

The Community Development Committee held a meeting on **Tuesday, May 28th, 2024** beginning at 6:00 P.M.

Committee Members Present:

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

Administration and Department Heads Present: Law Dir Deery, Safety Service Dir Pyanowski, Asst Finance Dir Farrell, Engineer Schneider, Building Official Farkas, CD Dir Scott, CD Manager Almobayyed, and Clerk of Courts Rothgery

1. Approval of Community Development Mtg Minutes ~ May 13th, 2024.

Mr. Oswald moved and that was second by Mr. Schneider to approve these minutes.

MOTION CARRIES

2. The matter of the adoption of the CDBG Policy and Procedures Manual and to authorize submission to the Housing and Urban Development Agency (HUD).

Referred by: Community Development Manager Almobayyed

CD Manager Almobayyed said they have a lot of changes on this and she will go through those changes one by one. The last time this was amended was in 2017. The 1st amendment is to add a definition of 'slum and blight' for the program only. They've been using the State's definition and it would make more sense to use HUD's definition since these are HUD funds and not State funds and they can be more flexible with the HUD definition and they only need 25% of properties have to be in a general state of deterioration as with the State's definition it would be 75%. They have used this designation to fund various projects within the downtown area. The last study was done 10 years ago and the downtown area has improved. We can continue to use that national objective if we adopt HUD's definition of slum and blight, which makes sense. The 2nd amendment they are proposing is to remove the 10% cap for substantial amendments on public service budgets. Currently, if any subrecipients are nonprofits that are funded and have any unused funds in their budget, they have to do a 30-day comment period and hold public hearings and get council to vote on it. Sometimes it's for a small amount and are proposing to change the procedural requirements from a major amendment to a minor amendment which would be an internal budget adjustment and approved by HUD and would remove an unnecessary administrative burden. The 3rd amendment is the housing rehabilitation program, proposing to convert all of the antiquated leans/permanent leans to the schedule that was adopted in 2010. Before that, CDBG home repair projects and a lien on the property for the entire amount. With the current schedule, the lien is for 5 years and 20% is forgiven and at the end of 5 years if the property owner still lives, the entire amount is forgiven.

They have residents from prior to 2010 who have \$15,000 liens and everyone from 2010 on and as long as they live there for 5 years, it was forgiven. The purpose of the program is to help homeowners who wouldn't otherwise be able to afford to make the repairs and to preserve Elyria's housing stock. If the intent of the program is met, we should change these liens so they follow the schedule that is in place now.

The 4th amendment is increasing the program assistance cap from \$15,000 to \$20,000 for the rise in cost of home repair. They've found the cost of some projects is coming in over that cap amount. It would increase the change order threshold from \$300 to \$500 without having to sign new documents.

The 5th amendment is to offer more help from the program applicants because some of them have property owners that are out of state and sometimes difficult to track down everyone's signatures, so this will hold them accountable and it will be required that all of the homeowners listed to sign documents so they will be responsible for tracking down the owners.

The 6th amendment is to remove item #10 from the complaint procedures, with the CDBG program, if there is a dispute, there is a list of procedures that they follow and one was to get a dispute resolution mediator, which is utilized with the CHIP program and is required by the CHIP program, but it's not helpful in involving another person for this program and the disputes should be able to be worked between the homeowner, the contractor, CD Staff, the Law Dir's staff and Council. It was an extra cost to add a dispute resolution mediator.

So, those are the changes they want to make. Ms. Almabayyed thanked everyone.

Mr. Schneider asked how many liens still exist prior to the 2010 changes?

Dir Scott said they do not have that number and would be happy to get that information to him, there are a lot, but she didn't know how many.

Chair Mitchell asked if they will forgive all of those liens prior to 2010?

Ms. Almabayyed said yes, that is what they would like to do.

Mrs. Davis said she likes their program and that the department does a great job and she agrees to increase from \$15,000 to \$20,000 since the cost of everything is so high. She asked why these old loans haven't been forgiven? Ms. Almabayyed said that was the process that was put in place before 2010. It's something they want to fix now, and probably should've done it a long time ago.

