

**Ordinance Number 142-2019****Council Members:** Brancatelli and Kelley

**An emergency ordinance authorizing the Director of Community Development to apply for and accept grants from the United States Department of Housing and Urban Development for the PY2019 under the Title I of the Housing and Community Development Act of 1974, for the 2019 Federal HOME Investment Partnerships Act Program, Emergency Solutions Grant Program, and the Housing Opportunities for Persons with AIDS Program; and authorizing contracts and other expenditures.**

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

**BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CLEVELAND:**

**Section 1.** That the Director of Community Development is authorized to apply for and accept grants from the U. S. Department of Housing and Urban Development (HUD) in the following estimated amounts: \$20,116,532 to conduct the PY2019 Community Development Block Grant (CDBG) Program; \$3,458,438 to conduct the Federal HOME Investment Partnerships Act (HOME) Program; \$1,739,682 to conduct the Emergency Solutions Grant (ESG) Program; and \$1,096,050 for the Housing Opportunities for Persons with AIDS (HOPWA) Program, for the purposes and uses set forth in the budgets and in compliance with the requirements of Title I of the Housing and Community Development Act of 1974 and applicable rules and regulations. That the Director of Community Development is authorized to file all papers and execute all documents necessary to receive the funds under the grants, and that the funds are appropriated for the purposes set forth in this ordinance.

**Section 2.** Project Clean Program.

(a) That Community Development Block Grant funds in the estimated amount of \$1,210,999 are appropriated from Fund No. 14 SF 045 for costs of the Department of Public Works incurred from Fund 19 following the appropriate federal regulations and associated with conducting the Project Clean Program in conjunction with the Community Development Block Grant Program.

(b) That the Director of Public Works is authorized to enter into one or more contracts with various non-profit and for-profit agencies to provide services necessary to implement the Project Clean Program payable from Fund No. 14 SF 045 and prior year balances. (RQS 8006, RLA 2019-0004)

(c) That prior to expending funds under this ordinance, the Director of Public Works and the Director of Community Development shall enter into a memorandum of understanding for this program.

**Section 3. AIDS Prevention – CDBG funded.**

(a) That, as a Subrecipient Grantee of CDBG funds for the Department of Community Development, the Director of Public Health is authorized to enter into one or more contracts with various agencies or entities to provide HIV/AIDS prevention and education activities and in addition, the estimated amount of \$56,393 is appropriated to the Department of Public Health for administrative costs of implementing the contracts authorized by this ordinance.

(b) That the Director of Public Health is authorized to employ by contract or contracts one or more consultants or one or more firms of consultants for the purpose of supplementing the regularly employed staff of the several departments of the City of Cleveland in order to provide professional services necessary to provide evaluation services.

The selection of the consultants for the services shall be made by the Board of Control on the nomination of the Director of Public Health from a list of qualified consultants available for employment as may be determined after a full and complete canvass by the Director of Public Health for the purpose of compiling a list. The compensation to be paid for the services shall be fixed by the Board of Control. The contract or contracts authorized shall be prepared by the Director of Law, approved by the Director of Public Health, and certified by the Director of Finance.

(c) That the Director of Public Health is authorized to enter into one or more contracts with agencies, entities or individuals to implement this ordinance.

(d) That any agency or entity that receives funds under this ordinance shall be required to comply with the evaluation services provided by the consultant.

(e) That prior to expending funds under this ordinance, the Directors of Public Health and Community Development must enter into a memorandum of understanding for this program in accordance with the terms authorized by this legislation.

(f) That the estimated cost of the contracts of \$213,780 and the estimated administrative cost of \$56,393 for a total estimated amount of \$270,173 are appropriated for costs of the Department of Public Health incurred from Fund 19 following the appropriate federal regulations, payable from Fund No. 14 SF 045, and any other prior year balances. (RQS 8006, RLA 2019-0010)

**Section 4. AIDS Related Services – HOPWA funded.**

(a) That, as a Subrecipient Grantee of HOPWA funds for the Department of Community Development, the Director of Public Health is authorized to enter into one or more contracts with various agencies or entities to provide AIDS-related services in conjunction with the Housing Opportunities for People with AIDS (HOPWA) Grant Program. The estimated amount of \$37,248 is appropriated to the Department of Public Health for administrative costs of implementing the HOPWA program.

