

Bedford, Ohio

April 25, 2016

Community Ward Meeting for **Wards 4 & 6** was held at Bedford City Hall on Monday, April 25, 2016. Mayor Koci called the meeting to order at 7:03 P.M.

Present: Council Members: Mayor Stan Koci, Paula Mizzsak, Don Saunders, Greg Pozar, Walter Genutis, Marilyn Zolata. Absent: Sandy Spinks. Also Present: Clerk of Council Lorree Villers. Administration: City Manager Michael Mallis, Service Director Clint Bellar, Police Chief Kris Nietert, Fire Chief Dave Nagy, Recreation Director Randy Lewis, Finance Director Frank Gambosi, Building Commissioner Calvin Beverly

Mayor Koci welcomed all residents in attendance.

Mayor Koci explained since the closing of a few businesses, Council and the Administration work together to find ways to get new resources and funding into the City to keep the services that the residents were accustomed to. Examples of new funding that was being discussed was an income tax increase or a possible levy; however, these were not being implemented at this time but were being considered. Council and the Administration looked at absolutely everything and would choose the best path for the City to help achieve what was needed to keep the City going by not cutting services and personnel. As employees retire or leave their positions, the position was being re-evaluated to see if it could be eliminated and absorbed by another employee or reclassified as a part time position. Mayor Koci stated the Police and Fire Departments were back at maximum staffing; however, the Service Department continued to be down seven employees. Council and the Administration appreciated the understanding and support from the residents during difficult times. Everyone had to work together as a team and absorb the impact. The City recently started discussions/brainstorming with a real estate broker to keep the City moving in the right direction.

Mayor Koci met regularly with the Mayors of the school district and the Superintendent of the schools to discuss issues. Bedford worked with its neighbors/surrounding communities in a joint effort to support each other. The Walton Hills Ford plant would be torn down in 2017 which was a nice piece of property for development. The neighboring Mayors pledged to help Mayor Hurst/Walton Hills in securing a business for this parcel of property even though it didn't directly affect Bedford. He welcomed the blue collar workers to live in Bedford over the white collar workers.

Mayor Koci and City Manager Mike Mallis said there was positive news regarding Meadowbrook. One of the parcels on Rockside Road was put up for auction. The City was working diligently trying to get a business for this location. Even though it didn't work out with Meadowbrook they did manage to get someone else to buy the property. The good news was the property would now be taken out of Meadowbrook's hands and be improved. The City would work with the new property owner and would work with them to get a viable business at this location.

Xellia Pharmaceuticals has moved into the old Ben Venue properties and they were in the process of moving in and ramping up for production. Xellia has impressed upon the City that they were here to stay and to grow. Additional good news was Xellia was moving their North American Distribution Center to Bedford. Xellia was owned by a foundation and not stockholders and their mission was to fight infectious diseases.

Other businesses that recently opened:

- Molding Dynamics relocated from Geauga County and moved to Industry Drive bringing 40 jobs.

- Data Basics was a computer company that moved into the old Doty Miller building on Broadway bringing 40 jobs.
- Cleveland Ballet moved into town on Broadway which brought a positive image for the City.

Mayor Koci mentioned several examples of communication: Code Red, the new electronic sign installed in front of City Hall, Facebook posts and the website. He urged the residents to read the Bedford Advantage flyer they received in their water bill and attend monthly meetings. Trash pickup was going well, the residents were getting use to the carts and the complaints had considerably decreased.

