

THE FINANCE Committee held a meeting on Monday, May 8th, 2023 beginning at 8:05 P.M.

CD MEMBERS PRESENT: Committee Chair Callahan, Mitchell, Oswald, Schneider, Lipian
FINANCE MEMBERS PRESENT: Committee Chair Stewart, Tollett, Cerra, Davis, Schneider
OTHER COUNCIL MEMBERS PRESENT: Simmons

OTHERS PRESENT: Law Director Deery, Mayor Whitfield, Safety Service Dir Lundy, Asst. Dir Williams, Finance Dir Pileski and Farrell, Engineer Schneider, Building Official Farkas, Asst Dir Calvert, Police Chief Pelko, Police Capt. Frank, Asst Law Dir Breunig, IT Dir Rothgery, Public Works Supt Conner

1. Approval of the Finance Meeting Minutes from April 10th, 2023.

Motion made by Mr. Schneider and second by Mr. Cerra to approve said minutes.

2. The matter of Inactive/Delinquent EPU Accounts to be certified to The Lorain County Auditor's Office. (Standing Referral)

Referred By: Public Works Supervisor Conner

Public Works Sup Conner said this is a list of inactive accounts that are delinquent. The multiunit accounts are still active and are listed in property owner's name and have tenants living in those units. The accounts are more than 60 days past due. This is standard procedure.

Mr. Oswald asked about High Point in The Park.

Ms. Conner said it's another \$40,000 which brings the total to around \$80,000. They haven't gotten any response from anyone from there.

Motion made by Mr. Schneider and second by Mr. Cerra to authorize a resolution for the 'said' accounts.

MOTION CARRIED COMMITTEE REPORT WRITTEN

3. The matter of disposing of a 2011 F-350 Truck that is unfit for Municipal use.

Referred By: WWPC Supt. Korzan

Supt Korzan said the department can no longer use this truck, the body is rotted and rusted and multiple other issues with it.

Motion made by Mr. Cerra and second by Mr. Schneider to authorize a resolution to declare 'said' property unfit for municipal use.

MOTION CARRIED COMMITTEE REPORT WRITTEN

Motion made by Mr. Cerra and second by Mrs. Davis to authorize a resolution to dispose of 'said' property that is unfit for municipal use.

MOTION CARRIED COMMITTEE REPORT WRITTEN

4. The matter of the purchase of [3] Ford F-350 Trucks.

Referred By: Safety Service Dir Lundy

Dir Lundy said this matter has been approved in the budget. One vehicle will go to Parks & Rec, one to Street Dept and one to Central Maintenance. The price is below the State purchasing price. Each is \$52,428. These would be purchased locally from Mike Bass Ford.

Motion made by Mrs. Davis and second by Mr. Schneider to authorize the Mayor to enter into an agreement to purchase 'said' vehicles at a cost of \$52,428 each. (Emergency Clause) – motion concurs
MOTION CARRIED COMMITTEE REPORT WRITTEN

5. The matter of a one-year rate plan agreement with Verizon for wireless service for computers and modems in Police vehicles.

Referred By: IT Dir Rothgery

IT Dir Rothgery said this is a document that is required for government agencies to sign off on this, which is done every year. It states that we're agreeing to use the government pre-bid prices. It's not a price change. It's for the in-car communications that we have, mostly police vehicles and water distribution vehicles.

Motion made by Mrs. Davis and second by Mr. Schneider to authorize the Mayor to enter into 'said' agreement for wireless service for Police vehicles.
MOTION CARRIED COMMITTEE REPORT WRITTEN

6. The matter of a one-year rate plan agreement with Verizon for wireless service for computers and modems in Water Distribution Service Vehicles.

Referred By: IT Dir Rothgery

Motion made by Mrs. Davis and second by Mr. Schneider to authorize the Mayor to enter into 'said' agreement for wireless service for Water Dist. Service vehicles.
MOTION CARRIED COMMITTEE REPORT WRITTEN

7. The matter of consideration of waiving permit fees for fire suppression, hood and plan review fees for Espresso Bakery, 100 4th Street.

