

# Ordinance No. 739-2025

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

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

## AN EMERGENCY ORDINANCE

To amend Ordinance No. 42-2025, passed February 10, 2025, relating to the interdepartmental property transfer for 4242 Lorain Avenue, Cleveland, Ohio 44113, the former McCafferty Health Center, and the sale or ground lease of the property to Pennrose Holdings, LLC, or its designee.

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 Sections 3, 6, 7, 9, 11, and 12 of Ordinance No. 42-2025, passed February 10, 2025, are amended to read as follows:

Section 3. That notwithstanding and as an exception to the provisions of Chapter 181 and 183 of the Codified Ordinances of Cleveland, Ohio 1976, it is found and determined that Permanent Parcel No. 003-34-034, known as the McCafferty Property, located at 4242 Lorain Avenue ~~3131 Lorain Avenue~~, Cleveland, Ohio 44113, is no longer needed for the City’s public use.

Section 6. That the Director of Community Development ~~or Economic Development~~ is authorized to execute any documents as may be necessary to effectuate the sale of the McCafferty Property.

Section 7. That as an alternative to the sale of the McCafferty Property authorized above, and notwithstanding and as an exception to the provisions of Chapters 181 and 183 of the Codified Ordinances of Cleveland, Ohio, 1976, and at the direction of the Board of Control, the Director of Community Development is authorized to enter into a ground lease with Pennrose (the “Ground Lease”), for the McCafferty Property to redevelop the property into affordable housing. The term of the Ground Lease shall be for a period of 80 years, with one option to renew, exercisable by the Director of Community Development ~~or Economic Development~~. for a period up to fifteen years.

Section 9. That as an alternative to the sale of the McCafferty Property authorized above, for the use of the McCafferty Property in the Ground Lease, Pennrose shall pay the City an annual rental rate ~~based on an independent third-~~

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~~party, fair market value appraisal~~, as determined by the Board of Control taking into account all restrictions on the use of the McCafferty Property as may be placed by the City of Cleveland in the Ground Lease, which is determined to be fair market value.

Section 11. That as an alternative to the sale of the McCafferty Property authorized above, the Directors of Public Health, Community Development ~~Public Works, Economic Development~~, Law, and other appropriate City officials are authorized to execute any other documents and certificates and take any other actions which may be necessary or appropriate to effect the Ground Lease authorized by this Ordinance.

Section 12. That the Directors of ~~Public Health~~, Community Development, ~~and Economic Development~~ is authorized to enter into a development agreement with Pennrose relating to this ordinance.

Section 2. That existing Sections 3, 6, 7, 9, 11, and 12 of Ordinance No. 42-2025, passed February 10, 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.

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

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REPORT  
after second Reading

By Council Members McCormack, Hairston and Griffin  
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READ FIRST, SECOND AND THIRD TIME

and referred to

CITY CLERK

READ SECOND TIME

CITY CLERK

READ THIRD TIME on JUNE 2, 2025

PRESIDENT

CITY CLERK

APPROVED

MAYOR