Councilwoman Mizsak reported the following for Ward 4:

- Announced this was her 20th Ward meeting
- Appreciated the confidence the Ward 4 residents had in her; she tried very hard to respond to her calls in a timely fashion
- With all the upcoming changes she was confident in the Administration's proposals
- Thanked all the departments for their hard work
- She urged everyone to attend the upcoming events on the City Square and at the Historical Society

Councilman Saunders reported the following for Ward 6:

- Appreciated the support from the Ward 6 residents during his recent re-election
- The Administration and Council had to focus seriously addressing the budgetary issues with the loss of some of the businesses and State cuts
- Stated this evening was an opportunity for the residents to be heard; suggestions and concerns were welcome
- Encouraged residents to attend the upcoming meetings for valuable information
- Explained the upcoming months would be dealt dealing with major challenges that would be before the Administration and Council addressing the day to day operations and the budget
- He had the utmost confidence in the Administration and Council to sort through the decisions that were necessary even though they might be unpopular

Dana Best-Mizsak, Executive Director of the Bedford Historical Society, announced upcoming events: Northeast Ohio Local History Fair at Ellenwood Center on April 30th from 10:00 a.m. to 4:00 p.m. and the Strawberry Festival in June.

Mayor Koci informed the residents in January, Walmart unexpectedly announced its closing with a loss of 350 employees. The building was owned by Walmart and not by Meadowbrook which would accelerate the sale of the property. Also, the City was informed recently that Tim Lally and First Merit were closing, again, losing more jobs and tax dollars.

In addition to the loss from Ben Venue, Mr. Gambosi spoke of decisions made by the State of Ohio that cut revenue \$1.4 million which is 10 percent of our revenue. The inheritance tax and personal property tax were taken away but the State of Ohio did not replace these taxes or revenues. The State also reduced the local government fund. Real estate taxes dropped 15%. The City put a safety levy on the property taxes and then only to lose money as soon as we put the levy on. Other significant revenue losses were HB5 which would reduce income tax by \$200,000, Walmart \$140,000 and Tim Lally Chevrolet \$80,000. The employees were now paying higher medical premiums to assist in the budget issues along with the residents being assessed for rubbish service. He said there were positive signs, but how fast would these

need to happen to counter these losses. The Administration and Council would focus on the budget seriously otherwise the City would be in bad shape in 2019/2020.

Mr. Mallis stated that decisions made by the Governor to balance the State's budget affected the cities and schools. The City was taking the steps to try to minimize the downward spiral such as implementing the refuse fee. Mr. Mallis said that was probably not the end of it. Nothing will happen tomorrow, but discussions were taking place. The Administration and Council were discussing what can be cut and how to still deliver the most efficient services. Discussion would be held regarding levies, income tax increases, and possibly pulling the trash fee back if we pass any of these. Mr. Mallis urged everyone to attend the Council meetings over the next 6 to 12 months as these discussions will be taking place.

Mayor Koci introduced the Council members present and City Manager Mike Mallis introduced the City's Administration. Each department's staff was short-handed and have been for years due to budget constraints; however, the services we have grown accustomed to continue to be delivered.

Mr. Mallis showed a PowerPoint presentation. (See attached) Highlights of presentation are as follows:

2015 Year End: Year-end cash balance in the general fund was \$1.8 million. This was in addition to the \$5.8 million in reserve that was required to be maintained by City ordinance. This was a significant decline of about \$2 million from 2014. We anticipated this decline and the majority of the \$2 million loss stemmed from the decline in income tax collected.

General Fund Cash Balance Declining: The cash balance projection through 2019 is declining. This loss was solely based on the closing of Ben Venue and the loss of 1,300 jobs. The City did not feel the full effect of Ben Venue in 2014 due to severance packages being paid out. The reserve was built up to \$9.5 million in 2014 knowing we were going to feel the effect of the \$2 million loss.

Mr. Mallis stated Xellia Pharmaceuticals acquired most of the Westward facility. Xellia was committed to being in Bedford long term and they weren't producing yet but plan to in the future. Showing their commitment, they were transferring all United States and Canada shipping and packaging lines to Bedford. Xellia currently had 50 employees, were in the process of hiring and their goal by the end of May was 80 employees and by the end of 2017 they want to be at 200-250 employees.

