

County Council of Cuyahoga County, Ohio

Ordinance No. O2012-0018

Sponsored by: County Executive FitzGerald/ Department of Development and Councilmembers Schron, Miller, Germana, Conwell, Gallagher, Rogers, Jones and Connally	An Ordinance amending Ordinance No. O2011-0026 which adopted the County's 2011 five-year Economic Development Plan, to adopt the 2012 five-year Economic Development Plan in accordance with Section 7.05 of the Charter of Cuyahoga County, and declaring the necessity that this Ordinance become immediately effective.
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WHEREAS, Article 7, Section 5 of the Charter of Cuyahoga County requires the Director of Development, in conjunction with the County Executive and in consultation with the Economic Development Commission, to prepare and present to the Council by the first day of June of each year a proposed five-year economic development plan for the County, for actions to be carried out by the County itself, and in cooperation with other public and private agencies and organizations, for the purpose of enhancing the prosperity and well-being of the County and its residents and communities; and

WHEREAS, Article 7, Section 5 of the County Charter provides that if the "Council shall fail to adopt the proposed plan, with such changes as the Council shall deem advisable, within sixty days of its presentation to Council, the plan shall be deemed to be adopted."

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

SECTION 1. Section 1 of Ordinance No. O2011-0026 is hereby amended to read as follows (additions are bolded and underlined; deletions are stricken):

"SECTION 1. Adoption of Plan. The County's ~~2011~~**2012** five-year proposed economic development plan, including all changes thereto approved by Council, is hereby adopted in accordance with Article 7, Section 5 of the Cuyahoga County Charter. A copy of the final approved plan is attached hereto as Exhibit A and incorporated herein by reference."

SECTION 2. The County's Five-year Economic Development Plan, referenced and approved as an attachment (Exhibit A) to Ordinance No. O2011-0026, is hereby replaced by the Cuyahoga County Five-year Economic Development Plan attached hereto as Exhibit A.

SECTION 3. Necessity. It is necessary that this Ordinance become immediately effective in order that critical services being provided by Cuyahoga County can continue without interruption, and to continue the usual daily operation of the County. Provided that this Ordinance receives the affirmative vote of eight members of Council, this Ordinance shall become immediately effective upon the signature of the County Executive.

SECTION 4. Open Meetings. 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. Miller, the foregoing Ordinance was duly enacted.

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

Nays: None

County Council President Date

County Executive Date

Deputy Clerk of Council Date

First Reading/Referred to Committee: July 10, 2012
Committee(s) Assigned: Economic Development & Planning Committee

Additional Sponsorship Requested on the Floor: July 24, 2012

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EXHIBIT A

CUYAHOGA COUNTY FIVE-YEAR ECONOMIC DEVELOPMENT PLAN

Executive Summary

For the first time in its history, Cuyahoga County established a Five Year Economic Development Plan that defined development priorities and strategies. The plan set forth a new model and charge for making strategic investments across Cuyahoga County that will foster strong, economically sound communities, drive business growth and create jobs and opportunity for residents.

Mission: Improve the County's global competitiveness through strategic investments that foster economic growth and create vibrant, healthy and welcoming places for businesses and residents to prosper.

This plan is an integrated investment strategy that identifies two fundamental economic development priorities

- Business Development – thriving, competitive, growing businesses
- Place-based Development – vibrant, dynamic, quality places

By adopting an approach that invests in place-based business development, the County can achieve the mission of the Plan and progress towards revitalizing the Cuyahoga County economy. Implementing this strategy will establish a vibrant, economically competitive region, creating jobs, opportunity and prosperity for all residents.

Vision: Cuyahoga County is a vibrant, economically competitive region, creating jobs, wealth, opportunity, and prosperity for businesses and residents.

Investment Principles

In order to fulfill our mission and realize the vision, the County will make strategic investments that will demonstrate the following qualities:

- Collaborative – The County will partner with the public, private and nonprofit sectors throughout Northeast Ohio to maximize the amount of resources being deployed to support initiatives, maximize the effectiveness of those investments, and learn what works.
- Inclusive – The County will make investments that create opportunity for all

county residents, with a particular emphasis on racially and economically isolated populations. The economic competitiveness of the County is inextricably tied to the success of historically isolated populations. In order to become a transformative region, the County must strive to be a welcoming place to both transplant and immigrant populations. To that end, this plan fully embraces the County's goals and efforts toward greater economic inclusion.

- Innovative – The County will ensure that the overall plan fosters an entrepreneurial culture of innovation. This will require the County to seek creative solutions and operate outside the box. Investments must be structured to support dynamic industry sectors or clusters that are transformational and at a scale sufficient to grow the economic base of the County.
- Sustainable – The County will foster economic transformation in a manner that promotes economic growth, social well-being, and environmental stewardship that is systemic and sustainable into the future.
- Accountable – This plan will be implemented using a carefully devised set of metrics that will enable the County to continuously monitor progress being made toward achieving our goals and to make data-driven adjustments to the plan, as needed.
- Transparent – The residents of the county will be able to easily track where our public resources are being invested and the returns being generated by those investments.

The Year II Plan makes the transition from, establishing policies and building County capacity, to implementation. With the completion of its Year I Key Action items and including the creation of the Western Reserve Fund, the County completed its primary short term objectives and capitalized a local funding source for strategic investment. The County stands ready to get to work and calls upon its partners, collaborators and stakeholders to join us and realized the Charter's aspirations of economic prosperity for all its residents.

PART 1: Overview

One year ago, the first 5 year Economic Development Plan in the County's history began with the following words:

The place is here. The time is now. We can no longer wait for, nor rely upon largesse from Washington or Columbus to direct our future. We cannot wait for incremental resources or another stimulus to save the day. We must decide what we want our county to be and how we are going to get it there.

The time is right and Cuyahoga County is the right place for an aggressive, focused economic development plan that will leverage regional assets, build off of long-standing strengths, and take advantage of global changes to drive growth in jobs, incomes and property values.

On May 24, 2011 the Plan was introduced to the County Council. On July 26, 2011 the County Council approved the Plan as Ordinance O2011-0026. As we enter Year II, we will pivot from the Year I focus, moving from establishing policies and building capacity to implementing programs and creating jobs. Much has been accomplished already.

While this plan represents the first comprehensive effort by the government of Cuyahoga County to drive economic growth, economic development is not new concept to the County or the broader Northeast Ohio region. Therefore, this plan builds off of the successes, experiences and programs of the County and our valued economic development partners in the public, private and philanthropic sectors. Moreover, this plan reflects the reality that the economic development of Cuyahoga County is not determined solely by what occurs within our county's borders.

Our county is part of a larger, \$170 billion regional economy that encompasses 15 sister counties. In the past decade, guided by work of the business community, led by the Greater Cleveland Partnership, Team NEO and the Fund for Our Economic Future, the region has become very aware that economic development is a team sport, with no one player able to make much impact without partnerships, alignment and collaboration. To maximize the County's economic growth, this plan is aligned to take advantage of the regional economic strategies embodied in Advance Northeast Ohio, the region's economic competitiveness plan.

Why is the time right for this plan? First, our county's residents issued a clear mandate under the new charter "job creation and economic growth as a fundamental government purpose." More importantly, the global economy is undergoing a fundamental restructuring in the wake of the Great Recession. As the Brookings Institution recently noted: "We need to rebalance the American economy and cultivate the fundamentals that can bring prosperity back: robust exports, low-carbon technology, continuous innovation, and opportunity for all."

The fundamental rebalancing of the economy – globally, nationally and regionally – provides Cuyahoga County with an ideal opportunity to develop a strategy that takes advantage of those changes, rather than simply reacting to them. Now is the time for Cuyahoga County to prepare to benefit from the "next economy."

Why is our county the right place for this plan? The ongoing rebalancing of the economy is good news for Cuyahoga County. The last economy – rooted in consumption and housing booms turned bust – did not play to the County’s strengths in manufacturing, materials, and medicine. But the next economy does, as it will be powered by the production of innovative products sold in growing global markets. The development of those products is dependent on innovation assets – such as research institutions like NASA Glenn, the Cleveland Clinic, and University Hospitals and higher education institutions such as Cleveland State University Case Western Reserve University and John Carroll University that proudly call our county home.

