

The JOINT CD and FINANCE Committee held a meeting on Monday, July 14th, 2025 beginning at 6:06 P.M.

COM DEV PRESENT: Chair Schneider, Mitchell, Oswald, Callahan

FINANCE PRESENT: Chair Tollett, Cerra, Schneider, Siwierka

OTHERS: Stewart, Armstrong

EXCUSED ABSENCE: Davis, Lipian

OTHERS PRESENT: Law Dir Deery, Safety Svc Dir Pyanowski, Mayor Brubaker, Finance Dir Pileski, Public Works Sup Conner, Asst Dir Calvert, Building Official Farkas, Engineer Schneider, CD Director Scott

1.The matter of approval of meeting minutes from the Joint Community Development & Finance Committee Meetings, from May 27th, 2025 as circulated.

Community Development ~ Motion made by Mrs. Mitchell and seconded by Mr. Oswald to approve the said Joint Meeting Minutes.

Finance ~ Motion made by Mr. Cerra and seconded by Mrs. Siwierka to approve the said Joint Meeting Minutes.

MOTION CARRIES BY BOTH COMMITTEES

4. The matter of a Wilkes Villa Ohio Housing Finance Agency Project.

Referred By: Wilkes Villa, The Finch Group, TFG Housing Resources

Colleen DeTillio, Chief Financial and Development Officer of Raise Up (formerly known as Lorain Metropolitan Housing Authority), 1600 Kansas Ave., Lorain. They recently rebranded to Raise Up.

Brad Carman, President, TFG Housing Resources, 685 South Front St., Columbus. And Dan Shinman, Senior Vice President of Finance are joining the meeting via conference call. TFG Housing is an affordable housing developer.

Ms. DeTillio began the presentation. She said this process is a requirement for the low-income housing tax credit in Ohio. As mentioned in the letter that anyone within a half mile of the project received, which was to inform the property owners within one mile of the project to inform them about the project and if they have any questions or concerns to contact them LMHA directly. Ms. DeTillio will present a Power Point presentation and she will go over that and will explain to the committee where there are at on the project timeline.

Mrs. Mitchell asked if the residents of Wilks Villa receive the letter? Ms. DeTillio said the tenants have been notified and LMHA has had three in-person meetings with the tenants and another one is scheduled soon.

LD Deery said the reason this is on this evening's agenda is to inform the committee, that if there are any objections to this project, those persons would need to submit in

writing to the Ohio Housing Finance Agency within 30 days of receiving the letter and a majority of the council members would have to sign off on that. This is an opportunity to give explanation of the project.

Ms. DeTillio pointed out that in the letter it states TFG Housing Resources and Raise UP Housing Development Corp is the development arm of the housing authority that will be serving as GP on this project. She said they have submitted their financing plan to HUD for the RAD part of the funding. She was here earlier this year to ask council to transfer a vacant park parcel to them for the benefit of this project.

As an overview, they are converting this project from the public housing platform under HUD to the Multi-Family platform through the Rental Assistance Demonstration Program, (RAD). There are other funding sources involved; from construction lender loans to permanent debts. The key funding piece is the RAD program which allows to refinance this project, bring capital and make significant needed improvements, which is something that current federal funding doesn't provide for adequately. They have engaged all of the funders on the two RAD projects; Wilkes Villa in Elyria and another one in Lorain.

As far as the timeline, the financing has been secured, the project team is working through and underwriting approvals and checklists. They expect the construction company, will be securing Building Permits coming up in August. They plan the final closing to take place in November 2025 and construction to begin after that and they are looking at 18 months of construction. There are a lot of caveats, underwriting and approvals, HUD resources and hopefully the development team can continue to work with these.

At this time Chair Schneider paused Ms. DeTillio for the committee to ask questions.

Mr. Tollett asked if Ms. DeTillio could explain how they will be working with the current residents during construction.

