

**ORDINANCE NO. 23-134**

**AN ORDINANCE AUTHORIZING AND APPROVING A GRANT IN THE AMOUNT OF \$300,000.00 THROUGH THE ECONOMIC DEVELOPMENT FUND PROGRAM TO FAMILY HEALTH SERVICES, LLC, IN RELATION TO THE PROPERTY LOCATED AT 149 E. WATER STREET; AND DECLARING THAT THIS ORDINANCE SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.**

**WHEREAS**, Family Health Services, LLC is a federally qualified health center with facilities in Sandusky and Norwalk, Ohio, and provides comprehensive primary care and other dental and health care services to the surrounding area; and

**WHEREAS**, in late 2022, Family Health Services, LLC purchased the Granary Building located at 149 E. Water Street, that was previously occupied by the Gallagher Medical Practice on the first floor while the upper two (2) floors were vacant; and

**WHEREAS**, Family Health Services, LLC plans to redevelop the property and provide primary care, behavioral health, and discount pharmacy services and renovations include interior demolition, installation of a new elevator, new windows and storefront, and interior build-out for a total renovation cost of over \$3 Million; and

**WHEREAS**, redevelopment of the Granary Building will bring needed health care services into the downtown area near senior and low-income housing and the Sandusky public transit hub and will result in eighteen (18) positions on site, nine (9) of which are projected as new with an estimated annual payroll of \$1.7 Million in the City and furthermore, the project fortifies and strengthens an existing historic structure that has been underutilized for some time; 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 May 30, 2023, and is recommending to approve a grant to Family Health Services LLC, in the amount of \$300,000.00 to assist with project costs for the purposes of furthering economic development and commercial 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

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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 Family Health Services LLC, 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 Family Health Services, LLC, in an amount **not to exceed** Three Hundred Thousand and 00/100 Dollars (\$300,000.00) of which \$200,000.00 will be expended with Economic Development Capital Projects Funds and \$100,000.00 will be expended with Destination 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

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Commission of the City of Sandusky, Ohio.



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RICHARD R. BRADY  
PRESIDENT OF THE CITY COMMISSION



ATTEST:

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CATHLEEN A. MYERS  
CLERK OF THE CITY COMMISSION

Passed: June 12, 2023

GRANT AGREEMENT

THIS GRANT AGREEMENT (the "**Agreement**") is made and entered into this \_\_\_ day of \_\_\_\_\_, 2023 (the "**Effective Date**"), by and between the CITY OF SANDUSKY, OHIO, an Ohio municipal corporation, and Family Health Services, LLC an Ohio limited liability company (the "**Company**"). The City and the Company are collectively referred to herein as the "**Parties**".

WITNESSETH:

WHEREAS, pursuant to Ordinance No. [ ] passed by the City Commission of the City of Sandusky, Ohio (the "**City Commission**") on June 12, 2023 (the "**Approval**"), the City determined that it is in the best interest of the citizens of the City, in order to encourage economic development and employment within the City, to grant funds to financially support the project more particularly described on **EXHIBIT A** attached hereto and incorporated herein by reference (the "**Project**") at 149 E. Water Street, Sandusky, Ohio 44870 (the "**Property**"); and,

WHEREAS, the Company is a Federally Qualified Health Center with facilities in Sandusky and Norwalk, Ohio. The Company provides comprehensive primary care and other dental and health care services to the residents of Sandusky and the community at-large; and,

WHEREAS, the Company purchased the Granary Building at 149 E. Water Street in late 2022 with plans to redevelop the property to provide primary care, behavioral health, and discount pharmacy services; and,

WHEREAS, the Project will improve and rehabilitate a historic structure in downtown Sandusky that has been underutilized for some time, including interior demolition, installation of a new elevator, new windows, new storefront, and interior build-out out at total renovation cost of over \$3,000,000; and,

WHEREAS, the Project will result in 18 employees, 9 of which are projected to be new employees, with an estimated annual payroll of \$1,700,000 in the City of Sandusky; and,

WHEREAS, to induce the Project, the City has agreed to provide an economic incentive grant to the Company to assist in the payment of a portion of the costs of the Project as further described in Section 1 hereof; and,

WHEREAS, as authorized in Article VIII, Section 13 of the Ohio Constitution and in accordance with the guidelines established by the City, the City has offered to provide the Company a grant to encourage economic development and employment within the City; and,

WHEREAS, the Company acknowledges the City's commitment to provide financial assistance through this grant and has agreed to enter into this Agreement, which sets forth the Company's obligations concerning the use of the grant proceeds; 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.

NOW THEREFORE, the Parties covenant, agree and obligate themselves as follows:

Section 1. Terms of the Grant. The City shall grant to the Company funds in the amount of Three Hundred Thousand Dollars (\$300,000) (the “**Grant**”) for use by the Company exclusively for the Project. The grant shall be disbursed in one lump sum upon the completion of the Project. This City Grant shall be disbursed from 2023 economic and destination development funding sources. This City Grant will not increase if the applicant chooses to make additional improvements not contemplated in the grant application. The City reserves the right to make adjustments to the awarded grant amount, if recommended by the Economic Development Incentive Committee, for substantive changes to the project scope only. Construction must be done in accordance with and to the reasonable satisfaction of the City, which includes, but is not limited to, compliance with all Planning, Zoning and Building code regulations, and other applicable codes and regulations of the City, including obtaining permits. Furthermore, the Company agrees to display a sign during construction and for at least one (1) year upon completion of the Project noting the City’s support.

The Company shall notify the City promptly following the completion of the Project consistent with this Section and provide the City with any documents it reasonably requests related to Project costs and construction. The City shall then promptly review those documents and inspect the site and let the Company know if it has satisfied the conditions set forth in this Section and, if not, describe what is found to be deficient. In order to receive the City Grant, the Project will need to be completed by December 31, 2023. This date may be extended at the discretion of the City Manager.

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

Section 2. Use of Funds. The Company will use the Grant to complete the Project. The Company shall use the Grant solely in connection with eligible expenses incurred under the Project. By accepting the Grant herein provided, the Company agrees to meet the terms of this Grant Agreement. All improvements to the Premises must be made in accordance with any approvals for the Project and permits and inspections as may be required by the City.

