

Ordinance No. 1151-2021

By Council Members Brancatelli and Kelley
(by departmental request)

FOR PASSAGE
December 6, 2021

AN EMERGENCY ORDINANCE

To amend the title, first whereas clause, and Section 2 of Ordinance No. 942-2021, passed November 8, 2021, relating to an agreement with CHN Housing Partners, and/or its affiliates, to provide a loan loss reserve for loans to eligible homebuyers to assist with acquisition and rehabilitation.

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 title, the first whereas clause, and Section 2 of Ordinance No. 942-2021, passed November 8, 2021 are amended to read as follows:

An Emergency Ordinance authorizing the Director of Community Development to enter into an agreement with CHN Housing ~~Partners~~ Capital, and/or its affiliates, to provide a loan loss reserve for loans to eligible homebuyers to assist with acquisition and rehabilitation, for a period of ~~five~~ ten years.

WHEREAS, the City of Cleveland has proposed to enter into an agreement with CHN Housing ~~Partners~~ Capital, and/or its affiliates ("CHN"), to provide a loan loss reserve for loans to eligible homebuyers using \$1,000,000 from the Mayor's Middle Neighborhoods Initiative account; and

Section 2. That the agreement shall require that CHN stop dedicating the loan loss reserve to new loans at the end ~~five years of a period of ten years from the date of the closing of the first loan in the portfolio~~, and shall return any loan loss reserve funds not dedicated to the support of outstanding loans made by the Middle Neighborhoods Loan Program at the end of the ~~five~~ ten year term. Any remaining loan loss reserve funds shall be returned by CHN to the City ~~no later than the end of 10 years~~ as each mortgage matures past loss reserve requirement. The returned loan loss reserve funds shall be deposited into the fund to be determined by the Director of Finance.

Section 2. That the existing title, the first whereas clause, and Section 2 of Ordinance No. 942-2021, passed November 8, 2021 are repealed.

Section 3. 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
12-6-021
FOR: Director Wackers

Ord. No. 1151-2021

**REPORT
after second Reading**

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READ FIRST, SECOND AND THIRD TIME

READ FIRST TIME

REPORTS

and referred to

CITY CLERK

READ SECOND TIME

CITY CLERK

READ THIRD TIME on DECEMBER 6, 2021

PRESIDENT

CITY CLERK

APPROVED

MAYOR

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