Elyria arose when the railroad was laid between McPherson and Newton and citizens of nearby King City moved to the present townsite. King City had been founded in 1871 by members of the Astabula soldiers' colony, a group of Union veterans from Ohio. but dwindled after McPherson was chosen the county seat. The King City Post Office was renamed Elyria Post Office in 1887. In 1900, Elyria was home to about 100 people and had a general store and train station. The most important street was Elyria Street, parallel to and one block north of the present Comanche Road.

As late as the 1960s, Elyria provided a convenient source of basic necessities for farmers in the immediate vicinity. Most businesses were concentrated on Elyria Street east of the railroad, where the gravel road widened from storefront to storefront. On the south side, from east to west, stood a house at the corner, a hardware store, a grocery store connected to the hardware store, and a lumber yard slightly behind and to the west of the grocery store. The hardware and grocery stores fronted Elyria Street, and the three-sided lumber yard paralleled the railroad. Its open side faced the northeast. The hardware store, grocery store, and lumber yard were commonly owned by a farmer's cooperative and were managed for many years by Alvin Schrag. On the north side of Elyria Street east of the railroad, from east to west, stood an earlier grocery store and a former bank. This earlier grocery store ceased operation when the grocery store on the north side was built, but the building was not torn down. Instead, it was used for storage by the hardware store. The bank had ceased operation long before when it moved to McPherson. It eventually folded into the company that became Home State Bank of McPherson. As of this writing (2014), the grocery store on the south side of the street and the bank building on the north side of the street are unoccupied but extant. The house on the south side is still occupied. Several trees stand where the hardware store used to be, and grass covers the places where the lumber yard and northside grocery store were.

A few businesses existed west of the railroad. Most notably, Elyria had two elevators in the middle of the 20th century, one on each side of Elyria Street and both east of Highway 81. The elevator on the south side of the street was owned at one time by W-R Flour of McPherson and today is owned by Mid-Kansas Co-op. The elevator on the north side of the street has been torn down except for one shed, now also owned by Mid-Kansas. Elyria may have had three elevators earlier in its history. Most of Elyria Street west of Highway 81 was devoted to houses, except for two buildings near the highway. On the south side of the street stood King City School, the original school in Elyria, and on the north side stood a filling station owned for many years by C. D. Kaufman. One business that was not on Elyria Street was Milford Waltner's welding shop on the west edge of town. Around 1950, the school was replaced by a new structure on the blacktop (the present site of Elyria Christian School), and some time after that the original school was torn down. However, the filling station is still used as a home, and the welding shop exists unoccupied.

The cooperative that owned Elyria's hardware store, grocery store, and lumber yard liquidated in 1968. Thereafter, farmers had to travel to McPherson or Moundridge for their supplies. Today, even the elevator is closed except at harvest. However, until it ceased year-round operations a few years into the 21st century, the elevator had remained a popular gathering place for farmers wishing to swap news over a cup of coffee or can of pop.