Those local assets are well connected with regional resources – ranging from new industry cluster development guided by NorTech to venture capital attracted by JumpStart – that are boosting our companies’ (both established and new) ability to develop those products.

PART 2: Economic Development Plan

Progress Made Since Year I Plan Began.

While the original Plan identified five Key Actions to be completed in the first year. Those actions have been, if not completed are for the most part well underway.

1. Reorganize the Department of Development to support the Vision and Mission of this Plan.

By September 1, 2011, complete the restructure of the department to be focused on the economic development activities articulated in the Plan as opposed to the Department of Development's present focus on grant management, direct resident assistance and the County Airport. Determine what functions must be performed by the Department of Development (DOD) and which can be outsourced for efficiency and effectiveness. The new structure should have the capacity to 1) Understand the needs of its constituents including businesses, governments and citizens and be responsive to them 2) strategically invest the funds in the Economic Development Fund to address the needs and realize the mission/vision 3) apply for, receive and leverage federal grants 4) monitor and measure performance 5) evaluate existing programs, and lastly, articulate its needs for support in Columbus and DC (Advocacy).

Update: The Department has been restructured through a significant reduction in force with involuntary and voluntary action. A new organization chart was proposed

that, among other improvements, will create discrete *Economic* Development, *Regulatory* Compliance and *Community* Development divisions and place Housing within Community Development. New classifications were created and approved through the new governmental approval process and hiring is nearly complete.

2. Improve intra-county government coordination and collaboration and determine its best role to play in the community.

By September 1, 2011, create a partnership with Employment Connection and its successful Business Service model for understanding employer needs and expand it to include DOD programs.

Initiate a quarterly review of economic development plans and priorities with Director of Public Works to ensure coordination and alignment on issues of infrastructure and investment.

By November 1, 2011, work with the Planning Commission and the County Land Bank to create a unified plan and approach to land inventory and assembly.

Update: Interface with Employment Connection is in place and operating. Regular reviews with Public Works are underway. And planning meetings are regularly held with the Planning Commission and Land Bank to coordinate activities involving land inventory and assembly

3. Determine how the County can best contribute (align, coordinate, fund) to the success of the network of numerous economic development players in the region.

By December 31, 2011: Create a mechanism to align and coordinate the activities of the major ED intermediaries (Team NEO, Jumpstart, MAGNET...) so that all entities are working together.

Update: Much progress has been made over the course of the last year. A “Deal Team”, comprised of the City of Cleveland, Greater Cleveland Partnership, JobsOhio and County DOD has been constituted and meets regularly to discuss current opportunities. Unlike in year’s past, DOD is now often an early participant in deal negotiations and is frequently consulted with before the “eleventh hour”. Moreover, the DOD Director, the Deputy Chief, and several DOD staff are actively engaged in outreach to local communities, business groups, trade associations and chambers of commerce, spreading the word about programs and services.

4. Create an Economic Development Fund (EDF) to invest strategically.

By December 31, 2011: Introduce legislation to create and then begin to capitalize the fund

Update: On October 25, 2011 the Cuyahoga County Economic Development Fund was introduced to County Council. On January 24, 2012 it was passed as Ordinance O2011-0049. Five of the Fund's eleven programs have been approved through Council and since commencing operation, several deals have been announced resulting in the creation of nearly 1,000 new jobs.

5. Review and evaluate existing county programs (loans, grants) and funding streams (NSP, CDBG, Brownfield) to determine their application and value then add/ delete/modify as needed.

By June 1, 2012: Complete annual review of Department of Development programs and their effectiveness

Update: This is an ongoing process, particularly as State and Federal funding sources have become more constrained. Over the past year DOD has modified the Housing Rehabilitation program, initiated an owner funding "match" requirement in the Lead Safe program, added funding stream flexibility to the Storefront Renovation Rebate program, made a shift to multi-units in the Weatherization Assistance program and, of course created the Western Reserve Fund and its new programs.

The Five Year Economic Development Plan adopts an investment approach that fosters economic growth and prosperity for Cuyahoga County and our region. The goal of this plan is to create an environment that supports business and job growth, attracts capital, leverages private investment, fosters innovation, incentivizes collaboration, enhances human capital development, and improves the quality of life for all residents. This plan incorporates a seamless strategy that supports economic development initiatives within a geographic context. The objectives is to create high-quality, well-connected places with a critical mass of economic activity that provide businesses and residents the opportunity to thrive.

Economic Development Priorities

With the City of Cleveland as its "capitol", Cuyahoga County is the hub of the Northeast Ohio regional economy and is well positioned to grow and lead our region in the next iteration of the global economy. The County is part of a vibrant, economically competitive region with a rich asset base upon which to build and grow.

Mission: Improve the County's global competitiveness through strategic

investments that foster economic growth and create vibrant, healthy and welcoming places for businesses and residents to prosper.

Spurring economic growth and revitalizing our regional economy requires an innovative and transformative investment strategy. Fostering robust economic growth requires an integrated approach that combines two fundamental economic development priorities:

- Business Development – thriving, competitive, growing businesses
- Place-based Development – vibrant, dynamic, quality places

Business development and place-based development investments are designed to:

1. Create high-quality, well-connected places that provide our residents with great communities to live, work, play and learn.
2. Prepare our residents for the jobs and careers of today and tomorrow.
3. Accelerate business growth by connecting existing and new companies to regional resources that will help them invent, commercialize, make and sell new products to growing global markets.

Assets Meet Opportunity

Cuyahoga County has many assets that are the foundation of the regional economy and drive the global competitiveness of the region. These assets include: charitable foundations and a history of philanthropy; some of the world's greatest medical institutions; unparalleled federal, state, regional and local park systems; robust physical infrastructure and high speed broadband connectivity; artists and cultural institutions; world-class museums, orchestra and theatres; universities, research organizations, a national lab and intellectual capital; the earth's 12th largest freshwater lake fed by rivers and streams that offer miles of lake and river fronts; locational advantages that give us access to the heart of the North American economy coupled with one of the nation's best business logistics systems; industrial capacity and a rich history of innovation, and manufacturing and entrepreneurship.

Moreover, the County has features that are not often categorized as assets, but are assets when viewed through the lens of opportunity. These include thousands of acres of underperforming land, underutilized infrastructure, underperforming human potential and the beauty provided by the County's natural systems.

The County certainly has much upon which to build to improve economic competitiveness and prosperity if we can be more effective at thinking, planning and acting like an interdependent part of a dynamic local, regional and global economy.

Building on our assets to achieve our mission defines our vision

Vision: Cuyahoga County is a vibrant, economically competitive region, creating jobs, wealth, opportunity, and prosperity for businesses and residents.

Strategic Theme

Cuyahoga County is well positioned to become a dynamic economic hub of opportunity for businesses to prosper and for residents to have meaningful, gainful employment, and to live healthy lives. Through innovation, education, strategic investments, and collaboration, the County can improve its global economic competitiveness.

Innovation

- Ensure that the overall plan and specific investments support a culture of innovation in products, processes, and services that are transformational and at a scale sufficient to grow the economic base of the County.
- Encourage universities, businesses, non-profit organizations and governments to work closely together to commercialize market-ready research.
- Foster innovative use of public, private and philanthropic sector dollars to achieve the vision and evaluation of results.
- Promote green and sustainable technologies and solutions to address market and environmental failures and create new economic development opportunities.

Education

- Instill a culture of and commitment to continuous learning, recognizing that learning begins at the earliest stages of childhood through primary, secondary and post-secondary education, and throughout one's life.
- Ensure education and training opportunities which prepare individuals to compete for meaningful jobs with sustainable wages are made available for all able citizens.
- Encourage educators, trainers, businesses and public sector agencies to work together closely to identify and train the workforce needed by tomorrow's growth sectors, to retain today's workers, and attract the next generation of workers.

Collaboration

- Design and articulate a shared vision for the County, construct a strategic framework, establish systems and structures to support it, and then collaborate with the County's communities and within the region to achieve the vision.
- Create a state and federal advocacy strategy that articulates our mutually

supportive regional top priorities and recognizes the distinct role of each governmental entity, non-profit organization, and business leader in carrying out that vision.

- Encourage, public, private and civic organizations and individuals to partner and collaborate in the creation and implementation of the Plan.

