

The People Enhancing Δ Community's Environment Proposal.

CREATE. SHOW. LEARN. GROW.

Table of Contents

The Offer
Proposal4
Introduction
Proven Financial Competence and Stewardship6
Unlocking Critical Funding Opportunities7
Due Diligence and Preparation for Ownership
Avoiding Controversy and Securing a Positive Public Image
Alignment with Community Desires and Strategic Goals
A Collaborative and Adaptive Management Approach
Securing the Future of a Vital Community Hub
Justification for the \$1 Transfer of the Coventry P.E.A.C.E. Building 14
Conclusion: A Path Forward
The Team

The Offer

- » We propose that the Building be conveyed to Coventry P.E.A.C.E. for \$1.00, together with and subject to permanent easements that on the one hand, will assure use and operation of the Building by Coventry P.E.A.C.E. and, on the other, maximize ownership and use of all land beyond the confines of the Building by the Library. The deed and grant of easements will contain a covenant that the Building shall not be devoted to residential uses by Coventry P.E.A.C.E.
- » As a condition of the transfer, Coventry P.E.A.C.E. will assume and be responsible for all responsibilities and liabilities relating to ownership and use of the Building after the transfer of the Building to P.E.A.C.E and will release the Library for all liabilities prior to the transfer.
- » Coventry P.E.A.C.E. will establish a community advisory board which will provide input on Building operations, programming, and long-term planning to ensure that the Building continues to serve the community.
- » Coventry P.E.A.C.E. affirms its intention to maintain the Building as a hub with a focus on arts, culture, education, and community services, and will work in good faith to secure funding that supports this mission.

Proposal: Transferring Ownership of the Coventry P.E.A.C.E. Building to Coventry P.E.A.C.E., Inc.

Introduction

Coventry P.E.A.C.E., Inc. (CPC) submits this proposal to the Cleveland Heights-University Heights Public Library Board of Trustees to formally request the transfer of ownership of the Coventry P.E.A.C.E. Building. CPC is well-positioned not only to manage and maintain the facility but also to enhance its role as a thriving arts, culture, and education hub. This transfer represents the most financially responsible option for the Library, aligns with community goals, and preserves a vital public asset. Below, we outline the compelling reasons for this proposal and the benefits that will be realized by all stakeholders.

Proven Financial Competence and Stewardship

Coventry P.E.A.C.E., Inc. demonstrated strong financial management as master leaseholder from October 2020 to December 2021, maintaining high occupancy and generating a \$40,000+ surplus despite pandemic challenges. In contrast, since the Library outsourced management, operational costs have risen, leading to financial losses. This difference underscores CPC's deep professionalism and knowledge, as our community-centered management fostered stability and long-term sustainability, while the outsourced model has increased costs and hindered the building's success.

Transferring ownership to CPC would relieve the Library of the financial burdens of maintaining the facility and redirect taxpayer funds to core Library services, where they are most needed. Our nonprofit model ensures that the building will be maintained and improved without the need for public funding. Furthermore, by keeping operational costs below industry standards while ensuring the integrity and safety of the facility, CPC has demonstrated its capacity to be an effective steward of the property.

Unlocking Critical Funding Opportunities

As a nonprofit entity, CPC is uniquely positioned to access grants, loans, and private donations that are unavailable to public entities like the Library or the City. Foundations and grant-making organizations often require site control or long-term leases as prerequisites for even discussing funding, let alone providing financial assistance. As the building's owner, CPC would have access to a broad range of private funding sources and the flexibility to secure the necessary funding for repairs, renovations, and long-term improvements, ensuring the building's viability for years to come.

CPC, with its vast experience and flexibility, is uniquely positioned to pursue diverse private funding sources that can sustain the building long-term. Our team's deep knowledge of grants and foundations, combined with a strong track record in fundraising, allows us to secure the necessary funding without placing a burden on taxpayers.

