

**DEPARTMENT OF ECONOMIC DEVELOPMENT  
SUMMARY FOR THE LEGISLATIVE FILE  
ORDINANCE NO: 046-2019**

**Project Name:** Dexter Apartments  
**Project Address:** 1578 W 28th Street, Cleveland, OH 44113  
**Developer:** CLE Dexter LLC and/or designee  
**Project Manager:** Cassie Slansky  
**Ward/Councilperson:** 3-Kerry McCormack  
**City Assistance:** Non-School TIF

**Project Summary and Discussion**

CLE Dexter LLC or designee, ("Developer") is proposing a mixed use development located at 1578 W 28th Street, 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 112 market rate and workforce housing apartment units, 8,800 square feet of retail space and indoor parking for residents. The project will create and/or cause to create 26 new W-2 jobs at the Project Site with an approximate payroll of \$700,000.

CLE Dexter LLC is an entity of Casto. Casto is a privately held, fully integrated real estate services firm, with more than 85 years of successful development and management of commercial, industrial and residential real estate. Casto is a team of more than 270 individuals and their portfolio includes over 6,000 apartment units and 23,000,000 square feet of retail located throughout the Midwest, North Carolina, and Florida. Casto owns and/or developed nearly 20 multifamily projects in the Columbus area. Their newest project is the development of a mixed use building located in Ohio City.

Casto plans to purchase the property located on the corner of West 28<sup>th</sup> Street and Franklin Boulevard, in February 2019. The total project investment is expected to exceed approximately \$29 million.

**Proposed City Assistance**

The request to Cleveland City Council is to authorize the Director of Economic Development to enter into the chain of title for certain properties associated with the project for the purpose of entering into a non-school Tax Increment Finance (TIF) agreement with CLE Dexter LLC or its designee. This TIF agreement will be up to 30 years in length. The City will declare certain improvements with respect to the project to be a public purpose and exempt 100% of the improvements from real property taxes.

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.

This piece of legislation will allow the City of Cleveland to enter into the chain of title for the parcels that are to be included in the TIF district. A second piece of legislation will be required by Cleveland City Council for approval of the TIF Agreement.

### **Economic Impact**

- Creation of 26 new full time jobs in the City of Cleveland
- Project estimates \$17,500 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