



UPTOWN AT UNIVERSITY CIRCLE - CLEVELAND, OHIO

Project Type

New construction; mixed-income residential and retail

Investment

\$10 million

Description

Uptown is a mixed-income residential and retail project under construction in Cleveland's University Circle neighborhood. University Circle is a historic neighborhood rich in cultural and educational resources with limited residential and retail options. Uptown offers new market rate and affordable apartments, new stores and services, new jobs and economic revitalization.

Situated in two buildings on Euclid Avenue at 115th Street, Uptown includes 102 apartments, 56,000 square feet of retail space and parking for residents and customers. Retail space is on the street level. Current tenants include a new university bookstore for Case Western Reserve University and several new restaurant and food service establishments at a variety of price points. A portion of the remaining retail space is targeted to a grocery, food-co-op, pharmacy or other retail serving the local community's needs. The apartments—including 14 studios and 70 one-bedroom and 18 two-bedroom units—are located on the upper floors. Twenty percent or 21 of the apartments are affordable to households earning up to 80 percent of the area median income.

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A Green Advantage

Uptown was built to U.S. Green Building Council LEED Silver standards for new construction. Uptown is designed as a pedestrian-friendly “village” that is accessible to the bus and light rail public transit systems in Cleveland.

Investment Type

Enterprise used \$10 million in NMTC allocation to finance Uptown. The loans feature flexible and non-traditional financing terms, including lower-than-market interest, longer-than-standard periods for interest-only payments and are subordinate to first mortgage loans from Key Bank and First Merit Bank. Key Community Development Corporation is the NMTC investor. Additional NMTC financing was provided by Cleveland Development Advisors. Additional subordinate financing was provided by the city of Cleveland and the Village Capital Corporation.

Market

This Uptown is part of a larger redevelopment of the University Circle area, led by the city of Cleveland, Case Western Reserve University and several local foundations, which includes the development of new market-rate and affordable housing, office and retail space, and new facilities for the Cleveland Institute of Art and the Museum of Contemporary Arts. University Circle is home to nearly 50 cultural, medical, educational, religious and social service institutions, including Case Western Reserve University, the Cleveland Museum of Art and the Cleveland Clinic, and is known as Cleveland’s “second downtown.” At the same time, University Circle adjoins some of the most underserved and disadvantaged communities in the city, such as Glennville, Wade Park and Hough, very low-income areas of mostly one- and two-family homes with significant abandonment, vacant lots and dilapidated structures, and limited nearby employment opportunities.

Enterprise has worked in partnership with the city, the Cleveland Foundation and local nonprofits to revitalize targeted low-income neighborhoods like Glennville and Hough through the Cleveland Strategic Investment Initiative. Other Enterprise housing investments near University Circle include Hough Area

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Single Family Homes, Historic Newtown Avenue Apartments, Park Village Community and the Glennville Area Single Family Homes.

Community Impact

Uptown redevelops a 4.65-acre site located in two highly distressed census tracts that have been vacant and underutilized for a number of years into market-rate and affordable housing in proximity to the cultural, medical and educational employers in University Circle, community retail and direct employment for lower-income residents of Cleveland, and a pedestrian-friendly “village” accessible to low-cost public transit. Uptown will create approximately 200 jobs during construction and approximately 220 permanent jobs in retail and property management operations. The sponsors are working with the Cleveland Workforce Development Office to target hiring and job training opportunities to local and low-income residents.

Sponsors

MRN Ltd. and AJAPPJR, LLC are Cleveland-based, construction and real estate development companies owned and operated by the Maron family. The Marons specialize in developing, constructing, leasing and operating complex, mixed-use urban development projects. The Marons own and manage 15 commercial and mixed-use projects in and around Cleveland totaling more than 500,000 square feet of commercial space and 200 market-rate residential units.

Investor

[JPKey Community Development Corporation](#), a division of Cleveland-based KeyCorp (NYSE:KEY), provides equity investment in Low Income Housing Tax Credit, Historic Rehabilitation Tax Credit, New Market Tax Credit, and Small Business Investment Companies (SBIC) and Community Development Venture Funds. KeyCorp is one of the nation’s largest bank-based financial services companies, with assets of approximately \$95 billion. Key companies provide investment management, retail and commercial banking, consumer finance, and investment banking products and services to individuals and companies throughout the United States and, for certain businesses, internationally. KeyBank is Member FDIC.

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