By placing the building in CPC's hands, the Library can focus taxpayer dollars on their core services, while CPC, with its specialized knowledge, assumes the liability and responsibility for maintaining and funding the building's future. This ensures public funds are used effectively, while CPC leverages its fundraising capabilities to sustain the building.

Due Diligence and Preparation for Ownership

Coventry P.E.A.C.E. Inc. (CPC) has spent years thoroughly preparing to take ownership of the Coventry P.E.A.C.E. Building, ensuring we are more than capable of managing and improving the facility for long-term sustainability. Our efforts have involved extensive evaluations of the building's systems, strategic meetings with contractors and engineers, and comprehensive financial planning. From detailed HVAC assessments to strategic discussions with leading fundraising and financial experts, CPC has systematically addressed every aspect of the building's future. We are fully prepared to assume stewardship of this vital community asset.

Detailed Explanation: Several years ago, after Gardiner informed the Library that the building's HVAC system was beyond proper repair and needed to be replaced, CPC, at the Library's request, began consultations with HVAC companies and advisors to explore replacement options. After careful consideration, we identified two potential providers. However, the Library rejected these options, deeming the then-\$700,000 estimate to replace the HVAC and LED lighting system too aggressive. Instead, the Library pursued a refurbishment of the existing system, which has since proven costly and ineffective. Recognizing the need for a more sustainable solution, CPC reenagged Comfort Systems, who conducted a comprehensive analysis of the building and designed a modern HVAC and LED lighting system. This system is not only environmentally sustainable and energy-efficient but also designed to significantly reduce operating costs over time. The system's use of sub-units provides localized control, reducing repair costs and minimizing operational disruptions. Importantly, the cost of this design is far more cost-effective than the estimates provided by the Library's vendors, Cresco and Gardiner.

In addition to addressing HVAC needs, CPC has worked closely with multiple mechanical engineers who have thoroughly assessed the building's infrastructure. These engineers continue to play an active role in reviewing vendor reports and contractor estimates, ensuring that all building systems are carefully evaluated before major decisions are made. Recent assessments, including a review of the roof and other structural elements, have confirmed the building's overall soundness, with no imminent concerns. This allows CPC to adopt a strategic, phased approach to refurbishment, making it possible to allocate resources efficiently over time and ensuring the building's continued viability as a community hub.

On the financial side, CPC's long-standing partnership with IFF, a trusted feasibility and financial partner for nonprofits, has been reactivated as we prepare to take ownership. Furthermore, discussions with the Credo Company—a strategic consulting firm that has guided major institutions like Stan Hywet Hall and Playhouse Square—have revealed that a significant portion of the building's capital costs could be offset through state energy upgrades. Our financial estimates remain well within industry norms, giving us a strong

foundation. This financial stability, combined with our capital campaign efforts, positions CPC to meet the building's future needs without imposing additional burdens on taxpayers or relying on public funding.

In preparation for fundraising, CPC consulted with Christine Kohls, a Certified Fund Raising Executive at Raising Results, LLC, from which CPC outlined critical first steps of our strategy for launching a robust capital campaign once ownership is finalized. What each conversation has shared in common is the fact that funding for capital improvements require site control of the property. This underscores the importance of completing the ownership transfer to CPC, enabling us to fully unlock the funding potential necessary for the building's renovations and long-term growth. Our due diligence ensures that we are well-prepared to safeguard, manage, and enhance this valuable community resource for the long term.

Avoiding Controversy and Securing a Positive Public Image

A decision to demolish the Coventry P.E.A.C.E. Building has already sparked significant controversy within the community. Strong opposition has emerged from residents, business owners, and community leaders, who have expressed a clear preference for preserving the building as a hub for arts, culture, and education. Moving forward with demolition would only escalate this controversy, creating unwanted tension at a time when the Library is fundraising for its multi-million dollar playground and will soon be seeking voter approval for its next levy.

