



# 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