



**SANDUSKY CITY COMMISSION
REGULAR SESSION AGENDA
NOVEMBER 27, 2023 AT 5 P.M.
CITY HALL, 240 COLUMBUS AVENUE**

INVOCATION	Mr. Waddington
PLEDGE OF ALLEGIANCE	
CALL TO ORDER	
ROLL CALL	D. Brady, S. Poggiali, D. Waddington, B. Harris, M. Meinzer, W. Poole, D. Murray
APPROVAL OF MINUTES	November 13, 2023 Regular Meeting
SWEARING IN	Fire fighter Miguel Tackett, Chief D’Amico
AUDIENCE PARTICIPATION	
COMMUNICATIONS	Motion to accept all communications submitted below.
CURRENT BUSINESS	

CONSENT AGENDA

ITEM A – Submitted by Michelle Reeder, Finance Director

APPROVAL OF BUDGET APPROPRIATION AMENDMENT #7

Budgetary Information: Appropriation amendments are required to update the 2023 budget for these funds:

- General Funds
- State Grants
- Federal Grant Fund
- General Trust
- Sewer Fund
- Health Insurance Fund

ORDINANCE NO. _____: It is requested an ordinance be passed adopting Amendment No. 7 to Ordinance No. 23-002 passed by this City Commission on January 9, 2023, making general appropriations for the fiscal year 2023; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the City Charter.

ITEM B – Submitted by Michelle Reeder, Finance Director

APPROVAL OF INSURANCE AGREEMENT WITH RINEHART WALTERS-DANNER

Budgetary Information: The insurance cost is not to exceed \$375,000 which includes the premium cost of \$368,921 plus a contingency of \$6,079 for special events or additional coverage if needed. Based on exposures, the cost will be distributed to the General Fund (\$240,000), Street Fund (\$39,000), Water Fund (\$46,875), and Sewer Fund (\$49,125).

ORDINANCE NO. _____: It is requested an ordinance be passed authorizing and directing the City Manager to enter into an agreement with Rinehart Walters-Danner Insurance Agency of Mansfield, Ohio, for property, casualty and liability insurance for the period of December 1, 2023, through November 30, 2024; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the City Charter.

ITEM C – Submitted by Aaron Klein, Public Works Director & Arin Blair, Chief Planner

APPROVAL OF EASEMENT AT 708 COLD CREEK BOULEVARD

Budgetary Information: There is no budgetary impact with this item. The property owner is responsible for recording fees to the Erie County Recorder Office.

ORDINANCE NO. _____: It is requested an ordinance authorizing and directing the City Manager to grant a perpetual permanent easement to Eric and April Mingus for a portion of a pole barn and covered patio constructed on and encroaching on City property designated as a reserve area located in the Cold Creek Crossings Subdivision, Sandusky ; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the City Charter.

ITEM D – Submitted by Mario D’Amico, Fire Chief

APPROVAL OF 2024 EMS MAINTENANCE AGREEMENT WITH STRYKER

Budgetary Information: The payment for the annual maintenance agreement is \$17,665.40 which will be paid with EMS Funds.

ORDINANCE NO. _____: It is requested an ordinance authorizing and directing the City Manager to enter into an agreement with Stryker Sales, LLC, of Chicago, Illinois, for the service and maintenance of Stryker equipment in the fire department for calendar year 2024; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the City Charter.

ITEM E – Submitted by Jared Oliver, Police Chief

APPROVAL OF AGREEMENT FOR SANDUSKY CITY SCHOOLS RESOURCE OFFICERS

Budgetary Information: There is no budgetary impact. SCS will reimburse the city for the wages and benefits cost for two full-time Officers for all hours worked at the school.

ORDINANCE NO. _____: It is requested an ordinance be passed authorizing and directing the City Manager to enter into a contract for police services with Sandusky City Schools to provide two (2) police officers to work as school resource officers at Sandusky City Schools; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the City Charter.

ITEM F – Submitted by James Stacey, Transit Administrator

APPROVAL OF STS DISPATCHING SOFTWARE RENEWAL WITH FOXSTER OPCO

Budgetary Information: The total cost for one (1) year of software maintenance and support for the TripMaster Software by CTS is \$24,720, which includes an annual discount of \$1,800.00, and will be paid with Transit Funds.

ORDINANCE NO. _____: It is requested an ordinance be passed authorizing and directing payment to Foxster Opco, LLC d.b.a. CTS Software of Knoxville, Tennessee, for the Tripmaster dispatching software licensing & maintenance support for the Sandusky Transit System for the period of November 1, 2023, through October 31, 2024; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the City Charter.

REGULAR AGENDA

ITEM 1 – Submitted by Megan Stookey, Project Manager & Jason Werling, Recreation Superintendent

PERMISSION TO BID 2024 REPLACEMENT OF TWO CONDENSING UNITS AT SANDUSKY SERVICE CENTER

Budgetary Information: The estimated cost of the project, including engineering and inspection is \$126,400.00, which shall be paid with American Structure Plan Act (ARPA) Stimulus Funds.

RESOLUTION NO. _____: It is requested a resolution declaring the necessity for the City to proceed with the proposed 2024 replacement of two condensing units and installation of control units for the City of Sandusky Service Center Project; approving the specifications and engineer's estimate of cost thereof; and directing the City Manager to advertise for and receive bids in relation thereto; and declaring that this resolution shall take immediate effect in accordance with Section 14 of the City Charter.

ITEM 2 – Submitted by Megan Stookey, Project Manager & Jason Werling, Recreation Superintendent

PERMISSION TO BID 2024 BOY WITH THE BOOT CAST IRON PIPE LINING

Budgetary Information: The estimated cost of the project, including engineering and inspection is \$18,075.00 and shall be paid for with Parks & Recreation funds made available through the Mylander Foundation.

RESOLUTION NO. _____: It is requested a resolution be passed declaring the necessity for the City to proceed with the proposed 2024 Boy with the Boot, Cast Iron Pipe Lining Project; approving the specifications and engineer's estimate of cost thereof; and directing the City Manager to advertise for and receive bids in relation thereto; and declaring that this resolution shall take immediate effect in accordance with Section 14 of the City Charter.

ITEM 3 – Submitted by Colleen Gilson, Community Development Director

APPROVAL OF ED FUND GRANT AGREEMENT WITH WTF-R2 INVESTMENTS

Budgetary Information: The City will be responsible for providing \$15,000 in grant proceeds from the Economic Development Capital Projects Fund on a reimbursement basis.

ORDINANCE NO. _____: It is requested an ordinance be passed authorizing and approving a grant in the amount of \$15,000.00 through the Economic Development Fund Program to WTF-R2 Investments LLC (d.b.a. What the Fried Rice) in relation to the property located at 186 East Market Street; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the City Charter.

ITEM 4 – Submitted by Colleen Gilson, Community Development Director

APPROVAL OF SALE OF OSBORNE SCHOOL PROPERTY & GRANT TO COMMUNITY BUILDING PARTNERS

Budgetary Information: The negotiated sale price is \$100,000. The City will also be responsible for paying half of the closing costs. The source of funding is Real Estate Development funds. The City will be responsible for providing \$750,000 in grant proceeds from the American Rescue Plan Act funds on a reimbursement basis based on predetermined project benchmarks/deliverables.

1. ORDINANCE NO. _____: It is requested an ordinance be passed declaring that certain real property owned by the City located at 920 West Osborne Street (former Osborne Elementary School), and identified as parcel no. 58-65001.000, is no longer needed for any municipal purpose and authorizing and directing the City Manager to enter into a real estate purchase agreement to sell the designated real property to Community Building Partners, LLC for the purpose of the development of affordable senior housing; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the City Charter.

2. ORDINANCE NO. _____: It is requested an ordinance be passed authorizing and directing the City Manager to enter into a subgrant agreement with Community Building Partners, LLC, relating to the use of American Rescue Plan Act (ARPA) stimulus funds for the renovation of real property located at 920 West Osborne Street (former Osborne Elementary School) in the amount of \$750,000; and declaring that this ordinance shall take immediate effect in accordance with Section 14 of the City Charter.

CITY MANAGER’S REPORT

OLD BUSINESS

NEW BUSINESS

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

EXECUTIVE SESSION(S)

ADJOURNMENT

Online: www.CityofSandusky.com/Live – Click “Play” 



FINANCE DEPARTMENT

240 Columbus Avenue
Sandusky, Ohio 44870
419.627.5776
www.cityofsandusky.com

TO: John Orzech, City Manager
FROM: Michelle Reeder, Finance Director
DATE: November 14, 2023
RE: Commission Agenda Item

ITEM FOR CONSIDERATION:

Ohio Rev. Code Section 5705.40 states that any appropriation ordinance or measure may be amended or supplemented, provided that such amendment or supplement shall comply with all provisions of law governing the taxing authority in making an original appropriation and that no appropriation for any purpose shall be reduced below an amount sufficient to cover all unliquidated and outstanding contracts or obligations certified from or against the appropriation. I am submitting amendment #7 to the 2023 General Appropriations.

BUDGETARY INFORMATION:

Appropriation amendments are required to update the 2023 budget for these funds:

- General Funds
- State Grants
- Federal Grant Fund
- General Trust
- Sewer Fund
- Health Insurance Fund

ACTION REQUIRED:

It is requested that the City Commission enact the ordinance, and have it take immediate effect under Section 14 of the City Charter, so that the budget amendments can be entered into the financial system and purchases can be made to continue the flow of city operations.

I concur with this recommendation:

John Orzech
City Manager

Michelle Reeder
Finance Director

ORDINANCE NO. _____

AN ORDINANCE ADOPTING AMENDMENT NO. 7 TO ORDINANCE NO. 23-002 PASSED BY THIS CITY COMMISSION ON JANUARY 9, 2023, MAKING GENERAL APPROPRIATIONS FOR THE FISCAL YEAR 2023; AND DECLARING THAT THIS ORDINANCE SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.

WHEREAS, this City Commission made general appropriations for the Fiscal Year 2023 Operating Budget by Ordinance No. 23-002, passed on January 9, 2023; and

WHEREAS, this City Commission adopted Amendment No. 1 to Ordinance No. 23-002 to cover deficiencies or needs which existed in the General, Street, State Grants, Capital Projects, Urban Renewal Debt Retirement, Water, and Sewer Funds by Ordinance No. 23-035, passed on February 27, 2023; and

WHEREAS, this City Commission adopted Amendment No. 2 to Ordinance No. 23-002 to cover deficiencies or needs which existed in the General, Capital Projects, Water and Sewer Funds by Ordinance No. 23-093, passed on April 24, 2023; and

WHEREAS, this City Commission adopted Amendment No. 3 to Ordinance No. 23-002 to cover deficiencies or needs which existed in the State Grants, Federal Grants, Cooke Building Improvement TIF, Capital Projects, Water and Sewer Funds by Ordinance No. 23-123, passed on June 12, 2023; and

WHEREAS, this City Commission adopted Amendment No. 4 to Ordinance No. 23-002 to cover deficiencies or needs which existed in the General, State Grant, Capital Projects, General Bond Retirement, and Water Funds by Ordinance No. 23-152, passed on July 24, 2023; and

WHEREAS, this City Commission adopted Amendment No. 5 to Ordinance No. 23-002 to cover deficiencies or needs which existed in the General, Parks & Recreation, Capital Projects, General Bond Retirement, Urban Renewal Debt, Cooke Building Improvement, and Special Assessment Bond Funds by Ordinance No. 23-190, passed on September 25, 2023; and

WHEREAS, this City Commission adopted Amendment No. 6 to Ordinance No. 23-002 to cover deficiencies or needs which existed in the General, Coronavirus Relief, Real Estate Development, Parks & Recreation, Federal Grants, Water, Sewer, and Health Insurance Funds by Ordinance No. 23-206, passed on October 23, 2023; and

WHEREAS, this Ordinance has been prepared to cover deficiencies or needs which exist in the General, State Grants, Federal Grants, General Trust, Sewer, and Health Insurance Funds; and

WHEREAS, amendments are required to adjust the budget for previous actions of the City; and

WHEREAS, this Ordinance should be passed as an emergency measure under suspension of the rules in accordance with Section 14 of the City Charter to prevent delays in the use of the funds for an extended period of time and not

restrict the operation of City departments; 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 Finance 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. Ordinance No. 23-002 passed by this City Commission on the 9th day of January, 2023, be amended as hereinafter set forth:

DEPARTMENT	PERSONAL SERVICES	OTHER	TOTAL
Cemetery	10,000	(10,000)	-
Jackson Street Pier	-	14,000	14,000
Transfers- Public Transportation	-	350,000	350,000
Transfers- Capital Projects	-	500,000	500,000
Transfers- Health Insurance	-	1,000,000	1,000,000
GENERAL FUND	10,000	1,854,000	1,864,000
STATE GRANTS	-	2,500,000	2,500,000
FEDERAL GRANTS	18,000	(18,000)	-
GENERAL TRUST	-	15,000	15,000
SEWER FUNDS	-	550,000	550,000
HEALTH INSURANCE FUND	-	250,000	250,000
TOTAL ALL FUNDS	28,000	5,151,000	5,179,000

Section 2. The Finance Director is authorized to draw warrants upon the City treasury for funds appropriated in this Ordinance upon presentation of properly approved vouchers and when in conformity with the Charter and general laws of the State of Ohio. In addition, the Finance Director is authorized to make transfers between funds, to cover deficiencies in City funds provided said transfers are included in the general appropriations.

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.

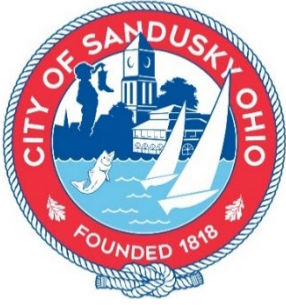
Section 4. This City Commission finds and determines that all formal actions of this City Commission concerning and relating to the passage of this Ordinance were taken in an open meeting of this City Commission and that all deliberations of this City Commission and of any of its committees that resulted 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.

RICHARD R. BRADY
PRESIDENT OF THE CITY COMMISSION

ATTEST: _____
CATHLEEN A. MYERS
CLERK OF THE CITY COMMISSION

Passed: November 27, 2023



FINANCE DEPARTMENT

240 Columbus Avenue

Sandusky, Ohio 44870

419.627.5776

www.cityofsandusky.com

TO: John Orzech, City Manager
FROM: Michelle Reeder, Finance Director
DATE: November 13, 2023
RE: Commission Agenda Item

ITEM FOR CONSIDERATION:

An ordinance authorizing the City Manager to enter into an agreement for 2023-2024 property, casualty, cyber and liability insurance with Rinehart Walters-Danner Insurance Agency of Mansfield, Ohio, and to expend funds in an amount not to exceed \$375,000.

BUDGETARY INFORMATION:

The annual insurance cost has become part of the annual operating budget and the City's total cost for the December 1, 2023 through November 30, 2024 insurance period will be an amount not to exceed \$375,000. This insurance proposal covers property, general liability, automotive, umbrella, cyber, crime, golf course liquor liability coverage. The prior year insurance ordinance was passed by the City Commission on November 28, 2022 as Ordinance 22-231 for an amount not to exceed \$355,000.

The City has utilized Rinehart Insurance since December 1, 2020. There is an overall increase of 6.52% in the insurance premium coverage this year when compared to last year. For reference, Ordinance 19-194 was approved in 2019 with a not to exceed amount of \$440,000, the current renewal is \$65,000 less than the 2019 expenditure.

The insurance cost is not to exceed \$375,000 which includes the premium cost of \$368,921 plus a contingency of \$6,079 for special events or additional coverage if needed. Based on exposures, the cost will be distributed to the General Fund (\$240,000), Street Fund (\$39,000), Water Fund (\$46,875), and Sewer Fund (\$49,125).

ACTION REQUESTED:

The City Commission is requested to approve legislation to authorize the City Manager to enter into an agreement with Rinehart Walters-Danner Insurance Agency for the property, casualty, cyber and liability insurance package for 2023-2024 and authorize payment at an amount not to exceed \$375,000. It is requested that the City Commission enact the required legislation under suspension of the rules in accordance with Section 14 of the City Charter to avoid any lapse in coverage.

I concur with this recommendation:

John Orzech
City Manager

Michelle Reeder
Finance Director

CC: Stewart Hastings, Law Director

CERTIFICATE OF FUNDS

In the Matter of: Rinehart Insurance

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.

Account #110-7900-53002, 216-6200-53002, 612-5900-53002, 613-5900-53002

By: Michelle Reeder

Michelle Reeder

Finance Director

Dated: 11/14/23

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING AND DIRECTING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH RINEHART WALTERS-DANNER INSURANCE AGENCY OF MANSFIELD, OHIO, FOR PROPERTY, CASUALTY AND LIABILITY INSURANCE FOR THE PERIOD OF DECEMBER 1, 2023, THROUGH NOVEMBER 30, 2024; AND DECLARING THAT THIS ORDINANCE SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.

WHEREAS, in 2020, the City accepted six (6) proposals for property, casualty and liability insurance and a selection committee determined Rinehart Walters-Danner Insurance Agency of Mansfield, Ohio, had the best proposal; and

WHEREAS, the City Commission approved agreements with Rinehart Walters-Danner insurance Agency for the period of December 1, 2020, through November 30, 2021, by Ordinance No. 20-162, passed on November 9, 2020, at a cost of \$325,000.00, for the period of December 1, 2021, through November 30, 2022, by Ordinance No. 21-181, passed on November 8, 2021, at the cost of \$335,000.00 and for the period of December 1, 2022, through November 30, 2023, by Ordinance No. 22-231, passed on November 28, 2022, at the cost of \$355,000.00; and

WHEREAS, this insurance proposal covers property, general liability, automotive, umbrella, cyber, crime, golf course and liquor liability coverage; and

WHEREAS, the cost for insurance for the period of December 1, 2023, through November 30, 2024, is not to exceed \$375,000.00, which includes the premium cost of \$368,921.00 plus a contingency amount of \$6,079.00 for special events or additional coverage if needed, and will be paid with General Funds in the amount of \$240,000.00, Street Funds in the amount of \$39,000.00, Water Funds in the amount of \$46,875.00, and Sewer Funds in the amount of \$49,125.00; 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 in a timely manner and avoid any lapse in coverage; 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 Finance 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 authorizes and directs the City Manager to enter into an agreement with Rinehart Walters-Danner Insurance Agency of Mansfield, Ohio, for property, casualty and liability insurance for the period of

December 1, 2023, through November 30, 2024, consistent with the proposal submitted by Rinehart Walters-Danner Insurance Agency on file in the office of the Director of Finance.

