

ORDINANCE NO. 19-117

AN ORDINANCE AUTHORIZING AND APPROVING A GRANT IN THE AMOUNT OF \$22,500.00 THROUGH THE HOUSING DEVELOPMENT AND BEAUTIFICATION GRANT PROGRAM TO RENAISSANCE TOO LLC IN RELATION TO THE PROPERTY LOCATED AT 131 EAST WATER STREET; AND DECLARING THAT THIS ORDINANCE SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.

WHEREAS, Renaissance Too LLC purchased 131 E. Water Street, the Barnes Building, for the purpose of developing this historic building in downtown Sandusky into a prominent mixed-use development and once completed will have commercial space on the first floor and multiple residential units on the above floors; and

WHEREAS, Renaissance Too LLC, led by its President and local business leader, Robert Hare, previously acquired the westerly property at 125 E. Water Street, the Biemiller Building, and was developing an akin mixed-use space when a massive storm in July, 2018, came close to destroying both buildings; and

WHEREAS, Renaissance Too LLC was able to acquire the Barnes Building in the wake of this storm and developed a plan to concurrently repair and renovate these historic buildings with similar mixed-use plans and plans to invest approximately \$558,000.00 to renovate the Barnes Building which will include commercial spaces and residential units, including the buildout of a penthouse level; and

WHEREAS, this grant is specific to the residential redevelopment of three (3) residential rental units and it is being requested in companion legislation to approve a Substantial Development Grant in the amount of \$102,500.00 to assist with other building renovations on the property and approve an Enterprise Zone Agreement for tax abatement; and

WHEREAS, it has been determined that the development of this property with the project pursuant to this Agreement and the fulfillment generally of this Agreement are in the vital and best interests of the City and for the health and safety and welfare of its residents, and are necessary to improve the economic and general welfare of the citizens of the City; and

WHEREAS, it is recommended to approve a grant to Renaissance Too, LLC, in the amount of \$22,500.00, in accordance with the Sandusky City Development Programs, to assist with the redevelopment costs for the residential rental units for the purpose of furthering housing development efforts in the City; and

WHEREAS, this Ordinance should be passed as an emergency measure under suspension of the rules in accordance with Section 14 of the City Charter in order to execute the Grant Agreement and allow Renaissance Too, LLC, to move forward with budgetary planning and facilitate rehabilitation; 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 Renaissance Too LLC for financial assistance through the Housing Development and Beautification Grant Program for the purpose of furthering housing development efforts in the City, substantially in the same form as Exhibit "A", a copy of which is attached to this Ordinance and is specifically incorporated as if fully rewritten herein, together with such revisions or additions as are approved by the Law Director as not being adverse to the City and as being consistent with carrying out the terms of this Ordinance.

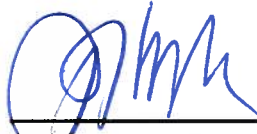
Section 2. This City Commission authorizes and approves the grant funding to Renaissance Too LLC and the Finance Director is directed to expend funds to Renaissance Too LLC in an amount **not to exceed** Twenty Two Thousand Five Hundred and 00/100 Dollars (\$22,500.00) from the Community Development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

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


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

Section 5. That for the reasons set forth in the preamble hereto, this Ordinance is hereby declared to be an emergency measure which shall take immediate effect in accordance with Section 14 of the City Charter after its

adoption and due authentication by the President and the Clerk of the City Commission of the City of Sandusky, Ohio.



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

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

Passed: July 8, 2019

GRANT AGREEMENT

This Grant Agreement (the "Agreement") is made and entered into as of the ____ day of _____, 2019 between the CITY OF SANDUSKY, OHIO (the "City"), a municipal corporation and political subdivision duly organized and validly existing under the Constitution, its Charter, and the laws of the State of Ohio, and Renaissance Too LLC, (the "Company"), an Ohio Limited Liability Company.

WITNESSETH:

WHEREAS, the Company, led by local developer and its managing member Robert Hare, purchased the Barnes Building at 131 E. Water Street (the "Building"). The Building and its adjoining building, the Biemiller Building, at 125 E. Water Street (the "Biemiller"), also owned by the Company, have been fighting for their survival as the Company attempts to salvage these properties after the July, 2018 storm that substantially damaged both buildings.

WHEREAS, Mr. Hare has significant experience in redeveloping and revitalizing historic properties and he is working towards the twin goals of returning these currently condemned buildings to tenantable condition and to develop a mixed-use project with commercial spaces inhabiting the first floor(s) and residential floors inhabiting the above floors, including the buildout of a penthouse level;

WHEREAS, it is anticipated that the Building will support three (3) residential units and the total budget for the residential development is approximately \$558,000; and

WHEREAS, pursuant to the Housing Development and Beautification Guidelines and Application, the Company is eligible for a grant in an amount of up to \$7,500 per unit for substantial redevelopment projects that cost in excess of \$50,000, thus resulting in the Company being eligible for a grant of up to \$22,500 for the development of three (3) residential units;

WHEREAS, this catalytic project will increase employment within the business district and directly address an office-space shortage in the downtown market, while providing high-end for-sale residential units. The Company will arrange for all work needed to preserve and renovate the interior and exterior of the property, including the buildout of the three (3) residential units, herein after referred to as the ("Project"); and

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

WHEREAS, the City has determined that this Project development pursuant to this Agreement and the fulfillment generally of this Agreement are in the vital and best interests of the City and for the health and safety and welfare of its residents, and are necessary to improve the economic and general welfare of people of the City;

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

Section 1. City Grant.

The City agrees to grant up to \$22,500 to the Company (the “City Grant”) toward the costs of the Project, payable upon completion of the Project. The City Grant will be expensed from the Community Development Capital Projects account (#431-4010-53000). Construction must be done in accordance with and to the reasonable satisfaction of the City, which includes, but is not limited to, compliance with all Planning and Zoning, Building and Code Compliance matters and other applicable codes and regulations of the City, including obtaining permits. The Company is still obligated to meet the requirements for disbursement prior to receiving any award funds – as outlined on Page 12 of the Housing Development and Beautification Program Guidelines and Application. Furthermore, the Company agrees to display a sign during construction 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 condition set forth in this Section and, if not, describe what is found to be deficient. In order to receive the City Grant, the Project will need to be completed on or before July 31, 2020. This date may be extended at the discretion of the City Manager.

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

Section 2. Authority to Sign.

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

Section 3. Assignment or Transfer.

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

Section 4. Choice of Law.

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

Section 5. Binding Agreement.

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

Section 6. Miscellaneous.

(a) **Notice.** Any notice or communication required or permitted to be given under this Agreement by either party to the other shall be deemed sufficiently given if delivered personally or

mailed by United States registered or certified mail postage prepaid or by overnight delivery and addressed as follows:

- (i) TO THE CITY: City Manager
c/o Housing Development Specialist
City of Sandusky, Ohio
222 Meigs Street
Sandusky, OH 44870

- (ii) TO THE COMPANY: Renaissance Too LLC
P.O. Box 1070
Sandusky, Ohio 44870
Attention: Robert Hare

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

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

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

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

Signatures Executed on the Following Page

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

Renaissance Too LLC
an Ohio Limited Liability Company

By: _____
Robert W. Hare, Manager

CITY OF SANDUSKY, OHIO

By: _____
Eric Wobser, City Manager

The legal form of the within instrument
is hereby approved.

Trevor M. Hayberger
Ohio Supreme Court #0075112
Law Director
City of Sandusky

CERTIFICATE OF DIRECTOR OF FINANCE

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

Hank Solowiej, Director of Finance