

**DEPARTMENT OF ECONOMIC DEVELOPMENT  
SUMMARY FOR THE LEGISLATIVE FILE  
ORDINANCE NO: 1029-2021**

**Project Name:** 55 Public Square Redevelopment  
**Project Address:** 55 Public Square, Cleveland. OH 44113  
**Developer:** KD 55 Public Square LLC and/or designee  
**Project Manager:** Cassie Slansky  
**Ward/Councilperson:** 3-Kerry McCormack  
**City Assistance:** Non-School TIF

**Project Summary and Discussion**

KD 55 Public Square LLC and/or designee, (“Developer”) is proposing a mixed use redevelopment located at 55 Public Square, Cleveland. OH 44113 (“Project Site”). In order to assist with the project financing, the Developer has requested the City impose a 5709.41, 30-Year, Non-School TIF. The TIF will support debt service related to the project and assist with the redevelopment of approximately 205 apartment units, 136,000 square feet of office space, 15,000 square feet of first floor commercial space, and parking for residents. The project will create and/or cause to create approximately 30 new W-2 jobs at the Project Site with an approximate payroll of \$1,000,000 and retain/cause to retain approximately 232 jobs.

KD 55 Public Square LLC is a single purpose entity controlled by the K&D Group. Established in 1984, K&D is one of the largest, private multi-family property manager and developer in Northeast Ohio. They are well known for their work in Cleveland which includes Terminal Tower, Residences at Leader, Residences at Halle, Reserve Square, Residences at Hanna, and Residences at 1717.

K&D’s newest project is the redevelopment of the historic 55 Public Square building, which they purchased in February, 2021. Existing tenants will continue to occupy the office space and majority of the commercial space will be occupied by a new restaurant, bar, coffee shop, and bank. The total project investment is expected to exceed approximately \$94 million.

**Proposed City Assistance**

- This ordinance will authorize the Director of Economic Development to enter into a 30-year non-school Tax Increment Finance (TIF) agreement with KD 55 Public Square LLC and/or its designee. The City will have declared certain improvements with respect to the project to be a public purpose and exempt 100% of the improvements from real property taxes.
- The Developer agrees to make certain improvements to the parcel and make payments in lieu of taxes (PILOTs) equal to the taxes that would have been paid for the parcel but for the TIF. A portion of the PILOTs will be paid to the Cleveland Metropolitan School District in the amount the District would have otherwise received but for the TIF by the County (“District Payments”). The

balance of the PILOTS will be utilized to fund eligible project costs and project debt. The developer will be responsible for any shortfall of PILOT payments for project costs.

- The TIF will be immediately effective on the residential after the expiration of the 15-year, 100% tax abatement.

### **Economic Impact**

- Creation of approximately 30 new full time jobs in the City of Cleveland
- Retention of approximately 232 full time jobs in the City of Cleveland
- Project estimates \$115,125 in new annual City tax revenue generated from residents and new employees

### **City Requirements**

- Subject to Chapter 187: MBE/FBE/CSB requirements
- Subject to Chapter 188: Fannie Lewis Cleveland Residential Employment Law
- Subject to a Workforce Development Agreement for all new jobs
- Subject to a Community Benefits Agreement