Section 3. City's Obligation to Make Payments Not Debt. Notwithstanding anything to the contrary herein, the obligations of the City pursuant to this Agreement are not a general obligation debt or bonded indebtedness, or a pledge of the general credit or taxes levied by the City, and the Company has no right to have excises or taxes levied by the City, the State or any other political subdivision of the State for the performance of any obligations of the City herein. Further, the obligation of the City to make the payments pursuant to this Agreement are in accordance with the

City Commission's approval and subject to certification by the Director of Finance of the City as to the availability of such revenues.

Section 4. Events of Default. At any time during the Term of this Agreement, and solely at the discretion of the City, should the City determine the Company is not in compliance with the terms of the Grant set forth herein, then the City shall provide Notice of Default to the Company pursuant to Section 5 demanding strict compliance therewith. If the Company fails to take necessary action during the notice period herein to remain in compliance, then the City shall immediately seek any legal or equitable remedy to which it is entitled including the repayment of any Grant amount.

Section 5. Notice of Default. Pursuant to Section 4, should the City determine that the Company is not in compliance with the terms of the Grant, then the City shall provide written notice to the Company, addressed to and sent via the notice provisions of Section 7 below (the "**Notice of Default**"). The Notice of Default shall state clearly the reason(s) for which the City determines the Company to be out of compliance. The Company shall have ten (10) days from the date it received the Notice of Default to cure or otherwise take the necessary corrective action to remain in compliance with the terms of the Grant under this Agreement.

Section 6. Indemnification of the City. The Company shall indemnify, defend, and hold harmless the City from and against all claims, losses, liabilities, damages, costs, and expenses, including reasonable attorneys' fees, costs and expenses, arising from the City's remittance of funds under the Grant.

Section 7. Miscellaneous.

(a) Notices. Except as otherwise specifically set forth in this Agreement, all notices, demands, requests, consents or approvals given, required or permitted to be given hereunder shall be in writing and shall be deemed sufficiently given if actually received or if hand-delivered or sent by a recognized, overnight delivery service or by certified mail, postage prepaid and return receipt requested, addressed to the other party at the address set forth in this Agreement or any addendum to this Agreement, or to such other address as the recipient shall have previously notified the sender of in writing, and shall be deemed received upon actual receipt, unless sent by certified mail, in which event such notice shall be deemed to have been received when the return receipt is signed or refused. For purposes of this agreement, Notices shall be addressed to:

(i) If to the City:

City Manager  
Attn: Director of Community Development  
City of Sandusky, Ohio  
240 Columbus Avenue  
Sandusky, OH 44870

(ii) If to the Company:

\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

The Parties, by notice given hereunder, may designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent.

(b) Extent of Provisions: Personal Liability. All rights, remedies, representations, warranties, covenants, agreements and obligations of the City under this Agreement shall be effective to the extent authorized and permitted by applicable law. No representation, warranty, covenant, agreement, obligation, or stipulation contained in this Agreement shall be deemed to constitute a representation, warranty, covenant, agreement, obligation or stipulation of any present or future director, member, officer, agent or employee of the City. No official executing or approving the City's participation in this Agreement shall be liable personally under this Agreement or be subject to any personal liability or accountability by reason of the issuance thereof.

(c) Successors. This Agreement shall be neither binding upon nor inure to the benefit of the Company's successors and assigns unless with the prior written consent of the City.

(d) Assignment or Transfer. This Agreement shall not be assigned or transferred without the express written consent of the City.

(e) Amendments. This Agreement may only be amended by a written instrument executed by both Parties.

(f) Authority to Sign. The Company and City both represent that this Agreement has been approved by formal action of the duly authorized representatives of both Parties.

(g) Executed Counterparts. This Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same agreement. It shall not be necessary in proving this Agreement to produce or account for more than one of those counterparts.

(h) Severability. In case any section or provision of this Agreement, or any covenant, agreement, obligation or action, or part thereof, made, assumed, entered into or taken, or any application thereof, is held to be illegal or invalid for any reason:

(i) that illegality or invalidity shall not affect the remainder hereof or thereof, any other section or provision hereof, or any other covenant, agreement, obligation or action, or part thereof, made, assumed, entered into, or taken, all of which shall be construed and enforced as if the illegal or invalid portion were not contained herein or therein;

(ii) the illegality or invalidity of any application hereof or thereof shall not affect any legal and valid application hereof or thereof; and

(iii) each section, provision, covenant, agreement, obligation or action, or part thereof shall be deemed to be effective, operative, made, assumed, entered into or taken in the manner and to the fullest extent permitted by law.

(i) Captions. The captions and headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of the Agreement.

(j) Governing Law and Choice of Forum. This Agreement shall be governed by and constructed in accordance with the laws of the State of Ohio or applicable federal law. All claims, counterclaims, disputes and other matters in question between the City, its agents and employees, and the Company, its employees and agents, arising out of or relating to this Agreement or its breach will be decided in a court of competent jurisdiction within Erie County, Ohio.

(k) Further Assurances. The Company shall, upon request of the City, duly execute and deliver to the City such further instruments, and do and cause to be done such further acts, as may be necessary or proper in the opinion of the City to carry out the provisions and purposes of this Agreement.

# EXHIBIT "1"

[Signature Page Follows.]



IN WITNESS WHEREOF, the City and the Company have caused this Agreement to be executed in their respective names by their duly authorized representatives, all as of the Effective Date.

Family Health Services, LLC

By \_\_\_\_\_  
[ ], []

CITY OF SANDUSKY, OHIO

By: \_\_\_\_\_  
John Orzech, Interim City Manager

EXHIBIT "1"

Approved as to Form:

By: \_\_\_\_\_  
Brendan Heil, Law Director

May 30, 2023

**Economic Development Incentive Committee Summary**

**Family Health Services of Erie County**

**Applicant:** David Tatro, Sr.  
1912 Hayes Avenue, Suite D  
Sandusky, OH 44870

**Corporate Structure:** LLC

**Principal/% Ownership:** Family Health Services of Erie County, Inc., (100%)

**Staff Recommendation:** \$300,000 grant to be funded through the Economic Development and Destination Development funding sources with the approval of the Economic Development Incentive Committee and the City Commission on the condition that the applicant obtain all relevant approvals and permits and display a sign evidencing City of Sandusky support for one year after project completion. The project improvements shall be completed by December 31, 2024.

**Project Description**

Family Health Services (FHS) is a Federally Qualified Health Center with facilities in Sandusky and Norwalk, Ohio. FHS provides comprehensive primary care and other dental and health care services to the surrounding area.

