

AUTHORIZING the City Manager to execute a Lease Agreement with Kaiser Properties-Central, LTD., pursuant to which the City will lease for a term of up to thirty years a portion of John Street public right-of-way located north of York Street in the West End neighborhood.

WHEREAS, the City of Cincinnati owns certain real property, designated as the public right-of-way known as John Street, located north of York Street in the West End (“Property”), which Property is under the management of the Department of Transportation and Engineering (“DOT”); and

WHEREAS, Kaiser Properties-Central, LTD., an Ohio limited liability company, an affiliate or subsidiary of Kaiser Foods, Inc., an Ohio corporation (“Lessee”), owns or otherwise controls all real property abutting certain portions of the Property more particularly identified as Hamilton County, Ohio Auditor’s Parcel Identification Nos. 132-0003-0159-00 (-159 through -163, & -326 Cons.) and 132-0003-0164-00 located at 422-500 York Street, and the City has leased certain portions of the Property to Lessee (“Leased Premises”), or an affiliate thereof, for more than twenty years, pursuant to a lease agreement authorized by Ordinance No. 135-2023, passed by Council on May 7, 2023, which lease expired in 2023, but has continued on a month-to-month basis since that time; and

WHEREAS, Lessee has petitioned the City for a new lease of the Leased Premises for a term of up to thirty years, namely, an initial term of five years, with five successive options to extend the term each for five years, as more particularly set forth in the lease agreement attached to this ordinance as Attachment A and incorporated herein by reference (“Lease”); and

WHEREAS, the City Manager, in consultation with DOT, has determined that (i) the Leased Premises, above grade, are not needed for vehicular or pedestrian access or any other 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 Property; and

WHEREAS, the City’s Real Estate Services Division has determined by a professional appraisal that the fair market rental value of the Leased Premises is approximately \$305 per year, subject to rental increases as set forth in the Lease, which Lessee has agreed to pay; 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 leasing the Leased Premises to Lessee is in the best interest of the City because (i) the City desires to lease the Leased Premises to Lessee for uses that are ancillary and incidental to Lessee’s business operations; (ii) Lessee owns all real property abutting the Leased Premises; and (iii) as a practical matter, no one other than an

adjoining property owner would have any interest in leasing the Leased Premises and assuming responsibility for the maintenance and repair thereof; 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 Leased Premises at its meeting on October 20, 2023; 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 Kaiser Properties-Central, LTD., an Ohio limited liability company (“Lessee”), in substantially the form attached as Attachment A to this ordinance and incorporated herein by reference (“Lease”), pursuant to which the City of Cincinnati will lease for a term of up to thirty years a portion of John Street public right-of-way in the West End (“Leased Premises”), as more particularly set forth on Attachment A.

Section 2. That the Leased Premises, above grade, are not needed for vehicular or pedestrian access or any other municipal purpose for the duration of the Lease.

Section 3. That leasing the Leased Premises to Lessee is not adverse to the City’s retained interest in the Leased Premises.

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 (i) the City desires to lease the Leased Premises to Lessee to use it in conjunction with its adjacent business operations, (ii) Lessee has provided the City with the written consent of all the property owners abutting the Leased Premises, and (iii) as a practical matter, no one other than Lessee, an adjoining property owner would have any interest in leasing the Leased Premises and assuming responsibility for the maintenance and repair thereof.

Section 5. That the estimated fair market value of the Lease, as determined by a professional appraisal by the City’s Real Estate Services Division, is approximately \$305 per

year, subject to rental increases as more particularly set forth in the Lease, 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 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: _____, 2024

Aftab Pureval, Mayor

Attest: _____
Clerk