



**SANDUSKY CITY COMMISSION
REGULAR SESSION AGENDA
DECEMBER 9, 2019 at 5 p.m.
CITY HALL, 240 COLUMBUS AVENUE**

INVOCATION	Wes Poole
PLEDGE OF ALLEGIANCE	
CALL TO ORDER	
ROLL CALL	N. Twine, G. Lockhart, W. Poole, D. Murray, D. Brady, N. Lloyd & D. Waddington
APPROVAL OF MINUTES	November 25, 2019
AUDIENCE PARTICIPATION	
PROCLAMATION	Kiwanis Club of Sandusky – 100 th Anniversary
COMMUNICATIONS	Motion to accept all communications submitted below
CURRENT BUSINESS	

CONSENT AGENDA ITEMS

A. Submitted by Nicole DeFreitas, Transit Administrator

TRANSPORTATION AGREEMENT WITH CEDAR POINT FOR THE SANDUSKY TRANSIT SYSTEM

Budgetary Information: The Sandusky Transit System will receive \$175,000 for the length of the proposed contract. This money collected will be used to offset the capital planning and operating expenses through the 2020 5311 Rural grant program.

ORDINANCE NO. _____: It is requested an ordinance be passed authorizing and directing the City Manager to enter into an agreement for transportation services between the City of Sandusky and Millennium Operations LLC dba Cedar Point, for services for the Sandusky Transit System during the period of January 1, 2020 through December 31, 2020; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

B. Submitted by Nicole DeFreitas, Transit Administrator

TRANSPORTATION AGREEMENT WITH SANDUSKY CITY SCHOOLS FOR THE SANDUSKY TRANSIT SYSTEM

Budgetary Information: The Sandusky Transit System will receive \$9 per passenger, per one-way trip from Sandusky City Schools for the length of the proposed contract. This money collected will be used to offset the capital planning and operating expenses through the 5311 Rural grant program.

ORDINANCE NO. _____: It is requested an ordinance be passed authorizing and directing the City Manager to enter into an agreement for transportation services between the City of Sandusky and Sandusky City Schools for services related to the Sandusky Transit System for the period of January 1, 2020 through December 31, 2020; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

C. Submitted by Nicole DeFreitas, Transit Administrator

TRANSPORTATION AGREEMENT WITH ERIE COUNTY VETERAN'S SERVICE COMMISSION FOR THE SANDUSKY TRANSIT SYSTEM

Budgetary Information: STS will receive \$8 per passenger trip from the Erie County Veteran's Services Commission for the length of the proposed contract. This money collected will be used to offset the capital planning and operating expenses through the 2020 5311 Rural grant program.

ORDINANCE NO. _____: It is requested an ordinance be passed authorizing and directing the City Manager to enter into an agreement for transportation services between the City of Sandusky and Erie County Veterans Service Commission for services related to the Sandusky Transit System for the period of January 1, 2020 through December 31, 2020; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

D. Submitted by Rick Wilcox, Fire Chief

AGREEMENT WITH OHIO CAT FOR EMERGENCY GENERATOR REPAIR FOR SANDUSKY FIRE DEPARTMENT

Budgetary Information: The amount for this repair is \$14,759.55. The funds for this repair will be paid from the EMS account.

ORDINANCE NO. _____: It is requested an ordinance be passed approving and ratifying the emergency repair work performed on the generator control panel at the Central Fire Station; authorizing and directing the City Manager and/or the Finance Director to expend funds for the emergency repair work to Ohio CAT of Broadview Heights, Ohio, in the amount of \$14,759.55; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

E. Submitted by Debi Eversole, Housing Development Specialist

ACCEPTING TWO PARCELS FOR CITY'S LAND BANK PROGRAM

Budgetary Information: The cost of these acquisitions will be approximately \$200 to pay for the title exams and transfer fees. The city will not collect the \$1,679.48 owed to the city in special assessments, nor will the taxing districts collect the \$1,446.19 owed in delinquent taxes. However, all or part of these costs may be recouped and reimbursed upon the sale of the parcels. As the properties are put back into tax producing status, the taxing districts will once again begin collecting real estate taxes of approximately \$1,256.90 per year.

RESOLUTION NO. _____: It is requested a resolution be passed approving and accepting certain real property for acquisition into the land reutilization program; and declaring that this resolution shall take immediate effect in accordance with Section 14 of the city charter.

F. Submitted by Debi Eversole, Housing Development Specialist

PURCHASE & SALE AGREEMENT FOR 1006 FOURTH STREET THROUGH THE LAND BANK PROGRAM

Budgetary Information: The cost associated with these purchase agreements is the total amount of the title examination, recording and transfer fees and deed preparation. Any such costs shall be recouped by the city from the nonrefundable earnest money deposits required to be paid by purchasers upon sale. By returning this non-productive land to tax producing status, the taxing districts will begin collecting real property taxes in the amount of approximately \$251.26 per year.

ORDINANCE NO. _____: It is requested an ordinance be passed declaring that certain real property owned by the city as part of the land reutilization program identified as Parcel No. 57-0312.000, located at 1006 Fourth Street, Sandusky, is no longer needed for any municipal purpose and authorizing the execution of a purchase and sale agreement with respect to that real property; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

G. Submitted by Debi Eversole, Housing Development Specialist

PURCHASE & SALE AGREEMENT FOR 1531 CAMP STREET THROUGH THE LAND BANK PROGRAM

Budgetary Information: The cost associated with these purchase agreements is the total amount of the title examination, recording and transfer fees and survey and deed preparation. Any such costs shall be recouped by the city from the non-refundable earnest money deposits required to be paid by purchasers upon sale. By returning this non-productive land to tax producing status, the taxing districts will begin collecting real property taxes in the amount of approximately \$578.30 per year.

ORDINANCE NO. _____: It is requested an ordinance be passed declaring that certain real property owned by the city as part of the land reutilization program identified as Parcel No. 58-01458.000, located at 1531 Camp Street, Sandusky, is no longer needed for any municipal purpose and authorizing the execution of purchase and sale agreements with respect to that real property; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

H. Submitted by Aaron Klein, Director of Public Works

ANNUAL PAYMENT TO OHIO EPA FOR LICENSE TO OPERATE BIWW FOR CY 2020

Budgetary Information: The total amount of \$12,180 shall be paid with water funds and has been appropriated in the operating and maintenance budget for 2019.

ORDINANCE NO. _____: It is requested an ordinance be passed authorizing and directing the Finance Director to make payment to the State of Ohio Environmental Protection Agency for the renewal of the license to operate a public water system for the calendar year 2020; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

REGULAR AGENDA ITEMS

SECOND READING

ITEM #1 – Submitted by Matt Lasko, Chief Development Officer

AMENDMENT TO CHAPTER 531 – ADDING GRAFFITI AS A PUBLIC NUISANCE

Budgetary Information: There is no budgetary effect of the proposed amendments and additions to Chapter 531 of the city's Codified Ordinances (nuisances generally).

ORDINANCE NO. _____: It is requested an ordinance be passed amending Part Five (General Offenses Code), Chapter 531 (Nuisances Generally), Sections 531.01 (Definitions) and 531.02 (Public Nuisance) and adopting new Section 531.05 (Defaced Property) of the Codified Ordinances of the City of Sandusky, in the manner and way specifically set forth hereinbelow.

ITEM #2 - Submitted by Matt Lasko, Chief Development Officer & Aaron Klein, Director of Public Works

PROJECT FUNDING AGREEMENT WITH CEDAR POINT PARK, LLC

Budgetary Information: The city will be responsible for providing \$2,250,000 from the issuance of bonds or notes.

ORDINANCE NO. _____: It is requested an ordinance be passed approving a project funding agreement with Cedar Point Park, LLC relating to various development activities in connection with certain property located in the city, and declaring an emergency.

ITEM #3 - Submitted by Aaron Klein, Director of Public Works

DONATION AGREEMENT WITH CEDAR POINT PARK, LLC FOR THE LANDING

Budgetary Information: There will be no impact on the city's general fund. In fact, this will actually help project costs since the city will not have to pay for acquisition fees for these 30 acres.

ORDINANCE NO. _____: It is requested an ordinance be passed approving a donation agreement with Cedar Point Park, LLC relating to certain property located in the city, and declaring an emergency.

ITEM #4 - Submitted by Matt Lasko, Chief Development Office

FIRST AMENDMENT TO GRANT AGREEMENT WITH COOKE BUILDING, LLC AND HUNTLEY BUILDING, LLC

Budgetary Information: The city has disbursed \$150,000 in grant funds from the capital projects fund in accordance with Section 1 of the grant agreement for the renovation to permanent Parcel #56-00816.000. These funds will then later be financed through the issuance of urban renewal revenue notes or bonds. These notes or bonds will use proceeds from the Chesapeake Tax Incremental Finance fund to pay for the debt service. The city is no longer responsible for disbursing the remaining \$350,000 in grant proceeds contemplated for permanent Parcel No's. 56-00528.001, 56-00528.000 and 56-00527.000.

ORDINANCE NO. _____: It is requested an ordinance be passed authorizing and approving a first amendment to the grant agreement with Cooke Building, LLC and Huntley Building, LLC in relation to the properties located at 154 – 162 Columbus Avenue, 119 East Market Street and 133 East Market Street; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

ITEM #5 - Submitted by John Storey, Economic Development Specialist

TERMINATION OF ENTERPRISE ZONE AGREEMENT WITH COOKE BUILDING, LLC

Budgetary Information: There is no budgetary impact with this legislation.

ORDINANCE NO. _____: It is requested an ordinance be passed authorizing and directing the City Manager to execute a mutual agreement to terminate the Enterprise Zone agreement with Cooke Building, LLC, relating to property located at 119 East Market Street and 154 – 162 Columbus Avenue, and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

ITEM #6 – Submitted by John Storey, Economic Development Specialist

ENTERPRISE ZONE AGREEMENT WITH BAY BOAT STORAGE, LTD.

Budgetary Information: The project will have an ongoing positive impact on the general fund as 25% of the increase in assessed value will be subject to real estate taxes during the abatement period. The project will also help sustain employment in the local economy and will create a minimum of three permanent full-time positions subject to city income tax.

ORDINANCE NO. _____: It is requested an ordinance be passed authorizing and directing the City Manager to enter into an enterprise zone agreement with Bay Boat Storage, Ltd., relating to property located at 1531 First Street, and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

ITEM #7 – Submitted by John Storey, Economic Development Specialist

LETTER OF INTENT WITH THE HOTY FAMILY OF COMPANIES FOR FUTURE EASEMENTS FOR THE SANDUSKY BAY PATHWAY

Budgetary Information: There is no budgetary impact to enter into this letter of intent with the companies.

ORDINANCE NO. _____: It is requested an ordinance be passed authorizing and directing the City Manager to enter into a Letter of Intent with the Hoty Family of Companies relating to future easements for the Sandusky Bay Pathway and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

ITEM #8 – Submitted by John Storey, Economic Development Specialist

GRANT AGREEMENT WITH MARKET STREET COLLECTIVE, LLC FOR 317 EAST WASHINGTON STREET

Budgetary Information: The city will be responsible for providing a total of \$139,609 in grant proceeds from the economic development capital projects fund on a reimbursable basis at the completion of the project. \$130,000 shall be budgeted from the 2019 fund budget and the remaining \$9,609 shall be budgeted from the 2020 fund budget.

ORDINANCE NO. _____: It is requested an ordinance be passed authorizing and approving a grant in the amount of \$139,609 through the substantial development grant program to Market Street Collective, LLC, in relation to the property located at 317 East Washington Street; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

ITEM #9 - Submitted by John Storey, Economic Development Specialist

ENTERPRISE ZONE AGREEMENT WITH MARKET STREET COLLECTIVE, LLC FOR 317 EAST WASHINGTON STREET

Budgetary Information: The project will have an ongoing impact on the general fund as 25% of the increase in assessed value will be subject to real estate taxes during the abatement period. The project will also help sustain employment in the local economy and will create a minimum of eight permanent full-time positions subject to city income tax.

ORDINANCE NO. _____: It is requested an ordinance be passed authorizing and directing the City Manager to enter into an Enterprise Zone agreement with Market Street Collective, LLC relating to property located at 317 East Washington Street, and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the city charter.

FIRST READING

ITEM #10 – Submitted by Ariella Blanca, Community Development Manager

PROGRAM AGREEMENT WITH THE OHIO HISTORIC PRESERVATION OFFICE

Budgetary Information: There is no budgetary impact on the city’s general fund.

ORDINANCE NO. _____: It is requested an ordinance be passed authorizing and directing the City Manager to enter into an amended Programmatic agreement for coordination between the city and the Ohio Historic Preservation Office for administration of programs using U.S. Department of Housing & Urban Development allocated funds.

CITY MANAGER’S REPORT

OLD BUSINESS

NEW BUSINESS

AUDIENCE PARTICIPATION: Open discussion on any item (5 minute limit)

EXECUTIVE SESSION(S)

ADJOURNMENT

Buckeye Broadband broadcasts on Channel 76:

Monday, December 9 at 8:30 p.m.

Tuesday, December 10 at 5 p.m.

Monday, December 16 at 8:30 p.m.

Online:

www.ci.sandusky.oh.us – Click “Play” 

PROCLAMATION

WHEREAS, Kiwanis International was founded in 1915 and is made up of men and women who share the challenge of community and world improvement by taking on humanitarian and civic projects which many public authorities are not prepared or able to perform; and

WHEREAS, the Kiwanis Club of Sandusky was founded in 1919 and its members share a desire and commitment to serve our community and enrich the lives of residents, especially children; and

WHEREAS, the Kiwanis Club of Sandusky committed to the development of a 200-acre site known as Kiwanis Park began at the corner of Cedar Point Drive and First Street in 1965 during its Golden Anniversary year; and

WHEREAS, in 1978, the City of Sandusky granted an option to Sandusky Bay Kiwanis Senior Citizens, Inc. for the purchase of real estate at the corner of East Water Street and Franklin Street for the construction of housing primarily for low- and moderate-income persons; and

WHEREAS, in 2018, in honor of Kiwanis Club of Sandusky's Centennial and City of Sandusky's Bicentennial, the Kiwanis Club partnered with the Mylander Foundation and Firelands Regional Medical Center to build a new shelter, fencing and picnic tables at Kiwanis Park for an investment of over \$30,000; and

WHEREAS, the Kiwanis Club of Sandusky has contributed to the community through projects with Kinship and the Erie County Department of Job & Family Services, at the Sandusky Library and Firelands Regional Medical Center; and

WHEREAS, the City of Sandusky is most grateful and appreciative of the many years the Kiwanis Club of Sandusky has been in existence and for its service projects and financial commitments to better the lives of the citizens of Sandusky and Erie County;

NOW THEREFORE, I, Dennis E. Murray, Jr., President of the City Commission of Sandusky, Ohio, wish the members of a joyous 100th anniversary and ask the citizens of Sandusky to join in congratulating members of for their efforts, commitment and success.

Dated this 9th day of December, 2019.

Dennis E. Murray, Jr., President
Sandusky City Commission
City of Sandusky, Ohio



PLANNING DEPARTMENT

Division of Transit

222 Meigs Street
Sandusky, Ohio 44870
419.621.8462
www.ci.sandusky.oh.us

TO: Eric Wobser, City Manager

FROM: Nicole DeFreitas, Transit Administrator

DATE: November 26, 2019

SUBJECT: Agreement for Transportation Services – Cedar Point

ITEM FOR CONSIDERATION: Legislation requesting approval for the City Manager to enter into a contract for transportation services between the City of Sandusky / Sandusky Transit System and Cedar Point for employee transportation services.

BACKGROUND INFORMATION: The Sandusky Transit System (STS) will provide unlimited, safe, reliable, transportation services to all of Cedar Point employees on Fixed Routes only.

This contract is in effect from January 1, 2020 until December 31, 2020 at a negotiated rate of \$175,000 per year.

Cedar Point will be invoiced and billed \$43,750 on a Quarterly basis and be expected to pay in a timely manner. The money received from this contract will help meet the local match to support the 2020 5311 Rural grant program to support transit in Erie County.

BUDGET IMPACT: STS will receive \$175,000 for the length of the proposed contract. This money collected will be used to offset the capital planning and operating expenses through the 2020 5311 Rural grant program.

ACTION REQUESTED: It is requested legislation be adopted allowing the City Manager to enter into a contract for transportation services with Cedar Point. It is further requested that this legislation take immediate effect in full accordance with Section 14 of the City Charter to allow the agreement to be executed as soon as possible and prior to the commencing date of January 1, 2020.

I concur with this recommendation:

Eric Wobser

City Manager

Angela Byington

Director of Planning

cc: Kelly Kresser, Clerk of the City Commission

Sally Martin, Acting Finance Director

Trevor Hayberger, Law Director

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING AND DIRECTING THE CITY MANAGER TO ENTER INTO AN AGREEMENT FOR TRANSPORTATION SERVICES BETWEEN THE CITY OF SANDUSKY AND MILLENNIUM OPERATIONS LLC, D.B.A. CEDAR POINT, FOR SERVICES RELATED TO THE SANDUSKY TRANSIT SYSTEM DURING THE PERIOD OF JANUARY 1, 2020, THROUGH DECEMBER 31, 2020; AND DECLARING THAT THIS ORDINANCE SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.

WHEREAS, the Sandusky Transit System will provide free transportation services for Cedar Point employees, upon the showing of the employee's valid Cedar Point Identification Card, for any of the Fixed Routes on the Sandusky Transit System; and

WHEREAS, this City Commission approved an agreement with Cedar Point, LLC, for services related to the Sandusky Transit System for the period of January 1, 2019, through December 31, 2019, for a negotiated rate of \$150,000.00 by Ordinance No. 18-242, passed on December 21, 2018; and

WHEREAS, Cedar Point will pay \$175,000.00 for the unlimited ridership for their employees for the period of January 1, 2020, through December 31, 2020; 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 execute the agreement prior to the commencing date of January 1, 2020; 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 Sandusky Transit System, 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. The City Manager is authorized to execute an Agreement with Millennium Operations LLC, d.b.a. Cedar Point, for transportation services related to the Sandusky Transit System for the period from January 1, 2020, through December 31, 2020, substantially in the same form as reflected in Exhibit "A" which is attached to this Ordinance and specifically incorporated as if fully rewritten herein together with such revisions or additions as are approved by the

Law Director as not being substantially adverse to the City and being consistent with the objectives and requirements of this Ordinance and with carrying out the City's public purposes.

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.

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

ATTEST: _____
KELLY L. KRESSER
CLERK OF THE CITY COMMISSION

Passed: December 9, 2019

TRANSPORTATION AGREEMENT

This Transportation Agreement between the City of Sandusky's Sandusky Transit System (STS) and Millennium Operations LLC d.b.a. Cedar Point, herein known as Cedar Point sets forth the terms agreed upon between the parties for provision of program eligible transportation service.

Term: The services performed under this agreement will be for the period commencing January 1, 2020 and continuing through December 31, 2020.

Scope of Service: STS will provide free transportation services for Cedar Point employees, upon the showing of the employee's valid Cedar Point Identification Card, for any of the STS fixed routes.

Operating Days: Service will be available every day except the following holidays: New Year's Day, Thanksgiving Day, and Christmas Day, but subject to change.

Fare and Payment Schedule: Cedar Point will pay \$175,000 for unlimited ridership for Cedar Point employees for all fixed routes. Fixed Routes are Monday through Saturday and normally scheduled service hours between 6:00 a.m. to 10:00 p.m., but subject to change.

Billing: Cedar Point will be billed, and shall pay, for services quarterly in the amount of \$43,750, for a total amount of \$175,000.

STS Responsibilities

1. Vehicle Operations: STS will provide free transportation on any of the STS Fixed Routes to any Cedar Point employee, who shows their valid Cedar Point ID card.

Cedar Point Responsibilities

1. Passenger Information: Cedar Point shall inform their employees that in order to ride the STS fixed routes for free, the employees shall show their valid Cedar Point ID card.

Monitoring and Evaluation: STS and Cedar Point will monitor the manner in which the terms of this Agreement are being carried out and evaluate its effectiveness.

Amendments: This Agreement may be amended at any time by a written amendment signed by both parties.

Termination: This agreement may be terminated by either party upon ninety (90) days notice in writing provided by one party to the other. STS will continue to provide service until the effective date of termination, and Cedar Point will make payment in accordance with the payment provisions of the Agreement for the services prior to the effective date of termination.

CITY OF SANDUSKY

MILLENNIUM OPERATIONS LLC
D.B.A. CEDAR POINT

BY:

Eric Wobser, City Manager

Jason McClure, General Manager

Date

Date

Approved as to form:

Trevor M. Hayberger, Law Director



PLANNING DEPARTMENT

Division of Transit

222 Meigs Street
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www.ci.sandusky.oh.us

TO: Eric Wobser, City Manager

FROM: Nicole DeFreitas, Transit Administrator

DATE: November 26, 2019

SUBJECT: Agreement for Transportation Services – Sandusky City Schools

ITEM FOR CONSIDERATION: Legislation requesting approval for the City Manager to enter into a contract for transportation services between the City of Sandusky / Sandusky Transit System and Sandusky City Schools.

BACKGROUND INFORMATION: The Sandusky Transit System (STS) has provided transportation services to the Sandusky City Schools since February of 2017. The City and Sandusky City Schools agreed to modified services and rates which were effective on November 1, 2018.

This contract is in effect from January 1, 2020 until December 31, 2020 at a negotiated rate of \$9.00 each way, per student passenger trip.

Guaranteed Dial-a-Ride Service

Individual One-Way Trip \$ 9.00

Fixed Route Service

SCS Quarterly Student \$ 50.00

Fixed Route Pass

Individual Rides \$10.00
multiples of 10 tickets

STS will provide Sandusky City Schools with reports, training and information that were agreed upon in said proposed contract. Sandusky City Schools will be invoiced and billed on a Monthly basis and be expected to pay in a timely manner. The money received from this contract will help meet the local match to support the 5311 Rural grant program to support transit in Erie County.

BUDGET IMPACT: STS will receive \$9.00 per passenger, per one way trip from Sandusky City Schools for the length of the proposed contract. This money collected will be used to offset the capital planning and operating expenses through the 5311 Rural grant program.

ACTION REQUESTED: It is requested legislation be adopted allowing the City Manager to enter into a contract for transportation services with Sandusky City Schools. It is further requested that this legislation take immediate effect in full accordance with Section 14 of the City Charter to allow the agreement to be executed prior to the commencing date of January 1, 2020.

I concur with this recommendation:

Eric Wobser

City Manager

Angela Byington

Director of Planning

cc: Kelly Kresser, Clerk of the City Commission
Sally Martin, Acting Finance Director
Trevor Hayberger, Law Director

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING AND DIRECTING THE CITY MANAGER TO ENTER INTO AN AGREEMENT FOR TRANSPORTATION SERVICES BETWEEN THE CITY OF SANDUSKY AND SANDUSKY CITY SCHOOLS FOR SERVICES RELATED TO THE SANDUSKY TRANSIT SYSTEM FOR THE PERIOD OF JANUARY 1, 2020, THROUGH DECEMBER 31, 2020; AND DECLARING THAT THIS ORDINANCE SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.

WHEREAS, the Sandusky Transit System will provide transportation services approved by Sandusky City Schools for program participants throughout Erie County and these services will be coordinated between Sandusky City Schools and the Sandusky Transit System; and

WHEREAS, the Sandusky Transit System has provided these services to Sandusky City Schools since February of 2017, and is desirous to continue these services; and

WHEREAS, this City Commission approved an agreement with Sandusky City Schools for services related to the Sandusky Transit System for the period of November 1, 2018, through December 31, 2019, by Ordinance No. 19-040, passed on March 11, 2019; and

WHEREAS, the Sandusky Transit System will receive \$9.00 per one-way trip for curb-to-curb services, \$50.00 quarterly for a student fixed route pass, and \$10.00 for multiples of 10 individual ride tickets for the period of January 1, 2020, through December 31, 2020; 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 execute the agreement prior to the commencing date of January 1, 2020; 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 Sandusky Transit System, 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. The City Manager be and hereby is authorized to execute an Agreement with Sandusky City Schools for transportation services related to the Sandusky Transit System for the period from January 1, 2020, through December 31, 2020, substantially in the same form as reflected in Exhibit "1" which is

attached to this Ordinance and specifically incorporated as if fully rewritten herein together with such revisions or additions as are approved by the Law Director as not being substantially adverse to the City and being consistent with the objectives and requirements of this Ordinance and with carrying out the City's public purposes.

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.

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

ATTEST: _____
KELLY L. KRESSER
CLERK OF THE CITY COMMISSION

Passed: December 9, 2019

TRANSPORTATION AGREEMENT

This Transportation Agreement between the City of Sandusky / Sandusky Transit System (STS) and Sandusky City Schools (SCS) outlines the terms agreed upon between the parties for provision of program eligible transportation service.

Term: The services performed under this agreement will be for the period commencing January 1, 2020 and continuing through December 31, 2020.

Scope of Service: STS will provide transportation services approved by SCS for program participants throughout Erie County.

Operating Days: Service will be available every day except on the following holidays: Martin Luther King Day; Presidents Day; Memorial Day; Independence Day; Labor Day; Veterans' Day; Thanksgiving; Christmas Day;

Fare and Payment Schedule: SCS will be billed for the services outlined below:

<u>Guaranteed Dial-a-Ride Service</u>	
Individual One-Way Trip	\$ 9.00
<u>Fixed Route Service</u>	
SCS Quarterly Student Fixed Route Pass	\$ 50.00
Individual Rides – multiples of 10 tickets	\$10.00

Guaranteed Dial-A-ride Service

STS guarantees Transportation to the SCS for trips scheduled with 72 hours' notice.

Individual One-Way Trip

A one-way trip is defined as a one-way trip to and from any destination within Erie County.

Fixed Route Service

SCS Quarterly Student Fixed Route Pass

The Fixed Route pass is good for unlimited transportation for students on the Fixed Route system for the SCS Quarter. The SCS is responsible for the distribution of student passes to students. The STS is responsible for printing passes for SCS.

Fixed Route Tickets

STS will provide bulk Fixed Route Individual Ride tickets to SCS on request at \$10.00 in multiples of 10 tickets.

Billing

SCS will be billed for transportation services rendered and ticket and pass sales on a monthly basis.

STS Responsibilities

1. Vehicle Operations: STS will be responsible for operations and maintenance functions as necessary to provide the highest quality service possible, including: hiring and training of drivers, supervising personnel, processing passenger reservations and preparing daily schedules, dispatching vehicles, maintaining, servicing, and repairing vehicles and equipment, and insuring vehicles, employees, and passengers. STS as Shared Ride Service reserves the right to combine trips between multiple organizations.
2. Passenger Reservations and Scheduling: STS will maintain a telephone number to SCS staff to make or cancel reservations as necessary.
3. Driver qualifications: STS will ensure all drivers meet or exceed the standards set forth in OAC #173-39-02 and records of their qualifications maintained and available for inspection by SCS upon request.

Agency Responsibilities

1. Passenger Information: The following information must be provided for each individual: name; date of birth; address; telephone number; and any special accommodations that may be necessary for the comfort and convenience of passenger. Additions or deletions to information may be communicated to STS in writing or by telephone or fax.
2. Payment for Services: Payment for transportation services provided to SCS will be expected upon receipt of billing. Billing will normally be mailed by the 10th of month following service.

Monitoring and Evaluation: STS and SCS will monitor the manner in which the terms of this Agreement are being carried out and evaluate its effectiveness.

Amendments: This Agreement may be amended at any time by a written amendment signed by both parties. Reasons for amendments may include, but are not necessarily limited to, the following:

- The quality or extent of general public services furnished by STS does not meet the needs of SCS.
- The actual cost of providing service significantly increases above the originally agreed upon rates and terms.

Termination: This agreement may be terminated by either party upon ninety (90) days notice in writing provided by one party to the other. In the event that funding for the services covered in this agreement is eliminated or decreased, each party shall have a right to terminate or negotiate a modification of the scope and compensation. STS will continue to provide service until the effective date of termination, and SCS will make payment in accordance with the payment provisions of the Agreement for the services prior to the effective date of termination.

SIGNATURE PAGE TO FOLLOW

WITNESSES:

CITY OF SANDUSKY

Eric L. Wobser, City Manager

Date

WITNESSES:

SANDUSKY CITY SCHOOLS

(Signature)

(Printed Name and Title)

Date

Approved as to Form:

Trevor M. Hayberger #0075112
Law Director, City of Sandusky



PLANNING DEPARTMENT

Division of Transit

222 Meigs Street
Sandusky, Ohio 44870
419.621.8462
www.ci.sandusky.oh.us

TO: Eric Wobser, City Manager

FROM: Nicole DeFreitas, Transit Administrator

DATE: November 26, 2019

SUBJECT: Agreement for Transportation Services – Erie County Veterans Services Commission

ITEM FOR CONSIDERATION: Legislation requesting approval for the City Manager to enter into a contract for transportation services between the City of Sandusky / Sandusky Transit System (STS) and Erie County Veterans Services Commission.

BACKGROUND INFORMATION: STS will provide transportation services approved by Erie County Veterans Service Commission for program participants throughout Erie County. This contract is in effect from January 1, 2020 until December 31, 2020 at a negotiated rate of \$8.00 per one-way trip, per passenger trip.

STS will provide Erie County Veterans Services Commission with reports, training and information that were agreed upon in said proposed contract. Erie County Veterans Services Commission will be invoiced and billed on a Quarterly basis and be expected to pay in a timely manner. The money received from this contract will help meet the local match to support the 2020 5311 Rural grant program to support transit in Erie County.

BUDGET IMPACT: STS will receive \$8.00 per passenger trip from Erie County Veterans Services Commission for the length of the proposed contract. This money collected will be used to offset the capital planning and operating expenses through the 2020 5311 Rural grant program.

ACTION REQUESTED: It is requested legislation be adopted allowing the City Manager to enter into a contract for transportation services with Erie County Veterans Services Commission. It is further requested that this legislation take immediate effect in full accordance with Section 14 of the City Charter to allow the agreement to commence on January 1, 2020.

I concur with this recommendation:

Eric Wobser

City Manager

Angela Byington

Director of Planning

cc: Kelly Kresser, Clerk of the City Commission

Sally Martin, Acting Finance Director

Trevor Hayberger, Law Director

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING AND DIRECTING THE CITY MANAGER TO ENTER INTO AN AGREEMENT FOR TRANSPORTATION SERVICES BETWEEN THE CITY OF SANDUSKY AND ERIE COUNTY VETERANS SERVICE COMMISSION FOR SERVICES RELATED TO THE SANDUSKY TRANSIT SYSTEM FOR THE PERIOD OF JANUARY 1, 2020, THROUGH DECEMBER 31, 2020; AND DECLARING THAT THIS ORDINANCE SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.

WHEREAS, the Sandusky Transit System will provide transportation services approved by Erie County Veterans Service Commission for program participants throughout Erie County; and

WHEREAS, Erie County Veterans Service Commission will be billed for clients transported to and from the Ohio Veterans Home in Perkins Township on a schedule coordinated between Erie County Veterans Service Commission and the Sandusky Transit System; and

WHEREAS, the Sandusky Transit System has provided these services to Erie County Veterans Service Commission in the past, and is desirous to continue these services; and

WHEREAS, this City Commission approved an agreement with Erie County Veterans Service Commission for services related to the Sandusky Transit System for the period of January 1, 2019, through December 31, 2019, by Ordinance No. 18-241, passed on December 21, 2018; and

WHEREAS, the Sandusky Transit System will receive \$8.00 per one-way trip per passenger for the period of January 1, 2020, through December 31, 2020; 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 execute the agreement prior to the commencing date of January 1, 2020; 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 Sandusky Transit System, 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. The City Manager is authorized to execute an Agreement with Erie County Veterans Service Commission for transportation services related to

the Sandusky Transit System for the period from January 1, 2020, through December 31, 2020, substantially in the same form as reflected in Exhibit "A" which is attached to this Ordinance and specifically incorporated as if fully rewritten herein together with such revisions or additions as are approved by the Law Director as not being substantially adverse to the City and being consistent with the objectives and requirements of this Ordinance and with carrying out the City's public purposes.

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.

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

ATTEST: _____
KELLY L. KRESSER
CLERK OF THE CITY COMMISSION

Passed: December 9, 2019

TRANSPORTATION AGREEMENT

This Transportation Agreement between the City of Sandusky's Sandusky Transit System (STS) and Erie County Veterans Service Commission sets forth the terms agreed upon between the parties for provision of program eligible transportation service.

Term: The services performed under this agreement will be for the period commencing January 1, 2020, and continuing through December 31, 2020.

Scope of Service: STS will provide transportation services approved by Erie County Veterans Service Commission for program participants throughout Erie County.

Operating Days: Service will be available every day except Sundays and the following holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, but subject to change.

Fare and Payment Schedule: Erie County Veterans Service Commission will be billed at the rate of \$8.00 per one-way trip per passenger for all service requests for all clients, STS shall only bill for clients transported to and from the Ohio Veterans Home located at 3416 Columbus Ave, Sandusky, OH 44870, unless otherwise authorized by Erie County Veterans Service Commission staff.

Erie County Veterans Service Commission will be billed for transportation services rendered on a Monthly basis.

STS Responsibilities

1. Vehicle Operations: STS will be responsible for operations and maintenance functions as necessary to provide the highest quality service possible, including: hiring and training of drivers, supervising personnel, processing passenger reservations and preparing daily schedules, dispatching vehicles, maintaining, servicing, and repairing vehicles and equipment, and insuring vehicles, employees, and passengers.
2. Passenger Reservations and Scheduling: STS will maintain a telephone number to Erie County Veterans Service Commission staff or authorized Clients to make or cancel reservations as necessary.

Agency Responsibilities

1. Passenger Information: The following information must be provided for each individual: name; date of birth; address; telephone number; and any special accommodations that may be necessary for the comfort and convenience of

passenger. Additions or deletions to information may be communicated to STS in writing or by telephone or fax.

2. Payment for Services: Payment for transportation services provided to clients of your agency will be expected upon receipt of billing. Billing will normally be mailed by the 10th of month following service.

Monitoring and Evaluation: STS and Erie County Veterans Service Commission will monitor the manner in which the terms of this Agreement are being carried out and evaluate its effectiveness.

Amendments: This Agreement may be amended at any time by a written amendment signed by both parties. Reasons for amendments may include, but are not necessarily limited to, the following:

- The quality or extent of general public services furnished by STS does not meet need of Erie County Veterans Service Commission.

The actual cost of providing service significantly increases above the originally agreed upon rates and terms.

Termination: This agreement may be terminated by either party upon ninety (90) days notice in writing provided by one party to the other. In the event that funding for the services covered in this agreement is eliminated or decreased, each party shall have a right to terminate or negotiate a modification of the scope and compensation. STS will continue to provide service until the effective date of termination, and Erie County Veterans Service Commission will make payment in accordance with the payment provisions of the Agreement for the services prior to the effective date of termination.

BY:

Eric Wobser, City Manager

Erie County Veterans Service Commission

Date

Date

Approved As to Form

Trevor M. Hayberger, Law Director

November 26, 2019

MEMORANDUM

TO: Eric Wobser, City Manager

FROM: Rick Wilcox, Fire Chief

RE: Commission Agenda Item

ITEM FOR CONSIDERATION: Requesting legislation approving and ratifying the emergency repair work performed by Ohio CAT, of Broadview Heights, Ohio, to the Central Fire Station's emergency generator.

BACKGROUND INFORMATION: The emergency generator is vital to maintain all radio traffic, open and closed the bay doors and power the entire fire station in the event of a power outage.

The emergency generator's control panel was not working and the make and model for the control panel was obsolete. Ohio CAT had to manufacture an entire control panel compatible with this generator. This repair was also very labor intensive. Ohio CAT was contacted for the emergency repairs as they have been maintaining the generator since it was installed when the Fire Station was built and their headquarters is located in Broadview Heights, Ohio.

Under normal circumstances the city's fleet maintenance department maintains the emergency generator.

BUDGETARY INFORMATION: The amount for this repair is **\$14,759.55**. The funds for this repair will be paid from the EMS account, 110-1310-54090.

ACTION REQUESTED: It is requested that the proper legislation be prepared approving and ratifying the emergency repair work to the generator at the Central Fire Station and authorization to expend funds not to exceed \$14,759.55 to Ohio CAT for the emergency repairs already performed. It is further requested that this legislation take immediate effect in full accordance with Section 14 of the City Charter in order to pay the invoice received in a timely manner for the emergency repairs already provided and to use funds from the 2019 budget.

Approved:

Rick Wilcox, Fire Chief

I concur with this recommendation:

Eric Wobser, City Manager

Cc: Trevor Hayberger, Law Director
Sally Martin, Acting Finance Director
John Orzech, Acting Safety Services Director
Kelly Kresser, Commission Clerk

431133054090



3993 E. Royalton Rd
Broadview Hts, OH 44147

Service Invoice

Invoice Number: WO230147009
Ref Doc: PR11294
P.O. Number: GLEN
Invoice Amount: \$14759.55
Invoice Date: 11/14/19

Sold To: 2800020

CITY OF SANDUSKY
222 MEIGS ST
SANDUSKY, OH 44870-2835

Remit Payment To:
Ohio CAT
Box 774439
4439 Solutions Center
Chicago, IL 60677-4004

For Questions, Please Contact:
Tammy Pietrzycki 440-838-7264
tpietrzycki@ohiocat.com

Customer #: 2800020

MACH ID: _____ Equipment No: _____ Terms: 2
Make: CAT Model _____ SN: 1 SMU/OD: 639.0

INVOICE SUMMARY:						
SEG	DESCRIPTION	PARTS	LABOR	MISC	F/R ALL	TOTAL
01	TRAVEL TO/FROM OPER DISPL IND - N/A		1662.25	1038.50		2700.75
02	TROUBLESHOOT OPER DISPL IND - N/A	23.09	6473.27	5338.71		11835.07
	SUPPLIES/ENV CHG			223.73		223.73
	SUBTOTAL	23.09	8135.52	6600.94		14759.55
	TOTAL	23.09	8135.52	6600.94		14759.55



PAY THIS AMOUNT **\$14759.55**



Service Invoice

Shipped To:

PAYMENT TERMS: Net 30 Days from invoice date. A monthly finance charge of 1.5% will be added to all past due amounts. Title to goods remains with seller until full payment is received. Returned parts must be accompanied by invoice or packing list and are subject to a restocking fee. Parts designated with an asterisk (*) are not returnable.

SANDUSKY
FIRE STATION
MARKET ST
SANDUSKY OH
44870

Gen Central
Pamela

Ohio

3993 E. Royalton Rd
Broadview Hts. OH 44147

Service Invoice

Invoice Number: WO230147009
Ref Doc: PR11294
P.O. Number: GLEN
Invoice Amount: \$14759.55
Invoice Date: 11/14/19

Sold To: 2800020

CITY OF SANDUSKY

SEGMENT 01: TRAVEL TO/FROM OPER DISPL IND - N/A**LABOR:**

QUANTITY	PART NO	DESCRIPTION	STK/NON-STK	UNIT PRICE	EXTENSION
		FIELD TRAVEL LA			1498.75
		FIELD TRAVEL LA			163.50
		TOTAL LABOR	SEG. 01		1662.25
65.00		PSD TRK MILEAGE			217.75
245.00		PSD TRK MILEAGE			820.75
		TOTAL MISC CHGS	SEG. 01		1038.50
		SEGMENT 01 TOTAL			2700.75

SEGMENT 02: TROUBLESHOOT OPER DISPL IND - N/A

DISPLAY ON CONTROL PANEL WENT BLANK AND ALL LIGHTS
WERE ON REMOTE ANNUNCIATOR PANEL.TROUBLESHOOT
SYSTEM.FOUND BATTERY VOLTAGE PRESENT.PANEL SHORTED
OUT.ORDER NEW ONE.SERIAL OLY00000CNNS00237
-ARRIVED AT JOB SITE
-INSTALLED RELAY FOR LOUVERS
-RAN ENGINE AND CHECKED LOUVER OPENING
-PROGRAMMED EMCP4.2 PANEL
-TESTED ENGINE SHUT DOWN
-LEFT IN AUTOMATIC

PARTS:

QUANTITY	PART NO	DESCRIPTION	STK/NON-STK	UNIT PRICE	EXTENSION
12	136-4878	SPLICE WIRE	N	1.30	15.60
1	617-121	10AMP FUSE	S	7.49	7.49
		TOTAL PARTS	SEG. 02		23.09
		FIELD LABOR			5445.75
		FIELD LABOR			1027.52
		TOTAL LABOR	SEG. 02		6473.27
1.00	SE239128	EMCP4.2 CONTROL			5338.71
		TOTAL MISC CHGS	SEG. 02		5338.71
		SEGMENT 02 TOTAL			11835.07
		SUPPLIES/ENV CHG			223.73
		TAX EXEMPTION LICENSE GOV			

LIMITED WARRANTY

Ohio CAT warrants all service performed by its service personnel and all New Caterpillar parts provided in connection with such service to be free of workmanship defects for a period of six (6) months or one thousand five hundred (1,500) hours of operation, whichever comes first.

Ohio CAT will repair or replace, at its option, any damaged part involved in the warranty repair.

Unless otherwise agreed by Ohio CAT, such parts and installation labor will be provided without charge to the OWNER/OPERATOR at Ohio CAT's facility or at such other service establishment previously authorized by Ohio CAT at the option of Ohio CAT.

Such repair service is to be provided during provider's regular business hours. OWNER/OPERATOR shall be responsible for all transportation cost associated with transporting the equipment to the site where such repairs are to be performed.

THIS WARRANTY IS NOT APPLICABLE TO FAILURES OR DEFECT RESULTING FROM:

- (a) The use of attachments not sold or approved by Ohio CAT; or
- (b) Installation of components or other repair work not performed by Ohio CAT which, in the judgment of Ohio CAT, is deemed improper; or
- (c) Poor maintenance or abusive operation; or
- (d) An application that exceeds the specified limits in the manufacturer specification.

All repairs made by Ohio CAT pursuant to this warranty shall not extend the stated warranty period and the owner/operator shall be responsible for giving prompt written notice of warrantable failure and promptly making the machine available for repair.

In the event of breach of the above warranty, it is expressly understood that the owner/operator's sole remedy shall be the repair or replacement of any damaged part as specifically provided in this warranty, provided, however, that should the parts prove so damaged as to preclude the remedying of warranted workmanship defects by repair or replacement the owner/operator's sole and exclusive remedy shall then be refund of the purchase price of the parts and labor previously furnished or provided by Ohio CAT.

THE ONLY WARRANTIES APPLYING TO THIS PART(S) ARE THOSE WHICH MAY BE OFFERED BY THE MANUFACTURER. THE SELLING DEALER HEREBY EXPRESSLY DISCLAIMS ALL WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND NEITHER ASSUMES NOR AUTHORIZES ANY OTHER PERSON TO ASSUME FOR IT ANY LIABILITY IN CONNECTION WITH THE SALE OF THIS PART(S) AND/OR SERVICE. BUYER SHALL NOT BE ENTITLED TO RECOVER FROM THE SELLING DEALER ANY CONSEQUENTIAL DAMAGES, DAMAGES TO PROPERTY, DAMAGES FOR LOSS OF USE, LOSS OF TIME, LOSS OF PROFIT, OR INCOME, OR ANY OTHER INCIDENTAL DAMAGES.

CONDITIONS AND LIMITATIONS:

With the above warranties and limitations understood, Ohio CAT shall in no event be liable for any other losses, damages, costs or expenses claimed by the owner/operator, including but not limited to loss from failure of the equipment to operate for any period of time or business interruption, and all other direct, indirect, special, incidental, punitive or consequential damages, including but not limited to lost revenues, lost profits and indirect income loss, regardless of whether such claim is brought under breach of contract, breach of warranty, tort, strict liability, negligence or other theory of law or equity.

INDEMNIFICATION:

In the event that any services performed under this Work Order Invoice are performed at OWNER/OPERATOR'S facility or worksite, OWNER/OPERATOR shall indemnify, defend and hold harmless Ohio CAT from any damages to property or personal injury suffered by Ohio CAT and/or its personnel occurring while on the site of OWNER/OPERATOR'S facility or worksite (except to the extent caused by the negligent or willful actions of Ohio CAT or its personnel), and Ohio CAT shall indemnify, defend and hold harmless OWNER/OPERATOR for damages to property and personal injury caused by the negligent or willful actions of Ohio CAT or its personnel.

THE WARRANTY SET FORTH ABOVE IS GIVEN IN LIEU OF ALL OTHER WARRANTIES EXPRESS OR IMPLIED AND ALL OTHER WARRANTIES ARE HEREBY DISCLAIMED, INCLUDING WITHOUT LIMITATION LIMITING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE.

CERTIFICATE OF FUNDS

In the Matter of: Ohio Cat - Emergency Generator Repair

IT IS HEREBY CERTIFIED that the moneys required to meet the obligations of the City of Sandusky under the foregoing Contract have been lawfully appropriated for such purposes and are in the treasury of the City of Sandusky or are in the process of collection to an appropriate fund, free from any previous encumbrances. This certificate is given compliance with Sections 5705.41 and 5705.44, Ohio Revised Code.