FHS purchase the Granary Building at 149 E. Water Street in late 2022. The Gallagher medical practice previously occupied the first floor while the upper two floors were vacant.

FHS will redevelop the property and provide primary care, behavioral health, and discount pharmacy services. The renovations include interior demolition, installation of a new elevator, new windows and storefront, and interior build-out at a total renovation cost of over \$3M. FHS has secured financing totaling \$2.6M from Civista Bank for the project.

Redevelopment of the Granary building by FHS will bring needed health care services into the downtown area near senior and low-income housing and the Sandusky public transit hub. The facility will result in 18 positions on site, 9 of which are projected as new with an estimated annual payroll of \$1.7M in the City of Sandusky.

This project is catalytic – it will stimulate additional capital investment to rehabilitate vacant/underutilized properties. Further, the project fortifies and strengthens an existing historic structure that has been underutilized for some time. The project spurs job creation and tax revenue increase; is consistent with multiple City of Sandusky planning documents; and will create ready to occupy commercial space. Financial assistance for the Economic Development Fund will assist the applicant in completing this project.

**Project Uses**

Construction Costs – 1 <sup>st</sup> and 2 <sup>nd</sup> Floor, Rooftop	\$2,705,000.00
Construction Costs – 3 <sup>rd</sup> Floor	\$325,000.00
<u>Building Acquisition</u>	<u>\$451,059.00</u>
<b>Total</b>	<b>\$3,481,059.00</b>

**Project Sources**

Civista Bank	\$2,600,000.00
Owner Equity/Owner Reserves	\$581,059.00
<u>Economic Development Fund</u>	<u>\$300,000.00</u>
<b>Total</b>	<b>\$3,481,059.00</b>

EXHIBIT "A"

**SANDUSKY ECONOMIC DEVELOPMENT FUND**

**APPLICATION**

**Applicant / Borrower Company:**

David P. Tatro, Sr.

(Applicant Name)

Chief Executive Officer

(Title)

Family Health Services of Erie County, dba Family Health Services, LLC

(Company Name – if different than Applicant Name)

1912 Hayes Avenue

(Street Address)

Suite D

(Suite, Apt, etc.)

Sandusky, OH 44870

(City, State, Zip)

419-502-2800

(Phone Number)

26-3607741

(Federal Tax ID or last 4 of SSN)

davidt@familyhs.org

(Email)

EXHIBIT "A"

**Existing Business Information:**

Type of Business:  Commercial       Retail       Service  
 Other      Healthcare

Legal Structure: Federally Qualified Health Center

Primary Product or Service: Primary Care, Behavioral Health, Dental, Pharmacy

Date Established: 2008      NAICS-SIC Code: 621

Website (if applicable):  
www.FamilyHS.org

**Principal Officers / Owners:**

Name / Title: David Tatro, CEO

Email: davidt@familyhs.org      Phone: 419-502-2822

SSN (last 4): 0326      % Ownership: Non-profit

Name / Title: Rob Moore, Board Chairman

Email: moorer@firelands.com      Phone: 419-557-5510

SSN (last 4): 2378      % Ownership: Non-profit

Name / Title: Dr. Brent Burkey, Officer

Email: bburkey@ftmc.com      Phone: 419-660-2550

SSN (last 4): 8158      % Ownership: Non-profit

Name / Title: Darrell Gant, Officer

Email: drgant4u@gmail.com      Phone: 419-656-9145

SSN (last 4): 4936      % Ownership: Non-profit



**Project Description:**

Please provide a brief description of the project to be undertaken for which City assistance is being sought. For existing businesses, please specifically describe the business expansion associated with the project. For new businesses, describe the scope of the project (attach additional page if necessary).

FHS has purchased the Granary Building located at 149 E. Water Street, Sandusky Ohio. FHS will renovate the existing one-story building to provide three-stories of space, as well as a roof top area. Demolition of the first floor space and renovations to floors 1, 2 and 3 with roof top space. Two stairwells with treads to all floors and one to access the roof top space will be added. A deck will be added on floors 2 and 3, the roof top will have a vestibule and deck. Sprinkler system will be improved on all floors, the basement will be renovated to have HVAC and lighting. New windows will be constructed in the back, storm windows in front of building and new windows and door on floor 1. An elevator shaft will be added which will provide access to all three floors and access the roof top area. Space on the 3rd floor will be constructed for the in-house pharmacy and administrative offices.

EXHIBIT "A"

**Business/Personal References:**

Name / Title: Paul Koch, Commercial Lender  
Email: pmkoch@civistabank.com Phone: 419-627-4567  
Relationship: FHS Banker

Name / Title: Jeremy Normington-Slay  
Email: norminj@firelands.com Phone: 419-366-9361  
Relationship: Lessor at Hayes Ave Clinic

Name / Title: Bryan Kasper  
Email: bkasper@kasperautogroup.com Phone: 419-366-3222  
Relationship: Contractor

**Location of Proposed Project:**

149 E. Water Street

(Address)

Sandusky, OH 44870

(City, State, Zip)

Erie

(County)

If a relocation, indicate from where \_\_\_\_\_

**Project Type:**

Renovation     Expansion     Start-Up/New Construction

EXHIBIT "A"

**Applicant / Business Background Information:**

Please provide a brief summary about your background and experience. Please also provide historical information regarding the building or property at which the business will operate, including but not limited to the most recent building use (attach additional page if necessary).

Family Health Services is a Federally Qualified Health Center (FQHC) located in Sandusky and Norwalk Ohio, serving Erie and Huron Counties. FHS was established as a look-alike program in November 2010 and was approved as an FQHC in 2014. FHS is one of two health center programs in operation in the city of Sandusky and Erie County. FHS provides comprehensive primary care and enabling services, behavioral health and MAT services, and dental services. FHS has school clinics offering primary care and behavioral health services within Sandusky City Schools, and behavioral health services within Edison Schools, Margaretta Schools, Townsend School, and Monroeville Schools. FHS operates our primary care, dental and behavioral health services at 1912 Hayes Avenue, 620 E. Water Street in Sandusky OH, and at 265 Benedict Avenue in Norwalk OH. The renovation to the 149 E. Water Street building will provide primary care, behavioral health services, as well as a 340B discount pharmacy.



