

ORDINANCE NO. 4-16

AN ORDINANCE DECLARING THE DESIRE OF THE CITY COUNCIL OF EAST CLEVELAND TO ENTER INTO NEGOTIATIONS WITH THE CITY OF CLEVELAND FOR ANNEXATION BY THE CITY OF CLEVELAND (FOR CORPORATE MUNICIPAL PURPOSES ONLY) PURSUANT TO R.C. §709.23 AND APPOINTING THREE COMMISSIONERS TO REPRESENT THE CITY OF EAST CLEVELAND IN THOSE NEGOTIATIONS, AND DECLARING AN EMERGENCY FOR THE PUBLIC WELFARE.

**Requested by: Council as a Whole
Sponsored by: Council as a Whole**

WHEREAS, the City of East Cleveland remains in a state of fiscal emergency; and

WHEREAS, City Council continues to explore every avenue on behalf of the residents of East Cleveland to restore the City to prosperity and serve its residents' needs; and

WHEREAS, the residents of the City of East Cleveland will have the ultimate right to vote on any conditions of annexation set forth by the commissioners at an election pursuant to R.C. §709.29; and

WHEREAS, the annexation is for corporate municipal purposes only; and

WHEREAS, pursuant to R.C. §709.23, *et seq.*, a city council may begin its city's annexation procedure by appointing three commissioners who, in tandem with three commissioners from the annexing city, will be charged with arranging the conditions of annexation and reporting the result of their action to the legislative authorities of their respective municipal corporations within one hundred twenty days from the date of the appointment of the commissioners of the annexing city.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of East Cleveland, Ohio, three-fifths (3/5) concurring:

SECTION 1. Declaration of Intention; Appointment of Commissioners. That the Council for the City of East Cleveland, Ohio, hereby declares its intention to enter into negotiations with the City of Cleveland, Ohio, regarding annexation of the entire territory of the City of East Cleveland to the City of Cleveland. Council of the City of East Cleveland does hereby appoint the following three persons as commissioners, pursuant to Section 709.24 Ohio Revised Code, to represent the City in such negotiations:

1. ANDREW JACKSON
2. CHRIS GLASSBURN
3. SANDRA MORGAN

The three appointed commissioners are hereby empowered and directed on behalf of the CITY OF EAST CLEVELAND to enter into negotiations with the CITY OF CLEVELAND for the purpose of annexation representation. Such commissioners are authorized to perform all the duties required of commissioners under Sections 709.23 to 709.33, inclusive, of the Ohio Revised Code, including specifically to arrange the conditions of any proposed annexation and to report the results of their actions to the Council of the City of East Cleveland within one hundred twenty (120) days from the date of the appointment of commissioners to represent the City of Cleveland, if so appointed, or by such other date as required by

law. Each commissioner shall continue in office until resignation or the earlier completion of the duties required by law.

SECTION 2. Submission to Cleveland. That the Clerk of the East Cleveland City Council is hereby authorized and directed to submit a certified copy of this Ordinance to the City Council of the City of Cleveland, Ohio, within thirty (30) days after its effective date and the completion of the publication hereof as required by applicable law.

SECTION 3. Open Meetings. That it is found and determined that all formal actions of this Council concerning and relating to the passage of this Ordinance were adopted in an open meeting of this Council, and that all such deliberations of this Council and of any of its committees that resulted in such formal action were in meetings open to the public in compliance with all legal requirements.

SECTION 4. Publication. That pursuant to Ohio Revised Code Section 731.25, the Council of the City of East Cleveland hereby determines that publication of this Ordinance in a newspaper is unnecessary and does hereby determine that this Ordinance, or a summary of this Ordinance, shall be published by posting copies of this Ordinance or a summary hereof in the five (5) following places which are determined to be the five (5) most public places in the City of East Cleveland, Ohio.

1. City Hall
2. The Martin Luther King Civic Center
3. The East Cleveland Municipal Library
4. The Board of Education of the East Cleveland City School District
5. The McGregor Nursing Home

Copies of this Ordinance shall be posted continuously in the above-mentioned places for a period of fifteen (15) days.