Dated: December 3, 2019

By: 

Sally Martin

Acting Finance Director

ORDINANCE NO. _____

AN ORDINANCE APPROVING AND RATIFYING THE EMERGENCY REPAIR WORK PERFORMED ON THE GENERATOR CONTROL PANEL AT THE CENTRAL FIRE STATION; AUTHORIZING AND DIRECTING THE CITY MANAGER AND/OR THE FINANCE DIRECTOR TO EXPEND FUNDS FOR THE EMERGENCY REPAIR WORK TO OHIO CAT OF BROADVIEW HEIGHTS, OHIO, IN THE AMOUNT OF \$14,759.55; AND DECLARING THAT THIS ORDINANCE SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.

WHEREAS, the emergency backup generator at the Central Fire Station is vital to maintain all radio traffic, open and close bay doors, and power the entire fire station in the event of a power outage; and

WHEREAS, the control panel on the generator was not working and the make and model of the control panel was no longer being manufactured so it was critical to have it repaired immediately and Ohio CAT was contacted for the emergency repairs as they have been maintaining the generator since it was installed when the Central Fire Station was built and their headquarters is located in Broadview Heights, Ohio; and

WHEREAS, Ohio CAT manufactured an entire control panel compatible to the emergency backup generator and the work performed was labor intensive; and

WHEREAS, the City Manager notified this City Commission at their November 25, 2019, regularly scheduled meeting of the emergency nature of the situation and that emergency repairs were made to the generator at the Central Fire Station; and

WHEREAS, pursuant to Section 24 of the City Charter the emergency nature of the work obviates the necessity to comply with formal competitive bidding and advertising; and

WHEREAS, the total cost of the repair work is \$14,759.55 and will be paid with EMS Funds; 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 allow for timely payment of the emergency repair services already performed and to make payment with funds from the 2019 budget; 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 Fire Department, 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 confirms the finding of a real and present emergency regarding the emergency services obviating the necessity to comply with formal competitive bidding as authorized by the Ohio Revised Code and ratifies the emergency repair services performed on the generator control panel at the Central Fire Station.

Section 2. The City Manager and/or Finance Director is authorized and directed to expend funds for the emergency repair work performed on the generator control panel at the Central Fire Station to Ohio CAT of Broadview Heights, Ohio, at an amount **not to exceed** Fourteen Thousand Seven Hundred Fifty Nine and 55/100 Dollars (\$14,759.55).

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 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 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.

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

ATTEST:

KELLY L. KRESSER
CLERK OF THE CITY COMMISSION

Passed: December 9, 2019



COMMUNITY DEVELOPMENT

240 Columbus Avenue
Sandusky, Ohio 44870
419.627.5832
www.ci.sandusky.oh.us

TO: Eric Wobser, City Manager

FROM: Debi Eversole, Housing Development Specialist

DATE: November 26, 2019

RE: City Commission Agenda Item

ITEMS FOR CONSIDERATION: Legislation requesting approval to accept two (2) parcels of nonproductive land situated within the City of Sandusky through the City of Sandusky's Land Reutilization Program for the purpose of facilitating reutilization of the nonproductive land.

BACKGROUND INFORMATION: Pursuant to Ordinance No. 07-026 passed June 11, 2007, the City is conducting a Land Reutilization Program in accordance with the provisions of Chapter 5722 of the Ohio Revised Code to acquire vacant and abandoned tax delinquent property with the future goal of productive reuse of the land. The City's ability to assemble land for reuse and redevelopment is critical to stabilizing and rebuilding Sandusky's neighborhoods and is necessary for neighborhood revitalization. The goal of the City of Sandusky's Land Reutilization Program is to return vacant and abandoned tax delinquent property to productive use that benefits the community. If a property is not producing tax revenues, less money is collected and available for enhancements back into the community. Also because the property is abandoned, it is not maintained and often becomes an illegal dumping ground. The city spends thousands of dollars per year maintaining weeds and nuisance conditions on abandoned properties. By returning the property back to a long-term tax producing status, more revenue is generated and available for community improvements and the City will not have to expend funds to maintain it.

The two (2) parcels are described in Exhibit "A" and are tax delinquent and have been deemed to be necessary and/or beneficial to the Land Reutilization Program efforts and were approved by the Land Bank Committee on November 18, 2019. The two (2) parcels are vacant lots.

- The vacant lot located at 521 McDonough Street, Erie County Parcel No. 59-00815.000 is 33' x 198 and is zoned R2F. Upon acquisition, the lot will be eligible for acquisition through the Mow To Own Side Lot Disposition Program or marketed for future development – should the new development meet the residential zoning and building requirements.
- The vacant lot located on Pierce Street, Erie County Parcel No. 58-02445.000 is 33' x 130 and is zoned R2F. Upon acquisition, the lot will be eligible for acquisition through the Mow To Own Side Lot Disposition Program or marketed for future development – should the new development meet the residential zoning and building requirements.

The Land Bank Committee has determined that the acquisition of these two (2) parcels is necessary to protect, improve and preserve the stability of the neighborhoods that they are located in.

BUDGET IMPACT: The cost of these acquisitions will be approximately Two Hundred Dollars (\$200.00) to pay for the title exams and transfer fees. The City will not collect the one thousand six hundred seventy nine dollars and forty eight cents (\$1,679.48) owed to the City in special assessments, nor will the taxing districts collect the one thousand four hundred forty six dollars and nineteen cents (1,446.19) owed in delinquent taxes. However, all or part of these costs may be recouped and reimbursed upon the sale of the parcels. As the properties are put back into tax producing status, the taxing districts will once again begin collecting real estate taxes of approximately one thousand two hundred fifty six dollars and ninety cents (1,256.90) per year.

ACTION REQUESTED: It is requested legislation be adopted allowing the City Manager to acquire two (2) parcels of land through the City of Sandusky's Land Reutilization Program. It is further requested that the legislation be passed under suspension of the rules and in full accordance with Section 14 of the City Charter in order to allow the Erie County prosecutor's Office to proceed with the Sheriff's sales and judicial foreclosure process in a timely manner.

Debi Eversole, Housing Development Specialist

I concur with this recommendation:

Matt Lasko, Chief Development Officer

Eric L. Wobser, City Manager

cc: Trevor Hayberger, Law Director
Sally Martin, Acting Finance Director
Kelly Kresser, Commission Clerk

Erie County, Ohio - Property Record Card

Parcel: 59-00815.000

GENERAL PARCEL INFORMATION

Owner HUNTER DION
 Property Address 521 MCDONOUGH SANDUSKY OH 44870
 Mailing Address 2106 CLEVELAND RD

Land Use 500 - RESIDENTIAL VACANT LAND
 Legal Description 39 MCDONOUGH STREET 33'X198'

Neighborhood 5955990 -
 School District SANDUSKY SD

MAP NUMBER: 7

VALUATION

	Appraised	Assessed
Land Value	\$7,460.00	\$2,610.00
Improvements Value	\$0.00	\$0.00
CAUV Value	\$0.00	\$0.00
Total Value	\$7,460.00	\$2,610.00

LAND

Land Type	Acreage	Depth	Frontage	Depth	Value
F - FRONT LOT	0.15	198	33	113	\$7,460.00



AGRICULTURAL

Land Type	Land Usage	Soil Type	Acres	Value
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SALES

Date	Buyer	Seller	Price
7/31/2015	HUNTER DION	LLLL INVESTMENTS LTD	\$0
7/13/2007	LLLL INVESTMENTS LTD	EMC MORTGAGE CORP	\$0
5/9/2007	EMC MORTGAGE CORP	LUTZKO REGAN L	\$0
5/9/2007	LUTZKO REGAN L	WELLS FARGO HOME	\$27,000
1/30/2006	WELLS FARGO HOME	COPENHAVER ANTHONY	\$48,000
1/8/2003	COPENHAVER ANTHONY	COLLINS LINDA M	\$71,900

COMMERCIAL
Description
Year Built
Year Remodeled
Unit Count
Section Number
Section Area
Wall Height
Section Story Count

A sketch is unavailable for this parcel.

ADDITIONS			
Description	Area	Year Built	Value

IMPROVEMENTS			
Description	Year Built	Dimension Area	Value

TAX	1st Half	2nd Half	Total
Charge:	\$131.54	\$131.54	
Credit:	(\$49.67)	(\$49.67)	
Rollback:	(\$7.12)	(\$7.12)	
Reduction:	\$0.00	\$0.00	
Homestead:	\$0.00	\$0.00	
Sales Credit:	\$0.00	\$0.00	
Net Tax:	\$74.75	\$74.75	
CAUV Recoupment:	\$0.00	\$0.00	
Special Assessments:	\$301.55	\$331.71	
Penalties/Adjustments:	\$7.48	\$36.54	
Delinquencies:	\$781.02		
Net Owed:	\$383.78	\$443.00	\$1,607.80
Net Paid:	\$0.00	\$0.00	\$0.00
Net Due:	\$383.78	\$443.00	\$1,607.80



523

519

Erie County, Ohio - Property Record Card
Parcel: 58-02445.000

GENERAL PARCEL INFORMATION

Owner	I E I T LLC
Property Address	PIERCE SANDUSKY OH 44870
Mailing Address	PO BOX 1241
Land Use	500 - RESIDENTIAL VACANT LAND
Legal Description	350 PIERCE STREET WH
Neighborhood	5855813 -
School District	SANDUSKY SD

MAP NUMBER: 23

VALUATION

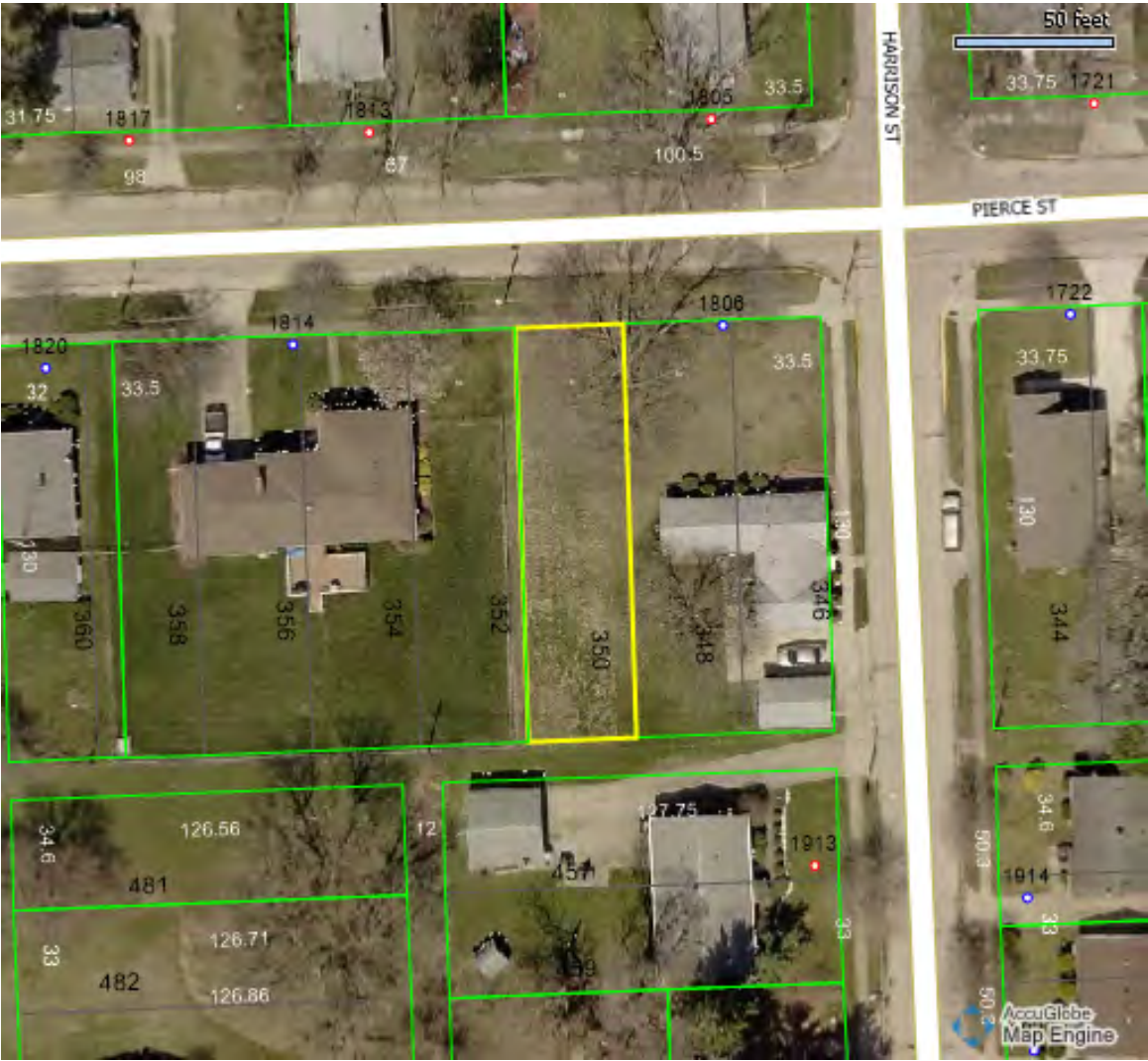
	Appraised	Assessed
Land Value	\$6,320.00	\$2,210.00
Improvements Value	\$0.00	\$0.00
CAUV Value	\$0.00	\$0.00
Total Value	\$6,320.00	\$2,210.00

LAND

Land Type	Acreage	Depth	Frontage	Depth	Value
F - FRONT LOT	0.1015	130	34	93	\$6,320.00

AGRICULTURAL

Land Type	Land Usage	Soil Type	Acres	Value
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SALES

Date	Buyer	Seller	Price
9/20/2013	I E I T LLC	TERRELL IRENE E	\$0
1/1/1987	TERRELL IRENE E	Unknown	\$0

COMMERCIAL
Description
Year Built
Year Remodeled
Unit Count
Section Number
Section Area
Wall Height
Section Story Count

A sketch is unavailable for this parcel.

ADDITIONS			
Description	Area	Year Built	Value

IMPROVEMENTS			
Description	Year Built	Dimension Area	Value

TAX	1st Half	2nd Half	Total
Charge:	\$111.38	\$111.38	
Credit:	(\$42.06)	(\$42.06)	
Rollback:	(\$6.03)	(\$6.03)	
Reduction:	\$0.00	\$0.00	
Homestead:	\$0.00	\$0.00	
Sales Credit:	\$0.00	\$0.00	
Net Tax:	\$63.29	\$63.29	
CAUV Recoupment:	\$0.00	\$0.00	
Special Assessments:	\$165.50	\$182.06	
Penalties/Adjustments:	\$6.33	\$39.90	
Delinquencies:	\$997.50		
Net Owed:	\$235.12	\$285.25	\$1,517.87
Net Paid:	\$0.00	\$0.00	\$0.00
Net Due:	\$235.12	\$285.25	\$1,517.87



RESOLUTION NO. _____

A RESOLUTION APPROVING AND ACCEPTING CERTAIN REAL PROPERTY FOR ACQUISITION INTO THE LAND REUTILIZATION PROGRAM; AND DECLARING THAT THIS RESOLUTION SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.

WHEREAS, pursuant to Ordinance No. 07-026 passed June 11, 2007, the City is conducting a Land Reutilization Program in accordance with the provisions of Chapter 5722 of the Ohio Revised Code; and

WHEREAS, it is requested that the City accept two (2) parcels of nonproductive land situated within the City of Sandusky as further described in attached Exhibit "A", for placement in the Land Reutilization Program Inventory; and

WHEREAS, it is necessary to acquire the nonproductive land parcels in accordance with the City of Sandusky's Land Reutilization Program in order to facilitate reutilization of the nonproductive land to support neighborhood revitalization and development within the City; and

WHEREAS, the two (2) parcels requested for acquisition are tax delinquent and have been deemed to be necessary and/or beneficial to the Land Reutilization Program efforts and was approved by the Land Bank Committee on November 18, 2019; and

WHEREAS, upon City Commission approval, the two (2) vacant lots located at 521 McDonough Street and at Pierce Street will be eligible for acquisition through the Mow to Own Side Lot Program or marketed for future development; and

WHEREAS, the cost of these acquisitions will be approximately \$200.00 for the cost of title exams and transfer fees and these costs may be recouped by the City upon sale of the properties; and

WHEREAS, this Resolution should be passed as an emergency measure under suspension of the rules in accordance with Section 14 of the City in order to allow the Erie County Prosecutor's Office to proceed with the Sheriff's sales and judicial foreclosure process in a timely manner; 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 **Resolution** be declared an emergency measure which will take immediate effect in accordance with Section 14 of the City Charter; and
NOW, THEREFORE

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

Section 1. This City Commission hereby approves and accepts for acquisition into the Land Reutilization Program two (2) parcels of nonproductive land situated within the City of Sandusky, as further described in Exhibit "A", a copy of which is attached to this Resolution and specifically incorporated herein.

Section 2. This City Commission authorizes and directs the City Manager to acquire the nonproductive land in accordance with the City of Sandusky's Land Reutilization Program in order to facilitate reutilization of the nonproductive land to support neighborhood revitalization and development within the City.

Section 3. If any section, phrase, sentence, or portion of this Resolution 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 Resolution 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 5. That for the reasons set forth in the preamble hereto, this Resolution 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.

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

ATTEST: _____
KELLY L. KRESSER
CLERK OF THE CITY COMMISSION

Passed: December 9, 2019

Exhibit A

Parcel	Address	Owner(s)	Del. Taxes	Assessments	P&I*	Total Owed	Yearly Taxes and Assessments
59-00815.000	521 McDonough	Dion Hunter	609.90	918.79	79.11	1,607.80	782.76
Proposed Use: This is a vacant lot zoned R2F. Lot size is 33' X 198'. Taxes have not been paid since Feb, 2016 This lot will be available for acquisition through the Mow to Own Side Lot Disposition Program or marketed for new development							
58-02445.000	0 Pierce St	IEIT LLC	607.40	760.69	149.78	1,517.87	474.14
Proposed Use: This is a vacant lot with unknown zoning. Lot size is 34' x 130". Taxes have not been paid since Nov, 2015. This lot will be available for acquisition through the Mow to Own Side Lot Disposition Program or marketed for new development							



COMMUNITY DEVELOPMENT

240 Columbus Avenue
Sandusky, Ohio 44870
419.627.5832
www.ci.sandusky.oh.us

TO: Eric Wobser, City Manager

FROM: Debi Eversole, Housing Development Specialist

DATE: November 26, 2019

RE: City Commission Agenda Item

ITEMS FOR CONSIDERATION: The purpose of this communication is to request approval of legislation allowing the City Manager to execute a 'Purchase and Sale Agreement' for non-productive land currently in the City of Sandusky's Land Reutilization Program that is no longer needed for any municipal purpose. The Parcel in consideration is located on Fourth Street, further identified as 1006 Fourth Street, Erie County Parcel No. 57-03012.000, Sandusky Ohio.

BACKGROUND INFORMATION: Pursuant to Ordinance No. 07-026 passed June 11, 2007, the City is conducting a Land Reutilization Program in accordance with the provisions of Chapter 5722 of the Ohio Revised Code. The City requested and acquired this nonproductive land upon notice of delinquent tax foreclosure proceedings via Sheriff's sale. The City Commission approved acquisition of Parcel No. 57-03012.000 by Resolution No. 030-17R, passed on June 12, 2017. The City of Sandusky's Land Reutilization Policies and Procedures facilitate reutilization of nonproductive land situated within the City of Sandusky and supports neighborhood revitalization and promotes that ownership of unbuildable vacant lots located between two (2) existing property owners shall be offered half each to the adjoining property owners. Kim and Anne Barman, 503 Fulton Street, Sandusky are the adjoining property owners to the east, further identified as 1008 Fourth Street, Erie County Parcel No. 57-05420.000 and have requested acquisition of this nonproductive land for the addition of yard space and off-street parking. Richard L. Sharpe, 1002 Fourth Street, Sandusky is the adjoining property owner to the west further identified as Erie County Parcel No. 57-02837.000 expressed no interest in the nonproductive land.

The Land Bank Administrator has verified that Kim and Anne Barman qualify pursuant to the requirements of the Land Reutilization Policies and Procedures. The Land Bank Committee approved the acquisition and sale through the "Mow to Own" Side Lot Disposition Program on November 18, 2019.

BUDGET IMPACT: The cost associated with these purchase agreements is the total amount of the title examination, recording and transfer fees, and deed preparation. Any such costs shall be recouped by the City from the nonrefundable earnest money deposits required to be paid by Purchasers upon sale. By returning this nonproductive land to tax producing status, the taxing districts will begin collecting real property taxes in the amount of approximately three hundred sixty dollars (\$251.26) per year.

ACTION REQUESTED: It is requested legislation be approved allowing the City Manager to enter into purchase agreements for the sale of non-productive property no longer needed for any municipal purpose located at 1006 Fourth Street, Erie County Parcel No. 57-03012.000 to the adjoining property owners Kim and Anne Barman. It is further requested that the legislation be passed under suspension of the rules and in full accordance with Section 14 of the City Charter in order to execute the agreements in a timely manner to ensure maintenance of the lots.

Debi Eversole, Housing Development Specialist

I concur with this recommendation:

Matt Lasko, Chief Development Officer

Eric L. Wobser, City Manager

cc: Trevor Hayberger, Law Director
Sally Martin, Acting Finance Director
Kelly Kresser, Commission Clerk

ORDINANCE NO. _____

AN ORDINANCE DECLARING THAT CERTAIN REAL PROPERTY OWNED BY THE CITY AS PART OF THE LAND REUTILIZATION PROGRAM IDENTIFIED AS PARCEL NO. 57-03012.000, LOCATED AT 1006 FOURTH STREET, SANDUSKY, IS NO LONGER NEEDED FOR ANY MUNICIPAL PURPOSE AND AUTHORIZING THE EXECUTION OF A PURCHASE AND SALE AGREEMENT WITH RESPECT TO THAT REAL PROPERTY; AND DECLARING THAT THIS ORDINANCE SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.

WHEREAS, pursuant to Ordinance No. 07-026 passed June 11, 2007, the City is conducting a Land Reutilization Program in accordance with the provisions of Chapter 5722 of the Ohio Revised Code; and

WHEREAS, the City Commission previously authorized the acquisition of the property located at 1006 Fourth Street, Parcel No. 57-03012.000 by Resolution No. 030-17R, passed on June 12, 2017, under said Land Reutilization Program which property is more specifically described in Exhibit "A", which is no longer needed for any municipal purposes; and

WHEREAS, a request was made on behalf of the adjoining property owner to acquire this property for yard expansion and off-street parking pursuant to the City's "Mow to Own" Side Lot Disposition Program that was approved by the City Commission by Resolution No. 024-11R, passed on July 11, 2011, and effective on August 11, 2011; and

WHEREAS, adjoining property owners, Kim and Anne Barman, desire to purchase Parcel No. 57-03012.000, which is more specifically described in Exhibit "A" (the "Property") attached to a certain Purchase and Sale Agreement, a copy of which is marked Exhibit "1" with respect thereto (the "Purchase Agreement"); and

WHEREAS, the Land Bank Committee met on November 18, 2019, and approved the acquisition and sale of the property through the "Mow to Own" Side Lot Disposition Program to Kim and Anne Barman; and

WHEREAS, the cost associated with this purchase and sale agreement is the total cost of the title search, recording and transfer fees, deed preparation, and any other customary fees that may be due and payable in the ordinary course of the purchase and sale transaction and the City will recoup these expenses incurred from the nonrefundable earnest money deposit required to be paid by the Purchaser; 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 execute the purchase and sale agreement in a timely manner to ensure maintenance of the lot; 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 finds, determines and declares that the Property, Parcel No. 57-03012.000, located at 1006 Fourth Street, Sandusky, more specifically described in Exhibit "A", a copy of which is attached to this Ordinance and is specifically incorporated as if fully rewritten herein, is no longer needed for any municipal purpose and that the execution of the Purchase and Sale Agreement providing for the sale, pursuant to Section 25 of the Charter of this City, to the Purchasers of the Property at the purchase price set forth in the Purchase and Sale Agreement, is in the economic interest of the City and in furtherance of the City's Land Reutilization Program referenced in those preambles in accordance with the provisions of Chapter 5722 of the Ohio Revised Code. The City Manager is hereby authorized and directed to execute the Purchase and Sale Agreement on behalf of the City, substantially in the same form as attached to this Ordinance, marked Exhibit "1", and specifically incorporated as if fully rewritten herein, together with any revisions or additions as are approved by the Law Director as not being substantially adverse to the City and consistent with carrying out the City's public purpose. Upon the exercise by the Purchasers to purchase the Property pursuant to the Purchase and Sale Agreement, the City Manager is also hereby authorized and directed on behalf of the City to execute a quit claim deed conveying the Property to the Purchasers, which quit claim deed shall be in a form satisfactory to the Law Director. The City Manager, Law Director, Finance Director, and other City officials, as appropriate, are each hereby authorized to execute and deliver such instruments, certificates and other documents and take such actions as are necessary and in the best interests of the City in order to carry out and consummate the foregoing actions authorized by this Ordinance.

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.

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

ATTEST: _____
KELLY L. KRESSER
CLERK OF THE CITY COMMISSION

Passed: December 9, 2019

PURCHASE AND SALE AGREEMENT

This Agreement is made and entered into this ____ day of _____ 2019, by and between the City of Sandusky, Erie County, Ohio, a Municipal Corporation, 240 Columbus Avenue, Sandusky, Ohio 44870, hereinafter referred to as the "Seller" and Kim and Anne Barman, 503 Fulton Street, Sandusky, Ohio 44870, hereinafter referred to as the "Purchaser(s)".

WITNESSETH:

In consideration of the premises and the mutual promises and covenants hereinafter contained, the parties do hereby agree as follows:

1. The Seller agrees to sell to the Purchaser and the Purchaser agrees to purchase from the Seller, the unimproved parcel of real property located at 1006 Fourth Street, Erie County Parcel Number 57-03012.000, Sandusky, Ohio, and more fully described in the survey and legal description marked Exhibit "A" and attached hereto, the legal description of which will be set forth in the deed transferring ownership of said parcel and hereinafter referred to as the "Property." The Property is adjacent to and contiguous with real property that is owned by the Purchaser located at 1008 Fourth Street, Erie County Parcel Number 57-05420.000, Sandusky, Ohio.
2. The total purchase price for the Property is seven thousand seven hundred sixty dollars (\$7,760.00), which is not less than the fair market value as determined by the appraised valuation of the Erie County Auditor. Purchaser shall pay a non-refundable earnest money deposit of nine hundred one dollar (\$901.00) by credit card (processing fee applies), certified check or cashier's check made payable to Seller. The remaining balance of six thousand eight hundred fifty nine dollars (\$6,859.00), shall be paid by in-kind service of the Purchaser by mowing and maintaining the Property in a nuisance free condition for a minimum of four (4) years according to the terms of the City of Sandusky's "Mow to Own" Side Lot Disposition Program, a copy of which is attached hereto, marked as Exhibit B and specifically incorporated herein. The Seller has agrees to waive at least two (2) years in-kind service as appreciation for maintaining the property following demolition in 2016.
3. The following deed restrictions shall be included on the deed:
 - a) This parcel is not a building lot and is conveyed to an adjoining owner of a building lot pursuant to Sandusky Municipal Code Section 1177.01(31)(A). This parcel shall not be conveyed separate and apart from the adjoining building lot and before such conveyance, this parcel shall be combined with the Purchasers' adjoining building lot in order to form one parcel of real property.
 - b) Construction of additional separate dwelling units shall be prohibited. Construction shall be limited to ancillary facilities or building additions made to existing structures.
4. At closing, Seller shall execute and deliver to Purchaser a quit claim deed conveying marketable record title to the Property to Purchaser free and clear of all liens,

delinquent real estate taxes and special assessments. Purchaser shall pay all of the taxes and assessments due and payable after the date of closing.

5. Seller shall not furnish a title insurance policy.
6. The closing date of this transaction shall be no later than December 31, 2021 or at such other time as may be mutually agreed upon, in writing, by the parties.
7. The Seller and the Purchaser represent that no real estate broker or agent was involved in this transaction and that no brokerage fees, commissions, or other compensation is due any real estate broker or agent because of this transaction.
8. On the closing date, the Seller shall file for record the deed, and other instruments, if any, required to be recorded pursuant to this Agreement.
9. Purchaser shall be entitled to possession of the Property upon the closing of this transaction.
10. The Purchaser has examined the Property, has had the opportunity to fully inspect and ask questions about conditions of the same, and acknowledges that they are accepting the Property "AS IS" subject to no warranties as of the date of the execution of this Purchase Agreement and that there have been no representations by the Seller as to the condition of the Property.
11. In the event that the Purchaser breaches this Agreement by not closing this transaction on or before December 31, 2021, Seller may sell the Property to another adjoining property owner or may retain the Property for devotion to public use.
12. This Agreement sets forth the entire understanding between the parties with respect to the subject matter hereof, and no agreements or understandings nor any representations concerning the same shall be binding upon the parties unless specifically set forth herein.
13. This Agreement shall be binding upon and inure to the benefit of Seller and Purchasers and their respective heirs, legal representatives, and assigns.
14. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instruments.

SIGNATURE PAGES TO FOLLOW

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first above written.

PURCHASER(S):

Kim Barman, Property Owner

Anne Barman, Property Owner

State of Ohio)

) ss:

County of Erie)

On this _____ day of _____, 2019, before me, a Notary Public in and for said County and State, personally appeared Kim and Anne Barman, and acknowledged his execution of the foregoing instrument and that the same is his voluntary act and deed.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal on the day and year aforesaid.

NOTARY PUBLIC

SELLER:

CITY OF SANDUSKY

Eric L. Wobser
City Manager

STATE OF OHIO)

) ss:

ERIE COUNTY)

On this _____ day of _____, 2019, before me, a Notary Public in and for said County and State, personally appeared Eric L. Wobser, City Manager of the City of Sandusky, Ohio, and acknowledged his execution of the foregoing instrument as said officer of said City on behalf of said City and by its authority and that the same is his voluntary act and deed as said officer on behalf of said City and the voluntary act and deed of said City.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal on the day and year aforesaid.

NOTARY PUBLIC

Approved as to Form:

Trevor M. Hayberger, #0075112
Law Director
City of Sandusky

EXHIBIT A

Situated in the City of Sandusky, County of Erie and State of Ohio: Being Lot Number Sixteen (16) on Fourth Street and being also known as House No. 1006-4th Street, Sandusky, Ohio.

Property Address: 1006 Fourth Street, Sandusky, Ohio 44870

Tax ID No.: 57-03012.000

Tax Mailing Address: 240 Columbus Ave., Sandusky, Ohio 44870

DRAFT

CITY OF SANDUSKY OHIO



LAND REUTILIZATION PROGRAM

"MOW TO OWN"

SIDE LOT DISPOSITION PROGRAM

EXHIBIT

"B"

The City of Sandusky's "Mow to Own" Side Lot Disposition Program aims to stabilize and strengthen property owners' investments in their neighborhoods by transferring vacant, abandoned and tax delinquent parcels that are of insufficient size to permit independent development to adjacent property owners through the Land Reutilization Program. The parcels are generally too small to be developed based on current zoning regulations. The City of Sandusky has many parcels that were platted at a time when houses were typically much smaller and closer together and off-street parking was not needed. Today, the City of Sandusky's zoning regulations do not allow development on these small parcels. In addition, prospective homebuyers generally are more attracted to larger residential lots for reasons such as desire for a larger house and a spacious yard. Given the limited usefulness of side lot parcels for development due to zoning regulations and homebuyer preferences, the "Mow to Own" Side Lot Disposition Program will encourage the adjacent property owners to purchase these parcels for yard expansion and off-street parking at a reasonable cost. Pursuant to the Ohio Revised Code, the parcels acquired by the Land Reutilization Program must be sold for not less than fair market value. The "Mow to Own" Side Lot Disposition Program will encourage the adjacent property owners to purchase these unbuildable parcels by requiring a small non-refundable earnest money deposit to cover the City's cost of acquisition with the balance to be paid for by in-kind service of mowing and maintaining the lot over a certain number of years. The required years will be determined by subtracting the required non-refundable earnest money deposit from the Erie County Auditor's appraisal value and then dividing the balance by the average yearly cost of the City to mow and maintain the parcel. A Purchase Agreement will be

entered into that will expire at the end of the required number of years that will require the parcel to be properly mowed and maintained. If at any time it is not adequately maintained within the required number of years, the Purchase Agreement will become null and void and the City will keep the non-refundable earnest money deposit. Once the terms of the Purchase Agreement have been met, the closing will take place and the title will be transferred to the adjoining owner.

By implementing the "Mow to Own" Side Lot Disposition Program, the City aims to produce several positive outcomes by transferring ownership to the adjacent property owners:

1. To stabilize neighborhoods by transferring vacant and abandoned properties to adjacent property owners who are more likely to care for the land next to their home.
2. The evidence of use and a well-maintained condition will help to improve the neighborhood character and appearance.
3. Reduce the public costs associated with maintaining these properties.
4. Encourage the creation of off-street parking where there currently is none.
5. Return these properties to the tax roll and increase property tax revenue for Erie County and the City of Sandusky.

The Land Reutilization Program aims to stabilize neighborhoods that are in decline with many vacant, abandoned and tax delinquent properties. Providing incentives for adjacent property owners to take ownership of vacant land will strengthen the neighborhood's character, appearance, and better sense of community.

A. Qualified Properties.

Parcels of property eligible for inclusion in the "Mow to Own" Side Lot Disposition Program shall meet all of the requirements pursuant to the City of Sandusky's Land Reutilization Program Policy and Procedures and shall also meet the following minimum criteria:

1. The property shall be vacant unimproved real property.
2. The property shall be physically contiguous to the adjacent owner's real property with a significant common boundary line.
3. The property shall consist of no more than one lot of insufficient size to permit independent development, which for the purposes of the Mow to Own Program shall be defined as a lot smaller than 40' X 125' or, in the case of an irregular shaped lot, as determined by the Land Bank Committee with the final approval of City Commission.

B. Applicants.

1. All applicants must own the contiguous property, and priority shall be given to applicants who personally occupy the contiguous property.
2. The applicant shall not be delinquent on any real estate or personal properties taxes in Erie County.
3. The applicant shall not have a history of property maintenance, nuisance and/or building code violations.
4. The applicant shall not own any property that has an unremediated property maintenance, nuisance and/or building code violation.
5. Applicants must meet all other requirements pursuant to the City of Sandusky's Land Reutilization Policy and Procedures.

C. Purchase.

1. Lots purchased for addition to existing developed properties shall be sold with deed restrictions prohibiting construction of additional dwelling units and limiting usage to ancillary facilities or building additions.

- The applicant shall obtain all necessary permits from the City before erecting structures on the property (i.e. garage, fence, etc.)
2. Situations not herein defined or deemed to be unusual shall be resolved at the discretion of the Land Bank Committee.

D. Price.

1. The purchase price shall be fair market value as determined by the Erie County Auditor's current valuation and appraisal.
2. The purchaser shall be responsible for the recording and transfer fees in addition to the cost of the lot.
3. The City shall not provide purchaser with title insurance. Title insurance may be purchased independently through the title company by the purchaser.

E. Payment.

1. The purchaser shall provide a non-refundable earnest money deposit in an amount not less than the costs incurred by the City for acquisition of the property.
2. The remaining balance due shall be determined by subtracting the amount of the non-refundable earnest money deposit from the fair market value.
3. The remaining balance due shall be paid by in-kind service of the purchaser by mowing and maintaining the property in a nuisance free condition for a minimum number of years that shall be determined by dividing the remaining balance due by the estimated average yearly cost to the City for mowing and maintaining the property, which shall be rounded up to the next whole number.
4. The purchaser shall agree to mow, maintain and keep the property free from nuisance for the minimum number of years as determined above.
5. If the property owner fails to maintain the property at anytime within the required minimum number of years and is issued a nuisance violation pursuant to the City of Sandusky's Codified Ordinances or if the City must

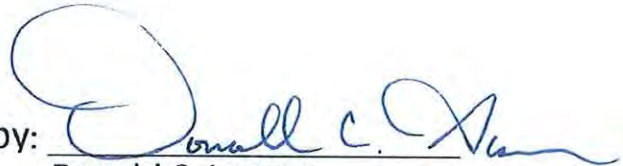
maintain the property in any way within the required minimum number of years, the purchaser shall be in breach of the Purchase Agreement.

F. Breach of the Purchase Agreement.

1. Upon breach of the Purchase Agreement, the Purchase Agreement shall become null and void and the non-refundable earnest money deposit shall be retained by the City. The property shall be offered to the other adjacent property owner. If the other adjacent property owner declines, or in the event there is no other adjacent property owner, the entire lot shall be offered to the rear abutting property owner.
2. If all of the adjacent/abutting property owners decline, the lot shall be considered for community development efforts such as community gardens, neighborhood play areas and community green areas.

Date: 9-16-11

Approved by:



Donald C. Icsman
Acting City Manager



COMMUNITY DEVELOPMENT

240 Columbus Avenue
Sandusky, Ohio 44870
419.627.5832
www.ci.sandusky.oh.us

TO: Eric Wobser, City Manager

FROM: Debi Eversole, Housing Development Specialist

DATE: November 26, 2019

RE: City Commission Agenda Item – Purchase and Sale Agreement 1531 Camp Street.

ITEMS FOR CONSIDERATION: The purpose of this communication is to request approval of legislation allowing the City Manager to execute 'Purchase and Sale Agreements' for non-productive land currently in the City of Sandusky's Land Reutilization Program that is no longer needed for any municipal purpose located at 1531 Camp Street and further identified as Erie County Parcel No. 58-01458.000.

BACKGROUND INFORMATION: Pursuant to Ordinance No. 07-026 passed June 11, 2007, the City is conducting a Land Reutilization Program in accordance with the provisions of Chapter 5722 of the Ohio Revised Code. The City requested and acquired this nonproductive land upon notice of delinquent tax foreclosure proceedings via Sheriff's sale. The City Commission approved acquisition of this parcel by Resolution No. 039-15R, passed on September 28, 2015. The City of Sandusky's Land Reutilization Policies and Procedures facilitate reutilization of nonproductive land situated within the City of Sandusky and supports neighborhood revitalization and promotes that ownership of unbuildable vacant lots located between two (2) existing property owners shall be offered half each to the adjoining property owners. JAXTOWN LLC, the adjoining property owner to the north at 1527 Camp Street, and Omar J. Darden, the adjoining property owner to the south at 1533 Camp Street, have requested acquisition of this nonproductive land. The Land Bank Administrator has verified that they qualify pursuant to the requirements of the Land Reutilization Policies and Procedures. The Land Bank Committee approved the acquisition and sale through the "Mow to Own" Side Lot Disposition Program on November 19, 2019.

BUDGET IMPACT: The cost associated with these purchase agreements is the total amount of the title examination, recording and transfer fees, and survey and deed preparation. Any such costs shall be recouped by the City from the nonrefundable earnest money deposits required to be paid by Purchasers upon sale. By returning this nonproductive land to tax producing status, the taxing districts will begin collecting real property taxes in the amount of approximately five hundred seventy eight dollars and thirty cents (\$578.30) per year.

ACTION REQUESTED: It is requested legislation be approved allowing the City Manager to enter into purchase agreements for the sale of non-productive property no longer needed for any municipal purpose located at 1531 Camp Street, Sandusky, Ohio, Erie County Parcel No. 58-01458.000 to the adjoining property owners JAXTOWN LLC and Omar J. Darden. It is further requested that the legislation be passed under suspension of the rules and in full accordance with Section 14 of the City Charter in order to execute the agreements in a timely manner to ensure maintenance of the lot.

Debi Eversole, Housing Development Specialist

I concur with this recommendation:

Matt Lasko, Chief Development Officer

Eric L. Wobser, City Manager

cc: Trevor Hayberger, Law Director
Sally Martin, Acting Finance Director
Kelly Kresser, Commission Clerk

ORDINANCE NO. _____

AN ORDINANCE DECLARING THAT CERTAIN REAL PROPERTY OWNED BY THE CITY AS PART OF THE LAND REUTILIZATION PROGRAM IDENTIFIED AS PARCEL NO. 58-01458.000, LOCATED AT 1531 CAMP STREET, SANDUSKY, IS NO LONGER NEEDED FOR ANY MUNICIPAL PURPOSE AND AUTHORIZING THE EXECUTION OF PURCHASE AND SALE AGREEMENTS WITH RESPECT TO THAT REAL PROPERTY; AND DECLARING THAT THIS ORDINANCE SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.

WHEREAS, pursuant to Ordinance No. 07-026 passed June 11, 2007, the City is conducting a Land Reutilization Program in accordance with the provisions of Chapter 5722 of the Ohio Revised Code; and

WHEREAS, the City Commission previously authorized the acquisition of the property located at 1531 Camp Street, Parcel No. 58-01458.000 by Resolution No. 039-15R, passed on September 28, 2015, under said Land Reutilization Program which property is more specifically described in Exhibit "A", which is no longer needed for any municipal purposes; and

WHEREAS, requests were made by the adjoining property owners to acquire this property for yard expansion pursuant to the City's "Mow to Own" Side Lot Disposition Program that was approved by this City Commission by Resolution No. 024-11R, passed on July 11, 2011, and effective on August 11, 2011; and

WHEREAS, adjoining property owner, JAXTOWN, LLC, desires to purchase the northern one-half (1/2) of Parcel No. 58-01458.000, which is more specifically described in Exhibit "C" (the "Property") attached to a certain Purchase Agreement, a copy of which is marked Exhibit "B" with respect thereto (the "Purchase Agreement"); and

WHEREAS, adjoining property owner, Omar J. Darden, desires to purchase the southern one-half (1/2) of Parcel No. 58-01458.000, which is more specifically described in Exhibit "E" (the "Property") attached to a certain Purchase Agreement, a copy of which is marked Exhibit "D" with respect thereto (the "Purchase Agreement"); and

WHEREAS, the cost associated with these purchase and sale agreements is the total cost of the title examination, recording and transfer fees, survey, deed preparation and any other customary fees that may be due and payable in the ordinary course of the purchase and sale transaction and the City will recoup these expenses incurred from the nonrefundable earnest money deposits required to be paid by the Purchasers; 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 execute the purchase and sale agreement in a timely manner to ensure maintenance of the lot; 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 finds, determines and declares that the Property, Parcel No. 58-01458.000, located at 1531 Camp Street, Sandusky, more specifically described in Exhibit "A", a copy of which is attached to this Ordinance and is specifically incorporated as if fully rewritten herein, is no longer needed for any municipal purpose and that the execution of the Purchase and Sale Agreements providing for the sales, pursuant to Section 25 of the Charter of this City, to the Purchasers of the Property at the purchase prices set forth in the Purchase and Sale Agreements, is in the economic interest of the City and in furtherance of the City's Land Reutilization Program referenced in those preambles in accordance with the provisions of Chapter 5722 of the Ohio Revised Code. The City Manager is hereby authorized and directed to execute the Purchase and Sale Agreements on behalf of the City, substantially in the same forms as attached to this Ordinance, marked Exhibits "B" and "D", and specifically incorporated as if fully rewritten herein, together with any revisions or additions as are approved by the Law Director as not being substantially adverse to the City and consistent with carrying out the City's public purpose. Upon the exercise by the Purchasers to purchase the Property pursuant to the Purchase and Sale Agreements, the City Manager is also hereby authorized and directed on behalf of the City to execute quit claim deeds conveying the Property to the Purchasers, which quit claim deeds shall be in a form satisfactory to the Law Director. The City Manager, Law Director, Finance Director, and other City officials, as appropriate, are each hereby authorized to execute and deliver such instruments, certificates and other documents and take such actions as are necessary and in the best interests of the City in order to carry out and consummate the foregoing actions authorized by this Ordinance.

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.

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

ATTEST: _____
KELLY L. KRESSER
CLERK OF THE CITY COMMISSION

Passed: December 9, 2019

Transferred
 In Compliance with sections
 319-202 and 322-02 of the
 Ohio Revised Code.