**Project Source & Use Of Funds:**

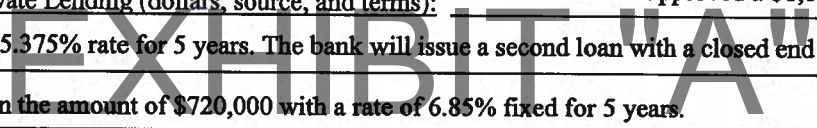
Break out total project costs by use of funds and allocate each use cost by source (attach additional page if necessary) (total of B+C+D should = A).

(A) Total Project Cost (itemize below): Total cost of project is \$3,781,059 .  
which is comprised of construction, cost of building, and architectural and engineering for the  
new clinic which includes the pharmacy construction costs

(B) Owner Equity (dollars and source): Family Health Services purchased the building  
for \$451,059

(C) Private Lending (dollars, source, and terms): Civista bank has approved a \$1,880,000 loan  
with a 5.375% rate for 5 years. The bank will issue a second loan with a closed end line of  
credit in the amount of \$720,000 with a rate of 6.85% fixed for 5 years.

(D) Request for City Assistance (dollars and type): We are asking the City to award a grant  
to Family Health Services that would alleviate the costs for the renovations. We would like to  
request \$720,000.





**Project Timeline:**

Please outline the project timeline. Please include expected completion dates for items including but not limited to obtaining site control, obtaining financing, and construction.

	<u>Start</u>	<u>Complete</u>	<u>N/A</u>
<u>Site Control</u>	Purchased July 2022		
<u>Financing</u>	January 2023		
<u>Construction</u>	December 2022	November 2023	
<u>Other</u>			

# EXHIBIT "A"

**Project Impact and Employment:**

	Current Year	Year One	Year Two	Year Three
<b>Annual Sales Revenue</b>	\$445,888	\$2,468,625	\$4,238,010	\$4,506,049
<b>Annual Payroll</b>	\$257,971	\$1,166,531	\$1,441,531	\$1,791,531
<b>Current Employment (FTE)</b>	4.5	11	15	18
<b>Average Pay Per Employee</b>	\$51,595	\$89,733	\$90,095	\$105,385

Projected revenues include ramp up of provider productivity as well as new revenue gained for 340B pharmacy

ED Program Guidelines & Application | 11.1.2023

**Project Concept:** Use the space below to address the following:

- How does the proposed project relate to a strategic approach to revitalization of the surrounding area?
- Will the project contribute to a change in the market dynamics, economic status, physical appearance or perception of the area?
- Does the project address specific area needs or missing services?

FHS purchased the historic granary building with the intent of offering greater access to primary care, behavioral health, and pharmacy services to the underserved community. Our current leased space at the Senior Center is at capacity and we need to expand to continue providing quality care to those in need. There is a lack of access to pharmacy services in the down-town Sandusky location, as well as primary care and behavioral health services. 51% of low-income individuals do not have regular access to transportation. Our new location can assist with providing better access to our much needed services and retail pharmacy. This will also allow us to continue to offer free access to our transportation services. Furthermore, our new location at the granary building is within close proximity to the Sandusky Transit System bus lines.

By renovating the building to offer three floors of services, we will hire several new positions. The job opportunities available to those in the community include support staff, a psychiatrist, a pharmacist, and pharmacy technician. FHS' payroll is anticipated to increase over one-million each year. The city

of Sandusky will benefit from the additional payroll tax, as these are mostly higher paid positions. We will continue our partnership with Firelands Health in this renovated building initiative, and have received full support from Firelands to expand our services in down-town Sandusky. The physical appearance of the current building will be renovated from a one-story office, to three stories with a roof top and elevator. Renovations made to the building will be aligned with historical preservation. We intend to offer roof top access to the nearby senior high rises and senior center residents as an additional recreational space. It is our hope that the City of Sandusky will provide FHS with the funds requested as we are a qualified public health entity providing greater access of care to the low-income and under-insured populations in Erie County. We would also hope the City of Sandusky would look into any American Rescue Plan Act (ARPA) funding to award to FHS.



**Attachments:**

The following should be submitted with your ED Application:

- Business plan (if applicable)
- Three years of historical financial statements (if applicable)
- Three years of projected financial statements (if applicable)
- Sources of financing including evidence of private funds and matching funds (if possible)
- Third party cost estimates, **INCLUDING RENDERINGS** (if applicable)
- Lease agreement, purchase agreement, or proof of ownership/site control

**Attestation of Financial Condition**

# EXHIBIT "A"

Do you or your business have any of the following:

	YES	NO
Outstanding collections		X
Judgement liens		X
Other court judgements		X
Delinquent taxes		X
Delinquent loans		X
Other tax liens		X
Previous bankruptcy		X
If yes to bankruptcy, has it been fully discharged?		
Real estate that is tax delinquent		X
Code violations		X
Non-registered rental units		X
Real estate that is in foreclosure		X

**Submission Acknowledgment**

The undersigned certifies that he/she is authorized to complete, sign and submit this application on behalf of the applicant/owner. Further, the undersigned certifies that the information contained in this application has been reviewed by him/her and that all information, including exhibits, are, to the best of his/her knowledge, complete and accurate and presents fairly the condition of the applicant and project accurately. Intentionally falsifying information in this document constitutes a criminal offense. The undersigned hereby authorizes the City of Sandusky to investigate the credit worthiness and of the undersigned, and/or applicant. The undersigned understands that information submitted to the City of Sandusky as part of this application may be considered a public record. The undersigned also agrees to display signage showing City support on their property for up to one (1) year after project completion.

The undersigned understands that additional information may be required to finalize the approval process, and that, if the project is funded, **Economic Development funds cannot pay for projects completed before grant approval and notice of award.** The undersigned also understands that the submission of the application for financial assistance does not automatically constitute approval.

The undersigned understands that if the business or enterprise receiving grant funding moves or relocates to a different location outside of the municipal boundaries of Sandusky within three (3) years from the effective date of the grant agreement, that the grant funding will be rescinded in its entirety and the undersigned waives any right or claim to the awarded funding. This provision does not include businesses or enterprises that cease operations and close or that open up additional locations outside of the municipal boundaries of Sandusky while maintaining their funded location within the Sandusky city limits.

