

## Attachment 1 Application Summary

### Project Overview

The City of Cleveland requests a \$191,947 COAF assessment grant application to help fund the completion of a Phase 2 environmental site assessment and asbestos survey for a 1.78-acre portion of the former Key Gas Components Facility. Once assessments are completed and remediation and demolition activities take place, Shaker Associates LLC plans to develop an approximately \$35 million comprehensive mixed-use development. Just down the street from the Cleveland Clinic and the University Hospitals of Cleveland, this property is in an ideal location for reuse plans that include a four-story Medical Office Building, 150-room senior living center, multi-level parking decks under an amenities terrace for the senior center, retail areas, and two restaurants.

Immediately outside of our project area and within the same redevelopment, Shaker Associates LLC plans to build and manage an 84-unit residential building with retail on the ground level, a parking garage connected to the parking area on the COAF property, and several live/work units. Shaker Associates LLC currently anticipates that this project will create 245 well-paying jobs.



### 1. Property History

This property was used for a variety of commercial, industrial and residential purposes since the early 1900s. Early property uses included a cloth bag factory for printing processes, machine shop, repairing room, and stock and splitting room. Simplex Piston Ring Co. and Solemberger Piston operated on the property in 1926 and Conservit Engineering Co., Ritchy Garage, and Steve Schulz Garage operated on portions of the property in 1937. The Kinzig Tool

Company occupied part of the property between 1937 and 1942 and ceased work between 1979 and 1982. Their operations included machining, repairing, and welding of metal tools. Asbestos clad buildings were also located on portions of the property from the 1930s to the 1970s and were used for both residential and non-residential purposes. Other occupants included Auto Grille Manufacturing Corp. in 1947, the Kilmer MD & Co. (wire mfg) from 1937 to 1947, and the Clements Sign and Display Co. in 1937. Key Gas Components (formerly Kinco Balon) used this property from 1979 – 2007 to manufacture/produce metal parts for gas container connectors and parts. Atlas Packaging, Inc., Atlas Specialties, Déjà Vu, Inc., Kinko Inc., and Storwares occupied portions of the property from 1987 and 1992.



## 2. Current Property Uses

This property is currently vacant and has been unoccupied since 2007. MAK Leasing currently owns the property and provided access to the City of Cleveland for COAF-related activities. Shaker Associates LLC has a signed letter of intent to purchase the property from MAK Leasing.

## 3. Surrounding Property Uses

Surrounding land uses include vacant and dilapidated structures, light and heavy industrial facilities, open land, and a successful learning garden center. More specifically, nearby property uses include:

- North Chester Avenue; Cleveland Botanical Garden's Yellow House Learning Garden.
- South J. M. Stern Company (imports bundles of fiber from Madagascar, dyes the fiber, and packages it for shipment); vacant 7-story building, followed by a vacant 4-story building.
- East East 66th Street; vacant 7-story building; undeveloped land.
- West MPC (Manufacturers Plating Company, electroplating of metal and plastics).

This property is in the block between Euclid Avenue and Chester Avenue and is along the \$200 million Euclid Corridor Transportation Project now known as the HealthLine. This is a 6.8-mile route on Euclid Avenue from Downtown to East Cleveland that connects the City's cultural and educational institutions, medical and business centers, and many small businesses in between. This convenient, user-friendly mass transit system will be a great benefit for the planned medical center and senior living housing at the COAF property to provide ready access to the University Hospitals of Cleveland, Cleveland Clinic, and many other nearby medical facilities, stores, and entertainment venues.

## 4. Building Information

The 1.78-acre COAF project area consists of an east parcel and a west parcel separated by East 66th Street. The east parcel was originally occupied by residences and has been a paved parking area since at least 1965. The west parcel has eight buildings, two sheds, a courtyard, and a parking lot. Buildings 1, 3, 4, and 6 through 8 were built between 1913 and 1952. An addition was added to Building 6 between 1952 and 1965, connecting Buildings 3 and 8. Buildings 2 and 5 were constructed between 1965 and 1970.





