



DANIEL HARRIGAN, MAYOR

Bowery Development Group, LLC  
821 South Main Street  
North Canton, OH 44720  
(330) 499-8153



## Media Contacts:

Bowery Development Group

Nikki DiFilippo  
Via Vera Group  
(216) 780-0472  
nikki@viaveragroup.com

City of Akron

Annie McFadden  
Deputy Chief of Staff  
(330) 375-2754  
press@akronohio.gov

## **Bowery Project Groundbreaking Scheduled November 16 Northeast Ohio Community Collaborated on Financing**

**November 16, 2018** – *Akron, OH* – The City of Akron, Development Finance Authority of Summit County, Bowery Development Group, along with several community partners, announced today that the Northeast Ohio community has successfully collaborated to complete financing for The Bowery project, a \$42-million restoration and rehabilitation of six historic, downtown Akron buildings into a mixed-use residential, office and retail complex. Groundbreaking will take place at 9 a.m., Friday, November 16 in the Akron Savings & Loan Building at 156 South Main Street in downtown Akron. Construction will begin immediately and is expected to be completed at the end of 2019.

The restored buildings will be adapted for modern use but will keep historic details in order to preserve and celebrate downtown Akron's past. The project will help complete Akron's South Main Street by solidifying it as one of Akron's most valuable districts for culture, entertainment and residential use.

The project is the result of a public/private partnership and will have a catalytic impact on existing and future public improvement. It will transform a highly visible but long

vacant and underutilized area of the city's urban core. The infusion of new development, residents, jobs and amenities will revitalize and re-energize the South Main Street corridor. The project is consistent with the city's vision for a downtown neighborhood, which is shared by regional partners including Summit County, Development Finance Authority, Downtown Akron Partnership and others.

"The Bowery project is indeed catalytic and will be the keystone project for all future downtown Akron development," said Akron Mayor Dan Horrigan. "This process has been a complicated one with multiple organizations and funding sources all having to align goals simultaneously in order to make it work. The long-vacant buildings themselves are at a vulnerable crossroads as their deteriorating conditions made them unlikely to withstand another winter. Over the past two years we've had so many challenges, but I'm proud that we've been able to overcome each one through the collaboration of community and corporate leadership."

"We're delighted to have the opportunity to help bring this impactful community project to fruition. We look forward to seeing the positive effect this project will have on downtown Akron and the community at large," said Chris Burnham, president of the Development Finance Authority of Summit County (DFA). The DFA took title of the six buildings at end of 2017 and serves as a gateway for several grants and loans that will be used for different aspects of the project.

The Akron Civic Theatre is an anchor tenant of The Bowery and with its new 200-seat theater is expected to add one hundred new events each year, bringing additional people to downtown Akron.

Recently, the city passed legislation on a 15-year residential tax abatement with the goal of growing the city's population. The 92 new apartment units included in The Bowery will help meet the demand for additional downtown housing which is currently

significantly underserved and provide affordable housing options to many Akron residents. The combination of the new residents attracted to this project and the proposed ground-level retail spaces will dramatically advance the 24-hour vitality and street life of this critical downtown corridor. Substantial new taxes including income, sales, alcohol and commercial activities tax will be generated from operation of the residential, retail, restaurant and office occupants.

Highlights of Phase 1 Redevelopment consist of:

- Six historic buildings
- 36,000 square feet of retail space
- 4,000 square feet of boutique office space
- 92 market-rate, affordable apartments
- 150 parking spaces reserved in adjacent city-owned Cascade Parking Garage

Welty Building Company is the construction manager for the project and LDA Architects is the project architect. Other community partners include Novogradac and Company, Roetzel & Andress, Ryan Sommers, and Walter Haverfield, LLP.

The Bowery project will be financed through a combination of Owner Equity, Historic Tax Credits, New Markets Tax Credits, Tax Increment Financing, HUD 108 Loan, FHTC Equity, SHTC Equity, NMTC Equity, TIF, Land Bank Grant, Conventional Debt, and owner financing. The financing includes \$20 million of New Markets Tax Credits (NMTC) allocated from the Cleveland Development Advisors, the National Trust Community Investment Corporation and The Community Builders.