Section 2. This City Commission authorizes and directs the City Manager and/or Finance Director to make payment to Rinehart Walters-Danner Insurance Agency of Mansfield, Ohio, for property, casualty and liability insurance in an amount **not to exceed** Three Hundred Seventy-Five Thousand and 00/100 Dollars (\$375,000.00) for coverage for the period beginning December 1, 2023, through November 30, 2024.

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.

RICHARD R. BRADY
PRESIDENT OF THE CITY COMMISSION

ATTEST: _____
CATHLEEN A. MYERS
CLERK OF THE CITY COMMISSION

Passed: November 27, 2023



DEPARTMENT OF PUBLIC WORKS

240 Columbus Avenue

Sandusky, Ohio 44870

419.627.5829

www.cityofsandusky.com

To: John Orzech, City Manager

From: Aaron M. Klein, P.E., Director
Department of Public Works

Arin Blair, Chief Planner
Planning Division, Community Development

Date: November 17, 2023

Subject: Commission Agenda Item – 708 Cold Creek Boulevard, Easement

ITEM FOR CONSIDERATION: Legislation granting approval of an Easement to the property owner of 708 Cold Creek Boulevard, Eric & April Mingus for the use of City property abutting this location for a portion of a pole barn and covered patio.

BACKGROUND INFORMATION:

The current property owners constructed an addition to the residential structure at 708 Cold Creek Boulevard which encroaches the adjacent city-owned parcel. In early 2023, the owners pursued support from the city to remedy this encroachment via sale of the city-owned reserve area adjacent to the privately owned property. Staff clarified this reserve area exists for the benefit of the larger Cold Creek neighborhoods and the watershed of the creek running through the neighborhood and is not available for private purchase. While the property owner advocated for remedies to legalize the encroachment, staff and leadership across multiple city departments discussed various options, including removing the encroaching structure or granting an easement around the footprint of the building.

During these conversations, it became clear that the current owner wished to sell the property. Staff determined it is in the best interest of the City and the neighborhood to grant an easement on city property for the encroaching architecture and maintenance access to enable the transfer of the property. Without the easement, bank financing of the parcel would not be possible for the incoming buyer. The property is currently under contract and staff welcomes the new resident to the city.

The required easement documentation, which is attached, was submitted to the City for review, with City staff having no objection to their request. The total easement will encompass 457.4 sq ft of City property, referenced as Parcel 60-00043.105.

As mentioned, the property is currently pending sale, once transfer to the new owner is complete, the Easement will be revised with that information and brought back to Commission for approval. The grantees acknowledge that this Easement is terminable at the will of the City.

BUDGETARY INFORMATION: There is no budgetary impact with this item. The property owner is responsible for recording fees to the Erie County Recorder Office.

ACTION REQUESTED: It is recommended that proper legislation be prepared granting and approving an Easement to Eric & April Mingus of 708 Cold Creek Boulevard, and that the necessary legislation be passed under suspension of the rules and in accordance with Section 14 of the City Charter to allow execution and recording of the Easement agreement to take place as soon as possible in order to not impede the pending sale of this property.

I concur with this recommendation:

John Orzech
City Manager

Aaron Klein
Public Works Director

Colleen Gilson
Community Development Director

cc: C. Myers, Commission Clerk; M. Reeder, Finance Director; S. Hastings, Law Director

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING AND DIRECTING THE CITY MANAGER TO GRANT A PERPETUAL PERMANENT EASEMENT TO ERIC AND APRIL MINGUS FOR A PORTION OF A POLE BARN AND COVERED PATIO CONSTRUCTED ON AND ENCROACHING ON CITY PROPERTY DESIGNATED AS A RESERVE AREA LOCATED IN THE COLD CREEK CROSSINGS SUBDIVISION, SANDUSKY; AND DECLARING THAT THIS ORDINANCE SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.

WHEREAS, Eric and April Mingus are the current property owners at 708 Cold Creek Boulevard and are requesting a permanent easement for the portion of their pole barn and covered patio that was constructed on the abutting parcel in the Cold Creek Crossing subdivision owned by City and designated as a Reserve Area; and

WHEREAS, this Reserve Area is restricted and dedicated for drainage and storm water run-off areas for the benefit of the Cold Creek Crossing subdivision and is not available for private purchase; and

WHEREAS, the property is currently under contract for sale and in order to proceed with the transfer, it is necessary for an easement to be granted by the City for the portion of the pole barn and covered patio encroaching on the City property; and

WHEREAS, City Staff has reviewed the proposed easement and determined it is the best interest of the City and the Cold Creek Crossing neighborhood to approve the easement and allow for the transfer of the property; 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 allow the easement agreement to be immediately executed and recorded and not impede the pending sale of the property; 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 authorizes and directs the City Manager to execute an agreement on behalf of the City granting a Perpetual Permanent Easement to Eric and April Mingus for a portion of a pole barn and covered patio constructed on and encroaching on City property designated as a Reserve Area

abutting 708 Cold Creek Boulevard located in the Cold Creek Crossing subdivision, Sandusky, substantially in the same forms as attached to this Ordinance, marked Exhibit “1” and is specifically incorporated 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.

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 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 upon its passage, and its due authentication by the President, and the Clerk of the City Commission of the City of Sandusky, Ohio.

RICHARD R. BRADY
PRESIDENT OF THE CITY COMMISSION

ATTEST: _____
CATHLEEN A. MYERS
CLERK OF THE CITY COMMISSION

Passed: November 27, 2023

PERPETUAL PERMANENT EASEMENT

KNOW ALL PERSONS BY THESE PRESENTS: That, the **City of Sandusky**, herein referred to as the Grantor, whose mailing address is 240 Columbus Avenue, Sandusky, Ohio 44870, for and in consideration of the sum of one dollar (\$1.00) and other good and valuable consideration paid by **April and Eric Mingu**s, herein referred to as the Grantees, whose tax mailing address is 708 Cold Creek Boulevard, Sandusky, Ohio 44870, the receipt and sufficiency of which is hereby acknowledged, does hereby **GRANT, BARGAIN, SELL, CONVEY, AND RELEASE** to the Grantee, its successors and assigns forever, a perpetual and exclusive permanent Easement to have access to maintain and use the structure as it is presently constructed and is encroaching in the City of Sandusky's Reserve Area Property, at any time or times hereafter, for the area in Exhibit A, including the right of ingress to and egress from and over said premises (real estate) situated in the County of Erie and State of Ohio, and described as:

SEE ATTACHED "LEGAL DESCRIPTION", INCORPORATED HERETO.

SEE ATTACHED EXHIBIT "A", INCORPORATED HERETO FOR ILLUSTRATION PURPOSES ONLY.

(all bearings stated above are assumed for the purpose of this description)

The Grantors claim title to the above described property by virtue of an instrument recorded as RN: 202100404 in the Erie County Recorder's Office.

The consideration recited herein shall constitute full and final payment for said Easement and all damages sustained and/or claimed by the Grantors, their executors, administrators, successors, and assigns, including but not limited to all damages to the remainder of the Grantor's real estate, that arise from or by reason of inspection or other proper and allowed acts as stated above, said damages include but are not limited to those known or unknown, those legal, equitable or otherwise and those direct, incidental or consequential.

TO HAVE AND TO HOLD said Easement, together with all rights and privileges belonging thereto unto the Grantee and its successors and assigns forever. This Easement together with all agreements, covenants, and other provisions recited herein, shall constitute a covenant running with the land for the benefit and use of the Grantee, its successors and assigns forever, but that this Easement is terminable at the will of the Grantor.

IN TESTIMONY WHEREOF, _____, the Grantor, has
executed this Perpetual Permanent Easement this _____ day of
_____, 2023.

STATE OF OHIO }
 }
COUNTY OF ERIE } ss:

Before me a Notary Public in and for said County, personally appeared the above named,
proper signatory for the Grantor, who acknowledged he did sign the foregoing instrument and
that the same is his free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal this _____ day of
_____, 2023.

Notary Public

THIS INSTRUMENT PREPARED BY:

Sarah S. Chiappone
City of Sandusky Law Director
240 Columbus Avenue
(419) 627-5852

**Contractors Design Engineering
Consulting Engineers and Surveyors
1623 Old State Road, Norwalk, Ohio 44857**

**Legal Description For:
Lot 24 Cold Creek Crossing
Access Easement (0.0105 acres)**

Being part of land located in part of Original Lot 27 and in a Reserve Area (0.6139 acres) in Cold Creek Crossing Subdivision as recorded in P.V. 43, Pg. 82 of the Erie County Recorder's Office, Margaratta Annexation, City of Sandusky, Erie County, Firelands Connecticut Western Reserve, State of Ohio, and further particularly described as follows:

Beginning at a 1" iron rod found in a monument box at the intersection of the centerlines of Ferndale Drive (known as East Perkins Avenue) (66' R/W) and Cold Creek Boulevard (60' R/W); Thence North 03° 30' 00" West, along the centerline of Cold Creek Boulevard, a distance of 396.60 feet to a point; Thence North 86° 30' 00" East, a distance of 30.00 feet to a 5/8" iron rod found at the east right-of-way line of Cold Creek Boulevard and the northwest corner of land now or formerly owned by Eric & April Mingus as recorded in RN 200416477 of the Erie County Recorder's Office, same being the northwest corner of Lot 24 in said Cold Creek Crossing Subdivision; Thence, South 72° 53' 46" East, along the northerly line of said Mingus' land, a distance of 51.07 feet to a point and being the principal place of beginning;

1. Thence, North 17° 06' 14" East, a distance of 10.00 feet to a point;
2. Thence, South 72° 53' 46" East, a distance of 45.74 feet to a point;
3. Thence, South 17° 06' 14" West, a distance of 10.00 feet to a point on the northerly line of said Mingus' (Lot 24) land;
4. Thence, North 72° 53' 46" West, along the northerly line of said Mingus' (Lot 24) land, a distance of 45.74 feet to the principal place of beginning and containing 0.0105 acres of land more or less, but subject to all legal highways, easements and restrictions of record.

Bearings are based on Cold Creek Subdivision Plat as recorded in P.V. 43, Pg. 82 of the Erie County Recorder's Office

Subject Deed Reference: RN 202100404 (City of Sandusky)

This description was prepared by Contractors Design Engineering, (Consulting Engineers and Surveyors, Norwalk, Ohio) in November, 2023 per Alexander B. Etchill, Registered Surveyor No. 8512 from an actual survey performed October, 2023 on the premises by Contractors Design Engineering.



EXHIBIT "A"

File Name: P:\CDEng18\18-000 MISC\Mingus Lot Split\Mingus Building Location revised 11-13-23.dwg

ACCESS EASEMENT
* 0.0105 AC. (457.3505 S.F.)

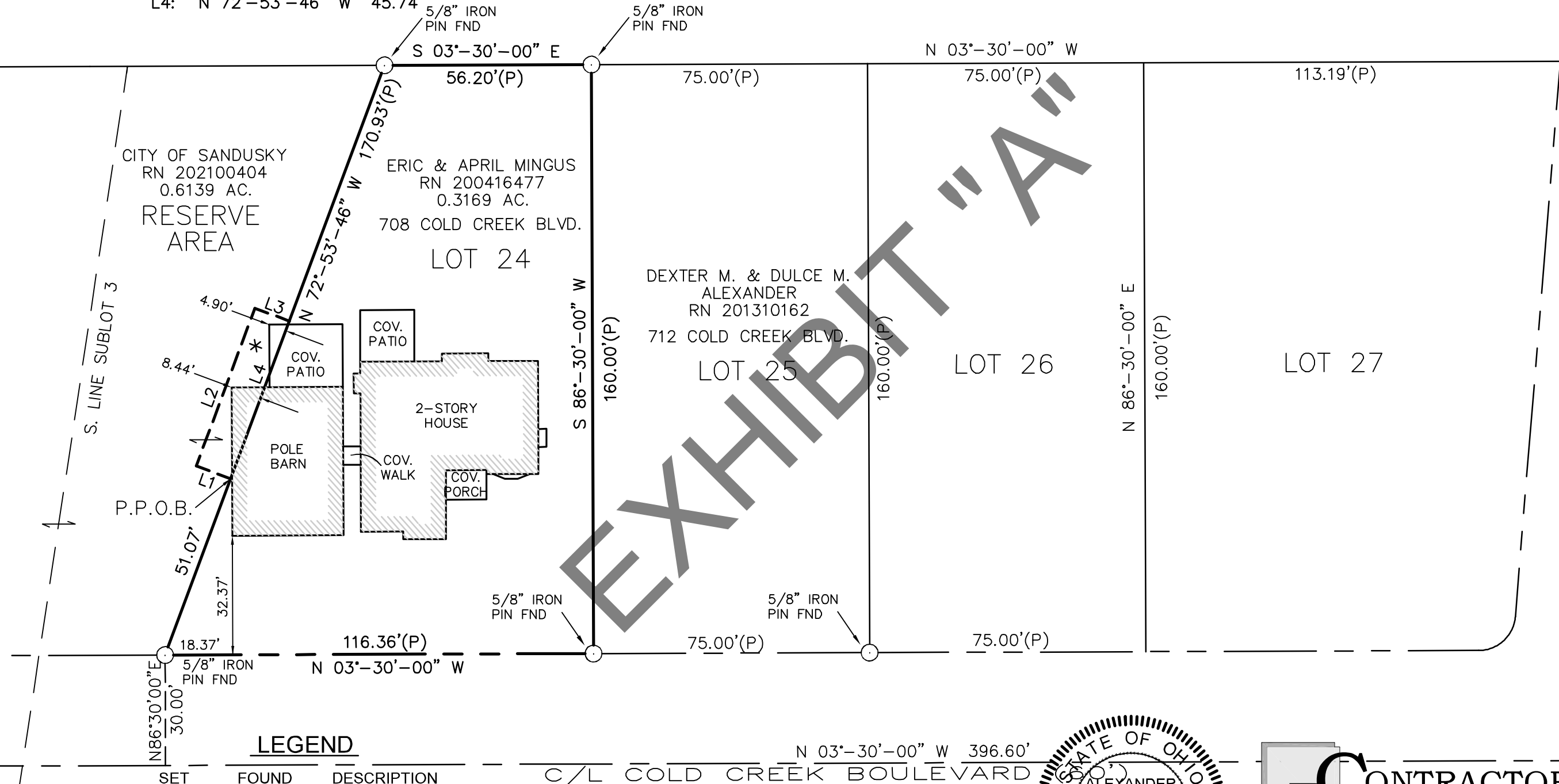
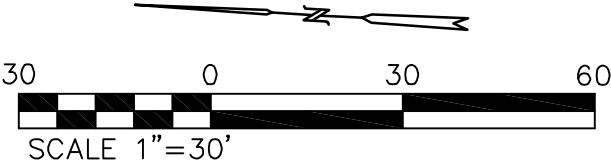
LINE TABLE

L1:	N 17°-06'-14" E	10.00'
L2:	S 72°-53'-46" E	45.74'
L3:	S 17°-06'-14" W	10.00'
L4:	N 72°-53'-46" W	45.74'

ORIGINAL LOT 27

SECOND BAPTIST CHURCH
RN 9905713

BEARINGS ARE BASED ON COLD CREEK SUBDIVISION PLAT, P.V. 43, PG. 82
ERROR OF CLOSURE: 1 : 10,000

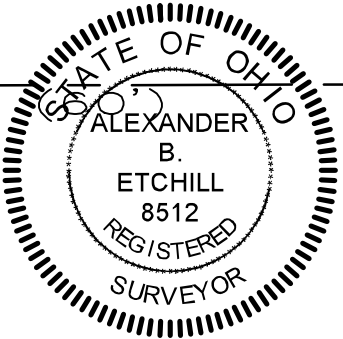


LEGEND

SET	FOUND	DESCRIPTION
●	○	IRON PIN (ROD)
▲	△	MONUMENT BOX
(D)	(M)	DEED MEASURED
(P)	(C)	PLATTED CALCULATED

ALL 5/8" IRON PINS SET ARE 30" LONG REBAR WITH YELLOW PLASTIC CAPS STAMPED "C.D. ENG 8456/8512"

Easement Plat for
The Mingus Family
Being part of land located in part of Original Lot 27 and in a Reserve Area in Cold Creek Crossing Subdivision, P.V. 43, Pg. 82, Margaretta Annex., City of Sandusky, Erie County, Firelands Connecticut Western Reserve, State of Ohio



CONTRACTORS DESIGN ENGINEERING
CONSULTING ENGINEERS & SURVEYORS
NORWALK, OHIO

DATE: NOV., 2023 DR. BY: ABE PROJECT NO. 18-000

C/L FERNDAL DRIVE (66')
(EAST PERKINS AVENUE)



FIRE DEPARTMENT

600 West Market Street

Sandusky, Ohio 44870

419.627.5822

Fire Prevention 419.627.5823

Fax 419.627.5820

www.ci.sandusky.oh.us

TO: John Orzech, City Manager

FROM: Mario D'Amico III, Fire Chief

DATE: November 14, 2023

RE: Commission Agenda Item – Annual EMS Maintenance Agreement

ITEM FOR CONSIDERATION: Legislation authorizing the City Manager to enter into an agreement between the City of Sandusky and Stryker Sales, LLC of Chicago, IL commencing on January 1, 2024 through December 31, 2024.

