

AN ORDINANCE AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH ARLINGTON VALLEY FARMS, LLC, OR ITS ASSIGNEE, FOR THE LLC'S LEASE-PURCHASE OF THE REAL PROPERTY LOCATED AT 5369 HUDSON DRIVE, HUDSON, OHIO; AND DECLARING AN EMERGENCY.

WHEREAS, the City administration and this Council have considered the sale of approximately 5.6 acres of City-owned property at 5369 Hudson Drive in the City of Hudson ("Property"); and

WHEREAS, Arlington Valley Farms, LLC ("AVF") is a food productions company; and

WHEREAS, AVF desires to expand its business operations and relocate its business operations to the City of Hudson; and

WHEREAS, the Property contains a building that is currently vacant and not used for a public purpose and this Council determines that a lease-purchase of the Property to a food service company will provide a substantial economic development benefit to the City of Hudson by creating both jobs and tax revenues; and

WHEREAS, AVF has agreed to a sixty-eight (68)-month lease term beginning December 1, 2017 and concluding July 31, 2023 ("Lease Term") whereby from December 1, 2017 through May 31, 2019 AVF will pay no monthly rent; beginning June 1, 2019, AVF will pay Ten Thousand Dollars (\$10,000.00) per month for fifty (50) consecutive months for a total gross rent due of Five Hundred Thousand Dollars (\$500,000.00) upon the completion of the rental term; and

WHEREAS, the closing for the sale and transfer of the Property in fee simple from the City to AVF is scheduled for August 2023 and at closing, AVF shall pay, in cash, to the City of Hudson One Million Five Hundred Thousand Dollars (\$1,500,000.00), minus the total gross rent paid by AVF to the City during the Lease Term; and

WHEREAS, as part of the mutual consideration for the sale and purchase of the Property, AVF has agreed to begin paying the property taxes due for the Property beginning June 1, 2018; and

WHEREAS, as part of the mutual consideration for the sale and purchase of the Property, the City has agreed to install water and sewer lines that will serve the Property and areas adjacent to those lines no later than June 1, 2018; and

WHEREAS, as part of the mutual consideration for this sale and purchase, the City will patch and seal all exterior parking lot and loading areas currently on the Property; and

WHEREAS, AVF agrees to make substantial repairs and improvements to the Property;
and

WHEREAS, the lease-purchase of the Property by AVF that is no longer needed for municipal purposes is included within the City's powers of local self-government as granted by Article XVIII of the Ohio Constitution.

NOW, THEREFORE, BE IT ORDAINED by the Council of Hudson, Summit County, State of Ohio, that:

Section 1. The City Manager is authorized to enter into an agreement for the lease-purchase of real property with Arlington Valley Farms, or its assignee, for the property located at 5369 Hudson Drive in the City of Hudson, part of Permanent Parcel Number 30-09423 (subject to a forthcoming lot split), in a total amount not less than One Million Five Hundred Thousand Dollars (\$1,500,000.00) payable in the following manner:

1. December 1, 2017 through May 31, 2019 – No monthly payment due;
2. June 1, 2019 through July 31, 2023 – Ten Thousand Dollars (\$10,000.00) per month (50 total monthly payments); and
3. One Million (\$1,000,000.00) Dollars Due at closing of the sale by August 31, 2023.

Section 2. Subject to all competitive bidding requirements and authorization of a contract therefor by this Council, the City Manager is authorized to seek competitive bids and to cause to be installed public water and sewer lines to the subject Property.

Section 3. The City Manager is authorized to cause to be patched and sealed all exterior parking lot and loading areas at the subject Property.

Section 4. The City Manager is authorized to execute all other documents necessary for the lease-purchase transaction set forth in Section 1 and to pay both the standard costs to a seller at the closing of the transaction and any brokerage fees to the seller associated with the lease-purchase agreement.

Section 5. It is found and determined that all formal actions of this Council concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal action were in meetings open to the public in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

Section 6. This Resolution is determined to be an emergency measure necessary to further the public health, safety and general welfare and for the further reason that it is immediately necessary for the transaction that is the subject of this Resolution to occur in order to timely complete it under the time frame necessary to the lessee-purchaser's business relocation to Hudson and to create new jobs and tax revenues within the City; wherefore, this Resolution shall be in effect immediately upon its passage provided it receives the affirmative vote of five (5) members

of Council, except that six (6) affirmative votes shall be required if all members are present; otherwise, it shall take effect and be in force from and after the earliest period allowed by law.

PASSED:

David A. Basil, Mayor

ATTEST:

Elizabeth Slagle, Clerk of Council

I certify that the foregoing Resolution No. 17-176 was duly passed by the Council of said Municipality on _____, 2017.

Elizabeth Slagle, Clerk of Council