

DEPARTMENT OF ECONOMIC DEVELOPMENT

SUMMARY FOR THE LEGISLATIVE FILE

ORDINANCE NO: 323-2019

Recipient: 18901 Euclid Avenue, LLC and/or designee
Project Manager: Cassie Slansky
Ward/Councilperson: 10 / Hairston
City Assistance: Enterprise Zone Tax Abatement (10 year/30%)
Project Site: 18901 Euclid Avenue, Cleveland, Ohio 44117

Company Background

18901 Euclid Avenue, LLC is a real estate holding company for Alloy Metal Exchange, LLC dba Dynamic Metal Services. Dynamic Metal Services was established in 2009 and is an industrial metal manufacturer with a focus on Nickel, Stainless, and high temperature Alloys. They provide a specific metal chemistry of blended materials that is a substitute for high priced pure metal. Their customer base is international and domestic with a majority of their materials purchased domestically.

Dynamic Metal Services currently processes 4.5 million pounds per month of blended materials purchased from commercial suppliers and have been experiencing tremendous growth. They currently operate four separate plants in Ohio located in Streetsboro, Bedford, and two in Bedford Heights. They plan to purchase 18901 Euclid Avenue and consolidate all four plants to the 258,404 square foot building, sitting on approximately 27 acres. Unity Manufacturing, an electric distribution company, will continue to lease 20,000 square feet and Dynamic Metal Services will occupy the remaining space, bringing the building to full occupancy in 2019.

The building has been over 80 percent vacant for approximately 5 years and requires significant renovations and improvements. 18901 Euclid Avenue, LLC and/or designee is requesting a 10-year 30% Tax Abatement. The Tax Abatement will assist with building renovations located at 18901 Euclid Avenue, Cleveland, Ohio 44117.

Proposed City Assistance

- City will provide a 10 year/30% Enterprise Zone Tax Abatement

Economic Impact

- Creation of 30 full-time equivalent jobs, with an annual payroll of \$2,800,000
- The project is expected to generate \$700,000 in income tax and \$532,500 in property tax revenues over the term of the abatement.

City Requirements

- Project is subject to Chapter 187: MBE/FBE/CSB requirements
- Project is subject to Chapter 188: Fannie Lewis Cleveland Resident Employment Law
- Project is subject to a Workforce Development Agreement
- Project is subject to a Community Benefits Agreement