Referred By: Asst Svc Dir Calvert

Dir Calvert said they are requesting a waiver for the fire suppression permit fees and plan review fees. You all probably remember that this business was impacted by an impaired driver who drove through the building and causing damage to the building as well as the equipment inside the building. A lot of the insurance was good for the building but the area that he needed help was specific to fire suppression hood and plan review fees because that was considered equipment by the insurance company and required cash payment up front. The business owner, Mr. Black is in attendance. Keith Black, 5425 Oakwood Village owns the business; Espresso Bakery at 100 4th St. The car hit the building on February 19th. He waited 45 days before there was insurance approval.

The insurance on the equipment is only \$110,000 and the hood alone is over \$30,000 and stoves and ovens are involved. There is a shortfall. The amount he's asking for will come to \$437.50 will help him.

Motion made by Mr. Cerra and second by Mrs. Davis to authorize the waiving of the 'said' fees, not to exceed \$500, emergency clause is requested.

MOTION CARRIED COMMITTEE REPORT WRITTEN

8. The matter of the 2023 Membership Dues to the Lorain County Community Development Corp.

Referred By: Asst Svc Dir Calvert

Dir Pileski said the amount of this request is \$10,000 to come out of the 2016 half percent income tax fund, Economic Development Dept, operating & maintenance

Dir Calvert said Team Lorain County was a county-wide economic development non-profit that was created to help leverage more resources and connectivity specifically for trade sector industries and any business that is selling goods & services outside of the city or the county because those are considered the wealth generating manufacturing firms and are important to the county's economy. Team Lorain County suspended operations in 2016 and there has been a void for that type of agency since then.

Lorain County Chamber of Commerce went through a process to evaluate what worked in the past and what needs to evolve and change moving forward. She invited Chamber President, Tony Gallo to be here this evening to share what the new Lorain County Community Development Corporation is.

Tony Gallo, President of Lorain County Chamber of Commerce 226 Middle Ave., Elyria. This new organization which what was previously Team Lorain County and it would benefit Elyria and Lorain County. They have not had that relationship with Team NEO, which is the regional Economic Development Partner and they also don't have the same type of relationship with Jobs Ohio which is the State Economic Dev Partner and they are the ones that control the money and dollars that go to different areas. We want to make sure that some of those dollars come back to Elyria and Lorain County. They hired an organization called Innovation Economy Partners, out of Brecksville. This will be a public-private partnership and includes money coming in from private entities, businesses and public entities, meaning municipalities and there is a philanthropic side to it as well. They're about two thirds of the way of raising the amount of money they need. It will be ongoing, an entity that falls under the umbrella of the Chamber of Commerce which is a 501c6 and they are a non-political entity and this will fall under that same non-political entity.

Chair Stewart thanked Mr. Gallo and said we're trying to spur economic development and not only in Elyria but also the county and we can benefit from those different opportunities and he welcomes this and we want to be a part of this program.

Law Dir Deery asked if this is a yearly membership of \$10,000?

Mr. Gallo said the amount of \$10,000 would be the city's annual dues and this would establish a three-year commitment.

Dir Calvert said they would become before council annually for approval, with the understanding that there is a three-year commitment.

Dir Deery asked if the Elyria would be a 'member-city' by making this commitment?

Mr. Gallo said that different cities needed the wording to work for them. It is an investment because it's an investment in the organization, into what the program of work will be once that money come in. They will hire a director who will be focused on Economic Development. Some municipalities will call it membership dues as opposed to investment dues.

Dir Pileski said we should be careful about using the word investment, including on the invoice. He believes the ORC prohibits municipalities from investing tax payers' dollars in a non-profit. It should say membership dues.