PASSED on August 1, 2016


THOMAS J. WHEELER
PRESIDENT OF COUNCIL

ATTEST:


APPROVED:


DR. KHADIJAH F. GUY
CLERK OF COUNCIL

GARY A. NORTON, JR.
MAYOR

VETO: YES _____ NO _____


APPROVED AS TO FORM:


WILLA M. HEMMONS
DIRECTOR OF LAW

	<u>Yea</u>	<u>Nay</u>
Councilor Thomas J. Wheeler	x	_____
Councilor Brandon L. King	x	_____
Councilor Joie N. Graham	x	_____
Councilor Barbara J. Thomas	x	_____
Councilor Nathaniel Martin	x	_____

COUNCIL CLERK CERTIFICATION

I HEREBY CERTIFY that I posted a copy of the above Ordinance, in accordance with the provisions of this Ordinance and R.C. §731.21, in each of the five (5) places heretofore designated by Council as the most public places in the City of East Cleveland, and that the same remained there posted continuously for fifteen (15) days.


DR. KHADIJAH F. GUY
CLERK OF COUNCIL

8/15/16
Date

EXHIBIT A

MEMORANDUM OF UNDERSTANDING

by and between the East Cleveland City Council and the three
Commissioners appointed pursuant to Ordinance No. 04-16
(Language May Be Subject To Change-Working Document)

In accordance with the appointment of (the "Commissioners") in Ordinance 4-16 pursuant to Ohio Revised Code §709.23 et seq., East Cleveland City Council ("City Council") and the Commissioners hereby enter into this Memorandum of Understanding ("M.O.U.") for the purpose of setting forth the scope of the Commissioners' duties and obligations.

WHEREAS, City Council continues to explore every avenue on behalf of the residents of East Cleveland to restore the City to prosperity and serve its residents' needs; and

WHEREAS, City Council has selected Commissioners to negotiate, on behalf of East Cleveland, terms of a proposed annexation with the City of Cleveland in good faith and in the best interest of East Cleveland's residents; and

WHEREAS, the residents of the City of East Cleveland will have the ultimate right to vote on any conditions of annexation set forth by the commissioners at an election pursuant to R.C. §709.29.

WHEREAS, The City of East Cleveland desires to be a Semi-Autonomous Ward of the City of Cleveland, Ohio; and, the City Council desires the appointed commissioners to negotiate arrangements in "good faith" pursuant to the points of this Memorandum of Understanding (EXHIBIT A)

Section 1. The City of East Cleveland, Ohio plus portions of the University Circle area will become the new ward to be named "East Cleveland".

Section 2. The initial Ward of East Cleveland Councilperson will be elected from an election of standing elected government officials and thereafter will stand for election with current Cleveland City Council members.

Section 3. (a) Residents of the Ward of East Cleveland and (b) employees working in the Ward of East Cleveland that are subject to the City of Cleveland income tax will be eligible for a City income tax credit resulting in an effective rate of 1.0%. State of Ohio shall reimburse the City of Cleveland the amount of the difference between the City of Cleveland rate (currently 2.0%) and the effective Ward of East Cleveland rate (projected at 1%) in the form of an annual Local Government Fund payment.

Section 4. An annual **merger incentive payment** in the amount of \$10 million from the State of Ohio to the City of Cleveland is earmarked for East Cleveland debts, street improvements and capital improvements (including police and fire equipment) in the Ward of East Cleveland.

Section 5. Ward of East Cleveland will be designated as a Police and Fire District within the City of Cleveland.

Section 6. State of Ohio to grant to the Cuyahoga County Land Bank \$20 million for a revolving loan fund for rehabilitation of housing in the Ward of East Cleveland. Rehabilitation loans will be approved by East Cleveland Community Development Corporation (ECCDC) and jointly administered by ECCDC

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and the Cuyahoga County Land Bank. (This language subject to change to include language for “displacement/relocation” of residents).

Section 7. The East Cleveland Municipal Court will continue as municipal court for the Ward of East Cleveland. The Judge shall be elected by residents of the Ward of East Cleveland.