Investment

- Make investments within a strategic, asset-based framework following a philosophy of capitalizing strategies, not just funding individual projects.
- Provide additional resources for investment by eliminating costs, leveraging current revenues and introducing new revenue sources.
- Invest resources stating specific goals for returns on investments over time, recognizing short-term milestones achieved and exercising patience with respect to long-term goals.
- Leverage additional county, municipal, state, federal, private, civic and philanthropic funds to make available enough resources to significantly move the needle on the County's economy as measured by relevant indicators over the next five to ten years.
- Invest in high performance county economic development management capacity.
- Expand access to investment opportunities for historically economic isolated populations. Increase economic access and opportunities for all residents; strive to be a welcoming place to minority and economically isolated populations as well as new transplants and immigrants.

Economic Development Plan Implementation

Implementing this Economic Development Plan will achieve the following objectives:

- Align County Economic Development Efforts – All of our efforts will reflect the transformation needed to fulfill Article 7, Section 1 of the Cuyahoga County Charter 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." This will require a large increase in overall effort and commitment of resources and an alignment of all of the County's activities with this primary responsibility for economic well-being.
- Focus Investments – The County will reorganize all of its investment activities so that they follow from a strategic, asset-based framework built around the overall mission and vision, rather than just funding individual projects.
- Define the County Role – There are hundreds of organizations--public, private, and non-profit--in Cuyahoga County that have economic development as part of their

mission. The County will determine what roles it can best play to ensure that investment, innovation, education, and collaboration are implemented according to a shared vision and direction.

- Eliminate Barriers – The County's economic development plan will also include efforts to eliminate or reduce barriers to success, such as duplicative or poorly coordinated regulatory requirements, and inefficient governmental operations.

How to achieve the Vision and fulfill our Mission: The Cuyahoga County Economic Development Fund

Fostering a robust, globally-competitive economy with opportunities and access available to all citizens requires an integrated approach that combines business development and place-based development seamlessly. That is, we must support economic development opportunities within place-based geographies that are attractive to residents, skilled workers, entrepreneurs, businesses, professionals, immigrants and investment capital. The following investment strategy addresses the priorities of the plan by determining the optimum investment role for the County and defining actions that will support economic growth.

The investment strategy outlined in this plan provides focus areas and recommended investment strategies to guide the work of the Director of Development. Five-year aspirations will be easier to articulate once the work is commenced in the near term and experience and data are better understood. The succeeding chapters elaborate on the key strategic principles that drive this Economic Development Plan.

PART 3: Investment Strategy

Economic development is the process of enhancing and maximizing the inputs of production (land, labor, innovation, and capital) to improve the economic competitiveness of the region and create economic opportunities for businesses and individuals. Implementing an integrated investment strategy that emphasizes business development and place-based development will establish a vibrant, economically competitive region, creating jobs, opportunity and prosperity for all businesses and residents.

1. Economic Development

Cuyahoga County's approach to economic growth has shifted from project driven investments towards a calculated and strategic investment approach. In 2011, the County under went a yearlong effort to develop a plan to strategically invest in economic development on a meaningful scale. The County engaged with the public,

economic development professionals, industry leaders, and community stakeholders to define development priorities and strategies that will deliver job creation and prosperity for Greater Cleveland. This effort was recommended by the initial Five Year Economic Development Plan. The Five Year Plan called for the creation of an economic development fund to drive outcomes, foster collaboration and partnerships, and leverage expertise and invest dollars. The economic development fund was and is envisioned as the mechanism to implement the strategies most essential to fulfilling the mission of economic well-being.

In January 2012, Cuyahoga County Council and the Executive approved the creation of the Cuyahoga County Economic Development Fund and adopted a detailed investment business plan. The Fund Business Plan is the embodiment of the Five Year Economic Development Plan. The Fund Business Plan lays out detailed programs that will drive economic growth and job creation and enable the County to fulfill the mission and vision of the Five Year Economic Development Plan. The economic development investment strategy identifies three vital components of growth:

Innovation & Entrepreneurship

Innovation is the life blood of any healthy economy. The ability to create better or more effective products, processes, services, technologies, or ideas that are accepted by markets, governments, and society is a direct indicator of an economy's ability to add value and grow. It is vital for the County to facilitate and accelerate innovation development in order to create an environment conducive for economic growth. Channeling capital to promising companies with a pipeline of inventive products and services, the County adds critical funding to the creative mixture of concepts, employees and management.

Supporting entrepreneurship not only helps drive economic growth, but it is also an effective way to generate economic opportunity for low-income individuals or groups that have traditionally been economically isolated. Entrepreneurial development creates opportunities to achieve economic self-sufficiency, create wealth, and transform underserved neighborhoods.

The County has identified four key aspects of innovation development that are designed to cultivate innovation and nourish early stage companies along the capital formation continuum and product life-cycle.

1. **Micro Enterprise:** finances business too small/unestablished for traditional lenders
2. **Pre-Seed Fund:** early stage funding to accelerate growth and attract investors

3. **Next Stage Fund:** invests in companies primed for full commercial launch
4. **Innovation Match:** provides local match required by federal and state innovation grants

Business Growth

Business growth, retention, and attraction is a critical source of job creation and economic growth. Creating a globally competitive economic environment for businesses to grow and thrive requires a development approach that attracts entrepreneurs, businesses, professionals, and investment capital to locate, expand, and remain in Cuyahoga County. Creating access to flexible, dynamic sources of capital that address the growth needs of businesses will stimulate private investment and improve the economic landscape.

The County has identified four business development strategies to reinvigorate our economic competitiveness, encourage private investment and business growth, and create high value jobs. These four strategies address the fundamental gaps that often stifle growth and hinder investment.

1. **Small Business Growth:** increase access to traditional lending markets
2. **Incumbent Worker Training:** reimburse expenses for retraining workers
3. **Accelerated Growth:** capital for expansion, acquisition for new markets and diversification
4. **Large Scale Attraction:** gap financing and incentives for large scale growth and attraction

Property Redevelopment

Firms that are growing need to modernize and expand. Having development sites ready to meet the expansion and relocation plans of companies is essential. When companies are growing and require more space, they seek properties that can be available in a timely manner. Sites that are complicated by potential environmental issues or by functionally obsolete space or by vacant buildings that require demolition, possess significant cost disadvantage.

Our legacy industries have left vacant buildings and contaminated land in the core city and many inner-ring suburbs. The challenge facing older commercial and industrial land is often reinforcing and contributes to continued disinvestment. Growing businesses lack the additional capital and expertise necessary to address these redevelopment issues.

The key to reutilizing and redeveloping land is to provide applicable, attractive and relevant programs that provide swift and clear opportunities for companies to address complicated redevelopment issues. The County needs to actively engage with companies seeking to locate, expand, or modernize in areas already served by existing infrastructure and transportation networks. As such, the preparation of land for redevelopment and the rapid response for the modernization of existing properties is a key piece in the County's place-based economic development plan. The County has devised a strategy to address the property needs for successful companies already in Cuyahoga County, and help them grow in place.

1. **Redevelopment and Modernization:** finances existing site improvements, including modernization
2. **Site Expansion:** finances environmental cleanup of sites adjacent to existing end-user
3. **Redevelopment Ready:** finances environmental cleanup of underutilized sites without end-users

2. Quality Place-Based Development

Leveraging and harmonizing unique place-based assets is critical to creating an environment for a competitive economic landscape. Increasingly, studies have shown that business leaders consider the quality of place when determining where to start or relocate. Businesses must consider how location will affect the organizations ability to operate and grow.

Cuyahoga County must strive to leverage the region's human capital, infrastructure, community and neighborhood assets, institutional and industrial strengths, and cultural resources in a manner that supports and fosters economic growth. The County's economic growth strategy must maximize core assets and anchor institutions and improve the quality of life. This approach will help to ensure fiscal and economic sustainability and future economic growth. Implementing a place-based development strategy to complement a business development strategy provides a framework for attracting and retaining businesses and high skilled, talented workers.

Therefore it is paramount to address the foundational elements of our economy and our community that define the place of Cuyahoga County.

Western Reserve Plan

Making real progress and transforming our region will require a strategic approach that addresses the foundational elements of our economy and our community. In March of 2012 County Executive Edward FitzGerald presented a practical, 12-point

plan for creating a vibrant, dynamic, attractive place that is economically competitive. The Western Reserve Plan is a place-based development strategy that calls for investing in the core aspects of the economy that will establish a community that offers economic opportunity and provides an enduring place to live, work and thrive. The Western Reserve Plan serves as roadmap for investing in place.

