

RESOLUTION NO. 2025-108

AUTHORIZING THE SALE OF PURITAS HOTEL GROUND LEASE AREA, AN APPROXIMATELY TWO ACRE PORTION OF PERMANENT PARCEL NUMBERS 027-19-002, 027-21-002 AND 027-24-019, LOCATED AT 4222 W. 150TH STREET, CLEVELAND, OHIO, TO CA FIVE, LLC, AN OHIO LIMITED LIABILITY COMPANY, WITH AN EASEMENT FOR INGRESS AND EGRESS

WHEREAS, the Greater Cleveland Regional Transit Authority ("Authority") owns several parcels of land in and around its Puritas Station in the City of Cleveland, including land now known as Permanent Parcel Numbers 027-19-002, 027-21-002 and 027-24-019 on the records of Cuyahoga County, which the Authority acquired as part of the assets transferred in the 1975 Mass Transit System Transfer Agreement between the City of Cleveland and the Authority (the "Transfer Agreement"); and

WHEREAS, pursuant to the Transfer Agreement, the Authority also became the lessor, as successor to the City of Cleveland, in an existing ground lease agreement with a private developer as the lessee which was intended to effectuate the joint development of an approximately two acre portion of parcel numbers 027-19-002, 027-21-002 and 027-24-019 located at 4222 W. 150th Street (the "Property") through the construction and operation of a hotel thereon; and

WHEREAS, the developer constructed a hotel on the Property in the 1990s, which has remained in operation and is presently operated as La Quinta Inn by Wyndham; and

WHEREAS, the developer has the right to exercise options to extend the ground lease, potentially until 2089; and

WHEREAS, in 2023, a dispute arose between the Authority and developer over the lease rental amount;

WHEREAS, the Authority obtained an MAI appraisal from Smith & Nedjedlak, Inc. which determined the fair market value of the Property to be eight hundred seventy-five thousand dollars (\$875,000.00); and

WHEREAS, although the parties were unable to reach an agreement on an increased lease rental amount, the developer and the Authority reached agreement on terms for the sale of the Property to the developer, or its affiliate, for its fair market value, along with an easement for ingress and egress to the Property, certain restrictions on future uses of the Property, and a "right of first offer" for the Authority to purchase the property back if it is offered for sale in the future; and

WHEREAS, the General Manager, Chief Executive Officer has determined that the resolution which will most benefit the Authority's transit system is to sell the Property to the developer for the fair market value.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio:

Section 1. That the sale of the two acre portion of Cuyahoga County Permanent Parcel Numbers 027-19-002, 027-21-002 and 027-24-019 located at 4222 W. 150th Street (the "Property") for its fair market value will benefit the Authority's transit system more than continuation of the ground lease at a below market rate.

Section 2. That the purchase price of eight hundred seventy-five thousand dollars (\$875,000) is the fair market value, as determined by MAI property appraisal.

Section 3. That the General Manager, Chief Executive Officer is hereby authorized to execute a Purchase and Sale Agreement with CA Five, LLC that includes restrictions on use of the property and the Authority's right of first offer in the event the Property is offered for sale in the future, and to execute all other documents required to effectuate the sale and transfer of the Property, as well as an easement for ingress and egress, in exchange for the purchase price of \$875,000.

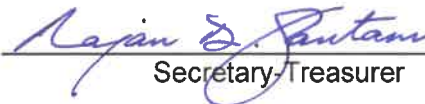
Section 4. That the sale proceeds will be restricted for use for future transit-oriented development purposes.

Section 5. That this resolution shall become effective immediately upon its adoption.

Adopted: November 18, 2025



President

Attest: 

Secretary-Treasurer