

EMERGENCY

City of Cincinnati

JRS

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An Ordinance No. 209

- 2025

AUTHORIZING the City Manager to execute a First Amendment to the Amended and Restated Lunken Airport Lease Agreement with JGAS Aviation, LLC, pursuant to which the City will extend the term for an additional five years and lease 6.41 acres of land at Lunken Airport, Lease Areas 59, 60, and 61, for expansion of business operations and construction of new facilities.

WHEREAS, the City of Cincinnati ("City") owns Lunken Airport ("Airport") in the East End and Linwood neighborhoods, which is under the management of the City's Department of Transportation and Engineering ("DOTE"); and

WHEREAS, the City and JGAS Aviation, LLC, an Ohio limited liability company, as successor in interest, ("Lessee"), are parties to that certain Amended and Restated Lunken Airport Lease Agreement, dated April 2, 2024, for Lease Areas 41 and 45, by an Assignment and Assumption Agreement between Hangar Acquisition Corp., and Lessee of the original Lunken Airport Lease Agreement, dated July 19, 2019 authorized by Ordinance No. 190-2019 passed on June 12, 2019 (collectively, the "Existing Lease"); and

WHEREAS, the City owns approximately 6.41 acres of land abutting the Leased Premises, Lease Areas 59, 60, and 61 ("Lease Expansion Property"); and

WHEREAS, City and Lessee desire to amend the Existing Lease to include the Lease Expansion Property to facilitate the expansion Lessee's business operations, construct new facilities, bring more jobs to the City of Cincinnati, and extend the term for an additional five years, as more particularly set forth in the First Amendment to the Amended and Restated Lunken Airport Lease Agreement attached to this ordinance as Attachment A and incorporated herein by reference ("Amendment"); and

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

WHEREAS, the City's Real Estate Services Division, in consultation with the City's Airport Manager after considering airport industry standards and FAA requirements, has determined that the fair market rental value of the Lease Expansion Property is approximately \$93,177 per year, subject to the base rent escalation provisions set forth on Attachment A; and

WHEREAS, pursuant to Section 331-5, Cincinnati Municipal Code, 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, City Planning Commission, having the authority to approve the change in the use of City-owned property, approved the lease of the Lease Expansion Property at its meeting on June 6, 2025; 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 First Amendment to the Amended and Restated Lunken Airport Lease Agreement (“Amendment”) with JGAS Aviation, LLC, an Ohio limited liability company, (“Lessee”), in substantially the form attached to this ordinance as Attachment A and incorporated herein by reference, pursuant to which the City of Cincinnati will amend the existing lease with Lessee for Lunken Airport (“Airport”) to extend the term for an additional five years and include Lunken Lease Areas 59, 60, and 61 (“Lease Expansion Property”), on the same terms and conditions set forth in that certain Amended and Restated Lunken Airport Lease Agreement, dated April 2, 2024, for Lease Areas 41 and 45.

Section 2. That (i) the Lease Expansion Property is not needed for a municipal purpose for the duration of the lease, and (ii) leasing the Lease Expansion Property to Lessee is not adverse to the City’s retained interest in the Leased Premises or the Airport.

Section 3. That the rent set forth in the Amendment reflects the fair market rental value of the Lease Expansion Property, as determined by the City’s Real Estate Services Division in consultation with the City’s Airport Manager after considering airport industry standards and FAA requirements.

Section 4. That eliminating competitive bidding in connection with the City’s lease of the Lease Expansion Property is in the best interest of the City because Lessee has been a good and responsible tenant at the Airport, the City desires to retain Lessee as a tenant, and Lessee intends to expand its operations and create jobs and development at the Airport.

Section 5. 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 Amendment including, without limitation, executing any and all ancillary documents associated therewith, such as amendments or supplements to the Amended and Restated Lunken Airport Lease Agreement deemed by the City Manager to be in the vital and best interests of the City.

Section 6. That this ordinance shall be an emergency measure necessary for the preservation of the public peace, health, safety, and general welfare and shall, subject to the terms of Article II, Section 6 of the Charter, be effective immediately. The reason for the emergency is the immediate need to execute the Amendment so the new rent amounts can begin as soon as possible to enable the Airport to receive the benefit at the earliest possible time.

Passed: June 18, 2025

Attest: [Signature]
Clerk

[Signature]
Aftab Pureval, Mayor

I HEREBY CERTIFY THAT ORDINANCE NO. 209-2025
WAS PUBLISHED IN THE CITY BULLETIN
IN ACCORDANCE WITH THE CHARTER ON 7/1/2025
[Signature]
CLERK OF COUNCIL