

Village of Gates Mills  
MINUTES OF A SPECIAL MEETING OF COUNCIL  
May 27, 2021

A special meeting of the Council of the Village of Gates Mills, Ohio was held at the Community House on Thursday, May 27, 2021 at 6:00 p.m. with Mayor Schneider presiding. The meeting was livestreamed to the internet.

Councilmembers present: AuWerter, Frankel, Reynolds, Sogg, Turner, Welsh, Whitney.

Also present were Chief Minichello, Chief Robinson, Service Director Biggert, Finance Administrator Mulh, Clerk DeCapite, Treasurer Reynolds, Village Engineer Courtney, Law Director Hunt, and Gates Mills Land Conservancy's President Rob Galloway and Board Member Nat Smith. Attending via zoom was resident Shawn Riley.

Mayor Schneider announced the Garden Club's annual plant sale and vintage boutique would be held this Saturday from 8:00 a.m. until noon.

On Sunday, July 18 the Village will hold its annual summer band concert. Councilmember Welsh is arranging to have COVID-19 vaccines available for residents at the concert.

She also commented on Tax Administrator Bob Reitman's recommendation to allow RITA to send letters to individuals who did not file income taxes. If non-filers do not respond to the letter, administrative subpoenas will be completed. The process will take personalities out of the picture and provide an efficient way to make sure the Village is collecting taxes due.

Mayor Schneider read a thank you note from residents Karen Long and Paul Cascio.

Councilmember Mary Reynolds announced that she will not be running for re-election and will be resigning from her Council position at the end of June. She has served on Council for 17 years, but is now changing her residency to another state. Interviews for interested Council applicants will be held in June, with an appointment to be made at the July Council meeting. Several villagers have expressed interest in running for Council in November. She noted that collegial stewardship has been strived for during her time in office and that it was an honor to serve the Village with and among all. The Mayor is announcing in *The Pink Sheet* that interested candidates should call her with any interest in joining Council by June 10. Councilmember Reynolds will coordinate the interviewing process as President Pro Tem of Council. She asked for Councilmembers to let her know if they have plans to be out of town and for any comments or questions that they would like to have included in the interviews. All candidates will be asked the same questions.

Mayor Schneider introduced the Gates Mills Land Conservancy President Rob Galloway to begin the presentation. The slide show presentation is attached. The Conservancy was founded in 1988. The first levy for conservation purposes was approved in 1991. It is a five-year levy that has been renewed five times. The most recent renewal had over 65% of the voters in favor of the levy. The funds are collected and an agreement is completed between the Village

and the Conservancy where the Village turns over 95% of the funds to the Conservancy. The Conservancy owns 27 different properties currently. There are also conservation easements on properties in the Village. A conservation easement is a mechanism where the landowner restricts property to a land trust and the land trust enforces the restriction/easement. Sometimes the easement on the land is treated as a charitable donation and may lower income taxes owed. There are 24 properties with easements within Gates Mills. Nineteen of the easements have the Gates Mills Land Conservancy as the sole owner of the easement and five are with the Western Reserve Land Conservancy. There are also deed restrictions on some parcels to protect the land. With a deed restriction the landowner restricts what a subsequent landowner can do. They are aware of seven deed restrictions with the Village. The Gates Mills Land Conservancy has 15 Board Members with one current vacancy. The Mayor appoints five members. They have one part-time paid assistant. They have a webpage and a strategic plan. There are monthly board meetings and an annual meeting. The primary effort of the Conservancy is to inspect owned properties and those parcels with easements. They make sure the easements are not being violated. Accreditation is a feather in one's cap. The Gates Mills Land Conservancy was the first all-volunteer land trust in the nation to be accredited. It is a 5-year accreditation and the Conservancy was re-accredited 2 years ago.

Last year started out with some disappointment. The Conservancy applied for a Clean Ohio Grant to help purchase the Clark property for \$350,000. The grant was not awarded to the Conservancy. The public works projects in Cuyahoga County were really big and did not leave room for grant funds to come to the Conservancy. The Conservancy has tabled the concept for now. In June 2020, the Conservancy purchased the Goldberg property, which is 5.5 acres. The cost was \$152,500. This property is along the Chagrin River where the swinging bridge used to be. In July 2020, resident Audrey Knight donated 3 acres on Berkshire Road to the Conservancy. Villagers see value in what the Conservancy is doing and trust the group. There was also a large transaction at the end of the year. Steve Lindseth sold his home but wanted to have 16 acres go to the Conservancy. The land was valued at \$900,000 but he allowed the Conservancy to purchase it for \$125,000. There was an invasive species removal day at Sherwin Preserve where many residents showed up to help. They also turned down an opportunity to purchase a parcel at a sheriff's sale. The parcel had a gas well on it. The Conservancy also paid for the removal of two trees and had to address a deer stand having been erected on their property without permission. There is a possibility for 18 acres to be donated to the Conservancy on County Line Road. They also had to speak up on a variance issue with an adjacent landowner. They are not a passive organization.

