

**DEPARTMENT OF ECONOMIC DEVELOPMENT
SUMMARY FOR THE LEGISLATIVE FILE
ORDINANCE NO: _____**

Project Name: Cleveland Whiskey
Project Address: 601 Stones Levee, Cleveland, OH 44113
Developer: Vispiri Flats LLC and/or designee
Project Manager: Robin Brown
Ward/Councilperson: 3-Kerry McCormack
City Assistance: Non-School TIF

Project Summary and Discussion

Vispiri Flats LLC and/or designee, (“Developer”) is proposing to redevelop the Consolidated Fruit Auction Company Building at 601 Stones Levee Rd. in Flats South into their new headquarters. Their new building will include office space, a distillery, distribution space and a tasting room/restaurant. 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 the distillery. The project will create and/or cause to create approximately 26 new W-2 jobs at the Project Site with an approximate payroll of \$1,220,000 and retain/cause to retain approximately 16 jobs.

Cleveland Whiskey has won more than 60 medals at competitions around the world including twenty-two gold and double gold awards. Since 2013, the company’s growth has been synonymous with Cleveland’s resurgence, helping spread the City’s brand of grit and innovation to new markets. In 2013, Cleveland Whiskey launched its product for consumer sales and has expanded its production into seasonal and several variations and premium quality products. They have also introduced products including wood blocks for smoking on the grill, t-shirts and decorative barrel tops.

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 Vispiri Flats LLC and/or its designee. 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.

Economic Impact

- Creation of approximately 26 new full time jobs in the City of Cleveland
- Retention of approximately 16 full time jobs in the City of Cleveland

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