Ordinance No.1325-2025

AN EMERGENCY ORDINANCE

Authorizing the Mayor and the Directors of Law, Parks and Recreation, Port Control, and/or the Office of Capital Projects, as appropriate, to enter into one or more agreements and/or amendments to the Lease by Way of Concession with the Browns, or their designees, to effectuate the terms and conditions in the Settlement Term Sheet regarding the relocation of the Cleveland Browns to the City of Brook Park and the demolition of Huntington Bank Field; determining the method of making the public improvement of designing and performing demolition and site preparation of such sports facility and other structures, and designing and constructing various Lakefront Improvements; authorizing other professional service contracts; accepting gifts and grants; and establishing the Community Benefits Project and the Lakefront Cleveland Lakefront Development Subfunds.

WHEREAS, that certain Lease by Way of Concession dated as of April 26, 1996 (the "Lease"), presently between the City of Cleveland (the "City") and Cleveland Browns Stadium Company LLC, of the sports facility now known as the Huntington Bank Field (the "HBField") for the play of professional football games and other activities, terminates in or about February 2029; and

WHEREAS, Haslam Sports Group, LLC is an affiliate and indirectly controls the Cleveland Browns Stadium Company LLC and the Cleveland Browns Football Company LLC (collectively with any other Cleveland Browns-related entities, the "Browns"); and WHEREAS, the following cases are pending involving the Browns' relocation efforts to, and the construction of a domed stadium and adjacent development in, the City of Brook Park:

City of Cleveland v. Haslam Sports Group, LLC, et al. Case No. CV-25-110189 (Cuyahoga C.P.)

Cleveland Browns Football Company LLC, et al. v. City of Cleveland, et al. Case No. 1:24-CV-01857-DAR (N.D. Ohio)

City of Cleveland, Dep't of Port Control v. Ohio Dep't of Transportation, Office of Aviation Case No. CV 25-125761 (Cuyahoga C.P.)

(collectively the "Cases"); and

WHEREAS, the City and the Browns desire to settle the Cases on the basis, in part, of the Browns, or its designee(s): making certain payments and donations; causing the demolition and preparation of the HBField and other structures, if any,

located on the Leased Premises defined in the Lease (collectively the "Stadium") to a "pad ready" state; and the "pad readiness" of the Leased Premises, and on certain acts by the City in consideration, as more fully set forth in the Term Sheet described in Section 1 of this ordinance; and

WHEREAS, such a settlement guarantees at least \$100,000,000 (One Hundred Million Dollars) of benefits to the City and its residents; and

WHEREAS, such settlement will also help the City further its redevelopment efforts of the Lakefront on certain property in the City around North Coast Harbor and its approaches (collectively, the "Initial Development Area"), including, but not limited to, the development of recreational areas on the Lakefront, the creation of a land bridge connecting downtown Cleveland to the Lakefront; the reconstruction of the Route 2 Shoreway to a signalized boulevard; construction of public infrastructure, including roadways, public transit infrastructure; and other public improvements that will facilitate the development of residential, commercial, and recreational uses in the Initial Development Areas (collectively, the "Initial Lakefront Project"); and

WHEREAS, the unique design, time, budgetary, or other material elements of both the Stadium demolition improvement and the Lakefront improvement identified in Section 4 of this ordinance, may benefit from the special care, coordination, and expeditiousness possible by combining the performance of both the professional design services, and the demolition and the professional design and construction, respectively, under one contract with a single entity; and

WHEREAS, this ordinance constitutes an emergency ordinance providing for the immediate preservation of the public peace, property, health or safety to facilitate the guaranteed donations and payments and the remediation, demolition, and site

improvements by the Browns, and for the other reasons stated in the recitals and 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, notwithstanding any provision of the Codified Ordinances of Cleveland, Ohio, 1976, to the contrary, the Mayor and/or the Directors of Law, Parks and Recreation, Port Control, and/or the Office of Capital Projects, as appropriate, are authorized to enter into one or more agreements with the Browns, or its designee(s), as appropriate, and one or more amendments to the Lease, as necessary to effectuate the terms and conditions in the Settlement Term Sheet contained in File No. 1325-2025-A 1325-2025-A1 (the "Term Sheet").

Section 2. That, notwithstanding any provision of the Codified Ordinances of Cleveland, Ohio, 1976, to the contrary, and under Section 167 of the Charter of the City of Cleveland, this Council determines to make public improvement of performing predemolition planning, environmental remediation, and demolition of the Stadium, including but not limited to: performing site preparation; analyzing, testing, and performing environmental remediation; handling and disposing of any hazardous materials; and excavating, to achieve a state of the Leased Premises as "pad ready" for new construction, which may include but is not limited to, site clearing, clearing the previous foundation(s), site level and grading, utility work, adding structural fill, and compacting the soil, (collectively the "Stadium Improvement") for the Department of Parks and Recreation and/or the Office of Capital Projects, as appropriate, by one or more design and demolition contracts with the Browns or its designee, or by amending the Lease or incorporating into a settlement agreement to provide for accomplishment of the Stadium Improvement, at the Browns' sole cost and expense, by one or more firms submitting the best proposal for the design and demolition, taking into

consideration the engineering and design, the demolition method, the proposed design and demolition costs, the total life-cycle costs, the qualifications of the proposed design professional and demolition firm, the community benefits offered, and the objectives and conditions of the Stadium Improvement, as set forth in the Term Sheet.