FEE \$ _____

Exempt: ☒

R.E. TRANSFER: _____

\$ _____

Richard H. Jeffrey
 Erie County Auditor

Trans. Fees: \$ 50

Date: 4/20/16 By: [Signature]

Per O.R.C. 319.203
 [Signature]
 Erie County Auditor/Engineer
 Date: 4/20/16

Barbara A. Sessler
 County Recorder, Erie County OH

201603193 Total Pages: 2
 04/20/2016 01:02:43 PM Fees: \$0.00

[Signature: Richard H. Jeffrey]

SHERIFF'S DEED
 Revised Code Sec. 2329.36

I, Paul A. Sigsworth, Sheriff of Erie County, pursuant to the Confirmation of Sale entered on February 18, 2016 and the statutory provisions of O.R.C. 5722, do hereby grant unto the **CITY OF SANDUSKY** all rights, title and interest of the parties in Case No. 2015-CV-0255; Court of Common Pleas, Erie County, Ohio; *Pamela Farrell vs. Daniel D. Farley, et al*, and all pleadings therein are incorporated herein by reference, in and to the following lands and tenements, situated in the City of Sandusky, County of Erie, and State of Ohio, whose prior owner was Daniel D. Farley, and whose prior deed reference is Erie County Recording Number 200708841, and is known and further described as follows:

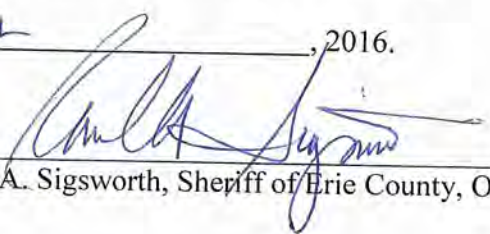
Situated in the City of Sandusky, County of Erie and State of Ohio: Lot Number Two Hundred Three (203) on Camp Street in the William H. Mills Subdivision in the City of Sandusky, Erie County, Ohio, as per Plat recorded in Volume 2 of Plats, Page 7, Erie County, Ohio Records.

Property Address: 1531 Camp Street, Sandusky, Ohio 44870
 Tax ID No.: 58-01458.000

Tax Mailing Address: 222 Meigs Street, Sandusky, Ohio 44870

This deed does not reflect any restrictions, conditions or easements of record.

Executed this 11TH day of APRIL, 2016.

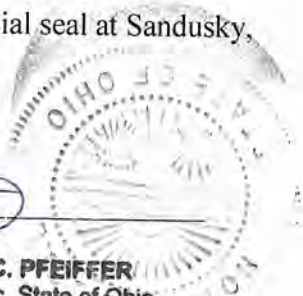

Paul A. Sigsworth, Sheriff of Erie County, Ohio

STATE OF OHIO)
) SS:
COUNTY OF ERIE)

BEFORE ME, a Notary Public in and for said county and state, personally appeared the above-named Paul A. Sigsworth, Sheriff of Erie County, Ohio, who acknowledged that he signed the foregoing instrument.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal at Sandusky, Ohio this APRIL 16, 2016, 2016.


Notary Public


JOSEPH C. PFEIFFER
Notary Public, State of Ohio
My Commission Expires 01-13-18

This instrument prepared by:
Gerhard R. Gross
Assistant Prosecutor
Erie County Prosecutor's Office
247 Columbus Ave. Suite 319
Sandusky, Ohio 44870

PURCHASE AND SALE AGREEMENT

This Agreement is made and entered into this ____ day of _____ 2019, by and between the City of Sandusky, Erie County, Ohio, a Municipal Corporation, 240 Columbus Avenue, Sandusky, Ohio 44870, hereinafter referred to as the "Seller" and Jami Tallman-Townsend on behalf of JAXTOWN, LLC, hereinafter referred to as the "Purchaser".

WITNESSETH:

In consideration of the premises and the mutual promises and covenants hereinafter contained, the parties do hereby agree as follows:

1. The Seller agrees to sell to the Purchaser and the Purchaser agrees to purchase from the Seller, the unimproved parcel of real property located on the northern ½ of 1531 Camp Street, Erie County Parcel Number 58-01458.000, Sandusky, Ohio, and more fully described in the survey and legal description marked Exhibit "A" and attached hereto, the legal description of which will be set forth in the deed transferring ownership of said parcel and hereinafter referred to as the "Property." The Property is adjacent to and contiguous with real property that is owned by the Purchaser located at 1527 Camp Street, Erie County Parcel Number 58-00651.000.

2. The total purchase price for the Property is three thousand three hundred dollars (\$3,300), which is not less than the fair market value as determined by the appraised valuation of the Erie County Auditor. Purchaser shall pay a non-refundable earnest money deposit of seven hundred forty eight dollars and twenty five cents (\$748.25) by credit card (processing fee applies), certified check or cashier's check made payable to Seller. The remaining balance of two thousand five hundred fifty one dollars and seventy five cents (\$2,551.75), shall be paid by in-kind service of the Purchaser by mowing and maintaining the northern ½ of the Property in a nuisance free condition for a minimum of one and a half (1 ½) years according to the terms of the City of Sandusky's "Mow to Own" Side Lot Disposition Program, a copy of which is attached hereto, marked as Exhibit "B" and specifically incorporated herein.

3. The following deed restrictions shall be included on the deed:

a) This parcel is not a building lot and is conveyed to an adjoining owner of a building lot pursuant to Sandusky Municipal Code Section 1177.01(31)(A). This parcel shall not be conveyed separate and apart from the adjoining building lot and before such conveyance, this parcel shall be combined with the Purchasers' adjoining building lot in order to form one parcel of real property.

b) Construction of additional separate dwelling units shall be prohibited. Construction shall be limited to ancillary facilities or building additions made to existing structures.

4. At closing, Seller shall execute and deliver to Purchaser a quit claim deed conveying marketable record title to the Property to Purchaser free and clear of all liens, delinquent real estate taxes and special assessments. Purchaser shall pay all of the taxes and assessments due and payable after the date of closing.

5. Seller shall not furnish a title insurance policy.
6. The closing date of this transaction shall be no later than June 30, 2021, or at such other time as may be mutually agreed upon, in writing, by the parties.
7. The Seller and the Purchaser represent that no real estate broker or agent was involved in this transaction and that no brokerage fees, commissions, or other compensation is due any real estate broker or agent because of this transaction.
8. On the closing date, the Seller shall file for record the deed, and other instruments, if any, required to be recorded pursuant to this Agreement.
9. Purchaser shall be entitled to possession of the Property upon the closing of this transaction.
10. The Purchaser has examined the Property, has had the opportunity to fully inspect and ask questions about conditions of the same, and acknowledges that they are accepting the Property "AS IS" subject to no warranties as of the date of the execution of this Purchase Agreement and that there have been no representations by the Seller as to the condition of the Property.
11. In the event that the Purchaser breaches this Agreement by not closing this transaction on or before June 30, 2021, Seller may sell the Property to another adjoining property owner or may retain the Property for devotion to public use.
12. This Agreement sets forth the entire understanding between the parties with respect to the subject matter hereof, and no agreements or understandings nor any representations concerning the same shall be binding upon the parties unless specifically set forth herein.
13. This Agreement shall be binding upon and inure to the benefit of Seller and Purchasers and their respective heirs, legal representatives, and assigns.
14. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instruments.

SIGNATURE PAGES TO FOLLOW

NOTARY PUBLIC

SELLER:

CITY OF SANDUSKY

Eric L. Wobser
City Manager

STATE OF OHIO)

) ss:

ERIE COUNTY)

On this _____ day of _____, 2019, before me, a Notary Public in and for said County and State, personally appeared Eric L. Wobser, City Manager of the City of Sandusky, Ohio, and acknowledged his execution of the foregoing instrument as said officer of said City on behalf of said City and by its authority and that the same is his voluntary act and deed as said officer on behalf of said City and the voluntary act and deed of said City.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal on the day and year aforesaid.

NOTARY PUBLIC

Approved as to Form:

Trevor M. Hayberger, #0075112
Law Director
City of Sandusky

EXHIBIT A

Survey and property description are in progress and will be attached as Exhibit A upon completion.

DRAFT

CITY OF SANDUSKY OHIO



LAND REUTILIZATION PROGRAM

"MOW TO OWN"

SIDE LOT DISPOSITION PROGRAM

EXHIBIT

"B"

The City of Sandusky's "Mow to Own" Side Lot Disposition Program aims to stabilize and strengthen property owners' investments in their neighborhoods by transferring vacant, abandoned and tax delinquent parcels that are of insufficient size to permit independent development to adjacent property owners through the Land Reutilization Program. The parcels are generally too small to be developed based on current zoning regulations. The City of Sandusky has many parcels that were platted at a time when houses were typically much smaller and closer together and off-street parking was not needed. Today, the City of Sandusky's zoning regulations do not allow development on these small parcels. In addition, prospective homebuyers generally are more attracted to larger residential lots for reasons such as desire for a larger house and a spacious yard. Given the limited usefulness of side lot parcels for development due to zoning regulations and homebuyer preferences, the "Mow to Own" Side Lot Disposition Program will encourage the adjacent property owners to purchase these parcels for yard expansion and off-street parking at a reasonable cost. Pursuant to the Ohio Revised Code, the parcels acquired by the Land Reutilization Program must be sold for not less than fair market value. The "Mow to Own" Side Lot Disposition Program will encourage the adjacent property owners to purchase these unbuildable parcels by requiring a small non-refundable earnest money deposit to cover the City's cost of acquisition with the balance to be paid for by in-kind service of mowing and maintaining the lot over a certain number of years. The required years will be determined by subtracting the required non-refundable earnest money deposit from the Erie County Auditor's appraisal value and then dividing the balance by the average yearly cost of the City to mow and maintain the parcel. A Purchase Agreement will be

entered into that will expire at the end of the required number of years that will require the parcel to be properly mowed and maintained. If at any time it is not adequately maintained within the required number of years, the Purchase Agreement will become null and void and the City will keep the non-refundable earnest money deposit. Once the terms of the Purchase Agreement have been met, the closing will take place and the title will be transferred to the adjoining owner.

By implementing the "Mow to Own" Side Lot Disposition Program, the City aims to produce several positive outcomes by transferring ownership to the adjacent property owners:

1. To stabilize neighborhoods by transferring vacant and abandoned properties to adjacent property owners who are more likely to care for the land next to their home.
2. The evidence of use and a well-maintained condition will help to improve the neighborhood character and appearance.
3. Reduce the public costs associated with maintaining these properties.
4. Encourage the creation of off-street parking where there currently is none.
5. Return these properties to the tax roll and increase property tax revenue for Erie County and the City of Sandusky.

The Land Reutilization Program aims to stabilize neighborhoods that are in decline with many vacant, abandoned and tax delinquent properties. Providing incentives for adjacent property owners to take ownership of vacant land will strengthen the neighborhood's character, appearance, and better sense of community.

A. Qualified Properties.

Parcels of property eligible for inclusion in the "Mow to Own" Side Lot Disposition Program shall meet all of the requirements pursuant to the City of Sandusky's Land Reutilization Program Policy and Procedures and shall also meet the following minimum criteria:

1. The property shall be vacant unimproved real property.
2. The property shall be physically contiguous to the adjacent owner's real property with a significant common boundary line.
3. The property shall consist of no more than one lot of insufficient size to permit independent development, which for the purposes of the Mow to Own Program shall be defined as a lot smaller than 40' X 125' or, in the case of an irregular shaped lot, as determined by the Land Bank Committee with the final approval of City Commission.

B. Applicants.

1. All applicants must own the contiguous property, and priority shall be given to applicants who personally occupy the contiguous property.
2. The applicant shall not be delinquent on any real estate or personal properties taxes in Erie County.
3. The applicant shall not have a history of property maintenance, nuisance and/or building code violations.
4. The applicant shall not own any property that has an unremediated property maintenance, nuisance and/or building code violation.
5. Applicants must meet all other requirements pursuant to the City of Sandusky's Land Reutilization Policy and Procedures.

C. Purchase.

1. Lots purchased for addition to existing developed properties shall be sold with deed restrictions prohibiting construction of additional dwelling units and limiting usage to ancillary facilities or building additions.

- The applicant shall obtain all necessary permits from the City before erecting structures on the property (i.e. garage, fence, etc.)
2. Situations not herein defined or deemed to be unusual shall be resolved at the discretion of the Land Bank Committee.

D. Price.

1. The purchase price shall be fair market value as determined by the Erie County Auditor's current valuation and appraisal.
2. The purchaser shall be responsible for the recording and transfer fees in addition to the cost of the lot.
3. The City shall not provide purchaser with title insurance. Title insurance may be purchased independently through the title company by the purchaser.

E. Payment.

1. The purchaser shall provide a non-refundable earnest money deposit in an amount not less than the costs incurred by the City for acquisition of the property.
2. The remaining balance due shall be determined by subtracting the amount of the non-refundable earnest money deposit from the fair market value.
3. The remaining balance due shall be paid by in-kind service of the purchaser by mowing and maintaining the property in a nuisance free condition for a minimum number of years that shall be determined by dividing the remaining balance due by the estimated average yearly cost to the City for mowing and maintaining the property, which shall be rounded up to the next whole number.
4. The purchaser shall agree to mow, maintain and keep the property free from nuisance for the minimum number of years as determined above.
5. If the property owner fails to maintain the property at anytime within the required minimum number of years and is issued a nuisance violation pursuant to the City of Sandusky's Codified Ordinances or if the City must

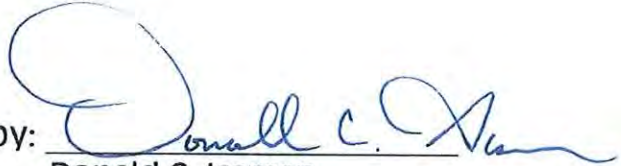
maintain the property in any way within the required minimum number of years, the purchaser shall be in breach of the Purchase Agreement.

F. Breach of the Purchase Agreement.

1. Upon breach of the Purchase Agreement, the Purchase Agreement shall become null and void and the non-refundable earnest money deposit shall be retained by the City. The property shall be offered to the other adjacent property owner. If the other adjacent property owner declines, or in the event there is no other adjacent property owner, the entire lot shall be offered to the rear abutting property owner.
2. If all of the adjacent/abutting property owners decline, the lot shall be considered for community development efforts such as community gardens, neighborhood play areas and community green areas.

Date: 9-16-11

Approved by:



Donald C. Icsman
Acting City Manager

PURCHASE AND SALE AGREEMENT

This Agreement is made and entered into this ____ day of _____ 2019, by and between the City of Sandusky, Erie County, Ohio, a Municipal Corporation, 240 Columbus Avenue, Sandusky, Ohio 44870, hereinafter referred to as the "Seller" and Omar J. Darden, hereinafter referred to as the "Purchaser".

WITNESSETH:

In consideration of the premises and the mutual promises and covenants hereinafter contained, the parties do hereby agree as follows:

1. The Seller agrees to sell to the Purchaser and the Purchaser agrees to purchase from the Seller, the unimproved parcel of real property located on the southern ½ of 1531 Camp Street, Erie County Parcel Number 58-01458.000, Sandusky, Ohio, and more fully described in the survey and legal description marked Exhibit "A" and attached hereto, the legal description of which will be set forth in the deed transferring ownership of said parcel and hereinafter referred to as the "Property." The Property is adjacent to and contiguous with real property that is owned by the Purchaser located at 1533 Camp Street, Erie County Parcel Number 58-01724.000.

2. The total purchase price for the Property is three thousand three hundred dollars (\$3,300), which is not less than the fair market value as determined by the appraised valuation of the Erie County Auditor. Purchaser shall pay a non-refundable earnest money deposit of seven hundred forty eight dollars and twenty five cents (\$748.25) by credit card (processing fee applies), certified check or cashier's check made payable to Seller. The remaining balance of two thousand five hundred fifty one dollars and seventy five cents (\$2,551.75), shall be paid by in-kind service of the Purchaser by mowing and maintaining the southern ½ of the Property in a nuisance free condition for a minimum of one and a half (1 ½) years according to the terms of the City of Sandusky's "Mow to Own" Side Lot Disposition Program, a copy of which is attached hereto, marked as Exhibit "B" and specifically incorporated herein.

3. The following deed restrictions shall be included on the deed:

a) This parcel is not a building lot and is conveyed to an adjoining owner of a building lot pursuant to Sandusky Municipal Code Section 1177.01(31)(A). This parcel shall not be conveyed separate and apart from the adjoining building lot and before such conveyance, this parcel shall be combined with the Purchasers' adjoining building lot in order to form one parcel of real property.

b) Construction of additional separate dwelling units shall be prohibited. Construction shall be limited to ancillary facilities or building additions made to existing structures.

4. At closing, Seller shall execute and deliver to Purchaser a quit claim deed conveying marketable record title to the Property to Purchaser free and clear of all liens, delinquent real estate taxes and special assessments. Purchaser shall pay all of the taxes and assessments due and payable after the date of closing.

5. Seller shall not furnish a title insurance policy.
6. The closing date of this transaction shall be no later than June 30, 2021, or at such other time as may be mutually agreed upon, in writing, by the parties.
7. The Seller and the Purchaser represent that no real estate broker or agent was involved in this transaction and that no brokerage fees, commissions, or other compensation is due any real estate broker or agent because of this transaction.
8. On the closing date, the Seller shall file for record the deed, and other instruments, if any, required to be recorded pursuant to this Agreement.
9. Purchaser shall be entitled to possession of the Property upon the closing of this transaction.
10. The Purchaser has examined the Property, has had the opportunity to fully inspect and ask questions about conditions of the same, and acknowledges that they are accepting the Property "AS IS" subject to no warranties as of the date of the execution of this Purchase Agreement and that there have been no representations by the Seller as to the condition of the Property.
11. In the event that the Purchaser breaches this Agreement by not closing this transaction on or before June 30, 2021, Seller may sell the Property to another adjoining property owner or may retain the Property for devotion to public use.
12. This Agreement sets forth the entire understanding between the parties with respect to the subject matter hereof, and no agreements or understandings nor any representations concerning the same shall be binding upon the parties unless specifically set forth herein.
13. This Agreement shall be binding upon and inure to the benefit of Seller and Purchasers and their respective heirs, legal representatives, and assigns.
14. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instruments.

SIGNATURE PAGES TO FOLLOW

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first above written.

PURCHASER(S):

Omar J. Darden, Property Owner

State of Ohio)

) SS:

County of Erie)

On this _____ day of _____, 2019, before me, a Notary Public in and for said County and State, personally appeared Omar J. Darden and acknowledged his execution of the foregoing instrument and that the same is his voluntary act and deed.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal on the day and year aforesaid.

NOTARY PUBLIC

SELLER:

CITY OF SANDUSKY

Eric L. Wobser
City Manager

STATE OF OHIO)

) ss:

ERIE COUNTY)

On this _____ day of _____, 2019, before me, a Notary Public in and for said County and State, personally appeared Eric L. Wobser, City Manager of the City of Sandusky, Ohio, and acknowledged his execution of the foregoing instrument as said officer of said City on behalf of said City and by its authority and that the same is his voluntary act and deed as said officer on behalf of said City and the voluntary act and deed of said City.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal on the day and year aforesaid.

NOTARY PUBLIC

Approved as to Form:

Trevor M. Hayberger, #0075112
Law Director
City of Sandusky

EXHIBIT A

Survey and property description are in progress and will be attached as Exhibit A upon completion.

DRAFT

CITY OF SANDUSKY OHIO



LAND REUTILIZATION PROGRAM

"MOW TO OWN"

SIDE LOT DISPOSITION PROGRAM

EXHIBIT

"B"

The City of Sandusky's "Mow to Own" Side Lot Disposition Program aims to stabilize and strengthen property owners' investments in their neighborhoods by transferring vacant, abandoned and tax delinquent parcels that are of insufficient size to permit independent development to adjacent property owners through the Land Reutilization Program. The parcels are generally too small to be developed based on current zoning regulations. The City of Sandusky has many parcels that were platted at a time when houses were typically much smaller and closer together and off-street parking was not needed. Today, the City of Sandusky's zoning regulations do not allow development on these small parcels. In addition, prospective homebuyers generally are more attracted to larger residential lots for reasons such as desire for a larger house and a spacious yard. Given the limited usefulness of side lot parcels for development due to zoning regulations and homebuyer preferences, the "Mow to Own" Side Lot Disposition Program will encourage the adjacent property owners to purchase these parcels for yard expansion and off-street parking at a reasonable cost. Pursuant to the Ohio Revised Code, the parcels acquired by the Land Reutilization Program must be sold for not less than fair market value. The "Mow to Own" Side Lot Disposition Program will encourage the adjacent property owners to purchase these unbuildable parcels by requiring a small non-refundable earnest money deposit to cover the City's cost of acquisition with the balance to be paid for by in-kind service of mowing and maintaining the lot over a certain number of years. The required years will be determined by subtracting the required non-refundable earnest money deposit from the Erie County Auditor's appraisal value and then dividing the balance by the average yearly cost of the City to mow and maintain the parcel. A Purchase Agreement will be

entered into that will expire at the end of the required number of years that will require the parcel to be properly mowed and maintained. If at any time it is not adequately maintained within the required number of years, the Purchase Agreement will become null and void and the City will keep the non-refundable earnest money deposit. Once the terms of the Purchase Agreement have been met, the closing will take place and the title will be transferred to the adjoining owner.

By implementing the "Mow to Own" Side Lot Disposition Program, the City aims to produce several positive outcomes by transferring ownership to the adjacent property owners:

1. To stabilize neighborhoods by transferring vacant and abandoned properties to adjacent property owners who are more likely to care for the land next to their home.
2. The evidence of use and a well-maintained condition will help to improve the neighborhood character and appearance.
3. Reduce the public costs associated with maintaining these properties.
4. Encourage the creation of off-street parking where there currently is none.
5. Return these properties to the tax roll and increase property tax revenue for Erie County and the City of Sandusky.

The Land Reutilization Program aims to stabilize neighborhoods that are in decline with many vacant, abandoned and tax delinquent properties. Providing incentives for adjacent property owners to take ownership of vacant land will strengthen the neighborhood's character, appearance, and better sense of community.

A. Qualified Properties.

Parcels of property eligible for inclusion in the "Mow to Own" Side Lot Disposition Program shall meet all of the requirements pursuant to the City of Sandusky's Land Reutilization Program Policy and Procedures and shall also meet the following minimum criteria:

1. The property shall be vacant unimproved real property.
2. The property shall be physically contiguous to the adjacent owner's real property with a significant common boundary line.
3. The property shall consist of no more than one lot of insufficient size to permit independent development, which for the purposes of the Mow to Own Program shall be defined as a lot smaller than 40' X 125' or, in the case of an irregular shaped lot, as determined by the Land Bank Committee with the final approval of City Commission.

B. Applicants.

1. All applicants must own the contiguous property, and priority shall be given to applicants who personally occupy the contiguous property.
2. The applicant shall not be delinquent on any real estate or personal properties taxes in Erie County.
3. The applicant shall not have a history of property maintenance, nuisance and/or building code violations.
4. The applicant shall not own any property that has an unremediated property maintenance, nuisance and/or building code violation.
5. Applicants must meet all other requirements pursuant to the City of Sandusky's Land Reutilization Policy and Procedures.

C. Purchase.

1. Lots purchased for addition to existing developed properties shall be sold with deed restrictions prohibiting construction of additional dwelling units and limiting usage to ancillary facilities or building additions.

- The applicant shall obtain all necessary permits from the City before erecting structures on the property (i.e. garage, fence, etc.)
2. Situations not herein defined or deemed to be unusual shall be resolved at the discretion of the Land Bank Committee.

D. Price.

1. The purchase price shall be fair market value as determined by the Erie County Auditor's current valuation and appraisal.
2. The purchaser shall be responsible for the recording and transfer fees in addition to the cost of the lot.
3. The City shall not provide purchaser with title insurance. Title insurance may be purchased independently through the title company by the purchaser.

E. Payment.

1. The purchaser shall provide a non-refundable earnest money deposit in an amount not less than the costs incurred by the City for acquisition of the property.
2. The remaining balance due shall be determined by subtracting the amount of the non-refundable earnest money deposit from the fair market value.
3. The remaining balance due shall be paid by in-kind service of the purchaser by mowing and maintaining the property in a nuisance free condition for a minimum number of years that shall be determined by dividing the remaining balance due by the estimated average yearly cost to the City for mowing and maintaining the property, which shall be rounded up to the next whole number.
4. The purchaser shall agree to mow, maintain and keep the property free from nuisance for the minimum number of years as determined above.
5. If the property owner fails to maintain the property at anytime within the required minimum number of years and is issued a nuisance violation pursuant to the City of Sandusky's Codified Ordinances or if the City must

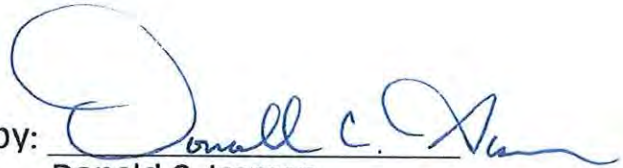
maintain the property in any way within the required minimum number of years, the purchaser shall be in breach of the Purchase Agreement.

F. Breach of the Purchase Agreement.

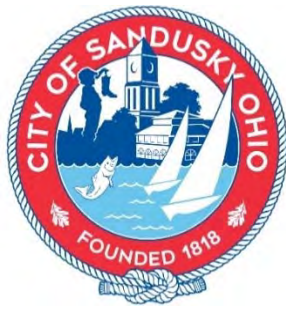
1. Upon breach of the Purchase Agreement, the Purchase Agreement shall become null and void and the non-refundable earnest money deposit shall be retained by the City. The property shall be offered to the other adjacent property owner. If the other adjacent property owner declines, or in the event there is no other adjacent property owner, the entire lot shall be offered to the rear abutting property owner.
2. If all of the adjacent/abutting property owners decline, the lot shall be considered for community development efforts such as community gardens, neighborhood play areas and community green areas.

Date: 9-16-11

Approved by:



Donald C. Icsman
Acting City Manager



DEPARTMENT OF PUBLIC WORKS

Big Island Water Works

2425 First Street
Sandusky, Ohio 44870
419.627.5829
www.ci.sandusky.oh.us

To: Eric Wobser, City Manager

From: Aaron M. Klein, P.E.

Date: December 3, 2019

Subject: **Commission Agenda Item – Ohio EPA License to Operate Fee for BIWW CY 2020**

ITEM FOR CONSIDERATION: Legislation authorizing payment to the Ohio EPA for the annual licensing fee to operate Big Island Water Works for the calendar year 2020.

BACKGROUND INFORMATION: In accordance with Ohio Law (Ohio Revised Code 6109.21), public water systems in Ohio must obtain a License to Operate from the Director of the Ohio Environmental Protection Agency (Ohio EPA). Fees are determined by the number of service connections within the City and fee schedule set by Ohio EPA.

For calendar year 2020, the City of Sandusky is required to pay a license renewal fee for Big Island Water Works in the amount of \$12,180.00. The fee has remained unchanged since 2014.

BUDGETARY INFORMATION: The total amount of \$12,180.00 shall be paid with Water funds and has been appropriated in the O & M Budget for 2019.

ACTION REQUESTED: It is recommended that the proposed payment of the license to operate fee with the Ohio EPA be approved and the necessary legislation be passed under suspension of the rules and in accordance with Section 14 of the City Charter in order to expend funds appropriated in the O & M budget for 2019 and to make payment prior to the December 31, 2019 due date.

I concur with this recommendation:

Eric Wobser
City Manager

cc: K. Kresser, Commission Clerk; S. Martin, Acting Finance Director; T. Hayberger, Law Director

CERTIFICATE OF FUNDS

In the Matter of: Ohio EPA License to Operate

IT IS HEREBY CERTIFIED that the moneys required to meet the obligations of the City of Sandusky under the foregoing Contract have been lawfully appropriated for such purposes and are in the treasury of the City of Sandusky or are in the process of collection to an appropriate fund, free from any previous encumbrances. This certificate is given compliance with Sections 5705.41 and 5705.44, Ohio Revised Code.

Dated: December 3, 2019

By: 
Sally Martin
Acting Finance Director

2020 PUBLIC WATER SYSTEM LICENSE NOTICE

Invoice/Revenue ID: 1322187

- NO PERSON SHALL OPERATE OR MAINTAIN A PUBLIC WATER SYSTEM IN THE STATE OF OHIO WITHOUT A PUBLIC WATER SYSTEM LICENSE.
- A LICENSE HOLDER THAT PROPOSES TO CONTINUE OPERATING A PUBLIC WATER SYSTEM FOR WHICH THE LICENSE WAS ISSUED SHALL RETURN A COMPLETED APPLICATION AND APPROPRIATE FEE TO THE DIRECTOR AT LEAST 30 DAYS PRIOR TO THE EXPIRATION DATE OF THE CURRENT LICENSE.
- IF THERE ARE ANY CHANGES TO THE OWNER NAME, ADDRESS, OR WATER SYSTEM INFORMATION CONTAINED ON THIS APPLICATION, CONTACT YOUR LOCAL OHIO EPA DISTRICT OFFICE.
- THIS IS THE ONLY INVOICE YOUR WATER SYSTEM WILL RECEIVE.

SANDUSKY CITY
240 COLUMBUS AVE.
SANDUSKY, OH 44870

**FOLLOW THESE
IMPORTANT STEPS IN
COMPLETING THIS
APPLICATION**

WATER SYSTEM INFORMATION	
Name:	SANDUSKY CITY
PWS ID:	OH2201411
System Type :	COMMUNITY
Number of Service Connections:	10500
Surface Water Source:	Yes

FEES FOR YEAR 2020	TOTAL
Based on the water system information taken from above, the fee owed by your water system is shown in the total column.	
Attached is a handout that indicates how this information was used to determine your fee and examples of how the fee is calculated for each type of water system.	Pay this amount: \$12,180.00

1	CONFIRM THE WATER SYSTEM INFORMATION... Such as System Name, System Type, Mailing Address, and Fee Amount. IF THIS INFORMATION IS INCORRECT CONTACT NORTHWEST DISTRICT OFFICE - DDAGW at 419-352-8461
2	SIGN... IMPORTANT Application MUST be signed and dated in the designated area below.
3	PAY FEES... Please pay the required fee by check, money order or credit card. - Make check or money order payable to: TREASURER STATE OF OHIO - For Information on paying by Credit Card go to http://epa.ohio.gov/
4	RETURN APPLICATION PROMPTLY... Return the signed application along with the appropriate fee by the DUE DATE listed below.

DETACH THIS STUB AND INCLUDE WITH YOUR PAYMENT. RETAIN THE TOP PORTION FOR YOUR RECORDS.

DDAGW PW- Public Water System License to Operate (LFCWS)

PWS NAME: SANDUSKY CITY

PWS ID: OH2201411

Contact NAME: SANDUSKY CITY

SIGNATURE OF OWNER _____

DATE _____

Pay to: **Treasurer, State of Ohio.** Please write the **Revenue ID** on your check.
This is a lockbox. Please do not send other correspondence to this address.

Ohio EPA
PO BOX 77005
Cleveland, OH 44194-7005

ENGINEERING

DEC 02 2019

CITY OF SANDUSKY

Due Date:	12/31/2019
Revenue ID:	1322187
Amount Due:	\$12,180.00
Type Code:	LFCWS
Transaction ID:	

1322187 0001218000 LFCWS 0000000000 5

License to Operate (Effective July 1, 2003)

A person applying for a license or license renewal to operate a public water system must pay the appropriate fee at the time of application to the director. Any person who fails to pay the fee at the time must pay an additional amount that equals ten percent of the required fee. Fees must be calculated in accordance with the following schedule:

COMMUNITY WATER SYSTEMS (Effective July 1, 2003)

Number of Service Connections	Fee per Service Connection
Not more than 49	\$112 (total)
50-99	176 (total)
100 to 2,499	1.92
2,500 to 4,999	1.48
5,000 to 7,499	1.42
7,500 to 9,999	1.34
10,000 to 14,999	1.16
15,000 to 24,999	1.10
25,000 to 49,999	1.04
50,000 to 99,999	0.92
100,000 to 149,999	0.86
150,000 to 199,999	0.80
200,000 or more	0.76

A public water system may determine how it will pay the total amount of the fee calculated, including the assessment of additional user fees that may be assessed on a volumetric basis. As used in this schedule, "Service Connection" means the number of active or inactive pipes, goosenecks, pigtails, and any other fittings connecting a water main to any building outlet.

NON-TRANSIENT NON-COMMUNITY WATER SYSTEMS (Effective July 1, 2003)

Population Served	Fee Amount
Fewer than 150	\$ 112
150 to 299	176
300 to 749	384
750 to 1,499	628
1,500 to 2,999	1,268
3,000 to 7,499	2,816
7,500 to 14,999	5,510
15,000 to 22,499	9,048
22,500 to 29,999	12,430
30,000 or more	16,820

As used in this schedule, "Population Served" means the total number of individuals receiving water from the water supply during a twenty-four hour period for at least sixty days during any calendar year. In the absence of a specific population count, that number must be calculated at the rate of three individuals per service connection.

TRANSIENT NON-COMMUNITY WATER SYSTEM (Effective July 1, 2003)

Number of Wells Supplying System	Fee Amount
1	\$112
2	112
3	176
4	278
5	568
System designated as using a surface water source	792

As used in this schedule, "Number of Wells Supplying System" means those wells (either active or inactive) that are physically connected to the plumbing system serving the public water system.

All public water systems designated as using a surface water source must pay a fee of \$792 or the amount calculated using the number of service connections or population served whichever is higher.

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING AND DIRECTING THE FINANCE DIRECTOR TO MAKE PAYMENT TO THE STATE OF OHIO ENVIRONMENTAL PROTECTION AGENCY FOR THE RENEWAL OF THE LICENSE TO OPERATE A PUBLIC WATER SYSTEM FOR THE CALENDAR YEAR 2020; AND DECLARING THAT THIS ORDINANCE SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.

WHEREAS, the City of Sandusky as an operator of a public water system is required to pay a licensing fee on an annual basis to the Ohio Environmental Protection Agency pursuant to Ohio Revised Code §6109.21; and

WHEREAS, the total cost for the annual licensing fee for calendar year 2020 is \$12,180.00 and will be paid with Water Funds which have been appropriated in the Operation & Maintenance (O&M) budget for 2019; 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 make payment for the annual licensing fee to operate a public water system prior to the due date of December 31, 2019, and to expend the funds appropriated in the 2019 budget; 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 Public Works, 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 authorizes and directs the Finance Director to make payment to the Treasurer of the State of Ohio as required by the Ohio Environmental Protection Agency in an amount **not to exceed** Twelve Thousand One Hundred Eighty and 00/100 Dollars (\$12,180.00) for the renewal of the license to operate a public water system for the calendar year 2020.

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.

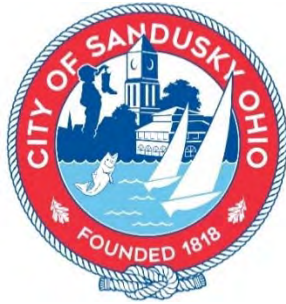
Section 3. This City Commission finds and determines that all formal actions of this City Commission concerning and relating to the passage of this Ordinance were taken in an open meeting of this City Commission and that all deliberations of this City Commission and of any of its committees that resulted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

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

ATTEST: _____
KELLY L. KRESSER
CLERK OF THE CITY COMMISSION

Passed: December 9, 2019



COMMUNITY DEVELOPMENT

240 Columbus Avenue
Sandusky, Ohio 44870
419.627.5715
www.ci.sandusky.oh.us

To: Eric L. Wobser, City Manager
From: Matthew D. Lasko, Chief Development Officer
Date: October 29, 2019
Subject: Commission Agenda Item – Amendment to Chapter 531 of the City of Sandusky Codified Ordinances.

Items for Consideration: Legislation approving certain amended and new language related to Chapter 531 of the City of Sandusky Codified Ordinances (Nuisances Generally).

Background Information: As currently written, the City's Codified Ordinances do not categorize the existence of graffiti on a property or premises as a nuisance – as is the case for inoperable vehicles or tall grass as two examples. As such, the City does not currently have the ability to cite property owners for the presence of graffiti on a property or premise, compel the property owner to remove the graffiti nor can the City abate the graffiti if unabated by the owner. However, the presence of graffiti on properties and premises throughout the City exists and reports to the City's Code Compliance Division in 2019 have increased. Therefore, certain amendments and additions to Chapter 531 are being proposed for consideration.

It is proposed that Chapter 531 be amended and added to, to accomplish several items:

- (1) Declaring graffiti as a public nuisance,
- (2) Making it unlawful for graffiti to exist on any premises (residential, commercial, industrial or other) – meaning not just dwellings or buildings, but any location on any parcel of land surrounding dwellings or buildings, including but not limited to, fences, walkways and appurtenances,
- (3) Requiring property owners to, at all times, keep premises and property on the premises free from graffiti and removing graffiti when present, and
- (4) Granting the City the ability to abate graffiti when not abated by the owner (which is the case with most other nuisance conditions that remain unabated after perfecting notice) and bill the property owner for the abatement.

It is further requested that this amended ordinance become effective on January 1, 2020.

Budgetary Information: There is no budgetary effect of the proposed amendments and additions to Chapter 531 of the City of Sandusky Codified Ordinances (Nuisances Generally).

Action Requested: It is requested that the proper legislation be prepared to amend Chapter 531 of the City of Sandusky Codified Ordinances (Nuisances Generally).

I concur with this recommendation:

Eric L. Wobser

City Manager

Matthew D. Lasko, MUPDD, MSSA

Chief Development Officer

cc: Kelly Kresser, Clerk of the City Commission
Sally Martin, Acting Finance Director
Trevor Hayberger, Law Director

ORDINANCE NO. _____

AN ORDINANCE AMENDING PART FIVE (GENERAL OFFENSES CODE), CHAPTER 531 (NUISANCES GENERALLY), SECTIONS 531.01 (DEFINITIONS) AND 531.02 (PUBLIC NUISANCE) AND ADOPTING NEW SECTION 531.05 (**DEFACED PROPERTY**) OF THE CODIFIED ORDINANCES OF THE CITY SANDUSKY, IN THE MANNER AND WAY SPECIFICALLY SET FORTH HEREINBELOW.

WHEREAS, the purpose of the amendment is to declare **defaced property** as a public nuisance and therefore subject to the enforcement provisions provided in Chapter 531 for other nuisances; 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 Municipal Departments of the City of Sandusky, Ohio and, NOW, THEREFORE,

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

NEW LANGUAGE APPEARS IN BOLD PRINT
LANGUAGE TO BE STRICKEN APPEARS WITH A STRIKE THROUGH IT
LANGUAGE TO REMAIN UNCHANGED APPEARS IN REGULAR PRINT

Section 1. Part Five (General Offenses Code), Chapter 531 (Nuisances Generally), of the Codified Ordinances of the City be amended by the adoption of new Section 531.05 (**Defaced Property**), and the amendment of Section 531.01 (Definitions) and Section 531.02 (Public Nuisance) and the renumbering of the remaining sections of Chapter 531 as follows:

CHAPTER 531
Nuisances Generally

GARBAGE AND REFUSE

- 531.01 Definitions.
- 531.02 Public nuisance.
- 531.03 Littering.
- 531.04 Other littering.
- 531.05 Defaced Property.**
- ~~531.056~~ Inspection; abatement.

WEEDS

- ~~531.06~~**7** Definitions.
- ~~531.07~~**8** Cutting of noxious weeds and grass.
- ~~531.08~~**9** Notice to cut; duty of Housing Code Compliance Officer.
- ~~531.09~~**10** Failure to comply.
- ~~531.10~~**11** Procedure when owner fails to comply with notice.
- ~~531.11~~**12** Payment of costs; unpaid costs a lien.
- ~~531.12~~**13** Responsibility of adjacent owner.

MISCELLANEOUS

- ~~531.13~~**4** Use of unopened streets.

- 531.145 Storage of tires.
- 531.156 Unlicensed and junk motor vehicles on private property with permission of owners; notice of removal and impounding.
- 531.167 Criminal activity as a nuisance; user charge for excessive consumption of public services.
- 531.99 Penalty.

CROSS REFERENCES

Nuisances - see Ohio R.C. Ch. 3767

Notice to cut weeds - see Ohio R.C. 731.51

Procedure when owner fails to comply with notice - see Ohio R.C. 731.53

Payment of costs; unpaid costs a lien - see Ohio R.C. 731.54

531.01 DEFINITIONS.

For purposes of this Chapter, the following words and phrases shall have the following meanings:

(a) "Garbage" means all putrescible wastes except wastes of the human body and other water-carried wastes, including all vegetable and animal wastes resulting from the handling, preparation, cooking and/or consumption of foods, and any container that has contained food or liquid prepared for the consumption of humans or animals.

(b) **"Defaced Property"** means any unauthorized inscription, design, word, figure, or mark of any type that is drawn, marked, painted, etched, scratched or written upon on any premises, including buildings, structures, fixtures or other improvements, whether permanent or temporary, whether public or private, which is visible from a public space, the public right-of-way, or any other location a Code Compliance Officer has the right to be. **Such inscription, design, word, figure, or mark of any type shall be deemed unauthorized if the property owner has not granted written permission prior to its application to the premises.**

(~~b~~c) "Hazardous waste" shall have the same meaning set forth in Ohio R.C. 3734.01 or any successor thereof or amendment thereto.

(~~e~~d) "Infectious waste" shall have the same meaning set forth in Ohio R.C. 3734.01 or any successor thereof or amendment thereto.

(~~d~~e) "Inoperable motor vehicle" means a motor vehicle the condition of which is wrecked, dismantled and/or partially dismantled whereby it is incapable of operation and/or use under its own power; from which the wheels, engine, transmission and/or any other substantial part thereof has been removed; and/or upon which there is not affixed valid evidence of current registration as required by applicable laws of the State.

(~~e~~f) "Inoperable recreational vehicle" means a recreational vehicle the condition of which is wrecked, dismantled and/or partially dismantled whereby it is incapable of operation and/or use; from which the wheels and/or any other substantial parts thereof have been removed; and/or upon which there is not

affixed valid evidence of current registration as required by applicable laws of the State.

(~~f~~g) "Inoperable trailer" means a trailer the condition of which is wrecked, dismantled and/or partially dismantled whereby it is incapable of operation and/or use; from which the wheels and/or any other substantial parts thereof have been removed; and/or upon which there is not affixed valid evidence of current registration as required by applicable laws of the State.

(~~g~~h) "Inoperable watercraft" means a watercraft the condition of which is wrecked, dismantled and/or partially dismantled whereby it is incapable of operation and/or use as a watercraft; upon which there is not affixed valid evidence of current registration as a watercraft as required by applicable laws of the State; and/or which as a result of its overall condition is not useable as a watercraft.

(~~h~~i) "Open burning" shall have the same meaning set forth in Ohio R.C. 3734.01 or any successor thereof or amendment thereto.

(~~i~~j) "Open dumping" shall have the same meaning set forth in Ohio R.C. 3734.01 or any successor thereof or amendment thereto.

(~~j~~k) "Junk" means old or scrap copper, brass, rope, rags, batteries, paper, rubber, lumber, pipe, used building materials, roofing; old or scrap iron, steel or other ferrous or nonferrous materials which are not legitimately held for sale in due course for remelting purposes by an establishment having facilities for the processing of such materials which is located in an appropriate land use zone under the Zoning Ordinance of the City.

(~~k~~l) "Motor vehicle" shall have the same meaning as set forth in Chapter 301 or any successor thereof or amendment thereto.

(m) **"Premises" means not only the dwelling and any other building of any kind or nature located on the property, but also the entire parcel of land surrounding the buildings, including, but not limited to, fences, walkways, walls, and appurtenances.**

(~~l~~n) "Property" means any real property within the City.

(~~m~~o) "Private property" means any real property within the City, which is privately titled or owned, and which is not defined as public property hereunder.

(~~n~~p) "Public property" means any real property within the City, which is titled to, owned by, or within the sole and exclusive control of the City of Sandusky, Ohio; Erie County; and/or the State of Ohio, including, but not by way of limitation buildings, structures, parking lots, parks, streets, sidewalks, swales, rights of way and easements.

(~~o~~q) "Recreational vehicle" shall have the same meaning set forth in Ohio R.C. 4501.01 or any successor thereof, or amendment thereto.

(~~pr~~) "Refuse" means ashes, crockery, bottles, cans, paper and other wood pulp products, boxes, rags, grass clippings and other cut vegetation; old, used or discarded clothing, bedding, mattresses, furniture and appliances; rubbish, dirt, nails, pieces of glass, and oil; and all other non-putrescible wastes not included in the definition of "garbage" set forth herein.

(~~qs~~) "Solid wastes" shall have the same meaning set forth in Ohio R.C. 3734.01 or any successor thereof or amendment thereto.

(~~rt~~) "Trailer" shall have the same meaning set forth in Ohio R.C. 4501.01 or any successor thereof, or amendment thereto.

(~~su~~) "Watercraft" shall have the same meaning set forth in Ohio R.C. 1547.01 or any successor thereof or amendment thereto.

(~~tv~~) "Wrecked motor vehicle" means any motor vehicle which is wrecked, dismantled or partially dismantled whereby it is incapable of operation by its own power, or from which the wheels, engine, transmission and/or any other substantial parts thereof have been removed.

(~~uw~~) "Wrecked recreational vehicle" means any recreational vehicle which is wrecked, dismantled or partially dismantled whereby it is incapable of operation, or use or from which the wheels and/or any other substantial parts have been removed.

(~~vx~~) "Wrecked trailer" means any trailer which is wrecked, dismantled or partially dismantled whereby it is incapable of operation or use, or from which the wheels and/or any other substantial parts have been removed.

(~~wy~~) "Wrecked watercraft" means any watercraft which is wrecked, dismantled or partially dismantled whereby it is no longer seaworthy or it is incapable of use as a watercraft.

