

SPECIAL COUNCIL WORK SESSION

OCTOBER 23, 2017

7:30 P.M. PROMPT

- **DISCUSSION OF AGENDA**

PLEASE TURN OFF ALL CELL PHONES BEFORE MEETING
(Council Minutes and Agendas posted at www.bedfordoh.gov)

Bedford City Council met in a Special Work Session at Bedford City Hall on Monday, October 23, 2017 at 7:35 p.m.

Present: Council Members: Mayor Stan Koci, Donald Saunders, Sandy Spinks, Walter Genutis, Marilyn Zolata, Paula Mizesak and Greg Pozar. Absent: None. Also Present: Clerk of Council Lorree Villers. Administration: City Manager Michael Mallis, Finance Director Frank Gambosi and Law Director John Montello. Residents: Trish Karabowicz, Jeff Asbury, Otto Ersek, Frank Spiker and David Neff.

Mayor Koci began discussion of the Special Council Meeting agenda.

ORDINANCE NO. 9524-17 AN ORDINANCE AMENDING ORDINANCE NO. 3457-69, PASSED DECEMBER 1, 1969, SECTION 151.26 ENTITLED "HOSPITALIZATION FOR COUNCIL AND MUNICIPAL COURT JUDGE" PLACED ON FIRST READING SEPTEMBER 18, 2017, SECOND READING OCTOBER 2, 2017 AND Tabled OCTOBER 16, 2017 AND DECLARING AN EMERGENCY

Mayor Koci said this Ordinance would be placed on third and final this evening.

ORDINANCE NO. 9525-17 AN ORDINANCE MODIFYING THE SALARIES OF THE MAYOR AND COUNCIL FOR TERMS COMMENCING ON OR AFTER JANUARY 1, 2018 AND JANUARY 1, 2020 PLACED ON FIRST READING SEPTEMBER 18, 2017, SECOND READING OCTOBER 2, 2017 AND Tabled OCTOBER 16, 2017 AND DECLARING AN EMERGENCY

Mayor Koci said this Ordinance would be placed on third and final this evening.

ORDINANCE NO. 9529-17 AN ORDINANCE AMENDING ORDINANCE NO. 8485-09 WHICH ENACTED CHAPTER 1901.03 OF THE CODIFIED ORDINANCES OF THE CITY OF BEDFORD ENTITLED "UNRECORDED SPECIAL ASSESSMENT VERIFICATION FEE" AND DECLARING AN EMERGENCY

Mr. Gambosi requested this be placed on second reading this evening.

ORDINANCE NO. 9532-17 AN ORDINANCE ENACTING CHAPTER 750 ADOPTING PART 7, "BUSINESS REGULATION CODE", CHAPTER 750 MEDICAL MARIJUANA BUSINESS REGULATION", TO CREATE A COMPREHENSIVE LICENSING SYSTEM FOR MEDICAL MARIJUANA ENTITIES IN THE CITY OF BEDFORD; AMENDING/SUPPLEMENTING PART 19, "PLANNING AND ZONING CODE", TITLE 5, "ZONING ADMINISTRATION", CHAPTER 1915, "DEFINITIONS", SECTION 1915.361, "MEDICAL MARIJUANA DISPENSARY", AND TITLE 9, "GENERAL AND SPECIFIC PROVISIONS", ENACTING CHAPTER 1965, "MEDICAL MARIJUANA DISPENSARIES", SECTION 1965.01, "MEDICAL MARIJUANA DISPENSARY ZONING REGULATIONS" TO CREATE A COMPREHENSIVE ZONING SYSTEM FOR MEDICAL MARIJUANA ENTITIES AND DECLARING AN EMERGENCY

Mr. Mallis explained again Cuyahoga County would be seeking five (5) areas for dispensaries and Bedford could be an option. During recent discussions it was determined the application fee was increased to \$25,000 and the renewal fee was increased to \$15,000; both non-refundable. He explained the changes were removing Chapter 750.02 (T) and amending Chapter 1965.01 (C) that "No medical marijuana dispensary shall be located in the Historic Downtown District". It was important that the City be proactive in this specific situation. It was made clear this was for "medical" uses not recreational.

