

**NORTH RIDGEVILLE MUNICIPAL COUNCIL
MINUTES OF
SPECIAL MEETING JANUARY 29, 2009**

CALL TO ORDER: 8:34 P.M.

President Bernadine Butkowski: I call to order the North Ridgeville City Council Special Meeting of Thursday, January 29, 2009. Clerk, please call the roll.

ROLL CALL:

Present were Council Members Nancy Buescher, Dennis Boose, Richard Jaenke, Bob Olesen, Kevin Corcoran, Ray McLaughlin and President Bernadine Butkowski.

Also, present were Mayor David Gillock, Safety-Service Director Denny Johnson, Assistant Law Director Toni Morgan, Auditor Chris Costin and Clerk of Council Warren Blakely.

Absent was Law Director Andrew Crites and Engineer Larry Griffith.

President Butkowski: Clerk, please read the notice.

READING OF NOTICE:

Clerk of Council Blakely:

Notice is hereby given, in accordance with Section 3.9(c) of the Charter of the City of North Ridgeville, that a Special Council meeting will be held on Thursday, January 29, 2009 immediately following the Special Council Meeting at 7:00 P.M. This meeting will be held in Council Chambers, North Ridgeville City Hall, 7307 Avon Belden Road, North Ridgeville, Ohio 44039.

The purpose of this meeting is to discuss and consider the following Planning Commission recommendation of regular meeting January 13, 2009.

APPLICANT: Donald R. Mould, Mould Development, 9449 Island Road and Larry Vassil, LWV Properties, LLC, 12665 Corp. Drive, Parma, OH 44130
OWNER: City of North Ridgeville, 7307 Avon Belden Road
REQUEST: Approval to construct a building for Ohio Sports Park.
LOCATION: 67 acre parcel on the east side of Victory Lane in an I-2 District
Permanent Parcel No. 07-00-003-102-024
PC ACTION: Approved by a vote of three to zero.

This meeting is scheduled by order of the North Ridgeville Municipal Council.
Warren W. Blakely, Clerk of Council.

President Butkowski: Thank you, Mr. Blakely. Let it be known that Toni Morgan, Assistant Law Director is present.

OLD BUSINESS:

President Butkowski: Also, we'll move on to old business, which I will not reread the old business referring to Don Mould Development for the request for approval to construct the building of the Ohio Sports Park at Victory Lane. The Planning Commission did approve it, as you heard in the previous reading. We'll move on and I need a motion for approval.

 moved by Olesen, seconded by Jaenke to approve

President Butkowski: Do we have any discussion on this matter?

Council Member Boose: Madam President.

President Butkowski: Yes, Mr. Boose?

Council Member Boose: Was there anything that the Ohio Sports Park or Mr. Mould would want to present to us before we ask questions or should we just ask questions?

President Butkowski: Mr. Gillock, do you have anything to present on this?

Mayor Gillock: I have a question procedurally from the Law Director. Do you have a copy of the lease agreement?

Assistant Law Director Morgan: Yes.

Mayor Gillock: Were we contemplating voting on the lease agreement this evening?

President Butkowski: No. We are only contemplating voting on the Planning Commission report.

Mayor Gillock: All we have here this evening is Councilmanic approval of the Planning Commission's three to one approval. Don Mould is here along with Larry Vassil, who is part of the applicant; along with Tony Ballecino who will be the Director of the Park. Any questions, I'm sure, they would be glad to answer them. I think they might want to make a presentation about, at least, one of the issues in the contract that we had discussed. Part of Council's indicated concern was that they hadn't seen a contract and they wanted to see the contract before they voted on this. We now have the contract. There were a couple of items discussed during the week that were clarified. Why don't you talk about, at least, the one issue where we were asking for contribution, but you laid out what it was going to cost the City to use those fields or what that amounted to, to help explain that and anything else that you want to put out there, Larry and Tony?

