### **Community Benefit Ordinance: Timeline**

July 2022: Formed internal City Hall working group

- Working group has met every other week for the past 4 months (see Appendix A for list of members) September 2022: City Council passed Res. No. 954-2022
  - "Establishing a working committee of Council, the Mayor's Administration, and community stakeholders to study Community Benefit Agreement policies and ordinances and consider implementing a City policy and ordinance to ensure that development projects provide maximized tangible benefits to Cleveland's communities and citizens; and improve reporting practices and public accessibility to workforce and community benefits data and information."

October 2022: Construction industry stakeholder focus groups (see Appendix B for list of attendees)

- 3 focus groups, ~90 total participants
- Received surveys from 62 participants
  - o 100% said "yes," the focus group was a good use of their time
  - 98% would be interested in participating in conversations like this in the future
- Qualitative feedback from participant surveys
  - o "Thank you, keep asking for participation."
  - "We must invest in our people, communities and organizations using unconventional and non-traditional methodologies."
  - "Came into this session feeling like I had little to contribute but ultimately found it an enlightening discussion."
  - "Good dialogue around a very complex topic."
  - o "Feeling optimistic and ready to participate where I can add value."
  - o "This is a GREAT start to the CBA conversation. Grateful to be a part of the conversation."
  - o "This is a good way to be strategic in coming up with a good, flexible CBA."

#### November-December 2022: Community engagement

- Attending community meetings and distributing a survey to community members through Council Member newsletters and social media, consulting with other community organizations (CNP/CDCs, Urban League, NAACP, Northeast Ohio Hispanic Center for Economic Development, etc.).
- Survey may be completed via online form submission or phone.

March 2023: Introduce Community Benefit Ordinance and Construction Reform Charter Amendment Ordinance

 Construction Reform will require an amendment to Charter Section 167, Public Improvements. Under Charter Section 200, Council must pass an ordinance submitting the proposed Charter amendment to electors at a special election held 60-120 days after passage.

<u>Goal for May 2023:</u> Construction Reform Charter Amendment proposal to appear on May 2nd Special Election ballot (confirming special election date).

#### How will this impact developers and construction industry stakeholders?

- The CBO is intended to manage the tension between flexibility and predictability for developers by creating expectations for developers should they request city financial incentives.
- Both the CBO and Construction Reform Charter Amendment Ordinance will aid in providing additional
  opportunities for MBE/FBE/CSBs to grow their businesses and local workforce and will make the delivery
  methods for construction projects more efficient and effective.

#### What is Construction Reform?

- Expands optimal project delivery systems for public improvement projects, projects owned by the city
- Creates more efficient methods and transparent processes for construction and building
- Removes opportunities for corruption and greatly enhances and incentivizes the opportunity for inclusion
- Helps to get a better quality of contractors at the sub-contractor level.
- Allows the city to select based on best value, not just lowest price

#### How will this impact the community? Why is it necessary?

- The CBO will provide a consistent avenue to community members to be involved in development projects happening in their neighborhoods neighborhoods they themselves have invested in.
- The CBO intends to further workforce development in the skilled trades, offering residents career opportunities and living-wage jobs.

# What other cities are doing to increase equitable development

- Columbus, OH introduced a Community Benefit Ordinance that applies to City-owned building
  development projects over \$5 million. The ordinance establishes a Community Benefits Advisory
  Committee with the narrow scope of reviewing City-owned building development projects and
  recommending CBAs to the Mayor's Office.
- Detroit, MI passed a Community Benefit Ordinance for private development projects over \$75 million. The
  ordinance largely establishes a community engagement strategy through the use of Neighborhood Advisory
  Committees.
- Philadelphia, PA has an "informal" CBA process that has not been codified but is set through internal policy: CBA requirement is triggered through zoning variances and land transfers. The city is not a party to CBAs. Separately, the city implemented a construction impact tax, which uses the revenue for community investment projects and mandatory inclusionary zoning, which requires residential developers to include 10-20% of affordable units.
- St. Louis, MO is developing an Economic Justice Action Plan through the St. Louis Development Corporation, which lays out priorities for how resources should be allocated for development projects and uses a new scorecard for awarding city incentives.
- The Massachusetts Port Authority (Massport) developed a policy that created a decision-making guideline on a 100-point scale that contained 4 equally-weighted criteria which included: 1) ability to execute the project, 2) viability of ground rent proposal and finance plan, 3) comprehensive diversity and inclusion program in all aspects of the development (financing, design, construction, and ownership/investment), and 4) exceptional design and program. This policy shows what's possible for Cleveland to accomplish with Construction Reform.