“While Cleveland Development Advisors (CDA) has invested more than \$400 million in Cleveland and Cuyahoga County over the past 30 years, this is the first time in the organization’s history that we are going outside our normal market and into Akron and Summit County,” said Steve Luca, managing vice president of Cleveland Development

Advisors, an affiliate of the Greater Cleveland Partnership. “We quickly recognized how important this development will be for the entire Northeast Ohio region. This project is a watershed moment for Akron and could lead to future collaboration in how we reshape Northeast Ohio.” Added CDA President Yvette Ittu, “We always look to create the maximum return for the residents and businesses of a community when we invest NMTCs in a project. That means creating quality jobs during and after construction, developing housing and commercial space that help neighborhoods thrive, and providing community services like access to healthy food and recreation space.”

Merrill Hoopengardner, president of National Trust Community Investment Corporation (NTCIC), commented: “At the heart of National Trust is the preservation of historic buildings that are woven into the fabric of a community. NTCIC looks forward to providing both New Markets and federal Historic Tax Credit capital to enable the transformation of these historic properties so they can be maintained as assets for this community.”

According to Toni Perry, vice president of Huntington National Bank, Huntington is providing loans for the New Markets Tax Credits in addition to historic state and federal tax credit bridge loans. “When we acquired FirstMerit, we made a commitment to provide financing to projects like this in the City of Akron,” Perry said. “We have a longstanding relationship with the development team and ownership group, and we are excited to move forward with this pivotal project.”

Nick Browning, Akron region president for Huntington added, “The Bowery is the cornerstone project for the next iteration of growth in the City of Akron and will lead to a cascade of development in the years to come. Huntington’s mission is to help people improve lives, help businesses thrive and strengthen communities. This project does all three.”

“The Community Builders has helped build and sustain Akron neighborhoods for more than 15 years,” said Terri Hamilton Brown, The Community Builders vice president of

Midwest development. “We are proud to allocate New Markets Tax Credit to The Bowery revitalization project and help make Akron an even greater community to call home.”

Locally, the Summit County Land Bank has stepped in, awarding a \$300,000 matching grant to the City of Akron to assist in financing the proposed redevelopment.

“This project is critical to the redevelopment efforts taking place in downtown Akron to strengthen our local economy, and the Summit County Land Bank is proud to be a partner in its success,” said Kristen M. Scalise CPA, CFE, Summit County Fiscal Officer and chair of the land bank’s board of directors.

“We have an opportunity to invest in one of the most important economic development projects to take place in downtown Akron in recent history, and the regional economic impact of this project is significant not only to the City of Akron, but to Summit County and Northeast Ohio as well,” said Ilene Shapiro, Summit County Executive and vice Chair of the Land Bank’s Board of Directors.

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### **About Bowery Development Group**

The Bowery Development Group is the newly created partnership spearheading the redevelopment and restoration of the six historic, vacant buildings adjacent to the Akron Civic Theatre on South Main Street in downtown Akron, transforming the sites into a vibrant, thriving mix of residential, retail and office uses. The group was formed in 2016 specifically for the project. The group consists of DeHoff Development Company and Welty Building Company as majority owners, as well as Brokaw Development Services and local resident/historian David Lieberth.

### **About Cleveland Development Advisors**

Cleveland Development Advisors (CDA) manages private-sector investment capital raised to advance economic and community development in Greater Cleveland. Since its inception in 1989, CDA has directly invested more than \$405 million and leveraged

\$3.7 billion in new investment dollars into 132 strategic real estate development projects. CDA is an affiliate of the Greater Cleveland Partnership (GCP), providing vital investment dollars to assist GCP in its core mission. Additional information regarding CDA and its investments can be viewed at [www.clevelanddevelopmentadvisors.com](http://www.clevelanddevelopmentadvisors.com).

### **About Development Finance Authority of Summit County**

The Development Finance Authority of Summit County (DFA) is a community and economic development bond and tax credit finance specialist serving Summit County and Northeast Ohio. Since 1999, the DFA has issued more than \$963 million in economic development bonds, leveraging \$846 million in investment to support community and economic development activity in our region. Through the New Markets Tax Credit (NMTC) program the Development Fund of the Western Reserve (DFWR) has allocated \$65 million federal NMTC plus \$11.5 million Ohio NMTC, leveraging \$55 million additional federal and state NMTC allocations. These finance projects enabled the DFA to directly or indirectly be associated with the retention and creation of 13,112 jobs, including thousands of construction jobs.

