

September 11, 2024

To: Mayor and Members of City Council

From: Sheryl M.M. Long, City Manager 

202402013

Subject: **Ordinance – Authorizing Lease Agreement with East Walnut Hills Assembly, Inc.**

Attached is an Ordinance captioned:

AUTHORIZING the City Manager to execute a Lease Agreement with The East Walnut Hills Assembly, Inc., pursuant to which the City will lease a portion of certain real property located between Madison Road on the north and Myrtle Avenue on the south in the East Walnut Hills neighborhood of Cincinnati, for continued use as a public parking lot for the benefit of the general public.

BACKGROUND/CURRENT CONDITIONS

The City owns approximately 0.794 acres of real property located between Madison Road on the north and Myrtle Avenue on the south, as depicted on the attached Site Map (the “Property”). The Property is under the management of the Department of Community and Economic Development (“DCED”).

The City has leased the Property to the East Walnut Hills Assembly, Inc. (the “Lessee”) as a public parking lot for the benefit of the general public pursuant to the terms and conditions of a Lease Agreement dated December 2, 2013 (the “Prior Lease”). The Prior Lease expired on December 1, 2021, and Lessee has continued to Lease the Property on a month-to-month basis since that time.

The parties desire to enter into a new lease and the City is agreeable to lease the Property to Lessee on the terms and conditions updated and standardized to a uniform document consistent with City agreements. The initial term of this Lessee is 5 years and grants the Lessee the right to (2) 5-year renewal options provided the Lessee is not in default under the Lease beyond any applicable notice or cure period provided. The City has determined that the Property is not needed for any municipal purpose during the term of this Lease.

The estimated fair market rental value of the Property, as determined by the City’s Real Estate Services Division, is approximately \$30,000/year; however, the City is agreeable to lease the Property to Lessee for less than its fair market rental value, namely, \$0.00, because (i) the City will receive benefits from the Lease that equal or exceed the estimated fair market rental value of the Property in that the City will be relieved of the expense and administrative burden of the management, operation, and maintenance of the Property through the term of this Lease; (ii) Lessee shall use all revenue generated from the Property to pay operating expenses, and City-approved ordinary and capital

maintenance expenses associated with the Property; and (iii) any excess parking revenue shall be used to pay for the promotion and improvement of the East Walnut Hill neighborhood business district, for the benefit of the neighborhood and the City, as approved in advance by the City.

DEVELOPER INFORMATION

The East Walnut Hills Assembly, Inc., an Ohio nonprofit corporation and the recognized Community Council for the East Walnut Hills neighborhood.

RECOMMENDATION

The Administration recommends approval of this Ordinance.

Attachment: Site Map

Copy: Markiea L. Carter, Director, Department of Community & Economic Development

Site Map

