

EMERGENCY

City of Cincinnati

JRS

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An Ordinance No. 399

- 2024

AUTHORIZING the City Manager to execute a Lease Agreement with 39th Parallel Leasing, LLC., pursuant to which the City will enter into a new lease for the use and occupancy of Lunken Airport Lease Areas 11, 28, and 29 for up to twenty years.

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 39th Parallel Leasing, LLC., an Ohio limited liability company, as successor in interest, ("Lessee"), are parties to (i) that certain Lunken Airport Lease Agreement, dated June 6, 2007, and as amended, by and between the City and LBK Hangar LLC, for Lease Area 29, (ii) that certain Lunken Airport Lease Agreement, dated June 6, 2007, by and between the City and LBK Hangar LLC, for Lease Area 11, and (iii) that certain Lunken Airport Lease Agreement, dated January 29, 2007, by and between the City and Avionics, LLC, for Lease Area 28 (collectively, the "Existing Lease"); and

WHEREAS, the term of the Existing Lease expired and Lessee is holding over and Lessee desires to continue occupying Airport Lease Areas 11, 28, and 29 (collectively, the "Leased Premises") to operate its business and has requested a new lease with a term of up to twenty years, as more particularly set forth in the Lease Agreement attached to this ordinance as Attachment A and incorporated herein by reference ("New Lease"); and

WHEREAS, the City Manager, in consultation with DOTE, has determined that (i) the Leased Premises is not needed for a municipal purpose for the duration of the New Lease, and (ii) leasing the Leased Premises to Lessee is not adverse to the City's retained interest in the Leased Premises 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 by a professional appraisal that the fair market rental value of the Leased Premises is approximately \$90,927 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 New Lease at its meeting on November 1, 2024; 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 39th Parallel Leasing, LLC., an Ohio limited liability company, ("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 enter into a new lease with Lessee for Lunken Airport ("Airport") Lease Areas 11, 28, and 29 ("Leased Premises") for up to twenty years, as more particularly described on Attachment A.

Section 2. That (i) the Leased Premises is not needed for a municipal purpose for the duration of the lease, and (ii) leasing the Leased Premises 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 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 after considering airport industry standards and FAA requirements.

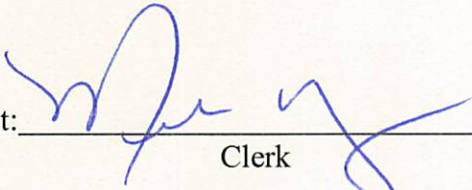
Section 4. That eliminating competitive bidding in connection with the City's lease of the Leased Premises is in the best interest of the City because Lessee has been a good and responsible tenant at the Airport and the City desires to retain Lessee as a tenant.

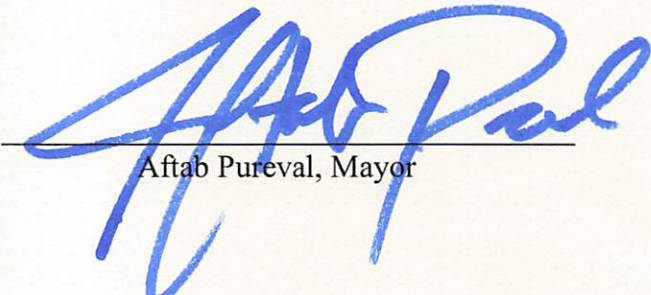
Section 5. That the proper City officials are hereby authorized to take all necessary and proper actions to carry out the provisions and intent of this ordinance and the Lease Agreement, including, without limitation, executing any and all ancillary documents associated with the Lease Agreement, such as amendments or supplements to the Lease Agreement deemed by the City Manager to be in the vital and best interests of the City.

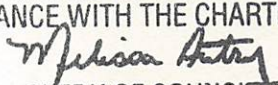
Section 6. That this ordinance shall be an emergency measure necessary for the preservation of the public peace, health, safety, and general welfare and shall, subject to the

terms of Article II, Section 6 of the Charter, be effective immediately. The reason for the emergency is the immediate need to execute the Lease Agreement so the new Lease Agreement and rent amounts can begin as soon as possible to enable the Airport to receive the benefit at the earliest possible time.

Passed: December 4, 2024

Attest: 
Clerk


Aftab Pureval, Mayor

I HEREBY CERTIFY THAT ORDINANCE NO 399-2024
WAS PUBLISHED IN THE CITY BULLETIN
IN ACCORDANCE WITH THE CHARTER ON 12/17/2024

CLERK OF COUNCIL