



Office of the City Manager
5200 Emerald Parkway • Dublin, OH 43017-1090
Phone: 614-410-4400 • Fax: 614-410-4490

Memo

To: Members of Dublin City Council
From: Marsha I. Grigsby, City Manager *MLG*
Date: September 19, 2013

Initiated By: Angel L. Mumma, Director of Finance

Re: Ordinance 77-13 – Five-Year Extension of the Lease Agreement with the Dublin Chamber of Commerce

Summary

As Council was previously made aware, the lease agreement with the Dublin Chamber of Commerce ("the Chamber") for the City-owned property at 129 S. High Street is set to expire at the end of September.

The current five-year lease agreement commenced on September 30, 2008 and provided a lease rate of \$25,200 annually (\$2,100 per month). This rate took into consideration a City-obtained appraisal market rate recommendation of \$12.00 per square foot, which was then reduced by 20% for City usage of the facility and another 10% for school and community event usage. The City was obligated to perform all maintenance duties on the building, including HVAC, plumbing, electrical, snow removal, exterior building and parking lot maintenance. The Chamber was required to make any cosmetic enhancements to the interior of the building and pay all utility charges.

The lease also provided the option for the Chamber to extend the term of the lease for additional periods of five years each upon the same covenants and agreements as were set forth within the agreement, except that the rent during the renewal term shall be determined by the City and the Chamber in good faith, taking into account the size, age, quality and location of the premises as compared to similar premises.

Given the Chamber's desire to exercise the option to extend the lease, staff ordered a new appraisal of the building. The appraisal, completed by The Robert Weiler Company in early August, indicated that the market rental rate for the property was \$12.00 per square foot, which was consistent with the previous appraisal conducted five years ago. Comparable market data located within the competitive market was completed and analyzed as part of the appraisal, with the results ranging from \$8.00 to \$17.00 per square foot pending lease terms, tenant improvement allowance, location, on-site amenities, office style and characteristics, etc.

Based on the appraisal, staff recommends extending the lease with the Chamber for five additional years at the same monthly rent. The base rent would remain \$12.00 per square foot, which equates to \$36,000 annually, or \$3,000 per month. A 20% discount (\$2.40 per square foot) would continue to be provided to account for City use of the facility, as would a 10% discount (\$1.20) for school and community event usage. This results in total rent of \$8.40 per square foot, which equates to \$25,200 annually or \$2,100 per month.

The attached lease agreement was prepared for the City by the Law Director's office and simply extends the lease, under the same terms and conditions, for another five-year period of time.

Recommendation

Staff recommends approval of Ordinance 77-13 at the second reading/public hearing on October 14, 2013.

RECORD OF ORDINANCES

Ordinance No. 77-13

Passed _____, 20____

AN ORDINANCE AUTHORIZING THE CITY MANAGER TO ENTER INTO A FIVE-YEAR EXTENSION OF THE LEASE AGREEMENT WITH THE DUBLIN CHAMBER OF COMMERCE FOR THE CITY-OWNED PROPERTY AT 129 S. HIGH STREET

WHEREAS, the City of Dublin ("Dublin") owns a building located at 129 South High Street ("the Premises"); and

WHEREAS, the Dublin Chamber of Commerce ("the Chamber") and Dublin entered into a five-year lease agreement ("the Previous Lease Agreement") for the Premises commencing on September 30, 2008; and

WHEREAS, the Previous Lease Agreement will expire on September 30, 2013; and

WHEREAS, the Previous Lease Agreement contained an Option Term to extend terms of the Previous Lease Agreement for an additional five years; and

WHEREAS, the City and the Chamber desire to exercise the five-year Option Term; and

WHEREAS, the Lease Option Execution Document is attached as Exhibit "A" to this Ordinance, and the Previous Lease Agreement is attached as Exhibit "B" to this Ordinance.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Dublin, State of Ohio, _____ of the elected members concurring that:

Section1. Council hereby authorizes the City Manager to enter into the attached Lease Option Execution Document with the Dublin Chamber of Commerce.

Section2. This ordinance shall take effect and be in force from and after the earliest date provided by law.

Passed this _____ day of _____, 2013.

Mayor – Presiding Officer

ATTEST:

Clerk of Council

LEASE OPTION AGREEMENT

This Lease Option Agreement ("Lease Option") is made and entered into this ____ day of _____, 2013 (the "Effective Date"), by and between the **City of Dublin, Ohio**, an Ohio municipal corporation ("Landlord") and the **Dublin Chamber of Commerce, Incorporated**, an Ohio non-profit corporation ("Tenant").