<http://www.developmentfinanceauthority.org/>

### **About Downtown Akron Partnership**

Downtown Akron Partnership's (DAP) mission is to promote and build a vibrant and valuable downtown. Since its inception in 1996, the partnership has been a catalyst for enhancing the downtown environment by supporting the existing community and developing new, innovative programs designed to create interest in and to attract people to downtown Akron.

DAP is dedicated to bringing people, activity, business and a thriving civic life to the heart of Akron. Through strategic marketing and management of Downtown's resources, we're working to promote Downtown as a live, work, play destination in the center of our city. <https://www.downtownakron.com/>

### **About Huntington**

Huntington Bancshares Incorporated is a regional bank holding company headquartered in Columbus, Ohio, with \$105 billion of assets and a network of 968 branches and 1,831 ATMs across eight midwestern states. Founded in 1866, The Huntington National Bank and its affiliates provide consumer, small business, commercial, treasury management, wealth management, brokerage, trust, and insurance services. Huntington also provides auto dealer, equipment finance, national settlement and capital market services that extend beyond its core states. Visit [huntington.com](http://huntington.com) for more information.

### **About LDA Architects**

LDA architects, previously Lowenstein Durante Architects, is an award-winning architectural firm founded in 1995. They are proud of their solid reputation with numerous clients for superior service, quality design and technical skill. Located in The Offices at the historic Agora in Midtown Cleveland, Ohio, LDA has a staff of 20, including four registered architects and one registered landscape architect. <http://www.ldaarchitecture.com/>

### **About National Trust Community Investment Corporation**

National Trust Community Investment Corporation (NTCIC) enables tax credit equity investments that support sustainable communities nationwide. NTCIC places qualified tax credits for federal and state historic (HTC), New Markets (NMTC), solar (ITC) and low-income housing (LIHTC) projects. Over its history, NTCIC has partnered with more than 20 corporate investors in HTC, NMTC, ITC & LIHTC transactions. Investment partners for our projects include major and regional banks, insurance companies and manufacturers. Our development partners include a wide variety of property owners including for-profit developers, nonprofit organizations and local governments. <https://ntcic.com/>

### **About Summit County Land Bank**

The Summit County Land Bank is a nonprofit community improvement corporation working to strengthen neighborhoods and communities in Summit County, Ohio, by addressing issues of abandonment, vacancy and blight. Since 2012, the Summit County Land Bank has made a direct investment of more than \$9.3 million through its programs, resulting in indirect community investment of more than \$37.8 million including \$15.2 million in leveraged commercial investment. For more information, please visit [www.summitlandbank.org](http://www.summitlandbank.org)

### **About The Community Builders**

The Community Builders (TCB) is one of America's leading nonprofit housing organizations. Our mission is to build and sustain strong communities where people of all incomes can achieve their full potential. We realize our mission by developing, financing and operating residential communities, neighborhood amenities and resident opportunity programs. Since 1964, we have constructed or preserved hundreds of affordable and mixed-income housing developments and pioneered the Community Life (CL) model for resident success. Today, anchored by offices in Boston, Chicago, Cincinnati, New York and Washington, D.C., we own or manage 11,000 apartment homes in more than 14 states. [www.tcbinc.org](http://www.tcbinc.org).

### **About Welty Building Company**

With offices in Akron, Cleveland and Columbus, Ohio; and Houston, Texas, Welty Building Company provides professional construction management services, specializing in Lean Construction, for clients in a variety of healthcare, commercial, education, energy, mission critical and hospitality markets nationwide. Since 1945, Welty has delivered extraordinary building experiences by never being afraid to do what's right. Welty has created many prestigious community assets, including the world-renowned Goodyear® Tire & Rubber Company's new Global Headquarters, a multi-phased expansion to the Pro Football Hall of Fame, Kay Jewelers Pavilion at Akron Children's Hospital, the City of Akron's Ohio Canal Interceptor Tunnel, numerous



academic buildings at The University of Akron and many others. For more information, visit: [www.thinkwelty.com](http://www.thinkwelty.com).

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