



Legislation Text

File #: O-313-21, Version: 1

S REYNOLDS/TPFCU

Department of Economic Development

Sandy Spang (x1614)/Douglas Johnson (x1431)

Revised

Authorizing the Mayor to enter into an amended real estate purchase agreement with the Toledo Police Federal Credit Union and to execute and deliver other needed instruments for the sale and conveyance of a 3.5-acre parcel of city owned real property located at 2340 S. Reynolds Rd.; authorizing the deposit of net sale proceeds; making certain findings with respect thereto; waiving the notice and competitive bidding provisions of T.M.C. 187.19; and declaring an emergency.

SUMMARY & BACKGROUND:

The City of Toledo is the owner of the real property which is the site of the former Clarion Hotel 2340 S. Reynolds Road, (Parcel ID 07-70391). The City acquired the 5-acre property in 2014 through the Lucas County Land Bank with the plan to redevelop the property in a manner that both enhances the commercial character and fosters the further development of the Hawthorne Hills area. In 2019, the City sold 1.5 acres to the International Union of Operating Engineers for Seventy-Five Thousand Dollars (\$75,000).

Ordinance 138-21 authorized the execution of a real estate purchase agreement for the sale of the remaining 3.5 acres of 2340 S. Reynolds Rd. to The Toledo Police Federal Credit for Two Hundred Eighty-Nine Thousand Dollars (\$289,000) to construct a new office and retail banking center on the site.

In recent weeks, as the Toledo Police Federal Credit Union conducted pre-purchase inspection and evaluation of the site, a Compaction Study conducted to assess suitability of the site for the planned building foundations found insufficient ground support for the planned foundations. The study recommended replacement of existing fill materials with new, compacted structural fill. An initial estimate of costs to remediate this geotechnical concern came to \$70,000. This Ordinance authorizes an amended real estate purchase agreement containing an amended sales price of \$219,000 -- a reduction of \$70,000 -- to reflect the unanticipated costs to the Toledo Police Federal Credit Union for site preparation.

The fiscal impact of this ordinance is as follows:

- The amount of funds requested: \$0
- The expenditure budget line item: n/a
- New revenue generated (operational revenue, grants, if any): \$219,000
- Revenue budget line item (if any): 5040-16500-5000436STDSTD
- Are funds budgeted in the current fiscal year (yes/no)?: n/a
- Is this a capital project (yes/no)? No
- If yes, is it new or existing (new/existing)? n/a
- What section of the City's Strategic Plan does this support:
 - o Excellence in Basic Services (yes/no) No
 - o Quality Community Investment (Livable City, Development) (Yes/No) Yes

- Workplace Culture & Customer Service (yes/no) no
- Environment (yes/no) no

NOW, THEREFORE, Be it ordained by the Council of the City of Toledo:

SECTION 1. That the Mayor and the Real Estate division of the Department of Economic Development are authorized to enter into an amended real estate purchase agreement with the Toledo Police Federal Credit Union and to execute needed instruments for the sale and conveyance of the real property located at 2340 S. Reynolds Road, as more fully described in Exhibit "A", for \$219,000.

SECTION 2. That the amended agreement and needed instruments shall contain other terms and conditions deemed necessary and proper by the Mayor, the Department of Law and the Department of Economic Development.

SECTION 3. That it is found and determined that the subject real property is not needed for any municipal purpose.

SECTION 4. That this Council finds and determines it in the best interests of the City to waive the competitive bidding requirements of Toledo Municipal Code Section 187.19 for the reasons that subject real property has been held out to the public for sale for commercially reasonable period of time and the sale will generate proceeds at or near its full value, result in immediate private investment in the property, preserve employment and address the blight impacting the surrounding area.

SECTION 5. That the Mayor, Director of Economic Development, and Director of Law are authorized to execute and deliver such agreements, deeds, certifications and instruments and to take such other lawful action as may be necessary or appropriate in order to carry out the purpose authorized herein.

SECTION 6. That the Finance Director is authorized to accept and deposit the net sale proceeds into the Capital Improvement Fund, Account Code 5040-16500-5000436STDSTD.

SECTION 7. That it is found and determined that all formal actions of Council concerning and relating to the passage of this Ordinance were adopted in an open meeting of Council and that all deliberations of Council and any of its committees that result in such formal action were in meetings open to the public in compliance with all legal requirements, including Section 121.22, Ohio Revised Code.

SECTION 8. That this Ordinance is declared to be an emergency measure and shall take effect and be in force immediately from and after its passage. The reason for the emergency lies in the fact that same is necessary for the immediate preservation of the public peace, health, safety and property and for the further reason that this Ordinance must be immediately effective to facilitate sale and conveyance of the property.

Vote on emergency clause: yeas 11, nays 0.

Passed: June 8, 2021, as an emergency measure: yeas 11, nays 0.

Attest:

Gerald E. Dendinger
Clerk of Council

Cerssandra McPherson
President Pro Tempore of Council

Approved:

June 8, 2021
Wade Kapszukiewicz
Mayor