BACKGROUND INFORMATION

WHEREAS, Landlord is the owner of that certain parcel of land commonly known as Franklin County Auditor's Tax Parcel ID #273-000043 and located at 129 S. High Street, Dublin, Ohio 43017 (the "Building");

WHEREAS, Tenant is currently occupying approximately 3,000 square feet of space in the Building (the "Premises") pursuant to that certain lease agreement entered into by and between Landlord and Tenant on September 30, 2008 (the "Prior Lease"); and

WHEREAS, the Prior Lease terminates on September 30, 2013, and the parties hereto desire to exercise the Option Term in the Prior Lease to extend the lease agreement for the Premises for an additional five years; and

WHEREAS, rent charges must be determined by Landlord and Tenant in good faith, taking into account the size, age, quality and location of the Premises as compared to similar premises; and

WHEREAS, Landlord obtained an appraisal on August 6, 2013 for the market rental rate for the Building from the Robert Weiler Company, and

WHEREAS, the market rate recommended by the Robert Weiler Company was \$12 per square foot; and

WHEREAS, Landlord will discount the \$12 per square foot fee by 20% in recognition of the availability of the restrooms in the Building for public use during Chamber regular business hours and of the availability of the space for Landlord use on an as-needed basis; and

WHEREAS, the Landlord will further discount the \$12 per square foot fee by 10% in recognition of the availability of the Building for school groups and other community organizations.

AGREEMENT

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency which are hereby acknowledged, the parties hereto agree to an extension of the Prior Lease for an additional five years pursuant to the Option Term in the Prior Lease, commencing on the Effective Date, with all remaining terms of the Prior Lease remaining in effect. The Prior Lease is attached to this Lease Option.

IN WITNESS WHEREOF, the parties hereto have caused this Lease Option to be executed as of the date first set forth above.

Signed and acknowledged in the presence of:

Print Name: _____

Print Name: _____

LANDLORD:

City of Dublin, Ohio, an Ohio municipal corporation

By: _____
Marsha Grigsby, City Manager

TENANT:

The Dublin Chamber of Commerce, Incorporated, an Ohio non-profit corporation

By: _____

LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Lease") is made and entered into on this 30 day of September, 2008, (the "Commencement Date") by and between the **City of Dublin, Ohio**, an Ohio municipal corporation ("Landlord") and the **Dublin Chamber of Commerce, Incorporated**, an Ohio non-profit corporation ("Tenant").

BACKGROUND INFORMATION

WHEREAS, Landlord is the owner of that certain parcel of land commonly known as Franklin County Auditor's Tax Parcel ID #273-000043 and located at 129 S. High Street, Dublin, Ohio 43017 (the "Building");

WHEREAS, Tenant is currently occupying approximately 3,000 square feet of space in the Building (the "Premises") pursuant to that certain lease agreement entered into by and between Landlord and Tenant on July 5, 1988 (the "Prior Lease"); and

WHEREAS, the Prior Lease terminated on July 5, 2008, and the parties hereto desire to enter into a new lease agreement for the Premises; and

WHEREAS, rent charges must be accounted for in the Lease; and

WHEREAS, Landlord obtained an appraisal on April 23, 2007 for the market rental rate for the Building from the Robert Weiler Company; and

WHEREAS, the market rate recommended by the Robert Weiler Company was between \$12 and \$17 per square foot; and

WHEREAS, Landlord will use the low end of the rental range (\$12) as the basis for computing the square foot rental charge; and

WHEREAS, the Landlord will discount the \$12 per square foot fee by 20% in recognition of the availability of the restrooms in the Building for public use during Chamber regular business hours and of the availability of the space for Landlord use on an as-needed basis; and

WHEREAS, the Landlord will further discount the \$12 per square foot fee by 10% in recognition of the availability of the Building for school groups and other community organizations.

AGREEMENT

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledge, the parties hereto agree as follows:

1. **PREMISES:** Landlord, in consideration of the rent to be paid and the covenants to be performed by Tenant, does hereby lease unto Tenant, and Tenant hereby leases from

Landlord, the Premises. During the Term, as herein defined, the location of the Premises shall be substantially in keeping with its location during the term of the Prior Lease. To the extent that the Building is configured in such a manner that Landlord requires access through the Premises and Tenant requires access through the remainder of the Building, the parties hereby grant each other access through their respective premises as is reasonably necessary, provided such access does not unreasonably interfere with the business operations of the other. Tenant shall have the right to use the exterior areas serving the Building, including the sidewalks and parking lot, in common with Landlord.