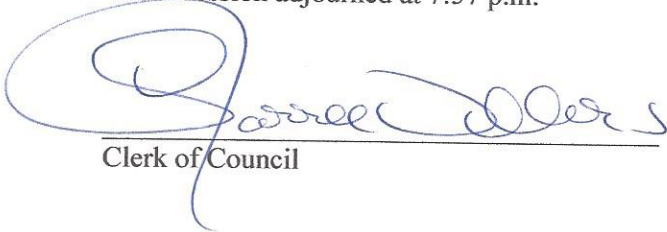
ORDINANCE NO. 9533-17 AN ORDINANCE AMENDING ORDINANCE NO. 9521-17 AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH THE HAWTHORNE VALLEY YOUTH COUNCIL FOR THE PURPOSE OF SPONSORING STUDENTS IN THE PROGRAM FOR THE YEAR 2017-2018 AND DECLARING AN EMERGENCY

The previous Ordinance was amended to add the cost of another student to the program. There were no issues regarding an additional cost for a fourth student.

ORDINANCE NO. 9534-17 AN ORDINANCE TO AUTHORIZE THE CITY MANAGER TO JOIN A COALITION OF MUNICIPALITIES RETAINING SPECIAL COUNSEL FOR PURPOSES OF INITIATING LITIGATION TO CHALLENGE THE CONSTITUTIONALITY OF AMENDMENTS TO CHAPTER 718 OF THE OHIO REVISED CODE RELATING TO MUNICIPAL INCOME TAX AND DECLARING AN EMERGENCY

Mr. Gambosi explained when this was first introduced he thought it would be an option but as time went on and the fee was applied he felt it was moving in the wrong direction. He felt the State was not using any common sense and the State was not actually helping businesses. The imposed fee would actually be taking more money from the City and the businesses would not have any wiggle room. He felt the State was out of control. The \$4,000 cost to join the class action lawsuit was well worth its investment. It appeared a lot of the cities were against collection and the representatives seemed to be looking the other way and not caring. Mr. Gambosi explained the ordinance was about the City recognized as a home rule power of local self-government, that municipal income tax administration and collection was vital to the health, safety and welfare of the municipality. The City relied on the revenue from effective municipal income tax administration and collection to provide the services that maintain the health, safety and welfare of the municipality. The Ohio General Assembly had attempted to assert control over the administration and collection of municipal income taxes by claiming that a municipality had no authority to impose an income tax unless it adopts a code in strict compliance with R.C. Chapter 718. The established law of Ohio was clear that any such preemption of municipal income tax codes by the State of Ohio violated the Ohio Constitution and home rule provisions that allowed a municipal corporation the right to administer and enforce its own municipal income tax. The State of Ohio has enacted HB 5 in 2014 comprehensively rewriting the entire municipal income tax law and HB 49 in 2017 authorizing centralized collection by the State of Ohio of municipalities' net profits taxes. The City desired to assert its home rule authority to control the administration and collection of the municipal income tax, in order to provide for the health, safety and welfare of the municipality. The passage of this Ordinance hiring Frost Brown Todd would send a message from the City of Bedford.

Work Session adjourned at 7:57 p.m.


Clerk of Council


Mayor - President of Council

1. CALL TO ORDER

2. ROLL CALL

3. SPECIAL BUSINESS - (1st Rdg: 9/18/17 – 2nd Rdg: 10/2/17 – Tabled 10/16/17)

- a. Ordinance No. 9524-17 amend Ord #3457-69, §151.26 pertaining to “Hospitalization for Council”
- b. Ordinance No. 9525-17 amend Ords. #7382-01/#9438-16 salaries for the Mayor and members of Council
- c. Ordinance No. 9529-17 amend Ordinance No. 8485-09 / §1901.03 Special Assessment Fee (1st Rdg: 10/16/17)
- d. Ordinance No. 9532-17 enacting Chapter 750 – “Medical Marijuana” (1st Rdg: 10/16/17)
- e. Ordinance No. 9533-17 amending Ordinance No. 9521-17 agreement w/Hawthorn Valley Youth Council
- f. Ordinance No. 9534-17 contract w/Frost Brown Todd – Chapter 718 HB 49

4. ADJOURNMENT

Bedford City Council met in Special Session at Bedford City Hall on Monday, October 23, 2017. Mayor Koci called the meeting to order at 8:02 P.M. The meeting was opened by pledging allegiance to the flag. The roll was called. Present: Spinks, Koci, Mizensak, Genutis, Pozar, Saunders, Zolata. Absent: None.

