

To: Members of Dublin City Council
From: Dana L. McDaniel, City Manager 
Date: November 30, 2017
Initiated By: Donna Goss, Director of Development
Vince Papsidero, FAICP, Director of Planning
Re: Res. 87-17 - Proposed acquisition of 5555 Perimeter Drive and Municipal Offices
Planning Update

Background

Over the last three years, the City has reorganized its operating departments, divisions and support staff to better meet the needs of the community. As a result of grouping together divisions and departments to achieve efficiencies, City facilities have required renovation and expansion. Most recently, the City has accomplished the following:

- Expanded and renovated its Justice Center that houses the Department of Police, Northwest Regional Emergency Communications Center and Municipal Court.
- Expanded and renovated its Service Center to relocate the Engineering Division to the Department of Public Works and to co-locate Events staff with the Parks & Recreation Department administrative staff.

Over the course of the last year, City staff have reviewed the practicality of renovating the 5800 Shier Rings Road facility, which currently houses its Department of Development and the Department of Technology. Based upon a cost benefit assessment, it has been determined that the better use of public funds is in acquiring a new building, instead of investing the significant sum needed to fully rehab and upgrade the 5800 Building.

In addition to this analysis, staff considered a broader strategy to consider the long-term needs of the City relative to office space and location. Issues have been raised regarding the adequacy of City Hall and its space limitations, the long term needs of Parks and Recreation and Events departments, as well as previous planning.

Given this work and an acquisition opportunity that was presented to the City in the past year, staff is recommending the purchase of 5555 Perimeter Drive. This purchase would provide the opportunity to achieve the following:

- Purchase a facility adjacent to existing City-owned property, thereby creating a larger civic campus to serve the community.
- Pursue the realization of the City's 1997 and 2007 Community Plan wherein Coffman Park and adjacent property would serve as the civic/government center for the City of Dublin.



The red outline (approx. 108 acres) shows the Civic Center area as defined in the 1997 Community Plan. The yellow highlighted area shows 5555 Perimeter, the only property not owned by the City.

Plans for the existing facility and redevelopment of the adjacent property would be phased over time. The first objective would be to relocate staff currently occupying City Hall to the 5555 Perimeter building. This would consolidate the Office of the City Manager, Department of Finance, the Office of the Clerk of Council, and City Council. This new complex will facilitate more effective services as the center of municipal government.

While further study is required to fully understand the programmatic needs, the long-term vision shows potential for two additional buildings to create the municipal complex. As conceptualized, an annex would be joined to the existing building to accommodate Council Chambers and meeting space for boards and commissions and other community meetings. A central location in the community with convenience for residents and easy access for visitors is essential.

A second building, located adjacent to the Justice Center, could house staff currently located at 5800 Shier Rings Road to include the Director of Development, Divisions of Economic Development, Planning and Building Standards; and the Department of Information Technology. While exact timing of moves and renovations are yet to be determined, with the addition of these buildings, the opportunity exists to:

- Re-purpose the existing City Hall for use by Recreation Administrative staff currently housed in the Community Recreation Center. Doing so will create additional programming space in the Recreation Center, which is under increasing programmatic pressure, and potentially accommodate additional recreational programming in the existing Municipal Building.
- Consider disposition of 5800 Shier Rings Road for sale or economic development purposes.

The availability of the 5555 Perimeter Drive facility provides a unique and unanticipated opportunity to realize the City's long term vision for the area of Coffman Park while consolidating City operations and facilitating more effective services as the center of municipal government.

Recommendation

Staff recommends approval of Resolution 87-17, including the term sheet and letter of intent for the purchase of 5555 Perimeter Drive for municipal purposes.

RECORD OF RESOLUTIONS

Dayton Legal Blank, Inc., Form No. 30045

Resolution No. 87-17 Passed _____, 20____

A RESOLUTION TO APPROVE A TERM SHEET FOR THE PURCHASE OF PROPERTY LOCATED AT 5555 PERIMETER DRIVE, DUBLIN OHIO 43017 FOR MUNICIPAL PURPOSES.

WHEREAS, Delta Energy Holdings, LLC ("Delta") as owner of the property located at 5555 Perimeter Drive ("Property"), desires to sell said Property; and

WHEREAS, the City of Dublin (the "City") desires to purchase this Property for municipal purposes; and

WHEREAS, the Parties have agreed to the Term Sheet, contingent on approval by City Council.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Dublin, Delaware, Franklin, and Union Counties, State of Ohio, _____ of the elected members concurring that:

Section 1. Council hereby approves the Term Sheet for the purchase of the Property for Four Million Dollars (\$4,000,000).

Section 2. Council directs staff to bring forth a Real Estate Purchase Agreement for the property located at 5555 Perimeter Drive, Dublin Ohio 43017 for first reading at the January 9, 2018 Council meeting.