2. **TERM:** Subject to the provisions of Paragraph 4 below, the term of this Lease (the "Term") shall commence on the Commencement Date and shall expire at the end of the sixtieth (60th) full calendar month thereafter. Landlord may, however, terminate this Lease at any time upon three hundred sixty-five (365) days' written notice to Tenant if it determines it is in the best interest of the City of Dublin to use the Premises for municipal purposes.

3. **CONDITION OF PREMISES:** Tenant is currently in possession of the Premises and hereby acknowledges that it is accepting the Premises in its "as is, where is" condition and that Landlord has no obligation to perform any work or make any repairs therein, unless expressly set forth herein.

4. **OPTION TERM:** Provided Tenant has fully complied with all of the terms, provisions, and conditions on its part to be performed under this Lease and is not in default under this Lease, Tenant may, by giving written notice to the Landlord at least one hundred eighty (180) days prior to the expiration of the Term of this Lease, extend such term for additional periods of five (5) years each upon the same covenants and agreements as are herein set forth, except that the rent during the renewal term shall be determined by Landlord and Tenant in good faith, taking into account the size, age, quality and location of the Premises as compared to similar premises. If at least one (1) month prior to the expiration of the Term of this Lease, Landlord and Tenant have not agreed upon the rent to be paid during the renewal term for the Premises, then, unless otherwise agreed in writing, Tenant's option to renew this Lease shall expire and Tenant's exercise of said option shall thereafter become null and void. Term, as defined herein, shall also include any renewals permitted by this Paragraph 4.

5. **BASE RENT:** Tenant shall pay to Landlord as rent for the Premises commencing on the Commencement Date and continuing during the Term ("**Base Rent**"):

Years:	Monthly Rent:	Annual Rent:
1-5	\$2100.00	\$25,200.00
Option:	To be determined	

Tenant shall pay Base Rent to Landlord on or before the first day of each month, in advance, at: City Hall, 5200 Emerald Parkway, Dublin, Ohio 43017, Attn: Finance Director, or such other place as Landlord may from time to time designate, without any prior demand therefor and without any deductions or setoffs whatsoever.

If the Term shall commence on a day other than the first day of a calendar month, the Base Rent for such first fractional month shall be such proportion of the Base Rent as the number of days in such fractional month bears to the total number of days in such calendar month.

In the event any payment of Base Rent is not received on or before the fifth (5th) day after it is due, Tenant shall immediately pay as additional rent, without additional demand or notice, a late charge of fifty dollars (\$50.00) in addition to the amount of Base Rent due and owing.

All costs and expenses which Tenant assumes or agrees to pay to Landlord pursuant to this Lease shall be deemed additional rent, and in the event of nonpayment, Landlord shall have all the rights and remedies herein provided for in case of nonpayment of Base Rent.

6. USE: The Premises shall be used by Tenant only for offices and community uses and said Premises will not be used for any purpose deemed hazardous by the Landlord's insurance provider.

Tenant shall, at its sole cost and expense, comply with all laws, orders and ordinances respecting all matters of occupancy, condition or maintenance of the Premises and Building, and Tenant shall indemnify and hold Landlord harmless from any and all costs or expenses on account of Tenant's use and occupancy of the Premises and Building. Tenant shall procure and maintain all licenses and permits legally necessary for the operation of Tenant's business in the Premises and allow Landlord to inspect the same upon request.

Notwithstanding anything contained herein, at the option of Landlord, this Lease shall terminate upon thirty (30) days advance notice from Landlord to Tenant in the event Tenant ceases to exist or operate an entity organized primarily to promote and develop business and the business environment in the City of Dublin or ceases to use the Premises as its primary office.

7. SERVICES FURNISHED: Landlord covenants and agrees to furnish the following services to the extent required for comfortable occupancy and use of the Premises and Building during reasonable and customary business hours: (a) the removal of trash and debris from the grounds, including snow removal of the parking lot and the maintenance of the parking lot, all as Landlord deems necessary; and (b) upkeep and maintenance of necessary pipes, mains, conduits, wires and cables to the Building for water, gas, electricity, sewage and telephone service, subject to Paragraph 8 below. Subject to Paragraph 8 below, Landlord shall be responsible to make repairs or replacements to the following: (i) the plumbing, heating, air conditioning and similar equipment, necessary to keep the same in operating condition; (ii) the roof; (iii) the exterior of the Building to keep the Building in a safe, clean, and neat and attractive condition; and (iv) the interior walls, floors and ceilings in the Building (excluding the Premises) to keep same in a safe, clean, and neat and attractive condition.

