



NEWS RELEASE From Mayor Dean DePiero

FOR IMMEDIATE RELEASE
July 6, 2011

Contact: Jack P. Marschall
(440) 885-8181 or (216) 346-9935 (cell)

PARMA CONSIDERS NEW, CREATIVE OPPORTUNITIES FOR PARMATOWN MALL

(PARMA) – Parma Mayor Dean DePiero says he remains cautiously optimistic for the future of Parmatown Mall after the lender for the mall filed a motion in court last week for the “appointment of a receiver”. Parmatown Mall is owned and operated by RMS Management, a subsidiary of Forest City Enterprises.

“My immediate reaction is one of frustration and disappointment,” said Mayor DePiero. “My administration has been pro-active in properly and accurately identifying the issues existing at Parmatown Mall that led to this current situation. On the other hand, I am optimistic that in working with management at the anchor stores at the mall, we will find the right developer to come in and make some innovative and positive things happen. That is what my administration has been trying to do for the past seven years.”

The City of Parma sought the advice from an Ohio developer whose expertise was successfully acquiring and transforming failed and vacant malls with traditional one-roof concepts and reconfiguring them into mixed use lifestyle centers with freestanding stores and housing. Upon the developer’s review of the site, he concurred with the city that with the right modifications and management, the site was “gold.”

Mayor DePiero says the City of Parma previously offered RMS Management property and payroll tax incentives to attract new businesses to Parmatown Mall. In addition, to show good faith and its commitment to the mall, the City of Parma relocated its Parks and Recreation Department to Parmatown Mall, approved development proposals at the site and directed countless business inquiries to the mall. The city’s hope was to implement creative marketing campaigns to lure retail giants to Parmatown Mall such as Old Navy, Trader Joe’s, Menard’s Home Improvement and even a local hotel.

(more)

“Things were looking-up in 2009,” said Mayor DePiero. “RMS hired a new Mall Manager and the services of a consultant to investigate the feasibility of a massive infusion of capital to redevelop the site in order to compete with other area malls. I also felt RMS concurred with the opinions of my administration – Parmatown Mall needed to provide new, quality stores that would attract area residents while modernizing and upgrading the complex, taking steps to make the grounds more pedestrian accessible and environmentally friendly. Obviously, that never happened.”

“From this point forward, we will do everything within our power to direct and demand that the right owner – a committed owner – be brought in to buy and redevelop Parmatown Mall and the greater Day Drive complex,” said Mayor DePiero. “The mall is a sleeping giant that has great potential. We need someone with vision, creativity and a willingness to invest in the future of the mall as well as the future of our community.”

###