

**ORDINANCE NO. 21-065**

**AN ORDINANCE DECLARING THAT CERTAIN REAL PROPERTY OWNED BY THE CITY AS PART OF THE LAND REUTILIZATION PROGRAM IDENTIFIED AS PARCEL NO. 59-01165.000, LOCATED AT 421 FULTON STREET, SANDUSKY, IS NO LONGER NEEDED FOR ANY MUNICIPAL PURPOSE AND AUTHORIZING THE EXECUTION OF A PURCHASE AND SALE AGREEMENT WITH RESPECT TO THAT REAL PROPERTY; AND DECLARING THAT THIS ORDINANCE SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.**

**WHEREAS**, pursuant to Ordinance No. 07-026 passed June 11, 2007, the City is conducting a Land Reutilization Program in accordance with the provisions of Chapter 5722 of the Ohio Revised Code; and

**WHEREAS**, the City Commission previously authorized the acquisition of the property located at 421 Fulton Street, Parcel No. 59-01165.000, by Resolution No. 039-20R, passed on September 28, 2020, under said Land Reutilization Program, which property is more specifically described in Exhibit "A", which property is no longer needed for any municipal purpose; and

**WHEREAS**, this City Commission previously authorized the City Manager to proceed with a Request for Proposals (RFP) process for the sale of property consisting of a two (2) story, single-family residential structure with four (4) bedrooms and two (2) bathrooms with approximately 1,904 square feet of living space and located at 421 Fulton Street, Parcel No. 59-01165.000, by Ordinance No. 21-020, passed on February 22, 2021; and

**WHEREAS**, a Request for Proposals (RFP) was issued on February 24, 2021, in which three (3) proposals were received and evaluated by the Land Bank Committee on April 19, 2021, and based upon the scope of work and rehabilitation, financial capability, ability to complete the project within the required timeframe, strength and experience to complete the project, and proposed use of property, the Land Bank Committee determined that Lucas J. Keller was a responsible bidder who poses the best opportunity for the City to achieve the highest and most certain return for the property through rehabilitation and occupancy; and

**WHEREAS**, Lucas J. Keller desires to purchase Parcel No. 59-01165.000, which is more specifically described in Exhibit "A" (the "Property") attached to a certain Purchase and Sale Agreement, a copy of which is marked Exhibit "1" with respect thereto (the "Purchase and Sale Agreement"), at the purchase price of \$5,000.00, and proposed a budget of at least \$70,000.00 for renovations to the interior and exterior of the home; and

**WHEREAS**, the cost associated with this purchase and sale agreement is the total amount of the deed preparation, transfer fees, advertisement and any other customary fees that may be due and payable in the ordinary course of the sale and purchase transaction and any such costs will be recouped by the City upon sale and any proceeds of the sale shall be dispersed in accordance with the provisions of Chapter 5722 of the Ohio Revised Code; and

**WHEREAS**, this Ordinance should be passed as an emergency measure under suspension of the rules in accordance with Section 14 of the City Charter in

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order to promptly execute the closing within (30) days as usual and customary in the sale of real estate; and

**WHEREAS**, in that it is deemed necessary in order to provide for the immediate preservation of the public peace, property, health, and safety of the City of Sandusky, Ohio, and its citizens, and to provide for the efficient daily operation of the Municipal Departments, including the Department of Community Development, of the City of Sandusky, Ohio, the City Commission of the City of Sandusky, Ohio finds that an emergency exists regarding the aforesaid, and that it is advisable that this **Ordinance** be declared an emergency measure which will take immediate effect in accordance with Section 14 of the City Charter upon its adoption; and NOW, THEREFORE,

BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF SANDUSKY, OHIO, THAT:

