

Committee of the Whole [morning session]

Documenter name: Carolyn Cooper Agency: Cleveland City Council

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Summary

- The city of Cleveland received approximately \$24 million in unanticipated income
 tax, interest income, and other revenue. Chief Financial Officer (CFO) Ahmed
 Abonamah told the council, "The city has never been in a better cash position than
 it is today."
- Abonamah resigned from his position and will become the <u>Cleveland Cavaliers</u> new CFO. His last day with the City of Cleveland will be on July 19.
- <u>Dave's Supermarket</u> in <u>Shaker Square's</u> new lease agreement will extend the term until <u>December 2029</u>.
- If council passes this legislation, a project rep said the Erieview Tower and Galleria project will convert the former office building into a mixed-use building, containing the following: 227 luxury units; The W luxury hotel; retail space; an indoor sports and entertainment space; a ballroom; commercial space; and the re-opening of the former Top of the Town restaurant.

Follow-Up Questions

- Since several of the council members are fraternity, sorority, or Free Mason members—are they campaigning for their various organizations to volunteer in transporting seniors, who live in food deserts, to grocery stores? Or campaigning to assist seniors in ordering their groceries online, picking the food up and delivering the items to their homes? If not, why?
- Should funds be allocated to contract a delivery service—such as InstaCart or UberEats drivers—to deliver groceries to seniors and disabled residents (at least once a week) who live in wards with food deserts?
- It seems there is always new construction proposed for Downtown Cleveland, instead of in its redlined and marginalized areas? Why?
- If the former Top of the Town restaurant reopens, will other once popular downtown restaurants such as Captain Frank's, New York Spaghetti House, and Hornblowers also reopen?

- Why wasn't Abonamah prepared with information to present to the council detailing exactly where the \$24 million in revenue came from?
- How much revenue did the City of Cleveland generate from sportsbetting and hosting several major recent entertainment and sporting events? Is this revenue why Cleveland is in such a good cash position, as Abonamah stated?

Notes

The meeting began at 9 a.m., with livestream technical difficulties on both the <u>YouTube</u> and <u>TV20 Facebook</u> pages.

However, the meeting could still be livestreamed on TV20's website.

Attendance

The following council members were present at roll call:

- Kerry McCormack (Ward 3), chair
- Anthony Hairston (Ward 10
- Jenny Spencer (Ward 15)
- Kris Harsh (Ward 13)
- Michael Polensek (Ward 8)
- Rebecca Maurer (Ward 12)
- Richard Starr (Ward 5)
- Brian Kazy (Ward 16)
- Kevin Conwell (Ward 9)
- Danny Kelly (Ward 11)
- Charles Slife (Ward 17)
- Deborah Gray (Ward 4)

Additional council members who joined later:

- Joseph Jones (Ward 1)
- Kevin Bishop (Ward 2)
- Jasmin Santana (Ward 14)
- Stephanie Howse-Jones (Ward 7)
- Agenda
- Emergency Ordinance No. 721-2024

McCormack began by reading this ordinance regarding the director of Economic

Development entering into a forgivable loan agreement with <u>Shaker Square</u> to provide economic assistance to the <u>Dave's Supermarket</u> in <u>Shaker Square</u>.

David Saltzman, vice president of <u>Dave's Supermarkets</u> presented to the committee. He said that a lot of maintenance has been completed. He added that their **lease agreement** was scheduled to expire in <u>December 2024</u>, and narrated a PowerPoint presentation detailing the following investment information:

- Dave's new lease will extend the term to 2029.
- Shaker Square and Dave's will continue to improve customer service by investing in the market.
- \$700,000 total investment in equipment and leasehold improvements inside of the store.
- Dave's directly benefited when Shaker Square's ownership completed over \$500,000 of exterior capital improvements.

Saltzman said that new signage, decor, flooring, and a sub sandwich shop would be added. Polensek expressed his disappointment with Dave's Supermarkets leaving the Collinwood, Payne Ave., and Central areas. He said: "We are losing Rite Aids, CVS, and we are about to lose Walgreens in the city. We have food deserts throughout the east side of the city. And what I am looking for and hoping to hear at one point from the administration, a game plan as to what are we going to do here? We cannot continue to operate like this. We cannot have people at the mercy of the corner stores."

