



AGENDA
CUYAHOGA COUNTY ECONOMIC DEVELOPMENT & PLANNING
COMMITTEE MEETING
MONDAY, SEPTEMBER 28, 2015
CUYAHOGA COUNTY ADMINISTRATIVE HEADQUARTERS
C. ELLEN CONNALLY COUNCIL CHAMBERS – 4TH FLOOR
3:00 PM

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. PUBLIC COMMENT RELATED TO THE AGENDA**
- 4. APPROVAL OF MINUTES FROM THE AUGUST 17, 2015 MEETING**
- 5. MATTERS REFERRED TO COMMITTEE**
 - a) R2014-0271: A Resolution authorizing a Casino Revenue Fund loan in the amount not-to-exceed \$4,000,000.00 to Landmark-May, LLC for the benefit of the May Company Building Project located at 158 Euclid Avenue, Cleveland; authorizing the Deputy Chief of Staff of Development or Director of Development to execute all documents consistent with said loan and this Resolution.
 - b) R2015-0184: A Resolution authorizing an Economic Development Fund Redevelopment and Modernization Loan in the amount not-to-exceed \$685,000.00 to LaSalle AMC, LLC for the benefit of the LaSalle Arts and Media Center Project located at 819-829 East 185th Street, Cleveland; authorizing the County Executive and Director of Development to execute all documents consistent with said loan and this Resolution; and declaring the necessity that this Resolution become immediately effective.

- c) R2015-0196: A Resolution authorizing a Casino Revenue Fund loan in the amount not-to-exceed \$2,000,000.00 to Corning Place Ohio, LLC for the benefit of the Garfield Building Project located at 1965 East 6th Street, Cleveland; authorizing the County Executive and Director of Development to execute all documents consistent with said loan and this Resolution; and declaring the necessity that this Resolution become immediately effective.

6. MISCELLANEOUS BUSINESS

7. OTHER PUBLIC COMMENT

8. ADJOURNMENT

**Complimentary parking for the public is available in the attached garage at 900 Prospect. A skywalk extends from the garage to provide additional entry to the Council Chambers from the 5th floor parking level of the garage. Please see the Clerk to obtain a complimentary parking pass.*

***Council Chambers is equipped with a hearing assistance system. If needed, please see the Clerk to obtain a receiver.*



MINUTES

**CUYAHOGA COUNTY ECONOMIC DEVELOPMENT & PLANNING
COMMITTEE MEETING
MONDAY, AUGUST 17, 2015
CUYAHOGA COUNTY ADMINISTRATIVE HEADQUARTERS
C. ELLEN CONNALLY COUNCIL CHAMBERS – 4TH FLOOR
3:00 PM**

1. CALL TO ORDER

Chairman Schron called the meeting to order at 3:09 p.m.

2. ROLL CALL

Mr. Schron asked Assistant Deputy Clerk Culek to call the roll. Committee members Schron, Hairston, Greenspan, Germana and Simon were in attendance and a quorum was determined. Councilmember Miller was also in attendance.

3. PUBLIC COMMENT RELATED TO THE AGENDA

No public comments were given.

4. APPROVAL OF MINUTES FROM THE AUGUST 3, 2015 MEETING

A motion was made by Mr. Schron, seconded by Mr. Germana and approved by unanimous vote to approve the minutes of the August 3, 2015 meeting.

5. MATTER REFERRED TO COMMITTEE

- a) R2015-0139: A Resolution adopting the 2015 Economic Development Plan in accordance with Section 7.05 of the Cuyahoga County Charter and Section 801.01 of the Cuyahoga County Code, and declaring the necessity that this Resolution become immediately effective.

Mr. Nathan Kelly, Interim Director of the Department of Economic Development, addressed the Committee regarding Resolution No. R2015-0139. Discussion ensued.

Committee members and Councilmembers asked questions of Mr. Kelly pertaining to the item, which he answered accordingly.

Mr. Schron introduced a proposed substitute to Resolution No. R2015-0139 Exhibit A. Discussion ensued.

A motion was then made by Mr. Germana, seconded by Ms. Simon and approved by unanimous vote to accept the proposed substitute.

On a motion by Ms. Simon with a second by Mr. Germana, Resolution No. R2015-0139 was considered and approved by unanimous vote to be referred to the full Council agenda with a recommendation for passage under second reading suspension of the rules, as substituted.

