

EMERGENCY

TJL

- 2024

AUTHORIZING the City Manager to execute any and all agreements and take such other steps as may be necessary in order to sell City-owned real property at 3919 Old Ludlow Avenue, and to vacate and convey approximately 0.0637 acres of the public right-of-way known as Archibald Street, and approximately 0.0349 acres of unnamed public right-of-way, in the Northside neighborhood of Cincinnati to Cincinnati Northside Community Urban Redevelopment Corporation, doing business as Northsiders Engaged in Sustainable Transformation, or other affiliated organizations acceptable to the City Manager, to facilitate an affordable housing development.

WHEREAS, the City of Cincinnati (the “City”) owns approximately 0.4815 acres of certain real property located at 3919 Old Ludlow Avenue (the “City Property”), approximately 0.0637 acres of the public right-of-way known as Archibald Street (the “City Archibald Street ROW”), and approximately 0.0349 acres of unnamed public right-of-way in the Northside neighborhood of Cincinnati, all as more particularly described on Attachment A attached to this ordinance (the “City Unnamed ROW”; and together with the City Property and the City Archibald Street ROW, the “City’s Sale Property”), which is under the management and control of the City’s Department of Transportation and Engineering (“DOTE”); and

WHEREAS, the Cincinnati Northside Community Urban Redevelopment Corporation, doing business as Northsiders Engaged in Sustainable Transformation (the “NEST”), owns certain adjoining properties located at 3925-3927 Old Ludlow Avenue in the Northside neighborhood of Cincinnati (the “NEST Property”); and

WHEREAS, NEST, partnering with Over-the-Rhine Community Housing and Urban Sites, desires to purchase the City’s Sale Property, consolidate the City’s Sale Property, and thereafter (i) redevelop the existing four-story former Stagecraft company building on the NEST Property into an adaptive mixed-use development; and (ii) construct a new four-story multifamily apartment building on the City’s Sale Property to provide up to approximately 4,300 square feet of commercial space and up to approximately 57,362 square feet of multi-family residential space, containing up to 58 apartment units that will be leased and made affordable to households earning 60 percent or less of the area median income, as established by the U.S. Department of Housing and Urban Development for the Cincinnati metropolitan area, all at an estimated project cost of approximately \$21,650,000 (the “Project”); and

WHEREAS, contingent upon (i) the Administration’s satisfactory review of all due diligence materials (including, without limitation, a coordinated report conducted by the Administration, environmental report, title report, etc.); and (ii) negotiation and execution of an agreement with terms and conditions acceptable to the City Manager, the City desires to convey the City’s Sale Property to NEST or such other affiliate organization acceptable to the City Manager; and

WHEREAS, Natalie H. Rauf, Esq., a reputable attorney practicing in Hamilton County, Ohio, has provided an Attorney's Certificate of Title dated February 13, 2024, certifying that NEST and the City are the owners of all real property abutting the City Archibald Street ROW and the City Unnamed ROW; and

WHEREAS, if applicable, all necessary abutters will have consented to the City's vacation and sale of the City ROW to NEST by executing and delivering Quitclaim Deeds prior to the City Manager vacating and conveying the City Archibald Street ROW and the City Unnamed ROW to NEST; and

WHEREAS, pursuant to Ohio Revised Code Section 723.05, the City may vacate a street or alley if it has determined that there is good cause for the vacation and that the vacation will not be detrimental to the general interest; and

WHEREAS, the City Manager, in consultation with DOTE, has determined that: (i) the City Unnamed ROW and the City Archibald Street ROW (collectively, the "Vacation Property") are not needed for transportation purposes or any other municipal purpose; (ii) there is good cause to vacate the Vacation Property; and (iii) the vacation of the Vacation Property will not be detrimental to the general interest; and

WHEREAS, the City's Real Estate Services Division has determined, by appraisal, that the fair market value of the City's Sale Property is approximately \$101,000; however, to facilitate the Project and promote its economic feasibility, the City is agreeable to selling the City's Sale Property to NEST, on the terms and conditions acceptable to the Administration 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 City's Sale Property since the Project will create a significant amount of additional affordable housing in Northside and restore the City's Sale Property to a productive use; and

WHEREAS, the City's Sale Property is not needed for a municipal purpose; 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 by providing or assisting in providing housing; and

WHEREAS, the City has determined that it is in the best interest of the City to eliminate competitive bidding in connection with the sale of the City's Sale Property because the City believes that the use of the City's Sale Property for the Project is the highest and best use for the site and will contribute to the revitalization of the City's Northside neighborhood; and

