

Former Painesville Hotel property transferred back to Painesville (video)

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The Lake County Ohio Port and Economic Development Authority has agreed to transfer the deed of the former Painesville Hotel back to the city of Painesville.

The authority's Board of Directors passed an emergency resolution at a meeting Wednesday to transfer the property at 257 E. Main St. to Painesville at the request of city officials who were in attendance.

The property had been owned by the authority since August 2010. That's when the city transferred ownership to the county agency for \$10 with the idea that the two entities would work together to find ways to bring the property back to productive use.

Part of the thinking for the deal back then was the authority had more access to other types of grants and funding than the city.

The city of Painesville wanted the property back because of plans to apply for a \$400,000 Clean Ohio Assistance Fund grant to demolish the structure that has been vacant for a long time.

A deadline to apply for the grant was near and it included that the city either own the property or have a memorandum of understanding in place with a developer, according to a letter the city sent Tuesday to the authority.

Public discussion between the authority and city officials during the meeting prior to the agreement began with Painesville Council President Joe Hada indicating the city didn't want to proceed with a potential proposed use of the property suggested earlier by the authority.

Mark Rantala, the authority's executive director, asked officials not to specifically mention what that use was publicly because it was confidential in nature.

Hada said council members strongly disagreed with that proposed use and the city wanted to develop the property on its own.

Rantala later said the city was free to go in a different direction, if officials felt that was what they wanted to do.

"I don't think we were trying to force anything on you," he said. "I think what we were saying is here is a way you could achieve your grant because it provided high-quality,

high-paying jobs and it would meet your requirements of the grant you were applying for. And all we said is here is a way you could do that."

Board Chairman Harry Allen suggested an emergency resolution to give the city back the property and that action was conducted.

After the meeting, Hada said the city and the authority worked in a collaborative nature and the city was pleased with the decision.

"I think it worked out real well for both of us in this situation," Hada said. "Both our aims are to promote jobs and develop a healthy community in Lake County. We're on the same page and really happy for their action."

Rantala said after that meeting that his agency's role was to serve as a facilitator for the property and it is great news Painesville can proceed with plans.

"They were obviously ready to go forward in the project and they really didn't need us," he said. "Sometimes it's easier to make a deal with two people rather than three."

Painesville Economic Development Director Cathy Beiterman said the grant likely wouldn't cover the entire cost to demolish the building, but the funds would help considerably.

She said the city eventually would like to see the land used for something in the wellness industry and there is a potential developer.

"We have some interested tenants including a senior center we've been working with as part of the city of Painesville and they have an interest in going on to that site," Beiterman said.

She said there is some cleanup needed at the site because there were some environmental issues identified through a study.

"We'll be working toward a cleanup and building demolition will go hand in hand with that," Beiterman said.