



# CITY OF KENT, OHIO

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## DEPARTMENT OF COMMUNITY DEVELOPMENT

DATE: August 1, 2013  
TO: Dave Ruller, City Manager  
FROM: Bridget Susel, Community Development Director *B.S.*  
RE: Proposed Changes to Kent Business Development Center Policy

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The City of Kent has provided incubator business services at its East Summit Street location for several years. The program has had some success at supporting new small business owners who are seeking to establish a successful commercial presence in the Kent community.

While there have been positive results from the program, there are some aspects of the program that may need to be updated to better reflect the current business environment in Kent that will provide an appropriate level of support that can foster new business growth, while still ensuring funds used to support the incubator are utilized in a prudent manner.

The current policies for the Kent Business Development Center were created in 2008 and no substantive changes or updates have occurred since that time. Staff has reviewed the policy and is proposing some changes that will allow the Small Business Development Center to continue supporting new small business owners, but will address some inadequacies that exist in the 2008 policy.

I am requesting time at the August 7, 2013 Committee session to discuss the proposed updates to the Kent Business Development Center program with the members of Council.

I have attached a copy of the proposed updated policy for review prior to the Committee session. If you need any additional information in order to place this item on the agenda, please let me know.

Thank you.

Cc: Jim Silver, Law Director  
Linda Jordan, Clerk of Council  
ED Incubator Policy file

## **KENT BUSINESS DEVELOPMENT CENTER**

### **PROGRAM POLICY**

Recognizing the importance of encouraging small business development as a component of the City's economic development strategy, the City of Kent maintains the Kent Business Development Center on East Summit Street to provide needed incubator services that can support fledgling small businesses that are working towards establishing themselves in the Kent community.

All small businesses seeking to lease space in the Kent Business Development Center will be subject to the following:

- 1) The business must be a start-up company or have been in business no more than two (2) years.
- 2) A formal business plan is recommended and additional consideration will be given to applicants that have a completed plan.
- 3) A completed application, in a format designed by the Community Development Department, must be submitted by any person/entity interested in leasing space in the Small Business Development Center.
- 4) The term for all leases in the Kent Business Development Center will range from two-to-four years. No lessee will be allowed to occupy space, under the Small Business Development Center rent structure, beyond 48 months.
- 5) A security deposit equal to the first month's rent is due and payable at the time of the signing of the lease and is required before occupancy. The lessee must leave the rented space in a condition acceptable to the City of Kent or the security deposit will be maintained by the City in order to correct for any damage or non-code compliant conditions created by the lessee.
- 6) The base lease rate, beginning in August 2013, will be \$5.00 per square foot (s.f.). The lease rate for subsequent years will be adjusted annually based on the reported average annual percentage of change for the Cleveland-Akron PMSA Consumer Price Index as reported by the Bureau of Labor Statistics. If the average rate of change is negative, the rental rate listed in the lease will remain constant for the subsequent 12-month period.
- 7) The lessee will be responsible for all utilities and insurance. At no time will a lessee be permitted access to the premises without transfer of utilities into his/her/company name and without providing documentation of insurance coverage listing the City of Kent as the insured.
- 8) The entire facility operates under one water system so separate meters are not installed in the rental units. All lessees are required to pay the monthly minimum water utilization fee. The fee, effective August 1, 2013, is \$25.77 per month. This fee will be adjusted if, at any time, the City of Kent changes the amount charged for the monthly minimum water utilization fee.
- 9) All lessees are required to sign a Waiver of Relocation Benefits statement.
- 10) All lessees are required to sign an information release form.
- 11) In the event an existing lessee can demonstrate he/she has undertaken a good faith effort to locate suitable alternative space elsewhere in the community within the four (4) months preceding the date when the 48 month Small Business Development Center term

period is set to expire, and the City does not have any other viable applications seeking space in the Small Business Development Center, a tenant can enter into a one year lease extension agreement with the City, with the base rental rate established at a fair market rate of \$9.00 per square foot. The base fair market rate for lease extension agreements will be adjusted annually based on the reported average annual percentage of change for the Cleveland-Akron PMSA Consumer Price Index as reported by the Bureau of Labor Statistics. If the average rate of change is negative, the rental rate listed in the lease will remain constant for the subsequent 12-month period. All other conditions of this policy, including utility payments and insurance, will apply.

