

CITY OF STRONGSVILLE, OHIO

ORDINANCE NO. 2015 – 121

By: Mayor Perciak and All Members of Council

**AN ORDINANCE AUTHORIZING THE MAYOR TO AGREE AND CONSENT TO A RENEWAL OF THE CUYAHOGA COUNTY BUSINESS RETENTION AND ATTRACTION PROTOCOL WITH SUPPLEMENTAL LETTER, IN THE INTEREST OF REGIONAL COLLABORATION TO PROMOTE ECONOMIC DEVELOPMENT.**

WHEREAS, by and through Ordinance No. 2012-084, the Council authorized and directed the Mayor to enter into a Business Attraction and Anti-Poaching Protocol, including an attached Supplemental Letter, with Cuyahoga County; and

WHEREAS, the current County Executive now wishes to renew the County's commitment with many of the communities located within Cuyahoga County by entering into the Cuyahoga County Business Retention & Attraction Protocol, for continued regional collaboration to promote economic development; and to that end, the communities hope to work closely with the County to make their communities and the region more attractive to business, but at the same time not doing so at the expense of their neighbors; and

WHEREAS, the purpose of the Cuyahoga County Business Retention & Attraction Protocol is to: (1) facilitate interactions between the County and the communities to promote economic development; (2) establish a County-based "one-stop shop" for businesses considering location or expansion in Cuyahoga County; (3) express the commitment of the participating communities that they will not actively pursue the re-location of a business that has not indicated it is considering a move from its current location in another participating community; and (4) in instances where a business is exploring a possible move, establish procedures to balance the interests of the business' home community and other participating communities; and

WHEREAS, participation in the within Protocol will render the City of Strongsville eligible to participate in the proposed County Economic Development Fund known as the "Western Reserve Fund" and other programs; and

WHEREAS, a majority of the municipalities and other communities in Cuyahoga County have agreed to the Protocol.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF STRONGSVILLE, COUNTY OF CUYAHOGA AND STATE OF OHIO:

**Section 1.** That the agreement and consent of the City of Strongsville be and is hereby given to the Cuyahoga County Business Retention & Attraction Protocol attached hereto as Exhibit A and incorporated herein by reference, including the

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Supplemental Letter from Cuyahoga County attached hereto as Exhibit B, and also incorporated herein by reference.

**Section 2.** That the Mayor be and is hereby authorized and directed to enter into the Protocol, Exhibit A, along with the Supplemental Letter, Exhibit B; and that the Mayor, Economic Development Director and Director of Finance are authorized to undertake whatever further actions are reasonably necessary to implement the terms and conditions of such agreement.

**Section 3.** That the Clerk of Council be and is hereby authorized and directed to forward a certified copy of this Ordinance, along with the executed Agreement and Supplemental Letter, to Executive Armond Budish of Cuyahoga County, the County's Department of Development, and the office of Cuyahoga County Council.

**Section 4.** That it is found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were adopted in an open meeting of this Council; and that all deliberations of this Council, and any of its committees, that resulted in such formal actions were in meetings open to the public, in compliance with all legal requirements.

**Section 5.** That this Ordinance shall take effect and be in force from and after the earliest period allowed by law.

Michael Daymut  
 President of Council

Approved: Thomas S. Durand  
 Mayor

Date Passed: June 15, 2015  
 Yea                      Nay

Date Approved: June 16, 2015

Attest: Aimee Piontka  
 Clerk of Council

Carbone	<input checked="" type="checkbox"/>	_____
Daymut	<input checked="" type="checkbox"/>	_____
DeMio	<input checked="" type="checkbox"/>	_____
Dooner	<input checked="" type="checkbox"/>	_____
Maloney	<input checked="" type="checkbox"/>	_____
Schonhut	<input checked="" type="checkbox"/>	_____
Southworth	<input checked="" type="checkbox"/>	_____

ORD. No. 2015-121 Amended: \_\_\_\_\_  
 1st Rdg. 06/15/15 Ref: \_\_\_\_\_  
 2nd Rdg. Suspended Ref: \_\_\_\_\_  
 3rd Rdg. Suspended Ref: \_\_\_\_\_

Pub Hrg. \_\_\_\_\_ Ref: \_\_\_\_\_  
 Adopted: 06/15/15 Defeated: \_\_\_\_\_

## CUYAHOGA COUNTY BUSINESS RETENTION & ATTRACTION PROTOCOL

### Purpose

The communities of Cuyahoga County wish to enter a new era of regional collaboration to promote economic development. To that end, they hope to work closely with the county to make their communities and the region more attractive to business. While these communities want to encourage businesses to locate within their boundaries, they prefer not to do so at the expense of their neighbors. Inevitably, some businesses, for their own reasons, will choose to explore re-location from one community in Cuyahoga County to another. In such instances, a balance should be struck to allow the first community the opportunity to retain the business and the second community or communities the opportunity to attract it. However, if a business has not expressed an interest in re-locating, most believe that communities should not actively pursue or "poach" that company to encourage it to move from its current location.