Applicant Larry Vassil: We made some calculations based on what Mr. Spaulding needed for his Department. They requested the use of some of our fields for a period of time, through the summer to play baseball and we, also, had the same request for the soccer fields contingent for use of the space. What we did was, we did a calculation on what it would cost us to produce the fields. We, also, did a calculation on what the rental cost would be, if we were to rent the fields based on anyone else who would come to the park. We wanted to make that exhibit known, so

that Council could understand that we are paying for this land, just in a different format. We've done a lot of work to the property. We've already spent about 1.3 million dollars and will be paying in upwards of close to three million before the project is completed. We think it is quite a beautiful piece of property and quite a nice opportunity for us and for the City, as far as, the economic impact possibilities. We have an awful lot of tournaments scheduled for the summer and have had tremendous response from both the baseball and soccer community. What we did was, we took an impact study based on ASA, which is American Softball Association. They did a study on what their tournament values were for their site. They used a three and a half multiplier based on someone coming into town, renting a hotel room and spending money per day, while they are in the facility or at night, while they are not and we estimated close to 12 million dollars for the economic impact for year one only. That was based on the tournament revenue projected and based on last year's attendance of those tournaments. We understand that there is an economic situation in our country going on right now and we may not get the travel teams that we previously had in years prior. We do believe that the tournaments will sell out, but we may end up with more Cleveland teams than what we would have normally done, because maybe they won't travel either. We may be down a little bit this year, but we are pretty pleased with the response received so far and we wanted to put those figures on paper and show you those figures.

Mayor Gillock: Thank you. A couple of things that I wanted to add to what Larry was discussing was that, when we were discussing the contract, we talked about having them make an annual contribution. It kind of came down to, do you want an annual contribution or do you want to use the fields and in having the two fields, the total yearly rental is about 89,000 dollars. That is what we would be paying to rent those fields and have them maintain them and take care of them like they are. That is what we are looking at. So, we really are getting a substantial benefit from the use of those fields. The other issue that came up, was the issue of residents or players having to pay to get into the park. We have always been adamant that we wouldn't support that and actually, I think Toni came up with the idea, where we were to get two fields and the same thing is true for soccer, that we could use two fields all the time in the evening from 5:30 to 11:00. Toni came up with the idea where we would use, two hours a day, all the fields and during that period of time, when we were using all the fields, there would be no admission to anybody. That was a great response or answer to that issue. We'll end up with the same field hours, if you want to look at it that way. We'll be able to put our teams out there and play from 5:30 to 7:30. They can bring whoever they want and whoever wants to come watch, there would be no cost to get in until the end of that hour. So, that was a great answer for that. Those were two big items we had and we were able to reach an agreement on that. Keep in mind, that the purpose, of this application that we are looking at, is just an approval for the building layout, design and what they want to build there. We are still not going to give them a permit to begin construction until we get the contract signed, but they need to know if this layout, this approval, is okay with the City and if so, can they move ahead with their plans and know where we are going with this building?

Council Member McLaughlin: Madam President.

President Butkowski: Yes, Mr. McLaughlin?

Council Member McLaughlin: I want to thank the Mayor and you guys for this. My hang up with this is that I have seen nothing and I hope that you can understand that. I mean, the way that I was looking at it is, that being on Planning Commission, I did see the building and yes, I did see the field layout but, as far as, from where I was sitting, I wanted to see that we were working on something or had something put together, instead of getting so far ahead down the road that, now, all of a sudden, we are getting closer and closer to grand opening time; time to play ball and now, here's the contract. At least I know and the way that I feel is, is that I understand the process. I know what you're looking for this evening. I feel a little more comfortable knowing that we, at least have, would it be safe to say, a starting point or is this concrete?

Mayor Gillock: According to the Law Director, Council either approves or denies the contract as it is. We can modify it.

Council Member Corcoran: There was some changes made.

Mayor Gillock: Those are in the revised contract. Mr. Crites had emailed those out today. You were copied on it. There were a couple of items that, I think, Dennis suggested or maybe you had and those were changed.

Council Member McLaughlin: Correct me if I'm wrong, Mayor, but the contract is a whole separate issue.

Mayor Gillock: Correct.

Council Member Boose: Madam President.

President Butkowski: Yes, Mr. Boose?

Council Member Boose: I haven't seen the revised contract, because I haven't had time to go home yet to pull it off my email. So, I am working with the one that we have.

