

County Council of Cuyahoga County, Ohio

Ordinance No. O2012-0011

Sponsored by: County Executive FitzGerald/Department of Development and Councilmembers Schron and Brady	An Ordinance establishing a Casino Revenue Fund for the purpose of collecting and expending proceeds from gross casino revenues; determining the uses for such proceeds and the time frames for such uses.
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WHEREAS, the State of Ohio Constitution was amended on November 3, 2009 to adopt Section 6, Article XV of the Constitution of the State of Ohio to allow for the operation of four casinos in the state by initiative petition; and

WHEREAS, the Constitution of the State of Ohio levies a fixed tax on gross casino revenue and distributes that tax revenue according to a formula to the benefit of Ohio's counties, cities, school districts, and other funds and commissions; and

WHEREAS, the County Commissioners Association of Ohio estimates that Cuyahoga County is likely to receive \$8.5 million to \$11.5 million in annual proceeds from gross casino revenue; and

WHEREAS, it is the Cuyahoga County Council's intent to ensure that sufficient funds are available so as to maximize the impact of these revenues; and

WHEREAS, downtown Cleveland is the region's most densely populated jobs center and the site of more than \$5 billion in economic development projects already underway; and

WHEREAS, the Cuyahoga County Council and County Executive are committed to the economic vibrancy of the region, and seek to allocate the initial proceeds from gross casino revenue to maximize the impact of downtown economic development projects already underway; and

WHEREAS, Section 7.01 of the Charter of Cuyahoga County declares that the County shall have as a primary responsibility the promotion and enhancement of the economic well-being and prosperity of the County and all of its residents; and

WHEREAS, Section 3.09 (11) of the Charter of Cuyahoga County authorizes the County Council to establish and provide for the administration of a program of post-secondary educational assistance for residents of the county; and

WHEREAS, this renewed focus on economic development and the creation of a post-secondary educational assistance program are two innovative aspects of county government as promulgated in the Cuyahoga County Charter; and

WHEREAS, the County Council and the County Executive consider furthering the economic development of all of Cuyahoga County and promoting an educated workforce as essential to enhancing the economic vibrancy and growth of the entire County; and

WHEREAS, the County Council and the County Executive seek to allocate ongoing proceeds from gross casino revenue to enhance economic development, and including the promotion of an educated workforce;

NOW, THEREFORE, BE IT ENACTED BY THE COUNTY COUNCIL OF CUYAHOGA COUNTY, OHIO:

SECTION 1. The Casino Revenue Fund: The Fiscal Officer is hereby directed to immediately establish a separate fund for the purpose of collecting and expending gross casino revenues distributed to Cuyahoga County (the "Casino Revenue Fund" or "the Fund"). All such revenues shall be automatically ~~directed and deposited~~ **transferred from the General Fund** into the Fund and may be used only in the time frame and for the purposes authorized herein. JMS

SECTION 2. Revenues in Reserve: All gross casino revenues shall be held in reserve in the Casino Revenue Fund until June 30, 2014 ("the reserve date").

SECTION 3. Use for Downtown District Development: As of July 1, 2014 and through June 30, 2016, the revenues contained in the Fund shall be used to promote economic development in Cleveland's Downtown District, generally defined as the area bordered by lake Erie, the Innerbelt Bridge, East 25th Street and West 25th Street.

SECTION 4. Revenues Remaining and Received on or after July 1, 2016: Revenues remaining in the fund or received on or after July 1, 2016 may be used to:

- (a) promote economic development in any area of Cuyahoga County; and
- (b) provide additional funding for educational initiatives, including the Cuyahoga County Educational Assistance Fund.

SECTION 5. Requests for Early Spending:

- (a) Notwithstanding Section 2 above, prior to June 30, 2014, the County Executive may propose spending monies from the Casino Reserve Fund on specific "downtown district" development projects. Council shall determine whether any specific project justifies an earlier than anticipated expenditure of funds.
- (b) Notwithstanding Section 3 above, after June 30, 2015 and before July 1, 2016, the County Executive or the County Council may propose spending monies on specific projects promoting economic development in any area of


Cuyahoga County. Council shall determine whether any specific project justifies an earlier than anticipated expenditure of funds.

SECTION 6. It is found and determined that all formal actions of this Council relating to the adoption of this Ordinance were adopted in an open meeting of the Council, and that all 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, including Section 121.22 of the Ohio Revised Code.

On a motion by Mr. Schron, seconded by Mr. Brady, the foregoing Ordinance was duly enacted.

Yeas: Germana, Gallagher, Schron, Conwell, Jones, Rogers, Simon, Greenspan, Miller, Brady and Connally

Nays: None


County Council President

10-23-12
Date


County Executive

10/24/12
Date


Clerk of Council

10/23/2012
Date

First Reading/Referred to Committee: May 8, 2012

Committee(s) Assigned: Committee of the Whole

In accordance with Rule 6B of the Rules of Council, legislation was added to the agenda by parliamentary motion: October 9, 2012

Committee Report/Second Reading: October 9, 2012

Amended on the Floor: October 23, 2012

Journal CC008
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