

City of Olmsted Falls
Minutes of a Special Council Meeting
Tuesday, September 25, 2018, at Olmsted Falls City Hall
26100 Bagley Road – Council Chambers, 6:30 p.m.

Mayor James Graven called the Special Council meeting to order at 6:31 p.m. Mayor Graven asked for a moment of silence to remember all of our 48 fellow citizens who are without homes this evening due to the three-alarm fire. He stated that no action will be taken this evening due to the fact that we have three excused council members; one is ill; one is stranded at an airport; and the third explained to Council that she would be out of town this evening. The public hearing will continue in their absence.

Roll call was conducted. Councilmen Jim Haviland, Ed Gorski, Denise Nicolay, and Lee Fenrich were present. Lori Jones, Paul Stibich and Terry Duncan were excused.

Also in attendance: Andrew D. Bemer, Law Director, Paula Accordino, Economic Development Director and George Smerigan, City Planner. Audience: 23.

PUBLIC HEARING

Mayor Graven stated that the purpose of the public hearing is to provide the public an opportunity to comment regarding an application pursuant to Ohio Revised code Section 4301.81 for a Revitalization district. The proposed Revitalization District would include properties around historic downtown Olmsted Falls along Bagley Road, Elm Street, Garfield Avenue, North Depot Street, Brookside Drive, Mill Street, Columbia Road and Main Street.

Mayor Graven requested that anyone speaking this evening would need to fill out a comment form and each individual will be called upon to come to the podium. Please state your name and address for the record. Please limit your comments to three minutes as this will then ensure that all of our residents have an opportunity to be heard.

Roberta Schwimmer, indicated that she would rather wait on her comments until there is a full quorum of Council members at the next meeting.

Jack Warning, 7865 Brookside Drive, stated that he wrote a letter to Brett Iafigliola who is the Chairman of the Planning & Zoning Commission and he would like to read that into the record this evening. He indicated that he would read the letter verbatim: “First of all I realize that the restaurant issue is not the only issue but one of many and but it is most important to cause the biggest nuisance to the citizens. Regarding all the talk about rezoning so we can add more restaurants I have some additional comments to add. I realize the Planning & Zoning Board has nothing to do with liquor licenses but they do control the zoning which could be used for adding more restaurants. The handout available at the last meeting by John Benson quotes Economic Development Director Paula Accordino as saying if the zoning is changed we could add a total of 14 liquor licenses. We have eight or nine restaurants in the city now and I doubt that more than four or five of those have liquor

licenses which means we could add up to nine or 10 more restaurants. This would create a ridiculous amount of traffic for pedestrians and automotive both. Also, the competition would probably cause some failures and empty buildings. We have had people who own and operated our present eating places for sometime do we not owe some preference over outsiders groups coming into the city.”

Ann Reichle, stated that her business is located at 8155 Columbia Road, she has been here for 20 years now and grew up in this community so it means a whole lot to her. She has some huge concerns about expanding the number of restaurants in this community due to the fact that we don't have enough parking for the restaurants we have now on busy nights unless they roll over into her parking lot which we pay for as tenants, we are not a public lot at Mill River Plaza, but, a substantial amount of people do park in our lot now when they are eating all over town. If the number of restaurants increases and that traffic in our parking lot increases without adding any additional lots then she will be forced to call her landlord to cause towing to occur and she does not want to do that. She does not want to look like the big bad guy in town but the fact of the matter is she pays for this parking lot. She would like to know what is going to happen if the revitalization district passes and the rezoning fails because part of her feels that you can say you can put businesses there but unless you have zoning in place currently to do that it does not make any sense to pass a revitalization district measure. Her main issue is parking and just adding the additional restaurant that we are going to add with close to 100 seats downtown there isn't sufficient parking for that restaurant and the ones that exist here right now, she knows that for a fact she watches it on Friday and Saturday nights now and she does not see any evidence that the city is looking to address this at all. She appreciates everyone's time.

Bill Henzey, 9354 Rollingbrook Circle, stated that he is not necessarily against or in favor of this proposal but he believes some clarification is necessary because there is a lot of speculation of what exactly is going to happen. First, one of the speculations is that we are going to have an open container walking around the downtown area with people going from establishment to establishment, he thinks this issue needs to be addressed. He also believes there needs to be some clarification of exactly what the revitalization district does as opposed to, and he believes there has been some smushing together of the various Ohio Revised Code Sections with regards to revitalization versus entertainment district, so there is that speculation out there that needs to be clarified. He believes that almost everyone in this room understands that Mr. Lorek came forward obviously, he is assuming, to try to obtain a liquor license for his proposed steakhouse and this also provides the ability of the city or actually other businesses to come in and apply for additional inexpensive liquor licenses, if necessary, that's understandable. The one issue he would like Council to entertain, if they could, he questions about going to the west of the downtown with regards to the revitalization district as most businesses want to have frontage on the main thoroughfares and in our city its Bagley and Columbia Road. He thinks that we would want to take a look at potentially going south downtown Columbia Road south of Bagley following kind of the intent of the master plan that was approved that we wanted to basically establish a link between the southern end of Columbia and the northern end of town. He thinks we need to look at that, if he had a say so, which he doesn't, that Council would entertain having the rezoning of the downtown area and the revitalization district go south of Columbia. Finally, if he could suggest, that we kind of have a hodge podge of zoning in the downtown area and it appears that we are going to put the MUTND district in this section of Brookside, his suggestion is why do not we not just overlay the whole downtown area with the same district so that when developers come into town they understand exactly what they can or cannot do.