BACKGROUND INFORMATION: This agreement with Stryker Sales, LLC of Chicago, IL will provide service and maintenance for the following equipment which consists of new batteries, most repair parts, software updates and a thorough yearly inspection/maintenance of each piece of equipment.

- Heart Monitors (5)
- Power Cots (3)
- Powerload System (1)
- Lucas (mechanical compression machine) (3)
- Stair Chair (3)
- Automated External Defibrillators – AED's (2)

Stryker Sales, LLC is a sole provider of EMS equipment and the annual maintenance.

BUDGETARY INFORMATION: The payment for the annual maintenance agreement is **\$17,665.40** which will be paid with EMS Funds.

ACTION REQUESTED: It is requested that the proper legislation be prepared authorizing the City Manager to enter into an agreement with Stryker Sales, LLC of Chicago, IL in an amount not to exceed **\$17,665.40**. It is further requested that this legislation take immediate effect in full accordance with section 14 of the City Charter in order immediately execute the agreement as there will be a price increase after December 1, 2023.

Approved:

I concur with this recommendation:

Mario D'Amico III, Fire Chief

John Orzech, City Manager

Cc: Stewart Hastings, Law Director; Michelle Reeder, Finance Director

CERTIFICATE OF FUNDS

In the Matter of: Stryker- Annual EMS Maintenance

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.

Account #431-1330-53000

By: _____

Michelle Reeder

Michelle Reeder

Finance Director

Dated: 11/14/23

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING AND DIRECTING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH STRYKER SALES, LLC OF CHICAGO, ILLINOIS, FOR THE SERVICE AND MAINTENANCE OF STRYKER EQUIPMENT IN THE FIRE DEPARTMENT FOR CALENDAR YEAR 2024; AND DECLARING THAT THIS ORDINANCE SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.

WHEREAS, this City Commission approved an agreement with Stryker Sales, LLC of Chicago, Illinois, for the service and maintenance of Stryker equipment in the Fire Department for calendar year 2023 by Ordinance No. 22-183, passed on September 12, 2022; and

WHEREAS, the Fire Department uses Stryker equipment and desires to enter into an agreement for the service and maintenance for the following equipment during the calendar year 2024:

- Heart Monitors (5)
- Power Load Systems (1)
- Power Cots (3)
- Lucas (mechanical compressions) (3)
- Stair Chairs (3)
- Automated External Defibrillators - AED's (2)

WHEREAS, Stryker Medical is the sole source provider of EMS equipment and maintenance and this agreement includes software updates, batteries, most repairs, and yearly inspection/maintenance of each piece of equipment; and

WHEREAS, the cost for the annual service and maintenance support for calendar year 2024 is \$17,665.40 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 immediately execute the agreement as there will be a price increase after December 1, 2023; 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 hereby authorizes and directs the City Manager to enter into an agreement for the service and maintenance of Stryker

equipment in the Fire Department for the calendar year 2024 and authorizes and directs the Finance Director to make payment to Stryker Sales, LLC of Chicago, Illinois, in an amount **not to exceed** Seventeen Thousand Six Hundred Sixty-Five and 40/100 Dollars (\$17,665.40).

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.

RICHARD R. BRADY
PRESIDENT OF THE CITY COMMISSION

ATTEST: _____
CATHLEEN A. MYERS
CLERK OF THE CITY COMMISSION

Passed: November 27, 2023



CITY OF SANDUSKY POLICE DEPARTMENT

222 Meigs Street
Sandusky, Ohio 44870
419.627.5863
www.cityofsandusky.com

TO: John Orzech, City Manager
FROM: Jared Oliver, Police Chief
DATE: November 16, 2023
RE: Commission Agenda Item

ITEM FOR CONSIDERATION: Legislation authorizing the City Manager to enter into an agreement between the City of Sandusky and the Sandusky City Schools (SCS) to provide two full time officers to work as school resource officers at SCS.

BACKGROUND INFORMATION: The City has provided two full-time officers to the work as school resource officers for the Sandusky City Schools for several years. An agreement to reimburse for these services has been in place during that time. In 2022, since there was a transition in leadership at SCS, this contract was reviewed, and modified to automatically renew each year, unless terminated by either party.

There has been a wage increase for the School Resource Officers for this school year and therefore it is necessary to execute a new agreement reflecting the new wages.

BUDGETARY INFORMATION: There is no budgetary impact. SCS will reimburse the city for the wages and benefits cost for two full-time Officers for all hours worked at the school.

ACTION REQUESTED: It is requested that the proper legislation be prepared authorizing the City Manager to enter into an agreement with the Sandusky City Schools (SCS) to provide two full-time officers to work as school resource officers at SCS. It is further requested that this legislation take immediate effect in full accordance with Section 14 of the City Charter in order to approve the modification and immediately execute this agreement as the Officers are currently working for the schools.

Approved:

I concur with this recommendation:

Jared Oliver, Police Chief

John Orzech, City Manager

Cc: Michelle Reeder, Finance Director
Stewart Hastings, Law Director

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING AND DIRECTING THE CITY MANAGER TO ENTER INTO A CONTRACT FOR POLICE SERVICES WITH SANDUSKY CITY SCHOOLS TO PROVIDE TWO (2) POLICE OFFICERS TO WORK AS SCHOOL RESOURCE OFFICERS AT SANDUSKY CITY SCHOOLS; AND DECLARING THAT THIS ORDINANCE SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.

WHEREAS, for many years, the City has provided Police Officers to work as School Resource Officers for the Sandusky City Schools and the City has been reimbursed for these services in accordance with the previous agreements; and

WHEREAS, in 2022 there was a transition in leadership at the Sandusky City Schools and upon review of the previous contract, it was recommended to modify the contract which included language to automatically renew each academic school year, unless terminated by either party; and

WHEREAS, this City Commission approved the contract for police services with Sandusky City Schools to provide two (2) police officers to work as School Resource Officers at Sandusky City Schools by Ordinance No. 22-232, passed on November 28, 2022; and

WHEREAS, there has been a wage increase for the School Resource Officers for this school year and therefore it is necessary to execute a new agreement reflecting the new wages; and

WHEREAS, this Ordinance should be passed as an emergency measure under suspension of the rules and in accordance with Section 14 of the City Charter in order to approve the modification and immediately execute the agreement as the Police Officers are currently working at Sandusky City Schools; 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, including the Police 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. The City Manager is authorized and directed to enter into a Contract for Police Services with the Sandusky City schools to provide two (2) Police Officers to work as School Resource Officers at Sandusky City Schools,

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.

RICHARD R. BRADY
PRESIDENT OF THE CITY COMMISSION

ATTEST: _____
CATHLEEN A. MYERS
CLERK OF THE CITY COMMISSION

Passed: November 27, 2023

CONTRACT FOR POLICE SERVICES

This Contract between Sandusky City Schools (SCS) and the City of Sandusky Police Department (SPD) is to establish the parameters of service to be provided to SCS by the SPD.

A. DUTIES OF THE POLICE DEPARTMENT

1. The SPD will provide two (2) full-time officers, schedule to be determined by mutual agreement of the parties, to work primarily as school resource officers at SCS.
2. The personnel and equipment, including but not limited to vehicle(s) used under this Contract, shall, at all times, be under the direct supervision of the Chief of Police, and shall comply with the rules and regulation of the SPD, the laws of the State of Ohio and applicable federal laws; and,
3. The duties of the SPD personnel shall include the provision of law enforcement services at, and patrolling the grounds of SCS. SCS understands and agrees that law enforcement emergencies in the area may occasionally require the response of the officer(s) assigned to SCS, and SCS agrees that the officer(s) may respond as required to address the emergency.

B. DUTIES OF SCS

1. SCS agrees to pay the amounts stipulated in this Contract under Exhibit A for the period of the 2023-2024 academic year with the potential to extend this Contract for an additional period of one year; and,
2. SCS may request the Chief of Police to attend a Board of Education meeting for a report of activity performed by SPD pursuant to this Contract.

C. SALARIES AND BENEFITS

1. SCS will be invoiced every four (4) weeks for total wages, benefits costs for two (2) police officers for the preceding four-week period which represents two (2) pay periods. SCS will make payment within thirty (30) days after the receipt of each invoice; and,
2. SCS's payment shall be made payable to Account 110-1010-49108, and shall be paid to SPD; and,
3. The Parties agree this Contract will automatically renew each subsequent academic year unless terminated by either Party as provided herein; and,
4. The cost of wages and benefits will be recalculated and agreed upon each subsequent year by the Parties herein.

D. COMMENCEMENT, MODIFICATION AND TERMINATION

1. This Contract shall be in full force and effect for the 2023-2024 academic year and subsequent academic years, unless terminated; and,
2. SCS and SPD reserve the right to meet and mutually agree on a change in the days and/or hours of service under this Contract and such change will be reduced to writing and added to this Contract as an Addendum; and,
3. Any change shall be reduced to writing , signed by SCS and SPD, and attached to this Contract as an Exhibit; and,
4. This Contract may be terminated by either party upon sixty (60 days) written notice by U.S. Certified Mail, or hand delivery, to the other party at the address shown below:

Sandusky City Schools Administration Building
407 Decatur St.
Sandusky, OH 44870

Sandusky Police Department
222 Meigs St.
Sandusky, OH 44870

E. POWERS OF SCS AND SPD

1. The powers, functions and services authorized herein shall not suspend the authority of SCS or any of its police powers nor limit the authority of the SPD; and,
2. This Contract does not affect the sovereign immunity granted by the Ohio General Assembly in R.C. Chapter 2744 as to either Party. Each Party understands and agrees that it is responsible for its own personnel and therefore there is no indemnification by either Party for the acts of the other Party; and,
3. This constitutes the entire Agreement between the Parties and shall be interpreted in accordance with the laws of the State of Ohio.

SIGNATURE PAGE TO FOLLOW TO FOLLOW

FOR SANDUSKY CITY SCHOOLS

FOR SANDUSKY POLICE DEPARTMENT

Mr. Daniel Rambler
CEO & Superintendent

Chief Jared Oliver

John Orzech, City Manager

APPROVAL AS TO FORM

APPROVAL OF CITY OF SANDUSKY LAW
DEPARTMENT

Stewart Hastings, Law Director

CERTIFICATE OF AVAILABILITY OF FUNDS

I hereby certify that the sums needed to meet the obligations of this Contract are in the Sandusky City School Treasury to the credit of the appropriate fund or in the process of collection, duly appropriated for this purpose and not otherwise encumbered.

Mrs. Yvonne Anderson
SCS CFO & Treasurer

Date

EXHIBIT A

SRO # 1 – JACOB ISCMAN

Hourly Rate 33.6392	Pension Rate 6.5596	Workers Comp 1.0092	Sick 2.1025	Vacation 1.9407
Holiday 1.8113	Insurance Cost 10.8808	Life Insurance 0.0646	Medicare 0.4878	Longevity 0.1346

TOTAL – 58.6303

SRO # 2 – JASON MARTIN

Hourly Rate 33.6392	Pension Rate 6.5596	Workers Comp 1.0092	Sick 2.1025	Vacation 1.9407
Holiday 1.8113	Insurance Cost 10.8808	Life Insurance 0.0646	Medicare 0.4878	Longevity 0.1851

TOTAL – 58.6808

The above hourly rates of pay are representative of the total wages and benefits costs for each officer that is being assigned to SCS for the 2023-2024 academic year.



PLANNING DEPARTMENT

Division of Transit

240 Columbus Ave.
Sandusky, Ohio 44870
419.621.8462

www.cityofsandusky.com

TO: John Orzech, City Manager

FROM: James A. Stacey III, Transit Administrator

DATE: November 13, 2023

RE: **Commission Agenda Item: Dispatching Software Renewal with Foxster Opco, LLC**

ITEM FOR CONSIDERATION: Legislation authorizing the expenditure of funds of \$24,720 for one year of maintenance and support for Sandusky Transit System's TripMaster scheduling and dispatching software from Foxster Opco, LLC., dba CTS Software of Knoxville, TN, for the period of November 1, 2023-October 31, 2024.

BACKGROUND INFORMATION: In 2018, the City purchased TripMaster by CTS Software for the Sandusky Transit System. This software aids the STS dispatchers in scheduling trips and keeps all the statistics used for STS reporting for the Federal Transit Administration and the Ohio Department of Transportation (ODOT). The contract between the City and Foxster Opco, LLC, dba CTS Software for the TripMaster software became effective on February 6, 2018 for an initial licensing term of five (5) years. The agreement provides for five (5) additional one (1) year extensions and will be renewed automatically on an annual basis unless otherwise terminated.

BUDGET IMPACT: The total cost for one (1) year of software maintenance and support for the TripMaster Software by CTS is \$24,720, which includes an annual discount of \$1,800.00, and will be paid with Transit Funds.

ACTION REQUESTED: It is requested the attached legislation be adopted by the City Commission to allow the City Manager to purchase one (1) year of software maintenance and support for the TripMaster software from Foxster Opco, LLC., dba CTS Software of Knoxville, TN for the period of November 1, 2023-October 31, 2024. It is further requested that this legislation take immediate effect in full accordance with Section 14 of the City Charter to immediately make payment to CTS Software and to continue with licensing and maintenances services.

James A. Stacey III, Transit Administrator

I concur with this recommendation:

John Orzech, City Manager

Colleen Gilson, Director of Community Development

cc: C. Myers, Commission Clerk; S. Hastings, Law Director; M. Reeder, Finance Director

INVOICE

Please include the Invoice Number on all remittances.

Invoice #: CINV-038694
Invoice Date: 10/01/2023
Terms: Net 45
Due Date: 11/15/2023



Purchase Order #:
Contract: CON-001009-1
Customer #: C02394
Estimated Ship Date:
Reference: Current month service

Bill To:
City of Sandusky
222 Meigs Street
Sandusky, OH 44870
United States

Remit To:
Foxster Opco, LLC
PO Box 844789
Boston, MA 02284-4789
(844) 637-6589
accountsreceivable@cts-software.com

Line #	Description	Additional Description	Quantity	Unit Price	Line Amount
1	CTS-0031	M&S Prepaid	1	\$500.00	\$6,000.00
2	CTS-0003	Automated Schedule, plus charges for each additional unit	36	\$5.00	\$2,160.00
3	CTS-0029	License, plus charges for each additional unit	6	\$20.00	\$1,440.00
4	CTS-0045	ParaPass	1	\$200.00	\$2,400.00
5	CTS-0049	ParaPortal	1	\$200.00	\$2,400.00
6	CTS-0053	ParaScope Tablet Module, plus charges for each additional unit	36	\$7.50	\$3,240.00
7	CTS-0056	Passenger Reminder	1	\$200.00	\$2,400.00
8	CTS-0069	Vehicle Fleet Fee, plus charges for each additional unit	36	\$10.00	\$4,320.00
9	CTS-0072	Vehicle Maintenance, plus charges for each additional unit	36	\$5.00	\$2,160.00
10	CTS-0105	Discount	-1	\$150.00	\$-1,800.00
Subtotal					\$24,720.00
Sales Tax					\$0.00
Freight					\$0.00
Total					\$24,720.00

Special Instructions

***PLEASE INCLUDE OUR INVOICE NUMBER
AND REMIT DETAILS WITH YOUR PAYMENT***

CERTIFICATE OF FUNDS

In the Matter of: Transit Software

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.

Account #218-6823-53000

By: _____

Michelle Reeder

Michelle Reeder

Finance Director

Dated: 11/21/23

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING AND DIRECTING PAYMENT TO FOXSTER OPCO, LLC D.B.A. CTS SOFTWARE OF KNOXVILLE, TENNESSEE, FOR THE TRIPMASTER DISPATCHING SOFTWARE LICENSING & MAINTENANCE SUPPORT FOR THE SANDUSKY TRANSIT SYSTEM FOR THE PERIOD OF NOVEMBER 1, 2023, THROUGH OCTOBER 31, 2024; AND DECLARING THAT THIS ORDINANCE SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.

WHEREAS, the City Commission authorized the City Manager to enter into a Software License and Services Agreements with Foxster Solutions, Inc., DBA CTS Software of Swansboro, North Carolina, for scheduling and dispatching software and services for use by the Sandusky Transit System by Ordinance No. 18-104, passed on May 14, 2018; and

WHEREAS, the agreement with Foxster Opco, LLC, dba CTS Software was effective February 6, 2018, for an initial term of five (5) years with five (5) one (1) year extensions and will be renewed automatically on an annual basis unless otherwise terminated; and

WHEREAS, the total cost of the annual licensing and maintenance support for the period of November 1, 2023, through October 31, 2024, is \$24,720.00, which includes an annual discount of \$1,800.00 pursuant to the original agreement, and these fees will be paid with Transit 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 immediately make payment to Foxster Solutions, Inc., DBA CTS Software to continue with licensing and maintenance support services; 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. This City Commission hereby authorizes and directs the City Manager and/or Finance Director to make payment to Foxster Solutions, Inc., DBA CTS Software of Knoxville, Tennessee, for the licensing and maintenance support for the Sandusky Transit System's TripMaster dispatching software for the period of November 1, 2023, through October 31, 2024, in an amount **not to exceed** Twenty-Four Thousand Seventy Hundred Twenty and 00/100 Dollars (\$24,720.00).

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 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 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 upon its passage, and its due authentication by the President, and the Clerk of the City Commission of the City of Sandusky, Ohio.

RICHARD R. BRADY
PRESIDENT OF THE CITY COMMISSION

ATTEST: _____
CATHLEEN A. MYERS
CLERK OF THE CITY COMMISSION

Passed: November 27, 2023



DEPARTMENT OF PUBLIC WORKS

240 Columbus Avenue
Sandusky, Ohio 44870
419.627.5829
www.cityofsandusky.com

To: John Orzech, City Manager

From: Megan Stookey, Project Manager
Engineering Services, Department of Public Works

Jason Werling, Recreation Superintendent
Parks & Recreation Division, Department of Community Development

Date: November 15, 2023

Subject: Commission Agenda Item – Permission to Bid 2024 Replacement of Two Condensing Units and Installation of Control Units for the City of Sandusky Service Center

ITEM FOR CONSIDERATION: Requesting legislation authorizing the City to accept bids for the 2024 Replacement of Two Condensing Units and Installation of Control Units for the City of Sandusky Service Center Project.

