

Ordinance No. 334-2024

By Council Members Hairston and Griffin
(by departmental request)

AN EMERGENCY ORDINANCE

Authorizing the Director of Community Development to terminate Housing Trust Fund HOME Contract No. RH65559 with Emerald Development and Economic Network, Inc. and to forgive the principal balance on the loan and to cancel the promissory note.

WHEREAS, under Ordinance No. 855-05, passed May 23, 2005, this Council authorized the Director of Community Development to enter into agreements with various housing development entities, or their designees, to implement the Housing Trust Fund Program; and

WHEREAS, under the ordinance, the City entered into Housing Trust Fund HOME Contract No. RH65559 dated April 7, 2006 under which the City loaned \$47,000 to Emerald Development and Economic Network, Inc. (“EDEN”), to rehabilitate a building at 9830 Denison Avenue to provide supportive housing for persons with mental illness; and

WHEREAS, the loan was forgivable at the end of the 20 year term; and

WHEREAS, the five year term of affordability under the recorded restrictive covenant has ended; and

WHEREAS, EDEN can no longer sustain its operations at 9830 Denison Avenue, and taking into account the homeless program services that EDEN provides to the City, including providing supportive housing for persons with mental illness, the City agrees to forgive the debt now on Contract No. RH65559 in the principal amount of \$47,000 at zero percent interest, and to cancel the Promissory Note; 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 terminate Contract No. RH65559 with EDEN and to forgive the full loan debt, to release the mortgage and restrictive covenant, and to cancel the promissory note.

Section 2. 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.