(b) That the Director of Public Health is authorized to employ by contract or contracts one or more consultants or one or more firms of consultants for the purpose of supplementing the regularly employed staff of the several departments of the City of Cleveland in order to provide professional services necessary to provide evaluation services.

The selection of the consultants for the services shall be made by the Board of Control on the nomination of the Director of Public Health from a list of qualified consultants available for employment as may be determined after a full and complete canvass by the Director of Public Health for the purpose of compiling a list. The compensation to be paid for the services shall be fixed by the Board of Control. The contract or contracts authorized shall be prepared by the Director of Law, approved by the Director of Public Health and certified by the Director of Finance.

(c) That any agency or entity that receives funds under this ordinance shall be required to comply with the evaluation services provided by the consultant.

(d) That prior to expending funds under this ordinance, the Director of Public Health and the Director of Community Development must enter into a memorandum of understanding for this program under the terms authorized by this legislation.

(e) That the estimated cost of the contracts of \$1,058,802 and the estimated amount of administrative cost of \$37,248 for a total estimated amount of \$1,096,050, are appropriated for costs of the Department of Public Health incurred from Fund 19 following the appropriate federal regulations payable from Fund No. 19 SF 667, and any other prior year balances. (RQS 8006, RLA 2019-0011)

#### **Section 5** Anti-Predatory Lending Program.

(a) That Community Development Block Grant funds in the estimated amount of \$85,950 are appropriated from Fund No. 14 SF 045 for anti-predatory lending and foreclosure prevention assistance, financial literacy programs, fair housing and administrative costs to implement the programs.

(b) That the Director of Community Development is authorized to enter into one or more contracts with various organizations to provide counseling, training, marketing, program evaluation and other services required for anti-predatory lending and foreclosure prevention assistance, financial literacy, fair housing activities and to expend funds for administrative costs to implement the programs.

(c) That the estimated cost of the contracts and administrative costs is \$85,950, payable from Fund No. 14 SF 045, and any other prior year balances and program income. (RQS 8006, RLA 2019-0005)

#### **Section 6.** Demolition and Board-Up Program.

(a) That Community Development Block Grant funds in the estimated amount of \$446,276 are appropriated from Fund No. 14 SF 045 for costs of the Department of Building and Housing associated with conducting the Demolition and Board-up Programs incurred in Fund 19 following the appropriate federal regulations in conjunction with the Community Development Block Grant Program.

(b) That the Director of Building and Housing is authorized to enter into one or more contracts with various non-profit and for-profit agencies and entities for services necessary to implement the Demolition Program and emergency contracts under the Board-up Program.

(c) That the Director of Building and Housing is authorized to make one or more written requirement contracts under the Charter and the Codified Ordinances of Cleveland, Ohio, 1976, for the requirements for a one or two year period for the items of labor and materials necessary to implement the Board-up Program, in the approximate amount as purchased during the preceding term, to be purchased by the Commissioner of Purchases and Supplies on a unit basis for the Department of Building and Housing. Bids shall be taken in a manner that permits an award to be made for all items as a single contract, or by separate contract for each or any combination of the items as the Board of Control determines. Alternate bids for a period less than the specified term may be taken if desired by the Commissioner of Purchases and Supplies until provision is made for the requirements for the entire term. The Director of Building and Housing is authorized to enter into one or more contracts with a term of two years instead of one year when there is a financial advantage to the City. For purposes of this ordinance, a financial advantage shall be determined by the Director of Building and Housing by comparing the bids received for both terms.

(d) That the costs of the contract or contracts shall be charged against the proper appropriation accounts and the Director of Finance shall certify the amount of any purchase under the contract, each of which purchases shall be made on order of the Commissioner of Purchases and Supplies under a delivery order against the contract or contracts certified by the Director of Finance. (RQS 8006, RLA 2019-0003)

(e) That prior to expending funds under this ordinance, the Director of Building and Housing and the Director of Community Development shall enter into a memorandum of understanding for this program.