Landlord shall not be liable directly or indirectly for any damage or inconvenience caused by the installation, use or interruption of use of electricity, air conditioning, heating or plumbing service occasioned by fire, accident, strikes, labor troubles, necessary maintenance, alterations, repairs or other causes beyond Landlord's reasonable control, including but not limited to, curtailments, shortages and emergencies regarding utility services, nor caused by Tenant, or Tenant's employees, invitees, or those acting under Tenant.

8. TENANT'S COVENANTS: Tenant covenants and agrees as follows:

(a) Tenant shall pay the Base Rent herein required;

(b) Tenant agrees to contract for and pay for all public utility services rendered or furnished to the Building during the Term hereof, including, but not limited to, heat, water, gas, electric, steam, telephone service, trash, and sewer services, together with all taxes, levies or other charges on such utility services when the same become due and payable. Tenant also agrees to care for the garden area on the Premises, except for the irrigation system. During the Term hereof or any renewal or extension period Tenant agrees to maintain heat sufficient to heat the Building so as to avert any damage to the Building on account of cold weather;

(c) Tenant shall pay the cost of all redecorating, painting, furnishing, and purchase of equipment necessary to facilitate Tenant's programming needs and use of the Premises and to maintain same in an orderly and clean manner;

(d) Tenant shall report in writing to Landlord any defective condition in the Premises and Building;

(e) Notwithstanding Paragraph 7, above, Tenant shall pay for any repairs to the Building or Premises made necessary by any acts or omissions of Tenant, its employees, agents, patrons or invitees;

(f) Tenant shall bear the risk of loss and damage to all personal property of Tenant located upon the Premises and Building and agrees that (i) Landlord shall not be liable for any injury, death, loss or damage to person or property occurring upon the Premises or Building, and (ii) Tenant shall save Landlord harmless from all claims, loss, cost (including reasonable attorney's fees) and damages arising from Tenant's use and occupancy of the Premises and Building;

(g) Tenant shall use the Premises and Building in a reasonable manner so as not to disturb Landlord or adjacent property owners or to damage, destroy or cause waste to the Premises and Building; and

(h) Tenant shall notify Landlord in writing of any accident occurring within the Premises and Building.

9. LANDLORD'S INSURANCE: Landlord shall at all times during the Term of this Lease carry fire, casualty, commercial general liability coverage and extended coverage insurance on the Building, including the structural components (foundations, floors, walls, windows, structural supports, roof, HVAC, electrical systems, and plumbing) thereof. Landlord shall be under no obligation to maintain insurance on any improvements installed by or for the benefit of Tenant's use of the Premises. Landlord may elect to self-insure its obligations hereunder and/or use whatever deductibles as Landlord deems appropriate, in its sole discretion.

If the Building shall be damaged, destroyed, or rendered untenable, in whole or in part, by or as the result or consequence of fire or other casualty during the term hereof, Landlord shall repair and restore the same to a good tenable condition with reasonable dispatch. During

such period of repair, the Base Rent shall abate (i) entirely in case all of the Premises is untenable; and (ii) proportionately if only a portion of the Premises is untenable and Tenant is able to conduct its business from the undamaged portion of the Premises. The abatement of Base Rent shall be based upon a fraction, the numerator of which shall be the square footage of the damaged and unusable area of the Premises and the denominator shall be the total square footage of the Premises. Said abatement shall cease at such time as the Premises shall be restored to a tenable condition.

In the event the Premises, because of such damage or destruction, cannot reasonably be and/or are not actually repaired and restored to a tenable condition within one hundred fifty (150) days from the date of receipt of insurance proceeds for such damage or destruction, Tenant or Landlord may, at their option, terminate this Lease within sixty (60) days following the date on which the damage occurred or the above referenced one hundred fifty (150) day period, as applicable, (but prior to the date on which the repair and restoration of same is substantially underway) by giving prior written notice to the other party and thereupon Landlord and Tenant shall be released from all future liability and obligations under this Lease.

