

Ordinance No. 1458-2025

Desk copy

AN EMERGENCY ORDINANCE

To amend the title and Sections 4, 5, 6, 7, and 8 of Ordinance No. 738-2025, passed June 2, 2025, relating to an agreement with Pennrose Holdings, LLC, for the sale of the Warner and Swasey building and entering into loan agreements with Pennrose Holdings, LLC, to provide assistance to partially finance the redevelopment.

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 and Sections 4, 5, 6, 7, and 8 of Ordinance No. 738-2025, passed June 2, 2025, are amended to read as follows:

An Emergency Ordinance Authorizing the Mayor and the Commissioner of Purchases and Supplies to sell certain City-owned property no longer needed for the City's public use located at 5701 Carnegie Avenue, Cleveland, Ohio 44103 and known as the Warner and Swasey building to Pennrose Holdings, LLC, or its designee, for purposes of affordable housing and commercial development; authorizing the Director of Economic Development to enter into a two forgivable or non-forgivable loan agreement agreements with Pennrose Holdings, LLC, or its designee, to provide assistance to partially finance the redevelopment of the Warner and Swasey building and other associated costs necessary to redevelop the property.

Section 4. That the Director of Economic Development is authorized to enter into a two forgivable or non-forgivable loan agreement agreements with the Redeveloper to provide assistance from the sales proceeds to partially finance the Project and other associated costs necessary to redevelop the property.

Section 5. That the total cost of the ~~loan~~ loans shall not exceed the amount of the purchase price and shall be paid from Fund No. 17 SF 965 upon the sale of the property and which funds are appropriated for this purpose. (RQS 9501, ~~RL 2025-39~~ RLA 2025-40).

Section 6. That the Director of Economic Development is authorized to accept collateral in order to secure repayment of the ~~loan~~. ~~Any loan agreement, security instrument~~ loans. ~~Any loan agreements, security instruments~~, or other documents shall be prepared and approved by the Director of Law.

Section 7. That the Director of Economic Development is authorized to accept monies in repayment of the ~~loan~~ loans and to deposit the monies into Fund No. 17 SF 965.

~~Section 8. That the Director of Economic Development is authorized to charge and accept fees appropriated to cover costs incurred in the preparation of the loan application, closing and servicing of the loan applications, closing and servicing of the loans, and deposit the monies into Fund 17-305.~~

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Section 8. That the Director of Economic Development is authorized to charge and accept fees in an amount not to exceed the maximum allowable fees under federal regulations and the fees are appropriated to cover costs incurred in the preparation of the loan applications, closing and servicing of the loans. The fees shall be deposited to and expended from Fund No. 17 SF 305 (Loan Fees Fund).

Section 2. That the title and Sections 4, 5, 6, 7, and 8 of Ordinance No. 738-2025, passed June 2, 2025, 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.

SMA:uo
11-17-25

FOR: Director Bourdeau Small

Mr.

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READ FIRST TIME

and referred to

by the council

CITY CLERK

READ SECOND TIME

by the council

CITY CLERK

READ THIRD TIME

by the council

PRESIDENT

CITY CLERK

APPROVED

MAYOR