The Western Reserve Plan pinpoints investments in five key areas:

Education:

- Identifying education, from early childhood forward, as the central factor in individual and community success.
- Honoring the service of our veterans by giving them priority in hiring, training and education.

Government

- Implementing a practical strategy for creating a functioning, county-wide metropolitan government.
- Creating a culture within county government which implements on a continual basis nationally recognized good government practices and innovations.

Health and Safety

- Aligning and coordinating both public and private resources around our most pressing human service needs.
- Embracing a health and wellness culture which mirrors the excellence of our major medical institutions.
- Protecting our county by leading a county-wide public safety initiative.

Economic Opportunity

- Establishing Greater Cleveland as a center of entrepreneurship and job growth.
- Incorporating economic inclusion as a guiding principle in our economic development strategy.
- Branding our metropolitan area as an international city which harnesses the energy of our younger generations.

Built Environment

- Designing a place-based development strategy which recognizes the centrality of downtown Cleveland to the region as a whole.
- Adopting a collaborative approach to the foreclosure crisis- from prevention to restoration.

Supporting economic development opportunities within a place-based geographic context is an effective way to foster a vibrant, dynamic, and attractive economy. The value-add proposition of place-based development is achieved by creating a critical mass of economic activity and leveraging assets and investments within a defined place to drive growth. Successfully implementing a place-based development strategy requires focusing investments in selected geographic places that respond to the unique qualities and assets of the place.

The Department of Development will achieve this objective by focusing investments from new casino tax revenue in the asset rich geography from Ohio City to Cleveland State University. This geography represents the core of the County and the region and possesses a wealth of anchor institutions and assets. This approach is designed to establish business-friendly environments and foster enduring networks of place that are attractive to entrepreneurs, businesses, residents, and investment.

Housing Strategy

Housing is a major piece in place-based development. Creating high-quality, well connected places that offer diverse housing choices and provide access to enduring networks to live, work, and play is vital. Housing plays a critical role in defining a place. Therefore a housing strategy is an important aspect for the County's place-based development efforts.

Overview: Cuyahoga County's actions and expenditures affecting its housing stock should be directed towards three key desired outcomes:

1. Attract new residents who will contribute to the county's economic growth by starting businesses and filling unmet staffing needs in existing businesses, and
2. Retain existing residents who will continue to support the county's economic well being through the taxes they pay and goods and services they purchase within the county, and
3. Conserve limited resources by using appropriate housing interventions to prevent more costly demands on publicly funded emergency, social service, medical, and justice systems.

Constraints: Ohio Home Rule leaves Cuyahoga County with little direct control over where and what type of new housing may be constructed. Federal funds available for housing development always come with income limits attached. A backlog of delinquent mortgages headed towards foreclosure filing in 2012 forces our attention to foreclosure prevention and recovery programs.

Resources: Traditional financial resources include federal housing development funds, energy-efficiency grant financing for housing renovations, authority to issue tax-exempt housing bonds, and linked deposits to encourage below-market housing renovation lending by local banks. Innovative financial resources include loss reserves to support private lending, equity participation in housing developments with appreciation potential, and tax increment financing.

Other resources include the county's capacity to make infrastructure improvements in support of housing, the county's legal authority to direct the work of its Planning Commission, and the county's well-financed Land Reutilization Corporation

Allocation Principles: Demand for housing development subsidy will always exceed its supply. Competing funding opportunities must be evaluated to direct limited resources towards projects and programs with the greatest desired outcomes relative to the amount of county investment.

Program Examples: Subject to further development in consultation with our stakeholders, examples of county level programs to support each of the county's desired outcomes are:

1) Attract New Residents:

a) On a competitive basis, provide significant funding to catalytic housing development projects that will attract large numbers of well educated, highly skilled, workers and entrepreneurs currently living outside Cuyahoga County. Evaluate each project in terms of the number of new residents it will bring for each county dollar invested, and for its contribution to positioning Cuyahoga County as a desirable place to choose to live.

b) Research national best practices in repositioning older, traditionally developed urban neighborhoods and inner ring suburbs as desirable places for families to choose to locate. Identify the housing components of these practices and offer significant funding to neighborhoods and suburbs able to carry out both housing and non-housing components. The goal of this program is to attract well-off families to purchase homes in these areas.

2) Retain Existing Residents:

a) Identify gaps in existing financing for home repairs and improvements, such as lack of equity to support traditional secured loans due to market value decline, and develop financing tools to fill these gaps. Private financing is preferred, with public

support if truly needed, while public financing may be required for limited income homeowners.

b) On a competitive basis, provide “gap” funding to well-planned and well-sited housing development projects that meet the housing needs and preferences of older residents.

c) On a competitive basis, provide funding to innovative housing redevelopment projects that adapt existing housing stock to offer amenities otherwise found outside the county.

d) Research national best practices for keeping financially distressed homeowners living in their homes, either as owners or renters, and provide public financial incentives for private and nonprofit partners to operate programs with proven track records in this area.

3) Conserve Public Resources:

a) Direct our County Planning Commission to analyze neighborhood housing markets on a countywide basis, in order to rationally determine which types of housing investments are most appropriate in various neighborhoods. Funding for demolitions, existing housing repairs, and new housing development would be guided by this analysis. Since market conditions are changing, the analysis would be updated on a regular basis.

b) Continue support for low-income housing assistance programs that minimize cost to other public systems. For example, permanent supportive housing for the chronically homeless is known to drastically reduce their medical and criminal justice system costs.

c) Continue support for operating proven housing-related social services, such as foreclosure prevention counseling, while studying and evaluating national best practices in the rapidly changing mortgage servicing and troubled mortgage workout systems.

PART 4: Investment Principles

The County's investments will demonstrate the following qualities:

1. Collaboration and Determination of the County Role

It is critical that this plan work to coordinate the economic development efforts of the County and the region. The County must work with local civic leaders, non-profit institutions, and the private sector to foster constructive regional cooperation that looks beyond political or institutional boundaries. Collectively we must articulate our regional top priorities with one voice and unite to advocate our vision with state and federal leaders. We would be stronger if Northeast Ohio shared a mutually supportive vision for economic development, and recognized the distinct role of each

governmental entity, non-profit organization, and business leader in carrying out that vision.

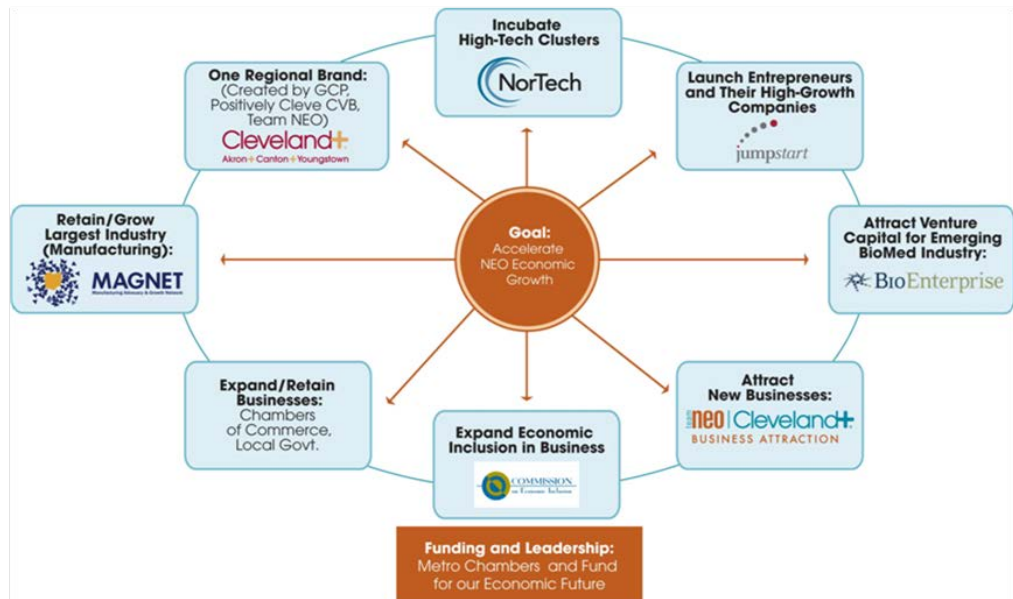
The realization that Cuyahoga County, encompassing its core city of Cleveland and 58 additional municipalities, is part of a broader economic development system must be reflected in the County's investment decision making process. Consequently, the County must take steps to understand the current landscape of potential economic development partners and determining how the County can best leverage and collaborate with those partners, bringing its unique programs and assets to the collective effort.

