

Office of the City Manager

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To: Members of Dublin City Council **From:** Dana L. McDaniel, City Manager

Date: February 4, 2020

Initiated By: Dana L. McDaniel, City Manager

Re: Ordinance No. 34-19 – Authorizing the City Manager to Execute a

Lease with the Dublin Chamber of Commerce

Summary

Thank you for removing Ordinance 34-19 from its tabled status and placing this Ordinance back on the agenda for your February 10, 2020 Council meeting. As Council is aware, the lease agreement with the Dublin Chamber of Commerce ("the Chamber") for the City-owned property at 129 S. High Street expired in October of 2018. Since the introduction and first reading of this Ordinance in 2019, staff and the Dublin Chamber of Commerce continued to discuss the lease terms. The attached lease reflects the result of that discussion. Key changes are summarized as follows:

1. Facility renovation. The Chamber desires to renovate the existing facility (Lease, Exhibit A). After further internal visioning and discussion following the initial introduction of Ordinance 34-19, the Chamber desires to renovate the existing facility in a fashion different from previously presented. Given the Chamber's ever-changing membership and membership needs, the Chamber has determined that a floor plan to accommodate its office operations, meeting space, and networking space is critical to its mission. Attached are the Chamber's proposed changes to the floor plan (Lease, Exhibit B). Exhibit C of the Lease shows the proposed new improvements and estimated costs. The estimated costs for new improvements versus previous improvements are as follows:

New	City	Chamber	Previous	City	Chamber
Improvements	Cost	Cost	Improvements	Cost	Cost
	\$0	\$70,000	Office Area	\$0	\$40,000
Biz Bistro & Meeting	\$50,000	\$20,000	Doors, Halls, Lighting,	\$26,000	\$14,000
Room			Painting, Flooring		
Community Meeting	\$50,000	\$25,000	Community Meeting	\$26,000	\$14,000
Room w/Kitchen			Room w/Kitchen		
Public Restrooms	\$80,000	\$0	Public Restrooms	\$80,000	
New Building	\$30,000	\$0	Exterior	\$15,000	
Entrance			improvements		
Interior Hallways	\$60,000	\$0			
Downtown Gateway	\$65,000	\$0			
Pavilion					
Total	\$335,000	\$115,000		\$147,000	\$68,000

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The City/staff will be responsible to hire an architect and manage the design, review, permitting and construction/renovations of the facility. Costs for those services are reflected in the those costs provided above.

- 2. Proposed Changes to the lease rate. As previously provided to Council, a 2017 appraisal determined that comparable triple net lease rents for the property range from \$13.50/SF to \$17.75/SF. Consistent with the previous lease, staff recommends discounting the lease as the facility is used for public purposes. Specifically, other government and not-for-profit community organizations use the meeting room and the restrooms are made available to the public during the Chamber's operating hours and on special occasions in the historic district. Based on the appraisal, staff is recommending a lease rate of \$42,000 annually (\$3,500 per month), which is based on a rate of \$14.00 per square foot. Furthermore, staff recommends continuing to provide a discount for City use of the facility (20% discount or \$2.80 per square foot) and school and other community organization's use of the facility (10% discount or \$1.40 per square foot). This would result in total rent of \$9.80 per square foot, which equates to \$29,400 annually or \$2,450 per month. The Chamber agrees to this lease rate. Staff initially recommended a 5-year lease with additional renewals in 5-year increments and 2% increase per year throughout. As presented in the attached lease, the Chamber desires a 20vear lease. The Chamber desires an initial term of 5 years at the flat rate of \$2,450/mos or \$29,400/year. The Chamber requests 3 additional 5 year terms in which there will be annual increases of 2% per year. Again, all together this reflects a total term of 20 years in which all extensions are at the Chamber's discretion only, not the City's. The lease obligates the City to perform all maintenance duties on the building, including HVAC, plumbing, electrical, snow removal, exterior building and parking lot maintenance, as well as, landscaping and refuse/recycling services, which is consistent with the previous lease. The Chamber is responsible for utilities.
- 3. Additional funding for programs/activities. In a previous discussion, Council and staff agreed the Chamber provides a valuable service to the business community and their efforts are integral to the City's economic development effort. Their services are also significantly aligned to and/or supportive of the City's economic development efforts, particularly as it relates to business retention, expansion, and work force development. Staff and the Chamber have been discussing ways to better tie and leverage the Chamber's activities, programs, and engagements with those of the City's economic development staff efforts. Staff recommends a separate Memorandum of Understanding (MOU) between the City and the Chamber to ensure the alignment of these efforts. The Chamber requested an additional \$100,000/year for five years for a total of \$500,000 relative to these efforts. Staff is currently discussing and reviewing this proposal with the Chamber. A key focus of our discussion is the extent to which the Chamber's activities and programming, engagement opportunities, and sharing of information with businesses and with each other can contribute to the City's economic development effort and at what cost. Staff may bring forward an MOU for Council's consideration later.
- **4.** The Chamber has further requested that history regarding the lease arrangement between the City and the Chamber be memorialized as part of the information provided to Council with this Memo. Please find attached the following:

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- **a.** A summary of the Chamber's perspective on the lease history.
- **b.** Documents relative to the City's perspective on the lease history.

Recommendation

Staff recommends approval of Ordinance 34-19. Assuming Council desires to approve the Ordinance, the title of the Ordinance will need to be amended to not reference the five year term. Improvements to 129 South High Street were not included in the 2020-2024 Capital Improvements Program. Should Council approve the Ordinance, the funding for the renovation of the Chamber Building shall be appropriated from the unappropriated fund balance of the Capital Improvements Tax Fund in a future supplemental Appropriation. The Fund currently has a sufficient fund balance to support this additional Appropriation. Should Council pass this legislation, Staff will begin the planning efforts for these improvements with the Chamber immediately after its effective date.

BARRETT BROTHERS - DAYTON, OHIO

Ordinance No. **34-19**

Passed_

AN ORDINANCE AUTHORIZING THE CITY MANAGER TO EXECUTE A LEASE AGREEMENT FOR A TERM OF FIVE YEARS WITH THE DUBLIN CHAMBER OF COMMERCE, INCORPORATED FOR THE PROPERTY LOCATED AT 129 SOUTH HIGH STREET

WHEREAS, the City of Dublin ("Landlord") is the owner of a 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 "Parcel") containing a 3,111 square foot building (the "Building"); and

WHEREAS, the Dublin Chamber of Commerce ("Tenant") is currently occupying approximately 3,000 square feet of space in the Building on the Parcel (the "Premises") pursuant to a certain lease agreement and addenda entered into by and between Landlord and Tenant (the "Prior Lease"); and

WHEREAS, the Prior Lease period has expired and the Parties have continued the Lease on a month-to-month basis; and

WHEREAS, the Parties hereto desire to enter into a new lease agreement for the Premises.

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

Section 1. The City Manager is hereby authorized to execute all necessary documentation, including but not limited to, the Lease Agreement with the Dublin Chamber of Commerce in substantially the same form as the one attached hereto as Exhibit "A", with changes not inconsistent with this Ordinance, not substantially adverse to the City, and which shall be approved by the City Manager and Director of Law. The approval of changes thereto by those officials, and their character as not being substantially adverse to the City, shall be evidenced conclusively by their execution thereof.

Section 2.	This Ordinance shall	be effective on	the earliest date	provided by law.

