

# City of Cincinnati

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## An Ordinance No. 476

- 2021

**AUTHORIZING** the City Manager to execute a *Lease and Management Agreement* with Corporation for Findlay Market of Cincinnati pursuant to which Corporation for Findlay Market of Cincinnati will lease and manage certain real property in the vicinity of Findlay Market in the Over-the-Rhine neighborhood for up to 10 years.

WHEREAS, the City of Cincinnati owns certain real property in the vicinity of the historic Findlay Market in the Over-the-Rhine neighborhood (the "Market Properties"), as more particularly described in the *Lease and Management Agreement* attached to this ordinance as Attachment A and incorporated herein by reference (the "Lease and Management Agreement"), which Market Properties are under the management of the Department of Community and Economic Development ("DCED"); and

WHEREAS, Corporation for Findlay Market of Cincinnati, an Ohio nonprofit corporation ("CFFM"), currently leases and manages the Market Properties for the City pursuant to (i) a *Lease Agreement* dated July 1, 2004, as amended; and (ii) a *Findlay Market Management Agreement* also dated July 1, 2004, as amended, and authorized by Ordinance No. 225-2004 passed by Council on June 30, 2004 (collectively, as amended, the "Market Agreements"); and

WHEREAS, the parties desire to amend certain provisions of the Market Agreements and to consolidate the terms of the Market Agreement into one document, as more particularly detailed in the Lease and Management Agreement; and

WHEREAS, the City Manager, in consultation with DCED, has determined that (i) the that the Market Properties are not needed for any municipal purpose during the term of Lease and Management Agreement; and (ii) leasing the Market Properties to CFFM is not adverse to the City's retained interest in the Market Properties; and

WHEREAS, 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; and

WHEREAS, the City Manager, in consultation with DCED, has determined that the City's lease of the Market Properties to CFFM is commercial in nature and constitutes a proper public purpose because the City's lease of the Market Properties to CFFM will enhance the economic viability of the Market Properties and stimulate economic activity in and around Findlay Market and the Over-the-Rhine neighborhood and therefore will benefit the community; 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's Real Estate Services Division has determined, by appraisal, that the fair market rental value of the Market Properties is approximately \$254,500 per year, however the City has agreed to lease the Market Properties to CFFM for less than fair market rental value, namely, \$1.00 per year because the City seeks to secure high-quality management services for the Market Properties in order to attract employers, create jobs, and maintain a safe and attractive destination for facilitating commerce and for the use and enjoyment of citizens and visitors; therefore, the City anticipates that it will receive economic and noneconomic benefits from the lease of the Market Properties to CFFM that will equal or exceed the fair market rental value of the Market Properties because they will be managed, at no cost to the City, which will generate economic activity and vitality in the Over-the-Rhine neighborhood and will provide other benefits for the City and its citizens; 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 Market Properties at its meeting on December 3, 2021; 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 and Management Agreement* (the "Lease and Management Agreement") with Corporation for Findlay Market of Cincinnati, an Ohio nonprofit corporation ("CFFM"), in substantially the form attached as Attachment A to this ordinance and incorporated herein by reference, pursuant to which the City of Cincinnati will lease to CFFM for a 10-year term certain real property located in the vicinity of Findlay Market in Over-the-Rhine, which properties are more particularly identified in the Lease and Management Agreement (the "Market Properties").

Section 2. That the Market Properties are not needed for a municipal purpose for the duration of Lease and Management Agreement.

Section 3. That leasing the Market Properties to CFFM is not adverse to the City's retained interest in the Market Properties.

Section 4. That eliminating competitive bidding in connection with the City's lease and management of the Market Properties is in the best interest of the public because the City has determined that the management of the Market Properties requires exercise by CFFM of discretion and independent judgment, and the City has determined that CFFM is the most qualified to manage and oversee the operations of said properties for the duration of the Lease and Management Agreement because CFFM has demonstrated specialized knowledge, advanced expertise, and experience in its current management of the Market Properties.

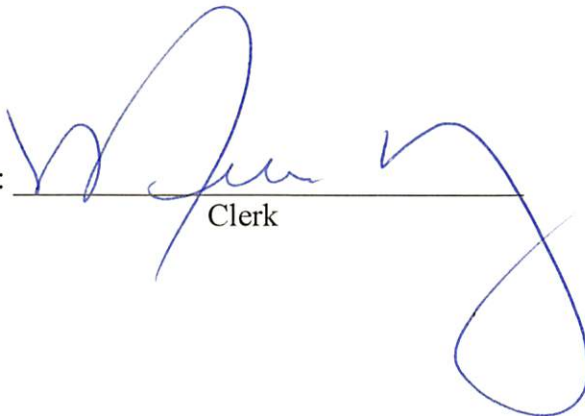
Section 5. That the City's Real Estate Services Division has determined by professional appraisal that the fair market rental value of the Market Properties is approximately \$254,500 per year, however the City has agreed to lease the Market Properties to CFFM for less than fair market rental value; namely, \$1.00 per year because the City seeks to secure high-quality management services for the Market Properties in order to attract employers, create jobs, and maintain a safe and attractive destination for facilitating commerce and for the use and enjoyment of citizens and visitors; therefore, the City anticipates that it will receive economic and noneconomic benefits from the lease of the Market Properties to CFFM that will equal or exceed the fair market rental value of the Market Properties because they will be managed, at no cost to the City, which will generate economic activity and vitality in the Over-the-Rhine neighborhood and will provide other benefits for the City and its citizens.

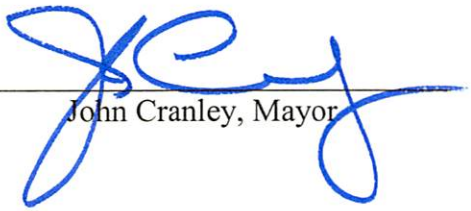
Section 6. That the proper City officials are hereby authorized to take all necessary and proper actions to carry out the provisions and intent of this ordinance and the Lease and Management Agreement, including, without limitation, executing any and all ancillary documents associated with the Lease and Management Agreement, such as amendments or

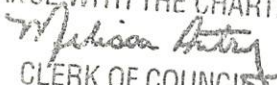
supplements to the Lease and Management Agreement deemed by the City Manager to be in the vital and best interests of the City.

Section 7. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.

Passed: December 8, 2021

Attest:   
Clerk

  
John Cranley, Mayor

I HEREBY CERTIFY THAT ORDINANCE NO 474-2021  
WAS PUBLISHED IN THE CITY BULLETIN  
IN ACCORDANCE WITH THE CHARTER ON 12-21-2021  
  
CLERK OF COUNCIL