



Legislation Details (With Text)

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Title: To authorize the Director of the Department of Finance and Management to execute those documents necessary to enter into a lease agreement with the North Market Development Authority, Inc., to authorize the City Auditor to establish a sub fund; and to declare an emergency.

Sponsors:

Indexes:

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Attachments:

Date	Ver.	Action By	Action	Result
12/8/2015	1	CITY CLERK	Attest	
12/8/2015	1	MAYOR	Signed	
12/7/2015	1	COUNCIL PRESIDENT	Signed	
12/7/2015	1	Columbus City Council	Approved	Pass

Background: In 1992 the City acquired real property to house a renovated and expanded North Market and to replace the existing market building located at 29 Spruce Street. Pursuant to Ordinance No. 2511-95 enacted by Columbus City Council, the City and the North Market Development Authority, Inc. entered into a Lease Agreement for a twenty (20) year term for that renovated real property located at 59 Spruce Street, further identified as Franklin County Tax Parcel 010-54645, commonly known today as the "North Market", for use and operation of a public market and related ancillary uses. The current lease agreement expires on December 31, 2015 thus necessitating the need for a new lease agreement to allow the North Market to continue operating. The North Market is a popular destination for Columbus residents and tourists and attracts over one (1) million visitors per year.

This legislation authorizes the Director of the Department of Finance and Management to enter into a new lease agreement with the North Market Development Authority, Inc. This ordinance also authorizes the City Auditor to establish a sub-fund in Fund 294 into which rent proceeds from the lease will be placed. These proceeds will be used solely for capital costs related to the repair and replacement of interior and exterior building components, and for equipment associated with the building that has reached the end of its useful life.

Emergency action is requested to allow for the continued operation of the North Market without delay or interruption.

Fiscal Impact: The City will receive rental funds for the term of the lease which will be deposited in a sub-fund established under Fund 294, to be used to support the capital costs associated with the real property for the repair and replacement of interior and exterior building components and equipment at the North Market that have reached the end of their useful life.

To authorize the Director of the Department of Finance and Management to execute those documents necessary to enter into a lease agreement with the North Market Development Authority, Inc., to authorize the City Auditor to establish a

sub fund; and to declare an emergency.

WHEREAS, the City owns that real property identified as 29 Spruce Street, further identified as Franklin County Tax Parcel 010-54645; and

WHEREAS, the current lease agreement by and between the City and the North Market Development Authority, Inc. for that real property expires on December 31, 2015, thus necessitating the need for a new lease agreement between the parties to allow for the continued operation of the North Market; and

WHEREAS, the Department of Finance and Management has determined that it is in the City's best interest to enter into a lease agreement to provide for the continued operation of the North Market; and

WHEREAS, the City and the North Market Development Authority, Inc. now desire to enter into a new lease agreement for that City-owned real property identified as 29 Spruce Street, Franklin County Tax Parcel 010-54645 for use and operation of a public market and related ancillary uses; and

WHEREAS, it is necessary to create a sub fund under Fund 294 into which the rent payments from the lease will be held for the purpose of paying capital costs related to the repair and replacement of interior and exterior building components, and for equipment associated with the building that has reached the end of its useful life; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Finance and Management, Real Estate Management Office, in that it is immediately necessary to authorize the Director of the Department of Finance and Management to execute those documents necessary to enter into a lease agreement with the North Market Development Authority, Inc. for use and operation of a public market and related ancillary uses for the immediate preservation of the public health, peace, property, safety and welfare; now, therefore;

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

SECTION 1. That the Director of the Department of Finance and Management, on the behalf of the City, be, and hereby is, authorized to execute those documents as approved by the Department of Law, Division of Real Estate, necessary to enter into a lease agreement by and between the City of Columbus and the North Market Development Authority, Inc. for that real property located at 59 Spruce Street, further identified as Franklin County Tax Parcel 010-54645, and commonly known as the "North Market", for use and operation of a public market and related ancillary uses.

SECTION 2. That the terms and conditions of the lease agreement shall be in a form approved by the Department of Law, Division of Real Estate and shall include the following:

- a) The lease shall be effective for a period of five (5) years and include the option for two renewal terms, each renewal period being an additional five (5) year term.
- b) The annual rent for the lease shall be deposited in Fund 294 into the sub fund established by the City Auditor for support of the capital needs of the real property located at 59 Spruce Street (PID 010-54645).
- c) Such other terms and conditions as agreed to and approved by the City Attorney.

SECTION 3. That the City Auditor shall establish a sub fund under Fund 294 into which the annual rent from the 59 Spruce Street property shall be deposited and such funds shall be held by the City Auditor to pay capital costs related to the repair or replacement of its building interior and exterior components, and the replacement of associated building equipment, that have reached the end of their useful life per IRS guidelines.

SECTION 4. That for reasons stated in the preamble hereto, which is hereby made a part hereof, this ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor or ten days after its passage if the Mayor neither approves nor vetoes the same.