Section 1. This City Commission finds, determines and declares that the Property, Parcel No. 59-01165.000, located at 421 Fulton Street, Sandusky, more specifically described in Exhibit "A", a copy of which is attached to this Ordinance and is specifically incorporated as if fully rewritten herein, is no longer needed for any municipal purpose and that the execution of the Purchase and Sale Agreement providing for the sale, pursuant to Section 25 of the Charter of this City, to the Purchaser of the Property at the purchase price set forth in the Purchase and Sale Agreement, is in the economic interest of the City and in furtherance of the City's Land Reutilization Program referenced in those preambles in accordance with the provisions of Chapter 5722 of the Ohio Revised Code. The City Manager is hereby authorized and directed to execute the Purchase and Sale Agreement on behalf of the City, substantially in the same form as attached to this Ordinance, marked Exhibit "1", and specifically incorporated as if fully rewritten herein, together with any revisions or additions as are approved by the Law Director as not being substantially adverse to the City and consistent with carrying out the City's public purpose. Upon the exercise by the Purchaser to purchase the Property pursuant to the Purchase and Sale Agreement, the City Manager is also hereby authorized and directed on behalf of the City to execute a quit claim deed conveying the Property to the Purchasers, which quit claim deed shall be in a form satisfactory to the Law Director. The City Manager, Law Director, Finance Director, and other City officials, as appropriate, are each hereby authorized to execute and deliver such instruments, certificates and other documents and take such actions as are necessary and in the best interests of the City in order to carry out and consummate the foregoing actions authorized by this Ordinance.

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Section 2. If any section, phrase, sentence, or portion of this Ordinance is for any reason held invalid or unconstitutional by any Court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

Section 3. This City Commission finds and determines that all formal actions of this City Commission concerning and relating to the passage of this Ordinance were taken in an open meeting of this City Commission and that all deliberations of this City Commission and of any of its committees that resulted in those formal actions were in meetings open to the public in compliance with the law.

Section 4. That for the reasons set forth in the preamble hereto, this Ordinance is hereby declared to be an emergency measure which shall take immediate effect in accordance with Section 14 of the City Charter after its adoption and due authentication by the President and the Clerk of the City Commission of the City of Sandusky, Ohio.



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RICHARD R. BRADY  
PRESIDENT OF THE CITY COMMISSION



ATTEST:

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MCKENZIE E. SPRIGGS  
CLERK OF THE CITY COMMISSION

Passed: May 10, 2021

## PURCHASE AND SALE AGREEMENT

This Agreement is made and entered into this \_\_\_ day of \_\_\_\_\_ 2021, by and between the City of Sandusky, Erie County, Ohio, a Municipal Corporation, 240 Columbus Avenue, Sandusky, Ohio 44870, hereinafter referred to as the "Seller" and Lucas Keller, hereinafter referred to as the "Purchaser".

### **WITNESSETH:**

In consideration of the premises and the mutual promises and covenants hereinafter contained, the parties do hereby agree as follows:

- 1) The Seller agrees to sell to the Purchaser and the Purchaser agrees to purchase from the Seller, the improved parcel of real property located at 421 Fulton Street, Erie County Parcel Number 59-01165.000, Sandusky, Ohio, and more fully described in the legal description marked Exhibit "A" and attached hereto, the legal description of which will be set forth in the deed transferring ownership of said parcel and hereinafter referred to as the "Property."
- 2) The total purchase price for the Property is five thousand dollars (\$5,000.00), which shall be paid in cash, certified check or cashier's check at the time of closing.
- 3) An earnest money deposit of one thousand dollars (\$1,000.00) shall be paid to the Seller upon full execution of this Agreement. The earnest money deposit shall be applied to the purchase price at closing. In the event this transaction does not close for any reason, other than default by Purchaser, or in the event all conditions precedent are not fully satisfied or waived, the earnest money deposited shall be returned in full to the Purchaser. However, upon waiver of all contingencies at the expiration of the Inspection Period pursuant to section 7 of this Agreement, and so long as there is no default by Seller, the earnest money shall become non-refundable.
- 4) The closing agent shall be Hartung Title Agency, Inc., 327 W. Washington Street, Sandusky, Ohio 44870. Time being agreed to be of the essence, all documents shall be deposited with the closing agent on or before June 1, 2021, unless otherwise agreed to in writing by the parties.
- 5) The closing and the Purchaser's obligation to purchase the property are conditioned on:
  - a) Good Title – The conveyance to Purchaser of good and marketable title to said property by a Quit Claim Deed, as evidenced by an Owner's Policy of Title Insurance that may be issued by Hartung Title Agency, Inc, or other reputable title company doing business in Erie County, Ohio, subject to all restrictions, easements, conditions, reservations, limitations, zoning ordinances, and taxes and assessments, both general and special, not yet due and payable.

