

FIRST AMENDMENT TO GROUND LEASE

(Addition of property to Lease Area)

This First Amendment to Ground Lease (this "**Amendment**") is made and entered into on the Effective Date (as defined on the signature page hereof) by and between the **CITY OF CINCINNATI**, an Ohio municipal corporation, the address of which is 801 Plum Street, Cincinnati, OH 45202 (the "**City**"), and **BLOC Ministries, Inc.**, an Ohio nonprofit corporation, the address of which is 911 W. 8th Street, Cincinnati, Ohio 45203 ("**Lessee**").

Recitals:

A. The City and Lessee are parties to that certain *Ground Lease* dated July 31, 2018 (the "**Lease**"), pursuant to which Lessee leases approximately seven acres of City-owned property located at 1655 Ross Avenue in the East Price Hill neighborhood of Cincinnati (the "**Lease Area**"), which Lease Area is under the management and control of the City's Public Recreation Commission ("**CRC**"). Capitalized terms used herein but not defined herein shall have the meanings ascribed to them in the Lease.

B. The City owns approximately 3.5 acres of undeveloped vacant land formerly used as recreation space, as more particularly depicted on Exhibit A (*Exhibit A-1 of Ground Lease-Site Map-Lease Area Expansion Property*) hereto (the "**Lease Area Expansion Property**"), which Lease Area Expansion Property is under the management of CRC.

C. Lessee desires to amend the Lease to add the Lease Area Expansion Property to the Lease to expand its operation of a horse-riding academy for kids after school and during the summer.

D. 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.

E. The City is agreeable to lease to Lessee the Lease Area Expansion Property finding that it is in the vital and best interests of the City and the health, safety, and welfare of its residents, and in accordance with the public purposes and provisions of applicable federal, state, and local laws and requirements.

F. The City Manager, in consultation with CRC, has determined that the Lease Area Expansion Property is not needed for recreation or other municipal purposes for the duration of the Lease and leasing the Lease Area Expansion Property to Lessee is not adverse to the City's retained interest in the Lease Area Expansion Property.

G. The City's Real Estate Services Division has determined by appraisal that the fair market rental value of the Lease Area Expansion Property is approximately \$3,000 per year; however, the City is agreeable to lease the Lease Area Expansion Property to Lessee for less than the estimated fair market rental value of the Lease Area Expansion Property, namely, for \$0.00 because the City anticipates that it will receive economic and non-economic benefits from the lease of the Lease Area Expansion Property that equal or exceed its fair market rental value because Lessee's operation of a horse riding academy for kids after school and during the summer expands exposure to unique cultural and educational programs, activities, and opportunities in the City through the provision of certain after school and summer horse riding programming available to CRC patrons.

H. The City has determined that eliminating competitive bidding in connection with the City's lease of the Lease Area Expansion Property is in the best interest of the City because the City has determined that Lessee's use of the Lease Area Expansion Property for the Permitted Use is a unique and appropriate use of the Lease Area Expansion Property that will benefit the City.

I. The Public Recreation Commission approved the lease of the Lease Area Expansion Property to Lessee at its meeting on April 18, 2023.

J. The City Planning Commission, having the authority to approve the change in the use of City-owned property, approved the lease of the Lease Area Expansion Property at its meeting on August 18, 2023.

K. Cincinnati City Council authorized City's execution of this Amendment by Ordinance No. [___]-2023, passed [___], 2023.

NOW, THEREFORE, effective as of the Effective Date of this Amendment, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Grant.** The City does hereby lease the Lease Area Expansion Property to Lessee, and Lessee does hereby lease the Lease Area Expansion Property from the City, on the terms and conditions set forth in the Lease, as hereby amended. The rights herein granted to Lessee are subject and subordinate to any and all existing covenants, easements, restrictions, and other matters of record affecting the Lease Area Expansion Property as of the Effective Date. The City has not made any representations or warranties concerning the title, condition, or characteristics of the Lease Area Expansion Property or the suitability or fitness of the Lease Area Expansion Property for any purpose, and, on the Effective Date (defined below), Lessee shall accept the Lease Area Expansion Property in "as is," "where is" condition with all faults and defects, known or unknown. Lessee acknowledges and agrees that it is not relying upon any such representations or warranties from the City. Without limitation of the foregoing, under no circumstances shall the City be responsible or liable for any pre-existing environmental conditions affecting the Lease Area Expansion Property.

2. **Exhibit A-1, Exhibit A (Site Map)** to the Lease is hereby amended and supplemented by adding Exhibit A of this Amendment attached hereto as Exhibit A-1 of the Lease. For clarity, this amendment is solely intended to add the attached Exhibit A of this Amendment to the Exhibit A of the Lease and is not intended to delete any portion of Exhibit A as it currently exists in the Lease. All references within the Lease to Exhibit A shall be read to refer to Exhibit A and Exhibit A-1 on and after the Effective Date. Any reference in the Lease to the Property shall be deemed to include all of the real property depicted in Exhibit A and Exhibit A-1, including but not limited to the Lease Area Expansion Property, as applicable.

3. **Ratification.** All terms of the Lease not amended by this Amendment or not inconsistent with this Amendment shall remain in full force and effect, and by this reference are incorporated herein as if fully rewritten herein. The Lease, as amended by this Amendment, is hereby ratified by the parties.

4. **Counterparts; E-Signature.** The parties hereto agree that this Amendment may be executed and delivered by electronic signature, which shall have the same force and effect as an original signature. Electronic signatures may be delivered via email or other electronic means agreed upon by the parties. The parties hereto may execute this Amendment in two or more counterparts, and each executed counterpart shall be considered an original and all of which shall constitute one and the same Amendment.

5. **Exhibits.** The following exhibits are attached hereto and made a part hereof:
Exhibit A – *Exhibit A-1 of Ground Lease-Site Map– Lease Area Expansion Property*

EXHIBIT A
to
First Amendment to Ground Lease

Exhibit A-1 of Ground Lease-Site Map- Lease Area Expansion Property

