CITY OF OBERLIN, OHIO

ORDINANCE No. 14-52 AC CMS

AN ORDINANCE AUTHORIZING THE CITY MANAGER TO APPROVE AND THE OBERLIN COMMUNITY IMPROVEMENT CORPORATION TO ENTER INTO AN AGREEMENT WITH LORAIN COUNTY HEALTH & DENTISTRY FOR THE SALE OF THE REAL PROPERTY KNOWN AS 260 SOUTH MAIN STREET, OBERLIN, OHIO, AND DECLARING AN EMERGENCY

WHEREAS, by Ordinance No. 08-11 AC CMS Oberlin City Council declared the property located at 260 South Main Street to be surplus and not necessary for any current municipal purpose; and

WHEREAS, said Ordinance further authorized and designated the Oberlin Community Improvement Corporation (OCIC), to serve as its agent in the sale of said surplus property and authorized the OCIC, in conjunction with the City Manager, to sell the property for not less than its fair market value; and

WHEREAS, OCIC has recently received an offer for the property in the amount of One Hundred Fifty Thousand Dollars (\$150,000.00) which is equal to the current fair market value of said property and which offer is fair, reasonable and in the best interests of the City to accept.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Oberlin, Lorain County, State of Ohio, five-sevenths (5/7ths) of all members elected thereto concurring:

SECTION 1. That the President or other authorized officer of the OCIC is hereby authorized and directed, and with the approval of the City Manager, to enter into an agreement with Lorain County Health & Dentistry, an Ohio not-for-profit corporation, for the sale of the "Clark Lumber Yard Property", known as 260 South Main Street, Oberlin, Ohio, in substantially the form attached hereto, marked "Exhibit A", and incorporated herein by reference, and to do all things necessary and proper to complete the sale, including the execution of the deed of conveyance, all in accordance with Ordinance No. 08-11 AC CMS.

SECTION 2. It is hereby found and determined that all formal actions of this Council concerning or relating to the adoption of this Ordinance were adopted in an open meeting of this 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.

SECTION 3. That this Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health and safety of the citizens of the City of Oberlin, Ohio or to provide for the usual daily operation of a municipal department to wit: to authorize the sale of the property for a closing on or before September 30, 2014 as provided in said agreement, time being of the essence, and shall take effect immediately upon passage.

Page 2 – Ordinance No. 14-52 AC CMS

POSTED: 09/16/2014

PASSED:	1 st Reading: September 15, 2014 (E)	
	2 nd Reading:	
	3 rd Reading:	
ATTEST:		
Miliada / B. anderson H. Pan - Rushing		
BELINDA B. ANDERSON, MMC CLERK OF COUNCIL P		H. SCOTT BROADWELL PRESIDENT OF COUNCIL

EFFECTIVE DATE: 09/15/2014

EXHIBIT A.

Robert P. Ellis, Jr.

Attorney at Law

35765 Chester Road Avon. OH 44011-1262

Direct: (440) 695-6085

REllis@WickensLaw.com

Main: (440) 695-8000

Farc (440) 695-8098

Web: www.WickensLaw.com



September 8, 2014

Eric Norenberg, City Manager City of Oberlin 85 South Main Street Oberlin, OH 44074

Dear Mr. Norenberg:

This office and I represent Lorain County Health & Dentistry ("LCH&D"). Stephanie Wiersma, President of LCH&D, has had conversations with Housing & Economic Development Officer Carrie Handy with respect to the acquisition of the parcel of vacant land (the "Land") located at on South Main Street, with Auditor's Permanent Parcel No. 09-00-095-106-038.

This letter constitutes the offer of LCH&D to buy the Land for a price of \$140,000.00. The purchase would be pursuant to the terms and conditions set forth in the enclosed proposed purchase agreement. LCH&D is prepared agreement may be executed by the parties.