~~(1980 Code 93.01)~~

531.02 PUBLIC NUISANCE.

(a) Each of the following shall be deemed to constitute a public nuisance:

- (1) The accumulation, storage and/or disposition of garbage, refuse, hazardous waste, infectious wastes and/or solid wastes in any manner other than as provided and allowed by these Codified Ordinances and/or any other applicable state or local law or regulation in a manner consistent with and permitted by the same;
- (2) The accumulation and/or storage of junk at any place except in a wholly enclosed building or structure, or in a junkyard permitted by these Codified Ordinances and/or applicable state or local law or regulation in a manner consistent with and permitted by the same;

- (3) The parking, storing or leaving, or permitting the parking, storing or leaving of any wrecked and/or inoperable motor vehicle, trailer, recreational vehicle or watercraft of any kind, or any motor vehicle, trailer, recreational vehicle or watercraft upon which evidence of current and effective registration as required by law is not displayed, upon any private property within the City except that any such motor vehicle, trailer, recreational vehicle or watercraft may be parked, stored or left upon private property for a single period of time not to exceed five days in total duration;
- (4) The accumulation and/or storage of motor vehicle parts upon private property except in a wholly enclosed building or structure, or in a junkyard permitted by these Codified Ordinances and/or applicable state or local regulations, in a manner consistent with, and permitted by the same;
- (5) The use or occupation of any private land, real estate, house, building, residence, apartment or structure in any manner which is in violation of Ohio R.C. 2925.13, Section 513.07 and/or any other provision of this Chapter, Ohio R.C. 4301.73, 4301.74 and/or 4399.09 and Ohio R.C. 2907.37 or any successor thereof or amendment thereto;
- (6) Open burning and/or open dumping;
- (7) **Defaced Property.**

(b) This section shall not apply to:

- (1) Any motor vehicle, recreational vehicle, trailer or watercraft which is inoperable by virtue of its failure to bear affixed thereupon valid evidence of its current registration as required by law which is parked, kept or stored wholly within a building on private property provided said building is totally enclosed, or to any motor vehicle, recreational vehicle, trailer or watercraft which is rendered inoperable for any other reason which is parked, kept or stored wholly within a building on private property;
- (2) Any motor vehicle, recreational vehicle, trailer or watercraft held in connection with a properly licensed business enterprise which is properly operated within an appropriate land use zone pursuant to the Zoning Ordinance of the City, when such motor vehicle or watercraft is kept for sale or resale, or for repair in the normal course of such business operation.

(c) No person owning, occupying or otherwise having charge of or control over any property, shall commit any act or series of acts which constitute a public nuisance. ~~(1980 Code 93.02)~~

NEW SECTION

531.05 DEFACED PROPERTY.

(a) Defaced Property in violation of this Chapter is detrimental to the health, safety and welfare of the City and is therefore expressly declared to be a public nuisance subject to the removal and/or abatement provisions specified in this Chapter.

(b) It is the duty of an owner of property in the City to, at all times, keep the premises and all personal property located on the premises, free from defaced property, and otherwise comply with the requirements of this Chapter.

(c) It shall be the responsibility of the owner to remove the defaced property and restore said premises to an approved state of maintenance and repair.

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 shall take effect at the earliest time allowed by Law.

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

ATTEST:

KELLY L. KRESSER
CLERK OF THE CITY COMMISSION

Passed: December 9, 2019 (effective after 30 days)



COMMUNITY DEVELOPMENT

240 Columbus Avenue
Sandusky, Ohio 44870
419.627.5715
www.ci.sandusky.oh.us

To: Eric L. Wobser, City Manager

From: Matthew D. Lasko, Chief Development Officer and Aaron Klein, Director of Public Works

Date: November 21, 2019

Subject: Commission Agenda Item – Project Funding Agreement between City of Sandusky and Cedar Point Park LLC.

Items for Consideration: Legislation approving a Project Funding Agreement between the City and Cedar Point Park LLC, in which the City will issue Bonds in the amount of Two Million Two Hundred and Fifty Thousand Dollars (\$2,250,000.00) and Cedar Point Park LLC agrees to provide Minimum Service Payments of \$550,000 per year, certain marketing related matters, dedicate certain real property, and donate certain real property to the City.

Background Information: Pursuant to the Ohio Revised Code, the City Commission may designate certain parcels of real property for the eligibility of exempting certain improvements from real property taxation for a period of time, and provide for the making of service payments in lieu of taxes by the owner of such parcels, and establish a municipal public improvement tax increment equivalent fund into which those service payments shall be deposited (“TIF”). Cedar Point Park LLC desires to construct an approximately 185,000 square foot indoor sports complex to compliment its outdoor sports complex on adjacent property. The City desires to encourage this project because it will create jobs and employment opportunities, attract regional visitors to the City, and improve the economic and general welfare of the citizens of the City.

The construction of certain infrastructure items is critical to the safety and operations of the complex – of which the City is agreeable to funding \$2,250,000 through the issuance of bonds to help effectuate the completion of these infrastructure items. As part of the Project Funding Agreement, Cedar Point Park, LLC agrees to provide minimum service payments of \$550,000 annual payable in two installments of minimally \$275,000. It is possible the annual payments to the City exceed \$550,000 annually, however this will not be known until the complex is appraised at the completion of construction. Again however, the minimum to be received by the City annually is \$550,000 for thirty (30) years. It must be noted that, per a previously executed School Compensation Agreement, the Sandusky City School will annually receive 10% of all proceeds received by the City of Sandusky.

The Department of Public Works was permitted to complete a thorough review of all design documents for the infrastructure that was intended to be accepted by the City at the completion of this project. ODOT also reviewed design of roadway widening and ditch installation along State Route 6. In addition to review of designs, A City of Sandusky construction inspector performed construction oversight for compliance with approved plans for all sanitary sewers, storm sewers, water mains, valving, trenches, curbs, lighting (with the electrical inspector), green infrastructure, roadway and related appurtenances that are to be accepted. Public sewers and water mains passed all required testing. Since only a few punch list items remain and Ohio Edison needs to set the meter for street lighting, it is staff's recommendation that the infrastructure outlined in this agreement can be accepted by the City as soon as the punch list is complete. Staff has requested as-built information from the contractor but has already geolocated most of the infrastructure to be accepted. A final site walk by the City and ODOT will be performed on Monday, November 25, 2019.

The traffic study did not warrant a signal at the western intersection, but staff felt it was important to complete a new traffic study upon completion of construction activities for The Landing. All underground infrastructure that would be needed for this potential future installation has already been installed as part of this project so the street wouldn't have to be excavated again.

Budgetary Information: The City will be responsible for providing \$2,250,000.00 from the issuance of Bonds or notes.

Action Requested: It is requested that the proper legislation be prepared to allow the City to enter into a Project Funding Agreement with Cedar Point Park LLC.

I concur with this recommendation:

Eric L. Wobser
City Manager

Matthew D. Lasko, MUPDD, MSSA
Chief Development Officer

Aaron Klein, PE
Director, Public Works

cc: Kelly Kresser, Clerk of the City Commission
Trevor Hayberger, Law Director
Sally Martin, Acting Finance Director

CERTIFICATE OF FUNDS

In the Matter of: Project Funding Agreement for Cedar Point Park LLC

IT IS HEREBY CERTIFIED that the moneys required to meet the obligations of the City of Sandusky under the foregoing Contract have been lawfully appropriated for such purposes and are in the treasury of the City of Sandusky or are in the process of collection to an appropriate fund, free from any previous encumbrances. This certificate is given compliance with Sections 5705.41 and 5705.44, Ohio Revised Code.

Dated: November 21, 2019

By: 

Sally Martin

Acting Finance Director

ORDINANCE NO. _____

AN ORDINANCE APPROVING A PROJECT FUNDING AGREEMENT WITH CEDAR POINT PARK LLC RELATING TO VARIOUS DEVELOPMENT ACTIVITIES IN CONNECTION WITH CERTAIN PROPERTY LOCATED IN THE CITY, AND DECLARING AN EMERGENCY.

WHEREAS, Cedar Point Park LLC (the “Developer”) owns certain real property located along State Route 6 in the City and an adjoining township (the “Property”) and determined to construct an approximately 185,000 square foot indoor sports complex with ten (10) basketball courts (convertible to twenty [20] volleyball courts), an arena with retractable seats, additional recreational facilities, a sports-medicine facility, and related improvements (the “Project”), which facility would complement the Developer’s outdoor sports complex on adjacent property; and

WHEREAS, the Developer previously requested that the City provide financial support to the Project in order to enable the Developer to enhance the sports complex and has agreed to impose minimum service payments on the Property in connection therewith; and

WHEREAS, the City determined that the Project will create jobs and employment opportunities, attract regional visitors to the City, and improve the economic and general welfare of the people of the City; and

WHEREAS, City has further determined that the roadway to be constructed by the Developer on the Property in order to provide vehicle access to the Project from State Route 6, is necessary and appropriate in connection with the development of the area and is an integral part of the Developer’s Project, and is appropriate for the roadway to be built by the Developer in order to provide the most effective and efficient vehicle access to the Project facilities; and

WHEREAS, the roadway, upon dedication to the City, also will facilitate public access to the waterfront, and will provide necessary public utilities for properties in the area, which are all necessary for the public health, safety and welfare; and

WHEREAS, in conjunction with the foregoing activities, the City and the Developer will enter into an agreement to provide for the donation by the Developer to the City of certain real property situated along the waterfront and adjacent to the Property, for use by the City for the construction of a public park and recreational facilities; and

WHEREAS, in order to support the Project and foster economic development, and to provide incentives to support and provide access to the future public park space, the City has determined that it is appropriate to provide funding to facilitate the Project and the City intends to issue and sell its nontax revenue bonds or notes in anticipation of bonds and to provide the proceeds of the Bonds to the Project, all in furtherance of promoting economic development

in the City and providing for additional amenities and improvements in the community; and

WHEREAS, the City and Developer have spent several months negotiating the terms of the City's support for the Project and the Developer's obligations related thereto, which terms are contained in a project funding agreement between the City and the Developer (the "Project Funding Agreement"); and

WHEREAS, an emergency exists in that, for the immediate preservation of the public peace, property, health and safety, it is necessary that this Ordinance be immediately effective in order to allow the City to timely fulfill its commitments with respect to the Project in furtherance of economic development in the City, and by reason thereof, this Ordinance shall take effect forthwith upon its passage, NOW, THEREFORE,

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

Section 1. This Commission hereby approves the Project Funding Agreement, a copy of which is on file in the office of the Clerk of the City Commission, and the City Manager is hereby authorized to execute the Project Funding Agreement on behalf of the City in substantially the form of the Project Funding Agreement on file with the Clerk, and together with such revisions or additions as are approved by the Law Director as being consistent with the objectives and requirements of this ordinance and with carrying out the City's public purposes.

Section 2. This Commission hereby authorizes the City Manager, the Director of Law, the Director of Finance, the City Engineer, and other City officials as appropriate to prepare, execute and deliver or accept delivery of such other easements, instruments, licenses or agreements, in form satisfactory to the Director of Law, to provide such information, carry out such investigations and studies, and do such other things, as are necessary for and incidental to carrying out the requirements of this ordinance and the terms of the Project Funding 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 Commission and of any committees that resulted in those formal actions were in meetings open to the public in compliance with the law.

Section 5. For the reasons set forth in the last preamble hereto, this Ordinance is hereby declared to be an emergency measure in accordance with Section 14 of the City Charter and shall take effect immediately upon its passage and due authentication by the President and the Clerk of the City Commission.

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

ATTEST:

KELLY L. KRESSER
CLERK OF THE CITY COMMISSION

Passed: December 9, 2019

PROJECT FUNDING AGREEMENT

THIS PROJECT FUNDING AGREEMENT (this “Agreement”) is made and entered into as of _____, 2019, by and between the CITY OF SANDUSKY, OHIO, a municipal corporation located in Erie County, Ohio and duly organized and validly existing under the constitution and laws of the State and its Charter (“City”) and CEDAR POINT PARK LLC, a Delaware limited liability company (together with any permitted successors and assigns, “Developer” or “Owner”), under the circumstances summarized in the following recitals:

A. Pursuant to Ohio Revised Code Sections 5709.40, 5709.42 and 5709.43 (collectively, the “TIF Act”) the City Commission of the City may describe public improvements to be made that directly benefit certain parcels of real property, declare improvements (as defined in Section 5709.40) with respect to such parcels located in the City to be a public purpose, thereby authorizing the exemption of those improvements from real property taxation for a period of time, and provide for the making of service payments in lieu of taxes by the owner of such parcels, and establish a municipal public improvement tax increment equivalent fund into which those service payments shall be deposited; and

B. The City Commission of the City passed Ordinance No. 18-086 (the “TIF Ordinance”) on April 23, 2018, and therein designated certain parcels described therein (the “TIF Area”) to be a public purpose; and

C. The Developer owns certain real property located in the TIF Area, including the real property described in Exhibit A attached hereto (the “Property” or the “TIF Property”) and has determined to construct an approximately 185,000 square foot indoor sports complex with ten (10) basketball courts (convertible to twenty (20) volleyball courts), an arena with retractable seats, additional recreational facilities, a sports-medicine facility, and related improvements (the “Project”), which facility would complement its outdoor sports complex on adjacent property; and

D. The County of Erie, Ohio (the “County”) has encouraged the Project by contributing funds to support the design and construction of the sports complex, including through the issuance of its \$20,000,000 County of Erie, Ohio Federally Taxable Economic Developer Revenue Bonds, Series 2018 (Sports Park Project Phase II) (the “County Bonds”) and the loan of the proceeds of the County Bonds in support of the Project; and

E. The Developer has requested that the City provide financial support to the Project in order to enable the Developer to enhance the sports complex and has agreed to impose Minimum Service Payments on the TIF Property to the extent and in the manner contemplated herein; and

F. The City has determined that the Project will create jobs and employment opportunities, attract regional visitors to the City, and improve the economic and general welfare of the people of the City; and

G. The City has further determined that the roadway to be constructed by the Developer on the Property in order to provide vehicle access to the Project from State Route 6, is necessary and appropriate in connection with the development of the TIF Area and is an integral part of the Developer’s Project, and is appropriate for the roadway to be built by the Developer in order to provide the most effective and efficient vehicle access to the Project facilities.

H. The Right of Way, upon dedication to the City, will facilitate public access to the waterfront, and will provide necessary public utilities for properties in the area, which are all necessary for the public health, safety and welfare; and

I. The City and the Developer will enter into an agreement to provide for the donation by the Developer to the City of certain real property situated along the waterfront and adjacent to the Property, for use by the City for the construction of a public park and recreational facilities that do not compete with the Cedar Point Sports Center, including its indoor and outdoor parks.

J. The Developer has previously submitted to the City various plans and specifications for the Project, a budget of the costs of the Project, and has represented that it anticipates that the Project will be completed on or about December 31, 2019.

K. In order to support the Project and foster economic development, and to provide incentives to support and provide access to the future public park space, the City has determined that it is appropriate to provide additional funding to facilitate the Project and the City will issue and sell its nontax revenue bonds or notes in anticipation of bonds (the "Bonds") and to provide the proceeds of the Bonds to the Project, all in furtherance of promoting economic development in the City and providing for additional amenities and improvements in the community; and

L. Each of the parties hereto has full right and lawful authority to enter into this Agreement and to perform and observe the provisions hereof on its respective part to be performed and observed, has determined to enter into this Agreement, and has duly authorized the execution and delivery of this Agreement, to set forth their respective rights, duties, responsibilities, obligations and contributions with respect to the Bonds, the Project, the Statutory Service Payments, the Minimum Service Payments and the other matters set forth herein.

NOW THEREFORE, in consideration of the premises and the mutual representations, warranties, covenants and agreements hereinafter contained, the parties hereto, each agrees as follows:

[Balance of Page Intentionally Left Blank]

ARTICLE I

DEFINITIONS

Section 1.1. Defined Terms. In addition to the words and terms defined elsewhere in this Agreement or by reference to another document, the following terms shall have the meanings set forth below:

“Agreement” this Project Funding Agreement.

“Authorized Representative” means the General Counsel or Chief Financial Officer of the Developer and any other person at the time designated to act on behalf of the Developer by written certificate furnished to the City. That certificate may designate an alternate or alternates.

“Bonds” means the bonds or other obligations issued by the City, the proceeds which shall be used to assist in financing a portion of the Project in accordance with this Agreement.

“City” means the City of Sandusky, Ohio.

“City Commission” means the City Commission of the City.

“County” means Erie County, Ohio.

“Developer” or “Owner” means Cedar Point Park LLC.

“Environmental Laws” means all federal, state and local laws, regulations, statutes, ordinances, resolutions, codes, rules, directives, administrative orders, executive orders, consent orders, regulatory guidance, policy statements, judicial orders or decrees, standards, permits, licenses or other proclamations with the force of law, or any judicial or administrative interpretation of any of the foregoing, pertaining to Hazardous Substances or to the protection of land, water, air, health, safety or the environment, whether now or in the future enacted, promulgated or issued, including all applicable legislative and administrative actions of the State, the County and the City and any agencies thereof.

“Governmental Authority” means any federal, state, county or municipal government or any political subdivision of any thereof, any governmental or quasi-governmental agency, authority, board, bureau, commission, department, instrumentality or other public body, or any court, administrative tribunal or public utility.

“Minimum Service Payments” means “the guaranteed minimum amount of payments to be made by the Owner of the MSP Property from time to time as “minimum service payment obligations” under and within the meaning of the TIF Act (ORC Section 5709.91) and required to be paid, in lieu of the applicable taxes exempted by the TIF Exemption and in consideration of the obligations undertaken by the City under this Agreement.

“Minimum Service Payment Dates” means the first day of each March and September, commencing on March 1, 2021.

“MSP Property” means the portion of the TIF Property owned by the Developer and for which the Developer pays taxes to the County.

“Permitted Encumbrances” mean those encumbrances burdening the Property and permitted under this Agreement, as detailed in Exhibit C of this Agreement.

“Person” or words importing persons mean firms, associations, partnerships (including without limitation, general and limited partnerships), limited liability companies, joint ventures, societies, estates, trusts, corporations, public or governmental bodies, other legal entities and natural persons.

“Project” means the construction of an approximately 185,000 square foot indoor sports complex with ten (10) basketball courts (convertible to twenty (20) volleyball courts), an arena with retractable seats, additional recreational facilities, a sports-medicine facility, and related improvements.

“Project Completion”, or “completion” or “completed”, means that construction, including any punch-list items, has been completed, all related Project Costs have been paid and, the Project has received all permits or certificates of occupancy necessary for use for the intended purposes of such Project.

“Project Completion Date” means December 31, 2019.

“Right of Way” means the roadway to be constructed by the Developer on the Property in order to provide vehicle access to the Project from State Route 6.

“Statutory Service Payments” means the service payments in lieu of taxes to be paid to the City or its assigns with respect to the Improvements to the TIF Property exempted from real property taxation pursuant to the TIF Act (including ORC §5709.42) and the TIF Ordinance, and also including any related “property tax rollback payments” paid in connection with the reduction required by ORC §319.302 and any penalties and interest charged and paid in accordance with the TIF Act (including ORC §323.121(B)(1) and §5703.47).

“State” means the State of Ohio.

“Tax Year” means, with respect to any TIF Parcel, each calendar year during which the TIF Exemption is in effect for real property taxes levied in such year

“TIF Act” means Sections 5709.40, 5709.42, 5709.43, 5709.82, 5709.83 and related provisions of the Ohio Revised Code, each to the extent applicable to the TIF Exemption, as in effect at passage of the TIF Ordinance.

“TIF Exemption” means the exemption of the TIF Improvements from real property taxation pursuant to the TIF Act and the TIF Ordinance, in accordance with and subject to the terms thereof.

“TIF Fund” means the City’s Cleveland Road Area Public Improvement Tax Increment Equivalent Fund established under the TIF Ordinance and maintained in the Treasury of the City for the deposit of any Service Payments received by the City, including any accounts created therein.

“TIF Exemption Period” means the Tax Years during which the TIF Exemption is in effect for such TIF Property and, under the TIF Ordinance, means a period of thirty (30) years beginning on the earlier of Tax Year in which the value of the Improvement on the parcel exceeds \$50,000 or Tax Year 2021.

Section 1.2. Interpretation. Any reference herein to the City, or to the City Commission, or to any member or officer of any of the foregoing, includes entities or officials succeeding to their respective functions, duties or responsibilities pursuant to or by operation of law or lawfully performing their functions. Any reference to a Section or provision of the

Constitution of the State, the TIF Act, or to a section, provision or chapter of the Ohio Revised Code or any other legislation or to any statute of the United States of America, includes that section, provision or chapter as amended, modified, revised, supplemented or superseded from time to time; provided, that no amendment, modification, revision, supplement or superseding section, provision or chapter shall be applicable solely by reason of this provision, if it constitutes in any way an impairment of the rights or obligations of the City, the Developer, any Owner. Unless the context indicates otherwise, words importing the singular number include the plural number and vice versa; the terms “hereof,” “hereby,” “herein,” “hereto,” “hereunder” and similar terms refer to this Agreement. Words of any gender include the correlative words of the other genders, unless the sense indicates otherwise.

Section 1.3. Captions and Headings. The captions and headings in this Agreement are solely for convenience of reference and in no way define, limit or describe the scope or intent of any Articles, Sections, subsections, paragraphs, subparagraphs or clauses hereof.

(End of Article I)

ARTICLE II

REPRESENTATIONS AND COVENANTS OF THE PARTIES

Section 2.1. Representations and Covenants of the City. The City represents and covenants that:

(a) It is a municipal corporation duly organized and validly existing under the Constitution and applicable laws of the State and its Charter.

(b) It is not in violation of or in conflict with any provisions of the laws of the State or of the United States of America applicable to the City which would impair its ability to carry out its obligations contained in this Agreement.

(c) It is legally empowered to execute, deliver and perform this Agreement and to enter into and carry out the transactions contemplated by this Agreement. To the knowledge of the City, that execution, delivery and performance do not and will not violate or conflict with any provision of law applicable to the City, and do not, and will not, conflict with or result in a default under any agreement or instrument to which the City is a party or by which it is bound.

(d) This Agreement has, by proper action, been duly authorized, executed and delivered by the City, and all steps necessary to be taken by the City have been taken to constitute this Agreement, and the covenants and agreements of the City contemplated herein, valid and binding obligations of the City, enforceable in accordance with their terms.

(e) It will do all things in its power to maintain in full force and effect its obligations under this Agreement and to assure the assumption of those obligations by any successor public body.

(f) There is no litigation pending or to its knowledge threatened against or by the City wherein an unfavorable ruling or decision would materially adversely affect the City's ability to carry out any of its obligations under this Agreement.

(g) The TIF Ordinance has been duly passed by the City Commission, not been modified or amended, is in full force and effect and is not subject to repeal by referendum.

Section 2.2. Representations, Warranties and Covenants of the Developer. The Developer hereby represents, warrants and covenants that:

(a) It is a limited liability company duly organized and validly existing under the laws of the State.

(b) It is not in violation of or in conflict with any provisions of the laws of the State or of the United States of America applicable to it which would impair its ability to carry out its obligations contained in this Agreement.

(c) It has full power and authority to execute, deliver and perform this Agreement and to enter into and perform the transactions contemplated hereby. To the knowledge of the Developer, that execution, delivery and performance do not and will not violate any provision of law applicable to its Operating Agreement, and do not and will not conflict with or result in a default under any agreement or instrument to which it is a party or by which it is bound.

(d) This Agreement has, by proper limited liability company action, been duly authorized, executed and delivered by the Developer, and all steps necessary to be taken by the

(e) Developer have been taken to constitute this Agreement, a valid and binding obligation of the Developer, enforceable in accordance with its terms.

(f) There is no litigation pending or to the knowledge of the Developer threatened, wherein an unfavorable ruling or decision would materially adversely affect the Developer's ability to carry out its obligations under this Agreement.

(g) The provision of financial assistance by the City as contemplated during months of discussion and agreement, and as memorialized herein, has induced the Developer to undertake the transactions contemplated by this Agreement and has induced the Developer to make the commitments made in this Agreement, including the construction of the Project, the payment of service payments, and the payment of minimum service payments, all of which will create and preserve jobs and employment opportunities within the City and thereby improve the economic welfare of the people of the City, and will further support economic development and the general welfare of the community by improving the flow of traffic and providing greater access to recreational opportunities within the City and better public access to the waterfront.

(h) The Developer holds title to the Property free and clear of all encumbrances other than Permitted Encumbrances, maintains ownership of the Property for tax purposes, and, except with respect to any dedication of the Right of Way, Developer will keep and maintain such title free and clear of all encumbrances other than Permitted Encumbrances.

(i) The Right of Way will be completed in accordance with all requirements of the City and, pending acceptance by the City of any dedication, shall be maintained by the Developer, at its sole cost, open and available to the general public.

(j) All construction and operations undertaken by or through the Developer on the Property will comply, in all material respects, with all applicable laws, and will comply, in all respects, with each and every condition and requirement thereof, of any permits issued thereunder.

(k) The Developer shall not agree to transfer any TIF Property to any governmental entity or to any nonprofit corporation without thirty (30) days prior written notice to the City, and the prior written approval of the City.

(End of Article II)

ARTICLE III

PROJECT; RIGHT OF WAY; BONDS; TRAFFIC STUDY

Section 3.1. Construction of Project. The Developer hereby agrees that it shall construct, complete and dedicate the Project with all reasonable dispatch and in accordance with the following:

(a) The Developer shall construct and complete the Project in accordance with all legal requirements and the plans and specifications therefor approved by the City (as such plans and specifications may be revised with approval of the City and consistent with this Agreement), and shall use all reasonable effort to ensure completion within the timeframes required by all contractual agreements undertaken by the Developer, including its agreements with the City, and shall promptly pay all amounts due with respect to all such work, subject to its right to contest any invoices it reasonably believes should not be paid.

(b) At all times prior to the completion of the Project, including the Right of Way portion of the Project that may be dedicated to the City, the Developer shall maintain such insurance with respect to the Project and the Right of Way as is commercially reasonable.

(c) The Developer shall pay, when due, all taxes, assessments and similar impositions accruing with respect to the Project, and each parcel of real property on which any facilities included in the Project are located, at or prior to the completion, dedication and acceptance of the Project.

(d) Developer shall perform all such duties as shall be its responsibility under each contract for the construction of the Project, and the Developer shall ask, demand, sue for, levy, recover and receive all sums of money, debts and other demands whatsoever which may be due, owing and payable under the terms thereof or any other contract, order, receipt, writing and instruction pertaining to the construction, completion and testing of the Project, and shall use commercially reasonable efforts to enforce the provisions of any contract, agreement, obligation, bond or other performance security with respect thereto.

Section 3.2. Dedication of the Right of Way. In constructing the portion of the Project necessary to provide ingress and egress to the Project facilities, the Developer determined to construct the Right of Way and the related infrastructure improvements to provide greater public access to waterfront property adjacent to the Property. The City agrees to accept the Right of Way constituting part of the Project for dedication, and open the same as a public road, provided that the Right of Way is built consistent with City standards for public roadways. The Developer shall take all steps necessary to ensure the dedication and acceptance of the Right of Way, but the City shall not be obligated to accept the Right of Way for dedication if the Right of Way is not built to City standards, as determined by the City in its sole discretion.

Section 3.3. Property Donation; Infrastructure and Easements.

(a) On or about the date of this Agreement, the City and the Developer will enter into a Donation Agreement, wherein the Developer will convey certain real property situated along the waterfront and adjacent to the Property (the "Waterfront Property") to the City at no cost, for use by the City as part of its plans for a public park and recreational trails and facilities, which project is currently referred to as "The Landing". The Donation Agreement will provide for limitations on the City's use of the Waterfront Property.

(b) Upon completion of the Project, the Developer shall dedicate to the City certain gas lines, water lines, sewer and storm sewer, electric and telecom conduit, fiber optics, lighting

and green infrastructure, together with an easement to the City to maintain those dedicated infrastructure improvements and any other necessary easements related thereto, which infrastructure is intended to service The Landing property.

Section 3.4. Issuance of Bonds; Disposition of Proceeds.

(a) Based on the representations, warranties and covenants of the Developer herein, and subject to the conveyance of the Waterfront Property to the City, the City agrees to issue, sell and deliver the Bonds to assist in financing a portion of the costs of the Project in accordance with this Agreement. Subject to the CIC Approval, and pursuant to the ordinance of the City authorizing the issuance of the Bonds, the City will issue the Bonds in the amount of Two Million Two Hundred Fifty Thousand Dollars (\$2,250,000) and deposit the proceeds of the Bonds (the "Proceeds") in the appropriate fund of the City.

(b) Proceeds of the Bonds shall be paid to the Developer, in one or more installments, upon receipt from the Developer of evidence, satisfactory to the City, of the payment of Project Costs, including costs incurred directly or indirectly for or in connection with the construction of the Project, costs incurred in respect of the Project for preliminary planning and studies; architectural, legal, engineering, surveying, accounting, consulting, supervisory and other services; labor, services and materials required in connection with the construction and completion of the Project and any necessary title work.

(c) No disbursement shall be paid to the Developer for any Project Costs that formed the basis for any previous disbursement from Bond proceeds or from proceeds of the County Bonds.

(d) Developer shall request such payment by delivering to the City a disbursement request in substantially the form included as Exhibit D hereto.

Section 3.5. Traffic Study. Not later than five (5) years following the Project Completion Date, the City will undertake a traffic study to determine if additional traffic signalization is required along Route 6 near the Project. The City and the Developer hereby agree that the Developer shall pay fifty percent (50%) of the costs of the traffic study, up to a maximum-not-exceed amount of \$30,000, not payable from other governmental sources, such amount to be reimbursed to the City not later than thirty (30) days following its receipt of an invoice from the City. The City and the Developer further agree that the Developer shall pay fifty percent (50%) of the costs, up to a maximum-not-exceed amount of \$200,000 of all public improvements recommended by the traffic study and undertaken by the City within five years of completion of the traffic study, such amount to be reimbursed to the City not later than thirty (30) days following its receipt of an invoice from the City.

(End of Article III)

ARTICLE IV

DEVELOPMENT AND SERVICE PAYMENT COVENANTS; OTHER PAYMENTS

Section 4.1. Development Covenants.

(a) Project; Completion. Developer represents and warrants to (and to the extent applicable covenants with) the City, that (i) Developer has contracted with Mosser Construction, Inc. to construct the Project, (ii) the cost of the Project will equal or exceed \$28 million, (iii) the Project is expected to be completed and delivered, at or prior to the Project Completion Date and, upon that completion, the Developer shall certify such completion to the City, (iv) all costs of the Project will be paid from sources available to Developer, including proceeds available under this Agreement, (v) the Project shall conform to the descriptions thereof set forth herein and shall be constructed in accordance with all legal requirements, including all applicable Environmental Laws, legal requirements of the City and requirements of any other Governmental Authority having jurisdiction.

(b) TIF Exemption Applications. The Developer shall timely prepare and file or cause to be prepared, signed and filed, in cooperation with the City, the necessary application and supporting documents to obtain the TIF Exemption from real property taxation for the Improvements to the TIF Property authorized by the TIF Act and the TIF Ordinance to enable the Treasurer of the County, or his designee, to collect Statutory Service Payments thereunder and to disburse such payments to or for the account of the City for deposit into the TIF Fund in accordance herewith. The City will cooperate with the Developer and the Owners in connection with the preparation and filing of the required exemption applications, the City is hereby specifically authorized to file such exemption applications on behalf of and “with consent” of the Owner for purposes of Revised Code Section 5709.911(B) in the event that such applications are not filed by December 31, 2019, and Owner agrees to sign the TIF Exemption application as to such consent upon request of the City, or to sign any necessary written consent of the property owner subsequent to approval of the TIF Exemption by the tax commissioner.

(c) TIF Exemption Notice. Upon receipt of notice of the approval of the TIF Exemption with respect to the TIF Property, the Owner thereof shall prepare and file the notice required under Revised Code Section 5709.911(C) and, if not so filed by the Owner, the City shall have the absolute right to prepare and file such notice with respect to the TIF Property for which the TIF Exemption is approved.

Section 4.2. Statutory Service Payments; Minimum Service Payments.

(a) Statutory Service Payments. The Developer, as the initial Owner of the TIF Property, hereby covenants with the City, that during the TIF Exemption Period applicable to the TIF Property, the Owners shall make (or cause to be made) to, or for the account of the City, the Statutory Service Payments in lieu of and in amounts equal to the amount of real property taxes which would be payable with respect to the Improvements to the TIF Property but for the TIF Exemption. It is intended and agreed that the covenants provided in this Section shall be covenants running with the land and that they shall, in any event and without regard to technical classification or designation, legal or otherwise, be binding to the fullest extent permitted by law and equity, for the benefit and in favor of and enforceable by, the City against the Owner and its successors in interest, to all of the Property or any part thereof or interest therein, including, without limitation, any grantee in a conveyance of Property or any part thereof through judicial process, whether or not this Agreement remains in effect or whether or not such provision is included by the Owner in any succeeding deed by the Owner to its successors in interest to the Property. It is further intended and agreed that these agreements and covenants shall remain in

effect for the full period of exemption permitted in accordance with the requirements of the TIF Act and the TIF Ordinance.

The obligation to make the Statutory Service Payments shall run with the land and, if and to the extent all or any portion of the TIF Property is transferred by an Owner, the prior Owner shall have no further obligation to make (or cause to be made) such Statutory Service Payments if, and to the extent that, such prior Owner is no longer the Owner of the applicable portion of the TIF Property; *provided*, that the obligation to make Statutory Service Payments shall be prorated for the period through the date of transfer of title to the TIF Property (or, as applicable, a portion thereof). The Statutory Service Payments shall be made semiannually to the Treasurer of the County, or to the designated agent of the Treasurer of the County for collection of the Statutory Service Payments, on or before the date on which real property taxes would otherwise be due and payable. The Statutory Service Payments are to be delivered to the City at the same time or times as real estate taxes would be delivered to the City and other taxing districts but for the TIF Exemption.

Any late Statutory Service Payments shall include interest and penalties at the same rate and in the same amount and payable at the same time as applies with respect to delinquent real property taxes. The Statutory Service Payments anticipated to be received by the City with respect to the Improvements, are expected to be at least \$550,000 per year, and the Developer represents and warrants to the City that it has considered this projection and that, as of the date of this Agreement, it knows of no reason why the Statutory Service Payments received from the Project will not be in amounts at least equal to the Statutory Service Payments projected.

(b) Minimum Service Payments. In addition to the Statutory Service Payments payable with respect to the TIF Property pursuant to Section 4.2(a) hereof, the Owners shall pay the Minimum Service Payments due and payable on the Minimum Service Payment Dates. Such Minimum Service Payments shall be established through the imposition on the MSP Property of the Minimum Service Amounts payable annually with respect to such MSP Property in the total amount of \$550,000, with each semiannual Minimum Service Payment being equal to \$275,000 LESS a credit of up to \$275,000 for the amount of Statutory Service Payments paid with respect to the MSP Property for such semiannual period.

For example: If the amount of Statutory Service Payments received for a semi-annual period is equal to \$250,000, then the amount of Minimum Service Payments payable for such period shall be \$25,000 (i.e. \$275,000 LESS a credit of \$250,000). Similarly, if the amount of Statutory Service Payments received for a semiannual period is equal to \$300,000, then the amount of Minimum Service Payments payable for such period is \$0 (i.e. \$275,000 LESS a credit of \$275,000).

(c) All Minimum Service Payments shall be due and payable on the Minimum Service Payment Dates without the need for an invoice or any other notice and shall be paid directly to the City. All Minimum Service Payments shall constitute “*minimum service payment obligations*” under Revised Code Section 5709.91 and, accordingly, shall be secured by the tax lien referred to therein.

(d) Priority. All covenants set forth in Section 4.1 or in this Section 4.2 shall be covenants running with the land of the TIF Property to which they apply and shall have priority over any other lien or encumbrance on the applicable TIF Property, having the status of a tax lien in accordance with Revised Code Section 5709.91 and subject only to the exceptions applicable to such tax liens and any other exceptions specifically agreed to in writing by the City (“Permitted Exceptions”). The Parties each specifically acknowledge and agree that the Statutory Service Payments and Minimum Service Payments are intended to have the same lien rights as real estate taxes, pursuant to Revised Code Section 5709.91, and the same priority. Each of the

Parties (for themselves and their respective successors and assigns, including the Owners) covenant and agree not to contest the lien rights or priority of the Statutory Service Payments or the Minimum Service Payments with respect to the TIF Property and agrees that such covenant is intended to be a covenant running with the land.

(e) Transfers of TIF Property. It is intended and agreed, and it shall be so provided in any future deed conveying any TIF Property or any portion thereof or interest therein, that the covenants provided in this Section shall, for the term of this Agreement, be covenants running with the land and that they shall, in any event and without regard to technical classification or designation, legal or otherwise, be binding to the fullest extent permitted by law and equity, for the benefit of, and in favor of and enforceable by, the City, whether or not such provision is included in any succeeding deed to any successor and assign as Owner of all or any portion of any such TIF Property (except any portion of the TIF Property that may constitute a public right of way). Without limiting the generality of the foregoing, the Owners shall (i) include in any purchase agreement relating to that conveyance, and in any deed or other instrument conveying the property, an express requirement that the purchaser of such property (A) agree to fully pay all such Statutory Service Payments and any Minimum Service Payments, and (B) comply with each and every covenant running with the land under this Agreement, and (ii) shall include in the deed or other instrument conveying that property a requirement that the purchaser, and any successor purchaser, include the covenant described in clause (i) of this paragraph in any future purchase agreement relating to, and any deed or other instrument conveying title to, such property.

(f) Delinquency. In the event that any Statutory Service Payment or Minimum Service Payment, or any installment thereof, is not paid when due, to the extent that the County does not impose a late fee or delinquency charge, the City may impose and collect a late payment charge, in the amount of the charges for late payment of real property taxes, including penalty and interest that would have been payable pursuant to Revised Code Section 323.121 on the delinquent amount.

(End of Article IV)

ARTICLE V

ADDITIONAL AGREEMENTS AND COVENANTS

Section 5.1. Indemnification by Developer.

(a) Except as otherwise specifically provided herein, the Developer releases the City from, agrees that the City shall not be liable for, and hereby indemnifies the City against, all liabilities, claims, costs and expenses imposed upon, incurred or asserted against the City on account of: (i) any loss or damage to property or injury to or death of or loss by any person that may be occasioned by any cause whatsoever pertaining to the construction of the Project; (ii) any breach, default or other failure of compliance on the part of the Developer in the performance of any covenant, obligation or agreement of the Developer under this Agreement, or any act or failure to act by the Developer, or any of its agents, contractors, servants, employees or licensees; (iii) any failure of compliance with Ohio Revised Code Chapter 4115 with respect to the Project; (iv) any action taken or omitted to be taken by any of the City pursuant to the terms of this Agreement, or any other related instrument or document, if such action is taken or omitted to be taken by the City at the request of or with the consent of the Developer; and (v) any claim, action or proceeding brought with respect to any matter set forth in clause (i), (ii), (iii) or (iv) above; *provided, that* nothing herein shall be deemed to indemnify, or require the Developer to indemnify, the City for liabilities, claims, costs and expenses determined, in a final non-appealable adjudication, to have been imposed upon, incurred or asserted against the City as a result of its own gross negligence or willful misconduct.

(b) In case any claim or demand is at any time made, or action or proceeding is brought, against the City in respect of which indemnity may be sought under this Section, the City promptly shall give notice of that action or proceeding to the Developer, and upon delivery of that notice shall have the obligation and the right to assume the defense of the action or proceeding; provided, that failure of the City to give that notice shall not relieve the Developer from any of its obligations under this Section unless that failure prejudices the defense of the action or proceeding by the Developer. At its own expense, an indemnified party may employ separate counsel and participate in the defense. The Person seeking indemnity agrees to fully cooperate with the Developer and lend the Developer such assistance as the Developer shall reasonably request in defense of any claim, demand, action or proceeding.

(c) Nothing in this Agreement is meant to release, extinguish or otherwise alter or interfere with any rights which the City may now or hereafter have against the Developer or any other person for any environmental liabilities as a result of the Developer's former, present or future ownership, occupancy or use of or interest in, any real property included in or in the vicinity of the Project.

(d) The indemnification set forth above is intended to and shall include the indemnification of all affected officials, directors, officers and employees of the City, as applicable, and their successors and assigns. That indemnification is intended to and shall be enforceable thereby to the full extent permitted by law and shall survive the termination of this Agreement.

Section 5.2. Assignment by Developer. The Developer may not assign its obligations hereunder except to (i) an affiliate or division under common control, affiliation, or ownership provided that such person or entity assumes and agrees in writing to keep and perform all of the obligations of the Developer hereunder, or (ii) in the event of a consolidation or merger of Developer with or into another person or entity or a reorganization or a sale of all or substantially all of the assets of Developer to such other person or entity; provided that such

person or entity assumes and agrees in writing to keep and perform all of the obligations of Developer hereunder.

(a) Any assignee shall assume in writing, for the benefit of the City, the obligations of the Developer hereunder;

(b) The Developer shall, at least thirty (30) days prior to the date of execution thereof, furnish or cause to be furnished to the City, a copy of the proposed form of each such assignment together with the proposed form of instrument of assumption; and

(c) The Developer shall within thirty (30) days subsequent to the execution thereof, furnish or cause to be furnished to the City, a true and complete copy of each such assignment together with the instrument of assumption.

Anything herein to the contrary notwithstanding: any assignment permitted hereunder, including any assignment with consent and any assignment to an Affiliate of the Developer shall be in writing accompanied by a written assumption by the assignee, for the benefit of the City Parties, of the obligations of the Developer hereunder.

Section 5.3. Developer to Maintain Existence; Sales of Assets or Mergers. Prior to the Project Completion Date, and so long thereafter as any Affiliate of the Developer shall remain the Owner of any portion of the Property, the Developer shall do all things necessary to preserve and keep in full force and effect its existence, rights and franchises. In particular, prior to the Project Completion Date, the Developer shall not (a) sell, transfer or otherwise dispose of all, or substantially all, of its assets; (b) consolidate with or merge into any other entity; or (c) permit one or more other entities to consolidate with or merge into it; provided, that such restriction shall not apply with respect to a sale, transfer, disposition, consolidation or merger with any Affiliate of the Developer controlled in substantially the same manner as the Developer; *provided, that* nothing in this Section shall impair the right of the Developer to transfer any portion of the Consolidated Development Site for development in accordance with the Development Agreement and applicable requirements of Article IV of this Agreement.

Section 5.4. Marketing and Related Matters. The Developer and the City agree that the Developer will provide to the City, at no cost to the City, the following marketing opportunities:

- (a) For a period of thirty years commencing in May 2020, Developer shall provide in-kind marketing support for the City as part of its public-service program, by displaying messages on Cedar Fair FunTV (or for purposes of this Section any successor technology to FunTV), that raise awareness about Greater Sandusky in general and the City of Sandusky in particular.
 - 1. Developer shall display these promotional messages on FunTV at Cedar Point, Cedar Point Shores and Waterpark, all other Sandusky area properties that have FUNTV, Kings Island, Michigan's Adventure, Dorney Park & Wildwater Kingdom, and Canada's Wonderland during the five-year term of this Section.
 - 2. The City shall produce the messages and be responsible for the cost of production. Developer will display the messages on FunTV at no cost to the City.

3. After thirty years, the parties shall assess the in-kind value of FunTV to the City and negotiate for the extension, modification, or termination of this clause.
- (b) At Cedar Point Sports Center (indoor and outdoor):
 - (i) Inclusion in player bags;
 - (ii) Static or digital messaging on kiosks (of comparable size to the City's downtown kiosk) in Sandusky-area locations, including both indoor and outdoor facilities at Cedar Point Sports Center;
 - (iii) Inclusion on websites as a partner to visit;
 - (iv) Space to stock material at Sandusky-area locations, as available.

The City marketing materials may include materials produced in conjunction with a City partner (e.g. Lake Erie Shores & Islands). Although the presentation and distribution of such marketing materials will be at no cost to the City, the cost of producing the marketing materials shall be the responsibility of the City and/or its regional partners.

The placement and frequency of the advertising and marketing materials shall be determined in the sole discretion of Developer after consultation with the City.

(End of Article V)

ARTICLE VI

EVENTS OF DEFAULT AND REMEDIES

Section 6.1. Events of Default. Each of the following shall be an Event of Default:

- (a) Any representation or warranty made by the City shall, at any time, prove to have been false or misleading in any material respect when made or given;
- (b) Any representation or warranty made by the Developer herein, or in any other instrument, report, certificate or financial statement furnished in connection with the execution and delivery of this Agreement, at any time, prove to have been false or misleading in any material respect when made or given;
- (c) The Developer shall fail to observe and perform any agreement, term or condition contained in this Agreement, and the continuation of such failure for a period of thirty (30) days after written notice thereof shall have been given to the Developer by the City, or for such longer period as the City may agree to in writing; provided, that if the failure is other than the payment of money and is of such nature that it can be corrected but not within the applicable period, that failure shall not constitute an Event of Default so long as the Developer institutes curative action within the applicable period and diligently pursues that action to completion; or
- (d) The Developer shall: (i) admit in writing its inability to pay its debts generally as they become due, (ii) have an order for relief entered in any case commenced by or against it under the federal bankruptcy laws, as now or hereafter in effect, (iii) commence a proceeding under any other federal or state bankruptcy, insolvency, reorganization or similar law, or have such a proceeding commenced against it and either have an order of insolvency or reorganization entered against it or have the proceeding remain undismissed and unstayed for ninety (90) days, (iv) make an assignment for the benefit of creditors, or (v) have a receiver or trustee appointed for it or for the whole or any substantial part of its property.

