

RESOLUTION 2009-91

AUTHORIZING THE GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY TO SELL ECTP PARCEL NUMBER 168, BEARING CUYAHOGA COUNTY AUDITOR'S PERMANENT PARCEL NUMBERS 118-11-004, 118-11-005, 118-11-006B, 118-11-007, 118-11-008, 118-11-009, 118-11-010 AND 118-11-011 AND LOCATED AT 5508-5810 EUCLID AVENUE IN CLEVELAND, OHIO ("PROPERTY") TO THE CITY OF CLEVELAND FOR NINE HUNDRED THOUSAND DOLLARS (\$900,000) AND DECLARING IT EXCESS

WHEREAS, the Greater Cleveland Regional Transit Authority Board of Trustees approved the purchase of this Property under Resolution 2005-039 on December 15, 2005 for the Euclid Corridor Transportation Project now called the HealthLine; and

WHEREAS, title to this Property transferred to the Greater Cleveland Regional Transit Authority on April 29, 2005; and

WHEREAS, the Greater Cleveland Regional Transit Authority is the owner of record of this Property; and

WHEREAS, the Property is no longer required for the construction of the HealthLine and is excess to the Authority; and

WHEREAS, the City of Cleveland wishes to purchase the Property for an economic development project; and

WHEREAS, the City of Cleveland has authorized the acquisition of this Property under Ordinance 965-09 for consideration not to exceed fair market value as determined by its Board of Control; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio:

Section 1. That the General Manager/Secretary-Treasurer is hereby authorized to execute a Purchase and Sale Agreement and all other documents required to sell and transfer this Property at a Purchase Price of Nine Hundred Thousand Dollars (\$900,000).

Section 2. That the net proceeds of sale are to be put on deposit in the GCRTA Development Fund and remitted to the Federal Transit Administration unless they allow the funds to be used for a similar project.

Section 3. That the Purchase Price of Nine Hundred Thousand Dollars (\$900,000) is based upon the fair market value of the Property as determined by the property appraisal report and approved by a Review Appraiser. The sale is also subject to FTA concurrence.

Section 4. That this resolution shall become effective immediately upon its adoption.

Attachment: Property Map

Adopted: October 20, 2009



President

Attest: 

CEO, General Manager/Secretary-Treasurer



Greater Cleveland Regional Transit Authority
STAFF SUMMARY AND COMMENTS

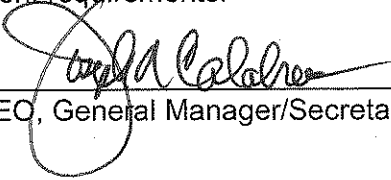
TITLE/DESCRIPTION: CONTRACT: Sale of 5508-5510 Euclid Avenue and declaring it excess property VENDOR: City of Cleveland AMOUNT: \$900,000	Resolution No.: 2009-91
	Date: October 16, 2009
	Initiator: Programming and Planning
ACTION REQUEST: <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Review/Comment <input type="checkbox"/> Information Only <input type="checkbox"/> Other _____	

- 1.0 **PURPOSE/SCOPE:** The purpose of declaring the property at 5508-5510 Euclid Avenue excess and selling it is to facilitate an economic development project in the Midtown neighborhood of the City of Cleveland. The City is working with the State of Ohio to construct a State Mental Hospital in this area. The City requires this land to meet the development program required by the State of Ohio. The City authorized the acquisition of this land under City Ordinance Number 965-09.
- 2.0 **DESCRIPTION/JUSTIFICATION:** The property was purchased by RTA from Lassi Enterprises, LLC. for the construction of the Euclid Corridor Transportation Project. The site was acquired for roadway purposes and construction staging. Federal funds were used for the acquisition and the Uniform Act was followed. The property is no longer required by RTA and is, therefore, excess property to the Authority. RTA has had it listed with a real estate broker for sale for the last year.
- 3.0 **PROCUREMENT BACKGROUND:** Does Not Apply.
- 4.0 **DBE/AFFIRMATIVE ACTION BACKGROUND:** Does Not Apply.
- 5.0 **POLICY IMPACT:** Does Not Apply.
- 6.0 **ECONOMIC IMPACT:** The purchase price is based upon the fair market value of the property as determined by both an appraisal and concurred with by a review appraisal report. The City of Cleveland is bound to acquire the property at the Fair Market Value. The Federal Transit Administration must approve the disposition of the property and the use of the proceeds of the sale. FTA regulations allow for the use of program income to be reinvested in the capital program of the Agency in a "like" activity. The State project is to construct a 420,000 square foot new facility on vacant land in the Midtown Corridor of Cleveland. It will create 500 jobs, create additional development investment, and increase ridership along the HealthLine.
- 7.0 **ALTERNATIVES:** The Authority can refuse to sell the property to the City. This action is likely to damage the ability of the City to meet the State of Ohio's development requirements jeopardizing the development at this location. RTA would thus maintain the expenses of holding this vacant property until another purchaser is found.

8.0 RECOMMENDATION: This property disposition was presented to the Board of Trustees in an executive session on October 13, 2009. Staff recommends that the Board of Trustees approve the resolution to authorize the sale of this property to the City of Cleveland.

9.0 ATTACHMENTS: None

Recommended and certified as appropriate to the availability of funds, legal form and conformance with the Procurement requirements.



CEO, General Manager/Secretary-Treasurer