# Ohio Historic Preservation Tax Application- # 0034846

# Section A - Eligibility Criteria

Project Information Summary	
Trade Secret Information	false
Name of Building/Project	Cleveland Milling Company
Address	1646-1656 Merwin Ave; 1645 Merwin Ave
City	Cleveland
Zip	44113-2421
County	Cuyahoga
Parcel Number(s)	101-16-003; 101-16-016; 101-16-030; 101-16-032; 101-16- 014; 101-16-015
Permanent Jobs Created	83.00
Construction Jobs Created	377.00
Project Square Feet	139,817
Residential Units	0
Start Date	January 15, 2027
End Date	June 30, 2029
Total Project Investment	\$61,595,107.00
Remaining Investment to Complete Project	\$61,595,107.00
Estimated Qualified Rehabilitation Expenditures	\$51,487,512.00
Ohio Historic Preservation Tax Credit Requested	\$5,000,000.00
Contingent Reapplication	No
Round of Previous Submission	

Applicant Information	
Applicant Company	
Applicant Name	David Crisafi
Applicant Title	Member
Mailing Address	1265 W. 6th Street, Suite 200
City	Cleveland
State	Ohio
Zip	44113
Telephone	(440) 617-9385
Email	davidc@ceresoh.com
Ownership Status	Qualified Lessee
Tax Class (LLC, S-Corp, C-Corp, Partnership, Individual,	Limited Liability Company
Other)	
Ohio Secretary of State Charter Number	

Project Contact Information	
Contact Name	Peter Ketter
Contact Title	Director of Historic Preservation
Mailing Address	1265 W. 6th Street, Suite 200
City	Cleveland

State	Ohio
Zip	44113
Telephone	(216) 302-3594
Email	pketter@sandvickarchitects.com

#### Description and Scope of Project

#### **Project Overview and Goals**

The proposed rehabilitation of Cleveland Milling Company will convert the vacant former flour mill to create a new mixed-use complex, anchored by a hotel with additional commercial tenant spaces. The Cleveland Milling Company project represents the first phase of a broader redevelopment effort intended to reimagine and revitalize the historically industrial Columbus Peninsula in downtown Cleveland, creating a mixed-use district to complement Cleveland Metroparks' planned improvements to an adjacent park and associated construction of a multi-purpose trail along the Cuyahoga River. Preservation and reuse of the Cleveland Milling Company complex will celebrate the area's rich industrial heritage and leverage the property's unique historic character to bring new life to the district, transforming it into a vibrant destination for residents and visitors alike, and yielding substantial economic and community benefits.

### **History of Project Property**

Cleveland Milling Company was one of Cleveland's most prominent and longest-lived flour mills, operating continuously from the mid-19th century until 2020. Founded in the 1850s by Charles Hickox, Cleveland Milling Company was reorganized under new ownership in 1880, with the existing 6-story mill building constructed in 1882, augmenting the earlier timber grain elevator known as Elevator A. By 1893, a second timber grain elevator (Elevator B) and warehouse (both since demolished in 1978) had been added just north of the original mill. Cleveland Milling Company distributed its products throughout the United States under a variety of brands, including: "Washington Patent"; "Good Company"; "Regent"; and "Howard." The company also exported to Great Britain and beyond, using a different set of brands that included: "Ideal"; "Old Reliable"; "Great Success"; "First Prize"; and "Harvest Pride."

The complex was acquired c. 1902 by Robert Henkel Sr., founder of Commercial Milling Company in Detroit, Michigan, and sold again in 1910 to E.N. Fairchild. Fairchild continued to operate as the Cleveland Milling Company until the company was reorganized as Fairchild Milling Company in 1921, after first merging with Cleveland Grain Company in 1920.

