

Ordinance No. 1226-2025

By Council Members Hairston and Griffin
(by departmental request)

AN EMERGENCY ORDINANCE

To rename the Department of Economic Development to the Department of Development by amending the title to Chapter 144 and various codified ordinances; to amend Section 144.02, as amended by Ordinance No. 1655-80, passed July 31, 1980, relating to the Director’s duties; to enact new Section 144.021 to establish a new office; to amend 183.021, as amended by Ordinance No. 837-2017, passed August 16, 2017, relating to the land reutilization programs; to establish a new Special Revenue Fund; and to authorize the hiring of an additional employee.

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 title to Chapter 144 is renamed to “Department of Development”.

Section 2. That Sections 144.01 and 144.02 of the Codified Ordinances of Cleveland, Ohio, 1976, as amended by Ordinance No. 1655-80, passed July 31, 1980, and Section 144.03 of the codified ordinances, as amended by Ordinance No. 2742-88, passed November 28, 1988, are amended to read as follows:

Section 144.01 Establishment

There is established a Department of ~~Economic~~ Development to be controlled and administered by a Director of ~~Economic~~ Development subject to the provisions of the Charter and ordinances of the City, and to the direction of the Mayor.

Section 144.02 Duties of Director

The Director of ~~Economic~~ Development shall administer the Department and supervise the work of such divisions, offices and bureaus as may be established in the Department. The Director may appoint and employ such other officers and employees appointed by commissioners of divisions in accordance with the provisions of Section 79 of the Charter. The Director shall develop and implement policies, programs, and strategies for the retention, expansion and relocation of existing business and industry and for the attraction of new industry; coordinate, monitor and evaluate all municipal programs and procedures relating to economic development; prepare grant proposals for private, State and federal assistance programs in the area of economic development; to manage the Land Reutilization Programs; and provide technical assistance to business, industry and neighborhood organizations regarding the availability of sites for development, public and private financing for development, and municipal procedures and programs regarding land use and land assembly for economic development; and do and perform such other duties as may from time to time be required of him or her by the Mayor, or by ordinance of Council.

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Section 144.03 Financial Assistance Fees

(a) The Director of ~~Economic~~ Development hereby is authorized to establish a schedule of and collect fees from loan and other financial assistance applicants to cover the cost of servicing loans and applications therefor under the various loan and financial assistance programs administered by the Department of ~~Economic~~ Development. Such fees may be refunded to applicant at the direction of the Director of ~~Economic~~ Development.

(b) The Director of ~~Economic~~ Development is hereby authorized to employ by contracts such professional services as may be required to prepare grant applications and to service loans made under the various loan and financial assistance programs administered by the Department of ~~Economic~~ Development, including, but not limited to, appraisal services, title insurance, survey costs, construction management, project identification materials and legal advertising. The costs of the contracts authorized herein shall be paid from the fees collected pursuant to this section.

(c) The Director of ~~Economic~~ Development is hereby authorized to pay a fee not to exceed five hundred dollars (\$500.00) to area local development corporations that he or she determines have provided substantial assistance to applicants submitting proposals for financial assistance to the Department. The fee authorized herein shall be paid from the fees collected pursuant to this section.

Section 3. That existing Sections 144.01 and 144.02 of the Codified Ordinances of Cleveland, Ohio, 1976, as amended by Ordinance No. 1655-80, passed July 31, 1980, and Section 144.03 of the codified ordinances, as amended by Ordinance No. 2742-88, passed November 28, 1988, are repealed.

Section 4. That the Codified Ordinances of Cleveland, Ohio, 1976, are supplemented by enacting new Section 144.021 to read as follows:

Section 144.021 Office of Land Strategy and Asset Redevelopment

There is established in the Department of Development, an Office of Land Strategy and Asset Redevelopment to be administered and controlled by the Director of Development, or his or her designee, subject to the provisions of the Charter and the Codified Ordinances of Cleveland, Ohio 1976, and to the supervision of the Director of Development. The Director of Development, or his or her designee, shall oversee, monitor and regulate land strategy and asset redevelopment for development projects in the City of Cleveland.

Section 5. That Section 183.021 of the Codified Ordinances of Cleveland, Ohio, 1976, as amended by Ordinance No. 837-17, passed August 16, 2017, is amended to read as follows:

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Section 183.021 Land Reutilization Programs

(a) *Residential Land Bank.*

(1) The Director of ~~Community~~ Development shall administer a Land Reutilization Program for residential property established under RC Chapter 5722 and adopted and implemented by Ordinance 2076-76, passed October 25, 1976, and shall perform the duties specified in RC 5722.06. Land acquired as part of the Land Reutilization Program for residential property may be referred to as Residential Land Bank property.