6. MISCELLANEOUS BUSINESS

There was no miscellaneous business.

7. OTHER PUBLIC COMMENT

No public comments were given.

8. ADJOURNMENT

With no further business to discuss, Chairman Schron adjourned the meeting at 3:50 p.m.

County Council of Cuyahoga County, Ohio

Resolution No. R2014-0271

Sponsored by: County Executive FitzGerald/Department of Development	A Resolution authorizing a Casino Revenue Fund loan in the amount not-to-exceed \$4,000,000.00 to Landmark-May, LLC for the benefit of the May Company Building Project located at 158 Euclid Avenue, Cleveland; authorizing the Deputy Chief of Staff of Development or Director of Development to execute all documents consistent with said loan and this Resolution.
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WHEREAS, the County Executive/Department of Development has recommended a Casino Revenue Fund loan in the amount not-to-exceed \$4,000,000.00 to Landmark-May, LLC for the benefit of the May Company Building Project located at 158 Euclid Avenue, Cleveland; and

WHEREAS, the primary goal of this project is to assist in the financing of the acquisition, redevelopment, construction and conversion of the historic May Company Building located at 158 Euclid Avenue, Cleveland, to a 350-unit apartment complex; and

WHEREAS, the project will be subject to the following, without limitation: the County's SBE Policy, adopted October 29, 2009; execution of a Workforce Development Agreement; submission of annual job creation/retention reporting; and payment of prevailing wages for that portion of the project funded by the County loan authorized herein, if applicable.

WHEREAS, this project will be funded from the Casino Tax Revenue Fund; and

NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY COUNCIL OF CUYAHOGA COUNTY, OHIO:

SECTION 1. That the Cuyahoga County Council authorizes a Casino Revenue Fund loan in the amount not-to-exceed \$4,000,000.00 to Landmark-May, LLC for the benefit of the May Company Building Project located at 158 Euclid Avenue, Cleveland.

SECTION 2. That the Deputy Chief of Staff of Development or Director of Development is authorized to execute all documents required in connection with said loan agreement on behalf of the County Executive.



Department of Development PROJECT EXECUTIVE SUMMARY

PROJECT NAME: May Company Building
DATE: November 7, 2014
DOD Program: Casino Revenue Fund

OVERVIEW

- 1. Borrower:** *Landmark-May, LLC* – Established by John Carney and Robert Rains for the purpose of acquiring and developing the May Company Building located at 158 Euclid Avenue into 350 market rate residential units.
- 2. Project Location & Council District:** 158 Euclid Avenue, Cleveland, Ohio; County Council District 7.
- 3. Project Summary:** Landmark-May, LLC is requesting a \$4,000,000 loan to assist with the financing of the acquisition and redevelopment of the property located at 158 Euclid Avenue.

METRICS

- 1. Economic Impact:** Income tax generation.
- 2. Community Benefit:** Elimination of a vacant, blighted influence in an area critical to the redevelopment of downtown.

TERMS

- 1. Interest Rate:** 3%; term will be pari-pasu with proposed EB5 funding.
- 2. Term/Repayment:** Interest only on funds drawn until project completion (max. 2 years).
- 3. Forgiveness Terms:** NA
- 4. Security/Collateral/Guarantor(s):** Personal and Corporate guarantees, subordinate mortgage position on property.

COSTS

- 1. Total Project Costs:** \$111,000,000
- 2. Loan Amount:** \$4,000,000
- 3. Funding Sources:** Currently being negotiated.

STAFF

Name – Sara Parks Jackson
Title – Program Officer
Phone – 216-443-8160
E-mail – spjackson@cuyahogacounty.us

County Council of Cuyahoga County, Ohio

Resolution No. R2015-0184

<p>Sponsored by: County Executive Budish/Department of Development and Councilmembers Schron and Hairston</p>	<p>A Resolution authorizing an Economic Development Fund Redevelopment and Modernization Loan in the amount not-to-exceed \$685,000.00 to LaSalle AMC, LLC for the benefit of the LaSalle Arts and Media Center Project located at 819-829 East 185th Street, Cleveland; authorizing the County Executive and Director of Development to execute all documents consistent with said loan and this Resolution; and declaring the necessity that this Resolution become immediately effective.</p>
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WHEREAS, the County Executive/Department of Development recommended an Economic Development Fund Redevelopment and Modernization Loan in the amount not-to-exceed \$685,000.00 to LaSalle AMC, LLC to assist in the funding of building renovations to the approximately 30,156 square foot, 2-story brick building located at 819-829 East 185th Street, Cleveland; and