If one-third (1/3) or more of the ground floor area of the Building is damaged or destroyed during the last two (2) years of the original or any extended term of this Lease, Landlord shall have the right to terminate this Lease by written notice to Tenant within sixty (60) days following such damage or destruction.

If Landlord is required or elects to repair and restore the Building as herein provided, Tenant shall repair or replace its stock in trade, trade fixtures, furniture, furnishings and equipment and other improvements including floor coverings, and if Tenant has closed, Tenant shall promptly reopen for business.

10. TENANT'S INSURANCE: Tenant shall carry such insurance against loss of its property in, on or about the Building and Premises by fire and such other risks as are covered by all risk and extended coverage property insurance or other hazards in an amount equal to or greater than the replacement costs thereof. Landlord shall be shown as a loss payable on any and all insurance policies. Landlord shall not be liable for any damage to Tenant's property in, on or about the Building and Premises caused by fire or other insurable hazards regardless of the nature or cause of such fire or other casualty, and regardless of whether any negligence of Landlord or Landlord's employees or agents contributed thereto. Tenant expressly releases Landlord of and from all liability for any such damage. Tenant agrees that its insurance policy or policies shall include a waiver of subrogation recognizing this release from liability.

During the term of this Lease, Tenant shall, at its sole cost and expense, provide and maintain or cause to be provided and maintained with respect to the Building and Premises, comprehensive general public liability insurance, including a contractual liability endorsement, protecting Landlord and Tenant (naming the Landlord as an additional insured) against any and all claims for damages to person or property or loss of life or property occurring within the Premises, such insurance to afford protection to the limits of not less than One Million Dollars (\$1,000,000.00) combined single limits for bodily injury, death, or property damage. Tenant shall also provide product liability insurance with a minimum one million dollar (\$1,000,000.00) limit in respect to bodily injury, death and/or property damage per occurrence.

Tenant shall furnish to Landlord certificates evidencing the continuous existence of such insurance coverage, which must also name Landlord as an additional insured. All insurance companies must be licensed to do business in Ohio and must maintain an A- rating or better. Certificates of insurance will be provided at the time this Lease is executed. Certificates of insurance are to specify notification to Landlord of cancellation or termination of policy not less than ten (10) days prior to cancellation or termination.

Tenant agrees to provide and keep in force at all times worker's compensation insurance complying with the law of the State of Ohio. Tenant agrees to defend, indemnify and hold harmless Landlord from all actions or claims of Tenant's employees or employee's family members. Tenant agrees to provide a certificate as evidence of proof of worker's compensation coverage.

With respect to any alterations or improvements by Tenant, Tenant shall maintain contingent liability and builder's risk coverage naming Landlord as an additional named insured. If Tenant hires contractors to do any improvements on the Building or Premises, each contractor must provide proof of worker's compensation coverage on its employees and agents to Landlord.

11. TENANT'S INDEMNITY: Tenant shall indemnify Landlord, Landlord's agents, employees, officers or directors, against all damages, claims and liabilities arising from any alleged accident or injury whatsoever caused to any person, firm or corporation during the Term, unless such claim arises from a breach or default in the performance by Landlord of any covenant or agreement on its part to be performed under this Lease or the negligence of Landlord. The indemnification herein provided shall include all costs, counsel fees, expenses and liabilities incurred in connection with any such claim or any action or proceeding brought thereon.

12. WAIVER OF SUBROGATION: Landlord and Tenant, and all parties claiming under each of them, mutually release and discharge each other from all claims and liabilities arising from or caused by any casualty or hazard covered or required hereunder to be covered in whole or in part by insurance coverage required to be maintained by the terms of this Lease on the Premises or the Building or activities conducted within the Premises or the Building, and waive any right of subrogation which might otherwise exist in or accrue to any person on account thereof. All policies of insurance required to be maintained by the parties hereunder shall contain waiver of subrogation provisions so long as the same are available.

