



CITY OF CLEVELAND
Mayor Justin M. Bibb

2001 Runway Settlement Agreement Amendment

June 1, 2026



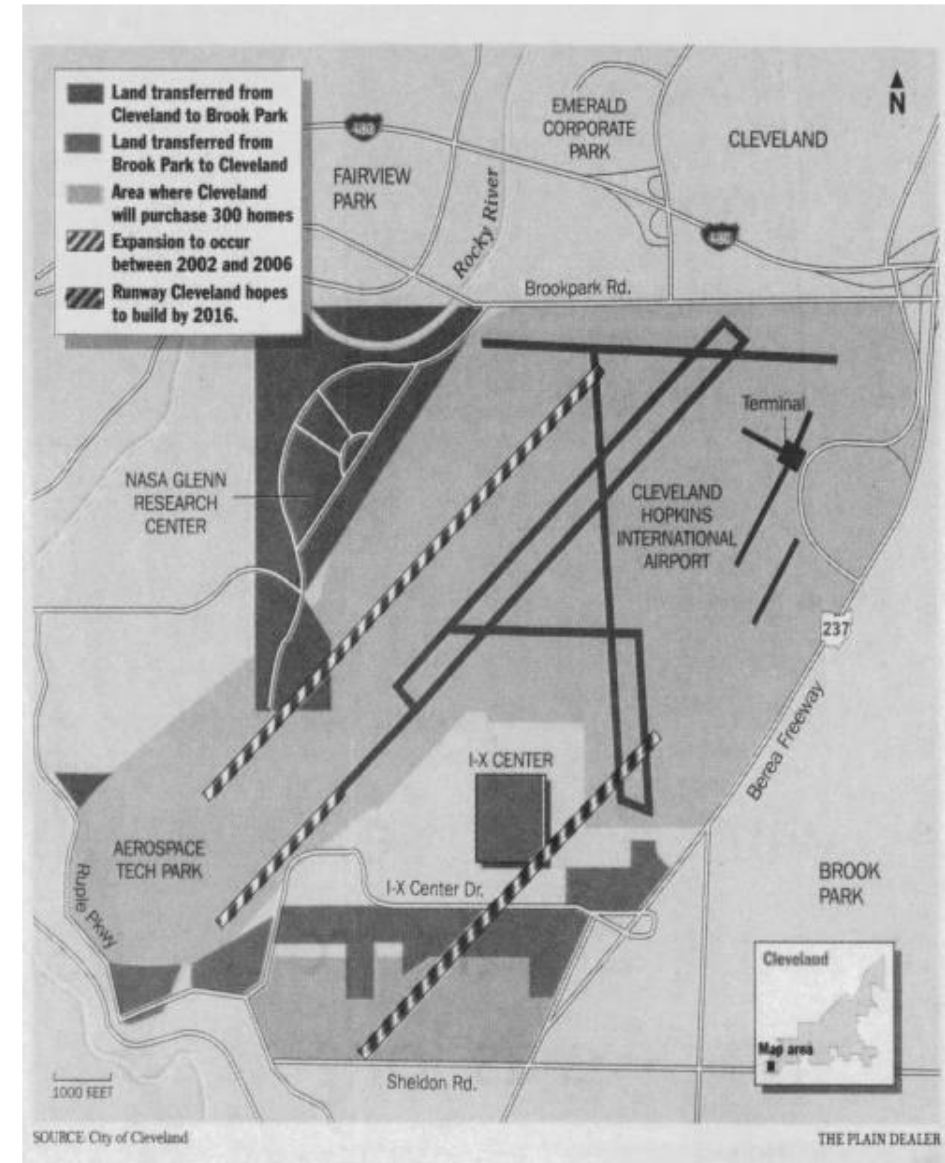
Origins of the Runway Settlement Agreement

