



For Immediate Release

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Community development groups propose purchase of historic Shaker Square

**Proposal would keep critical community asset in local hands;
City includes project for consideration of ARPA federal funds**

CLEVELAND, October 21, 2021 — Two local non-profits with extensive commercial real estate experience have an agreement in principle to purchase the historic Shaker Square shopping center. The proposal, if approved, will keep the property under local ownership, quickly address maintenance concerns and launch an effort to determine the long-term direction and eventual ownership of the property.

Cleveland Neighborhood Progress (CNP) and its real estate subsidiary New Village Corporation (NVC), along with Burten Bell Carr Development (BBC) are spearheading the proposal and have assembled necessary financing to purchase the center, which is in foreclosure and facing sheriff's sale. The agencies also announced that they have hired Terri Hamilton Brown, a well-regarded community development veteran, as a project consultant to assist in oversight of Shaker Square.

"Business overall at Shaker Square is strong but, like many retail and town centers, is undergoing a recovery period from the pandemic. We have a robust and vital tenant mix, and we believe this is the right path to stabilizing and invigorating The Square," said Joy Johnson, executive director of BBC. "To do that, the center needs a tremendous amount of attention and nurturing, but we are confident that this agreement, if approved, will help The Square achieve its full potential."

Ward 4 Councilwoman Anita Gardner, who represents communities within the Shaker Square neighborhood, said the collaboration "allays fears that the century-old retail, dining and entertainment district would be purchased by out-of-town interests with little to no understanding of the area. I am confident that Cleveland Neighborhood Progress and Burten Bell Carr will protect and promote Shaker Square's long-term viability as they are local stakeholders and have a real appreciation of the Square's history and place in our community"

Tania Menesse, CEO and President of CNP, said a key part of the financing is consideration by the City of Cleveland to utilize federal American Rescue Plan Act (ARPA) funds, which have been granted to the city to support businesses and residents impacted by the COVID pandemic. She thanked the City administration for their collaboration and for including The Square on their list of ARPA investments. The proposal was introduced today to Cleveland City Council.

The Square's current owner purchased the property in 2004, but experienced financial issues due both to the 2008 Great Recession and the recent pandemic. A motion for a decree of foreclosure was recently filed, presumably to then initiate the process of a public sheriff's sale where the property would have been sold to the highest bidder.

“This property would have surely had other suitors, and I believe that we are indeed ‘rescuing’ it – both as intended by American Rescue Plan Act *and* by placing it into the hands of two organizations dedicated to serving and protecting the community’s best interests,” nearby **Councilman Blaine Griffin** of Ward 6 said.

Menesse said the ARPA funds would help bring the mortgage debt in line with operating revenues. “We are committed to finally getting the ownership equation right for the benefit of tenants and the community alike,” she said.

Tenant **Akin Affrica**, who is the creator of Zanzibar Soul Fusion, Cleveland Breakfast Club and The Vegan Club at Shaker Square, hailed the new effort.

“I’m so pleased this property is getting local ownership that cares about this community and specifically into the hands of a non-profit partnership that can help stabilize the asset and think about long term planning for the Square,” he said.

Besides the City of Cleveland, Cuyahoga County is considering providing additional ARPA funds, and other funders being approached include Village Capital Corporation, Cleveland Development Advisors and the Cleveland, Gund and Saint Luke’s foundations.

“The support of these organizations will allow us to invest \$4 million in vital maintenance and capital projects, including making improvements that will enhance curb appeal and the pedestrian experience,” Menesse added. “Those projects would help stabilize the shopping center’s current tenant situation and help us continue on the path to recovery from the negative economic impacts of COVID-19.”

A renewed focus on civic space

BBC has just embarked on a neighborhood planning process for the Greater Buckeye/Shaker Square area which will include a community-driven vision for a renovated, re-energized Shaker Square that includes the 50-acre green space in the center of the buildings. The planning will build on the public space planning undertaken prior to the pandemic.

“Quite frankly, for a private operator, green space might never be a priority because it doesn’t generate income,” said Johnson. “We will be viewing the future of The Square through a more community-minded lens. And we are planning to raise private dollars from community and philanthropic sources to maximize use of this civic space.”

Johnson said a community trust is being evaluated as a strategy that will allow residents and stakeholders to invest in and raise money to be used specifically for projects in the public green space. The initial goal is to raise \$2.5 million. The Trust is intended to give residents a seat at the table in decisions regarding the public space and community activities at The Square.

Experienced, respected property management in place

Shaker Square encompasses more than 168,000 square feet of retail, office and mixed-use space in four two-story buildings.

BBC and NVC both have successful track records at developing commercial centers, including Arbor Park Place in Cleveland’s Central neighborhood; Bridgeport Place at Kinsman and East 72nd Street; Lee Harvard Shopping Center; the Fries & Schuele Building in Ohio City; and the former Saint Luke’s Hospital. They will

contract with an experienced retail/office property management company to provide oversight of the day-to-day operations.”

Terri Hamilton Brown, a Shaker Square resident, and seasoned real estate and community development professional, will act as the project consultant for CNP and BBC. She will manage the capital improvements made to the Square and support BBC and the property manager and leasing team to meet tenant and resident expectations.

Menesse said that at some point in the future, the organizations might consider a partnership with a responsible private sector entity with urban retail experience and a vested interest in Cleveland.

Shaker Square is one of the nation’s oldest shopping districts. The Van Sweringen brothers developed the Square in the late 1920s, after they built the Terminal Tower.

Tenant **David Saltzman** from Dave’s Market noted “Shaker Square is a historic and vital asset for Northeast Ohio. We are glad the City of Cleveland is investing to protect its future.”

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