- b) Delivery and Possession – Possession of the property shall be delivered to the Purchaser on or before July 2, 2021.
- c) Title Evidence – The Seller shall procure a title report with all exceptions noted. A copy of the documents which are the basis for such, shall be conveyed to the Purchaser within ten (10) days from the date of this Agreement. Seller shall have a minimum of thirty (30) days from the date upon which the Seller receives a copy of the title report within which to resolve any title exceptions or defects or other title issues which in any way impede or impair the Seller’s ability to convey title as required herein. If, within such thirty (30) period, Seller determines that it is unable or unwilling, at its sole discretion, to resolve such matters, then the Purchaser may (1) take title in its then existing state, thereby waiving any title objections, or (2) terminate the Purchase Agreement and receive a refund of any deposit as Purchaser’s sole and exclusive remedy.
- d) Title and Closing Fees – The expenses of closing described in this Article shall be paid in the following manner:
  - (i) The cost of securing the title report described in paragraph iii of this Agreement shall be paid by the Seller. The purchase of title insurance is optional and shall be paid by the Purchaser.
  - (ii) The cost of preparing, executing, and acknowledging any deeds or other instruments required to convey title to Purchaser in the manner described in this Agreement shall be paid by Seller.
  - (iii) Each party hereto shall be responsible for their own attorney fees relating to this Agreement and its implementation.
  - (iv) The cost of transfer and recording of the deed shall be paid by Seller.
  - (v) Any tax imposed on the conveyance of title to the Property to the Purchaser shall be paid by Purchaser.
  - (vi) Any fee charged by the closing agent shall be equally shared between the Seller and Purchaser.
- e) Real Estate Taxes – All real estate taxes shall be the Purchaser’s responsibility as of the date of closing based upon the latest available tax duplicate of the Erie County Auditor. The property has been granted tax exemption status from the State of Ohio, therefore any and all assessments on the property attributable to all periods prior to closing, including deferred assessments are exempt.

- 6) Purchaser acknowledges and understands that the property is being sold as-is, and with all faults. Purchaser further acknowledges and understands that the property was acquired by the Seller and therefore the Seller was not an owner-occupant and its information concerning the property and its condition is limited. Purchaser is hereby informed that Seller is unaware of any latent defects in the property or any appurtenant systems including but not limited to plumbing, heating, air conditioning and electrical systems, fixtures, appliances, roof, sewers, soil conditions, foundation, structural integrity, or environmental conditions. Seller makes no representations or warranties as to any of the above, the condition of the property, the property's systems, the serviceability or fitness for a particular use of the property, or any component of the property. Purchaser agrees that in contracting to buy the property, Purchaser has not relied upon any representation or warranty made by the Seller or any of its officers, employees, agents, or representatives. Purchaser has been afforded the opportunity to undertake its own investigations and inspections of the property.
- 7) Purchaser, at Purchaser's sole cost and expense, and after Seller's written acceptance of this Agreement, shall have the opportunity to inspect the Property including, but not limited to , environmental, asbestos, radon gas, lead paint, physical defects including structural defects, roof, basement, mechanical systems such as heating and air conditioning, electrical systems, sewage and septic systems, plumbing, exterior site drainage, termite and other types of pest and insect infestations or damage caused by such infestation, and review and/or order a boundary survey. If Purchaser does not give to Seller written notice of cancellation, for any reason Purchaser deems appropriate, within fourteen (14) calendar days of the date of this Agreement, Purchaser shall conclusively be deemed to have:
  - a) Completed all inspections, investigations, reviewed all applicable documents and disclosures and removed all contingencies;
  - b) Elected to proceed with the transactions
  - c) Assumed all liability, responsibility, and expense for repairs and/or corrections other than for items which Seller has otherwise agreed in writing to repair or correct. If Purchaser objects to the condition of the property within the specified time period, Purchaser as their sole option, may terminate the Agreement and neither party shall have any further obligations hereto. As a condition to termination under the inspection period, Purchaser agrees to submit to Seller any and all written reports as to such inspections with three (3) calendar days following the expiration of the inspection period, after which time Seller will immediately refund the earnest money deposit.
- 8) The Property is being sold "as-is" and any repairs to the property identified by the Purchaser shall be the responsibility of the Purchaser. The Seller will be under no obligation whatsoever to make any repairs to the property. Purchaser agrees not to enter the Property prior to closing for the purpose of making any repairs or alterations without express written permission from the Seller.