The Library Board is in a tough position because its members are not elected officials, making it difficult to gauge the community's satisfaction with the Library's performance. The only way for the Board to truly understand what the community wants is by listening to those who have engaged: the people who responded to the survey, attended public listening sessions, and participated in Board meetings. The detractors, if any, are significantly outnumbered by those who wish to see the building's continued use. Those who remain silent simply do not have a preference either way. Those who have engaged have overwhelmingly expressed that while they love their Library system, they do not want the building demolished and absolutely want it to continue as an arts, culture, and education center. Ignoring this feedback could further fuel the controversy and alienate key community supporters at a time when public trust is crucial for the upcoming levy campaign.

Furthermore, while it is understandable that the Library may want to make this decision without City involvement, it is important to recognize that because the Library Board is unelected, elected officials must be involved in the process. They represent the voice of the voters and taxpayers, and their involvement ensures that the community's will is respected.

Additionally, a decision to close the largest employer in the neighborhood has implications that extend beyond Library interests. Since this decision could negatively affect the reputation of the City as a whole, the elected officials who govern the City must be privy to the conversations the Library Board is having regarding this matter.

Alignment with Community Desires and Strategic Goals

The Coventry P.E.A.C.E. Building is a beloved community asset, and public support for its preservation is overwhelming. Surveys conducted by the Library itself, as well as feedback from public meetings, demonstrate that residents, business owners, and community leaders strongly oppose the demolition of the building. They have made it clear that they want to see the building continue to serve as a hub for arts, culture, and education.

Demolition would not only contradict these desires but also come at a significant financial cost, including environmental studies, remediation, and the actual demolition. Additionally, adding green space in place of the building will not expand programming opportunities (as mentioned at the recent Library Committee meeting on September 9), since the Library already has five acres of green space available on this site. There is no additional benefit to demolishing a building that serves a vital cultural and economic purpose, especially when the community has clearly expressed its desire to keep it.

Furthermore, preserving the Coventry P.E.A.C.E. Building aligns with the strategic goals of both the City of Cleveland Heights and the Library. The City's Master Plan emphasizes the importance of maintaining vibrant neighborhoods and cultural hubs, while the Library's mission centers on community engagement, lifelong learning, and access to the arts. Transferring the building to CPC supports these goals by ensuring that this community resource remains intact and continues to offer the programming and opportunities that align with both the City's and the Library's vision.

A Collaborative and Adaptive Management Approach

CPC's management model is based on the principles of Asset-Based Community Development (ABCD), which focuses on leveraging the strengths and assets within the community to drive sustainable growth. We prioritize tenant engagement, offering flexible lease options that meet the diverse needs of nonprofits, while maintaining high occupancy and financial stability.

Our approach is both collaborative and adaptive. Micro-leases make hard-to-find spaces available on a daily, weekly, or monthly basis—a need common in the nonprofit arts world which generates a revenue stream independent of regular leases. While short-term leases for organizations that need this kind of flexibility allow for higher per-square-foot rates, our long-term leases provide tenants with the security needed to invest in their spaces and allow them the ability to seek grant funding for those improvements. This flexibility fosters strong tenant relationships and ensures that the building's occupancy rate remains high and financially sound. In contrast, the Library's outsourced management model has led to rising costs and stagnant occupancy, underscoring the need for a more communitycentered approach.

CPC's 2021 financial forecast for 2023 building operations closely aligns with actual costs, proving our ability to budget and plan with precision. Our current financial model shows positive cashflow and the ability to accrue a significant reserve. We understand that arts, culture, and education nonprofits aren't just looking for quiet office space—they need collaborative environments with shared activity areas, galleries, and event spaces. Our plan is specifically designed to meet these unique needs while balancing the operational realities and planning for major capital expenses. By offering a cooperative model, we attract nonprofits that seek affordable, dynamic spaces they couldn't secure on their own.