Mayor Gillock: Dennis, they are really minor issues.

Council Member Boose: Was the thing that you just talked about, rather than having one field per night for five weeks is to have all the fields prior to a specific time?

Mayor Gillock: That was in the original contract. The only thing that changed in that was, if you found hazardous waste, you couldn't just say it's not your fault and walk away and the other one said they could not bypass Planning if they did something. That was the two changes.

Council Member Boose: I, also, would like to thank Ohio Sports Park and their representatives as well as Mr. Mould. Mr. Mould has been a fine corporate citizen for many, many years. As I said during the Planning Commission, I don't think you could work with a finer gentleman or outfit. You made a comment in your presentation that we're paying for the land, but in a different format.

Applicant Larry Vassil: Sure, we are affording you rental hours as opposed to cash payments.

Council Member Boose: Okay. I have been in communications with the Law Director on a number of issues and first off, I understand that one of the Mayor's tasks is to negotiate contracts. It is just impossible to do so with eight different people. Eight people can't negotiate a contract. I understand that and so, I am not going to go into a lot of the issues that I had with the contract.

I won't say that they are knit-picky. I understand, through the course of negotiations, there are things that you have to compromise on and I don't have any issue with that. There are a couple things that I do have issue with that I would want to talk to either the Administration, Law Director or the applicants. First, it talks about in the agreement, allowing you as the tenant to sublease the property and in allowing you to sublease that, the people that you sublease to would need to be bound by the terms herein. Is that every specific item in this contract? For example, I can lease something and I can sublease it to you, Nancy and charge you more than what I am being charged. My point in that, is that it would be a pretty sweet deal, if I could lease it for ten dollars a year and then I turn around and sublease it to Nancy for a hundred dollars. Would that be able to happen?

Mayor Gillock: Oh, I think that can happen. Kevin, being a Lawyer, might be able to answer this, but I think in any lease that you are subletting, that sublessor has to meet all the requirements of our contract, which would include giving us our fields, maintaining them, meeting our codes and doing whatever it is that we require in the contract. There is nothing that says that he can't raise his rates during the year or what he charges his baseball players or if he subleases it to somebody for more money. They still have to do everything our contract says.

Council Member Boose: Correct and I guess, that is one of my issues that I wanted to bring up, because we are looking at a 50 year agreement; 25 years with five, five-year options. As the Auditor talked earlier, we can hardly understand or guess what is going to happen in five years, let alone 50 years. I understand and fully appreciate the economic impact; although, I don't fully agree with all the ASA assumptions with the three and a half multiplier that they used. I understand how they got to it and I understand the potential economic impact to the City. It's not 12 million dollars, it is the taxes on that and the economic growth that could conceivably be derived from this complex. But, any other business coming to town, would pay a lease or buy, so that they know after a certain number of years, something is going to happen. I don't know that the benefits that you've given us for field usage, one, is needed at this time. I'm not saying that we don't need an additional five softball diamonds for our City program or an additional two soccer fields today; we may very well. But, I'm not sure of that. We may need; for example, right now at Shady Drive, we have enough softball diamonds to accommodate the current registration that we have, because there are actually some diamonds empty some nights during the year when we play. Could we use an additional one or two? Sure, but I don't know that I would pay what you are looking to be paid for that. When I see that 50 years out; looking over 50 years, if I, as the landowner, which we are, agree to a set amount today that is not increased substantially over that 50 year period, but, you have that opportunity tomorrow to sublease that park to somebody else for 50,000 dollars a year; to me, as the landowner, I didn't make a good deal. I'm still getting the benefit, but I'm not making a good deal.

Applicant Larry Vassil: I know, but you didn't put the three million dollars into it. That is the difference and also, the fact that the rental charge that we calculated this on is today's rental charge. It isn't 20 years from now or 30 years from now either. I think you have to take both issues into account. We're going to make a three million dollar investment. I believe that the

Mayor told me that this was a 25,000 dollar piece of property.

Council Member Boose: Yes, but market value I would argue, especially when the road was built is closer to 100,000; if not more, per acre.