Tania Menesse, CEO and president of <u>Cleveland Neighborhood Progress</u>, said: "I think the steps that the city is taking, and in partnership with organizations like mine and others, to focus on how you strengthen main streets [and] how you strengthen the adjoining neighborhoods—by doing the kind of investments that city council has sponsored. First in some of the middle neighborhoods like yours in Collinwood..."

Saltzman added that there were seven <u>Dave's Supermarkets</u> in the City of Cleveland, and sales were down in double digits in some of them because many residents have less and don't have money to put food on their tables.

Starr told the council that he hasn't seen an "honest effort" to address the food desert problem.

Menesse commented that currently, it is rare to have local grocery stores in this country. Therefore, it is common to have food deserts. She suggested programs in recreation centers where residents can order their groceries and get them delivered or picked up at

an alternative location, or subsidies for corner stores to stock grocery items.

McCormack announced that **Emergency Ordinance No. 721-2024** would be heard for passage on the floor at tonight's meeting.

Emergency Ordinance No. 747-2024

Next, McCormack read this ordinance regarding the approval of the addition of property located at 1301 E. 9th Street to the <u>Northeast Ohio Advanced Energy District</u>.

Polensek informed the council that Erieview Plaza was one of Cleveland's first skyscrapers and was once a destination place.

Richard Morehouse, partner at <u>KJK</u>, detailed an overview of the **Erieview Tower and Galleria project** to the council. If the legislation passes, the former office building will be converted into a mixed-use building, containing the following:

- 227 luxury units
- <u>The W</u> luxury hotel
- Indoor sports and entertainment space
- A ballroom
- Commercial space
- Retail space
- The re-opening of the former **Top of the Town restaurant**

McCormack announced that **Emergency Ordinance No. 747-2024** would be considered by the entire body at that evening's City Council meeting.

Emergency Ordinance No. 632-2024

McCormack proceeded to read this ordinance regarding making additional appropriations of \$24.2 million into the General Fund.

Chief Financial Officer Ahmed Abonamah presented to the council and said the funds would be used for the <u>Department of Public Safety</u> as follows:

- Purchase a new dispatch system
- Purchase new radios
- Taser payments and maintenance
- To hire a Tax Increment Financing (TIF) consultant

- Forensic service payments to the Cuyahoga County
- Medical examiner service payments
- To hire a temporary project coordinator to help support unhoused citizens for two years

Kazy asked where the money was coming from.

Abonamah replied: "This is the result of revenues coming in a little higher than we anticipated when we presented and had the budget adopted for 2024."

Jones commented: "\$24 million is a lot of money to bring at the table."

Polensek asked if the increase predominantly came from income tax revenue.

Abonamah replied that interest income also came in higher than projected. Polensek requested detailed information to show the council exactly where the increase in revenue came from.

Several council members felt that legislation for a \$24 million "sense of urgency" should have been presented to a special committee hearing earlier in the year, and not now, during the summer.

Abonamah replied: "We don't set the calendar, so we present the ordinance for introduction."

McCormack suggested that requests should have been heard earlier by the Safety Committee and the Finance Committee.

Wayne Drummond, Public Safety director, told the council: "We're not trying to be secretive. We didn't try to do anything other than to present this legislation because there is an urgency for us to get this approved for the men and women of the Department of Public Safety."

Abonamah told the council that: "The city has never been in a better cash position than it is today."

Hairston made an amendment that the legislation comes back to the council for approval before entering into a contract to hire a TIF consultant. The amendment was approved.

McCormack announced that **Emergency Ordinance No. 632-2024** (as amended) stands approved.

• <u>Emergency Ordinance No. 640-2024</u>—regarding the Director of Finance entering into contracts for the Officer Intervention Program, the Law Enforcement Management System, and the Computer Aided Dispatch System.

Deputy Commissioner Larry Jones II presented a PowerPoint presentation to the council, describing Computer Aided Dispatch (CAD) and the Record Management Systems (RMS)—including the shared platform needs of <u>Cleveland EMS</u>, the <u>Cleveland Division of Police</u>, the <u>Division of Animal Care and Control</u> and the <u>Cleveland Division of Fire</u>.