**By checking this box, I acknowledge that I have read, understand, and agree to the policies and procedures outlined in this document. I further agree to be interviewed, photographed and/or have my business photographed for Economic Development marketing purposes. If you have questions, please contact the Department of Community Development.**

Company Name: Family Health Services

By: David Tatro, CEO

(Print or type name and title)

David Tatro 1/31/2023  
(Signature) (Date)

Inter-Office Use Only

State the date, time, and City staff member(s) present at the pre-application meeting:

last mtg date w/ staff (Orzech + Gilson) was April 2023

Date of Completed Application Submittal: \_\_\_\_\_

Staff Reviewer: Holody / Gilson

Date of Committee Review: 5-30-2023

Approve/Deny: recommended to committee

Amount Awarded and terms: \$300,000 recommended

CONTACT

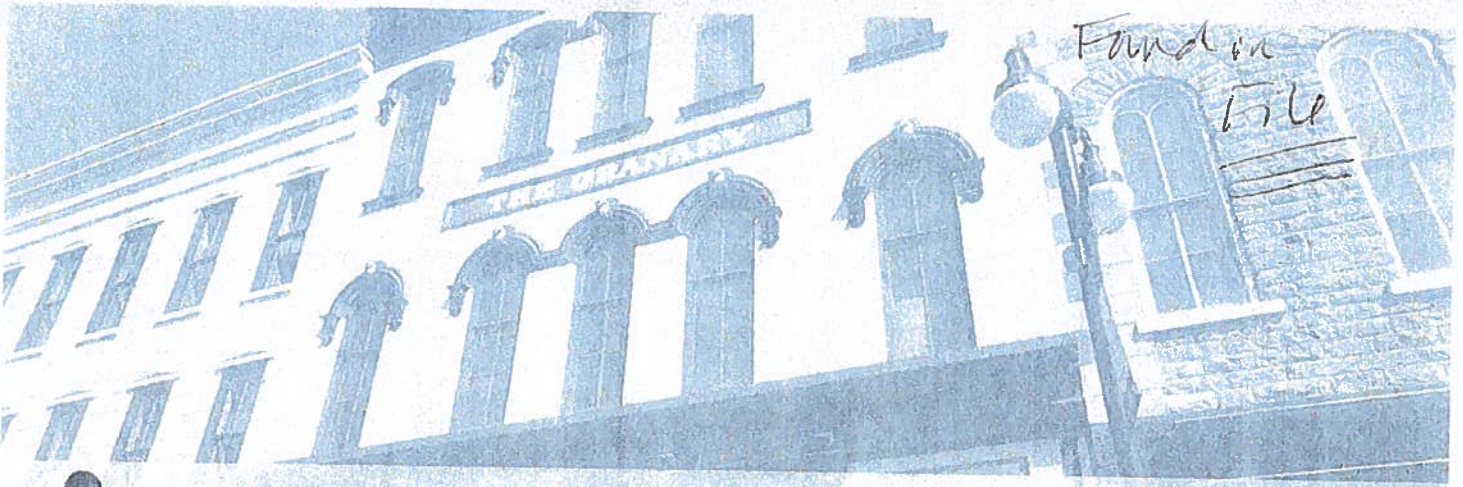
Jonathan Holody, Director of Community Development  
Department of Community Development  
240 Columbus Avenue  
Sandusky, Ohio 44870

Phone: (419) 627-5707

Email: jholody@ci.sandusky.oh.us

EXHIBIT "A"





**Family  
Health  
Services**

# Executive Summary

## Costs for 149 E. Water Street

Cost of Building.....	\$451,059.66
Construction.....	\$2,705,000.00
Pharmacy Buildout.....	\$325,000.00
<b>TOTAL COST.....</b>	<b><u>\$3,481,059.66</u></b>

**EXHIBIT "A"**

## Sources and Uses

1 <sup>st</sup> Civista Loan.....	\$1,880,000.00
2 <sup>nd</sup> Civista Loan.....	\$720,000.00

**David Tatro**  
Chief Executive Officer  
[davidt@familyhs.org](mailto:davidt@familyhs.org)  
C: 703-994-9749

**MarLana Binkley**  
Controller  
[marlanab@familyhs.org](mailto:marlanab@familyhs.org)  
O: 419-502-2819

**Family Health Services**  
1912 Hayes Ave., Ste D  
Sandusky, OH 44870

620 E. Water St.  
Sandusky, OH 44870

265 Benedict Ave.  
Norwalk, OH 44857

O: 419-502-2800  
[www.FamilyHS.org](http://www.FamilyHS.org)

**Granary Construction Estimate**  
**Medical Offices Floors 1, 2**  
**Family Health Services**  
**2/27/23**

This scenario would build out floors 1 & 2, and allow buildout of third floor in future without affecting operations below.

BeAgua LLC proposes to demolish first floor space and renovate floors 1 + 2 with provisions for future expansion of floor 3 and roof. Included will be two stairwells with treads to all floors and one to roof. Deck floors 2 and 3 (no improvements on floor 3, Roof to have vestibule and deck.) Sprinklers on improved floors.

Basement to have Rough HVAC and lighting

New windows in the back - storm windows in front including new windows and door on floor 1

Help with 10% grant from the city.

Utilities - FHS Pays for any connection and utilities along the process

**Infrastructure**

Demolish First Floor Space	\$	75,000	
Stairwells			
Masonry	\$	400,000	
Steel	\$	175,000	
Other Masonry	\$	50,000	
Frame/deck third floor	\$	80,000	
Update second floor structure	\$	50,000	
Elevator Shaft	\$	160,000	
Elevator (no basement access)	\$	200,000	
Sprinklers	\$	150,000	
Subtotal	\$		1,340,000

**Finish Floors 1,2**

New Windows Floors On 1,2,3 back	\$	60,000	
New Glass front at first floor/front door	\$	25,000	
Buildout Floors 1,2	\$	600,000	
Building exterior paint, signage, etc.	\$	40,000	
Engineering	\$	200,000	
Permits	\$	5,000	
Legal	\$	10,000	
Subtotal	\$		940,000

**Roof, Back Deck, Basement Additional Expenses**

ADA door controls	\$	10,000	
IT budget includes entry control and cameras	\$	65,000	
Vestibule added	\$	10,000	
utilities-Pay for any connection and utilities along the process			
insurance	\$	5,000	
Decking on back	\$	40,000	
Rooftop Vestibule and deck	\$	265,000	
Upgraded graded dimmable lighting on floor 2	\$	5,000	
HVAC and lighting in basement	\$	25,000	

