



AGENDA
CUYAHOGA COUNTY ECONOMIC DEVELOPMENT & PLANNING
COMMITTEE MEETING
MONDAY, JULY 11, 2022
CUYAHOGA COUNTY ADMINISTRATIVE HEADQUARTERS
C. ELLEN CONNALLY COUNCIL CHAMBERS – 4TH FLOOR
12:00 PM

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. PUBLIC COMMENT**
- 4. APPROVAL OF MINUTES FROM THE JUNE 27, 2022 MEETING**
- 5. MATTERS REFERRED TO COMMITTEE**
 - a) R2022-0217: A Resolution authorizing an Economic Development Fund Redevelopment and Modernization Loan in the amount not-to-exceed \$950,000.00 to Cuyahoga County Land Reutilization Corporation for the renovation of Mickey’s Building, located at 12550 Euclid Avenue, City of East Cleveland, to attract businesses requiring close proximity to the University Circle area and to house a community gathering space/retail component for building tenants and residents in the neighborhood; authorizing the County Executive and/or Director of Development to execute all documents consistent with said loan and this Resolution; and declaring the necessity that this Resolution become immediately effective.
 - b) R2022-0192: A Resolution awarding a total sum, not to exceed \$1,000,000, to the Northeast Ohio Hispanic Center for Economic Development for the CentroVilla25 Project from the District 3 ARPA Community Grant Fund; and declaring the necessity that this Resolution become immediately effective.

6. MISCELLANEOUS BUSINESS

7. 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, JUNE 27, 2022
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 Johnson to call the roll. Committee members Schron, Baker, Tuma and Stephens were in attendance and a quorum was determined. Committee member Simon was absent from the meeting.

3. PUBLIC COMMENT

There were no public comments given.

4. APPROVAL OF MINUTES FROM THE MAY 31, 2022 MEETING

A motion was made by Ms. Baker, seconded by Mr. Tuma, and approved by unanimous vote to approve the minutes from the May 31, 2022 meeting.

5. MATTERS REFERRED TO COMMITTEE

- a) R2022-0185: A Resolution adopting the 2022 five-year 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. Paul Herdeg, Director of the Department of Development; Dr. Christian Nsiah, Professor of Economics & Finance at Baldwin Wallace University, and Dr. Tom Sutton, Director of the Community Research Institute at Baldwin Wallace University, addressed the Committee regarding Resolution No. R2022-0185. Discussion ensued.

Committee members asked questions of Mr. Herdeg, Dr. Nsiah and Dr. Sutton pertaining to the item, which they answered accordingly.

On a motion by Ms. Stephens with a second by Ms. Baker, Resolution No. R2022-0185 was considered and approved by unanimous vote to be referred to the full Council agenda for second reading.

6. MISCELLANEOUS BUSINESS

There was no miscellaneous business.

7. ADJOURNMENT

With no further business to discuss, Chairman Schron adjourned the meeting at 4:40 p.m., without objection.

County Council of Cuyahoga County, Ohio
Resolution No. R2022-0217

<p>Sponsored by: County Executive Budish/Department of Development</p>	<p>A Resolution authorizing an Economic Development Fund Redevelopment and Modernization Loan in the amount not-to-exceed \$950,000.00 to Cuyahoga County Land Reutilization Corporation for the renovation of Mickey’s Building, located at 12550 Euclid Avenue, City of East Cleveland, to attract businesses requiring close proximity to the University Circle area and to house a community gathering space/retail component for building tenants and residents in the neighborhood; authorizing the County Executive and/or 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 has recommended an Economic Development Fund Redevelopment and Modernization Loan in the amount not-to-exceed \$950,000.00 to Cuyahoga County Land Reutilization Corporation for the renovation of Mickey’s Building, located at 12550 Euclid Avenue, City of East Cleveland, to attract businesses requiring close proximity to the University Circle area and to house a community gathering space/retail component for building tenants and residents in the neighborhood; and

WHEREAS, the primary goal of this loan is to renovate a long vacant building and anchor the neighborhood; and

WHEREAS, the project is anticipated to create 33 jobs; and

WHEREAS, the total cost of the project is approximately \$3,530,400.00, of which the County will loan up to \$950,000.00 with a term of 15 years at an interest rate of 3% per annum; and

WHEREAS, in the case of fulfillment of the project’s completion and required job creation covenants, not more than 25% of the Loan principal shall be forgiven; and