ORDINANCE NO. 9524-17 AN ORDINANCE AMENDING ORDINANCE NO. 3457-69, PASSED DECEMBER 1, 1969, SECTION 151.26 ENTITLED "HOSPITALIZATION FOR COUNCIL AND MUNICIPAL COURT JUDGE" PLACED ON FIRST READING SEPTEMBER 18, 2017, SECOND READING OCTOBER 2, 2017 AND Tabled OCTOBER 16, 2017 AND DECLARING AN EMERGENCY WAS READ BY TITLE ONLY

Motion made by Saunders seconded by Pozar to remove Ordinance No. 9524-17 from the table.

The roll was called. Vote – Yeas: Spinks, Koci, Mizensak, Genutis, Pozar, Saunders, Zolata. Nays: None. Motion carried unanimously.

Motion made by Spinks seconded by Genutis to suspend the rule requiring the reading of said ordinance three different days.

The roll was called. Vote – Yeas: Spinks, Koci, Mizensak, Genutis, Pozar, Saunders, Zolata. Nays: None. Motion carried unanimously.

Motion made by Mizensak seconded by Pozar to place Ordinance No. **9524-17** on third and final reading and passed.

The roll was called. Vote – Yeas: Spinks, Koci, Mizensak, Genutis, Pozar, Saunders, Zolata. Nays: None. Motion carried unanimously.

ORDINANCE NO. 9525-17 AN ORDINANCE MODIFYING THE SALARIES OF THE MAYOR AND COUNCIL FOR TERMS COMMENCING ON OR AFTER JANUARY 1, 2018 AND JANUARY 1, 2020 PLACED ON FIRST READING SEPTEMBER 18, 2017, SECOND READING OCTOBER 2, 2017 AND Tabled OCTOBER 16, 2017 AND DECLARING AN EMERGENCY WAS READ BY TITLE ONLY

Motion made by Genutis seconded by Spinks to remove Ordinance No. 9525-17 from the table.

The roll was called. Vote – Yeas: Spinks, Koci, Mizensak, Genutis, Pozar, Saunders, Zolata. Nays: None. Motion carried unanimously.

Motion made by Mizensak seconded by Pozar to suspend the rule requiring the reading of said ordinance three different days.

The roll was called. Vote – Yeas: Spinks, Koci, Mizensak, Genutis, Pozar, Saunders, Zolata. Nays: None. Motion carried unanimously.

Motion made by Spinks seconded by Zolata to place Ordinance No. **9525-17** on third and final reading and passed.

The roll was called. Vote – Yeas: Spinks, Koci, Mizensak, Genutis, Pozar, Zolata. Nays: Saunders. Motion carried.

ORDINANCE NO. 9529-17 AN ORDINANCE AMENDING ORDINANCE NO. 8485-09 WHICH ENACTED CHAPTER 1901.03 OF THE CODIFIED ORDINANCES OF THE CITY OF BEDFORD ENTITLED "UNRECORDED SPECIAL ASSESSMENT VERIFICATION FEE" PLACED ON FIRST READING OCTOBER 16, 2017 AND DECLARING AN EMERGENCY WAS READ BY TITLE ONLY

Motion made by Mizsak seconded by Pozar to place Ordinance No. **9529-17** on second reading.

The roll was called. Vote – Yeas: Spinks, Koci, Mizsak, Genutis, Pozar, Saunders, Zolata. Nays: None. Motion carried unanimously.

ORDINANCE NO. 9532-17 AN ORDINANCE ENACTING CHAPTER 750 ADOPTING PART 7, "BUSINESS REGULATION CODE", CHAPTER 750 MEDICAL MARIJUANA BUSINESS REGULATION", TO CREATE A COMPREHENSIVE LICENSING SYSTEM FOR MEDICAL MARIJUANA ENTITIES IN THE CITY OF BEDFORD; AMENDING/SUPPLEMENTING PART 19, "PLANNING AND ZONING CODE", TITLE 5, "ZONING ADMINISTRATION", CHAPTER 1915, "DEFINITIONS", SECTION 1915.361, "MEDICAL MARIJUANA DISPENSARY", AND TITLE 9, "GENERAL AND SPECIFIC PROVISIONS", ENACTING CHAPTER 1965, "MEDICAL MARIJUANA DISPENSARIES", SECTION 1965.01, "MEDICAL MARIJUANA DISPENSARY ZONING REGULATIONS" TO CREATE A COMPREHENSIVE ZONING SYSTEM FOR MEDICAL MARIJUANA ENTITIES AND DECLARING AN EMERGENCY PLACED ON FIRST READING OCTOBER 16, 2017 AND DECLARING AN EMERGENCY WAS READ BY TITLE ONLY

Motion made by Spinks seconded by Genutis to suspend the rule requiring the reading of said ordinance three different days.