Columbus Road Bridge: This was a Cuyahoga County project; not the City of Bedford. The bridge would close on May 24, 2016 through the end of July. Pedestrian traffic will be maintained and it would be open for the July 4th Parade. Being proactive the City included a water line replacement underneath the bridge while the County had the roadway opened. That water line was installed in the 1930's. The City decided to replace it because if the water line would rupture in the future, Bedford would be responsible to replace the roadway and decking on the bridge.

Willard Housing Development: A housing development behind St. Pius was moving forward. The houses would be listed starting at \$150,000 which would help increase property values.

Meadowbrook Development: Regarding the recent auction there, the City negotiated for about two weeks with the property owner. The goal was to have two new auto dealers there, but unfortunately it did not work out. The owner of that property is looking to sell. That auction was put on to gauge the interest and to see what the value is. If it goes well, our hope is he will continue to sell. That whole area needs a fresh start. It needs somebody with a good relationship and reputation. The City would be open minded regarding retail and mixed use development. We would decide how to zone the property such as to allow

office and auto. The good news is that parcel was sold. It was not sold to the person we would have liked it to, but a doctor purchased it. We do not know what the end use is.

Deer Management Program: In 2016 we implemented a deer management program. The City looked at high accident areas, particularly Turney Road, certain areas on Broadway Avenue and Center Road. The program was done through the Police Department using a police sharpshooter. Other cities have spent \$60,000-\$200,000 to cull deer and the City was not spending that amount of money. The Administration would present its report to Council in the next couple of weeks and it will show the cost to the City was very minimal. The ODNR and ODOW issued a permit for 20 deer and the City focused culling in two areas. In addition, the deer culling program also was to educate the public. The City would have a representative from the Cleveland Metroparks who will give a presentation May 9, 2016 at 6 p.m. at City Hall which would educate the residents on what you can/should plant in your yard to deter deer and other helpful techniques to deal with the deer and coyote populations.

Adjustment in Services: We adjusted the sewer and chipper services last year and currently was in the process of discussing adjusting the senior van service. The sewer service was three days a week and the chipper service was the first week of the month. The Administration was reviewing how to continue to deliver the service of the senior van, whether to continue the service at 40 hours a week or possibly reducing the number of hours.

Sidewalk Program: The City did away with the sidewalk program years ago due to budgetary concerns which used to be budgeted at \$50,000 annually. The Administration understood the sidewalks were still in need of repair so the Service Department worked with Sirna Construction to secure a price for the residents. Any resident looking to replace any of their sidewalk must contact Sirna Construction directly by June 15, 2016. Sirna has agreed a minimum of 24 blocks would be priced at \$6.35 per square foot. The minimum of 40 blocks decreased the cost per square foot. The City's involvement was limited in trying to secure the lowest possible price for the residents but there was a cost savings for the residents.

Residential Water Meter Replacement: The water meters were over 15-20 years old and outdated. The City would go through the bidding process to purchase the meters for this project. All the residential water meters throughout the City would be replaced within the next two years.

Trash Collection: The new program has been a success. The implementation of the new carts has increased recycling over 50% which further reduces the overall cost for the City.

Maintaining our Neighborhoods: The City continued to enforce property maintenance. Maintaining the neighborhoods is important. The Water Department has identified the vacant homes with zero water usage and letters are now being sent advising them to maintain the property. If they do not maintain the property and because they have been given notice, the City can cut the grass immediately. The City handled the grass issue in the same manner last year and it made a difference in the neighborhoods.

Heritage Home Program: This program assisted those residents who were looking to make improvements to their home. It was a free resource and they will assist with estimates and offer professional expertise on any improvement with your home. The month of June would be deemed Free Permit Month. Any owner occupant looking to make improvements to the exterior of the home, i.e. driveways, decks, fence, siding, roof, the permit fee for these projects done by a homeowner would be waived.

Community Outreach: Getting the word out to the residents could be a challenge. Code Red was used to get the word out about the Ward meeting this evening. The City sent out monthly inserts in the water bill

and postings on Facebook and Twitter. The City was working on a community app for smartphones and hope to release it this summer. The app would have a calendar of events and you would be able to take a picture and email it to a department. This was another area where we can better communicate with the residents.

