Present: Ms. Butts, Mr. Corrigan, Ms. Rodriguez, Mr. Hairston, Mr. Parker (departed, 12:15 p.m.)

Absent: Mr. Seifullah, Ms. Thomas

Ms. Rodriguez called the meeting to order at 12:03 p.m.

Resolution Authorizing Transfer of CPL-2 Parcel

(See page 412)

Ms. Rodriguez moved approval of the following resolution. Mr. Corrigan seconded the motion, which passed unanimously by roll call vote.

WHEREAS, On August 29, 2016 the Board of Library Trustees authorized the Library to enter into a Development Agreement for the construction and relocation of the New Martin Luther King, Jr. branch; and

WHEREAS, On September 16, 2021, the Board of Library Trustees authorized the Library to enter into an Amendment and Restatement of Certain Provisions of Development Agreement (the “Amendment”) with the developer undertaking the construction and relocation of the New Martin Luther King, Jr. branch; and

WHEREAS, The Amendment provides that the Library will execute a subdivision plat that will subdivide the parcel on which the current MLK branch sits into two separate parcels, with one parcel consisting of the current branch and the handicap parking immediately behind it (“CPL-1”) and the other consisting of the remainder of the parking lot (“CPL-2”). A copy of the proposed plat showing the subdivision of the two parcels is attached to this Resolution as Exhibit “A;” and
WHEREAS, The Amendment further provides that the Library will transfer CPL-2 to the developer by March 15, 2022. After the transfer, the Library will continue to own CPL-1 until construction of the new MLK branch is complete and the Library has moved out of the current MLK branch, and Library patrons will have access to the newly-constructed temporary parking located across Stokes Boulevard from the current MLK branch; and

WHEREAS, The early transfer of CPL-2 is necessary for the developer to begin construction of the parking garage where patrons of the new MLK branch and residents of the lofts apartments will park so that the garage will be complete when the new library opens; and

WHEREAS, Because the early transfer of real property to the developer is a significant departure from the Development Agreement, the Amendment contains several additional safeguards for the Library including a deposit of cash from the developer in lieu of a letter of credit, a mortgage in favor of the Library on the land where the new branch will be built, and both a completion guaranty and payment and performance bond for the substructure and superstructure of the new library and apartment tower; now therefore be it

RESOLVED, That the Board of Trustees of the Cleveland Public Library, pursuant to the authority set forth in R.C. § 3375.33, hereby approves and authorizes the transfer from Cleveland Public Library to UC City Center LLC of the CPL-2 parcel depicted in Exhibit “A” to this Resolution and authorizes the President and Secretary of this Board to execute a Limited Warranty Deed transferring title of CPL-2 to UC City Center LLC; and be it further

RESOLVED, That this Board authorizes the Executive Director, CEO to execute such other instruments and agreements as are necessary to effectuate the terms of this Resolution, which instruments and agreements shall be subject to the approval of the Library’s Director of Legal Affairs.

After thanking the Board for being available on such short notice, Bryan Szalewski, Director of Legal Affairs, stated that this resolution seeks authorization
for the transfer of CPL-2 parcel at the MLK Branch to the Developer.

Mr. Szalewski explained that the CPL-2 parcel is essentially the parking lot behind the current branch with the exception of our delivery area and handicapped parking at the branch. This is a part of the amended Development Agreement that was presented to and approved by the Board in September 2021, and we need an affirmative action by the Board approving this transfer.

Mr. Szalewski stated that this transfer is a significant departure from the Development Agreement as approved by the Board in August of 2016. As the deal stood at that point, the entirety of the Library’s property was to be transferred at one time at the completion of the project and once the Library has moved into the new branch. Since we signed the agreement in 2016, there have been a number of changes to the development and the way that the final project will look. With the construction well underway on the neighboring apartment building, The Artisan, the garage needs to be constructed now so that it can be attached to the Artisan building. Therefore, the transfer of CPL-2 has to occur fairly soon so that construction may begin on the garage. For the Developer’s financing, the transfer of CPL-2 must go through by March 15, 2022 or sooner.

Mr. Szalewski stated that although this is a considerable change from before, it has also been helpful for us in negotiating some additional benefits that the Library did not have that give us greater assurance that the project as a whole goes forward. Those benefits include a mortgage in favor for CPL on the property where the new library will be built; a completion guarantee and a completion bond in favor for CPL for the sub- and superstructure of the new library and apartment towers. If the Developer backs out the guarantor would have to step in and complete those for us so that we can have our library.

As he continued, Mr. Szalewski stated that with this added to the agreement, we were also able to negotiate a deposit cash for the $5.2 million which will be adjusted for the shared expenses that the developer is incurring on our part in lieu of a letter of credit that we would be drawing on. This also gives us the benefit of having garage done entire for the new
library to be open to the public. It was previously unclear when the garage would be complete, and we thought that patrons might be crossing Stokes Blvd. for an indefinite period of time.

Mr. Hairston asked for an update on the plaza and the Developer.

Mr. Szalewski stated that the Developer is not willing to commit to further obligations with the plaza beyond his willingness to work with us in securing the funding in planning it and mutually operating the property.

Ms. Butts stated that she understood that the parking lot belonging to the neighboring buildings was preventing us from having a very large plaza and we cannot go very far to the east.

Mr. Szalewski stated that if the plaza were to be built it would have to be built on their parking lot.

In response to Mr. Hairston’s inquiry, Mr. Szalewski stated that this is the last resolution that needs to go before this Board to sign the Development Agreement or the related documents. With this and combined with last week, we will have the GMP executed, the Development Agreement executed and all of the documents that go hand-in-hand with those will be done. Barring any changes in the future, we should be at 4 agreements.

Director Thomas added that we could not work with them on the plaza as working with them on our building. The next step is for us to have a conversation with them about the plaza. Hopefully, we will be able to work something out with them and bring to the Board a joint commitment from both parties about the plaza.

In response to Ms. Butts’ inquiry, Mr. Szalewski stated that the parking lot is the property of the neighboring Fenway Manor. This is part of the reason it has become so complicated trying to get the property for the plaza. The Developer has an agreement with the Fenway that they have to provide Fenway with free parking perpetually into the future.

In response to Mr. Corrigan’s inquiry, Mr. Szalewski stated that the Orlean Company did not end up partners in the development as they decided to pursue historic
tax credits to remodel the Fenway and to keep it as senior living rather than making it into market rate apartments which was their original plan.

Discussion continued about the design of the parking garage and the ability to add sufficient space to accommodate parking for Fenway residents.

John Lang, Chief Operations Officer, stated that the Developer holds the option with the Fenway and we do not. The current garage will serve the Artisan and the Lofts. We are not confident that they sized the garage correctly to accommodate the Fenway. If in the future they decided to exercise their option, there may have to be a redesign of the garage. The Library will have 50 parking spaces in the garage.

Ms. Rodriguez adjourned the Special Board Meeting at 12:17 p.m.
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