

Economic Development Update

Mr. Haycox advised that Council Representative Mike Girbino was unable to make tonight's meeting and asked to attend in April. Mr. Haycox introduced Economic Development Manager, John Marquart, and thanked him for coming.

Mr. Marquart thanked the Committee for having him back and said he always appreciates being here. He stated that he thought the time was right to provide an update on development-related news.

- **Progressive Campus 1** (6300 Wilson Mills). Mr. Marquart reported that this property was sold at auction on February 5th for approximately \$6.75 million. He stated, "The deal is scheduled to close May 5th so I can't disclose the buyer's identity, but they are a local real estate investor." Mr. Marquart described that the property has +/- 41 acres, +/- 640,000 sq. ft. of office space and 2,600 parking spaces. The north building is approximately 100,000 sq. ft., built in 1974. The east and west buildings are 540,000 sq. ft. and were built in 1994. Mr. Marquart stated that the buyer is proposing to lease as a multi-tenant property, which requires no re-zoning, so there is no current plan to demolish the existing buildings. Most other proposed uses would require a zoning change. Mr. Marquart advised that the new owner has a partner that is proposing to move its offices here from Beachwood and will utilize 100,000 sq. ft.

Mr. Marquart reminded the Committee that, as he mentioned the last time, the office market is very difficult—essentially dead. He described that buildings downtown are regularly falling into receivership, there are also reports of downtown landlords refusing to renew leases because it's cheaper to let buildings sit empty as opposed to operating a 15%-occupied property. He stated, "Within a couple of exits of Wilson Mills, office vacancies total over 1 million sq. ft." Mr. Marquart added that the new owner is soliciting another partner with multiple office leads and they hope to finalize their deal this week.

Mrs. Ferris asked when people are expected to move in to Campus 1. Mr. Marquart responded that he thought it would be at least six months as Progressive is currently moving artwork out of the buildings.

Mrs. Ferris asked if there had been a lot of bidding. Mr. Marquart stated that he was able to watch the bidding and only seven bids were received. He could not tell who the bidders were.

Mr. Haycox asked how many jobs were coming from the Beachwood office. Mr. Marquart responded that 100 were expected.

Mrs. Zito asked if the older building was included in the auction. Mr. Marquart advised that all three buildings were part of the auction. Mrs. Zito asked who is responsible for the maintenance of the property and Mr. Marquart said the buyer is responsible.

Mrs. Ferris asked about the opening bid. Mr. Marquart responded, "It was only \$3.5 million, which is a sign of the times, as this is a world-class property." Mr. Haycox asked about the land value of Campus 1

and Mr. Marquart stated that this property is not ideal for new construction as it has a stream running through it but, if zoned differently, on an interchange, he would expect \$200,000 to \$400,000 per acre. He is hoping the new investor will bring additional tenants.

- **Progressive's Campus 3** (520 SOM). Mr. Marquart advised that, the same week, this property sold for approximately \$8 million to a residential developer. "Again, because the deal will not close until April, 2027, I cannot disclose the identity of the owner here either. This property is located behind the Mayfield Library. It is +/- 55 acres, originally proposed for a third Progressive campus. Significant wetland conditions exist, we believe about 40% of the site, and they are widely scattered, which is what drove commercial developers away." Mr. Marquart advised that the buyer is studying the site to build for-sale townhomes, three units per building, with a likely total of +/-150 units, which would translate to approximately 450 new residents. He described that access into the site would be via a new public street at Hickory Hill and the Library would then be provided with a driveway off this street. Mr. Marquart added, "The buyer must perform a wetland survey and must pursue re-zoning to PRDD (Planned Residential Development District) which was used to build the developments at Montebello and SOM Court. Our understanding is that the buyer has the right to back out for feasibility or zoning, but if all goes well, we can expect to see this at the ballot box next May."

Mrs. LaRiche-Goldstein asked how many acres were used for the Montebello development. Mr. Marquart responded that he believed it was 18 acres. Mrs. LaRiche-Goldstein asked if only attached homes are being planned. Mr. Marquart advised that the buyer believes that product is picking up steam. He described an example in Willoughby.

