

ORDINANCE NO. 079-2024(PD), *Second Reading*

By Mayor Seren

An Ordinance authorizing the Mayor to execute a third amendment to an agreement for the sale of certain real property located at 2228 Noble Road (primary address) consisting of several contiguous parcels; and declaring the necessity that this legislation become immediately effective as an emergency measure.

WHEREAS, the City is the owner of approximately 2.08 acres of property located at or in the vicinity of 2228 Noble Road (Primary Address), Permanent Parcel Nos. 681-38-080, 681-38-012, 681-38-008, 681-06-004, and 681-06-121 in the City of Cleveland Heights (the "Property"); and

WHEREAS, TWG Development, LLC ("TWG"), an Indiana limited liability company, is interested in the purchase of said property for the construction of an affordable-housing residential development; and

WHEREAS, by Ordinance No. 180-2022, this Council indicated its desire to grant an interest in the Property to TWG sufficient to allow TWG to submit applications and/or otherwise explore tax credits and other funding sources for its desired project; with the understanding that no property transfer will occur until the City and TWG enter into a development agreement satisfactory to both parties; and

WHEREAS, the parties subsequently entered into a purchase agreement and amendment for the sale of the Property, contingent upon the execution of a development agreement satisfactory to both parties; and

WHEREAS, TWG was subsequently awarded tax credits for a low/moderate-income housing project on the Property; and

WHEREAS, when the City and TWG could not agree on a development plan satisfactory to both parties, this Council authorized the Mayor to execute a second amendment to the purchase agreement to extend the deadline for entering into the Development Agreement to June 1, 2024, and provide for a further extension of that deadline by another 90 days, if necessary to provide TWG the opportunity to explore further options for development on the Property; and

WHEREAS, a subsequent survey of Permanent Parcel Nos. 631-38-009, 631-38-010, and 631-38-008 revealed a Third Amendment to the Purchase and Sale Agreement is necessary to redefine the Property, adjust the sale price accordingly, and extend the Closing Date to 10 days after the execution of the Development Agreement and City and County approval of a lot split and consolidation plat to be recorded, and remaining permits to be obtained; and

WHEREAS, this Council has determined that it is in the best interest of the City to proceed with the execution of a Third Amendment to the Purchase and Sale

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Agreement, with closing still contingent upon approval of the Development Agreement reached by the parties, and approve the Development Agreement reached by the parties;

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Cleveland Heights, Ohio that:

SECTION 1. The Mayor is hereby authorized to execute a Third Amendment to the Purchase and Sale Agreement with TWG Development, LLC, originally authorized by Ordinance No. 180-2022, in order to redefine the Property subject to the transaction, adjust the sale price accordingly, and extend the Closing Date to 60 days after the execution of a mutually acceptable Development Agreement, and City and County approval of a lot split and consolidation plat to be recorded, and for remaining permits to be obtained.

SECTION 2. That the documents implementing the above transaction shall be approved as to form by, and subject to the final approval of, the Director of Law.

SECTION 3. Notice of the passage of this Ordinance shall be given by publishing the title and abstract of its contents, prepared by the Director of Law, once in one newspaper of general circulation in the City of Cleveland Heights.

SECTION 4. It is necessary that this Ordinance become immediately effective as an emergency measure necessary for the preservation of the public health, safety, and welfare by securing affordable housing opportunities for the City's residents in a timely and equitable manner. Wherefore, provided it receives the affirmative vote of five (5) or more of the members elected or appointed to this Council, this Ordinance shall take immediate effect and be in force immediately upon its passage; otherwise, it shall take effect and be in force from the earliest time allowed by law.



TONY CUD
President of Council



ADDIE BALESTER
Clerk of Council

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PASSED: May 20, 2024

Presented to Mayor: 05/22/2024 Approved: 05/28/2024

A handwritten signature in blue ink, appearing to read "Kahlil Seren", written above a horizontal line.

KAHLIL SEREN
Mayor