(f) That the Director of Building and Housing is authorized to accept monies in repayment under the program and to utilize CDBG program income and any other prior year balances for making additional expenditures under this program, and the funds are appropriated for that purpose.

(g) That the Director of Building and Housing is authorized to collect from persons or entities from whom the City is collecting demolition costs an amount equal to any amount spent for services related to collection of demolition cost, such as title searches, credit bureau reports, and document filing fees. Any funds collected shall be deposited into Fund No. 14.

**Section 7. Social Service Activities.**

(a) That the Director of Community Development is authorized to enter into or amend contracts with various agencies to provide social service programs, including the senior transportation program.

(b) That the Director of Community Development is authorized to use other program income to finance additional social service activities, and the program income and any prior year balances are appropriated for those purposes.

(c) That the estimated cost of the contracts is \$1,405,467 payable from Fund No. 14 SF 045, and program income and any other prior year balances. (RQS 8006, RLA 2019-0014)

**Section 8. CDC/Citywide Support.**

(a) That the Director of Community Development is authorized to enter into or amend contracts with various agencies to provide housing, commercial, industrial and real estate development activities.

(b) That the estimated cost of the contracts is \$1,369,945 payable from Fund No. 14 SF 045 and any other prior year balances. (RQS 8006, RLA 2019-0013)

(c) That the Director of Community Development is authorized to accept program income and use this and other program income to finance additional housing, commercial, industrial, real estate development and other CDBG eligible activities, and the program income is appropriated for those purposes.

(d) That the Director of Community Development is authorized to enter into or amend contracts with the agencies administering the housing, commercial, industrial and real estate activities that generated program income in an amount not to exceed that generated program income and to be paid from the revolving fund in Fund 14.

(e) That the Director of Community Development is authorized to enter into or amend contracts with for-profit or non-profit organizations serving as the fiscal agent for the various agencies to provide housing, commercial, industrial and real estate development activities.

**Section 9. Storefront Renovation Program.**

(a) That the Director of Community Development is authorized to enter into rebate, grant and/or loan agreements with Storefront Renovation Program applicants, and contracts for eligible administrative costs, and expenses to community development corporations for implementation of the Commercial Revitalization and Storefront Renovation Programs. The Director is also authorized to provide compensating balance

deposits to designated lenders via approved non-profit corporations in return for below market interest rate commercial loans to be used in the Storefront Renovation Program.

(b) That the Director of Community Development is authorized to employ by contract or contracts one or more consultants or one or more firms of consultants for the purpose of supplementing the regularly employed staff of the several departments of the City of Cleveland in order to provide professional services necessary to implement the Storefront Renovation Program.

The selection of the consultant or consultants for the services shall be made by the Board of Control on the nomination of the Director of Community Development from a list of qualified consultants available for employment as may be determined after a full and complete canvass by the Director of Community Development for the purpose of compiling a list. The compensation to be paid for the services shall be fixed by the Board of Control. The contract or contracts authorized shall be prepared by the Director of Law, approved by the Director of Community Development, and certified by the Director of Finance.

(c) That the Director of Community Development is authorized to enter into contracts with Commercial Revitalization Program applicants.

(d) That the Director of Community Development is authorized to accept program income monies in repayment from community development corporations under the Storefront Renovation Program and to utilize this program income, other Community Development Block Grant program income, and kiosk program income in a revolving fund for Commercial Revitalization and Storefront Renovation program expenditures.

(e) That the City is authorized to accept promissory notes, naming the City of Cleveland as payee, and mortgages, naming the City of Cleveland as mortgagee, and any other security instrument executed to evidence and secure repayment of loans, costs, and fees under the City's Storefront Renovation Program and Commercial Revitalization Program.

(f) That the Director of Community Development is authorized to enter into forbearance agreements with any recipient of a validly existing loan, administered by the City for Commercial Revitalization or Storefront Renovation.

(g) That the Director of Community Development is authorized to collect from persons or entities with whom the City is entering into loan agreements or forbearance agreements an amount equal to any amount spent for services related to such agreements, such as title searches, credit bureau reports and document filing fees. Such fees shall be deposited into Fund No. 14.

