




City of Cleveland **Memorandum**

Frank G. Jackson, Mayor

DATE: November 23, 2021

TO: Barbara Langhenry, Director
Department of Law

FROM: Matthew Spronz, Director 
Office of Capital Projects

RE: Amendment to Ordinance 532-2021

Ordinance 532-2021 was passed on November 15, 2021.

Please amend Section 13, paragraph 1 of the ordinance to include the following language:

That the Director of Capital Projects or Public Safety 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 design the Improvement and for the related services necessary to implement the Improvement, including but not limited to, providing representation for owners or performing construction management services.

If you have any questions, please let us know. Thank you.

MS/mkc

Encl.

Cc: Valarie McCall
Leah Short
James DeRosa
Karrie Howard
Michael Gehlmann
Meredith Carey
Nancy Lanzola

LEGISLATIVE SUMMARY
Mayor's Office of Capital Projects
Division of Real Estate

PURCHASE AND LEASEBACK AGREEMENT FOR SOUTH HIGH SCHOOL

Ordinance No: 532-2021

Legislative Purpose: To authorize the Director of the Department of Public Safety to enter into a purchase and leaseback agreement with Cleveland Metropolitan School District ("CMSD") for South High School located at 7415 Broadway Ave. for an expanded Police Training Academy facility.

Project Summary: South High School is approximately 251,384 square feet in size. This two story facility was built in 1968 and includes underground and outside parking, a large auditorium, inside track, gymnasium, library, and football field. City's Stella Walsh Recreation Center adjoins South High School and is located on CMSD property pursuant to a ground lease. The entire property, including Stella Walsh, is approximately 11.52 acres.

Since the closing of South High School in 2010, CMSD has used a portion of the building but does not need the entire building. CMSD has explored adaptive reuses of the building. Discussion with the City of Cleveland has been ongoing because of the importance of the building in the neighborhood and because the school is attached to City's Stella Walsh Recreation Center.

City has determined that it wishes to redevelop South High School into an expanded Police Training Academy for its Safety Division (Police, Fire and EMS). The vision is to hold Police Academy classes at South High School as well as to accommodate a cadet program and youth vocational program in partnership with CMSD.

Police Academy classes have traditionally been conducted in just a few classrooms at Police

Headquarters on Ontario Avenue. It has been the goal of the Police Academy to expand into a space where they would have enough classrooms and parking to schedule both recruit basic training, in-service training, and specialized training. South High School has sufficient space to allow the Police Academy to expand.

South High School also features a complete gymnasium facility with several different areas that could be adapted to our Physical Training and Subject Control courses. The facility includes a weight room, sizeable locker rooms, an indoor running track, full size basketball court and outdoor athletic field. Our Gymnasium Unit staff are dedicated to providing the most current training to basic Police Recruits as well as offering re-certification training and advanced training to our veteran officers. South High School would allow them to conduct several different training courses simultaneously, which is not currently possible at Police Headquarters.

In addition, South High School has a large underground secured parking garage which can be used to conduct training during bad weather. Training activities such as vehicle stops and approaches, citizen encounters and scenario based training could be safely conducted here as well.

Like other big city police departments across the United States, Cleveland's Department of Public Safety is struggling to recruit and retain qualified police candidates. Being located in Slavic Village and forming partnerships with CMSD and community stakeholders like Third Federal Foundation would allow the Division of Police the opportunity to promote career opportunities in law enforcement and draw potential candidates from our own neighborhoods. CMSD and City will work collaboratively to develop various programs and curriculum designed for students to have a career pathway into Public Safety. These students will be instructed by CMSD teachers for a certain number of

hours or days per week at South High School in conjunction with Police Academy staff.

Type of Transaction: Purchase and Leaseback -- CMSD is permitted under the Ohio Revised Code to convey a building owned by the political subdivision to a purchaser who is obligated, immediately upon closing, to lease all or portions of the building back to CMSD. The purchase and leaseback agreement must obligate the lessor to make public improvements to all or portions of the building subject to the lease, including renovations, energy conservation measures, and other measures that are necessary to improve the functionality and reduce the operating costs of the portions of the building that are subject to the lease.