- 12) The Community Development Department will be responsible for advertising for any space available at the Small Business Development Center within 45 days of a vacancy. The advertisement must appear at least once a week for two consecutive weeks and appear in a section of the newspaper that markets commercial space for lease.



# CITY OF KENT, OHIO

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## DEPARTMENT OF COMMUNITY DEVELOPMENT

DATE: August 1, 2013  
TO: Dave Ruller, City Manager  
FROM: Bridget Susel, Community Development Director *BSD*  
RE: Revised Memorandum of Understanding

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In June of 2012, Council authorized the City to enter into a Memorandum of Understanding (MOU) with the newly formed Portage County Land Reutilization Corporation (PCLRC) to participate in the State of Ohio "Moving Ohio Forward" grant program, which reimburses participating communities for the cost of demolishing blighted structures.

At the time the MOU was approved, the PCLRC had anticipated contracting with Neighborhood Development Services (NDS) to act as the grant administrator for the program. The PCLRC, however, actually entered into a contract in February 2013 with the Portage County Regional Planning Commission to act as the administrator of the County's Moving Ohio Forward program.

I am requesting time at the August 7, 2013 Committee session to seek Council authorization to enter into a revised MOU that lists Portage County Regional Planning as the correct grant administrator.

Please let me know if you need additional information in order to add this to the agenda.

Thank you.

Cc: Jim Silver, Law Director  
Linda Jordan, Clerk of Council  
PCLRC MOF files

**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
THE PORTAGE COUNTY LAND REUTILIZATION CORPORATION  
AND  
THE PORTAGE COUNTY REGIONAL PLANNING COMMISSION  
AND  
THE CITY OF KENT**

**WHEREAS,** There is funding available for government collaboration with the Portage County Land Reutilization Corporation (“PCLRC”) from the Moving Ohio Forward Grant Program to demolish vacant, abandoned, and blighted properties that detract from existing home values and create a breeding ground for criminal activities;

**WHEREAS,** The Moving Ohio Forward Grant Program encourages collaboration with all local governments and interested organizations within each respective county to receive funding for the demolition of vacant, abandoned, and blighted properties within neighborhoods;

**WHEREAS,** The PCLRC has been duly formed under the laws of Ohio to be the lead entity for receiving all funds associated with and claimed under the Moving Ohio Forward Grant Program for Portage County, Ohio;

**WHEREAS,** The PCLRC has designated the Portage County Regional Planning Commission (“Regional Planning”) to administer and assist the PCLRC in facilitating and providing effective demolition of vacant, abandoned, and blighted properties within Portage County, Ohio;

**WHEREAS,** Regional Planning will utilize allocated grant funding established by the Moving Ohio Grant Program to oversee and implement all phases of the demolition process for properties within Portage County, Ohio;

**WHEREAS,** The PCLRC, Regional Planning, and the City of Kent (the “City”) desire to collaborate in an effort to obtain and use funding provided by the Moving Ohio Grant Program to demolish vacant, abandoned, and blighted properties within the City;

**WHEREAS,** The parties to this Memorandum set forth their understanding and agreement as to the collaborative effort to be put forth in utilizing the funds allocated by the Moving Ohio Grant Program by demolishing vacant, abandoned, and blighted properties within the City that are believed to be structurally defective and/or unfit for human habitation;

**NOW, THEREFORE,** the City, Regional Planning, and the PCLRC hereby agree as follows:

1. The City will secure the necessary court order, or voluntary agreement, to allow for the demolition of a blighted structure in disrepair, defective and/or unfit for human habitation as defined by Section 1.08 of the Ohio Revised Code (ORC),

and the City will forward a copy of the court order or voluntary agreement to the PCLRC and Regional Planning will then assist and facilitate the removal of the structure, as well as the payment of the costs of demolition/removal from awarded grant funds under the Moving Ohio Forward Grant Program.

