

DEPARTMENT OF ECONOMIC DEVELOPMENT

SUMMARY FOR THE LEGISLATIVE FILE

ORDINANCE NO: 1211-2019

Project Name: Electric Gardens Mixed-Use Development Project
Recipient: Electric Gardens, LLC
Project Site: Vacant land near West 5th Street and Literary Road
Project Manager: Kevin Schmotzer
Ward/Councilperson: Ward 3: Councilman Kerry McCormack
City Assistance: 30-year non-school TIF

Project Site

PPNs 004-32-020 and 004-32-021 located near W. 5th Street and Literary Road

Company Background

Electric Gardens, LLC is product of a joint venture between J-Roc Development and the DeGeronimo Companies. J-Roc Development is a privately held developer specializing in modern architectural design whose portfolio includes Limelight and The Shoreway. The DeGeronimo Companies has been doing business in Cleveland since 1956 with a vast array of construction experience under their belt, including the Pinecrest development in Orange.

Project Summary

Electric Gardens, LLC, or its designee (“Developer”) is proposing a mixed use development project located on vacant land in Tremont near the intersection of West 5th Street and Literary Road on Permanent Parcel Numbers 004-32-020 and 004-32-021 (“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 development of approximately 130 market rate and workforce housing apartment units, 8,000 square feet of co-working space and indoor garage parking for residents. The TIF is contingent upon at least 15% (or 19) units be deemed “affordable” according the 100% of the area-median income (“AMI”). The project will create and/or cause to create four (4) new W-2 jobs at the Project Site with an approximate payroll of \$150,000.

Proposed City Assistance

The Developer is requesting that city enter into a 30-year non-school Tax Increment Finance (TIF) agreement with Electric Gardens, LLC and/or its designee.

Economic Impact

The project will generate \$134,062 annual residency taxes, \$4,500 annual income tax, and \$349,385.47 in annual property taxes for the School District (Estimated TIF Analysis Attached).

City Requirements

Subject to Chapter 187: MBE/FBE/CSB requirements, Chapter 188: Fannie Lewis Cleveland Residential Employment Law, a Workforce Development Agreement for all new jobs, a Community Benefits Agreement and 15% workforce housing requirement.