

## **MAYOR'S MESSAGE**

Craig A. Stough 8/27/2020

### **"Downtown Sylvania Update"**

During their recent meeting on Monday, August 17, 2020, Sylvania City Council unanimously voted to sell two duplexes at 5705 and 5711 North Main Street for \$200,000.00 to First Brookside, LLC, the owners of Inside the Five Brewing Company.

After demolishing the duplexes and garage, the additional property will allow Inside the Five to add to their building and add patio seating areas. They will also replace and upgrade the existing parking lot.

Inside the Five plans \$1,000,000.00 of new investment in our downtown because of this sale and will add 20-25 additional employees. They, instead of the City, will now be responsible for the maintenance and snow removal of the parking lot.

The City of Sylvania purchased these two duplexes for \$230,000.00 in July, 2011 after I was contacted by the son of the previous owners. His parents had passed away, he lived out of town and he did not want to continue owning or managing the properties.

The City's main interest in the property at that time was to add additional parking spaces behind the duplexes for the Maplewood Marketplace which the City also owned. The City continued to lease out the four units in the two duplexes and collected over \$200,000 in rent during the time that we owned the duplexes.

With the additional parking we were able to lease part of the Maplewood Marketplace to Interrupt Marketing for their offices. We then sold the Maplewood Marketplace for \$1.1 million in January, 2017 to Inside The Five who built their brew pub in the former Treo Restaurant space.

Our purchase of the duplexes has been effective, leading to the leasing and eventual sale of the Maplewood Marketplace building. The building houses two businesses that have become major employers in the downtown (Interrupt Marketing and Inside the Five) adding to the growth, vitality and success of our downtown.

Before selling the duplexes, the City solicited other purchase offers and proposed uses. The duplex buildings themselves proved difficult and expensive to convert to ADA accessible non-residential uses such as offices or shops.

The City has purchased and resold several other properties in the downtown to encourage redevelopment and downtown growth. These include the old post office, the Wingate Hotel, the Root Building, the Center for Eating Disorders, the Maplewood Marketplace, the Element 112 restaurant and SOMO.

The City never lost money on these properties as we assembled and prepared them for redevelopment, and then sold them back into private hands. That is true of this latest duplex sale because of over \$200,000.00 of rent the City collected.

The City is continuing to plan the redevelopment and future of our downtown, and will be hosting a Zoom meeting on Tuesday, September 15<sup>th</sup> with our downtown development consultant Michelle Johnson of Environmental Design. Downtown business and property owners are welcome to attend, as are you.