Lorain County Health & Dentistry is a private, not-for-profit, 501(c)(3) Community Health Center founded in 2002. LCH&D operates four service delivery locations (in the City of Lorain and the City of Elyria) and serves the residents of Lorain County. LCH&D provides primary and preventative medical, oral health and vision care to persons of all ages and discounts fees for uninsured patients who qualify (based on Federal Poverty Guidelines). LCH&D offers services to all residents of the service area regardless of language, gender, socio-economic status, sexual orientation, physical and mental capacity, age, religion, housing status, and the ability to pay. Particular attention, however, is directed at reaching the low-income, uninsured, underinsured, Medicaid/Medicare, and vulnerable populations.

LCH&D will request federal Health Resources & Services Administration (HRSA) New Access Point (NAP) competitive operating grant funds in the amount of \$650,000 per year, for each of two years, to establish a new satellite site in Oberlin, Ohio to serve the residents of Oberlin, Wellington and LaGrange and rural township residents in Southern Lorain County. There are 3 federally designated rural census tracts in Lorain County. All 3 rural census tracts are located in the proposed service area. Two rural census tracts (060100 and 060200) are located in Oberlin and one (096100) is located in Wellington. The proposed new service site is strategically located to serve the target population in Oberlin and the most rural population in Lorain County. LCH&D is the only Federally Qualified Health Center organization in Lorain County (the next nearest 41 miles to the east in Cleveland).

Upon receipt of the grant award, LCH&D will build on the Land a 5,000 square foot health center facility. The Land is highly visible and easily accessed by car, bicycle and foot. It will serve a low-income neighborhood, and is adjacent to Oberlin Community Services ("OSC"), a non-profit organization working to alleviate poverty in Oberlin and townships to the south. OCS operates the Meals on Wheels program, provides emergency food, rent and utility assistance, and helps low income residents with transportation and prescription assistance. LCH&D will work closely with OCS, and other community, social and health care agencies, for maximum community impact.

Eric Norenberg, City Manager City of Oberlin Page 2

The LCH&D satellite will be open full-time and will offer medical care to persons of all ages. After hours services are also planned. Prenatal/women's health care, pediatrics and adult/family medicine will be provided, and behavioral health services will be fully integrated. In addition, LCH&D will open a 5-operatory general dentistry clinic at this satellite location.

At full operational capacity, the LCH&D Oberlin satellite site will provide 3,783 users with 11,904 annual encounters. Services will be provided by 0.40 FTE Pediatrician, 1.0 FTE Family Medicine (servicing adult population), 0.20 FTE Obstetrician, 1.0 FTE Dentist, 0.60 FTE Dental Hygienist, 0.20 FTE Behavioral Health Provider, plus support staff. Professional providers, and all staff members, will be compensated at market rates.

If LCH&D acquires the Land, it will submit the application to HRSA for operating funding. This must be filed no later than October 1, 2014. In order to do so, LCH&D must own the property. Award decisions are expected to be made by HRSA in April, 2015 with the start of the project period on May 1, 2015. The new facility must then be constructed and be operational by August 28, 2015. That is 120 days after confirmation of the grant.

LCH&D has sufficient funds on hand in order to pay cash for the Land. It will obtain conventional financing for the construction of the facility and any related site improvements.

It would be very helpful if the Phase I environmental assessment and any surveys of and title insurance policies for the Land were provided to us.

Do not hesitate to contact either me or Stephanie Wiersma at 440-233-0159 for additional information and responses to any questions which you may have or those of any of your staff.

Sincerely,

WICKENS, HERZER, PANZA, COOK & BATISTA CO.

By: Robert P. Ellis, Jr.

