

CLEVELAND TEACHERS UNION

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August 6, 2017

Eric Gordon
Chief Executive Officer
Cleveland Metropolitan School District
1111 Superior Avenue E
Cleveland, Ohio 44114

Dear CEO Gordon,

On behalf of the Cleveland Teachers Union, Local 279, I am writing to inform you that the CTU cannot support the current Tax Increment Financial (TIF) nuCLEus project that is being proposed by Stark Enterprises and is scheduled for an August 22nd vote by the Cleveland Board of Education.

The Cleveland Teachers Union has consistently maintained a "hold Cleveland Schools harmless" position and has opposed tax abatements and TIF's over the years. In 1997, the Cleveland Teachers Union collected over 33,000 signatures to place a ballot initiative to limit tax abatement and hold schools harmless on an August referendum. In 2013, the CTU sponsored a Community Forum to discuss the Policy Matters Report outlining the estimated loss of potential revenue from the exempted properties owned by the Cleveland Clinic and the University Hospitals. At the forum, our focus was on developing a Payment in Lieu of Taxes (PILOT) program as opposed to simply eliminating the exemption.

Over the past five years, the Cleveland community has shown an incredible amount of support for our kids and our schools with the passage of Issue 107 in 2012, and the renewal of that levy, Issue 108, in 2016. Additionally, our community stepped up in 2014 with the passage of Issue 4, our school construction bond issue, which allowed us to continue the progress we have made in making sure that Cleveland kids have access to modern facilities and resources. We need to make sure we continue this momentum.

Those in the education community understand that the State of Ohio continues to ignore the Supreme Court ruling that school funding continues to be over reliant on property taxes. While CTU will continue to advocate on a State level to fix school funding, locally we must build on the progress we have made over the last five years.

The CTU believes that the Stark Enterprise TIF proposal, in its current form, would not hold schools harmless, and would erode the trust and partnerships we have developed with parents, the community, and elected leaders in supporting future school levies and ultimately our kids and our schools.

It is critical that any proposal or legislation that is adopted holds the Cleveland Schools harmless in regards to their property tax collection. Therefore, we ask the CMSD Board of Education to revisit this proposal to ensure the CMSD is held harmless with any TIF.

Sincerely,



David J. Quolke