

Cuyahoga Falls City Council

Minutes of the Finance and Appropriations Committee Meeting

June 20, 2005

Members: Mr. Flinn, Chairman; Mr. Barnhart, Vice Chair; Mr. Gorbach, Member.

Mr. Flinn called the Finance Committee to order at 6:39 p.m. The minutes from the Finance Committee meeting of 6/6/05 were approved as submitted.

Pieces of Legislation this evening (second readings):

B-84	An Ordinance approving the discharge of the Summit County, Ohio Industrial Development Revenue Bond dated July 1, 1988 as amended, and approving an agreement between the City and Riverside Community Urban Redevelopment Corporation in connection therewith, and declaring an emergency.
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Sue indicates since the Sheraton's inception, we have seen 50 million dollars worth of projects to the Downtown area. We have rebuilt many things along this Urban Renewal Zone. The Sheraton's initial investment was 30 million dollars and they have put in 5 million over the last years in improvements.

Tom Dillon, 3832 North Shore Drive, Akron, Ohio 44333. It was 17 years ago that we began this process with the Sheraton. All the councilmen emphasized their endorsement then. This was a wonderful public/private enterprise. We are always one of the top Sheratons in the country. We had tax abatements for years and now we pay about double based on the occupancy of our hotel. We are working on many initiatives to continue with our success. We have been paying 9% interest rate when prime has been around 4%.

Bill Ryder, 50 South Haven Blvd, Hudson. General Manager at the Sheraton. He has worked around the United States and this hotel is the best. Our staff is about 60 full time, Cuyahoga Falls residents who reflect the character of this city. The hotel business is tough. The corporation has established new standards that they must meet to maintain the Sheraton name. The property improvement plan is around 3 million dollars. To stay number one, we need to do this project. The competition is stiff and we need help to maintain this relationship that started over 16 years ago.

Joe Brodzinski indicates there needs to be a correction on line 19 from October 2010 to January 2016. The money does end up in our capital reserve fund. As soon as the agreement is executed, maybe July, the payments will begin.

Mr. Flinn feels this was the cornerstone of the downtown. The reinvestment plan is going to make it a new gem. The quality is great and I have witnessed the NEC executives who love this hotel. This is a smart business decision. Mr. Gorbach indicates he personally talked with Tamara (Sheraton employee) who reiterated how wonderful the Sheraton is. Mary Ellen appreciates how beautiful the hotel is and its location in Ward 2. Mrs. Klinger indicates our Sheraton is valued at 12 million dollars vs. the Hyatt (West Market Street) that is valued at 7 million. Many people are impressed with the environment and the ability to enjoy the public facilities/concerts.

Mayor Robart holds in high regard Tom Dillon. This project and Mr. Dillon was honorable and true to his word. He committed and followed through on every aspect. The partners of this Sheraton have NEVER taken a dividend. They continually invest in this hotel. They are not greedy and want to see it continue to be the number one Sheraton in the country. The requirements for the Sheraton name are very high. They have set the bar high and many hotels may lose the name because of the high costs involved. The Mayor also thanks Sue Truby for her persistent commitment to this project. Today we recognize this as a tremendous asset to our city.

The committee recommended bringing out Temp. Ord. B-84

Miscellaneous Business:

Finance and Appropriations Committee Meeting adjourned at 7:09 p.m.