

EMERGENCY

City of Cincinnati

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An Ordinance No. _____

- 2021

AUTHORIZING the City Manager to execute a *Property Sale and Development Agreement* with D-HAS Development, LLC pursuant to which the City of Cincinnati will sell, for \$1.00, approximately 2.8484 acres of undeveloped land located at 1630 West North Bend Road in the College Hill neighborhood of Cincinnati, for the construction of a private roadway, streetscape, a private community greenspace, and utility infrastructure to create buildable lots for eventual development of approximately 31 single-family homes.

WHEREAS, the City of Cincinnati (the “City”) owns approximately 2.8484 acres of undeveloped real property located at 1630 West North Bend Road in Cincinnati, as depicted in the *Property Sale and Development Agreement* attached to this ordinance as Attachment A (the “Property”), which is under the management and control of the City’s Department of Community and Economic Development (“DCED”); and

WHEREAS, pursuant to a *Preferred Developer Agreement* between the City and the College Hill Community Urban Redevelopment Corporation (“CHCURC”) dated September 15, 2017, as amended by a *First Amendment to Preferred Developer Agreement* dated October 4, 2018, the City granted CHCURC the right to conduct certain due diligence and solicit development proposals for the redevelopment of the Property (the “PDA”); and

WHEREAS, following the process set forth in the PDA, CHCURC selected the development proposal of D-HAS Development, LLC (“Developer”), pursuant to which Developer desires to purchase the Property to construct (i) a private roadway, streetscape, related infrastructure, and all other infrastructure required to provide utilities and otherwise create buildable lots for the eventual development of approximately 31 single-family homes; and (ii) a private community greenspace (collectively, the “Project”); and

WHEREAS, Developer has represented to the City that the Project will result in the creation of approximately 40 temporary full-time equivalent construction jobs with an estimated total payroll of \$550,000 during the duration of the Project; 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, the City desires that the Property be put to its highest and best use, and has determined that (i) the Property is not needed for municipal purposes, and (ii) the Property poses a financial liability to the City because the City must continue to incur expenses in maintaining it and other expenses related to owner; and

WHEREAS, the City's Real Estate Services Division has determined, by appraisal, that the fair market value of the Property is approximately \$540,000; however, to make the Project economically feasible the City desires to sell the Property to Developer for less than fair market value; namely, for \$1.00, because the City will receive economic and non-economic benefits from the Project that equal or exceed the fair market value of the Property because the Project will create additional housing stock, stimulate economic growth in the area, and restore a currently undeveloped tract of land to a productive use; and

WHEREAS, the City has determined that it is in the best interest of the City to eliminate competitive bidding in connection with the City's sale of the Property because pursuant to the PDA, the City worked with CHCURC to solicit and review proposals from other developers to redevelop the Property and has identified Developer's development proposal as being the most suitable and advantageous to the City; and

WHEREAS, City Planning Commission, having the authority to approve the change in the use of City-owned property, approved the City's sale of the Property at its meeting on April 19, 2019; and

WHEREAS, in furtherance of the City's redevelopment goals, the City also intends to provide a cash grant to Developer of \$180,000 to be utilized for hard construction costs of removing an existing building foundation that exists on the Property, as more fully described in the attached *Property Sale and Development Agreement*; 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 D-HAS Development, LLC ("Developer"), in substantially the form attached to this ordinance as Attachment A, pursuant to which the City will sell to Developer approximately 2.8484 acres of undeveloped land located at 1630 West North Bend Road in Cincinnati (the "Property"), for Developer's construction of a private roadway, streetscape, a private community greenspace, and utility infrastructure to create buildable lots for eventual development of approximately 31 single-family homes (the "Project").

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

Section 3. That the fair market value of the Property, as determined by professional appraisal by the City's Real Estate Services Division, is approximately \$540,000; however, to make the Project economically feasible the City is justified in selling the Property to Developer for less than fair market value; namely, for \$1.00, because the City will receive economic and

non-economic benefits from the Project that equal or exceed the fair market value of the Property because the Project will create additional housing stock, stimulate economic growth in the area, and restore a currently undeveloped tract of land to a productive use.

Section 4. That eliminating competitive bidding in connection with the City’s sale of the Property is in the best interest of the public because the City has evaluated various development possibilities and has determined that the Project is suitable and advantageous for the City.

Section 5. That Council authorizes the appropriate City officials to take all necessary and proper actions to fulfill the terms of the *Property Sale and Development Agreement* and this ordinance, including, without limitation, executing any and all ancillary agreements, deeds, plats, and other documents.

Section 6. 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 to execute the *Property Sale and Development Agreement* as soon as possible so that Developer can immediately move forward with the Project, thereby creating jobs, stimulating economic growth in the area, and enabling the Property to be put to its highest and best use, for the economic benefit of the City, at the earliest possible time.

Passed: _____, 2021

John Cranley, Mayor

Attest: _____
Clerk