Mr. Oswald asked if they have a goal on how much money they're trying to get?

Mr. Gallo said year one goal is \$385,000 and are currently at \$282,500. Since this is under the umbrella of The Chamber they are able to re-utilize existing staff so they aren't hiring additional people. Mr. Gallo will be a non-voting CEO of the Board because it's under the umbrella of The Chamber which he is president of.

Motion made by Mr. Schneider and second by Mrs. Davis to authorize the 'said' dues to be paid out of the 2016 half percent income tax fund and this is emergency clause.

MOTION CARRIED

COMMITTEE REPORT WRITTEN

9. The matter of Amendments to the Permanent Appropriations. [Standing Referral]

Referred By: Finance Directors Pileski and Farrell

Fin Dir Pileski said there is one amendment change this evening which is the East Broad Street widening Improvement Project to appropriate \$9,202,115 for the estimating cost of the project and of that amount, the City's share is estimated to be \$854,873 which will be finance with the State Infrastructure Bank loan which Council has already approved. The estimate that NOACA would pay is \$3,847,242 and the estimate that ODOT would pay is \$4,500,000.

Motion made by Mr. Cerra and second by Mrs. Davis to authorize amending the 2023 permanent appropriations, per the attached.

MOTION CARRIED

COMMITTEE REPORT WRITTEN

Chair Stewart asked for a motion to Adjourn this meeting.

Mrs. Davis moved and second by Mr. Schneider to adjourn this evening's Finance Meeting. The meeting adjourned at 8:40 P.M.

MOTION CARRIED

Respectfully Submitted by,

Colleen Rosado, Secretary/Administrative Assistant

1. Approval of the Joint Committee Meeting Minutes ~ January 9th, 2022

Motion made by Mrs. Mitchell and seconded by Mr. Schneider to approve the 'said' meeting minutes.

2. The matter of a Development Agreement with ABC Development for Infrastructure Improvements within the City.

Referred By: Assistant Safety Service Dir Calvert

Dir Calvert said they have an agreement drafted in support of the development of Eaton Point which is south of Chestnut at the corner and adjacent to where the Panera and Mattress Firm are located. There will be a Sheetz Gas Station and an Aldi Grocery Store. The Aldi store will be almost 21,000 square feet with an estimated construction cost of 3 & 1/2 million dollars and an estimated value of 4 & 1/2 million dollars and it will create 11 full-time and 9 part-time jobs with an annual payroll of \$600,000. Sheetz gas station will be a little over 6,000 square feet with construction costs of 4 & 1/2 million dollars and an estimated value of 6 million dollars. It will have 18 full-time and 18 part-time jobs with an annual payroll of approximately \$700,020.

They are requesting the Development Agreement which will allow the City to enter into a TIF agreement which will help support the development of infrastructure for that project. It will be the extension of the road where that will provide access to Sheetz and Aldi's. The developer is here to explain their plans.

Greg Slyman, managing partner of ABC Development, 3955 Center Road, Brunswick, Ohio and Bob Achary of ABC Development.

Mr. Slyman said they have been working on this property on the corner of Rt 57 and Chestnut Ridge Road for a number of years. The diagram of the proposed project was brought up on the monitor so the committee members could see it and it was also on the large screen so the audience could see it. They are working with the City to look at the Joint Development Agreement for the road construction and the costs of the infrastructure. They would put in a cul-de-sac to help with traffic. They are working with the neighbors to create a public road of which that TIF would offset about 40 per cent of the cost and the other 55 to 60 percent will be paid for by ABC Development for access for those two users.

The drawing on the screen is showing lot 1 approximately 3.1 acres is where the Sheetz would be. And south of that is where the Aldi will be and that is also 3.1 acres. These will be accessed through the new road, Eaton Point Drive which is about 1.8 acres and that's the initial phase 1 of this project. They've gone through the lot splits, rezoning, design review and now they're ready to move forward. The next image on the screen showed the entire Phase 1 which will be opening up that entire south eastern corridor. The roadway will stop just south of the Aldi's store. We currently have 36 acres under contract. They have been in discussions with the Jacob's Group who own the property south of that. They also have interest from a couple larger retailers that they're working on.

