

Ordinance No. 745-2024 AS AMENDED

By Council Members Hairston and Griffin
(by departmental request)

AN EMERGENCY ORDINANCE

Authorizing the Director of Economic Development to enter into one or more agreements with The Cleveland Foundation to establish, manage, and implement an endowment fund for the acquisition, aggregation and remediation of sites located throughout the City; and to enter into one or more amendments ~~the~~ to Services Agreement No. PS 2023-0341 with the Cuyahoga County Land Reutilization Corporation and the Site Readiness for Good Jobs Fund to transfer funds from the Services Agreement and payment responsibilities to the Sites Fund and any other changes necessary to implement this ordinance.

WHEREAS, under Ordinance No. 487-2023, passed May 22, 2023, the Director of Economic Development entered into Services Agreement PS 2023-0341 (the "Service Agreement") with the Cuyahoga County Land Reutilization Corporation, an Ohio non-profit community improvement corporation (the "Land Bank"), and the Site Readiness for Good Jobs Funds, an Ohio non-profit corporation (the "Sites Fund"), to acquire, aggregate, and remediate vacant, underutilized, and/or blighted land within the City's municipal boundaries essential to revitalization and development of the City's economy (the "Program"); and

WHEREAS, the City desires to enter into one or more agreements with The Cleveland Foundation to establish an endowment fund for the Program (the "Endowment Fund") in an amount not to exceed \$50,000,000, to be paid from the remaining funds on the Service Agreement and other City funding; and

WHEREAS, the board of the Sites Fund unanimously passed Resolution 2024.007 at its June 13, 2024, meeting authorizing the Chairman of the Sites Fund board to enter into a memorandum of understanding with The Cleveland Foundation to establish the Endowment Fund; and

WHEREAS, the board of The Cleveland Foundation authorized the creation of the Endowment Fund at its June 27, 2024, meeting; and

WHEREAS, the Service Agreement will need to be amended to reflect these changes; and

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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, notwithstanding and as an exception to the Codified Ordinances of the City of Cleveland, Ohio, 1976, the Director of Economic Development is authorized to enter into one or more agreements with The Cleveland Foundation to establish the Endowment Fund (the "Endowment Fund Agreement").

Section 2. That the Director of Economic Development is authorized to enter into one or more amendments to the Services Agreement to provide that payments to the Land Bank will be made by the Sites Fund and to make any other changes necessary to implement this ordinance.

Section 3. That the agreement(s) and amendment(s) shall be prepared by the Director of Law and shall contain such terms and conditions as the Director of Law determines necessary to protect and benefit the public interest.

Section 4. That the Endowment Fund Agreement will provide for the Sites Fund to have access to a recoverable grant of at least \$10,000,000 in the first year, \$8,000,000 in the second year, and consideration of additional recoverable grants in subsequent years to meet potential near-term cash flow requirements in addition to the 5% annual payout.

The Director of Economic Development and/or the Sites Fund board shall ensure that the Endowment Fund Agreement incorporates provision(s) for amending or terminating the Endowment Fund Agreement should it not deliver the anticipated benefits.

Section 4. 5. That the cost of the agreement(s) authorized in Section 1 of this ordinance shall not exceed \$50,000,000 and shall be paid from the remaining funds on the Service Agreement and from other funds approved by the Director of Finance. (RQS 9501, RLA 2024-68)

Section 5. 6. 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
7-10-2024
FOR: Director McNair

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REPORT
after second Reading

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READ FIRST TIME

REPORTS

and referred to

CITY CLERK

READ SECOND TIME

by the council

CITY CLERK

READ THIRD TIME

by the council

PRESIDENT

CITY CLERK

APPROVED

MAYOR