The roll was called. Vote – Yeas: Spinks, Koci, Mizsak, Genutis, Pozar, Saunders, Zolata. Nays: None. Motion carried unanimously.

Motion made by Mizsak seconded by Saunders to place Ordinance No. **9532-17** on third and final reading and passed.

Mr. Mallis explained this set the zoning rules and regulations for medical marijuana operations which include cultivation operations. Cuyahoga County would only be awarded five (5) locations per the State. The City was being proactive regarding this issue especially setting the fees and parameters. Mr. Pozar clarified this decision was not morality type basis because Council was not advocating the use or medical use of marijuana. Council and the Administration was taking proactive measures and doing what Bedford has been known to do by being business friendly to coordinate efforts from outside businesses to create jobs and revenue. It was important the regulations be in place for consideration. Mayor Koci agreed with Mr. Pozar because medical marijuana could help a lot of patients/people who could benefit from it.

The roll was called. Vote – Yeas: Spinks, Koci, Mizsak, Genutis, Pozar, Saunders, Zolata. Nays: None. Motion carried unanimously.

ORDINANCE NO. 9533-17 AN ORDINANCE AMENDING ORDINANCE NO. 9521-17 AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH THE HAWTHORNE VALLEY YOUTH COUNCIL FOR THE PURPOSE OF SPONSORING STUDENTS IN THE PROGRAM FOR THE YEAR 2017-2018 AND DECLARING AN EMERGENCY WAS READ BY TITLE ONLY

Motion made by Mizsak seconded by Saunders to suspend the rule requiring the reading of said ordinance three different days.

The roll was called. Vote – Yeas: Spinks, Koci, Mizensak, Genutis, Pozar, Saunders, Zolata. Nays: None. Motion carried unanimously.

Motion made by Spinks seconded by Zolata to place Ordinance No. 9533-17 on third and final reading and passed.

Mayor Koci said the City was in favor of sponsoring another student for this program.

The roll was called. Vote – Yeas: Spinks, Koci, Mizensak, Genutis, Pozar, Saunders, Zolata. Nays: None. Motion carried unanimously.

ORDINANCE NO. 9534-17 AN ORDINANCE TO AUTHORIZE THE CITY MANAGER TO JOIN A COALITION OF MUNICIPALITIES RETAINING SPECIAL COUNSEL FOR PURPOSES OF INITIATING LITIGATION TO CHALLENGE THE CONSTITUTIONALITY OF AMENDMENTS TO CHAPTER 718 OF THE OHIO REVISED CODE RELATING TO MUNICIPAL INCOME TAX AND DECLARING AN EMERGENCY WAS READ BY TITLE ONLY

Motion made by Zolata seconded by Genutis to suspend the rule requiring the reading of said ordinance three different days.

The roll was called. Vote – Yeas: Spinks, Koci, Mizensak, Genutis, Pozar, Saunders, Zolata. Nays: None. Motion carried unanimously.

Motion made by Saunders seconded by Pozar to place Ordinance No. 9534-17 on third and final reading and passed.

Mr. Gambosi explained this was a class action lawsuit against the State. HB 49 initially started to allow net profits to go through the State at a ½% fee. Now the State extended this to those who used the OBM system and paying payments through the State and taking their fee and business returns which expanded this considerably. Now the State was considering a 50% penalty if the filer(s) had a net loss or profit especially if the filer(s) did not have their paperwork in on time. His feeling was if the State wanted to handle this and be beneficial to the businesses, the State should not be charging any fees associated because there were no fees if a business paid on line currently. He did not understand the State's thinking behind this. He said any information filed with the State in regards to net profits or losses would not allow any information to the City where the filer(s) business was located. The cost of \$4,000 was well spent in joining this class action lawsuit. It was important to help the businesses located in Bedford.

The roll was called. Vote – Yeas: Spinks, Koci, Mizensak, Genutis, Pozar, Saunders, Zolata. Nays: None. Motion carried unanimously.

Mayor Koci asked if there were any further comments. There being no reply, motion made by Mizensak seconded by Saunders to adjourn. The roll was called. Vote – Yeas: Spinks, Koci, Mizensak, Genutis, Pozar, Saunders, Zolata. Nays: None. Motion carried unanimously.

Meeting adjourned at 8:18 P.M.



Clerk of Council



Mayor - President of Council