

Playhouse foundation receives old building

By **BILL LUBINGER**

PLAIN DEALER REPORTER

Once upon a time, shoppers flocked to One Playhouse Square to find deals on imported home furnishings and glassware.

Later, the six-story building housed the studios where deejay Alan Freed spun records and helped popularize a new music called "rock 'n' roll."

More recently, however, 1375 Euclid Ave. has been little more than a blight on downtown Cleveland's theater district.

Considered obsolete by its owner, One Playhouse Square has now been donated to the Playhouse Square Foundation, which hopes to do what its benefactor could not: find tenants.

"We will develop a plan to lease the rest of the building," said Art J. Falco, president of the non-profit foundation. "There are a number of concepts that we are looking at, but nothing's been decided."

One Playhouse Square was given to the foundation by a partnership headed by Alan M. Krause, chairman and chief executive officer of Mid-America Management Corp., a Cleveland real estate investment and management firm. The transfer was completed yesterday.

"It's a Class C office building, and there are very few, if any, tenants for a Class C office building in downtown Cleveland," said Krause, who estimated the building is about 80 percent vacant. Class C is a real-estate term used to describe the oldest and cheapest office space.

"We were approached and asked to donate it and we agreed. We thought it was the right thing to do," he said.

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Last February, with the Cleveland San Jose Ballet \$75,000 behind in rent, Krause turned off the heat and electricity, and forced the ballet to move its operations from One Playhouse Square to the Masonic Temple at E. 36th St. and Euclid Ave.

Krause's group bought the Playhouse Square property in 1981 from CLFS Associates for \$2.2 million. The building has a market value of \$3.17 million, according to Cuyahoga County property records.

An outstanding mortgage of \$1.7 million was written off by the property's lender, Phoenix Mutual Life Insurance Co., which means the foundation gets the building debt-free.

Current tenants, which include Scene Magazine, the Intown Club and the Cuyahoga County Health Department, will stay, Falco said.

The foundation would like to fill the first-floor space with retailers and possibly find theater-related tenants for the offices, although the ballet will not be returning.

Although there are no plans to raze the building, Falco didn't rule out redeveloping the property toward the back or including housing in the mix.

Built in 1912, the 220,000-square-foot building was once occupied by the Kinney & Levan department store, which featured home furnishings, including imported glassware and silverware.

In later years, the building's front was converted to offices and its rear to storage. It became known as the Stouffer Building when Stouffer Corp. moved its food, restaurant and hotel divisions there and opened a Stouffer Restaurant.

In the 1950s, Freed did his trend-setting radio act there from the studios of WJW-AM.

With the addition of the tired but well-located office building, the Playhouse Square Foundation's real estate holdings now include a majority interest in the 205-room Wyndham Cleveland Hotel, the 750-car garage attached to the theaters and the land beneath the private Hermit Club behind the theaters.