

# Ordinance No. 189-2024

By Council Members Hairston and Griffin  
(by departmental request)

## AN EMERGENCY ORDINANCE

Authorizing the Director of Community Development to forgive up to \$10,000 in loan balances in Afford-A-Home loans for eligible participants, and when applicable, to release the mortgages and cancel the promissory notes.

WHEREAS, the City’s Afford-A-Home Loan Program (“AAH”) was established to help income-eligible buyers purchase fully rehabilitated homes; and

WHEREAS, currently there are approximately 351 open loans under AAH, with the majority of those loans having a balance at or below \$10,000; and

WHEREAS, the City desires to forgive up to \$10,000 on an AAH loan if the borrower meets certain criteria, which includes that the borrower or descendent still occupies the home and that the home is not in foreclosure, and can also provide proof of legal ownership, proof of occupancy, and proof that the property taxes are current; and

WHEREAS, loan forgiveness under the AAH will make a meaningful impact by removing a debt obligation for borrowers in good standing, and by fostering generational wealth for low to moderate income households; 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 Community Development is authorized to forgive up to \$10,000 on AAH balances for eligible borrowers. Borrowers are determined eligible for up to \$10,000 in loan forgiveness under this ordinance if the borrower or descendent still occupies the home and that the home is not in foreclosure, and can also provide proof of legal ownership, proof of occupancy, and proof that the property taxes are current, and when applicable, to release the mortgages and cancel the promissory notes.

Section 2. 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  
2-12-2024  
FOR: Director Hernandez

Ord. No. 189-2024

By Council Members Hairston and Griffin (by departmental request)

AN EMERGENCY ORDINANCE

Authorizing the Director of Community Development to forgive up to \$10,000 in loan balances in Afford-A-Home loans for eligible participants, and when applicable, to release the mortgages and cancel the promissory notes.

READ FIRST TIME on FEBRUARY 12, 2024 and referred to DIRECTORS of Community Development, Finance, Law; COMMITTEES on Development Planning and Sustainability, Finance Diversity Equity and Inclusion

CITY CLERK

READ SECOND TIME

CITY CLERK

READ THIRD TIME

PRESIDENT

CITY CLERK

APPROVED

MAYOR

Recorded Vol. 111 Page

Published in the City Record

REPORT after second Reading

PASSAGE RECOMMENDED BY  
COMMITTEE ON  
DEVELOPMENT, PLANNING AND  
SUSTAINABILITY

FILED WITH COMMITTEE

PASSAGE RECOMMENDED BY  
COMMITTEE ON  
FINANCE, DIVERSITY, EQUITY  
and INCLUSION

FILED WITH COMMITTEE