2. Regional Planning will contract with the appropriate contractor to remove the Structure and that Regional Planning will pay the contractor the demolition/removal costs from awarded grant funds under the Moving Ohio Forward Grant Program upon receipt from the Ohio Attorney General (“OAG”) and will notify the City of the amount paid to the contractor for the demolition/removal of the structure/building, which includes reimbursing the City the cost for title and lien search reports.
3. The City may then certify the costs, paid by Regional Planning and the PCLRC for the demolition/removal of the structure, to the Portage County Auditor to be placed on the tax duplicate and to be a lien upon the land from the date of entry, to be collected as other taxes and returned to the PCLRC when, if ever, the land is sold.

**IN WITNESS WHEREOF**, the individuals executing this Agreement have set forth their signatures as and of the date set forth below

**For the PCLRC**

By: \_\_\_\_\_  
President

Date: \_\_\_\_\_

**For Regional Planning**

By: \_\_\_\_\_  
Director

Date: \_\_\_\_\_

**For the City**

By: \_\_\_\_\_  
City Manager

Date: \_\_\_\_\_



# CITY OF KENT, OHIO

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## DEPARTMENT OF COMMUNITY DEVELOPMENT

DATE: August 1, 2013  
TO: Dave Ruller, City Manager  
FROM: Bridget Susel, Community Development Director *BCD.*  
RE: New Lease and Lease Amendment for Summit Street Incubator

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The City of Kent has received a Commercial Lease Application for a vacant office unit located at the City of Kent East Summit Street Small Business Development Center. The applicant is Smith & Son Law, LLC. The unit has 840.5 square feet of space and the lease will be for a two-year period. The applicant is projecting the creation of the following new positions:

Year One

1 full-time employee  
2 part-time employees

Year Two

1 full-time employee  
3 part-time employees

The City also received a request from Theresa Trivelli, owner of Capelli Salon, seeking an amendment to her current lease that would allow for a six-month lease extension that would end on December 31, 2013.

I am requesting time at the August 7, 2013 Committee session to seek Council authorization for the City to enter into a lease agreement with Smith & Son Law, LLC for the space currently available at the East Summit Street Incubator and the approval of the lease amendment for Theresa Trivelli, which will extend her eligible rental period through December 31, 2013.

Please let me know if you need additional information in order to add these two items to the agenda.

Thank you.

Cc: Jim Silver, Law Director  
Linda Jordan, Clerk of Council  
ED Incubator Lease file

**COMMERCIAL PROPERTY LEASE**

THIS LEASE, made at Kent, Ohio this \_\_\_\_ day of August, 2013, by and between the CITY OF KENT, Ohio, as “Lessor” and SMITH & SON LAW, LLC as “Lessee”.

**SECTION I**  
**Description of Leased Premises**

Lessor agrees to lease to Lessee and Lessee agrees to lease from Lessor, the space presently constituted known as 201 East Summit Street, referred to below as “the premises” in the City of Kent, Portage County, State of Ohio, referred to below as the building.

**SECTION II**  
**Term**

The space is leased for a term beginning on \_\_\_\_\_ 2013 and to end \_\_\_\_\_, 2015, or on an earlier time and date as this lease may terminate as provided below, except that, if the date falls on a Sunday or a holiday, then this lease shall end at midnight on the business day which precedes the above-mentioned date. By agreement of the parties, the lease may be extended beyond \_\_\_\_\_, 2015. In addition, this lease may be terminated at any time by agreement of the parties with a ninety (90) day notice period.

**SECTION III**  
**Rent**

The total annual rent for:

1. \_\_\_\_\_ 2013 through \_\_\_\_\_, 2014 (year one) is the sum of \$3,723.42 (840.5 s.f. x \$4.43 per s.f.) which is payable in twelve (12) equal monthly \$310.29 installments, in advance, on the first day of each calendar month during the term, beginning \_\_\_\_\_, 2013.
  
2. The lease rate for subsequent years will be adjusted annually on \_\_\_\_\_ unless otherwise noted in the lease agreement. The rate adjustment will be based on a five (5) year average of the Cleveland-Akron PMSA Consumer Price Index as published by the Bureau of Labor Statistics. In the event that the average rate of change of the Consumer Price Index over the most current five (5) year period is negative, the lease rates will remain constant. Lessor will notify Lessee of the changes to the lease.

