

SUBJECT: A report and recommendation on authorizing the City Manager to enter into Amendment No. 2 with Broadway Development 2001, Ltd. for the City-owned property at Seventh Street and Broadway Avenue in the Central Business District.

BACKGROUND:

The City and Broadway Development 2001, Ltd. (Redeveloper) entered into a Lease Agreement for Private Redevelopment on March 29, 2002 which grants to the Redeveloper certain Air Rights over a City-owned garage. The City and Redeveloper entered into Amendment No. 1 to the Lease Agreement (“Amendment No. 1”) as of April 18, 2006, relative to the rights to ground level retain space in the garage.

The Lease Agreement requires the Redeveloper to obtain a building permit for the proposed 12-story residential tower over the existing City-owned parking garage on or before June 1, 2007. Once the building permit is issued, the Redeveloper must repay the City for the \$2 Million of costs for design and construction of structural overbuild in the City-owned parking garage at Seventh Street and Broadway. The overbuild was designed to accept the 12-story tower, as designed by Broadway Development.

The Redeveloper anticipated that the demand for residential housing units in downtown Cincinnati would support the commencement of construction of residential units in the Air Rights on or prior to June 1, 2007. To date, Redeveloper has been unable to commence such construction due to the lack of demand for the units to be constructed in the Air Rights. In order to afford Redeveloper additional time to commence such construction, City and Redeveloper have agreed to amend the Lease Agreement and Amendment No. 1.

Amendment No. 2 will extend the date of commencement of construction of the residential tower to June 1, 2010.

RECOMMENDATION:

Department of Community Development and Planning staff recommend that City Planning Commission take the following action:

AUTHORIZE the City Manager to enter into Amendment No. 2 with Broadway Development 2001, Ltd. for the City-owned property at Seventh Street and Broadway Avenue in the Central Business District.

APPROVED:

Respectfully submitted,

Margaret A. Wuerstle, AICP
Chief Planner

Jennifer K. Walke
City Planner