Notwithstanding the foregoing, if, by reason of Force Majeure, the City or the Developer is unable to perform or observe any agreement, term or condition hereof which would give rise to an Event of Default under this Section 7.1, neither the City nor the Developer shall be deemed in default during the continuance of such inability. The term Force Majeure shall mean, without limitation, the following: (i) acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; orders or restraints of any kind of the government of the United States of America or of the State or any of their departments, agencies, political subdivisions or officials, or any civil or military authority; insurrections; civil disturbances; riots; epidemics; landslides; lightning; earthquakes; fires; hurricanes; tornadoes; storms; droughts; floods; arrests; restraint of government and people; explosions; breakage, malfunction or accident to facilities, machinery, transmission pipes or canals; partial or entire failure of utilities; shortages of labor, materials, supplies or transportation; or (ii) any other cause, circumstance or event not reasonably within the control of the City or the Developer, as applicable.

The declaration of an Event of Default and the exercise of remedies upon any such declaration, shall be subject to any applicable limitations of federal bankruptcy law affecting or precluding that declaration or exercise during the pendency of or immediately following any bankruptcy, liquidation or reorganization proceedings.

Section 6.2. Remedies on Default. Whenever an Event of Default shall have happened and be subsisting, any one or more of the following remedial steps may be taken:

(a) In the event of any default by the Developer prior to the disbursement of proceeds of the Bonds, the City may refuse to process a request for the disbursement of Bond proceeds pursuant to Section 3.4 hereof;

(b) In the event of any default by the Developer, the City may, on reasonable notice and at reasonable times, have access to, inspect, examine and make copies of the books, records, accounts and financial data of the defaulting party (or parties) pertaining to the Statutory Service Payments, the Minimum Service Payments, and the Project; and

(c) Exercise any other right, remedy or privilege which may be available to it under the applicable laws of the State or any other applicable law or proceed by appropriate court action to enforce the terms of this Agreement.

Section 6.3. No Remedy Exclusive. No remedy is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement, or now or hereafter existing at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair that right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

Section 6.4. No Waiver. No failure by the City to insist upon the strict performance by the Developer of any provision hereof shall constitute a waiver of their right to strict performance; and no express waiver shall be deemed to apply to any other existing or subsequent right to remedy the failure by the Developer to observe or comply with any provision hereof.

Section 6.5. Right of City to Enforce Developer Covenants. If the Developer shall fail to observe and perform any obligation, agreement, term or condition contained in this Agreement and applicable to the Developer, the City shall have the right to pursue all remedies now or hereafter existing at law or in equity to enforce the performance and observance of any such obligation or agreement hereunder or thereunder against the defaulting party (or parties), subject to the cure and Force Majeure provisions set forth herein or therein. The foregoing rights of the City included in this Article VI are supplemental to, and not in derogation of any and all other rights of the City against the Developer, and nothing herein is intended to restrict, in any manner, the right and authority of the City to enforce the performance and observance of any obligations of the Developer to the City under any other instrument of agreement between the Developer and the City.

(End of Article VI)

ARTICLE VII

MISCELLANEOUS

Section 7.1. Term of Agreement. This Agreement shall be and remain in full force and effect from the date hereof until one year following the end of the Exemption Period, unless earlier terminated by an instrument executed and delivered by the City; provided, that the obligations of the Developer under Section 5.1 hereof shall survive any termination of this Agreement insofar as it relates to causes or events occurring on or prior to the date of termination of this Agreement.

Section 7.2. Notices. All notices, certificates, requests or other communications hereunder shall be in writing and shall be deemed to be sufficiently given when mailed by registered or certified mail, postage prepaid, and addressed to:

As to the City: City Sandusky, Ohio
240 Columbus Avenue
Sandusky, Ohio 44870
Attention: City Manager

With a copy to: Squire Patton Boggs (US) LLP
4900 Key Tower
127 Public Square
Cleveland, Ohio 44114
Attention: Catherine C. Tompkins

As to the Developer: Cedar Point Park LLC
One Cedar Point Drive
Sandusky, Ohio 44870
Attention: Executive Vice President and General Counsel

With a copy to: Berns, Ockner & Greenberger, LLC
3733 Park East Drive, Suite 200
Beachwood, Ohio 44122
Attention: Majeed G. Makhlouf

Any such Person, by notice given hereunder to the others, may designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent. If, because of the suspension of delivery of certified or registered mail or for any other reason, notices, certificates or requests or other communications are unable to be given by the required class of mail, any notice required to be mailed by the provisions of this Agreement shall be given in such other manner as in the judgment of the Person giving the notice shall most effectively approximate mailing thereof, and the giving of that notice in that manner for all purposes of this Agreement shall be deemed to be in compliance with the requirement for the mailing thereof. Except as otherwise provided herein, the mailing of any notice shall be deemed complete upon deposit of that notice in the mail and the giving of any notice by any other means of delivery shall be deemed complete upon receipt of the notice by the applicable delivery service.

Section 7.3. Extent of Covenants; No Personal Liability. All covenants, obligations and agreements of the City contained in this Agreement shall be effective to the extent authorized and permitted by applicable law. No such covenant, obligation or agreement shall be deemed to be a covenant, obligation or agreement of any present or future member, officer, official, agent or employee of the City or the City Commission, in other than his official

capacity; and none of the members of the City Commission, nor any official executing this Agreement, shall be liable personally on this Agreement or be subject to any personal liability or accountability by reason of the covenants, obligations or agreements of the City contained in this Agreement. No covenant, obligation or agreement of the Developer under this Agreement, shall be deemed to be a covenant, obligation or agreement of any present or future officer, member, manager, agent or employee of the Developer and, except to that extent no such officer, member, manager, agent or employee shall be liable personally on this Agreement, or otherwise be subject to any personal liability or accountability by reason of the covenants, obligations or agreements of the Developer herein.

Section 7.4. Binding Effect. This Agreement shall inure to the benefit of and shall be binding in accordance with its terms upon the City, the Developer, and their respective permitted successors and assigns. This Agreement may be enforced only by the parties hereto and their respective successors and permitted assignees, and others who may, by law, stand in their respective places.

Section 7.5. Execution Counterparts. This Agreement may be executed in counterpart and in any number of counterparts, each of which shall be regarded as an original and all of which together shall constitute but one and the same instrument.

Section 7.6. Severability. If any provision of this Agreement, or any covenant, obligation or agreement contained herein is determined by a court to be invalid or unenforceable, that determination shall not affect any other provision, covenant, obligation or agreement, each of which shall be construed and enforced as if the invalid or unenforceable portion were not contained herein. That invalidity or unenforceability shall not affect any valid and enforceable application thereof, and each such provision, covenant, obligation or agreement shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

Section 7.7. Governing Law. This Agreement and the rights and obligations of the parties hereunder, shall be governed by the substantive laws of the State of Ohio, without regard to choice of law principles, and no action may be brought with respect to this Agreement, except in a federal or state court located in Erie County, Ohio, it being understood and agreed that, as a result of the location of the Project and each of the parties within Erie County, Ohio, any other forum is and, so long as this Agreement is in effect, will be inconvenient to all of the Parties.

(End of Article VII)

IN WITNESS WHEREOF, the City and the Developer have each caused this Project Funding Agreement to be duly executed in their respective names, all as of the date first hereinbefore written.

Approved as to form and correctness:

CITY OF SANDUSKY, OHIO

By: _____
Trevor Hayberger, Law Director

By: _____
Eric Wobser, City Manager

CEDAR POINT PARK LLC

By: _____
Brian C. Witherow, Executive Vice
President and Chief Financial Officer

STATE OF OHIO)
) SS:
COUNTY OF ERIE)

Before me, a Notary Public in and for said County and State, personally appeared Eric Wobser, the City Manager of the City of Sandusky, Ohio, who acknowledged that he signed the foregoing Project Funding Agreement as that official of said municipal corporation, and that the same is his free act and deed as such official and the free act and deed of said municipal corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at Sandusky, Ohio, on this _____ day of _____, 2019.

SEAL

Notary Public

STATE OF OHIO)
) SS:
COUNTY OF ERIE)

Before me, a Notary Public in and for said County and State, personally appeared Brian C. Witherow, the Executive Vice President and Chief Financial Officer of Cedar Point Park LLC, a Delaware limited liability company, who acknowledged that he signed the foregoing Project Funding Agreement as that officer of Cedar Point Park LLC on behalf such limited liability company, and that the same is his act and deed as such officer and the free act and deed of each such limited liability company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at Sandusky, Ohio, on this _____ day of _____, 2019.

SEAL

Notary Public

CITY FISCAL OFFICER'S CERTIFICATE

The undersigned, fiscal officer of the City under the foregoing Project Funding Agreement hereby certifies that any monies required to meet the obligations of the City during the year 2019 under the foregoing Agreement have been lawfully appropriated for that purpose 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.

Dated: _____, 2019

Sally Martin, Interim Director of Finance

EXHIBIT A

PROPERTY

The Property consists of the portion of the following real property that is located in the City of Sandusky, Ohio:

Situated in the State of Ohio, County of Erie, part of Outlot 1 in Darling's Survey East of Sycamore Line in Ward 2 of the City of Sandusky, part of the northeast part of the 860 Acre Tract in section 2 of Perkins Township, also being part of those lands of Cedar Point Park, LLC, RN 201506962, all references herein to the records of the Erie County Recorder, and being more particularly described as follows:

Beginning, for reference, at a 1/2" iron rod found at the intersection of the northerly right-of-way line of Cleveland Road (U.S. 6) (50 feet in width) with the southerly corporation line of the City of Sandusky, the same being the northerly line of Perkins Township and the **TRUE POINT OF BEGINNING** for this description;

1. thence, South 87°04'23" East with the southerly corporation line of the City of Sandusky and the northerly line of Perkins Township, a distance of 35.68 feet to a 1/2" iron rod found in the northerly right-of-way of Cleveland Road (U.S. 6) (68 feet in width);
2. thence, North 56°46'37" West with said right-of-way line, a distance of 8.93 feet to a 5/8" iron rod set;
3. thence, North 12°32'00" East through aforementioned lands of Cedar Point Park, LLC, a distance of 871.97 feet to a 5/8" iron rod set;
4. thence, North 87°07'14" East through said lands, a distance of 810.75 feet to a 5/8" iron rod set;
5. thence, South 2°37'29" East through said lands, a distance of 460.53 feet to a 5/8" iron rod set, passing at a distance of 105.95 feet a 5/8" iron rod set;
6. thence, South 18°26'20" West through said lands, a distance of 186.80 feet to a 5/8" iron rod set;
7. thence, South 2°37'29" East through said lands, a distance of 565.41 feet to a 5/8" iron rod set;
8. thence, South 33°13'23" West through said lands, a distance of 299.24 feet to a 5/8" iron rod set in the northerly line of Cleveland Road (U.S. 6) (50 feet in width);
9. thence, North 56°46'37" West with said right-of-way line, a distance of 1017.35 feet to the point of beginning for this description, containing 25.0291 acres of land (of which 6.4331 acres is in Perkins Township and 18.5960 acres is in the City of Sandusky), more or less, subject to legal highways and easements of record.

EXHIBIT B

[RESERVED]

EXHIBIT C

PERMITTED ENCUMBRANCES

1. Phase II Ground Lease Agreement by and between Cedar Point Park, LLC, as Lessor, and County of Erie, Ohio, as Lessee, dated as of April 1, 2018.
2. Phase II Lease and Conveyance Agreement by and between County of Erie, Ohio, as Lessor, and Cedar Point Park, LLC, as Lessee, dated as of April 1, 2018.
3. Lease by and between Cedar Point Park, LLC, as Lessor, and Firelands Regional Health System, Inc., as Lessee, dated as of May ___, 2018.
4. Any amendments to the foregoing leases.
5. Utility easements.
6. Public rights of way.

EXHIBIT D

DISBURSEMENT REQUEST FORM

STATEMENT REQUESTING AND AUTHORIZING DISBURSEMENT OF FUNDS TO PAY PROJECT COSTS OF THE PROJECT PURSUANT TO SECTION 3.4 OF THE PROJECT FUNDING AGREEMENT DATED AS OF _____, 2019 BY AND BETWEEN THE CITY OF SANDUSKY, OHIO AND CEDAR POINT PARK LLC.

Pursuant to Section 3.4 of the Project Funding Agreement dated as of _____, 2019 by and between the City of Sandusky, Ohio ("City") and Cedar Point Park LLC ("Developer"), the undersigned Authorized Representative of the Developer hereby requests the City to pay to the Developer, or to the Person(s) listed on the Disbursement Schedule attached hereto, out of the proceeds of the Bonds, the aggregate sum of \$_____ to pay or reimburse such Person(s), or to enable the Developer to pay or reimburse such Person(s), for the items listed in the Disbursement Schedule.

In connection with the foregoing request and authorization, the undersigned Authorized Representative hereby certifies, on behalf of the Developer, that:

- (a) Each item for which disbursement is requested hereunder is properly payable in accordance with the terms and conditions of the Project Funding Agreement and none of those items has formed the basis for any disbursement heretofore made from the Bond proceeds, the County Bonds, or from any other source.
- (b) Each such item is or was necessary in connection with the construction, improvement, installation, equipping, development, design, architecture, engineering or testing ("construction") of the Project in accordance with the Project Funding Agreement.
- (c) The statements herein and in all exhibits hereto, including the Disbursement Schedule, shall be conclusive evidence of the facts and statements set forth therein and shall constitute full warrant, protection and authority to the City for any actions taken pursuant hereto.

This ____ day of _____, 20__.

CEDAR POINT PARK LLC

Authorized Representative

DISBURSEMENT SCHEDULE

REQUESTING, APPROVING AND AUTHORIZING DISBURSEMENT OF FUNDS TO PAY PROJECT COSTS OF THE PROJECT PURSUANT TO SECTION 3.4 OF THE PROJECT FUNDING AGREEMENT DATED AS OF _____, 2019 BY AND BETWEEN THE CITY OF SANDUSKY AND CEDAR PARK LLC.

PAYEE

AMOUNT

PURPOSE



DEPARTMENT OF PUBLIC WORKS

240 Columbus Avenue
Sandusky, Ohio 44870
419.627.5829
www.ci.sandusky.oh.us

To: Eric Wobser, City Manager

From: Aaron Klein, Director of Public Works

Date: December 5, 2019

Subject: Commission Agenda Item – The Landing
Donation Agreement between City of Sandusky and Cedar Point Park LLC

Items for Consideration: Legislation approving and authorizing the City Manager to enter into a Donation Agreement with Cedar Point Park, LLC in which Cedar Point Park, LLC has agreed to donate approximately 30 acres of real estate to the City located as shown in the attached map.

Background Information: The City, in conjunction with other partners, has determined to proceed with certain waterfront improvements in the City to be titled *The Landing*. The intent is to provide additional public park space and recreational opportunities for the residents of the City and visitors to Sandusky Bay. The Landing is intended to serve as the easternmost node of the Sandusky Bay Pathway within the City's corporation limits, as well as an amenity for the users of the Sports Center site.

Per ordinance 18-127, the City contracted with Environmental Design Group (EDG) to complete final engineering, landscape architectural design, environmental permitting and acquisition services for this project. EDG and City staff have worked closely with Cedar Point and their project team throughout the development of the Sports Center, Phase II project. This collaboration allowed the City to ensure direct access from Cleveland Road to the future site of The Landing, as well as to position proposed bike infrastructure outside of environmentally impacted areas.

The attached map and legal descriptions depict the agreed property boundary to be donated by Cedar Point Park, LLC to the City of Sandusky that will ensure that the Landing and Sports Center projects can be incorporated onto the site without impacting environmentally sensitive areas and keeping costs down as much as possible. On the map, 1) the orange outline shows the donated property, 2) the red cross-hatched section shows property already owned by the City of Sandusky, 3) the black cross-hatched parcel that is land-locked near the water's edge is to be retained by Cedar Fair for potential future commercial developments, and 4) the green area on the west is property for which the City is currently negotiating with the Erie County Metroparks.

Cedar Point Park, LLC has agreed to donate approximately 30 acres of waterfront property to the City for its use in providing public park spaces and recreational opportunities, and the City has agreed to accept the Property under the terms of the attached Donation Agreement.

Budgetary Information: There will be no impact on the City's general fund. In fact, this will actually help project costs since the City will not have to pay for acquisition fees for these 30 acres.

Action Requested: It is requested that the proper legislation be prepared to allow the City to enter into a Donation Agreement with Cedar Point Park LLC. It is further requested that the legislation be passed under suspension of the rules and in full accordance with Section 14 of the City Charter in order to allow the City to proceed with creating plans the for the public park and recreational opportunities.

I concur with this recommendation:

Eric L. Wobser
City Manager

Aaron Klein, PE
Director, Public Works

cc: K. Kresser, Commission Clerk; T. Hayberger, Law Director; S. Martin, Acting Finance Director

ORDINANCE NO. _____

AN ORDINANCE APPROVING A DONATION AGREEMENT WITH CEDAR POINT PARK LLC RELATING TO CERTAIN PROPERTY LOCATED IN THE CITY, AND DECLARING AN EMERGENCY.

WHEREAS, Cedar Point Park LLC (the “Donor”) owns certain real property in the City located near Route 6 and abutting the waterfront; and

WHEREAS, the City, in conjunction with other partners, has determined to proceed with certain waterfront improvements in the City in order to provide additional public park space and recreational opportunities for the residents of the City and visitors to the City; and

WHEREAS, the Donor has agreed to donate approximately 30 acres of waterfront property (the “Property”) to the City for its use in providing public park spaces and recreational opportunities, and the City has agreed to accept the Property under the terms of Donation Agreement between the Donor and the City; and

WHEREAS, an emergency exists in that, for the immediate preservation of the public peace, property, health and safety, it is necessary that this Ordinance be immediately effective in order to allow the City to obtain the Property so that it may proceed with its plans for public park spaces and recreation opportunities, all in furtherance of the health and welfare of the residents of the City, and by reason thereof, this Ordinance shall take effect forthwith upon its passage, NOW, THEREFORE,

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

Section 1. This Commission hereby approves the Donation Agreement, a copy of which is on file in the office of the Clerk of the City Commission, and the City Manager is hereby authorized to execute the Donation Agreement on behalf of the City in substantially the form of the Donation Agreement on file with the Clerk, and together with such revisions or additions as are approved by the Law Director as being consistent with the objectives and requirements of this ordinance and with carrying out the City’s public purposes.

Section 2. This Commission hereby authorizes the City Manager, the Director of Law, the Director of Finance, the City Engineer, and other City officials as appropriate to prepare, execute and deliver or accept delivery of such other easements, instruments, licenses or agreements, in form satisfactory to the Director of Law, to provide such information, carry out such investigations and studies, and do such other things, as are necessary for and incidental to carrying out the requirements of this ordinance and the terms of the Donation 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 Commission and of any committees that resulted in those formal actions were in meetings open to the public in compliance with the law.

Section 5. For the reasons set forth in the last preamble hereto, this Ordinance is hereby declared to be an emergency measure in accordance with Section 14 of the City Charter and shall take effect immediately upon its passage and due authentication by the President and the Clerk of the City Commission.

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

ATTEST:

KELLY L. KRESSER
CLERK OF THE CITY COMMISSION

Passed: December 9, 2019

DONATION AGREEMENT

This DONATION AGREEMENT (the “Agreement”) is made and entered into as of this ____ day of _____, 2019 (the “Effective Date”) by and between CEDAR POINT PARK LLC, a Delaware limited liability company with its offices located at One Cedar Point Drive, Sandusky, Ohio 44870 (the “Grantor”) and the CITY OF SANDUSKY, OHIO, a municipal corporation located in Erie County, Ohio and duly organized and validly existing under the constitution and laws of the State and its Charter, with its offices located at 240 Columbus Avenue, Sandusky, OH 44870 (the “Grantee” or the “City”).

WITNESSETH THAT:

WHEREAS, Grantor wishes to donate to Grantee certain real property located in Sandusky, Ohio consisting of approximately 30 acres by limited-warranty deed, subject to certain deed restrictions and subject to the right of reverter; and

WHEREAS, Grantee is a political subdivision of the State of Ohio.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promise and agreements set forth herein, Grantor and Grantee agrees as follows:

1. On the terms and conditions set forth herein, Grantor hereby agrees to donate “as is” certain real property located in Sandusky, Ohio consisting of approximately 30 acres described in Exhibit “A,” attached hereto and incorporated by reference as if fully set forth herein (the “Property”), subject to all easements, deed restrictions, incidents and appurtenances belonging thereto as set forth and Grantee agrees to accept the Property by limited-warranty deed set forth in Exhibit “B” attached hereto and incorporated herein by reference (the “Deed”) as if fully set forth herein subject to the right of reverter and the deed restrictions set forth in the Deed.

2. GRANTOR AND GRANTEE ACKNOWLEDGE AND AGREE THAT, NOTWITHSTANDING ANYTHING TO THE CONTRARY, THE PROPERTY IS CONVEYED, ASSIGNED, AND TRANSFERRED BY GRANTOR TO GRANTEE “AS IS”, WITH ALL FAULTS AND DEFECTS, LATENT AND PATENT, AND GRANTEE ACKNOWLEDGES AND AGREES THAT EXCEPT AS SET FORTH IN THIS AGREEMENT OR THE DEED, GRANTOR HAS NOT MADE, DOES NOT MAKE, AND SPECIFICALLY DISCLAIMS, ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT, OR FUTURE, OF, AS TO, CONCERNING, OR WITH RESPECT TO (A) THE NATURE, QUALITY, OR CONDITION OF THE PROPERTY INCLUDING, WITHOUT LIMITATION, THE WATER, SOIL, AND GEOLOGY, OR THE PRESENCE OR ABSENCE OF ANY POLLUTANT, HAZARDOUS WASTE, GAS OR SUBSTANCE OR SOLID WASTE ON OR ABOUT THE PROPERTY; (B) THE INCOME TO BE DERIVED FROM THE PROPERTY; (C) THE SUITABILITY OF THE PROPERTY FOR ANY AND ALL ACTIVITIES AND USES WHICH GRANTEE OR ITS AFFILIATES OR NOMINEES MAY INTEND TO CONDUCT THEREON;

(D) THE HABITABILITY, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY; OR (E) ANY OTHER MATTER RELATED TO OR CONCERNING THE PROPERTY, THE VALUE THEREOF, AND THE STATE OF TITLE THERETO. GRANTEE, FOR ITSELF AND ITS AFFILIATES AND NOMINEES, HEREBY ACKNOWLEDGES THAT IT, HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PROPERTY, IS RELYING SOLELY ON ITS OWN INVESTIGATION OF THE PROPERTY AND IS NOT RELYING ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY OR ON BEHALF OF GRANTOR OR ITS OFFICERS, EMPLOYEES, AGENTS, CONTRACTORS, ATTORNEYS, CONSULTANTS OR REPRESENTATIVES (COLLECTIVELY, THE "GRANTOR PARTIES") OR ANY STATEMENT, REPRESENTATION OR OTHER ASSERTION MADE BY GRANTOR AND/OR THE GRANTOR PARTIES WITH RESPECT TO THE PROPERTY. FURTHER, GRANTEE ACKNOWLEDGES THAT NO INDEPENDENT INVESTIGATION OR VERIFICATION HAS BEEN OR WILL BE MADE BY GRANTOR AND/OR THE GRANTOR PARTIES WITH RESPECT TO ANY OTHER INFORMATION SUPPLIED BY OR ON BEHALF OF GRANTOR AND/OR THE GRANTOR PARTIES CONCERNING THE PROPERTY, AND EXCEPT AS SET FORTH IN THIS AGREEMENT, GRANTOR AND GRANTOR PARTIES MAKE NO REPRESENTATION OR WARRANTY AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION, IT BEING INTENDED BY THE PARTIES THAT GRANTEE SHALL VERIFY THE ACCURACY AND COMPLETENESS OF SUCH INFORMATION. GRANTEE, FOR ITSELF AND ITS AFFILIATES AND NOMINEES, HEREBY ACKNOWLEDGES THAT THE DISCLAIMERS, AGREEMENTS, AND OTHER STATEMENTS SET FORTH IN THIS SECTION ARE AN INTEGRAL PORTION OF THIS AGREEMENT AND THAT GRANTOR WOULD NOT AGREE TO ENTER INTO THIS AGREEMENT ON THE TERMS AND PROVISIONS CONTAINED HEREIN WITHOUT THE DISCLAIMERS, AGREEMENTS. AND OTHER STATEMENTS SET FORTH IN THIS SECTION. THE PROVISIONS OF THIS SECTION SHALL SURVIVE ANY TERMINATION OF THIS AGREEMENT.

GRANTEE HEREBY RELEASES AND HOLDS HARMLESS GRANTOR AND ANY PARTY RELATED TO OR AFFILIATED WITH GRANTOR, FROM ALL CLAIMS, LOSSES, DAMAGES, LIABILITIES, COSTS AND EXPENSES WHICH GRANTEE OR ANY PARTY RELATED TO OR AFFILIATED WITH GRANTEE, OR ANY SUCCESSOR OR ASSIGN OF GRANTEE, HAS OR MAY HAVE IN THE FUTURE ARISING FROM OR RELATED TO THE REAL PROPERTY.

3. As a condition precedent to said donation of the Property, Grantee agrees to the following irrevocable restrictions on the use and resale of the Property, which are additionally set forth in the deed restrictions in Exhibit B ("Deed Restrictions"):

a. Use as a Public Park.

- i. The Property may only be used for recreational and educational public-park land use as a public, municipal-run park, including walking, biking, kayaking, canoeing, running trails and related facilities and improvements, such as parking areas, walks, paths, boardwalks, educational and

observation facilities, playground and picnic areas, traffic-control facilities and improvements, fencing, utilities, restrooms, stormwater management facilities and improvements, flood and erosion-control facilities and improvements, or other non-commercial park amenities. Grantor and Grantee agree that the intent of both parties is to activate the Property with public recreational and educational activities operated by Grantee's Recreation Department to promote local recreation, education, and tourism. The Property may not be used in a manner that competes with Grantor's adjacent for-profit facilities by diverting activities away from Grantor's facilities to activities conducted at the Property.

- ii. Grantor shall have the right to stage and operate up to five (5) activities/events per year on the Property without charge from Grantee, but Grantor shall pay for any added costs attributable to the activities/events that it operates, such as additional security and cleanup costs. All such activities and events are to be conducted in coordination with Grantee to ensure availability of the Property and ameliorate traffic, parking, and safety issues.
 - iii. Grantee shall finish its construction of the public-park improvements and have the public park open no later than June 30, 2025. If Grantor fails to commence food and beverage operations at its adjacent properties within three (3) years after Grantee's post-construction grand opening of the public park on the Property, then Grantee may allow food trucks on the Property to service activities run by Grantee's Recreation Department.
- b. Naming Rights; Commercial Signage. The written approval of Cedar Point Park, LLC, or any of its successors and assigns, shall be required for (i) the naming of the Property or any portions thereof, including any trails or other development/improvements on the Property permitted hereunder, or (ii) the placement of any signage of a commercial nature on the Property. All such naming rights and signage must (1) reflect the association with the Cedar Point Sports Center and include the words "at the Cedar Point Sports Center" as part of the name; (2) not conflict with the theme of the Cedar Point Sports Center; and (3) not conflict with the business interests of CPP or any of its parents, subsidiaries, and affiliates, including the sale of any naming rights to competitors of CPP or any of its parents, subsidiaries, or affiliates. As an example, if the public park is named the Landing, it shall be known as the "The Landing at Cedar Point Sports Center." If there is a sponsor X that is approved to have the naming rights for the park, then it shall be known as the "X Landing at the Cedar Point Sports Center." Grantee shall also coordinate the placement of all directional, safety, and all other such signs with Grantor to ensure compatibility with similar signage at Grantor's adjacent properties and the remainder of the Cedar Point Sports Center. Grantee shall submit any request for such approval or denial in writing to Grantor or, if applicable, its successor's chief legal counsel. Failure to respond within sixty (60) calendar days

after receipt of the written request, shall be deemed to constitute approval by Grantor or, if applicable, its successor.

- c. Subdivision. The legal or de facto division, subdivision, or partitioning of the Property is prohibited without Grantor's written approval. Grantee shall submit any request for such approval in writing to Grantor or, if applicable, its successor's chief legal counsel. Failure to respond within sixty (60) calendar days after receipt of the written request, shall be deemed to constitute approval by Grantor or, if applicable, its successor.
- d. Drilling. The exploration and drilling for, and extraction of oil and gas from any site on the Property are prohibited without Grantor's written approval. Grantee shall submit any request for such approval in writing to Grantor or, if applicable, its successor's chief legal counsel. Failure to respond within sixty (60) calendar days after receipt of the written request, shall be deemed to constitute approval by Grantor or, if applicable, its successor.
- e. Mining/Excavation. All quarrying, mining, excavation, depositing, or extracting of soil, sand, gravel, rock, or other minerals is prohibited, except as needed to restore/enhance the Property for use as a public recreational park as intended and subject to the restrictions set forth herein.
- f. Hazardous Substances. Dumping, depositing, discharging, releasing, or abandoning any solid or hazardous waste, hazardous substances or material, pollutant, or environmentally harmful debris on or under the Property, or into the surface or ground water on or under the land is prohibited; except such prohibition shall not apply to fertilizers, pesticides, herbicides, and other similar products not prohibited by governmental agencies. Any chemicals shall be used in accordance with the manufacturer's specifications, in compliance with all applicable laws and regulations; and, in conformance with the intent of this conveyance for the restoration of the Property and the management of it as a natural area and park.
- g. Trash. The dumping, burying, or storing of ashes, trash, garbage, or junk on the Property is prohibited. Trash management activities consistent with the use of the Property as a park such as the placement of trash cans and recycling bins for park users and the collection of trash and recycling from these bins are permitted.
- h. Power Lines; Communications Towers. The placement, erection, or construction of above-ground power lines on the property is prohibited. The construction of communications and/or broadcast towers or structures of any type is prohibited on the Property.
- i. Non-Smoking. To the greatest extent allowed by law, smoking shall not be permitted on the Property.
- j. Compliance with ODNR Obligations, Limitations, and Restrictions. The Property shall remain in compliance with all obligations, limitations and restrictions imposed

by or through the Ohio Department of Natural Resources and Grantee shall be responsible for such compliance.

- k. No Sale of Property. Grantee shall not offer the Property for sale without first submitting a written offer to sell the property to Grantor for One Hundred and 00/100 Dollars (\$100.00). Grantor shall have thirty (30) days from the date of receipt of the offer to provide written acceptance. If Grantor does not accept the offer, then Grantee may sell the property subject to the restrictions contained herein and the Donation Agreement under which the Property was conveyed from Grantor to Grantee.
- l. Storm and Drainage Management. Nothing contained in these Deed Restrictions shall prohibit or limit Grantee's right to place, construct, install, maintain, operate, repair, remove or restore flood, erosion, and storm water or drainage management structures and improvements, nor shall these Deed Restrictions prohibit or limit Grantee from taking or causing to be taken any other actions, as may be necessary or appropriate, to comply with applicable laws, ordinances, rules or regulations of any governmental authority having jurisdiction over Grantee and the Property, or to remediate, correct, manage, repair, restore or otherwise address any latent or patent defects, violations, contamination, or damage to the Property, including, without limitation, damage to structures and vegetation caused by fire, flood, storm, earth movement or other casualty, or acts beyond the control of Grantee.
4. Grantee also agrees to accept the Property subject to a reversionary clause that will grant a right of reverter to the Grantor, its successor and/or assigns, in the event that (1) any of the Deed Restrictions is materially violated and such violation is not cured by Grantee within sixty (60) days after written notice from Grantor describing the violation; or (2) Grantee ceases operating the Property as a public recreational park, it being understood that temporary closures for purposes of repairs and improvements do not qualify as cessation of operation.
5. Grantor shall be responsible for all utilities, if any, real property taxes, and assessments up to and including the date of the recording of the Deed (the "Closing"). Grantee shall be responsible for all utilities, if any, real estate taxes, and assessments upon the Closing.
6. Any other utilities, taxes, assessments charges and costs of every kind and nature associated with the party shall be prorated or apportioned as of the date of conveyance.
7. Grantor shall pay any and all transfer taxes due the city, county and/or State of Ohio in connection with this donation.
8. Any other utilities, taxes, assessments charges and costs of every kind and nature associated with the Property shall be prorated or apportioned as of the date of conveyance.
9. Grantor and Grantee acknowledge and agree that the proceeds of any successful eminent domain or condemnation process by any public body shall be paid to the Grantor, its successors and/or assigns, less the following amounts, which shall be allocated to the Grantee: the actual expenses or costs of improvements or other capital repairs or maintenance paid for by the

Grantee between the time of this donation and any subsequent successful condemnation, together with any award for damage to the remainder of the Property that is not taken by such eminent domain or condemnation process, including the reasonable costs for legal defense of any such eminent domain or condemnation proceeding.

10. Grantor represents and warrants that it has not received any notice from any city or other governmental authority of, and has no actual knowledge of, zoning, building, fire, or health code violations, or any violations of environmental laws, rules or regulations, with respect to the Property.

11. Grantor represents and warrants it is not a party to or subject to or bound by an agreement, option, contract, occupancy agreement, restriction, easement, covenant, license, permit, or lease of any kind relating to the Property, that there is no lien or mortgage encumbering the Property, and that no work has been performed for which a mechanic's, laborer's or materialman's lien may be asserted or filed against the Property.

12. Grantor represents and warrants that its signatory has authority to execute this Agreement and all related documents hereunder to bind Grantor.

13. Grantee represents and warrants that its signatory has authority to execute this Agreement and all related documents hereunder to bind Grantee pursuant to Resolution No. [insert], which was passed by the City Commissioners on [insert date].

14. Grantor may elect to seek a charitable contribution deduction under the Internal Revenue Code of 1986, as amended (the "Code") in an amount equal to the fair market value of the Property in respect of its donation of the Property to Grantee. Provided Grantee shall incur no additional expense, Grantee hereby acknowledges and agrees to cooperate with Grantor to the extent reasonably requested in connection with Grantor's securing such deduction by, including without limitation, executing the Internal Revenue Service Form 8283 after its execution by Grantor and the appraiser and receipt of a copy of the qualified appraisal prepared by such appraiser, together with such additional documents reasonably requested by Grantee in connection with Grantor's donation of the Property to Grantee. However, Grantee makes no representation as to the tax consequences of the transaction contemplated by this Agreement. Grantor will obtain independent tax counsel and be solely responsible, at Grantor's sole cost and expense, for compliance with the gift value substantiation requirements of the Code.

15. No representation, warranty, or statement made herein by Grantor or Grantee contains any untrue statement of any material fact or omits to state any material fact necessary in order to make such representation, warranty, or statement not misleading.

16. Grantor and Grantee acknowledge and agree that any common law or statutory rule against perpetuities law does not apply to any right, interest, option, or estate in property created hereunder or pursuant hereto as Grantor's right of reverter is neither an executory interest nor a contingent remainder. In the event that a court of law were to determine that any common law or statutory rule against perpetuities is held to apply to any such right, interest, option, or estate, if such right, interest, option, or estate in property conveyed by this Agreement does not vest upon the Closing, the Grantor and Grantee hereby agree that such right, option, interest, or estate shall

vest, if at all, within twenty-one (21) years less five (5) days after the death of the last surviving descendant of George H.W. Bush (the 41st President of the United States), who is living on the date of the Closing. Notwithstanding the limitation in the preceding sentence, Grantor and Grantee agree and intend that a court finding any common law or statutory rule against perpetuities applicable shall reform such right, interest, option, or estate so that such right, interest, option, or estate is exercisable for the longest period permissible under such rule, including such longer time as may be authorized by any statutory rule against perpetuities, if by such reformation such right, interest, option, or estate would be exercisable for a period longer than that provided in the preceding sentence.

17. This Agreement contains the entire agreement between the parties and supersedes any prior agreements respecting the Property between Grantor and Grantee. This Agreement may not be amended except in a writing executed by Grantor and Grantee.

18. This Agreement and its validity, construction, and performance shall be governed by the laws of the United States and the State of Ohio as applicable.

19. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument. All facsimile or electronic transmissions of this Agreement shall be deemed original signatures for all purposes.

20. It is understood and agreed that all representations, warranties, covenants, and agreements and all indemnifications contained herein shall survive any termination of this Agreement for the maximum period permitted by law and shall not be merged in the Deed, except for the Deed Restrictions and Grantor's right of reverter.

IN WITNESS WHEREOF, Grantor and Grantee have executed this Agreement as of the Effective Date.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

GRANTOR:

CEDAR POINT PARK LLC

By:

Name:

Its:

GRANTEE:

CITY OF SANDUSKY

By:

Name:

Its:

Approved as to form:

Trevor Hayberger, Law Director

FISCAL OFFICER'S CERTIFICATE

The undersigned, Finance Director of the City of Sandusky, Ohio, hereby certifies that the moneys required to meet the obligations of the City under the aforesaid Donation Agreement have been lawfully appropriated by the City for such purposes and are in the treasury of the Board 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 through 5705.44 of the Ohio Revised Code.

Sally Martin, Interim, Finance Director

Dated _____, 2019

Exhibit A

Legal Description

Exhibit B

LIMITED-WARRANTY DEED

KNOW ALL MEN BY THESE PRESENT, that CEDAR POINT PARK, LLC, a Delaware limited liability company (“Grantor”), hereby grants and conveys to the CITY OF SANDUSKY, OHIO, a political subdivision of the State of Ohio, with its offices located at 222 Meigs Street, Sandusky, OH 44870 (“Grantee”), with limited warranty covenants, the property described in Exhibit A hereto (“Property”).

SUBJECT, HOWEVER, to (1) real-estate taxes and assessments, which are not due and payable at the time this Deed is filed for record; (2) zoning ordinances and regulations; (3) restrictions, reservations, easements, and conditions of record; and (4) certain restrictions and solely for the purposes set forth herein (the “Deed Restrictions”); and further, that the Property shall automatically revert to Grantor, Cedar Point Park, LLC, or its successors or assigns free and clear of any claims of the Grantee in the event that (i) Grantee fails to comply with the Deed Restrictions, including the purposes set forth herein, and such failure is not cured by Grantee within thirty (30) days after written notice from Grantor describing the violation, (ii) Grantee ceases operating the Property as a public recreational park, it being understood that temporary closures for purposes of repairs and improvements do not qualify as cessation of operation; or (iii) the Property falls into disrepair and has to be closed down.

FURTHERMORE, for and in consideration of the facts recited above, the following Deed Restrictions are hereby placed on the Property for the overall purpose of restoring the Property to a predominantly natural and native state; creating a public park consistent with the restoration of the Property; and to protect the Property’s natural/native state:

- a. Use as a Public Park.
 - i. The Property may only be used for recreational and educational public-park land use as a public, municipal-run park, including walking, biking, kayaking, canoeing, running trails and related facilities and improvements, such as parking areas, walks, paths, boardwalks, educational and observation facilities, playground and picnic areas, traffic-control facilities and improvements, fencing, utilities, restrooms, stormwater management facilities and improvements, flood and erosion-control facilities and improvements, or other non-commercial park amenities. Grantor and Grantee agree that the intent of both parties is to activate the Property with public recreational and educational activities operated by Grantee’s Recreation Department to promote local recreation, education, and tourism.

The Property may not be used in a manner that competes with Grantor's adjacent for-profit facilities by diverting activities away from Grantor's facilities to activities conducted at the Property.

- ii. Grantor shall have the right to stage and operate up to five (5) activities/events per year on the Property without charge from Grantee, but Grantor shall pay for any added costs attributable to the activities/events that it operates, such as additional security and cleanup costs. All such activities and events are to be conducted in coordination with Grantee to ensure availability of the Property and ameliorate traffic, parking, and safety issues.
 - iii. Grantee shall finish its construction of the public-park improvements and have the public park open no later than June 30, 2025. If Grantor fails to commence food and beverage operations at its adjacent properties within three (3) years after Grantee's post-construction grand opening of the public park on the Property, then Grantee may allow food trucks on the Property to service activities run by Grantee's Recreation Department.
- b. Naming Rights; Commercial Signage. The written approval of Cedar Point Park, LLC, or any of its successors and assigns, shall be required for (i) the naming of the Property or any portions thereof, including any trails or other development/improvements on the Property permitted hereunder, or (ii) the placement of any signage of a commercial nature on the Property. All such naming rights and signage must (1) reflect the association with the Cedar Point Sports Center and include the words "at the Cedar Point Sports Center" as part of the name; (2) not conflict with the theme of the Cedar Point Sports Center; and (3) not conflict with the business interests of CPP or any of its parents, subsidiaries, and affiliates, including the sale of any naming rights to competitors of CPP or any of its parents, subsidiaries, or affiliates. As an example, if the public park is named the Landing, it shall be known as the "The Landing at Cedar Point Sports Center." If there is a sponsor X that is approved to have the naming rights for the park, then it shall be known as the "X Landing at the Cedar Point Sports Center." Grantee shall also coordinate the placement of all directional, safety, and all other such signs with Grantor to ensure compatibility with similar signage at Grantor's adjacent properties and the remainder of the Cedar Point Sports Center. Grantee shall submit any request for such approval or denial in writing to Grantor or, if applicable, its successor's chief legal counsel. Failure to respond within sixty (60) calendar days after receipt of the written request, shall be deemed to constitute approval by Grantor or, if applicable, its successor.
- c. Subdivision. The legal or de facto division, subdivision, or partitioning of the Property is prohibited without Grantor's written approval. Grantee shall submit any request for such approval in writing to Grantor or, if applicable, its successor's chief legal counsel. Failure to respond within sixty (60) calendar days after receipt of

the written request, shall be deemed to constitute approval by Grantor or, if applicable, its successor.

- d. Drilling. The exploration and drilling for, and extraction of oil and gas from any site on the Property are prohibited without Grantor's written approval. Grantee shall submit any request for such approval in writing to Grantor or, if applicable, its successor's chief legal counsel. Failure to respond within sixty (60) calendar days after receipt of the written request, shall be deemed to constitute approval by Grantor or, if applicable, its successor.
- e. Mining/Excavation. All quarrying, mining, excavation, depositing, or extracting of soil, sand, gravel, rock, or other minerals is prohibited, except as needed to restore/enhance the Property for use as a public recreational park as intended and subject to the restrictions set forth herein.
- f. Hazardous Substances. Dumping, depositing, discharging, releasing, or abandoning any solid or hazardous waste, hazardous substances or material, pollutant, or environmentally harmful debris on or under the Property, or into the surface or ground water on or under the land is prohibited; except such prohibition shall not apply to fertilizers, pesticides, herbicides, and other similar products not prohibited by governmental agencies. Any chemicals shall be used in accordance with the manufacturer's specifications, in compliance with all applicable laws and regulations; and, in conformance with the intent of this conveyance for the restoration of the Property and the management of it as a natural area and park.
- g. Trash. The dumping, burying, or storing of ashes, trash, garbage, or junk on the Property is prohibited. Trash management activities consistent with the use of the Property as a park such as the placement of trash cans and recycling bins for park users and the collection of trash and recycling from these bins are permitted.
- h. Power Lines; Communications Towers. The placement, erection, or construction of above-ground power lines on the property is prohibited. The construction of communications and/or broadcast towers or structures of any type is prohibited on the Property.
- i. Non-Smoking. To the greatest extent allowed by law, smoking shall not be permitted on the Property.
- j. Compliance with ODNR Obligations, Limitations, and Restrictions. The Property shall remain in compliance with all obligations, limitations and restrictions imposed by or through the Ohio Department of Natural Resources and Grantee shall be responsible for such compliance.
- k. No Sale of Property. Grantee shall not offer the Property for sale without first submitting a written offer to sell the property to Grantor for One Hundred and 00/100 Dollars (\$100.00). Grantor shall have thirty (30) days from the date of receipt of the offer to provide written acceptance. If Grantor does not accept the

offer, then Grantee may sell the property subject to the restrictions contained herein and the Donation Agreement under which the Property was conveyed from Grantor to Grantee.

- 1. Storm and Drainage Management. Nothing contained in these Deed Restrictions shall prohibit or limit Grantee’s right to place, construct, install, maintain, operate, repair, remove or restore flood, erosion, and storm water or drainage management structures and improvements, nor shall these Deed Restrictions prohibit or limit Grantee from taking or causing to be taken any other actions, as may be necessary or appropriate, to comply with applicable laws, ordinances, rules or regulations of any governmental authority having jurisdiction over Grantee and the Property, or to remediate, correct, manage, repair, restore or otherwise address any latent or patent defects, violations, contamination, or damage to the Property, including, without limitation, damage to structures and vegetation caused by fire, flood, storm, earth movement or other casualty, or acts beyond the control of Grantee.

