



City of Hudson, Ohio

Staff Report With Text

File #: 17-176 **Version:** 2 **Name:**

Type: Ordinance **Status:** Passed

File created: 11/9/2017 **In control:** City Council

On agenda: 3/20/2018 **Final action:** 3/20/2018

Title: 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.
Executive Summary: This Resolution was passed on November 14, 2017. Staff requests Council approval of the proposed date changes.

Sponsors: David A. Basil

Indexes: Economic Development, Finance - General

Code sections:

Attachments: 1. Ordinance No. 17-176, 2. Ordinance No. 17-176 Proposed Amendments 3-20-2018

| Date | Ver. | Action By | Action | Result |
|------------|------|--------------|--|--------|
| 3/20/2018 | 2 | City Council | amended | Pass |
| 11/14/2017 | 1 | City Council | first reading | |
| 11/14/2017 | 1 | City Council | to suspend the rule requiring three readings | Pass |
| 11/14/2017 | 1 | City Council | adopted with rule suspension | Pass |

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.

Executive Summary: This Resolution was passed on November 14, 2017. Staff requests Council approval of the proposed date changes.

Legislative History

Previous legislation permitted the purchase of the former RAMCO property and the sale of one of the buildings.

Resolution No. 16-36, authorizing purchase of property located at 5369 Hudson Drive and 1220 and 1239 Hudson Gate Drive, passed March 15, 2016.

Resolution No. 17-49, authorizing the sale of property located at 1239 Hudson Gate Drive, passed March 21, 2017.

Purpose & Explanation Proposed Amendments (as shown)

The purpose of the legislation is to allow the City Manager to enter into a purchase agreement with Arlington Valley Farms, LLC (AVF). A summary of the key terms of the agreement are as follows:

- AVF will take possession of the property no later than ~~December 1, 2017~~ **April 1, 2018** for purposes of beginning renovations and installation of equipment. At that time AVF will also become responsible for utilities and maintenance.
- AVF intends to take occupancy no later than ~~June 1, 2018~~ **upon receipt of an occupancy permit** .
- The sales price of the property is \$1,500,000. AVF will make fifty (50) equal monthly payments of \$10,000 to the City totaling \$500,000 from ~~6/1/2019 to 7/1/2023~~ **10/1/2019 to 11/30/2023** . These payments will directly reduce the balance owed to the City. There are no payments from ~~12/1/2017 to 5/31/2019~~ **4/1/2018 to 9/30/2019** .
- The closing date will be ~~July 31, 2023~~ **12/31/2023** (or earlier). AVF would pay the \$1,000,000 remaining balance at closing.
- The City agrees to install a water line no later than ~~6/1/2018~~ **10/1/2018** .
- The City agrees to patching and sealing the parking lot and loading areas.

Timing Considerations

~~Staff requests passage by Council with emergency language to allow agreement to be signed in time for AVF to take possession by December 1, 2017.~~ **This Ordinance was passed by Council on 11/14/2017. Staff requests Council approval by motion of above date changes.**

Fiscal Impact

- Currently Budgeted
- Supplemental Appropriation Required
- Appropriation Not Required.

Suggested Action

Staff recommends passage of the resolution **approval of a motion to amend Ordinance No. 17-176 to reflect date changes** .

Submitted by,

Jane Howington, City Manager

Jim Stifler, Chief Economic Officer

Jeff Knoblauch, Asst. City Manager - Finance