

Ordinance No. 1175-2024

By Council Members Hairston and Griffin
(by departmental request)

AN EMERGENCY ORDINANCE

To transfer the operations of the Storefront Renovation Program and the Commercial Revitalization Program from the Department of Community Development to the Department of Economic Development; and authorizing the Director of Economic Development to enter into contracts under the Commercial Revitalization Program and rebate agreements with Storefront Renovation Program applicants; and to employ one or more professional consultants to implement the programs.

WHEREAS, that this Council approves transferring the operations of the Storefront Renovation Program and the Commercial Revitalization Program, including staff and program material, from the Department of Community Development to the Department of Economic Development to enhance operations, effectiveness, and implementation of the programs; and

WHEREAS, in compliance with Ohio Constitution Article VIII, Section 13, this Council agrees to assist businesses and building owners to revitalize storefronts and commercial properties for the public purpose of improving the economic welfare of the people of the state, job retention, and new job creation; 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 operation of the Storefront Renovation Program and the Commercial Revitalization Program, including staff and program material, is transferred from the Department of Community Development to the Department of Economic Development.

Section 2. That the Director of Economic Development is authorized to enter into rebate agreements with Storefront Renovation Program applicants.

Section 3. That the Director of Economic Development is authorized to enter into contracts which include grants, forgivable loans, and/or loan agreements with Commercial Revitalization Program applicants.

Section 4. That the Director of Economic Development is authorized to employ by contract or contracts one or more consultants or one or more firms of

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consultants 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 implement the Storefront Renovation Program and the Commercial Revitalization Program.

The selection of the consultant or consultants for the services shall be made by the Board of Control on the nomination of the Director of Economic Development from a list of qualified consultants available for employment as may be determined after a full and complete canvass by the Director of Economic 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 Economic Development, and certified by the Director of Finance.

Section 5. That the Director of Economic Development is authorized to accept monies in repayment of loans authorized in this ordinance from Commercial Revitalization Program applicants and to utilize this program income, kiosk program income, application fees, and closing fees in revolving funds to be established by the Director of Finance for costs associated with the Storefront Renovation Program and the Commercial Revitalization Program. Application and closing fees are to be deposited into Fund No. 17 SF 305.

Section 6. That the City is authorized to accept promissory notes, naming the City of Cleveland as payee, and mortgages, naming the City of Cleveland as mortgagee, and any other security instrument executed to evidence and secure repayment of loans, costs, and fees under the City's Commercial Revitalization Program.

Section 7. That the Director of Economic Development is authorized to enter into forbearance agreements with any recipient of a validly existing loan administered by the City for the Commercial Revitalization Program.

Section 8. That the Director of Economic Development is authorized to collect from persons or entities with whom the City is entering into loan agreements or

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forbearance agreements an amount equal to any amount spent for services related to such agreements, such as title searches, credit bureau reports, and document filing fees. Such revenue shall be deposited into Fund No. 17.

Section 9. That the contracts, grant agreements, forgivable loan agreements, loan agreements, and/or rebate agreements authorized will be paid from funds to be established by the Director of Finance. Available initial funding for the programs will be transferred from Fund Nos. 17 SF 006 and 13 SF 872 with continual funding to be transferred from Fund No. 17 SF 006 as needed and used in conjunction with other funds approved in this ordinance.

Section 10. That the contracts and other appropriate documents needed to complete the transactions authorized by this ordinance shall be prepared by the Director of Law.

Section 11. That the contracts, grant agreements, forgivable loan agreements, loan agreements, and/or rebate agreements authorized in this ordinance will require the recipient of financial assistance to work with, and/or cause their tenant to work with, The Workforce Investment Board for Workforce Area No. 3 and/ or the Cleveland Cuyahoga County Workforce Development Board and/or Related Affiliate, 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 12. That this ordinance shall take effect and be in force on January 1, 2025.

Section 13. That this ordinance will allow for eligible costs under the Storefront Renovation Program and the Commercial Revitalization Program including but not limited to: professional consultants, exterior building rehabilitation/restoration, exterior site improvement costs that include parking lots, landscaping, exterior lighting,

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architectural design and engineering costs, and signage that are approved under the guidelines and staff of the Storefront Renovation Program and Commercial Revitalization Program.

Section 14. 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.

GEP:nl
10-28-2024
FOR: Directors McNair and Hernandez