Fairchild resigned from the mill in 1930, and the company reportedly fell to foreclosure in 1936, when it was acquired by the Montana Flour Mills Company. Montana immediately constructed Elevator C, completed in 1937 and reported in the Cleveland Plain Dealer at the time as the "first large milling expansion here in many years." Montana later also built the Warehouse at 1645 Merwin Avenue in 1946. Historic images suggest that Montana's primary product, at least from the Cleveland mill, was marketed as "Sapphire Flour," which company publications promoted as "milled from Montana high protein hard wheat in the State where that wheat grows."

Although at least 13 flour mills once operated along the Cuyahoga River in Cleveland, the number gradually decreased and by the early 1950s the Cleveland Milling Company complex was the only one remaining. Montana Flour Milling sold the complex in 1954 to International Multifoods Corporation, a large conglomerate that would become the largest milling company in terms of worldwide capacity by the mid-1960s.

Fred Merrill acquired the complex from International Multifoods in 1972, the starting point for his launch of Cereal Food Processors Inc., a Kansas City, Missouri-based company that grew to become the fourth largest milling company in the United States. After decades of growth, Cereal Food Processors was acquired by and merged with Pendelton Flour Mills and Milner Milling in 2014, with the combined company rebranded as Grain Craft. Grain Craft, headquartered in Chattanooga, Tennessee, continued to operate the Cleveland mill until 2020, when it was closed due to "challenging market dynamics and long-term supply chain obstacles."

Grain Craft's closing of the Cleveland Milling Company complex brought an end to over 150 years of flour milling operations at the site, as well as the final flour mill operating in Cleveland. It is a significant complex in the industrial history of the city, and the sole remaining example of the numerous flour mills that once lined the Cuyahoga River. The mill complex was acquired by Cleveland Metroparks in 2023, along with additional property on the Columbus Peninsula, to secure the land needed for their planned park improvements and new riverfront multi-purpose trail. After a public request for proposals from development partners, Ceres + LaPine Development LLC was selected to develop the excess property outside the boundary of Cleveland Metroparks' planned public spaces, including the Cleveland Milling Company complex.

### **Economic and Community Benefits**

Rehabilitation of the Cleveland Milling Company will generate significant economic and community benefits. The proposed project will immediately create substantial construction jobs to execute the work, and operation of the completed hotel and tenant spaces will support numerous new permanent jobs for decades to come. Development and operation of the project will also generate substantial new economic activity, significantly increasing state and local tax revenues, particularly since the existing property is entirely vacant with no current employment or economic activity. The property value and associated taxes will also increase substantially with execution of the proposed project, affecting not only the subject parcels but also surrounding areas of the Columbus Peninsula, which is vastly underutilized in its current state. The project's dovetail with associated public improvements planned by Cleveland Metroparks, and additional private development contemplated for the surrounding area, will further enhance and augment the Cleveland Milling Company redevelopment, with the combined impacts being much greater than the sum of its parts.

#### **Anticipated or Secured Tenants**

The vast majority of the Cleveland Milling Company complex will be occupied by the proposed hotel, to be operated by a partner in the ownership and development. Commitments have also been secured for the remaining third-party tenant spaces, so 100% of the project area has committed end users. Please see Attachments 8.1 and 8.2 for additional details.

## **Project Scope**

The scope of the Cleveland Milling Company project includes two historic buildings. The main Mill building at 1646-1656 Merwin Avenue (Parcel 101-16-003), which also includes two connected grain elevators and other ancillary structures, and the Warehouse at 1645 Merwin Avenue (Parcels 101-16-016, 101-16-030, 101-16-032, 101-16-014, 101-16-015).

#### Mill

The Mill building includes the main 7-story brick mill, the 7-story wood timber grain elevator (Elevator A) abutting its west side, the connected 2 and 3-story brick sections to the south that housed service functions and equipment, and the large concrete grain elevator (Elevator C) at the south end of the site, which connects to Elevator A via an underground tunnel. It also includes a series of non-historic structures and a non-historic garage building on the opposite side of the rail spur to the north, connecting to the main mill via overhead bridges.