Mr. Tollett asked Dir Farrell if we wipe those entire expenses from our books, would that account receivable loss effect the City's bond rating?

Dir Farrell said the didn't think it would because it's grant money to begin with.

Mr. Tollett asked if Dir's Scott and Almabayyed could come up with a close estimate of how much money we would be wiping off the books.

Chair Mitchell asked if those loans are held until the homeowner sells the home, is that correct? Dir Scott said yes.

Chair Mitchell said there's a possibility that we would never see that money anyway.

Mr. Schneider asked if they have to approve the satisfaction of all of these or is this that will happen automatically?

Law Dir Deery suggested that will be something her office would work with CD on once they see how many accounts they would be working with. The first step would be to have committee and then full council approve the process and approve waivers to say we would treat these pre-2010 liens in a way that they are forgiven. It may be that having these old debts cleared out may be a benefit to the City, because more often than not, we don't see a recovery on these. If the property is sold before the five years, we do recover the loan and occupancy is to encourage for the property to be owner occupied.

Mrs. Siwierka said this is a great idea and asked if any of these liens could've been overlooked?

Ms. Almabayyed said that does happen and could've been put into an estate and the department might not know about it until after the fact.

Motion Made by Mr. Schneider and second by Mr. Oswald to authorize an ordinance for the adoption of the 'said' CDBG updates and submit to HUD.

MOTION CARRIES COMMITTEE REPORT WRITTEN

3. The matter of review of the Elyria Comprehensive Land Use Plan.

Referred by: Community Development Dir Scott

** Note: This matter was passed by Planning Commission on May 7th, 2024.*

Dir Scott said that in 2022 Council authorized an agreement with MS Consultants to prepare a Comprehensive Land Use Plan and in collaboration with City Staff and a Steering Committee. They analyzed existing conditions and requested public input on current and future needs of the City. The plan includes these existing conditions and results of the public participation and a future land use map. They recommended strategies to guide future decision making and policy for the City. This plan is known as 'Our Elyria' and was heard before PC on June 4th and approved by PC. The consultant from MS is here to give a brief presentation. Dir Scott said this plan is to be used as a guide for future planning and future funding and to help guide the update to the City's zoning.

Ben Turin, MS Consultants Project Team, 526 Superior Ave., Cleveland. He has been one of the main planners on this project since last summer when they began the public engagement. They also have a sub-consultant, Zone Co who is working with zoning dept to examine and update the zoning ordinance.

Mr. Turin proceeded to go over the power point presentation, of which is 111 pages long and available from the Council Clerk's office upon request.

The first page is demographic information which was compiled from the most recent census. Elyria has lost population since 2010 where as the State and County has gained.

The next pages show jobs and labor force in the city housing stock and household statistics, parks, recreation, transition, etc.

The third chapter of the plan includes results of the community engagement which went well. They did walking tours in August last year in different areas of the city and spoke with residents of different neighborhoods. And they were a great success.

They formed a website; ourelyria.com which had activities to participate in on line.

They also had calls with stakeholders who were nonprofit and public agency leaders and got some targeted input from them about they would like to see and what issues they feel is facing Elyria.

The survey got an excellent response, nearly 400 responses.

Critical issues were safety and crime and economy and transportation barriers. The number one response for what they wished Elyria had was dining and grocery stores and retail shopping and entertainment.

There was talk of strategies to fill vacant storefronts as well as redevelopment of vacant parcels.

They took draft recommendations and put it out on the website to gauge support of strategies and implementation of recommendations of the plan and everything scored well. The average level of support per strategy was almost a four out of five.

One of the main things was potential development areas where the urban designers looked at sites to show what's possible for different way and different parts of development. These are not necessarily recommended strategies because the city does not own any of the 3 selected areas, but, it's meant to be illustrative to get residents inspired and creative thinking from property owners and developers.

There was a steering committee which was made up of residents and business owners and non-profit leaders and asked about sites that could receive some additional development preparation and then they put that out to the public. They took that feedback and distributed it to City Staff.

