

Ordinance No. 160-2025

By Council Members Hairston and Griffin
(by departmental request)

FOR PASSAGE
February 3, 2025

AN EMERGENCY ORDINANCE

Authorizing the Directors of Economic Development and Finance to enter into an agreement under the Job Creation Income Tax Incentive Program with Canon Healthcare USA, Inc., and/or its designee, to facilitate the purpose and provisions of this ordinance.

WHEREAS, pursuant to the authority of Revised Code Section 718.15 and Section 192.16 of the Codified Ordinances of Cleveland, Ohio, 1976 (“CCO”), and Ordinance No. 1345-2023, passed December 4, 2023, and, in accordance with CCO Section 192.19, the City has created a Job Creation Income Tax Credit Incentive Program (“JCI Tax Credit Program”); and

WHEREAS, prior to passage of this ordinance, the City and the company listed below have reached an agreement specifying all the conditions of the JCI Tax Credit Program were granted and placed in **File No. 160-2025-A**; and

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 Directors of Economic Development and Finance are authorized to enter into a Job Creation Income Tax Incentive Agreement (“JCI Tax Incentive Agreement”), for a period not to exceed five (5) years, with Canon Healthcare USA, Inc., and/or its designee (the “Company”), to provide financial assistance and incentives, by means of issuing the company a credit (the “JCI Tax Credit”) against net profit tax due to the City’s Division of Taxation Central Collection Agency (“CCA”) to the Company, an eligible applicant for such credit, which Company will create a minimum of fifty (50) full time jobs new to the City. Company may receive five (5) annual credits measured as fifty percent (50%) of the income tax withholding revenue the City derives from new employees of the Company that will be granted within the Company’s annual net profit return to be filed with the CCA.

Section 2. That the Company must not be delinquent on any portion of its tax filing and payment requirements including but not limited to real estate taxes, municipal income taxes, and withholding tax obligations on behalf of its employees.

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The term of the JCI Tax Incentive Agreement authorized by this ordinance shall not exceed the term of the Company's lease, if any, and in no event shall exceed five (5) years, unless otherwise approved by Council.

Section 3. That the Directors of Economic Development, Finance and Office of Equal Opportunity is authorized to enter into a non-standard Community Benefits ("CBA") Agreement with the company as a condition to receive funds under this ordinance. The CBA will be modified at the discretion of the OEO to reflect that this is not a construction or redevelopment project but as an attraction of a new employer along with new jobs to the project for the City of Cleveland.

Section 4. That the Company is required to enter into a Workforce Development Agreement as a condition to receive JCI Tax Credit under this ordinance.

Section 5. That the Mayor, the Director of Finance, the Director of Economic Development, the Director of Law, and any other City officials, as appropriate, are each authorized to prepare and sign any other documents, instruments, amendments or certificates and to take such actions as are necessary or appropriate to consummate and implement the transactions described in or contemplated by this ordinance.

Section 6. The contract authorized in this legislation will require the recipients of financial assistance to work with, and/or cause their tenants to work with, Ohio Means Jobs of Cuyahoga County, and/or related affiliate, and City of Cleveland to identify and solicit qualified candidates for job opportunities.

Section 7. 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.

SMA:uo
2-3-2025
FOR: Directors McNair and Barrett

By Council Members Hairston and Griffin (by departmental request)

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READ FIRST, SECOND AND THIRD TIME

READ FIRST TIME

REPORTS

referred to

CITY CLERK

READ SECOND TIME

CITY CLERK

READ THIRD TIME on FEBRUARY 3, 2025

PRESIDENT

CITY CLERK

APPROVED

MAYOR

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