

Ordinance No. 521-2023

**By Council Members Hairston and Griffin
(by departmental request)**

AN EMERGENCY ORDINANCE

Authorizing the Director of Community Development to enter into an agreement with Landed Inc. to implement and manage a Shared Appreciation Down Payment Assistance Fund Program to promote home ownership in Cleveland Middle Neighborhoods; and authorizing the Director to apply for and accept any gifts, grants or services from any public or private entity.

WHEREAS, as part of an overall strategy to reinvest in the Cleveland's Middle neighborhoods, the City desires to establish a Shared Appreciation Down Payment Assistance Fund Program to assist potential homeowners with achieving a 20% down payment if purchasing a home in one of Cleveland's Middle neighborhoods ("Project"); and

WHEREAS, the Project will assist potential homebuyers by contributing up to 17% of the down payment needed, thus providing the homebuyer with lower monthly payments, and also offering other program benefits including coaching, education, and on-going post-purchase support; and

WHEREAS, the Project is designed to be a co-investment and not a grant contemplating that when homeowners exit the Project and return the down payment investment funds, those funds can be recycled to help additional homebuyers; and

WHEREAS, the City desires to enter into contract with Landed Inc. to implement and manage the Project; and

WHEREAS, revitalization efforts that are targeted toward specific neighborhoods and blocks will improve social and economic conditions citywide; and

WHEREAS, this ordinance constitutes an emergency measure providing for the usual daily operation of a municipal department; now, therefore,

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CLEVELAND:

Section 1. That the Director of Community Development is authorized to enter into one or more agreements with Landed Inc. to implement and manage the Project.

Section 2. That all agreements authorized by this ordinance shall be approved by the Director of Law and contain such terms and conditions as necessary to protect the public interest consistent with the purposes of this ordinance.

Ordinance No. 521-2023

Section 3. That the Director of Community Development is authorized to apply for and accept any gifts, grants, or services to implement this ordinance from any public or private entity; and that the Director is authorized to file all papers and execute all documents necessary to receive any gift, grant funds or services; and that the funds are appropriated for the purposes described in this ordinance.

Section 4. That all agreements authorized by this ordinance shall contain a procedure by which Landed Inc. will stop making loans at the end of a given period, and shall contain a specific date for the return of any unused funds at the end of that period by the City.

Section 5. That the cost of this ordinance shall not exceed \$10,000,000 and shall be paid from Fund No. 10 SF 400, from the fund or funds to which are credited any gifts or grants accepted under this ordinance, and from any other funds approved by the Director of Finance. (RQS 8006, RL 2023-32)

Section 6. That this ordinance is declared to be an emergency measure and, provided it receives the affirmative vote of two-thirds of all the members elected to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor; otherwise it shall take effect and be in force from and after the earliest period allowed by law.

RB:nl
4-24-2023
FOR: Director Hernandez

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REPORT
after second Reading

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READ FIRST TIME on APRIL 24, 2023

REPORTS

and referred to DIRECTORS of Community Development, Finance, Law;
COMMITTEES on Development Planning and Sustainability,
Finance Diversity Equity and Inclusion

CITY CLERK

READ SECOND TIME

CITY CLERK

READ THIRD TIME

PRESIDENT

CITY CLERK

APPROVED

MAYOR

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PASSAGE RECOMMENDED BY
COMMITTEE ON
DEVELOPMENT, PLANNING AND
SUSTAINABILITY

FILED WITH COMMITTEE

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COMMITTEE ON
FINANCE, DIVERSITY, EQUITY
and INCLUSION

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