Subtotal \$ 425,000

Building purchase \$ 455,000

Total Project Investment \$ 3,160,000 Contingency (10%) do not anticipate any need

Grants potential indicated by city \$ (300,000)

**Adendum #1**

Addition expenses for build out of 3rd Floor \$ 300,000

Addition Engineering expenses for 3rd floor, north patio, and roof revisions 25,000

Total Adendum #1 additions \$ 325,000

New Project Total \$ 3,485,000

FHS Signature

Date

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\_\_\_\_\_

EXHIBIT "A"





 FAMILY HEALTH SERVICES MEDICAL CENTER & PHARMACY 

EXHIBIT "A"

**BEHAVIORAL HEALTH**

• Individual, couples, and family counseling  
• Assessment and treatment planning  
• Medication management  
• Crisis intervention  
• Referrals to community resources

**PHARMACY**

• Prescription services  
• Immunizations  
• Medication therapy management  
• Patient education

**PRIMARY CARE**

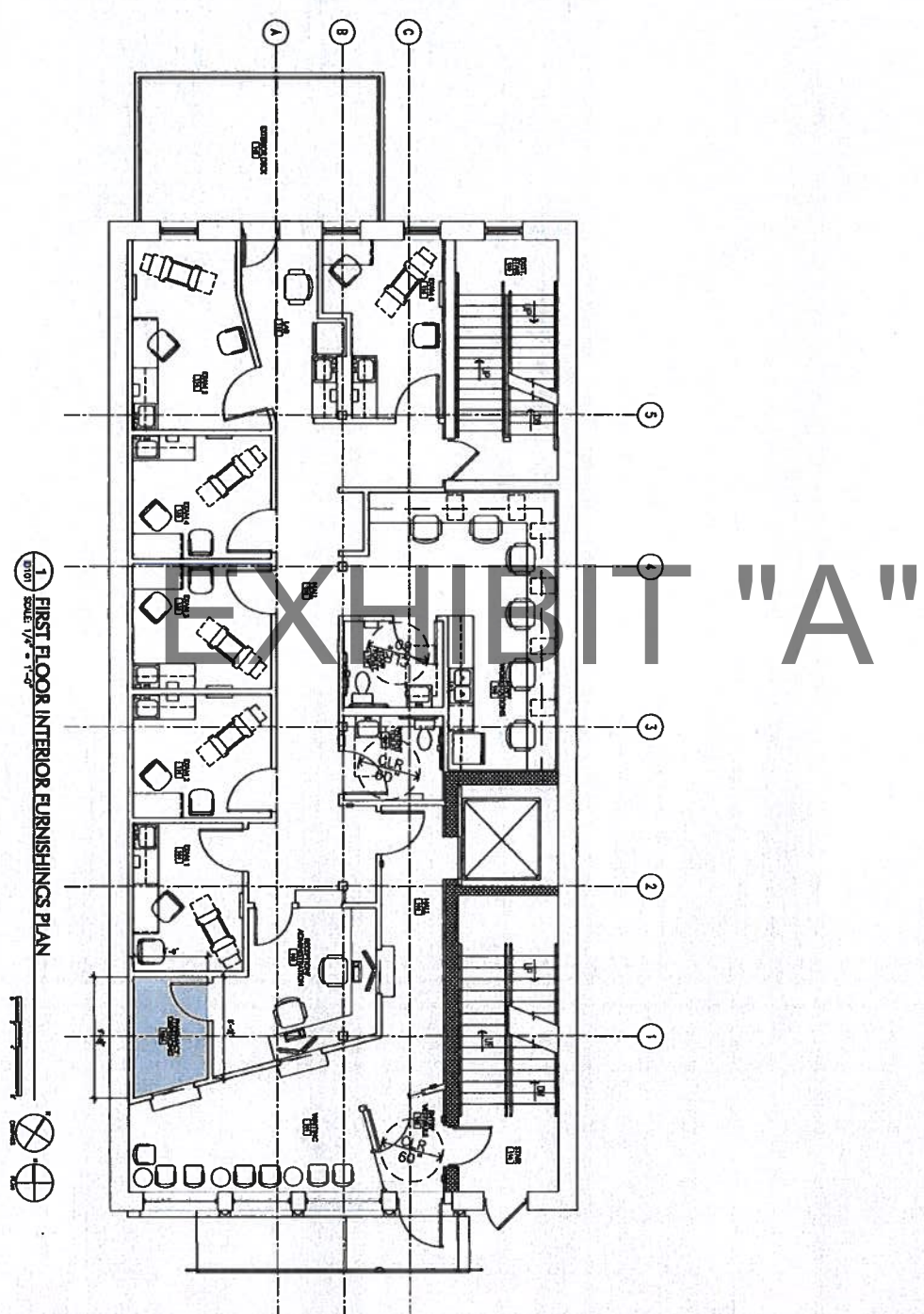
• Family medicine  
• Internal medicine  
• Pediatrics  
• Geriatrics  
• Women's health  
• Preventive care

  
149

IN PARTNERSHIP WITH  
 **FIRELANDSHEALTH**  
Firelands Regional Medical Center

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[INSERT OUR HOURS  
HERE]