13. ALTERATIONS: Except with the prior written consent of Landlord, Tenant will not make, or permit anyone to make, any alterations in or additions to the Premises or Building; nor will it install any equipment of any kind that will require any alterations in or additions to the water system, plumbing system, heating system, air conditioning system, or the electrical system. If such consent shall be given by Landlord, all such work shall be at Tenant's expense and at such times and in such manner as Landlord may designate. Tenant shall not permit any mechanic's or materialmen's liens to attach to the Premises or this leasehold interest. Tenant shall perform such alterations in accordance with all applicable governmental laws and ordinances and in accordance with the terms of this Lease. If any such alterations, additions or installations are made without such consent or contrary to the time and manner designated by Landlord, Landlord may correct or remove them and Tenant shall be liable for any and all

expenses incurred by Landlord in the performance of this work. All alterations, additions or installations made by Tenant shall, unless Landlord elects otherwise, become the property of Landlord and shall remain upon the Premises. In the event Landlord shall elect otherwise at the termination of this Lease, such alterations, additions or installations shall be removed by Tenant at the end of the Term hereof and Tenant shall repair any damage caused by such removal, all at Tenant's sole cost and expense.

14. **RIGHT OF ENTRY:** Landlord may enter the Premises at all reasonable hours during the Term hereof.

15. **ASSIGNMENT AND SUBLETTING:** Tenant will not assign or encumber this Lease, or sublet, or suffer or permit the Premises or any part thereof to be used by others. Any assignment or subletting of the Premises by Tenant shall be considered a default hereunder.

16. **DEFAULT:** In the event that (a) the Base Rent or other charges required by this Lease are not paid within ten (10) days after the date due; (b) Tenant fails to comply with any term, provision, condition or covenant of this Lease (other than the payment of Base Rent or other charges), and Tenant shall not cure such default within fifteen (15) days after notice to Tenant of such failure to comply; (c) the Premises shall be deserted or vacated; (d) any petition is filed by or against Tenant under any section or chapter of any bankruptcy act; (e) Tenant shall become insolvent or make a transfer in fraud of creditors; (f) Tenant shall make an assignment for the benefit of creditors; (g) a receiver or trustee is appointed for a substantial part of the assets of Tenant and within thirty (30) days thereafter Tenant fails to secure a discharge thereof or (h) this leasehold interest of Tenant is levied upon under execution, then, in any such events, Landlord shall have the option to do any of the following in addition to and not in limitation of any remedy permitted by law or by this Lease:

(a) Terminate this Lease, in which event Tenant shall immediately surrender the Premises to Landlord, but if Tenant fails to do so, Landlord may, without further notice, enter upon the Premises and expel or remove Tenant and Tenant's effects, by force and without court proceedings, and without being liable to prosecution or any claim for damages therefor; and Tenant agrees to indemnify Landlord for all loss and damage which Landlord may suffer by reason of such Lease termination, whether through inability to relet the Premises or through decrease in rent or otherwise.

(b) Without terminating this Lease, enter upon the Premises as the agent of Tenant, without being liable to prosecution or any claim for damages thereon, and relet the Premises as the agent of Tenant, and receive the rent therefor and Tenant shall pay Landlord any deficiency that may arise by reason of such reletting, together with Landlord's expenses incurred in such reletting, on demand at any time and from time to time.

(c) Refrain from terminating this Lease but terminate Tenant's right of possession until such default is cured, either by legal action or by force and without court proceedings, and in such case Landlord may enforce against Tenant the provisions of this Lease for the unexpired Term hereof.

(d) Declare all Base Rent and other payments for the entire unexpired Term of this Lease at once due and payable, and if not paid forthwith upon Lessor's demand, then to resort to legal process for collection of all accelerated payments due under this Lease.

(e) Recover, in addition to any other damages set forth in this Lease or permitted at law or equity, all of Landlord's expenses incurred with respect to Tenant's default, including without limitation reasonable attorney's fees, commissions, and costs of repair, renovation or alteration of the Premises.

(f) Take any other actions or remedies permitted by law.

17. **PERSONAL PROPERTY OF TENANT:** Tenant further agrees that all personal property of every kind or description that may at any time be in or on the Premises shall be at the Tenant's sole risk, or at the risk of those claiming under the Tenant, and that the Landlord shall not be liable for any damage to said property or loss suffered by the business or occupation of the Tenant caused in any manner whatsoever.

If Tenant fails to remove all its effects from the Premises upon termination of this Lease, Landlord may at its option remove all or part of said effects in any manner that Landlord may choose, and store the same without liability to Tenant for loss or damage thereof, and Tenant shall be liable to Landlord for all expenses incurred in such removal and storage of such effects. Upon termination of this Lease wherein Tenant shall be liable in any amount to Landlord, Landlord shall have a lien upon the personal property and effects of Tenant on said Premises, and Landlord may at its option, without notice, sell at private sale all or part of said property and effects for such price as Landlord may deem best and apply the proceeds of such sale upon any amounts due under this Lease from Tenant to Landlord, including the expenses of the removal and sale.