Purchase Price: South High School was appraised in September 2020 at \$435,000. Under the proposed purchase and leaseback transaction, CMSD would transfer South High School building and grounds to the City for the purchase price of \$435,000 payable on or before June 30, 2023. In order to meet Ohio revised Code requirements, City agrees that its scope of work will include "renovations, energy conservation measures or other measures that are necessary to improve functionality and reduce operating costs of the leased premises." CMSD will give City a credit against the purchase price for any improvements that are made at South High School that benefit CMSD students and the area that is subject to the lease, including mechanical systems, roof, parking lot and common area improvements. In other words, if the City spends more than \$435,000 on renovation improvements in the building, then the entire purchase price would be offset.

Leaseback Provisions: CMSD would lease back six classrooms on the second floor and some ancillary spaces to support those classrooms. Leased areas may be modified in the future with Director's approval.

Lease Term: Twenty (20) years

Rent: For the first year, CMSD would pay 100% of all operating and maintenance costs as CMSD needs the time to remove its operations from the building. Thereafter, CMSD would pay a proportional share (less than 5%) of operating costs of South High School to the City as rent.

Permanent Parcel Nos: PPN 133-08-023 to 133-08-031; 133-08-033 to 133-08-036; 133-08-038 to 133-08-047; 133-08-064 to 133-08-080; 133-08-093 to 133-08-103; 133-08-113; and 133-09-041

Ward: Ward 12 (Councilmember Anthony Brancatelli)

Attachments: Location Map

Ordinance No. 544-2020

By Council Members: Johnson, Brancatelli and Kelley (by departmental request)

An emergency ordinance determining the method of making the public improvement of constructing, rehabilitating, renovating, replacing, or otherwise improving public facilities, buildings and other similar structures, including site improvements and appurtenances; and authorizing the Director of Public Works or Capital Projects, as appropriate, to enter into one or more public improvement contracts for the making of the improvement; enter into one or more professional services and other contracts needed to implement the improvement; to apply for and accept grants and gifts; and authorizing the direct employment of the necessary labor, for the Department of Public Works and Office of Capital Projects.

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, under Section 167 of the Charter of the City of Cleveland, this Council determines to make the public improvement of constructing, rehabilitating, renovating, replacing, or otherwise improving public facilities, buildings and other similar structures, including site improvements and appurtenances (the "Improvement"), for the Department of Public Works and Office of Capital Projects, by one or more contracts duly let to the lowest responsible bidder or bidders after competitive bidding for a gross price for the Improvement.

Section 2. That, provided the City of Cleveland sells the bonds authorized by Ordinance No. 397-2020, passed June 3, 2020, the Director of Public Works or Capital Projects, as appropriate, is authorized to enter into one or more contracts for the making of the public improvement with the lowest responsible bidder or bidders after competitive bidding for a gross price for the Improvement, provided, however, that each separate trade and each distinct component part of the Improvement may be treated as a separate improvement, and each, or any combination, of the trades or components may be the subject of a separate contract for a gross price. On request of the director, the contractor shall furnish a correct schedule of unit prices, including profit and overhead, for all items constituting units of the Improvement.

Section 3. That, provided the City of Cleveland sells the bonds authorized by Ordinance No. 397-2020, passed June 3, 2020, the Public Works or Capital Projects, as appropriate, 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 design the Improvement.

Section 4. That the selection of the consultants for the services shall be made by the Board of Control on the nomination of the Director of Public Works or Capital Projects, as appropriate, from a list of qualified consultants available for employment as may be determined after a full and complete canvass by the Director of Public Works or Capital Projects, as appropriate, 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 Works or Capital Projects, as appropriate, and certified by the Director of Finance.

