

**DEPARTMENT OF ECONOMIC DEVELOPMENT
SUMMARY FOR THE LEGISLATIVE FILE
ORDINANCE NO: 906-2020**

Project Name: Circle Square Development
Project Address: 10600 and 10605 Chester Avenue
Developer: Library Lofts LLC and/or UC City Center LLC, and/or designees
Project Manager: Cassie Slansky
Ward/Councilperson: 9-Kevin Conwell
City Assistance: Non-School TIF

Project Summary

In 2014, the City issued a RFP for the redevelopment of the Third District Police Department site. The proposal also included an opportunity for proposers to negotiate the acquisition and redevelopment of the Cleveland Public Library (CPL) branch located next to the current Third District site. A Review Committee was appointed and selected UC City Center LLC (UC3) to complete redevelopment of this site. UC3 is wholly owned by Cleveland-based Company Midwest Development Partners.

The Developer is proposing a large mixed use development located at 10600 and 10605 Chester Avenue, Cleveland, OH 44106 (corner of Chester Avenue and Stokes Boulevard) (“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 infrastructure costs related to the project and assist with the development. The project will create and/or cause to create 14 new full-time jobs at the Project Site with an approximate payroll of \$796,020. The Developer has separated this project into Main Block North and Main Block South.

Main Block North development will consist of the White Oak Building, Ramp System Parking, and an infill portion of a garage and additional retail. The White Oak Building will include approximately 14,000 square feet of commercial space, 298 residential units, and 287 parking spaces. The Ramp System Parking will consist of a two-bay garage to provide approximately 302 parking spaces for the other users of the garage, including the White Oak Building and the new Library. The infill portion of a garage and additional retail will include approximately 186 additional parking spaces and 22,605 square feet of additional retail space. The total project investment for Main Block North is expected to exceed \$125,000,000. Main Block South of this development will include the new MLK Jr. Library and residential units. This building will consist of approximately 24,650 square feet of library space and 207 residential units above. This part of the development is expected to exceed an additional \$61,500,000.

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 Library Lofts LLC and/or UC City Center LLC, and/or designees. 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 14 jobs in the City of Cleveland
- Project estimates \$19,901 in added income tax
- The project will generate \$568,125 annual residency taxes and once stabilized, the project is expected to generate \$1,778,720.84 in annual property taxes for the School District upon expiration of the residential tax abatement

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