Chair Stewart asked when the traffic study was done?

Mr. Slyman said that there was one done in 2016 with Mannequin Smith. And they have done their own traffic study with TSC in 2020 and they worked with the City on that one which encompassed the overall development. They understand the traffic concerns. Once this process gets into the next phasing there will be access onto RT 57. That is south of where the current Marshall property is, the storage units. As they move the development toward the east there will be a connector to Cletus Road and that's right along Rt. 10. There will be multiple access ways into the development, which will be about 117 acres when it's fully built out. This is the overall vision for the property and again, this is the initial phase.

Chair Stewart asked how the phasing and the traffic will impact the area mentioned. There have been many issues at these intersections. He asked if the process has been started for the entryway on Rt 57. Would that be a right turn only as it's heading north into this phase?

Mr. Slyman said they have approval from ODOT for right in – right out. As the development continues to the east that will eventually be a full access intersection. They've been working with the City on this traffic study for a few years. They understand what the concerns are. Once they get the access onto Rt 57, they believe some of those issues will be addressed.

Law Dir Deery said there is an image of a traffic light there where the connector road would meet Rt 57 so that's the ideal situation, is that correct? Has ODOT approved an actual intersection with a traffic light at this time?

Mr. Slyman said yes, that is correct. ODOT has not approved that intersection yet, just the break access.

Chair Stewart asked when they anticipate this? Is it dependent upon this phasing here?

Mr. Achary said, yes. Phase one is strictly the first two buildings, Sheetz and Aldi's. The next phase would continue south which would include the access item onto Rt 57 which would probably be a right in and right out. They would have to go back to ODOT to revisit full access.

Mrs. Mitchell said they have already addressed her concerns and they've already gone to ODOT and they have approval for right in and right out. She stated that the traffic over there is horrendous as it is and we keep piling more things into the area. We have so many other areas, like the West side, that have ample space and she would like that to be considered. Her main concern is the traffic.

Mr. Achary said he agrees with that. But as far as the retailers, they want the gravity of all the other retailers together. The success of the Walmart is creating this success of the area.

They have worked very close with the City Engineers with the traffic issues. They do have approval from the Engineering Dept. to build the road. It really will open up a larger development. There are retailers that are interested in Elyria. They're looking for the right places to be. The gravity has moved away from the mall. They still want to be able to sell to the residents. These retailers are interested in this area because of the traffic and the ease of getting in the area. He said he has driven all around Elyria including the west side with multiple retailers and talked about other opportunities in Elyria and if you look in the development agreement, he's still working hard to try to bring additional retailers to other areas of Elyria. The Sheetz and Aldi are focusing on this intersection because of the traffic and they would not consider any other areas at this point. As we make headway in the city, it will attract more.

Mrs. Mitchell said that the Aldi's on the south side will be closed after this one is built. That will create a food desert for those residents on that side of town and the Mayor has been very vocal about that. Aldi is under lease at the south side location for another 5 years. He doesn't know what their plan is.

Mr. Oswald said he sees the street going back from the Sheetz and to the Aldi's and then it turns into a cul-de-sac on the first rendering. Will that cul-de-sac go away and will the street continue onto the second phase?

Mr. Slyman said yes.

Mr. Oswald asked where are the storm water, sanitary, gas etc coming from? The other side of Chestnut?

Mr. Achary said there is an existing sanitary line that is on Chestnut Ridge and they have approval from the City to tie into. That will support Aldi and Sheetz. They've been talking with the City about the trunk line on the other side of Rt 57 and eventually bringing that over which would need to be brought over to serve the rest of that area, to the larger development.

