

JOINT COMMUNITY DEVELOPMENT AND FINANCE COMMITTEE MEETING MINUTES

MONDAY, FEBRUARY 8TH, 2021 beginning at 6:00 P.M.

CD PRESENT: Chair Callahan, Mitchell, Cerra, Oswald, Jessie

FINANCE PRESENT: Chair Stewart, Tollett, Baird, Jessie, Davis

OTHERS PRESENT: Law Dir Deery, Asst Law Dir Breunig, Mayor Whitfield, Safety Service Dir Brubaker, Finance Dir Pileski, Asst Finance Dir Farrell, Asst Dir Feuerstein, Engineer Schneider, Councilperson Keys and Oswald

1. Approval of the January 11th, 2021 JOINT Community Development / Finance Meeting Minutes

Moved by Cerra, second by Tollett to approve the above meeting minutes.

2. The matter of the CDBG Action Plan - Substantial Amendment (PY 2020)

REFERRED BY: Community Development Director Scott

Chair Callahan read the 'Call to Public Hearing'.

Community Development Manager Mona Almabayyed said this is a clean-up that is done at the end of every grant period. We typically have some leftover public service dollars that will need to be allocated into different activities. One of the activities that has been proposed moving is fair housing so that we can be in compliance with CDBG and CHIP requirements. Council had already approved the Lorain County Urban League for the 2021 grant. This will make funds available earlier this year so that we can do more 'Fair Housing' Training per request by HUD.

There is a legal services activity which is new and will be with Legal Aid. They have submitted an application and the administration has been in contact with them. It will give residents a recourse for legal issues, such as lack of housing, rent strain, fair housing and things like that. Also employment and unemployment benefits. This will expand resources for Elyria residents. And the rest of the funds will be moved into housing rehab. The income limit has been increased for that program and has been expanding.

The first round of funds for CDBG Covid grant has been allocated into the food bank category. We also have agreements with Second Harvest Food Bank which was moved into the food bank which freed up money with CDBG Covid funds. We're proposing to move that into youth and senior services. 'We Care We Share' doesn't want the funding anymore.

Mr. Oswald asked about funding for seniors for computer classes.

Mrs. Mitchell said that program was put on by a private business.

Mayor Whitfield said that was done by Goodwill. He said that these resources could be utilized to continue that training.

Mrs. Mitchell agrees with Mr. Oswald, that is a great resource. And because of Covid, they weren't able to utilize all their funds. Is the money we're taking going to be replaced by the covid CARES Act?

Ms. Almabayyed said no. She said these organizations are aware that these funds are going to be moved. These agencies will be getting funding for next year or will get CDBG covid money.

Chair Callahan asked 3 times for proponents ~ there were none.

Chair Callahan asked 3 times for opponents ~ there were none.

Mr. Callahan stated that this Public Hearing has been held.

3. The matter of an Expansion Incentive Package for Crane Aerospace, Division Hydro-Aire, Inc., which includes an Enterprise Zone Tax Abatement and Reduction of Building Permit Fees.

REFERRED BY: Assistant Safety Service Dir Calvert

Dir Calvert said this is an expansion at Crane. The aerospace industry was dramatically hit with the covid-19 pandemic. Their new building that is across the street from the current building is still in the works but on hold until the airline industry recovers, which may not be until 2024.

In the meanwhile their repair and overhaul business line remains strong, which was originally intended to be housed in that new building, however they cannot wait and will need to expand to accommodate that. They are looking at an addition of about 8 - 10 thousand feet at the existing site at an investment range of between 3.7 million and 5.5 million dollars. It will include 10 full-time jobs with an annual payroll of \$611,125. They remain committed to maintaining their operations here in Elyria. This expansion will meet their immediate needs.

So, they are requesting an enterprise zone abatement of 75 percent for 10 years with an estimated value of up to \$788, 349. The proper notices have been served to the school district.

The second part of the request by the company is a building permit fee reduction. The Elyria Economic Development Committee reviewed this several months ago and we agreed to offer a 50 percent reduction in those fees and not to exceed \$10,000.

There were no questions on this request.

COMMUNITY DEVELOPMENT COMMITTEE:

Mr. Cerra moved, second by Mrs. Mitchell to recommend an ordinance to authorize the Mayor to enter into an Enterprise Zone Agreement with Crane Aerospace at 241 S. Abbe.

MOTION MADE COMMITTEE REPORT WRITTEN

FINANCE COMMITTEE:

Mr. Baird moved, second Mrs. Davis to recommend an ordinance to authorize the Mayor to enter into an Enterprise Zone Agreement with Crane Aerospace at 241 S. Abbe.