Ms. DeTillio said the next slide talks about resident relocation and phasing plan. A dedicated relocation specialist, along with a team, has been hired to support residents through the renovation process, they have experience with affordable housing and relocation and will be working one-on-one with every household. They are aware of the different school districts and tenants will be receiving a survey/questionnaire and the relocation team will schedule an interview with each household.

Vacant units are being held to allow residents to remain during construction. Once the unit is renovated tenants can return to their home.

The current residents are guaranteed the right of return.

HUD is all about resident engagement and they will do everything that is required for this project and the tenants.

All relocation expenses will be full covered by the development budget, which is a healthy budget, not just for the specialists, but all costs incurred by that resident.

Mr. Oswald asked if the construction workers be hired local and are they union?

Ms. DeTillio said Ruscilli Construction was hired through TFG. The contract is through the project owner and they are not required to have union workers, but, this is a Davis Bacon project because there are federal dollars involved. There is an expected wage rate that is highly competitive with union wages. Section three is encouraged to provide employment opportunity during the construction phase to low- or moderate-income families or individuals. Section three is to give their best effort to provide employment opportunities during the construction phase to low-or moderate-income families or individuals.

Mr. Armstrong asked with the relocation process will they provide a family of a six-bedroom apartment to stay in a similar size unit during the process?

Ms. DeTillio said if that family needs a six-bedroom unit, they will find a home for them somewhere in the community.

Ms. DeTillio continued discussion of the bullet points and the discussed the phases. There are 32 units in phase one. There will be six phases and they will keep about 30 vacant units per phase.

Mr. Armstrong asked where those folks will go? To LMHA facilities or independent rentals?

Mrs. DeTillio said they would pay for expenses if the tenant has to be put up in an independent rental during that time.

Dan Shinman of TFG said the relocation specialist would survey all of the tenants in each phase and if there is someone who needs 5 bedrooms and there are none available, they will look into the community and look to lease a five-bedroom apartment or house and that is paid for within the development budget at no cost to the tenants. Once their unit has been renovated and completed they will move them back in and pay their moving expenses and they would go back into the renovated unit.

The resident surveys will have detailed information of what each resident will need. Where the resident is moved during the relocation process will only be temporary, less than 12 months. The timeframe for each of these phases is around 4 to 5 months. Residents won't be out for longer than that.

If there are housing choice vouchers available thru LMHA or Raise Up, they would get that voucher and then they would leave Wilkes Villa all together and they would rent from a private landlord.

Tenants do have the right to return, unless they get a housing voucher and move off site, and they would continue to receive that voucher.

Ms. DeTillio said this is rental assistance, whether it's public housing or multi-family.

If they do move into the market temporarily and that temporary property is not rent subsidized, that subsidy will not continue. It may only continue for as long as a newly

renovated unit is not available, but once the renovated unit is available, that resident may move back in. There will be at least 30 empty units available at all times until that final phase is done. If that tenant decides not to come back, it's on them because these are rent subsidized properties. Though the unit is being paid for during that temporary relocation, it will not continue to be.

Mrs. Siwierka asked what the occupancy rate is now and what will it be when this project is finished? She also asked about schools for the children and transportation issues.

Ms. DeTillio said it's a total of 174 units and there are currently 28 vacant units, they hope it will be 100% occupied when it's finished. She said they are working with the schools regarding temporary relocation. All expenses will be covered. Except for their inconvenience of moving, nothing else should be affected. Again, they know it's an inconvenience, but, those tenants will be able to move back into a unit that is brand new. This is a 25-million-dollar renovation project and benefiting the community.

Mrs. Siwierka said it seems like there is a lot of moving around to renovate. She asked how many available Section 8 units are there?

Dan Shinman of TFG said all the 6-bedroom units are vacant and there are 15 5-bedroom units of which 4 are already vacant. There should not be a problem to accommodate any families. The goal is to keep those families on site during the renovation based on metrics and phasing plans they have. HUD has high minimum standards so the property that they will be relocated to temporarily cannot be a substandard property.

Mrs. Siwierka asked what is the median income, the 60% or below the median income?

