

CRIZ Draft Map

Executive Summary

This Executive Summary outlines the draft CRIZ (City Revitalization and Improvement Zone) map, detailing development priorities within a 130 acre area in the City of Erie.¹ The primary development themes are Bayfront Development, the Cultural & Entertainment District, Parade Street Development, Erie Zoo Revitalization, and Housing & Neighborhood Development.

The draft map also includes portions of the Erie Insurance campus identified for their tax revenue potential. Future increases in the tax revenue generated from these real estate parcels will be directed to the CRIZ Authority and used to fund the development efforts outlined in the plan. There are no current plans to utilize future CRIZ Authority funding to develop projects on the Erie Insurance campus.

Given the CRIZ Zone's 130 acre limit and 30 year time horizon, careful planning is essential. The goal is to identify a mix of projects that are "shovel-ready" today and those with a longer-term horizon.

Building on the foundational work by community partners, primarily the City of Erie and Infinite Erie,² this draft map remains a working document. It is subject to revision based upon feedback from the CRIZ Authority Board, key public stakeholders, and the public via a public hearing.

The overarching development themes include:

- **Bayfront Development:** The map identifies real estate parcels on Erie's Bayfront with the potential to transform the Bayfront into vibrant hubs of residential, commercial, and recreational spaces. Key projects include parcels within the GAF Site Master Plan (i.e., the Erie Convention Center Authority), the Erie Port Authority Master Plan, and the Harbor Place Master Plan (i.e., Scott Enterprises). These projects are designed to enhance public access, stimulate business growth, and serve as catalysts for broader economic revitalization. These projects are shovel-ready and supported by experienced and capable community partners, ensuring a cohesive and impactful transformation of the Bayfront area.
- **Cultural & Entertainment District:** The CRIZ map identifies key parcels that will facilitate the completion of long-term planning efforts by the Erie County Convention Center Authority, which efforts have been in progress for over two decades. This theme focuses on enhancing Erie's cultural landscape through investments in arts and entertainment. The District encompasses the area from 7th and French Street to 10th and French Street. The primary components of the Authority's long term plan which are yet to be completed include: (1) creating programable green space along the entire corridor; (2) completing certain improvements to the Erie Insurance Arena; and (3) construction of a multi-use 650 seat theater that would accommodate productions by the Erie Playhouse and serve as a venue for events far better suited for a more intimate setting than the Warner Theatre or the Arena. By facilitating the completion of such long-term plans, the CRIZ initiative aims to create vibrant cultural spaces and venues that will attract visitors, support local businesses, and contribute to the City's economic and cultural vitality.

- **Parade Street Development ("East Side Renaissance"):** The Parade Street corridor from 6th Street to 12th Street is central to the "East Side Renaissance" (ESR), a targeted effort to revitalize this historically significant area. The ESR organization is actively driving development on Parade Street, focusing on affordable housing, small business support, and infrastructure improvements. These shovel-ready projects are backed by community partners committed to creating a thriving and inclusive community.
- **Erie Zoo Revitalization:** The Zoo is facing significant financial difficulties, both in terms of annual operational funding and the long-term deferral of critical maintenance and capital needs. These problems have resulted in the Zoo's loss of accreditation from the Association of Zoos and Aquariums (AZA). Efforts are being undertaken to permanently provide adequate operational funding for the Zoo. The CRIZ Authority aims to complement these efforts by supporting essential infrastructure development projects at the Erie Zoo to ensure its health and vitality for generations. A key objective is to improve facilities and eventually expand the footprint of the Zoo to allow for greater world-class exhibit space. The immediate goal is to support initiatives that will enable the Erie Zoo to regain accreditation from the AZA, which will not only stabilize this irreplaceable asset, but also put the Zoo on a path to expand and thrive as a regional attraction.
- **Housing and Neighborhood Development:** There is a critical need throughout the City to support housing and neighborhood initiatives. The inclusion of the supportive housing project at 21st and Sassafras Streets partially addresses this need. Given the limited amount of time available to develop the proposed CRIZ map, it was not possible to adequately identify specific projects that are shovel ready and are suitable for CRIZ funding, i.e., projects which take into account the fact that CRIZ funding can only be used to construct or renovate facilities, cannot be used for operating expenses, and require a match of one dollar for every five CRIZ dollars. In short, these constraints require project sponsors with shovel ready projects and which have the financial wherewithal to provide the requisite local match and to maintain the CRIZ funded facility after it is constructed. Accordingly, the draft plan allocates ten acres for housing and neighborhood development, but does not specifically identify any particular parcels at this time. The ten acres are placed into placeholder parcels pending allocation to housing and neighborhood development projects at a later date.

In addition to the five overarching themes, the draft CRIZ map highlights key parcels in the following locations, selected based on their development potential and community impact:

- Lower State Street (North of 6th Street)
- 12th Street Corridor (Ironworks Square (former EMI site)
- East Side Retail Revitalization (6th and Bayfront Connector, and Perry Plaza)
- Upper State Street (East & West Sides of State Street, from 9th to 16th Streets)
- Neighborhood Centers (MLK, JFK, Booker T. Washington)
- Blight Remediation (e.g., demolition of smokestack adjacent to the Erie County Library)
- Burton School

The acreage allocations for the five themes and the additional locations are set forth in the attached schedules.

¹ The Zone is limited by law to 130 acres. The acreage need not be contiguous.

