

Ordinance No. 865-2019

AN EMERGENCY ORDINANCE

Authorizing the Director of Economic Development to enter into an amendment to Contract No. 60399 with BPDC Building Ltd., to forgive the balance of the loan payments.

Council Members Kazy, Brancatelli and Kelley (by departmental request)

WHEREAS, in 2002, BPDC Building Ltd. ("BPDC"), entered loan agreement No 60399 with the City to assist with acquisition and redevelopment of a retail center at 14701 Puritas Avenue in the amount of \$200,000; and

WHEREAS, BPDC has been making regular principal and interest payments according to the terms of the loan; and

WHEREAS, BPDC has indicated that the building revenue and market comparables have decreased over the last few years and they need to invest over \$120,000 in roof and HVAC replacement in the next three years; and

WHEREAS, with the revenue reduction, the City's loan payments impede BPDC's ability to get financing needed to re-invest in the building; and

WHEREAS, BPDC has requested that the remaining balance of approximately \$47,122.13 on Contract No. 60399 be forgiven; 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 Economic Development is authorized to enter into an amendment to Contract No. 60399 with BPDC to forgive the balance of the payments due under the contract in the approximate amount of \$47,122.13.

Section 2. That the amendment shall include other terms and conditions that the Director of Law determines are necessary to protect the City of Cleveland.

Section 3. That the amendment shall be prepared by the Director of Law.

Section 4. 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.

