

EMERGENCY

City of Cincinnati

MEH

An Ordinance No. 383

- 2021

AWB

AUTHORIZING the City Manager to execute a *Lease Agreement* with Condor Air, Ltd. pursuant to which the company will renew its leasehold interest at Lunken Airport for up to an additional twenty years.

WHEREAS, the City owns Lunken Airport, which is under the management and control of the City's Department of Transportation and Engineering; and

WHEREAS, the City currently leases space at the Airport, known as Lease Area 47, to Condor Air, Ltd. ("Company") pursuant to a lease that is scheduled to expire on October 31, 2021; and

WHEREAS, the Company desires to renew its leasehold interest for up to an additional twenty years (namely, an initial term of five years commencing November 1, 2021, with three five-year renewal options), as further described in the *Lease Agreement* attached to this ordinance as Attachment A; and

WHEREAS, Council previously authorized the renewal of the Company's lease by Ordinance No. 35-2020, but, upon further investigation, it was determined that extensive capital improvements are required to modernize the hangar on the leased premises (ownership of which will revert to the City upon the expiration of the existing lease) and to render it functional to serve tenants and their contemporary aircraft; and

WHEREAS, the Company has agreed to make substantial improvements to the City's hangar that will improve its functionality and extend its useful life, and the *Lease Agreement* has been revised to reflect this arrangement; and

WHEREAS, the City's Real Estate Services Division, in consultation with the City's Airport Manager, and after considering airport industry standards, FAA requirements, and the work to be performed by the Company, has determined by appraisal that the fair market rental value of the leased premises is approximately \$33,550 per annum, which the Company has agreed to pay (with rent for each renewal period to be adjusted as described in the *Lease Agreement*); 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 approved the renewed lease of Lease Area 47 to the Company at its meeting on January 17, 2020; 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* with Condor Air, Ltd. (“Company”), in substantially the form attached as Attachment A to this ordinance, pursuant to which the City of Cincinnati will renew the company’s leasehold interest in Lease Area 47 at Lunken Airportm for an initial term of five years, with three five-year renewal options (for a total of up to twenty years).

Section 2. That the rent set forth in the *Lease Agreement* reflects the fair market rental value of the leased premises, as determined by appraisal by the City’s Real Estate Services Division in consultation with the City’s Airport Manager and after considering airport industry standards, FAA requirements, and the work necessary to update and extend the useful life of the hangar.

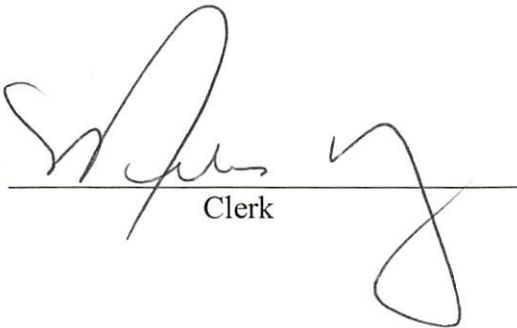
Section 3. That eliminating competitive bidding in connection with the City’s lease of the leased premises is in the best interest of the City because the Company has been a good and responsible tenant at the Airport for decades, the City desires to retain the Company as a tenant, and the Company will make improvements to the City’s hangar that will improve its functionality and extend its useful life.

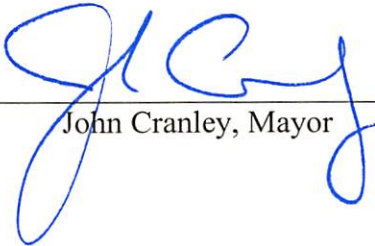
Section 4. That the proper City officials are hereby authorized to take all necessary and proper actions to carry out the provisions of this ordinance and the *Lease Agreement*, including executing any and all ancillary documents associated therewith.

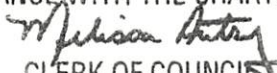
Section 5. That this ordinance shall be an emergency measure necessary for the preservation of the public peace, health, safety, and general welfare and shall, subject to the terms of Article II, Section 6 of the Charter, be effective immediately. The reason for the emergency is the immediate need to execute the *Lease Agreement* prior to the expiration of the Company’s

existing lease to ensure the Company's leasehold is timely renewed and that the City receives the benefit of the work to be performed by the Company at the earliest possible time.

Passed: October 6, 2021

Attest: 
Clerk


John Cranley, Mayor

I HEREBY CERTIFY THAT ORDINANCE NO 303-2021
WAS PUBLISHED IN THE CITY BULLETIN
IN ACCORDANCE WITH THE CHARTER ON 10-19-2021

CLERK OF COUNCIL