WHEREAS, the City believes that the Project (i) will promote urban redevelopment in Northside; (ii) is in the vital and best interests of the City and the health, safety, and welfare of its residents; and (iii) is in accordance with the public purposes and provisions of applicable federal, state, and local laws and regulations; 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 City's Sale Property to NEST at its meeting on January 19, 2024; 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 any and all documents that may be necessary to (i) sell approximately 0.4815 acres of certain real property owned by the City of Cincinnati (the "City") located at 3919 Old Ludlow Avenue in the Northside neighborhood of Cincinnati, as more particularly described on Attachment A attached to this ordinance (the "City Property"); (ii) vacate and sell approximately 0.0637 acres of the public right-of-way known as Archibald Street, as more particularly described on Attachment A attached to this ordinance (the "City Archibald Street ROW"); and (iii) vacate and sell approximately 0.0349 acres of unnamed public right-of-way in the Northside neighborhood of Cincinnati, all as more particularly described on Attachment A attached to this ordinance (the "City Unnamed ROW"; and together with the City Property and the City Archibald Street ROW, the "City's Sale Property") to Cincinnati Northside Community Urban Redevelopment Corporation, an Ohio nonprofit corporation, doing business as Northsiders Engaged in Sustainable Transformation ("NEST"), or other affiliated organizations acceptable to the City Manager for \$1.00, contingent upon (a) the Administration's satisfactory review of all due diligence materials related to the City's Sale Property; and (b) negotiation of and agreement upon sale terms acceptable to the Administration, including those terms and conditions it deems necessary following its review of such due diligence materials.

Section 2. That the City is agreeable to conveying the City's Sale Property to NEST because NEST, by partnering with Over-the-Rhine Community Housing and Urban Sites, has committed to (i) redeveloping the existing four-story former Stagecraft company building on the real property located at 3927 Old Ludlow Avenue in the Northside neighborhood (the "NEST Property") into an adaptive mixed-use development; and (ii) constructing a new four-story multifamily apartment building on the City's Sale Property to provide up to approximately 4,300 square feet of commercial space and up to approximately 57,362 square feet of multi-family residential space, containing up to 58 apartment units that will be leased and made affordable to households earning 60 percent or less of the area median income, as established by the U.S. Department of Housing and Urban Development for the Cincinnati metropolitan area, all at an estimated project cost of approximately \$21,650,000 (the "Project").

Section 3. That the City's Sale Property is not needed for a municipal purpose.

Section 4. That the City Unnamed ROW and the City Archibald Street ROW (collectively, the "Vacation Property") are not needed for transportation or other municipal purposes, that there is good cause to vacate the Vacation Property, and that such vacation will not be detrimental to the general interest.

Section 5. That, pursuant to Ohio Revised Code Section 723.041, any affected public utility shall be deemed to have a permanent easement in the Vacation Property to maintain, operate, renew, reconstruct, and remove its utility facilities and for purposes of access to said facilities.

Section 6. That the City's Real Estate Services Division has determined, by appraisal, that the fair market value of the City's Sale Property is approximately \$101,000; however, to facilitate the Project and promote its economic feasibility, the City is agreeable to selling the City's Sale Property to NEST on the terms and conditions acceptable to the Administration 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 City's Sale Property since the Project will create a significant amount of additional affordable housing in the Northside neighborhood of Cincinnati, stimulate economic growth in the area, and restore the City's Sale Property to a productive use.

Section 7. That it is in the best interest of the City to eliminate competitive bidding in connection with the sale of the City's Sale Property because the City believes that the use of the City's Sale Property for the Project is the highest and best use for the site and will contribute to the revitalization of the City's Northside neighborhood.

Section 8. That Council authorizes the proper City officials to take all necessary and proper actions to fulfill the terms of this ordinance, including, without limitation, negotiating acceptable terms of the sale and executing all agreements, deeds, easements, conveyance documents, plats, amendments, and other documents.

Section 9. That in the event that there are proceeds from the sale of City's Sale Property, such proceeds 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 10. 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 the immediate need to allow NEST to proceed with its development plans to apply for low-income housing tax credits by the pending application deadline in February 2024. The low-income housing

tax credits will assure the viability of a portion of the Project, which will contribute to the economic growth and vitality of the Northside neighborhood.

Passed: _____, 2024

Aftab Pureval, Mayor

Attest: _____
Clerk