Section 5. That the Director of Public Works or Capital Projects, as appropriate, is authorized to apply and pay for permits, licenses, or other authorizations required by any regulatory agency or public authority to permit performance of the work authorized by this ordinance.

Section 6. That, provided the City of Cleveland sells the bonds authorized by Ordinance No. 397-2020, passed June 3, 2020, the Director of Public Works or Capital Projects, as appropriate, is authorized to make one or more written standard purchase and/or written requirement purchase contracts under the Charter and the Codified Ordinances of Cleveland, Ohio, 1976, for each or all of the items comprising the necessary supplies and materials, equipment and services for the Improvements, to be purchased or procured by the Commissioner of Purchases and Supplies on a unit basis for the Director of Public Works or Capital Projects, as appropriate. 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 terms. In lieu of utilizing the authority contained in this ordinance, and notwithstanding the provisions of Codified Ordinance Sections 131.67 and 181.101 to the contrary, nothing shall prohibit purchases described in this section from being procured under an existing or future requirements contract authorized under Codified Ordinance Sections 131.67 or 181.101, payable from the funds identified in this ordinance.

Section 7. That, provided the City of Cleveland sells the bonds authorized by Ordinance No. 397-2020, passed June 3, 2020, under Section 167 of the Charter of the City of Cleveland, it is determined to make the Improvement, including all site improvements and appurtenances necessary and incidental, which are not covered by the contract or contracts authorized otherwise in this ordinance by the direct employment of the necessary labor, and the purchase or rental of the necessary supplies and materials for the making of the Improvement which supplies and materials are not covered by the contract or contracts authorized otherwise in this ordinance, with a separate accounting for each Improvement made.

Section 8. That under division (b) of Section 108 of the Charter, the purchases authorized by this ordinance may be made through cooperative agreements with other governmental agencies. The Director of Public Works or Capital Projects, as

appropriate, may sign all documents that are necessary to make the purchases, and may enter into one or more contracts with the vendors selected through that cooperative process.

Section 9. That the Director of Public Works or Capital Projects, as appropriate, is authorized to apply for and accept any gifts or grants from any public or private entity; and for this purpose from any public or private entity; and that the appropriate Director is authorized to file all papers and execute all documents necessary to receive the funds under the grant; and that the funds are appropriated for the purposes described in this ordinance.

Section 10 That the cost of any expenditure authorized by this ordinance shall be paid from the fund or funds which are credited the proceeds of the sale of bonds authorized Ordinance No. 397-2020, passed June 3, 2020, if the City sells such bonds and Fund Nos. 20 SF 566, 20 SF 573, 20 SF 578, 20 SF 585, 20 SF 588, 20 SF 591, the fund or funds to which are credited grant funds or cash gifts received, and any other funds deemed appropriate by the Director of Finance. (RQS 0103, RLA 2020-40)

Section 11. 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 November 4, 2020.

Effective November 5, 2020.

Ordinance No. 532-2021

**By Council Members Griffin, Bishop,
Brancatelli and Kelley
(by departmental request)**

AN EMERGENCY ORDINANCE

Authorizing the Director of Public Safety to enter into an agreement with the Cleveland Metropolitan School District relating to the purchase, lease and redevelopment of South High School located at 7415 Broadway Avenue to facilitate a public safety training academy; authorizing the Mayor and the Commissioner of Purchases and Supplies to purchase the building and property; authorizing the leaseback of a portion of the building and property to the school district for a term of twenty years; determining the method of making the public improvement of renovating the building and property; authorizing contracts, accepting grants and gifts, and authorizing the direct employment of the necessary labor to implement, for the Department of Public Safety and/or Office of Capital Projects.