To this end, the County initiated The Protocol project to create a process for aggregating data and information of use to the ED system and the County's municipalities. Signed by over 30 communities, to date, and still under review by many others, DOD is looking forward to the new tool.

The most important collaboration to determine our ultimate success will be strong public-private-non-profit sector interaction, beginning with each sector doing what it does best: the public sector creating the environment for economic growth and filling market gaps with programs for the general welfare of its citizens, the private sector creating economic value that supports job creation, and the non-profit sector creating knowledge, providing resources and in other ways creating social value.

This effort starts with knowledge of the current economic development players in Cuyahoga County and their roles.

NEO Regional Economic Development System



Ned Hill, Dean, Levin College of Urban Affairs
Cleveland State University

Themes of collaboration:

- **Single Access Point** - Create a much needed single location for businesses to access all information relevant to their decision to locate or expand. The County recognizes that in order to improve the competitiveness of the region and create opportunities for businesses and individuals, it is critical to collaborate with the various economic development organizations, institutions, and local government to streamline and standardize how economic development incentives are accessed and delivered. This will help businesses locating in and moving to Cuyahoga County more easily navigate information regarding incentives and strategic investment areas.
- **Regional Network** - Determine the County role in the regional business attraction and retention within the Northeast Ohio region and the regional JobsOhio Network. Cuyahoga County is fortunate to possess a highly sophisticated regional economic development system. Unfortunately, there is no formalized mechanism for coordinating public-private economic development investment. While there are several organizations within Cuyahoga County that provide economic development assistance to help stimulate business attraction and retention, navigating this system is

time consuming and often frustrating for businesses. This complex system is less than optimal for maximizing and allocating resources in an efficient manner.

It is critical for the County to clearly identify its role within the regional economic development system, coordinate deal flow, and leverage regional and state resources in a highly efficient manner. The creation of JobsOhio and the JobsOhio Network by the State of Ohio represents a significant opportunity to achieve alignment and maximize investments. The County must utilize this new resource to align local efforts within the region and with the state. Developing strong collaborative partnerships with other economic development organizations will help the County to leverage its investments and ensure greater success. Within this new regional and statewide collaborative deal flow management system, the County has reconstituted the local Deal Team approach.

- **Commercialization** – Define the County role in accelerating technology transfer and commercialization. Northeast Ohio has developed a robust entrepreneurial ecosystem with a diversity of early-stage sources, supporting innovative start-up companies with high-growth potential. The ecosystem is comprised of a network of entrepreneurial support organizations that actively work together to help high-growth companies grow within the region. Simultaneously, the region possesses some of the highest ranked research and educational institutions in the nation.

Combined, the entrepreneurial network and research institutions have helped to accelerate much of the innovation and commercialization activity in Northeast Ohio. Not only have early-stage companies benefited from this ecosystem, but so too have major corporations that have partnered with these entities to introduce new products into the market.

The County must work with these organizations to define its role in fostering innovation development more effectively as part of a larger system. The County should seek to build customer relationships with research institutions to determine how best to support their role as engines of technology. The County should also actively engage the work of economic development organizations that specialize in technology development across key industry clusters.

- **Government** - Create a mechanism to coordinate and leverage local government economic development policies, programs, and procedures. As stated in the Brookings Institution and Greater Ohio Policy Center’s Restoring Prosperity report, governmental structures within Ohio’s Counties “are simply too fractured to develop a unified vision for economic development and mobilize regional stakeholders to

realize it.” If the County is to prosper, it is essential we recognize that economic growth does not occur at the municipal level but at the regional level. Growing one municipality’s business base at the expense of a neighboring community isn’t the best way for the region to compete in today’s global economy.

There are 58 political subdivisions surrounding the core city of Cleveland that vary in their approach to economic development. In order to improve the competitiveness of the region, the County must collaborate with and incentivize local civic leaders to find ways to streamline government processes and standardize policies when appropriate. This will help businesses locating in and moving to Cuyahoga County more easily navigate the regulatory landscape.

2. Inclusion

Inclusiveness is a major component in determining the economic competitiveness of a region. In order to become a transformative region, the County must strive to be an economically welcoming place, providing opportunity to economically isolated populations as well as to new comers, both transplants and immigrants. The success of the County is inextricably tied to the success of historically isolated populations. As part of business growth, the County must seek to grow the number and size of minority-owned enterprises, expand access for minority and economically isolated residents to educational training and business opportunities, and sustain a system that generates economic access and opportunities for all residents, particularly historically isolated populations.

It is of utmost importance that any plan for the area generally, and for this county in particular, fully embrace the diversity of our region in the broadest sense. We must aspire to experience economic growth and quality of place that fosters inclusion and addresses disparities at every step. Central to the success of the Department of Development will be its ability to serve the diverse constituents, geographies and municipalities of our county in an equitable fashion.

We will do this by utilizing our current efforts of serving low-moderate income families, targeting areas of greatest need in our local municipalities, providing economic opportunities for minority based businesses, and tracking the demographics of those we serve (See Appendices III-V) as a baseline for future measurement in all of our programs and functions. To the extent allowable by law, the County will measure and evaluate programs and investments on their ability to deliver the outcomes espoused in this plan including diversity of suppliers, contracting and employment. Funding source or compliance requirements will no longer be the driving force behind what and how we measure; good measurement regarding diversity will be done as a matter of course. We seek to measure “who” received the

investment, who benefited, and “where” that investment took place.

This will also provide us with a tool to determine our future successes, and will serve as a guideline to where improvements may need to be made. In addition to our current efforts, we will expand our programs by creating additional partnerships and outreach efforts to ensure that all of our available resources are distributed county-wide to all socio-economic and cultural areas in accordance with the law. We will keep in mind that fairness and justice are paramount.

3. Innovation

While “Cluster” theories and their applicability are an ongoing debate in the field of economic development, the theory serves as a useful concept to guide innovation development investments. As defined by The Brookings Institution, clusters are “geographic concentrations of interconnected businesses, suppliers, service providers, and associated institutions in a particular sector.” Brookings further notes that: “Cluster strategies provide a direct route to economic renewal because they build on existing assets to promote growth in regions by enhancing the interactions by which firms complete transactions, share ideas, start new enterprises, and create jobs. In this fashion, industry clusters have the power not just to revitalize regions, but also to improve states’ standing in the emerging “next” economy that will likely be more export-oriented, lower carbon, and innovation-driven.”

Regions across the country, with Northeast Ohio being no exception, have been focusing economic development initiatives around the development and support of industry clusters for several years. In addition, the Obama Administration and several federal government agencies like the Economic Development Administration have made clusters of innovation a target area of support.

Through a series of studies by Battelle, Deloitte, McKinsey and CSU, the state and region have identified key industry clusters that represent major drivers of economic growth. The table below outlines core industry clusters that have dedicated organizations to promote and facilitate growth.

Important Industry Clusters Identified by the State of Ohio

Medical Devices/Health Care Equipment	Information Technology/Broadband
Materials (metals, polymers, composites, nanomaterials, etc.)	Manufacturing Competitiveness and Innovation
Advanced Energy	Automotive
Aerospace	Instruments & Controls; Flexible Electronics

Our region's inherent strengths in medical research, healthcare, manufacturing and materials (metals, plastics, rubber, and coatings) have enabled us to participate in multiple industries that have changed over time – primarily due to technology and innovation. These include: automotive, aerospace, biomedical and advanced energy. The Department of Development should take the opportunity to examine relationships with current cluster-focused organizations to review, renew and redefine collaborative relationships, provide support and foster the growth of industry clusters.

In addition to the clusters mentioned above there are a number of emerging clusters that have the potential to add jobs, bolster entrepreneurship and spark innovation – building on theory in the Brookings-Rockefeller Project on State and Metropolitan Innovation. In a January 2011 paper it is suggested that support for local/metro clusters also has the potential to change the dynamics of economic development providing the disciplines of cluster management are used – i.e. data, analysis and performance tracking. These clusters should build on place-based assets and support should be predicated on the cluster initiatives meeting a set of rigorous requirements.