#### Appendix A

#### **Community Benefits Working Group Members**

# City Council

Blaine Griffin, Council President, Ward 6

Kerry McCormack, Ward 3

Anthony Hairston, Ward 10

Jasmin Santana, Ward 14

Jennifer Heinert O'Leary, Special Counsel

Steven Rys, Special Assistant to Council

Joan Mazzolini, Chief of Communications

Darryle Torbert, Director of Communications

Jessica Colombi, Director, Policy & Research

Brook Sabin, Policy Analyst

Ibukun Ode-Martins, Public Service Fellow

Siân Payne, Public Service Fellow

# Mayor's Administration

Justin Bibb, Mayor

Jeff Epstein, Chief of Integrated Development

Bonnie Teeuwen, Chief Operating Officer

Tyson Mitchell, Director, Office of Equal Opportunity

Tessa Jackson, Director, Economic Development

Angela Shute-Woodson, Director, Community Relations

Alyssa Hernandez, Director, Community Development

Michiel Wackers, Assistant Director, Community Development

Michelle Rose, Executive Director, Cuyahoga County-Cleveland Workforce Development Board

Gretchen Blackwell, Public Service Fellow

Peighton Taylor, Public Service Fellow

## Greater Cleveland Partnership

Baiju Shah, President and CEO

Marty McGann, Executive Vice President, Advocacy and Strategy

Patrice Blakemore, Senior Vice President, Equity & Inclusion

Chris Nance, Vice President, Construction and Inclusive Talent

#### Appendix B

### **Construction Industry Stakeholder Focus Group Attendees**

Vanessa Whiting, A.E.S. Management Corp.

Anne Richie, ACR Capital

Adrian Maldonado, Adrian Maldonado & Associates

Chelsea Maldonado, Adrian Maldonado & Associates

Shariq Ali, Algebra AEC

Esbeey Madera, All Phase General Construction

Joe Lopez, Artessa Building Group

Deb Janik, Bedrock Detroit

Justin Bahri, Bedrock Detroit

Nadia Sesay, Bedrock Detroit

Dennis Kramer, City of Cleveland

David Jenkins, Cleveland Browns

Pat Rios, Cleveland Clinic

Jessica Coffey, Cleveland Development Advisors

William A Willis, Cleveland Development Advisors

Yvette Ittu, Cleveland Development Advisors

Keisha M. Gonzalez, Cleveland Foundation

Matt Grimes, Cleveland Guardians

Neil Weiss, Cleveland Guardians

Adam Trumbo, Cleveland Neighborhood Progress

Edward Stockhausen, Cleveland Neighborhood Progress

Kwame Botchway, Cleveland Neighborhood Progress

Matthew Kibbon, Cleveland State University

Lonnie Coleman, Coleman Spohn Corporation

Keith Laschinger, Construction Employers Association

Alfred Fenderson, Construction Employers | Contractors Assistance

Glen Shumate, Construction Employers | Contractors Assistance

David Smith, Construction Smith Inc.

Richard Yost Pace, Cumberland Development

Cynthia D Leitson, Cuyahoga Community College

Ricardo Leon, Cuyahoga Land Bank

Jeffery K Patterson, Cuyahoga Metropolitan Housing Authority

Jeffrey Meyers, DS Architecture

Ayonna Blue Donald, Enterprise Community Partners

Akil Hameed, FASS Management Real Estate Services

Stephanie Turner, FASS Management Real Estate Services

Kyle Merrill, Gilbane Building Company

Travis A Okel, Gilbane Building Company

Mark D. Cunningham, Gilbane Building Company

Evan Chwalek, Global Cleveland

Joe Cimperman, Global Cleveland

Autumn Russell, Greater Cleveland Career Consortium

David Ebersole, Greater Cleveland Partnership

Marty McGann, Greater Cleveland Partnership

Mike Glavin, Greater Cleveland Partnership

Clarence Day, Griffin Moor International, LLP

Michael Jeans, Growth Opps & GO Green Energy Fund

Philip Dangerfield, Haslam Sports Group

Ted Tywang, Haslam Sports Group

Jose Feliciano Jr., Hispanic Roundtable

Omar Elhagmusa, IFF

Bridget Topazia Grant, Management Services Partners

DeJuan Washington, Management Services Partners

Chris Howse, National Association of Minority Contractors Northern Ohio Chapter

Lisa Bottoms, National Association of Minority Contractors Northern Ohio Chapter

Shakorie Davis, Next Generation Construction

Jenice Contreras, Northeast Ohio Hispanic Center for Economic Development

Tiffany Jordan, Northeast Ohio Regional Sewer District

Michelle Rose, Ohio Means Jobs

Dominic Ozanne, Ozanne Construction Company

Rhoni Thompson, R.L.Cole Ent., Inc,

Sandra Madison, Robert P. Madison International, Inc.

Timothy Offtermatt, Rock & Roll Hall of Fame

Zoe Ingram, Rock & Roll Hall of Fame

Antony Bonavita, Rocket Mortgage FieldHouse / Cleveland Cavaliers

Brian Linick, Sherwin Williams

Jeffrey Appelbaum, Thompson Hine LLP / Project Management Consultants LLC

W. Daniel Bickerstaff, II, Ubiquitous Design, LTD

Dean Vaughn, University Hospitals - Sodexo

Goren Dillard, Urban League of Greater Cleveland

Dione Alexander, Village Capital Corporation

Marvin Echols, Whiting-Turner

Phil Kerber, Whiting-Turner