

# Ordinance No. 741-2025

By Council Members Starr, Hairston and Griffin (by departmental request)

**FOR PASSAGE**  
**JUNE 2, 2025**

## AN EMERGENCY ORDINANCE

Authorizing the Director of Community Development to enter into a grant agreement with Northern Ohio Recovery Association, or its designee, to provide assistance to partially finance the development of the NORA Village Project.

WHEREAS, under Ordinance No. 432-2022, passed May 16, 2022, this Council authorized the Director of Community Development to accept payment of \$4,000,000.00 in exchange for the sale and assignment of a tax-exempt County of Cuyahoga Subordinate Multifamily Housing Mortgage Revenue Bond Series 2001B Bond (the “Bond”) purchased by the City with \$11,701,404.00 in upfront grant funds received from the U.S. Department of Housing and Urban Development (“HUD”). These Bond funds were then loaned to Vesta-Cleveland, LLC (“Vesta”) to complete the rehabilitation of the former Rainbow Terrace Apartments located at 7310 Carson Avenue. Vesta was required to pay the balance due on the Bond to the City when it was to mature in 2045; and

WHEREAS, the City received the \$4,000,000.00 payment from Vesta and deposited it into Fund No. 15 SF 257; and

WHEREAS, HUD authorized the City to retain proceeds of the upfront grant received from Vesta to be used exclusively for the purpose of providing affordable housing to lower income persons in the City of Cleveland. Use of the funds is limited to projects that will develop rental housing or homeownership opportunities specifically for households with incomes below eighty percent (80%) of the area-wide median income.

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 a grant agreement with Northern Ohio Recovery Association (“NORA”), or its designee (the “Grantee”), to provide assistance to partially finance the development of the NORA Village Project into affordable rental housing for households with incomes below eighty percent (80%) of the area-wide median income.

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Section 2. That the agreement and other appropriate documents needed to complete the transaction authorized by this legislation shall be prepared by the Director of Law.

Section 3. That the Directors of Community Development, Finance, and Office of Equal Opportunity are authorized to enter into a Community Benefits Agreement with Grantee as a condition for the Grantee to receive funds under this ordinance.

Section 4. That the costs of the grant shall not exceed an amount of \$500,000.00 and shall be paid from Fund No. 15 SF 257. (RQS 8006, RL 2025-59)

Section 5. 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.

GEP:nl  
6-2-2025  
FOR: Director Hernandez

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REPORT  
after second Reading

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READ FIRST, SECOND AND THIRD TIME

and referred to	REPORTS
	CITY CLERK
	READ SECOND TIME
	CITY CLERK
	READ THIRD TIME on JUNE 2, 2025
	PRESIDENT
	CITY CLERK
	APPROVED
	MAYOR