

# Ordinance No. 490-2023

**By Council Members Jones, Bishop, Gray, Hairston and Griffin (by departmental request)**

## AN EMERGENCY ORDINANCE

Authorizing the Director of Community Development to enter into one or more agreement for professional services to establish, implement, and manage a revolving loan fund for a home repair and rehabilitation program for Cleveland’s Southeast Side neighborhoods and to enter into other agreements; and authorizing the Director to apply for and accept any gifts, grants or services from any public or private entity.

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WHEREAS, as part of an overall strategy to reinvest in the City’s Southeast Side neighborhoods, the City desires to create a home repair and rehabilitation fund for these neighborhoods to provide loans, grants, and other services to eligible residents (“Project”); and

WHEREAS, the City’s Southeast Side neighborhoods of Union-Miles, Mount Pleasant, and Lee-Harvard have experienced historic, concentrated disinvestment through redlining and structural racism, and the City is committed to reversing the cycle of disinvestment because residents deserve to live in a safe, equitable, vibrant neighborhood of choice; and

WHEREAS, the City intends to take an equitable approach to all development and investments which includes proactively collaborating with community partners, introducing wealth creation opportunities, considering investments that support residents throughout their life-cycle, and investing in ways that mitigates displacement; and

WHEREAS, revitalization efforts that are targeted toward specific neighborhoods and blocks will improve social and economic conditions citywide; and

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 Community Development is authorized to employ by contract or contracts one or more financial institutions and private nonprofit organizations 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 establish, implement, and manage a program that will provide flexible lines of credit, loans, grants, credit counseling, and technical assistance to eligible participants of the Project.

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The selection of the financial institutions and private nonprofit organizations for the services shall be made by the Board of Control on the nomination of the Director of Community Development from a list of qualified entities available for employment as may be determined after a full and complete canvass by the Director of Community Development 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 Community Development, and certified by the Director of Finance.

Section 2. That all agreements authorized by this ordinance shall contain a procedure by which the financial institution or private nonprofit organization, as appropriate, will stop making loans at the end of a given period, and shall contain a specific date for the return of any unused funds at the end of that period to the City.

Section 3. That all agreements authorized by this ordinance shall be approved by the Director of Law and contain such terms and conditions as necessary to protect the public interest consistent with the purposes of this ordinance.

Section 4. That the Director of Community Development is authorized to apply for and accept any gifts, grants, or services to implement this ordinance from any public or private entity; and that the Director is authorized to file all papers and executive all documents necessary to receive any gift, grant funds or services; and that the funds are appropriated for the purposes described in this ordinance.

Section 5. That the cost of this ordinance shall not exceed \$5,000,000 and shall be paid from Fund No. 10 SF 400, from the fund or funds to which are credited any gifts or grants accepted under this ordinance, and from any other funds approved by the Director of Finance. (RQS 8006, RL 2023-31)

Section 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.