WHEREAS, the City of Cleveland requires the purchase of South High School building and property located at 7415 Broadway Avenue (“South High”) to facilitate a public safety training academy; and

WHEREAS, the Cleveland Metropolitan School District (“CMSD”) has proposed to sell South High to the City and that the CMSD will leaseback approximately six classrooms and ancillary spaces from the City to be used for the benefit of CMSD students; and

WHEREAS, CMSD is permitted under the Revised Code to convey a building owned by them to a purchaser who is obligated, immediately upon closing, to lease all or portions of the building back to CMSD and to make improvements to all or a portion of the building that are necessary to improve the functionality and reduce the operating costs of the portions of the building that are subject to the lease; and

WHEREAS, the City wishes to redevelop South High into an expanded public safety training academy for its Safety Divisions and to conduct public safety academy classes, a cadet program, and a youth vocational program in partnership with CMSD; and

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CMSD for the purchase, redevelopment, and lease of South High. The agreement shall include but not be limited to, the specific classrooms to be leased back to CMSD and its operating cost obligations as well as the obligation of the City to make public improvements to all or portions of the building subject to the lease, including renovations, energy conservation measures, and other measures that are necessary to improve the functionality and reduce the operating costs of the portions of the building that are subject to the lease. The agreement shall include terms under which CMSD will give the City a credit against the purchase price for any improvements that are made by the City to South High that benefit CMSD students and to the area that is subject to the lease, such as classrooms, mechanical systems, roof, parking lot and common area improvements. Additionally, the agreement shall outline how City and CMSD will collaborate on development of a curriculum for CMSD to offer a youth vocational program in public safety at South High in the leased classrooms. The agreement shall be prepared by the Director of Law and shall contain any terms and conditions as are required to protect the interests of the City.

Section 2. That notwithstanding and as an exception to the provisions of Chapters 181 and 183 of the Codified Ordinances of Cleveland, Ohio, 1976, the Mayor and the Commissioner of Purchases and Supplies are authorized to purchase South High for the public purpose of facilitating a public safety training academy. The property consists of Permanent Parcel Nos.: 133-08-023 to 133-08-031, 133-08-033 to 133-08-036, 133-08-038 to 133-08-047, 133-08-064 to 133-08-080, 133-08-093 to 133-08-103, 133-08-113, and 133-09-041. The building is approximately 251,384 square feet in size and the property is approximately 11.52 acres.

Section 3. That the Director of Public Safety is authorized to execute on behalf

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Section 4. That the consideration to be paid for South High shall not exceed the fair market value of \$435,000, as determined by an independent third-party appraisal.

Section 5. That, upon acquisition of South High and notwithstanding and as an exception to the provisions of Chapters 181 and 183 of the Codified Ordinances of Cleveland, Ohio, 1976, the Director of Public Safety is authorized to lease to CMSD portions of South High comprising of up to six classrooms and ancillary space or spaces to be used for the benefit of CMSD students for the term of the lease.

Section 6. That the term of the lease authorized by this ordinance shall not exceed twenty years.

Section 7. That the rent for the lease authorized by this ordinance shall not exceed \$1.00 and other valuable consideration, which is determined to be fair market value, exclusive of utilities.

Section 8. That the lease shall provide for CMSD's payment of all utility and operating costs for the first year of the lease and payment of not to exceed five percent of all utility and operating costs for the remaining years of the lease.

Section 9. That under Section 167 of the Charter of the City of Cleveland, it is determined to make the public improvement of constructing, rehabilitating, or renovating all or portions of South High, including ancillary buildings, structures, or site improvements, for the Mayor's Office of Capital Projects, by one or more contracts duly let to the lowest responsible bidder or bidders after competitive bidding for a gross price for the improvement.

Section 10. That the Director of Public Safety or Capital Projects, as appropriate, is authorized to enter into one or more contracts for the making of the

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furnish a correct schedule of unit prices, including profit and overhead, for all items constituting units of the improvement.