The future appears to be a turning point for the Conservancy's objectives. The Conservancy has perhaps served its role from 33 years ago. The objective is less in acquiring properties but to use what they have for education and stewardship opportunities. In the beginning, large parcels were targeted for acquisition. These were parcels such as the Polo Field, lots along the river and hillsides, the Clark property and the bird sanctuary off of Carpenter Road. Donations may come up, but acquisitions are not the priority in the future. Mr. Galloway discussed a slide showing the 27 parcels owned by the Conservancy. Properties owned by the Gates Mills Land Conservancy come off the tax rolls, which impacts the tax base. The colors on the chart indicate the possible development status of the parcel. Four red parcels could be developed. The Clark property, for example, was wanted for 25 years by the Conservancy. Blue

shaded parcels are ones that, with a lot of work, could be developed. They have hillsides, creeks or ravines on them. Gold parcels were purchased in collaboration with the Village to take them off the development block.

Mr. Galloway noted the Conservancy has done good work and should still be supported with a levy renewal. Villagers have supported the levy well in the past. There are reasons that one would want to keep an existing levy versus having a new levy. The levy funds can be used for erosion management or riparian corridor protection and not just land acquisition. The agreement between the Village and the Conservancy can be re-evaluated as far as the 95% of the funds going to the Conservancy and the Village retaining 5%. A pool of money can be a valuable resource as it was when the bird sanctuary was acquired. The Goldberg property purchase helped the Village as well as the Conservancy.

Conservancy Board Member Nat Smith presented information to help Council understand the economics of what is needed to run the Conservancy. He presented an 11-year average on historical operating income and expenses. Levy funds do not get used for operating expenses. The organization has a \$4,000 deficit over the 11-year cycle. There is a perpetual obligation on the part of the Village for the easements to be maintained and honored. Even if the Village offloads the obligation, another organization would not take the task on for free. The balance sheet showed that the Conservancy must keep financial reserves to respond to court challenges on easements and available funds are currently \$290,000. Mr. Smith noted that if kept in a perpetual state with no funding from the levy and if endowment/stewardship money is gone, it becomes the Village's responsibility as the properties were purchased with Village tax money. The Conservancy needs a couple hundred thousand dollars more to get to a point of being able to fund operations. The Conservancy can help the Village to develop a property the way it wants to and not the way the developer wants it.

Mayor Schneider asked Councilmembers AuWerter and Turner for any comments first, as they have been working on the conservation levy renewal question with Mr. Galloway and Mr. Smith over the last few months. Councilmember AuWerter stated it is clear to him that we are headed to a bit of a dilemma. The ordinance must be on Council's agenda in July. Looking at the levy as we have in the past, with 95% of the funds going to the Conservancy, probably isn't warranted. The alternative of not having the levy leaves the Conservancy with insufficient funds for its stewardship. In discussing other ways to use the funds, road and culvert work is within the language of the levy. We do a lot of work on culverts and restoration that would fit under the levy language. It is also possible for something like Carpenter Road to come up again. One way to look at this is to renew the levy, which increases with property value. The funds come to the Village and there is no agreement with the Conservancy. The Conservancy would come to Council with its needs and Council would decide if the funds are warranted. This preserves one mill for conservation and environmental purposes. It preserves the framework for help down the road for conserving land. Councilmember Turner noted the history of the Conservancy and its accomplishments. She stated the Village and Conservancy are intertwined. We live in the Village for the idyllic look and appreciate the Conservancy's efforts. Members of the Conservancy have been talking more about stewardship rather than further acquisitions. It has been uncovered over the months how closely tied the entities are. The levy language doesn't change and it is still about protecting the land, but there is more flexibility utilized. The trust

between the entities has come a long way over the months.