MOTION MADE COMMITTEE REPORT WRITTEN

COMMUNITY DEVELOPMENT COMMITTEE:

Mr. Cerra moved, second by Mrs. Mitchell to recommend an ordinance to authorize the Mayor to enter into an Enterprise Zone Agreement with Crane Aerospace at 241 S. Abbe and to reduce the Building Department Permit Fees by 50 percent.

MOTION MADE COMMITTEE REPORT WRITTEN

FINANCE COMMITTEE:

Mr. Baird moved, second Mr. Tollett to recommend an ordinance to authorize the Mayor to enter into an Enterprise Zone Agreement with Crane Aerospace at 241 S. Abbe and to reduce the Building Department Permit Fees by 50 percent.

MOTION MADE COMMITTEE REPORT WRITTEN

Chair Stewart said this is a great opportunity that Crane is reinvesting into our community and it's a great partnership that we're creating.

4. The matter of Creating a Downtown Historic Redevelopment Grant Program.

REFERRED BY: Assistant Safety Service Dir Calvert

Dir Calvert said that the City is conscious of the fact that there is development activity happening downtown. This program is designed to encourage the rehabilitation of some historic buildings.

Mayor Whitfield went over a power point presentation. He said that the City is committed to the original commitment of the economic recovery plan and to build back stronger and have a focus on the long term impact. The goal is to create 2025 jobs by 2025, and even with the pandemic, he said he still remains committed to that goal.

It needs to be partnership with City Council, the community and businesses. Currently they are supporting those economic organizations and trying to build an incubator downtown for small businesses.

The second piece is attracting employers to invest in our workforce. His thankful of the partnership we have with LCCC and to be able to provide the resources needed to up-skill and re-skill and develop first time skills for our residents.

They will be rolling out the 'Skill City Initiative' soon.

Next is growing the businesses that already exist in Elyria. And to support those businesses through workforce support initiatives. Providing networking opportunities, marketing opportunities and engaging with 'Love Elyria'. To use the City's platform to promote local businesses.

The last piece is 'site development'. There are a lot of prep work that needs to be done to prepare sites for development, such as Midway Mall area and now downtown area.

They are asking for that 1.1 million from Issue 6 to be allocated. Some of those dollars have gone toward downtown, partnership and professional services that touch on the Skill City Initiative. Also workforce development and to how we might connect people to employment.

The Mayor invited everyone to the upcoming Town Hall Meeting which would take place the following week and will be a virtual Town Hall Meeting. They'll talk about the economic recovery as well as the social recovery plan.

Law Dir Deery asked if the Downtown Historic Grant Program is similar to the Downtown Facade Program or the Demolition Grant Program?

Mrs. Calvert said yes, the application will be similar to those other programs. She said there is an internal document which is a list of the buildings in the Downtown area are on the National Registry of Historic places and listed as either Historic or contributing to the historic nature character of downtown. Buildings that are on that list describe if they are eligible.

One of the changes that the Economic Development Committee recommended we make is rather than asking that each project be reviewed by the Ohio State Historic Preservation Office, that we utilize our Landmarks Commission to review these applications locally and provide their feedback on the design of any improvement to these buildings. So we would have the local knowledge of historical development and how the changes will effect the historic nature.

The Mayor added that it was brought to his attention by our local Historian, Coach Bill Bird shared that there is money allocated to tear down old buildings, but what about resources to redevelop those buildings. This is in response to what a number of community folks say, how are we investing and redeveloping these historic sites. So we took the model from the demo program and redesigned it for redevelopment of historic sites.

Ms. Calvert continued and said that this program will be designed similarly to the demolition grant program that we. It would be a \$50,000 matching grant for Capital Improvement Projects.

Mrs. Mitchell asked if there is an investment amount that the building owner must make?

Mrs. Calvert said the minimum investment to get the \$50,000 would be \$100,000. It could be less, if the project is \$80,000, they would be eligible for \$40,000.

Mrs. Mitchell asked what the criteria will be to be met by the building owner?

Dir Calvert said it will be dependant on the Landmarks Commission and their involvement with the Elyria Economic Development Committee. The applications will come in and the committee will make sure that they qualify, based on the criteria then it will be up to the Elyria Economic Development Committee with the assistance of the Landmarks Commission.

Ms. Calvert said the criteria will be similar to the demo program, such as current on taxes, the project must start within 12 months and completed within 24 months. Payment will be on a reimbursement basis, you have to meet Design Review Guidelines and Building Dept. permit applications which is additional to that historic component.

Dir Deery suggested that those requirements be attached as an exhibit to the legislation.

Mr. Cerra asked if they anticipate any applications coming in soon?

Dir Calvert said there will be at least two applications coming in within the year.

Chair Callahan said this is a good balance, seeing how we already have the demo program.