Jayme Palker, stated that she owns Pinot's Palette in downtown Olmsted Falls, she moved in back in 2015. There were no available liquor licenses and it was her understanding that liquor license the amount of them is mandated by the state based on population. So, she had to Trex one in, which is like an economic development type of deal. This cost is not mandated by the state and she paid \$16,000 for her liquor license, plus broker, lawyer and then to get on the ballot for Sunday. She has a D1, D2, D3 and D6. So, if we allow, what she believes she heard was 10 more, this would very highly devalue my liquor license. She would recommend that people can also trex them in or purchase them from an existing business that may want to sell their liquor licenses.

Ms. Accordino indicated that she believes it is important to make one correction. Originally when the city came to Council with a request to consider the revitalization district back in June, initially the district boundaries were proposed as 72 acres with 14 licenses. It is one license per 5 acres of land. She knows there was some sort of confusion and explains some of the discrepancy as the proposed area has not been reduced. She stated that up to 10 licenses can be available if a restaurant applies for one they would receive a D5 license. After some discussion with the City Planner the city decided to reduce the boundaries to 52 acres because the boundary initially included some residential area which were being considered for bed and breakfast businesses. Now, one license becomes available for five acres. Mr. Fenrich indicated that the this doesn't mean that the businesses will be five acres a part, but they will not be all in a row. So, for example, if there are 50 acres then there are 10 licenses. The licenses available would be available to businesses that have 75% of their receipts as food sales, so this is not going to be a bunch of bars down the street. In reference to Mr. Henzey's comments regarding open containers, that is not permitted here and it not allowed in Put-In-Bay, for example. Ms. Accordino indicated that in the cities that have adopted a revitalization district after 10 years still have licenses available

Josh Lorek, stated that he is the owner of the Old Library building which is being renovated into a steakhouse. He stated that the proposed revitalization application is an excellent opportunity for the city. Smaller cities have a competitive disadvantage in terms of attracting and keeping vibrant retail and dining options. As if that isn't enough the internet has made it even tougher for retailer and dining moving forward so you are left to look out 10 to 20 years and determine what the world looks like for a small town. Olmsted Falls has one of the most unique downtown centers on the westside of the Cleveland. The two east side cities that rival what Olmsted Falls has in the Cleveland area would be Chagrin Falls and Hudson. Like Olmsted Falls these are cities that will never have a great deal of chain restaurants and are dependent upon supporting the "mom and pop" retail restaurant. Homegrown businesses that need your support as much as you will need them. The revitalization district will allow future restaurants, coffee shops and even churches the ability to apply for lower cost liquor licenses. Yes, even a local church has shared that they may have an interest in this. Right now, a startup restaurant will have to spend anywhere from \$16,000 to \$50,000 to bring a liquor license into the city. This would be no problem for an Applebee's or any large chain restaurant but for a start up the uphill climb of opening a restaurant on top of these costs make it often impossible to overcome. He has worked directly with the City of Chardon on understanding what the revitalization district did for their city. They have been more than helpful and could not say enough good things about the program. Their two most popular restaurants have been created out of this. In the last five years four licenses have been issued even though they have 14 available. There will not be a mad dash for licenses and they can't leave the city. Another success story for Chardon was a coffee shop that is now able to offer a more diverse offering of drinks rather than just serving coffee in the morning, they have expanded their hours and become more profitable after applying for this license. This small coffee shop would not have been able to justify the \$50,000 expense. This is a simple way

to allow the city to have a competitive advantage in the future, money will continue to be spent in surrounding cities that have size advantages and promote greater choice. This is not an attempt to change the culture of the town, just to allow it to continue. He believes that his efforts were forward thinking 20 years out to competitive with a North Olmsted or Berea and not have chain restaurants. This will allow, he believes, that competitive advantage. For anyone that owns a liquor license they will be able to sell it and he assumes reapply and get the lower cost one. This could be a financial windfall, maybe not necessarily devaluing licenses but assumes it could be sold outside of the city and possibly apply for one of these types of licenses. He does not know the legality. This is not going to be a mad dash, there are not going to be 14 restaurants coming in. the City of Chardon has done this and he assumes Olmsted Falls will be similar. This is nothing more than to promote additional restaurants. This is not about bringing in bars. Mayor Graven indicated that Mr. Lorek's business will be a restaurant. Mr. Lorek replied yes; and he is will have \$500,000 to \$600,000 of expenses so whether he spends \$3,000 or \$30,000 on a liquor license, obviously the lower cost one would help, but will not make or break him. For anyone else that wants to enter, for example a coffee shop, he believes there are also some current restaurants in the community that could benefit by having maybe some wine during lunch hours or that do not have a liquor license. He stated that Mr. Williams owns a bunch of liquor licenses that are used maybe once a week. So, when we say there are all these liquor licenses in Olmsted Falls it is actually just for a select few and some are not necessarily utilized for the best purposes for the city, in his opinion. Again, there is not going to be a mad dash if anything it will give a little bit more of an advantage and incentive for that next restaurant that wants to give it a go.

ADJOURN

Mr. Gorski moved to **adjourn**; Mr. Fenrich **seconded**. Poll: 4 ayes; 0 nays. **Motion carried**.

The meeting adjourned at 6:52 p.m.

James P. Graven, Mayor

Angela Mancini, Clerk of Council