

EMERGENCY

City of Cincinnati

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An Ordinance No. \_\_\_\_\_

- 2021

**AUTHORIZING** the City Manager to execute any and all agreements and take such other steps as may be necessary in order to lease City-owned real property at 2010 Auburn Avenue in the Mount Auburn neighborhood of Cincinnati to Sunnyside Child Development Center, Inc., or other affiliated organization acceptable to the City Manager.

WHEREAS, the City of Cincinnati (the "City") owns certain real property at 2010 Auburn Avenue in the Mount Auburn neighborhood of Cincinnati, as more particularly described on Attachment A attached to this ordinance (the "Property"), which is under the management and control of the City's Department of Community and Economic Development; and

WHEREAS, Sunnyside Child Development Center, Inc., an Ohio corporation ("Sunnyside") the lessee of the Property pursuant to a certain *Lease*, dated August 23, 2011 between Sunnyside and the City, desires to enter into a new lease for a term of 5 years for Sunnyside's continued operation of the Property as a daycare center; and

WHEREAS, the City currently anticipates that Sunnyside will relocate its daycare to a new location and vacate the Property prior to the expiration of the 5-year term; and

WHEREAS, contingent upon (i) the City Administration's satisfactory review of all due diligence materials, and (ii) negotiation of a lease agreement with terms and conditions acceptable to the City Manager, the City desires to lease the Property to Sunnyside or such other affiliate organization acceptable to the City Manager; and

WHEREAS, the City's Real Estate Services Division has determined, by appraisal, that the fair market rental value of the Property is approximately \$21,000 per year; however, in order to provide for the continued operation of Sunnyside's daycare center, the City is agreeable to leasing the Property to Sunnyside, on terms and conditions acceptable to the City Administration, for less than fair market rental value; namely, for \$1.00 per year, because the City will receive economic and non-economic benefits that equal or exceed the fair market rental value of the Property since the proposed lease will ensure the maintenance of needed daycare services for the community; and

WHEREAS, the City Administration also intends to provide funding in an amount not to exceed \$86,400 from existing capital funds from capital account nos. 980x162x191642, "DCED Property Improvements," and 980x164x201698, "Neighborhood Business Property Holdings," to assist Sunnyside in replacing the HVAC system and the existing roof of the building located on the Property (the "Project"); and

WHEREAS, the Property is not needed for a municipal purpose; 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 has determined that it is in the best interest of the City to eliminate competitive bidding in connection with the lease of the Property because the City believes that Sunnyside's continued operation will provide critical daycare and early childhood education services to the community, and the renovation of the site will contribute to the revitalization of the City's Mount Auburn neighborhood; and

WHEREAS, the City believes that the proposed lease and Project will promote urban redevelopment in the Mount Auburn neighborhood of Cincinnati, is in the vital and best interests of the City and the health, safety, and welfare of its residents, and is in accordance with the public purposes and provisions of applicable federal, state, and local laws and regulations; and

WHEREAS, the City Planning Commission, having the authority to approve a change in the use of City-owned property, approved a change in use of the Property at its meeting on September 18, 2020; 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 any and all documents that may be necessary to lease certain real property owned by the City of Cincinnati (the "City") at 2010 Auburn Avenue in the Mount Auburn neighborhood of Cincinnati, as more particularly described on Attachment A attached to this ordinance (the "Property"), to Sunnyside Child Development Center, Inc., an Ohio corporation, ("Sunnyside"), or other affiliated organization acceptable to the City Manager, contingent upon (a) the City Administration's satisfactory review of all due diligence materials related to the Property, and (b) negotiation of an agreement upon lease terms acceptable to the City Administration, including those terms and conditions it deems necessary following its review of such due diligence materials.

Section 2. That the City is agreeable to leasing the Property to Sunnyside because Sunnyside currently operates a daycare center on the Property and has agreed to continue its daycare operations at the Property during the lease term.

Section 3. That the Property is not needed for a municipal purpose.

Section 4. That the City's Real Estate Services Division has determined, by appraisal, that the fair market rental value of the Property is approximately \$21,000 per year; however, in order to provide for the continued operation of Sunnyside's daycare center, the City is agreeable to leasing the Property to Sunnyside on the terms and conditions acceptable to the City Administration for less than fair market rental value; namely, for \$1.00 per year, because the City will receive economic and non-economic benefits that equal or exceed the fair market rental value of the Property since the proposed lease will ensure the maintenance of necessary daycare services for the community.

Section 5. That it is in the best interest of the City to eliminate competitive bidding in connection with the lease of the Property because the City believes that the proposed lease of the Property will enable Sunnyside to continue providing critical daycare and early childhood education services to the community, and the renovation of the site will contribute to the revitalization of the City's Mount Auburn neighborhood.

Section 6. That Council authorizes the proper City officials to take all necessary and proper actions to fulfill the terms of this ordinance, including, without limitation, negotiating acceptable terms of the lease and executing all agreements, deeds, easements, conveyance documents, plats, amendments, and other documents.

Section 7. That in the event that there are proceeds from the lease of the Property, such proceeds shall be deposited into Property Management Fund 209 to pay the fees for services provided by the City's Real Estate Services Division in connection with the lease, and that the City's Finance Director is hereby authorized to deposit amounts in excess thereof into Miscellaneous Permanent Improvement Fund 757.

Section 8. 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 to enable the City Administration to begin negotiating a new lease, on terms and conditions acceptable to the City Administration, with Sunnyside as soon as possible, therefore resulting in the revitalization of the Mount Auburn neighborhood, the maintenance of necessary daycare services for the community, and the economic growth of the City at the earliest possible date.

Passed: \_\_\_\_\_, 2021

\_\_\_\_\_  
John Cranley, Mayor

Attest: \_\_\_\_\_  
Clerk

## ATTACHMENT A

### *Legal Description*

**Property Address:** 2010 Auburn Avenue, Cincinnati, Ohio 45219  
**Auditor's Parcel No.:** 088-0007-0146-00

Situate in Section 13, Town 3, Fractional Range 2, Millcreek Township, City of Cincinnati, Hamilton County, Ohio, and being more particularly described as follows:

Commencing at the intersection of the east line of the old Auburn Avenue, 60' R/W and the south line of the old Bodmann Avenue, 50' R/W; thence with the south line of the said old Bodmann Avenue, South 84°06'54" East, 3.65 feet to the Place of Beginning; thence with the south line of said Bodmann Avenue, South 84°06'54" East, 147.61 feet to an existing iron pin; thence South 05°53'06" West, 100.00 feet to a point being 0.45 feet south and 0.20 feet east of an existing iron pin; thence North 84°06'54" West, 123.36 feet to a point in the east line of the new R/W of Auburn Avenue; thence on a curve to the right having a radius of 189.01 feet, a chord bearing North 07°44'45" West, 102.90 feet, 104.21 feet as measured along said curve to the Place of Beginning. Containing 14,040 square feet of land more or less (0.322 acres). Bearings based on NAD 83 (2007). Subject to all legal highways, easements and restrictions of record. Based on a survey performed under the direction of Joseph N. Koopman, Ohio Registration Number 7184.