North Coast Waterfront New Community Authority

Ordinance No. 1061-2024

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CITY OF CLEVELAND Mayor Justin M. Bibb

What is a New Community Authority?

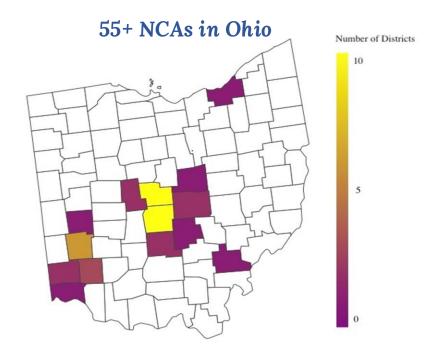
A New Community Authority (NCA) is an economic development tool permitted by State law that supports development in a specific area by collecting charges from property owners or lessees within the area. **Property owners/lessees must opt-in to charges**

Charges can include:

Parking fees, food and beverage fees, hotel/motel fees, charges based on income tax or property value, etc.

An NCA:

- Is geographically defined through a petition process
- Assesses charges only if property owners/users opt-in
- Uses funds collected from charges within the NCA
 area to support the development of the District



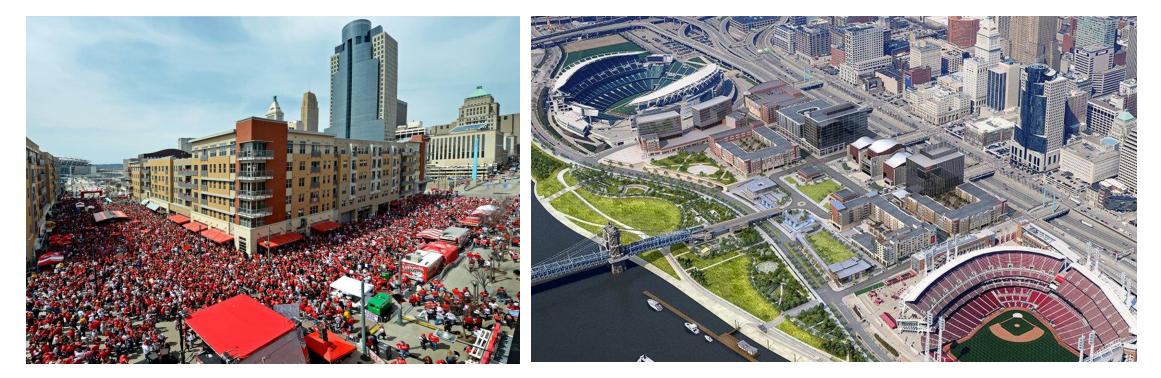
NCA Example – Bridge Park NCA in Dublin

The Bridge Park NCA assesses charges on retail, hotels, and property valuation to support public space and infrastructure investments. Generates approximately \$2.5M annually from charges which is used to pay back debt that financed District amenities, such as district parking structures



NCA Example – Banks NCA in Cincinnati

The Banks NCA in Cincinnati charges a 1% amenity fee on food and beverage purchases made within the Banks NCA District to support marketing, the creation of a DORA, and other programs. Generates approximately \$500k annually.



New Community Authority formation Process set by State

law

Creating a New Community Authority

PETITION: By "Developer" (property owner or entity that controls the land) establishing the NCA. Petition must include:

- Name and address of the NCA
- Map and full description of the property boundaries of the NCA
- Statement of the current and proposed zoning
- Current plan of development
- Proposed number of board members
- Preliminary economic development analysis
- Statement that development will comply with environmental laws

RESOLUTION: By Council affirming the petition is sufficient (meaning the petition includes all items listed above)

PUBLIC HEARING: Required 30-45 days after Resolution is adopted

ORDINANCE: Authorizes the creation of the New Community Authority

ESTABLISHING THE AUTHORITY: Once created by City Council, the NCA board adopts bylaws, negotiates with property owners/lessees to set fees, determines how charges will be spent, and can add property

New Community Authority Board

Authority Board Board is selected by City Council and Developer

New Community Authority Board

Board must be an odd number of individuals (at least 7 total). For North Coast Waterfront New Community Authority:

Four (4) people **appointed by City Council** to represent interests of present and future resident and employers of the NCA

- Sean O'Malley (Rock n Roll HOF)
- Amanda Taunt (GLSC)
- Teleange' Thomas (Port Authority)
- Brian Zimmerman (Cleveland Metroparks)

One (1) person **appointed by City Council** as representative of the local government

Councilman Anthony Hairston

Four (4) people **appointed by Developer** to represent developer interests

- Donovan Duncan
- Thomas Einhouse
- Ricardo León
- Jessica Trivisonno

Why create a New Community Authority?