(2) If Residential Land Bank property is sold, it shall be sold according to the terms of RC Chapter 5722, without competitive bidding, for not less than fair market value, with reference to such terms and conditions, restrictions and covenants to assure the effective reutilization of the land, as the Board of Control shall determine and authorize, and the land shall be conveyed notwithstanding any other provisions of the Codified Ordinances to the contrary.

(3) If a member of Council does not disapprove or request a hold in writing to the Director of ~~Community~~ Development within forty-five (45) days of notification of a proposed sale, easement conveyance, or lease of a property in the Residential Land Bank in his or her ward then that process described in this section shall be used for the sale, easement conveyance, or lease of the property in his or her ward. Within forty-five (45) days of notification, a member of Council may submit a written request for one (1) additional thirty (30) day extension.

(4) The Commissioner of Purchases and Supplies when directed by the Director of ~~Community~~ Development is authorized to sell or lease any land in the Residential Land Bank if the purchaser of the land is neither tax delinquent nor has any existing Building or Housing Code violations on property owned in the City. Each instrument of conveyance shall contain provisions and use restrictions as Council deems necessary or appropriate to protect the interests of the neighborhood and the City.

(5) The Commissioner of Purchases and Supplies when directed by the Director of ~~Community~~ Development is authorized to convey easement interests in any land in the Residential Land Bank at a price determined to be fair market value by the Board of Control taking into account the nature of the easement and the easement shall be conveyed notwithstanding any other provision of the Codified Ordinances to the contrary.

(6) That the conveyance of easement interests shall be made by official deed of easement prepared by the Director of Law and executed by the Director of ~~Community~~ Development on behalf of the City of Cleveland. The deed of easement shall contain such other terms and conditions that the Director of Law determines to be necessary to protect and benefit the City.

(7) Before the acquisition of any residential property with multiple parcels into the Residential Land Bank, the Director of ~~Community~~ Development shall conduct all appropriate inquiries in accordance with rules adopted by the United States Environmental Protection Agency under the requirements of the

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Small Business Liability Relief and Brownfields Revitalization Act (Pub. L. No. 107-118, 115 stat. 2356).

(8) The Director of Development is authorized to deposit the proceeds from the sale of any property from the Residential Land Bank property into Special Revenue Fund No. 17 SF 964. This fund shall be used for costs associated with acquisition, maintenance, remediation, and disposition of Residential Land Bank property including costs for insurance and for activities related to the recovery of costs incurred on these properties. Further, funds received by the City of Cleveland from direct insurance claim settlements, cost recovery efforts initiated by the Land Reutilization Program for residential property, demolition or remediation actions as a result of the Program, and grants, donations or any other sources pledged to the Program shall be deposited in Special Revenue Fund No. 17 SF 964.

(b) *Industrial-Commercial Land Bank.*

(1) The Director of ~~Economic~~ Development shall administer a Land Reutilization Program for industrial and commercial property established under RC Chapter 5722 and adopted and implemented by Ordinance 2076-76, passed October 25, 1976, and shall perform the duties specified in RC 5722.06. Land, including residential properties, acquired as part of the Land Reutilization Program for industrial and commercial property may be referred to as Industrial-Commercial Land Bank property.

(2) If Industrial-Commercial Land Bank property is sold, it shall be sold according to the terms of RC Chapter 5722, without competitive bidding, for not less than fair market value, with reference to such terms and conditions, restrictions and covenants to assure the effective reutilization of the land, as the Board of Control shall determine and authorize, and the land shall be conveyed notwithstanding any other provisions of the Codified Ordinances to the contrary.

(3) If a member of Council does not disapprove or request a hold in writing to the Director of ~~Economic~~ Development within forty-five (45) days of notification of a proposed sale, easement conveyance, or lease of a property in the Industrial-Commercial Land Bank in his or her ward then that process described in this section shall be used for the sale, easement conveyance, or lease of the property in his or her ward. Within forty-five (45) days of notification, a member of Council may submit a written request for one (1) additional thirty (30) day extension.

(4) The Commissioner of Purchases and Supplies when directed by the Director of ~~Economic~~ Development is authorized to sell or lease any land in the Industrial-Commercial Land Bank if the purchaser of the land is neither tax delinquent nor has any existing Building or Housing Code violations on property owned in the City. Each instrument of conveyance shall contain provisions and use restrictions as Council deems necessary or appropriate to protect the interests of the neighborhood and the City.

(5) The Commissioner of Purchases and Supplies when directed by the Director of ~~Economic~~ Development is authorized to convey easement interests in any land in the Industrial-Commercial Land Bank at a price determined to be fair market value by the Board of Control taking into account the nature of the

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easement and the easement shall be conveyed notwithstanding any other provision of the Codified Ordinances to the contrary.

