City of Cincinnati

An Ordinance No. 205

D.B.L.

-1998

AUTHORIZING the execution on behalf of the City of a *Release of Purchase Agreement* releasing any obligations to the City and any City rights that may remain under a 1980 Purchase Agreement pursuant to which the City conveyed real property at 1024-26 York Street.

WHEREAS, the City and Wm. Cargile Contractor, Inc., entered into a Purchase Agreement dated December 23, 1980 (recorded in Mortgage Book 4362, Page 541), providing for sale by the City of certain real property located at 1024-26 York Street, Cincinnati, and redevelopment by Wm. Cargile Contractor, Inc., of the property and the then-existing improvements—the former York Street Police Station; and

WHEREAS, the Purchase Agreement provides the City a right of re-entry in the event of a breach of contract; and

WHEREAS, the City and Wm. Cargile Contractor, Inc., amended the Purchase Agreement by an Addendum dated February 26, 1981 (recorded in Mortgage Book 4362, Page 551); and

WHEREAS, Wm. Cargile Contractor, Inc., conveyed the property in 1984; and

WHEREAS, the former York Street Police Station was not renovated and has been demolished; and

WHEREAS, the real property at 1024-26 York Street has been used as a parking lot to meet zoning requirements for off-street parking for a manufacturing plant at 1829 Freeman Avenue, pursuant to a Covenant executed on February 1, 1991 (recorded in Official Record Book 5489, Page 846) in connection with issuance of a City building permit; and

WHEREAS, the owner of the real property at 1024-26 York Street has requested release of any remaining obligations, and rights of the City, under the Purchase Agreement, and the City administration has recommended that the City consent to that request since the former York Street Police Station has been demolished and the property use is supporting the continued economic growth in the area; now, therefore,

BE IT ORDAINED by the Council of the City of Cincinnati, State of Ohio:

Section 1. That Council authorizes the City Manager to execute on the City's behalf a *Release of Purchase Agreement* (substantially in the form attached hereto), releasing any remaining

purchaser's obligations and rights of the City, including any right of re-entry, under the December 23, 1980 Purchase Agreement, as amended, relating to 1024-26 York Street (more particularly described in Exhibit A to the *Release of Purchase Agreement*).

Section 2. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.

Passed May 20, 1998

Mayor

Attest: Marilyn Kaiser
Clerk

I HEREBY CERTIFY THAT ORDINANCE NO. 205
19 98 WAS PUBLISHED IN THE CITY BULLETIN
IN ACCORDANCE WITH THE CHARTER ON 6-2-98.

Clerk of Council.

Interdepartment
Correspondence Sheet

City of Cincinnati

Date: May 6, 1998

To: Mayor and Members of City Council

From: Andi Udris, Director of Economic Development

Subject: Release of Purchase Agreement: 1023-1026 York Street

Doc. # 199801210

Attached is an ordinance captioned:

> AUTHORIZING the execution on behalf of the City of a *Release of Purchase Agreement* releasing any obligations to the City and any City rights that may remain under a 1980 Purchase Agreement pursuant to which the City conveyed real property at 1024-26 York Street.

Freeman-York Corporation, as former owner of real property at 1024-26 York Street, requests the City release of terms of a 1980 Purchase Agreement between the City of Cincinnati and Wm. Cargile Contractor, Inc. (Cargile), a previous owner of that property. Granting this request will result in the City releasing the contract requirement for the redevelopment of the demolished former York Street Police Station, and the City's right of re-entry to the property. The site is currently owned by Wegman Investment Company (Wegman) and serves as off-street parking for its facility immediately south at 1829 Freeman Avenue. Wegman, an office furniture business, recently received an SBA 504 loan to purchase 1024-26 York Street and 1829 Freeman Avenue. Wegman has a total of 37 employees, 7 at the Freeman Avenue location, and will create 8 jobs in 2 years.

BACKGROUND

On December 30, 1980, the City of Cincinnati and Cargile entered into a Purchase Agreement for the sale and redevelopment of the then-existing York Street Police Station at 1024-26 York Street in the West End. Cargile paid the City $12,900 for the property and was required to redevelop this architecturally significant structure into offices. The Purchase Agreement provided the City with a right of re-entry in the event of a breach of contract, conditioned on repayment of the $12,900.

On February 26, 1981, the City amended its Purchase Agreement with Cargile, granting Cargile the right to convey the York Street property. This conveyance was subject to the original Purchase Agreement, but subordinated the City's right of re-entry to the first mortgagee. Cargile was unable to redevelop the former York Street Police Station property and in 1984 conveyed 1024-26 York Street to Gold Medal Products Company (Gold Medal). Gold Medal demolished the structure and created an off-street parking lot which supported its production facility at 1829 Freeman Avenue. On February 1, 1991, a Covenant was executed, in connection with the issuance of a City of Cincinnati building permit, establishing 1024-26 York Street (as required for zoning compliance) as the off-street parking for the manufacturing facility at 1829 Freeman Avenue.