Passed this	day of	, 2020
Mayor – Presiding) Officer	_
ATTEST:		
Clerk of Council		

LEASE AGREEMENT

This Lease Agreement ("Lease") is effective as of the _____ day of February, 2020 (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")(Landlord and Tenant also referred to herein singularly as "Party" and together as "Parties").

BACKGROUND INFORMATION

WHEREAS, Landlord is the owner of a 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 "Parcel") containing an approximately 3,000 square foot building (a current floor plan of which is attached hereto as Exhibit A) and which does not include any parking lots adjacent to such building and located on the Parcel (the "Building"); and

WHEREAS, Tenant is currently occupying the Building, with exclusive use of certain office space within the Building, pursuant to a certain lease agreement and addendums entered into by and between Landlord and Tenant (the "Prior Lease"), and is expected to occupy the Building, with exclusive use of the office space depicted in solid green on the attached Exhibit B (the "Premises"); and

WHEREAS, the Prior Lease terminated in October 2019, and the Parties hereto desire to enter into a new lease agreement for the Premises that takes into account and reflects Tenant's significant and continuing contributions to the business community of the local economy; and

WHEREAS, Landlord obtained an appraisal on June 27, 2017 which included a market rental rate for the Building from Brian Barnes and Company, Inc.; and

WHEREAS, the market rate appraised by the Brian Barnes and Company, Inc. was in the range of \$13.50 through \$17.75 per square foot (i.e. Triple Net Lease); and

WHEREAS, Landlord will use the low end of the rental range (\$14) as the basis for computing the square footage rental charge; and

WHEREAS, the Landlord, as in the Prior Lease, will discount the \$14 per square foot fee by 20% in recognition of the requirement to keep the restrooms in the Building open 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, as in the Prior Lease, will further discount the \$14 per square foot fee by 10% in recognition of the availability of the Building for school groups and other community organizations (the total of such discounts result in a price per square foot of \$9.80, to be charged to Tenant as described in Section 4 herein).

AGREEMENT

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledge, the Parties hereto agree to the "Background Information" above and as follows:

- 1. <u>PREMISES</u>: 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 Building. To the extent that Landlord requires access to and use of the Building, Tenant hereby grants Landlord such access as is reasonably necessary, provided such access does not unreasonably interfere with the business operations of Tenant and provided that the Premises shall at all times be accessible only with keys maintained by Tenant. Tenant shall have the right to use the exterior areas serving the Building, including the sidewalks and parking lot, in common with Landlord, however, at all times Landlord shall be responsible for any and all maintenance for such exterior areas.
- 2. <u>TERM</u>: Subject to the provisions of Paragraph 4 below, the initial term of this Lease (the "Term") shall be for ten (10) years, to commence on the Effective Date and shall expire at the end of the one hundred and twentieth (120th) full calendar month thereafter.

Tenant is granted the option to extend the Term for an additional five (5) year extension term (the "First Extension")(years 11-15) provided that Tenant: (a) provides Landlord written notice no less than 90 days prior to the end of the Term that Tenant is exercising its option; and (b) at the date of such notice no event of Default has occurred and is continuing. The Annual

Rent for the First Extension term shall increase by Two Percent (2%) each year of the First Extension. All other terms and conditions of this Lease shall be effective during the First Extension, with the exception of Paragraph 21.

Tenant is granted an additional option to extend the Term for an additional five (5) year extension term (the "Second Extension")(years 16-20) on the same terms and conditions as those applicable to the First Extension.

- 3. <u>CONDITION OF BUILDING</u>: Tenant is currently in possession of the Building and hereby acknowledges that it is accepting the Building in its "as is, where is" condition and that Landlord has no obligation to perform any work or make any repairs therein, except as expressly set forth and agreed to in paragraph 21 herein.
- 4. <u>BASE RENT</u>: Tenant shall pay to Landlord as rent for its use of the Building and exclusive occupation of the Premises commencing on the Commencement Date and continuing during the Term ("<u>Base Rent</u>"):

Monthly Rent:	Annual Rent:
\$ 2,450 (years 1-5)	\$ 29,400 ¹ (years 1-5)
\$2,499 (year 6)	\$29,988 (year 6)
\$2,548.98 (year 7)	\$30,588 (year 7)
\$2,600 (year 8)	\$31,200 (year 8)
\$2,652 (year 9)	\$31,824 (year 9)
\$2,705 (year 10)	\$32,460 (year 10)

Until such time as the Landlord's improvements to the Building, as described in Paragraph 21 herein, are substantially completed, the Base Rent will be discounted to an amount equal to Tenant's monthly rent under the Prior Lease, such amount being \$2,100 per month. Upon substantial completion of Landlord's improvements, the Base Rent as contemplated by this

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¹ Calculated as follows: $9.80 \times 3,000 \text{ sq ft} = $29,400.$

Paragraph will apply going forward and the Annual Rent for that year will be adjusted accordingly.

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.

5. <u>USE</u>: The Building shall be used by Tenant only for offices and community uses and said Building 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 its use or occupancy of the Building. Tenant shall procure and maintain all licenses and permits legally necessary for the operation of Tenant's business in the Building 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 Building as its primary office location.

6. LANDLORD 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) upkeep and maintenance of the grounds of the Building, including, the mowing grass, landscaping, snow removal and curbside trash and recycling services, all as reasonably 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 7 below. Landlord shall be responsible to make repairs 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, not caused by Tenant, or Tenant's employees, invitees, or those acting under Tenant.

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

- a. Tenant shall pay the Base Rent herein required; and
- 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, and sewer services, together with all taxes, levies or other charges on such utility services when the same become due and payable. During the Term hereof Tenant agrees to maintain heat sufficient to heat the Building so as to avert any damage to the Building on account of cold weather; and
- 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 Building

and to maintain same in an orderly and clean manner, except as otherwise provided in Paragraph 21, below; and

- d. Tenant shall manage and approve the access to and use of the Building's common room (the area depicted in striped yellow/green on the attached Exhibit B) by public groups and organizations; and
- e. Tenant shall report in writing to Landlord any defective condition in the Premises and Building, of which Tenant becomes aware; and
- f. Notwithstanding Paragraph 6, 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; and
- g. Tenant shall bear the risk of loss and damage to all personal property of Tenant located upon the Premises and Building; and
- h. 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
- i. Tenant shall notify Landlord in writing of any accident occurring within the Premises and Building, of which Tenant becomes aware.
- j. Tenant shall provide Landlord a semi-annual report identifying organizations that reserved the Building during the preceding six months. Such report shall be due on dates to be mutually agreed to by the Parties.
- 8. <u>LANDLORD COVENANTS</u>. The Landlord covenants, represents and warrants that upon completion of the Landlord's improvements to the Building, as contemplated in Paragraph 21, the Building shall comply with all laws, orders and ordinances, including without limitation, the Americans with Disabilities Act as amended by the Americans with Disabilities Act Amendment Act of 2008.

9. <u>LANDLORD'S INSURANCE</u>: Landlord shall at all times during the Term of this Lease carry fire, casualty, 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 untenantable, 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 tenantable condition with reasonable dispatch. During such period of repair, the Base Rent shall abate (i) entirely in case all of the Building is untenantable; and (ii) proportionately if only a portion of the Building is untenantable and Tenant is able to conduct its business from the undamaged portion of the Building. 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 Building and the denominator shall be the total square footage of the Buildings. Said abatement shall cease at such time as the Building shall be restored to a tenantable 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 tenantable 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 for the Premises only and only to the extent insurance proceeds received by Tenant apply to such repairs or replacement, 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, including Tenant Improvements and Betterments (such as floor coverings, wall coverings trade fixtures) in, on or about the Building and Premises by fire and such other risks as are covered by so-called all risk and extended coverage property insurance or other hazards in an amount equal to or greater than the replacement costs thereof. Such policy shall be endorsed to name the Landlord shown as a loss payee with respect to the Tenant Improvements stated above on any and all insurance policies. A copy of such endorsement shall be provided to the Landlord upon written request. 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 insurance policy or policies shall include a waiver of subrogation recognizing this release from liability.