The exterior of the Mill building will undergo a comprehensive rehabilitation. Historic brick, wood, and concrete exterior walls will be repaired. Existing openings will largely be retained, with minor modifications, and prepared to receive new windows and doors matching the historic appearance. A limited number of new openings are also proposed in the main mill and Elevator A to accommodate the new use, including larger ground-level openings in the north and south elevations of Elevator A needed to accommodate the planned riverfront trail to be created by Cleveland Metroparks. Multiple new window openings are proposed in the north, south and west elevations of Elevator C, to allow for the proposed creation of hotel rooms within its interior. All roofs will be replaced to match historic conditions, with new rooftop decks to be created on the existing roofs of the main mill and Elevator C. A new

1-story addition is proposed on the west side of the utility sections to create needed service and delivery spaces for the proposed hotel, with another exterior deck to be created on its roof. A small new overhead bridge will also be added at the second-floor level, connecting the utility sections to Elevator C. The non-historic garage building at the north end of the site will be demolished, but existing flour bin structures will be retained along the north side of the rail spur.

Within the interior of the Mill, all existing equipment will be removed, with the open volumes subdivided to create hotel rooms and associated public and support spaces. The first floor of the main mill and utility sections will house the main entrance and hotel lobby, as well as delivery and support spaces. The hotel restaurant will occupy the remainder of the first floor in the main mill, extending into the first floor of Elevator A. Floors 2 through 6 will house the typical hotel room floors in the main mill, with associated amenity spaces in the second and third floors of the utility sections. The seventh floor of the main mill will include a pair of hotel rooms and a common lounge space connecting onto the proposed roof deck. Floors 5-7 of Elevator A will house additional hotel rooms, but no use is proposed for floors 2-4 of Elevator A, as those are occupied by large former grain bins to remain. The existing stairs and elevator will be removed above the first floor, and retained as non-functional relics on the first floor, with new exit stairs and elevators added along the west end of the main mill to serve it and Elevator A, along with secondary access stairs and one elevator in the utility sections. New floors will be constructed within the interior of Elevator C, creating 8 new levels of hotel rooms, as well as two new exit stairs and a new elevator core in the center. The existing penthouse of Elevator C will also be converted to house additional hotel rooms, with exterior roof decks along its north and south sides. Historic features and finishes will be retained throughout all spaces and new elements will be compatible with the building's historic character.

#### Warehouse

The Warehouse is a 2-story brick building with an expressed concrete frame, on the east side of Merwin Avenue across from the Mill, connected at the second floor by an existing overhead bridge. It also includes existing non-historic canopy structures extending from its south and east sides.

The Warehouse will also undergo a comprehensive exterior rehabilitation, with existing brick and concrete repaired to match historic conditions. Non-historic brick infill will be removed to reinstate historic window openings, and a limited number of new window and door openings are also proposed, with all to receive new windows and doors consistent with the historic appearance. New glass storefronts will be installed in the existing large openings in the west elevation, enclosing the recessed loading dock for incorporation into the interior space. The roof will be replaced to match historic conditions, and the existing non-historic metal tower extending from the roof will be retained and repainted. The two existing non-historic canopies will be removed, along with an existing conveyor on the site just south of the Warehouse. The existing overhead bridge connecting to the Mill will be retained, but will be increased in height and a new exterior skin installed to accommodate pedestrian traffic between the two buildings.

The interior of the Warehouse will be converted to house commercial tenant spaces on the first floor, including a restaurant, event space, and a data center. The data center will occupy the same footprint on the second floor, with the remaining spaces subdivided to house additional hotel rooms. The two existing historic stairs will be retained, with one additional exit stair added. New elevators will also be installed, as none currently exist. Historic features and finishes will be retained and new elements will be compatible with the building's historic character.

#### **Exclusions from OHPTC Scope**

The historic Cleveland Milling Company complex also includes a freestanding 2-story Office building (1635 Merwin Avenue, Parcel #10106018) to the north of the Warehouse, on the opposite side of the rail spur. The Office building was functionally related to the complex during the historic period, so it is included in the same Part 1 and Part 2 applications for federal historic tax credits, but the Office building is wholly excluded from this OHPTC application. The applicant also controls other buildings and vacant land in the surrounding area, but none are functionally related to Cleveland Milling Company, and all are wholly excluded from this OHPTC application.