² The vast majority of the parcels identified in the earlier CRIZ map developed by these community partners are included in this draft map. However, two events occurred subsequent to the development of that earlier map which had a significant influence upon the development of the current draft map.

First, the CRIZ legislation was changed to include the "insurance premium tax" as a tax which is subject to the CRIZ and will fund the Authority's operations. This change had two distinct impacts:

- (a) As a practical matter, virtually the entire maximum amount (\$15,000,000 annually) of the tax increment eligible to be rebated to the CRIZ Authority will be generated by Erie Insurance. For that reason, as mentioned above, the Erie Insurance headquarters is included in the CRIZ zone. However, this eliminates the need to include other generators of rebatable tax increment in the zone purely for the sake of generating rebatable tax increment. That freed acreage to be allocated to other development areas, such as the Zoo.
- (b) It is anticipated that the tax increment will begin to flow in 2026, and will almost immediately reach the maximum permitted by the CRIZ Act. However, the Act has a "use it or lose it" requirement, *i.e.*, if the tax increment is not fully spent or appropriated for a specific project in a given year, the unspent amount is lost. In short, we cannot "bank" CRIZ funds. Accordingly, it will be necessary to have very large, shovel ready projects at the outset to avoid losing any of the rebatable tax increment. This necessity influenced the selection of certain parcels.

Second, it was not until after the earlier work on the CRIZ map had been completed that the situation with the Zoo, as described, above, became fully understood. The CRIZ Authority, in partnership with the City, the Erie Zoological Society, and other parties, has the ability to play a critical role in literally saving the Zoo. Accordingly, the Zoo has been included in the draft map. The acreage assigned is based on the current footprint of the Zoo and necessary expansion to meet accreditation requirements. Similarly, for the Housing and Neighborhood allocation of acreage, acreage earmarked for the zoo have been placed in placeholder parcel until the Zoo campus can be appropriately subdivided.

CRIZ Zone Map Summary

Major Development Themes	Acreage
Bayfront Development	37.99
Cultural & Entertainment	8.39
Parade Street (East Side Renaissance)	8.11
Placeholder Parcels, Zoo, Smokestack and Housing & Neighborhood Development	35.88
Major Tax Revenue Generation Parcels	
Erie Insurance	7.81
Additional Development Opportunities	
Lower State	3.71
EMI	5.49
East Side Plazas	8.96
Neighborhood Centers	3.88
Upper State	5.80
Burton School	2.95
21st & Sassafra (Supportive Housing)	1.02
Total Acreage Identified	129.98

PLACEHOLDER PARCELS ERIE ZOO, SMOKESTACK AND HOUSING & NEIGHBORHOOD DEVELOPMENT

Project:	Zoo	Smokestack	Housing & Neighborhood Development
Approx. Acreage Allocation	25	1.1	10
Tax ID	Acreage	Street Address	Owner
14010034020500	10.49	0 Foot of Wayne St	Port Authority
14010025011700	1.92	0 Port Access Rd	Port Authority
14010034011200	2.02	0 East Ave	Port Authority
17040049010800	0.19	0 Bayfront Pkwy	Port Authority
14010025011300	15.2726	PORT ACCESS RD	Port Authority
17040046010300	0.0137	W BAYFRONT PARKWAY	Port Authority
14010048010500	0.4809	PORT ACCESS RD	Port Authority
14010025011800	0.6428	PORT ACCESS RD	Port Authority
14010048010400	4.158	84 PORT ACCESS RD	Port Authority
17040046020200	0.0471	OFF OF BAYFRONT	Port Authority
14010034020100	0.6428	EAST AVE	Port Authority
Total Placeholder Acreage	35.88		

The Department of Community and Economic Development (DCED) requires that CRIZ Zone parcels correspond with tax id. nos. This requirement creates a problem with respect to the Zoo and the Smokestack.

The Zoo's current footprint is about 15 acres and is located within a tax id parcel consisting of about 106 acres. Those 106 acres encompass the J.C. Martin Golf Course, the Fabrizio Ice Rink, the horseshoe courts, the Glenwood Park picnic grounds, and several other areas. For obvious reasons it is not possible to designate the entire 106 acre tax id. parcel as part of the CRIZ Zone.

The Smokestack sits on a tax id. parcel which is 3.8 acres in size. It includes the Penelec substation and runs all the way to State Street. A substantial portion of the west end of this tax id. parcel will be impacted by the Bayfront Highway reconstruction, thus rendering it unusable for development. The area east of the substation where the Smokestack is located is approximately 1.1 acres. Under these circumstances, it makes no sense to designate this entire tax id parcel as part of the CRIZ Zone.

After consulting with DCED concerning these issues, DCED has advised us to determine the amount of acreage we need to allocate to the Zoo and Smokestack, and to then place an equivalent amount of zone acreage in "placeholder" tax id. nos. parcels. We can then later subdivide the Smokestack and Zoo parcels, thus giving them their own tax id nos. with the appropriate amount of acreage. At that point, we can transfer the zone acreage allocated to the "placeholder" parcels to the Smokestack and the Zoo. The only restriction is that no CRIZ money can be spent in the placeholder parcels.

Similarly, as explained in this Executive Summary, 10 acres have been allocated for housing and neighborhood development, but will be held in placeholder parcels pending the identification of specific projects which are suitable for CRIZ funding.