(h) That the estimated total of the contracts, grant agreements, loan agreements, and rebate agreements authorized is \$100,000 payable from Fund Nos. 14 SF 045, 13 SF 872, program income, amounts deposited in the revolving fund established in this ordinance, and any other prior year balances. (RQS 8006, RLA 2019-0012)

**Section 10. SHAP and CHORE Program.**

(a) That Community Development Block Grant funds in the estimated amount of \$280,000 are appropriated from Fund No. 14 SF 045, and any prior year balances and program income, for costs of the Department of Aging incurred in Fund 19 associated with conducting the Senior Homeowners Assistance Program (“SHAP”), and CHORE in conjunction with the Community Development Block Grant Program.

(b) That Emergency Solutions Grant funds in the estimated amount of \$60,000 are appropriated from Fund No. 19 SF 668 for costs of the Department of Aging incurred in Fund 19 associated with conducting the Homeless Services Program. (RQS 8006, RLA 2019-0007)

(c) That prior to expending funds under this ordinance, the Director of Aging and the Director of Community Development shall enter into a memorandum of understanding for this program.

**Section 11. Emergency Solutions Program.**

(a) That the Director of Community Development is authorized to enter into one or more contracts with Cuyahoga County and various non-profit agencies for the implementation of homeless assistance activities.

(b) The estimated cost of the contracts is \$2,271,963 payable from Fund Nos. 14 SF 045, 19 SF 668, and any other prior year balances. (RQS 8006, RLA 2019-0015)

**Section 12. Housing Trust Fund Program.**

(a) That the Director of Community Development is authorized to enter into one or more contracts with various housing development entities, or their designees, for the purpose of implementing the Housing Trust Fund Program.

(b) That eligible activities under the Housing Trust Fund Program include new construction, rehabilitation, site preparation, site acquisition, predevelopment activities and financial assistance to home buyers.

(c) That the estimated cost of the contracts is \$2,688,014 payable from Fund Nos. 14 SF 045, 19 SF 688, and any other prior year balances. (RQS 8006, RLA 2019-0016)

(d) That the Director of Community Development is authorized to accept monies in repayment of loans authorized in this ordinance and to deposit those monies in Fund Nos. 14 and 19, as appropriate, and utilize said repayments and other program income in a revolving fund for making additional expenditures under this program, and such funds are hereby appropriated for that purpose.

(e) That the City is authorized to accept promissory notes, naming the City of Cleveland as payee, and mortgages, naming the City of Cleveland as mortgagee, and any

other security instrument executed to evidence and secure repayment of loans made under this program.

(f) That the Director of Community Development is authorized to enter into forbearance agreements with any recipient of a validly existing loan administered by the City, and to charge and accept fees to cover costs incurred in the preparation of loan documents, closing, and servicing costs. Such fees shall be deposited into Fund No. 14 or 19, as appropriate. The revenues generated as a result of charging fees are appropriated for additional program and operating expenses for Housing Trust Fund activities.

### **Section 13. Home Repair Program.**

(a) That the Director of Community Development is authorized to expend funds from CDBG Fund No. 14 SF 045 in the estimated amount of \$1,629,500, and Federal HOME Program Fund No. 19 SF 667 in the estimated amount of \$284,303, and any other prior year balances for the operation of Low Interest Loan and Grant Home Repair Programs, including all related services. Programs include: Senior Home Owners Assistance Program (SHAP), Afford-A-Home (AAH), Repair-A-Home (RAH), Furnace Repair and Replacement, Home Maintenance Assistance Program (HMAP), Lead Hazard Abatement, Tree Removals, and Gutter Cleaning Program. (RQS 8006, RLA 2019-0008)

(b) That the Director of Community Development is authorized to enter into one or more contracts with various non-profit agencies, rehabilitation service providers, tenants, homeowners, and entities providing services necessary to process loans and grants to implement the Low Interest Loan and Grant Programs in the City of Cleveland.

(c) That the Director of Community Development is authorized to accept monies in repayment under the programs and to utilize the repayments, and other program income in a revolving fund for additional expenditures under these programs and administrative expenses, which repayments and program income are appropriated for those purposes.