**SECTION IV**  
**Use and Occupancy**

Lessee agrees to use and occupy the premises for a law office and for no other purpose. Lessor represents that the premises may lawfully be used for the stated purpose.



**SECTION V**  
**Place for Payment of Rent**

Lessee shall pay rent, and any additional rent as provided below, to Lessor at \_\_\_\_\_ Realty, \_\_\_\_\_, Kent, Ohio 44240. Lessor may designate in writing another location for payment of rent, without demand and without counterclaim, deduction, or setoff.

**SECTION VI**  
**Care and Repair of Premises**

Lessee shall not commit any act of waste and shall take good care of the premises and the fixtures and appurtenances on it, and shall, in the use and occupancy of the premises, conform to all laws, orders, and regulations of the federal, state, and municipal governments or any of their departments. Lessor shall make all necessary repairs to the premises, except where the repair has been made necessary by misuse or neglect by Lessee or Lessee's agents, servants, visitors or licensees. All improvements made by Lessee to the premises which are attached to the premises so that they cannot be removed without material injury to the premises, shall become the property of Lessor upon installation.

Not later than the last day of the term Lessee shall, at Lessee's expense, remove all of Lessee's personal property and those improvements made by Lessee which are not the property of Lessor, including trade fixtures, cabinet work, movable paneling, partitions and the like; repair all injury done by or in connection with the installation or removal of the property and improvements; and surrender the premises in as good condition as they were at the beginning of the term, reasonable wear, and damage by fire, the elements, casualty, or other cause not due to the misuse or neglect by Lessee or Lessee's agents, servants, visitors or licensees, excepted. All property of Lessee remaining on the premises after the last day of the term of this lease shall be conclusively deemed abandoned and may be removed by Lessor, and Lessee shall reimburse Lessor for the cost of the removal. Lessor may have any property left on the premises stored at Lessee's risk and expense.

Lessor shall be responsible for snow removal from the parking lot and sidewalks.

**SECTION VII**  
**Alterations, Additions or Improvements**

Lessee shall not, without first obtaining the written consent of Lessor (by and through the City Service Director), make any alterations, additions or improvements in, to or about the premises.

The premises shall be returned to their original conditions (as of \_\_\_\_\_, 2013) by Lessee when they vacate the premises.

Lessor agrees to address the following matters: NONE

**SECTION VIII**  
**Prohibition Against Activities Increasing Fire Insurance Rates**

Lessee shall not do or permit any activity on the premises, which will cause an increase in the rate of fire insurance on the building.

**SECTION IX**  
**Disposal of Waste or Refuse Matter**

Lessee shall not permit the disposal of waste or refuse matter on the leased premises or anywhere in or near the building.

Lessee agrees to pay for trash service for the premises leased. Lessee shall comply with any recycling rules, regulations and ordinances imposed. Lessor may charge Lessee for inappropriate disposal of trash.

**SECTION X**  
**Abandonment**

Lessee shall not, without first obtaining the written consent of the Lessor, abandon the premises, or allow the premises to become vacant or deserted.

**SECTION XI**  
**Assignment of Sublease**

Lessee shall not, without first obtaining the written consent of the Lessor, assign, mortgage, pledge, or encumber this lease, in whole or in part, or sublet the premises or any part of the premises. This covenant shall be binding upon the legal representatives of Lessee, and upon every person to whom Lessee's interest under this lease passes by operation of law, but shall not apply to an assignment or subletting to the parent or subsidiary of a corporate Lessee or to a transfer of the leasehold interest occasioned by a consolidation or merger involving Lessee.

**SECTION XII**  
**Compliance with Rules and Regulations**

Lessee shall observe and comply with any rules and regulations which may exist, which are made part of this agreement, and with any further reasonable rules and regulations as Lessor may prescribe, on written notice to the Lessee, for the safety, care, and cleanliness of the building and the comfort, quiet, and convenience of other occupants of the building.

**SECTION XIII**  
**Heat**

Lessee agrees to pay for the heating of the premises leased.

**SECTION XIV**  
**Water & Sewer**

Lessee agrees to pay \$25.77 per month to Lessor for water and sewer charges for the premises leased. This payment is due at the same time as the rent payment.