Applicant Larry Vassil: I think, if you would have dealt with the fly ash issues that we dealt with, you wouldn't be saying that. We spent 250,000 dollars because the cap was improper. There was suppose to be a three foot cap on that land and there wasn't. In many areas there was only six inches. We had to move all that dirt from the front to the back; over 300,000 cubic yards. All I am saying, Dennis, is that; I don't know what the value was, but the value was based on a three foot cap that didn't exist.

Mayor Gillock: Madam President.

President Butkowski: Yes, Mr. Gillock?

Mayor Gillock: I would disagree with Dennis as far as the need for the fields. I agree with him, as at times, there are fields that are empty out there, but every year; in some of the leagues, we have turned kids away, because we don't have enough diamonds. So, I think we do need the diamonds. As far as the annual rent, we could say that we don't want any fields, we don't want soccer or we don't want softball; or either one and just pay us the 88,940 dollars or something equivalent, then you would be getting rent. To me, we are still getting rent. We are getting it in the form of in kind payments, rather than in cash and I think we'll even get more of an in-kind benefit this way, because in working with them, we have some interest in doing some tournaments and they'll be using fields at Shady Drive, as well. In the contract, it says that we'll charge them whatever our daily rent is for everybody else. But, in many cases, they are going to upgrade our fields to their standards and bring in diamond dirt, put up fences or whatever the case might be. So, I think we really are getting value here; especially, if you want to call it in kind, by their calculations, is 89,000 dollars a year. I don't think that fly ash property is going to be worth 25,000 dollars, let alone more, because there is not much you can use it for, other than some type of recreational. I think that you might want to keep in mind, that we are getting in-kind value, if we aren't getting cash.

Council Member Boose: Again, Madam President.

President Butkowski: Yes?

Council Member Boose: I'm not suggesting there is anything wrong with the field use being a form of payment. What I am saying is ~~overtime~~ *over time* and because of the lease, sublease option, I think that causes concern for me. If, legally, we can say that they can sublease it, but whoever you sublease it to, you can't get more than what you're paying us already, because then you are kind of tied to that same deal, just like we're tied to it. Again, we are tied to this for 50 years.

Mayor Gillock: But, our in-kind value will go up over the years too. As time goes by, that 88,000 dollars for renting those fields and taking care of them will go up. Our value is going up. Don't forget, we are going to get payroll, business tax and other taxes off of this too, which aren't even shown here.

Council Member Boose: That's not my point. My point is, is that they have the opportunity to

sublease it to someone and make money on our land.

Mayor Gillock: Any contract is that way.

Council Member McLaughlin: That is what Dennis is saying. He doesn't want, what he might feel is a bad deal on our part to be an investment and a money maker on someone else's part. If it is ten dollars and they sublease it for 25, then what fools are we, because why didn't we get it for 25?

Council Member Boose: Yes, why didn't we get the 25?

Council Member McLaughlin: I understand what you are saying.

Applicant Larry Vassil: We made the improvements on it.

Council Member McLaughlin: Speaking on that; if you don't mind, I would like to ask you a few questions on that.

Applicant Larry Vassil: Absolutely.

Council Member McLaughlin: I played ball out at Softball World and I know that your spill over was normally at Nike Field.

Applicant Larry Vassil: I don't know that.

Mayor Gillock: He is not Softball World.

Council Member McLaughlin: I guess my question is, did the entity that was there apply money to that program or was there a lease involved, where the money was spent to the City?

Tony Ballecino: When we used Nike Field, we gave them strict rent. Our conversations with Jim and Gary were that the fields haven't been lasered; the fields need dirt; they need this; they need that. So, we would like to bring your fields back up to par. We would like, spend the money, instead of giving you rent, which would go right into the General Fund and the fields may never see that money. We would like to put the money right into the fields. That is your decision.

Council Member McLaughlin: I think my point was, is that, I don't know if that ever happened out at Nike Field. That is why I was asking. I understand where you are going with that.

Another thing; along these lines right here that I quickly wanted to say, is that you have a rental requirement, where you have two fields at 50 dollars an hour. Now, when they have their tournaments and some of the major ones that they have, there is no way in the world that they are all playing at their park. Are we charging them the same amount when they come to ours or are we charging them?

