Ordinance No. 1219-2024

By Mayor Bibb and Council Member Griffin

AN EMERGENCY ORDINANCE
Authorizing the Director of Finance to enter into one or more agreements with Gateway Economic Development Corporation of Greater Cleveland for the contribution of City funds for repairs and improvements to Progressive Field and Rocket Mortgage FieldHouse.

WHEREAS, pursuant to Ohio Revised Code Section 307.696, the City of Cleveland (the "City") and County of Cuyahoga, Ohio (the "County") are authorized to enter into agreements with Gateway Economic Development Corporation of Greater Cleveland ("Gateway") to construct and operate sports facilities in the county and to conduct redevelopment and economic development within the city; and

WHEREAS, on September 15, 1992, the City, the County, and Gateway entered into the First Amended and Restated Agreement, pursuant to Ohio Revised Code Section 307.696, relating to ownership, financing, construction and operation of a sports facility and related economic and redevelopment projects; and

WHEREAS, Gateway subsequently entered into a lease agreement and an amendment thereto with Cleveland Guardians Baseball Company, LLC (the "Guardians"), for Progressive Field Ballpark (the "Ballpark") for a term of January 1, 2022, through December 31, 2036 (collectively "Progressive Field Ballpark Lease"), and a lease agreement with Cavaliers Operating Company, LLC (the "Cavaliers"), for Rocket Mortgage FieldHouse (the "Arena") for a term of October 12, 2017, through August 1, 2034 ("Rocket Mortgage FieldHouse Lease"); and

WHEREAS, Gateway, through its Board of Trustees, determines long-term requirements affiliated with the construction and maintenance of the Ballpark and Arena as well as property matters, financing obligations and capital repairs for these facilities; and

WHEREAS, the Progressive Field Ballpark Lease requires Gateway to finance approved major and minor capital repairs, and the Rocket Mortgage FieldHouse Lease requires Gateway to finance approved major capital repairs; and

WHEREAS, the City is committed to preserving and improving the Ballpark and Arena, enabling these facilities to continue to provide outstanding fan and community

experience and to continue to receive the substantial economic benefit derived therefrom; 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 this Council finds that payment(s) authorized under Section 2 of this ordinance for various repairs and improvements to the Ballpark and the Arena will support and enhance the Ballpark as the home to Major League Baseball games and the Arena as the home to National Basketball Association games in the City of Cleveland and that continued substantial economic benefit will be derived therefrom.

Section 2. That the Director of Finance is authorized to enter into one or more agreements with Gateway under which the City will make total payment(s) of $20,000,000 towards Gateway's obligations to perform various major and minor capital repairs for the Ballpark and to perform various major capital repairs to the Arena.

Section 3. That the Director of Law shall prepare the agreement(s) authorized by this ordinance and shall incorporate such additional provisions as the Director deems necessary to protect and benefit the public interest.

Section 4. 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.

SM/nl
FOR: Mayor Bibb

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READ FIRST TIME on NOVEMBER 4, 2024 **REPORTS**
and referred to DIRECTORS of Finance, Law;
COMMITTEE on Finance Diversity Equity and Inclusion

CITY CLERK

READ SECOND TIME

CITY CLERK

READ THIRD TIME

PRESIDENT

CITY CLERK

APPROVED

MAYOR

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Published in the City Record _____

REPORT
after second Reading

PASSAGE RECOMMENDED BY
COMMITTEE ON
FINANCE, DIVERSITY, EQUITY and INCLUSION

FILED WITH COMMITTEE