

Village of Gates Mills
MINUTES OF A SPECIAL MEETING OF COUNCIL
February 17, 2023

A special meeting of the Council of the Village of Gates Mills, Ohio was held at the Village Town Hall Council Chambers on Friday, February 17, 2023 at 8:00 a.m. with Mayor Schneider presiding. The meeting was livestreamed to the internet.

1. Roll Call

Councilmembers present: Atton, AuWerter, Deacon, Press, Steinbrink, Turner, Welsh.

Other Village officials present were Clerk DeCapite, Finance Administrator Mulh, and Law Director Hunt.

2. Resolution No. 2023-9 First Reading starts at 1:08

Resolution No. 2023-9 “A Resolution Authorizing the Mayor and the Clerk to Enter Into a Lease with Gavi’s River, LLC, for a Coffee Shop at 1501 Chagrin River Road and Declaring an Emergency” was read by Councilmember AuWerter. Councilmember AuWerter moved that the rules requiring ordinances to be read on three different days be suspended and that Resolution No. 2023-9 be placed upon its final passage because of the urgency in our construction timeline. Councilmember Welsh seconded the motion to suspend the rules.

Ayes: AuWerter, Deacon, Press, Steinbrink, Turner, Welsh.

Nays: Atton

Motion carried.

Councilmember AuWerter moved to approve Resolution No. 2023-9 with Councilmember Steinbrink seconding the motion.

Councilmember Atton transaction context issues starts at 2:12

Should have found alternative uses for the space.

The words coffee shop were grabbed out of the Comprehensive Plan proceedings, but it wasn’t about a coffee shop-it was about finding ways of making the village more attractive. Afraid the Comprehensive Plan is being ignored.

Concerned that we’re being rushed into this.

Villagers have had no opportunity to chip into this conversation-they don’t even know anything about other items being talked about be it Burton Court downstairs or expansion upstairs.

Interested in process, clear analysis, and transparency. Thinks we’re avoiding all 3 of these things if we make this decision today.

Councilmember Welsh comments starts at 6:54

I was in on the initial go around. At that time we did a survey of what people wanted downtown and it was a coffee shop. Sara's took a gamble and put a lot of money into that building. The restaurant is a super success.

Councilmember Atton transaction content issues starts at 9:56

Lease is a stand-alone agreement but the Option to Renew Term references Sara's Lease and making improvements to Sara's. Is that a condition? Councilmember AuWerter responded. If the Sara's Lease is changed for whatever the reason cited (improvements to Sara's Restaurant Premises), this Lease gives the Lessee the right to adopt those same terms.

Is the put right on the first anniversary? Yes, it is a one-time option.

Councilmember AuWerter summary starts at 14:50

This space became available a year ago. We have talked in 7 Council meetings about this space and more than twice mentioned that we were talking about a possible coffee shop. We decided as a Council that it is best to talk about details in Executive Session, but we have been very clear when we come out of those to say that we're in discussions on a coffee shop. I think we've been unbelievably transparent on this to the extent we can without getting into the inner workings of a detailed lease.

I also disagree that we have to wait for the final of the comprehensive plan to find out that our villagers are interested in a coffee shop. We have the survey from 20 years ago, it came up in neighborhood meetings.

The other reason we've sped it up is that when we started talking with Sara's one of our top goals was to try to have lunch and a coffee shop. Coincidentally a valued employee of Sara's runs a coffee shop and is getting out of that coffee shop, has the equipment and there was a window here. That timing is running out. That was why the request to break this lease up. It's a one-year experiment, there might be risk, obviously Sara's thinks there might be a risk. The urgency is warranted.

Councilmember Press comments starts at 19:38

Concerned that we're being too prescriptive on telling Sara's how many soups and so on. Shouldn't we give them some flexibility? We want them to succeed. Various Councilmembers and the Mayor responded the coffee, pastry, at least 3 soups, prepared salads and sandwiches was Sara's language, their minimum. The lunch component (soups/prepared salads/sandwiched) is a requirement of the lease and if they aren't providing those, it's a potential default. Operating hours are 6 a.m. to 3 p.m. Monday through Saturday. Their intent is to open up space in the dining room to take your coffee and pastries to one of the tables. Use of the patio in the summer.

Councilmember Steinbrink comments starts at 23:28

We've had half a dozen people through the 501 square foot space. The Village Center and the Mills Building exist to serve the 2200 residents of the village, not the 10,000 to 20,000 people that go into Chagrin Falls or Pinecrest on a daily basis. This would be much different if this was not a known operator and we had some sort of a unknown commodity coming in here. I get concerned that this is paralysis from analysis. We've got to run the operations of the village. We've got space that's been open for over a year that we've had difficulty getting leased. It's not for lack of trying. It's because it's the village of Gates Mills. I don't think residents want us to be Chagrin Falls. I don't think residents want

people from all over the place coming in here. They want a place for residents. We've been elected by residents to run the affairs of the village. Sometimes that means with imperfect information. I look at this and say we've got coffee or breakfast or lunch. The monetary investment from the village is relatively small because these are improvements that would need to be made to the space regardless.

Returning to the motion made by Councilmember AuWerter to approve this Resolution with Councilmember Steinbrink seconding the motion:

Ayes: AuWerter, Deacon, Press, Steinbrink, Turner, Welsh.

Nays: Atton

Motion carried.

3. Executive Session starts at 26:17

Councilmember AuWerter stated there was a question over some language regarding assignment of a renegotiated Sara's lease and it was resolved. Do we want to go into Executive Session to talk about the next level of detail? Law Director Hunt replied we're not discussing trade secrets of Sara's that would justify the Executive Session. It's up to you.

4. Councilmember AuWerter moved to Authorize the Mayor to Engage Professional Design Services for the Purpose of Construction at the Village's Property at 1501 Chagrin River Road in an Amount not to Exceed \$50,000 and Councilmember Welsh seconded the motion starts at 30:45

Councilmember AuWerter provided a framework of what is being explored-the addition of a second floor above Burton Court starts at 32:30

Mayor Schneider has talked to the library manager and made her aware that both Sara's and the Village have taken into consideration that the library uses the lower level and patio of Burton Court for programming. The library programs will not go away.

Councilmember Press said basically we are going to improve the Mills Building by expanding the footprint on the second floor and Sara's is prepared to take a lease on that space if it makes economic sense.

Councilmember AuWerter stated we have the terms, we have been exchanging those back and forth, we are in agreement.

Councilmember Atton thinks a letter of intent is always a good idea. Starts at 39:32

Councilmember AuWerter would like to start moving forward to get engineering drawings. It's going to take 90-120 days. We have to get bids. Supply chain issues.

Returning to the motion made by Councilmember AuWerter to authorize the Mayor to engage professional design services for the purpose of construction at 1501 Chagrin River

Road in an amount not to exceed \$50,000 with Councilmember Welsh seconding the motion:

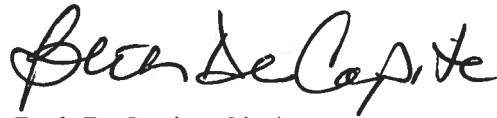
Ayes: Atton, AuWerter, Deacon, Press, Steinbrink, Turner, Welsh.
Nays: None
Motion carried.

Councilmember Atton stated we tried to ask tough questions this morning and make the process demanding. That's part of our job and I don't want Councilmember AuWerter to take any personal offense.

5. Adjourn

There being no further business, it was moved by Councilmember Steinbrink, seconded by Councilmember AuWerter, and unanimously carried, that the special council meeting be adjourned.

Respectfully submitted,



Beth DeCapite, Clerk

Approved:



Karen E. Schneider, Mayor