- 9) Upon transfer of title to Purchaser, Purchaser shall rehabilitate the two (2) family residential dwelling at 421 Fulton, Sandusky, Ohio 44870 either directly or indirectly under the supervision of the City in accordance with the terms and conditions of this Purchase and Sale Agreement and the Purchaser's Proposal submitted on April 6, 2021, which documents shall be incorporated in and made a part of this Purchase and Sale Agreement as if set forth in full herein. Purchaser shall make the following improvements to the property that shall be completed within the following timelines from the date of closing:
- a) Update utilities as necessary
  - b) Replace siding to (at minimal) the exposed exterior areas that are rotting the structural members
  - c) Complete all other improvements listed in the Proposal Rehabilitation Checklists within twelve (12) months:
    - (i) Exterior repair or replacement of:  
Most windows; Roof, Gutters and Downspouts; Exterior Siding and Trim; Exterior Front Door, Remove Porch; Yard and Landscaping. Garage Addition if allowed on neighboring lot.
    - (ii) Interior repair or replacement:  
Kitchen: Cabinets and Countertops; Flooring; Walls; Appliances; Sink, Faucet and Fixtures.  
Bath #1 & #2: Install Two (2) New Bathrooms  
Mechanical: Furnace; Electric; Plumbing Including Hot Water Tank  
  
Estimated Cost of Interior and Exterior Repairs: \$66,500.00
- 10) Purchaser reserves the right to make changes to the above improvements upon approval of the Land Bank Committee. If, in their sole discretion, they have determined that the improvements will cause the Purchaser undue hardship or that changes in the scope of the rehabilitation will produce a better result.

If the Purchaser fails to complete construction within twelve (12) months from the date of closing, the title to the Property together with all improvements made or erected shall automatically be forfeited and revert to and vest in the City of Sandusky. The City shall have the right to re-enter and take possession of the property. An extension of time to complete construction may be granted by the Land Bank Committee upon written request from the Purchaser prior to the twelve (12) month deadline.

- 11) Inspections shall be made on a regular basis until all construction has been completed. The inspections shall be conducted by the Land Bank Administrator or Compliance

Officer and may include other City staff as necessary. The purpose of the inspections shall include, but shall not be limited to the following:

- a) Ensure that construction is in conformance with the Building Code, Part Thirteen of the Codified Ordinances of the City of Sandusky and the Residential Code of Ohio;
  - b) All required permits are obtained; and
  - c) Monitor adherence to the timeline of completion as provided in Purchaser's Proposal.
- 12) The parties agree that the completion of all items in section nine (9) above by Purchaser in conformance with the Building Code referred to above shall satisfy Purchaser's obligations to complete construction and Purchaser shall not be required to make any additional improvements or repairs. The City of Sandusky's right to re-enter and take possession of the property shall terminate on July 2, 2022 or at the end of the contract should an extension be granted, and its reversionary interest shall be extinguished.
- 13) Risk of loss to the premises and appurtenances occurring prior to closing shall be borne by the Seller. If any part of the premises covered by this contract shall be substantially damaged or destroyed from the date of written acceptance of this contract through the date and time of closing, the Seller shall give a written notice to the Purchaser that the damage or destruction had occurred. Such notice must include all pertinent information regarding insurance policies and claims covering the premises that has been damaged or destroyed. The written notice shall be delivered within five (5) calendar days from the date of the discovery of the damage or destruction. The Purchaser then may:
- a) Proceed with the transaction and be entitled to all insurance money, if any, payable to Seller under all policies covering the premises;
  - b) Rescind the contract, by giving written notice to the Seller within ten (10) calendar days after the Seller has delivered written notice to the Purchaser of such damage or destruction and thereby release all parties from liability, in which event the earnest money deposit shall be returned to the Purchaser.

