



EMERGENCY
City of Cincinnati

CHM

AWB

An Ordinance No. 263

- 2020

AUTHORIZING the City Manager to execute a *Property Sale and Development Agreement* with 2600 Apartments LLC for the sale, at fair market value, of City-owned real property located at the northeast corner of the intersection of Short Vine and Corry Streets in the Corryville neighborhood of Cincinnati, for assemblage with the purchaser's adjoining property in connection with the construction of a mixed-use commercial and residential development; **ESTABLISHING** new capital improvement project account no. 980x162x211641, "DCED Property Improvements" for the purpose of providing resources for permanent improvements to vacant buildings and properties controlled or previously controlled by the Department of Community and Economic Development; and further, **DECLARING** expenditures from capital improvement program project account no. 980x162x211641, "DCED Property Improvements," to be for a public purpose.

WHEREAS, the City owns approximately 0.0689 acres of undeveloped real property located at the northeast corner of the intersection of Short Vine and Corry Streets, as more particularly described and depicted in the *Property Sale and Development Agreement* attached to this ordinance as Attachment A (the "Sale Property"), which is under the management and control of the City's Department of Community and Economic Development ("DCED"); and

WHEREAS, 2600 Apartments LLC ("Developer") desires to purchase the Sale Property from the City, for consolidation with certain abutting real property that Developer owns or otherwise controls through an affiliate company, on which consolidated site Developer seeks to construct approximately 33,606 square feet of residential rental space, consisting of approximately 27 apartment units, and approximately 2,128 square feet of commercial space at an estimated aggregate construction cost of approximately \$6,357,217 (the "Project"); and

WHEREAS, Section 13 of Article VIII of the Ohio Constitution provides that, to create or preserve jobs and employment opportunities and to improve the economic welfare of the people of the State, it is a public interest and proper public purpose for the State or its political subdivisions to sell, lease, exchange, or otherwise dispose of property within the State of Ohio for industry, commerce, distribution, and research; and

WHEREAS, Section 16 of Article VIII of the Ohio Constitution provides that it is in the public interest and a proper public purpose for the City to enhance the availability of adequate housing and to improve the economic and general well-being of the people of the City by providing or assisting in providing housing; and

WHEREAS, pursuant to Section 721.01 of the Ohio Revised Code, and Section 331-1 of the Cincinnati Municipal Code, the City may sell real property that is not needed for municipal purposes; and

WHEREAS, the City Manager, being the officer having the custody and control of the Sale Property, and upon consultation with DCED, has determined that the Sale Property is not needed for any municipal purpose; and

WHEREAS, the City's Real Estate Services Division has determined, by professional appraisal, that the approximate fair market value of the Sale Property is \$29,500, which Developer has agreed to pay; and

WHEREAS, pursuant to Section 331-5 of the Cincinnati Municipal Code, Council may authorize the sale of City-owned real property without competitive bidding in those cases in which it determines that it is in the best interest of the City; and

WHEREAS, the appropriation of the proceeds from the sale of the Sale Property to a newly established capital improvement program project account no. 980x162x211641, "DCED Property Improvements," will allow for capital improvements to vacant buildings and properties controlled or previously controlled by the Department of Community and Economic Development; and

WHEREAS, improvements to properties managed by the Department of Community and Economic Development are in accordance with the "Live" goal to "create a more livable community" and strategy to "support and stabilize our neighborhoods" as described on pages 156 and 160-163 of *Plan Cincinnati (2012)*; and

WHEREAS, City Planning Commission, having the authority to approve the change in the use of City-owned property, approved the sale of the Sale Property at its meeting on July 17, 2020; now, therefore,

BE IT ORDAINED by the Council of the City of Cincinnati, State of Ohio:

Section 1. That the City Manager is hereby authorized to execute a *Property Sale and Development Agreement* with 2600 Apartments LLC ("Developer"), in substantially the form attached to this ordinance as Attachment A, pursuant to which the City of Cincinnati will sell to Developer approximately 0.0689 acres of City property located at the northeast corner of the intersection of Short Vine and Corry Streets (the "Sale Property"), for assemblage with Developer's adjoining property.