Mr. Mallis spoke about a recent survey/article where Bedford placed sixth out of other cities that targeted young professionals. He was not pleased with exactly how the article was written which stated Bedford "surprisingly" was being selected. He added the City was in the process of obtaining a grant/funding for community Wi-Fi so if someone wanted to sit on the City square it would be available.

Land Acquisition and Development: The City acquired over 12 acres by Viaduct Park along with the Moonglow property. This was done with an overall plan to connect this property to the Bedford Reservation/Metroparks. The city was working with the Metroparks to finalize the Clean Ohio grant for a bridge. The plan was to establish a trail which connects to an existing trail, a bridge will go over Tinkers Creek and connect into Viaduct Park, and the trail continues down Willis and connects to downtown Bedford. The trail would be for bikers and walkers and was an approximate \$800,000 project. The City sent out information (RFQ) to developers for all the properties involved. At this time the City did not know what was going to be built on the property but it most likely would not be residential. The City hoped for a restaurant with some mixed use. This was a huge asset for Bedford and the feeling was there was going to be interest. The best part was the City acquired all the property for almost nothing. Other than acquiring the Moonglow property the City only had time involved in this project.

Quiet Zone in Ward 4: This issue had been ongoing for several years and it either needed to happen or not. If the City chose to move forward with this project there would be an informational meeting to inform the residents because there was a big chance some of the streets would become right turn only.

In closing, Mr. Mallis stated the City's number one priority was to deliver the services that everyone had grown accustomed to even being short staffed. If you have a question, the doors were always open. Please do not hesitate to reach out to anyone of the staff.

Mayor Koci opened the meeting to questions from citizens.

Ms. Daunch asked what percentage the City received from Automile automobile sales. Mr. Gambosi explained as an example: If the 32 dealerships sold 1,000 cars each per year at a cost of \$25,000 at 5 ¾% the State of Ohio would receive \$46 million in sales tax and the City would receive \$342,000. It was a known fact the Automile sold more than stated in the equation but the reality was the City did not get rich off automobile sales; the State did.

A Blaine Avenue resident was very concerned about the speeders driving past the library. She feared a child was going to get hit so she suggested a flashing light at Logan Street and Columbus Road. Mr. Saunders explained there used to be a flashing light at this location. It was determined the Administration would review the area.

A resident asked for the boundaries of Ward 6. Mr. Saunders said was Northfield Road to Center Road, Cowles Road to the old Chanel property; basically it was the middle of the City.

A resident asked the boundaries of the IKEA property if they built in Bedford. It was determined the need was for 20-25 acres and would cover from Bartlett Road to Northfield Road.

A resident thought even with the recent swimming pool rate increase it was a great deal for the quality of service that was received. Mr. Lewis thanked her and would relay the message.

A resident questioned the POS process specifically regarding the two homes in his general area on Jefferson Street and Woodrow Avenue. He understood the POS inspections were too tough and the lists were too overwhelming. The owners did not attempt to fix up their homes in an attempt to put the house up for sale; currently the homes were in very bad shape. He understood the POS needed to be done in order to keep the housing stock up but it seemed like people were reluctant to invest in the community. Mr. Mallis explained the City was willing to work with any property owner but the City had various expectations that needed to be met in order to keep Bedford a quality place to live. There were a few neighboring communities that made some bad choices and their housing stock was going in the wrong direction. The resident, not being racist, pointed out the whites were the minority in Bedford and they were the majority attending the meetings. He thought Bedford was becoming an undesirable place to live or move to. Mr. Mallis stated it didn't matter whether the resident was an older resident or a newer resident the City had expectations that needed to be met regardless. The resident also didn't agree with the Mayor's previous comment about Bedford would take blue collar workers over white collar workers as he remembered Mayor Pocek years back stated. He felt the Mayor was being short sighted and City needed a good mix of residents. Mayor Koci agreed with the resident and apologized for his previous comment.

