

17575 Peak Avenue Morgan Hill, CA 95037-4128 TEL: (408) 779-7271 FAX: (408) 779-3117 www.morganhill.ca.gov

FOR IMMEDIATE RELEASE

For more information, contact: Matthew Mahood, City of Morgan Hill Mobile: 408-421-0790 <u>matt.mahood@morganhill.ca.gov</u>

Hotel MOHI - Downtown Morgan Hill Resumes Construction



Morgan Hill, CA— (August 30, 2023) Downtown Morgan Hill's Boutique Hotel has resumed construction. Hotel MOHI is a full-service luxury hotel in the heart of Downtown Morgan Hill on First Street and Monterey Road. Construction of the hotel was forced to stop during the COVID Pandemic due to tightening of lending markets. In 2022, to make the project more financially viable, the hotel was redesigned to accommodate a partial fifth floor and 13 additional rooms, for a total of

73 rooms. The MOHI hotel will include a spa, meeting facilities, and a market-hall restaurant. The hotel is scheduled to be completed by December 2025.

Hotel owner/developer Frank Leal has partnered with local builder Kent Construction to manage the construction. Kent Construction is an experienced builder/developer based in Gilroy that has completed over \$400 million of construction work as a general contractor. Kent Construction is currently completing another signature project in Downtown Morgan Hill, the Edes Fine Art Gallery. "We are thrilled to see the hotel back under construction and to have local builder Kent Construction at the helm of this significant project," said Mayor Mark Turner.

Although construction came to a standstill in 2020, the 2-story structure was far from abandoned. From the shell of the defunct hotel arose a wildly popular dining concept— MOHI Social. Referenced as one of the "Top 9 Fresh Air Finds" for outdoor dining by the Mercury News, the construction shell was transformed into a bustling outdoor dining restaurant offering upscale cuisine and craft cocktails.

"The hospitality industry was decimated by the pandemic, and financing for hotels became virtually impossible," said Economic Development Director Matt Mahood. "We are grateful for the temporary activation that created the largest and most active outdoor pop-up restaurant in the Bay Area while the owner secured additional entitlements and financing." "When the pandemic hit, my main focus was on retaining my employees. Launching MOHI Social allowed me to do just that and gave me the time I needed to adjust the hotel design and reposition the project to secure additional investment. I have promised the Morgan Hill community a Boutique Hotel, and I intend to make good on that promise," said Leal.

Leal has recently opened a permanent restaurant at the base of Republic Urban Housing's Sunsweet mixed-use project on Third and Depot Streets. MOHI Farm is a fresh new culinary concept that capitalizes on local farms and the farmer's market. "MOHI Farm is a farm-to-table concept that honors Morgan Hill's rich farming history while appealing to today's health-conscious diner," added Leal.

About Leal Hospitality

Live+Love+Leal is an experienced-based hospitality brand with multiple venues that offer customers accessible luxury, familiarity, and community. Venues include wineries such as Leal Winery and MOHI

Wine, the Granada Theatre—a luxurious entertainment venue, MOHI Farm — a farm-to-table culinary experience, and Willow Heights Mansion—an elegant venue with breathtaking views.

About Morgan Hill

Morgan Hill is a 45,000-resident community in Silicon Valley, 10 miles south of San Jose. Downtown Morgan Hill has been undergoing a revitalization that included a number of public streetscape projects, a 272-space parking garage, three parks, and public art. Dozens of mixed-use projects contribute to this renaissance, including the 83-unit Sunsweet Luxury Apartments by Republic Urban Housing, the restoration of the historic Granada Theatre, a 29-unit mixed-use project by City Ventures, the Granary expansion and Barley Place mixed-use project by Weston Miles, and the 49-unit Lumberyard modern flats and townhomes by Van Daele Homes currently under construction. New restaurants Downtown include Sushi Confidential, Giorgio's, MOHI Farm, and Chacho's. Additionally, two signature commercial projects are underway: the Edes Fine Art Gallery by Dan McCranie and the 73-room MOHI Hotel by Live+Love+Leal. For more information, visit www.choosemorganhill.com.

###