This redevelopment grant program will help preserve the integrity and historic nature of downtown, so only good can come out of this going forward.

COMMUNITY DEVELOPMENT COMMITTEE:

Mr. Cerra moved and Mr. Mitchell seconded to recommend an ordinance to create the Downtown Historic Redevelopment Grant Program.

MOTION MADE COMMITTEE REPORT WRITTEN

FINANCE COMMITTEE:

Mrs. Davis moved and Mr. Baird seconded to recommend an ordinance to create the Downtown Historic Redevelopment Grant Program.

MOTION MADE COMMITTEE REPORT WRITTEN

5. The matter of Creating ‘Elyria Delivers’, a Restaurant Assistance Program.

REFERRED BY: Assistant Safety Service Dir Calvert [For Discussion Only]

Dir. Calvert said this is a program to help the restaurant community who has been affected by the pandemic. This is based off a program that the City of Beachwood is running. It's designed to alleviate some of the pressure that's put on by the restaurant community in the surcharge that the delivery services charge the restaurant. When you order on Uber eats, there is about a 30% surcharge, which is charged to the restaurant which eats into their profits. This is a program designed to combat that and to offer delivery service free to Elyria residents.

How it works is the restaurant receives the order from the Elyria restaurant and they handle all the payments. They would call the employees, which would be temporary, seasonal part-time, employees. Someone would dispatch the address for delivery into an app and it's sent to the driver.

In Beachwood, the drivers are actually contract employees of the city specific for this purpose. The service would be offered at no cost from the hours of 4 - 8 P.M. The stipulation is that the restaurant and the resident must be located in the City of Elyria. The City would not handle any money. They anticipate a need for about 3 - 5 drivers. There would be one or two dispatchers. There will be an insurance rider that will be required. The total anticipated cost from March thru July would be \$64,225.

Mrs. Calvert reminded that this was for discussion purposes only.

Mrs. Mitchell said it's great to help the restaurants. She questioned using City of Elyria employees for this program?

Dir Calvert said the restaurant places the order with the City employee and then the driver delivers to the resident's home.

Mrs. Mitchell asked if the drivers will be contracted with the City of Elyria as well?

Dir Calvert said yes, that is how the City of Beachwood runs their program. Mrs. Mitchell asked how that will work with the union employees?

Mayor Whitfield said this is only discussion and to get the committee's initial thoughts on this idea. Just brainstorming as to how we can help our restaurants.

Mr. Oswald said it's a good concept, but where will the money come from?

Mr. Tollett asked about food handling, liability. If something became contaminated the City could potentially become liable. Mr. Tollett works in the food service industry and his drivers all hold passive certification. The other thing is how many employees of Uber Eats or Door Dash that are Elyria residents, would lose their jobs?

Mr. Cerra likes this concept, but would there be a way to tailor this to give a grant directly to restaurants to cover delivery charges rather than using City employees?

Dir Calvert said that is a good idea for a program to be designed like that. They could use Community Block Grant Funds which would provide direct support grants to restaurants who would qualify under the CDBG Guidelines.

Mrs. Davis asked if the restaurants could have filed for the CDBG money with the covid program?

Dir Calvert said yes they could have. Those funds have already been expended. Several restaurants did apply and did receive funding through the Cares Act.

Mr. Oswald said it might be a good idea to get the input of the businesses.

Finance Dir Pileski asked if these employees will be contract employees.

Dir Calvert said, yes, that's how it works in the City of Beachwood, the employees are 1099 contract employees, they will not be existing employees. We're modeling what the City of Beachwood does for this discussion tonight.

Mrs. Keys is concerned about the safety and sanitation of someone's vehicle and the special training needed in handling food. She is curious what Beachwood is doing in that regards.

Chair Callahan agreed with the committee on those concerns. He suggested that perhaps a representative from Beachwood could be on the meeting to explain how they have worked out these things out.

Mrs. Mitchell asked for clarification that the City would hire new employees for this program for the months of March, April, May, June and July.

Dir Calvert said that is the concept and a starting point. Beachwood also has a Community Services Department and they utilize staff for the program.

Law Dir Deery clarified that there would be contract employees who would be drivers along with City employees who are doing a piece of this?

Dir Calvert said that is correct, and it would be part-time seasonal employees.

Chair Callahan said this was a good discussion and there would be future discussion.

***Mr. Cerra moved and second by Mrs. Mitchell to adjourn this evening's Community Development portion of the Meeting at 6:55 P.M.
MOTION CARRIED***

Respectfully submitted by,

Colleen Rosado, Council Clerk Secretary

(Committee Meeting was attended by Secretary Rosado ~ Meeting Minutes were transcribed by Secretary Rosado).