Additionally, Commissioner Jones told the council that CAD was in compliance with <u>the consent decree</u>.

Polensek made an amendment that before hiring a vendor/consultant for the allocated \$450,000, legislation would have to come back to the council's Safety Committee for approval. The amendment was approved.

Drummond informed the council that the CAD and RMS systems aid offices in real time. They can then decide what information to share with other departments.

Abonamah resigned and will become the <u>Cleveland Cavaliers</u> new chief financial officer (CFO). His last day with the City of Cleveland will be on July 19. Before he left the meeting, several city council members thanked Abonamah and said they were sad he resigned.

McCormack announced that **Emergency Ordinance No. 640-2024** (as amended) stands approved.

Bond Issuance

• <u>Emergency Ordinance No. 662-2024</u>—authorizing the issuance and sale of bonds to improve and maintain <u>Municipal Cemeteries</u>.

Emergency Ordinance No. 662-2024 was approved.

• <u>Emergency Ordinance No. 663-2024</u>—authorizing the issuance and sale of bonds to purchase heavy duty equipment and trucks for the <u>Cleveland Division of Fire</u>, the

Department of Public Safety and the Department of Public Works.

Hairston suggested purchasing water trucks for landscapes and hanging basket decor on streets and in communities.

Emergency Ordinance No. 663-2024 was approved.

• <u>Emergency Ordinance No. 664-2024</u>—authorizing the issuance and sale of bonds to purchase equipment and vehicles for the <u>Department of Public Safety</u> and the <u>Department of Public Works</u>.

Emergency Ordinance No. 664-2024 was approved.

• <u>Emergency Ordinance No. 665-2024</u>—authorizing the issuance and sale of bonds to improve Municipal <u>Parks</u> and <u>Division of Recreation</u> facilities.

Emergency Ordinance No. 665-2024 was approved.

• <u>Emergency Ordinance No. 666-2024</u>—authorizing the issuance and sale of bonds to improve structures and buildings.

Emergency Ordinance No. 666-2024 was approved.

• <u>Emergency Ordinance No. 667-2024</u>—authorizing the issuance and sale of bonds to improve the municipal street system.

Emergency Ordinance No. 667-2024 was approved.

<u>Emergency Ordinance No. 614-2024</u>—authorizing the director of Economic
 Development to enter into a grant agreement to renovate the vacant **Variety Theatre** building.

Kelly Flamos, Variety Theatre Complex owner, presented a PowerPoint presentation to the council.

She said that her vision is to restore the theater and use it as a live entertainment venue.

Additionally, she will offer the venue for the three <u>Cleveland Metropolitan School District</u> (CMSD) schools in the ward to use in their performances and events and to <u>Literary</u>

Cleveland to host live events.

Emergency Ordinance No. 614-2024 (as amended) was approved.

• <u>Emergency Ordinance No. 580-2024</u>—as amended, authorizing the director of Community Development to provide financial assistance to projects providing housing in the City of Cleveland.

Emergency Ordinance No. 580-2024 was approved.

• <u>Emergency Ordinance No. 613-2024</u>—authorizing the commissioner of Purchasing and Supplies and the director of Community Development to enter into agreements with STA Realty and the Land Assembly for Neighborhood Development, Ltd.

Commissioner James Greene presented a PowerPoint presentation, informing the council about the following agreements:

- Entering into an option agreement with Cleveland Neighborhood Progress (CNP) and New Village Corporation's subsidiary Land.
- Conveying 17 city-owned properties to a CNP subsidiary.
- Acquiring nine parcels from CNP subsidiaries **STA** Realty and Land.

Polensek proposed an amendment to remove the Marcella Road parcel and replace it with the parcel on W. 127th Street. The motion carried.

Emergency Ordinance No. 613-2024 (as amended) was approved.

At 1:40 p.m. McCormack announced that the council members would break for a 30-minute lunch.

If you believe anything in these notes is inaccurate, please email us at <u>cledocumenters@gmail.com</u> with "Correction Request" in the subject line.