed.

RESOLUTION 9035-18 - A RESOLUTION to enter into a lease agreement with the Lakewood Child Care Center for the lease of the real property located at 1450 Belle Avenue, Ste. 100, also known as the Community Health Center.

RESOLUTION 9036-18 - A RESOLUTION to enter into a lease agreement with The Cleveland Clinic Foundation for the lease of the real property located at 1450 Belle Avenue, Suite 200, also known as the Community Health Center.

RESOLUTION 9037-18 - A RESOLUTION to enter into a lease agreement with The Cleveland Clinic Foundation for the lease of the real property located at 1450 Belle Avenue, Suite 220, also known as the Community Health Center.

RESOLUTION 9038-18 - A RESOLUTION to enter into a lease agreement with The Cleveland Clinic Foundation for the lease of the real property located at 1450 Belle Avenue, 3rd Floor, also known as the Community Health Center.

Director Sylvester presented four proposed lease agreements which bring the Community Health Center into full occupancy for the next five years. All tenants were existing tenants when the City took ownership of the building per the master agreement with Cleveland Clinic. The leases expired this year. All tenants wanted to stay and so the City began re-negotiating the terms of the lease 5 months ago. The Cleveland Clinic is the tenant on the second and third floors and Lakewood Child Care Center is the tenant on the first floor.

The proposed new lease increases Cleveland Clinic's rent 5% in the first year and 2% in each year thereafter. The City looked at market research and felt that Cleveland Clinic was not paying the full market value.

The proposed new lease increases the rent at Lakewood Child Care Center by 1.5% each year. The City contracts with North Pointe Realty for property maintenance and rent collection each month.

In response to a question by Councilmember Anderson, Ms. Swallow explained the cash flow of the rent that comes in and the property-related expenses that come out. She confirmed that the City earns income on the property and therefore pays taxes on it.

In response to questions by the Committee, Director Sylvester explained how market rate is determined. Medical office space is in a different rate profile than child care or other uses which explains why those rents are higher. Property layout and quality are other factors.

Councilmember Litten expressed enthusiasm for Lakewood Child Care Center remaining on as a tenant due to the need for childcare in the City.

Councilmembers noted that only the amendment to the LCCC lease was included on the docket and requested the full lease to be provided.

The Committee discussed the arrangements for payment of utilities in both leases which require a flat monthly sum. Councilmembers asked for information about the actual monthly costs of electricity and questioned what would happen if the lease payments do not cover the costs.

Director Sylvester agreed to provide that information to Council. He stated that there was no reason to believe that the tenants were contemplating any new uses that would significantly increase the electric bills above and beyond what they have been in the past.

Councilmember Bullock asked why the term of 5 years was chosen and questioned if this is the City's highest and best use of the property. He asked what may have changed since the Clinic suggested that it might not renew the lease.

Director Sylvester responded that prior to the Family Health Center, the Cleveland Clinic may have been in flux about its plans for the space but that that is no longer the case. The City's goal is to stabilize the building and tenants are also looking for stability. Going out to the market to explore the highest and best use would entail risk and also expensive capital investment to alter the spaces. He pointed to Section 1 in the LCCC which states that the Center may end the lease if it purchases its own space in the City. He stated that the leases ought to be approved by the end of the year and that sooner is better.

The Committee agreed to support recommendation of the resolutions with the understanding that additional information will be provided and that additional discussion will occur on the floor.

A motion was made and seconded to recommend adoption of Resolution 9035-18.
All members voted in favor. Motion passed.

A motion was made and seconded to recommend adoption of Resolution 9036-18.
All members voted in favor. Motion passed.

A motion was made and seconded to recommend adoption of Resolution 9037-18.
All members voted in favor. Motion passed.

A motion was made and seconded to recommend adoption of Resolution 9038-18. All members voted in favor. Motion passed.

Update on Board & Commission Vacancies

Clerk Bach updated Council on the status of its collective appointees. The Planning Commission appointee is ineligible for re-appointment, the two LHAB appointees are stepping down, and the Board of Nuisance Abatement Appeals appointee has not expressed interest. She recommended an open call for applicants and provided a draft posting for discussion.

Councilmembers were invited to provide feedback now or via email tomorrow morning prior to the posting going out.

The Committee discussed the Board of Nuisance Abatement Appeals and its purpose. The Board does not meet regularly but is required to be empaneled as a due process provision to the nuisance process. The nuisance process was briefly discussed. It was clarified that the Board provides an opportunity for a property owner to appeal the final decision by the Mayor.

Councilmember O'Malley objected to the Mayor appointing the majority of members to the Board of Nuisance Abatement Appeals when the Board's role is to evaluate the decision of the Mayor.

Ms. Swallow stated that the administration would likely not object to this being amended.

Committee of the Whole adjourned at 8:00 p.m.



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FOR IMMEDIATE RELEASE

November 13, 2018

HELP WANTED: Lakewood City Council seeks applicants for Boards & Commissions

Lakewood City Council is seeking volunteers looking to engage with the community and advise their local government. The following opportunities are available:

- Two vacancies on the Heritage Advisory Board
- One vacancy on the Planning Commission
- One vacancy on the Board of Nuisance Abatement Appeals

The Heritage Advisory Board meets monthly and advises the City and the community on matters related to historic preservation. A detailed description of the Heritage Advisory Board and its duties is located in Chapter 1337 of the Lakewood Codified Ordinances. Two four-year terms are available effective January 1, 2019.

The Planning Commission makes official reports and recommendations on proposed changes to the City's Zoning Code, oversees changes to the use or development of land, and holds public hearings on the same. A detailed description of the Planning Commission is located in Article VII of the Third Amended Charter of the City of Lakewood. One six-year term is available beginning January 1, 2019. Planning Commission members should possess related expertise in the above areas and be available for up to 5 hours of service per month.

The Board of Nuisance Abatement Appeals hears appeals from property owners whose properties have been designated as nuisances under Section 510.01 of the Codified Ordinances. The Board of Nuisance Abatement Appeals meets as-needed and performs a necessary due process function for residents.

Additional information about these boards and commissions, including agendas and minutes, are located on the City's website at: <http://www.onelakewood.com/apply-register/boardscommissions/>.

Applicants are asked to email or deliver a cover letter and résumé for consideration to the addresses provided below. The deadline for submission is xxxxx.

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For more information, please contact Maureen Bach, Clerk of Council, at (216) 529-6054.

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