Applicant Larry Vassil: We believe that our fields will be better.

Council Member McLaughlin: I understand that, but you are going to work on fixing them and making them better. You already told me that.

Applicant Larry Vassil: If you called the City tomorrow and asked Mr. Spaulding to rent your field, your field charge would be 25 dollars a day. We're willing to pay exactly what everyone else pays, if you want to rent the fields.

Council Member McLaughlin: You understand what I'm talking about. Now, I'm going to use your fields and eventually, you're going to get ours up to standard here.

Applicant Larry Vassil: You should charge more. Absolutely. We hope that is what happens. If you get your fields to the point where you're charging 300 and we are only charging 250, you

know, that would be wonderful. The whole point is that we want to bring bigger and better tournaments; world tournaments that will bring 14 days worth of 500 teams to this community and we can't do it with only eight fields. We could do it with 17. So, we've already talked to the NSA about bringing the tournaments into 2011-2012. We've talked to the Senior Olympics about 2013, but we do need more fields.

Council Member McLaughlin: From my standpoint, I'm glad you're here. I didn't want to get into talking about the contract, but that was one of the things that I was looking at. If the money was being put into Nike Field and that was the same deal that is going to be made here, then I have a big wait a minute going on.

President Butkowski: I have a question and this is probably for the Law Director. Does the City or the Sports Park have to enforce a sublease, if the sublease does not comply with the terms of the agreement?

Assistant Law Director Morgan: Are you asking, would the City enforce if they subleased to someone else?

President Butkowski: Right.

Assistant Law Director Morgan: It would be between those two entities. We wouldn't be a party to the sublease.

President Butkowski: We would just require that they comply. If someone else is in there, it would be their responsibility to comply.

Assistant Law Director Morgan: Our contract would be with them. They would be responsible for enforcement on their sublease.

Council Member Olesen: Madam President.

President Butkowski: Yes, Mr. Olesen?

Council Member Olesen: I understand where Dennis is coming from and Ray, but I want to take another tack on this. What I'm looking at right now, is that we want this business here. We want this business to be very strong and we want this business to continue in operation. We will get the residual benefits from that forever. I really feel that the point is that if we let you do these things, your business will become stronger. You have more of an incentive to remain in this community. If you have more incentives to remain, then you'll make more money and we'll profit in the long run too.

Council Member Buescher: Madam President.

President Butkowski: Yes, Mrs. Buescher?

Council Member Buescher: My concern was, of course, that Council would get to see the contract and, as I have said before, we are very happy that you're here. The purpose in seeing that contract is not only for the protection of the City, but it is for your protection also. There are a couple of issues in there that I would like to ask the Law Director about, but I am hoping that everything will be to your satisfaction and the satisfaction of the City and we can work this out.

President Butkowski: We are not here tonight to approve the contract.

Council Member Buescher: I understand that and we're not working to amend anything in the contract.

President Butkowski: I think we are getting off the subject of the meeting.

Council Member Corcoran: Madam President, I have a question on the subject. Gentlemen, how are you? I took a look at the contract and there is one goofy part, but it pertains to the request for a building. There was a mention in here about water and that you have a private agreement to get water. From what I understand, you are getting water from the pond that is next door. You're not going to put that pond water into the drinking fountains are you?

Applicant Larry Vassil: No, Sir. That water is for irrigation only. That one sentence was in there, just in case we couldn't get City water for the fountains and the bathroom; that the City would be liable to do that.

Council Member Corcoran: So, you are still running a water line in for the facility, for the bar and for restrooms?

Applicant Larry Vassil: Yes.

Mayor Gillock: There is an eight inch line going back as part of the road. So, they will have plenty of water.

President Butkowski: Remember, they have to be approved by the Health Department. I don't think they would approve the pond water for anything other than grass.

Council Member Boose: Madam President, on that point; obviously, we're paying for when the water goes in with the road. We're paying that part or are they paying for it from the road to their facility?

