

October 19, 2022

To: Mayor and Members of City Council 202201906
From: Sheryl M. M. Long, City Manager
Subject: **Ordinance – Authorizing a Grant of Easement in favor of Market House, LLC**

Attached is an Ordinance captioned:

AUTHORIZING the City Manager to execute a *Grant of Easement* in favor of Market House, LLC, pursuant to which the City of Cincinnati will grant an access easement across a portion of City-owned real property in Over-the-Rhine.

BACKGROUND/CURRENT CONDITIONS

118 W. Elder Street is a City-owned property in the Over-the-Rhine neighborhood. The property contains a 3.5-story historic mixed-use building. The building was leased to and managed by the Corporation for Findlay Market (CFFM). The bottom floor is occupied by two commercial tenants, Silverglades Deli and Pet Wants, while the upper floors have been vacant for several years.

Pursuant to a Preferred Developer Agreement with OTR Holdings, Inc., a subsidiary of 3CDC, the City granted OTR Holdings, Inc. the right to solicit development proposals for the property through an open and public process. Through that process, OTR Holdings, Inc. recommended the City sell the upper floors to husband and wife Andrew Reider and Rachel Reider. The building was subdivided into a residential air lot consisting of the upper floors of 118 W. Elder Street and a street-level commercial lot at 118 W. Elder Street, which is retained by the City and leased to CFFM. The property sale of the upper floors was approved by City Council on June 27, 2018 under Ordinance No. 212-2018

The address for the newly created air parcel is 1811 Pleasant Street. Sole access to the property is from the former Pleasant Street right-of-way, in between Sellew Alley and W. Elder Street. This section of Pleasant Street was vacated in 2010 and is currently owned by the City of Cincinnati and 1811 Pleasant Street was transferred to Market House, LLC in March of 2022. A Right-of-Entry (ROE) was executed to grant temporary access to permit construction commencement, but will expire in March of 2023, or once a permanent grant of easement is executed and recorded.

DEVELOPER INFORMATION

Market House, LLC is owned by Andrew and Rachel Reider. The Reiders previously lived in Over-the-Rhine and will move into the building with their children following construction completion. The Reiders will remain the sole owner of the parcel.

PROJECT DESCRIPTION

Market House, LLC is in the process of renovating 1811 Pleasant Street into one owner-occupied unit, which the Reiders will occupy, and two market-rate, one-bedroom, renter-occupied units. An access easement will permit building access to the property.

The easement will be a six-foot-wide section along the west property line of the former Pleasant Street ROW, totaling approximately 480 square feet. Fair market value (FMV) is \$900.00, but the easement will be granted for \$1 as the access issue was not identified when FMV was determined for the property sale.

City Planning Commission approved the easement on August 5, 2022.

The proposed project is consistent with *Plan Cincinnati* (2012) in the Live Initiative Area's Goal to "Provide a full spectrum of housing options, and improve housing quality and affordability" (p. 164) and the Sustain Initiative Area's Strategy to "Preserve our built history" (p. 197). It is also consistent with portions of the *Over-the-Rhine Comprehensive Plan* (2002) in the Housing section and the *Brewery District Master Plan* (2013) within Goal 4: Rediscovering a Mixed-Use Economy (p. 74).

PROPOSED INCENTIVE

DCED is recommending a grant of easement to Market House, LLC at the reduced price of \$1. DCED's recommendation is based on the following reasons:

- Without this easement, the owners and future tenants will not have legal access to their property.
- The access issue was not identified when FMV was determined for the property sale.
- The project will return the upper floors of the property back into productive use by renovating vacant property into three (3) housing units. This site has been dormant for several years.

PROJECT TEAM & TIMELINE

The project team (listed below) will make themselves available at the request of the councilmember(s).

- Assistant City Manager: William Weber
- DCED Director: Markiea L. Carter
- Project Attorney: Charles Martinez

Grant of Easement

Market House, LLC

Page 3 of 4

The anticipated council timeline, which includes two Budget and Finance meetings if necessary is as follows:

- October 24, 2022: Budget and Finance (1)
- October 31, 2022: Budget and Finance (2)
- November 2, 2022: City Council for Final Approval