IN WITNESS WHEREOF, the Grantor sets its hand this ____ day of _____, 2019.

CEDAR POINT PARK LLC,
a Delaware limited liability company

By:_____

Its: _____

STATE OF OHIO)
)
COUNTY OF _____) SS:

BEFORE ME, a Notary Public in and for said County and State, personally appeared the above named CEDAR POINT PARK, LLC, a Delaware limited liability company, by and through _____, its _____, who acknowledged that he/she did sign the foregoing instrument and that the same is his/her free act and deed and the free act and deed of such limited liability company.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal, at _____, Ohio this ____ day of _____, 2019.

Notary Public

This instrument prepared by:
Majeed G. Makhoulf
BERNS, OCKNER & GREENBERGER, LLC
3733 Park East Drive, Suite 200
Beachwood, Ohio 44122



COMMUNITY DEVELOPMENT

Matthew D. Lasko
Chief Development Officer
mlasko@ci.sandusky.oh.us

222 Meigs Street
Sandusky, Ohio 44870
419-627-5707
www.ci.sandusky.oh.us

To: Eric L. Wobser, City Manager

From: Matthew D. Lasko, Chief Development Officer

Date: November 25, 2019

Subject: Commission Agenda Item – First Amendment to Grant Agreement

Items for Consideration: Ordinance approving a First Amendment to the Grant Agreement (the “Amendment”) between the City of Sandusky and both Cooke Building, LLC – an Ohio limited liability company, and Huntley Building, LLC, an Ohio limited liability company, or their assigns, for the purposes of furthering economic development efforts in the City.

Background Information: Both of the above-mentioned limited liability companies are owned by Richard & Meghan Hogrefe (the “Hogrefe’s”). The Hogrefe’s have purchased eleven (11) buildings in downtown Sandusky and two (2) buildings in Bayview. The Hogrefe’s have and are investing significantly to renovate and restore many properties in Sandusky. Most recently, the Hogrefe’s, with attention to historic detail, beautifully restored \$3M Schmidt building at 246 E. Market Street into eight (8) residential apartment units and three (3) retail/commercial storefronts.

Pursuant to Ordinance 19-049, the City agreed to provide funding to a new project being proposed by the Hogrefe’s. The location of the proposed project included the Cooke building located at 154-162 Columbus Avenue, 119 E Market Street, and the Huntley building located at 133 E. Market Street. In total the project was to result in an approximate investment of \$8.45M - \$10.45M and would have activated nearly 65,000 square feet of space. The total investment amount noted above includes acquisition but does not include furniture, fixtures, equipment and machinery.

The original Grant Agreement, entered into on March 14th, 2019, called for a total investment by the City of \$500,000 in grant proceeds. Terms of the Grant Agreement called for \$150,000 to be disbursed upon 100% construction completion of the Huntley Building and receipt of a certificate of occupancy and the remaining \$350,000 to be disbursed upon 100% construction completion on the remainder of the project and receipt of a certificate of occupancy for both 119 E. Market Street and the Cooke Building. The entire project was anticipated to be completed by September 1, 2020 but must have been completed no later than December 31, 2020.

The Hogrefe's met the terms of the first \$150,000 disbursement for the Huntley Building and have received payment from the City. However, as construction work commenced on the remainder of the project, most notably the Cooke Building, the building began to structurally fail due to severe deterioration. As such the Hogrefe's halted work and awaited the results of structural engineer reports – all of which indicated the remaining buildings needed to be demolished. Based on those reports, and approval from the Landmarks Commission, a Certificate of Appropriateness was provided allowing the Hogrefe's to commence demolition. Based on this, the remainder of the project, as contemplated in the Grant Agreement, cannot be met.

Therefore, it is proposed to amend Section 1 of the Grant Agreement to remove the \$350,000 disbursement contemplated for the full redevelopment of the Cooke Building. Although the Cooke Building may be reconstructed, it would be done so with different economic outcomes and timelines than those included in the original Grant Agreement.

Budgetary Information: The City has disbursed \$150,000 in grant funds from the Capital Projects Fund in accordance with Section 1 of the Grant Agreement for the renovation to Permanent Parcel Number 56-00816.000. These funds will then later be financed through the issuance of urban renewal revenue notes or bonds. These notes or bonds will use proceeds from the Chesapeake TIF to pay for the debt service. The City is no longer responsible for disbursing the remaining \$350,000 in grant proceeds contemplated for Permanent Parcel Numbers 56-00528.001, 56-00528.000 and 56-00527.000.

Action Requested: It is requested that the proper legislation be prepared to approve the First Amendment to the Grant Agreement between the City of Sandusky and both Cooke Building, LLC and Huntley Building, LLC. It is further requested that this legislation be passed in accordance with Section 14 of the City Charter to immediately approve the First Amendment to the Grant Agreement so as to close out the Grant Agreement and to allow the parties to move forward with final budgetary planning and commencement on the revised Cooke Building project.

I concur with this recommendation:

Eric L. Wobser
City Manager

Matthew D. Lasko, MUPDD, MSSA
Chief Development Officer

cc: Kelly Kresser, Clerk of the City Commission
Trevor Hayberger, Law Director
Sally Martin, Acting Finance Director

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING AND APPROVING A FIRST AMENDMENT TO THE GRANT AGREEMENT WITH COOKE BUILDING, LLC, AND HUNTLEY BUILDING, LLC, IN RELATION TO THE PROPERTIES LOCATED AT 154-162 COLUMBUS AVENUE, 119 E. MARKET STREET AND 133 E. MARKET STREET; AND DECLARING THAT THIS ORDINANCE SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.

WHEREAS, Richard and Meghan Hogrefe are the owners of Cooke Building, LLC, and Huntley Building, LLC, and have purchased eleven (11) buildings in downtown Sandusky and have and are investing significantly to renovate and restore many properties in Sandusky, and most recently, restored the Schmidt building at 246 E. Market Street into eight (8) residential apartment units and three (3) retail/commercial storefronts; and

WHEREAS, this City Commission approved the City's intent to invest in the Cooke Complex Project by Resolution No. 030-18R, passed on July 23, 2018; and

WHEREAS, this City Commission authorized and approved a grant in the amount of \$500,000.00 to Cooke Building, LLC, and Huntley Building, LLC, in relation to the properties located at 154-162 Columbus Avenue, 119 E. Market Street and 133 E. Market Street by Ordinance No. 19-049, passed on March 11, 2019; and

WHEREAS, the Hogrefe's intended to substantially rehabilitate the Cooke building located at 154-162 Columbus Avenue and 119 E. Market Street, and the Huntley building located at 133 E. Market Street, hereinafter referred to as the Cooke Complex, and plan to preserve and rehabilitate the properties as part of an approximate \$8.45M - \$10.45M mixed-use development that will activate nearly 65,000 square feet of space, including 15+ leasable spaces, event space, and a retail complex; and

WHEREAS, the original Grant Agreement provided \$150,000.00 in grant funds to the Huntley Building and \$350,000.00 in grant funds to the Cooke Building with the project anticipated to be completed by September 1, 2020; and

WHEREAS, the Huntley Building's renovations have been completed, however, construction work for the Cooke Building was halted due to structural failings due to severe deterioration, and based on structural engineering reports, the Cooke Building needs to be demolished; and

WHEREAS, it is being requested to modify the Grant Agreement to remove the \$350,000.00 disbursement contemplated for the full redevelopment of the Cooke Building; and

WHEREAS, the \$150,000.00 in grant funding for the Huntley Building has been disbursed pursuant to the Grant Agreement with Capital Projects Funds and the City intends to finance the funding through the issuance of urban renewal revenue bonds with the notes or bonds using proceeds from the Chesapeake TIF to pay for the debt service; 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 First Amendment to the Grant Agreement and allow the parties to move forward with a revised Cooke Building project; 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 First Amendment to the Grant Agreement with Cooke Building, LLC, and Huntley Building, LLC, for financial assistance related to the properties located at 154-162 Columbus Avenue, 119 E. Market Street, and 133 E. Market Street, through the Substantial Development Grant Program for the purpose of furthering economic 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. 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'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 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.

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

ATTEST: _____
KELLY L. KRESSER
CLERK OF THE CITY COMMISSION

Passed: December 9, 2019

FIRST AMENDMENT TO THE GRANT AGREEMENT

THIS FIRST AMENDMENT TO THE GRANT AGREEMENT (the "Amendment") is made and entered into as of the _____ day of November, 2019, between the City of Sandusky (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 Cooke Building, LLC (the "Cooke"), an Ohio limited liability company and Huntley Building, LLC (the "Huntley"), an Ohio limited liability company (collectively, the "Parties").

WITNESSETH

WHEREAS, the Parties entered into a Grant Agreement, dated 14th of March, 2019 (the "Agreement"), whereby the City would grant \$350,000 to Cooke and \$150,000 to Huntley, in accordance with the terms of the Agreement;

WHEREAS, the Cooke Building is being demolished and the Grant Agreement's underlying general purpose has been frustrated, thereby making the \$350,000 portion of the Grant Agreement to be payable to Cooke null and void; and

WHEREAS, this Amendment is now intended to memorialize the new circumstances by this written instrument as required pursuant to Section 6(b) of the Agreement and now amend Section 1 of the Agreement whereby the City will be solely providing \$150,000 to Huntley in accord with the original terms of the Agreement.

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

1. *The first paragraph of Section 1 of the Agreement is hereby deleted in its entirety and replaced with the following new amended Section 1 language:*

Section 1. City Grant.

The City agrees to grant One Hundred Fifty Thousand dollars (\$150,000.00) to Huntley (the "City Grant") toward the costs of the Huntley Building project to be payable at the time construction has been completed and a certificate of occupancy has been secured for Permanent Parcel Number 56-00816.000. All funds will be disbursed from the Capital Projects Fund. The City intends to finance this amount through the issuance of urban renewal revenue notes or bonds. These notes or bonds will use proceeds from the Chesapeake TIF to pay for the debt service. This City Grant will not increase if Huntley chooses to make additional improvements beyond what has been summarized in this Agreement. 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 codes, including Landmarks Commission and Planning Commission, and other applicable codes and regulations of the City, including obtaining permits. Furthermore, Huntley agrees to display a sign during construction and for a least one (1) year upon completion of the Project noting the City's support

2. The remainder of the Agreement remains in full effect.

3. This Amendment 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 Amendment on behalf of the corporate entities identified herein, on the day and year first written above.

COOKE BUILDING, LLC,
An Ohio limited liability company

By: _____
Richard Hogrefe, Owner

By: _____
Meghan Hogrefe, Owner

HUNTLEY BUILDING, LLC,
An Ohio limited liability company

By: _____
Richard Hogrefe, Owner

By: _____
Meghan Hogrefe, Owner

CITY OF SANDUSKY, OHIO

By: _____
Eric Wobser, City Manager

This legal form of the within instrument is hereby approved.

Trevor Hayburger, Law Director
City of Sandusky

GRANT AGREEMENT

This Grant Agreement (the "Agreement") is made and entered into as of the 14th day of March, 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 Cooke Building, LLC (the "Cooke"), an Ohio limited liability company and Huntley Building, LLC (the "Huntley"), an Ohio limited liability company (collectively the "Parties").

WITNESSETH:

WHEREAS, Cooke and Huntley are Ohio limited liability companies both owned entirely by Richard & Meghan Hogrefe (the "Hogrefe's"). The Hogrefe's have purchased eleven (11) buildings in downtown Sandusky and two (2) buildings in Bayview. The Hogrefe's have and are investing significantly to renovate and restore many properties in Sandusky and desire to substantially rehabilitate the Cooke building located at 154-162 Columbus Avenue, 119 E Market Street, and the Huntley building located at 133 E. Market Street. The building at 119 E. Market Street will be converted into the new main entrance for the collection of buildings. The Hogrefe's have already secured site control on all three (3) properties and plan to preserve and substantially rehabilitate them as part of an approximate \$8.45M - \$10.45M mixed-use development that will activate nearly 65,000 square feet of space. The total investment amount includes acquisition but does not include furniture, fixtures, equipment and machinery. Regarding Cooke specifically, the plan calls for bringing 15+ leasable spaces of varying sizes to market on the first and second floors (could be less if tenants need larger spaces) and will transform the third floor into event space. The Huntley building will be converted into a more open air, less formal retail complex with future tenants able to occupy a portion of the ground floor in more stall or display areas while sharing common areas and facilities with adjacent tenants. Basement areas will be opened for retail uses with the addition of new stairs and infrastructure. The buildings will undergo complete façade restoration, improved retail spaces and all new mechanical systems, fire suppression and ADA accessibility upgrades and are herein after referred to as the "Project". To aid in the development of the Project, Cooke and Huntley have requested grant assistance through the City; and

WHEREAS, to induce the Project, the City has agreed to provide economic incentive grants to Cooke and Huntley 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 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 Three Hundred and Fifty Thousand dollars (\$350,000.00) to Cooke and One Hundred and Fifty Thousand dollars (\$150,000.00) to Huntley (collectively the "City Grants") toward the costs of the Project, payable in two (2) disbursements: (1) \$150,000 payable to Huntley at the time construction has been completed and a certificate of occupancy has been secured for Permanent Parcel Number 56-00816.000 and (2) \$350,000 payable to Cooke at the time construction has been completed and a certificate of occupancy has been secured for Permanent Parcel Numbers 56-00528.001, 56-00528.000 and 56-00527.000. All funds will be disbursed from the Capital Project Fund. The City intends to finance this amount through the issuance of urban renewal revenue notes or bonds. These notes or bonds will use proceeds from the Chesapeake TIF to pay for the debt service. This grant amount will not increase if either Cooke or Huntley chooses to make additional improvements beyond what has been summarized in this Grant Agreement. 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 codes, including Landmarks Commission and Planning Commission approval, and other applicable codes and regulations of the City, including obtaining permits. Furthermore, Cooke and Huntley agree to display a sign during construction and for at least one (1) year upon completion of the Project noting the City's support; and

Both Cooke and Huntley individually shall notify the City promptly following the completion of each of the two (2) phases 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 both Cooke and Huntley know if they individually have satisfied the conditions set forth in this Section and, if not, describe what is found to be deficient. To receive the City Grants, both phases of the Project will need to be completed by December 31, 2020. 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.

Cooke, Huntley and the City all represent that this Agreement has been approved by formal action of the duly authorized representatives of all parties.

Section 3. Assignment or Transfer.

Cooke and Huntley agree 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 Chief Development Officer
City of Sandusky, Ohio
City Building
222 Meigs Street
Sandusky, OH 44870
- (ii) **TO THE COOKE:** Cooke Building, LLC
5235 Castle Hills Drive
San Diego, CA 92109
Attention: Richard & Meghan Hogrefe
- (iii) **TO THE HUNTLEY:** Huntley Building, LLC
5235 Castle Hills Drive
San Diego, CA 92109
Attention: Richard & Meghan Hogrefe

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.

COOKE BUILDING, LLC
An Ohio limited liability company

By: 
Richard Hogrefe, Owner

By: 
Meghan Hogrefe, Owner

HUNTLEY BUILDING, LLC
An Ohio limited liability company


By: 
Richard Hogrefe, Owner

By: 
Meghan Hogrefe, Owner

CITY OF SANDUSKY, OHIO

By: 
Eric L. Wober, City Manager

The legal form of the within instrument
is hereby approved.

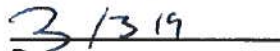

Trevor M. Hayberger, Law Director
City of Sandusky

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



Date



COMMUNITY DEVELOPMENT

Matthew D. Lasko
Chief Development Officer
mlasko@ci.sandusky.oh.us

222 Meigs Street
Sandusky, Ohio 44870
419-627-5707
www.ci.sandusky.oh.us

To: Eric L. Wobser, City Manager

From: Matthew D. Lasko, Chief Development Officer

Date: November 25, 2019

Subject: Commission Agenda Item – Termination of Enterprise Zone Agreement

Items for Consideration: Ordinance terminating the Enterprise Zone Agreement between the City of Sandusky and Cooke Building, LLC – an Ohio limited liability company.

Background Information: The above-mentioned limited liability company is owned by Richard & Meghan Hogrefe (the “Hogrefe’s”). The Hogrefe’s have purchased eleven (11) buildings in downtown Sandusky and two (2) buildings in Bayview. The Hogrefe’s have and are investing significantly to renovate and restore many properties in Sandusky. Most recently, the Hogrefe’s, with attention to historic detail, beautifully restored \$3M Schmidt building at 246 E. Market Street into eight (8) residential apartment units and three (3) retail/commercial storefronts.

Pursuant to Ordinance 19-047, the City agreed to provide certain real estate tax incentives for a project to be developed by the Hogrefe’s. The location of the proposed project included the Cooke building located at 154-162 Columbus Avenue, 119 E Market Street, and the Huntley building located at 133 E. Market Street. In total the project was to result in an approximate investment of \$8.45M - \$10.45M and would have activated nearly 65,000 square feet of space. The total investment amount noted above includes acquisition but does not include furniture, fixtures, equipment and machinery. Since the project included multiple properties owned by two (2) different legal entities, two (2) Enterprise Zone Agreements were entered into.

Per both Agreements, each ownership entity was to receive a 10-year, 75% real estate tax abatement on the value of the improvements.

The Hogrefe’s have met, thus far, the terms of one (1) of the Enterprise Zone Agreements – specific to Huntley Building, LLC. However, as construction work commenced on the remainder of the project, most notably the Cooke Building, the building began to structurally fail due to severe deterioration. As such the Hogrefe’s halted work and awaited the results of structural engineer reports – all of which indicated the remaining buildings needed to be demolished.

Based on those reports, and approval from the Landmarks Commission, a Certificate of Appropriateness was provided allowing the Hogrefe's to commence demolition. Based on this, the remainder of the project, as contemplated in the Enterprise Zone Agreement, specific to Cooke Building, LLC, cannot be completed.

Therefore, it is proposed to terminate the Enterprise Zone Agreement with Cooke Building, LLC for the full redevelopment of the Cooke Building. Although the Cooke Building may be reconstructed, it would be done so with different economic outcomes and timelines than those included in the original Enterprise Zone Agreement.

Budgetary Information: There is no budgetary impact with this legislation.

Action Requested: It is requested that the proper legislation be prepared to terminate the Enterprise Zone Agreement between the City of Sandusky and Cooke Building, LLC. It is further requested that this legislation be passed in accordance with Section 14 of the City Charter to immediately terminate and close out the Enterprise Zone Agreement.

I concur with this recommendation:

Eric L. Wobser
City Manager

Matthew D. Lasko, MUPDD, MSSA
Chief Development Officer

cc: Kelly Kresser, Clerk of the City Commission
Trevor Hayberger, Law Director
Sally Martin, Acting Finance Director

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING AND DIRECTING THE CITY MANAGER TO EXECUTE A MUTUAL AGREEMENT TO TERMINATE THE ENTERPRISE ZONE AGREEMENT WITH COOKE BUILDING, LLC, RELATING TO PROPERTY LOCATED AT 119 E. MARKET STREET AND 154-162 COLUMBUS AVENUE, AND DECLARING THAT THIS ORDINANCE SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.

WHEREAS, Richard and Meghan Hogrefe are the owners of Cooke Building, LLC, and have purchased eleven (11) buildings in downtown Sandusky and have and are investing significantly to renovate and restore many properties in Sandusky, and most recently, restored the Schmidt building at 246 E. Market Street into eight (8) residential apartment units and three (3) retail/commercial storefronts; and

WHEREAS, the Hogrefe's intended to substantially rehabilitate the Cooke building located at 154-162 Columbus Avenue and 119 E. Market Street, and the Huntley building located at 133 E. Market Street and planned to preserve and rehabilitate the properties as part of an approximate \$8.45M - \$10.45M mixed-use development that will activate nearly 65,000 square feet of space, including 15+ leasable spaces, event space, and a retail complex; and

WHEREAS, the City received a request for Enterprise Zone tax abatement from Cooke Building, LLC, for their rehabilitation project; and

WHEREAS, this City Commission authorized and directed the City Manager to enter into an Enterprise Zone Agreement with Cooke Building, LLC, relating to the property located at 119 E. Market Street and 154-162 Columbus Avenue by Ordinance No. 19-047, passed on March 11, 2019; and

WHEREAS, the Huntley Building's renovations have been completed, however, construction work for the Cooke Building was halted due to structural failings due to severe deterioration, and based on structural engineering reports, the Cooke Building needs to be demolished; and

WHEREAS, it is being requested to terminate the Enterprise Zone Agreement with Cooke Building LLC, as the project, specific to the property located at 119 E. Market Street and 154-162 Columbus Avenue cannot be completed; 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 terminate and close-out the Enterprise Zone Agreement; 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. The City Manager is authorized and directed to execute the Mutual Agreement to Terminate the Enterprise Zone Agreement on behalf of the City, a copy of which is marked Exhibit "1" and is attached to this Ordinance and is specifically incorporated as if fully rewritten herein together with any revisions or additions as are approved by the Law Director as not being substantially adverse to the City and consistent with carrying out the terms of this Ordinance.

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 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 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.

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

ATTEST: _____
KELLY L. KRESSER
CLERK OF THE CITY COMMISSION

Passed: December 9, 2019

MUTUAL AGREEMENT TO TERMINATE THE ENTERPRISE ZONE AGREEMENT

This Mutual Agreement to Terminate the Enterprise Zone Agreement is hereby made and entered into by and between the City of Sandusky, Ohio, an Ohio municipal corporation with a Commission-Manager form of government with its main offices located at 240 Columbus Avenue, Sandusky, Ohio 44870 (the "City"), and Cooke Building, LLC, an Ohio limited liability company, with offices located at 5235 Castle Hills Drive, San Diego, California 92109 (the "Company"),

WITNESSETH:

WHEREAS, The City and the Company entered into an Enterprise Zone Agreement on March 13th, 2019 for the development of real property and the acquisition of personal property located in an area designated as an Enterprise Zone; and

WHEREAS, the owners of the Company acquired two (2) partially vacant commercial buildings located at 154-162 Columbus Avenue, Sandusky, Ohio 44870 and 119 E. Market Street, Sandusky, Ohio 44870 and further identified as Permanent Parcel Nos. 56-00527.000, 56-00528.000 and 56-00528.001; and

WHEREAS, after entering into the Enterprise Zone Agreement and after the Company had started renovations it was determined that the properties were not able to be saved and required demolition; and

NOW, THEREFORE, upon mutual agreement of the parties, the parties agree as follows:

1. That the purpose of entering into the March 13th, 2019 Enterprise Zone Agreement is frustrated and due to the required demolition of the property the Company cannot materially fulfill its obligations under the Agreement.

2. That, due to the Company's inability to materially fulfill the obligations of the Agreement, due to the required demolition of the properties, the parties agree to mutually terminate March 13th, 2019 Enterprise Zone Agreement.

3. The parties acknowledge that by terminating the Enterprise Zone Agreement they are terminating the exemptions from taxation granted thereunder.

[Signature page follows]

DRAFT

IN WITNESS WHEREOF, the City of Sandusky, Ohio, by Eric Wobser, its City Manager, and pursuant to Ordinance No. _____, has caused this instrument to be executed this ____ day of _____, 2019 and Cooke Building, LLC by Richard Hogrefe, its _____, and by Meghan Hogrefe its _____ has caused this instrument to be executed on this ____ day of _____, 2019.

CITY OF SANDUSKY, OHIO

By: _____
Eric Wobser, City Manager

COOKE BUILDING, LLC

By: _____

Richard Hogrefe, its: _____

By: _____

Meghan Hogrefe, its: _____

Approved as to form:

By: _____
Director of Law

Date: _____, 2019



COMMUNITY DEVELOPMENT

240 Columbus Avenue
Sandusky, Ohio 44870
419.627.5715
www.ci.sandusky.oh.us

To: Eric L. Wobser, City Manager
From: John Storey, Economic Development Specialist
Date: November 27, 2019
Subject: Commission Agenda Item – Enterprise Zone (EZ) Tax Abatement Agreement between City of Sandusky and BAY BOAT STORAGE, LTD.

Items for Consideration: Legislation approving an Enterprise Zone Tax Abatement Agreement (the “Agreement”) to be entered into between the City of Sandusky (“the City”) and BAY BOAT STORAGE, LTD. (the “Company”), an Ohio Limited Liability Company, for the purposes of furthering economic development efforts in the City.

Background Information: Led by its principals, Mr. John Hoty and Ms. Kula Hoty Lynch, and affiliated with the Hoty Marine Group LLC, family of companies, the Company owns the approximately 2-acre vacant property located at 1531 First Street, Sandusky, Ohio 44870 (the “Property”). The Company intends to construct an approximately 60,000 square foot, heated warehouse space, primarily to be used for boat storage and repair services, along with buildout of office space and bathroom facilities (the “Project”). It is estimated that the new facility will be able to store and service 170 boats. The Company, or one of its affiliated companies, intends to hire three (3) full-time employees for this warehouse facility, consisting of one (1) full-time equipment operator and two (2) full-time laborers.

The Company estimates the Project to cost approximately \$1,000,000 to construct and approximately \$50,000 to acquire the necessary equipment and machinery. Based on these costs to construct the warehouse space on the Property, the Company has requested real estate tax abatement through the Enterprise Zone program to realize operational tax liability savings for the first ten (10) years of the project. Additional terms of the proposed Agreement call for the project development to be completed by December 31, 2020. Further, this project is to result in the hiring of no less than three (3) new employment positions upon its completion and an increase in payroll of \$120,000.

Based upon the foregoing, staff is recommending the approval of a 10-year, 75% real estate tax abatement on the increase to the assessed valuation of the property. Pursuant to Ohio Revised Code Section 5709.83, the Sandusky City Schools have been afforded the appropriate notice based on a certain school notification letter delivered on November 22, 2019.

Budgetary Information: The project will have an ongoing positive impact on the general fund, as 25% of the increase in assessed value will be subject to real estate taxes during the abatement period. The project will also help sustain employment in the local economy and will create a minimum of three (3) permanent full-time positions subject to City income tax.

Action Requested: It is requested that the proper legislation be prepared to allow the City to enter into an Enterprise Zone Tax Abatement Agreement with the Company. It is further requested that this legislation be passed in accordance with Section 14 of the City Charter in order to immediately approve the Enterprise Zone Tax Abatement Agreement to ensure the full benefit of the agreement is realized.

John Storey
Economic Development Specialist

I concur with this recommendation:

Eric L. Wobser
City Manager

Matthew D. Lasko
Chief Development Officer

cc: Kelly Kresser, Clerk of the City Commission
Trevor Hayberger, Law Director
Sally Martin, Acting Finance Director



COMMUNITY DEVELOPMENT

240 Columbus Avenue
Sandusky, Ohio 44870
419.627.5783
www.ci.sandusky.oh.us

November 22, 2019

Gina Deppert, Treasurer
Sandusky City Schools
407 Decatur Street
Sandusky, Ohio 44870

Re: BAY BOAT STORAGE, LTD., - Request for Enterprise Zone Tax Abatement

Dear Ms. Deppert:

The City of Sandusky has received a request for tax abatement from BAY BOAT STORAGE, LTD., (the "Company") under the Enterprise Zone (EZ) abatement program for the construction of a storage facility located at 1531 First Street, Sandusky, Ohio 44870 (the "Property"). The Company plans to construct this 60,000 square foot storage building on approximately two acres, which is intended to primarily store and service boats and other watercraft.

The City's Community Development Department has reviewed this request and is recommending that an Enterprise Zone Agreement be approved consistent with the terms and conditions set forth below. These terms and conditions have been accepted by the Company.

1. Abatement of taxes of new real estate taxes for improvements made at the Property for a period of ten (10) years at 75% is recommended. The company will be granted abatement on the appraised value of the new real improvements.
2. The Company's investment includes the construction of a 60,000 square foot storage facility on the Property. The estimated cost of the construction and buildout is approximately \$1,050,000.
3. The Company will pay an annual monitoring fee of \$200 payable to the City of Sandusky no later than April 15th of the year following each year the agreement is in effect.
4. The Company, or of its affiliate companies, will be bringing three (3) new, full-time permanent employees to the Property. The minimum stabilized payroll for the Company at this Property shall be approximately \$120,000.
5. All other terms and conditions apply.

We believe that this project is another fine example of transforming vacant land into a productive and

populated facility with multiple full-time employees and will turn this Property into a revenue generating endeavor which is in the interests of all parties and we hope that the Sandusky Schools agree.

Pursuant to Ohio Revised Code Section 5709.83 the Sandusky City Schools are hereby notified that the City of Sandusky will consider the request at its Commission meeting on DECEMBER 9, 2019.

We have attached the company's Enterprise Zone Application as well as a draft of the Enterprise Zone Agreement. Please review these documents and contact the undersigned at 419-627-5783 or via e-mail at jstorey@ci.sandusky.oh.us with any questions, corrections or suggestions you may have.

Sincerely,

A handwritten signature in black ink, appearing to read 'John O'Neill Storey', written in a cursive style.

John O'Neill Storey
Development Specialist

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING AND DIRECTING THE CITY MANAGER TO ENTER INTO AN ENTERPRISE ZONE AGREEMENT WITH BAY BOAT STORAGE, LTD, RELATING TO PROPERTY LOCATED AT 1531 FIRST STREET, AND DECLARING THAT THIS ORDINANCE SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.

WHEREAS, the State of Ohio has provided for the establishment of "Enterprise Zones" pursuant to Sections 5709.61 to 5709.914 of the Ohio Revised Code (the "Act"), and for the provision of tax incentives to private enterprise in order to promote and encourage expansion programs by private enterprise in such Enterprise Zones, and the creation and/or preservation of jobs and economic development in connection therewith; and

WHEREAS, the City Commission, by Resolution No. 05-183 adopted December 27, 2005, designated an area as an Enterprise Zone pursuant Section 5709.61(A)(1)(a) and (f) of the Act; and

WHEREAS, effective April 18, 2006, the Director of Ohio Development Services Agency of the State of Ohio determined that the geographic area designated in said Resolution No. 05-183 contains the characteristics set forth in Section 5709.61(A)(1)(a) and (f) of the Act and certified said area as an Enterprise Zone under the Act; and

WHEREAS, Bay Boat Storage, Ltd., is led by John Hoty and Kula Hoty Lynch, and affiliated with the Hoty Marine Group LLC, family of companies, and owns the approximately two (2) acres of vacant property located at 1531 First Street; and

WHEREAS, Bay Boat Storage, Ltd., intends to construct an approximately 60,000 square foot heated warehouse space to be used primarily for boat storage and repair services, and will include office space and bathroom facilities; and

WHEREAS, Bay Boat Storage, Ltd., estimates the project to cost \$1,000,000.00 to construct the warehouse space and \$50,000.00 to acquire the necessary equipment and machinery; and

WHEREAS, the City received a request for Enterprise Zone tax abatement from Bay Boat Storage, Ltd., for their renovation project; and

WHEREAS, it is recommended to approve a 10-year, 75% real estate tax abatement on the increase to the assessed valuation of the property, based on the investment and the importance of the project to positively impact the City economically; and

WHEREAS, pursuant to Ohio Revised Code §5709.83, the Board of Education of the Sandusky City Schools was notified in writing of the request for tax exemption by letter dated November 22, 2019; and

WHEREAS, this proposed project will have an ongoing positive impact the City's General Fund as 25% of the increase in assessed value will be subject to real estate taxes during the abatement period and the project will help sustain employment in the local economy and will additionally create a minimum of three (3) permanent full-time employment positions that will be subject to City income tax; 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 to immediately execute the 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 Commission hereby approves the Enterprise Zone Agreement with Bay Boat Storage, Ltd., pursuant to the terms and conditions contained therein, a copy of which is marked Exhibit "1" attached to this Ordinance and is specifically incorporated as if fully rewritten herein.

Section 2. The City Manager is hereby authorized and directed to execute the Enterprise Zone Agreement with Bay Boat Storage, Ltd., on behalf of the City in accordance with the terms and conditions as contained in the form of the agreement marked Exhibit "1" attached to this Ordinance and specifically incorporated as if fully rewritten herein, together with any revisions or additions as are approved by the Law Director as not being substantially adverse to the City and consistent with carrying out the terms of this Ordinance.

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 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 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.

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

ATTEST: _____
KELLY L. KRESSER
CLERK OF THE CITY COMMISSION

Passed: December 9, 2019

ENTERPRISE ZONE AGREEMENT

This ENTERPRISE ZONE AGREEMENT (the "Agreement") is made and entered into by and between the City of Sandusky, Ohio, an Ohio municipal corporation with a Commission-Manager form of government with its main offices located at 240 Columbus Avenue, Sandusky, Ohio 44870 (the "City"), and BAY BOAT STORAGE, LTD., an Ohio limited liability company, with mailing address of 5003 Milan Road, Sandusky, Ohio 44870 (the "Company").

WITNESSETH:

WHEREAS, the City has encouraged the development of real property and the acquisition of personal property located in the area designated as an Enterprise Zone; and

WHEREAS, the owners of the Company have owned this vacant parcel within the City of Sandusky. This parcel is approximately 2.0 acres and is located at **1531 First Street**, Sandusky, Ohio 44870 and further identified as Permanent Parcel **#57-00193.002**, which may be amended, consolidated or subdivided, as the case may be. The Company is now desirous of developing a 60,000 square foot heated storage building on the site primarily for boats and other watercraft and for boat repair. The Company will invest between approximately \$1,050,000 - \$1,500,000 into this project, including between \$1,000,000 - \$1,400,000 for new construction, and between \$50,000 - \$100,000 for machinery and/or equipment installation (the "Project"), which Project will preserve or create employment opportunities within the boundaries of the aforementioned Enterprise Zone, provided that the appropriate development incentives are available to support the economic viability of said Project; and

WHEREAS, the Sandusky City Commission of the City of Sandusky, Ohio by Resolution No. 05-183 adopted April 18, 2006, designated the area as an "Enterprise Zone" pursuant Chapter 5709.61(A)(1)(a) and (f) of the Ohio Revised Code; and

WHEREAS, effective April 18, 2006, the Director of the Ohio Development Services Agency of the State of Ohio determined that the aforementioned area designated in said Resolution No. 05-183 contains the characteristics set forth in Section 5709.61(A)(1)(a) and (f) of the Ohio Revised Code and certified said area as an Enterprise Zone under said Chapter 5709; and

WHEREAS, the City having the appropriate authority for the stated type of project is desirous of providing the Company with incentives available for the development of the Project in said Enterprise Zone under Chapter 5709 of the Ohio Revised Code; and

WHEREAS, the Company has submitted a proposed agreement application (herein attached as Exhibit A) to the City (the "Application"); and

WHEREAS, the Company has remitted the required state application fee of \$750.00 made payable to "Treasurer of the State of Ohio" with the application to be forwarded with the final agreement; and

WHEREAS, the Chief Development Officer of the City has investigated the application of the Company and has recommended the same to the Sandusky City Commission on the basis that the Company is qualified by financial responsibility and business experience to create and preserve employment opportunities in said Enterprise Zone and improve the economic climate of the City; and

WHEREAS, the project site as proposed by the Company is located in the Sandusky City School District and the Board of Education of the Sandusky City Schools have been notified in accordance with Section 5709.83 and been given a copy of the application; and

WHEREAS, pursuant to Section 5709.62(C) and in conformance with the format required under Section 5709.631 of the Ohio Revised Code, the parties hereto desire to set forth their agreement with respect to matters hereinafter contained;

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained and the benefit to be derived by the parties from the execution hereof, the parties agree as follows:

1. The Company shall construct a 60,000 square foot heated storage facility to be utilized for boat storage and boat repair services. The Company estimates an anticipated real estate investment for the Project between \$1,050,000 and \$1,500,000 including acquisition costs. The Project represents a significant new investment on the site. The construction is expected to commence by January 1, 2020 and be completed by December 31, 2020.
2. The Company shall create or cause to be created the equivalent of three (3) new full-time job opportunities within the time period outlined below.

The Company schedule for hiring is to hire or cause to be hired three (3) new full-time jobs by December 31, 2020. The job creation period begins July 1, 2020 and all jobs are expected to be in place by the opening of the boat storage facility by December 31, 2020.

The Company, and its affiliated entities, currently has 22 full-time permanent employees, 0 part-time permanent employees, 15 full-time temporary employees, and 0 part-time temporary employees at the Project site. In total, the Company, and its affiliated entities will have 25 full-time permanent employees, 0 part-time permanent employees, 15 full-time temporary employees, and 0 part-time temporary employees in the State of Ohio.

This total increase in the number of employees over the entire job creation period will result in approximately \$120,000.00 (dollars) of additional annual payroll for the Company or made possible by the Company. The following is an itemization by the type of new jobs created: permanent full-time \$120,000.00, permanent part-time \$0 temporary full-time \$0 and temporary part-time \$0.

3. The Company shall provide to the proper Tax Incentive Review Council any information reasonably required by the council to evaluate the enterprise's compliance with the agreement, including returns filed pursuant to section 5711.02 of the Ohio Revised Code if requested by the council.

4. The Company will use its best efforts to hire employees from Erie County, with a preference to residents of the City. Furthermore, the Company shall use Erie County contractors for work related to the Project to the greatest extent possible.

5. The City hereby grants the Company a tax exemption for real property improvements made to the Project site pursuant to Section 5709.62 of the Ohio Revised Code for ten (10) years and shall be in the following amounts:

<u>Year of Tax Exemption</u>	<u>Tax Exemption Amount</u>
YR 1	75%
YR 2	75%
YR 3	75%
YR 4	75%
YR 5	75%
YR 6	75%
YR 7	75%
YR 8	75%
YR 9	75%
YR 10	75%

The exemption commences the first year for which the real property would first be taxable were that property not exempted from taxation. No exemption shall commence after 2021 nor extend beyond 2030.

The Company must file the appropriate tax forms with the County Auditor and with the State Department of Taxation (#913) to effect and maintain the exemptions covered in the agreement. The #913 Ohio tax form **must** be filed annually.

6. The Company shall pay an annual monitoring fee equal to two hundred dollars (\$200.00).

The fee shall be made payable to the City once per year, due no later than April 15th of each year. The fee is to be paid to the Director of Finance by check made out to the City of Sandusky. This fee shall be deposited in a special fund created for such purpose and shall be used exclusively for the purpose of complying with section 5709.68 of the Ohio Revised Code and by the Tax Incentive Review Council created under section 5709.85 of the Ohio Revised Code exclusively for the purposes of performing the duties prescribed under that section.

7. The Company shall pay such real and tangible personal property taxes as are not exempted under this agreement and are charged against such property and shall file all tax reports and returns as required by law. If the Company fails to pay such taxes or file such returns and reports, all incentives granted under this agreement are rescinded beginning with the year for which such taxes are charged or such reports or returns are required to be filed and thereafter.
8. The City shall perform such acts as are reasonably necessary or appropriate to effect, claim, reserve, and maintain exemptions from taxation granted under this agreement including, without limitation, joining in the execution of all documentation and providing any necessary certificates required in connection with such exemptions.
9. If for any reason the Enterprise Zone designation expires, the Director of the Ohio Development Services Agency revokes certification of the zone, or the City revokes the designation of the zone, entitlements granted under this agreement shall continue for the number of years specified under this agreement, unless the Company materially fails to fulfill its obligations under this agreement and the City terminates or modifies the exemptions from taxation granted under this agreement.
10. If the Company materially fails to fulfill its obligations under this agreement, other than with respect to the number of employee positions estimated to be created or retained under this agreement, or if the City determines that the certification as to delinquent taxes required by this agreement is fraudulent, the City may terminate or modify the exemptions from taxation granted under this agreement.
11. In any three-year period during which this agreement is in effect, if the actual number of employee positions created or retained by the Company is not equal to or greater than seventy-five per cent of the number of employee positions estimated to be created or retained under this agreement during that three-year period, the Company shall repay the amount of taxes on property that would have been payable had the property not been exempted from taxation under this agreement during that three-year period. In addition, the City may terminate or modify the exemptions from taxation granted under this agreement.
12. The Company hereby certifies that at the time this agreement is executed, the Company does not owe any delinquent real or tangible personal property taxes to any taxing authority of the State of Ohio and does not owe delinquent taxes for which the Company is liable under Chapter 5733, 5735, 5739, 5741, 5743, 5747, or 5753. of the Revised Code, or, if such delinquent taxes are owed, the Company currently is paying the delinquent taxes pursuant to an undertaking enforceable by the State of Ohio or an agent or instrumentality thereof, has filed a petition in bankruptcy under 11 U.S.C.A. 101, et seq., or such a petition has been filed against the Company. For the purposes of the certification, delinquent taxes are taxes that remain unpaid on the latest day prescribed for payment without penalty under the chapter of the Revised Code governing payment of those taxes.

13. The Company affirmatively covenants that it does not owe: (1) any delinquent taxes to the State of Ohio or a political subdivision of the State; (2) any moneys to the State or a state agency for the administration or enforcement of any environmental laws of the State; and (3) any other moneys to the State, a state agency or a political subdivision of the State that are past due, whether the amounts owed are being contested in a court of law or not.

14. The Company and the City acknowledge that this agreement must be approved by formal action of the legislative authority of the City as a condition for the agreement to take effect. This agreement shall take effect upon the later of the date of such legislative approval or the date all parties have signed this agreement.

15. The City has developed a policy to ensure recipients of Enterprise Zone tax benefits practice non-discriminating hiring in its operations. By executing this agreement, the Company is committing to following non-discriminating hiring practices acknowledging that no individual may be denied employment solely on the basis of race, religion, sex, sexual orientation, gender identity or expression, disability, color, national origin, or ancestry.

16. Exemptions from taxation granted under this agreement shall be revoked if it is determined that the Company, any successor enterprise, or any related member (as those terms are defined in Section 5709.61 of the Ohio Revised Code) has violated the prohibition against entering into this agreement under Division (E) of Section 3735.671 or Section 5709.62 of the Ohio Revised Code prior to the time prescribed by that division or either of those sections.

17. The Company affirmatively covenants that it has made no false statements to the State or local political subdivision in the process of obtaining approval for the Enterprise Zone incentives. If any representative of the Company has knowingly made a false statement to the State or local political subdivision to obtain the Enterprise Zone incentives, the Company shall be required to immediately return all benefits received under the Enterprise Zone Agreement pursuant to ORC Section 9.66(C)(2) and shall be ineligible for any future economic development assistance from the State, any state agency or a political subdivision pursuant to ORC Section 9.66(C)(1). Any person who provides a false statement to secure economic development assistance may be guilty of falsification, a misdemeanor of the first degree, pursuant to ORC 2921.13(D)(1), which is punishable by a fine of not more than \$1,000 and/or a term of imprisonment of not more than six months.

18. This agreement is not transferrable or assignable without the express, written approval of the City.

[Signature page follows.]

IN WITNESS WHEREOF, the City of Sandusky, Ohio, by Eric Wobser, its City Manager, and pursuant to Ordinance No. _____, has caused this instrument to be executed this ____ day of _____, 2019 and BAY BOAT STORAGE, LTD., by John Hoty, its Member, has caused this instrument to be executed on this ____ day of _____, 2019.

CITY OF SANDUSKY, OHIO

By: _____
Eric Wobser, City Manager

BAY BOAT STORAGE, LTD.,
An Ohio limited liability company

By: _____
John Hoty, Member

Approved as to form:

By: _____
Director of Law

Date: _____, 2019

EXHIBIT A

[Attach Application]

DRAFT

**OHIO DEVELOPMENT SERVICES AGENCY
OHIO ENTERPRISE ZONE PROGRAM**

PROPOSED AGREEMENT for Enterprise Zone Tax Incentives between the City of Sandusky (local legislative authorities) located in the County of Erie and Bay Boat Storage, Ltd. (enterprise).

- 1a. Name of business, home or main office address, contact person, and telephone number (attach additional pages if multiple enterprise participants).

Bay Boat Storage, Ltd.

enterprise name

John M. Hoty

contact person

(419) 609-7000

telephone number

5003 Milan Rd., Sandusky, OH 44870

address

- 1b. Project site:

John M. Hoty

contact person

(419) 609-7000

telephone number

5003 Milan Rd., Sandusky, OH 44870

address

- 2a. Nature of business (manufacturing, distribution, wholesale or other).

Boat Service and Storage

- 2b. List primary 6 digit NAICS # 531120 .
Business may list other relevant SIC numbers.

- 2c. If a consolidation, what are the components of the consolidation? (must itemize the location, assets, and employment positions to be transferred)

Bay Boat Storage, Ltd. will be an affiliated company of Hoty Marine Group LLC (Venetian Marina, 2035 First St.) and Lake Ridge Investment LP (Son Rise Marina, 1535 First St.) Each property is owned by an individual entity but the employees are shared across locations.

- 2d. Form of business of enterprise (corporation, partnership, proprietorship, or other).

Limited Liability Company

3. Name of principal owner(s) or officers of the business (attach list if necessary).

John M. Hoty, Manager

4. Is business seasonal in nature? Yes___ No X

- 5a. State the enterprise's current employment level at the proposed project site:

Bay Boat Storage, Ltd. is a new company with zero employees; however, there are 22 Full-time and 15 Seasonal employees in the affiliated entities.