BACKGROUND INFORMATION: City Building Maintenance crews have found that the original condensing units that were installed during the time of renovation of the facility in 1999 have exceeded their useful life, as one of them is no longer working and the second one is on it's way out and services companies will no longer work on it. Throughout the years staff performed routine maintenance on the units and brought in vendors to make repairs and fill the freon. When researching what to do with the condenser units, it was discovered that the control units in the facility are passed their useful life and would not be compatible with a new system.

City staff has prepared specifications for the replacement of two units and installation of new terminal controls. The work has an Engineer's Estimate of \$126,400.00 and a completion date set of March 31, 2025 as manufacturing times for units have been around six to nine months, with additional time for shipping, we feel confident the completion date can be met.

BUDGETARY INFORMATION: The estimated cost of the project, including engineering and inspection is \$126,400.00, which shall be paid with American Structure Plan Act (ARPA) Stimulus Funds.

ACTION REQUESTED: It is recommended that proper legislation be prepared authorizing the City to accept bids on the 2024 Replacement of Two Condensing Units and Installation of Control Units for the City of Sandusky Service Center Project be approved and that the necessary legislation be passed under suspension of the rules and in accordance with Section 14 of the City Charter to allow for bidding to take place immediately after approval, to return back to Commission for contract Award prior to the end of January, allowing the awarding contractor ample time to place the order on the units so manufacturing can begin to meet the March 31, 2025 completion date.

I concur with this recommendation:

John Orzech
City Manager

Aaron Klein
Director

Colleen Gilson
Director of Community Development

cc: C. Myers, Commission Clerk; M. Reeder, Finance Director; S. Hastings, Law Director

RESOLUTION NO. _____

A RESOLUTION DECLARING THE NECESSITY FOR THE CITY TO PROCEED WITH THE PROPOSED 2024 REPLACEMENT OF TWO CONDENSING UNITS AND INSTALLATION OF CONTROL UNITS FOR THE CITY OF SANDUSKY SERVICE CENTER PROJECT; APPROVING THE SPECIFICATIONS AND ENGINEER'S ESTIMATE OF COST THEREOF; AND DIRECTING THE CITY MANAGER TO ADVERTISE FOR AND RECEIVE BIDS IN RELATION THERETO; AND DECLARING THAT THIS RESOLUTION SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.

WHEREAS, City Building Maintenance crews have found that the original condensing units at the Service Center that were installed during renovation of the facility in 1999 have exceeded their useful life, as one of them is no longer working and the second one is declining, and service companies will no longer work on the units; and

WHEREAS, it was also discovered that the control units in the facility are passed their useful life and would not be compatible with a new condensing unit system; and

WHEREAS, the proposed 2024 Replacement of Two Condensing Units and Installation of Control Units for the City of Sandusky Service Center Project involves the replacement of two (2) condensing units and control units at the City' Service Center; and

WHEREAS, the total estimated cost of the project, including engineering and inspection, is \$126,400.00 and will be paid with American Rescue Plan Act (ARPA) Stimulus Funds; and

WHEREAS, this Resolution should be passed as an emergency measure under suspension of the rules in accordance with Section 14 of the City Charter in order to bid the project, receive competitive prices and award a contract by the end of January 2024, which will allow time for the units to be ordered and manufactured as the lead time is approximately 6-9 months, and the project can be completed by the deadline of March 31, 2025; 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 **Resolution** 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 RESOLVED BY THE CITY COMMISSION OF THE CITY OF SANDUSKY, OHIO, THAT:

Section 1. The specifications and estimates of cost as prepared by the Director of Public Works and submitted to this City Commission, and which are now on file in the offices of the Director of Public Works and the Clerk of the City Commission, for the proposed 2024 Replacement of Two Condensing Units and

Installation of Control Units for the City of Sandusky Service Center Project, be and the same hereby are approved by this City Commission.

Section 2. This City Commission hereby declares it necessary to proceed with the proposed 2024 Replacement of Two Condensing Units and Installation of Control Units for the City of Sandusky Service Center Project at the earliest possible time.

Section 3. The City Manager is authorized and directed to advertise for and to receive bids in relation to the proposed 2024 Replacement of Two Condensing Units and Installation of Control Units for the City of Sandusky Service Center Project as required by law.

Section 4. 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 5. 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 6. 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.

RICHARD R. BRADY
PRESIDENT OF THE CITY COMMISSION

ATTEST: _____
CATHLEEN A. MYERS
CLERK OF THE CITY COMMISSION

Passed: November 27, 2023



DEPARTMENT OF PUBLIC WORKS

240 Columbus Avenue

Sandusky, Ohio 44870

419.627.5829

www.cityofsandusky.com

To: John Orzech, City Manager

From: Megan Stookey, Project Manager
Engineering Services, Department of Public Works

Jason Werling, Recreation Superintendent
Parks & Recreation Division, Department of Community Development

Date: November 14, 2023

Subject: Commission Agenda Item – Permission to Bid 2024 Boy with the Boot, Cast Iron Pipe Lining

ITEM FOR CONSIDERATION: Requesting legislation authorizing the City to accept bids for the 2024 Boy with the Boot, Cast Iron Pipe Lining project.

BACKGROUND INFORMATION: During start up of the Boy with the Boot fountain in Spring of 2023 it was discovered by staff that water was being lost in the fountain, causing the water level to fluctuate. Staff went through process of elimination with testing all drainpipes and plumbing fittings that are hooked up to the fountain, discovering the water loss was happening in the circulating pump cast iron drainpipes, constantly used for re-circulating the water. Staff worked diligently to come up with a plan to best address the problem without digging out foundations and parts of the fountain to make repairs by lining the pipe.

City staff has prepared specifications for lining approximately 60' of cast iron pipe that runs to the recirculating pump and punch out connection points to regain positive flow. The work has an Engineer's Estimate of \$18,075.00 and a completion date set of May 1, 2024 to assure operation of the fountain is back in service during early Spring.

This repair method is anticipated to be at least 1/4 the cost of replacing said lines, considering traditional excavation and partial demolition of the fountain would require rebuilding the tufa rock structure and mortar, including extensive concrete repair work as well, not including the other utilities and control wiring in the same vicinity of this piping.

BUDGETARY INFORMATION: The estimated cost of the project, including engineering and inspection is \$18,075.00 and shall be paid for with Parks & Recreation funds made available through the Mylander Foundation.

ACTION REQUESTED: It is recommended that proper legislation be prepared authorizing the City to accept bids on the 2024 Boy with the Boot, Cast Iron Pipe Lining project be approved and that the necessary legislation be passed under suspension of the rules and in accordance with Section 14 of the City Charter to allow for bidding to take place immediately after approval, to return back to Commission

for contract Award prior to the end of January, allowing the winning contractor three months to perform the work, as the completion date has been set as May 1, 2024.

I concur with this recommendation:

John Orzech
City Manager

Aaron Klein
Director of Public Works

Colleen Gilson
Director of Community Development

cc: C. Myers, Commission Clerk; M. Reeder, Finance Director; S. Hastings, Law Director

RESOLUTION NO. _____

A RESOLUTION DECLARING THE NECESSITY FOR THE CITY TO PROCEED WITH THE PROPOSED 2024 BOY WITH THE BOOT, CAST IRON PIPE LINING PROJECT; APPROVING THE SPECIFICATIONS AND ENGINEER'S ESTIMATE OF COST THEREOF; AND DIRECTING THE CITY MANAGER TO ADVERTISE FOR AND RECEIVE BIDS IN RELATION THERETO; AND DECLARING THAT THIS RESOLUTION SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.

WHEREAS, in the Spring of 2023 it was discovered that water was being lost in the Boy with the Boot fountain and through a process of elimination by testing all drainpipes and plumbing fittings to the fountain, realized the water loss was occurring in the circulating pump cast iron drainpipes; and

WHEREAS, the proposed 2024 Boy with the Boot, Cast Iron Pipe Lining Project involves the lining of approximately sixty (60) feet of cast iron pipe that runs to the recirculating pump and punch out connection points which will restore positive flow through the fountain; and

WHEREAS, the total estimated cost of the project, including engineering and inspection, is \$18,075.00 and will be paid with Parks & Recreation Funds donated by the Mylander Foundation; and

WHEREAS, this Resolution should be passed as an emergency measure under suspension of the rules in accordance with Section 14 of the City Charter in order to bid the project, receive competitive prices and award a contract by the end of January 2024, so the project can be completed by the deadline of May 1, 2024; 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 **Resolution** 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 RESOLVED BY THE CITY COMMISSION OF THE CITY OF SANDUSKY, OHIO, THAT:

Section 1. The specifications and estimates of cost as prepared by the Director of Public Works and submitted to this City Commission, and which are now on file in the offices of the Director of Public Works and the Clerk of the City Commission, for the proposed 2024 Boy with the Boot, Cast Iron Pipe Lining Project, be and the same hereby are approved by this City Commission.

Section 2. This City Commission hereby declares it necessary to proceed with the proposed 2024 Boy with the Boot, Cast Iron Pipe Lining Project at the earliest possible time.

Section 3. The City Manager is authorized and directed to advertise for and

to receive bids in relation to the proposed 2024 Boy with the Boot, Cast Iron Pipe Lining Project as required by law.

Section 4. 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 5. 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 6. 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.

RICHARD R. BRADY
PRESIDENT OF THE CITY COMMISSION

ATTEST: _____
CATHLEEN A. MYERS
CLERK OF THE CITY COMMISSION

Passed: November 27, 2023



DEPARTMENT OF COMMUNITY DEVELOPMENT

240 Columbus Avenue
Sandusky, Ohio 44870

419.627.5832

www.cityofsandusky.com

To: John Orzech, Interim City Manager

From: Colleen Gilson, Director of Community Development

Date: November 14, 2023

Subject: Commission Agenda Item – ED Fund Grant Agreement – WTF-R2 Investments LLC (dba What the Fried Rice)

ITEM FOR CONSIDERATION: Legislation approving a Grant Agreement with WTF-R2 Investments LLC for the purposes of furthering economic development and commercial revitalization efforts in the City.

BACKGROUND INFORMATION: WTF-R2 Investments LLC owner, Li Yu has been in the restaurant industry for over 35 years. He started as a dishwasher at age 13 and has worked in every aspect of the industry since – including 5 years for others, 20 years in family business, and as owner and manager of his restaurants for the last 10 years. Li has a degree from the University of Toledo with a double major in marketing and entrepreneurship and speaks fluent English, Korean, and Mandarin Chinese.

What the Fried Rice is a fast-casual Asian cuisine restaurant offering cook-to-order dishes made with fresh ingredients and include fried rice, noodles, ramen, stir fries, and a variety of appetizers. Every dish is unique and catered to personal tastes. Gluten-free, vegetarian, and vegan options are available as well. The company currently operates in Northwood, Ohio and it is delighted to have its second location in Sandusky.

WTF-R2 Investments LLC has successfully negotiated a lease for the space located at 186 E Market Street – a 3,214 square foot space - at the corners of East Market and Wayne Streets. The lease offers WTF-R2 the option to renew for 2 additional five-year periods.

WTF-R2 Investments LLC estimates annual sales revenue of \$550,000 in year one followed by \$605,000 and \$700,000 in the second and third year, respectively. Annual payroll in year one is \$125,000 with ten thousand dollar increases each year for the following two years. FTEs are estimated at 8, 10 and 12 in years one, two and three with average pay at \$24,000, \$26,00 and \$28,000 in each year.

Project cost for the build out of the restaurant space and necessary equipment is \$141,441. Owners plan to borrow funds and utilize tenant improvement allowance from building owner for the project.

A grant in the amount of \$15,000 was recommended for approval by the Economic Development Incentive Committee at its meeting on November 14, 2023.

BUDGETARY INFORMATION: The City will be responsible for providing \$15,000 in grant proceeds from the Economic Development Capital Projects Fund on a reimbursement basis.

Action Requested: It is requested that the proper legislation be prepared to allow the City to enter into a Grant Agreement with WTF-R2 Investments LLC. It is further requested that this legislation be passed in accordance with Section 14 of the City Charter to ensure timely completion of the project.

I concur with this recommendation:

John Orzech
City Manager

Colleen Gilson
Director of Community Development

cc: Stewart Hastings, Law Director
 Michelle Reeder, Finance Director
 Cathy Myers, City Commission Clerk

NOVEMBER 13, 2023

ECONOMIC DEVELOPMENT INCENTIVE COMMITTEE SUMMARY

WTF-R Investments LLC

APPLICANT(S): WTF-R Investments LLC (dba What the Fried Rice)

PRINCIPAL OWNERS: Li Yu – 100%

RECOMMENDATION: \$15,000 Economic Development Fund grant to be approved by the Economic Development Incentive Committee on the condition that the applicant obtain all relevant permits and display a sign evidencing City of Sandusky support for one year after project completion. The project improvements shall be completed by May 1, 2024

BACKGROUND AND PROJECT DESCRIPTION

WTF-R Investments LLC owner, Li Yu has been in the restaurant industry for over 35 years. He started as a dishwasher at age 13 and has worked in every aspect of the industry since – including 5 years for others, 20 years in family business, and as owner and manager my his restaurants for the last 10 years. Li has a degree from the University of Toledo with a double major in marketing and entrepreneurship and speaks fluent English, Korean, and Mandarin Chinese

WTF-R Investments LLC (dba What the Fried Rice) has successfully negotiated a lease for the space located at 186 E Market Street – a 3,214 square foot space - at the corners of East Market and Wayne Streets. The lease offers WTF-R the option to renew for 2 additional five-year periods.

What the Fried Rice is a fast-casual Asian cuisine restaurant offering cook-to-order dishes made with fresh ingredients and include fried rice, noodles, ramen, stir frys, and a variety of appetizers. Every dish is unique and catered to personal tastes. Gluten-free, vegetarian, and vegan options are available as well. The company currently operates in Northwood, Ohio and it is delighted to have its second location in Sandusky.

WTF-R Investments LLC estimates annual sales revenue of \$550,000 in year one followed by \$605,000 and \$700,000 in the second and third year, respectively. Annual payroll in year one is \$125,000 with ten thousand dollar increases each year for the following two years. FTEs are estimated at 8, 10 and 12 in year's one, two and three with average pay at \$24,000, \$26,00 and \$28,000 in each year.

PROJECT FINANCING

The project cost for the above-mentioned work \$141,441. The applicant is requesting assistance of \$15,000. Owners plan to borrow funds and utilize tenant improvement allowance from building owner for the project.

FINANCIAL SUMMARY

The project is a new business therefore does not have existing financials for review. As it is a second location, Mr. Yu did share financials for his existing location for the period 2022. The business did incur a slight loss in 2022. It was explained that losses were due in part to inflation resulting in higher cost of goods as well as labor shortage which caused the store to be operating at a reduced schedule therefore decreasing sales. Mr. Yu also noted that impacts of COVID have still been felt in his operations. He is confident, however, that 2023 will see better returns.

RECOMMENDATION

I recommend a grant of \$15,000 to assist with the completion of this project. This project will reactivate a prominent corner storefront in downtown Sandusky. It will assist in job creation.

Project Uses

Construction Cost/Renovation

Architectural	\$2,800
Permits	\$1,500
Carpentry	\$23,000
Painting	\$2,800
Ceiling fans	\$600
Electrical	\$16,000
HVAC	\$4,000
Archway reconstruction b/w units	\$5,500
Plumbing	\$14,000
General contractor fee	\$5,000
Indoor signage & marketing	\$2,650
Mural (back wall only)	\$4,650
Outdoor signage	\$1,400

Equipment

Kitchenall	\$7,495
Wolverine Sushi Bar	\$30,200
Specialty Store Services	\$12,202
<u>Key Bank/point of sale system</u>	<u>\$8,294</u>

Total Project Costs	\$142,091
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Project Sources

Allowance – Tenant Improvement Funds	\$30,540
Private Lending	\$80,000
Owner Investment	\$16,551
<u>City of Sandusky Economic Development Fund</u>	<u>\$15,000</u>

Total Project Sources	\$142,091
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CERTIFICATE OF FUNDS

In the Matter of: Economic Development Grant- WTF-R2

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.

Account #431-4070-53000

By: _____

Michelle Reeder

Michelle Reeder

Finance Director

Dated: 11/14/23

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING AND APPROVING A GRANT IN THE AMOUNT OF \$15,000.00 THROUGH THE ECONOMIC DEVELOPMENT FUND PROGRAM TO WTF-R2 INVESTMENTS LLC (D.B.A. WHAT THE FRIED RICE) IN RELATION TO THE PROPERTY LOCATED AT 186 EAST MARKET STREET; AND DECLARING THAT THIS ORDINANCE SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.

WHEREAS, Li Yu is the owner of WTF-R2 Investments LLC (d.b.a. What the Fried Rice) and has negotiated a lease for the space located at 186 E. Market Street, on the corner of East Market Street and Wayne Street, to operate a fast-casual Asian cuisine restaurant; and

WHEREAS, Li Yu has been in the restaurant industry for over thirty-five (35) years, including twenty (20) years in family business and the last ten (10) years managing his restaurants; and

WHEREAS, What the Fried Rice will offer cook-to-order dishes made with fresh ingredients and includes fried rice, noodles, ramen, stir-fries, and a variety of appetizers; and

WHEREAS, the City has determined that this 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; and

WHEREAS, the Economic Development Incentive Committee met on November 14, 2023, and is recommending to approve a grant to WTF-R2 Investments LLC (d.b.a. What the Fried Rice) in the amount of \$15,000.00 to assist with project costs for the purposes of furthering economic development and revitalization efforts in the City; and

WHEREAS, this Ordinance should be passed as an emergency measure under suspension of the rules in accordance with Section 14 of the City Charter in order to immediately approve the Grant Agreement to ensure the timely completion of the 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 Grant Agreement with WTF-R2 Investments LLC (d.b.a. What the Fried Rice) for financial assistance through the Economic Development Fund Program for the purpose of furthering economic development, 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. This City Commission authorizes and approves the grant funding to WTF-R2 Investments LLC (d.b.a. What the Fried Rice) in an amount **not to exceed** Fifteen Thousand and 00/100 Dollars (\$15,000.00) from the Economic Development Capital Projects Funds of the City of Sandusky pursuant to and in accordance with the terms of the Grant Agreement.

