

The JOINT CD and FINANCE Committee held a meeting on Monday, May 13th, 2024 beginning at 6:45 P.M.

Committee Members Present:

CD: Chair Callahan, Mitchell, Schneider, Oswald
Finance: Chair Tollett, Davis, Schneider, Cerra, Siwierka
Utilities: Chair Mitchell, Davis, Oswald, Armstrong, Stewart
Absent: Lipian (Excused)

Administration and Department Heads Present: Mayor Brubaker, Law Dir Deery, Safety Service Dir Pyanowski, Finance Dir Pileski, Asst Finance Dir Farrell, Engineer Schneider, Building Official Farkas, CD Dir Scott, Public Works Supt Conner, Parks Dir Reardon

1. Approval of the Joint Meeting Minutes from April 29th, 2024.

Mrs. Mitchell moved, seconded by Mr. Schneider to approve the above minutes.

MOTION CARRIES

2. The matter of review and approval of a CRA Tax Abatement Agreement with Sunrise Hospitality, Inc.

Referred By: Community Development Mgr. Almobayyed

Mayor Brubaker said Mr. Raj Chandat of Sunrise Hospitality is here this evening. He gave some background info, Mr. Chandat owns both hotels at the Mall; The Hampton Inn was built in 2011 and the Marriot Courtyard, which was built in the mid-2018. Mr. Chandat has been a good partner to the City of Elyria and the school district. He is planning on building a third hotel which is why this is before us this evening. This will be about a 9 and a half million-dollar investment, he has also been working with the Lorain County Port Authority. One of the concerns the Fire Dept had is the lengths that they have to go from Midway Blvd along Rt 57 to get to the hotels.

Mr. Chandat was proactive and has worked with the Port Authority to get an access point off the back of Midway Mall, adjacent to Johnny K's, for accessibility to those hotels. He is here to talk a little more about this.

Dir Scott had a few things to add before Mr. Chandat speaks. The applicant is requesting a 15-year 100% abatement. The budget for the project is 6 million dollars. It is slated to be completed by December of 2025. He will hire 35 full-time and 15 part-time employees within one year of completion of the project. This would result in \$500,000 of new annual payroll to Elyria.

Mr. Raj Chandat, 1795 Lorain Blvd. introduced himself. The first hotel was built 12 years ago and got a first abatement for the Hampton Inn, which has been successful. Then they built Courtyard by Marriot 5 years ago. Now, the trend in hotels is moving in the hotel industry.

There's a new prototypical hotel done by Hilton, which consists of 2 hotels together with a common lobby. Half of the hotel is efficiencies and half will be a transient hotel. This area is between 2 major highways, this product will be more successful than the other two already built. The new hotel will be called Home 2 and Tru by Hilton. There will be around 140 to 150 rooms. They are looking to break ground within 60 days. Things are moving nicely with the Port Authority easement to get into the area from the old mall area and Lorain Blvd. in the front, which will make the Fire Dept happy. They have been planning this for about 6 to 8 months. Based on these abatements and the performance of the past hotels it looks like it can be done.

Mr. Tollett asked for the annual payroll amount to be confirmed.

Mr. Chandat said it would be anywhere upward of \$400,000.

Mr. Oswald thanked Mr. Chandat for his investment in the City. He asked about a triangle of a property that had 'restaurant' written on it that he saw on a drawing.

Mr. Chandat said that area is to attract a restaurant. He's hoping with the three hotels, that some restaurant would probably want to be a part of that area.

Mr. Tollett asked if there will be barbeque grills for the guests at this new facility?

Mr. Chandat said yes, they will be in the courtyard. And they have met the standard requirements from the fire department.

Mrs. Siwierka thanked Mr. Chandat for his investment to the City, she asked if the driveway they are putting in will help the theater become more marketable?

Mr. Chandat said probably not. Now, with the Port Authority, they will have that extra driveway which will help access to the hotels.

Mr. Cerra asked if ICP is okay with this driveway that is being discussed?

Mayor Brubaker said yes, they should be okay with it.

Mrs. Davis thanked them for moving another hotel into Ward 2, It will help the area to be more thriving. Is it possible to bring a lane off of Rt. 57, just an exit lane to the hotels?

Mr. Chandat said if they can do that, it would be wonderful.

Mayor Brubaker said in discussions with ICP they have talked to ODOT about doing that. It would run through the property that used to be Mountain Jacks. There are discussions about that, but it will take collaboration between the City Engineers and ODOT.

Law Dir Deery asked Dir Scott if JVS and Elyria City schools are good with this?

Dir Scott said yes and that the school district provided a Resolution to the City, that they were in support of this for the 15 years on the condition that the entity was to reimburse in an amount of not less than 100% of the lost taxes and they would pay that annually. And JVS voted to approve for the 100% for 15 years.

Chari Callahan Thanked everyone for the discussion on this topic and asked for a motion:

COMMUNITY DEVELOPMENT:

Motion made by Mr. Oswald and second by Mrs. Mitchell to authorize an ordinance approving the 'said' agreement.

MOTION CARRIES

FINANCE:

Motion made by Mrs. Davis and second by Mr. Schneider to authorize an ordinance approving the 'said' agreement.

MOTION CARRIES

There was no further business for Community Development and Chair Callahan asked for a motion to adjourn.

Motion made by Mr. Schneider and second by Mrs. Mitchell to adjourn the Community Development Committee Meeting at 7:00 P.M.

MOTION CARRIED

The evening's Committee Development Committee has adjourned at 7:00 P.M.

The evening's meetings continued with Finance Committee Meeting which began at 7:05 P.M.

Respectfully Submitted by,

Colleen Rosado, Secretary/Administrative Assistant