4. Sustainability

Sustainability is the responsible management and allocation of resources. The concept is comprehensive. Investments that are sustainable are an efficient and effective use of resources that generate long-term benefits and produce economic prosperity, increased quality of life, and improved environmental quality. Sustainable investments utilize resources in a manner that ensures lasting economic growth that maintain the integrity of the social, environmental, and economic quality of the region.

In October 2010, the U.S. Department of Housing and Urban Development (HUD) awarded Northeast Ohio a \$4.25 million grant as part of an initiative supporting regional approaches to land use, housing, transportation, environmental issues, and economic development. The Northeast Ohio Sustainable Communities Consortium (NEOSCC) is leading an effort to develop concrete plans to create a vibrant and resilient Northeast Ohio that increases our quality of life; connects our communities; welcomes diversity; restores and protects our natural resources; and creates a competitive economic framework for the vitality of our region.

Cuyahoga County investments will model this approach and encourage land use patterns and promote economic development strategies that address region-wide economic prosperity and housing equity; support sustainable multimodal

transportation; redevelop and revitalize the region's built environments; and promote cost-effective investment in the region's core industry sectors. The County's investments will reflect sustainability principals and work with associated communities of practice among local governments and non-profit organizations to improve the region's economic competitiveness.

In accordance with the principles of this regional sustainability effort, County investments should promote an integrated regional land use, housing, transportation, and capital investment strategy that enhances the region's economic competitiveness and resilience and help its citizens gain better access to decent, affordable housing, more and better transportation choices.

5. Accountability and Metrics

As the County strives to strengthen its global competitiveness and economic vibrancy, it is essential to measure investment performance, assess economic progress, and examine industrial trends. This analysis helps the County evaluate investments, monitor program outcomes, and study the overall performance of the economy to determine trends and best practices. Tracking the right metrics will guide the County's economic development initiatives and investment strategy. The County will also make these measurements publicly accessible, providing transparency and enabling County residents to track our progress on economic development.

Measuring program performance provides critical information that guides the allocation of resources. This analytical process examines the direct outputs of County programs and investments. It is essential to measure factors that will directly impact outcomes that will drive the economic prosperity of the County. Identifying these metrics helps the County determine program impact:

Primary Metrics – key measures to be targeted within the first year of a project:

- Job Creation
- Job Placements
- Dollars Leveraged
- Follow-on Funding
- Property Assembled
- Revenue Generated
- Payroll Growth
- Patents Filed

Assessing program outcomes provides information that indicates program effectiveness. This analytical process examines the indirect outcomes of County programs and investments. Indirect program outcomes are important factors in

determining the economic vibrancy of the County. It is important to select and monitor metrics that indicate the outcome of County programs and reflect the economic competitiveness of the County. These metrics tend to be lagging indicators. Identifying these metrics will help the County determine program effectiveness in generating economic prosperity and vibrancy:

Secondary Metrics – measures to be targeted every 2 to 5 years:

- Tax Revenue: Sales, Property & Commercial Activity
- Exports
- Skilled Workforce
- Poverty Rate
- Population Growth
- Unemployment

Studying the performance of the economy provides information that indicates the overall health of the County economy and identifies areas of growth. This analytical process examines economic growth and provides a broad level view. Examining general economic performance is important for benchmarking progress, targeting key industries, and identifying trends. This information forms the foundation of the economic development plan and shapes the county investment strategy. It is important to select and monitor metrics that indicate the outcome of County programs and reflect the economic competitiveness of the County. Once again, these metrics tend to be lagging indicators, but are widely accepted as the key indicators of economic growth:

Tertiary Metrics – measures to be tracked every 3 to 5 years:

- Per-capita Income Growth
- Employment Growth – identify key industry segments
- Gross Metropolitan Product
- Productivity Growth

The selected indicators and metrics reflect what is believed to be most important to the county's economic prosperity. Many of these key metrics are also tracked by the Dashboard of Economic Indicators which is a product of the Council of Regional Economic Policy Advisors. These advisors counsel the Fund for Our Economic Future (FFE) on what indicators matter most to achieve improved economic outcomes. Cuyahoga County will work with FFE and the Council to accurately measure factors that are most important in analyzing the economic climate.

Measuring the County's economic development performance is a very important

analytical tool. Not only will these measures help guide the County's economic development plan; but it will also align with the CountyStat process (a governmental performance measurement system) and indicate how county resources should be allocated. These measures will enable the county to determine the most effective way to realize this plan's vision and mission, ensure strategic investment, enable collaboration, and produce positive economic growth and prosperity.

Although none of the actions of Cuyahoga County alone will impact many of these indicators and metrics, and there is no silver bullet to move the needle short-term on most of these, we believe these are the best measures of opportunity and prosperity for all the residents of Cuyahoga County.

6. Transparency: Review and Approval

In order to ensure the economic development plan put forth in this document is implemented successfully, the County has put a process in place for monitoring decision making and measuring performance. The Department of Development is managing the process, relying mostly on staff already in place and resources available in other departments. As of this writing, the Department has created a few new positions and is in the process of filling those. In addition, outside input from industry leaders, community stakeholders, investors, and residents is utilized.

The Cuyahoga County Community Improvement Corporation (CCCIC) has been tasked with reviewing, troubleshooting and making recommendations as it relates to various investment decisions. The CCCIC is an outside body comprised of industry, county and community leaders. The CCCIC's ability to make objective and uncompromised recommendations consistent with the County's economic goals and objectives is vital. The County Council and County Executive have final authority over investments consistent with the County's contracting and procurement ordinances. Transparency and reporting outcomes are critical priorities throughout county government, and especially for economic development. The following diagram outlines the approval process.



The process for reviewing, recommending and approving investments will be evaluated consistent with the investment principles outlined in this plan. To ensure this adherence, the County devised a methodology for analyzing investment projects:

1. Strategic fit – consistent with the goals and objectives of the economic development plan
2. Universal measures – located in the County and creating jobs
3. Project specific measures – adheres to specific program investment parameters
4. Community benefit – promotes vibrant, dynamic, quality places and economic opportunity
5. Financial feasibility – aids thriving, competitive, growing businesses
6. Collaboration – promotes regional economic development principles

The analytical process is used to provide an early measure of a project’s strategic fit, eligibility, quality, community benefit and financial feasibility. The analysis reflects an initial review of an investment opportunity and represents a uniform process for vetting. However, because each economic development opportunity has different qualities and characteristics, universal application criteria do not exist. Since economic development opportunities present themselves in an unpredictable fashion, they will not be ranked against one another. Rather, investment opportunities are evaluated monadically for their impact.

PART 5: Conclusion/Key Action Steps for Year Two

When we drafted the original Plan we had, in conflict, the aspirations of the new Charter and the realities of our then present condition. We had a vision for the future but lacked the capacity to realize it. Year I became a time for building, a time to establish the County as a player in the already well-established economic development system. Year II becomes the time for execution and the primary vehicle for the DOD is the Cuyahoga County Economic Development Fund.

Year I of the inaugural Five-year Economic Development Plan is nearly complete and we have experienced many successes. The 5 Key actions are largely complete, the Economic Development Fund is up and running, we have announced deals creating nearly 1,000 jobs with more to come. The DOD is being restructured and its capacity expanded. The County continues to refine its role and has matured into a respected economic development partner. Going forward, we pivot from planning to action.

- **Action Step 1**

Complete the roll out of the Economic Development Fund's remaining 6 programs by 12/31/12.

- **Action Step 2**

Review the ED Fund's 5 launched programs and modify key elements as needed by 9/30/12.

- **Action Step 3**

Create a DoD Economic Development Loan program dashboard that shows lending activity by applicant and funding source and update quarterly.

- **Action Step 4**

Create/Retain 2,000 Jobs

The original Plan concluded with the following words:

While we are in challenging times we have an opportunity to prosper and realize aspirations framed in the Charter. By thinking strategically, acting in concert and measuring our progress, the future of Cuyahoga County can indeed be bright.

The words are still true today.

