

Cuyahoga County Community Improvement Corporation

Special Board Meeting

Monday, July 17, 2023

9:15AM

2079 East 9th Street, Cleveland, Ohio 44115

4th Floor, Committee Room B, Room 4-407

AGENDA

I. Loan Discussion

Fairmount Properties (and its borrowing entity FMCFP, LLC) is well along in construction of its mixed-use development including a 40,000 square foot Meijer Grocery store and 199 apartment units, at East 105th Street and Cedar Avenue. This project will create 45 permanent jobs and is a vital part of a larger Opportunity Corridor development planned by the City of Cleveland and Fairfax Renaissance Development Corporation, with strong support from the Cleveland Clinic.

This body recommended approval of a \$1.7 million economic development loan for this project. County Council approved making the loan. The loan has not yet closed. Due to continuing increases in construction and financing costs, after loan approval, the project needs additional funds to assure payment of all construction costs, which include additional equity investments and a new \$1.5 million loan from The Finance Fund.

Repayment terms of the \$1.7 million Cuyahoga County loan remain the same. Security for the Cuyahoga County loan will be a shared subordinate mortgage on a leasehold interest which includes the project land and buildings. \$5 million of project financing that was previously considered as equity will now have a payment priority.

Due to the changes in project financing and payment priorities, discussion by this body is requested prior to County Council action to re-approve the County loan.