Section 3. If any section, phrase, sentence, or portion of this Ordinance is for any reason held invalid or unconstitutional by any Court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

Section 4. This City Commission finds and determines that all formal actions of this City Commission concerning and relating to the passage of this Ordinance were taken in an open meeting of this City Commission and that all deliberations of this City's Commission and any of its committees that resulted in those formal actions were in meetings open to the public, in compliance with all legal requirements.

Section 5. That for the reasons set forth in the preamble hereto, this Ordinance is hereby declared to be an emergency measure which shall take immediate effect in accordance with Section 14 of the City Charter after its adoption and due authentication by the President and the Clerk of the City Commission of the City of Sandusky, Ohio.

RICHARD R. BRADY
PRESIDENT OF THE CITY COMMISSION

ATTEST: _____
CATHLEEN A. MYERS
CLERK OF THE CITY COMMISSION

Passed: November 27, 2023



DEPARTMENT OF COMMUNITY DEVELOPMENT

240 Columbus Avenue
Sandusky, Ohio 44870
419.627.5707
www.cityofsandusky.com

To: John Orzech, City Manager
From: Collen Gilson, Director of Community Development
Date: November 18, 2023
Subject: Commission Agenda Item – Sale of Property and American Rescue Plan Act (ARPA) Grant – Community Building Partners, LLC

Items for Consideration: Legislation authorizing the City Manager to enter into the following agreements with Community Building Partners, LLC (the “Buyer”): a) a Real Estate Purchase Agreement (the “Purchase Agreement”) for the sale of the former Osborne School building, permanent parcel number 58-65001.000, located at 920 Osborne Street (the “Property”), and b) an American Rescue Plan Act (ARPA) Subgrant Agreement (the “Grant Agreement”) to enable the project.

Background Information: Sandusky is gifted with historic structures, but that comes with the challenge of how to ensure they are preserved and remain in use. Sandusky is also challenged with the need for housing units, with the greatest gap in availability recognized for individuals of modest income. According to the 2023 Firelands Region Housing Needs Assessment, Erie County has a gap of 1,637 rental units across all price points.

In 2023, the City entered into a purchase agreement with the Sandusky Board of Education to acquire the Property. The purpose of that purchase was to foster an adaptive reuse project to turn it into housing units and bring it up to modern accessibility standards while preserving its historic character. The proposed sale and grant agreements herein are the next step for accomplishing these goals.

Community Building Partners is a mission-based for-profit developer with a wealth of experience in scoping large, complex projects— including both adaptive reuse and new construction —and in using tax credits, loans, and grants to finance projects for public benefit. A significant portion of these projects focus on affordable housing and continue to serve their intended purpose today after decades of service. CBP principles have over 40 years of experience in community and economic development, specializing in public-private initiatives designed to increase housing, educational, and employment opportunities for marginalized populations in metropolitan areas while promoting environmental stewardship and social equity.

Project Proposal

The Purchase Agreement terms are in conjunction with the Subgrant Agreement terms and require adherence to the Project Proposal including:

- Renovation of all existing improvements at 920 West Osborne Street
- Adherence to the Secretary of the Interior Standards of Historic Preservation for all interior and exterior work
- Addition of modern safety and accessibility improvements including elevator, sprinkler system, ADA-compliant accessibility to the building, and full ADA accessibility to select living units
- Creation of a minimum of 20 living units, proposed as 1- and 2-bedroom dwellings
 - Age restricted to 55+

- A minimum of 4 units will be at or below 50% AMI for 20 years

If IRC Section 42 Federal Housing Credits are utilized for the community, the affordability will extend to all residential units.

Creation of attractive common areas interior and exterior of the building

- Creation of interior common room / appropriate capacity to host wrap-around services such as healthcare consultation for residents
- Enhancement and retention of playground area open to community access
- Exterior parking, lighting, and landscape improvements

Community Building Partners will create and enact a community engagement plan to engage neighborhood residents.

A) Terms of the Purchase Agreement

Terms of the agreement call for the Property to be sold for \$100,000. The agreement sets forth an option period until May 31, 2024 in order to conduct due diligence and secure project financing. There is a traditional split of closing costs.

B) Terms of the Grant Agreement

Terms of the agreement call for a grant in the amount of \$750,000 with a specified disbursement schedule and adherence to the project proposal. Grant source is American Rescue Plan Act funds.

Budgetary Information: The negotiated sale price is \$100,000. The City will also be responsible for paying half of the closing costs. The source of funding is Real Estate Development funds. The City will be responsible for providing \$750,000 in grant proceeds from the American Rescue Plan Act funds on a reimbursement basis based on predetermined project benchmarks/deliverables.

Action Requested: It is requested that the proper legislation be prepared to allow the City to enter into a Purchase Agreement for the sale of 920 Osborne Street, known as the former Osborne School, parcel no. 57-65001.000 and an American Rescue Plan Act (ARPA) Subgrant Agreement with Community Building Partners, LLC. It is further requested that this legislation be passed in accordance with Section 14 of the City Charter to allow the City to immediately proceed with execution of the agreement and prevent delays in the development of the site.

Colleen Gilson
Community Development Director

I concur with this recommendation:

John Orzech
City Manager

cc: Stewart Hastings, Law Director
Michelle Reeder, Finance Director
Cathy Myers, City Commission Clerk

CERTIFICATE OF FUNDS

In the Matter of: Osborn School Grant

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.

Account #240-0000-53000

By: Michelle Reeder

Michelle Reeder

Finance Director

Dated: 11/21/23

ORDINANCE NO. _____

AN ORDINANCE DECLARING THAT CERTAIN REAL PROPERTY OWNED BY THE CITY LOCATED AT 920 WEST OSBORNE STREET (FORMER OSBORNE ELEMENTARY SCHOOL), AND IDENTIFIED AS PARCEL NO. 58-65001.000, IS NO LONGER NEEDED FOR ANY MUNICIPAL PURPOSE AND AUTHORIZING AND DIRECTING THE CITY MANAGER TO ENTER INTO A REAL ESTATE PURCHASE AGREEMENT TO SELL THE DESIGNATED REAL PROPERTY TO COMMUNITY BUILDING PARTNERS, LLC FOR THE PURPOSE OF THE DEVELOPMENT OF AFFORDABLE SENIOR HOUSING; AND DECLARING THAT THIS ORDINANCE SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.

WHEREAS, the City is gifted with historic structures, including the former Osborne Elementary School, located at 920 W. Osborne Street, but that comes with challenges to ensure the buildings are preserved and remain in use; and

WHEREAS, the City is also challenged with the need for housing units, with the greatest gap in availability recognized for individuals of modest income and according to the 2023 Firelands Region Housing Needs Assessment, Erie County has a gap of 1,637 rental units across all price points; and

WHEREAS, this City Commission authorized the purchase of real property located at 920 W. Osborne Street (former Osborne Elementary School), and identified as Parcel No. 58-65001.000 from the from the Board of Education of the Sandusky City School District by Ordinance No. 23-210, passed on October 23, 2023; and

WHEREAS, the purchase of the historic Osborne School building was a collaboration for the benefit of the community with the intent to foster rehabilitation through an adaptive reuse project and to create at least twenty (20) new housing units with modern accessibility standards, while preserving the buildings historic character; and

WHEREAS, Community Building Partners, LLC, is a mission-based for-profit developer with a wealth of experience in scoping large, complex projects, including both adaptive reuse and new construction, and in using tax credits, loans, and grants to finance projects for public benefit and a significant portion of these projects focus on affordable housing, with over 40 years of experience in community and economic development, specializing in public-private initiatives designed to increase housing, educational, and employment opportunities for marginalized populations in metropolitan areas while promoting environmental stewardship and social equity; and

WHEREAS, the renovations to the former Osborne Elementary School includes the creation of a minimum of twenty (20) living units, attractive common areas interior and exterior of the building, enhancement and retention of playground areas open to community access, exterior parking, lighting, and landscape improvement, and will have an age restriction of 55+; and

WHEREAS, the sale price of the property is \$100,000.00 and the City will be responsible for half of the closing costs and providing \$750,000.00 in grant funds from the American Rescue Plan Act (ARPA) Stimulus fund on a reimbursable basis based on predetermined project benchmarks and deliverables; and

WHEREAS, it is being requested in companion legislation to approve a Subgrant Agreement with Community Building Partner, LLC, for the terms relating to American Rescue Plan Act (ARPA) Stimulus Funds to be provided by the City; and

WHEREAS, this Ordinance should be passed as an emergency measure under suspension of the rules in accordance with Section 14 of the City Charter in order to immediately proceed with execution of the agreements and allow the development plans to proceed; 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 Parcel No. 58-65001.000, located at 920 W. Osborne Street, Sandusky, more specifically described in Exhibit "1", 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 pursuant to Section 25 of the Charter of this City.

Section 2. The City Manager is hereby authorized and directed to enter into a Real Estate Purchase Agreement with Community Building Partners, LLC for the sale of Parcel No. 58-65001.000, located at 920 W. Osborne Street, Sandusky, for the purpose of development affordable senior housing, 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.

Section 3. The City Manager, Finance Director and Law Director are authorized and directed to take such other actions and measures as are incident to and reasonably necessary to effect the sale of Parcel No. 58-65001.000, located at 920 W. Osborne Street, in Sandusky.

Section 4. 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 5. 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 6. That for the reasons set forth in the preamble hereto, this Ordinance is hereby declared to be an emergency measure which shall take immediate effect in accordance with Section 14 of the City Charter after its adoption and due authentication by the President and the Clerk of the City Commission of the City of Sandusky, Ohio.

RICHARD R. BRADY
PRESIDENT OF THE CITY COMMISSION

ATTEST: _____
CATHLEEN A. MYERS
CLERK OF THE CITY COMMISSION

Passed: November 27, 2023

REAL ESTATE PURCHASE AGREEMENT

THIS REAL ESTATE PURCHASE AGREEMENT (the “Agreement”) is made and entered into as of the date of the execution hereof by the last party to execute this Agreement (the “Effective Date”), by and between **CITY OF SANDUSKY**, whose mailing address is 240 Columbus Avenue, Sandusky, Ohio 44870 (“Seller”) and **COMMUNITY BUILDING PARTNERS, LLC**, an Ohio limited liability corporation, or its assignee (the “Buyer”). The Buyer’s mailing address is 388 West Sixth Avenue, Columbus, Ohio 43201.

RECITALS

Seller is an Ohio Municipality with an opportunity to acquire a surplus school building from the Sandusky City School District which is the current owner in fee simple of the property commonly known as Osborne Elementary School, 920 West Osborne Street located in the City of Sandusky, County of Erie, State of Ohio, (the “Property”) which is more particularly described in the Legal Description attached hereto as Exhibit “A” and incorporated as if fully rewritten herein. Seller desires to sell and convey and Buyer desires to buy the Property, together with Seller’s interests in all easements, roadways, utilities, rights appurtenant thereto and any and all buildings and improvements located thereon, pursuant to the terms of this Agreement.

Further, this Agreement is being made in conjunction with a Subgrant Agreement for American Rescue Plan Act funds to fund a proposed development on this property. A breach of that agreement shall also constitute a breach of this Agreement and cause the cancellation of this purchase Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants set forth in this Agreement, the efforts and expenditures Buyer will hereafter incur in relation to investigating the Property and processing the acquisition of the Property, and for other good and valuable consideration, hereby acknowledged by Seller and Buyer to their mutual satisfaction, Seller and Buyer hereby covenant and agree as follows:

1. **OPTION PERIOD.** Seller hereby grants to Buyer the exclusive right to elect to purchase the Property until May 31, 2024 (the “Option Period”) pursuant to the terms and conditions hereinafter set forth. The Buyer must notify Seller of its election to purchase the Property prior to the expiration of the Option Period.
2. **CONDITION PRECEDENT.** The obligations identified in this Agreement are expressly predicated upon the acquisition of the Property by City from the Sandusky City School District. The obligations of Seller and Buyer are made effective immediately upon such contract to purchase or actual acquisition.
3. **CONTINGENCIES.** The Contingency Period shall be equal to the Option Period. Buyer’s obligation to purchase the Property is contingent upon all of the following:

(a) Buyer shall have the Option Period (the "Due Diligence Period") for approval of zoning, soil test, storm drainage, availability and sufficiency of sanitary sewer, water, electricity, gas and any other utilities, availability and sufficiency of parking, or variance relating to parking, for an environmental inspection of the Property, and for obtaining an engineering study of the Property, all of which must be satisfactory to Buyer, at Buyer's sole discretion. Buyer shall have sixty (60) days to analyze the material provided by Seller pursuant to paragraph 4 below.

(b) Buyer shall have the Option Period to obtain financing in an amount and with term satisfactory to Buyer and including a grant of acquisition and partial rehabilitation funds from the City of Sandusky in an amount and under terms acceptable to Buyer.

(c) Buyer's obligation and redevelopment plan are contingent on obtaining seventy-five percent (75%) real estate tax abatement for a period of 10 years under terms acceptable to Buyer.

(d) Seller's obligation to sell the Property is subject to approval of the sale by the Sandusky City Commission which will be evidenced by approval of this Purchase Agreement.

The above stated contingencies shall not be released or waived except by written notification from Buyer to Seller prior to the end of the Contingency Period.

4. SELLER COOPERATION. Seller hereby agrees to cooperate fully with Buyer on its investigation of the Property.

Seller will use its best efforts to facilitate Buyer, its agents and licensees to enter upon the Property to perform such inspections and evaluations as Buyer deems necessary or appropriate. Buyer shall be responsible for any damages to the site which are related to soil or environmental investigations conducted at the instruction of the Buyer. Buyer will obtain permission from Sandusky City School District for such investigations

Seller shall cooperate with Buyer with respect to zoning and plan approval matters which may be required by the City of Sandusky for the Buyers intended use.

Within seven (7) days after the full execution of this Agreement, Seller shall support the request of Buyer to the Sandusky City School District for the delivery of the following information and/or materials identified below, to the extent the same are available and in the possession of Sandusky City School District, which shall be available for use by Buyer in preparation for the purchase of the Property.

(a) Surveys, site plans, utility, engineering and topographical maps, property descriptions

and zoning maps of the property.

- (b) Any environmental reports or analyses of the Property, indicating the presence or absence of hazardous or toxic wastes, substances or materials in, on or about the Property.
- (c) A copy of the deed and any available title insurance commitments, policies, guaranties, or reports describing or insuring title to the Property.
- (d) A copy of all leases and tenant information; and
- (e) Any other information, whether written or oral, of which Seller has knowledge and which deals with or about, or affects or may affect in any manner, the Property or the transaction contemplated hereunder.

If Buyer does not purchase the Property, all such materials provided to Buyer shall be promptly returned to Seller. Seller's obligation to furnish the materials and information required herein to Buyer shall continue throughout the term of this Agreement and at all times up to the completion of the Closing and the transfer of title to the Property to Buyer or termination of this Agreement, and shall extend to Seller, or any agent, employee, or representative of the Seller.

5. WARRANTIES AND REPRESENTATIONS. In addition to any other representation or warranty contained in this Agreement, Seller hereby represents and warrants to the best of its actual knowledge the following:

- (a) Neither Seller nor any agent, employee, or representative of Seller, has received any notice or notices, either orally or in writing, from any municipal, county, state or any other governmental agency or body, of any zoning, fire, health, environmental or building violation, or violation of any law, ordinances, statutes or regulations relating to pollution or environmental standards, which have not heretofore been corrected or disclosed in writing to Buyer.
- (b) The execution, delivery and performance of this Agreement and the consummation of the transaction contemplated hereby, will not result in any breach of, or constitute any default under, or result in the imposition of any lien or encumbrance against, the Property, under any agreement or other instrument to which Seller is a party or by which Seller or the Property might be bound, except the "due on sale" covenants of the mortgage encumbering the Property.
- (c) Neither Seller, nor any agent, employee, or representative of Seller, has received any notice or notices, either orally or in writing, of any change contemplated in any applicable laws, ordinances or restrictions, or any judicial or administrative action, or any action by adjacent landowners, which would prevent, limit or in any manner interfere with the proposed sale of the Property or the Buyer's proposed use.

- (d) No other person, firm, corporation, or entity has or will have any right or option to acquire the Property, or any portion thereof, other than Buyer or its designee or assignee.
- (e) The execution, delivery and performance by Seller of this Agreement and the performance by Seller of the transactions contemplated hereunder, and conveyance and delivery by Seller to Buyer of possession and title to the Property have each been duly authorized by such persons or authorities as may be required by law, contract or otherwise, and on the Closing Date, Seller shall provide Buyer with certified resolutions, or other instruments, in form satisfactory to Buyer, evidencing such authorization.
- (f) Through and until the Closing, Seller shall not, without the written consent of Buyer, enter into any easement, lease or other contract pertaining to the Property which is not cancelable upon notice of thirty (30) days or less.
- (g) At the successful conclusion of the Acquisition from Sandusky City School District, Seller shall be the holder of good and marketable fee simple title to the Property, free and clear of liens and encumbrances, except those approved by Buyer pursuant to paragraph 9 of this Agreement, and after approval of City Commission Seller will have full and unrestricted power and authority to convey the same as herein set forth.

The warranties, representatives, covenants and agreements set forth in this Agreement shall not be canceled by performance under this Agreement but shall survive the closing of this transaction and the delivery of the deed of conveyance hereunder for a period of two (2) years. All representations and warranties set forth herein shall be true and correct as of the date hereof and as of the Closing Date; and at Closing, Seller shall so certify by written instrument in a form acceptable to Buyer.

