

June 9, 2021

To: Mayor and Members of City Council 202102156

From: Paula Boggs Muething, City Manager

Subject: **VACATION AND LEASE OF A 0.8573-ACRE PORTION OF GEST STREET AND LEASE OF A 0.6112-ACRE PORTION OF BAYMILLER STREET TO CBT PARTNERS, LLC; ENCROACHMENT EASEMENT FOR CBT PARTNERS, LLC AND MEHRING INVESTORS, LLC**

Attached is an Ordinance captioned as follows:

AUTHORIZING the City Manager to vacate approximately 0.8573 acres of the public right-of-way designated as Gest Street; **AUTHORIZING** the City Manager to execute a *First Amendment to Amended and Restated Lease Agreement* with CBT Partners, LLC pursuant to which the City will add approximately 0.8573 acres of the vacated portion of Gest Street and approximately 0.6112 acres of public right-of-way designated as Baymiller Street to an existing lease of approximately 35 acres of City-owned land located south of West Mehring Way and east of the Mill Creek in the Queensgate neighborhood; and **AUTHORIZING** the City Manager to execute a *Grant of Easement* in favor of CBT Partners, LLC and Mehring Investors, LLC, pursuant to which the City will grant an aerial encroachment easement to permit an aerial conveyor above and across the West Mehring Way public right-of-way, in order to facilitate the redevelopment and safe and efficient use of the City's leased property by CBT Partners, LLC.

BACKGROUND/CURRENT CONDITIONS

On June 18, 2020, the City and CBT Partners, LLC executed an *Amended and Restated Lease Agreement* for City-owned properties located south of Mehring Way and east of the Mill Creek in the Queensgate neighborhood.

The 0.8573-acre portion of Gest Street and the 0.6112-acre portion of Baymiller Street divide property that the Company leases from the City. The portion of Gest Street is to be vacated and consolidated with the adjacent parcels for the Company's existing

Vacation & Lease of Portion of Gest Street; Lease of Portion of Baymiller Street;
Encroachment Easement
CBT Partners, LLC and Mehring Investors, LLC

Page 2 of 3

operations. Baymiller cannot be vacated due to subsurface infrastructure; however, it will be leased to the Company for their existing operations.

The Company has also requested an aerial encroachment easement in order to construct an aerial conveyor above and across a portion of West Mehring Way.

DEVELOPER INFORMATION

Cincinnati Bulk Terminals and its partners in River Trading Company have over 100 years of experience building and operating intermodal transportation facilities throughout the Midwest.

PROJECT DESCRIPTION

The Company plans to construct approximately 50,000-100,000 square feet of improvements, including warehousing and material handling infrastructure and an enclosed conveyor on the property. The project is estimated to cost \$9 million (\$8 million in hard costs). Through the project, the Company will retain 65 employees (\$4.3 million in payroll) and create 10 new PTEs (\$550,000 in payroll).

PROPOSED INCENTIVE

DCED recommends:

1. The vacation and lease of a portion of Gest Street and the lease of a portion of Baymiller Street for Fair Market Rental Value determined by appraisal to be approximately \$6,235 per year.
 - The Fair Market Rental Value of the portion of Gest Street was determined to be approximately \$3,640 per year.
 - The Fair Market Rental Value of the portion of Baymiller Street was determined to be approximately \$2,595 per year.
2. Granting the Encroachment Easement for Fair Market Value, which was determined by appraisal to be \$8,250.

City Planning Commission approved the proposed vacation, leases, and encroachment easement on December 18, 2020.

The Department of City Planning hosted a public engagement meeting on the proposed vacation and leases on May 11, 2021. No concerns about the proposed project were expressed.

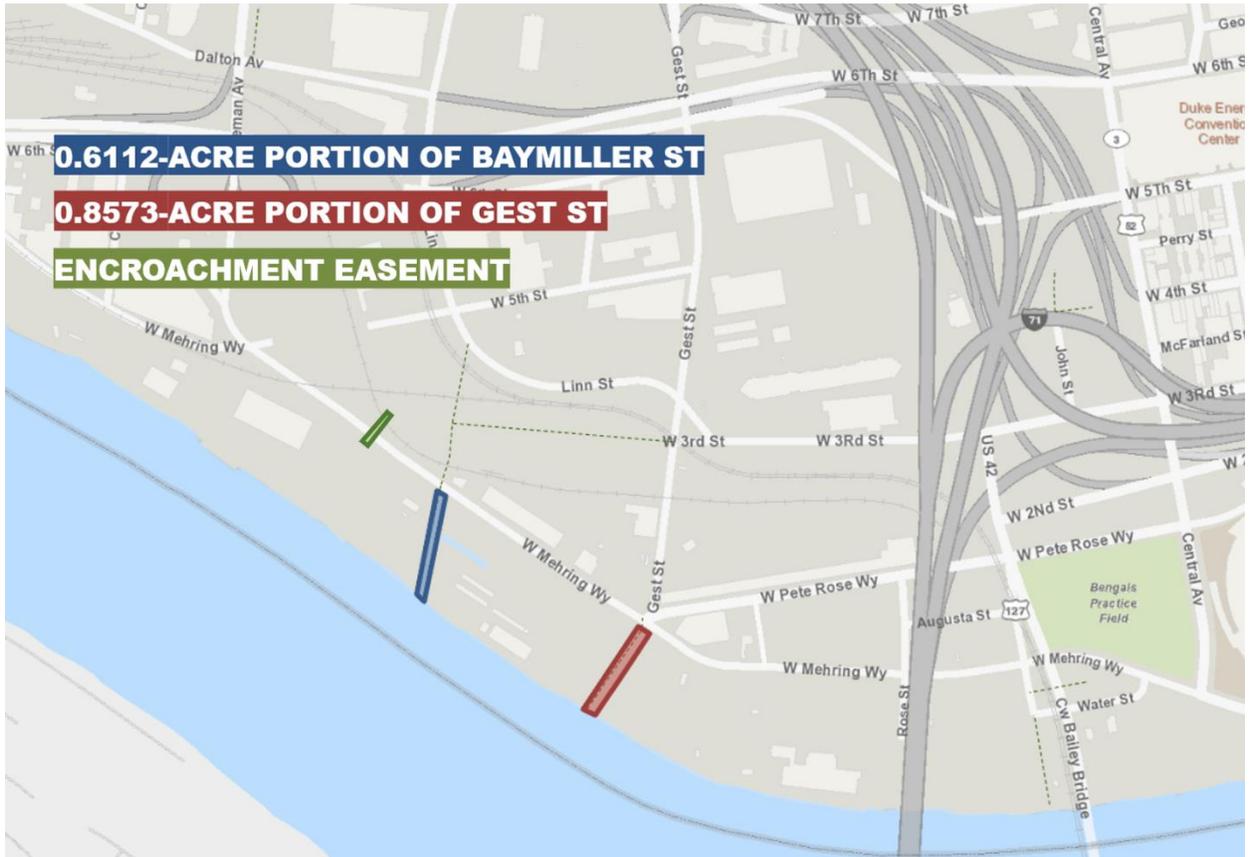
RECOMMENDATION

The Administration recommends approval of this Emergency Ordinance.

Attachment: A. Property location and photographs

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

Attachment A: Location and Photographs



Property Location