

EMERGENCY

City of Cincinnati

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An Ordinance No. 149

- 2022

AUTHORIZING the City Manager to execute a *Property Sale, Funding, and Development Agreement* with Total Property Care, LLC for the sale of City-owned real property located at 3584 Alaska Avenue and adjoining property on Harvey Avenue in the Avondale neighborhood of Cincinnati, in connection with the development of a residential subdivision consisting of 18 buildable lots for the construction of 18 single-family homes and a street that will be dedicated for use by the general public.

WHEREAS, the City owns certain real property located at 3584 Alaska Avenue and adjoining property on Harvey Avenue in the Avondale neighborhood, as more particularly described and depicted in the *Property Sale, Funding, and Development Agreement* (the "Agreement") attached to this ordinance as Attachment A (the "Property"), which Property is under the management of the City's Department of Community and Economic Development ("DCED"); and

WHEREAS, Total Property Care, LLC ("Developer"), submitted a development proposal in response to a Request for Proposals issued by the City, which proposal the City Manager, in consultation with DCED, determined to be the most advantageous to the City, and pursuant to which Developer desires to (i) develop the Property into a residential subdivision consisting of 18 buildable lots for the construction of 18 single-family homes at an estimated total hard construction cost of approximately \$5,022,500; and (ii) construct a street that will be open to the general public, connecting Harvey Avenue and Alaska Avenue at an estimated total hard construction cost of approximately \$1,380,000, all as more particularly described in the Agreement (collectively, the "Project"); and

WHEREAS, the City desires that the Property be put to its highest and best use; and

WHEREAS, the City's Real Estate Services Division has determined, by appraisal, that the fair market value of the Property is approximately \$206,000, however, to facilitate the Project, the City desires to sell the Property to Developer for less than fair market value; namely, for \$1.00 because the City anticipates that it will receive economic and non-economic benefits that equal or exceed the fair market value of the Property because the Project will create additional housing units in the Avondale neighborhood and a street to be dedicated for use by the general public; and

WHEREAS, in order to facilitate the redevelopment of the Property to a productive use and the creation of additional housing in the Avondale neighborhood, the City, upon the recommendation of DCED, desires to provide additional support for the Project by providing a

forgivable loan to Developer in an amount not to exceed \$1,000,000, on the terms and conditions set forth in the Agreement; 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 Property is not needed for municipal purposes; (ii) the Project is in the vital and best interests of the City and the health, safety, and welfare of its residents; and (iii) the City's sale of the Property to Developer to construct the Project will create, among other things, additional housing in Cincinnati, and is consistent with the City's objective of creating good quality housing options within the Avondale neighborhood, thereby contributing to the social and economic viability and stability of the neighborhood; and

WHEREAS, the City Planning Commission, having the authority to approve the change in the use of City-owned property, approved the sale of the Property at its meeting on January 21, 2022; 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, Funding, and Development Agreement* with Total Property Care, LLC ("Developer"), in substantially the form attached to this ordinance as Attachment A, pursuant to which the City will sell to Developer certain real property located at 3584 Alaska Avenue and adjoining property on Harvey Avenue in the Avondale neighborhood of Cincinnati, as more particularly described on Attachment A (the "Property"), for Developer to (a) develop a residential subdivision containing 18 buildable lots for the construction of 18 single-family homes, and (b) construct a street that will be dedicated for use by the general public, connective Harvey Avenue and Alaska Avenue (collectively, the "Project").

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

Section 3. That the City solicited and reviewed development proposals for development of the Property through an open and public process and determined and selected Developer's development proposal as being the most suitable and advantageous to the City.

Section 4. That the fair market value of the Property, as determined by appraisal by the City's Real Estate Services Division, is approximately \$206,000; however, the City is justified in selling the Property to Developer for less than fair market value; namely, for \$1.00, because the City anticipates that it 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 in the Avondale neighborhood and a street that will be dedicated for use by the general public.

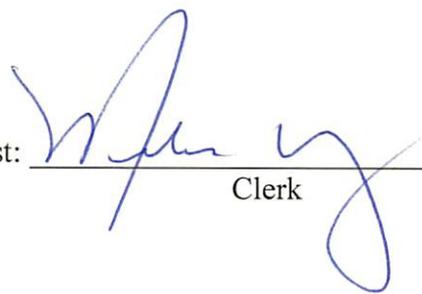
Section 5. That the proceeds from the sale of the Property shall be deposited into Property Management Fund 209 to pay the fees for services provided by the City's Real Estate Services Division in connection with the sale, and that the City's Finance Director is hereby authorized to deposit amounts in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

Section 6. 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 Agreement, including, without limitation, executing any and all ancillary agreements, deeds, plats, terminations, releases, and other documents.

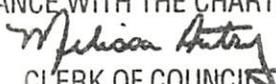
Section 7. That this ordinance shall be an emergency measure necessary for the preservation of the public peace, health, safety, and general welfare and shall, subject to the terms of Article II, Section 6 of the Charter, be effective immediately. The reason for the emergency is to expedite the City's sale of the Property to Developer, so that Developer can move forward with the Project without delay, which will result in the stimulation of economic growth and additional

housing units in the Avondale neighborhood, 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: June 8, 2022

Attest: 
Clerk


Aftab Pureval, Mayor

I HEREBY CERTIFY THAT ORDINANCE NO 149-2022
WAS PUBLISHED IN THE CITY BULLETIN
IN ACCORDANCE WITH THE CHARTER ON 6-21-2022

CLERK OF COUNCIL