

ORDINANCE NO. 19-131

AN ORDINANCE DESIGNATING PARCEL NO. 56-00954.000, LOCATED AT 627 HANCOCK STREET, AS A "BLIGHTED PARCEL" ("SPOT SLUM") AS DEFINED IN OHIO REVISED CODE SECTION 1.08 FOR THE PURPOSES OF BLIGHT ELIMINATION; AND DECLARING THAT THIS ORDINANCE SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.

WHEREAS, Buderer Drug Company, Inc., has roots in Sandusky tracing back to 1878, and is known most notably for its compounding pharmaceuticals and drug repository, and has maintained headquarters at 633 Hancock Street since 1973 after purchasing shares of the now defunct Fisher Drug Company; and

WHEREAS, Buderer Drug Company, Inc., has historically also leased space at the property located at 627 Hancock Street for purposes of housing the drug repository program, a second property associated with the former Fisher Drug Company, however, due to the deteriorating conditions of 627 Hancock Street and the need for future expansion into modern space, Buderer Drug Company, Inc., has long desired to acquire 627 Hancock Street for the purposes of demolition and eventual expansion and in December of 2018, successfully purchased the property; and

WHEREAS, Buderer Drug Company, Inc., has spent several months undertaking a \$100,000+ renovation to its existing facility while simultaneously securing asbestos abatement and demolition estimates for the demolition of 627 Hancock Street and the lowest and best bid for asbestos abatement and demolition services is \$212,000.00; and

WHEREAS, it is being requested in companion legislation to approve a Grant Agreement with Buderer Drug Company, Inc. in the amount of \$150,000.00 to assist in the cost for asbestos abatement and demolition of the property located at 627 Hancock Street; and

WHEREAS, another source of financing being considered is Erie County Revolving Loan Grant funds, however, the property is not located in a designated slum and blight area so in order for the funds to be eligible for use for the demolition project, it is required to be designated a "blighted parcel" ("spot slum") as defined in Ohio Revised Code Section 1.08; and

WHEREAS, the Chief Building Official completed an inspection of 627 Hancock Street on July 24, 2019, and found the property to be in excess of 80% damaged, decayed and deteriorated, far in excess of the 50% requirement for the City to order a structure demolished, and based upon the findings documented in the inspection reported, it is requested that the property located at 627 Hancock Street to be designated a "blighted parcel" ("spot slum") as defined in Ohio Revised Code Section 1.08; and

WHEREAS, the property located at 627 Hancock Street is found to be a "blighted parcel" ("spot slum") pursuant to Ohio Revised Code Sections 1.08(B)(1) & (B)(2); and

WHEREAS, this Ordinance should be passed as an emergency measure under suspension of the rules in accordance with Section 14 of the City Charter in

PAGE 2 - ORDINANCE NO. 19-131

order to ensure the swift demolition of this blighted property for the health and wellness of the citizens of the City of Sandusky; and

WHEREAS, in that it is deemed necessary in order to provide for the immediate preservation of the public peace, property, health, and safety of the City of Sandusky, Ohio, and its citizens, and to provide for the efficient daily operation of the Municipal Departments, including the Department of Community Development, of the City of Sandusky, Ohio, the City Commission of the City of Sandusky, Ohio finds that an emergency exists regarding the aforesaid, and that it is advisable that this **Ordinance** be declared an emergency measure which will take immediate effect in accordance with Section 14 of the City Charter upon its adoption; and NOW, THEREFORE,

BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF SANDUSKY, OHIO, THAT:

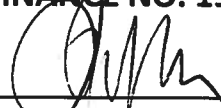
Section 1. This City Commission hereby declares Parcel No. 56-00954.000, located at 627 Hancock Street, further described in Exhibit "A", a copy of which is attached to this Ordinance, as a "blighted parcel" ("spot slum") as defined in the Ohio Revised Code §1.08 for the purposes of blight elimination as documented in the Chief Building Official's Inspection Report dated July 24, 2019, a copy of which is marked Exhibit "B" and is attached to this Ordinance and is specifically incorporated as if fully rewritten herein.

Section 2. If any section, phrase, sentence, or portion of this Ordinance is for any reason held invalid or unconstitutional by any Court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

Section 3. This City Commission finds and determines that all formal actions of this City Commission concerning and relating to the passage of this Ordinance were taken in an open meeting of this City Commission and that all deliberations of this City Commission and of any of its committees that resulted in those formal actions were in meetings open to the public in compliance with the law.

Section 4. That for the reasons set forth in the preamble hereto, this Ordinance is hereby declared to be an emergency measure which shall take immediate effect in accordance with Section 14 of the City Charter after its adoption and due authentication by the President and the Clerk of the City Commission of the City of Sandusky, Ohio.