Mrs. Batcheller asked about the number of residents needed to become a city. Mrs. Jurcisek responded that it takes 5,000 residents to become a city and the Village currently has only about 3,400, so we are well under.

Mr. Haycox asked if the buyer will be looking for wetland credits. Mr. Marquart said that was likely. Mr. Haycox stated that he and many residents want to downsize and stay in the Village, but not in a row house. Mr. Marquart advised that these townhomes will have a first-floor master bedroom and laundry.

Several Committee members commented that Skoda Development had proposed ranches for \$500,000 and now some homes there are selling close to \$1 million. Mrs. McNally asked, "Can the Village stipulate that only some number of the homes be attached and have some detached?" Mr. Haycox described that on the west side of Cleveland there are many nice, smaller single-family home developments with community centers, dog parks and other amenities for residents 55 and over. Mr. Marquart responded, "We have made that message clear already. Their opinion was that they can sell this product. They love the area and the school district and are clearly marketing to younger buyers. But we have some leverage. We own the property that is needed to provide an

entryway and the voters have to approve the rezoning.” Mr. Haycox reiterated that he believes that many buyers from the Village would be interested in single-family ranches. “They currently feel stuck and have no where to go, but want to stay here.” Mr. Marquart assured him that he will continue to communicate that to the developer.

Mrs. Batcheller commented that adding close to 500 people will increase the cost of services provided by the Village, stating, “They should pay for their own roads.” Mr. Marquart responded, “There is no way the Village will build these roads. The question is, will we plow them?”

Mrs. Washock stated that Center Elementary School is already overcrowded and has insufficient parking. She asked if part of their study includes these types of considerations. Mr. Marquart said, “No, but we will definitely raise that.” Mr. Gall asked if traffic, water and sewer studies were being done. Mr. Marquart advised that traffic has not come up yet and added, “The Village Engineer is confident there is plenty of sewer and water ability.”

Mr. Gessner asked if Mr. Marquart anticipates that Progressive will try to influence the vote of residents to re-zone. Mr. Marquart responded that he doesn’t know. Mrs. Jucisek stated that the re-zoning would likely be on the ballot in May of 2027. Mr. Marquart agreed, and added that Council would need to send it to the Board of Elections by February and there would be a public meeting prior to that. Mr. Haycox stated that he believed most people here would want to attend that meeting. Mr. Gessner added that, in spring, not as many people come out to vote.

The Committee discussed in more detail that many people in the Village want a house they are able to age in and the Village doesn’t have housing for the elderly. Mr. Marquart stated, “We will keep harping on those issues.” Mrs. McNally added that the current Mayfield High School class is the largest ever and the schools will not be able to handle an influx of many more students. Committee members agreed that all the elementary schools are full and have no open classrooms or office space. Mr. Marquart stated, “It’s good for me to hear this. I will talk to the School District about this proposed development.”

- **Mayfran International** (6650 Beta). Mr. Marquart described that Mayfran has been headquartered in the Village since 1971, stating, “Mayfran is a leading manufacturer of heavy conveyor systems that serves the metalworking & scrap industries. It became a part of Tsubakimoto in 2013, employs +/- 200 full time employees, making them our 4th largest taxpayer. They currently have 29,000 sq. ft. of office space and 117,000 sq. ft. of manufacturing. Currently they have been outsourcing the fabrication of larger product line items to NW Ohio.” Mr. Marquart stated that he is happy to report that Mayfran is expanding the plant by 45,000 sq. ft. to bring that line in-house and will add +/- 12 employees by the end of 2027. He noted that, at \$14 million, this is the largest investment the Village has seen since the construction of Progressive’s Campus 2.

- **Process Technology** (6680 Beta). Mr. Marquatt described this new company coming to the Village, stating, “They were headquartered in Willoughby and are a leading manufacturer of thermal, power supply systems, serving the microchip & metal finishing industries. They are relocating their power supply product line from Wisconsin to the former Rockwell Building on Beta Drive and will add +/- 66 employees by the end of 2026.”
- **CVS** (779 SOM). Mr. Marquatt reported that retail continues to be difficult, especially without the prospect of a drive-thru. “The former Rite Aid in Willoughby has been demolished, the former Rite Aid in Mayfield Hts. is proposed for a daycare, and the former CVS in Mayfield Hts. is proposed to be split into small shops, likely for quick-serve food, which is still healthy market.” He added that the broker is in discussions with a chiropractor to rent +/- 8,000 sq. ft. “The broker also plans to re-engage discussions Archwell Health (which serves an older population) to rent 100% of the space, but those talks fell apart in 2025.”

