

# Ordinance No. 1243-18

Council Members **B. Jones, Brancatelli and Kelley** (by departmental request)

## AN EMERGENCY ORDINANCE

Authorizing the Director of Economic Development to enter into an amendment to Empowerment Zone Loan Agreement No. 58774 with Eliza Bryant Village to forgive the balance of the payments.

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WHEREAS, in May 2000, Eliza Bryant Village (“Eliza Bryant”) acquired Madonna Hall and expanded their nursing home to accommodate those residents; and

WHEREAS, as part of that expansion, Eliza Bryant entered into an Empowerment Zone HUD 108 Loan with the City in the amount of \$5,000,000; and

WHEREAS, Eliza Bryant has been making regular principal and interest payments according to the terms of the loan; and

WHEREAS, the loan is structured in a way that a balloon payment is due October 1, 2018, in the approximate amount of \$1,850,000 and Eliza Bryant has requested that the balloon payment be forgiven;

WHEREAS, considering the balance between the City’s debt obligations, Eliza Bryant’s current financial position and ability to repay, and the services that they provide to the City, the City agrees to forgive the remaining debt on Contract No. 58774; 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 Economic Development is authorized to enter into an amendment to Contract No. 58774 with Eliza Bryant Village to forgive the balance of the payments due under the contract in the approximate amount of \$1,850,000.

Section 2. That the amendment shall include other terms and conditions that the Director of Law determines are necessary to protect the City of Cleveland.

Section 3. That the amendment shall be prepared by the Director of Law.

Section 4. 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.

RB:nl  
10-8-18

FOR: Director Ebersole

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READ FIRST TIME on OCTOBER 8, 2018  
and referred to DIRECTORS of Economic Development, Finance, Law;  
COMMITTEES on Development Planning and Sustainability, Finance

REPORTS

CITY CLERK

READ SECOND TIME

CITY CLERK

READ THIRD TIME

PRESIDENT

CITY CLERK

APPROVED

MAYOR

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REPORT  
after second Reading

PASSAGE RECOMMENDED BY  
COMMITTEE ON  
DEVELOPMENT, PLANNING AND  
SUSTAINABILITY

FILED WITH COMMITTEE

PASSAGE RECOMMENDED BY  
COMMITTEE ON  
FINANCE

FILED WITH COMMITTEE