

EMERGENCY

City of Cincinnati

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An Ordinance No. _____

- 2020

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 835-847 Oak Street in the Walnut Hills neighborhood of Cincinnati to Melrose IHNGC Limited Partnership, an affiliate of The Model Group, Inc. and Interfaith Hospitality Network of Greater Cincinnati, Inc.

WHEREAS, the City of Cincinnati (the "City") owns real property at 835-847 Oak Street in the Walnut Hills neighborhood of Cincinnati, as more particularly described on Attachment A attached to this ordinance (the "City's Sale Property"), which is under the management and control of the City's Department of Community and Economic Development; and

WHEREAS, the City, contingent upon (i) the City Administration's satisfactory review of all due diligence materials (including, without limitation, a coordinated report conducted by the City Administration, environmental report, title report, etc.) related to the City's Sale Property, and (ii) any terms and conditions that the City Administration deems appropriate, including after reviewing such due diligence materials, desires to convey the City's Sale Property to Melrose IHNGC Limited Partnership, an Ohio limited partnership and affiliate of The Model Group, Inc. and Interfaith Hospitality Network of Greater Cincinnati, Inc. ("Developer"); and

WHEREAS, Developer has proposed the redevelopment of the City's Sale Property and an adjacent property to be acquired by Developer into a new four-story building constructed to Leadership in Energy and Environmental Design Silver standards containing 26 units of affordable permanent supportive housing targeted to families experiencing homelessness with a household member who has a disabling condition at an estimated project cost of approximately \$6,362,027 (the "Project"); 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 \$24,500; however, to make the Project economically feasible, the City is agreeable to selling the City's Sale Property to Developer on the terms and conditions acceptable to the City 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 permanent affordable housing units, stimulate economic growth in the area, 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 Walnut Hills neighborhood; and

WHEREAS, the City believes that the Project will promote urban redevelopment in the Walnut Hills neighborhood of Cincinnati, is in the vital and best interests of the City and the health, safety, and welfare of its residents, and is in accordance with the public purposes and provisions of applicable federal, state, and local laws and regulations; and

WHEREAS, Cincinnati 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 Developer at its meeting on July 17, 2020; 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 sell real property owned by the City of Cincinnati (the "City") at 835-847 Oak Street in the Walnut Hills neighborhood of Cincinnati, as more particularly described on Attachment A attached to this ordinance (the "City's Sale Property"), to Melrose IHNGC Limited Partnership, an Ohio limited partnership and affiliate of The Model Group, Inc. and Interfaith Hospitality Network of Greater Cincinnati, Inc. ("Developer") for \$1.00, contingent upon (a) the City Administration's satisfactory review of all due diligence materials (including, without limitation, a coordinated report conducted by the City Administration, environmental report, title report, etc.) related to the City's Sale Property and (b) any and all terms and conditions as City Administration deems appropriate, including after reviewing such due diligence materials.

Section 2. That the City is agreeable to conveying the City's Sale Property to Developer because Developer has proposed the redevelopment of the City's Sale Property and an adjacent property to be acquired by Developer into a new four-story building constructed to Leadership in Energy and Environmental Design Silver standards containing 26 units of affordable permanent supportive housing targeted to families experiencing homelessness with a household member who has a disabling condition at an estimated project cost of approximately \$6,362,027 (the "Project").

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

Section 4. 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 \$24,500; however, to make the Project economically feasible, the City is agreeable to selling the City's Sale Property to Developer on the terms and conditions acceptable to the City 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 permanent affordable housing units, stimulate economic growth in the area, and restore the City's Sale Property to a productive use.

Section 5. 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 Walnut Hills neighborhood.

Section 6. That Council authorizes the proper City officials to take all necessary and proper actions to fulfill the terms of this ordinance, including, without limitation, executing all agreements, deeds, easements, conveyance documents, plats, and other documents.

Section 7. 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 8. That the City's Finance Director is authorized to transfer and appropriate any such excess funds from Miscellaneous Permanent Improvement Fund 757 to capital improvement program project account no. 980x162x211641, "DCED Property Improvements."

Section 9. 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 Developer to commence the Project as soon as possible, therefore resulting in the revitalization of the Walnut Hills neighborhood, the creation of a significant amount of affordable housing units, and the economic growth of the City at the earliest possible date.