Section 3. That the Directors of Law, Parks and Recreation, Port Control, City Planning and/or the Office of Capital Projects, as appropriate, are authorized to employ by contract or contracts one or more consultants or firms of consultants for the purpose of supplementing the regularly employed staff of the several departments of the City of Cleveland to provide professional services to implement the Initial Lakefront Project including, but not limited to, the design, programming, management and/or fabrication of interactive arts, activities, and/or other amenities in the Initial Development Area.

The selection of the consultants for the services shall be made by the Board of Control on the nomination of the appropriate director from a list of qualified consultants available for employment as may be determined after a full and complete canvass by the appropriate director 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 appropriate director, and certified by the Director of Finance.

Section 4. That, under Section 167 of the Charter of the City of Cleveland, this Council determines to make the public improvement of designing and constructing various public improvements for the Initial Development Area, including, but not limited to public roadways, public recreational and park space, and other public improvements consistent with the Initial Lakefront Project and not covered by Section 2 of this ordinance (collectively the "Lakefront Improvement"), for the Department of Parks and Recreation, the Office of Capital Projects, and/or the Department of Port Control, as

appropriate, by one or more design-build, construction-manager-at-risk, or engineer-procure-construct contracts duly let to the person, firm, or corporation or combination of them submitting the best proposal, taking into consideration the engineering and design, the construction method, the proposed design and construction costs, the qualifications of the proposed design professional and construction firm, and the other objectives of the Lakefront Improvement.

The selection of the person, firm, or corporation to design and construct the Lakefront Improvement shall be made by the Board of Control on the nomination of the Director of Parks and Recreation, the Office of Capital Projects, and/or the Department of Port Control, as appropriate, from a list of qualified persons, firms, or corporations, as may be determined by the Director of Parks and Recreation, the Office of Capital Projects, and/or the Department of Port Control, as appropriate, after making a full and complete canvass for the purpose of compiling the list. The Board of Control shall fix the total compensation to be paid for all design and construction and procurement necessary for the Lakefront Improvement. The contract or contracts shall be prepared by the Director of Law, approved by the Director of Parks and Recreation, the Office of Capital Projects, and/or the Department of Port Control, as appropriate, and certified by the Director of Finance.

Section 5. That the Directors of Capital Projects, Port Control and/or Parks and Recreation, as appropriate, are authorized to apply and pay for permits, licenses, or other authorizations required by any regulatory agency or public authority to permit performance of the Stadium Improvement and Lakefront Improvement authorized by this ordinance.

<u>Section 6.</u> That all contracts and amendments to the Lease authorized by this ordinance shall be approved by the Director of Law and shall contain such other terms

and conditions as the Director of Law determines are required to protect the interests of and benefit the City.

Section 7. That there is established the Community Benefit Projects Subfund,
Fund No. 10 SF 985, subject to any approvals required by law, into which any payments
received by the City for Community Benefit Projects, as further described in the Term
Sheet, shall be deposited and which shall be devoted to such projects.

Section 8. That there is established the Cleveland Lakefront Development Subfund, Fund No. 10 SF 986, subject to any approvals required by law, into which the Browns' initial \$25,000,000 payment and the five (5) annual \$5,000,000 payments totaling \$25,000,000 \$4,000,000 payments totaling \$20,000,000 in whole or in part paid or donated to the City as described in the Term Sheet shall be deposited and which shall be devoted to facilitating Lakefront development. development of the Cleveland Lakefront.

Section 9. That the Directors of Capital Projects, Port Control, City Planning, and/or Parks and Recreation, as appropriate, are authorized to apply for and accept any gifts or grants from any public or private entity to implement this ordinance; and that the appropriate director is authorized to file all papers and execute all documents necessary to receive the funds.

<u>Section 10.</u> That any funds received under this ordinance are appropriated for the purposes described in this ordinance.

Section 11. That the cost of the contracts authorized in Sections 3 and 4 of this ordinance shall not exceed \$50,000,000 and shall be paid from Fund No. 10 SF 986, from the fund or funds to which are credited any gift or grant funds accepted under this ordinance, and from any other funds approved by the Director of Finance. (RQS 4503, RL 2025-117)

Section 12. That it is found and determined that all formal actions of the

Council concerning and relating to the passage of this ordinance were adopted in an

open meeting of this Council, and that all deliberations of the Council and of any of its

committees that resulted in such formal action, were in meetings open to the public, in

compliance with all legal requirements including all lawful ordinances and any applicable

provisions of Section 121.22 of the Revised Code.

<u>Section 13.</u> 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:JBM:nl 10-20-24

FOR: Mayor Bibb

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Ord. No.

Mr.

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READ FIRST TIME

REPORTS

and referred to	KLADTIKST TIME	
by the council		
		CITY CLERK
by the council	READ SECOND TIME	
		CITY CLERK
by the council	READ THIRD TIME	
		PRESIDENT
		CITY CLERK
	APPROVED	
		MAYOR
Recorded Vol.	Page _	
Published in the		

REPORT after second Reading