City of Oregon, Ohio, 5330 Seaman Road, Oregon, OH 43616-2633

Ordinance No. 048 **- 2016**

Authorizing The Mayor and Finance Director To Enter Into A Lease Agreement With Oregon Economic Development Foundation; And Declaring An Emergency

Summary And Background

The City of Oregon, Ohio owns real property located at 4350 Navarre Avenue and the City of Oregon is willing to lease a portion of that property to the Oregon Economic Development Foundation.

The Oregon Economic Development Foundation was formed to actively promote job creation and job retention in the City of Oregon and the Oregon Economic Development Foundation and the City of Oregon have worked closely together to encourage economic development and orderly growth within the City.

The City of Oregon recognizes the benefit that will accrue to the community by the use that Oregon Economic Development Foundation would be able to make of their portion of the property located at 4350 Navarre Avenue.

An ordinance is now needed in order to enter into the agreement and the terms and conditions of the lease agreement are acceptable to the City, as described in Exhibit "A". Now, therefore,

Be It Ordained By The Council Of The City Of Oregon, Ohio That:

Section 1. The Mayor and Finance Director are hereby authorized to enter into an agreement with Oregon Economic Development Foundation for the lease of a portion of real property located at 4350 Navarre Avenue on behalf of the City of Oregon, which is attached hereto to as Exhibit A and made a part thereof.

Section 2. It is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this Ordinance were adopted in an open meeting of this Council and that all deliberations of this Council and any of its committees that resulted in such formal actions were in meetings open to the public in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code and that the consideration, reading and adoption of this Ordinance has been in accordance with Article III, Section 9 of the City Charter as amended.

Section 3. This Ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and signature by the Mayor. The City of Oregon and the Oregon Economic Development Foundation are ready to move forward immediately to enter into the lease agreement. The lease agreement will allow the Oregon Economic Development to continue its focus on enhancing the job market and making the community a desirable place to live, build and grow.

Vote on passage as an emergency: Yeas 7 Nays 0 Abs. 0

Passed as an emergency measure: March 21, 2016

President of Council

Approved:

Mayor

Attest:

Clerk of Council

LEASE AGREEMENT

This agreement is made at Oregon, Ohio this 22nd day of March, 2016 by and between the City of Oregon, a Charter Municipal Corporation located in Lucas County, Ohio (Lessor) and Oregon Economic Development Foundation, an Ohio limited liability company (Lessee).

NOW, THEREFORE, in consideration of the promises set forth herein and for and on behalf of the respective successors and assigns, the parties hereby agree as follows:

A. **LEASE PREMISES.** Lessor hereby leases to Lessee the following premises located within portions of property further identified as 4350 Navarre Avenue, Ste. C, in the City of Oregon, Lucas County, Ohio, (TD 98-03772) and consisting of 757 square feet *(highlighted in green)* and further described as follows:

Exhibit A attached hereto and
incorporated by reference herein

B. **TERM.** This lease shall be month-to-month commencing on the ___ day of _____ 2016.

C. **TERMINATION.** This lease may be terminated by either party upon delivery of written notice of termination by either party to the other parties, with thirty (30) days' notice of same.

D. **RENT.** Lessee shall pay as RENT the total sum of Five Hundred Dollars ($500.00) paid on a monthly basis and due on the 5th of each month.

E. **PARKING.** Lessor shall provide parking for the leased premises as in its sole discretion; it shall be designated and defined to Lessee on an annual basis. At the sole discretion of Lessor said parking may be redesignated and/or redefined at any time with thirty (30) day written notice to Lessee.

F. **COMMON AREAS.** Lessor grants to Lessor, its employees, agents, invitees and licensees, in common with Lessor and other tenants of the Building, the nonexclusive right to use the Common Areas as depicted on Exhibit A (*as highlighted in pink and purple*), including but not limited to parking areas of the Property, in accordance with the rules and regulations as may be promulgated by Lessor from time to time. All Common Areas shall be subject to the exclusive control and management of Lessor. The Lessor reserves the right to alter, improve, decrease and revise the Common Areas as the Lessor deems appropriate in Lessor's sole discretion, provided that any such action does not reduce the parking areas of the property or materially adversely interfere with Oregon Economic Development's use of the Premise.