Mr. Lipian echoes the concerns of councilperson Mitchell. When we look at the economic concentrations in the City transitioning from downtown to Midway Mall to Chestnut Commons, they've swept up businesses with them to catch others and have noted that traffic. He thinks it would be good for the committee to get ahead of the problem of the possible food desert and be proactive and engage in relationships with the owners of the Aldi Building in the 5th Ward and not to wait for it to close if that's going to happen. And to regularly engage with food service businesses that could set up in the 5th Ward and get ahead of that problem. It's proactivity versus reactivity.

Thinking of the Friendly's Building in Ward One. He has calls placed to the owner of that building trying to find someone who would be interested in it. We have to consider the wards that might be impacted by the shifting of economic activity.

Mr. Schneider asked if the Sheetz would be a right in and right out?

Mr. Achary said that will be full access. They will align that with the bank parcel across the street at the City's request.

Mr. Lipian asked this question to Mr. Corbin asking if there are talks of a restaurant at the corner of East Broad and Chestnut at the land that is currently for sale?

Mr. Corbin said that he heard from a source that was a possibility. That was about 6 months ago. He had phone calls from residents saying for the City to not repair Chestnut Ridge so they could keep the traffic at a minimum.

Mrs. Davis said there was a traffic study in 2016 and another one in 2023 and then they did their own and is there anyway we could have another one?

Dir Calvert deferred to Engineering for the traffic study question.

Engineer McKillips said the last traffic study that was done by the developer was by an Engineering Firm called TMS and they do traffic studies. She would state that it was an actual traffic study and it was done in 2019. Is it necessary to update it at this point? It would've been close to today's activity.

Mrs. Davis said that a car wash and other activities have been added since 2019.

Mr. Tollett said in 2019 the Reaser Parkway wasn't there. It's a relief outlet for that area so it would seem what we lost with the car wash we more than gained with the connector road.

Engineer McKillips said that connector roadway was completed at the end of 2020. So, it wasn't considered with that most recent traffic study.

Mrs. Mitchell asked why we aren't using that land along Reaser Parkway. The thought of a right out onto Rt 57 with no stop light is very scary. People fly down Rt 57. She is not against development in the City, she loves to see the City moving forward. When she said the west side, she was not referring to the mall area. She was referring to the West Ridge and Murray Ridge area. There's all kind of land available. Let's promote it, it's available.

Mr. Schneider said since this master site plan has been revealed this evening, that we should consider another traffic study because we know what the future holds for this area.

Mr. Oswald said we could do study after study after study and we could still forecast wrong. So, if we plan on a lot of growth with good businesses. Maybe the Jacob's Group could figure out to possibly get an actual intersection to come out onto Rt 57. He wants development to continue.

Mr. Lipian agrees with Councilman Oswald; his inclination is to move forward with a cautionary tale that we need to begin planning and consider the ways this is going to impact us moving forward. He thinks if the traffic study didn't include the Reaser connector road that means the outlook of the traffic forecast would likely be better than the report states because we have that additional street and that does provide relief. If traffic starts flowing down the Reaser Point Crossing because of the Aldi and Sheetz, it's possible that will attract businesses to set up shop on Reaser Point Crossing which would be good for the area.

Chair Stewart asked if any issues or concerns were found with the TMS study?

Mr. Achary said it was obviously the volume. The study focused on solutions which were the right-in and right-out on Rt 57 for Phase 2. Then the Cletus Road connector was not in the original study. There is no question when Phase 2 proceeds they will have to revisit the traffic study which would include the Reaser Point Crossing, the car wash and any other development that happens between now and then.

Mr. Cerra said in all fairness, anyone who's gone to Avon Commons, that traffic is horrific too, but people keep going there and the buildings keep being built. What kind of time line are we looking for Phase 1 and then Phase 2?

Mr. Slyman said the Phase 1 construction is planning to start in the beginning of March for the road.