## 5. Previous Sampling Activities

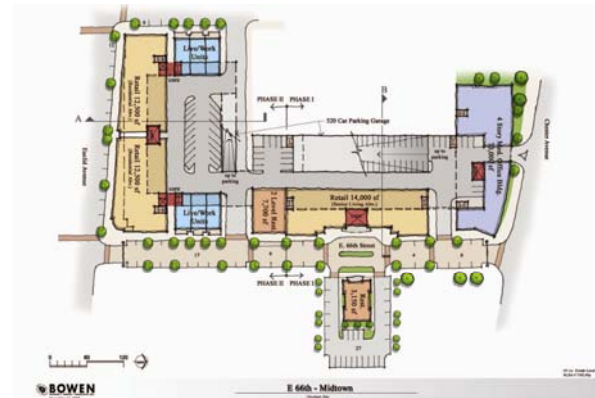
A dual-phase ASTM/VAP-compliant Phase I environmental assessment was completed by Hull & Associates, Inc. in July 2009 and modified in February 2010. Past industrial uses at and near the project area may have impacted the property. The Phase I assessment found nine Identified Areas (IAs) on the property and five IAs off-property. On-property IAs

include a variety of historical industrial activities, grated drain at a loading dock with a thick black residue; an oily substance observed between wood block flooring; issues related to machine repair, machine shop and material warehousing; oil-based materials stored in courtyard sheds; and, demolished asbestos clad structures. Current and historical manufacturing operations that result in off-property IAs include a metal plating facility and automotive repair garage and shop.

The proposed scope of work for this assessment grant includes the installation of nine shallow monitoring wells and potentially three deep wells, 33 shallow soil borings and potentially 12 additional borings, one deep soil boring, 12 test pits, potentially eight vapor probes, asbestos survey, data evaluation, modeling, and report preparation.

## 6. Redevelopment Plans

Shaker Associates LLC plans to develop an approximately \$35 million comprehensive mixed-use development. Reuse plans within our project area include a four-story, 70,000 ft<sup>2</sup> Medical Office Building; 150-room senior living center; multi-level parking decks under an amenities terrace for the senior center; 14,000 ft<sup>2</sup> retail area; 7,700 ft<sup>2</sup>, two-level restaurant; and a 3,150 ft<sup>2</sup> restaurant on the property across E. 66th Street.



Just outside of our project area and within the same redevelopment, Shaker Associates LLC plans to build and manage an 84-unit residential building with 25,000 ft<sup>2</sup> of retail on the ground level; a parking garage connected to the parking area on the COAF property; and several live/work units. Shaker Associates LLC currently anticipates that this project will create 245 new jobs with an average annual salary of \$65,000. This project is projected to generate \$1,340,000 in annual property taxes and is projected to generate \$307,500 in annual income taxes.

The property is located in the MidTown neighborhood, a mixed-use district with manufacturing and office uses that coexist with residential and institutional uses. MidTown is anchored by downtown Cleveland on the west and University Circle on the east and is near the Central, Hough and Fairfax residential neighborhoods.

MidTown Cleveland, Inc., a community development corporation, has expressed support for this project. They stated that redevelopment plans adhere to the MidTown Master Plan and its stakeholders' vision for the neighborhood and that the site plan includes requisite density, parking location and substantial retail amenities.

Cuyahoga County invested \$4,000 to prepare a Phase I assessment. Shaker Associates LLC invested funds to develop the Phase II sampling plan and COAF application preparation activities. A COAF grant award will allow the City of Cleveland to understand the true environmental conditions on the property and will allow the City and its development partner to have the necessary information to make remediation plans and informed redevelopment decisions. Depending on the outcome of the Phase II assessments, Shaker Associates LLC may seek public funds to help address environmental and demolition activities at the property. Shaker Associates LLC has a purchase agreement to acquire the property for \$400,000 and plans to redevelop the property for \$35 million. These investments will be primarily funded by owner capital and conventional financing. This assessment grant will lead to significant job creation and important residential and commercial development in Cleveland's MidTown neighborhood.

Shaker Associates LLC is wholly-owned by Richard L. Bowen. Mr. Bowen is also President and Owner of Richard L. Bowen + Associates Inc., an architecture, engineering, and construction services firm established in 1959. Mr. Bowen's companies have completed more than \$14 billion in construction work and they have a strong reputation for imaginative design, technical excellence and proactive project management.