



## **Ordinance Approving the Report of the Assessment Equalization Board and Levying Assessments for the Downtown Cleveland Improvement Corporation**

### **City Planning Commission Legislation Summary**

#### **Purpose**

This legislation is the third and final required Council action in the process of creating a new special improvement district in the City by the Downtown Cleveland Improvement Corporation (Downtown Cleveland Alliance [DCA]). The legislation approves the report of the Assessment Equalization Board on objections concerning estimated assessments with respect to the re-creation of the Downtown Cleveland Improvement District; determines to proceed with the plan to provide public services within the District; adopts the assessments; levies the assessments; and authorizes the City to enter into an agreement with the Downtown Cleveland Improvement Corporation. **The timing and contents of this legislation are important because it allows DCIC to meet the state-mandated deadline for levying special assessments for the 2026 Tax Year.** This legislation must be passed before September 8, 2025 in order to meet this deadline; otherwise, DCA will lose much of its funding.

#### **Context**

The Downtown Cleveland Improvement District (DCID) was formed in 2005 to provide clean and safe services. It has been renewed every 5 years since then. This is the fourth renewal and encompasses approximately 134,072 feet of property frontage and over 1,300 parcels.

Improvement districts are created when 60% or more of property owners in a designated district elect to assess fees on themselves for services by signing petitions. These fees are incorporated as part of the Cuyahoga County property tax bill. The Downtown Cleveland Improvement District covers this service area:

#### **Details**

On June 2, City Council passed Resolution No. 737-2025 to approve the creation of the Downtown Cleveland Improvement Corporation, accept petitions from owners of properties in the District, approve a new plan for public services, and authorize the assessment of the cost of public services upon benefitting properties in the District. On July 9, City Council passed Resolution No. 855-2025 appointing an Assessment Equalization Board (AEB) to hear and determine objections concerning estimated assessments. The AEB met on August 22, 2025 and a report of the proceedings and determinations has





been created. This final ordinance is the last legislative step in the Special Improvement District creation process and includes Council's acceptance of the AEB report. Further, the ordinance authorizes the DCIC to proceed with the plan for public services presented to Council on June 2, 2025 (Res. No. 737-2025) by levying final assessments on benefitted properties via property tax bills in Tax Years 2026 through 2032. The ordinance also authorizes a contract between the City of Cleveland and DCIC establishing the terms of the assessments and use of the proceeds.

### **Anticipated Revenue**

The projected assessment revenue in the first year (2026) is \$5,800,000. A 2.35% annual increase is projected for the remaining years of the term, for a total assessment revenue of \$43,500,000 over the course of seven years. Assessments are calculated using a combination of linear front footage serviced and total certified value.

### **Geographic Impact**

Portions of Wards 3, 5, and 7