(6) That the conveyance of easement interests shall be made by official deed of easement prepared by the Director of Law and executed by the Director of ~~Economic~~ Development on behalf of the City of Cleveland. The deed of easement shall contain such other terms and conditions that the Director of Law determines to be necessary to protect and benefit the City.

(7) Before the acquisition of any industrial or commercial property into the Industrial-Commercial Land Bank, the Director of ~~Economic~~ Development shall conduct all appropriate inquiries in accordance with rules adopted by the United States Environmental Protection Agency under the requirements of the Small Business Liability Relief and Brownfields Revitalization Act (Pub. L. No. 107-118, 115 stat. 2356).

(8) The Director of ~~Economic~~ Development is authorized to deposit the proceeds from the sale of any industrial or commercial property from the Industrial-Commercial Land Bank into Special Revenue Fund No. 17 SF 965. This fund shall be used for costs associated with acquisition, maintenance, remediation, and disposition of Industrial-Commercial Land Bank property including costs for insurance and for activities related to the recovery of costs incurred on these properties. Further, funds received by the City of Cleveland as a result of direct insurance claim settlements, cost recovery efforts initiated by the Land Reutilization Program for industrial and commercial property, demolition or remediation actions as a result of the Program, and grants, donations or any other sources pledged to the Program shall be deposited in Special Revenue Fund No. 17 SF 965.

(9) The Director of ~~Economic~~ Development is authorized to execute on behalf of the City of Cleveland all necessary documents to employ and pay all fees for services necessary, including agents to conduct acquisition activities for the acquisition, maintenance, remediation and disposition of the property and to comply with any applicable federal or state regulatory requirements, as well as to execute documents for the purchase of insurance on the property. The costs of these contracts shall be paid from Fund 17 SF 965 and from any other funds or subfunds which are appropriated for this use.

(10) The Director of ~~Economic~~ Development is authorized to execute on behalf of the City of Cleveland all necessary documents to secure a No Further Action Letter for property from Ohio EPA, including such covenants, declarations, or restrictions upon the property are required.

(11) The Commissioner of Purchases and Supplies when directed by the Director of Economic Development is authorized to acquire property from third parties, either through a donation or a purchase at a price determined to be fair market value by the Board of Control, to hold in the Industrial-Commercial Land Bank. The Director of Economic Development is authorized to enter into agreements with agents necessary to assist with acquisition activities under this division.

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Section 6. That existing Section 183.021 of the Codified Ordinances of Cleveland, Ohio, 1976, as amended by Ordinance No. 837-17, passed August 16, 2017, is repealed.

Section 7. That there is established Special Revenue Fund No. 17 SF 965, subject to any approvals required by law, to be devoted for the purposes in new division (a)(8) of Section 183.021 of the Codified Ordinances of Cleveland, Ohio, 1976, and as described in Section 3 of this ordinance and that the Director of Finance is authorized to transfer funds from Fund No. 14 SF 050 into Fund No. 17 SF 965.

Section 8. That the Director of Development is authorized to enter into contracts or perform any acts under an ordinance passed by this council that gives such authority to the Director of Economic Development.

Section 9. That the Director of Development is authorized to hire an additional employee whose responsibilities will include overseeing the Office of Land Strategy and Asset Redevelopment.

Section 10. That any references contained in the Codified Ordinances of Cleveland, Ohio, 1976, to the Department of Economic Development shall be amended to read “Department of Development”.

Section 11. That the Clerk of Council is authorized when publishing the Codified Ordinances of Cleveland, Ohio, 1976, and amendments thereto, to change all references to the Department of Economic Development to read “Department of Development” consistent with this ordinance.

Section 12. 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.

RB:SM:nl
9-29-25

FOR: Director Bourdeau Small

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To rename the Department of Economic Development to the Department of Development by amending the title to Chapter 144 and various codified ordinances; to amend Section 144.02, as amended by Ordinance No. 1655-80, passed July 31, 1980, relating to the Director’s duties; to enact new Section 144.021 to establish a new office; to amend 183.021, as amended by Ordinance No. 837-2017, passed August 16, 2017, relating to the land reutilization programs; to establish a new Special Revenue Fund; and to authorize the hiring of an additional employee.

READ FIRST TIME on September 29, 2025
and referred to DIRECTORS of Economic Development, Finance, Law;
COMMITTEES on Development Planning and Sustainability,
Finance Diversity Equity and Inclusion

CITY CLERK

READ SECOND TIME

CITY CLERK

READ THIRD TIME

PRESIDENT

CITY CLERK

APPROVED

MAYOR

REPORT
after second Reading

PASSAGE RECOMMENDED BY
COMMITTEE ON
DEVELOPMENT, PLANNING AND
SUSTAINABILITY

FILED WITH COMMITTEE

PASSAGE RECOMMENDED BY
COMMITTEE ON
FINANCE, DIVERSITY, EQUITY
and INCLUSION

FILED WITH COMMITTEE