(d) That the City is authorized to accept promissory notes, naming the City of Cleveland as payee, and mortgages, naming the City of Cleveland as mortgagee, and any other security instrument executed to evidence and secure repayment of loans made under this program.

(e) That the Director of Community Development is authorized to enter into forbearance agreements with any recipient of a validly existing loan administered by the City, and to charge and accept fees to cover costs incurred in the preparation of loan documents, closing, and servicing costs. Such fees shall be deposited into Fund No. 14 or 19, as appropriate, and are appropriated for the purposes of the Low Interest Loan and Grant Program.

### **Section 14. General Administration.**



(a) That Community Development Block Grant funds in the estimated amount of \$5,275,941 are appropriated from Fund No. 14 SF 045 and Federal HOME grant funds estimated at \$486,121 are appropriated from Fund No. 19 SF 667, and any other prior year balances that may become available, for the administrative expenses of the Department of Community Development under the following schedule:

Personnel: \$5,257,606  
Other: \$504,456

(b) That the Director of Community Development is authorized to expend funds and enter into contracts for reimbursements of non-profit, government and for-profit agencies and sub-recipients for the costs of audit and other professional services.

(c) That the costs of the contracts are payable from Fund Nos. 14 SF 045 and 19 SF 667.

**Section 15. Neighborhood Development Activities.**

(a) That the Director of Community Development, after receiving the approval stated below, is authorized to enter into or amend contracts with various social service agencies, community development or local development corporations, non-profit corporations, private for-profit entities, State of Ohio, Cuyahoga County, Cuyahoga Metropolitan Housing Authority, Cleveland Municipal School District, Regional Transit Authority, Northeast Ohio Regional Sewer District, Cleveland Metroparks, and such other governmental entities as defined under the Ohio Revised Code, to implement activities and programs that are eligible under the Community Development Block Grant CDBG Program and are consistent with the City's Community Development objectives and policies.

(b) That the Director of Community Development, after receiving the approval stated below, is authorized to enter into or amend memorandums of understanding with various City departments to implement activities and programs that are eligible under the CDBG Program and are consistent with the City's Community Development objectives and policies.

(c) That the Director of Community Development, after receiving the approval stated below, is authorized to expend NDA funds for any CDBG eligible Programs administered by the Department of Community Development including entering into contract with rehabilitation service providers, tenants, homeowners and entities providing services necessary to process loans and grants to implement the Low Interest Loan and Grant Programs, Paint Program, and other programs administered by the Department of Community Development.

(d) That prior to entering into or amending those contracts or memorandums of understanding, or expending any funds, the Director of Community Development shall receive written approval from the Council member whose ward line item is to fund the

activity or program, provided that the amount for such activity or program does not exceed the amount allocated for the Council member's ward pursuant to the relevant Community Development Block Grant plan.

(e) That the cost of the contracts, memorandums of understanding and expenditures for the programs administered by the Department of Community Development is estimated at \$7,430,000.00 payable from Fund No. 14 SF 045 and any other prior year NDA balances.

(f) That the Director of the Department of Community Development is authorized to enter into or amend contracts with the entities administering the NDA program that generated program income in an amount not to exceed that generated program income and to expend funds for the programs administered by the Department of Community Development that generated program income in an amount not to exceed that generated program income all to be paid from the revolving fund in Fund 14.

(g) That the City is authorized to accept promissory notes naming the City of Cleveland as payee, and mortgages, naming the City of Cleveland as mortgagee, and any other security instrument executed to evidence and secure repayment of loans made under this program.

(h) That the Director of Community Development is authorized to enter into forbearance agreements with any recipient of a validly existing loan administered by the City, and to charge and accept fees and to expend such fees to cover costs incurred in the preparation of loan documents, closing, and servicing costs. Such fees shall be deposited to and expended from Fund No. 14.

**Section 16.** That the estimated budget allocations for the grants is placed in File No. 142-2019-A. Additional legislation will be introduced identifying the final budget allocations once they are received by the City.

**Section 17.** That this ordinance 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 passage and approval by the Mayor; otherwise it shall take effect and be in force from and after the earliest period allowed by law.

**Passed February 11, 2019.**

**Effective February 13, 2019.**