

LEGISLATIVE SUMMARY
Mayor's Office of Capital Projects
Division of Real Estate

**DETERMINATION PURSUANT TO CPP TRUST INDENTURE AND SALE
OF LAND TO SCN SERVICES LLC**

- Ordinance No: 230-2021
- Legislative Purpose: Determining a finding pursuant to Section 5.03(b)(i) of the Amended and Restated Trust Indenture (Sixth Supplemental Indenture), dated as of August 17, 2006, ("Trust Indenture"), that PPNs 105-04-016, 105-04-017, and 105-04-018 ("CPP Properties"), located at 5470 Lake Court, are not useful in the operation of CPP, and that the aggregate book value of the CPP Properties is not more than one percent (1%) of the book value of the total assets of CPP, and authorizing the Director of the Department of Public Utilities to sell the CPP Properties to SCN Services LLC for expansion of its business.
- Project Summary: SCN Services LLC ("Company") has requested to purchase CPP owned land adjacent to other property owned by the Company at 5466 Lake Court for expansion of its existing power tool and equipment servicing business, known as Kay Dee Air & Electric Tool. The subject land is owned by CPP, and is therefore subject to the provisions of the Trust Indenture. Section 5.03(b)(i) of the Trust Indenture, requires a finding that property is not useful in the operation of CPP and that the book value of such property does not exceed one percent (1%) of the total assets of CPP as of the end of the most recent fiscal year for which audited financial statements are then available.
- The CPP Properties are located next to Kay Dee's headquarters, which are located at 5466 Lake Court. The CPP Properties will be consolidated with Kay Dee's existing property. Kay Dee has been working with the Department of Economic Development on

plans for the expansion of its existing business, a factory authorized service center, which provides parts and service for all commercial applications, contractors, and individual users of power tools and equipment.

The CPP Properties consist of 3 parcels totaling approximately 106' x 120' and containing 12,720 square feet, or 0.29 acres. A substation formerly used by Cleveland Public Power is located on the CPP Properties, and SCN Services LLC has agreed to purchase the property with the existing building and subject to any environmental issues. Sale of the CPP Properties will put the land into productive re-use.

SCN Services LLC engaged Douglas J. Firca, MAI of Buckholz, Caldwell Commercial Appraisals, to appraise the property, and the appraised value is \$12,000.

Permanent Parcel No:	PPNs 105-04-016, 105-04-017, and 105-04-018
Type of Acquisition:	Quitclaim deed
Price:	\$12,000
Ward:	Ward 10 – Councilman Anthony T. Hairston
Attachments:	Location Map