6. FAILURE TO PERFORM RELATED AGREEMENTS. This Agreement is being made in conjunction with a Subgrant Agreement for American Rescue Plan Act funds to fund a proposed development on this property. A breach of that agreement or any related development agreement shall also constitute a breach of this Agreement and cause the cancellation of this purchase Agreement.

7. CLOSING. The closing on the purchase of the Property will be no later than forty-five (45) days after the date Buyer advises Seller that all contingencies have been waived. The closing shall be conducted at such time and place as Buyer and Seller shall mutually determine.

8. PURCHASE PRICE. The purchase price for the Property shall be One Hundred Thousand Dollars, (\$100,00000). The purchase price shall be due and payable to Seller at

the Closing in current United States funds.

9. EVIDENCE OF TITLE.

A. Title Insurance. Within ten (10) days after receiving notice of Buyer's election to purchase the Property, Buyer shall cause to be issued, at Buyer's expense, a commitment to issue an American Land Title Association Owner's Title Insurance Policy - (ALTA1992 Form B), in the full amount of the purchase price, showing Seller with good and marketable title to the Property, free and clear of all liens, charges, encumbrance and clouds of title, whatsoever, except the following:

- (a) Those created or assumed by Buyer.
- (b) Zoning ordinances, legal highways and public rights-of-way which do not interfere with Buyer's proposed development and operation of the Property.
- (c) Real estate taxes which are a lien on the Property which are not yet due and payable.
- (d) Easements (including mining and mineral rights) and restrictions of record acceptable to Buyer which do not interfere with Buyer's proposed use of the Property; and
- (e) Leases in written form disclosed to the Buyer prior to closing.

If the legal description for the Property includes more than one parcel, the title insurance commitment shall state affirmatively that on the closing date, the Property shall have direct access to dedicated public highways that abut the Property. The title insurance commitment shall fully and completely disclose all easements, restrictions, rights-of-way, ingress or egress or any other appurtenances to the Property, whether negative or affirmative and shall provide insurance coverage in respect to all of such appurtenant rights. Said title insurance shall also include zoning and comprehensive endorsements in favor of the Buyer and/or Buyer's lender(s) as permitted by insurance law and as directed by Buyer.

In the event that Buyer's examination of either the title insurance commitment (including any endorsements thereto) or any survey of the Property discloses any matter adversely affecting title to the Property, or if title to the property is not marketable, or if the Property is subject to liens, encumbrances, easements, conditions, restrictions, reservations or other matters not specifically excepted by the terms of this Agreement, or in the event of any encroachment or other defect shown by said survey, Buyer will give Seller written notice of said defect within ten (10) days of receipt of title insurance commitment and Seller shall have a reasonable time, not to exceed thirty (30) days after written notice thereof, within which to cure or remove any such lien, encumbrance, easement, condition, restriction, reservation or encroachment or other defect. In the event Seller is unable to cure or remove said defect or defects within said thirty (30) day period, Seller shall forthwith give notice of Seller's inability to Buyer and thereafter, Buyer shall have ten (10) days after receipt of such notice within which to make its election either:

- (a) To accept title to the Property subject to such defect or encumbrance; or
- (b) To withdraw from this transaction and terminate this Agreement.

B. Survey. Buyer may obtain, at Buyer's expense, a boundary survey, legal description, and topographical survey of the Property prepared by a registered land surveyor or engineer licensed to practice in Ohio. The boundary survey shall indicate thereon the location of all structures and improvements, if any, and exact boundaries of the Property. The survey shall reflect thereon the location of, and the recording information establishing, all easements, reservations, restrictions, limitations and dedications. The boundary survey shall be certified to the Buyer, the title insurance company, and to other parties as the Buyer may direct, to a date subsequent to the date hereof and shall indicate that there are no encroachments of any type whatsoever. The legal description of the Property shall be included on the survey. The topographical survey shall show such detail of elevations as may be satisfactory to Buyer.

10. CLOSING DOCUMENTS. Seller shall, at the Closing, convey fee simple title to the Property to Buyer by a duly and validly executed, recordable general warranty deed, free and clear of all liens and encumbrances, except those permitted pursuant to the provisions of Section 8 hereof. Seller shall be responsible for obtaining any governmental, quasi-governmental or other approvals necessary for the transfer of the property.

Buyer and Seller agree that such other documents as may be legally necessary or appropriate to carry out the terms of this Agreement shall be executed and delivered by the appropriate party at Closing. Such documents shall include without limitation a closing statement, Seller affidavit regarding liens, unrecorded matters and possession, and Seller's affidavit regarding the warranties and representations set forth in Section 6 hereof.

11. POSSESSION. Buyer shall be entitled to full and exclusive possession of the Property as of the Closing, subject to the Buyer's approval under paragraph 9 herein subject to Leases permitted by this agreement and Leases executed prior to the date of this agreement.

12. ADJUSTMENTS AT CLOSING. At the Closing, Buyer and Seller shall apportion adjust and prorate the following items in the manner hereinafter set forth.

(a) Seller's Expense. Seller shall, at the Closing (unless previously paid), pay or credit against the purchase price the following:

- (i) The cost of any transfer or conveyance fee required to be paid in connection with the recording of the General Warranty Deed from Seller to Buyer.
- (ii) Any and all fees for attorneys engaged by Seller.

(b) Buyer's Expenses. Buyer shall, at the Closing (unless previously paid), pay the following:

- (i) The recording fees required for recording the General Warranty Deed.
- (ii) Any and all fees for attorneys engaged by Buyer; and
- (iii) Any all costs for Lender's title commitment and policy.

(c) Brokers. Seller and Buyer hereby warrant and represent to the other party that each of them has not engaged or dealt with any other broker or agent in regard to this Agreement or to the purchase and sale of the Property contemplated hereby. Each party shall be responsible to indemnify the other for undisclosed broker's fees and commissions.

13. DAMAGE OR DESTRUCTION. Risk of loss to the Property from fire or other casualty shall be borne by Seller until closing, provided that Buyer may either (a) elect to proceed with the transaction in which event Buyer shall be entitled to all insurance proceeds, if any, payable to Seller under any and all policies of insurance covering the premises so damaged or destroyed; or (b) terminate this Agreement, in which event the Seller shall retain such proceeds.

14. TAKING BY EMINENT DOMAIN. If, prior to the Closing hereof, eminent domain proceedings shall be threatened or commenced by any competent public authority against the Property, or any part of portions thereof, Buyer shall have the option of either (a) to elect to proceed with this transaction, in which event any compensation award paid or payable as a result of such eminent domain proceedings shall be and become the sole property of Buyer; or (b) to terminate this Agreement, in which event the Seller shall retain such award. Seller agrees that it shall give to Buyer written notice of any such threatened or actual eminent domain proceedings within ten (10) days after Seller first becomes aware thereof, and upon the giving of such notice, Buyers shall then have thirty (30) days within which to exercise the foregoing options. If Buyer fails to exercise such options within said thirty (30) day period, this Agreement shall terminate; and, thereafter, both parties shall be released from further liability or obligation hereunder.

15. NOTICES. Whenever in this Agreement it shall be required or permitted that notice be given by either party hereto to the other, such notice shall be in writing and shall be served when either delivered in person or deposited in the U.S. mail, certified or registered, postage prepaid, and addressed to the party to be notified, at the mailing address first set forth above or at such other address as a party may hereafter designate in writing.

16. CONFLICT WITH OTHER AGREEMENTS. Neither this Agreement or anything to be done under this Agreement violates or shall violate any contract, document, agreement, court or other regulatory order or decree or other instrument or obligation to which Seller,

or Buyer, is a party or by which it or the property may be bound.

17. **CONSENTS.** No approval or consent, not heretofore obtained by any individual or entity is necessary in connection with the execution of this Agreement by Seller or Buyer or the performance of Seller's, or Buyer's, obligations under this Agreement.

18. **MISCELLANEOUS.** This Agreement shall be construed and enforced in accordance with the laws of the State of Ohio.

[Signature Page to Follow]

Exhibit 1

IN WITNESS WHEREOF, Seller and Buyer have executed this Agreement as dated herein.

Signed and acknowledged
in the presence of:

SELLER:
City of Sandusky

By: _____
John Orzech, City Manager
Date: _____

BUYER:
Community Building Partners, LLC

By: _____
Joseph J. Recchie, Chief Executive Officer
Date: _____

Exhibit 1

Prepared by and approved as to form:

Stewart Hastings, Law Director

Exhibit "A"

**Contractors Design Engineering
Consulting Engineers and Surveyors
1623 Old State Road, Norwalk, Ohio 44857**

**Legal Description For:
The Board of Education of the City of Sandusky
Osborne School Parcel
1.4681 Acres**

Being a parcel of land located in part of Outlot 33, Ward 3, City of Sandusky, Erie County, Firelands Connecticut Western Reserve, State of Ohio, and further particularly described as follows:

Beginning at a 3/4" iron pipe in a monument box found at intersection of the centerlines of Prospect Street and Osborne Street (66' R/W); Thence North 88° 22' 46" West, along the centerline of Osborne Street, a distance of 672.20 feet to a point at the intersection of the centerline of Osborne Street, the west line of Outlot 31 and the east line of Outlot 33; Thence South 02° 10' 14" East, along the west line of Outlot 31 and the east line of Outlot 33, a distance of 33.07 feet to a 5/8" iron rod set at the south right of way line of Osborne Street and a northwest corner now or formerly owned by Martin Guzman as recorded in RN 201502614 of the Erie County Recorder's Office and being the principal place of beginning;

1. Thence continuing, South 02° 10' 14" East, along the east line of Outlot 33 and west lines of Outlot 31, said Guzman's land and lands now or formerly owned by Dian M. Woodruff as recorded in RN 200107594, Martin J. Migot & Pamela J. Migot as recorded in RN 201709499, David Wilken & Loretta Wilken as recorded in RN 200107234, Carolyn M. Pankow (Parcels 1 & 2) as recorded in RN 201404068, William Evan Mackenzie Uchtman as recorded in RN 202200838 and Scott S. Russell & Heather L. Russell as recorded in RN 200111615 of the Erie County Recorder's Office, a distance of 325.90 feet to a 5/8" iron rod set at a northeast corner of land now or formerly owned by Jeremy Brown as recorded in RN 202204655 of the Erie County Recorder's Office;
2. Thence North 88° 22' 46" West, along a north line of said Brown's land, a distance of 196.66 feet to a 5/8" iron rod set at a northwest corner of said Brown's land and the east right-of-way line of McDonough Street (99' R/W);
3. Thence North 02° 10' 14" West, along the east right-of-way line of McDonough Street, a distance of 325.90 feet to a 5/8" iron rod set at the intersection of the east right-of-way line of McDonough Street and the south right-of-way line of Osborne Street;

4. Thence South 88° 22' 46" East, along the south right-of-way line of Osborne Street, a distance of 196.66 feet to the principal place of beginning and containing 1.4681 acres (63,951.2449 sq. ft.) of land more or less, but subject to all legal highways, easements and restrictions of record.

Bearings are based on Grid North of the Ohio State Plane Coordinate System, NAD83 Datum, Geoid 12A, by ODOT VRS.

Prior Deed Reference: Deed Volume 84, Page 460,
Deed Volume 84, Page 550,
Deed Volume 152, Page 423

All 5/8" iron rods set are 30" long rebar with yellow plastic caps stamped "C.D. ENG 8456 & 8512".

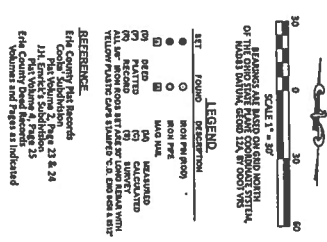
This description was prepared by Contractors Design Engineering, (Consulting Engineers and Surveyors, Norwalk, Ohio) in October 2023 per Alexander B. Etchill, Registered Surveyor No. 8512 from an actual survey performed October, 2023 on the premises by Contractors Design Engineering.



APPROVED as per Erie County Requirements
And Sections 4733-37 thru 4733-37-07 of the Ohio
Administrative Code only. No Field Verifications
for Accuracy made.

Michael T. Farrell
Engineer/Surveyor: Erie County Engineer's

Date: 10-31-2023



ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING AND DIRECTING THE CITY MANAGER TO ENTER INTO A SUBGRANT AGREEMENT WITH COMMUNITY BUILDING PARTNERS, LLC, RELATING TO THE USE OF AMERICAN RESCUE PLAN ACT (ARPA) STIMULUS FUNDS FOR THE RENOVATION OF REAL PROPERTY LOCATED AT 920 WEST OSBORNE STREET (FORMER OSBORNE ELEMENTARY SCHOOL) IN THE AMOUNT OF \$750,000; AND DECLARING THAT THIS ORDINANCE SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.

WHEREAS, this City Commission authorized the purchase of real property located at 920 W. Osborne Street (former Osborne Elementary School), and identified as Parcel No. 58-65001.000 from the from the Board of Education of the Sandusky City School District by Ordinance No. 23-210, passed on October 23, 2023; and

WHEREAS, it is being requested in companion legislation to authorize the City Manager to enter into a Real Estate Purchase Agreement to sell the property located at 920 W. Osborne Street (former Osborne Elementary School) to Community Building Partners, LLC for the purpose of the development of affordable senior housing; and

WHEREAS, the City desires to provide American Rescue Plan Act (ARPA) Stimulus Funds to Community Building Partners, LLC, in the amount of \$750,000, for this project and the Subgrant Agreement provides all the determinations as to the eligible use of funds which are at the sole discretion of the City; and

WHEREAS, this Ordinance should be passed as an emergency measure under suspension of the rules in accordance with Section 14 of the City Charter in order to immediately proceed with execution of the agreements and allow the development plans to proceed; 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 hereby authorized and directed to enter into a Subgrant Agreement with Community Building Partners, LLC, relating to the use of American Rescue Plan Act (ARPA) Stimulus Funds for the renovation of real property located at 920 W. Osborne Street, 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 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 the Community Building Partners, LLC, in an amount **not to exceed** Seven Hundred Fifty Thousand and 00/100 Dollars (\$750,000) from the American Rescue Plan Act (ARPA) Funds of the City of Sandusky to and in accordance with the terms of the 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 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.

RICHARD R. BRADY
PRESIDENT OF THE CITY COMMISSION

ATTEST: _____
CATHLEEN A. MYERS
CLERK OF THE CITY COMMISSION

PAGE 3 - ORDINANCE NO. _____

Passed: November 27, 2023

SUBGRANT AGREEMENT

Title: American Rescue Plan Act – Coronavirus Local Fiscal Recovery Fund

Funding Organization: U.S. Department of Treasury

Prime Recipient: City of Sandusky, Erie County

Assistance Listing Number and Grant Name: 21.027 – Coronavirus State and Local Fiscal Recovery Fund

Grantor: City of Sandusky, Erie County, Ohio

Subgrantee: Community Building Partners, LLC

Payment Method: Reimbursement Only

THIS SUBGRANT AGREEMENT (“Agreement”) is made as of _____, 2023 (the “Effective Date”), by and between the City of Sandusky, Erie County, State of Ohio (the “City”), and Community Building Partners, LLC, an Ohio limited liability corporation with a mailing address of 388 West Sixth Avenue, Columbus, Ohio 43201, (“Subgrantee”, and with the City both of which may be referenced herein as the “Parties” and each a “Party”).

RECITALS:

WHEREAS, the City is directing the use of federal stimulus it has received from the U.S. Treasury Secretary to fund, at least in part, projects, services, and/or the purchase of goods under this Agreement, pursuant to American Rescue Plan Act, Pub. L. 117-2 [H.R. 1319], signed into law March 11, 2021 (“ARPA”), Title IX, Subtitle M, Section 9901 amending the Social Security Act, in relevant part by adding new Sec. 603, Coronavirus Local Fiscal Recovery Fund; and,

WHEREAS, under the ARPA’s funding methodology, the City was allocated approximately \$18,000,000 (the “ARPA Funds”) to “mitigate the fiscal effects stemming from the public health emergency with respect to the Coronavirus Disease (COVID-19)”; and,

WHEREAS, the ARPA and its supporting U.S. Treasury guidance provide that ARPA Funds may only be used by the City to finance costs that (a) respond to the COVID-19 public health emergency or its negative economic impacts; (b) respond to workers performing essential work; (c) provide government services to the extent of a reduction in revenue; and (d) make necessary investments in water, sewer, or broadband infrastructure (collectively, the “Eligibility Criteria”); and,

WHEREAS, the City desires to provide ARPA Funds to Subgrantee for the purpose of developing affordable housing (the “Project”), and all determinations as to the eligible use of funds hereunder are at the sole discretion of the City, pursuant to certain advice it has received from its legal counsel, which is attached hereto as EXHIBIT A; and,

WHEREAS, Subgrantee is an Ohio limited liability corporation and as such is a mission-based for-profit developer with experience in scoping large, complex projects and in using tax credits, loans, and grants to finance projects for the public benefit, and therefore an eligible transferee under the ARPA to carry-out the Project, which represents federally funded programming of the City, all pursuant to Title IX, Sec. 603(c)(3); and,

WHEREAS, Subgrantee has proposed the means of accomplishing such Project at a budgeted cost of approximately Three Million Seven Hundred Fifty Thousand Dollars (\$3,750,000) as set forth in writing (the "Project Proposal"), attached hereto and incorporated herein as EXHIBIT B; and,

WHEREAS, the Parties acknowledge the Subgrantee's Project under this Agreement is eligible for reimbursement by the City from its ARPA Funds, to wit: the development, repair, and operation of affordable housing and services or programs to increase long-term housing security, pursuant to 31 CFR 35.6(b)(3)(ii)(A)(5); and,

WHEREAS, the City, by and through its legal counsel, has reviewed Subgrantee's Project Proposal in relation to U.S. Treasury guidance concerning ARPA, the ARPA Funds, and the Eligibility Criteria, and has determined the Project is an allowable expenditure of the City's federal stimulus allocation, subject to the terms and conditions set forth herein; and,

WHEREAS, the Subgrantee has the requisite personnel, facilities, and equipment available to execute the Project; and,

WHEREAS, the City and Subgrantee desire to enter into this Agreement for Subgrantee's Project, all in accordance with Ohio law, the terms and conditions of this Agreement, and the federal procurement requirements restated as "Contract Provisions for Non-Federal Entity Contracts under Federal Award" attached hereto and incorporated herein as EXHIBIT C. Said Contract Provisions for Non-Federal Entity Contracts under Federal Award set forth herein must be included as terms and conditions in any subcontract entered into by and between the Subgrantee and contractor(s) it engages in pursuit of the Project.