By transferring ownership to CPC, the Library ensures that the building is managed by an organization deeply embedded in the community—one that can quickly respond to changing economic and cultural conditions, ensuring the building's long-term success and sustainability.

Securing the Future of a Vital Community Hub

The Coventry P.E.A.C.E. Building plays a critical role in the cultural and economic life of Cleveland Heights. Arts and culture programs hosted in the building generate significant economic activity for local businesses, with visitors spending an average of \$31 at nearby establishments per event. The building also supports more than 100 jobs making CPC the largest employer in the Coventry neighborhood and offers a wide range of programs that serve over 20,000 residents annually.

The demolition of the building would not only eliminate these benefits but would also leave a significant void in the community. Green space cannot generate the same economic activity or serve the community in the same capacity as a vibrant arts and culture center. Not to mention the detrimental impact on the environment, as this practice is highly discouraged by sustainability organizations worldwide. By preserving and enhancing the Coventry P.E.A.C.E. Building, CPC ensures that this important resource remains in place, benefiting both residents and local businesses for generations to come.

Transferring the building to CPC secures its future and aligns with the long-term goals of preserving Cleveland Heights as a destination for arts, culture, and education.

Justification for the \$1 Transfer of the Coventry P.E.A.C.E. Building

The Library's core value of 'Responsible Stewardship' supports the fiscally sound and community-driven decision to transfer the Coventry P.E.A.C.E. Building to Coventry P.E.A.C.E. Inc. (CPC) for \$1. When the Library purchased the property in 2018, they acquired a significant portion of land, including a large parking lot, at a value well below commercial rates.

If the Library proceeds with demolition, it will face substantial costs for environmental studies, remediation, and the demolition itself, followed by the expense of converting the space into parkland and maintaining it long-term. Since the Library has not conducted a study to assess the exact cost and timeline, these expenses—ultimately borne by taxpayers—remain unclear but significant.

The Library has acknowledged that the building holds no commercial or residential value, as developers have declined interest due to deed restrictions limiting its use to nonprofit purposes. This means that the Library is left with two realistic options: transferring the building to CPC or proceeding with an expensive and publicly unpopular demolition. The transfer not only preserves rental income until the transfer is finalized, but also upholds the Library's stated commitment to protecting the property from private development. It also aligns with the Library's values of fiscal responsibility, community service, and responsible stewardship, and it ensures the property continues to benefit the public in a way that supports both the Library's mission and the broader community.

Conclusion: A Path Forward

Coventry P.E.A.C.E., Inc. is fully prepared to assume ownership of the Coventry P.E.A.C.E. Building. Our financial responsibility, proven management approach, and strong community support make us the best stewards of this important community asset. By transferring the building to CPC, the Library will be free to focus on its core mission while ensuring that the building remains a thriving hub for arts, culture, and education in Cleveland Heights. Additionally, this transfer will eliminate the controversy surrounding the building's future, allowing the Library to concentrate its efforts on promoting the vital services it offers, thus strengthening its position for a successful levy campaign.

We respectfully request that the Library Board of Trustees approve the transfer of ownership to Coventry P.E.A.C.E., Inc. and join us in preserving this vital resource for the future of our community.

The Team

The Coventry P.E.A.C.E. Team			
Coventry P.E.A.C.E., Inc. Board Members			
Krista Hawthorne - President	Brady Dindia - Secretary	Deanna Bremer Fisher	
Robert Koonce - Treasurer	Caroline Hamilton		
Keep the P.E.A.C.E. Committee			
Krista Hawthorne	Lee Chilcote	Josie Moore	
Brady Dindia	Jennifer Wintner	Matt Moore	
Project Advisors			
Mark Chupp	John Lann	Geauga Mechanical	
Diedre McPherson	Shannon Morris	Riverstone Land Surveying and Engineering	
Boris Oicherman	Paul Volpe		
Matt Kashuck	Comfort Systems USA		