

# Ordinance No. 885-2021

By Council Members **B. Jones, Brancatelli and Kelley** (by departmental request)

## AN EMERGENCY ORDINANCE

Authorizing the Director of Economic Development to enter into both a loan agreement and a grant agreement with Manufacturing Advocacy & Growth Network, Inc., (MAGNET) or its designee, to provide assistance for the purchasing of new machinery and equipment for their new headquarters to be located at 1800 East 63<sup>rd</sup> Street and to assist with construction, and other associated costs necessary to redevelop the property.

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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 the Director of Economic Development is authorized to enter into a loan agreement with Manufacturing Advocacy & Growth Network, Inc., or its designee (“MAGNET”), to provide economic development assistance to partially finance the acquisition of new machinery and equipment for their new headquarters to be located at 1800 East 63<sup>rd</sup> Street, and other associated costs necessary to redevelop this property.

Section 2. That the Director of Economic Development is authorized to enter into a grant agreement with MAGNET to provide grant funds to partially finance the construction of the new headquarters.

Section 3. That the summary for the loan and grant, **File No. 885-2021-A**, made a part of this ordinance as if fully rewritten, is approved in all respects and shall not be materially changed without additional legislative authority.

Section 4. That the Director of Economic Development is authorized to accept the collateral as determined by the Director in order to secure repayment of the loan.

Section 5. That the Director of Economic Development is authorized to accept monies in repayment of the loan and to deposit the monies in Fund No. 17 SF 088.

Section 6. That the Director of Economic Development is authorized to charge and accept fees in an amount not to exceed the maximum allowable fees under federal regulations and the fees are appropriated to cover costs incurred in the preparation of the loan application, closing and servicing of the loan. The fees shall be deposited to and expended from Fund No. 17 SF 305.

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Section 7. That the loan and grant agreements and other appropriate documents needed to complete the transactions authorized by this legislation shall be prepared by the Director of Law.

Section 8. That the contract authorized in this legislation will require the recipient of financial assistance to work with The Workforce Investment Board for Workforce Area No. 3 to identify and solicit qualified candidates for job opportunities related to the City's contracts, and place special emphasis on the hard to employ, including but not limited to the disabled and persons who have been convicted of or have pled guilty to a criminal offense, unless the criminal conviction or circumstances relate to the duties for the particular job sought.

Section 9. That the costs of the agreements shall not exceed a loan amount of \$500,000 and shall not exceed a grant amount of \$500,000. The loan shall be paid from Fund No. 17 SF 087 and the grant shall be paid from Fund No. 10 SF 501. (RQS 9501, RL 2021-85)

Section 10. 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:nl  
10-11-2021  
FOR: Interim Director Ebersole

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**READ FIRST TIME on OCTOBER 11, 2021**

**REPORTS**

**and referred to DIRECTORS of Economic Development, Finance, Law;  
COMMITTEES on Development Planning and Sustainability, Finance**

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**CITY CLERK**

**READ SECOND TIME**

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**CITY CLERK**

**READ THIRD TIME**

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**PRESIDENT**

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**CITY CLERK**

**APPROVED**

\_\_\_\_\_  
**MAYOR**

Recorded Vol. **108** Page \_\_\_\_\_

Published in the City Record \_\_\_\_\_

**PASSAGE RECOMMENDED BY  
COMMITTEE ON  
DEVELOPMENT, PLANNING AND  
SUSTAINABILITY**

FILED WITH COMMITTEE

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**PASSAGE RECOMMENDED BY  
COMMITTEE ON  
FINANCE**

FILED WITH COMMITTEE

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