Major Factor Information	
The issuance of a tax credit is a major factor in the applicant's decision to:	Rehabilitate the historic building(s)
Please explain why the tax credit is a major factor in the decision to rehabilitate the historic building(s):	

The cost to rehabilitate the Cleveland Milling Company complex and convert it to a viable new use cannot be supported by market rents alone. The receipt of the Ohio Historic Preservation Tax Credit is critical in making the project economically viable and is therefore a major factor in the decision to rehabilitate the complex.

Please indicate if any major rehabilitation work has commenced at the property, beyond stabilization or abatement: No major rehabilitation work has commenced at the property.

Applicant Fee	
Amount of Application Fee	\$5,000.00
Date Application Fee Was Mailed/Delivered	
Name on Check	Ceres Enterprises LLC

### Section B - Rehabilitation Information

Rehabilitation Information	
Staging	
Type of Project	Combined State and Federal Project
Type of Historic Designation	
Name of Historic District (if applicable)	Cleveland Centre Historic District
Building(s) have Certified Local Government (CLG) Designation?	false
Date Federal Part 1 Submitted to the State Historic Preservation Office (SHPO)	August 29, 2025
Date Federal Part 2 Submitted to the State Historic Preservation Office (SHPO)	August 29, 2025

# Section C - Scoring Criteria

Regional Distributive Balance	
Jurisdictional Balance	More than 8 Projects
County Per Capita	More than \$40
Benefit to Low-Income in Jurisdiction	
Benefit to Low-Income in Census Tract	
Benefit to Unemployed in County	Unemployment within 1% of Ohio rate

Potential Economic Impact	
Leveraged Investment	More than 10.0
Will other state-administered funding be awarded or sought for the project?	Yes

Timeliness to Completion	
Physical Scope and Construction	More than 120,000 square feet
Local Participation and Support	Indication of Local Support AND Financial Commitment
Vacant Property	
Job Commitments	5

Financing Committed		
Federal Historic Preservation Tax Credit	\$10,297,502.00	
Ohio Historic Preservation Tax Credit		
Private Sources		
Public Sources		
Other Sources		
Total Financing Committed		
Percentage of Financing Committed	100% of financing in place	

# Section D - Cost Benefit Analysis

Property Market Value and Proposed End Use		
Current Market Value of Property	\$2,341,600.00	
Future Appraised Value, Post-Construction	\$62,884,994.00	
School District	Cleveland Municipal	
Will the project utilize the charitable property	No	
tax exemption?		
End Use of Property, Post Construction Percentage (%)		
Office	5.00 %	
Retail		
Restaurant	1.00 %	
Hotel	91.00 %	
Residential		
Institutional		

Construction Jobs			
Construction Year	Full Time Employees	Hourly Wage	
1	180.00	32.50	

2	122.00	32.50	
3	75.00	32.50	
4			
5			6.

Operations Jobs			
Operations Year	Full Time Employees	Hourly Wage	Receipts
1	36.00	25.10	
2	36.00	25.85	
3	36.00	26.63	
4	36.00	27.43	
5	36.00	28.25	

Tenant Jobs				
Operations Year	Full Time Employees	Hourly Wage	Receipts	
1	47.00	\$36.04		
2	47.00	\$37.12		
3	47.00	\$38.23		
4	47.00	\$39.38		
5	47.00	\$40.56		

Residential Units			
Operations Year	Number	Income	
1			
2			
3			
4			
5			

Hotel Rooms/Keys					
Number of Hotel Rooms/Keys		147	147		
Operations Year	Average Occupancy	Average Daily Rate	Receipts		
1					
2					
3					
4					
5					

# Scoring

Continue Constitution	
Scoring Results	

**Applicant Self Score**