WHEREAS, on June 9, 2022, the Cuyahoga County Community Improvement Corporation reviewed and recommended that the County fund the project; and

WHEREAS, the proposed funding source for the loan is the Economic Development Loan Fund 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 an Economic Development Fund Redevelopment and Modernization Loan in the amount not-to-exceed \$950,000.00 to Cuyahoga County Land Reutilization Corporation for the renovation of Mickey's Building, located at 12550 Euclid Avenue, City of East Cleveland, to attract businesses requiring close proximity to the University Circle area and to house a community gathering space/retail component for building tenants and residents in the neighborhood.

SECTION 2. That the County Executive and/or the Director of Development are authorized to execute all documents consistent with said loan and this Resolution.

SECTION 3. That this Resolution shall sunset twenty-four (24) months after County Council approval should the authorized action have not occurred by that date. In the event this Resolution sunsets prior to the authorized action taking place, the Director of Development shall notify the Clerk of Council in writing. The Clerk of Council shall record the sunseting of this Resolution in the Council's journal.

SECTION 4. It is necessary that this Resolution become immediately effective for the usual daily operation of the County and the reasons set forth in the preamble. Provided that this Resolution receives the affirmative vote of at least eight members of Council, it shall take effect and be in force immediately upon the earliest occurrence of any of the following: (1) its approval by the County Executive through signature, (2) the expiration of the time during which it may be disapproved by the County Executive under Section 3.10(6) of the Cuyahoga County Charter, or (3) its passage by at least eight members of Council after disapproval pursuant to Section 3.10(7) of the Cuyahoga County Charter. Otherwise, it shall take effect and be in force from and after the earliest period allowed by law.

SECTION 5. It is found and determined that all formal actions of this Council relating to the adoption of this Resolution were adopted in an open meeting of the Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

County Council of Cuyahoga County, Ohio

Resolution No. R2022-0192

Sponsored by: Councilmember Sweeney	A Resolution awarding a total sum, not to exceed \$1,000,000, to the Northeast Ohio Hispanic Center for Economic Development for the CentroVilla25 Project from the District 3 ARPA Community Grant Fund; and declaring the necessity that this Resolution become immediately effective.
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WHEREAS, Cuyahoga County received \$239,898,257 from the Federal Government through the American Rescue Plan Act (“ARPA”); and

WHEREAS, Cuyahoga County calculated 100% of the ARPA dollars as loss revenue under the U.S. Department of the Treasury Final Rule; and

WHEREAS, since all the ARPA dollars have been calculated as loss revenue, the ARPA dollars have been deposited in the County’s General Fund; and

WHEREAS, the County Executive and County Council have authorized \$86 million of the ARPA dollars for community grants to benefit the residents of Cuyahoga County (the “ARPA Community Grant Fund”); and

WHEREAS, of the \$86 million for community grants, \$66 million have been encumbered for equal distribution to each County Council District; and

WHEREAS, the Cuyahoga County Council desires to provide funding from the District 3 ARPA Community Grant Fund in the amount of \$1,000,000 to the Northeast Ohio Hispanic Center for Economic Development for the CentroVilla25 Project; and

WHEREAS, the Northeast Ohio Hispanic Center for Economic Development estimates approximately 40 rising entrepreneurs will be served annually through this award; and

WHEREAS, the Northeast Ohio Hispanic Center for Economic Development estimates that at least 46 permanent and temporary jobs will be created or retained through this project; and

WHEREAS, the Northeast Ohio Hispanic Center for Economic Development estimates the total cost of the project is \$9,848,586; and

WHEREAS, the Northeast Ohio Hispanic Center for Economic Development indicates the other funding source(s) for this project includes:

- A. \$2,825,000 from the City of Cleveland
- B. \$2,493,566 from a Capital Campaign
- C. \$1,540,000 from NMTC Equity
- D. \$1,065,000 from the Cleveland Foundation
- E. \$500,000 from the Gund Foundation
- F. \$500,000 from Cuyahoga County
- G. \$440,000 from an HHS Grant
- H. \$285,020 from Other Foundation/Fundraising
- I. \$100,000 from the State Capital Budget
- J. \$100,000 from the KeyBank Foundation; and

WHEREAS, the Northeast Ohio Hispanic Center for Economic Development is estimating the start date of the project will be December 2022 and the project will be completed by January 2024; and

WHEREAS, the Northeast Ohio Hispanic Center for Economic Development requested \$1,000,000 from the District 3 ARPA Community Grant Fund to complete this project; and

WHEREAS, the Cuyahoga County Council desires to provide funding in the amount of \$1,000,000 to the Northeast Ohio Hispanic Center for Economic Development to ensure this project is completed; and

WHEREAS, this Council by a vote of at least eight (8) members determines that it is necessary that this Resolution become immediately effective in order that critical services provided by Cuyahoga County can continue to provide for the usually, daily operations of the County.