**SECTION XV**  
**Electricity**

Lessee agrees to pay for electricity charges for the premises leased.

**SECTION XVI**  
**Damages to Building**

If the building is damaged by fire or any other cause to the extent that the cost of restoration, as reasonably estimated by Lessor, will equal or exceed forty (40) percent of the replacement value of the building, exclusive of foundations, just prior to the occurrence of the damage, then Lessor may, no later than the 15th day following the damage, give Lessee a notice of election to terminate this lease, or if the cost of restoration will equal or exceed forty (40) percent of the replacement value and if the premises are not reasonably usable for the purposes for which they are leased under this agreement, then Lessee may, no later than the 15th day following the damage, give Lessor a notice of election to terminate this lease. In event of either election this lease shall terminate on the third day after Lessor gives notice to Lessee, and Lessee shall surrender possession of the premises within a reasonable time, and the rent, and any additional rent, shall be apportioned as of the date of the surrender and any rent paid for any period beyond that date shall be repaid to tenant.

In any case in which use of the premises is affected by any damage to the building, there shall be either an abatement or an equitable reduction in rent depending on the period for which and the extent to which the premises are not reasonably usable for the purpose for which they are leased under this agreement. The words "restoration" and "restore" as used in this Section XVI include repairs. If the damage results from the fault of the Lessee, or Lessee's agents, servants, visitors, or licensees, Lessee shall not be entitled to any abatement or reduction of rent, except to the extent, if any, that Lessor receives the proceeds of rent insurance in lieu of the rent.

**SECTION XVII**  
**Waivers of Subrogation**

Notwithstanding the provisions of Section VI of this lease, in any event of loss or damage to the building, the premises and/or any contents, each party shall look first to any insurance in its favor before making any claim against the other party; and, to the extent possible without additional cost, each party shall obtain, for each policy of insurance, provisions permitting waiver of any claim against the other party for loss or damage within the scope of the insurance, and each party, to the extent permitted, for itself and its insurers waives all insured claims against the other party.

and to the cost and expenses of performance of the other covenants of Lessee as provided in this agreement. Lessee agrees, in the above described circumstances, whether or not Lessor has relet, to pay to Lessor damages equal to the rent and other sums agreed to, less the net proceeds of the reletting. The damages shall be payable by Lessee on the several rent days above specified. In reletting the premises, Lessor may grant rent concessions, and Lessee shall not be credited with the concessions. No reletting shall constitute a surrender and acceptance or be deemed evidence of a surrender and acceptance. If Lessor elects, pursuant to this agreement, actually to occupy and use the premises or any part of the premises during any part of the balance of the term as originally fixed or since extended, there shall be allowed against Lessee's obligation for rent or damages as defined in this agreement, during the period of Lessor's occupancy, the reasonable value of the occupancy, not to exceed in any event the rent reserved and the occupancy shall not be construed as a relief of Lessee's liability under this agreement.

Lessee waives all right of redemption to which Lessee or any person claiming under Lessee might be entitled by any law now or later in force. Lessor's remedies under this agreement are in addition to any remedy allowed by law.

#### **SECTION XXI**

#### **Effect of Failure to Insist on Strict Compliance with Conditions**

The failure of either party to insist on strict performance of any covenant or condition of this agreement, or to exercise any option contained in this agreement, shall not be construed as a waiver of the covenant, condition, or option in any other instance. This lease cannot be changed or terminated orally.

#### **SECTION XXII**

#### **Collection of Rent from any Occupant**

If the premises are sublet or occupied by anyone other than Lessee and Lessee is in default under this agreement, or if this lease is assigned by Lessee, Lessor may collect rent from the assignee, subtenant, or occupant, and apply the net amount collected to the rent reserved. The collection shall not be deemed a waiver of the covenant against assignment and subletting, or on acceptance of the assignee, subtenant, or occupant as lessee, or a release of Lessee from further performance of the covenants contained in this agreement.

