

East Liverpool Operating Budget Funding Request

Wellness Center

Project Summary

Development of a mixed-use Wellness Center, with athletic space and medical office space.

Project Background

There are significant investments occurring in the region in the oil and gas industry that will lead to growth in the chemicals and plastics, manufacturing, and logistics and transportation industries. We cannot let this regional growth pass us by and we must do all we can to capture our fair share by revitalizing our community to create a place where people want to live, work, and play.

The Wellness Center (the “Project” or “Center”) is planned as a 69,000 square foot ground-up facility which will house a medically based holistic wellness center that will serve as a catalyst for personal and community renewal. The selected location is at the highway entrance to the City of East Liverpool and gateway to the downtown. The Project site is currently vacant lots and two blighted houses that are deleterious to the community's image. The Project will rejuvenate this key gateway to the City’s downtown core and stabilize the block adjacent to the KSU–EL campus.

The Center will be a quality-of-life amenity to attract and retain the region's growing workforce to live in our community and stabilize our neighborhoods. Holistic wellness will be facilitated by offering fitness assessments and supervised exercise programs, rehabilitative therapy, and health and nutrition consultations. The developer will serve as the anchor tenant and offer social and competitive sports programs. Their mission is to coach and teach kids to be the best version of themselves—mind, body, and spirit. The facility will improve the social and physical wellbeing of the City’s workforce to increase earning potential, providing leagues, events, tournaments, coaching, clubs, and life skills for kids, youths, and adults. It will also provide employment, internships, and scholarships. A regional medical system, Mercy Health, may also provide medical services at the Center (prospective).

The Project will create a regional destination attraction for the Tri-State area (WV, PA, and OH), dramatically increasing local and regional visitation to the downtown core. The expectation is that the Center will host 150,000 plus visitors the first year. The Developer has a similar facility in Monroeville (with a smaller footprint than the East Liverpool Project at only 40,000 square feet) which draws 270,000 kids through annually. There is demand for this type of programming, and opportunity in the region for this Center fill this demand. This increased vibrancy and available purchasing power will improve demand drivers for the downtown real estate market across ground floor retail, second and third story office, new residential and hospitality. In addition, new restaurants, cafes, breweries, and outdoor recreation equipment sales and rentals will be directly supported by the patrons of the Project. These efforts to stabilize and revitalize the downtown are needed to create a preferred community of choice for employers and their workforce to live, work,

and play. The community is very excited about this catalytic project, with many stakeholder groups in the City and the region providing input and following the progress.

The Project

The Project Sponsor will develop a 69,000 square foot facility to accommodate a medically based holistic wellness center that will serve as a catalyst for economic development and improved health and wellness of the community.

With the appropriate financing, the facility could be completed in the next 24 to 36 months. The Phase I of this project consists of land acquisition, demolition, and site work.

The property to be acquired consists of 13 parcels on the block of Washington Street and Third Street in East Liverpool. The East Liverpool Community Improvement Corporation (CIC) is assisting in this acquisition process.

- 9 of these parcels are owned by the Ohio Department of Transportation (ODOT) and appear to be excess right-of-way. The request for these parcels to be granted to the CIC is pending. Of these 9 parcels owned by ODOT, parcels labeled numbers 5 and 9 are critical as the project will not be able to be built without those. The other parcels are outside of the building footprint and are being acquired to accommodate parking, landscaping, and provide flexibility with the site plan. The parcel map shows these parcels labeled 1 – 9.
- 4 parcels, labeled A – B on the parcel map, need to be acquired. The combined cost of acquisition of these 4 parcels is estimated at \$126,300.
- There are two houses on these properties, both derelict—with one deemed uninhabitable by the County Health Department. These will need to be demolished, which will cost \$49,160.
- The remaining site work (including grading, erosion and sediment, excavation, storm sewer/downspout connections, waterline, sewer, stone base for concrete, and topsoil seeing and mulching) will cost \$329,625.



Map 1 – Project Properties

Local demographics and a deteriorated built environment create challenges for securing financing for projects in East Liverpool. While we understand our incredible assets (including the riverfront, planned trail system, historic downtown with architectural significant buildings and cultural heritage, highway access, relative proximity to Pittsburgh, Phase 1 Downtown revitalization successes, and university) it is difficult for traditional financing institutions to see the vision for

what East Liverpool can become and have the confidence to invest in local Projects. Our demographics require us to focus on projects that are regional in nature and attract in disposable income from outside our community, which this Project will accomplish. Our local real estate market, including very low valuations in our downtown, requires a financing strategy that involves tax credits, incentives, and grants. Although difficult, this is a successful model that the City has used on prior projects, such as the New Castle School of Trades. A series of catalytic projects over many years that attract additional private sector investment will change the narrative for our community, improve project economics, and developers' ability to structure projects and attract financing using more traditional methods.

The East Liverpool Community Partnership for Revitalization has submitted a grant application to the Finance Fund to assist with the acquisition and demolition costs, with an equal amount committed by the project sponsor. The City and the CIC are working to identify funding to help fill in the gap for the Site Work expenses—a total of \$300,000.

Funding Request

The City of East Liverpool requests \$300,000 for this project.

The City will use the funds from the State of Ohio for the site work costs. This site work is to be completed by a local contracting firm, providing construction jobs in the community.