Section 2. That the Sale Property is not needed for any municipal purpose.

Section 3. That the fair market value of the Sale Property, as determined by appraisal by the City's Real Estate Services Division, is approximately \$29,500, which Developer has agreed to pay.

Section 4. That eliminating competitive bidding in connection with the City's sale of the Sale Property is in the best interest of the City because the City desires to sell the Sale Property to Developer to facilitate the development of 33,606 square feet of residential rental space, consisting of approximately 27 apartment units, and approximately 2,128 square feet of commercial space, providing the City with quality housing, jobs, and other economic and non-economic benefits.

Section 5. That the City's Finance Director is hereby authorized to establish new capital improvement program project account no. 980x162x211641, "DCED Property Improvements" for the purpose of providing resources for permanent improvements to vacant buildings and properties controlled or previously controlled by the Department of Community and Economic Development.

Section 6. That the proceeds from the sale of the Sale Property shall be deposited into Property Management Fund 209 to pay the fees for services provided by the City's Real Estate Services Division in connection with the sale, and that the City's Finance Director is hereby authorized to deposit amounts in excess thereof into Miscellaneous Permanent Improvement Fund 757.

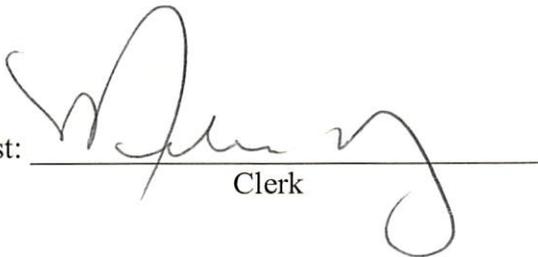
Section 7. That the City's Finance Director is authorized to transfer and appropriate such excess funds from the unappropriated surplus of Miscellaneous Permanent Improvement Fund 757 to capital improvement program project account no. 980x162x211641, "DCED Property Improvements."

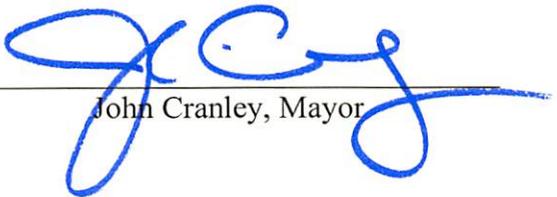
Section 8. That expenditures from capital improvement program project account no. 980x162x211641, "DCED Property Improvements," are hereby declared to be for a public purpose because it will provide local improvements and increase neighborhood vitality.

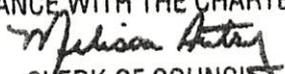
Section 9. That the City Manager and other City officials are hereby authorized to take all necessary and proper actions to carry out the provisions of this ordinance and the *Property Sale and Development Agreement*, including, without limitation, executing any and all other ancillary agreements, plats, deeds, easement agreements, affidavits, closing statements, and other documents.

Section 10. That this ordinance shall be an emergency measure necessary for the preservation of the public peace, health, safety, and general welfare and shall, subject to the terms of Article II, Section 6 of the Charter, be effective immediately. The reason for the emergency is to enable the City's sale of the Sale Property to occur as soon as possible so that Developer can promptly move forward with the project, which will result in the stimulation of economic growth in the City of Cincinnati at the earliest possible date, and to create the new capital improvement program project account before the sale of the Sale Property is complete.

Passed: August 5, 2020

Attest: 
Clerk


John Cranley, Mayor

I HEREBY CERTIFY THAT ORDINANCE NO 263-2020
WAS PUBLISHED IN THE CITY BULLETIN
IN ACCORDANCE WITH THE CHARTER ON 8-18-2020

CLERK OF COUNCIL