Future of the IX Center



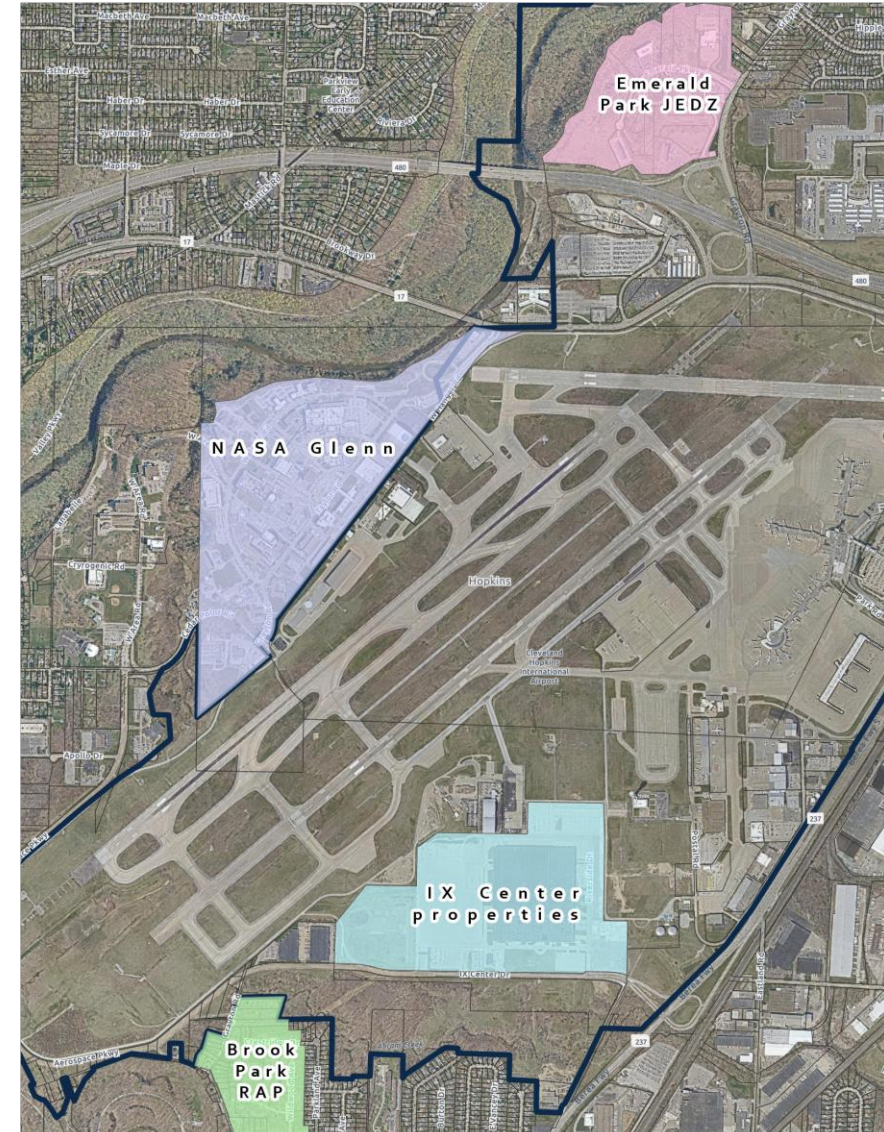
Timeline

- 1992: Cleveland unveils Hopkins expansion plan with two new runways requiring the demolition of the IX Center.
- 1994: Initial lawsuit filed in land dispute
- 1999: Cleveland acquires IX Center (located in Brook Park) from Park Corp for \$66.5m
- 2001: Runway settlement agreement reached preserving the opportunity for the runway expansion
- Runway expansion plans abandoned
- 2017: Brook Park files lawsuit alleging default
- 2021: IX Center lease acquired
- 2026: Settlement amendment deal proposed



2001 Settlement Details

- Cleveland transfers NASA Glenn Research Center land to Brook Park.
- Cleveland creates Emerald Park JEDZ giving 50% of all revenues collected to Brook Park
- Cleveland agrees to acquire and demolish residential properties in Brook Park for a runway protection zone
- Cleveland receives IX Center lands from Brook Park, however Brook Park maintains all 2001 level tax rights until such time as the IX Center is demolished.



