

ORDINANCE NO. 21-049

AN ORDINANCE AUTHORIZING AND APPROVING A GRANT IN THE AMOUNT OF \$22,500.00 THROUGH THE HOUSING DEVELOPMENT AND BEAUTIFICATION GRANT PROGRAM TO CASE DEVELOPMENT, LLC, IN RELATION TO THE PROPERTY LOCATED AT 409 W. WATER STREET; AND DECLARING THAT THIS ORDINANCE SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.

WHEREAS, Case Development, LLC, acquired the property located at 409 W. Water Street, formally known as the Keller Building site, from the City in July of 2016 to construct a 13-unit housing development in 2-3 phases of which the first phase, consisting of a 5-unit townhouse building on the eastern portion of the site along W. Water Street, was completed in 2020; and

WHEREAS, Case Development, LLC, has begun the second phase of the development consisting of a second 5-unit townhouse building which is expected to be completed by late summer of 2021, and the third phase consisting of three (3) single-family carriage houses are intended to be completed by fall of 2021; and

WHEREAS, the total construction budget for the third phase, including utility and site work, is over \$1.2 million dollars and according to the Housing Development and Beautification Guidelines, Case Development, LLC, is eligible for a grant up to \$7,500.00 per unit for new residential construction; and

WHEREAS, it has been determined that the development of this property with the project pursuant to this Agreement and the fulfillment generally of this Agreement 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 the citizens of the City; and

WHEREAS, it is recommended to approve a grant to Case Development, LLC, in the amount of \$22,500.00, in accordance with the Sandusky City Development Programs, to assist with the construction costs for the purpose of furthering housing development efforts in the City; 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 order to immediately execute the Grant Agreement and ensure the full benefit of the agreement is realized; 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 authorizes and directs the City Manager to enter into a Grant Agreement with Case Development, LLC, for financial assistance through the Housing Development and Beautification Grant Program for the purpose of furthering housing development efforts in the City, substantially in the same form as Exhibit "A", a copy of which is attached to this Ordinance and is specifically incorporated as if fully rewritten herein, together with such revisions or additions as are approved by the Law Director as not being adverse to the City and as being consistent with carrying out the terms of this Ordinance.

Section 2. This City Commission authorizes and approves the grant funding to Case Development, LLC, in an amount **not to exceed** Twenty Two Thousand Five Hundred and 00/100 Dollars (\$22,500.00) from the Community Development Capital Projects Fund of the City of Sandusky pursuant to and in accordance with the terms of the Grant Agreement.

Section 3. 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 4. 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's Commission and any of its committees that resulted in those formal actions were in meetings open to the public, in compliance with all legal requirements.

Section 5. 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.



RICHARD R. BRADY
PRESIDENT OF THE CITY COMMISSION



ATTEST:

MCKENZIE E. SPRIGGS

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CLERK OF THE CITY COMMISSION

Passed: April 12, 2021

GRANT AGREEMENT

This Grant Agreement (the "Agreement") is made and entered into as of the ____ day of _____, 2021 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 CASE DEVELOPMENT, LLC, ("the Applicant"), an Ohio Limited Liability Company.

WITNESSETH:

WHEREAS, the Applicant owns the vacant land located at 409 W. Water Street ("the Property") and plans to ultimately construct a 13-unit housing development in 2-3 phases. The first phase consisting of a 5-unit townhouse building on the eastern portion of the site along W. Water Street was completed in 2020. The Applicant has begun the second phase of the development consisting of a second 5-unit townhouse building, which is expected to be complete by late summer, 2021. Phase III consists of 3 single family carriage houses (the "Project") which are intended to be complete by fall 2021; and

WHEREAS, the total construction budget for the third phase, including utility and site work, is just over \$1.2 million dollars; and

WHEREAS, according to the Housing Development and Beautification Guidelines and Application, the Applicant is eligible for a grant in an amount of up to \$7,500 per unit for substantial redevelopment projects that new residential construction. As such, in this case, the Applicant is eligible for a grant of up to \$22,500.00; and

WHEREAS, to induce the Project, the City has agreed to provide housing incentive grants to the Applicant to assist in the payment of a portion of the costs of the Project as further described in Section 1 hereof; and

WHEREAS, the City has determined that the development of the Property with the Project pursuant to this Agreement and the fulfillment generally of this Agreement 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;

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 \$22,500, payable to the Applicant (the "City Grant") toward the costs of the Project, payable in the amount of \$7,500 at a time upon completion of each of the third 3 units of the Project. The City Grant will be expensed from the Community Development Capital Projects account (#431-4010-53000). Construction must be done in accordance with and to the reasonable satisfaction of the City, which includes, but is not limited to, compliance with all Planning and Zoning matters and other applicable codes and regulations of the City, including obtaining permits. The Applicant is still required to meet the requirements for disbursement prior to receiving any award funds – as outlined on Page 15 of the Housing Development and Beautification Program Guidelines and Application. Furthermore, the Applicant agrees to display a sign during construction noting the City's support; and

The Applicant shall notify the City promptly following the completion of the Project consistent with this Section and provide the City with any documents it reasonably requests related to Project costs and construction. The City shall then promptly review those documents and inspect the site and let the Applicant know if it has satisfied the condition set forth in this Section and, if not, describe what is found to be deficient. In order to receive the City Grant, the Project will need to be completed on or before April 13, 2022. This date may be extended at the discretion of the City Manager.

The City shall pay the City Grant by check placed in the U.S. regular mail within fourteen (14) days following confirmation of the satisfactory completion of construction to the notice address provided in Section 6 below.

Section 2. Authority to Sign.

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

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 Housing Development and Beautification Program
City of Sandusky, Ohio
City Hall- Fourth Floor
240 Columbus Avenue
Sandusky, OH 44870

(ii) TO THE APPLICANT: Case Development, LLC
c/o Michael DeCesare
6606 Father Caruso Drive
Cleveland, Ohio 44102

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.

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.

CASE DEVELOPMENT, LLC
an Ohio Limited Liability Company

By: _____
Michael DeCesare

Title: _____

CITY OF SANDUSKY, OHIO

By: _____
Eric Wobser
City Manager, City of Sandusky, Ohio

The legal form of the within instrument
is hereby approved.

Brendan Heil
Law Director, City of Sandusky, Ohio
Ohio Supreme Court #0091991

DRAFT

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.

Michelle Reeder
Finance Director

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