Tenant agrees to procure and maintain during the Term a policy or policies of liability insurance, including product and/or completed operations liability and contractual liability coverage, written by an insurance company or companies insuring Tenant against any and all losses, claims, demands or actions for injury to or death of any one or more persons and for damage to property in any one occurrence in the Building and Premises to the limit of not less than one million dollars (\$1,000,000.00) for injury to one person, not less than two million dollars (\$2,000,000.00) for each such occurrence, and not less than one hundred thousand dollars (\$100,000.00) for damage to property, or such other coverage limits as Landlord may, from time to time, deem reasonably necessary and in accordance with customary practices with regard to such insurable risks. Tenant shall furnish to Landlord certificates evidencing the continuous existence of such insurance coverage, which must also name Landlord as an additional insured

and be endorsed to be primary and non-contributory with respect to any insurance maintained by the Landlord.

All insurance companies must be licensed to do business in Ohio. Certificates of insurance will be provided at the time this Lease is executed. Policies of insurance are to be endorsed to notify Landlord of any reduction, cancellation or termination of policy and provide not less than thirty (30) days prior to cancellation or termination, except for non-payment for which ten (10) days-notice shall be provided.

Tenant agrees to provide and keep in force at all times worker's compensation insurance complying with the law of the State of Ohio and Employers Liability Insurance shall also be obtained, with limits of not less than \$1,000,000 per occurrence, accident or employee. 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 a Certificate of Insurance naming the Landlord as additional insured and including proof of worker's compensation coverage on its employees and agents to Landlord.

- 11. <u>TENANT'S INDEMNITY</u>: 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 and to the extent incurred in connection with or arising from the use or occupancy of the Premises, 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. This Paragraph shall survive the Term of the Lease.
- 12. <u>WAIVER OF SUBROGATION</u>: 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 as outlined in paragraph 21 herein, 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, without the prior written consent of Landlord. 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 to terminate this Lease prior to the end of the Term, such alterations, additions or installations by Tenant hereof may be removed by the Tenant and Tenant shall repair any damage caused by such removal, all at Tenant's sole cost and expense.
- 14. <u>RIGHT OF ENTRY</u>: Landlord may enter the Premises at all reasonable hours during the Term hereof, with reasonable advance notice to the Tenant.
- 15. <u>ASSIGNMENT AND SUBLETTING</u>: 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, except as otherwise provided herein. Any assignment or subletting of the Premises by Tenant shall be considered a default hereunder.

- 16. <u>DEFAULT</u>: 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 of 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. <u>PERSONAL PROPERTY OF TENANT</u>: 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. <u>SUBORDINATION</u>: 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. <u>HOLDING OVER</u>: 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. <u>SURRENDER OF PREMISES</u>: 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. <u>IMPROVEMENTS TO BUILDING:</u> The Parties agree to remodeling the Building during the Term as follows:
 - a. Tenant and Landlord shall collaborate on design documents to finalize plans that will be used to construct the improvements as noted on Exhibits B and C, attached hereto and incorporated by reference herein. Specifically, the costs for such improvements shall be borne by the Party so designated on Exhibit C. The Parties shall work in good faith on a schedule for the construction to commence within nine months of executing the Lease Agreement and to conclude twelve (12) months thereafter.

All alterations, additions or installations made by Tenant shall, unless Landlord elects otherwise, become the property of Landlord and shall remain upon the Premises.

b. Landlord and Tenant shall each be responsible for the costs of such improvements as outlined on Exhibit C, such estimated costs provided inclusive of anticipated architectural fees. Any costs over and above the estimates on Exhibit C with respect to construction of the improvements shall be independently evaluated and borne by the Tenant, if such costs are attributed solely to the Premises, and by the Landlord, if such costs are attributed solely to any portion of the Building and/or Parcel not included in the Premises. In the event it is not possible to separate the overrun costs between the

respective spaces of each Party, each Party will be responsible for a share of the cost equal to their pro rata share of the total estimated costs on the attached Exhibit C. Any costs over and above the estimates on Exhibit C with respect to furnishings provided by Tenant will be borne by Tenant.

- 22. <u>QUIET ENJOYMENT</u>: 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.
- 23. <u>NOTICES</u>: 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 the address first hereinabove given for payment of Base Rent, 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.
- 24. <u>LIABILITY OF LANDLORD</u>: If Landlord shall fail to perform any covenant, term or condition of this Lease upon Landlord's part to be performed and, as a consequence of such default, Tenant shall recover a money judgment against Landlord, such judgment shall be satisfied only out of the proceeds of sale received upon execution of such judgment and levied thereon against the right, title and interest of Landlord in the Building, and Landlord shall not have any personal liability hereunder.
- 25. <u>APPLICABLE LAW</u>: Tenant and Landlord agree that this Lease shall be interpreted and construed in accordance with the laws of the State of Ohio.
- 26. <u>BINDING EFFECT</u>: 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.
- 27. <u>ENTIRE AGREEMENT</u>: 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, and supersedes any prior lease or agreements between the Parties with respect to the subject matter contained herein, including the Prior Lease.

28. <u>CAPTIONS</u>: Paragraph captions are used for convenience only and shall not limit or amplify or otherwise constitute a part of the provisions of this Lease.

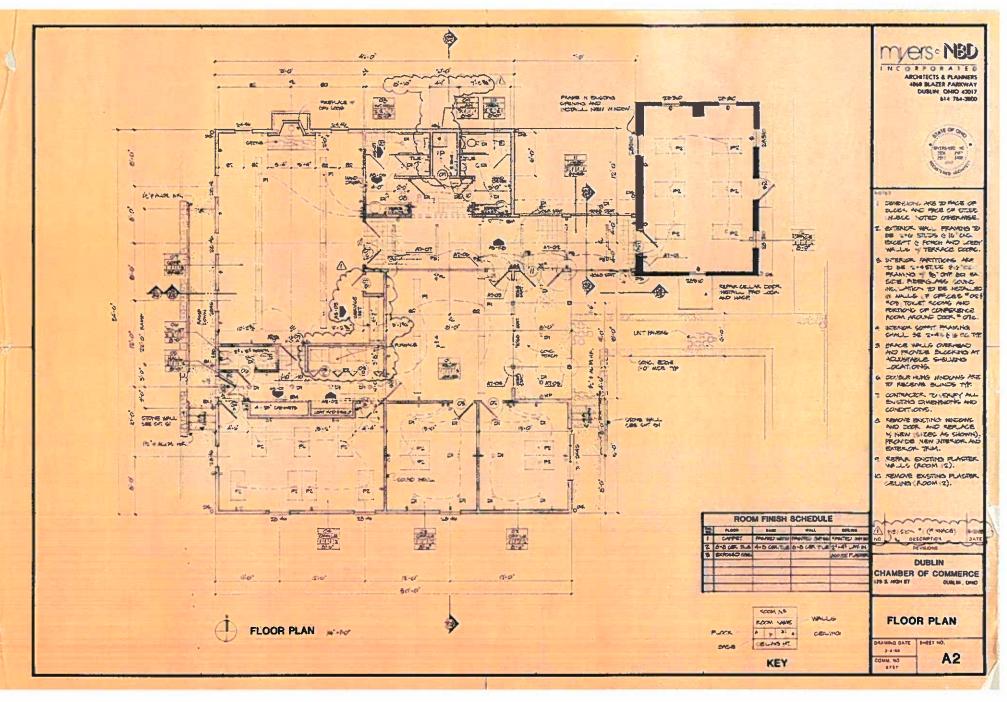
IN WITNESS WHEREOF, the Parties hereto have caused this Lease to be executed as of the date first set forth above.

