

EMERGENCY
City of Cincinnati

JML

BWB

An Ordinance No. 279

- 2021

AUTHORIZING the City Manager to execute a *Property Sale and Development Agreement* with 756 E McMillan, LLC, for the sale of City-owned property located at 750, 752, and 758 E. McMillan Street in the Walnut Hills neighborhood of Cincinnati, for a residential development project consisting of approximately 62 residential units, at an estimated project cost of \$10,508,310.

WHEREAS, the City of Cincinnati owns real property located at 750, 752, and 758 E. McMillan Street in Cincinnati, as described and depicted in the *Property Sale and Development Agreement* attached to this ordinance as Attachment A (the "City Sale Property"), which is under the management and control of the City's Department of Community and Economic Development; and

WHEREAS, 756 E McMillan, LLC ("Developer") desires to purchase the City Sale Property from the City, for a residential development project consisting of approximately 62 residential units, at an estimated project cost of \$10,508,310 (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 of Cincinnati by providing or assisting in providing housing; and

WHEREAS, the City has determined that: (i) the City Sale Property is not needed for municipal purposes; and (ii) eliminating competitive bidding in connection with the City's sale of the City Sale Property is in the best interest of the public because Developer has purchase options on the adjacent properties and is therefore the only party capable of completing the Project; and

WHEREAS, the City's Real Estate Services Division has determined, by professional appraisal, that the approximate fair market value of the City Sale Property is \$77,000; however, to make the Project economically feasible the City desires to sell the City Sale Property to Developer for less than fair market value; namely, for \$1.00, because the Project will create additional housing and stimulate other economic development in the area, for the benefit of the City; and

WHEREAS, City Planning Commission, having the authority to approve the change in the use of City-owned property, approved the sale of the City Sale Property at its meeting on June 4, 2021; 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*, in substantially the form attached to this ordinance as Attachment A (the “Agreement”), pursuant to which the City of Cincinnati will sell to 756 E McMillan, LLC (“Developer”) the property located at 750, 752, and 758 E. McMillan Street in Cincinnati (the “City Sale Property”), for a residential development project consisting of 62 residential units, at an estimated project cost of \$10,508,310 (the “Project”).

Section 2. That the City Sale Property is not needed for municipal purposes.

Section 3. That the fair market value of the City Sale Property, as determined by appraisal by the City’s Real Estate Services Division, is approximately \$77,000; however, the City is justified in selling the City Sale Property to Developer for less than fair market value; namely, for \$1.00, because the Project will create additional housing and stimulate other economic development in the area, for the benefit of the City.

Section 4. That eliminating competitive bidding in connection with the City’s sale of the City Sale Property is in the best interest of the City because Developer has purchase options on the adjacent properties and is therefore the only party capable of completing the Project.

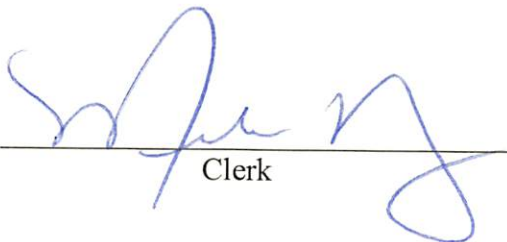
Section 5. That proceeds from the sale of the City Sale Property shall be deposited into Property Management Fund 209 to pay the fees for services provided by the City’s Real Estate Services Division in connection with the sale, and that the City’s Finance Director is hereby authorized to deposit amounts in excess thereof into Miscellaneous Permanent Improvement Fund 757.

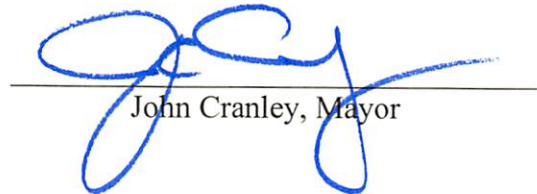
Section 6. That the City Manager and other City officials are authorized to take all necessary and proper actions to carry out the provisions of this ordinance and the Agreement, including, without limitation, executing any and all ancillary agreements, amendments, deeds, plats and other documents.

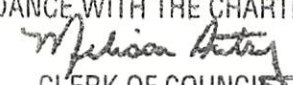
Section 7. That this ordinance shall be an emergency measure necessary for the preservation of the public peace, health, safety, and general welfare and shall, subject to the terms of Article II, Section 6 of the Charter, be effective immediately. The reason for the emergency is to expedite the City's execution of the Agreement so that Developer can meet its deadlines to exercise purchase options for the adjacent third-party owned properties.

Passed: June 23, 2021

Attest:


Clerk


John Cranley, Mayor

I HEREBY CERTIFY THAT ORDINANCE NO 279-2021
WAS PUBLISHED IN THE CITY BULLETIN
IN ACCORDANCE WITH THE CHARTER ON 7-6-2021

CLERK OF COUNCIL