Appendices

Appendix I – Cuyahoga County Economic Development Fund

Appendix II – Disbursement of Federal Funds Snapshot

Appendix III – Program and Beneficiary Characteristics

Appendix IV – Job Reporting Form

Appendix V – Section 3 Business Directory

County Council of Cuyahoga County, Ohio

Ordinance No. O2011-0049

**Sponsored by: County Executive
FitzGerald/Department of
Development and Councilmembers
Miller, Brady, Germana, Gallagher,
Schron, Conwell, Jones, Rogers,
Simon and Greenspan**

An Ordinance authorizing the County Executive to establish an Economic Development Fund for the purpose of investing in job growth and economic development in Cuyahoga County; and declaring the necessity that this Ordinance become immediately effective.

WHEREAS, Article VII, Section 7.01 of the Cuyahoga County Charter mandates that "the County shall develop and implement policies, programs and activities for the expansion and enhancement of economic activity in the County so as to create and preserve jobs and employment opportunities for and available to residents of the County;" and,

WHEREAS, the Cuyahoga County Economic Development Commission has proposed, and this Council has adopted, the Cuyahoga County Economic Development Plan in Ordinance No. O2011-0026; and,

WHEREAS, the County Executive/Department of Development has proposed the establishment of a \$100,000,000.00 Economic Development Fund to invest in job growth and economic development in Cuyahoga County under the Economic Development Plan; and,

WHEREAS, the Economic Development Fund shall strive to meet the principal objectives of expanding the economic base in the county, including outcomes consistent with economic growth including job creation and improved quality of life; and,

WHEREAS, the County Executive/Department of Development has proposed that the Economic Development Fund should invest in specific programs for Workforce Development, Property Reutilization, Small Business Growth, and Large Scale Business Growth and Attraction; and,

WHEREAS, the Executive has proposed, and this Council concurs, that the Department of Development shall administer the Economic Development Fund in a manner that promotes inclusion of economically isolated populations, transparency for public accountability, and collaboration with existing economic development organizations as priorities for the department's approach; and,

WHEREAS, it is necessary that this Ordinance become immediately effective in order that critical services provided by Cuyahoga County can continue and to provide for the usual, daily operation of a County agency.

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

SECTION 1. There is hereby created the Cuyahoga County Economic Development Fund, which shall be administered by the County Executive through the Department of Development.

SECTION 2. Council hereby approves and adopts the County Executive's plan for the administration of the Economic Development Fund attached hereto as Exhibit A.

SECTION 3. The Economic Development Fund shall undertake and administer the following three priorities with the listed programs:

a) Innovation development

- 1) Micro Enterprise
- 2) Pre-Seed Funding
- 3) Next Stage Funding
- 4) Innovation Match

b) Commercial Property Reutilization

- 1) Redevelopment and Modernization
- 2) Site Expansion
- 3) Redevelopment Ready

c) Business Growth, Commercialization and Attraction

- 1) Small Business Growth
- 2) Incumbent Worker Training
- 3) Accelerated Growth
- 4) Large Scale Attraction

SECTION 4. The Department of Development, CCCIC or the appropriate approving authority shall have the ability to modify parameters or terms for any individual transaction in the \$100 Million Economic Development Fund including but not limited to loan amount, interest rate and time period. Any changes to the parameters or terms shall be provided to the appropriate approving body as part of the review of documents.

SECTION 5. The Department of Development shall make a report to the County Council detailing the operations, performance measures and changes to the Fund

annually in concert with updates to the County's Five Year Economic Development Plan as required by the County Charter.

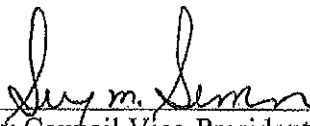
SECTION 6. It is necessary that this Ordinance become immediately effective in order to retain secured financing and project completion. Provided that this Ordinance receives the affirmative vote of eight members of Council, this Ordinance shall become immediately effective upon the signature of the County Executive.


SECTION 7. 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 Ms. Conwell, the foregoing Ordinance was duly enacted.

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

Nays: None


County Council Vice-President 1-26-12
Date


County Executive 1/29/12
Date


Deputy Clerk of Council 1/24/12
Date

First Reading/Referred to Committee: October 25, 2011
Committee(s) Assigned: Economic Development & Planning

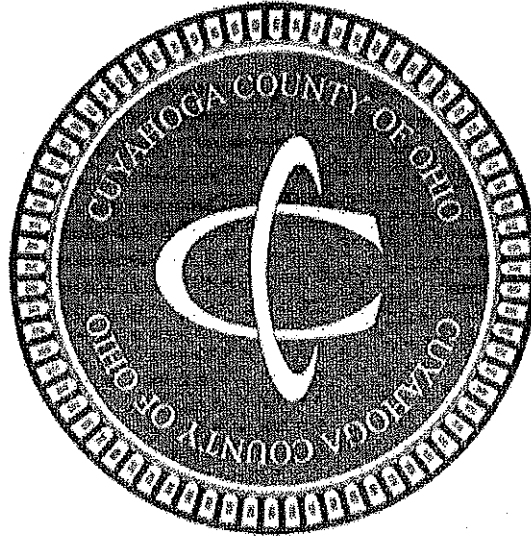
Second Reading/Referred to Committee: December 6, 2011
Committee(s) Assigned: Economic Development & Planning

Substituted and Amended on the Floor: January 24, 2012

Additional Sponsorships Requested on the Floor: January 24, 2012

Journal CC005
January 24, 2011

EXHIBIT "A"



\$100 Million Economic Development Fund

Executive Summary.....	3
Introduction	5
Purpose	5
Goal and Objectives	6
Investment Approach	7
Funding	8
Uses of Funds.....	10
Innovation Development: Four Programs	13
Property Reutilization: Three Programs	28
Business Growth, Commercialization and Attraction: Four Programs	34
Management and Organization	49
Evaluation Criteria.....	53
Communications Plan	63
Operational Plan	65

Appendix II - HUD Snapshot of Disbursement of federal funds

Double click the image below to read a clearer and full size version of the document.

HOME PROGRAM SNAPSHOT WORKSHEET - RED FLAG INDICATORS

Local Participating Jurisdictions with Rental Production Activities

Participating Jurisdiction (PJ): Cuyahoga County Consortium State: OH Group Rank: 94
 State Rank: 2 / 22 PJs Overall Rank: 93
 Summary: 0 Of the 5 indicators are Red Flags

Indicator	Description	Value	Target	Red Flag
4	% OF COMPLETED RENTAL DISBURSEMENTS TO ALL RENTAL COMMITMENTS	77.87%	100	NO
5	% OF COMPLETED CHDO DISBURSEMENTS TO ALL CHDO RESERVATIONS	53.90%	92.64	NO
6	% OF RENTERS BELOW 50% OF AREA MEDIUM INCOME	70%**	86.87	NO
8	% OF OCCUPIED RENTAL UNITS TO ALL RENTAL UNITS	92.09%	100	NO
ALLOCATION-YEARS* NOT DISBURSED**		> 2,415	1.27	NO

* This threshold indicates approximately 100% of units are below 20% of the PJs.
 ** The percentage may indicate a problem with meeting the 30% of rental units and 125% provided to households or 10% of AMI renter.
 *** Total of unexpended HOME and ADD funds in authority year. ** 2003 HCLP and 2003 allocation amount. This is not a SNAPSHOT indicator but a good indicator of program progress.
 Source: Data entered by HUD on April 2, 2004. HUD's Consolidated Data System (CDS) is American Housing (AHS).



Appendix III - Program and Beneficiary Breakdown on federally funded programs

Double click the image below to read a clearer and full size version of the document.