A New Community Authority (NCA) allows property owners/lessees to buy-in to the redevelopment and improvement of the area around them

An NCA:

- Assesses specific charges <u>within a set area with the consent of the property</u> <u>owner/lessee</u> on items such as parking, food and beverage, admission or ticket sales, and hotel/motel tax.
- Uses charges to support public infrastructure shared by property owners/lessees and to establish programs and services within the NCA District
- · Can obtain bond financing based on the charges
- Is separate from and can be along side with a TIF, SID, DORA, and other economic development tools

New Community Authority Board

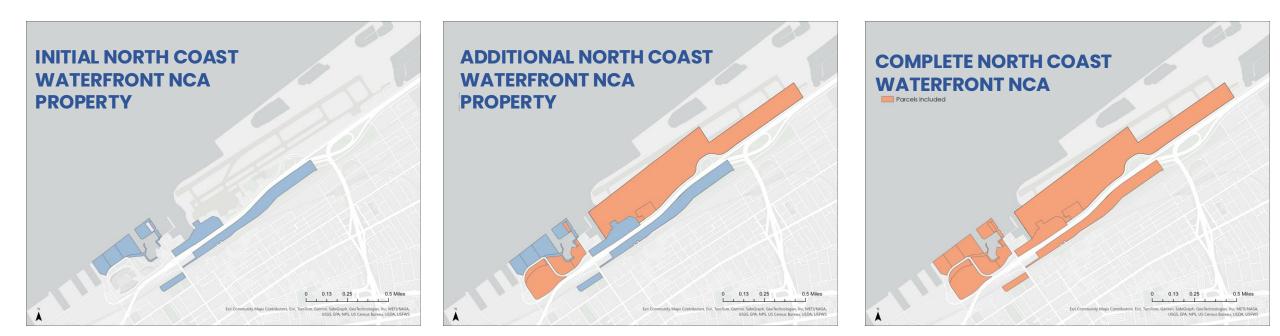
Board is a quasigovernmental entity

New Community Authority Public Oversight

A New Community Authority is a quasi-governmental entity

- Subject to Ohio's Open Meetings and Public Records laws
- NCA Board is appointed by City Council and "Developer"
- All charges and fees must be disclosed to the public

North Coast Waterfront New Community Authority



New Community Authority Management NCWDC will manage the North Coast

Waterfront NCA

North Coast Waterfront NCA and NCWDC

North Coast Waterfront Development Corporation (NCWDC)

- Non-profit with mission to implement the Lakefront vision
- Board of NCWDC appointed by City of Cleveland
- NCWDC will take over submerged land leases from the City, making it entity with control over the NCA property

North Coast Waterfront New Community Authority (North Coast Waterfront NCA) is a quasi-governmental entity that can levy charges, take out debt, and spend charges to benefit the NCA District

Both NCWDC and North Coast Waterfront NCA have boards with overlapping interests but will not be the same board members. NCWDC will manage the North Coast Waterfront NCA.

New Community Authority Charges and Uses

NCAs must balance benefit of charges with burden on users

North Coast Waterfront NCA Charges and Uses

The NCA petition sets the type and maximum amount of charges permitted within the specific NCA area. **Property owners/lessees must opt-in to specific charges.** *All charges are voluntary*

The North Coast Waterfront NCA Petition permits the following **max** charges:

- Up to \$5 per vehicle parking fee
- Up to \$2 charge on admission or ticket
- Up to 5% on gross receipts (retail, food and beverage, and/or tickets)
- Up to 10% charge on hotel
- Up to 10 mils on assessed value of property
- Special event fees and fees for boat docking

Anticipates the following uses of charges:

- Public infrastructure (land bridge, acquisition and utility work to support development activity, parks, streetscape, multi-use paths, parking facilities, landscaping, and other improvements)
- Public art, programs, and other shared services for the NCA
- Expenses for public space management and NCA management

New Community Authority Timeline

Week of September 23	Council receives draft North Coast Waterfront NCA petition and resolution, Council briefings to discuss NCA
September 30	Resolution passed determining the petition for the North Coast Waterfront NCA is sufficient according to State law and setting a public hearing date Ordinance introduced for first reading establishing the North Coast Waterfront New Community Authority
November 12 at 9:30 AM	Public hearing on North Coast Waterfront NCA and committee meeting to consider Ordinance
February 2025	Council passes ordinance establishing the North Coast Waterfront New Community Authority
March/April 2025	Council receives petition for additional property to be added to the North Coast Waterfront NCA and repeats process laid out above to add property to the NCA

Next Steps What's to come



 Creates the initial NCA, sets initial board members, permits the City as a user in the area to negotiate NCA charges, clarifies NCA charges are not parking charges

Ordinance does **not** force any property owner/user to participate and does **not** charge fees

Next Steps

- NCA adopts governance
- Return to Council to add additional property to the North Coast
 Waterfront NCA

Voinovich Park Questions

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Retail / Cafe

Water Play

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k Beach Beach & Kayak Access Boutique Hotel Food Hall / Market Urban Promenade



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