PAGE 3 - ORDINANCE NO. 19-131



DENNIS E. MURRAY, JR.
PRESIDENT OF THE CITY COMMISSION

ATTEST:



KELLY L. KRESSER
CLERK OF THE CITY COMMISSION

Passed: August 12, 2019

GRANT AGREEMENT

This Grant Agreement (the "Agreement") is made and entered into as of the ____ day of _____, 2019 between the CITY OF SANDUSKY, OHIO (the "City"), a municipal corporation and political subdivision duly organized and validly existing under the Constitution, its Charter, and the laws of the State of Ohio, and BUDERER DRUG COMPANY, INC., ("the Company"), an Ohio limited liability company.

WITNESSETH:

WHEREAS, the Company and the City are entering into this Agreement whereby the City will grant one hundred fifty thousand dollars (\$150,000.00) to the Company to facilitate asbestos abatement and demolition of the Company's property (the "Project"), more specifically located at 627 Hancock Street (the "Property"); and

WHEREAS, the City has determined that this Project and the demolition of the Property are in the vital and best interests of the City and for the health and safety and welfare of its residents, and are necessary to improve the economic and general welfare of people of the City primarily by eliminating existing blight and providing for future economic development opportunities at the Property site.

NOW THEREFORE, in consideration of the premises and the covenants contained herein, the parties hereto agree as follows:

Section 1. City Grant.

The City agrees to grant up to One Hundred Fifty Thousand and 00/100 Dollars (\$150,000.00) to the Company toward the costs of the Project through the Emergency Medical Services Fund, (the "City Grant"), which shall be payable only after an inspection and full approval by the City that the Project has been satisfactorily completed. The City Grants will be expensed from the Emergency Medical Services Fund (#431-1330-53000). This City Grant will not increase if the applicant chooses to make additional improvements not contemplated in the grant application. The City reserves the right to adjust the awarded grant amount, for substantive changes to the Project scope only. Construction must be done in accordance with and to the reasonable satisfaction of the City, which would include, but not limited to, compliance with all Planning and Zoning codes and other applicable codes and regulations of the City of Sandusky, including obtaining permits and licenses. The Project must be completed by December 31, 2019. This date may be extended at the discretion of the City Manager.

Section 2. Authority to Sign.

The Company and the City both represent that this Agreement has been approved by formal action of the duly authorized representatives of both parties.

Section 3. Assignment or Transfer.

The Company agrees that this Agreement is not transferable or assignable without the express, written approval of the City Manager.

Section 4. Choice of Law.

This Agreement shall be governed and interpreted in accordance with the laws of the State of Ohio and the parties hereto agree that any dispute or other matter arising out of the interpretation or operation of this Agreement shall be determined in a Court of competent jurisdiction located within the State of Ohio and County of Erie.

Section 5. Binding Agreement.

This Agreement shall be binding on each of the parties and their respective successors and assigns.

Section 6. Miscellaneous.

(a) Notice. Any notice or communication required or permitted to be given under this Agreement by either party to the other shall be deemed sufficiently given if delivered personally or mailed by United States registered or certified mail postage prepaid or by overnight delivery and addressed as follows:

- (i) TO THE CITY: City Manager
c/o Chief Development Officer
Matthew Lasko
City of Sandusky, Ohio
City Hall
240 Columbus Avenue
Sandusky, OH 44870
- (ii) TO THE COMPANY: BUDERER DRUG COMPANY, INC.
c/o: Mr. Matthew Buderer
633 Hancock Street
Sandusky, Ohio 44870

Any party may change its address for notice purposes by providing written notice of such change to the other party.

(b) Amendments. This Agreement may only be amended by written instrument executed by all parties.

(c) Effect of Agreement. This Agreement is signed by the parties as a final expression of all the terms, covenants and conditions of their agreement and as a complete and exclusive statement of its terms, covenants and conditions and is intended to supersede all prior agreements and understandings concerning the subject matter of this Agreement.

(d) Counterparts. This Agreement may be signed in several counterparts, each of which shall be an original, but all of which shall constitute but one and the same instrument.

Signatures Executed on the Following Page

DRAFT

IN WITNESS WHEREOF the parties hereto, by and through their duly authorized representatives, have executed this Agreement on behalf of the corporate entities identified herein, on the date first written above.

BUDERER DRUG COMPANY, INC.,
an Ohio corporation

By: _____
TITLE:

CITY OF SANDUSKY, OHIO

By: _____
City Manager

The legal form of the within instrument
Is hereby approved.

Director of Law
City of Sandusky

CERTIFICATE OF DIRECTOR OF FINANCE

The undersigned, fiscal officer of the City of Sandusky, Ohio, hereby certifies that the money required to meet the obligations of the City under the foregoing Agreement has been lawfully appropriated by the City Commission of the City for such purposes and are in the treasury of the City or in the process of collection to the credit of an appropriate fund, free from any previous encumbrances. This Certificate is given in compliance with Sections 5705.41 and 5705.44, Ohio Revised Code.

Director of Finance