Mr. Gall asked about a restaurant going into that space. Mr. Marquatt responded that 12,000 sq. ft. is large for a restaurant. Mrs. LaRiche-Goldstein asked about a coffee shop and/or bakery. Mr. Gall responded that is probably less likely with the loss of Progressive employees. Ms. Wolgamuth added that coffee shops have made it clear that they want a drive-thru.

- **Hilton Garden Inn** (700 Beta). Mr. Marquatt concluded his presentation by reporting that this property has gone into bankruptcy & receivership. “It is being acquired by H.A.T. Management, who own & operate the Hampton Inn in Mentor, Fairfield Inn in Avon, Comfort Inn in Concord, and the Red, Wine & Brew wine shops in Chesterland, Mentor, and Westlake. They are working with Hilton to develop plans for renovation.”

Mr. Haycox thanked Mr. Marquatt for the information and all the great work he does for Mayfield Village.

Meeting Schedule

The Committee approved the proposed meeting schedule for the remainder of 2026, as follows:

- Monday, April 27
- Tuesday, May 26 (day after Memorial Day)
- Monday, June 29
- No Meetings in July or August
- Monday, Sept 28
- Monday, Oct 26 @ Historical House
- Monday, Nov 30

Future Meeting Topics

Ms. Wolgamuth advised that Council Representative Mike Girbino plans to attend the April meeting to introduce himself to the Committee, along with Council Representative Mark Arndt who wants to

discuss establishing a Hometown Heroes Banner Program. She advised that, likely in May, a representative from Heritage Homes will come to speak about a new low-cost loan program. She added that Mrs. Nadeau had suggested that more visits to local businesses be scheduled, and stated, "The difficulty with visiting local businesses is that most of our businesses are not retail and are not inclined to host visitors, particularly in the evening." Ms. Wolgamuth added that Mrs. Nadeau had also suggested arranging a visit to see a model home at Montebello. The members agreed that they would be interested in doing that, if it could be arranged. Ms. Wolgamuth asked that members let her know if they came up with other topics of interest.

Council Report & Other Matters

Mrs. Jurcisek reported that Council has been handling the usual approvals needed at the beginning of the year. She advised that the biggest item of interest was passing a resolution against First Energy's request to PUCO for longer restoration times. Mr. Gall added that Mayfield Village was one of many Councils that passed similar legislation. Mrs. Jurcisek stated that the Village is having ongoing concerns about utility poles. "First Energy was asked to assess poles and they said they were okay. Then it happened again, so there are ongoing discussions."

Mrs. Batcheller said she received a notice about the installation of digital meters. Mr. Gall noted that they are doing the installations in phases and many members stated that their meters had already been replaced.

Mrs. LaRiche-Goldstein asked about the status of the properties on Wilson Mills sold to Vincent Homes. Ms. Wolgamuth advised that all four lots are for sale. Vincent Homes is trying to sell the lots to build custom homes, but if the lots are not sold quickly, they will build one or two spec homes. She distributed copies of the home models that had been selected by the Village as potential designs.

Ms. Wolgamuth advised that a NOPEC public information meeting on electric rates was being held on Wednesday, April 22 at the Lyndhurst Community Center. Mr. Gall suggested inviting someone from NOPEC to come to a future CAC meeting.

Mr. Gall noted that July 4th fireworks would be held on Saturday, June 27th this year.

Mrs. Batcheller asked what had happened to the school that wanted to move into Mt. Vernon. Mr. Marquart advised that there was a good amount of opposition and the petition for a conditional use permit was withdrawn. Mrs. Batcheller said that she heard that the gentleman that purchased Campus 1 is the owner of Mt. Vernon. She asked if he might want to put the school at Campus 1. Mr. Marquart advised that the Campus 1 property is not zoned for a school either.

There being no further business, the meeting was adjourned at 8:00 p.m.

Diane Wolgamuth
Director of Administration