Mayor Schneider asked Village Engineer Courtney to mention projects where we could have expended levy funds in the past and where it could be used in the future. Mr. Courtney noted that Phase II stormwater management programming and projects improve stormwater management each year for \$25,000-\$30,000 per year. This includes education, conservation and stewardship-oriented programs. We have had natural repair of failed channels where restoration, conservation and stabilization have occurred. Examples include projects such as Sudbury, lower Berkshire, the 319 River bank project, and Marston Park. In the future, we have more to do on lower Berkshire, Cedar Road, and some stream and river bank restorations. Supporting infrastructure included Brigham Culvert #6, the head wall on Sudbury, Sherman and Chagrin River Roads, and the sewer separation in the service yard. In the future, there may be more Old Mill slope failures. Other projects for the future include the Mayfield Road culvert (\$400,000), a storm sewer main program, Chagrin River Road culverts, and strategic stormwater projects to reduce flooding. The Village can also help residents with educational programs on how to manage property.

Treasurer Reynolds noted the funds are spent in accordance with the levy language and are not in the General Fund. To use the funds, Council would have to approve the expense and appropriate the funds.

Councilmember Sogg noted that over the years, she has not heard much about fundraising efforts from the Conservancy. We know the levy has been available, but fundraising efforts should be considered for the future. She stated the Village is completely transparent with its finances and how we spend money. She stated concern as to how this change in using the funds would be communicated to the Villagers going forward.

Councilmember Reynolds agreed with Councilmember Sogg about the freedom to use funds without a plan. She asked if using funds for culverts and other projects effects the accreditation of the Conservancy. Mr. Galloway stated it would not negatively impact them in what they do. Stream renovation projects are something they had to do on properties. Councilmember Reynolds stated parameters will need to be set and be clear. Councilmembers will change over the years and we need parameters for those who follow. Councilmember Frankel said it would be beneficial if the plan were more formalized and could be communicated with the residents. We need clear guidelines so people know what they are voting for. Mayor Schneider stated the agreement is where the amount to provide to the Gates Mills Land Conservancy is determined. The funds come to the Village and Council would allocate the funds based upon the guidelines of the language. There would be a different agreement than what exists currently. Councilmember Sogg asked if grants had been sought for the Mayfield Road \$400,000 project. Mr. Courtney noted we have applied for grants in the past. The drainage facility is on a State Route, but the Village is 100% responsible for it. We applied for Issue 1 and Issue 2 and were 3<sup>rd</sup> from the bottom and he does not expect it to rise any higher.

Mr. Smith noted if the contract is changed, they would want that communicated before the levy vote. They would need to get Board approval as well. He said it would be disappointing to the Conservancy if some portion of the levy funds did not go directly to the Conservancy. If

nothing comes directly to the Conservancy, they would have no control over fiscal planning. They raised \$25,000 per year through sending out letters. His experience in fundraising for conservation is that it usually isn't good unless it is for a specific project. Councilmember Turner stated she appreciates the comments, saying we should be transparent with the public. Councilmember Whitney said we live in a beautiful valley and the conservation projects are endless for either group. Councilmember AuWerter stated we face a dilemma. He is trying to throw out a framework of ideas to work with before the July meeting.

Resident and former Mayor, Shawn Riley spoke from the audience. He stated he is not here to criticize the Conservancy for what it has done. It has fulfilled its mission for 33 years. The Village has followed the objectives of its residents for some time. The job has been well done in the Village. As well as the job has been done, it is over. The Conservancy has accomplished its mission and we don't need it anymore. The Village would have better use of the \$200,000. There are 226 acres controlled or owned by the Conservancy and those acres are tax exempt. Those with easements can be valued lower by the Auditor, also resulting in lower taxes. This is an estimated \$300,000 in lost tax revenue. This is hard to accept when facing a deficit. The Village should stop outsourcing the use of property in the Village to the Conservancy. It is the Mayor and Council's decision and we should let the levy lapse. It does not make sense to reduce the tax roll and buildable properties and face a deficit. He stated we should be completely open with residents and noted there is nothing the Conservancy is doing that the Village cannot do. Mayor Schneider thanked Mr. Riley for his comments.

Chief Robinson stated there were 10 people viewing the meeting and there were no questions posted on the livestream.

Mayor Schneider thanked everyone for their time.

Councilmember Sogg moved to enter into an executive session for the purpose of the acquisition of property for public purpose. Councilmember Frankel seconded the motion.

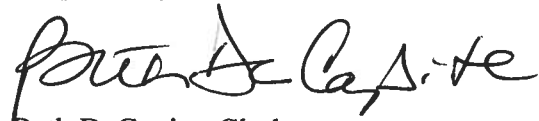
Roll call: Ayes: AuWerter, Frankel, Reynolds, Sogg, Turner, Welsh, Whitney.  
Nays: None.  
Motion carried.