G. **LESSOR ACCEPTANCE OF THE PREMISES.** Lessee hereby accepts the lease of the commercial business premises defined herein in total and in its current "AS IS CONDITION", specifically subject to any structural, building or premises defects therein, whether concealed or otherwise, excepting therefrom only such hidden defects as are known to Lessor at the date of this lease and unknown to Lessee at the date of this lease. Further, Lessee does hereby specifically acknowledge the opportunity to perform due diligence and inspection of

the subject premises, specifically acknowledges that said structural and other inspections have been performed to his complete satisfaction by third parties and with consideration of same is specifically accepting the subject property in "as is condition".

H. **INDEMNIFICATION.** Lessee further specifically agrees to indemnify and hold harmless Lessor from any and all improvements made to the premises by Lessee, liens and liability for the construction of said improvements by Lessee and the construction and use or condition of the leased premises by Lessee and subsequently to date hereof by Lessee through improvements made upon the premises.

I. **USE OF THE PREMISES.** The leased premises are to be used for business purposes related to economic development in the City of Oregon and specifically related/ancillary purposes only and for no other purpose.

J. **RESPONSIBILITIES OF LESSOR.** Lessor shall maintain and keep in proper repair the surrounding common areas, including drives, roadways, sidewalks and any lawn areas, garden areas, shrubbery and other vegetation; which areas are not under the exclusive control of the Lessee. The Lessor, shall also during the entire term of this lease, be fully responsible for the repair and the maintenance of the roof of the building and any damages resulting from structural defects. City Administration shall be notified as soon as possible for any needed repairs and maintenance.

L. **ADDITIONAL RESPONSIBILITIES OF THE LESSEE.**

1. No alterations, additions to, constructions of, or placing of any structure on the premises. Lessor will on request submit plans and specifications thereof to the Commissioner of Building and Zoning of the City and will construct the same under his supervision and to the satisfaction of the Lessor.

2. Lessee shall not attach, paint or inscribe any signs or structures on the roof or exterior walls of the subject premises building without the written consent of Lessor, which consent shall not be unreasonably withheld.

4. Lessee shall permit any employee, agent or representative of Lessor to enter upon the premises for examination as to condition and status at all reasonable times, with notice of said non-emergency entry to be given by Lessor twenty-four (24) hours in advance.

5. Lessee shall hold Lessor harmless from any and all claims and demands of whatsoever kind and nature by any person or entity which shall arise from the failure of Lessee to perform any obligation of this lease.

6. Lessee shall immediately, within fifteen (15) business days, cause to be repaired any and all damage caused by the negligence of Lessee, its employees or invitees to the leased premises.

7. Lessee shall surrender the premises at the end of the lease term in as good a condition as the premises are as of the date of this lease, reasonable wear and tear and unavoidable casualty excepted.

8. Lessee shall, at its sole expense, provide for weekly commercial refuse collection and said collection shall include a dumpster of adequate size to be available for the premises. Said dumpster shall be screened and maintained in compliance with all requirements as set forth by Lessor.

M. **ASSIGNMENT AND SUBLEASE.** Lessee shall maintain specific control of the premises and shall not assign or transfer this lease or sublet any portion of the premises without the express written consent of Lessor.

N. **UTILITY EXPENSES.** Lessor shall pay when due all bills for heat, fuel, gas, electricity and all other utilities except telephone charges and internet, which shall be borne by the Lessee.

O. **ABANDONMENT.** In the event that Lessor shall have the reasonable belief that the premises shall have been abandoned by Lessee, then Lessor may re-enter and take possession of the premises and use such other remedies as it shall fully be entitled to under law or equity.

P. **INSURANCE.**

1. Lessee shall maintain liability insurance in accord with the minimum amount of One Million Dollars ($1,000,000.00) per occurrence and Two Million Dollars ($2,000,000.00) general aggregate and property damage insurance in the amount of One Million Dollars ($1,000,000.00), and will furnish the Lessor with proof of the existence of such insurance and renewals in companies satisfactory to the Lessor.

2. The Lessor shall provide and pay for a property insurance policy providing all risk coverage for loss to the building. However, Lessee shall provide their own insurance coverage for the contents of the building, officers' liability and employee misfeasance or malfeasance, and any other coverage not specifically addressed herein.