RPE Enclosure

REAL ESTATE PURCHASE AGREEMENT AND ESCROW INSTRUCTIONS

This Purchase Agreement (this "Agreement") is made at Oberlin, Ohio, by and between **City of Oberlin**, an Ohio municipal corporation (which with its successors and assigns is "Seller"), by and through its agent, Oberlin Community Improvement Corporation, an Ohio community improvement corporation organized under the provisions of Chapter 1724 of the Ohio Revised Code and **Lorain County Health & Dentistry**, an Ohio not-for-profit corporation (which with its successors and assigns is "Buyer"), Seller and Buyer (collectively the "Parties" and individually "Party") agree as follows:

WHEREAS Seller desires to sell to Buyer the real estate (consisting of approximately 1.26 acres) located on South Main Street, Oberlin, Ohio with Lorain Auditor's Permanent Parcel No. 09-00-095-106-038, including, but not limited to, the land and all appurtenances and easements appertaining thereto and all flora located thereon (collectively the "Real Estate");

NOW, THEREFORE, in consideration of the mutual covenants and promises made in this Agreement and other valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Parties agree as follows:

1. Sale of Real Estate

Seller shall sell and convey the Real Estate to Buyer. Buyer shall purchase the Real Estate from Seller, in accordance with the terms and conditions hereof. The purchase price for the Real Estate (the "Purchase Price") shall be One Hundred Fifty Thousand Dollars (\$150,000.00).

2. Closing Date and Escrow Agent.

- 2.1 Subject to the provisions of Section 6, this transaction shall close (the "Closing") on or before September 30, 2014, time being of the essence. The date the Deed is filed for record is the closing date (the "Closing Date"). In the event Closing does not occur on or before September 30, 2014, at the option of Buyer, this Agreement shall terminate and all deposits with the Escrow Agent shall be returned promptly.
- 2.2 Old Republic National Title Insurance Company, 160 Cleveland Street, Elyria, Ohio 44035 ("Escrow Agent") shall be the Escrow Agent, subject to the Escrow Agent's standard conditions for the acceptance of escrow, except as otherwise expressly provided herein. Port City Title Agency, Inc. ("Title Company"), an agent of Old Republic National Title Insurance Company, shall issue the Title Policy (as defined below). The Parties acknowledge that Title Company is affiliated with the law firm representing Buyer.

3. Seller's Deposits in Escrow.

Seller shall deposit in escrow with the Escrow Agent on or before September 29, 2014 (the "Deposit Date"), time being of the essence:

(a) Seller's good and sufficient quit claim deed (the "Deed") conveying the Real Estate to Buyer, free and clear of all liens, defects and encumbrances except zoning restrictions and except taxes and assessments which are a lien, but not yet due and payable, and except easements of record;

- (b) Evidence, reasonably satisfactory to Buyer, that Seller and the individual executing this Agreement and the Deed have the authority to enter into this Agreement and to convey the Real Estate to Buyer as provided herein; and
- (c) Any and all funds, information and documents reasonably required by Escrow Agent and Title Company to provide for the opening and closing of escrow and the issuance of the Title Policy and the payment of costs charged to Seller.

4. Buyer's Deposits in Escrow.

On or before the Deposit Date, Buyer shall deposit in escrow the Purchase Price and any and all funds, information and documents reasonably required by Escrow Agent and Title Company to provide for the opening and closing of escrow and the issuance of the Title Policy and the payment of costs charge to Buyer.

5. <u>Escrow Instructions.</u>

- 5.1 The Escrow Agent shall close, as provided below, if and when:
- (a) all conditions precedent (described in Section 6) are satisfied or waived by Buyer; and
- (b) Title Company is prepared to issue a ALTA title insurance policy (the "Title Policy") in the amount of the Purchase Price to Buyer insuring marketable title to the Real Estate to be in Buyer free and clear of all liens and encumbrances, except for the exceptions to the Deed warranty covenants; and
 - (c) Seller and Buyer have made all escrow deposits required.
- 5.2 Provided the requirements of Section 5.1(a) through (c) are fully satisfied, the Escrow Agent shall file the Deed for record and shall:
- (a) Pay the cost of the title search, Title Policy and charge the cost of same to Seller;
- (b) Pay 5% of the gross purchase price to the Oberlin Community Improvement Corporation as authorized by Oberlin City Ordinance No. 08-11 AC CMS, plus said entity's legal expenses (to Eric R. Severs Co., L.P.A.) and charge same to Seller;
- (c) Pay the cost of recording the Deed and charge the cost of the same to Buyer;
- (d) Pay escrow fees and charge one-half (1/2) of the cost of the same to Seller and one-half (1/2) of the cost of the same to Buyer;
- (e) Satisfy and discharge any existing mortgages, liens and security interests, and charge the cost of the same to Seller;
- (f) Pay balance, if any, due Buyer in accordance with Buyer's instructions and pay balance to Seller in accordance with Seller's instructions; and
 - (g) Deliver to Buyer the Deed.