The purpose of this Business Attraction and Anti-Poaching Protocol is to: (1) facilitate interactions between the county and the communities to promote economic development; (2) establish a county-based "one-stop shop" for businesses considering location or expansion in Cuyahoga County; (3) express the commitment of the participating communities that they will not actively pursue the re-location of a business that has not indicated that it is considering a move from its current location in another participating community; and (4) in instances where a business is exploring a possible move, establish procedures to balance the interests of the business' home community and other participating communities.

### Principles and Protocols

In the interest of promoting the economic well-being and growth of our communities, Cuyahoga County, and Northeast Ohio, we, the undersigned, agree to the following economic development actions, principles and protocols (the "Agreement"):

1. **Business Retention and Expansion Advisory Council Established:** The undersigned agree to participate in Cuyahoga County's Business Retention and Expansion Advisory Council (BREAC), a virtual organization that facilitates the distribution of leads from economic development organizations and site selectors to participating communities. BREAC is also a source for accessing County economic development resources and programs. Membership in BREAC is limited to those communities that enter into this Agreement (the "participating communities") and is the County's first step towards establishing a "one-stop shop" for businesses considering location or expansion in Cuyahoga County. In furtherance of that effort, the participating communities further agree to:
  - a. Designate one person to the County's "deal team network" as the community's point of contact for all economic development matters.
  - b. Provide the community's updates to the County's "deal team database" of city resources, which provides information about participating communities' economic development programs and incentives.
  - c. Provide the community's updates to a central "available property" database.
  - d. Assist the County and economic development organizations, such as Team NEO and the Greater Cleveland Partnership, when economic development leads are identified.
  
2. **Business Attraction and Retention Principles:** Cuyahoga County's economy will be stronger if its communities work together, rather than against each other. These communities should focus their economic development efforts on the attraction of new businesses, the retention and expansion of existing businesses, and the promotion of their communities as good places to do business. While some businesses will choose, for their own reasons, to re-locate within the county, the focus of economic development efforts should not be on encouraging companies to move from one community to another within the county.
  
3. **Active Pursuit/"Poaching" of Businesses:** In keeping with the above principle, we agree that, where a business has not indicated that it is considering a move from its current location in a participating community, we will not actively pursue that business to encourage it to re-locate. "Actively pursue" means to initiate contact with the business directly, with the intent of luring

the business, through cold calls, visits, mail solicitations, or marketing directed specifically at that business. This does not preclude a community from generally marketing itself as a good place to do business or generally advising its residents about the benefits of locating their businesses in their home communities.

4. **Protocol in the Event a Business Indicates That It Is Considering a Re-Location:** The following protocol applies to businesses with 25 or more full-time employees. In the event such a business residing in a different participating community contacts the mayor, manager, trustee, or economic development director of the undersigned community, either directly or through a representative, to discuss a possible re-location, we agree to follow the following protocol:
- a. We will advise the business that we want to assist the business so that they are successful.
  - b. We will ask the business whether it has advised the community in which it is currently located that it is considering a re-location and, if not, whether it objects to our advising the home community of the inquiry. If the home community has not been advised and the business does not object, we will promptly notify the mayor, manager, or trustees of the home community in writing of the inquiry.
  - c. We will not publicly propose or offer incentives to the business in support of a re-location until either the business verifies that it has notified the home community of the possible re-location or we have given that notice.
  - d. We will advise the business, if asked, that Cuyahoga County may condition the awarding of county incentives and assistance on the receipt of consent from the community in which the business is currently located.
  - e. We will agree to discuss the possible relocation with the mayor, manager, or trustees of the affected home community if asked by those officials.
  - f. Without making any commitment to revenue share and noting that some signatories do not favor revenue sharing, we will agree to have a discussion about the possibility of a revenue sharing agreement with the mayor, manager, or trustees of the affected home community if asked by those officials.

5. **Protocol in the Event a Business is Considering a Consolidation:** In the event a business with operations in one or more participating communities contacts a participating community to indicate that it is considering consolidating its operations in the contacted community, that community shall treat the situation as it would a potential re-location and follow the protocol outlined above.
6. **Protocol in the Event the County Learns of a Re-Location or Consolidation from a Participating Community to a Non-Participating Community:** In the event the County learns that a business is considering relocating or consolidating operations from one or more participating communities to a non-participating community or communities, the County shall have the responsibility to execute the protocols listed above.
7. **Effect of Non-Participation:** Cuyahoga County strongly encourages communities to participate in this Agreement. The County reserves the right to consider participation in this Agreement in evaluating applications under the proposed County Economic Development Fund and other programs.
8. **Term:** The Agreement shall remain in force until rescinded under the discretion of the County Executive or under such conditions in accordance to Section 9(A) below.
9. **General Provisions**
  - A. **Termination:** This Agreement may be terminated in its entirety by the mutual written agreement of all then-current participating communities. In the event a participating community wishes to terminate its participation, it shall provide notice of its intent to terminate to the County Executive and the other participating communities. Such termination shall be effective as of the date stated in such notice.
  - B. **Amendment or Modification:** This Agreement may be amended or modified by the participating communities, provided that any such modification or amendment shall become effective only upon the written agreement by the authorized authority of each participating community.