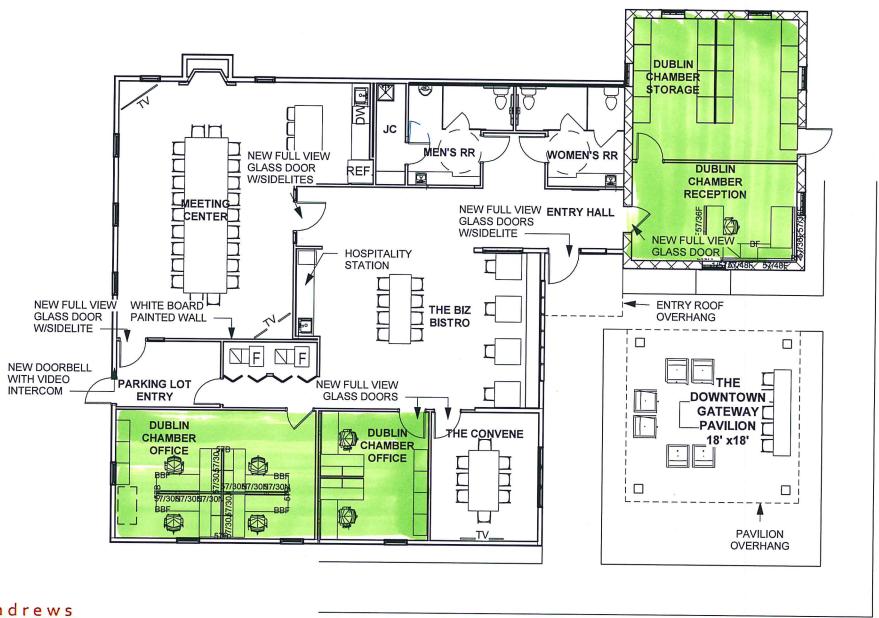
City of Dublin, Ohio, an Ohio municipal corporation
By: Dana L. McDaniel, City Manager
TENANT:
The Dublin Chamber of Commerce, Incorporated, an Ohio non-profit corporation
By:

LANDLORD:

{Acknowledgements on the following page}

STATE OF OHIO :	
COUNTY OF FRANKLIN :	
The foregoing instrument was acknow	vledged before me this day of
2020 by Dana L. McDaniel, City Manager	for the City of Dublin, Ohio, an Ohio municipal
corporation, on behalf of the municipal corpor	ration.
	Notary Public
STATE OF OHIO :	
COUNTY OF FRANKLIN :	
The foregoing instrument was acknow	vledged before me this day of
2020, by,	of the Dublin Chamber of Commerce
Incorporated, and Ohio non-profit corporation	on behalf of the corporation.
	Notary Public
Approved as to form:	
By: Jennifer D. Readler, Law Director	







129 South High - EXHIBIT B

EXHIBIT C Estimated Leasehold Improvement Costs

SCOPE Estimated Cost Cost Allocation Landlord / Tenant \$0/\$70,000 **Dublin Chamber Suite** \$70,000 Update Existing Offices (x2) \$30,000 New full lite glass doors, frames and hardware to offices. New carpeting in offices. Base to be standard profile cove vinyl. Add power and IT pathways for new workstations and furniture layout. Paint all walls and base casings. Replace all lighting with LED. Style to match new décor. **Furnishings** Update Front Room (original historic structure) \$20,000 Add new full lite glass door and hardware. Construct full height partition with new door, frame and hardware for secured Storage Room. New lay-in ceiling. New carpeting in Reception Area. Base to be standard profile cove vinyl. Add power and IT pathways for new workstation and furniture layout Paint all walls in Reception Area. Replace all lighting with LED. Style to match new décor. **Furnishings** \$20,000 Public 'BIZ BISTRO' + 'Convene' Meeting Room \$70,000 \$50,000/\$20,000 Remodel area for Business Gathering Space \$50,000 Remove existing glass wall and door at hallway. Add Hospitality Center to include granite top with sink, under-cabinets, appliances, power, decorative tile wall, pathway and power for flat screen monitor. Replace flooring with ceramic plank tile (Bistro) and carpet (Convene) to match new décor. Replace all existing base with profile vinyl base. New full lite door, frame and casing. Paint all walls, ceiling and trim to match new décor. Rework HVAC ductwork. Rework lighting for new layout. Fixtures to be LED. Add Wi-Fi and charging stations. **Furnishings** \$20,000 \$50,000/\$25,000 III. Public Community Meeting Room with Kitchen: \$75,000 Remodel Community Meeting Room \$30,000 Remove the existing closet and kitchenette.

Relocate wall for new alcove in Business Bistro. Replace/reposition existing doors with new

full lite glass doors and hardware.

New carpet and profile vinyl base.

Paint all walls, ceiling and trim.

Replace all lighting with LED. Style to match new décor.

Add pathway and power for pendent mounted flat screen monitors x2.

Construct new Kitchen

\$25,000

Repurpose the existing Women's Toilet Room into Kitchen for Community Room use. Island, Cabinets, granite counter tops, tile wet wall, ceramic plank flooring, profile vinyl base, appliances, LED lighting, painted walls, ceiling, trims. Finishes to match new décor.

Furnishings \$20,000

IV. Public Toilet Rooms

\$80,000

\$80,000/\$0

Construct ADA compliant Public Toilet Rooms

Work to include adding 200 SF to the building and repurposing the existing Men's Toilet Room to accommodate ADA compliant men's and women's restrooms. To include vinyl plank flooring,

tile wet wall, metal toilet partitions, painted walls, ceilings.

Fixtures, finishes, lighting, doors/hardware to match new décor.

The existing housekeeping closet to remain.

V. New Building Entrance

\$30,000 \$30,000 \$30,000/\$0

Expand Building Useable Area and Relocate Front Entry

Repurpose Existing Entrance Porch to Interior Space

Construct new insulated concrete foundation and slab.

Remove existing patio wall.

Construct new insulated window wall with finishes to match existing.

Construct new building entrance. Work to include new concrete stoop, covered porch roof, new full lite storefront entrance door with side light to include ADA compliant hardware, threshold, power door operator, push plate actuator and electronic card reader.

VI. Interior Hallway Areas

\$60,000

\$25,000

Front Hallway

Replace flooring with ceramic plank tile to match new décor.

Replace all existing base with profile vinyl base.

New doors, frames and casings. Ceilings to be wood plank.

Paint all walls to match new décor.

Replace all lighting with LED. Style to match new décor.

Add pathway and power for flat screen monitors

Parking Lot Entrance & Hallway

\$35,000

Reconfigure for ADA compliant Ingress/Egress.

Install new full lite storefront entrance door to feature ADA compliant hardware, threshold, power door operator, push plate actuators,

electronic card reader and video doorbell.