NOW, THEREFORE, the City and the Subgrantee acknowledge the receipt and sufficiency of valid consideration for this Agreement and agree as follows:

ARTICLE I TERM OF CONTRACT

The term of this Agreement shall commence on the Effective Date and continue through December 1, 2026, unless otherwise terminated earlier as provided below (the "Term").

ARTICLE II DUTIES OF THE SUBGRANTEE

2.1 The Subgrantee shall carry-out the Project materially in the form and phasing as set forth in the Proposal. The Subgrantee has no authority to enter into contracts or agreements on behalf of the City. The City may, at its discretion, provide the Subgrantee with direction as to the Project, but the Subgrantee is solely responsible for determining the means and methods of performing the Project.

2.2 The City and the Subgrantee agree that they may amend, in writing, from time to time, the scope of the Project. The Parties acknowledge and agree the Project to be performed under this Agreement is not in the nature of legal or accounting services.

2.3 The Subgrantee shall ensure that the Project is performed in a manner that is consistent with applicable federal, state, and local laws and regulations. The City shall have the right to refuse reimbursement of Project costs of the Subgrantee under this Agreement for any lawful reason.

2.4 The Subgrantee shall comply with "Contract Provisions for Non-Federal Entity Contracts under Federal Award", which appear in EXHIBIT C, and such provisions of the Uniform Guidance 2 CFR 200, including but not limited to the following federal procurement requirements:

- (1) Subgrantee shall provide evidence of Subgrantee's written federal procurement procedures in compliance with 2 CFR 200.318(a).
- (2) Subgrantee shall maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts in compliance with 2 CFR 200.318(c)(1).
- (3) Subgrantee shall procure engineering/design services using a qualifications-based competitive proposal selection procedure in compliance with 2 CFR 200.320(a)(b)(2). The requirements include (a) public advertisement of requests for proposals that identify all evaluation factors and their relative importance, (b) solicitation from an adequate number of qualified firms, and (c) a written method for conducting technical evaluations of proposals and selection process. The contract must be awarded to the responsible engineering/design firm whose proposal is most advantageous to Subgrantee, with price and other evaluation factors considered.
- (4) Subgrantee shall procure construction services using a sealed competitive bidding process in compliance with 2 CFR 200.320(a)(b)(1). The requirements include public advertisement of the Project with the following conditions present: (a) complete, adequate and realistic specifications; (b) two or more responsible bidders willing to compete effectively for the work; (c) a firm fixed price bid so the selection can be made principally on the basis of price. The Subgrantee must open the bids publicly and a firm fixed price contract shall be awarded to the lowest responsive and responsible bidder. Any or all bids may be rejected if there is a sound documented reason.
- (5) Subgrantee shall maintain records sufficient to detail the history of procurement, including the method of procurement, contract type, and basis for contractor selection in compliance with 2 CFR 200.318(i).

2.5 This Project shall be subject to Ohio Prevailing Wage laws. To the extent the Project is not sourced from any other federal funds other than the ARPA Funds, the federal Davis-Bacon Act does not apply to this Project. Subgrantee shall ensure that the contractor(s), and any subcontractors, pay their respective employees at a rate not less than the Ohio prevailing wage rates.

2.6 Subgrantee agrees to include the Contract Provisions for Non-Federal Entity Contracts under Federal Award set forth in EXHIBIT C as terms and conditions in any contract entered into by and between the Subgrantee and contractor(s) it engages in pursuit of the Project. Subgrantee further agrees to require contractor(s) to include the terms and conditions in EXHIBIT C in all subcontractor agreements.

2.7 Subgrantee agrees to comply with all ARPA statutory requirements and U.S. Department of Treasury and the U.S. Treasury Office of Inspector General implementation rules and regulations.

2.8 Subgrantee agrees to keep all records, financial and otherwise, relating to ARPA funds received pursuant to this Subgrant Agreement for at least three (3) calendar years following final close-out of the Project in compliance with 2 CFR 200.334.

2.9 Subgrantee agrees to provide the City with access to and the right to review or audit any and all such records pertinent to this Subgrant Agreement for the purpose of making audits, examinations, excerpts, and transcriptions in compliance with 2 CFR 337. This right also includes timely and reasonable access to Subgrantee's personnel for the purpose of interview and discussion relating to such documents. Subgrantee further agrees to keep said records in a manner to facilitate such reviews and audits.

2.10 If at any time by audit or other review, it is determined that any part of Subgrantee's Project costs was not eligible for reimbursement, Subgrantee agrees to immediately repay the ineligible portion of funds to the City.

2.11 Subgrantee certifies it is an equal opportunity employer and shall remain in compliance with state and federal civil rights and nondiscrimination laws and regulations including but not limited to Title VI, and Title VII of the Civil Rights Act of 1964 as amended, the Rehabilitation Act of 1973, the Americans with Disabilities Act, the Age Discrimination Act of 1975, the Age Discrimination in Employment Act, as amended, and Ohio Civil Rights Law.

ARTICLE III COMPENSATION

3.1 The City shall compensate the Subgrantee for eligible Project costs only on a reimbursement basis and according to the disbursement schedule in Section 3.1. The Subgrantee's requests for reimbursement must include copies of detailed invoices and corresponding proof of payment (i.e., copy of canceled checks), the sufficiency of which is at the sole discretion of the

City. In all instances, the City's compensation to the Subgrantee under this Agreement will not exceed Seven Hundred Fifty Thousand Dollars (\$750,000) ("Total Payment"), which such amount represents the City's full and complete reimbursement payment for the Project performed hereunder. The disbursement schedule shall be as follows:

- (1) \$200,000 due to the Subgrantee immediately upon closing
- (2) \$400,000 due to the Subgrantee after substantial completion of accessibility and safety improvements
- (3) \$150,000 due to the Subgrantee after the completion of the Project in accordance with the terms of this Agreement.

3.2 The City shall issue payment within thirty (30) days of receipt and approval of Subgrantee's request for reimbursement. If the City disputes any portion of the request for reimbursement and delays in paying a portion pending resolution of the disputed amount, the undisputed amount requested for reimbursement will be paid by the City in accordance with the terms hereof. In the event of and during any pending dispute between the Parties regarding their respective rights and obligations hereunder including, but not limited to, questions regarding any portion of the request for reimbursement and resulting delays in payment of that portion pending resolution of such dispute, unless instructed otherwise in writing by the City, the Subgrantee shall continue to perform the Project, and the City shall continue to reimburse all undisputed amounts in accordance with the terms hereof.

3.3 The City and the Subgrantee agree that, during the term of this Agreement, the Subgrantee shall be responsible for all its own business expenses, unless otherwise provided herein, including all payroll functions, employees' wages and salaries, insurance of every type and description, other employee benefits of any nature whatsoever and all business and personal taxes, including income and Social Security taxes and contributions for Workers' Compensation and Unemployment Compensation coverage, if any. The City shall issue a 1099 for all monies paid to the Subgrantee, as applicable.

3.4 The Parties acknowledge and agree the Subgrantee's Project costs are eligible for reimbursement under this Agreement by the City with ARPA Funds. Specifically, this Project includes the development, repair, and operation of affordable housing and services or programs to increase long-term housing security, pursuant to 31 CFR 35.6(b)(3)(ii)(A)(5).

ARTICLE IV CONTRACT TERMINATION

4.1 This Agreement may be terminated by either of the Parties upon thirty (30) days' written notice to the other Party, subject to the provisions of this Article IV. Further, this Agreement is subject to annual appropriation by the City pursuant to Ohio Revised Code Section 5705.44, and in the event such annual appropriation is not made, this Agreement will terminate.

4.2 To the extent allowable under federal law, including provisions of 2 CFR 200.340, the City may terminate this Agreement at any time by sufficient notice to the Subgrantee, in the event of any of the following circumstances:

- (1) A receiver for Subgrantee's assets is appointed by a court of competent jurisdiction.
- (2) Subgrantee is divested of its rights, powers, and privileges under this Agreement by operation of law.
- (3) Subgrantee fails to comply with any term, covenant, or condition of this Agreement to be kept, performed, and observed by it, and the Subgrantee fails to remedy such noncompliance within thirty (30) days from the date of written notice from the City as set forth in Sec. 4.1 herein, and all pursuant to 2 CFR 200.339 *et seq.*
- (4) Subgrantee's violation of any applicable federal, state, or local law applicable to the Project and completion thereof.
- (5) If, prior to the receipt of any ARPA Funds from the City hereunder and upon giving thirty (30) days prior written notice, Subgrantee desires to terminate this Agreement.

4.3 In the event of termination under this Article IV, the Subgrantee shall, unless the notice directs otherwise, immediately discontinue work related to the Project and discontinue the placing of orders for materials, facilities, and supplies in connection with the performance of their obligations under this Agreement, and shall, if requested, make every reasonable effort to procure cancellation of all existing orders or contracts upon terms satisfactory to the City or, at the option of the City, give the City the right to assume those obligations directly, including all benefits to be derived therefrom. The Subgrantee shall thereafter do only such work as may be necessary to preserve and protect the work already in progress and to protect material and equipment on the job site or in transit thereto. Upon termination under this Article IV, the Subgrantee shall be entitled to payment for all eligible costs incurred up to the date of termination. In no event shall the payment due hereunder exceed the Total Payment under this Agreement. Under no circumstances is the Subgrantee entitled to reimbursement for any lost profits, lost opportunity costs, productivity losses, lost efficiencies, or any other direct, indirect, or consequential damage or cost occasioned by the City's termination herein.

4.4 Subgrantee's audit and indemnification obligations hereunder are to survive the termination of this Agreement

ARTICLE V NOTICE

5.1 Notices provided by one Party to the other Party under this Agreement shall be in writing and shall be: (i) delivered personally; (ii) delivered by express delivery service; (iii) mailed, certified mail, return receipt requested; or (iv) delivered by electronic mail, with confirmed receipt, to the following addresses or to such other address as either Party shall designate by proper notice

to the other Party. Unless otherwise provided herein, notices will be deemed given as of the date of actual receipt.

Notices to Subgrantee: Community Building Partners, LLC
C/O Joseph Recchie
388 West Sixth Avenue
Columbus, OH 43201
email: joe@praxia-partners.com

Notices to the City: City of Sandusky
C/O City Manager
240 Columbus Avenue
Sandusky, OH 44870
email: jorzech@cityofsandusky.com

with a copy to:

City of Sandusky
C/O Director of Community Development
240 Columbus Avenue
Sandusky, OH 44870
email: cgilson@cityofsandusky.com

ARTICLE VI MODIFICATIONS AND AMENDMENTS

The City reserves the right to revise this Subgrant Agreement if (i) the U.S. Department of Treasury amends its guidance regarding any matter involving this Subgrant Agreement and (ii) solely at the discretion of the City, based on advice from its legal counsel, such changes by the U.S. Department of Treasury to its published guidance materially alters the eligibility of the Project and the use of ARPA Funds contemplated herein.

ARTICLE VII GOVERNING LAW

This Agreement is to be construed in accordance with the laws of the United States and the State of Ohio.

ARTICLE VIII INDEMNIFICATION

The Subgrantee shall protect, indemnify, and save the City harmless from and against any damage, cost, or liability resulting from claims for any or all injuries to persons or damage to property, arising from intentional, willful or negligent acts or omissions, or any breaches of any of the obligations or covenants set forth in this Agreement, of the Subgrantee, its officers, employees, agents, or subcontractors. In case any claim is at any time made, or action or proceeding is brought, against the City in respect of which indemnity may be sought under this Agreement, the City will give prompt written notice of that action or proceeding to the Subgrantee, and the Subgrantee, upon receipt of that notice will have the right, but not the obligation, to assume the defense of the action or proceeding. The City agrees to lend the Subgrantee such assistance as the Subgrantee will reasonably request in defense of any claim, demand, action or proceeding.

ARTICLE IX ENTIRE AGREEMENT

This Agreement and its incorporated exhibits represent and are the entire agreement between Subgrantee and the City and supersedes any previous agreement or representation with respect to the subject matter described in this Agreement. This Agreement may not be altered or amended except by the mutual agreement of Subgrantee and the City, made in writing and signed by both Parties. This Agreement may be executed in counterparts, each of which is deemed an original, and such counterparts together are to constitute but one and the same agreement. The captions and headings of the paragraphs of this Agreement are inserted solely for the convenience of reference; they in no way define, limit, extend, or aid in the construction of the scope, extent, or intent of this Agreement. In the event that any provision contained in this Agreement is determined to be unenforceable by a court of competent jurisdiction, the remainder of this Agreement is to continue in full force and effect and not be affected by such determination. A Party's failure to enforce the provisions of this Agreement will not be construed as a waiver of any provision, and such failure will not limit the right of such Party to enforce each and every provision of this Agreement. Neither Party shall transfer or assign this Agreement without advanced written notice to the other Party.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as evidenced by their signatures below:

[_____]:

Signature of Authorized Agent

Printed Name and Title

Date

CITY OF SANDUSKY,
ERIE COUNTY, OHIO:

Approved as to form:

Law Director

Date

CERTIFICATION REGARDING THE AVAILABILITY OF FUNDS

I, Michelle Reeder, Fiscal Officer, hereby certify that the money to meet this Agreement has been lawfully appropriated for the purpose of this Agreement and is in the treasury of the City of Sandusky or is in the process of collection to the credit of the appropriate fund, free from prior encumbrance. This certification is given in compliance with Ohio Revised Code Sections 5705.41 and 5705.44.

Amount - \$750,000.00

Michelle Reeder, Fiscal Officer

Date

Exhibit 1

EXHIBIT A

Guidance from Legal Counsel

MEMORANDUM

TO: Arin Blair, Chief Planner, City of Sandusky Community Development Department

FROM: Bricker Graydon LLP

DATE: November 22, 2023

RE: ARPA Use of Funds – Osborne Elementary School Redevelopment

PROJECT DESCRIPTION:

The City of Sandusky seeks to utilize a portion of its ARPA - Local Fiscal Recovery Funds in support of renovating the Osborne School located at 920 West Osborne Street, resulting in proposed twenty new, age-restricted (55+), one- and two-bedroom units; the total project costs are estimated as \$3,750,000 (the “Project”). Per the developer’s plans to use low income housing tax credits (“LIHTC”) in its capital stack, all units are to be income-restricted at or below 65% of Area Median Income (“AMI”) for 20 years or greater. Further, the developer may hold four (4) such units as income-restricted at or below 50% of AMI for twenty years or greater. The Project also includes the creation of interior and exterior common areas to be utilized for healthcare consultations for residents, recreational activities, parking and landscaping.

The Project developer, Community Building Partners, LLC (“CBP”), is a mission-based for-profit developer with experience in scoping large, complex projects and in using tax credits, loans, and grants to finance projects for public benefit.

Further Project details and information on CBP can be found in the Project Proposal, attached hereto as Exhibit A-1.

Total amount: \$750,000.00

BRICKER GRAYDON RESPONSE:

Eligible under the 1st bucket use of funds (as a response to COVID-19) in the subgranting of ARPA funds to a multi-unit affordable housing project, the entirety of which will be rented to tenants that otherwise satisfy one or more federal affordable housing programs identified by the U.S. Treasury in its Final Rule guidance (e.g., federal LIHTC and/or HOME requirements).

CBP is a *subrecipient* of the City’s ARPA funds, and therefore is subject to the federal Uniform Guidance and reporting obligations applicable in the latter’s use of its Local Fiscal Recovery Funds. Hence our recommendation of the use of a subgrant agreement between the parties that includes the required federal compliance terms and conditions imposed on the City under ARPA.

In turn, such subgrant instrument should be employed for each, if any, subsequent (i.e., cascading) affiliate entities which the developer may use; each such subsequent entity would be a subrecipient in the Project.

We urge CBP, as such a subrecipient of the City's Local Fiscal Recovery Funds, to obligate, expend, and complete all construction work procured with such funds, within the ARPA statutory deadline (i.e., December 31, 2026). The federal Uniform Guidance requires the City (and CBP) to monitor and track project completion.¹ And the U.S. Treasury provides specific guidance as to recipients' monitoring and tracking of project completion through the *period of performance*, which is defined under the ARPA Final Rule as ending December 31, 2026. We view these federal authorities as requiring the City (and CBP) to *complete by December 31, 2026 all construction work under the Project*.

Finally, given the absolute bar in the use of ARPA funds to service debt, CBP must take steps to avoid comingling federal stimulus funds and debt proceeds and/or debt service. We recommend CBP use a separate fund account to receive the City's subgrant and disburse therefrom the federal funds for construction expenditures.²

ANALYSIS:

Under the Final Rule, ARPA allows four buckets of eligible use, of which the first is relevant here: **"(A) To respond to the public health emergency or its negative economic impacts, including assistance to households**, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality; (B) To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers; (C) For the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency; and (D) To make necessary investments in water, sewer, or broadband infrastructure" [emphasis added] (see U.S. Treasury, Final Rule, Supplementary Information, at pages 4-5).

Subrecipients

The Treasury in its Final Rule makes clear that transfers may be made from recipients of ARPA funds (here, the City) to private entities. (See U.S. Treasury, 2022 Final Rule, Supplementary

¹ The City and its subrecipients are required under the Uniform Guidance to monitor and report on the status of projects funded under federal grants, including ARPA, with an emphasis on tracking of project completion. 2 CFR 200.329(a): "The non-Federal entity [the City] is responsible for oversight of the operations of the Federal award supported activities. The non-Federal entity must monitor its activities under Federal awards to assure compliance with applicable Federal requirements and *performance expectations are being achieved*."