Failure by the Purchaser to so notify the Seller in writing within the ten (10) calendar days shall constitute an election by the Purchaser to proceed with the transaction.

Failure by the Seller to provide the required written notice to the Purchaser shall result in the Purchaser, upon discovery of the damage or destruction, having the right to insurance proceeds, reimbursement for repairs or rescind this contract, in which case, the earnest money deposit shall be returned to the Purchaser.

- 14) This Agreement shall be binding on the respective heirs, executors, administrators, successors, and to the extent assignable, on the assigns or nominees of the parties



hereto, provided the Purchaser shall not transfer or assign this Agreement without first having obtained the express written consent of the Seller.

- 15) Any notice required or permitted to be delivered hereunder shall be deemed received when sent by United States Mail, postage prepaid, certified mail, return receipt requested, addressed to Seller or Purchaser, as the case may be, at the address set forth under the signatures of such party hereto.
- 16) This Agreement shall be construed under and in accordance with the laws of the State of Ohio. All obligations of the parties created hereunder are performable in Erie County, Ohio.
- 17) In case any one or more of the provisions contained in the Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained herein.
- 18) This Agreement constitutes the sole and only agreement of the parties hereto and supersedes any prior understanding or written or oral agreements between the parties respecting the aforesaid subject matter.
- 19) Time is of the essence of the Agreement.
- 20) The descriptive headings used herein are for convenience only and are not intended to necessarily refer to the matter in sections which precede or follow them and have no effect whatsoever in determining the rights or obligations of the parties.
- 21) The terms, promises, covenants and agreements contained in this Agreement of Sale shall apply to, define upon, and inure to the benefit of the parties hereto and their heirs, executors and administrators.
- 22) This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instruments.

**SIGNATURE PAGES TO FOLLOW**

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first above written.

**PURCHASER:**

\_\_\_\_\_

Lucas J. Keller  
113 Clark Road  
Sandusky, Ohio 44870

State of Ohio            )  
  )        ss:  
County of Erie            )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2021, before me, a Notary Public in and for said County and State, personally appeared Lucas J. Keller, and acknowledged his execution of the foregoing instrument and that the same is his voluntary act and deed.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal on the day and year aforesaid.

\_\_\_\_\_  
NOTARY PUBLIC

**SELLER:**

CITY OF SANDUSKY

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Eric L. Wobser, City Manager  
240 Columbus Avenue  
Sandusky, Ohio 44870

STATE OF OHIO )

) ss:

ERIE COUNTY )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2021, before me, a Notary Public in and for said County and State, personally appeared Eric L. Wobser, City Manager of the City of Sandusky, Ohio, and acknowledged his execution of the foregoing instrument as said officer of said City on behalf of said City and by its authority and that the same is his voluntary act and deed as said officer on behalf of said City and the voluntary act and deed of said City.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal on the day and year aforesaid.

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NOTARY PUBLIC

Approved as to Form:

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Brendan Heil #0091991  
Law Director, City of Sandusky

**EXHIBIT A**

Situated in the City of Sandusky, County of Erie and State of Ohio:

The Southerly one-half (1/2) of Lot Number 24 on Fulton St., in the City of Sandusky, Erie County, Ohio

Subject to easements, restrictions, conditions of record, real estate taxes, assessments and zoning.

Prior Instrument Reference: Book 40, Pg. 410 and Book 114, Pg. 160,  
Erie County, Ohio Deed Records

Permanent Parcel No.: 59-01165.000

DRAFT