

TEMPORARY RESOLUTION NO. 77-16*

PERMANENT RESOLUTION NO. 80-16

A RESOLUTION AUTHORIZING THE SERVICE-SAFETY DIRECTOR TO ENTER INTO A LEASE CONTRACT WITH THE FAIRFIELD COUNTY JUVENILE COURT FOR THE SECOND FLOOR OF THE CITY ANNEX BUILDING, 123 EAST CHESTNUT STREET, FOR JUVENILE COURT SERVICES

WHEREAS, the said lease will be for an initial term of three years **at a fixed yearly rental cost of Forty-Seven Thousand Seven Hundred Dollars (\$47,700.00)/year which equates to approximately Eight Dollars and Twenty Cents (\$8.20)/sq. ft.**; and

WHEREAS, leasing to the Fairfield County Juvenile Court, a governmental entity, allows the City to maintain real estate tax-exemption for the property; and

WHEREAS, the Fairfield County Juvenile Court intends to make renovations and improvements to the space, **at their own expense**, which will add value to it; and

WHEREAS, there is no longer any debt service on the building so this will make the property income producing for the City which was the intent of City Council with the acquisition of the Fairfield County Municipal Court building;

BE IT RESOLVED BY COUNCIL OF THE CITY OF LANCASTER, STATE OF OHIO.

SECTION 1. That the Service-Safety Director is hereby authorized to enter into a lease contract with the Fairfield County Juvenile Court for the Second Floor of the City Annex Building located at 123 East Chestnut Street and to negotiate all terms and conditions as are necessary **and in reasonable compliance with the terms and conditions set forth in the attached lease proposal (Exhibit A).**

SECTION 2. That the initial lease term will be for a period of three (3) years with all proceeds of the lease **being disbursed according to the spreadsheet attached hereto as exhibit B with 80% of rental proceeds going into the City of Lancaster Capital Improvement Fund (320.000.4901) and the remaining 20% into the General Fund to offset utility expenses of the rental space.**

SECTION 3. That this resolution shall take effect and be in force from and after the earliest period allowed by law.

Passed: 8/8/16 after 2nd reading. Vote: Yeas 8 Nays 1

Date Approved: 8/8/16

Clerk: Jessica Lee Sandy

Offered by: [Signature]

[Signature]
President of Council

[Signature]
Mayor

123 East Chestnut Street
City Hall Annex Building, 2nd Floor
Proposed Lease Terms and Conditions

Lease Term: 3 years

Lease Cost: \$47,700.00/year paid monthly for the term of the lease

County Responsibilities

Alarm System

Telephone

IT/Internet

Tenant Insurance

Office Space Improvements

- Paint
- Carpet
- Vinyl Floors in Bathrooms
- Vinyl Floor in Hallway
- Exhaust Fans in Both Bathrooms
- New Reception Window

City Responsibilities

Key Fobs and Programming for Building Access

Lobby Door Buzzers (currently installed)

Utilities

Janitorial Service to Include:

- Ceiling Light replacement when needed
- Bathroom Cleaning
- Bathroom Supplies (toilet paper, paper towels, liquid soap for currently installed dispensers in bathrooms)

Parking Spaces adjacent to back door of office space with Snow Removal when needed

Property Insurance

Facility Maintenance

Loan of any desks still located in the Office Space

Loan of Cubicle/Wall Partitions Currently Being Stored by Law Director's Office



**City of Lancaster
City Hall Annex Building
Structure**

Annual Rental Income:	47,700	100.00%
Annual Expenses:	10,000	20.96%
Net Income:	37,700	79.04%

<u>Proposed Distribution</u>	<u>Percent</u>	<u>Amount</u>	
Capital Improvement Fund	80.00%	38,160	320.000.4901
General Fund	20.00%	9,540	101.000.4xxx
Total:	100.00%	47,700	

Comments

GF portion of the lease payment will be used to cover Utility expenses incurred on the 2nd floor

320 portion of the lease payment will cover future repairs/roof, etc. expenses of the building. Any excess review will be used for other GF Capital Improvement needs.

If the 1st floor is leased in the future the same distribution formula may be used.