- 5b. Will the project involve the relocation of employment positions or assets from one Ohio location to another? Note that relocation projects are restricted in non-distress based Ohio Enterprise Zones. A waiver from the Director of the Ohio Department of Development is available for special limited circumstances. The business and local jurisdiction should contact ODOD early in the discussions.

Yes___ No X

- 5c. If yes, state the locations from which employment positions or assets will be relocated and the location to where the employment positions or assets will be located:

- 5d. State the enterprise's current employment level in Ohio (itemized for full and part-time and permanent and temporary employees):

Bay Boat Storage, Ltd. is a new company with zero employees; however, there are 22 Full-time and 15 Seasonal employees in the affiliated entities.

- 5e. State the enterprise's current employment level for each facility to be affected by the relocation of employment positions or assets: This is not a relocation but an expansion of current facilities.

- 5f. What is the projected impact of the relocation, detailing the number and type of employees and/or assets to be relocated? This is not a relocation but an expansion of current facilities.

- 6a. Has the Enterprise previously entered into an Enterprise Zone Agreement with the local

legislative authorities at any site where the employment or assets will be relocated as a result of this proposal? Yes ___ No X

6b. If yes, list the local legislative authorities, date, and term of the incentives for each Enterprise Zone Agreement:

7. Does the Enterprise owe :

a. Any delinquent taxes to the State of Ohio or a political subdivision of the state?

Yes ___ No X

b. Any moneys to the State or a state agency for the administration or enforcement of any environmental laws of the State? Yes ___ No X

c. Any other moneys to the State, a state agency or a political subdivision of the State that are past due, whether the amounts owed are being contested in a court of law or not.

Yes ___ No X

d. If yes to any of the above, please provide details of each instance including but not limited to the location, amounts and/or case identification numbers (add additional sheets if necessary).

N/A

8. Project Description (attach additional pages if necessary):

60,000 sq.ft. heated storage building on 2.00+ acres. The building is for any type of warehousing. We intend to use it for boat storage and boat repair services. We estimate that 170 boats will be stored and serviced in the building. Based on past history, we estimate that 60% are currently being stored outside the City of Sandusky. The bulk of the business is over a seven-month period, but the employees' activity is year-round.

9. Project will begin December, 2019 and be completed August, 2020 provided a tax exemption is provided.

10a. Estimate the number of new employees the business intends to hire at the facility that is the project site (job creation projection must be itemized by full and part-time and permanent and temporary): There will be 3 Full-time jobs added for this new location. Employees may not be employees of the new entity but employees of the affiliated companies, and will consist of 1 Full-time equipment operator and 2 Full-time laborers, for a total of 25 Full-time and 15 seasonal employees.

10b. State the time frame of this projected hiring: six months years

10c. State proposed schedule for hiring (itemize by full and part-time and permanent and temporary

employees): Employees will be hired 60 days prior to completion of building to allow for training.

- 11a. Estimate the amount of annual payroll such new employees will add \$ 120,000 (new annual payroll must be itemized by full and part-time and permanent and temporary new employees).
- 11b. Indicate separately the amount of existing annual payroll relating to any job retention claim resulting from the project: \$ N/A
12. Market value of the existing facility as determined for local property taxation.
\$ N/A
- 13a. Business's total current investment in the facility as of the proposal's submission.
\$ N/A
- 13b. State the businesses' value of on-site inventory required to be listed in the personal property tax return of the enterprise in the return for the tax year (stated in average \$ value per most recent 12 month period) in which the agreement is entered into (baseline inventory):
\$ N/A
14. An estimate of the amount to be invested by the enterprise to establish, expand, renovate or occupy a facility:

	<u>Minimum</u>	<u>Maximum</u>
A.Acquisition of Buildings:	\$	\$
B.Additions/New Construction:	\$ <u>1,000,000</u>	\$ <u>1,400,000</u>
C.Improvements to existing buildings:	\$	\$
D.Machinery & Equipment:	\$ <u>50,000</u>	\$ <u>100,000</u>
E.Furniture & Fixtures:	\$	\$
F.Inventory:	\$	\$
Total New Project Investment:	\$	\$

15. a. Business requests the following tax exemption incentives: 75 % for 10 years covering real x and/or personal property including inventory as described above. Be specific as to type of assets, rate, and term.

Building and improvements - 75% for ten years

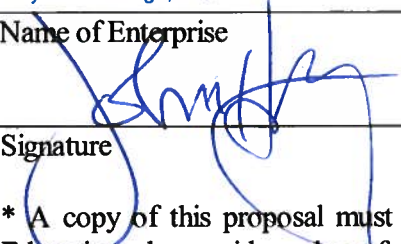
b. Business's reasons for requesting tax incentives (be quantitatively specific as possible)

This project represents a substantial capital investment for our company and the financial metrics, while positive, are thin. To make this project viable and feasible, local property tax abatement is absolutely required. Our affiliated companies have built two similar storage buildings in the past ten years. For both projects the real estate taxes are the number two operating expense after labor. We are trying to reduce these costs from a very high 7.15% of projected income to a more reasonable 1.79%. Even with the proposed abatement, we project our real estate taxes will increase to \$7,500/year from the \$1,600/year being paid on the vacant parcel. This project is simply not viable without this local support and financial tool.

Submission of this application expressly authorizes (name of the local jurisdiction) and/of (name of county) to contact the Ohio Environmental Protection Agency to confirm statements contained within this application including item #7 and to review applicable confidential records. As part of this application, the business may also be required to directly request from the Ohio Department of Taxation or complete a waiver form allowing the Ohio Department of Taxation to release specific tax records to the local jurisdictions considering the incentive request.

Applicant agrees to supply additional information upon request.

The applicant affirmatively covenants that the information contained in and submitted with this application is complete and correct and is aware of the ORC Sections 9.66(C)(1) and 2921.13(D)(1) penalties for falsification which could result in the forfeiture of all current and future economic development assistance benefit as well as a fine of not more than \$1,000 and/or a term of imprisonment of not more than six months.

Bay Boat Storage, Ltd.	11/20/2019
Name of Enterprise	Date
	John M. Hoty, Manager
Signature	Typed Name and Title

* A copy of this proposal must be forwarded by the local governments to the affected Board of Education along with notice of the meeting date on which the local government will review the proposal. Notice must be given a minimum of fourteen (14) days prior to the scheduled meeting to permit the Board of Education to appear and/or comment before the legislative authorities considering the request.

** Attach to Final Enterprise Zone Agreement as Exhibit A

Please note that copies of this proposal must be included in the finalized Enterprise Zone Agreement and be forwarded to the Ohio Department of Taxation and the Ohio Development Services Agency within fifteen (15) days of final approval.



COMMUNITY DEVELOPMENT

240 Columbus Avenue
Sandusky, Ohio 44870
419.627.5715
www.ci.sandusky.oh.us

To: Eric L. Wobser, City Manager

From: John Storey, Economic Development Specialist

Date: November 26, 2019

Subject: Commission Agenda Item – Approval of Letter of Intent between Cross View Bay, Ltd., Sandusky Boat Storage, LLC, Lake Ridge Investments Limited Partnership, LRI II, LTD., Hoty Marine Group LLC., and the City of Sandusky.

Items for Consideration: Legislation approving a Letter of Intent (the “LOI”) to be entered into between the City of Sandusky (“the City”) and Cross View Bay, Ltd., Sandusky Boat Storage, LLC, Lake Ridge Investments Limited Partnership, LRII, LTD., Hoty Marine Group LLC., (the “Companies”, all of which are entities formed under the laws of the State of Ohio) for the purposes of furthering economic development efforts in the City and for the advancement of public recreational facilities.

Background Information: The City intends to design, construct, and buildout the Sandusky Bay Pathway on and across several properties owned by the Companies. In order to effectuate the foregoing, it is necessary for the City and Companies to enter into a more formal easement agreement whereby the Companies will be granting proper rights of way to the City (the “Easement Agreement”). This Letter of Intent is the precursor to a more formal Easement Agreement, which will be prepared once the complete and final details of the location of the Sandusky Bay Pathways is known including final surveys and legal descriptions. The City has agreed that any and all construction of new infrastructure or relocation of existing infrastructure, utilities, fencing, or other physical landscaping shall be the City’s responsibilities. City must construct the Sandusky Bay Pathway to connect to the Companies’ properties within (7) years from the effective date of the future Easement Agreements, otherwise the Easement Agreements shall terminate. In the event the Companies must perform maintenance on any of its properties, the City shall permit the Companies to temporarily close the Sandusky Bay Pathway upon advanced notice and the City provides consent to such closure. At any applicable vehicular/pathway crossings along the Sandusky Bay Pathway, the City agrees that pathway traffic shall yield to vehicular and freight traffic, and all signs and wayfinding will clearly state the primacy of vehicular traffic at such crossings.

Based upon the foregoing and the importance of the Sandusky Bay Pathway to enhance connectivity of the City, waterfront access, and recreational opportunities, staff is recommending that the City approve the Letter of Intent with the Companies.

Budgetary Information: There is no budgetary impact to enter into this LOI with the Companies.

Action Requested: It is requested that the proper legislation be prepared to allow the City to enter into the LOI with the Companies. It is further requested that this legislation be passed in accordance with Section 14 of the City Charter in order for the City to immediately move forward with design and budgetary planning for the Sandusky Bay Pathway.

John Storey
Economic Development Specialist

I concur with this recommendation:

Eric L. Wobser
City Manager

Matthew D. Lasko
Chief Development Officer

cc: Kelly Kresser, Clerk of the City Commission
Trevor Hayberger, Law Director
Sally Martin, Acting Finance Director

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING AND DIRECTING THE CITY MANAGER TO ENTER INTO A LETTER OF INTENT WITH THE HOTY FAMILY OF COMPANIES RELATING TO FUTURE EASEMENTS FOR THE SANDUSKY BAY PATHWAY; AND DECLARING THAT THIS ORDINANCE SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.

WHEREAS, the Sandusky Bay Pathway is a coastal trail that stretches along the waterfront from the east corporation limit to the west corporation limit with several other on-street and off-street trails networking City roads and the City-wide park system; and

WHEREAS, the City intends to design, construct, and extend the Sandusky Bay Pathway on and across several properties owned by the Hoty Family of Companies, which is comprised of Cross View Bay, Ltd., Sandusky Boat Storage, LLC., Lake Ridge Investments Limited Partnership, LRI II, LTD., and Hoty Marine Group, LLC., and desires to enter into a Letter of Intent for the purpose to memorialize Hoty's consent to the City and acknowledgement that more formal agreements will be entered into setting forth the easements and responsibilities of the parties; 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 for the City to immediately move forward with design and budgetary planning for the extension of the Sandusky Bay Pathway; 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. The City Manager is authorized and directed to enter into a Letter of Intent with the Hoty Family of Companies, which is comprised of Cross View Bay, Ltd., Sandusky Boat Storage, LLC., Lake Ridge Investments Limited Partnership, LRI II, LTD., and Hoty Marine Group, LLC., relating to future easements for the extension of the Sandusky Bay Pathway, substantially in the same form as Exhibit "1", 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. 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.

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

ATTEST: _____
KELLY L. KRESSER
CLERK OF THE CITY COMMISSION

Passed: December 9, 2019

LETTER OF INTENT

BETWEEN

THE HOTY FAMILY OF COMPANIES (“Hoty”) AND THE CITY OF SANDUSKY (the “City”)

The purpose of this Letter of Intent (“LOI”) is to establish an understanding between Hoty (which is comprised of Cross View Bay, Ltd., Sandusky Boat Storage, LLC., Lake Ridge Investments Limited Partnership, LRI II, LTD., Hoty Marine Group, LLC.) and the City (collectively, Hoty and City shall be known as the “Parties”) whereby the City will be designing and constructing a pathway, which shall be known as the Sandusky Bay Pathway and shall be more fully described in *Exhibit A* attached hereto (the “Project”). This Project shall require the consent of Hoty and multiple easements across many parcels and this LOI shall memorialize Hoty’s consent to the City for the Project and to further acknowledge that the Parties will enter into more formal agreements setting forth the easements and party responsibilities, including for construction, repair, replacement and maintenance, once the Project specifics are more fully known.

NOW THEREFORE, the Parties agree as follows:

Construction of Sandusky Bay Pathway: The City intends to design, construct, and fully fund the design, construction, and buildout of the load-rated¹ Sandusky Bay Pathway, some of which will encroach upon Hoty-owned real property as set forth on the Project drawings attached hereto as Exhibit A. Hoty agrees to take any and all actions necessary to effectuate the foregoing and shall enter into and execute mutually agreeable easement agreements with the City as may be necessary or required.

Construction & Relocation Costs and Performance to be borne entirely by City: The City agrees that any and all construction of new infrastructure or relocation of existing infrastructure, utilities, fencing, or other physical landscaping or object shall be borne entirely by the City, including, but not limited to the following: (i) utility poles; (ii) physical signage; and/or (iii) gates or fences along the perimeter or driveway of Hoty property. The location of any relocation shall be determined by the City, however the City shall not refuse any reasonable request of Hoty. Once constructed and operational, the City further agrees to keep the Sandusky Bay Pathway in good order, condition and repair, free from accumulation of snow and ice, making repairs and replacements when necessary at the City’s sole cost and expense.

Right of Reversion in the event the Project is not completed or decommissioned. The Parties agree that in the event the Project, as shown in Exhibit A, is not completed and operating in conjunction with other neighboring properties as intended within seven (7) years from the execution date of the definitive easement agreement(s) or if the Sandusky Bay Pathway is decommissioned at any time, any and all easements between the Parties shall terminate.

Right to Access and Maintenance. The Parties agree that the City shall permit Hoty to temporarily close the Sandusky Bay Pathway when performing maintenance on its properties adjacent to the Sandusky Bay Pathway so long as Hoty provides twenty-four (24) advanced notice of its intent to

¹ The Sandusky Bay Pathway will be load rated for heavy truck traffic and trailers with boats at all Hoty properties intersections, including driveway aprons and access drives.

close, and the City consents to such closure, and whose consent shall not be unreasonably withheld.

Sandusky Bay Pathway Signage. At any applicable Hoty-owned properties, including, but not limited to the Crossview and Venetian properties, the City agrees that all Sandusky Bay Pathway traffic shall yield to vehicular and freight traffic, and all signs and wayfinding will clearly state the primacy of vehicular traffic at these intersections.

Execution of Easements. Hoty agrees to make reasonable effort to sign or otherwise negotiate and execute mutually agreed easements within seven (7) calendar days from receipt. Hoty further agrees to not unreasonably withhold their execution of the easements.

Conflicts. Conflicts or issues may arise which cannot be resolved between the parties. Such conflicts or issues should be raised to the highest of the City or Hoty's organizational leadership for guidance in seeking a mutually agreeable resolution.

Compliance with Laws. The Parties shall comply with all applicable federal, state, and local laws and ordinances.

Effective Date and Termination. This LOI will be in effect until the later of execution and filing of the easement with the county land records giving effect to the foregoing which are the basis for this LOI or seven (7) years.

Mutual Benefit. The Parties intend to pursue the intentions expressed in this LOI on the basis of mutual benefit.

Authorized Signatories. The City and Hoty each acknowledge that each individual or signatory who executes this LOI has full authority to sign on behalf of such entity and the other party may rely fully on the counterparty's signature.

Signatures executed on the following page

NOW THEREFORE, the Parties agree to enter into and effectuate the foregoing on the _____ day of _____, 2019.

THE CITY OF SANDUSKY

By: _____

Printed Name: _____

Title: _____

"HOTY"

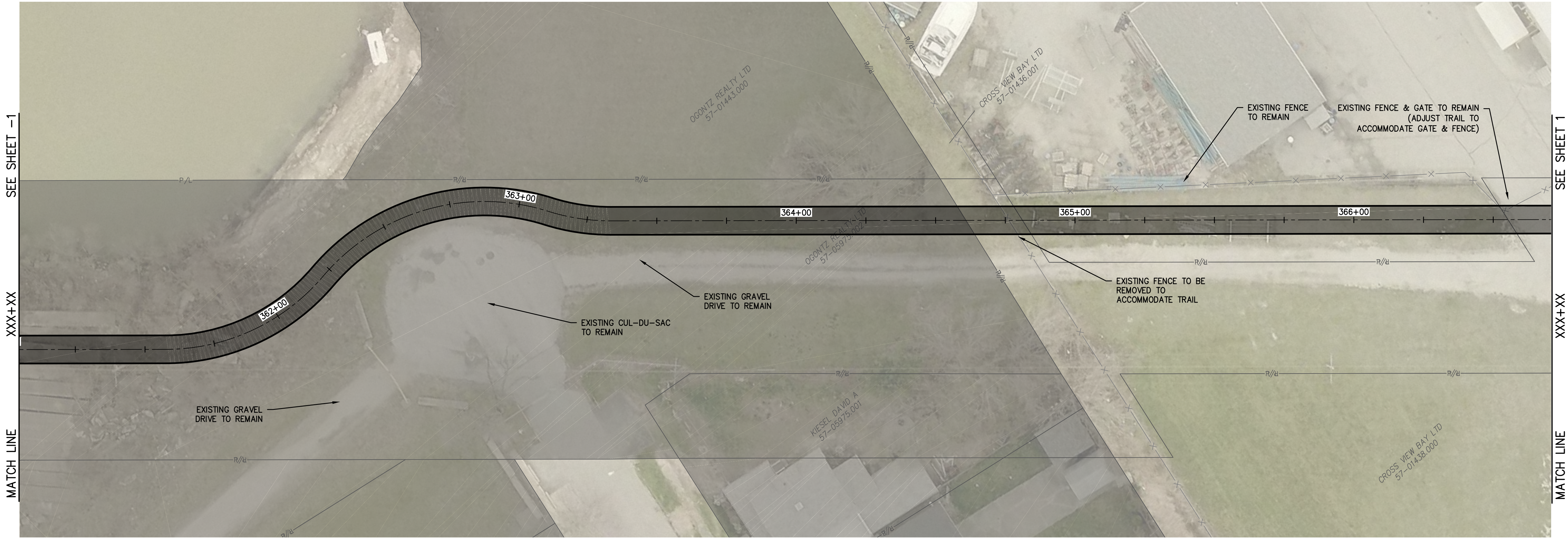
By: _____

Printed Name: _____

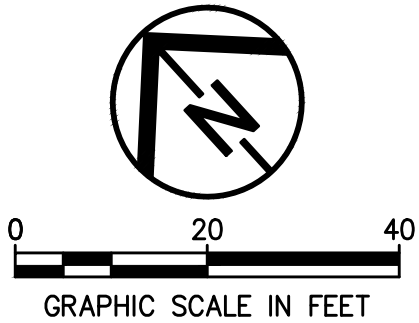
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NOTES:
1. EXISTING CONDITIONS SHOWN ON THESE PLANS IS FROM ERIE COUNTY GIS DATA AND IS SHOWN APPROXIMATE.





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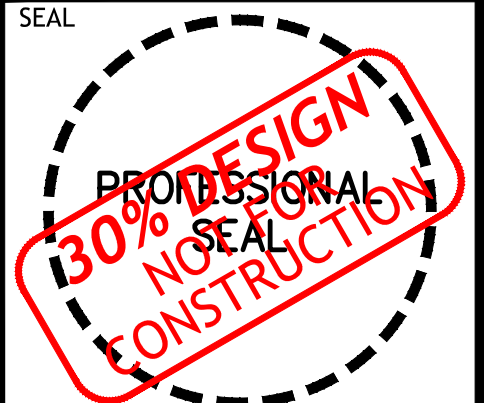
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ADDRESS

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BAY PATHWAY
CITY OF SANDUSKY

SEGMENT TITLE
BAY PATHWAY PHASE 1

SHEET TITLE
PLAN AND PROFILE

SEAL



DATE: _____

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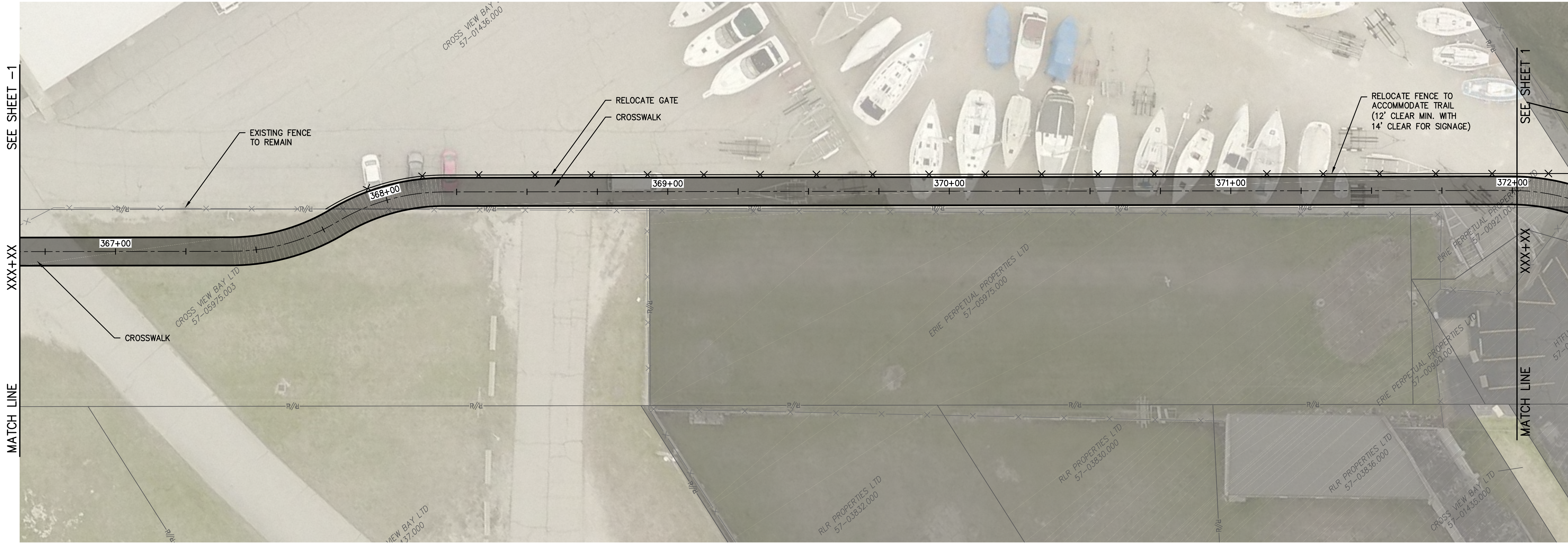
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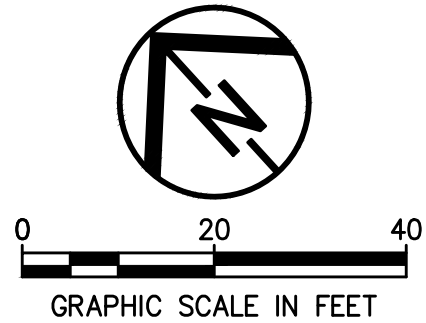
PROJECT SHEET #
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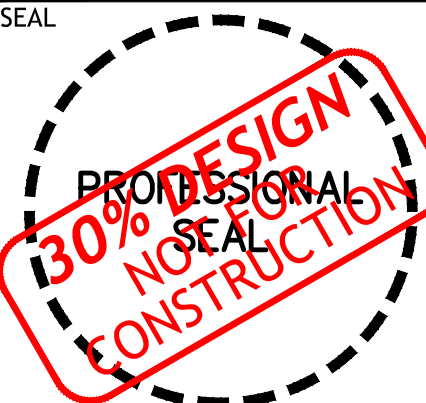
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BAY PATHWAY
CITY OF SANDUSKY

SEGMENT TITLE
BAY PATHWAY PHASE 1

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DATE: _____

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DATE ISSUED: 2018-11-19

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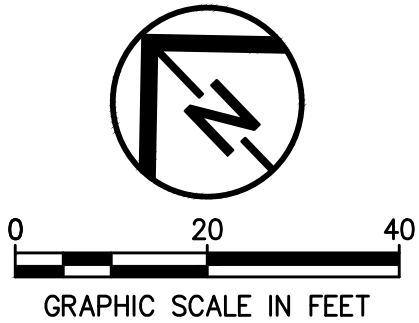
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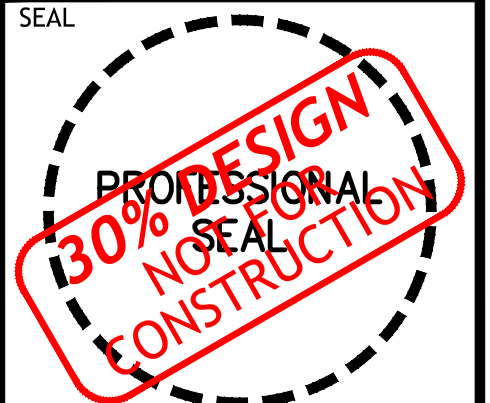

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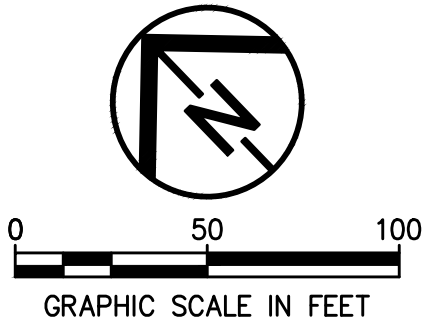
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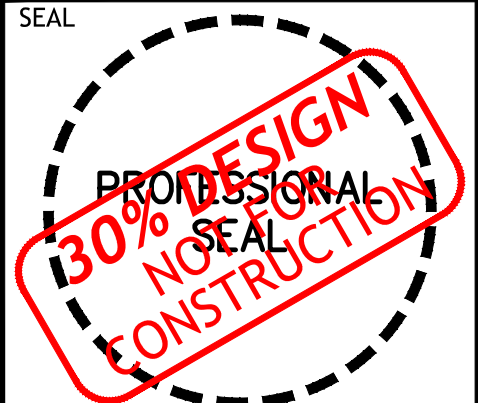
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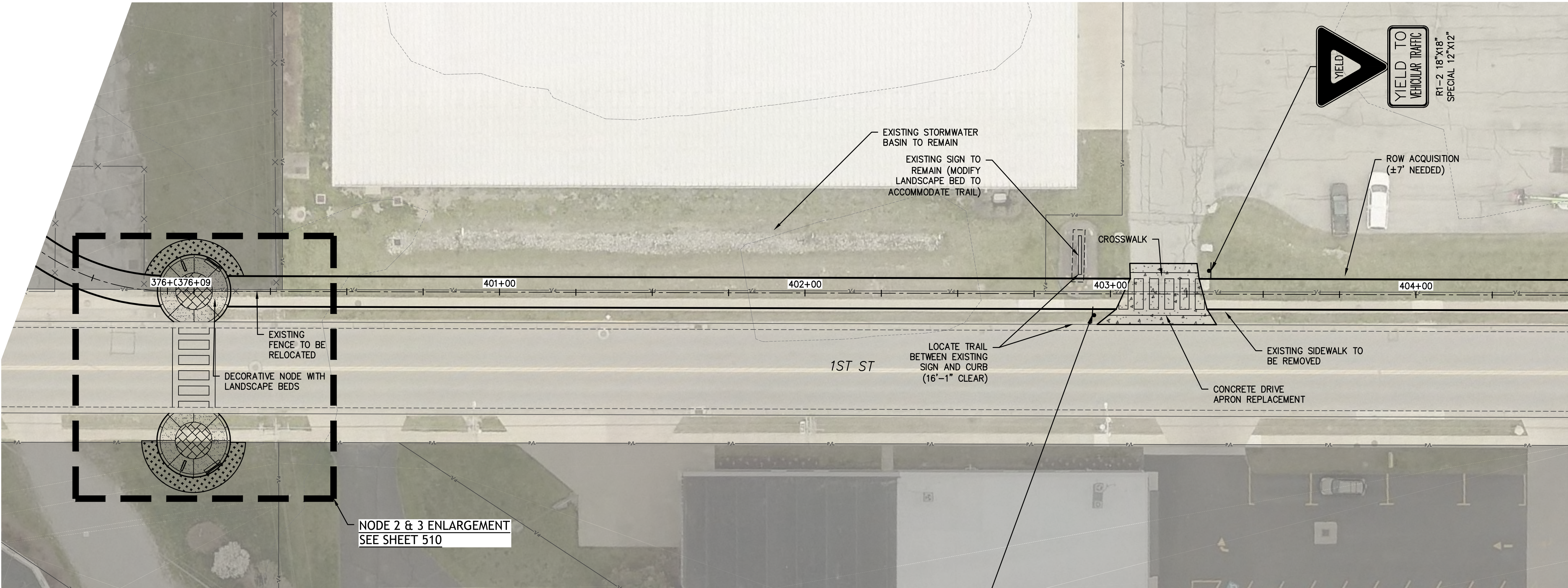
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BAY PATHWAY PHASE 1

SHEET TITLE
OVERVIEW

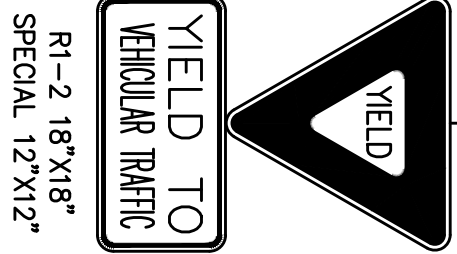
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DATE ISSUED: 2018-11-19
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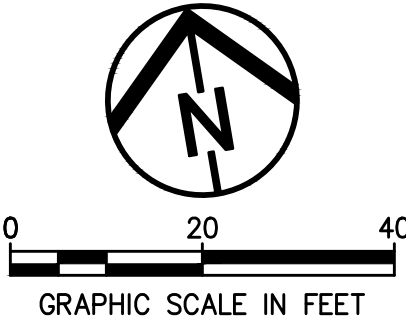
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NODE 2 & 3 ENLARGEMENT
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BAY PATHWAY
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SEGMENT TITLE
BAY PATHWAY PHASE 1

SHEET TITLE
PLAN AND PROFILE


DATE: _____

PROJECT NO.: 17-00196-020

DATE ISSUED: 2019-10-23

SEGMENT ID: 2

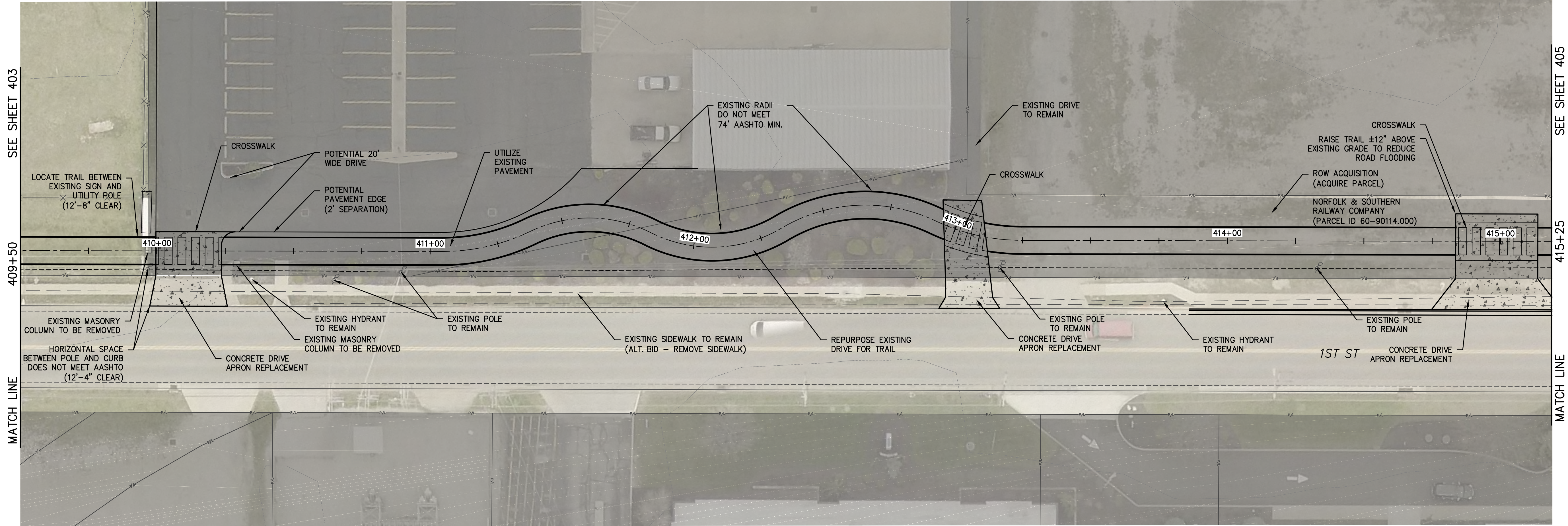
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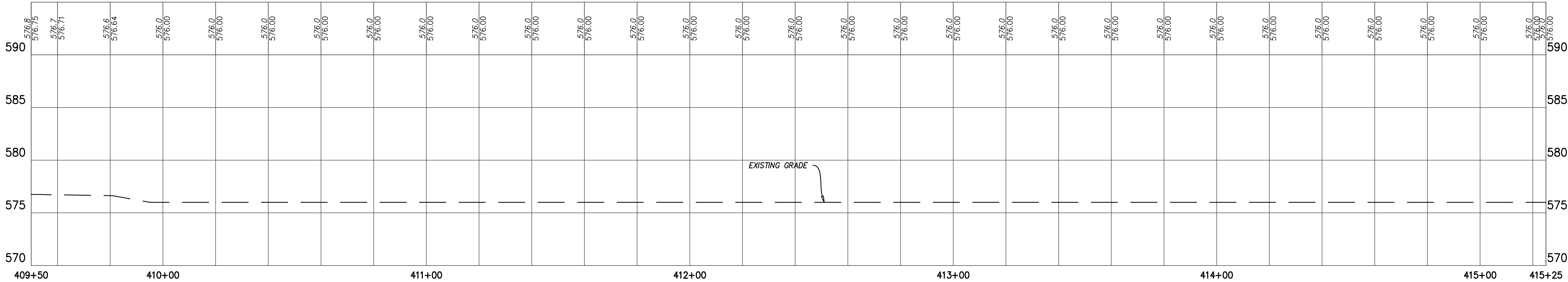
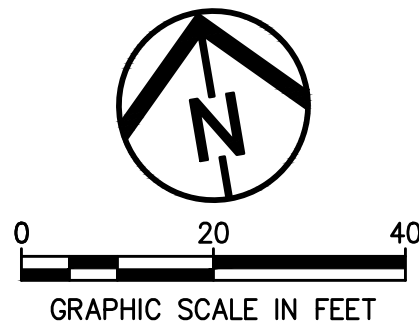
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PROJECT TITLE
BAY PATHWAY
CITY OF SANDUSKY

SEGMENT TITLE
BAY PATHWAY PHASE 1


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PLAN AND PROFILE

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PROJECT NO.: 17-00196-020

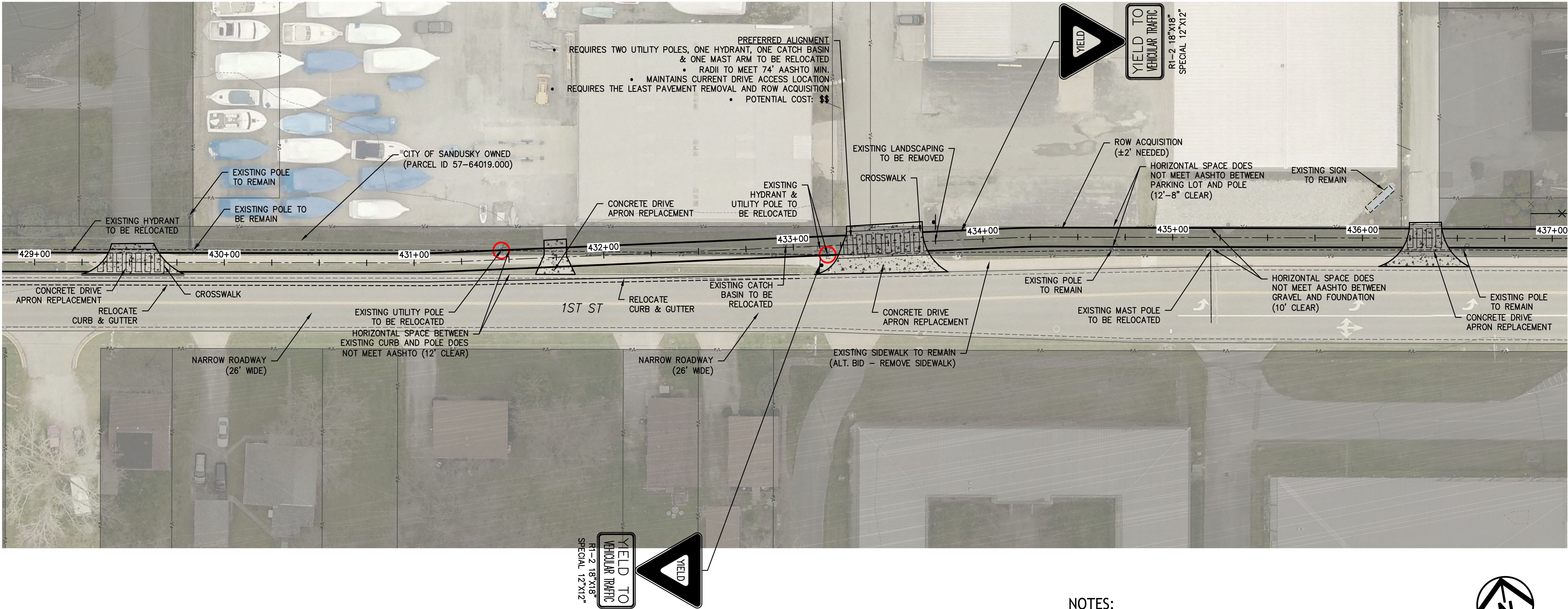
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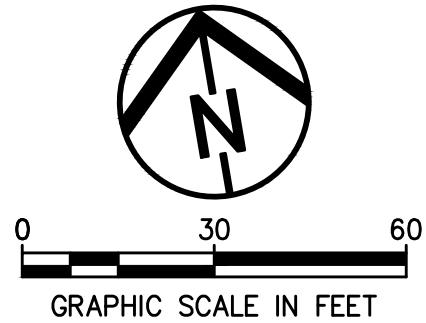
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CONSULTANT LOGO

CONSULTANT ADDRESS

PROJECT TITLE
BAY PATHWAY
CITY OF SANDUSKY

SEGMENT TITLE
BAY PATHWAY PHASE 1

SHEET TITLE
ALIGNMENT PREFERRED

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DATE: _____

PROJECT NO.: 17-00196-020

DATE ISSUED: 2019-10-23

SEGMENT ID 2	PROJECT SHEET # 409A
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COMMUNITY DEVELOPMENT

240 Columbus Avenue
Sandusky, Ohio 44870
419.627.5715
www.ci.sandusky.oh.us

To: Eric L. Wobser, City Manager
From: John Storey, Economic Development Specialist
Date: November 27, 2019
Subject: Commission Agenda Item – Grant Agreement between City of Sandusky and Market Street Collective, LLC

Items for Consideration: Legislation approving a Grant Agreement to be entered into between the City of Sandusky (“the City”) and Market Street Collective, LLC (the “Company”), a Delaware Limited Liability Company, for the purposes of furthering economic development efforts in the City.

Background Information: Led by its principals, Msrs. Dave Yanko and Rahul Paliwal, the Company recently acquired 317 E. Washington Street (the “Building”) for the purpose of developing this now-vacant, former Kreimes Cardinal grocery store, just east of downtown Sandusky into a prominent all-weather micro-food hall (the “Project”). The Project is a major undertaking in redeveloping 48,482 square feet of real property, most principally repurposing 11,250 square feet of the Building. This development has the potential to activate a critical block. Project renderings include the following: (i) micro-distillery, (ii) craft coffee roastery, (iii) deli-bakery, (iv) multiple food stalls, (v) cocktail bar, (vi) ice creamery, (vii) public piazza, and (viii) restroom facilities. The Project will include approximately sixty (60) parking spaces and will be built, marketed, and designed for all-season access and use to attract guests throughout the year.

Project costs for this development total approximately \$2,000,000, including \$510,000 for the acquisition and approximately \$1,490,000 for building improvements and renovation. This Project encompasses what is essentially a complete repurposing and rebuild to the interior of the Building. Based on these Project costs, the Company has requested grant assistance in the amount of approximately \$250,000 through the City’s substantial development grant program. Traditionally, for projects of this magnitude, the City has provided substantial development grant dollars in the amount equal to ten percent (10%) of total eligible project costs, which for this Project equates to \$139,609. Eligible Project costs for this Project were calculated to be \$1,396,090, mainly categorized as buildout, hard, and soft costs. It is the recommendation of staff based upon recent grants to similar projects in terms of scope and cost to grant \$139,609, with \$130,000 to be allocated from the 2019 budget and \$9,609 to be allocated from the 2020 budget. Additional terms of the proposed Agreement call for the project development to be completed by December 31, 2020. Further, this Project is anticipated to result in the hiring of no less than fourteen (14) new employment positions (including eight (8) permanent full-time employees) immediately upon its completion and an increase in annual payroll of \$414,000.

The above grant is conditioned upon the applicant complying with all Planning and Zoning codes and other applicable codes and regulations of the City and displaying signage noting the City of Sandusky's support. The project is expected to be complete by December 31, 2020. The application and grant amount was approved at the November 19, 2019 Economic Development Incentive Committee meeting, in accordance with the Sandusky City Economic Development Programs.

Budgetary Information: The City will be responsible for providing a total of \$139,609.00 in grant proceeds from the Economic Development Capital Projects Fund on a reimbursable basis at the completion of the project. \$130,000 shall be budgeted from the 2019 fund budget and the remaining \$9,609.00 shall be budgeted from the 2020 fund budget.

Action Requested: It is requested that the proper legislation be prepared to allow the City to enter into a Grant Agreement with the Company. It is further requested that this legislation be passed 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.

John Storey
Economic Development Specialist

I concur with this recommendation:

Eric L. Wobser
City Manager

Matthew D. Lasko
Chief Development Officer

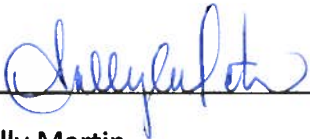
cc: Kelly Kresser, Clerk of the City Commission
Trevor Hayberger, Law Director
Sally Martin, Acting Finance Director

CERTIFICATE OF FUNDS

In the Matter of: Market Street Collective LLC - Grant Agreement.

IT IS HEREBY CERTIFIED that the moneys required to meet the obligations of the City of Sandusky under the foregoing Contract have been lawfully appropriated for such purposes and are in the treasury of the City of Sandusky or are in the process of collection to an appropriate fund, free from any previous encumbrances. This certificate is given compliance with Sections 5705.41 and 5705.44, Ohio Revised Code.

Dated: December 3, 2019

By: 

Sally Martin

Acting Finance Director

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING AND APPROVING A GRANT IN THE AMOUNT OF \$139,609.00 THROUGH THE SUBSTANTIAL DEVELOPMENT GRANT PROGRAM TO MARKET STREET COLLECTIVE, LLC, IN RELATION TO THE PROPERTY LOCATED AT 317 EAST WASHINGTON STREET; AND DECLARING THAT THIS ORDINANCE SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.

WHEREAS, Market Street Collective, LLC, recently acquired 317 E. Washington Street, the former Kreimes Cardinal grocery store, for the purpose of developing the property into a prominent all-weather micro-food hall by redeveloping the 48,482 square feet of real property, including the 11,250 square feet of the building, and will comprise a micro-distillery, craft coffee roaster, deli-bakery, multiple food stalls, cocktail bar, ice creamery, public piazza, and includes restroom facilities and parking spaces; and

WHEREAS, Market Street Collective, LLC, led by its principals, Dave Yanko and Rahul Paliwal, are investing approximately \$2,000,000.00 for this project, which includes \$510,000.00 for acquisition and approximately \$1,490,000.00 for building improvements and renovation, and encompasses a complete repurposing and rebuild of the interior of the building; 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, the Economic Development Incentive Committee met on November 19, 2019, and is recommending to approve a grant to Market Street Collective, LLC, in the amount of \$139,609.00, in accordance with the Sandusky City Economic Development Programs, to assist with renovation costs for the purpose of furthering economic development efforts in the City; and

WHEREAS, it is being requested in companion legislation to approve an Enterprise Zone Agreement with Market Street Collective, LLC, for tax abatement; 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 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 Market Street Collective, LLC, for financial assistance through the Substantial Development Grant Program for the purpose of furthering economic 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 Market Street Collective, LLC, and the Finance Director is directed to expend funds to Market Street Collective, LLC, in an amount **not to exceed** One Hundred Thirty Nine Thousand Six Hundred Nine and 00/100 Dollars (\$139,609.00) from the Economic 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 the law.

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.