C. **Capacity to Execute:** The undersigned hereby certifies that all actions necessary to execute this Agreement were taken, and the person executing this Agreement is authorized to do so and has the power to bind the jurisdiction to the terms and conditions contained herein.

D. **No Cause of Action Created:** No cause of action (direct, derivative, taxpayer, third-party beneficiary, or any other kind) is created or intended to be created by this Agreement.

**IN WITNESS WHEREOF,** each of the parties committing to the above principles and protocols has caused this Agreement to be executed by its duly-authorized representative as of the date indicated.

**CUYAHOGA COUNTY, OHIO**

\_\_\_\_\_  
Armond Budish  
County Executive

DATE: \_\_\_\_\_

JURISDICTION: CITY OF STRONGSVILLE

BY: Thomas P. Perciak

POSITION: Thomas P. Perciak, Mayor

DATE: 7-15-15

**Approved as to legal form only by the  
Law Department of the City of Strongsville.**

By K. M. Krause  
Law Director

Date 7/15/15



**ARMOND BUDISH**  
Cuyahoga County Executive

RECEIVED

MAY 27 2015

LAW DEPARTMENT  
CITY OF STRONGSVILLE

May 21, 2015

Mayor Thomas Perciak  
City of Strongsville  
16099 Foltz Parkway  
Strongsville, Ohio 44149

Dear Mayor Perciak:

I am writing you to convey the County's Business Retention & Attraction Protocol renewal in regards to the City of Strongsville. I understand that Strongsville wishes both to sign the Protocol renewal and ensure that its situation and proposed approach are understood and approved by the County. I understand that Strongsville seeks to act according to the enhanced spirit of cooperation with its neighbors as well as with a renewed focus on business retention and attraction to help grow the community and the County. I am setting forth below our agreed understanding of Strongsville's situation and proposed approach and the County's acknowledgement that, if that approach is followed by Strongsville's, the County would view the community to be in compliance with the Protocol.

The City of Strongsville owns a large undeveloped industrial park which it seeks to market through a private broker. Strongsville does not and does not wish to wrongfully attract businesses, as defined in the Protocol. However, the community has this concern: its broker, in addition to representing Strongsville, may also represent private clients or sites and, in representing those other clients and sites, may solicit businesses that have not expressed an interest in re-locating. The City of Strongsville will not ask the broker to make such solicitations on its behalf, but also does not want to be accused of wrongfully attracting business in the event the broker's private solicitations indirectly prompt a re-location and that re-location is to that community.

All parties, including the County, agree that community ownership of a commerce park is not typical and we appreciate Strongsville's dilemma. The Protocol is designed to commit communities to following certain practices; it does not control the actions of private brokers. Accordingly, there needs to be a balance between the City's interest in promoting its own commerce park and the desire not to wrongfully attract business and to follow the Protocol. Therefore, the following approach is suggested: A community like Strongsville that enlists a private broker to market a community-owned site should advise the broker that it is a party to the Business Retention & Attraction Protocol (a copy of which it should provide the broker) and does not wish the broker to solicit, on the community's behalf, businesses in signatory communities that have not expressed a desire to re-locate. If the broker intends to solicit such businesses on behalf of private clients or sites, the community should advise the broker that it does not wish its site to be brought up in those discussions by the broker. Because the Protocol does not control private brokers, there is always a risk that a broker's efforts on behalf of private clients will lead to intra-county re-locations. As long as the community, here the City of Strongsville, did not actively prompt those efforts, it would be the County's interpretation and conclusion that the City of Strongsville, as a community, did not engage in wrongful business attraction within the terms of the Protocol.



**ARMOND BUDISH**  
Cuyahoga County Executive

I appreciate your efforts to clarify the unusual situation faced by Strongsville and to advance the Protocol. We look forward to working with your community and the other signatories as we seek to improve economic development efforts throughout Cuyahoga County.

Sincerely,

A handwritten signature in black ink that reads "Armond Budish". The signature is stylized and written in a cursive-like font.

Armond Budish  
County Executive

CC: Edward H. Kraus, Director of Regional Collaboration  
Nathan Kelly, Interim Director of Development