The Phase 2 will take some time, it will be a minimum of 36 months up to 60 months. There are some infrastructure issues related specifically to the sewer. There will need to be significant investment to create that we'll have to create some very strong demand to put the money into that. This is a prime economic driver for the City of Elyria. They have been involved with this since 2016 and that's when it was Eaton Township. They worked with the former Mayor to bring that into the City Of Elyria because they knew that getting it into Elyria it would help to develop it the proper way. They would like to continue to annex additional properties into Elyria if that's what the City would be interested in.

Mr. Oswald asked what area are in Eaton Township?

Mr. Slyman said the 36 acres of property that was annexed for their development and the other properties are extensions. As they continue to add parcels and they have an agreement, in theory and they have a great relationship with The Jacob Group, they're ready to go. There are some additional parcels that are end parcels of the property near Rt 10. The hope would be to be able to continue to build off of what they've already annexed.

Mr. Tollett said he's a huge Sheetz fan and they're on the cutting edge for electric charging stations, which Elyria lacks. It's the future.

Mayor said this has been a great discussion. Some of the committee's concerns have been shared with the developers. He wants everyone to recognize that this is considered to be a safe first step for this development. It's getting some momentum and demonstrating the City's interest and the developer's investment and willingness to help us develop this space.

He said the City has multiple food deserts which need to be addressed. Part of the agreement will have the goodwill effort to assist us with those food desert efforts. There will be an announcement coming soon and a partnership to help address that.

There is an education of how these retailers choose their locations, it's unique. It's a data driven process. Maybe we can get creative in ways to see where we want to see development.

Chair Stewart said this is a prime piece of property and this development will happen eventually. He said in Avon, they have multiple lanes and it's still congested. Ours will be one straight lane on Chestnut Ridge and one left turn on Chestnut going into the complex. It's not multiple lanes heading in two directions. There was a study done in 2016 about widening the road and putting in a roundabout and considering

those Michigan lefts and there were concerns about that. He thinks this is a great opportunity, but he has concerns about the traffic in the short term in regards to this.

Mayor Whitfield shares his concerns about the big macro vision in terms if we would try to do this without the right-in and out or full intersection, it would be chaotic. That's why they thought it would be strategic to just start with these two projects that wouldn't overwhelm the system and at the same time they've put in a Capital request to get an earmark to build the sewer infrastructure so that the it can grow more.

Chair Callahan said these have been healthy discussions and all members had excellent questions and concerns. Most important is that the developers are listening to the City and hear our concerns and working with us.

Chair Callahan asked for a motion:

COMMUNITY DEVELOPMENT:

Motion was made by Mr. Oswald and second by Mr. Lipian to authorize an ordinance authorizing the Mayor to enter into the 'said' agreement.

MOTION CARRIED COMMITTEE REPORT WRITTEN

FINANCE:

Motion was made by Mr. Cerra and second by Mr. Schneider to authorize an ordinance authorizing the Mayor to enter into the 'said' agreement.

MOTION CARRIED COMMITTEE REPORT WRITTEN

1 - NAY (Stewart)

COMMUNITY DEVELOPMENT:

Mr. Schneider moved and Mr. Oswald seconded to recommend an ordinance authorizing the Mayor to enter into the 'said' lease agreement.

MOTION MADE COMMITTEE REPORT WRITTEN

FINANCE:

Mr. Schneider moved and Mrs. Davis seconded to recommend an ordinance authorizing the Mayor to enter into the 'said' lease agreement.

MOTION MADE COMMITTEE REPORT WRITTEN

Mr. Lipian moved to adjourn the Community Development portion of this evening's meetings and that motion was seconded by Mrs. Mitchell.

The meeting adjourned at 6:50 P.M.

MOTION CARRIED

The evening's meetings continued with The Finance Committee.

Respectfully Submitted by,
Colleen Rosado, Secretary/Administrative Assistant
/CMR