Dan said it's a little under \$100,000 for a family of four, which is the AMI level, but then you take 60% of that, which is \$55,000 to \$60,000.

Ms. DeTillio said this project, right now, as a public housing site is 30% AMI. This project is to inject capital dollars to improve this site for the community. They don't expect the makeup or the type of client to change. The Health & Dentistry and Child Care Facility will remain on the site.

Law Dir Deery asked what are projections for eligibility when converting from public housing over to the section 8 platform, will any tenants lose their eligibility?

Ms. DeTillio said no.

Brad Carman of TFG said they work with several public housing authorities and they currently have a RAD project under construction in Newark Ohio. It's a 99 unit, 7-story high-rise and they took it thru the RAD process and converted it over to the section 8 platform. They are also working with other housing authorities throughout Ohio; Akron, Youngstown, Cuyahoga, Columbus Metro Authority, Miami County Housing Authority.

Several housing authorities are doing this repositioning through the RAD program. RAD is Rental Assistance Demonstration program which has been around for 12 years and it's continually evolving.

Ms. DeTillio said the team from the Bond Council to the FHA lender are very seasoned. It has evolved because the government has seen this private public partnership working to bring capital into these federal assets. They issued a new guide book in December and that opened up a lot more opportunity. A lot of the guidelines have changed and a lot of the housing authorities are able to make this work.

Chair Schneider said since they are not accepting new tenants at this time, how long will that be, not until they're 100% done with the project or will they stagger new tenants as renovations get completed?

Ms. DeTillio said they will release buildings and once they get tenants into the newly renovated units, then they will qualify new tenants, it will be a gradual process.

Chair Schneider also asked about the schools open enrollment challenges that some residents could have with the relocation process.

Ms. DeTillio said they have spoken to the schools, but, they don't know the extent that open enrollment process and will be in communications with the schools on that.

Mayor Brubaker asked if the contractor, Ruscilli, is the same contractor that is doing the Foster Lofts Pivotal Housing Project? Answer is yes.

Mrs. Mitchell asked what kind of feedback they're getting from the tenants?

Ms. DeTillio said she wished they had more attendance at the informational meetings. She has heard that the tenants are happy to be getting air conditioning. They've had 4 different resident engagement meetings and had renderings of what the units would look like when they are finished. There will be more meetings prior to closing and throughout the process. They will keep the residents updated and once everything is completed, they will move them back in.

Mrs. Siwierka said since the company who owns this property has changed. They are LMHA right now and they know the system. Will that that process change with the new owner?

Ms. DeTillio said no, LMHA will continue to manage this property. The residents won't be paying any more than they're paying now. They will get a brand-new unit. They do have to qualify, there are 2 programs; multi-family and tax credits, but, no one who is currently housed will be rejected.

Mrs. Mitchell asked who incurs the moving cost?

Ms. DeTillio said, again, the project pays for that using the very large relocation budget which pays for the specialist and his team and the also costs that the tenants may incur.

Mr. Stewart asked about inspections and coordinating those and the administration being able to handle that on top of all the other inspections of other projects in the city.

Mayor Brubaker said he believes the director working with Mr. Farkas has a sufficient staff to handle this. Since it's being done in phases, that is helpful with timing.

Mr. Stewart asked if any other improvements as far as infrastructure will be taken care of during each of the phases?

Ms. DeTillio said yes, there is some infrastructure that is very old and will be replaced. And there will be contingency line item monies for additional improvements. The contingency line is 10% of the total construction costs, so if something does pop up that needs to be fixed during construction, they have that in line item to be put in the development costs.

Mrs. Siwierka asked if there are provisions for the roadways that are going to be utilized for equipment and materials because these are small streets. Those roadways were not built for that kind of traffic and she's concerned about the condition of those roads. She wants it to be put on the record that they've acknowledged that these roadways were not built for that kind of traffic.

Chair Schneider added that these roads abut a residential development and will they do their best to have those construction vehicles remain on the main roads and not cutting through residential developments?

