

# Ted Lichko: East Cleveland's Turnaround Wizard

To understand Ted Lichko means understanding the poorest city in Cuyahoga County- East Cleveland- and the miracles he performs there.



Cleveland Scene Magazine's article, featuring Lichko as a bright spot of growth within the financially plagued community.

**On Euclid, in a shiny new white building with doors framed by stone lions, Ted Lichko, the "king of credit," holds court, selling furniture and collecting rent from 500 tenants throughout the city. His apartment buildings, their signs marked with the initials of his management company, MCM, stand out as well-kept amid the decay on other blocks. In his spacious United Furniture showroom -- where the air is regularly pierced by the squawks of his blue-and-gold parrot, Flash, perched in a cage by the cashier's window -- he offers credit to people who have been turned down elsewhere.**

**"A lot of wonderful people live here," Lichko says. But he fears more homes will be abandoned as utility costs rise. Not only have city water bills increased, but gas bills have tripled for his apartment buildings, he says.**

**Lichko motions to a man at the cashier's window. "He's a tenant of mine. I've got to raise his rent to [pay] the utility bill . . . How are tenants going to afford to pay 40 percent more?"**



Some areas south of Euclid Avenue are well-kept, like landlord Ted Lichko's apartment complex near Forest Hill Park.

Ted Lichko began doing business in the city of East Cleveland over thirty years ago after he came home from the Marine Corps. Beginning by selling cookware, paintings, and other items door-to-door, he quickly parlayed his profits into a furniture business, which grew steadily, and continues to operate today as United Furniture. Providing furniture through in-house credit to those who normally would not be viewed as credit-worthy, the idea of owning and managing apartment property was a natural next step.

The city, once among the most elegant and affluent in the country, where John Rockefeller summered, was now devastated with crumbling buildings, no tax base, and plagued with infrastructure problems. Lichko began to purchase and rehabilitate what were once pristine brick buildings, and bring them back to being safe, clean, affordable housing. By the time he was through, he owned 8 buildings in East Cleveland, providing housing for about 500 tenants.

Lichko's hallmarks are high integrity, and high cleanliness. His furniture showrooms and properties are kept in spit-shine condition by a crack operations team that can handle virtually any challenge. For that, and his square-dealing nature, East Cleveland's "King of Credit" has earned the respect and admiration of its residents and city officials.

Setting his sights higher once again, Lichko turned his attention to commercial retail property, and began to buy more buildings. In the rural city of Conneaut, Ohio, he purchased the Conneaut Plaza shopping center, a 100,000 sq. ft facility in need of turnaround, and once again did his magic. Today, the plaza is a pristine, highly profitable property. His

portfolio now began to include apartment buildings, industrial properties, shopping centers and even vacant land, and he had formed MCM General Properties, LLC, coined using the initials of his three children.

In the city of Euclid, Ohio, the ailing Euclid Square Mall caught his attention. He began by purchasing the vacant Kaufmann's department store building there, converting it into an indoor outlet mall. He then purchased the other anchor building, occupied Dillard's Outlet, becoming their landlord. Finally, he purchased the rest of the mall, now controlling the entire 52 acre facility of nearly 700,000 square ft. of rentable space, and most of the surrounding buildings.

Euclid Square Mall was originally built by former Cleveland Indians owner Richard Jacobs, and opened for business in 1977, with major improvements completed in 1994. It is located 12 miles east of downtown Cleveland, in the suburb of Euclid, visible and easily accessible to and from Route I-90 by two exit/entrances, Babbitt Road, and East 260th Street. Approximately 120,000 vehicles travel this section of the highway, which is near the intersection of I-271. This intersection enhances access to the site from the residences in virtually all the eastern suburbs, plus nearby and adjoining Lake County.

Lichko set his operations team to work, and today, the mall is attractive and functional. He also created a full time security team to insure safety. One of the first things he did was reactivate the stunning indoor fountains.



Ted Lichko has a deep reverence for buildings- their art, their architecture. To him, they are symbols of man's accomplishment- things of beauty. He has an uncanny ability to see what a building once was, and how to make it look that way again.

The plan for Euclid Square Mall is an integrated one- a combination of discount anchors, and non-retail professional services, so as to provide a city-within-a city for the region. Several secondary educational organizations are evaluating it as a potential business school campus. As a test project, Lichko converted the Kaufmann's building into a multi-vendor environment, anchored it with one of his furniture stores, open only on weekends, and called it Outlets U.S.A. Several of the Outlets U.S.A. tenants migrated into turnkey-ready mall space, and sales at the Dillard's Outlet increased from the effort.