Mayor Gillock: That is part of the road project that we're paying for and DeSalvo is paying for half of it, as part of the assessment. The road project includes the road and the utilities. If they use any of the water, then they have to pay for it. But, putting the line in is part of the project.

Council Member Boose: So, we're paying to put the line into wherever they tell us to put it?

Applicant Larry Vassil: That is not correct. We are bringing the line in from the street to the building.

Mayor Gillock: We are putting the line in the street, but, they have to go from the street to the building.

President Butkowski: Okay, that is clear along with the sewer. Is there any other discussion on this project?

Council Member Boose: Madam President.

President Butkowski: Yes, Mr. Boose?

Council Member Boose: One of the reasons I wanted to see the agreement prior to considering the applicant's request was that also, in here under item 12, access, it says that the tenant will have access to and over the premises from an open and improved public right of way to the premises. We have not yet seen the numbers on that. We have not yet seen any kind of agreement from repayment of that from DeSalvo as part of that. It is my understanding that we are going to have to go to BANs first and then to bonds to pay for it. This kind of says that we're going to do it. I just wanted to get a further clarification of that.

President Butkowski: Mr. Gillock, how is that contract doing with DeSalvo?

Mayor Gillock: Well, if we don't build a road, than there is probably not going to be a Sports

Park. All this is saying is that he has a right to have an easement or an access to that road to get to his parking lot. As far as the agreement with DeSalvo, we met last week. Jim said when he left the room, all he had to do is tell his Lawyer to take it off the table and redo it and I think we are in agreement on everything. So, we are just waiting for him to sign it. Andy is on vacation and I know that his representative called Andy on Monday and he has to get back to him, but as far as I know, they were in agreement in getting it done so that it meets our time line of the project and in fact, his Engineer set the time line. I think that it is in pretty good shape.

President Butkowski: Do we have any other discussion on this?

Council Member Corcoran: Madam President, on that issue. It is a public right of way. Why would you need a specific clause that gives them access?

Mayor Gillock: You would have to ask Andy why he put that in there.

Council Member Boose: It says improved. It is my understanding and I'm sure I'll see this at appropriations that we made arrangements, since we have a foot of snow on the ground and can't do paving tomorrow, that . . .

Mayor Gillock: Yes, we can. Our time line is that we would like to get this and the road contract signed by the end of next week. John Larson has the legislation ready for the assessments and the BANs. They are all ready to go. We are just waiting on getting the contract signed. Then, we will bring it to Council. The goal is, under the design plan on the road, is to have the soil stabilized and the base laid, so that by April 3, they will be able to drive on that and get access into their parking lot. It is Winter. It's a concrete street and we can pave that tomorrow. It's not easy, but you can do it.

Council Member Boose: The reason I had brought this up is because you had mentioned earlier; not tonight, but in an earlier conversation, that you had thought that we would have to do something temporary or, perhaps, do something temporary because of the time frame.

Mayor Gillock: Yes, when we revised the engineering with Dave Crock, he looked at that temporary access and being able to do it that way to get to the parking lot.

Applicant Don Mould: I think what they agreed upon (inaudible) The prints layout to pave half the road at a time. It's going to be a little cumbersome because (inaudible).

Council Member Boose: I would just like to end my comments with again, I'm really appreciative of you providing us with this additional information for us to consider. I'm very much glad that you are coming to our City and I wish you all the best. Again, I think with what you have put forth, with the changes that are supposedly in here; which should be included that, anything; any sort of additions that would normally go through Planning Commission for approval, will still go through Planning Commission for approval and negate any of the time lines that were in here, such as, the one that states 10 days. We're City government. We don't move that fast. It takes longer than 10 days to go from the docket to Planning Commission and then back to Council for approval. As long as all that is being taken care of, I wish you all the well and I believe that you have the votes on Council to get this passed. I still believe that there are many questions about a 50 year agreement that I'm not comfortable with, but again, I wish you all the best.

Mayor Gillock: Madam President.

President Butkowski: Yes, Mr. Gillock?

Mayor Gillock: Chris has something he wanted to add.

Auditor Costin: I had some thoughts that I could offer to Mr. Boose's concern, if you would like to hear them from the financial aspect.