The meeting reconvened at 8:08 p.m.

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


Roll call: Ayes: AuWerter, Frankel, Reynolds, Sogg, Turner, Welsh, Whitney.  
Nays: None.  
Motion carried.

Respectfully submitted,

A handwritten signature in black ink that reads "Beth DeCapite". The signature is written in a cursive style with a large initial "B" and "D".

Beth DeCapite, Clerk

Approved:

A handwritten signature in black ink that reads "Karen E. Schneider". The signature is written in a cursive style with a large initial "K".

Karen E. Schneider, Mayor

Gates Mills Land Conservancy

Presentation To

Gates Mills Village Council

May 27, 2021

Fee Owned Properties	Location	Permanent Parcel #	Acres	Acquired
Abakumov River Oaks Slopes	7600 River Oaks Trail	841-35-002 special assessment \$519.56/yr	25.334	6/1/01
Alan Brown Mayfield Ravine	7720 Mayfield Road	842-33-002 special assessment \$1,064.82/yr	6.7628	6/1/00
Austin Sherman Woods	Sherman Road	842-22-013	12	5/1/98
Berardinelli Fox Hill Circle	Fox Hill Drive	842-27-004 842-27-003 Driveway Easement (1.3944-.03885=1.0059) 5,1889	4.183 1.0059	1/1/94
Berkshire-Knight	1649 Berkshire Rd	843-03-005 Donated by Audrey Knight	3.7	8/10/20
Blaushild Southgate	Chagrin River Rd (south)	843-24-014	3.006	5/1/99
Clark	7469 Sherman Road a. Lot split of 12 acres: 9.650 acres- ppl residence and 2.667 acres bldg lot b. Upper land: 36.735 acres restricted to 5 single family residences	841, LLC 841-34-014, 841-34-007,841-35-001	48.735	7/12/19
Crech	7449 Brigham Road	841/22/012	2.6545	12/1/07
Dillhoefer	Robinwood Lane	843-11-007 .27 acre 843-11-008 .15 acre	0.42	8/7/18
Feller Feller Curves	Riverview Subdivision Block B	841-15-051	4.519	12/1/95
Gregg M Goldberg Preserve	1985 Chagrin River Rd	843-30-001 843-30-004	5.6	6/19/20
Griesinger Griesinger Point	Old Mill & Berkshire Rd.	843-03-007	6.5	2/1/90
Hayes	Mayfield & Carpenter Rd	842-11-004	7.493	12/9/15
Jones Jones Ravine	Berkshire Road	843-02-018	6.9	2/1/90
Lentz	1985 Chagrin River Road	843-30-006	10.85	1/2/14



Fee Owned Properties	Location	Permanent Parcel #	Acres	Acquired
<b>Lindseth</b>	1830 County Line Rd	842-31-002	15.75	12/29/20
<b>Merkel</b> River Road West	River Road near Mayfield	842-19-006	8.8492	7/1/96
<b>Sherman Road Preserve</b>	Sherman Road	842-24-005, 842-24-006, 842-24-007, 842-24-008, 842-24-009, 842-24-010, 842-25-001, 842-25-007, 842-25-008, 842-25-009, 842-25-010	38	12/1/14
Hickory Nut Farm parcel	Corner of Sherman/County Line	842-25-005	2.964	12/1/14
<b>Smith</b> Smith Woods	Woodstock Road	843-22-001, 843-22-002, 843-23-001, 843-23-002	19.312	11/1/92
<b>Soltz</b> Soltz Woods	Gates Mills Blvd.	843-1-012, 843-1-016, 843-1-017, 843-1-018, 843-1-022, 843-1-023, 843-1-024 Sublots: 13-14-15-19-20-21 in Norvale Subdivision/GM Blvd.	14.137	12/1/89
<b>Svette</b> River Lowlands	Riverview Road	841-14-081 ( SL 20), 841-14-082 (SL 22) 841-14-083 ( SL 23), 841-14-084 (SL 24)	2.833	5/1/90
<b>Trichy</b> East Slopes	County Line Road	843-31-011	2.5	12/1/97
<b>Village: LoConti</b> River Road East	SE Corner River Rd/Mayfield Parcel B	843-32-002	6.5845	5/1/97
<b>Village: Westgate</b>	Mayfield RD NW corner	842-08-004	1.2	2/1/99
<b>Village: Woodstock Woods</b>	Woodstock Road	843-11-004	10	2/1/99
<b>Votruba</b> River Flood Plains	River Rd South of Wilson Mills	841-21-002	3.475	6/1/97
<b>Wick</b>	Epping Road Chagrin River Rid	843-28-001, 843-28-011 843-29-005, 843-29-004	5 20 25	2/1/07
	<b>27 Fee Owned Properties</b>	<b>Total Fee Owned Acreage: 300.2679</b>	<b>300.27</b>	