Remove hallway storage closets. Straighten wall.

Replace all flooring with ceramic plank tile to match new décor.

Replace all existing base with profile vinyl base.

\$60,000 / \$0

Replace hallway door and mechanical closet doors with new.

Paint all walls, doors, frames and casings. Ceiling to be wood plank.

to match new décor.

Replace all lighting with LED. New outdoor lighting

Style to match new décor.

VII. Downtown Gateway Pavilion

\$65,000

\$65,000/\$0

Construct Public Outdoor Living Room

\$50,000

Prepare exterior landscape area for patio

Construct 18'x18' covered pavilion on 20'x20' concrete patio.

Add decorative lighting, café seating, Wi-Fi, charging stations,

new building signage, landscaping

Furnishings

\$15,000

Dublin Chamber of Commerce Building

Chamber's Historical Background

On Nov. 15, 1988 the Dublin Chamber of Commerce ("the Chamber") moved into the building located at 129 S. High St. in Historic Dublin (the "Building"). Prior to that, the Building had been constructed and paid for by the Chamber at non-prevailing wage for \$220,000. The City of Dublin (the "City") loaned the Chamber the funds to construct the Building at a 4 percent interest rate to be paid over a 20 year period, with a total cost to the Chamber of \$320,000 including interest.

The agreement at the time was that the Chamber would pay the City on a monthly basis until the debt was satisfied, and once satisfied, the Chamber would purchase the building from the City at a cost of \$1.00. There was no written contract in place, but the agreement was approved by the then-sitting Dublin City Council, and documented in its meeting minutes.

In 2008, the Chamber had paid its loan to the City in full and the two organizations discussed how the Chamber should move forward to purchase the building. At that time, the City chose not to sell the building to the Chamber. After negotiations, the City agreed to lease the Chamber the Building for \$2,100 per month and the Chamber would continue to provide meeting space and public restrooms for community and business organizations. As of May 2019, the Chamber has paid the City an additional \$273,000 for the use of the Building, totaling \$593,000 for the construction and lease of the Building.

Additional Improvements the Chamber has made to the building over the years:

The Chamber has also updated both the interior and exterior of the Building, including the Chamber's private offices and the community space. Such updates have included new carpeting, painting the interior, landscaping, installing public benches, etc. In addition, the Chamber has invested in high quality conference room furniture and flat screen TVs for use by community groups in the community meeting space. The Chamber also currently provides public Wi-Fi in the community meeting room, utilities (heating/cooling), water, cleaning services and supplies for public restrooms, etc.



Office of the City Manager 5200 Emerald Parkway Dublin, Ohio 43017-1006

Phone: 614-410-4400 Fax: 614-410-4490 Web Site: www.dublin.oh.us April 4, 2007

Chris Stiffler, President Dublin Chamber of Commerce 129 South High Street Dublin, Ohio 43017

Re: 129 South High Street

Dear Mr. Stiffler:

Thank you for your letter of February 15, 2007 concerning the upcoming July 2008 expiration of the Lease Agreement between the City and the Dublin Chamber of Commerce for the office building (the "Building") located at 129 South High Street (the "Property").

The Finance Committee of the Dublin City Council reviewed this matter with City staff on April 2, 2007 to understand the terms of the existing Lease Agreement. Based on this discussion, the Finance Committee has determined that the City wishes to retain ownership of the Property and that the City is interested in a five year extension of the Lease with the Chamber at a lease rate to be determined after further negotiation. In addition, the Finance Committee noted several terms and conditions of the existing Agreement that should be clarified in the renewal document.

The Finance Committee asked City staff to research the market rate for leases in the Dublin Historic District and to obtain information from the Chamber on the usage of the Building by community groups and Chamber members. Once this information is received, the Committee will schedule a meeting to discuss the appropriate lease rate and term and will invite the Chamber to provide information concerning the Lease. Thereafter, we will ask the City's Law Director to work with the Chamber to draft a renewal document for consideration by the Dublin City Council and the Chamber's Board of Directors. It is the City's intent to finalize this discussion well in advance of the Chamber's budget process for 2008.

As we move forward with the Lease renewal, I would like to resolve two matters that seem to be raised from time to time.

First, there appears to be an assumption, as referenced in your letter, that the City issued bonds for the renovation of the Building in 1988. That did not occur. The City

paid for the renovations at the time and no bonds were ever issued in connection with this facility.

Second, at no time has the City promised to sell the Property to the Chamber or any other party for \$1.00. Indeed, such an action would be unlawful. In the event the City wished to dispose of the Property, it would be required by Ohio law to list the Property for sale and to sell it to the highest bidder. At present, the City has no intention of disposing of the Property.

The Finance Committee appreciates the fact that the Chamber brought this matter to the City's attention at the appropriate time to consider the Lease extension. The Committee recognized the Chamber's efforts over many years to make the Building available to community groups and to serve the needs of our business community. We welcome the opportunity to work with the Dublin Chamber of Commerce well into the future for the benefit of our community.

Very truly yours,

Jane S. Brautigam

City Manager

c: Dublin City Council

Margie Amorose, Executive Director

Jan S. Brangam



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

Memo

To: Members of Dublin City Council

From: Jane S. Brautigam, City Manager

Date: March 21, 2007

Initiated By: Marsha I. Grigsby, Deputy City Manager/Director of Finance

Re: Finance Committee Meeting - Dublin Chamber of Commerce Lease

The attached information was included in the packet for the March 5, 2007 City Council meeting. This information is being redistributed as background information for initial discussions related to the extension of the lease at the April 2, 2007 Finance Committee meeting. The meeting is scheduled for 6:00 p.m. in Council Chambers.



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

Memo

To: Jane S. Brautigam, City Manager

From: Marsha I. Grigsby, Deputy City Manager/Director of Finance

Date: February 28, 2007

Re: 129 South High Street - Dublin Chamber of Commerce Lease

As we have discussed, representatives from the Dublin Chamber of Commerce (the Chamber) have discussed the issue of renegotiating their lease with staff several times in the past couple of years. I met with Mike Close in the spring of 2005 and had a discussion with Margie Amorose in 2006. I have attached a copy of my May 23, 2005 memo to you which provides information on my meeting with Mike and basic information on the building and the lease.

Based on recent inquiries from the Chamber, we discussed the possibility of meeting with the Finance Committee of City Council to review the current Chamber lease and the future renegotiations. We were originally looking at providing information on the lease to City Council and request the topic be referred to the Finance Committee.

As you are aware, we received the attached letter from the Chamber on February 26, 2007. The letter states "the bonds on the premises will be retired in 2008", for clarification purposes, the City did not sue debt for the building improvements. The Chamber completed the improvements on the building and the City reimbursed the Chamber in the amount of \$220,000. Also, I feel the authorizing legislations and the Memorandum of Lease are clear that the lease payments made by the Chamber are for rent to use the facility.

I would recommend that we request a Finance Committee meeting to discuss this issue. For reference, I have attached a copy of the Resolution authorizing the City Manager to execute the lease and a copy of the lease.



129 S. High Street Dublin, Ohio 43017

Phone 614-889-2001 Fax 614-889-2888 www.dublinchamber.org

OFFICERS

President Chris Stiffler Muirfield Village Golf Club Red Blossom Flowers & Gifts, Inc.