1 FIRST FLOOR INTERIOR FURNISHINGS PLAN  
 DATE: 11/19/19



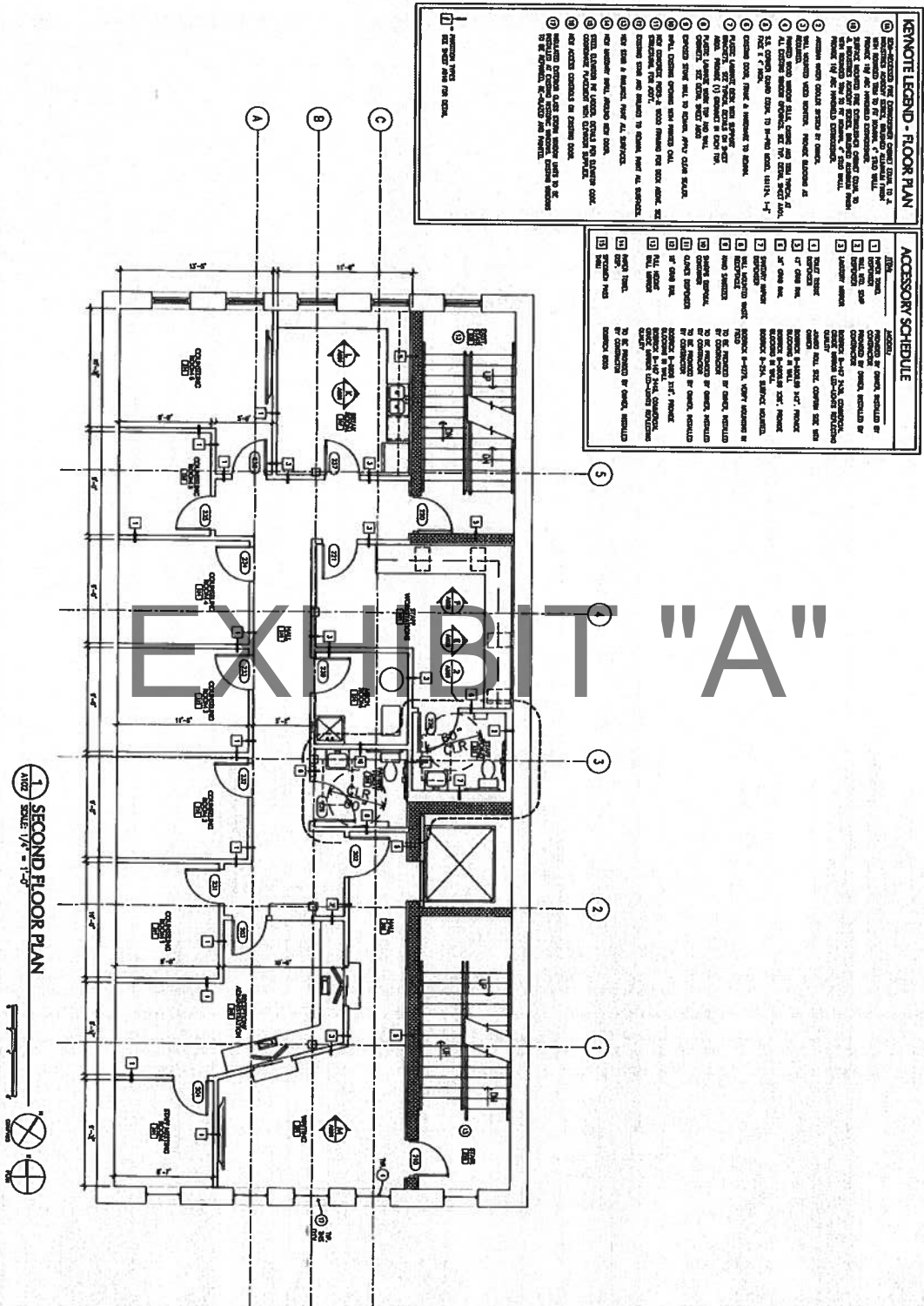
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FIRST FLOOR INTERIOR FURNISHINGS PLAN

**PAYO Architects**  
 200 BRADLEY BUILDING 1200 WEST BETH STREET CLEVELAND, OHIO 44113  
 PHONE: (216) 341-8800 WWW.PAYOARCHITECTS.COM

**FAMILY HEALTH SERVICES**  
 INTERIOR BUILD OUT OF THE GRANARY  
 149 E. WATER ST., SANDUSKY, OH 44870

DATE	11/19/19
BY	11/19/19
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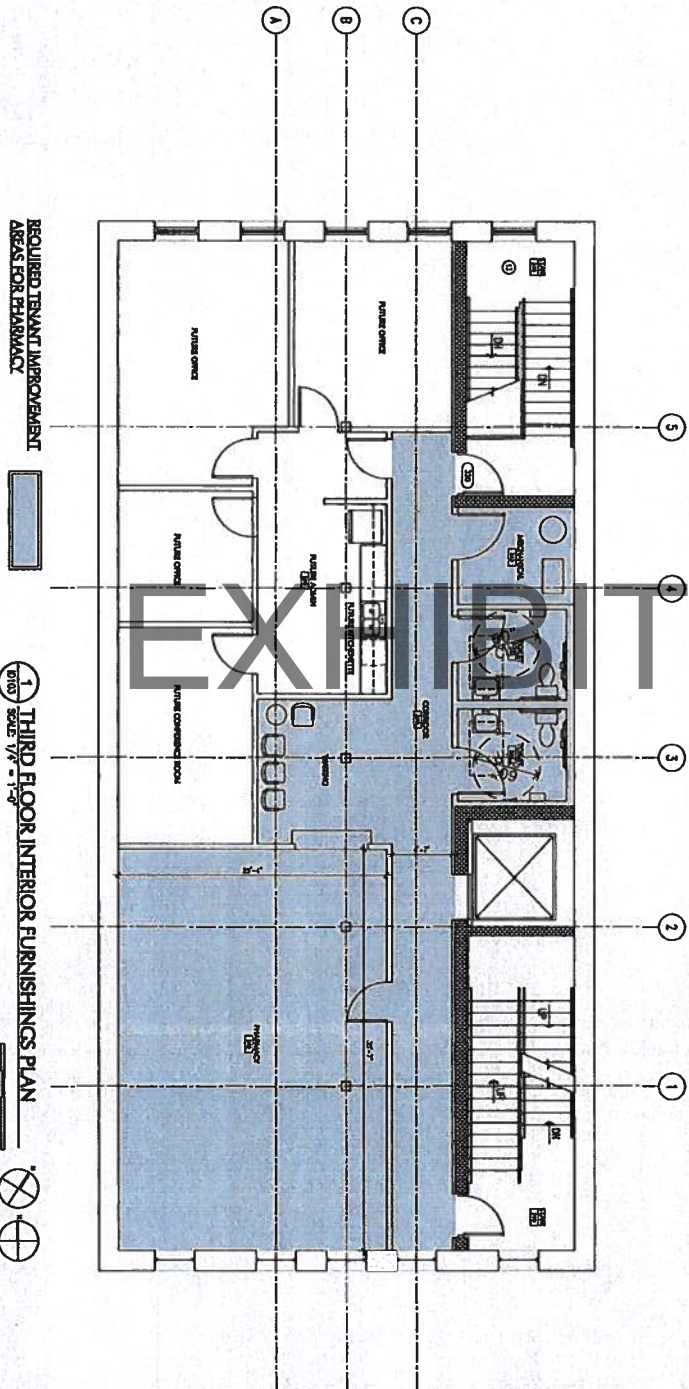
1 SECOND FLOOR PLAN  
SCALE: 1/8" = 1'-0"