Dan Shinman said since the roads leading to the development are public right of way, they are not expecting to make improvements. Parking lots for the tenants will be upgraded, but not for the interior road that is the public right of way.

Mrs. Mitchell asked if they are still going to change the name from Wilkes Villa?

Ms. DeTillio said that the project is in the pipeline as Wilkes Villa, but, it is the goal to change the name at some point during the process.

Ms. DeTillio said there will be some common green space area. They will move the playground back further back from the road and will be a fenced area. There will be access directly from the daycare and they will add a fenced in basketball court. And they will also add a family pavilion and a community garden.

That concluded the presentation.

Chair Schneider read the committee report and asked for a motion:

COMMUNITY DEVELOPMENT:

Motion made by Mrs. Mitchell and second by Mr. Oswald to authorize a Residential Rental Development utilizing the multi-family Funding Programs and that the Community Development Committee does not object to the said project.
MOTION CARRIES

Under discussion, Mrs. Siwierka asked that the transcript of this meeting with the questions and concerns be attached to the letter so the discussion points will be memorialized.

LD Deery said, should there be no objection, there will be no letter sent to OHFA, however the memorialization of this meeting can be attached to the committee report.

Chair Tollett asked for a motion from Finance:

FINANCE:

Motion made by Mr. Cerra second by Mr. Schneider to authorize a Residential Rental Development utilizing the multi-family Funding Programs and that the Finance Committee does not object to the said project.
MOTION CARRIES

2. The matter of a request for a Community Reinvestment Area (CRA) Tax Exemption, as requested by Elyria Block Development, LLC, for the renovation project at 417 Broad St.

Referred By: Asst Director Calvert

Director Calvert said they received an application for a CRA Abatement for support of the Forge 417 Project. This will be for the Esports Arena project only, not the multi-family housing component of it. the project will be done in two phases and the will be the Esports Arena phase. They are requesting a 100% fifteen-year abatement. The schools have been notified. They are on a condensed timeline for this and they are requesting to pass as emergency and under suspension of the rules, with a caveat that Elyria Schools and JVS provide with a waiver of the 45-day notice and the schools will need to approve the abatement terms. There are 3 pieces that are outstanding in order to be able to execute it fully. Elyria Schools will be considering this matter at their next board meeting on Wednesday, July 16th and JVS on Thursday, July 17th.

Ms. Calvert anticipates that they will have resolutions to provide to them so the matter may move forward for a vote by full council. A 45-day notice is typical for this kind of abatement, but, if they allow a waiver they can move forward with the abatement request.

This project is a twelve and a half million-dollar historic renovation. In year one they estimate they will employee 20 full-time jobs and by year three they will employee 40 full-time equivalent jobs and an annual estimated payroll of 1.8 million dollars.

The Development Agreement was passed in 2023. This CRA Abatement will replace that Development Agreement. The other piece of legislation that will need to be considered is PACE Financing. They are looking at about 1.5 million dollars of the project to be financed through PACE which is Property Assessed Clean Energy Financing. Lorain ESID allows for this kind of financing and was approved by them last week for the PACE Financing mechanism.

There are 2 pieces that need to be considered in order for the project to close for the financial closing at the anticipated date.

The developer's consultant, Stephanie Mercado, is here this evening to speak on the project and where we're at now and the timeline moving forward.

Law Dir Deery wanted to reiterate that they have had several conversations recently with Attorney Balthis. If the committee wishes to move forward on the committee report for authorization for a CRA tax exemption, moving forward, there may be some housekeeping matters that may come up. This is tentatively set for a special council meeting on July 22nd to facilitate the closing for this project prior to July 31st, 2025.

Ms. Stephanie Mercado introduced herself and gave her address as 2070 Arthur Ave., Lakewood, Ohio.

Ms. Mercado has presented to committees and council in the past and she is glad to be back to give an update on the project. They are happy to be in this partnership with the city along with other partners and on behalf of the project sponsor, Kevin Flanigan and his dedication to not only this project, but the full revitalization of downtown. They are still working through challenging issues that any project would encounter.