President Elect Anne Gleine Ha'penny Bridge Imports of Ireland

> Vice President Kelly C. Leonard National City

Treasurer Roger J. File The Fahey Banking Company

> Past President Deborah A. Rogner, CPA

Executive Director Margery Amorose Dublin Chamber of Commerce

BOARD OF DIRECTORS

Jane S. Brautigam City of Dublin, Ex-officio

> Paul Buchanan Clarion Hotel - Dublin

Marino Colatruglio Cardinal Health, Inc.

Aimee D'Amore Duke Realry Corporation

> Ty Day Golf Club of Dublin

Linda Fenner, PhD.. Ex-officio Dublin City Schools

> Jeff Holowicki, DDS Smiley Dental Group

> > Mike Kennedy Version Wireless

Sharie Merydlo Colorrech Graphics & Printing, Inc.

Robert Morris etc. Ren, Morris, Starkey & Ward

> Tim Shaughnessy Bonefish Grill

Virgil Temple Kinetics Noise Control, Inc. February 15, 2007

City of Dublin Dublin City Council Members 5200 Emerald Parkway Dublin, Ohio 43017 racid 2/26

Dear Dublin City Council:

The Dublin Chamber of Commerce board of directors has met regarding the lease of the Dublin Chamber of Commerce building at 129 South High Street. You may be aware that the Chamber and the City entered into a 20 year lease agreement after the Chamber completed the construction of the building in 1988.

Construction costs were approximately \$235,000, of which the City loaned the Chamber \$220,000 at the prevailing interest rate in 1988 of 4 percent. This lease agreement will be completed in July 2008, at which time the Chamber will have repaid the City \$320,000.

The Dublin Chamber of Commerce requests that this lease be extended for an additional 20 years, with a new lease payment of \$665.00 per month.

We also ask that in exchange for the services extended to the Dublin community on behalf of the City of Dublin, along with the monetary compensation over the 40 years of the two leases, the extended lease would allow for the Chamber to purchase the building in 2028, for the amount of \$1.00. We understand that the bonds on the premises will be retired in 2008.

Throughout the years the Chamber has offered the facility as a meeting place for small, medium and large businesses, professional organizations, as well as Dublin service groups. As any public facility, there is an enormous expense to maintaining the property, which the Chamber has done well with both interior and the exterior renovations at the Chamber's expense.

The Dublin Chamber will continue to provide community meeting space and public restrooms for the Historic Dublin area, and will continue to be a recognized public announcement repository for the City of Dublin and Dublin City Schools.

The Dublin Chamber of Commerce building is the home to our strong business community. We are proud to be the largest suburban chamber of commerce in Ohio with more than 1,200 members. We believe we have offered a great deal of value to the City of Dublin and will wait to hear from you regarding the procedures that should be followed to establish a new lease.

Last but not least, we thank you for your time and consideration of this proposal.

Sincerely.

Chris Stiffle President

CC: Jane Brautigam



Deputy City Manager/Director of Finance 5200 Emerald Parkway • Dublin, OH 43017

Phone: 614-410-4400 • Fax: 614-410-4490

Memo

To: Jane S. Brautigam, City Manager

From: Marsha I. Grigsby, Deputy City Manager/Director of Finance

Date: May 23, 2005

Re: 129 South High Street - Dublin Chamber of Commerce Lease

Several weeks ago Mike Close called me to discuss the current building lease between the City and the Chamber of Commerce (the Chamber). We met to discuss options the Chamber would like to pursue. Based on our conversation, there are two options the Chamber would like the City to consider:

Selling the property to the Chamber.

Extending the term of the current lease at a reduced rate.

On the option of selling the property, we discussed the City's requirements of notifying the public of the City's intent to sell the property, accepting bids and approving the sell of the property by Ordinance if it is determined that is in the best interest of the City. We also discussed the fact that the City may want to maintain ownership of the property because of the City's goal to revitalize the Historic District and the importance of owning property.

The second option discussed was the extension of the existing lease with the Chamber's desire to pay a lower lease rate. The Chamber currently pays \$16,000 per year or approximately \$6.40 per square foot. $(3,134^{(1)})$ total square feet x 80% (2) = 2,507 square feet leased by the Chamber. \$16,000/2,507 = \$6.38 per square foot). Mr. Close stated it was the Chamber's desire to pay 50% of what they are currently paying or \$667 per month.

The current lease was executed on July 5, 1988 and the term is for a period of 20 years. The lease states:

So long as the Chamber is not in default hereunder, it shall have the right, in perpetuity, to renew this lease for an additional renewal term of five (5) years with the rent for each such renewal term to be negotiated by the parties with substantially the same terms, covenants and conditions as set forth herein, provided however, that the City shall have the right, if it determines that it is in the best interest of Dublin to use the premises for municipal purposes, to terminate this lease at the end of the initial twenty (20) year term, or of any renewal thereof, by giving written notice to the Chamber of such termination one year or more prior to the expiration of the initial term of this lease, or of any renewal term.

Originally, the Chamber subleased 40% of the building to the Convention and Visitors Bureau (the Bureau). The Bureau moved from 129 South High Street in late 2000.

It is interesting that the Chamber has again raised this issue. As you are aware, we are also talking with the Bureau about their space needs and the Dublin Arts Council has expressed concerns about the rent they pay to the City.

I don't think the City can provide the solutions, especially financial solutions, to meet the desires of these groups without having a negative impact on the City.

With regard to the Chamber's request, I think at this time we need to let them know that we are looking at the Historic District overall and are not currently ready to make a decision about the long-term use of 129 South High Street. I think we can let them know that staff would not recommend any reduction in the amount of rent they pay to lease the building.

Per GIS

² Per lease, 20% of the building "subleased" to the City for the City's use on an as needed basis.

MEMORANDUM OF LEASE

MICROFILM

on the standard of saly. 1988 a lease agreement was entered into between the City of Dublin and the Dublin Chamber of Commerce. This memorandum of that lease is presented for recording:

- 1. Name of Lessor in Lease: City of Dublin.
- 2. Name of Lessee therein: Dublin Chamber of Commerce.
- 3. Addresses set forth in the lease as addresses of Lessor and Lessee:

Lessor: 6665 Coffman Road, Dublin, OH 43017
Lessee: P.O. Box 37, Dublin, OH 43017

- an interest in the leased premises is recorded in Volume _____ at Page _____ of the Franklin County Recorder's Office.
- 5. Date of lease: the $\frac{5}{1}$ day of $\frac{5}{1}$. 1988
- 6. Description of lease property as set forth in lease: See "Exhibit A" consisting of three pages, each of which is made a part hereof.
- 7. Date on which the term of the lease commences is the $\frac{\text{SW}}{\text{day of }}$ day of $\frac{\text{Suly}}{\text{1988}}$.
- 8. Term of lease: Twenty thousand dollars (\$20,000.00) per year subject to a reduction in that figure based upon a sub-lease to the Lessor, City of Dublin.
- 9. Date of expiration of the initial period of the lease is twenty years from the date of execution

MICROFILM

as set forth in paragraph seven (7) herein and subject to five (5) year renewals at the discretion of the Lessor, City of Dublin.