6. Conditions Precedent.

- 6.1 The following shall be conditions precedent to Buyer's obligations hereunder that Buyer approve (a) the state of the title and the title insurance commitment issued by Title Company, (b) the physical condition of the Real Estate and (c) an environmental assessment of the Real Estate (using ASTM Standard E-1527). The foregoing approvals shall be made in Buyer's sole discretion.
- 6.2. In the event that all the foregoing conditions are not satisfied in full or waived in writing by Buyer on or before the Deposit Date, at Buyer's option, this Agreement shall terminate and all funds or documents, deposited in escrow or paid or distributed to Seller, shall be immediately returned to the Party that deposited or paid them and the Parties shall be relieved of all obligations hereunder.

7. Documents from Seller.

Seller shall provide, with respect to the Real Estate and if available, copies of any Phase I or II environmental assessments, any title guaranties or title insurance policies and any surveys.

8. Representations and Warranties.

Seller makes no representations or warranties with respect to the Real Estate and all warranties (express or implied) are excluded and Buyer shall take the Real Estate in its "as is" condition and Buyer will rely solely on its independent investigation of the Real Estate and not on the representations or statements of any other party.

9. Notice.

(a) All notices which may or must be provided hereunder shall be delivered to the Parties as provided below:

If to Seller:

Eric Norenberg, City Manager

85 South Main Street Oberlin, OH 44074

If to Buyer:

Stephanie R. Wiersma 1205 Broadway Avenue Lorain, OH 44052-3409

(b) All notices shall be deemed received on the date when placed in the United States mail addressed as provided above or when delivered by courier.

10. Option.

10.1 In the event that this transaction closes, Buyer hereby grants Seller an exclusive option (the "Option") to purchase the Real Estate as provided below. Seller may exercise the Option at any time within 60 days after March 31, 2017 if construction of a not-for-profit community health center facility is not commenced prior to that date. Construction shall be deemed to be commenced upon issuance of a building permit by Seller which Seller shall not unlawfully withhold or delay. The Option shall terminate upon the expiration of said 60 day period. The Option shall be exercised by written notice to Buyer as provided above. This Option to Seller to repurchase the property shall survive the Closing and shall not merge in the deed of conveyance.

10.2. If the Option is exercised, an agreement (the "Repurchase Agreement") shall automatically be in force between Seller and Buyer. The terms of the Repurchase Agreement shall be the same as provided in this Agreement except that (a) Seller shall be the buyer and Buyer shall be the seller, (b) the conveyance of title shall be subject to any and all liens or encumbrances arising before the Closing Date in this original sale, and the seller shall have no obligation to satisfy any liens or encumbrances that encumbered the Real Estate prior to the original sale Closing Date, (c) the deposit date shall be the date 45 days after the date the Option is exercised. In this Section, the terms "Seller" and "buyer" refer to City of Oberlin and "Buyer" and "seller" refer to Lorain County Health & Dentistry.

11. Miscellaneous.

- 11.1 Buyer shall have possession of the Real Estate on the Closing Date.
- 11.2 This Agreement constitutes the entire agreement between the Parties hereto with respect to the Real Estate and supersedes all prior and contemporaneous agreements, representations, warranties, promises and understandings.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of September 15, 2014.

City of Oberlin, by the Oberlin Community Improvement Corporation, its agent.

Lorain County Health & Dentistry

"Seller"

"Buyer"

Approved:

 $\mathbf{R}\mathbf{v}$

Eric Norenberg, Oberlin City Manager