18. **SUBORDINATION:** This Lease and any changes or amendments hereto or any renewal or extensions hereof are subject and subordinate to all underlying leases and mortgages which may now or hereafter affect the Premises or the Building. This clause shall be self-operative and no further instrument or subordination need be required by any mortgagee. In confirmation of such subordination, Tenant shall, if requested by Landlord, execute promptly an instrument having that effect, or any similar instrument, including estoppel certificates, so requested by Landlord.

19. **HOLDING OVER:** If Tenant remains in possession after expiration of the Term hereof, without Landlord's acquiescence and written agreement of the parties, Tenant shall be a month-to-month tenant subject to all the terms and conditions of this Lease except as to rental. Rental during the term of any month-to-month tenancy shall be at the rate of one and one half (1.5) times the monthly rate in effect during the last month of the prescribed Term of this Lease.

20. **SURRENDER OF PREMISES:** At the termination of this Lease, Tenant shall surrender the Premises in the same condition that existed at the commencement of the Term, reasonable wear and tear excepted. Tenant's obligation to perform this covenant shall survive the expiration or other termination of the Term of this Lease.

21. QUIET ENJOYMENT: Tenant, upon paying the Base Rent and observing and performing all the terms, covenants and conditions on its part to be observed and performed, may peaceably and quietly enjoy the Premises, subject to the terms and conditions of this Lease.

22. NOTICES: Except as otherwise provided in this Lease, any written notices by Landlord to Tenant shall be by registered or certified mail or hand delivery addressed to Tenant at the Premises or at such other address as Tenant shall designate by written notice. Any written notice by Tenant to Landlord shall be by registered or certified mail or hand delivery addressed to Landlord at 5200 Emerald Parkway, Dublin, Ohio 43017, Attention: City Manager, or at such other address as Landlord shall designate by written notice. Notice shall be deemed delivered when the same is delivered in person or upon receipt or refusal of receipt.

23. APPLICABLE LAW: Tenant and Landlord agree that this Lease shall be interpreted and construed in accordance with the laws of the State of Ohio.

24. BINDING EFFECT: All the terms, conditions and covenants of this Lease shall inure to the benefit of and be binding upon the respective heirs, legal representatives, successors and assigns of the parties hereto.

25. ENTIRE AGREEMENT: This Lease contains the entire agreement of the parties and no representations or agreements, oral or written, not embodied herein or incorporated herein by reference shall be of any force or effect.

26. CAPTIONS: Paragraph captions are used for convenience only, and shall not limit or amplify or otherwise constitute a part of the provisions of this Lease.

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed as of the date first set forth above.

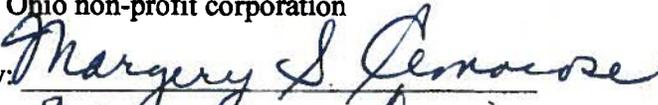
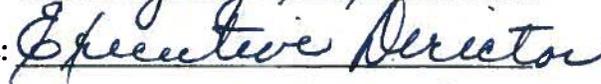
Approved as to form:

By: 
Stephen J. Smith
Law Director

LANDLORD:
City of Dublin, Ohio, an Ohio municipal corporation

By: 
Marsha Grigsby, Interim City Manager

TENANT:
The Dublin Chamber of Commerce,
Incorporated,
an Ohio non-profit corporation

By: 
Its: 
Print Name: MARGERY AMOROSE

STATE OF OHIO :
: SS
COUNTY OF FRANKLIN :

The foregoing instrument was acknowledged before me this 20 day of September 2008, by Marsha Grigsby, the Interim City Manager of the City of Dublin, Ohio, an Ohio municipal corporation, for and on behalf of said municipal corporation.

 *Linda L. Glick*
LINDA L. GLICK
Notary Public - State of Ohio
My Commission Expires May 18, 2009

STATE OF OHIO :
: SS
COUNTY OF FRANKLIN :

The foregoing instrument was acknowledged before me this 22 day of September 2008, by Margery Amos the Executive Director of the Dublin Chamber of Commerce, Incorporated, an Ohio non-profit corporation, for and on behalf of said non-profit corporation.