² We note here that the Project is alternatively eligible as a provision of government services under the 3rd bucket of use, to the extent of the City's revenue loss; under this analysis, CBP would not be treated as a subrecipient of federal funds.

Information, at page 358). Such transfers are to subrecipients (*Id.*: “recipients may transfer SLFRF funds to any entity to carry out as a subrecipient an eligible use of funds by the transferor, as long as they comply with the Award Terms and Conditions and other applicable requirements, including the Uniform Guidance”). Such subaward may be provided through any form of legal agreement; the terms and conditions of the City’s ARPA award flow down to such subrecipients, the latter of which “must comply with the applicable requirements of the Uniform Guidance.... This includes requirements such as the treatment of eligible uses of funds, procurement, and reporting requirements.” (*Id.* at page 210).

Here, CBP is poised to receive the City’s ARPA funds as a subrecipient under the terms set by the City in its subaward. The Treasury provides a point of guidance that is helpful:

- “Eligible subrecipients include... other units of government... nonprofits and other civil society organizations, and **private entities** ... [and] transfers may be made to both constituent and non-constituent units of government.... [The transferor] must receive a benefit proportionate to the amount transferred” [emphasis added] (U.S. Treasury, 2022 Final Rule, Supplementary Information, at pages 358 – 359).

Here, CBP, as a private entity, is authorized under the ARPA’s statutory requirements to stand in the role of transferee (i.e., the City may transfer amounts from its Local Fiscal Recovery Funds to a private organization; *see* ARPA, Title IX Sec. 603(c)(3)).

Care must be taken that the amount transferred to CBP is proportionate to the benefit received by the City under the Project. Documentation must be prepared and included in the audit file that sets forth such benefit to the City.

1st Bucket Eligibility – Responding to COVID-19

When using funds under this 1st bucket, the City must satisfy the U.S. Treasury’s two-part framework set forth under the Final Rule: (1) there must be a negative public health or economic impact resulting from or exacerbated by COVID-19; and (2) the City’s response must be designed to address the identified health or economic impact, which such response must be “reasonably proportional” (i.e., the scale of the response as compared to the scale of the harm) (*see* 31 CFR 35.6(b)(1); *see also* U.S. Treasury, 2022 Final Rule, Supplementary Information, at pages 21 – 22, and at page 194).

Under this two-part framework to determine eligible responses under the 1st bucket of use, the U.S. Treasury requires a beneficiary or class of beneficiaries to have experienced an identified harm caused by or exacerbated by the pandemic. And therefore, the City must assess whether the beneficiaries of any element of the residential development (i) belong to an impacted or disproportionately impacted household, population, or community and (ii) whether the use of funds in such ways address negative public health or economic impacts within those cohorts. (*See* 31 CFR 35.6(b)(1)).

- First prong: Harm to beneficiaries

Under the Final Rule, households or populations presumed to have been *impacted* by the pandemic's negative economic impacts are those comprised by "a household or population that experienced unemployment, experienced increased food or housing insecurity, or is low or moderate income" (U.S. Treasury, 2022 Final Rule, Supplementary Information, at page 78).³

- Second prong: Response is reasonably proportional to the harm

The City must show the Project is reasonably proportional in response to COVID-19's negative economic impacts on households and populations in the City.

- Applying the Two-Part Test to the Project

The City may provide a subgrant of ARPA funds to this housing project per the following discussion.

- *Affordable housing as a response to the negative economic impacts of the pandemic*

So long as the Project is keyed to, or otherwise limits participation by, those City residents who have experienced unemployment, experienced increased food or housing insecurity, or are low or moderate income, the City "may provide services to them that respond to [the pandemic's] impacts, including the[] enumerated eligible uses" such as services or programs to increase long-term housing security (see 31 CFR 35.6(b)(3)(ii)(A)(5); and see generally U.S. Treasury, 2022 Final Rule, Supplementary Information, at pages 78 – 79, 102 – 110).

Moreover, the Treasury calls out *additional* programs and services that may be provided via ARPA funding to *disproportionately impacted* households, populations, or communities.

The Final Rule presumes a beneficiary is *impacted* or *disproportionately impacted* by the public health emergency or its negative economic impacts "if funds are to be used for affordable housing programs, [and] qualify for the National Housing Trust Fund (12 U.S.C. 4568) or the Home

³ In turn, the Treasury's Final Rule defines a household as *low income* if it has (i) income at or below 185 percent of the Federal Poverty Guidelines (FPG) for the size of its household based on the most recently published poverty guidelines by the Department of Health and Human Services (HHS) or (ii) income at or below 40 percent of the Area Median Income (AMI) for its county and size of household based on the most recently published data by the Department of Housing and Urban Development (HUD). (See U.S. Treasury, 2022 Final Rule, Supplementary Information, at page 30).

The Final Rule goes on to define a household as *moderate income* if it has (i) income at or below 300 percent of the FPG for the size of its household based on the most recently published poverty guidelines by HHS or (ii) income at or below 65 percent of the AMI for its county and size of household based on the most recently published data by HUD. (*Id.* at pages 30 – 31).

Investment Partnerships Program (42 U.S.C. 12721 *et seq.*)” (31 CFR 35.6(b)(2)(i); *and see* U.S. Treasury, 2022 Final Rule, Supplementary Information, at page 103).

The Final Rule states the objectives pursued under this provision are to improve access to “stable, affordable housing, including through interventions that increase the supply of affordable and high-quality living units” (U.S. Treasury, 2022 Final Rule, Supplementary Information, at page 103). And so long as affordable housing is developed to increase supply of affordable and high-quality living units, such activities are “*responsive to individuals and households* that were impacted by the pandemic in addition to those that were disproportionately impacted” [emphasis added] (U.S. Treasury, 2022 Final Rule, Supplementary Information, at page 105).

Here, the Treasury specifically calls out “projects that would be eligible for funding under the National Housing Trust Fund or the Home Investment Partnership Program are eligible uses” of the City’s Local Fiscal Recovery Fund (U.S. Treasury, 2022 Final Rule, Supplementary Information, at page 106).

On July 27, 2022, the U.S. Treasury expanded the number of federal affordable housing programs beyond the HTF and HOME.

Under its so-called “Presumption 1”, the Treasury listed additional housing programs, the use of whose income thresholds and program requirements likewise would render the Project a *presumed eligible use of ARPA funds* (if units were held for residents meeting such defined incomes). (See Final Rule: FAQs as of July 27, 2022, Item 2.14). Affordable housing built to such requirements and specifications as under any of the following programs is an eligible response to COVID-19:

- ***Low-Income Housing Tax Credits, administered by Treasury***
- Public Housing Capital Fund, administered by HUD
- Section 202 Supportive Housing for the Elderly Program, administered by HUD
- Section 811 Supportive Housing for Persons with Disabilities Program, administered by HUD
- Project-Based Rental Assistance (PBRA), administered by HUD
- Multifamily Preservation & Revitalization Program, administered by USDA
- Finally, the U.S. Treasury stated that “[h]omeownership assistance that would be eligible under the Community Development Block Grant (at 24 CFR 570.201(n)) is also an eligible use of SLFRF funds” (*Id.*) In turn, the cited federal regulation states, “CDBG funds may be

used to provide direct homeownership assistance to low- or moderate-income households in accordance with section 105(a) of the Act.”

Similarly, under Treasury’s “Presumption 2”, an investment of ARPA funds by the City in any affordable housing unit is presumed eligible if such unit is held (“limited”) for households / renters with maximum income of 65% AMI (Final Rule: FAQs as of July 27, at Item 2.14). To hold units under this threshold involves recording a deed restriction or covenant declaration on the subject property, with such income restriction to be in place and enforceable for at least 20 years. A key difference from the Treasury’s Presumption 1: so long as the income restrictions are enforceable on the subject property, the presumed eligible use of funds holds even if the affordable housing unit doesn’t qualify under any of the listed federal housing programs.

Here, we see CBP has committed to the City, and the City is considering funding the Project on the basis of, twenty units held for households with incomes of 65% AMI or below for 20 years. As such, we may discern costs associated with the Project are presumed eligible under the U.S. Treasury’s “Presumption 2” issued in late July 2022.

- *Capital Expenditures under the 1st Bucket*

We note here the subgrant constitutes a capital expenditure⁴ under this 1st bucket of use analysis. And the City must follow certain protocols involving capital expenditures:

- Since the subgrant by the City is \$1 million or less (i.e., Treasury’s “safe harbor”), the City only needs to write-up sufficient supporting information (i.e., answer the two-part framework) for its audit file as to that grant funding or financing.

Note federal procurement rules apply to CBP under 2 CFR Part 200.

Placing Purchased Goods in Service

The federal Uniform Guidance governs the City’s Local Fiscal Recovery Funds. The City therefore must measure performance, and report such, as to *achievement* of ARPA program goals and objectives (see 2 CFR 200.301). And the City is subject to the requirement to prepare and submit regular construction performance reports, specifically including *certified percentage of completion data* (see 2 CFR 200.329).

Under the Uniform Guidance, then, we urge caution in construction of housing units that may not be delivered before December 31, 2026. The City will have to report to the Treasury the

⁴ The Treasury will view this housing project as constituting “capital expenditures” under the Final Rule (see 31 CFR 35.3: “capital expenditures has the same meaning given in 2 CFR 200.1”, which in turn, defines them to include “additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations, or alterations to capital assets”). And the Treasury’s general position holds that capital expenditures are not presumed to be reasonably proportional responses to an identified harm. (See U.S. Treasury, 2022 Final Rule, Supplementary Information, at page 57).

Project's respective achievement of reported goals and objectives. If the Project's construction costs are underway but remain unfinished on or after December 31, 2026, the City cannot "show achievement" under the Uniform Guidance. Note that reporting under ARPA is "[b]ased on the period of performance" and as such will be collected through April 30, 2027 (see U.S. Treasury Compliance and Reporting Guidance, Version 4.1 (published June 17, 2022) at page 15).

Under the ARPA, we urge still further caution. First, given the 1st bucket of use analysis to support the subgrant to the Project, such expenditures are considered capital expenditures, and therefore are subject to heightened justification protocols, described above. (U.S. Treasury, 2022 Final Rule, Supplementary Information, at page 194).

Second, all uses of ARPA funds (irrespective of the buckets of use as rationale) are subject to the Treasury's Timeline for Use of SLFRF Funds, which is a stand-alone section of the Final Rule's Supplementary Information. And this section provides guidance that directly instructs the City to ensure all project elements are completed by December 31, 2026:

- "[T]he period of performance will run until December 31, 2026... as the end of the period of performance to provide a reasonable amount of time for recipients to liquidate obligations incurred by the statutory deadline" at pages 354 – 355; and,
- "[T]he period of performance... provides the deadline by which recipients must expend obligated funds... meaning they have over three years to obligate and over five years to expend funds. This provides a sufficient amount of time for recipients to plan and *execute* projects" [emphasis added] at page 357.

Given the Uniform Guidance, generally, and the 2022 Final Rule, specifically, we recommend the City and its subrecipient, CBP, only expend ARPA funds on the construction of affordable housing units that can be fully delivered by the December 31, 2026 statutory deadline, and which can be reported as completed.

Project Proposal

Development Team Background

Community Building Partners is a mission-based for-profit developer with a wealth of experience in scoping large, complex projects— including both adaptive reuse and new construction —and in using tax credits, loans, and grants to finance projects for public benefit. A significant portion of these projects focus on affordable housing and continue to serve their intended purpose today after decades of service. CBP principles have over 40 years of experience in community and economic development, specializing in public-private initiatives designed to increase housing, educational, and employment opportunities for marginalized populations in metropolitan areas while promoting environmental stewardship and social equity.

CBP was founded and is led by CEO Joseph J. Recchie, who as an attorney, development advisor, and builder/developer, has demonstrated his ability to support non-profit faith-based and community-based organizations, real estate developers, contractors, cooperatives, and institutional corporate investors in leveraging minimal resources to develop housing, neighborhoods, commercial development, community facilities, and job training programs. Throughout his career, Mr. Recchie has aimed to achieve equitable and economic outcomes by prioritizing integrity, ingenuity, and commitment. He has advanced multiple clearly identified social objectives while creating sustainable economic advantages for the communities he serves. His accomplishments have resulted from broad collaborative efforts and a uniquely innovative approach to finance. His real estate development, management, and complex structuring experience has been honed through the development of thousands of housing units in Ohio, Indiana, Illinois, Pennsylvania, Colorado, and North Carolina, where he has developed expertise in unique entitlement processes in hundreds of legal jurisdictions.

CBP has a deep and always-growing network of experts to draw on for additional support as opportunities emerge. These trusted partners include well-known entities such as OHM Planners, National Land Advisory Group, and Moody Nolan Architects. A robust network of third-party experts also include expertise in construction, architecture, design, historic preservation, engineering, planning, and research professionals; each brings a wealth of knowledge and experience that we select to tailor to the project or client as needed. Furthermore, we maintain ongoing productive relationships with financial institutions, lenders, equity providers, and investors that benefit our clients, including but not limited to the Finance Fund, Ohio Housing Finance Agency, Key Bank, Commodore Bank, Marble Cliff Capital, LISC, and Huntington Bank.

Project

- Renovation of all existing improvements at 920 West Osborne Street
- Adherence to the Secretary of the Interior Standards of Historic Preservation for all interior and exterior work

- Addition of modern safety and accessibility improvements including elevator, sprinkler system, ADA-compliant accessibility to the building, and full ADA accessibility to select living units
- Creation of a minimum of 20 living units, proposed as 1- and 2-bedroom dwellings
 - Age restricted to 55+
 - A minimum of 4 units will be at or below 50% AMI for 20 years

If IRC Section 42 Federal Housing Credits are utilized for the community, the affordability will extend to all residential units.

Creation of attractive common areas interior and exterior of the building

- Creation of interior common room / appropriate capacity to host wrap-around services such as healthcare consultation for residents
- Enhancement and retention of playground area open to community access
- Exterior parking, lighting, and landscape improvements

Timeline

December 2023	Purchase Agreement and ARPA Subgrant Agreement with City of Sandusky
May 2024	Execution of purchase
May 2024	Financing plan
November 2024	Financing secure
March 2025	Commencement of Construction
December 2026	ARPA funds must be dispersed

Notes

- All activities will follow the appropriate permitting and approvals process as set by the City of Sandusky code including but not limited to:
 - Landmarks Commission approval for any exterior changes to the historic structure
 - Planning Commission site plan approval
 - Building Division permitting and approvals
- CBP will create and enact a community engagement plan to engage neighborhood residents.

EXHIBIT B

Subgrantee's Project Proposal

Development Team Background

Community Building Partners is a mission-based for-profit developer with a wealth of experience in scoping large, complex projects— including both adaptive reuse and new construction —and in using tax credits, loans, and grants to finance projects for public benefit. A significant portion of these projects focus on affordable housing and continue to serve their intended purpose today after decades of service. CBP principles have over 40 years of experience in community and economic development, specializing in public-private initiatives designed to increase housing, educational, and employment opportunities for marginalized populations in metropolitan areas while promoting environmental stewardship and social equity.

CBP was founded and is led by CEO Joseph J. Recchie, who as an attorney, development advisor, and builder/developer, has demonstrated his ability to support non-profit faith-based and community-based organizations, real estate developers, contractors, cooperatives, and institutional corporate investors in leveraging minimal resources to develop housing, neighborhoods, commercial development, community facilities, and job training programs. Throughout his career, Mr. Recchie has aimed to achieve equitable and economic outcomes by prioritizing integrity, ingenuity, and commitment. He has advanced multiple clearly identified social objectives while creating sustainable economic advantages for the communities he serves. His accomplishments have resulted from broad collaborative efforts and a uniquely innovative approach to finance. His real estate development, management, and complex structuring experience has been honed through the development of thousands of housing units in Ohio, Indiana, Illinois, Pennsylvania, Colorado, and North Carolina, where he has developed expertise in unique entitlement processes in hundreds of legal jurisdictions.

CBP has a deep and always-growing network of experts to draw on for additional support as opportunities emerge. These trusted partners include well-known entities such as OHM Planners, National Land Advisory Group, and Moody Nolan Architects. A robust network of third-party experts also include expertise in construction, architecture, design, historic preservation, engineering, planning, and research professionals; each brings a wealth of knowledge and experience that we select to tailor to the project or client as needed. Furthermore, we maintain ongoing productive relationships with financial institutions, lenders, equity providers, and investors that benefit our clients, including but not limited to the Finance Fund, Ohio Housing Finance Agency, Key Bank, Commodore Bank, Marble Cliff Capital, LISC, and Huntington Bank.

Project

- Renovation of all existing improvements at 920 West Osborne Street
- Adherence to the Secretary of the Interior Standards of Historic Preservation for all interior and exterior work
- Addition of modern safety and accessibility improvements including elevator, sprinkler system, ADA-compliant accessibility to the building, and full ADA accessibility to select living units
- Creation of a minimum of 20 living units, proposed as 1- and 2-bedroom dwellings
 - Age restricted to 55+
 - A minimum of 4 units will be at or below 50% AMI for 20 years

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Notes

- All activities will follow the appropriate permitting and approvals process as set by the City of Sandusky code including but not limited to:
 - Landmarks Commission approval for any exterior changes to the historic structure
 - Planning Commission site plan approval
 - Building Division permitting and approvals
- CBP will create and enact a community engagement plan to engage neighborhood residents.

EXHIBIT C

All provisions provided below are hereby incorporated by reference into the contract to which this Exhibit is attached (the "Agreement") and by entering into this Agreement, Contractor certifies the following:

Complying with Federal, State, and Local Laws

Contractor agrees to comply with federal, state, and local laws, rules, regulations, and ordinances, as applicable.

Exhibit 1