Apticia S. Entlect Apticia S. Kirela	CITY OF DUBLIN (Sy: Junothe Charsle markger (Name) (Title)
f	THE DUBLIN CHAMBER OF COMMERCE By: (Name) (Title)
STATE OF OHIO	
The foregoing instrumer the foregoing instrumer and the foregoing instru	City of Dublin. an Ohio
STATE OF OHIO COUNTY OF FRANKLIN, SS:	STEVEN W. HOFFMAN Notary Public: State of Ohio My Commission Expires May 8, 1992 Recorded In Franklin County
This foregoing instrume this day of, of the Dubl behalf.	ht was acknowledged before me ulg , 1988, by in Chamber of Commerce, on its
	Notary Public

STEVEN W. HOFFMAN Notary Public, State of Ohio My Commission Expirés May 8, 1992 Recorded in Franklin County

MICROFILM

This instrument was prepared by:

Stephen J. Smith Attorney at Law 5354 Cemetery Road, P.O. Box 7 Hilliard, OH 43026 614/876-1229

LEASE AGREEMENT

This is an agreement of lease entered into on or as of the 50 day of 1988, by the CITY OF DUBLIN, OHIO, whose mailing address is 6665 Coffman Road, Dublin, Ohio, 43017, an Ohio municipal corporation, hereinafter referred to as "the City", and THE DUBLIN CHAMBER OF COMMERCE, whose mailing address is P.O. Box 37, Dublin, Ohio, 43017, hereinafter referred to as "the Chamber".

Background

WHEREAS, the City is the owner of a parcel of land situated in the City of Dublin, Franklin County, Ohio, described in "Exhibit A" consisting of three (3) pages, each of which is hereby made a part hereof, and all the improvements thereto, hereinafter referred to as "the Premises"; and,

WHEREAS, the Chamber is an entity organized to promote and develop business and the business environment in the City of Dublin; and,

WHEREAS, the parties hereto wish to terminate the existing lease agreement entered into by them on August 17, 1987, to be replaced by the instant agreement; and,

WHEREAS, it is in the interest of the City to assist the Chamber to preserve and/or improve the premises; and,

WHEREAS, plans for the renovation and improvements to the site have been submitted by the Chamber and previously approved by the City.

Agreement

NOW THEREFORE, the City hereby leases the premises to the Chamber on the following terms and conditions.

1. The term of this lease shall be for a period of twenty (20) years, commencing on the date of this lease and terminating on the preceding day of the same month twenty (20) years from the commencement date unless renewed as hereinafter provided.

So long as the Chamber is not in default hereunder, it shall have the right, in perpetuity, to renew this lease for an additional renewal term of five (5) years with the rent for each such renewal term to be negotiated by the parties with substantially the same terms, covenants and conditions as set forth herein, provided however, that the City shall have the right, if it determines that it is in the best interest of Dublin to use the premises for municipal purposes, to terminate this lease at the end of the initial twenty (20) year term, or of any renewal thereof, by giving written notice to the Chamber of such termination one year or more prior to the expiration of the initial term of this lease, or of any renewal term.

Notwithstanding anything contained herein, this lease and any renewals thereof, shall immediately cease and terminate in the event the Chamber ceases to exist or operate as an entity organized primarily to promote and develop business and the business environment in the City of Dublin or ceases to utilize the Premises as its primary office.

2. The parties hereby agree that the total annual net rent for the Premises shall be twenty thousand (\$20,000) dollars per year. However, as an offset to the annual rental amount, the Chamber agrees to sublease twenty percent (20%) of the Premises to the City for the City's use on an as needed basis as determined by the City in consideration of a four thousand (\$4,000.00) dollar rent set off inclusive of all utilities, etc.. As such, the rental cost paid by the Chamber to the City during the initial term of this agreement shall be sixteen thousand (\$16,000.00) dollars per year payable in monthly installments of thirteen hundred thirty three dollars and thirty three cents (\$1333.33). Rent is due on the first day of each month, and if not paid by the tenth day of each month, a fifty dollar (\$50.00) late charge shall be assessed against the Chamber in addition to the original monthly rental payment.

Further, the parties agree that the instant agreement constitutes a triple net lease and as such the Chamber shall be responsible for all taxes, utilities, and assessments, as well as the maintenance and upkeep of the Premises and the improvements thereon, in addition to the rent set forth above.

The Chamber shall promptly pay and save the City harmless from all such taxes, utilities, assessments and other charges, including but in no way limited to liens or penalties, and shall furnish to the City duly certified written evidence of any and all such payments upon the City's written request therefore.

The City shall promptly submit to the Chamber bills received by it for any charges and promptly forward to the Chamber any notices, demands, and communications received by it as related to the Premises.

- only for office and community uses and said Premises will not by used or allowed to be used for any purpose deemed hazardous by the City's insurance company because of fire or other risk; and the Chamber will conform and require any of its tenants to conform with and obey all laws, ordinances, rules and regulations of the City of Dublin, which has jurisdiction over said premises and the use and occupancy thereof.
- 4. The Chamber agrees not to assign this lease or sublet the Premises without written consent of the City. Said consent shall be at the absolute control and discretion of the City. Further, the City hereby authorizes the Chamber to sublease up to forty percent (40%) of the Premises to the Dublin Convention and Visitors Bureau. Any such sublease shall in no way release the Chamber from the obligations set forth herein.
- 5. The Chamber shall use the Premises only for such uses as are compatible with the aforesaid purposes, and for no other purposes. The Chamber shall not make, or allow anyone to make use of the premises which would be in conflict with the provisions of any applicable rules, regulations, or laws of any governmental agency, nor shall the Premises be used in any manner which would invalidate the insurance coverage thereon.

The Chamber shall, throughout the term of this Lease and any renewal thereof, and, except as specifically otherwise hereinafter provided, at its sole cost and expense, take good care of and maintain in good order the Premises and any improvements thereto, including but not limited to all maintenance, mowing and snow removal. Further, the Chamber shall be responsible for care, maintenance and repair of all structural, plumbing, electrical, etc. elements of the premises.

The Chamber, at its sole cost and expense, shall promptly make all necessary repairs to the Premises and any improvements thereto, including all appurtenances and structures thereon. The City shall have no obligation to repair or maintain any improvements on the Premises or additions thereto.

- 6. The Chamber shall be solely responsible for and promptly paying all utilities, including, but but not limited to, heat, water, gas, electricity, sewer use, trash disposal or any other utility used for and consumed on the Premises.
- 7. The Chamber shall, throughout the term of this lease and any renewals thereof, have its sole cost and expense, obtain and maintain fire and extended coverage insurance on any and all structures located on the Premises, and appurtenances thereto, including any structures or appurtenances which may hereafter be erected, in an amount equal or greater to the replacement costs of all structures, appurtenances and improvements on the property. The City shall be shown as a loss payee on any and all such insurance policies.

Further, the Chamber shall throughout the term of this lease and any renewals thereof, at its own cost and expense obtain and maintain public liability insurance covering both the City and the Chamber against liability or damage to all persons or property while in or on the Premises, the entrance ways thereto, and sidewalks, parking facilities and streets abutting thereon, with limits of not less than five hundred thousand dollars (\$500,000.00) for injury to one person, not less than one million dollars (\$1,000,000.00) for each such occurrence, and not less than fifty thousand dollars (\$50,000.00) for damage to property, or such other coverage limits, from time to time, as the City may deem reasonably necessary and in accord with customary practices with regard to such insurable risks.

Each policy of insurance obtained by the Chamber pursuant to any of the provisions hereof, shall contain an agreement by the insurer that such policy shall not be canceled without at least ten (10) days prior written notice to the City. The Chamber shall cause certification of insurance required hereunder to be provided to the City, and at the City's request, proof of premium payments.

8. The Chamber shall, without cost or expense to the City, indemnify and save the City and its lawful representatives, employees and agents, harmless from all loss, cost or expense arising by reason of its use or improvement of the Premises, or, by reason of the acts with respect to the Premises of any officer, trustee, employee, agent, licensee, invitee or tenant of the Chamber.