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

SECTION 1. That the Cuyahoga County Council hereby awards a not-to-exceed amount of \$1,000,000 to the Northeast Ohio Hispanic Center for Economic Development from the General Fund made available by the American Rescue Plan Act revenue replacement provision for the Centro Villa25 Project.

SECTION 2. If any specific appropriation is necessary to effectuate this agreement, the Director of the Office of Budget and Management is authorized to submit the requisite documentation to financial reporting to journalize the appropriation.

SECTION 3. That the County Council staff is authorized to prepare all documents to effectuate said award.

SECTION 4. That the County Executive is authorized to execute all necessary agreements and documents consistent with said award and this Resolution.

SECTION 5. If requested or necessary, the Agency of the Inspector General or Department of Internal Audit is authorized to investigate, audit, or review any part of this award.

SECTION 6. To the extent that any exemptions are necessary under the County Code and contracting procedures, they shall be deemed approved by the adoption of this Resolution.

SECTION 7. It is necessary that this Resolution become immediately effective for the usual daily operation of the County; the preservation of public peace, health or safety in the County; and any additional reasons set forth in the preamble. Provided that this Resolution receives the affirmative vote of at least eight members of Council, it shall take effect and be in force immediately upon the earliest occurrence of any of the following: (1) its approval by the County Executive through signature, (2) the expiration of the time during which it may be disapproved by the County Executive under Section 3.10(6) of the Cuyahoga County Charter, or (3) its passage by at least eight members of Council after disapproval pursuant to Section 3.10(7) of the Cuyahoga County Charter. Otherwise, it shall take effect and be in force from and after the earliest period allowed by law.

SECTION 8. It is found and determined that all formal actions of this Council concerning and relating to the adoption of this Resolution were adopted in an open meeting of the Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

On a motion by _____, seconded by _____, the foregoing Resolution was duly adopted.

Yeas:

Nays:

County Council President

Date

County Executive

Date

Clerk of Council

Date

First Reading/Referred to Committee: July 5, 2022
Committee(s) Assigned: Economic Development & Planning

Journal _____
_____, 20 _____



**Cuyahoga County
Council**

2079 East 9th Street, 8th Floor • Cleveland Ohio 44115
(216) 698-2010

COUNTY AMERICAN RESCUE PLAN ACT APPLICATION

APPLICANT INFORMATION:	
Name of Requesting Entity (City, Business, Non-Profit, etc.): NORTHEAST OHIO HISPANIC CENTER FOR ECONOMIC DEVELOPMENT	
Address of Requesting Entity: 2511 CLARK AVENUE CLEVELAND, OH 44109	
County Council District # of Requesting Entity: 3	
Address or Location of Project if Different than Requesting Entity: 3140 WEST 25TH STREET. CLEVELAND, OH 44109	
County Council District # of Address or Location of Project if Different than Requesting Entity: 3	
Contact Name of Person Filling out This Request: JENICE CONTRERAS, EXECUTIVE DIRECTOR	
Contact Address if different than Requesting Entity:	
Email: JCONTRERAS@HBCENTER.ORG	Phone: (216) 281-4422
Federal IRS Tax Exempt No.: 34-1805510	Date: MAY 3, 2022

PROJECT DESCRIPTION

REQUEST DESCRIPTION (include the project name, a description of the project, why the project is important or needed, and timeline of milestones/tracking of the project): The Northeast Ohio Hispanic Center for Economic Development (NEOHCED) is embarking on a \$9.8M project that will transform 32,500 square feet of vacant former warehouse, into a vibrant economic hub in the Clark-Fulton neighborhood. The adaptive reuse project will provide economic opportunities for those whose skills and abilities are underutilized, tapping into the entrepreneurial spirit that so many in the Latino community already possess, contributing to the region's economic recovery. These entrepreneurs will benefit from working with NEOHCED, providing affordable leased space, assistance with developing a business plan, access to capital and micro-loans, and cooperative marketing.

