

June 21, 2021

To: Members of the Budget and Finance Committee

From: Paula Boggs Muething, City Manager *UB & PBM* 202102325

Subject: **PROPERTY SALE AGREEMENT FOR 110 AND 120 GARFIELD PLACE**

Attached is an Emergency Ordinance captioned as follows:

AUTHORIZING the City Manager to execute a *Property Sale Agreement* between the City of Cincinnati and Greenwich on Garfield, LLC, for the sale of City-owned property located at 110 and 120 Garfield Place in downtown Cincinnati.

BACKGROUND/CURRENT CONDITIONS

In 1994, the City of Cincinnati entered into a 50-year lease agreement and a loan agreement with Towne Properties for the property commonly known as the Greenwich located on the northeast corner of the intersection at Garfield Place and Elm Street in the Central Business District. Per the lease, the City owns the underlying land, and Towne owns the improvements. In 2019, Towne approached the City about buying the underlying land from the City.

DEVELOPER INFORMATION

This City will be entering into a sale agreement with Greenwich on Garfield LLC, a subsidiary of Towne Properties. Towne Properties has developed over 160 properties in the past sixty years, and currently manages over 12,000 apartments and over 600,000 square feet of commercial space in four different states.

PROPOSED SALE TERMS

DCED is recommending the sale of the land at 110 & 120 Garfield Place at the appraised value of \$1,600,000. The City has determined that eliminating competitive bidding in connection with the sale of the Sale Property is appropriate because (i) Purchaser's affiliates effectively control the Sale Property already via the Lease, (ii) consolidating ownership of the Sale Property with the management and practical control of the Sale Property will result in efficiencies and simplify title, and (iii) the

Property Sale Agreement

Greenwich on the Park

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City will receive up-front compensation for the sale that is more valuable to it than the long-term revenues it expects to realize under the Lease. Moreover, the Administration has determined that the sale property is not needed for municipal purposes, and the sale of this property would be in the best interest of the City's health, safety, and welfare.

RECOMMENDATION

The Administration recommends approval of this Emergency Ordinance. The emergency clause is needed to allow the developer to close on the property prior to their refinancing this summer.

Attachment: A. Property location and photographs

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

Attachment A: Location and Photographs