As a recap, they are still looking at relatively the same project; 60,000 square foot renovation of the Dixon and Robinson Buildings. The first floor will be connected and being more of the e-sports focus. It's really a flex use space of leveraging technology that could be open to employers and educators to use during the daytime. Floors two and three of the Dixon side of the building are dedicated to flex office space. One item that has changed is that floors two and three of the Robinson Building will now be 16 multi-family units, one-bedroom and studio apartments. They do have a condition on some affordable units based on financing partners. Pivoting and adding some of the multifamily makes the financial underwriting of the project work because it's a more reliable end use to a building to underwriting for financing purposes.

Last time they were here, they were in the midst of being awarding historic tax credits for the project. They've been working through financing partners on a financial closing that would happen shortly thereafter. To close they had to produce full construction drawings. As part of that process they started to engage in selective interior demolition to engage in asbestos abatement and opening up the building to architects and engineers to make assumptions of what were behind the walls. They didn't know until they engaged in selective demolition with surgical precision based on the historic tax credit awards.

There is a high degree of sensitivity on preserving historic components on the interior of the building as well as exterior. During that process they did find materially more structural concerns with both buildings in the interior as well as structural issues which came up concerning the integrity of the back wall of the building.

They had to work with the architect and engineer and recalibrate the building design and take back to the historic approval process to make sure approving agencies were comfortable with the changes and had to go back to the financing end of it and re-engage on the approval process of it. They have gone thru that process with the structural wall and replaced the roof to preserve the existing structure. They are now actively involved in the closing process and looking to close in the near future. They need to complete the project by the end of 2026. Since they've been able to piecemeal some of the pre-development work, that has shortened the actual construction period. Once they close on financing, there won't be any gap of time.

That concluded Ms. Mercado's presentation.

Chair Schneider asked when we will see work being done on the outside of the front of the building?

Ms. Mercado said they have been doing lead paint restoration work around the windows. One thing about historic preservation, the exterior of the building will look very similar, because they have to preserve the façade. Only the Dixon Building is a contributing part of the historic district. It's a building from the turn of the century. The Robinson Building was constructed in the 1870's but in the 1960's the property owner engaged in exterior and interior redevelopment of that building. They had to get it individually listed because it wasn't eligible for historic credits due to losing its turn of the century character. They will have to maintain half of the building as turn of the century and half of the building mid-century.

Chair Schneider asked about the rear of the building where the Vic's building was torn down?

Ms. Mercado said that will be used as the construction staging area during the construction stage of the project. Once it's complete, it will be a parking lot and sidewalk and landscaping.

Mr. Oswald said he feels like there have been some changes in what was originally planned, as far as now there is going to be apartments.

Ms. Mercado said there was always going to be apartments, about 75% is exactly the same as what was presented before.

Mr. Callahan said he has dealt with Mr. Flanigan and his team for many years. He is a professional and has been flexible. Many things have happened over the years since this was first brought to us. He knows this will get done and it will get done right.

Mrs. Mitchell said she doesn't have as much confidence as Mr. Callahan does.

They've been waiting and have heard the story over and over again. Finally, something is happening and she hopes it keeps moving along. It's been frustrating.

Mrs. Siwierka thought it would be helpful if they put up some sort of signage on the front of the building to let the public know that renovations are in progress or coming soon.

Law Dir Deery asked Dir Calvert if she can give a snapshot of the Community Reinvestment Area Tax Exemption and the PACE Financing and what that means for the City and what our obligation would be.

