

## SUMMARY FOR THE LEGISLATIVE FILE

**Project Name:** Electric Gardens Mixed-Use Development  
**Project Address:** Vacant Land at and adjacent to W. 5th Street and Literary Road (PPN#: 004-32-020 and 004-32-021)  
**Developer:** Electric Gardens, LLC and/or designee  
**Project Manager:** Kevin Schmotzer  
**Ward/Councilperson:** 3-Kerry McCormack  
**City Assistance:** Non-School TIF - 1082-2019

### **Project Summary and Discussion**

Electric Gardens, LLC, (“Developer”) is proposing a new mixed-use development located on vacant land at W. 5th Street and Literary Road, 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 development of approximately 130 market rate and workforce housing apartment units, 8,000 square feet of co-working space and indoor parking for residents. 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.

Electric Gardens, LLC is a joint venture between the DiGeronimo Companies and J-Roc Development. J-Roc Development is a privately held development firm specializing in modern architectural design whose portfolio includes Projects like Limelight in the Ohio City neighborhood. The 8,000 square feet of co-working space at the Project Site will be an expansion of the Limelight incubator. The DiGeronimo Companies have been doing business in Cleveland since 1956 with a vast array of construction experience under their belt, including the Pinecrest development in Orange, Ohio. Together, they plan on constructing a new modern mixed-use development on land that has been undeveloped for decades.

Electric Gardens, LLC has purchased the parcels referenced above and is in the process of consolidating them into one plat (PPN’s may change) that will have an address off of Literary Road. The total project investment is expected to exceed approximately \$32 million.

### **Proposed City Assistance**

The Director of Economic Development is to enter into the chain of title for a non-school Tax Increment Finance (“TIF”) agreement with Electric Gardens, LLC or its designee. The TIF proceeds will be used to cover debt service payments associated with the Project. The TIF agreement will be up to 30 years in length.

Under the agreement, parcels acquired and re-conveyed to the developer will be subject to a TIF under Section 5709.41 of the Ohio Revised Code in consideration for the developer agreeing to make certain improvements to those parcels and making payments in lieu of taxes (PILOTs) equal to the taxes that would have been paid for those parcels but for the TIF. A portion of the PILOT will be paid to the Cleveland Municipal School District in the amount the District would have otherwise received but for the TIF.

**Economic Impact**

- Creation of four (4) new full time jobs in the City of Cleveland
- Project estimates \$134,062 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