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

ATTEST: _____
KELLY L. KRESSER
CLERK OF THE CITY COMMISSION

Passed: December 9, 2019

GRANT AGREEMENT

This Grant Agreement (the "Agreement") is made and entered into as of the ____ day of DECEMBER, 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 MARKET STREET COLLECTIVE, LLC ("the Company"), an Ohio Limited Liability Company.

WITNESSETH:

WHEREAS, the Company, led by its managers, Msrs. David Yanko and Rahul Paliwal, purchased the former Kremies Cardinal Grocery building (the "Building") at 317 E. Washington Street (the "Property"); and

WHEREAS, the Company has experienced managing, operating, and syndicating projects for multiple funds, including food, beverage, and food-hall projects and intends to develop this Property into a micro-food hall providing fast casual and beverage options; and

WHEREAS, this development project is centered around the build-out of a micro-distillery and public piazza with a craft roaster, deli-bakery, three (3) food stalls, cocktail bar, ice creamery, and entertainment venue (the "Project"); and

WHEREAS, the Company intends to make significant physical changes and improvements to the Property and Building, including, but not limited to: (i) complete façade enhancements; (ii) patio construction; (iii) construction of a microdistillery; (iv) construction of a public piazza; (v) buildout of food stalls and a coffee roaster; and (vi) creation of new entryways to facilitate an all-weather environment for patrons and visitors enjoyment; and

WHEREAS, this catalytic project will increase employment and provide a food and beverage destination while bringing a new market concept to the City and region; and

WHEREAS, to induce the Project, the City has agreed to provide economic incentive grants to the Company 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 this Project development 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 \$139,610.00 in the form of a Substantial Development grant to the Company (the "City Grant") toward the costs of the Project, which shall be disbursed upon issuance of a certificate of occupancy for the Building. \$130,000.00 of this City Grant shall be allocated from the 2019 Economic Development Capital Projects Fund (the "Fund") and the remaining \$9,610.00 to be allocated from the 2020 Fund. 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 make adjustments

to the awarded grant amount, if recommended by the Economic Development Incentive Committee, for substantive changes to the project scope only. 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 codes, including Landmarks Commission approval, and other applicable codes and regulations of the City, including obtaining permits. Furthermore, the Company agrees to display a sign during construction and for at least one (1) year upon completion of the Project noting the City's support; and

The Company 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 Company know if it has satisfied the conditions 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 by December 31, 2020. 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 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.

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 Development Specialist
City of Sandusky, Ohio
240 Columbus Avenue

Sandusky, OH 44870

(ii) TO THE COMPANY: Market Street Collective, LLC
20 South 3rd Street, Suite 210
Columbus, OH 43215
Attention: Mssrs. David Yanko and Rahul Paliwal

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

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.

MARKET STREET COLLECTIVE, LLC
A Delaware limited liability company

Title: Managing Member

CITY OF SANDUSKY

Title: 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.

Sally Martin, Acting Director of Finance



COMMUNITY DEVELOPMENT

240 Columbus Avenue
Sandusky, Ohio 44870
419.627.5715
www.ci.sandusky.oh.us

To: Eric L. Wobser, City Manager
From: John Storey, Economic Development Specialist
Date: November 27, 2019
Subject: Commission Agenda Item – Enterprise Zone (EZ) Tax Abatement Agreement between City of Sandusky and Market Street Collective, LLC (317 E. Washington Street)

Items for Consideration: Legislation approving an Enterprise Zone Tax Abatement Agreement (the “Agreement”) to be entered into between the City of Sandusky (“the City”) and Market Street Collective, LLC (the “Company”), a Delaware Limited Liability Company, for the purposes of furthering economic development efforts in the City.

Background Information: Led by its principals, Msrs. Dave Yanko and Rahul Paliwal, the Company recently acquired 317 E. Washington Street (the “Building”) for the purpose of developing this now-vacant, former Kreimes Cardinal grocery store, just east of downtown Sandusky into a prominent all-weather micro-food hall (the “Project”). The Project is no small undertaking in redeveloping 48,482 square feet of real property, most principally repurposing 11,250 square feet of the Building, this development has the potential to activate a critical block. Project renderings include the following: (i) micro-distillery, (ii) craft coffee roastery, (iii) deli-bakery, (iv) multiple food stalls, (v) cocktail bar, (vi) ice creamery, (vii) public piazza, and (viii) restroom facilities. The Project will include approximately sixty (60) parking spaces and will be built, marketed, and designed for all-season access and use to attract guests throughout the year.

Project costs for this development total approximately \$2,000,000, including \$510,000 for the acquisition and \$1,490,000 for building improvements and renovation. This Project encompasses what is essentially a complete repurposing and rebuild to the interior of the Building. Based on these Project costs, the Company has requested real estate tax abatement through the Enterprise Zone program to realize operational tax liability savings for the first ten (10) years of the project. Additional terms of the proposed Agreement call for the project development to be completed by December 31, 2020. Further, this Project is anticipated to result in the hiring of no less than fourteen (14) new employment positions (including eight (8) permanent full-time employees) immediately upon its completion and an increase annual in payroll of \$414,000.

Based upon this investment and the importance of this Project to activate a dormant Building and critical block east of Downtown with a new concept that has not yet been introduced to this City or region, staff is recommending the approval of a 10-year, 75% real estate tax abatement on the increase to the assessed valuation of the property. Pursuant to Ohio Revised Code Section 5709.83, the Sandusky City

Schools have been afforded the appropriate notice based on a certain school notification letter delivered on November 22, 2019.

Budgetary Information: The project will have an ongoing positive impact on the general fund, as 25% of the increase in assessed value will be subject to real estate taxes during the abatement period. The project will also help sustain employment in the local economy and will create a minimum of eight (8) permanent full-time positions subject to City income tax.

Action Requested: It is requested that the proper legislation be prepared to allow the City to enter into an Enterprise Zone Tax Abatement Agreement with the Company. It is further requested that this legislation be passed in accordance with Section 14 of the City Charter in order to immediately approve the Enterprise Zone Tax Abatement Agreement to ensure the full benefit of the agreement is realized.

John Storey
Economic Development Specialist

I concur with this recommendation:

Eric L. Wobser
City Manager

Matthew D. Lasko
Chief Development Officer

cc: Kelly Kresser, Clerk of the City Commission
Trevor Hayberger, Law Director
Sally Martin, Acting Finance Director



COMMUNITY DEVELOPMENT

240 Columbus Avenue
Sandusky, Ohio 44870
419.627.5783
www.ci.sandusky.oh.us

November 22, 2019

Gina Deppert, Treasurer
Sandusky City Schools
407 Decatur Street
Sandusky, Ohio 44870

Re: MARKET STREET COLLECTIVE, LLC, - Request for Enterprise Zone Tax Abatement

Dear Ms. Deppert:

The City of Sandusky has received a request for tax abatement from MARKET STREET COLLECTIVE, LLC (the "Company") under the Enterprise Zone (EZ) abatement program for the property located at 317 E. Washington Street, Sandusky, Ohio 44870 (the "Property"). The Company plans to repurpose this 11,000 square foot commercial building, which was formerly known as the Kriemes Cardinal Grocery site, into a multi-tenanted, all-weather food hall.

The City's Community Development Department has reviewed this request and is recommending that an Enterprise Zone Agreement be approved consistent with the terms and conditions set forth below. These terms and conditions have been accepted by the Company.

1. Abatement of taxes of new real estate taxes for improvements made at the Property for a period of ten (10) years at 75% is recommended. The company will be granted abatement on the appraised value of the new real improvements.
2. The Company's investment includes the complete repurposing and conversion of a formerly vacant 11,000 square foot commercial building on the Property. The estimated cost of the construction and buildout is approximately \$2,007,720.00.
3. The Company will pay an annual monitoring fee of \$200 payable to the City of Sandusky no later than April 15th of the year following each year the agreement is in effect.
4. The Company, or of its affiliate companies, will be bringing eight (8) new, full-time permanent and six (6) seasonal full-time employees to the Property. The minimum stabilized payroll for the Company at this Property shall be approximately \$414,000.00.
5. All other terms and conditions apply.

We believe that this project is another fine example of transforming a vacant property into a productive

and populated facility with multiple full-time employees and will return this Property into a revenue generating endeavor which is in the interests of all parties and we hope that the Sandusky Schools agree.

Pursuant to Ohio Revised Code Section 5709.83 the Sandusky City Schools are hereby notified that the City of Sandusky will consider the request at its Commission meeting on DECEMBER 9, 2019.

We have attached the company's Enterprise Zone Application as well as a draft of the Enterprise Zone Agreement. Please review these documents and contact the undersigned at 419-627-5783 or via e-mail at jstorey@ci.sandusky.oh.us with any questions, corrections or suggestions you may have.

Sincerely,

A handwritten signature in blue ink, appearing to read "John O'Neill Storey".

John O'Neill Storey
Development Specialist

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING AND DIRECTING THE CITY MANAGER TO ENTER INTO AN ENTERPRISE ZONE AGREEMENT WITH MARKET STREET COLLECTIVE, LLC, RELATING TO PROPERTY LOCATED AT 317 E. WASHINGTON STREET, AND DECLARING THAT THIS ORDINANCE SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.

WHEREAS, the State of Ohio has provided for the establishment of “Enterprise Zones” pursuant to Sections 5709.61 to 5709.914 of the Ohio Revised Code (the “Act”), and for the provision of tax incentives to private enterprise in order to promote and encourage expansion programs by private enterprise in such Enterprise Zones, and the creation and/or preservation of jobs and economic development in connection therewith; and

WHEREAS, the City Commission, by Resolution No. 05-183 adopted December 27, 2005, designated an area as an Enterprise Zone pursuant Section 5709.61(A)(1)(a) and (f) of the Act; and

WHEREAS, effective April 18, 2006, the Director of Ohio Development Services Agency of the State of Ohio determined that the geographic area designated in said Resolution No. 05-183 contains the characteristics set forth in Section 5709.61(A)(1)(a) and (f) of the Act and certified said area as an Enterprise Zone under the Act; and

WHEREAS, Market Street Collective, LLC, recently acquired 317 E. Washington Street, the former Kreimes Cardinal grocery store, for the purpose of developing the property into a prominent all-weather micro-food hall by redeveloping the 48,482 square feet of real property, including the 11,250 square feet of the building, and will comprise a micro-distillery, craft coffee roaster, deli-bakery, multiple food stalls, cocktail bar, ice creamery, public piazza, and includes restroom facilities and parking spaces; and

WHEREAS, Market Street Collective, LLC, led by its principals, Dave Yanko and Rahul Paliwal, are investing approximately \$2,000,000.00 for this project, which includes \$510,000.00 for acquisition and approximately \$1,490,000.00 for building improvements and renovation, and encompasses a complete repurposing and rebuild of the interior of the building; and

WHEREAS, the City received a request for Enterprise Zone tax abatement from Market Street Collective, LLC, for their renovation project; and

WHEREAS, it is recommended to approve a 10-year, 75% real estate tax abatement on the increase to the assessed valuation of the property, based on the investment and the importance of the project to activate a dormant building and critical block east of Downtown with a new concept that has not yet been introduced to this City or region; and

WHEREAS, pursuant to Ohio Revised Code §5709.83, the Board of Education of the Sandusky City Schools was notified in writing of the request for tax exemption by letter dated November 22, 2019; and

WHEREAS, this proposed project will have an ongoing positive impact the City's General Fund as 25% of the increase in assessed value will be subject to real estate taxes during the abatement period and the project will help sustain employment in the local economy and will additionally create a minimum of eight (8) permanent full-time employment positions that will be subject to City income tax; and

WHEREAS, it is being requested in companion legislation to approve a Substantial Development grant in the amount of \$139,609.00 for redevelopment of the property located at 317 E. Washington Street; 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 to immediately execute the 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 Commission hereby approves the Enterprise Zone Agreement with Market Street Collective, LLC, pursuant to the terms and conditions contained therein, a copy of which is marked Exhibit "1" attached to this Ordinance and is specifically incorporated as if fully rewritten herein.

Section 2. The City Manager is hereby authorized and directed to execute the Enterprise Zone Agreement with Market Street Collective, LLC, on behalf of the City in accordance with the terms and conditions as contained in the form of the agreement marked Exhibit "1" attached to this Ordinance and specifically incorporated as if fully rewritten herein, together with any revisions or additions as

are approved by the Law Director as not being substantially adverse to the City and consistent with carrying out the terms of this Ordinance.

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 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 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.

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

ATTEST: _____
KELLY L. KRESSER
CLERK OF THE CITY COMMISSION

Passed: December 9, 2019

ENTERPRISE ZONE AGREEMENT

This ENTERPRISE ZONE AGREEMENT (the “Agreement”) is made and entered into by and between the City of Sandusky, Ohio, an Ohio municipal corporation with a Commission-Manager form of government with its main offices located at 240 Columbus Avenue, Sandusky, Ohio 44870 (the “City”), and MARKET STREET COLLECTIVE, LLC, a Delaware limited liability company, with mailing address of 20 South 3rd Street, Columbus, Ohio 43215 (the “Company”).

WITNESSETH:

WHEREAS, The City of Sandusky has encouraged the development of real property and the acquisition of personal property located in the area designated as an Enterprise Zone; and

WHEREAS, the owners of the Company have purchased and renovated in part multiple properties within the City of Sandusky. The Company previously acquired the currently vacant approximate 11,000 square foot commercial building located at **317 E. Washington Street**, Sandusky, Ohio 44870 and further identified as Permanent Parcel No. 56-00731.000. The Company is now desirous of substantially redeveloping such building into a micro-food hall with leasable commercial space. The Company will invest between approximately \$2,007,720.00 into this mixed-use project, including \$515,000 for building acquisition and approximately \$1,492,720 for physical build-out, improvements, and renovation (the “Project”), which Project will preserve or create employment opportunities within the boundaries of the aforementioned Enterprise Zone, provided that the appropriate development incentives are available to support the economic viability of said Project; and

WHEREAS, the Sandusky City Commission of the City of Sandusky, Ohio by Resolution No. 05-183 adopted April 18, 2006, designated the area as an "Enterprise Zone" pursuant Chapter 5709.61(A)(1)(a) and (f) of the Ohio Revised Code; and

WHEREAS, effective April 18, 2006, the Director of the Ohio Development Services Agency of the State of Ohio determined that the aforementioned area designated in said Resolution No. 05-183 contains the characteristics set forth in Section 5709.61(A)(1)(a) and (f) of the Ohio Revised Code and certified said area as an Enterprise Zone under said Chapter 5709; and

WHEREAS, the City having the appropriate authority for the stated type of project is desirous of providing the Company with incentives available for the development of the Project in said Enterprise Zone under Chapter 5709 of the Ohio Revised Code; and

WHEREAS, the Company has submitted a proposed agreement application (herein attached as Exhibit A) to the City (the "Application"); and

WHEREAS, the Company has remitted the required state application fee of \$750.00 made payable to "Treasurer of the State of Ohio" with the application to be forwarded with the final agreement; and

WHEREAS, the Chief Development Officer of the City has investigated the application of the Company and has recommended the same to the Sandusky City Commission on the basis that the Company is qualified by financial responsibility and business experience to create and preserve employment opportunities in said Enterprise Zone and improve the economic climate of the City; and

WHEREAS, the project site as proposed by the Company is located in the Sandusky City School District and the Board of Education of the Sandusky City Schools have been notified in accordance with Section 5709.83 and been given a copy of the application; and

WHEREAS, pursuant to Section 5709.62(C) and in conformance with the format required under Section 5709.631 of the Ohio Revised Code, the parties hereto desire to set forth their agreement with respect to matters hereinafter contained;

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained and the benefit to be derived by the parties from the execution hereof, the parties agree as follows:

1. The Company shall renovate an approximate 11,000 square foot historic building to be utilized as a micro-food hall with ability to lease to commercial tenants. The Company estimates an anticipated real estate investment for the Project between \$1,492,720.00, not including acquisition costs. The acquisition cost for the building was \$515,000. The Project represents a significant new investment on the site. The construction is expected to commence by January 1, 2020 and be completed by December 31, 2020.

2. The Company shall create or cause to be created the equivalent of eight (8) full-time, zero (0) part-time and, six (6) seasonal equivalent job opportunities.

This amount of existing payroll related to the job retention associated with this Project will result in approximately \$414,000.00 (dollars) of retained annual payroll for the Company or made possible by the Company. The following is an itemization by the type of retained jobs: permanent full-time \$334,000 permanent part-time \$0 and temporary full-time \$ 80,000.00.

3. The Company shall provide to the proper Tax Incentive Review Council any information reasonably required by the council to evaluate the enterprise's compliance with the agreement, including returns filed pursuant to section 5711.02 of the Ohio Revised Code if requested by the council.

4. The Company will use its best efforts to hire employees from Erie County, with a preference to residents of the City. Furthermore, the Company shall use Erie County contractors for work related to the Project to the greatest extent possible.

5. The City hereby grants the Company a tax exemption for real property improvements made to the Project site pursuant to Section 5709.62 of the Ohio Revised Code for ten (10) years and shall be in the following amounts:

<u>Year of Tax Exemption</u>	<u>Tax Exemption Amount</u>
YR 1	75%
YR 2	75%
YR 3	75%
YR 4	75%
YR 5	75%

YR 6	75%
YR 7	75%
YR 8	75%
YR 9	75%
YR 10	75%

The exemption commences the first year for which the real property would first be taxable were that property not exempted from taxation. No exemption shall commence after 2021 nor extend beyond 2030.

The Company must file the appropriate tax forms with the County Auditor and with the State Department of Taxation (#913) to effect and maintain the exemptions covered in the agreement. The #913 Ohio tax form **must** be filed annually.

6. The Company shall pay an annual monitoring fee equal to two hundred dollars (\$200.00).

The fee shall be made payable to the City once per year, due no later than April 15th of each year. The fee is to be paid to the Director of Finance by check made out to the City of Sandusky. This fee shall be deposited in a special fund created for such purpose and shall be used exclusively for the purpose of complying with section 5709.68 of the Ohio Revised Code and by the Tax Incentive Review Council created under section 5709.85 of the Ohio Revised Code exclusively for the purposes of performing the duties prescribed under that section.

7. The Company shall pay such real and tangible personal property taxes as are not exempted under this agreement and are charged against such property and shall file all tax reports and returns as required by law. If the Company fails to pay such taxes or file such returns and reports, all incentives granted under this agreement are rescinded beginning with the year for which such taxes are charged or such reports or returns are required to be filed and thereafter.

8. The City shall perform such acts as are reasonably necessary or appropriate to effect, claim, reserve, and maintain exemptions from taxation granted under this agreement including, without limitation, joining in the execution of all documentation and providing any necessary certificates required in connection with such exemptions.

9. If for any reason the Enterprise Zone designation expires, the Director of the Ohio Development Services Agency revokes certification of the zone, or the City revokes the designation of the zone, entitlements granted under this agreement shall continue for the number of years specified under this agreement, unless the Company materially fails to fulfill its obligations under this agreement and the City terminates or modifies the exemptions from taxation granted under this agreement.

10. If the Company materially fails to fulfill its obligations under this agreement, other than with respect to the number of employee positions estimated to be created or retained under this agreement, or if the City determines that the certification as to delinquent taxes required by this agreement is fraudulent, the City may terminate or modify the exemptions from taxation granted under this agreement.

11. In any three-year period during which this agreement is in effect, if the actual number of employee positions created or retained by the Company is not equal to or greater than seventy-five per cent of the number of employee positions estimated to be created or retained under this agreement during that three-year period, the Company shall repay the amount of taxes on property that would have been payable had the property not been exempted from taxation under this agreement during that three-year period. In addition, the City may terminate or modify the exemptions from taxation granted under this agreement.

12. The Company hereby certifies that at the time this agreement is executed, the Company does not owe any delinquent real or tangible personal property taxes to any taxing authority of the State of Ohio and does not owe delinquent taxes for which the Company is liable under Chapter 5733, 5735, 5739, 5741, 5743, 5747, or 5753. of the Revised Code, or, if such delinquent taxes are owed, the Company currently is paying the delinquent taxes pursuant to an undertaking enforceable by the State of Ohio or an agent or instrumentality thereof, has filed a petition in bankruptcy under 11 U.S.C.A. 101, et seq., or such a petition has been filed against the Company. For the purposes of the certification, delinquent taxes are taxes that remain unpaid on the latest day prescribed for payment without penalty under the chapter of the Revised Code governing payment of those taxes.

13. The Company affirmatively covenants that it does not owe: (1) any delinquent taxes to the State of Ohio or a political subdivision of the State; (2) any moneys to the State or a state agency for the administration or enforcement of any environmental laws of the State; and (3) any other moneys to the State, a state agency or a political subdivision of the State that are past due, whether the amounts owed are being contested in a court of law or not.

14. The Company and the City acknowledge that this agreement must be approved by formal action of the legislative authority of the City as a condition for the agreement to take effect. This agreement shall take effect upon the later of the date of such legislative approval or the date all parties have signed this agreement.

15. The City has developed a policy to ensure recipients of Enterprise Zone tax benefits practice non-discriminating hiring in its operations. By executing this agreement, the Company is committing to following non-discriminating hiring practices acknowledging that no individual may be denied employment solely on the basis of race, religion, sex, sexual orientation, gender identity or expression, disability, color, national origin, or ancestry.

16. Exemptions from taxation granted under this agreement shall be revoked if it is determined that the Company, any successor enterprise, or any related member (as those terms are defined in Section 5709.61 of the Ohio Revised Code) has violated the prohibition against entering into this agreement under Division (E) of Section 3735.671 or Section 5709.62 of the Ohio Revised Code prior to the time prescribed by that division or either of those sections.

17. The Company affirmatively covenants that it has made no false statements to the State or local political subdivision in the process of obtaining approval for the Enterprise Zone incentives. If any representative of the Company has knowingly made a false statement to the State or local

political subdivision to obtain the Enterprise Zone incentives, the Company shall be required to immediately return all benefits received under the Enterprise Zone Agreement pursuant to ORC Section 9.66(C)(2) and shall be ineligible for any future economic development assistance from the State, any state agency or a political subdivision pursuant to ORC Section 9.66(C)(1). Any person who provides a false statement to secure economic development assistance may be guilty of falsification, a misdemeanor of the first degree, pursuant to ORC 2921.13(D)(1), which is punishable by a fine of not more than \$1,000 and/or a term of imprisonment of not more than six months.

18. This agreement is not transferrable or assignable without the express, written approval of the City.

[Signature page follows.]

IN WITNESS WHEREOF, the City of Sandusky, Ohio, by Eric Wobser, its City Manager, and pursuant to Ordinance No. _____, has caused this instrument to be executed this ____ day of _____, 2019 and MARKET STREET COLLECTIVE, LLC by _____, its Manager, has caused this instrument to be executed on this ____ day of DECEMBER, 2019.

CITY OF SANDUSKY, OHIO

By: _____
Eric Wobser, City Manager

MARKET STREET COLLECTIVE, LLC
A Delaware limited liability company

By: _____
_____, Manager

Approved as to form:

By: _____
Director of Law

Date: _____, 2019

EXHIBIT A

[Attach Application]

DRAFT



COMMUNITY DEVELOPMENT

240 Columbus Avenue
Sandusky, Ohio 44870
419.627.5847
www.ci.sandusky.oh.us

To: Eric Wobser, City Manager

From: Arielle Blanca, Community Development Manager

Date: November 26, 2019

Subject: Commission Agenda Item – Authorization for the City Manager to enter into an Amended Programmatic Agreement (PA) with the Ohio State Historic Preservation Office

Item for Consideration: Legislation authorizing the City Manager to enter into an amended Programmatic Agreement (PA) for Coordination between the City of Sandusky and the Ohio State Historic Preservation Office for the Administration of Programs Using HUD Allocated Funds with Delegated Review Responsibilities Authorized under 24 CFR Part 58.

Background Information: The current PA is set to expire on December 31, 2019, but the City has been granted an extension of its terms until February 1, 2020, in order to allow for completion of the necessary notifications and local approvals. The State is currently undergoing amendments and extensions of programmatic agreements with entities throughout the state. The amended PA will replace the existing agreement in whole and extend the new expiration date to December 31, 2024. This agreement will allow the City to continue to streamline compliance with Section 106 of the National Historic Preservation Act, which requires consideration of the effects of federal undertakings on historic properties. All communities that administer programs using funds that originate from the Ohio Development Service Agency and directly from HUD are asked to enter into one of these PAs. This PA will allow the City to complete exempt Environmental Reviews for routine activities, which will allow for completion of CDBG funded projects in a timely manner.

Budgetary Information: There is no impact on the City's General Fund.

Action Requested: Legislation authorizing the City Manager to enter into an amended Programmatic Agreement (PA) for Coordination between the City of Sandusky and the Ohio State Historic Preservation Office for the Administration of Programs Using HUD Allocated Funds with Delegated Review Responsibilities Authorized under 24 CFR Part 58.

I concur with this recommendation:

Eric Wobser
City Manager

Arielle Blanca
Community Development Manager

Angela Byington, Planning Director

cc: Trevor Hayberger, Law Director
Sally Martin, Acting Finance Director
Kelly Kresser, Clerk of City Commission

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING AND DIRECTING THE CITY MANAGER TO ENTER INTO AN AMENDED PROGRAMMATIC AGREEMENT FOR COORDINATION BETWEEN THE CITY AND THE OHIO HISTORIC PRESERVATION OFFICE FOR THE ADMINISTRATION OF PROGRAMS USING U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) ALLOCATED FUNDS.

WHEREAS, in consultation with HUD and the Ohio Development Services Agency (ODSA), the State Historic Preservation Office (SHPO) has prepared newly amended Programmatic Agreements for communities administering HUD funded programs; and

WHEREAS, the Programmatic Agreement provides for coordination of the analysis and review of projects as provided under 36 CFR Part 800, regulations implementing Section 106 of the National Historic Preservation Act (54 U.S.C. §306108), in order to meet the purposes and requirements of both statutes in a timely and efficient manner; and

WHEREAS, the changes made in the amended Programmatic Agreement are for clarity and to add some additional exempt activities, and to make easier to use, are being “amended in whole” so instead of replacing some portions of the existing agreement with amended text, the newly amended versions can be used in the place of the previous agreement; and

WHEREAS, the funding sources covered by this Programmatic Agreement may include, but are not limited to CDBG, Home Investment Partnership (HOME), Economic Development Initiative (EDI), Emergency Shelter Grants, Supportive Housing, Housing Opportunities for Persons with AIDS (HOPWA), and Neighborhood Stabilization Program (NSP) Grants; and

WHEREAS, the City’s current Programmatic Agreement is set to expire on December 31, 2019, but any community with an existing Programmatic Agreement has been granted an extension of its terms until February 1, 2020, in order to allow for completion of the necessary notifications and local approvals; 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 Municipal Departments of the City of Sandusky, Ohio and, NOW, THEREFORE,

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

Section 1. The City Manager is authorized and directed to enter into an amended Programmatic Agreement for coordination between the City and the Ohio Historic Preservation Office for the administration of programs using HUD allocated funds with delegated review responsibilities authorized under 24 CFR Part 58, extending the term of the Programmatic Agreement through December 31, 2024, a copy of which is attached to this Ordinance, marked Exhibit "A", and specifically incorporated as if fully rewritten herein, together with any revisions or additions

as are approved by the Law Director as not being substantially adverse to the City and consistent with carrying out the terms of this Ordinance.

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 shall take effect at the earliest time allowed by Law.

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

ATTEST: _____
KELLY L. KRESSER
CLERK OF THE CITY COMMISSION

Passed:

**PROGRAMMATIC AGREEMENT
for Coordination
between
City of Sandusky
and the
Ohio Historic Preservation Office
for the**

**Administration of Programs Using HUD Allocated Funds with Delegated Review
Responsibilities Authorized Under 24 CFR Part 58**

WHEREAS, the U.S. Department of Housing and Urban Development ("HUD") has allocated Community Development Block Grant (CDBG) and other funds to (hereinafter referred to as "grantee"; and

WHEREAS, HUD has also allocated CDBG and other funds to the State of Ohio Development Services Agency ("State"); and City of Sandusky

WHEREAS, the State has the authority to award certain CDBG and other funds to the grantee; and

WHEREAS, the funding sources covered by this Programmatic Agreement may include, but are not limited to CDBG, Home Investment Partnership (HOME), Economic Development Initiative (EDI), Emergency Shelter Grants, Supportive Housing, Housing Opportunities for Persons with AIDS (HOPWA), and Neighborhood Stabilization Program (NSP) Grants; and

WHEREAS, in accordance with 24 CFR Part 58, the grantee assumes responsibility for environmental review, decision-making, and actions that would otherwise apply to HUD under the National Environmental Policy Act (NEPA) and other provisions of law and this agreement coordinates the analysis and review of projects as provided under 36 CFR Part 800, regulations implementing Section 106 of the National Historic Preservation Act (54 U.S.C. § 306108), in order to meet the purposes and requirements of both statutes in a timely and efficient manner; and

WHEREAS, the grantee has determined that the undertakings it carries out using the above-listed HUD funding sources may affect properties that are listed in or eligible for listing in the National Register of Historic Places ("National Register"); and

WHEREAS, the grantee has consulted with the State Historic Preservation Officer (SHPO) regarding the development of this agreement pursuant to 36 CFR Part 800, regulations implementing Section 106 of the National Historic Preservation Act ("NHPA")(54 U.S.C. § 306108); and

EXHIBIT

"A"

WHEREAS, the grantee and the SHPO agree that by following the procedures outlined in this agreement, the grantee will be able to meet its obligations pursuant to 36 CFR Part 800 to take into account the effects of federally assisted projects on historic properties and provide the ACHP with an opportunity to comment.

NOW, THEREFORE, the grantee and the SHPO have agreed to carry out their respective responsibilities pursuant to Section 106 and Section 110(f) of the NHPA and the regulations at 36 CFR Part 800, in accordance with the following stipulations:

STIPULATIONS

The grantee will ensure that the following stipulations are implemented.

I. New Construction & Archaeology

New construction is not exempt and must be submitted to the SHPO for review.

In the event the grantee plans any ground disturbance as part of a rehabilitation, new construction, site improvement, or other undertaking, the grantee will consult with the SHPO to determine whether the undertaking will affect an archaeological property eligible for or listed in the National Register. This stipulation shall not be interpreted to include a limited subset of ground-disturbing activities that are exempt from review, as described in Stipulation II.B.2.

II. Exempt Activities

- A. If the grantee determines that an undertaking only involves buildings that are less than fifty years old, or if the undertaking includes only exempt activities (as defined by Stipulations II. B., II. C., and II. D), then the undertaking shall be deemed exempt from further review. Such undertakings will require no review under the terms of this agreement because these activities will generally not affect historic properties.
 - 1. This stipulation may include the demolition of buildings less than fifty years old, so long as the building has not previously been determined to be eligible for listing or listed in the National Register of Historic Places.
 - 2. The grantee will keep documentation of this decision to exempt specific undertakings in its files and compile a complete list of exempt undertakings annually, as required in Stipulation VIII.
- B. If the proposed undertaking falls within one of the following categories, the activities shall be deemed exempt:
 - 1. Non-Construction Work and Development, General Exclusions
 - a. Public service program that does not physically impact buildings or sites.
 - b. Architectural and engineering design fees and other non-construction fees and costs.

- c. Rental or purchase of equipment that does not physically impact buildings or sites.
 - d. Temporary board-up, bracing, or shoring of a property, provided that it is installed without permanent damage to the building or site.
 - e. Mortgage refinancing or purchasing of a property where no change in use, new construction, or rehabilitation will occur.
 - f. Acquisition of vacant land when no subsequent redevelopment of the property is anticipated (including land banking).
 - g. Acquisition of land with demolition or rehabilitation of buildings that are less than fifty years old (including land banking).
 - h. Rehabilitation of mobile and manufactured homes.
 - i. Loans used to fund rehabilitations of buildings less than fifty years old.
2. Site Work
- a. Repair, line painting, paving, resurfacing, and maintenance of existing streets, roads, alleys, parking lots, sidewalks, curbs, ramps, and driveways where no change in width, surfaces, or vertical alignment to drainage is to occur; the replacement in kind of concrete sidewalks where no change in width occurs.
 - b. New curb cuts and simple accessibility improvements at roadway crossings to meet ADA requirements. Any improvements that require retaining walls or multiple levels shall be submitted for review.
 - c. Maintenance and repair of existing landscape features, including planting, fences, retaining walls, and walkways.
 - d. Installation of exterior lighting fixtures on poles outside of individual properties, including parking lots, sidewalks, and freestanding yard lights; installation of new or replacement lighting fixtures that are to be attached to a building less than fifty years old. This exemption is not meant to include street lighting that will serve multiple properties.
 - e. Installation of emergency public warning sirens on existing poles and new poles; installation of emergency public warning sirens to a building less than fifty years old.
 - f. Within previously excavated trenches, the repair, maintenance, or replacement of existing residential water and sanitary sewer service connections and lines. This exemption does not apply to the installation of water or sewer main lines, but only to connections between individual properties and existing public systems.
 - g. Repair, in kind replacement, or reconstruction of existing catch basins.
 - h. Replacement of utility meters on buildings in the same location as existing.
3. Exterior Rehabilitation
- a. Rebuilding of existing wheelchair ramps, or installation of new ramps on secondary building elevations where the building is not located on a corner lot.
 - b. Repair (not replacement) of porches, cornices, exterior siding, doors, windows, balustrades, shutters, stairs, or other trim as long as any new materials match existing feature in composition, design, color, texture, and other visual and physical qualities.

- c. Foundation Repair. Repointing of foundation masonry is exempt only on secondary elevations. If the building is on a corner lot, repointing of foundation masonry is not exempt on the elevations that face the streets
 - d. Exterior scraping with non-destructive means and painting of wood siding, features, and trim; exterior painting of masonry, if existing surfaces are already painted. This does not apply to the use of lead encapsulant paint. No abrasive cleaning is permitted for the removal of any building materials.
 - e. Caulking, reglazing, and weather-stripping.
 - f. Installation of screens and storm windows, provided that they:
 - i. Completely fill the original window opening.
 - ii. Match the meeting rail or other major divisions.
 - iii. Interior storms must not cause damage to the original interior trim.
 - iv. Interior storms must be designed to seal completely so as to protect the primary window from condensation.
 - g. Installation of storm doors, if they are undecorated and have a painted finish to match existing trim or the existing door.
 - h. Repair or replacement of asphalt, fiberglass, and asbestos shingle roof covering with the same materials as long as the shape of the roof is not changed.
 - i. Replacement of a flat roof not visible from a public right-of-way as long as the shape of the roof is not changed.
 - j. Repair or replacement of metal gutters and downspouts; and relining, repainting, and repair of box gutters. This does not apply to the replacement of box gutters.
4. Interior Rehabilitation
- a. Repair of existing basement floors or the installation of new basement floors.
 - b. Installation of attic insulation.
 - c. Repair (not replace) of existing interior walls, floors, ceilings, doors, decorative plaster or woodwork provided the work is limited to repainting, in-kind patching, refinishing, or repapering.
 - d. Kitchen and bathroom remodeling if no walls, windows, or doors are removed or relocated so as to alter the floor plan. Venting only allowed through roof or primary wall.
 - e. Installation of new furnace, boiler or water heater; or furnace cleaning or repair.
 - f. Installation or repair of all electrical, plumbing, heating, ventilation, and air conditioning systems as long as no alteration is made to structural features or decorative features.
 - g. Installation of new ceiling openings for attic access or pull-down stairs; removal and sealing up of obsolete pull-down stairs.
 - h. Asbestos abatement activities that do not involve removal or alteration of structural or decorative features.
 - i. Lead paint hazard abatement such as HEPA cleaning and HUD approved paint removal or stabilization. Any decorative features shall be treated with care and retained for re-installation after treatment.

- C. Activities defined in 24 CFR Section 58.34 of the "Environmental Review Procedures for Entities Assuming HUD Environmental Review Responsibilities, as amended" are exempt from review under this agreement.
- D. Activities defined in 24 CFR Section 58.35(b) of the "Environmental Review Procedures for Entities Assuming HUD Environmental Review Responsibilities, as amended" are exempt from review under this agreement.

III. Project Review

- A. If the grantee determines that an undertaking will involve any activities that are not exempt under Stipulation II, the grantee will, in accordance with 36 CFR Part 800, consult with the SHPO before starting the undertaking by submitting the following documentation to the SHPO:
 - 1. Project location, including a map;
 - 2. Project description, including work write-ups, plans, or specifications, as appropriate;
 - 3. Color photographs of all elevations of the building or site;
 - 4. Date any buildings in the project area were built;
 - 5. Statement of whether any properties in the project area are listed in or eligible for listing in the National Register;
 - 6. If there are listed or eligible properties, a statement of whether and how the undertaking will affect the historic properties.
- B. This submission should include, and the SHPO will consider, the following information if it explains the grantee's decisions regarding National Register eligibility and effect:
 - 1. Condition assessments for various historic elements;
 - 2. An explanation of the goals of the undertaking;
 - 3. Alternative treatments considered and cost estimates for each;
 - 4. Life cycle maintenance costs related to each alternative;
 - 5. Proposed measures to mitigate or minimize adverse effects;
 - 6. Available marketing studies; and
 - 7. Any other information that warrants consideration.
- C. At the discretion of the grantee, SHPO's Section 106 Project Summary Form can be used to satisfy Stipulation III A & B.
- D. The SHPO will respond, in accordance with 36 CFR Part 800, to the grantee within 30 days after receiving the project documentation by stating that:
 - 1. The SHPO concurs with the grantee's decision about eligibility and effect;
 - 2. The SHPO disagrees with the grantee's decision about eligibility and effect; or
 - 3. The SHPO needs more information in order to concur or disagree with the grantee's decision about eligibility or effect.
- E. If the SHPO and the grantee agree that the undertaking will have no effect on properties that are listed in or eligible for listing in the National Register, the

grantee will retain the SHPO's letter in its project file and the review process, in accordance with 36 CFR Part 800, will be complete.

- F. If the SHPO and the grantee agree that the undertaking will have an effect on properties that are listed in or eligible for listing in the National Register, the grantee will follow the standard process described in 36 CFR Part 800 to complete consultation.
- G. Any disagreements regarding the National Register eligibility of historic properties may be resolved through the grantee or DSA requesting a Determination of Eligibility from the Keeper of the National Register of Historic Places, as described in 36 CFR Part 63. Any disagreements regarding project effects shall be resolved as described in 36 CFR Part 800.6. The grantee or SHPO may elect to invite the ACHP to participate or provide its opinion, if they determine it to be appropriate.

IV. Technical Assistance and Educational Activities

Staff in the SHPO's Resource Protection and Reviews Department will provide technical assistance, consultation, and training of grantee staff as required by the grantee or as proposed by the SHPO in order to assist the grantee in carrying out the terms of this agreement. SHPO may also request that appropriate members of the grantee's staff should attend training specifically in the use and interpretation of this agreement, or the overall regulatory process described in 36 CFR Part 800.

V. Public Involvement and Participation

- A. In accordance with citizen participation requirements for State-administered HUD programs (24 CFR Section 570.486), the grantee will seek public input and notify the public of proposed actions.
 - 1. The grantee will, at a minimum, hold two public hearings to seek public comment regarding the planning and implementation of State-administered HUD programs. The first public hearing will address basic program parameters, and the second public hearing will provide specific information regarding proposed activities. Notice of both hearings will be published 10 days in advance in a newspaper of general circulation.
 - 2. The grantee will hold an additional public hearing if a State-administered HUD program is amended. The Amendment Public Hearing provides citizens with an opportunity to review and comment on a substantial change in the program. Notice of an Amendment Public Hearing will be published 10 days in advance in a newspaper of general circulation.
- B. The public notification procedures outlined in 24 CFR Part 58 for a Notice of Intent to Request Release of Funds (NOI/RROF) and Finding of No Significant Impact (FONSI) require the grantee to make information about individual projects available for public inspection, and to consider the views of the public and consulting parties in decision-making about individual projects

- C. For individual projects located in locally designated districts or those that may affect locally listed properties, the appropriate local review board will be presented with information regarding the proposed project for consideration as part of their regularly scheduled hearing, along with any project alternatives considered.

VI. Post Review Discovery

- A. In the event that historic properties are discovered or unanticipated effects on historic properties found after completion of the Section 106 process, the grantee will follow the process established at 36 CFR Part 800.13. In all cases of discovery or unanticipated effects, the grantee will contact SHPO as soon as practicable and provide sufficient information so that SHPO can make meaningful comments and recommendations.
- B. In the event that human remains are discovered during the development or construction of any project subject to this agreement, construction will cease in the area of the discovery. The grantee will contact OHPO and the County Sheriff and/or County Coroner within 48 hours. The grantee will also consult with SHPO, HUD and the County Sheriff and/or Coroner to develop and carry out a treatment plan for the care and disposition of human remains.
- C. When the human remains are determined to be of Native American Indian origin, the treatment plan will also be developed in consultation with appropriate federally recognized Native American Indian Tribes. The grantee may call upon representatives of HUD for assistance in conducting meaningful and respectful discussions with tribal representatives.

VII. Dispute Resolution

Should any party to this agreement object at any time to any actions proposed or the manner in which the terms of this agreement are implemented, the grantee shall consult with such party to resolve the objection. If the grantee determines that such objection cannot be resolved, the grantee will:

- A. Forward all documentation relevant to the dispute, including the grantee's proposed resolution, to the ACHP. The ACHP shall provide the grantee with its advice on the resolution of the objection within thirty (30) days of receiving adequate documentation. Prior to reaching a final decision on the dispute, the grantee shall prepare a written response that takes into account any timely advice or comments regarding the dispute from the ACHP, signatories and concurring parties, and provide them with a copy of this written response. The grantee will then proceed according to its final decision.
- B. If the ACHP does not provide its advice regarding the dispute within the thirty (30) day time period, the grantee may make a final decision on the dispute and proceed accordingly. Prior to reaching such a final decision, the grantee shall prepare a written response that takes into account any timely comments

- C. regarding the dispute, and provide them and the ACHP with a copy of such written response.
- D. The grantee's responsibility to carry out all other actions subject to the terms of this agreement that are not the subject of the dispute remain unchanged.

VIII. Monitoring

- A. Within 30 days after the end of each calendar year that this agreement is in force, the grantee will submit to the SHPO a list of undertakings exempted from review under Stipulation II of this agreement.
 - 1. For each exempted undertaking the list will include; the project location (address, etc.), the age of the building or its date of construction, full project description of each activity undertaken, PA stipulation used to exempt project from review, if SHPO reviewed project, the date of the SHPO letter and effect finding, and name and title of grantee staff who exempted project from review.
 - 2. The grantee should also include in their submission three (3) random samples of individual projects, on buildings 50 years and older, with copies of the information that was used to support the exempt determination.
- B. If the grantee did not exempt any undertakings from review under the terms of this agreement during the calendar year, it still must inform the SHPO of the lack of exemptions by letter notification.

IX. Definitions

The definitions provided in the National Historic Preservation Act and the regulations at 36 CFR Part 800 apply to terms used throughout this agreement, such as "historic property" and "effect."

X. Amendment & Duration

This agreement will continue in full force until December 31, 2024 and may be reviewed for modifications, termination, or renewal before this date has passed. At the request of either party, this agreement may be reviewed for modifications at any time. This PA may be amended when such an amendment is agreed to in writing by all signatories. The amendment will be effective on the date a copy signed by all of the signatories is filed with the ACHP.

XI. Emergencies

- A. In the event that the grantee determines that a project must be completed on an emergency basis due to an imminent threat to life or property or in response to a

- B. natural disaster or emergency, the grantee may set aside the timeline established in Stipulation III to facilitate expedited review by the SHPO.
1. The grantee shall notify the SHPO in advance by phone of its intention to submit a project for emergency review.
 2. The grantee will submit a request for an expedited review time of five business days, including the following documentation:
 - a. Cover letter describing the nature of the emergency and the proposed treatment. Emergency nature of review shall be noted in bold in reference line.
 - b. The address of the property and the nature of the emergency
 - c. Recent photographs of the property
 - d. A signed copy of any local order compelling immediate action
 - e. An Ohio Historic Inventory Form or other documentation regarding the National Register eligibility of the affected property
 3. The SHPO shall promptly notify the grantee of its concurrence with the grantee's effect determination or may request additional information to complete the review. SHPO may recommend to grantee that resolution of adverse effects requiring the execution of a Memorandum of Agreement is necessary, but may agree to grantee's recommendation to defer completion of such an agreement until the necessary emergency actions have been taken.

Execution of this PA by the grantee and the SHPO and implementation of its terms evidence that the grantee has taken into account the effects of its undertakings on historic properties and afforded the ACHP an opportunity to comment.

SIGNATORIES:

City of Sandusky

Signature	Date
-----------	------

Eric Wobser
City Manager

Contact Information:
240 Columbus Avenue
Sandusky, OH 44870
ewobser@ci.sandusky.oh.us
(419) 627-5846

Ohio State Historic Preservation Office

Signature

Date

Diana Welling
Deputy State Historic Preservation Officer for
Resource Protection and Review

Contact Information:

800 East 17th Avenue
Columbus, OH 43211
dwelling@ohiohistory.org
614-298-2000