**KEYNOTE LEGEND - FLOOR PLAN**

- 1. CONFERENCE ROOM
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**ACCESSORY SCHEDULE**

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REQUIRED TENANT IMPROVEMENT AREAS FOR PHARMACY

THIRD FLOOR INTERIOR FURNISHINGS PLAN  
 SCALE: 1/8" = 1'-0"



"A"

**ID103**  
 THIRD FLOOR INTERIOR FURNISHINGS PLAN  
 DATE: 11/14/19  
 DRAWN BY: J. WOOD  
 CHECKED BY: J. WOOD

THIRD FLOOR INTERIOR FURNISHINGS PLAN



**FAMILY HEALTH SERVICES**  
 INTERIOR BUILD OUT OF THE GRANARY  
 149 E. WATER ST., SANDUSKY, OH 44870

480 BENDLEY BLVD #200 1288 WEST 18TH STREET CLEVELAND, OHIO 44115 PHONE: 216.341.8800 WWW.PAYTOARCHITECTS.COM

NO.	DATE	REVISION



**KEYNOTE LEGEND - FLOOR PLAN**

1. MATERIAL TYPE SEE SCHEDULE AND THE CODE.
2. WALLS: INTERIOR WALLS SHALL BE CONCRETE ON CMU. EXTERIOR WALLS SHALL BE CONCRETE ON CMU WITH 2" POLYSTYRENE INSULATION. ALL WALLS SHALL BE FINISHED WITH 5/8" GYP BOARD AND FINISH AS NOTED.
3. FLOORS: INTERIOR FLOORS SHALL BE 4" POLYSTYRENE INSULATION ON 2" CONCRETE ON 4" GYP BOARD. EXTERIOR FLOORS SHALL BE 4" POLYSTYRENE INSULATION ON 4" CONCRETE ON 4" GYP BOARD. ALL FLOORS SHALL BE FINISHED WITH 1/2" GYP BOARD AND FINISH AS NOTED.
4. ROOF: ROOF SHALL BE 4" POLYSTYRENE INSULATION ON 4" CONCRETE ON 4" GYP BOARD. ROOF SHALL BE FINISHED WITH 1/2" GYP BOARD AND FINISH AS NOTED.
5. CEILING: INTERIOR CEILING SHALL BE 5/8" GYP BOARD AND FINISH AS NOTED. EXTERIOR CEILING SHALL BE 5/8" GYP BOARD AND FINISH AS NOTED.
6. DOORS: INTERIOR DOORS SHALL BE 1-3/4" SOLID CORE DOORS WITH 1-3/4" FINISH AS NOTED. EXTERIOR DOORS SHALL BE 1-3/4" SOLID CORE DOORS WITH 1-3/4" FINISH AS NOTED.
7. WINDOWS: INTERIOR WINDOWS SHALL BE 1/2" GYP BOARD AND FINISH AS NOTED. EXTERIOR WINDOWS SHALL BE 1/2" GYP BOARD AND FINISH AS NOTED.
8. STAIRS: STAIRS SHALL BE 1/2" GYP BOARD AND FINISH AS NOTED.
9. ELEVATORS: ELEVATORS SHALL BE 1/2" GYP BOARD AND FINISH AS NOTED.
10. MECHANICAL: MECHANICAL SHALL BE 1/2" GYP BOARD AND FINISH AS NOTED.
11. ELECTRICAL: ELECTRICAL SHALL BE 1/2" GYP BOARD AND FINISH AS NOTED.
12. PLUMBING: PLUMBING SHALL BE 1/2" GYP BOARD AND FINISH AS NOTED.
13. FINISH: FINISH SHALL BE 1/2" GYP BOARD AND FINISH AS NOTED.
14. PARTITION WALLS: PARTITION WALLS SHALL BE 5/8" GYP BOARD AND FINISH AS NOTED.
15. GLASS PARTITION WALLS: GLASS PARTITION WALLS SHALL BE 1/2" GYP BOARD AND FINISH AS NOTED.
16. GLASS DOORS: GLASS DOORS SHALL BE 1/2" GYP BOARD AND FINISH AS NOTED.
17. GLASS WINDOWS: GLASS WINDOWS SHALL BE 1/2" GYP BOARD AND FINISH AS NOTED.
18. GLASS STAIRS: GLASS STAIRS SHALL BE 1/2" GYP BOARD AND FINISH AS NOTED.
19. GLASS ELEVATORS: GLASS ELEVATORS SHALL BE 1/2" GYP BOARD AND FINISH AS NOTED.
20. GLASS MECHANICAL: GLASS MECHANICAL SHALL BE 1/2" GYP BOARD AND FINISH AS NOTED.
21. GLASS ELECTRICAL: GLASS ELECTRICAL SHALL BE 1/2" GYP BOARD AND FINISH AS NOTED.
22. GLASS PLUMBING: GLASS PLUMBING SHALL BE 1/2" GYP BOARD AND FINISH AS NOTED.
23. GLASS FINISH: GLASS FINISH SHALL BE 1/2" GYP BOARD AND FINISH AS NOTED.
24. GLASS PARTITION WALLS: GLASS PARTITION WALLS SHALL BE 1/2" GYP BOARD AND FINISH AS NOTED.
25. GLASS DOORS: GLASS DOORS SHALL BE 1/2" GYP BOARD AND FINISH AS NOTED.
26. GLASS WINDOWS: GLASS WINDOWS SHALL BE 1/2" GYP BOARD AND FINISH AS NOTED.
27. GLASS STAIRS: GLASS STAIRS SHALL BE 1/2" GYP BOARD AND FINISH AS NOTED.
28. GLASS ELEVATORS: GLASS ELEVATORS SHALL BE 1/2" GYP BOARD AND FINISH AS NOTED.
29. GLASS MECHANICAL: GLASS MECHANICAL SHALL BE 1/2" GYP BOARD AND FINISH AS NOTED.
30. GLASS ELECTRICAL: GLASS ELECTRICAL SHALL BE 1/2" GYP BOARD AND FINISH AS NOTED.
31. GLASS PLUMBING: GLASS PLUMBING SHALL BE 1/2" GYP BOARD AND FINISH AS NOTED.
32. GLASS FINISH: GLASS FINISH SHALL BE 1/2" GYP BOARD AND FINISH AS NOTED.