WHEREAS, this project is anticipated to create twenty-seven (27) new jobs; and

WHEREAS, the total cost of this project is estimated at \$3,248,742.00 of which the County will loan LaSalle AMC, LLC the amount not-to-exceed \$685,000.00 with a term of seven (7) years at an interest rate of 4%; and

WHEREAS, the proposed funding source for the loan is the Cuyahoga County Western Reserve Fund; and

WHEREAS, the project will be subject to the following, as applicable, and without limitation: the County's SBE Policy, adopted October 29, 2009, execution of a Workforce Development Agreement, submission of annual job creation/retention reporting and payment of prevailing wages for that portion of the project funded by the County loan authorized herein; and

WHEREAS, it is necessary that this Resolution become immediately effective in order that critical services provided by Cuyahoga County can continue.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY COUNCIL OF CUYAHOGA COUNTY, OHIO:

First Reading/Referred to Committee: September 8, 2015
Committee(s) Assigned: Economic Development & Planning

Journal _____
_____, 20__



Department of Development PROJECT EXECUTIVE SUMMARY

PROJECT NAME: LaSalle Arts and Media Center
DATE: 5/18/2015
DOD Program: WRF: Redevelopment and Modernization Loan

OVERVIEW

1. Borrower: LaSalle AMC, LLC

In 2009, Northeast Shores Development Corporation purchased the vacant and foreclosed LaSalle Theater. Noting its importance as a Landmark on the East 185th corridor, the LaSalle Theater was acquired to further catalyze the economic redevelopment and urban fabric of the community. After garnering community and stakeholder support, a plan to re-launch and adaptively re-use this historic landmark as the LaSalle Arts and Media Center was born.

To date over \$100,000 has been invested in exterior building improvements, the building was placed on the National Register for Historic Places. \$924,000 in loans has been secured for the center; \$350,000 in grants was awarded by the City of Cleveland; and State & Federal Historic Tax credit allocations have been approved totaling \$712,200. Leases have been secured with various businesses that will be initiated upon rehabilitation of the building.

2. Project Location & Council District:

819-829 East 185th Street Cleveland, Ohio 44110

District 10

3. Partners in the Project: Cortland Banks (Pre-development/Construction loans [shared 1st with VCC]); Village Capital Corporation (VCC) [Building Acquisition and Construction loans]; City of Cleveland (Housing Trust Fund; Vacant Property Initiative, Neighborhood Retail Assistance Program); Ohio Department of Development [State of Ohio Historic Tax Credits]; Ohio Finance fund (building acquisition & stabilization grants). Federal Historic Preservation Tax Credit.

Project Summary:

Northeast Shores Development Corporation is requesting that Cuyahoga County Department of Development provide a commercial property reutilization Redevelopment and Modernization Loan in the amount of \$685,000 to conduct complete interior building renovations for this approximate 30,156 sq. ft. 2-story brick facility, with addresses from 819 to 829 East 185th Street Cleveland, Ohio 44110. The LaSalle Theater is an historic single screen theater complex with three additional storefronts and six apartments, originally constructed in 1927.

Northeast Shores intends to convert the building into the LaSalle Arts and Media Center. The four storefronts will be conjoined and rented by a mix of a local theatre company, an insurance agency, and a bakery. Northeast Shores has received executed commitments from Maverick Insurance Group LLC, Mamai Theatre Company, and Fears' Confections.

The large theater space will be converted into a multi-use facility that will be rented out on a daily basis for arts events, private gatherings, and community meetings. A Taste of Excellence has executed an exclusive catering agreement for this space. The agreement requires this award-winning catering company to guarantee a number of rental dates for them to arrange for weddings, corporate events and other gatherings. Remaining dates for the theater will be scheduled as demand allows.

Northeast Shores intends to renovate the existing second-floor apartments and unimproved third-floor space into six (6) apartments. The apartments will be rehabbed per the Enterprise Green Communities standards and will also retain historic details per the Secretary of the Interior's Standards for Rehabilitation.

This project will create 27 jobs, and has received the support of multiple funding partners. The request before the County is not a grant, but a bridge loan to be fully repaid from collection of capital campaign commitments that are currently being solicited from corporations, foundations and individuals in a LaSalle \$1 million fund drive.

