

**DEPARTMENT OF ECONOMIC DEVELOPMENT
SUMMARY FOR THE LEGISLATIVE FILE
ORDINANCE NO: 1359-2019**

Project Name: Project Sticky
Recipient: Eagle Foods LLC, and/or Designee
Project Site: 1975 E 61st St
Project Manager: Richard Barga
Ward/Councilperson: 7 - Jones
City Assistance: Job Based Incentive Grant - \$228,185
Economic Development Recoverable Grant- \$427,500

Company Background

Eagle Foods LLC is a food product company established in 2016 headquartered in a rural area of Ohio. The management team purchases other food companies, including two large brands with private label capacity in the salty snacks arena. With products manufactured and office locations in several states, Eagle Foods only set up a short-term lease, recognizing that further acquisitions may provide opportunities or a necessity to locate in another state. At this time, they are looking to establish themselves in an area that can attract the next generation of headquarters workers, who typically prefer a walkable, urban environment.

Project Summary

As part of the Link59 master plan, Hemingway Development continues to pursue the redevelopment of the Ace Fixtures/Phoenix Building located at 1975 E. 61st Street. This project will coincide with the redevelopment of the 11 acre urban campus between E. 55th and E. 63rd Street and Chester and Euclid Avenue. Anchored by University Hospital Rainbow Center for Women and Children's Health, Dave's Supermarket, and McPc, Link 59 offers office, lab and research facilities in the Health-Tech Corridor and has created over 260 FTE jobs.

Built around 1918, this two-story, 30,000 SF building is the only existing building within the Link59 campus. Previously home to the Ace Fixtures Company, the building was vacated in 2017 and the asset became available for Hemingway to acquire. While historically used for industrial manufacturing and warehousing purposes, Hemingway invested \$5.4M project to redevelop the building with commercial, lab and office space for biotech and biomedical start-ups and companies, moving their offices to the first floor to anchor the space. Nearly two years later, this rest of the renovated building has not been filled.

Eagle Foods intends to grow the business significantly over the next several years. This growth will come through new item innovation, core growth and acquisitions. The company has selected one possible location in Cleveland at the Phoenix Building, 1975 East 61st Street. This location was desirable because it is in a walkable neighborhood in the City, and also offers free parking for any employees who may wish to commute to the new location.

Proposed City Assistance

- Job Based Incentive Grant - \$228,185
- Economic Development Recoverable Grant - \$427,500

Economic Impact

- 125 new FTE
- \$14,000,000 estimated new payroll
- \$225,000 added income tax

City Requirements

Workforce Development Agreement