- 9. The City manager and his duly authorized representatives shall have the right to enter the Premises at all reasonable times for the purpose of inspecting the condition of the same and making such repairs, alterations, additions or improvements thereto as it may deem necessary or desirable (however the City shall have no duty to make such repairs, alterations, additions or improvements); provided, however, in no event shall the City unreasonably interfere with the Chamber's use of the Premises.
- 10. Except as otherwise provided, if the Chamber observes the terms, covenants, and conditions hereof, it shall occupy and enjoy the use of the Premises during the term of this lease and any renewal thereof without any hindrance, molestation, or ejection by the City.
- effect any insurance required by the terms hereof, or if the Chamber fails to observe and perform any other provision, covenant, or condition of this lease required under this lease to be observed and performed by the Chamber, provided, that if by reason of the nature thereof, the Chamber cannot commence promptly and proceed diligently or observe and perform the same with due diligence, as promptly as circumstances permit, or if the Chamber abandons or vacates the Premises, or any part thereof, or if the Chamber makes an assignment with its creditors, or if the interest of the Chamber in the Premises is attached, levied upon or seized by legal process, or if a bankruptcy or insolvency proceeding is filed by or against the Chamber, or if a court of competent jurisdiction or other

governmental authority approves petitions seeking reorganization, arrangement, composition, or similar relief with respect to the Chamber, or appoints a trustee, receiver, or liquidator of the Chamber, or of all, or substantially all, of its property or affairs, or assumes custody or control of all, or substantially all, of the property or affairs of the Chamber, or if this lease is assigned in violation of the terms hereof or is terminated by operation of law, or if the Chamber ceases to operate for the aforesaid purpose, then and in such event, immediately or at any time thereafter, at the option of the City, the City shall have the right to immediately re-enter and take possession of the Premises and declare this lease terminated, after which time, all obligations of both the City and the Chamber with respect to each other and the Premises shall immediately cease, subject however, to the City's rights of action for breach of the financial terms of this lease. that event, the City may relet the premises for the highest amount obtainable and may recover from the Chamber any deficiency between the amount so obtained and the rent and obligations set forth herein.

Lease Hold Improvement

12. The City hereby authorizes the Chamber to demolish the building located in the rear of the property along with the rear portion of the front building and to erect a new building pursuant to plans previously submitted and approved by the City.

- and for the above referenced lease hold improvements in an amount not to exceed the sum of two hundred and twenty thousand dollars (\$220,000). Said payments to be made by the City to the Chamber upon presentation of documentation acceptable to the City indicating the actual cost of said improvements.
- 14. Except as specifically st forth herein, the Chamber agrees to be fully responsible for all aspects of the lease hold improvements to the Premises and further agrees to fully indemnify, protect and hold the City harmless for all action related thereto.
- 15. In the event that a disagreement arises as to the terms and the provisions herein, such disagreement shall be resolved by majority vote of the Dublin City Council.
- 16. This instrument contains the entire agreement between the parties, supercedes any and all prior agreements between them, and shall not be modified or amended except by written agreement of both parties.
- 17. IN WITNESS WHEREOF, the parties have caused duplicate counterparts hereof to be executed and delivered on or as of the day and year first written above.

Signed and Acknowledge in the Presence of:

CITY OF DUBLIN

(Name

Margery & amouse	THE DUBLIN CHAMBER OF COMMERCE
1	By: (Name) (Title)
STATE OF OHIO	
COUNTY OF FRANKLIN, SS:	•
The foregoing instrumen State day of July T. Hansley, of	t was acknowledged before me this, 1988, by the City of Dublin, an Ohio
municipality, on behalf of said	City.
STATE OF OHIO COUNTY OF FRANKLIN, SS:	Notary Public STEVEN W. HOFFMAN Notary Public, State of Obio My Commission Expires May 8, 1992 Recorded in Franklin County
day of July	t was acknowledged before me this, 1988, by e Dublin Chamber of Commerce, on
	Solve Affinanting Publik

STEVEN W. HOFFMAN Notary Public, State of Ohio My Commission Expires May 8, 1992 Recorded in Franklin County

This instrument was prepared by:

Stephen J. Smith Attorney at Law 5354 Cemetery Road, P.O. Box 7 Hilliard, OH 43026 614/876-1229

RECORD OF RESOLUTIONS

National	Graphics	Corn	Cols	0	oli Tie

national graphics Form No. 6233-A

Resolution No. 15-88

Passed

19

MICROFIL M

A RESOLUTION RATIFYING THE MANAGER'S EXECUTION OF THE LEASE AGREEMENT AND MEMORANDUM OF LEASE BETWEEN THE CITY OF DUBLIN AND THE DUBLIN CHAMBER OF COMMERCE REGARDING CITY OWNED PROPERTY LOCATED AT 129 SQUTH HIGH STREET

WHEREAS, the Dublin City Council, pursuant to Ordinance No. 98-87 has previously authorized the Manager to enter into a Lease Agreement with the Dublin Chamber of Commerce for City owned property located at 129 South High Street; and

WHEREAS, the City of Dublin and Dublin Chamber of Commerce have previously agreed to terminate the aforementioned Lease and have executed a new Lease Agreement and Memorandum of Lease.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Dublin, State of Ohio, 7 of the elected members concurring that:

<u>Section 1.</u> Council hereby ratifies the Manager's execution of the <u>Lease Agreement</u> and Memorandum of Lease relating to the aforementioned property owners by the City of Dublin, a copy of which is attached hereto as Exhibit "A".

August , 1988.

11 Day 2

Mayor - Presiding Officer

Passed this 1st day of

Attest:

Hances M. Thelan Clerk of Council

I hareby cartify that copies of this Ordinance/Resolution were postable. City of Dublin in accordance with Section 731.25 of the Ohio Revised Color

Clerk of Council, Dublin, Ohio

RECORD OF ORDINANCES

	National Graphics Corp., Cols.,	. O.		Form No. 2808-A
	Ordinance No	98-87	Passed	
		THE MANAGES A LEASE AGE	CE TO AUTHORIZE R TO ENTER INTO REEMENT WITH THE MBER OF COMMERCE	MICROFILÍM
	NOW, THERE State of C	FORE, BE IT ORDA	AINED by the Council of of the elected members	the Village of Dublin, concurring:
	situated i	That whereas and the Village of the Exhibit "A	the Village is the owne f Dublin, Franklin Coun A"; and	r of a parcel of land ty, Ohio, as described
	Section 2. and develo Dublin; an	op business and t	the Chamber is an entit the business environmen	y organized to promote t in the Village of
	previously	That whereas so used as a bus so usinicipal building	said parcel of land inc garage and a frame hous g; and	ludes a block building e previously used as
	site which	n the Village may	said frame house may be y desire to preserve and t of the citizens of Dui	d restore for the
u·	to enter i	That the Manag nto a lease agre orementioned "pr	ger of the Village of Decement with the Dublin (remises".	ublin be authorized Chamber of Commerce
	measure ne and safety	cessary for the	inance is hereby declare preservation of the pul this Ordinance shall tal s passage.	blic peace, health
	Passed thi	s <u>17th</u> day	of August	, 1987.
	Mayor - Pr	Dell esiding Officer	•	
	Attest:			
-	<u>Janua</u> Clerk of C	om. Urlian	J	

Clerk of Council