

**DEPARTMENT OF ECONOMIC DEVELOPMENT
EXECUTIVE SUMMARY
ORDINANCE NO.: 993-17**

Project: Variety Theatre

Project Location: 11815-11837 Lorain Avenue
Cleveland, OH 44111

Ward/Councilperson: 11 / Dona Brady

Grant Amount: Up to \$1,000,000

Description/Purpose of Financial Assistance

The Variety Theatre redevelopment project is projected to have a \$1,000,000 financing gap; the purpose of this financial assistance is to assist in the filling of this financing gap, which is necessary to secure an estimated \$10,000,000 allocation of New Market Tax Credits needed to proceed with the project.

Grant Funding Sources

- \$700,000 – UDAG Revolving Repayments
- \$200,000 – Department of Finance Funds
- \$100,000 – FirstEnergy Grant

Project Description

The historic 1927 Variety Theatre redevelopment will adaptively reuse a vacant mixed-use building transforming it into a new town center for the Variety Theatre Village district in the Westown neighborhood. The renovation, estimated at \$15,024,488 will include in the main theatre space a restaurant and entertainment venue among other amenities.

The City's commitment to provide these funds are conditioned on the following:

- The project receives the appropriate approvals including, but not limited to approval by Cleveland City Council and the Cleveland Citywide Development Corporation;
- The terms and conditions of any funding identified for the project;
- Documentation satisfactory to the City and its legal counsel;
- Any and all additional information requested by the City

The City's obligation to close on this financing is subject to the following:

- The Project has secured the necessary New Market Tax Credits allocation to complete the project financing, currently estimated at \$10,000,000;
- The Project has secured all other necessary financing for the project.

City Requirements

- Project is subject to Chapter 187: MBE/FBE/CSB requirements
- Project is subject to Chapter 188: Fannie Lewis Cleveland Resident Employment Law
- Project is subject to a Workforce Development Agreement
- Project is subject to a Community Benefits Agreement