Resolution No. 737-2025

By Council Members McCormack, Howse-Jones, Starr, Hairston and Griffin (by departmental request)

FOR ADOPTION June 2, 2025

AN EMERGENCY RESOLUTION

Approving the creation of the Downtown Cleveland Improvement District as a Special Improvement District in the City; accepting petitions from owners of property in the District; approving the amended Articles of Incorporation of the Downtown Cleveland Improvement Corporation; approving a new plan for public services; declaring it necessary to provide maintenance, security, marketing, and other services for the District; providing for the assessment of the cost of such work upon benefited properties in the District; authorizing the Director of City Planning to enter into a contract with Downtown Cleveland Improvement Corporation; and declaring an emergency.

WHEREAS, Chapter 1710 of the Ohio Revised Code ("Revised Code") authorizes the formation of special improvement districts within the boundaries of a municipality by petition of property owners in a district and approval by the municipality for the purpose of developing and implementing plans for public improvements and public services that benefit the district; and

WHEREAS, by Resolution No. 1386-05, adopted on August 3, 2005, this Council approved the creation of the Downtown Cleveland Improvement District and approved a plan for public services benefitting all of the District from 2006 through 2010; and

WHEREAS, by Resolution No. 272-10, adopted on March 8, 2010, this Council approved the creation of the Downtown Cleveland Improvement District and approved a plan for public services benefitting all of the District from 2011 through 2015; and

WHEREAS, by Resolution No. 699-15, adopted July 22, 2015, this Council approved the creation of the Downtown Cleveland Improvement District and approved a plan for public services benefitting all of the District from 2016 through 2020; and

WHEREAS, by Resolution No. 713-2020, adopted September 23, 2020, this Council approved the creation of the Downtown Cleveland Improvement District and approved a plan for public services benefitting all of the District from 2021 through 2025; and

WHEREAS, owners of at least sixty percent (60%) of the front footage of all real property located in the Downtown Cleveland Improvement District ("District") that abuts upon any street, alley, public road, place, boulevard, parkway, park entrance, easement, or other existing public improvement within the District, excluding certain

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property as provided in division (E) of Section 1710.02 of the Revised Code, have signed petitions ("Petitions"), which number over 500, requesting that the City of Cleveland ("City") re-create the District as described in this ordinance; and

WHEREAS, the District is to be governed by the Downtown Cleveland Improvement Corporation ("DCIC"), an Ohio nonprofit corporation formed pursuant to Chapters 1702 and 1710 of the Revised Code; and

WHEREAS, DCIC's amended Articles of Incorporation are being submitted to this Council as part of the Petitions proposing the re-creation of the District; and

WHEREAS, under division (F) of Section 1710.02 of the Revised Code, the petitioners have proposed a new plan (the "Plan") for public services benefitting all of the District and have submitted the Plan as part of the Petitions proposing the recreation of the District; and

WHEREAS, the Petitions have been submitted to the municipal executive ("Mayor") and the legislative authority (Cleveland City Council, or "Council") of the City; and

WHEREAS, under division (E) of Section 1710.02 of the Revised Code, the City has sixty (60) days to approve or disapprove the Petitions by resolution; and

WHEREAS, division (E) of Chapter 1710.02 of the Revised Code does not prohibit the right of the City's legislative authority to impose reasonable conditions in a resolution of approval; and

WHEREAS, this resolution constitutes an emergency measure providing for the usual daily operation of a municipal department; now, therefore,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF CLEVELAND:

<u>Section 1</u>. That the Petitions are accepted and approved and are placed in **File No. 737-2025**. Section 2. That, under Chapter 1710 of the Revised Code, the District is hereby

created with approximate boundaries as follows and as depicted in the map included in

File No. 737-2025-A:

Consisting of that portion of the City of Cleveland, Ohio, which is bounded on the Northwest by the Conrail lines and the Cuyahoga River (East side); then South along the Cuyahoga River to Center Street; Center Street to the intersection of Robert Lockwood Dr and Columbus Road, south to the Cuyahoga River. From East side of the Cuyahoga River continuing South to West 3rd Street. West 3rd street south to Eagle and then Eagle Avenue to Ontario Street; Ontario Street south to Carnegie Avenue; Carnegie Avenue east to East 9th ; East 9th Street North to Sumner Avenue; Sumner Avenue to East 14th Street; East 14th north to Prospect Avenue, Prospect Avenue Eastward to East 17th Street and then North to Payne Avenue. From the intersection of E 17th and Payne westward to East 13th Street. North on East 13th Street to Lakeside Avenue. From Lakeside Eastward to include 1333 Lakeside Ave and then North to Railroad tracks and then westward back to West 3rd Street; from West 3rd to West 9th along the bluff, then from West 9th Street to the Railroad tracks and continuing west to the Cuyahoga River.