Their Urban Designers came up with ideas. One was at the Blue Recycling center to make it an outdoor space / community center with food truck space and skate park.

For former Shane Furniture is for a mixed-use space; retail and office space and apartments and possibly grocery store.

There is a site along the Black River and they came up with an idea for a grocery store, apartments and townhouses, river walk and amp theater and an access point to overlook the river. These are just concepts.

Next is the future land use districts to get community feedback to see how the City wants to see land used in the future for 21st century. In order to update the Zoning Code, they must have it as a recommendation in a comprehensive land use plan. The future land use map is not a new zoning map and is not a replacement for any existing zoning classification in the city's ordinances. It's meant as a guide for the zoning update and to provide an update of what's possible. The diagram includes names of different future land use districts. Zone Coe will be working with the zoning department to slot in the zoning classifications under these to see which ones make sense.

That's how the two work together through the whole process of planning and zoning update. The Land use map that was a result of this process is about adding flexibility and simplicity. There's a lot of areas that are zoned for single family houses. They heard from residences who may want to add an in-law suite or an accessory dwelling unit on the property and they would either have to subdivide or rezone. They also heard about residents who want to be able to walk to businesses in their neighborhood instead of driving somewhere. They came up with 9 districts to bring those desires and ideas to help guide the zoning update.

The downtown district is self-explanatory, commercial district is largely unchanged and is space for offices, medical campuses, hotels and close to highways and high-traffic roads. Main Street mixed use district is trying to bring the concept of neighborhood scale stores that are walkable. Suburban residential is just preserving the residential district that already exist, with perhaps adding space for senior living. Commercial residential is everything in between an apartment building and single-family house. Employment is for light industrial for manufacturing, development and warehouses. Institutional covers are churches and other religious building, schools and not much change. Parkland is all parks and access trails and green space. Transformational mixed-use space is the new one which is undeveloped land along Leo Bullock's Parkway and is to give the City flexibility along the parkway and for the City to be visionary with the west side development. The last thing are the comprehensive plan goals which are also a six-page handout. This plan is meant to help write down and form things going forward, it's meant to be comprehensive.

The draft before everyone has 84 strategies that they took before Planning Commission and PC voted to adopt this plan on May 7th, 2024 and recommended for final adoption by Council.

Mr. Turin completed his presentation.

Mrs. Siwierka asked what we paid for this?

Dir Scott said it was \$200,000, it is two-fold with the first part being the comprehensive land use and the second is the zoning code update which will follow this and is set for completion by the end of this year.

Mrs. Siwierka asked if the number of responses is statistically significant enough to determine going forward, it's less than 500 responses in a population of 52,000.

Mr. Turin said to be allowed to do this statistical test the cut off is really low, only 30 of 50 representative sample. The fact that they got 400 was almost 10 times the amount that statistics require. They usually get maybe 100 to 150 results.

Mrs. Siwierka said she agrees with many of the things that are on this but when you get to the housing piece of it. the high priority of using a Civic code app and hotline to report violations, she agrees with, but there is a missing piece and there should be mechanics in place. We can have reports and file violations, but if the judicial side doesn't speed the process we'll have many cases, her opinion.

Chair Mitchell said when you talk about having developers come in and bring a grocery store, we've already been trying that to no avail as yet. Chair Mitchell has been begging for a grocery store in the 6th ward and was told there isn't enough traffic.

Mr. Schneider said he is curious about the CRM app for blight and asked what the cost is for that?

Mr. Turin said he didn't have that cost. And that none of these strategies are binding. If it becomes unfeasible the City is not bound to follow all of these in this plan.

Mr. Lipian said it would be great to put a skate park in the Blue-Sky recycling area. That facility is made up of 3 separate parcels and owned by different owners and will need Brownfield cleanup.

Mr. Oswald agrees that this is only ideas. Problems when a developer wants to come downtown, the issue is parking. We are fortunate to have a few that are investing. The new areas like Reaser Point will be easier to get developers to spend money. The Grafton Road and Indian Hollow areas are easy to get a developer to build on. But, the Blue Star idea is good, but, putting it in a residential area, there may be complaints when people are playing pickleball or skating boarding, those are good ideas, but difficult to make happen. He thanked Mr. Turin for the good information.