Section 8. Maintenance of the East Cleveland Parks (Forest Hill, Superior Hill, Pattison, Holly, and Mann) shall be transferred to the Cleveland Metro Park System. Local management and control will remain with East Cleveland Park Association.

Section 9. The Community Development Corporation for the Ward of East Cleveland shall be named the “East Cleveland Community Development Corporation” (ECCDC).

Section 10. Current members of East Cleveland City Council will transition to “East Cleveland Advisory Council” and will continue to be elected and compensated at the same level of compensation as current East Cleveland City Council members. “East Cleveland Advisory Council” members will be voting members of the “East Cleveland Community Development Corporation”. The members of the East Cleveland Advisory Council (5) shall be a majority of the voting members of the ECCDC.

Section 11. The ECCDC shall be the sole development corporation for the Ward of East Cleveland.

Section 12. The City of East Cleveland shall transfer all current City owned property(s) and all property currently owned by the Cuyahoga County Land Bank on behalf of the City of East Cleveland to the ECCDC, including all properties involved in Agreements and/or Memorandum of Understanding. (This language is subject to change to include property working its way through any change of ownership proceedings).

Section 13. A portion of the ECCDC annual operating funding shall be set through the merger agreement and may be funded with federal Community Development Block Grant funds and grant donations from area Foundations.

Section 14. The voting boundaries will be defined as the Ward of East Cleveland and remain unchanged for a minimum of ten years.

Section 15. That all appointed commissioners shall acknowledge receipt of this Memorandum of Understanding.

Section 16. The Ward of East Cleveland shall remain able to and enforce through its’ police and court; Red Light Camera Ticketing.

THEREFORE, the parties agree as follows:

1. The Commissioners will be responsible for negotiating and arranging in good faith and on behalf of the City of East Cleveland the conditions of annexation with the three commissioners appointed by the City of Cleveland, if the City of Cleveland chooses to or is required to appoint such commissioners under R.C. §709.26-27.
2. If at any time a Commissioner (or any replacement) representing the City of East Cleveland is unable or unwilling to serve in that capacity for any reason, then the City Council President shall have sole power and authority to select and appoint an alternate Commissioner to serve in his or

her stead. Alternate Commissioners will be allowed to attend all meetings. This will allow for a seamless transition if a replacement is needed.

3. If the Commissioners wish to receive guidance or assistance from representatives of East Cleveland regarding any aspect of the negotiations or any potential conditions of annexation, then the Commissioners shall consult with City Council regarding those matters.
4. If from time to time the Commissioners wish to request and be provided with information about the City of East Cleveland (including, for example, information relating to its finances, operations, population, infrastructure and other capital needs, personnel, contracts, agreements, revenue, expenditures, and liabilities), then the Commissioners shall communicate any of those requests in writing to the office of the Mayor and to office of City Council of the City of East Cleveland.
5. Any information with which the Commissioners are provided under Paragraph 4 above also shall be shared concurrently with City Council by the person(s) providing it or, if it is not, by the Commissioners who receive it.
6. Not less frequently than once every two weeks after the annexation negotiations commence, one or more of the Commissioners shall appear in person before the whole of City Council to report on the progress of the negotiations and regarding such other, related matters as any members of City Council may wish to inquire.
7. If the Commissioners arrive at an impasse in negotiations with their counterparts appointed by the City of Cleveland, the Commissioners shall report such impasse forthwith to City Council so that the procedures set forth in R.C. §709.28 may be implemented.
8. The Commissioners shall, within 120 days of the City of Cleveland's appointment of its commissioners, report the final result of their negotiations to East Cleveland City Council.

EAST CLEVELAND CITY COUNCIL

EAST CLEVELAND COMMISSIONERS

Thomas J. Wheeler, Council President

Andrew Jackson, Commissioner

Brandon L. King, Council Vice President

Chris Glassburn, Commissioner

Barbara J. Thomas, Councilor Ward 2

Sandra Morgan, Commissioner

Joie N. Graham, Councilor Ward 4

Nathaniel Martin, Councilor At-Large