 **Ashley Huth**
Notary Public, State of Ohio
My Comm. Expires January 16, 2013

Ashley Huth
Notary Public



City of Dublin

Office of the City Manager
5200 Emerald Parkway • Dublin, OH 43017-1090
Phone: 614-410-4400 • Fax: 614-410-4490

Memo

To: Members of Dublin City Council
From: Marsha I. Grigsby, City Manager 
Date: September 5, 2013
Initiated By: Angel L. Mumma, Deputy City Manager/Director of Finance & Administration
Re: Dublin Chamber of Commerce Lease Agreement

Summary

As staff indicated previously to Council, the lease agreement with the Dublin Chamber of Commerce ("the Chamber") for the City-owned property at 129 S. High Street is set to expire at the end of September.

The current five-year lease agreement commenced on September 30, 2008 and provided a lease rate of \$25,200 annually (\$2,100 per month), which took into consideration a City-obtained appraisal market rate recommendation of \$12.00 per square foot, which was then reduced by 20% for City usage of the facility and another 10% for school and community event usage. The City was obligated to perform all maintenance duties on the building, including HVAC, plumbing, electrical, snow removal, and exterior building and parking lot maintenance. The Chamber was required to make any cosmetic enhancements to the interior of the building and pay all utility charges.

The lease also provided the option for the Chamber to extend the term of the lease for additional periods of five years each upon the same covenants and agreements as were set forth within the agreement, except that the rent during the renewal term shall be determined by the City and the Chamber in good faith, taking into account the size, age, quality and location of the premises as compared to similar premises.

Given the Chamber's desire to exercise the option to extend the lease, staff ordered a new appraisal of the building. The appraisal, completed by The Robert Weiler Company in early August, indicated that the market rental rate for the property was \$12.00 per square foot, which was consistent with the previous appraisal conducted five years ago. Comparable market data located within the competitive market was completed and analyzed as part of the appraisal with the results ranging from \$8.00 per square foot to \$17.00 per square foot pending lease terms, tenant improvement allowance, location, on-site amenities, office style and characteristics, etc.

Based on the appraisal, it is staff's recommendation to extend the lease with the Chamber for five additional years at the same monthly rent. The base rent would remain \$12.00 per square foot, which equates to \$36,000 annually, or \$3,000 per month. A 20% discount (\$2.40 per square foot) would continue to be provided to account for City use of the facility, as would a 10% discount (\$1.20) for school and community event usage. This results in total rent of \$8.40 per square foot, which equates to \$25,200 annually or \$2,100 per month.

The appraisal was shared with the Chamber's Executive Director, Margery Amorose. Additionally, she has been made aware of and is in agreement with staff's recommendation to maintain the

current lease rates. However, Ms. Amorose did request consideration to extend the lease for a period longer than five years. Given potential market changes that can occur in a relatively short amount of time, staff recommends maintaining a five-year lease period.

Recommendation

Information only. A new lease agreement will be prepared and brought forward for Council consideration at an upcoming Council meeting.



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Memo

To: Members of Dublin City Council
From: Marsha I. Grigsby, City Manager ~~MM~~
Date: July 26, 2013
Initiated By: Angel L. Mumma, Deputy City Manager/Director of Finance
Re: Dublin Chamber of Commerce Lease Agreement

Summary

On September 15, 2008, City Council approved Ordinance 70-08, which authorized the City Manager to enter into a lease agreement with the Dublin Chamber of Commerce ("the Chamber") for the city-owned property at 129 S. High Street.

The five-year lease commenced on September 30, 2008 and provided a lease rate of \$25,200 annually (\$2,100 per month). This rate took into consideration a City-obtained appraisal market rate recommendation, which was reduced by 20% for City usage of the facility and another 10% for school and community event usage. The City was obligated to perform all maintenance duties on the building, including HVAC, plumbing, electrical, snow removal, exterior building and parking lot maintenance. The Chamber was required to make any cosmetic enhancements to the interior of the building and pay all utility charges.

The lease also provided the option for the Chamber to extend the term of the lease for additional periods of five years each upon the same covenants and agreements as were set forth within the agreement, except that the rent during the renewal term shall be determined by the City and the Chamber in good faith, taking into account the size, age, quality and location of the premises as compared to similar premises.

Staff met with the Chamber's Executive Director, Margery Amorose on Monday, July 22, 2013 to discuss the Chamber exercising the option to extend the lease for five additional years. The City has ordered an appraisal of the building and will utilize its results in order to negotiate the rent for the next five-year period.

Recommendation

Information only.