

## Minutes

### RTA Audit, Safety Compliance and Real Estate Committee Meeting

9:57 a.m. July 17, 2018

**Present:** Moss (Chair), Clough, Elkins, Lucas, McCall, Nardi, Norton, Serrano

**Not present:** Britt, Welo

**Also Present:** Anderson, Benford, Bitto, Boyd, Brooks-Williams, Burney, Calabrese, Cottrell, D'angelo, Davis, Feliciano, Ferraro, Freilich, Fields, Ford, Garofoli, Gautam, Harris, Jackson, Johnson, Kirkland, Krecic, Pinkney-Butts, Raguz, Schipper, Shariff, Sims, Sutula, Togher, Vukmanic, Williams, (A), Williams (C), Zeller

Ms. Moss called the meeting to order at 9:57 a.m. The secretary called the roll and reported that four (4) committee members were present.

#### Lease of Property – Dog Park

Jim Rusnov, real estate manager, made the presentation. This is a presentation on the proposed lease agreement with the Downtown Cleveland Alliance (DCA) for the Dog Park facility adjacent to Settler's Landing Rail Station on the Waterfront Line in the Flats. DCA is the not for profit corporation organized to improve the environment in downtown Cleveland as a place to live, work and play. The Dog Park was constructed three years ago by DCA and has been continuously managed and maintained by DCA for the duration. It is located adjacent to the Settler's Landing rail station on RTA property in close proximity to the City's Riverfront Park.

After three years of use, the justification for continuing the DCA Dog Park with a new lease agreement is based on the facts that this popular civic amenity is regularly used by area residents and visitors alike. The agreement reduces some RTA property management cost by transferring those cost to DCA. This activity is an appropriate and compatible land use for this property. The lease agreement is proposed for a term of three years with an annual rent of \$10 per year. There is an additional value to RTA as DCA continues to repair, improve, maintain and operate the park. If necessary, RTA does reserve the right to cancel the agreement at any time for any reason.

The staff seeks approval of this lease agreement because Section 470.03 of the Codified Rules and Regulations of the Authority provides that leases permitting continuous use of Authority's property for more than three years must be approved by the Board of Trustees. The three year operating history shows that DCA does a good job maintaining the park. It also shows that the park has been well received by the public. Staff recommends approval of the proposed lease agreement with DCA and referral to the Board of Trustees for action at its July 24, 2018 meeting.

Mr. Calabrese disclosed that he serves on the DCA Board and he chairs the DCIC, which is DCA's parent organization of downtown property owners. Chief McCall is a DCIC member too and asked to abstain from the vote. Mayor Elkins said the dollar amount seemed inconsistent when compared to the negotiating approach to other leases and with the sale of property. He asked for justification for the \$10 lease. Jim performed a survey of communities in the county. Typically with the lease structures that are utilized, the public entity provides land at little or no

cost to an organization that's willing to build, operate and maintain the park. RTA's lease arrangement was consistent with what is in the market. Ms. Moss asked if there is a resale value or if the property is unable to build on. Jim said it being a narrow piece of land between the station and the Settler's Landing Park limits its development opportunities. The lease can be canceled at any time if the land becomes usable for any purpose. The land is 75 x 225 feet.

It was moved by Mr. Nardi, seconded by Mayor Norton. There were three (3) ayes and one abstention by Chief McCall.

Executive Session

10:05 a.m. – Ms. Moss asked for a motion to go into executive session to discuss personnel compensation. It was moved by Mr. Nardi, seconded by Chief McCall. The roll was called. There were four (4) ayes and none opposed.

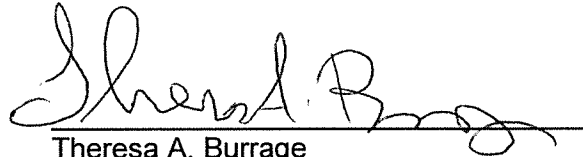
11:05 a.m. – Mr. Nardi made a motion to come out of executive session, seconded by Rev. Lucas. There were three (3) ayes and none opposed. Chief McCall had to leave before the roll call.

The meeting was adjourned at 11:06 a.m.



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Joseph A. Calabrese, CEO  
General Manager/  
Secretary-Treasurer



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Theresa A. Burrage  
Executive Secretary