Dir Calvert said the CRA abatement freezes the property tax value as to where it is right now and redirects that increment in the increase after the project is done to the project to help offset costs. There is very little monetary loss for the city. It allows for a project like this where there are a few around the country and it allows for accurate expectations for what that property tax cost will be for the next 15 years if that abatement is approved. It gives some certainty and eliminates a level of risks as much as it is a financial tool to use to make the cost easier moving forward. There are small administration costs and the developers, whether they are CRA or enterprise zone, do pay a fee for monitoring annually. We would prepare and respond to annual reports to the State. Our investment is that we commit to the project, monitor it, and it will be a part of our TURK. We would get what we currently receive but we would forego that increase of that property tax value.

The PACE is that we're a pass through, it doesn't cost the city anything. This is financed through a different entity; a different lender and we pass legislation and do some reporting and we have to make sure the money flows. There is a bit of an administrative concern for us, but it's very minimal and it helps to secure lower cost financing for the project.

In the previous agreement, it was contemplated for a TIF on this project with a credit enhancement which would have been supported through a bond issuance by the city. That is now negated. The city's financial risk for this project has gone down. While we would have secured that, there was still a little bit of risk with that but much less risk as a result of this current package. The annual anticipated payroll will be 1.8 million.

Mr. Oswald asked about the inspections by the historical society to make sure they abide by the rules for historic funding?

Ms. Mercado said they've submitted full drawings to the State Historic Preservation Office and they approve the construction drawings and then submit to the National Park Service as part of the federal government which is the final approving entity. There are three parts; part one establishes your eligibility and part two is the design scope and part three is once it's completed and is more or less a cost certification around the eligible costs and confirming the design is consistent with historic preservation guidelines.

Dir Pileski said that we have to focus not on the loss of the property tax, because in order to lose something you have to have it to begin with. We're not collecting on the incremental value now, but what we have to focus on now is the income tax revenue that will be brought in with the construction and the jobs. This is a great addition to downtown and to the city.

Chair Schneider read the committee report and asked for a motion:

COMMUNITY DEVELOPMENT:

Motion made by Mr. Callahan and second by Mr. Oswald to authorize an ordinance for the requested Community Reinvestment Area Tax Exemption and related legislation and emergency clause is requested.

MOTION CARRIES

Chair Tollett asked for a motion:

FINANCE:

Motion made by Mr. Schneider and second by Mr. Cerra to authorize an ordinance for the requested Community Reinvestment Area Tax Exemption and related legislation and emergency clause is requested.

MOTION CARRIES

3. The matter of a request for the Transfer of Property located in the City's Urban Renewal Plan.

Referred By: CD Director Scott

Director Scott said Mr. Hill entered into a contract with the City in 1998 and authorized by ordinance 97-257 for the acquisition of a vacant parcel located in the Fuller Road Urban Renewal area, on the corner of State Street and Edward Street and across from 519 State Street. Today, that lot has remained undeveloped. The adjacent property owner would like to acquire it. The current owner cannot transfer the property under the guidelines of the urban renewal plan. They've been communication with HD. Community Development has determined that by transitioning the property to the adjacent owner, it aligns with the original plan and HUD determined that the city could allow this transaction. They also noted that the current deed restrictions could be lifted once the property transfers.

There was no further discussion and Chair Schneider read the committee report and asked for a motion:

COMMUNITY DEVELOPMENT:

Motion made by Mrs. Mitchell and second by Mr. Oswald to authorize an ordinance for the 'said' requested transfer of property on State Street.

MOTION CARRIES

Chair Tollett asked for a motion from Finance Committee:

FINANCE:

Motion made by Mr. Cerra and second by Mr. Schneider to authorize an ordinance for the 'said' requested transfer of property on State Street.

MOTION CARRIES

Chair Schneider asked for a motion to adjourn Community Development.

Motion made by Mrs. Mitchell and second by Mr. Oswald to adjourn the Community Development Committee Meeting at 7:30 P.M.

MOTION CARRIES

The evening's Committee Development Committee has adjourned.

The evening's meetings continued with Finance Committee after a short break and began at 7:40P.M.

The Next Joint Meeting is scheduled for Monday, August 11th, 2025 at 6:00 P.M.

Respectfully Submitted by,

Colleen Rosado, Secretary/Administrative Assistant