Chair Mitchell thanked Mr. Turin for the presentation and she read the committee report.

Motion Made by Mr. Schneider and second by Mr. Oswald to authorize an ordinance to adopt the 'said' land use plan.

MOTION CARRIES COMMITTEE REPORT WRITTEN

4. The matter of a resolution for a temporary moratorium on retail dispensaries, cultivators and processors of recreational marijuana within the City of Elyria.

Referred by: Law Director Deery

Law Dir Deery said this became about after discussion with the Administration. Some of you may know that has a result of the passage of State Issue 2, allows for adult use cannabis. The State and General assembly is in the process of putting forth regulations which should be formalized soon, and putting into effect a State agency that will over see this. It may take time for kinks to be worked out. The reason this is time-sensitive should this Committee and Full Council wish to act is that the applications for operators; dispensaries, cultivators, processors to facilitate adult use will begin soon. The City does currently have several licensed medical dispensaries on Sugar Lane and Cleveland Street, (old Ponderosa). Those are medical dispensaries. They are able to operate, because they had acquired conditional use permits to be able to operate. Those permits are specifically for medical marijuana and Council passed that when State Law allowed medical marijuana usage. And here we are now, adult use marijuana is now legal in our state. It's legal for home grow, for usage, but the issue of 'for-sale' is being worked out.

It appears that those operators that currently have a medical license will be fast tracked by the state to get a dual license. The issue of the moratorium is being brought before the committee this evening is because as a City we don't have anything in our zoning code yet for adult use marijuana. To deal with the issue of the medical marijuana that would also sell recreational marijuana, they are having discussions and they need time before it can be presented to Council. They would have to update ordinances to allow the zoning to deal with that. In addition, council would also need to decide what they wish to do as far as dispensaries, cultivators, processors for adult use marijuana. As far as the commercial aspect that is something that local governments do have a say on. There is something to be said for having a say as to where we would want them in the City. and we just heard about the comprehensive land use plan. Should there be a limit? State law does dictate where they can and cannot be, but that doesn't mean that the city can't take further steps to limit them. The City can also prohibit them. A moratorium acts a pause button. It would give the State a chance to figure there stuff out. And also, for local legislatures to figure out what we should do. This would need to pass as an emergency because the application process will commence on June 7th.

Chair Mitchell asked how long would this moratorium be in place?

Dir Deery said it would be the sooner of one year or until it's explicitly revoked, it could be sooner.

Building Official Farkas said the marijuana dispensaries, processing and sales were intended to be limited, in certain areas. There are radiuses required for schools, daycares and from one another. There is a manufacturing facility on Murray Ridge, a dispensary on Sugar Lane and at 914 Cleveland Street. These are coming up on zoning requests. He has received a few and he tries to weed out the true intent. It's important to cover our basis so they go through due process.

Dir Deery said there is a new department in Columbus that is being created and will be similar to Liquor Control.

Dir Pyanowski said the administration agrees that there is a need for some time to figure out how to structure this. There's probably a little information to receive from that new department. Given the fact that the deadline to apply for this dual license is coming up and that makes sense for us to put a pause on this so that we can do it in a well thought out manner.

Chair Mitchell asked if the facilities on Sugar Ridge and Cleveland Street be able to apply for the dual license if they wanted to or would they have to wait.

Dir Deery said she can't say that they would be halted but the moratorium would play a role in the application.

Mr. Schneider said that maybe the ones that already have their application from the state might have some sort of exception that we can grant to them for their dual license.

Mr. Oswald agrees that we need time to figure things out. Would we legally be able to stop them, since they already have a license?

Dir Deery said they have a Medical Marijuana License and a Conditional Use Permit that was granted under our current zoning code for Medical Marijuana only. They do not have a conditional use permit for Adult Use Marijuana.

Mr. Armstrong asked if this is in regards to bulk grow and bulk sale?