CentroVilla25 will catalyze economic impact through job creation and business development, contribute to a thriving local economy, and creative placemaking that celebrates Latino culture. NEOHCED is co-developing this project with Northwest Neighborhoods CDC, formerly known as Detroit Shoreway Community Development Organization (DSCDO). CentroVilla25 will be owned and operated by NEOHCED and will feature:

- Twenty (20) kiosk-style micro-retail spaces
- State-of-the-art commercial kitchen
- Business Innovation Center & co-working space
- Office space for Latinx & neighborhood-serving organizations
- Specialty grocer
- Outdoor plaza
- Indoor community gathering space

The CentroVilla25 project will respond to the negative economic impacts caused by the COVID-19 on minority-owned small businesses, targeting the needs of Latino/Hispanic owned operations in the Clark-Fulton neighborhood. The Clark-Fulton community is the primary service area where economic conditions continue to be difficult due to high unemployment and persistent poverty. Clark-Fulton is the home of Ohio's densest population of Hispanic/Latino residents, making up 51.1% of Clark-Fulton community. CentroVilla25 is designed to create a vibrant center of retail shops, eateries and professional services that celebrates the community's rich Latino culture. This is not currently possible due to the abundance of dilapidated warehouse buildings and lack of move-in ready storefront space. Capital funding is necessary to build the economic infrastructure for a more resilient recovery for Latino-owned small businesses

Latino small business owners are the fastest growing segment: 34% vs. 1% non-Latino (2020 US Census). Despite this growth, Latino-owned businesses lack equitable access to affordable capital and culturally relevant services. COVID-19 has amplified these challenges for Latino-owned small businesses. Preexisting barriers mean that many owners do not have a safety net to weather decreased revenues from the pandemic, compounding negative impacts on these business owners. CentroVilla25 will be owned by NEOHCED, a local non-profit partner, who can intervene to provide flexibility, tools, and support that will help owners thrive and survive this pandemic era. NEOHCED hosts the only Latino serving Ohio Small Business Development Center (SBDC), providing business development services in a culturally competent and linguistic-relevant format. NEOHCED received the "Top Business Starts in 2021 Award" from the Ohio SBDC.

Project Start Date: December 2022

Project End Date: January 2024

IMPACT OF PROJECT:

Who will be served: CentroVilla25 was developed and refined to address the negative economic impacts on Latino-business owners in the Clark-Fulton neighborhood. The National Urban League 2015 State of Black America report ranks the Cleveland-Elyria Metropolitan area 66 out of the 70 major metropolitan areas for Hispanic employment and has a ranking of 27 for Hispanic Income Inequality. Both rankings demonstrate that the targeted beneficiaries, Latino owned small businesses and the Clark-Fulton neighborhood, are disproportionately impacted, and have faced more severe impacts due to preexisting disparities.

How many people will be served annually: Directly, CV25 will serve 40 rising entrepreneurs through Barrio Progreso a 6-month program to prepare businesses for success within CV25's 22 kiosk style micro-retail spaces or other retail space in the corridor; caterers, food trucks and restaurants will access the commercial kitchen; a specialty grocer will serve a community label a food desert by USDA; thousands will gather for arts & culture programming; local professionals will access co-working office space; and dedicated office space will serve Latino and neighborhood-serving organization: to-date tenants include NEOHCED, MetroWest CDC, Cleveland Housing Neighborhood Office.

Will low/moderate income people be served; if so how: Demographic data for the Clark-Fulton neighborhood meets the criteria of "disproportionately impacted". The Clark-Fulton neighborhood is currently home to 7,918 residents, with a median household income of \$26,140 (below 185 percent of the Federal Poverty Guidelines) and is a qualified census tract. The Cleveland City Planning Commission sites the Clark-Fulton neighborhood with a poverty rate of 40%, with unemployment at >1.5x the national average. The Plan reports the number of Hispanic residents increased from 10% to 46% over the past 5 years. Many are new small business owners or rising entrepreneurs.