Section 3. This Resolution shall take effect upon adoption in accordance with 4.04(a) of the Dublin Revised Charter.

Passed this _____ day of _____, 2017.

Mayor – Presiding Officer

ATTEST:

Clerk of Council

TERM SHEET AND LETTER OF INTENT
FOR PURCHASE OF REAL ESTATE

November 30, 2017

Delta Energy Holdings, LLC
Sharon S. Tackett, CEO/Founder

RE: Letter of Intent to Purchase the real property commonly known as 5555 Perimeter Drive, Dublin, Franklin County, Ohio 43017 and identified as a part of Parcel No. 273-012333-00.

Dear Ms. Tackett:

This Letter of Intent will confirm the intentions of the **Dublin City Council** and the **City of Dublin**, (“Buyer”) with respect to Buyer’s possible purchase of certain real property described below from **Delta Energy Holdings, LLC**, an Ohio limited liability company (“Seller”) (collectively, the “Transaction”). The purpose of this Letter of Intent is to serve as a framework for Buyer’s proposal for the Transaction and the preparation of formal legal documents.

The proposed Transaction terms set forth in this Letter of Intent (“LOI”) reflect the mutual understanding of the matters described in them, but Buyer and Seller acknowledge that the proposed Transaction terms are not intended to create or constitute any legally binding obligation between Buyer and Seller, and that neither Buyer nor Seller shall have any liability to, or duty to negotiate with, the other with respect to the proposed Transaction terms.

1. **Property**: The property is comprised of approximately 2.58 acres, located at 5555 Perimeter Drive, Dublin, Franklin County, Ohio 43017, and is identified as Parcel No. 273-012333-00 (the “Property”). Seller holds good and marketable, indefeasible fee simple title to the Property.
2. **Purchase Price**: The purchase price for the Property shall be Four Million Dollars (\$4,000,000) (the “Purchase Price”). The Buyer shall deposit in escrow a nonrefundable Fifty Thousand Dollars (\$50,000) that shall be credited to Buyer at closing.
3. **Review Period**: Buyer at its sole cost shall have a period of sixty (60) days from the execution of this LOI (the “Review Period”) to perform soil and environmental analysis, examine title and survey, apply for and obtain any and all governmental approvals required for Buyer to conduct its business on the Property, and perform any other due diligence that Buyer deems reasonably necessary in connection with its acquisition of the Property. Buyer shall have the right to terminate the Purchase Agreement prior to the expiration of the Review Period, for any reason or no reason.
4. **Closing**: The “Closing” shall take place not later than fifteen (15) days after the end of the Review Period, as may be extended, subject to the satisfaction of the Contingencies described below in Section 5.
5. **Contingencies**: Buyer’s obligation to purchase the Property shall be contingent upon certain conditions, including but not limited to: (i) Buyer’s satisfaction of its due diligence investigations; (ii) there being no liens (other than liens for real estate taxes that are not yet due and payable), or leases (other than those in existence as of the date hereof), subleases, or other occupancy agreements encumbering the Property at Closing; (iii) Buyer and the Title Company’s satisfaction that Seller has

the power and authority to enter into the Purchase Agreement and to perform its obligations thereunder; and (iv) Dublin City Council approval of the Transaction.

6. **Purchase Agreement**: This Letter of Intent outlines the principal business terms to be incorporated into the Purchase Agreement. The Purchase Agreement will contain such other terms and conditions typical in transactions for the purchase of commercial real estate, including but not limited to representations and warranties by Seller, as may be agreed to by Buyer and Seller.
7. **Broker**: No broker, real estate agent, or finder is due any fee or commission in connection with the Transaction.
8. **Closing Costs**: Closing costs (as applicable) for this transaction shall be paid for as follows: Seller shall pay: (i) all title costs; (ii) the transfer taxes and conveyance fees for the Property; (iii) one-half (1/2) of the escrow agent fees; and (iv) typical Seller proration. Buyer shall pay: (i) the cost of recording the deed; (ii) the cost of the survey; (iii) one-half (1/2) of the escrow agent fees; and (iv) typical Buyer proration.

By acknowledging this Letter of Intent in the space provided below, Seller agrees that this Letter of Intent evidences the intent of Buyer and Seller to pursue this transaction according to the foregoing terms. If the foregoing is acceptable, please have an authorized signatory sign this Letter of Intent indicating acknowledgment of, and agreement to its terms, so that we may proceed with the preparation of the Purchase Agreement.

Signatures by electronic transmission shall have the same force and effect as original signatures.

If you have questions, please feel free to contact me at 614-410-4420.

Respectfully,

Dana McDaniel

ACKNOWLEDGED AND AGREED TO:

Delta Energy Holdings, LLC

By: _____

Printed Name: Sharon S. ("Sheri") Tackett

Title: CEO/Founder

Date: _____