The opportunity to support the redevelopment of the architecturally significant former York Street Police Station was eliminated with its demolition in the early 1980's. The City has no plans to develop the site and it is too small to individually support an economic development project. The City currently has no funds allocated to acquire the York Street property. The property at 1024-26 York Street serves as off-street parking for Wegman, an expanding Cincinnati business. Approval of this request supports the City Council goal to CREATE A HEALTHY LOCAL ECONOMY and the following BENCHMARK - 3000 viable job opportunities created or retained annually.

RECOMMENDATION

The administration recommends approval of the Release of Purchase Agreement to clear the title for 1024-26 York Street.

APPROVED:

John F. Shirey
City Manager

Attachments - Ordinance
Release of Purchase Agreement

K:\NBD\PROJECTS\KEMPER\GOLDMED.DBL

RELEASE OF PURCHASE AGREEMENT

THIS RELEASE OF PURCHASE AGREEMENT ("**Release**") is executed by the City of Cincinnati, an Ohio municipal corporation, by and through its City Manager and hereinafter referred to as ("**City**").

WHEREAS, the City and Wm. Cargile Contractor, Inc. entered into a certain Purchase Agreement, dated December 23, 1980 ("**Purchase Agreement**"), which is recorded in Mortgage Book 4362, Page 541 of the Official Records of the Hamilton County Recorder, Hamilton County, Ohio;

WHEREAS, the City and Wm. Cargile Contractor, Inc. subsequently amended the Purchase Agreement by Addendum to Purchase Agreement, dated February 26, 1981 ("**Addendum**"), which is recorded in Mortgage Book 4362, Page 551 of the Official Records of the Hamilton County Recorder, Hamilton County, Ohio;

WHEREAS, the Purchase Agreement, as amended, required, inter alia, Wm. Cargile Contractor, Inc. to redevelop the former York Street Police Station and the real property thereunder ("**Subject Premises**"), as described in Exhibit A, attached hereto in accordance with the terms, conditions and restrictions set forth in the Purchase Agreement, as amended;

WHEREAS, Wm. Cargile Contractor, Inc. failed to complete the redevelopment of the Subject Premises;

WHEREAS, Wm. Cargile Contractor, Inc. conveyed the Subject Premises to Gold Medal Products Co., an Ohio corporation by Limited Warranty Deed, dated February 13, 1984, which is recorded in Deed Book 4285, Page 189 of the Official Records of the Hamilton County Recorder, Hamilton County, Ohio;

WHEREAS, the former York Street Police Station has been demolished;

WHEREAS, in order to promote continued economic growth of the York Street area of the City of Cincinnati, the City has agreed to formally release the Purchase Agreement, as amended; and

WHEREAS, City Council of the City has authorized this release by Ordinance No. _____-1998.

NOW, THEREFORE, in consideration of the Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency which are hereby acknowledged, the City agrees as follows:

1. The City hereby releases, waives and relinquishes any and all obligations, restrictions and covenants set forth in the Purchase Agreement, as amended; and releases any right of re-entry with respect to the Subject Premises.

IN WITNESS WHEREOF, _____, on behalf of the City of Cincinnati, has executed this Release this _____ day of _____, 1998 with the intent to be legally bound.

WITNESSES:

_____
Print Name: _____

_____
Print Name: _____

CITY OF CINCINNATI:

By: _____
Print Name: _____
Title: _____

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

The foregoing instrument was acknowledged before me this ___ day of _____, 1998, by _____, the _____ of the City of Cincinnati, an Ohio municipal corporation, on behalf of the corporation.

_____
Notary Public

This instrument was prepared by: R. Mark Addy, Esq.
Santen & Hughes
312 Walnut Street, #3100
Cincinnati, OH 45202
(513) 721-4450

100937v2

EXHIBIT "A"

Being in the City of Cincinnati, County of Hamilton and State of Ohio, and described as follows, to wit:

All those two certain lots of land known and designated as Lots Numbered Fourteen (14) and Fifteen (15) on the Plat of Subdivision of the lands of Benjamin Stewart's Heirs recorded in Plat Book 2, page 138, Hamilton County, Ohio, Records: each of said lots being twenty-one (21) feet in front on the north side of York Street and extending back between parallel lines at right angles with York Street One hundred and thirty-two and 27/100 (132.27) feet to the south line of a twenty foot street and being the same premises conveyed to the City of Cincinnati by deed from the Magnolia Building Association of Cincinnati, Ohio, recorded in Deed Book 752, Page 106, of the Hamilton County Recorder's Office.

COUNCIL MEETING VOTING SHEET

Number: # 99 **Wednesday May 20, 1998**

2:P.M.

	FOR IMMEDIATE CONSIDERATION (5)		SUSPENSION OF THREE READINGS (7)		ADMENDMENT (5)		PASSAGE (5, 6 OR 7)		EMERGENCY (6)		INDEFINITELY POSTPONED (5)	
	Y	N	Y	N	Y	N	Y	N	Y	N	Y	N
J. Cissell			✓				✓					
M. Cooper			✓				✓					
P. Heimilch			✓				✓					
T. Portune			✓				✓					
R. Qualls			✓				✓					
B. Sterne			✓				✓					
D. Tillery			✓				✓					
C. Winburn			✓				✓					
T. Yates			✓				✓					
Total			9	0			9	0				