

THERE IS NO LEGAL OBJECTION TO THIS LEGISLATION IF AMENDED AS FOLLOWS:

1. In the title, strike line 4 in its entirety and insert "190A, Sections 190A.01 through 190A.07, relating".

2. After the fourth WHEREAS clause, insert a new WHEREAS clause to read as follows:

"WHEREAS, the City of Cleveland OEO analyzed non-compliance of Economic Development projects from 2019-2023 and found: \$13.9 million in lost wealth creation opportunities for MBE and FBE contractors (\$8.9 million and \$6.1 million, respectively); 358 full-time employment opportunities lost for Cleveland residents; and assuming those employees would have made at least \$20/hour, \$14.4 million in lost wages and \$359,000 in lost payroll taxes; and".

3. After the sixteenth WHEREAS clause, insert two new WHEREAS clauses to read as follows:

"WHEREAS, the City of Cleveland will work with prospective developers selecting sites and provide flexibility regarding how community benefits apply to development projects when the City is competing against other jurisdictions for the establishment of a new facility that will create new jobs or for specified retention/relocation of a business enterprise that will retain jobs; and

WHEREAS, the Administration and City Council intend to convene stakeholders, including business, labor, construction, education, minority business servicing organizations, and other organizations, to forge a shared approach to the implementation of this ordinance through a Memorandum of Understanding; and".

4. In Section 1, line 2, strike "191A.01 through 191A.07" and insert "190A.01 through 190A.07"; and in line 3, strike "Chapter 191A" and insert "Chapter 190A".

5. In Section 1, at Section 191A.01, line 1, strike "191A.01 Definitions" and insert "Section 190A.01 Definitions".

6. In Section 1, at renumbered Section 190A.01 division (a), line 1, after "means any" insert "City-funded"; in line 2, after "482-2022," insert "passed March 25, 2022"; in division (c), line 1, strike "benefits, commitments, or promises" and insert "benefits, or commitments; and in line 2, strike "191A.02 and 191A.03" and insert "190A.02 and 190A.03".

7. In Section 1, at Section 191A.02, line 1, strike "191A.02 Community Benefits Agreement Required" and insert "Section 190A.02 Community Benefits Agreement Required".

8. In Section 1, at renumbered Section 190A.02, line 3, strike "providing" and insert "that provides"; in division (a), line 4, after "professional services" insert "including architectural and engineering design,"; in division (a), line 5, after "property management" insert a comma; in division (b), line 2, after "for each" insert "Development"; in division (e), line 2, strike "development project; and" and insert "Development Project;"; and in division (f), line 1, strike "(f) Providing" and insert

"Additionally, the agreement shall require the Developer to provide"; and in line 5, strike "developers." and insert "Developers.".

9. In Section 1, at Section 191A.03, line 1, strike "191A.03 Community Benefits for Large Development Projects" and insert "Section 190A.03 Community Benefits for Large Development Projects".

10. In Section 1, at renumbered Section 190A.03, line 3, strike "191.02" and insert "190A.02"; and in division (l), line 1, after "for the" insert "Development"; strike divisions (n), (o), and (p) in their entirety and insert:

"(n) Providing work opportunities for formerly incarcerated persons and at-risk youth;

(o) Meeting other community needs related to the Development Project;

(p) Contribution to a community equity fund designated by the Director of Finance with all expenditures requiring legislative approval;

(q) Any other negotiated community benefits, including but not limited to those enumerated in the regulations and procedures promulgated under Section 190A.06;

(r) Implementation plan for items listed above; and

(s) This section shall not apply to Development Projects under \$75,000,000 receiving only a residential multi-family tax abatement as City Financial Assistance; however, the community benefits agreement requirements of Section 190A.02 and Ordinance No. 482-2022, passed March 25, 2022, Section 3 shall apply to such Development Projects."

11. In Section 1, at Section 191A.04, in the section title, line 1, strike "Section 191A.04" and insert "Section 190A.04".

12. In Section 1, at renumbered Section 190A.04, after the first paragraph, strike divisions (a) and (b) in their entirety and insert "Reviewing Community Benefits commitments for proposed Development Projects as presented by the Departments, based on community and developer input, prior to passage of legislation by City Council authorizing City Financial Assistance for such projects.".

13. In Section 1, at Section 191A.05, in the section title, line 1, strike "Section 191A.05" and insert "Section 190A.05".

14. In Section 1, at renumbered Section 190A.05, after division (c) insert "(d) The Office of Equal Opportunity (OEO) shall develop and maintain lists of the following: 1) Certified MBEs, FBEs, and CSBs and the types of services they provide; 2) Mentorship and apprenticeship programs; and 3) Training programs for laborers. These resources shall be posted on the websites of OEO, the Department of Economic Development, and the Department of Community Development, and shall be provided to any Developer seeking City Financial Assistance upon request, updated quarterly by OEO, and reviewed annually by the Cleveland Citywide Development Corporation (CCDC) and City Council.".

15. In Section 1, at renumbered Section 191A.06, in the section title, line 1, strike "Section 191A.06" and insert "Section 190A.06"; and in the first paragraph, line 2, strike "Employment" and in line 4, strike "191A.02" and insert "190A.02".

16. In Section 1, at Section 191A.07, in the section title, line 1, strike "Section 191A.07" and insert "Section 190A.07"; in line 2, after "may result in" strike the remainder of lines 2 and 3 and insert "any one or more of the following, as provided in the CBA, subject to applicable notice and cure provisions: denial or termination of City Financial Assistance; proportional recovery of previously provided financial assistance; and/or stipulated damages to be deposited into a community equity fund designated by the Director of Finance. All expenditures from this community equity fund shall require legislative authority from City Council.".

17. In Section 2, lines 1 and 2, strike "new Chapter 191A shall not apply to Development Projects where" and insert "Chapter 190A shall not apply to a Development Project for which"; and in line 3, strike "for a Development Project".

18. In Section 3, line 2, strike "191A.06, new Chapter 191A" and insert "190A.06, this Chapter 190A".

19. In Section 4, line 2, strike lines 3 and 4 in their entirety and insert "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.".

Date: \_\_\_\_\_ (Signed): \_\_\_\_\_

Stephanie Melnyk  
Chief Assistant Director of Law

Ord. No. 297-2023