President Butkowski: That would be fine.

Auditor Costin: I have not read any of the agreement or any information that you are talking about, but I can understand part of your position. When it comes to the economics of what a land owner wants to do, as you well know, no one is going to invest a substantial amount of money unless they have a long term agreement. It just makes sense. However, I can also understand your concerns about the long term issues that we can't sit here and anticipate. If that is an issue, one consideration that you could consider is a provision to allow a subcontractor, other than the inconsequential subcontractor, to do whatever to take over the facility. You can have a provision in there and I've seen these in real estate contracts that, the sub agreement would only be at the agreement of the City. However, you would have a complimentary provision, that says that such City approval should not be or will not be unreasonably withheld. That way, you certainly protect the owner of the property, because of the substantial economic investment they have in there. If things were to change and for whatever reason that it didn't become economically feasible for them to continue their project, the last thing that we would want to do is see them shut it down. We would want to see them have every opportunity to make money off that land, because it would be advantageous of the City and obviously, the person taking it over would have to live by the confines of the contract. I see no hangups with that, but you may want to consider the provision that I just discussed; that I have seen in many, many real estate contracts that are significant in nature. Not to tie their hands, but at least to have a joint relationship, where, if they do want to do something substantial, it has to be considered and approved by the City, because there may be something down the road that we didn't anticipate. There may be some new sport that comes to the horizon that we don't even know yet, which might become a safety issue. If they turn it over to somebody like that; that is beyond their confines, we would want to certainly have some input on that.

Mayor Gillock: It's in here.

Auditor Costin: It's covered?

Mayor Gillock: Yes, now that you have mentioned it.

Auditor Costin: Let me just finish my thought. That would be the way to satisfy both parties, if that becomes a deal breaker.

Council Member Boose: I would agree with you, if it also said that

Auditor Costin: Economics, Dennis, I don't think that is appropriate. If a developer came to us and said, hey, I'll tell you what I can do. I can bring you a development and he works out a relationship where the developer is making some money off this on a continued relationship, we don't care. That is not our business.

Council Member Boose: We don't care, because it's not our land. But, when it's our land, I

think we should care.

Mayor Gillock: If you look at the contract in paragraph one D. Paragraph one talks about leasing the property. One D says that the option to lease it may be sold, assigned or transferred at any time by the tenant to their parent company or member, if it is a limited liability company, to an affiliate, subsidiary, or partner or to any third party agreeing to the terms thereof and to be restricted to the same use. Then it goes on to say, that otherwise the option may not be sold, assigned or transferred without the written consent of Landlord; such consent is not to be unreasonably withheld, conditioned or delayed.

Council Member Boose: You are reading from where?

Mayor Gillock: One D

Council Member Corcoran: Except, you're not reading 16.

Council Member Boose: Again, when I asked you earlier for clarification, you said that they can charge whatever they want in a sublease.

Mayor Gillock: I think they can. We have input. We can't unreasonably hold it.

Council Member Boose: Right and that is why I would have some sort of escalation in here or something that would say that, if you're going to make more money on it, we should too.

Auditor Costin: In essence, we do, because as they increase their revenues, they pay us income tax. So, we would have that escalator. Now, it would be a lesser amount. We only got the one percent or maybe someday, we'll have a higher number, but everybody that shares in anything to do with that facility and is located in North Ridgeville, has to pay us in income taxes.

Council Member Boose: I understand that.

President Butkowski: Is there any other discussion? A motion was

Council Member Boose: Again, just for clarification, the motion is to approve the request to build the building.

President Butkowski: The motion is to approve the Planning Commission report. It was made by Olesen and seconded by Jaenke. Clerk, please call the roll.

Yes, 6 No, 1 (Boose)

Clerk of Council Blakely: Motion passes by a vote of six to one.

President Butkowski: Thank you. Motion to adjourn?

ADJOURNMENT:

moved by Jaenke to adjourn

Meeting adjourned at 9:15 P.M.

Approval of Minutes:

MOTION Jaenke 2ND Corcoran DATE February 17, 2009
(as corrected)

YES 7 NO 0 ABSTAIN 0