Program and Beneficiary Characteristics for Completed Units									
Participating Jurisdiction (PJ): <u>Clayton County, Georgia</u>									
OH									
Total Development Costs:									
CHDO Operating Expenses:		Homebuyer		Rental		Homeowner		PJ:	
% of allocation		\$100,581		\$54,074		\$100,581		National Avg:	
R.S. Means Cost Index: 1.02		\$85,652		\$84,455		\$85,652		0.5 %	
		\$78,555		\$91,461		\$78,555		1.2 %	
RACE:	Rental %	Homebuyer %	Homeowner %	TBRA %	Rental %	Homebuyer %	Homeowner %	TBRA %	
White	59.6	73.7	55.5	59.9	48.4	32.7	14.4	47.9	
Black/African American	38.2	23.3	34.3	38.6	39.3	4.3	62.2	1.0	
Asian	0.3	0.4	0.4	0.0	5.9	31.5	11.4	0.7	
American Indian/Alaska Native	0.3	0.2	0.3	0.3	3.3	27.0	1.8	0.7	
Native Hawaiian/Other Pacific Islander	0.0	0.0	0.0	0.0	0.8	5.3	3.8	2.1	
Hispanic/Latino	0.0	0.0	0.0	0.0					
Other	0.0	0.0	0.0	0.0					
ETHNICITY:									
Hispanic/Latino	0.0	0.0	0.0	0.0					
Other	0.0	0.0	0.0	0.0					
HOUSEHOLD SIZE:									
1 Person	54.3	30.2	43.0	38.0	18.6	0.1			
2 Persons	22.0	22.4	22.4	18.8	10.1				
3 Persons	17.2	20.5	20.5	20.6	34.2				
4 Persons	1.0	1.9	3.5	0.8	35.1				
5 Persons	0.0	2.4	1.0	3.1					
6 or more Persons	0.0	0.0	0.0	0.0					
HOUSEHOLD TYPE:									
Single	88.2	88.6	88.6	88.6					
Family	0.0	0.0	0.0	0.0					
Other	11.8	11.4	11.4	11.4					
SUPPLEMENTAL RENTAL ASSISTANCE:									
Section 8	0.0	0.0	0.0	0.0					
Other	0.0	0.0	0.0	0.0					
# of Section 604 Compliant Units / Completed Units Since 2001									64



Source: Data provided by HOME Performance Indicators and Information System (HPIS). The State Savings Program all deal and the State Plus within the state. The National Average includes all other State Plus, and Incentive Areas. Section 604 units are for the FY 2001-2002 period.

Appendix IV _ Job Reporting and Income verification form used for federally funded programs

Double click the image below to read a clearer and full size version of the document.



JOB REPORTING

(Reporting Period 1/1/11 - 12/31/11)

TOTAL 2010 F/T HIRES _____ TOTAL 2010 P/T HIRES _____

TOTAL 2011 LMI HIRES _____

EMPLOYER CERTIFICATION

I certify that the information reported above on behalf of the company is accurate and true to the best of my knowledge. Attached is an Employee Certification and Income Verification Form for each person hired during the current reporting period. I understand and agree that the information reported by the company is subject to verification by the County or other authorized government officials.

Signature _____ Title _____ Date _____

Instructions:

Complete and sign the above portion. Return this form, along with all **employee certification/income verification forms** for employees hired in 2010. If employees did not complete the form at time of hire, they may complete it now. However, instruct the employees to report on the form their income at the time of hire (i.e. reflective of wages before current position).

Return all documents to:

Cuyahoga County Department of Development
1701 East 12th Street, 1st floor
Cleveland, Ohio 44114
Attn: Arnold Lockel

Department of Development, Reserve Square, 1st Floor
1761 E. 12th Street, Cleveland, Ohio 44114
(313) 418-7260, FAX (216) 449-7268, Ohio Relay Service 711

Appendix V _ Section 3 Business Directory

This is a multiple page directory. To view the complete directory, click on the image below.

Cuyahoga County Department of Development - Certified Section 3 Businesses** (02/09/2011)

Business Name	Service Category	Contact Person	Address	Phone	Fax	Email Address	Expiration
General Contracting							
A & D Contracting, Inc.	General Contracting		320 Pearl Road Cleveland, Ohio 44109	216-749-9000		jack@adcontracting.com	6/18/2012
A 1 Save a Lot Construction	General Contracting	Diana Madin	2633 E. 96th Street Cleveland, Ohio 44104	216-438-8937		savealotconstruction@live.com	6/12/2012
Affordable Demolition & Hauling, Inc.	General Contracting	Vincente Colizzo	4550 Mass Avenue Cleveland, OH 44127	216-429-1874	216-441-4779	adcontracting@gmail.com	5/30/2011
Alford Brothers	General Contracting	Laurie Coyte	18100 Lorain Ave. Cleveland, Ohio 44119	216-481-1717	216-481-8845	alfordbrothers@aol.com	8/31/2012
All-Phase General Construction	General Contracting	Elaine Madara	P.O. Box 602045 Cleveland, Ohio 44102	216-854-8117		apgeneralconstruction@aol.com	10/1/2013
American Building and Kitchen Products, Inc.	General Contracting	Troy Allen Vandervoort	8408 Chase Drive Mentor, Ohio 44060	216-337-3020	440-209-0479	americanbuildingandkitchen.com	5/20/2013
Ames Street Ltd.	General Contracting	Michael D. Audick	1374 E. 91st Street Cleveland, Ohio 44102	216-316-2636	216-838-8374	amesstreet@aol.com	7/22/2013
Aviles Construction Co., Inc.	General Contracting	Allegria Aviles	7011 Clark Ave. Cleveland, Ohio 44102	216-839-1984		avilesconstruction@aol.com	8/9/2011
Bradley Construction	General Contracting	Howard Bradley	2228 St. Clair Ave. Cleveland, Ohio 44108	216-268-8337	216-268-8342	bradleyconstruction@aol.com	1/18/2014
Broadway D & R Contracting	General Contracting	Don Robinson	3950 E. 86th Street Cleveland, Ohio 44105	216-271-3839		broadwaydr@aol.com	5/16/2012
Caver Brothers Construction	General Contracting	Jessie Caver	3770 E 93rd Street Cleveland, Ohio 44105	216-271-7000	216-271-7065	caverbrothersconstruction@aol.com	8/11/2013
C.B. Mullins Construction Company	General Contracting	Christopher B. Mullins	P.O. Box 200 Baraca, OH 44107	440-835-9310	440-828-9811	cbmullinsconstruction@aol.com	10/29/2013
Chief Cornerstone Construction	General Contracting	Ronald McLaughlin	18409 Minnow Rd. Cleveland, Ohio 44105	216-858-8379		chiefcornerstone@aol.com	8/30/2013
E & M Contractors	General Contracting	Everett McLaughlin	14104 Bepkoek Ave. Cleveland, Ohio 44105	216-587-1810	216-587-0233	emcontractors@aol.com	12/21/2013
EMBE Innovations	General Contracting	Michael Burbert	6203 Merrimack Drive Parma, Ohio 44129	440-945-8736	440-268-9199	embeinnovations@aol.com	8/11/2012
J and S Company	General Contracting	Harvey Jordan	12840 Euclid Ave. Cleveland, Ohio 44106	216-791-9500	216-791-9502	jandscnstruction@aol.com	6/12/2011
Kennet Construction	General Contracting	Bernard Wiggins	P.O. Box 94007 Cleveland, Ohio 44101-6007	216-874-9065	216-874-9068	kennetconstruction@aol.com	5/23/2012
Kidd Construction	General Contracting	Frank Kidd	2403 Cedar Rd. #232 Cleveland, Ohio 44115	216-621-7711	216-621-7290	kiddconstruction@aol.com	12/21/2013
Lewis Development and Maintenance Company	General Contracting	Elyse Lewis	102 West Chardon Street Beavercreek, Ohio 45416	440-788-0193	440-788-1685	lewisdevelopmentandmaintenance.com	8/10/2013
L.S.L. Company, LLC	General Contracting	Lisa Peas	2878 E. 114th Street Cleveland, Ohio 44104	216-258-4505	216-481-1869	lslcompanyllc@aol.com	8/29/2012
M/AE Construction	General Contracting	Robert Miller	18345 Alverswood Road Wilson Hills, Ohio 44146	216-216-7886		maeconstruction@aol.com	1/4/2014
M. Wilson Construction	General Contracting	Mitch Wilson	16211 Traylor Ave. Cleveland, Ohio 44110	216-214-0471		mwilsonconstruction@aol.com	10/14/2012
NCR Construction	General Contracting	David Green	3135 West 181st Street Cleveland, Ohio 44111	216-651-7255	216-651-7269	nrcconstruction@aol.com	6/9/2012
Pro House Doctors, Inc.	General Contracting	Chris Jones	P.O. Box 35933 Cleveland, Ohio 44135	216-258-8605		prohousedoctors@aol.com	3/22/2011
R.J. Leoni Contractors, LLC.	General Contracting	Roberto Leoni	8817 Queena Park Ave. Mayfield Heights, Ohio 44124	440-948-0900	440-948-0361	rlcontractors@aol.com	6/11/2013