

EMERGENCY

City of Cincinnati

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An Ordinance No. 290

- 2020

AUTHORIZING the City Manager to execute a *Property Sale and Development Agreement* between the City of Cincinnati and Kunst Development LLC for the sale of City-owned real property at 1623 Pleasant Street, located in the Over-The-Rhine neighborhood of Cincinnati, to be redeveloped as 8 market-rate residential rental units.

WHEREAS, the City of Cincinnati is the fee owner of the vacant property located at 1623 Pleasant Street (the "Property"), as further described in the *Property Sale and Development Agreement* attached to this ordinance as Attachment A (the "Development Agreement"), and which is under the management and control of the City's Department of Community and Economic Development; and

WHEREAS, pursuant to a Request for Proposals (RFP723CEDPLEASANT), issued by the City on June 19, 2019, Kunst Development LLC ("Purchaser") submitted a proposal for redevelopment of the Property; and

WHEREAS, the City determined that Purchaser's proposal is the most suitable and advantageous for the City, which proposal involves renovation of the Property into 8 market-rate residential rental units (the "Project"), which will create jobs and housing opportunities and improve the economic welfare of the City; and

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

WHEREAS, the City has determined that: (i) the Property is not needed for municipal purposes; and (ii) the City's sale of its interest in the Property is in the best interest of the City as it will alleviate the City's burden of owning the vacant building on the Property; and

WHEREAS, the fair market value of the City's interest in the Property, as determined by appraisal by the City's Real Estate Services Division, is approximately \$59,500.00, and Purchaser has agreed to pay that price; 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 the City's sale of the Property to Purchaser to facilitate the Project is in the vital and best interests of the City and the health, safety, and welfare of its residents, and is consistent with the public purposes and provisions of applicable federal, state, and local laws and regulations; and

WHEREAS, City Planning Commission, having the authority to approve the change in the use of City-owned property, approved the City's sale of the Property at its meeting on August 7, 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 a *Property Sale and Development Agreement*, in substantially the form attached to this ordinance as Attachment A (the "Development Agreement"), with Kunst Development LLC ("Purchaser"), which provides for the City's sale of its interest in the real property located at 1623 Pleasant Street, as further described in the Development Agreement (the "Property").

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

Section 3. That the fair market value of the City's interest in the Property, as determined by appraisal by the City's Real Estate Services Division, is approximately \$59,500.00, which Purchaser has agreed to pay.

Section 4. That the City solicited and reviewed development proposals for the 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 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

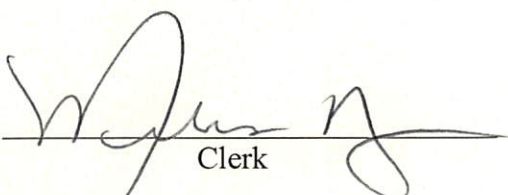
authorized to deposit amounts in excess thereof into Miscellaneous Permanent Improvement Fund 757.

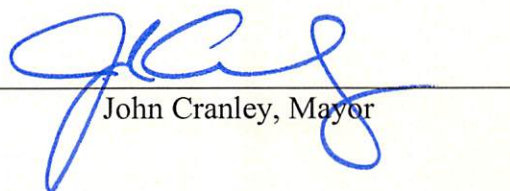
Section 6. That the City's Finance Director is authorized to transfer and appropriate such excess funds from the unappropriated surplus of Miscellaneous Permanent Improvement Fund 757 to capital improvement program project account no. 980x162x211641, "DCED Property Improvements."

Section 7. That the City Manager and other City officials are authorized to take all necessary and proper actions to carry out the provisions of this ordinance and the Development Agreement, including, without limitation, executing all ancillary agreements, amendments, plats, deeds, terminations, releases, and other documents.

Section 8. 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 the City's sale of the Property to occur as soon as possible to enable the Purchaser to promptly move forward with the redevelopment of the Property, which will result in the stimulation of economic growth and additional housing units in the Over-the-Rhine neighborhood at the earliest possible date.

Passed: September 2, 2020

Attest: 
Clerk


John Cranley, Mayor

2nd edition