

City of Cincinnati

CHM

AWG/TSW

An Ordinance No. 74

- 2022

AUTHORIZING the City Manager to execute a *Lease Agreement* with Colonial Life & Accident Insurance Company, pursuant to which the City will lease a parking lot generally located east of Eggleston Avenue between East Third Street and East Pete Rose Way in the Central Business District of Cincinnati for up to 15 years.

WHEREAS, pursuant to that certain *Agreement* dated April 16, 2003, the State of Ohio, acting through its Director of the Ohio Department of Transportation, leases to the City certain real property identified in the *Agreement* as Lots 14A and 14B located under viaducts supporting Interstate 471 (the "Property"), which Property is under the management of the Department of Transportation and Engineering ("DOT"); and

WHEREAS, the City presently subleases to Colonial Life & Accident Insurance Company, a South Carolina corporation ("Lessee") a portion of the Property (the "Subleased Area") pursuant to a *Lease Agreement* dated January 30, 2007, that expired on November 15, 2021, and the *Lease Agreement* has continued on a month-to-month basis since that time; and

WHEREAS, Lessee desires to continue to lease the Subleased Area as a parking lot for the benefit of an adjacent office building known as the Sawyer Point Building located at 720 E. Pete Rose Way for up to an additional 15 years (namely, an initial 5-year term, followed by two successive 5-year renewal terms), as further described in a *Lease Agreement* attached to this ordinance as Attachment A and incorporated herein by reference (the "Lease"); and

WHEREAS, the City Manager, in consultation with DOT, has determined that (i) the Subleased Area is not needed for a municipal purpose for the duration of the Lease, and (ii) leasing the Subleased Area to Lessee is not adverse to the City's retained interest in the Subleased Area or the Property; and

WHEREAS, Section 13 of Article VIII of the Ohio Constitution provides that, to create or preserve jobs and employment opportunities and to improve the economic welfare of the people of the State, it is a public interest and proper public purpose for the State or its political subdivisions to sell, lease, exchange, or otherwise dispose of property within the State of Ohio for industry, commerce, distribution, and research; and

WHEREAS, the City Manager has determined that the City's lease of the Subleased Area to Lessee is commercial in nature because the City's lease of the Subleased Area to Lessee will enhance the economic viability of the Sawyer Point Building and the maintenance and creation of jobs by ensuring that employees and visitors have adequate parking, for the benefit of the community; and

WHEREAS, the City's Real Estate Services Division has determined by a professional appraisal that the fair market rental value of the Subleased Area is approximately \$14,916 per month, which Lessee has agreed to pay; and

WHEREAS, pursuant to Cincinnati Municipal Code Section 331-5, Council may authorize the lease of City-owned property without competitive bidding in those cases in which it determines that it is in the best interest of the City; and

WHEREAS, the City Planning Commission, having the authority to approve the change in the use of City-owned property, approved the lease of the Subleased Area at its meeting on November 19, 2021; now, therefore,

BE IT ORDAINED by the Council of the City of Cincinnati, State of Ohio:

Section 1. That the City Manager is hereby authorized to execute a *Lease Agreement* (the "Lease") with Colonial Life & Accident Insurance Company, a South Carolina corporation ("Lessee"), in substantially the form attached as Attachment A to this ordinance and incorporated herein by reference, pursuant to which the City of Cincinnati will sublease certain real property located in the Central Business District, as more particularly identified in the Lease (the "Subleased Area") for up to 15 years (namely, an initial 5-year term, followed by two successive 5-year renewal terms).

Section 2. That the Subleased Area is not needed for municipal purposes for the duration of the Lease.

Section 3. That leasing the Subleased Area to Lessee is not adverse to the City's retained interest in the Subleased Area.

Section 4. That eliminating competitive bidding in connection with the City's lease of the Subleased Area is in the best interest of the City because the Lease will enhance the economic viability of Lessee's real property, commonly known as the Sawyer Point Building, which is likely to contribute to the maintenance and creation of jobs by ensuring that the commercial

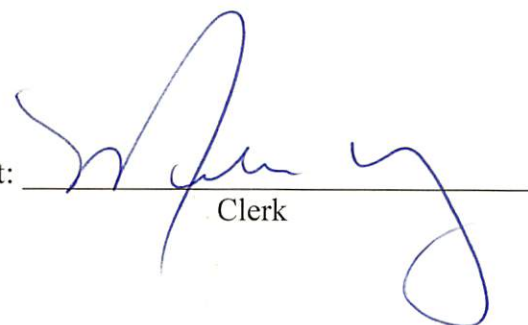
businesses occupying the Sawyer Point Building have adequate parking for their employees and visitors.

Section 5. That the City's Real Estate Services Division has determined by professional appraisal that the fair market rental value of the Subleased Area is approximately \$14,916 per month, which Lessee has agreed to pay.

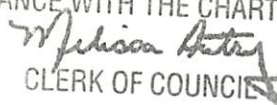
Section 6. That the proper City officials are hereby authorized to take all necessary and proper actions to carry out the provisions and intent of this ordinance and the Lease, including, without limitation, executing any and all ancillary documents associated with the Lease, such as amendments or supplements to the Lease deemed by the City Manager to be in the vital and best interests of the City.

Section 7. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.

Passed: March 23, 2022

Attest: 
Clerk


Aftab Pureval, Mayor

I HEREBY CERTIFY THAT ORDINANCE NO 74-2022
WAS PUBLISHED IN THE CITY BULLETIN
IN ACCORDANCE WITH THE CHARTER ON 4-5-2022

CLERK OF COUNCIL