

Ordinance No. 1353-18

Council Members McCormack Brancatelli and Kelley (by departmental request)

AN EMERGENCY ORDINANCE

Authorizing the Director of Economic Development to enter into contract with Medical Mutual, or its designee, to provide economic development assistance to partially finance the renovation of their annex and headquarters located in the historic Rose Building at East 9th Street and Prospect Avenue and other associated costs necessary to redevelop the property.

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 Economic Development is authorized to enter into contract with Medical Mutual, or its designee ("Medical Mutual"), to provide economic development assistance to partially finance the renovation of annex and headquarters located in the historic Rose Building at East 9th Street and Prospect Avenue and other associated costs necessary to redevelop the property. The loan will be forgivable after ten years if Medical Mutual maintains an annual average job count and payroll in accordance with the following schedule:

<u>JOBS</u>	<u>PAYROLL</u>	<u>FORGIVENESS</u>
900	\$100,000,000	100%
720-899	\$80,000,000-\$99,999,999	Pro-rata
<720	<\$80,000,000	None

If all or a portion of the loan is not forgiven at the end of year 10, Medical Mutual can prepay the loan in full without a pre-payment penalty.

Section 2. That the terms of the loan shall be according to the terms set forth in the Summary contained in File No. 1353-18-A, made a part of this ordinance as if fully rewritten, as presented to the Finance Committee of this Council at the public hearing on this legislation, and are approved in all respects and shall not be changed without additional legislative authority.

Section 3. That the costs of the contract shall not exceed One Million Dollars (\$1,000,000), and shall be paid from Fund No. 17 SF 008, which funds are appropriated for this purpose, Request No. RQS 9501, RL 2018-121.

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Section 4. That the Director of Economic Development is authorized to accept such collateral as the director determines is sufficient in order to secure repayment of the loan. Any loan agreement, security instrument, or other document shall be prepared and approved by the Director of Law.

Section 5. That the Director of Economic Development is authorized to accept monies in repayment of the loan, if necessary, and to deposit the monies in Fund No. 17 SF 006.

Section 6. That the Director of Economic Development is authorized to charge and accept fees in an amount not to exceed the maximum allowable fees under federal regulations and the fees are appropriated to cover costs incurred in the preparation of the loan application, closing and servicing of the loan. The fees shall be deposited to and expended from Fund No. 17 SF 305, Loan Fees Fund.

Section 7. That the contract and other appropriate documents needed to complete the transaction authorized by this legislation shall be prepared by the Director of Law.

Section 8. The contract authorized in this legislation will require the recipient of financial assistance to work with, and/or cause their Tenants to work with, The Workforce Investment Board for Workforce Area No. 3 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 related circumstances relate to the duties for the particular job sought.

Section 9. 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.

RB:nl
11-12-18
FOR: Director Ebersole

Council Members McCormack, Brancatelli and Kelley (by departmental request)

AN EMERGENCY ORDINANCE

Authorizing the Director of Economic Development to enter into contract with Medical Mutual, or its designee, to provide economic development assistance to partially finance the renovation of their annex and headquarters located in the historic Rose Building at East 9th Street and Prospect Avenue and other associated costs necessary to redevelop the property.

READ FIRST TIME on NOVEMBER 12, 2018
and referred to DIRECTORS of Economic Development, Finance, Law;
COMMITTEES on Development Planning and Sustainability, Finance

REPORTS

CITY CLERK

READ SECOND TIME

CITY CLERK

READ THIRD TIME

PRESIDENT

CITY CLERK

APPROVED

MAYOR

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PASSAGE RECOMMENDED BY
COMMITTEE ON
DEVELOPMENT, PLANNING AND
SUSTAINABILITY

FILED WITH COMMITTEE

PASSAGE RECOMMENDED BY
COMMITTEE ON
FINANCE

FILED WITH COMMITTEE