Passed: _____, 2020

John Cranley, Mayor

Attest: _____
Clerk

ATTACHMENT A

ATTACHMENT A

LEGAL DESCRIPTIONS – CITY’S SALE PROPERTY

Property Address: 835 Oak Street, Cincinnati, OH 45206
Parcel ID No.: 067-0002-0160-00

Beginning at the Southeast corner of Melrose Ave. and Oak Street, running thence southwardly along the east line of Melrose Ave. a distance of ninety-eight and fifty-five hundredths (98.55) feet, according to a recent survey and ninety-eight and forty-eight hundredths (98.48) feet according to a plat in Auditor’s Office, Hamilton County, Ohio to a point; running thence eastwardly parallel to Oak Street, a distance of thirteen and fifty-two hundredths (13.52) feet to a point; thence running northwardly at right angles to Oak Street and through the middle line of a brick partition wall dividing these premises from the premises adjoining immediately on the east (said brick wall to be used as a party wall by the owners of the premises adjoining immediately on the east; their heirs and assigns forever) a distance of ninety-eight and fifty-five hundredths (98.55) feet according to a recent survey, and ninety eight and forty-eight hundredths (98.48) feet according to plat in said Auditor’s Office to the South line of Oak Street, thence westwardly along the South line of Oak Street approximately thirteen and fifty-two hundredths (13.52) feet to a point and the place of beginning.

Property Address: 837 Oak Street, Cincinnati, OH 45206
Parcel ID No.: 067-0002-0158-00

Being part of Lot Five (5), Block D of Subdivision made by the heirs of Elnathan Kemper, Deceased, recorded in Plat Book Number 2, Page 25, of the Hamilton County, Ohio, Records. Said premises are more particularly described as follows:

Beginning at a point in the South line of Oak Street, which point is Thirteen and 60/100 (13.60) Feet East of the Southeast corner of Oak Street and Melrose Avenue, as measured along the South line of Oak Street; thence running Southwardly at right angles to Oak Street and through the middle of a brick partition wall dividing these premises from the premises adjoining immediately on the West (said wall to be used as a party wall by the owner of the premises hereby conveyed and the owner of the premises immediately adjoining on the West, their heirs and assigns forever) a distance of Ninety-Eight And 55/100 (98.55) Feet according to recent survey, and Ninety-Eight And 48/100 (98.48) Feet according to Plat in the Auditor’s Office, Hamilton County, Ohio, to a point; thence Eastwardly parallel to Oak Street a distance of Sixteen And 08/100 (16.08) Feet to a point; thence Northwardly at right angles to Oak Street and through the middle line of a brick partition wall dividing these premises from the premises adjoining immediately on the East, said wall to be used as a party wall by the owner of the premises hereby conveyed and by the owner of the premises adjoining on the East, their heirs and assigns forever, a distance of Ninety-Eight And 55/100 (98.55) Feet according to recent survey, and Ninety-Eight and 48/100 (98.48) Feet according to Plat in the Auditor’s Office, Hamilton County, Ohio, to the South line of Oak Street; thence West along the South line of Oak Street, a distance of Sixteen And 08/100 (16.08) Feet to the place of beginning, and known as Number 837 Oak Street, Cincinnati, Ohio, 45206.

Property Address: 839 Oak Street, Cincinnati, OH 45206
Parcel ID No.: 067-0002-0156-00

Being part of Lot 5 in Block D Subdivision made by heirs of Elnathan Kemper, deceased, as said Subdivision is recorded in Plat Book 2, page 26 of the Plat Records of Hamilton County, Ohio and more particularly described as follows:

Beginning at a point in the south line of Oak Street, which point is twenty nine and sixty eight hundredths (29.86) feet east of the southeast corner of Oak Street and Melrose Ave.; thence running southwardly at right angles to Oak St., and through the middle line of a brick partition wall dividing the premises from the premises immediately adjoining on the west a distance of ninety eight and fifty five hundredths (98.55) feet to a point, said division wall to be used as a party wall by the owner of the property herein described and the owner of the premises immediately adjoining on the west, their heirs and assigns forever; running thence eastwardly on a line parallel to Oak St., a distance of sixteen and eight hundredths (16.08) feet to a point; thence running northwardly on a line at right angles to Oak St. and running through the middle line of a brick partition wall dividing these premises from the premises adjoining on the east a distance of ninety eight and fifty five hundredths (98.55) feet to a point, said dividing wall to be used as a party wall by the owner of these premises herein described and the owner of the premises immediately adjoining on the east, their heirs and assigns forever thence running westwardly along the south line of Oak Street a distance of sixteen and eight hundredths (16.08) feet to a place of beginning.