4. CCCIC Review Date: March 11, 2015

RATIONALE FOR PARTICIPATION

- **Jobs Created:** The project will create 27 new to the County jobs within three (3) years of project completion.
- **Community Impact:** This project will redevelop a key historic building along a major neighborhood corridor (East 185th Street) which is critical to both the City of Cleveland (west side of street) and the City of Euclid (east side of street); provides store-front space for local entities (A Taste of Excellence Catering; Mamai Theatre Company; Fears' Confections Bakery) and an insurance company (Maverick Insurance Group) to establish solid commercial presence along this corridor; eliminates blight; creates new jobs and tax revenue for Cuyahoga County; and provides six newly renovated housing rental units.

COSTS

- 1. Total Project Costs:** \$3,248,742
- 2. Loan Amount (From County):** \$685,000
- 3. Qualifies for these Funding Sources:** Cuyahoga County Western Reserve Fund

4. Sources and Uses:

Sources		Uses	
Cortland Banks Loan (construction/Permanent Mortgage participation)	\$462,000	Building Acquisition	\$150,000
Cortland Banks Loan(Pre-development loan)	\$85,150	Renovation/Construction	\$2,250,000
Village Capital (construction/Permanent Mortgage participation)	\$462,000	Working Capital	150,000
Village Capital (Acquisition loan)	\$150,000	Soft Costs	\$698,742
Cuyahoga County Loan	\$685,000		
City of Cleveland Housing Trust Fund (Grant)	\$225,000		
City of Cleveland Vacant Property Initiative (Grant)	\$180,000		
City of Cleveland Neighborhood Retail Assistance Program(Grant)	\$120,000		
Ohio Historic Preservation Tax Credits	\$249,999		
Federal Historic Preservation Tax Credits	\$462,213		
NorthEast Shores Owner’s Equity	\$87,327		
Other	\$80,053		
Total Sources	\$3,248,742	Total Uses	\$3,248,742

TERMS

- 1. Interest Rate:** 4%
- 2. Term/Repayment:** 5 years (up to 60 months); monthly repayment of principal and interest as capital campaign contributions are paid to the project.
- 3. Forgiveness Terms:** None; Loan will be repaid in full utilizing the collection of capital campaign commitments (projected to be \$1,000,000 over 5 years).
- 4. Security/Collateral/Guarantor(s):**

First position lien on Capital Campaign Receivables; and first lien on various residential and land properties owned by Northeast Shore Development Corporation.

Prepared By:
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County Council of Cuyahoga County, Ohio

Resolution No. R2015-0196

Sponsored by: County Executive Budish/Department of Development	A Resolution authorizing a Casino Revenue Fund loan in the amount not-to-exceed \$2,000,000.00 to Corning Place Ohio, LLC for the benefit of the Garfield Building Project located at 1965 East 6 th Street, Cleveland; authorizing the County Executive and Director of Development to execute all documents consistent with said loan and this Resolution; and declaring the necessity that this Resolution become immediately effective.
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WHEREAS, the County Executive/Department of Development has recommended a Casino Revenue Fund loan in the amount not-to-exceed \$2,000,000.00 to Corning Place Ohio, LLC for the benefit of the Garfield Building Project located at 1965 East 6th Street, Cleveland; and

WHEREAS, the primary goal of this project is to assist with the financing of the acquisition, renovation and construction to convert the Garfield Building located at 1965 East 6th Street, Cleveland, into a residential and mixed use office and retail complex; and

WHEREAS, this project will be funded from the Casino Revenue Fund; and

WHEREAS, the project will be subject to the following, as applicable, and without limitation: the County's SBE Policy, adopted October 29, 2009, execution of a Workforce Development Agreement, submission of annual job creation/retention reporting and payment of prevailing wages for that portion of the project funded by the County loan authorized herein; and

WHEREAS, it is necessary that this Resolution become immediately effective in order that critical services provided by Cuyahoga County can continue.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY COUNCIL OF CUYAHOGA COUNTY, OHIO:

SECTION 1. That the Cuyahoga County Council hereby authorizes a Casino Revenue Fund loan in the amount not-to-exceed \$2,000,000.00 to Corning Place Ohio, LLC for the benefit of the Garfield Building Project located at 1965 East 6th Street, Cleveland.