Dir Deery said no this would mean a customer can go to the dispensary and purchase it, just like going to the liquor store to buy a bottle of wine. And this does not affect home grown, it affects the commercial enterprise of selling.

Mr. Lipian said adult use means buying and smoking weed as well as gummies as long as the customer is over 21 and a medical card is not required.

Mrs. Siwierka agrees that we need to act quickly. The State isn't sure how things will move forward, so putting a pause on it is a great idea. She asked if there will be a special revenue stream, medical or recreational?

Dir Deery said, host communities, as they are called, will receive tax revenue for having an adult use dispensary in their city. The formula is not clear, but is 36 percent of the 10 percent of the tax. Not that the municipalities will see that much of the sales tax, but the county will receive the sales tax. The General assembly may be working to change that. When medical marijuana was first passed, the City instituted permit fees. The State Law does not allow municipalities to charge permit fees for the adult use.

Mr. Oswald said the longer we take will hurt us. We need to do this moratorium and get everything clarified so we can move forward on it.

Chair Mitchell visited the processing plant on Murray Ridge and it was very secure and very clean and regimented. It was fascinating to see what they do.

Mr. Tollett said marijuana, both medical and adult use is still Federally illegal, that's number one, which is why there is a national banking problem which is why cash is used because banks can't accept debit of a federally illegal substance. Second, the State can't override the Federal Government. The USDA and the FDA has not found it to be safe or effective which is why hospitals and doctors do not participate. These are independent run programs. We have to make the decision now. Does having retail marijuana shops make us a better city or benefit Elyria's quality of life? If we take in \$36,000 per retail store and we spend \$150,000 per year policing it, did we benefit?

Chair Mitchell said we're speaking on the moratorium on moving forward on that.

Mr. Lipian asked if it is still illegal to use it in the City?

Dir Deery said and ordinances that are in conflict with the State law are rendered mute.

Mr. Lipian said 10 percent is allotted to taxes and of that 10 percent, 36 percent would go to the City, if someone bought \$1,000 worth of weed, \$100 would get taxed and out of that \$100 Elyria would get \$36, is that correct?

Dir Deery said that is how she understands, that is how the host community is supposed to work and that is separate from sales tax.

Mr. Lipian asked if we can adjust that tax rate?

Dir Deery said that tax rate is set by the new chapter 37.80.

Chair Mitchell reminded that we are here tonight to put a pause on this until we can figure out what we're doing with these possible retail sites.

Mr. Schneider asked if a lot of ordinances that have already passed for medical would be like a matter of switching to dual by amending the ordinances?

Dir Deery said a lot of that depends on what Council will desire how to do that. Council can do the same as we did for Medical use as far as zoning and ask for conditional use. Or Council can say they're good with the Medical use and okay with the dual use, but don't want anyone new to set up shop. Or council could say it's okay to let new shops come into our City to sell adult use. So, there are options.

Mrs. Siwierka said that they should move quickly and she's in favor of the moratorium. She suggests they should consider that the matter goes to Strategic Planning and it's a meeting dedicated to this matter only. And to have PD, Building and other departments in attendance. Maybe other experts since there are a lot of factors to consider.

Mr. Lipian seconds what Mrs. Siwierka said and the important word is temporary, this moratorium will be temporary which will give everyone time to assess it though a Strategic Planning meeting.

Chair Mitchell read the committee report and asked for a motion.

**Motion Made by Mr. Lipian and second by Mr. Oswald to authorize a resolution for the 'said' moratorium within the City of Elyria. Emergency Clause requested.
MOTION CARRIES COMMITTEE REPORT WRITTEN**

Law Dir Deery said she would draft the resolution that the moratorium will be the sooner of one year or when it is explicitly revoked by council.

Motion was made by Mr. Schneider and second by Mr. Oswald to adjourn the

**Community Development portion of this evening's meeting at 7:20 P.M.
MOTION CARRIES**

The evening's meetings continued with the FINANCE MEETING at 7:25 P.M.

Respectfully Submitted by,

Colleen Rosado, Secretary/Administrative Assistant