## Gates Mills Land Conservancy

### Historical Operating Income & Expenses

	Eleven Year Average
<b>Operating Income</b>	
Annual Dinner	\$ 3,115
Contributions	\$ 1,678
Membership	\$ 25,236
Grants	\$ 909
Other Income	\$ 1,051
Investment Income	\$ 720
	<u>\$ 33,440</u>
<b>Total Operating Income</b>	
<b>Operating Expenses</b>	
Accounting Fees	\$ 4,611
Accreditation Costs	\$ 1,732
Annual Dinner	\$ 2,858
Appraisals, Surveys, Titles, Legal Fees	\$ 1,137
Bank Charges/Fees	\$ 82
Insurance	\$ 3,540
LTA Membership and Fees	\$ 652
Office Supplies	\$ 647
Salary/Payroll	\$ 14,073
Payroll Taxes	\$ 1,172
P/R-Communications	\$ 539
Postage	\$ 423
Membership inc printing and postage	\$ 1,280
Printer/Stationery	\$ 789
Website Development/Maintenance	\$ 715
Rent	\$ 1,945
Telephone/IT	\$ 946
Other Expense	\$ 778
	<u>\$ 37,920</u>
<b>Total Operating Expenses</b>	
<b>NET OPERATING INCOME (EXPENSE)</b>	<u>\$ (4,479)</u>

## Gates Mills Land Conservancy

### BALANCE SHEET

	<b>Balance as of 4/30/2021</b>
<b>Assets</b>	
Operating Funds (Unrestricted)	\$ 262,165
Levy Funds (Restricted)	\$ 162,441
Stewardship/Defense Funds (Board Designated)***	\$ 196,747
<b>Total Funds</b>	<b>\$ 621,353</b>
<b>Liabilities</b>	
Payable on Clark Property 10-year Note	\$ (324,454)
<b>Total Net Assets</b>	<b>\$ 296,899</b>
<b>Scheduled Levy Receipts:</b>	
July 2021	\$ 95,000
December 2021	\$ 95,000
<b>Projected Year-end Net Assets</b>	<b>\$ 486,899</b>
<b>*** Less Permanent Stewardship/Defense Funds Available Funds</b>	<b>\$ 196,747</b>
	<b>\$ 290,152</b>

**PERPETUAL INCOME & EXPENSE PROJECTIONS**

**ASSUMPTIONS:**

1. Annual membership will stabilize at 50% of historical levels.
2. The endowment, less \$200,000, will be invested in an S&P 500 Mutual Fund.
3. The annual spending rule on the endowment will be established at 3.0%
4. A part-time secretary will be required to maintain records and annual inspections.  
Hours will be reduced by 40% from current level.
5. Accounting fees, insurance, rent, and mailing expenses will continue at current levels.
6. LTA accreditation will need to be renewed every five years.

**OPERATING FUND**

Operating Income	Eleven Year Average
Memberships	\$ 12,000
Grants	-
Other Income	-
Investment Income	\$ 16,500
<b>Total Operating Income</b>	<b>\$ 28,500</b>

Operating Expenses	Eleven Year Average
Accounting Fees	\$ 4,800
Accreditation Costs	\$ 1,000
Appraisals, Surveys, Titles, Legal Fees	-
Bank Charges/Fees	\$ 80
Insurance	\$ 3,800
LTA Membership and Fees	\$ 750
Office Supplies	\$ 300
Salary/Payroll	\$ 8,400
Payroll Taxes	\$ 700
P/R-Communications	-
Postage	\$ 50
Membership inc printing and postage	\$ 1,300
Printer/Stationery	\$ 800
Website Development/Maintenance	\$ 900
Rent	\$ 2,400
Telephone/IT	\$ 450
Other Expense	\$ 500
<b>Total Operating Expenses</b>	<b>\$ 26,230</b>

**NET OPERATING INCOME (EXPENSE)**

	\$ 2,270
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Annual  
Draw at 3%

**PERPETUAL ENDOWMENT PROJECTION:**

	Balance
Operating & Levy Funds	\$ 550,000
Stewardship/Defense Funds	\$ 200,000
Total Endowment	\$ 750,000
Less Cash Reserves	\$ (200,000)
Invested Endowment	\$ 550,000
	\$ 16,500