Section 11. That, under Section 167 of the Charter of the City of Cleveland, it is determined to make the improvements described in this ordinance, including all site improvements and appurtenances necessary and incidental, which are not covered by the contract or contracts authorized otherwise in this ordinance by the direct employment of the necessary labor, and the purchase or rental of the necessary supplies and materials for the making of such improvements which supplies and materials are not covered by the contract or contracts authorized otherwise in this ordinance, with a separate accounting for each improvement made.

Section 12. That the Director of Public Safety or Capital Projects, as appropriate, is authorized to apply and pay for permits, licenses, or other authorizations required by any regulatory agency or public authority to permit performance of the work authorized by this ordinance.

Section 13. That the Director of Capital Projects is authorized to employ by contract one or more architects, landscape architects and engineers, or one or more firms of architects, landscape architects and engineers, for the professional services necessary to implement this ordinance.

Section 14. That the selection of the consultants for the services shall be made by the Board of Control on the nomination of the Director of Capital Projects from a list of qualified consultants available for the employment as may be determined after a full and complete canvass by the Director of Capital Projects for the purpose of compiling the 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

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necessary supplies and materials for the improvements described in this ordinance, to be purchased or procured by the Commissioner of Purchases and Supplies on a unit basis for the Director of Capital Projects. 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 term may be taken if desired by the Commissioner of Purchases and Supplies until provision is made for the requirements for the entire terms. In lieu of utilizing the authority contained in this ordinance, and notwithstanding the provisions of Codified Ordinance Sections 131.67 and 181.101 to the contrary, nothing shall prohibit purchases described in this section from being procured under an existing or future requirements contract authorized under Codified Ordinance Sections 131.67 or 181.101, payable from the funds identified in this ordinance.

Section 16. That the costs of the requirement 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 by a delivery order issued against the contract or contracts and certified by the Director of Finance.

Section 17. That under Section 108(b) of the Charter, the purchases authorized by this ordinance may be made through cooperative arrangements with other governmental agencies. The Director of Capital Projects may sign all documents that are necessary to make the purchases, and may enter into one or more contracts with the vendors selected through that cooperative process.

Section 18. That the Director of Public Safety or Capital Projects, as appropriate, is authorized to apply for and accept any gifts or grants for this purpose.

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and certificates, and take any other actions which may be necessary or appropriate in connection with implementing this ordinance.

Section 20. That the cost of this ordinance and other expenditures authorized shall be paid from the fund or funds to which are credited the proceeds of the sale of bonds authorized by Ordinance No. 161-2021, passed March 22, 2021, from the fund or funds to which are credited any gifts or grants received for the purposes of this ordinance, and from any other funds approved by the Director of Finance. RQS 6002, RLA 2021-45.

Section 21. 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.

SM:nl

7-14-2021

FOR: Interim Directors Howard and Spronz

By Council Members Griffin, Bishop, Brancatelli and Kelley
(by departmental request)

AN EMERGENCY ORDINANCE

Authorizing the Director of Public Safety to enter into an agreement with the Cleveland Metropolitan School District relating to the purchase, lease and redevelopment of South High School located at 7415 Broadway Avenue to facilitate a public safety training academy; authorizing the Mayor and the Commissioner of Purchases and Supplies to purchase the building and property; authorizing the leaseback of a portion of the building and property to the school district for a term of twenty years; determining the method of making the public improvement of renovating the building and property; authorizing contracts, accepting grants and gifts, and authorizing the direct employment of the necessary labor to implement, for the Department of Public Safety and/or Office of Capital Projects.

REPORTS

READ FIRST TIME on JULY 14, 2021
and referred to DIRECTORS of Public Safety, Capital Projects,
City Planning Commission, Finance, Law;
COMMITTEES on Municipal Services and Properties,
Development Planning and Sustainability, Finance

CITY CLERK

READ SECOND TIME

CITY CLERK

READ THIRD TIME

PRESIDENT

CITY CLERK

APPROVED

MAYOR

PASSAGE RECOMMENDED BY
COMMITTEE ON
**MUNICIPAL SERVICES
AND PROPERTIES**

FILED WITH COMMITTEE