How does the project fit with the community and with other ongoing projects: Currently, NEOHCED's long-standing programs and CentroVilla25 project builds upon \$30M of affordable housing investment, the MetroHealth Medical Center main campus expansion of \$960M, and RTA's planning for rapid transit along West 25th Street. The industries affected from CentroVilla25 will be construction of new commercial structures, securities and commodity contracts intermediation and brokerage, architectural, engineering, and related services, full & limited-service restaurants, hospitals, real estate, and wholesale trade.

If applicable, how many jobs will be created or retained (specify the number for each) and will the jobs be permanent or temporary: NEOHCED 2018 study from CSU Levin Urban College: CV25 Jobs, Revenues and Taxes generated from construction and operations: AVERAGE ANNUAL EMPLOYMENT & CUMULATIVE OUTPUT A) *Construction and Renovation (Over 2 Yrs.):* Cleveland: 46 jobs & \$12.6M/Cuyahoga County: 56 jobs & \$15.8M/State of Ohio: 86 jobs & \$28.4M B) *Operations (Over 5 Yrs.):* Cleveland: 119 jobs & \$50.4M/Cuyahoga County: 146 jobs & \$87.5M/State Ohio: 189 jobs & \$115M.

If applicable, what environmental issues or benefits will there be:

Project will rehabilitate a vacant warehouse located on a major commercial corridor. The project will address lead and asbestos within the building and provide a healthy and sustainable structure for the community and small businesses for the future.

If applicable, how does this project serve as a catalyst for future initiatives: CV25 supports the Clark Fulton revitalization efforts: increase self-sufficiency for individuals and families with low-income; create business and employment opportunities that did not previously exist; attract and leverage additional public and private investment resulting in improvement in the quality of life within a Cleveland opportunity zone. The neighborhood benefits from having key community-based organizations: the Northeast Ohio Hispanic Center for Economic Development, the Hispanic Urban Minority Alcoholism and Drug Abuse Outreach Program, and Esperanza, Inc. (educational programs). The project will create a vibrant community hub and market open to all who live and visit Cleveland, Ohio.

FINANCIAL INFORMATION:**Total Budget of Project: \$9,848,586****Other Funding Sources of Project (list each source and dollar amount separately):**

City of Cleveland	\$2,825,000
Capital Campaign	\$2,493,566
NMTC Equity	\$1,540,000
Cleveland Foundation	\$1,065,000
Gund Foundation	\$ 500,000
Cuyahoga County Loan	\$ 500,000
HHS Grant	\$ 440,000
Other Foundation/ Fundraising	\$ 285,020
State Capital Budget	\$ 100,000
KeyBank Foundation	\$ 100,000

Total amount requested of County Council American Resource Act Dollars: \$1,000,000**Since these are one-time dollars, how will the Project be sustained moving forward:**

Capital funding from ARPA will support the construction of affordable commercial space for micro-retailers and food producers, while creating job, generating wealth for the business owners, and addressing food access in the neighborhood. Once the construction is complete, the project will generate over \$100,000 of net operating income, before debt service, which will sustain the operations into the future. Additionally, the capital campaign will raise \$500,000 to fund a reserve for NEOHCED and CentroVilla25.

DISCLAIMER INFORMATION AND SIGNATURE:

Disclaimer:

I HEREBY CERTIFY that I have the authority to apply for financial assistance on behalf of the entity described herein, and that the information contained herein and attached hereto is true, complete, and correct to the best of my knowledge.

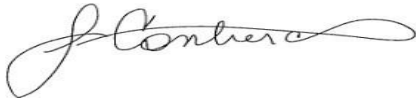
I acknowledge and agree that all County contracts and programs are subject to Federal Guidelines and Regulations, the Ohio Revised Code, the Cuyahoga County Charter, and all County Ordinances including all information submitted as part of this application is a public record.

I understand that any willful misrepresentation on this application or on any of the attachments thereto could result in a fine and/or imprisonment under relevant local, state, and/or federal laws or guidelines.

I agree that at any time, any local, state, or federal governmental agency, or a private entity on behalf of any of these governmental agencies, can audit these dollars and projects.

Printed Name: JENICE CONTRERAS, Executive Director, NEOHCED

Signature:



Date: May 3, 2022

Additional Documents

Are there additional documents or files as part of this application? Please list each documents name:

1. CentroVilla25 Sources and Uses (Costs, Funding and Proforma)
2. CV25 Fact Sheet
3. NEOHCED Organization Summary and Performance