Mr. Beverly informed the resident the City needed to adhere to its own Codified Ordinances and the State of Ohio. He explained the 2015 downgraded ISO rating which would increase the resident's insurance rates. He rebutted the 2015 ISO rating and got it increased to avoid increased insurance rates. He stressed the City was willing to work with the residents and investors when it came to home repairs.

A resident asked what the percentage was for rentals. It was determined there was 800 single family rentals out of 4,500 homes; apartments were not included.

A resident praised the Safety Forces for the professionalism, kudos to the Building Department for being proactive on the grass cutting and great services from the Service Department. She suggested the Recreation Department explore some programs for before and after camp options for working parents. Mr. Lewis and Mr. Mallis stated the before and after camp options was already in process. She also suggested joint participation with the schools for spring and winter breaks for working/single parents. She felt the City needed to work smarter not harder in focusing on Economic Development. A consultant or full time employee needed to be assigned to focus on new businesses and restaurants to draw visitors to come here, eat here and spend money here. Mayor Koci assured her the City was focusing on Economic Development. It was determined sometimes "you have to spend money to make money".

A resident asked the status of the old Medic building. It was explained the owner wanted an overpriced amount of \$1.2 million for the structure, the sloped parking lot was an issue which was the reason a previous company did not buy the property.

A resident asked the status of the old Chanel property. It was explained there was an interested party but the deal fell through which was believed to be because of the asbestos situation in the building because of its age.

A resident asked why the Hergenroeder property on Willis was not selling; the sign had not changed in over 10 years. The City has been in contact with Dr. Hergenroeder regarding the land but nothing was in the works.

A resident asked the status of the old Walmart property. Mayor Koci replied it was for sale for \$4.9 million; however, there were seven interested parties.

A resident was concerned with the amount of empty store fronts in the downtown area. She felt the property owner should be proactive in filling their vacant buildings. Mayor Koci said the City was trying to figure out a way to address the vacant store fronts.

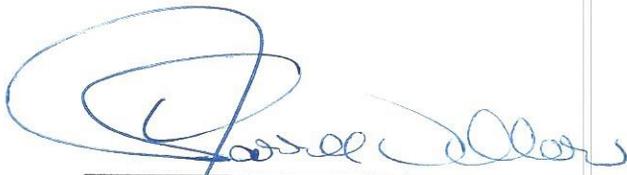
A resident asked how and when inspections were conducted for renters or Section 8 housing when they move in and out. Mr. Beverly explained Section 8 homes was a separate program and was out of the City's control. Per the Codified Ordinances anytime there was a change in tenant the landlord was required to contact the Building Department for a Rental Inspection. The resident suggested the Building Department contact the landlord at 38 Ennis because tenants had changed twice of recent. It was stressed the residents need to call so the City could investigate. Mr. Mallis explained if you're a real estate investor that person was going to go to an area where they could buy great properties at a fair price and the cheapest to do business. Bedford used to be the cheapest place to do business but recently the fees and fines were increased.

In closing, Councilwoman Mizesak suggested Mr. Mallis utilize the electronic signs that were in the area for the IKEA location. Mr. Mallis explained the business owner wanted the site to be visible from the highway; not electronic signs. She thanked all who attended.

In closing, Councilman Saunders read the article that spoke about Bedford being 6th for being the perfect spot to kick start your career, beautiful parks, plenty of amenities, affordable homes and close knit communities. He noticed most of these communities had a historic downtown area. He hoped this article would attract younger families to buy in Bedford. He thanked everyone who attended from his Ward.

Mr. Mallis announced the upcoming 2016 shred day dates were May 21st and September 12th starting at 9:00 a.m. to noon at City Hall.

Meeting adjourned at 8:46 p.m.



Clerk of Council



Mayor - President of Council