

August 2, 2021

**To:** Members of the Budget and Finance Committee

**From:** Paula Boggs Muething, City Manager

WFO for RBM

202102553

**Subject:** EMERGENCY ORDINANCE – APPROVING AND AUTHORIZING GRANT OF ENCROACHMENT EASEMENTS WITH FORT WASH HILLS, LLC

Attached is an Emergency Ordinance captioned:

**AUTHORIZING** the City Manager to execute a *Grant of Encroachment Easements* in favor of Fort Wash Hills, LLC, pursuant to which the City of Cincinnati will grant easements over and across property known as Hammond Street in the Central Business District to allow access and temporary construction rights.

#### **BACKGROUND/CURRENT CONDITIONS**

The City owns certain real property generally located north of Third Street and east of Main Street in the Central Business District, which is under the management of the City's Department of Transportation and Engineering ("DOT"). The City is also party to Development Agreement with Fort Wash Hills LLC (Rolling Hills Hospitality) dated April 22, 2019, and amended June 11, 2021, pursuant to which Developer is required to design and construct a 100-room hotel on real property located at 308-316 Main Street, Cincinnati, Ohio 45202. The Developer has requested the City to grant pedestrian and vehicular ingress and egress access rights across Hammond Street to benefit the project.

#### **DEVELOPER INFORMATION**

Fort Wash Hills, LLC is an affiliate of Rolling Hills Hospitality, which owns a portfolio of hotels throughout the Greater Cincinnati area including the recently completed Holiday Inn & Suites at 7<sup>th</sup> and Broadway in the Central Business District.

#### **PROJECT DESCRIPTION**

Fort Wash Hills, LLC is proposing a redevelopment of the property located at 308-316 Main Street into an approximately 61,500 square foot, 100-room hotel, at an estimated aggregate development cost of \$16,830,000. The project will support the creation of 15 full-time equivalent permanent jobs and 100 full-time temporary construction jobs.

#### **PROPOSED INCENTIVE**

The City's Real Estate Services Division has determined that the approximate fair market value of the easements is \$62,325, however, the Department of Community &

Economic Development recommends granting the easements to the developer for \$10,000. The City will receive economic and noneconomic benefits from the project equal to or exceeding the fair market value of the easements in that the redevelopment project will create numerous full-time equivalent permanent jobs and full-time temporary construction jobs, stimulate economic growth in the Central Business District of Cincinnati, and creatively redevelop three historic structures into a new hotel.

### **PROJECT TEAM & TIMELINE**

The project team (listed below) will make themselves available at the request of the councilmember(s).

- Assistant City Manager: John Juech
- DCED Director: Markiea Carter
- Project Attorney: Samantha Brandenburg (Ext. 4704)

The anticipated council timeline, which includes two Budget and Finance meetings if necessary is as follows:

- August 2, 2021: Budget and Finance
- August 4, 2021: City Council for Final Approval

### **RECOMMENDATION**

The Administration recommends approval of this Emergency Ordinance. The emergency clause is needed so that the project can meet its construction commencement deadlines.

Attachment: A. Property location and photographs

Copy: Markiea L. Carter, Director, Department of Community & Economic Development



Attachment A: Location and Photographs



*308-316 Main Street*