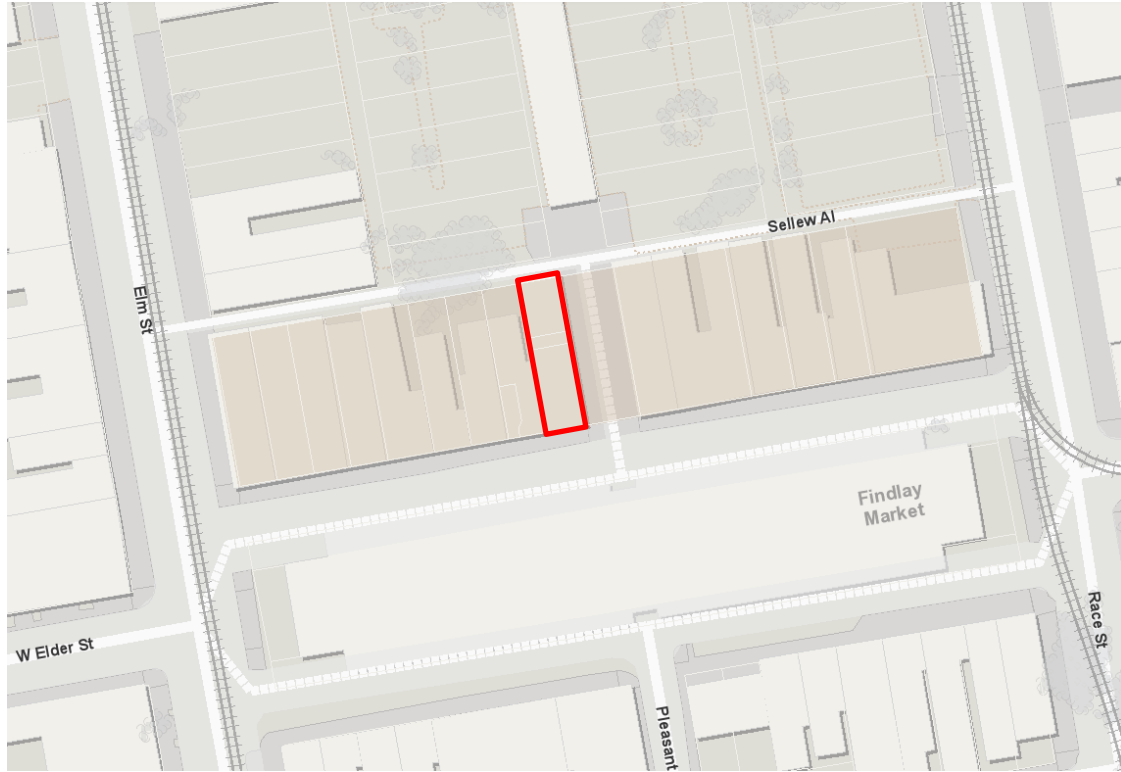
RECOMMENDATION

The Administration recommends approval of this Ordinance.

Attachment: A. Property location, photographs, and easement plat

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

Attachment A: Location and Photographs



Property Location

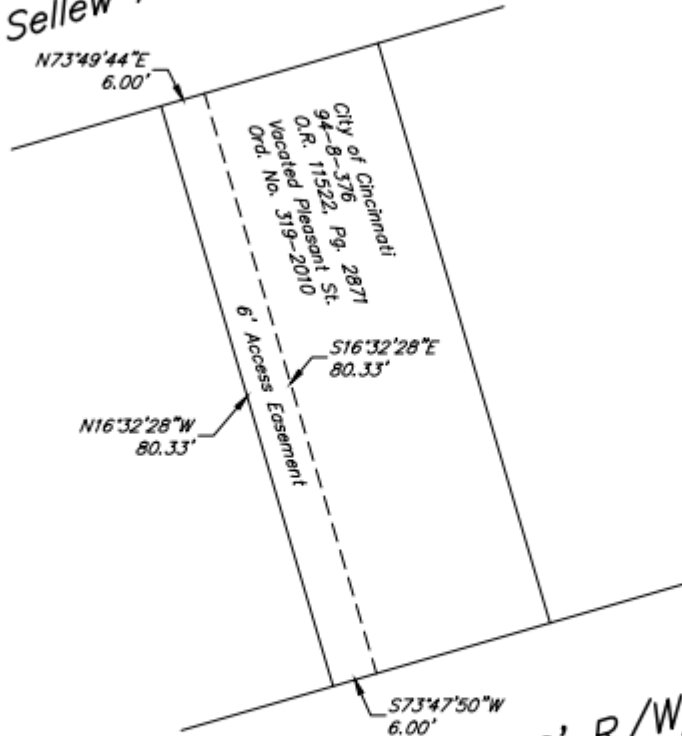


118 W. Elder Street / 1811 Pleasant Street



Access Easement
Parcel 94-8-376
Easement Area = 482 s.f.

Sellew Alley (12' R/W)



Elder St. (30' R/W)

Situate in Section 13, F.R. 2, Town 3, Millcreek Township
City of Cincinnati, Hamilton County, Ohio.

GRAPHIC SCALE



(IN FEET)

1 inch = 20 ft.

Date: June, 2022

Department of
Transportation
and Engineering
City of Cincinnati
City Hall
801 Plum Street
Cincinnati, Ohio 45202