

June 5, 2024

To: Mayor and Members of City Council

202401527

From: Sheryl M.M. Long, City Manager

Subject: Emergency Ordinance – Authorizing a Property Sale and Development Agreement with Consolidated Metal Products, Inc.

Attached is an Emergency Ordinance captioned:

AUTHORIZING the City Manager to execute a Property Sale Agreement with Consolidated Metal Products, Inc., pursuant to which the City will vacate and convey approximately (i) 0.2290 acres of public right-of-way, being a portion of South Steet, to Consolidated Metal Products, Inc., and (ii) 0.0919 acres of public right-of-way, being a portion of South Street, to CSX Transportation, Inc., all in the Lower Price Hill neighborhood of Cincinnati.

BACKGROUND/CURRENT CONDITIONS

Consolidated Metal Products, Inc. (“CMP”) approached DCED in late 2022 with plans to expand their existing plant at Gest and Depot Street in Lower Price Hill. As a part of this expansion, they requested that the City sell them a portion of abandoned right-of-way known as South Street. CMP previously approached the City with the intention of purchasing this property in 2019, but the sale fell through in 2020 due to a death in the company’s leadership and the COVID-19 pandemic. The sale received City Planning Commission approval in June of 2020, but was never sent to City Council for final approval and a property sale agreement was never executed. With their plant expansion project now moving forward, CMP intends to purchase this property from the City at fair market value, which was determined by appraisal to be \$7,475.

CMP’s plant expansion project is adjacent to an active rail line owned and operated by CSX Transportation, Inc. (“CSX”). The abandoned right-of-way that CMP intends to purchase from the City bisects the CSX rail line. CMP only intends to purchase the property up to their current property line, however.

Vacating and selling this right-of-way to CMP would result in the creation of an orphaned right-of-way parcel in the middle of CSX’s rail right-of-way. This orphaned parcel would have no legal access points for the City. It is generally City policy to avoid creating parcels that lack legal access when vacating right-of-way. Thus, DCED intends to transfer the orphaned parcel resulting from this vacation and sale to CSX at no cost. CSX has expressed willingness to accept the parcel. The transfer of this parcel to CSX was approved by the City Planning Commission in December of 2020, but similarly was never sent to City Council for final approval and a transfer never occurred.

STATEMENT

The vacation and sale of this right-of-way will help facilitate a plant expansion project for CMP that will result in an investment of approximately \$9,600,000. This expansion project will also help create approximately ten new full-time equivalent positions over three years at \$450,000 in new annual payroll.

DEVELOPER INFORMATION

Consolidated Metal Products, Inc. is a locally owned manufacturing company that has been in business for 78 years. CMP is the world's only full line manufacturer of high strength, cold-formed U-bolts for light, medium, and heavy trucks, as well as semi-trailer leaf springs and air suspensions. CMP is also a leading producer of high strength cold-formed stabilizer bars and other cold-formed heavy-duty fasteners. CMP is located in Lower Price Hill and has been headquartered there since 1955. They currently have 180 full-time equivalent employees at \$9.63 million in annual payroll.

RECOMMENDATION

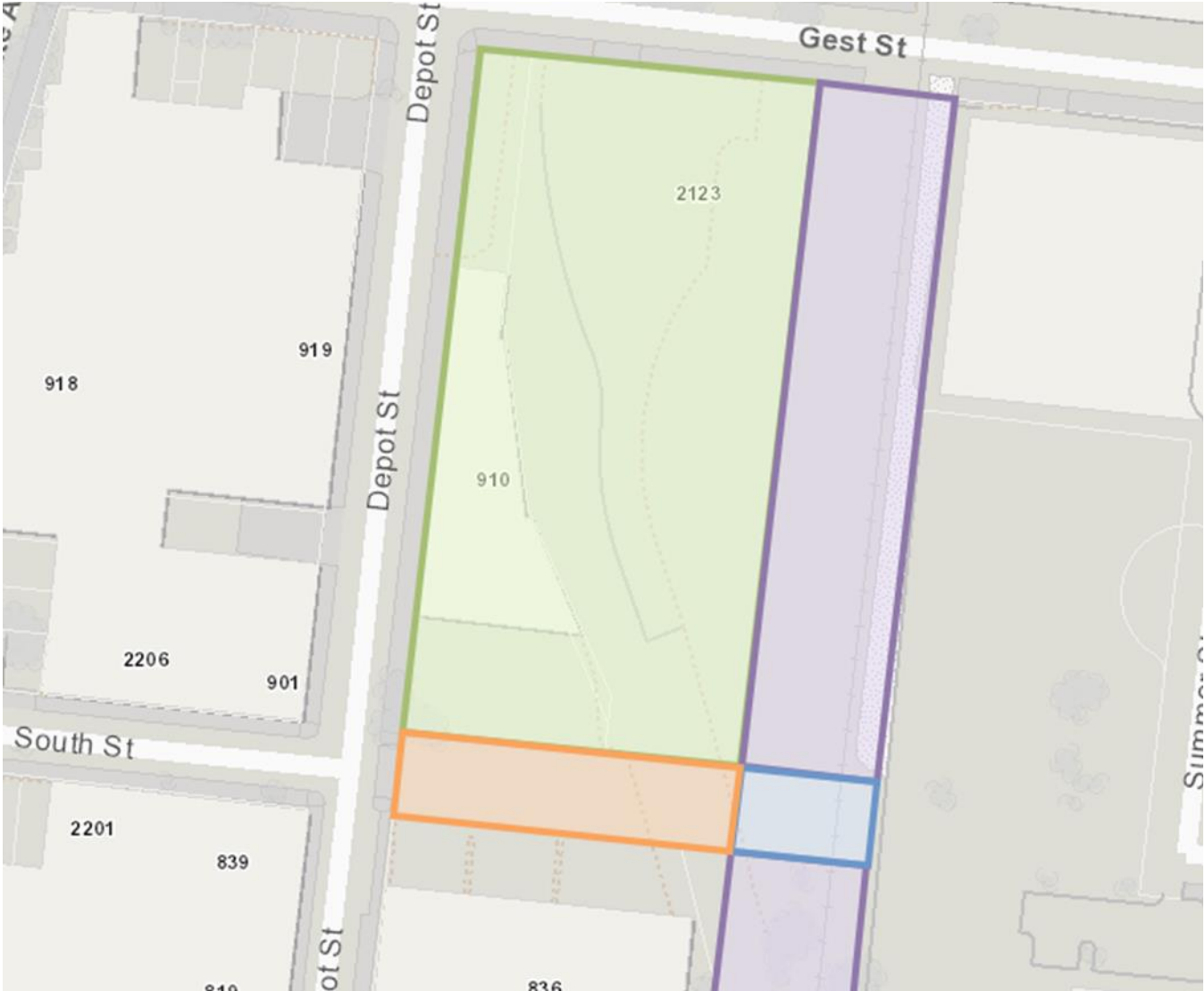
The Administration recommends approval of this Emergency Ordinance.

Attachment: Project Image and Site Map

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

Project Image and Site Map





- Green** Parcel: CMP Plant Expansion Site
- Purple** Parcel: Existing CSX Rail Line
- Orange** Parcel: Portion of South Street to be Sold to CMP
- Blue** Parcel: Portion of South Street to be Transferred to CSX