3. Lessor covenants and agrees that it will not do nor permit to be done any act or thing on the premises or elsewhere, which will invalidate any insurance on the premises or any insurance which by the terms of this lease is, or may be required, to be maintained in force by the lease, nor will Lessor permit the interior of the premises to be used or occupied so that the premises will not be insurable.

5. Lessee shall not do or permit anything to be done within or upon the premises, or bring or keep anything therein, which shall in any way increase or void the coverage rate of fire insurance on said building or obstruct or interfere with the rights of surrounding property owners, or which shall conflict with the laws of the State or local municipality relating to fires, or with the regulations with the City

of Oregon Fire Department, or with any insurance policy written upon said building or any part thereof or shall be in conflict or violation with any of the rules and ordinances of the City of Oregon, Lucas County, Ohio, and/or the Toledo-Lucas County Health Department.

S. **WAIVER OF SUBROGATION**: Lessee agrees to cause each insurance policy carried by Lessee insuring Lessee's property against loss by fire or causes covered by the standard extended coverage endorsement, to be written in a manner so as to provide that the insurance company waives all right of recovery by way of subrogation against Lessor for any loss or damage covered by such policy. Lessor shall not be liable to the Lessee or any other party for any loss or damage caused by fire or any of the risks enumerated in the standard extended coverage endorsement.

T. **SUBORDINATION**: Lessor shall have the right at any time, and from time to time, to place upon the building and/or land on which the premises are a part, or upon any underlying leasehold estate, security pledge or mortgage or mortgages which shall be wholly prior to the right of Lessee under this lease, and Lessee will, upon demand, execute any and all instruments deemed necessary by Lessor to effectuate subordination of this Lease to such mortgage.

U. **APPROPRIATION OR CONDEMNATION BY GOVERNMENTAL AUTHORITY**: If the premises shall be appropriated or condemned by governmental authorities, Lessee waives all right to any remedy or recovery.

V. **REMEDIES IN EVENT OF DEFAULT BY LESSEE**: If the rent, or any part thereof, shall at any time be in arrears and unpaid, with or without demand being made therefore, or if Lessee shall fail to keep and perform and observe any of the conditions of this lease, or if Lessee shall be adjudicated a Bankrupt or shall make an assignment for creditors, or if the interest of the Lessee herein shall be sold under execution, or other legal process, it shall be lawful for Lessor to enter into the premises the same as if this lease had not been made, and thereupon this lease, and everything herein contained on the part of said Lessor to be performed, shall cease and be void without prejudice except for the right of the Lessor to recover from Lessee all rent due up to the time of such entry. In case of such default and entry by Lessor, Lessor may re-let the premises for the remainder of the term for the highest rent obtainable and may recover from Lessee any deficiency between the amount obtained and the amount owed by the Lessee.

W. No waiver by Lessor of any default or breach by Lessee of any obligation shall be construed to be a waiver of the rights of Lessor to any remedy resulting from a future default or breach by Lessee of any of Lessee's obligations.

X. All notices and payments required under this lease shall be made to Lessor by personal delivery or by regular mail, to:

Kathleen Hufford, Finance Director
City of Oregon
5330 Seaman Road
Oregon, Ohio 43616

All notices to Lessee shall be made by personal delivery or by certified mail, return receipt requested, and shall be addressed to:

Lindsay Myers, Executive Director
Oregon Economic Development Foundation
4350 Navarre, Ste. C
Oregon, Ohio 43616

Y. This lease is the final agreement of the parties and supersedes any and all other agreements between the parties, whether written or verbal.

Z. This lease shall be governed under the laws of the State of Ohio and disputes hereunder shall be litigated in a court of competent jurisdiction in Lucas County, Ohio. If any term or condition of this Lease is held to be invalid or unenforceable by a court of competent jurisdiction, the remainder of this Lease shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

A LEASE IS A BINDING CONTRACT. IT IS RECOMMENDED THAT LESSOR AND LESSEE CONSULT AN ATTORNEY PRIOR TO SIGNING THIS LEASE. THIS LEASE IS THE ENTIRE AGREEMENT BETWEEN THE PARTIES.

FOR LESSEE:

Oregon Economic Development Foundation.

