

County Council of Cuyahoga County, Ohio

Resolution No. R2013-0169

<p>Sponsored by: County Executive FitzGerald/Department of Public Works</p> <p>Co-sponsored by: Councilmember Conwell</p>	<p>A Resolution making an award on RQ24534 to Welcome House, Inc. in the amount of \$650,000.00 for sale of the County Archives Building; authorizing a Lease for said building in the amount not-to-exceed \$24.00 for a period up to 24 months commencing on the closing date of said sale; authorizing the County Executive to take all necessary actions and to execute all documents necessary to consummate the contemplated transactions, and authorizing the Director of Public Works to administer the project; and declaring the necessity that this Resolution become immediately effective.</p>
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WHEREAS, Cuyahoga County engaged the services of Allegro Realty Advisors (“Allegro”) to conduct an audit of the County’s real-estate needs and come forth with a set of recommendations for the County; and,

WHEREAS, Allegro recommended that the County place 13 properties currently owned by the County for sale, including County Archives Building on 2843 and 2905 Franklin Avenue in Cleveland, Ohio; and,

WHEREAS, the County engaged the services of CBRE, Inc. (“CBRE”), a commercial real estate services firm, to serve as the real estate portfolio program manager, provide brokerage services, and represent the County in connection with the real estate portfolio program; and,

WHEREAS, CBRE worked with the County to prepare and issue a request for proposals, RFP # 24534, (the “RFP”) for the real property consolidation project in accordance with the County’s Contracting and Purchasing Procedures Ordinance; and,

WHEREAS, the County received a proposal from Welcome House, Inc., to purchase the land and all buildings and improvements commonly known as the County Archives Building (“County Archives Building”) located at 2843 and 2905 Franklin Avenue, Cleveland, Ohio 44113; and,

WHEREAS, the proposal is to sell the property for Six Hundred Fifty Thousand and 00/100 Dollars (\$650,000.00); and,

WHEREAS, Fifty Thousand and 00/100 Dollars (\$50,000.00) of the purchase price will be used to fund an escrow for certain repairs to the property during the lease term; and,

WHEREAS, the lease term shall be for a period up to 24 months; and,

WHEREAS, the County may terminate the lease at any time upon thirty days advance written notice; and,

WHEREAS, rent for the property is \$1.00 per month; and,

WHEREAS, the County is responsible for all operating expenses incurred by it during the term of the proposed lease; and,

WHEREAS, Welcome House is responsible for all costs associated with repairs to the roof and structural portions of the property and mechanical, electrical, plumbing, and other building systems and for the cost of materials associated with ordinary and necessary maintenance and repairs; and,

WHEREAS, the County will provide the labor for such ordinary and necessary maintenance and repairs during the term; and,

WHEREAS, it is necessary that this Resolution become immediately effective in order that critical services provided by Cuyahoga County can continue and to provide for the usual, daily operation of a County entity.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY COUNCIL OF CUYAHOGA COUNTY, OHIO:

SECTION 1. That the Cuyahoga County Council hereby awards the sale of the County Archives Building to Welcome House, Inc. in the amount of \$650,000.00 and authorizes the County Executive to finalize negotiations and to enter into a Purchase and Sale Agreement and a Lease up to two years in the amount of \$1.00 per month with Welcome House, Inc. for same.

SECTION 2. That the closing of the Purchase and Sale Agreement and Lease with Welcome House, Inc. be contingent on Welcome House, Inc. having received the necessary zoning approvals from the City of Cleveland for its intended use to the satisfaction of the County's Director of Law.

SECTION 3. That the County Executive or his authorized designee is authorized to (a) take all actions, and to execute, acknowledge, deliver and/or file for record (as and where appropriate) (i) all documents and instruments necessary or

desirable to facilitate and/or consummate the transactions contemplated hereby, including, but not limited to, a Purchase and Sale Agreement, a lease agreement and all documents to be executed by the County thereunder, and all financing-related documents (including but not limited to subordination, non-disturbance and attornment agreements, pledges, and security agreements), (ii) all other and further documents, instruments, certificates, agreements, amendments, assignments, subleases, consents, affidavits, certifications, disbursement authorizations, settlement statements, closing statements, proration statements, escrow agreements, escrow instructions, and notices, and (iii) amendments, modifications and supplements to any of the foregoing, that the County Executive may deem necessary or advisable in connection with the consummation of the transactions contemplated hereby, in all cases containing such terms and conditions as may be approved by the County's Director of Law, (b) agree to such payments, prorations, credits, deposits, holdbacks, escrows and other arrangements as may be necessary or advisable in connection therewith to facilitate and/or consummate such transactions, and (c) prosecute and/or defend any actions or proceedings that may be necessary or advisable relative to any of the foregoing matters.

SECTION 4. That the Director of Public Works is authorized to administer the project through its milestones and be responsible for any ongoing approval rights under the Lease.

SECTION 5. That all documents to be executed in connection with the transactions contemplated herein be subject to the Law Director's approval as to legal form and correctness.

SECTION 6. It is necessary that this Resolution become immediately effective for the usual daily operation of the County, the preservation of public peace, health, or safety in the County, and any additional reasons set forth in the preamble. Provided that this Ordinance receives the affirmative vote of at least eight members of Council, it shall take effect and be in force immediately upon the earliest occurrence of any of the following: (1) its approval by the County Executive through signature, (2) the expiration of the time during which it may be disapproved by the County Executive under Section 3.10(6) of the Cuyahoga County Charter, or (3) its passage by at least eight members of Council after disapproval pursuant to Section 3.10(7) of the Cuyahoga County Charter. Otherwise, it shall take effect and be in force from and after the earliest period allowed by law.

SECTION 7. It is found and determined that all formal actions of this Council relating to the adoption of this Resolution were adopted in an open meeting of the Council, and that all deliberations of this Council and of 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.

On a motion by Ms. Conwell, seconded by Mr. Rogers, the foregoing Resolution was duly adopted.

Yeas: Gallagher, Conwell, Jones, Rogers, Simon, Miller, Brady, Germana and Connally

Nays: Schron

County Council President Date

County Executive Date

Clerk of Council Date

First Reading/Referred to Committee: July 23, 2013

Committee(s) Assigned: Committee of the Whole

Committee Report/Second Reading/Referred to Committee: August 27, 2013

Committee(s) Assigned: Committee of the Whole

Additional Sponsorship Requested on the Floor: November 26, 2013

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