Property Address: 841 Oak Street, Cincinnati, OH 45206
Parcel ID No.: 067-0002-0159-00

All of that lot of land situated in the City of Cincinnati, Hamilton County, Ohio, and being a part of Lot No. Five (5) of E. Kemper's Estate, as designated in the plat of estate recorded in the office of the Recorder of Hamilton County, Ohio; beginning at a point in the south line of Oak Street in the City of Cincinnati, forty-five and $76/100$ (45.76) feet east of the southeast corner of Melrose Avenue and Oak Street in said city; thence southwardly along a line parallel with the east line of Melrose Avenue, ninety-eight and $48/100$; thence eastwardly along a line parallel with the south line of Oak Street, sixteen and $08/100$ (16.08) feet; thence northwardly along a line parallel with the east line of Melrose Avenue, ninety-eight and $48/100$ (98.48) feet to the south line of Oak Street; thence westwardly along the south line of Oak Street, sixteen and $08/100$ (16.08) feet to the place of beginning.

Property Address: 843 Oak Street, Cincinnati, OH 45206
Parcel ID No.: 067-0002-0085-00

Situate in the City of Cincinnati, County of Hamilton, State of Ohio, and being a part of Lot Five (5) Block "D" of Subdivision made by Elnathan Kemper deceased, recorded in Plat Book No. 2, Page 26 of the Hamilton County, Ohio records: said premises being more particularly described as follows:

Beginning at a point in the south line of Oak Street, which point is 61.84 feet east of the southeast corner of Oak Street and Melrose Avenue as measured along the south line of Oak Street; thence running southwardly at right angles to Oak Street and through the middle line of a brick partition wall dividing these premises from the premises adjoining immediately on the west; (said wall to be used as a party wall by the owner of the premises hereby conveyed and by the owner of the premises immediately adjoining on the west, their heirs and assigns forever) a distance of 98.55 feet according to a recent survey, and 98.49 feet according to the plat in the Auditor's Office, Hamilton County, Ohio, to a point; thence eastwardly parallel to Oak Street, a distance of 16.08 feet to a point; thence northwardly at right angles to Oak Street and through the middle line of a brick partition wall dividing these premises from the premises adjoining immediately on the east (said wall to be used as a partition wall by the owner of the premises hereby conveyed and the owner of the premises adjoining immediately on the east, their heirs and assigns forever), a distance of 98.55 feet according to recent survey, and 98.48 feet according to the plat in the Auditor's Office, Hamilton County, Ohio, to the south line of Oak Street; thence west along the south line of Oak Street a distance of 16.08 feet to a point and the place of beginning.

Property Address: 845 Oak Street, Cincinnati, OH 45206
Parcel ID No.: 067-0002-0157-00

Situate in the City of Cincinnati, County of Hamilton, State of Ohio, and beginning at a point in the south line of Oak Street, which point is seventy seven and 92/100 (77.92) feet east of the southeast corner of Oak Street and Melrose Avenue, as measured along the south line of Oak Street thence southwardly at right angles to Oak Street and through the middle of the Brick Partition Wall dividing these premises and the premises adjoining immediately on the west, said Wall being used as a party wall by the owner of the premises hereby conveyed and the owner of the premises immediately adjoining on the west, their heirs, and assigns forever, a distance of ninety eight and 55/100 (98.55) feet according to a recent survey and ninety eight and 48/100 (98.48) feet according to the plat in the Office of the County Recorder of Hamilton County, Ohio, to a point; thence eastwardly parallel to Oak Street, a distance of thirteen and 75/100 (13.75) feet to a point in the south line of Oak Street, which point is three hundred thirty five (335) feet west of the west line of Gilbert Avenue; thence west along the south line of Oak Street twenty two and 63/100 (22.63) feet to a point, the place of beginning. Said premises being subject to a right of way for passage over the southerly three (3) feet as said right of way is reserved by deed, Keeway to Grace, recorded in Deed Book 577, Page 206, and subject to drainage as set forth in said deed.

Property Address: 847 Oak Street, Cincinnati, OH 45206
Parcel ID No.: 067-0002-0084-00

Situate in the City of Cincinnati, County of Hamilton, State of Ohio, beginning at a point in the south line of Oak Street, which point lies 305 feet west of the southwesterly corner of Gilbert Avenue and Oak Street, running thence westwardly along the southerly line of Oak Street, thirty (30) feet to a point; thence southwardly, parallel to the westerly line of Gilbert Avenue, ninety-eight and 95/100 (98.95) feet to a point; thence eastwardly along the southerly line of Lot No. 5 of E. Kemper's Estate; thirty (30) feet to a point and thence northwardly to the place of beginning; being part of Lot No. 5, Block "D" of said estate. Commonly known as 847 Oak Street, Cincinnati, Ohio 45206.