By: _____
Timothy G. Pedro, President

3-30-16
Date

FOR LESSOR:

City of Oregon, Ohio

By: _____
Mayor Michael Sefetian

By: _____
Kathleen Hufford, Finance Director

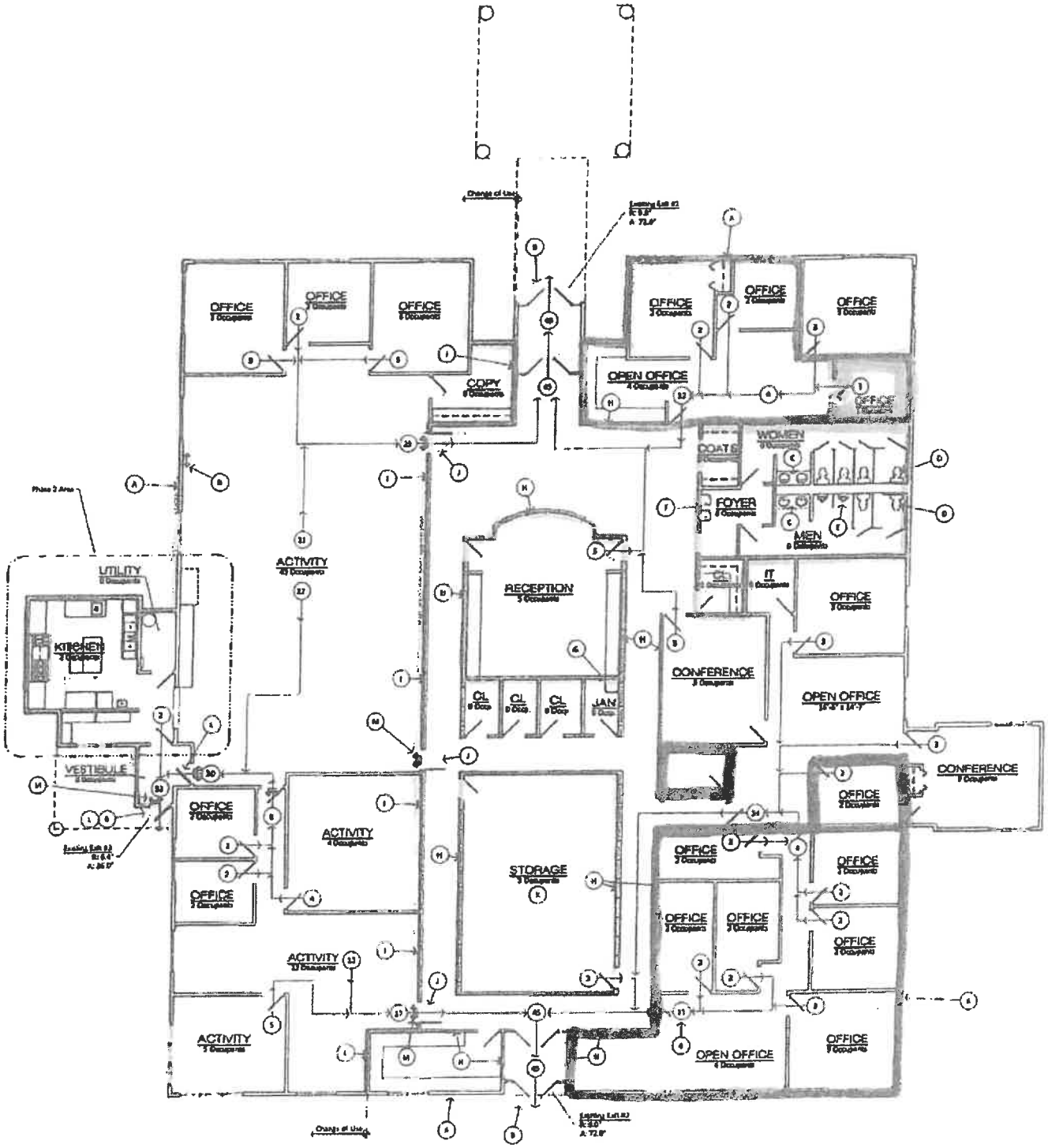
3/22/2016
Date

APPROVED AS TO FORM:

_____
Melissa Purpura, Law Director

3/23/16
Date

Exhibit A



CODE COMPLIANCE - LIFE SAFETY PLAN