<u>Section 3</u>. That the validity of the approval of the Petitions and creation of the District is subject to the reasonable condition of the City's verification that the Petitions represent signatures of at least sixty percent (60%) of the front footage of all real property as required under division (E) of Section 1710.02 of the Revised Code.

<u>Section 4</u>. That it is determined and declared necessary and conducive to the public health, convenience and welfare of the City to provide maintenance, security, marketing, and additional permitted services for the District for a seven-year period commencing January 1, 2026.

Section 5. That it is determined that the properties contained within the District will be specially benefited by the above-described public services and shall be assessed to pay for the cost of the services, calculated in proportion to the benefits that may result from the services.

<u>Section 6</u>. That the Plan placed in the above-mentioned file is approved at an estimated cost of \$42,445,938.

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Section 7. That the entire cost of the Plan will be paid by special assessment of the properties in the District levied in proportion to the benefits that may result from the services within the District. The cost of the Plan shall include the cost of printing, serving, and publishing notices, resolutions, and ordinances; the costs incurred in connection with the preparation, levy, and collection of the special assessments; the expenses of legal services; the cost of all labor and materials; and all other necessary expenditures allowed by law.

Section 8. That the special assessments are to be assessed against the properties commencing in tax year 2025 for collection in 2026 and shall continue through tax year 2031 for collection in 2032. The special assessments shall be assessed in each calendar year in the amount, manner, and number of installments as provided for in this resolution and/or as equalized by the Assessments Equalization Board, as defined in Section 727.16 of the Revised Code.

<u>Section 9</u>. That no notes or bonds of the City shall be issued in anticipation of the levy or collection of the special assessments.

Section 10. That the Commissioner of Assessments and Licenses of the City is authorized to prepare and separately file with the Clerk of Council an estimated special assessment for each lot or parcel of land to be assessed, which are based on the estimated cost of the Plan. After the estimated special assessments have been filed, the Clerk of Council shall cause notice of the adoption of this resolution and the amounts of estimated special assessments to be served in the manner provided by law on the owners of all lots and parcels to be assessed.

<u>Section 11</u>. That payment for the assessments shall be due in each of the years 2026, 2027, 2028, 2029, 2030, 2031, and 2032.

Section 12. That the assessments to be levied shall be certified to the County Fiscal Officer to be placed on the tax duplicate and collected the same as other taxes, as

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provided by law. The City shall be under no duty or obligation to separately bill or collect from property owners any amounts of special assessments provided for herein.

Section 13. That this Council finds and determines that all formal actions of this Council concerning and relating to the passage of this resolution were adopted in an open meeting of the Council and that all deliberations of the Council and of any of its committees that resulted in those formal actions were in meetings open to the public in compliance with the law.

<u>Section 14</u>. That, pursuant to Section 727.12 of the Revised Code, this resolution of necessity requires the affirmative vote of three-fourths of all the members elected to Council for passage.

<u>Section 15.</u> That the Director of City Planning is authorized to enter into a contract with DCIC prepared by the City's Director of Law and shall contain provisions requiring DCIC to indemnify the City from any liabilities arising out of or related to unauthorized or otherwise deficient petition signatures and/or a failure of the Petitions meeting the sixty percent (60%) threshold of the front footage of all real property in the District pursuant to division (E) of Section 1710.02 of the Revised Code, and such additional provisions as the Director of Law deems necessary to benefit and protect the public interest.

<u>Section 16</u>. That this resolution is declared to be an emergency measure and, provided it receives the affirmative vote of two-thirds of all the members elected to Council, it shall take effect and be in force immediately upon its adoption and approval by the Mayor; otherwise it shall take effect and be in force from and after the earliest period allowed by law.

MC/VG:nl 6-2-2025 FOR: Director Mersmann By Council Members McCormack, Howse-Jones, Starr, Hairston and Griffin (by departmental request)

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READ FIRST TIME		REPORTS
	CITY CLERK	APPROVED BY
READ SECOND TIME		CITY PLANNING COMMISSION
	CITY CLERK	Secretary
READ TH	IRD TIME on JUNE 2, 2025	
Q H H READ SECOND V READ TH O O S L S S H H APPROVEN	PRESIDENT	
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APPROVEI B)	
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REPORT after second Reading