2026 Settlement Amendment

Future of the IX Center



IX Center

- Built in 1942 as Cleveland Bomber Plant
- 2.2 million square feet
- 55'-77' ceiling heights
- 16' thick concrete floors
- Overhead Bridge Cranes
- 9 truck docks
- On site power substation delivering 25 MW of power
- Operated as trade show facility since 1985

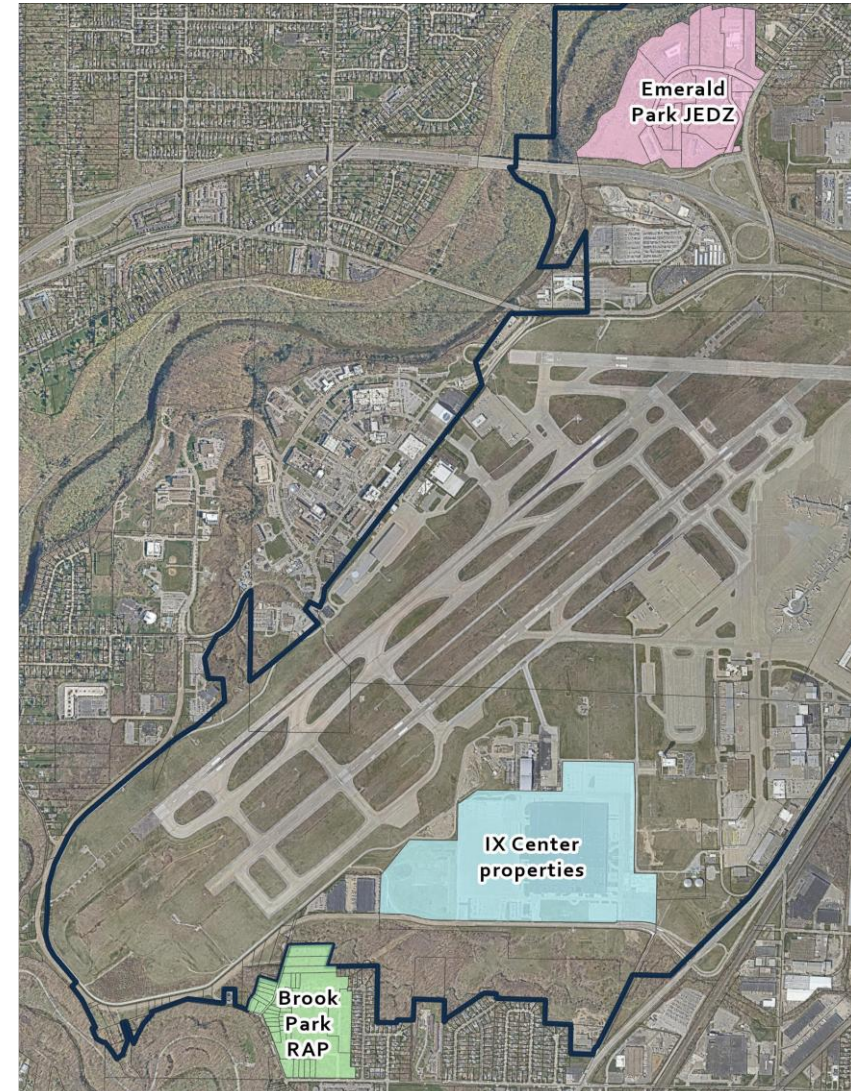


Cleveland Receives:

- Abolish Emerald Park JEDZ
 - Currently ~\$305K annually to each city
 - Unlocks ~40 Acres of Developable Land
- Abolishes Tax Sharing at IX Center
 - 2024: ~\$250k Brook Park, ~\$228k Cleveland
 - Peak: ~\$490 Brook Park, ~\$519k Cleveland
 - Unlocks ~47 Acres of Developable Land
 - Ends perpetuity and proportionality of tax sharing
- Ends 9 years of litigation

Brook Park Receives:

- \$2m settlement payment and dismissal of pending litigation
- \$650K annual payment in lieu of taxes for 33 years
- Approximately 34 acres of land owned by the City of Cleveland in the Brook Park RAP zone (Awaiting FAA guidance)



NASA Glenn vs. IX Center Today

- NASA produces ~\$3.5m annually in income tax
- IX Center produced ~\$228k in revenue for Cleveland in 2024
- IX Center produced ~\$520k in revenue for Cleveland in peak (2018)
- IX Center produced ~\$475k in total revenues in 2024
- IX Center produced ~\$1m in total revenues in peak (2018)

Potential Future Revenues:

- Assumptions based on total payroll that could come from IX center, developed adjacent 47 acres, or developed 40 acres at Emerald Park. Assumptions include basic incentives offered, no additional property taxes, and \$650k payment for 33 years.
- \$25m payroll = + \$2.45m
- \$40m payroll = + \$14.1m
- \$80m payroll = + \$44.6m
- \$100m payroll = + \$59.8m