#### **SECTION XXIII**

#### **Subordination of Lease**

This lease shall be subject and subordinate to all underlying leases and to mortgages and trust deeds which now or subsequently affect the leases or the real property of which the premises form a part, and also to all renewals, modifications, consolidations, and replacement of the underlying leases and the mortgages and trust deeds. Although no instrument or act on the part of Lessee shall be necessary to effectuate the subordination, Lessee will, nevertheless, execute and deliver instruments confirming the subordination of this lease as may be desired by the holders of the mortgages and trust deeds or by any of the Lessors under the underlying leases. Lessee agrees to appoint Lessor attorney in fact, irrevocably, to execute and deliver any of the above described instrument for Lessee.

If any underlying lease to which this lease is subject terminates, Lessee shall, on timely request, attorn to the owner of the reversion.

**SECTION XXIV**  
**Security Deposit**

Lessee agrees to deposit with Lessor upon signing of this lease the sum of \$ \_\_\_\_\_ as security for the performance of Lessee's obligations under this lease, including without limitation the surrender of possession of the premises to Lessor as provided in this agreement. If Lessor applies any part of the deposit to cure any default of Lessee, Lessee shall upon demand deposit with Lessor the amount applied so that Lessor shall have the full deposit on hand at all times during the term of this lease. Lessee's deposit will be returned at upon termination of the lease if the premises are returned in acceptable condition.

**SECTION XXV**  
**Lessor's Right To Cure Lessee's Breach**

If Lessee breaches any covenant or condition of this lease, Lessor may, on reasonable notice to Lessee (except that no notice need be given in case of emergency), cure the breach at the expense of Lessee. The reasonable amount of all expenses, including attorneys' fees, incurred by Lessor in curing the breach, whether paid by Lessor or not, shall be deemed additional rent payable on demand.

**SECTION XXVI**  
**Mechanics Lien**

Lessee shall within fifteen (15) days after notice from Lessor discharge any mechanics liens for materials or labor claimed to have been furnished to the premises on Lessee's behalf.

**SECTION XXVII**  
**Notices**

Any notice by either party to the other shall be in writing and shall be deemed proper only if delivered personally or sent by registered or certified mail in an addressed postpaid envelope; if to Lessee, at the above described building (201 East Summit Street, Kent, Ohio 44240); if to Lessor, at 215 East Summit Street, Kent, Ohio 44240; or, to either, at another address as Lessee or Lessor, respectively, may designate in writing. Notice shall be deemed properly given, if delivered personally, upon delivery, and if mailed, upon the third day after mailing.

**SECTION XXVIII**  
**Lessor's Right To Inspection, Repair, and Maintenance**

Lessor may enter the premises at any reasonable time, upon adequate notice to Lessee (except that no notice need be given in case of emergency) for the purpose of inspection or to make repairs, replacements, or additions in, to, on and about the premises or the building, as Lessor deems necessary or desirable. Lessee shall have no claim or cause of action against Lessor by reason of entry for these purposes except as provided in Section XXXIII of this agreement.

The Lessee agrees to meet with Community Development Department and other City staff on an annual basis to assess the Lessee's progress towards growth strategies and attainment of goals that were agreed to during the original application process.

**SECTION XXIX**  
**Interruption of Services or Use**

Interruption or curtailment of any service maintained in the building, if caused by strikes, mechanical difficulties, or any causes beyond Lessor's control whether similar or dissimilar to those enumerated, shall not entitle Lessee to any claim against Lessor or to any abatement in rent, and shall not constitute constructive or partial eviction, unless Lessor fails to take such measures as may be reasonable in the circumstances to restore the service without delay. If the premises are rendered untenantable in whole or part, for a period of fifteen (15) business days, due to repairs, replacements, or additions, other than those made with Lessee's consent or caused by misuse or neglect by Lessee or Lessee's agents, servants, visitors, or licensees, there shall be a proportionate abatement of rent during the period of untenantability.

**SECTION XXX**  
**Conditions of Lessor's Liability**

Lessee may not claim a constructive eviction from the premises unless Lessee has first notified Lessor in writing of the condition or conditions giving rise to the eviction, and, if the complaints are justified, unless Lessor fails within a reasonable time after receipt of notice to remedy the conditions.

**SECTION XXXI**  
**Lessor's Right To Show Premises**

Lessor may show the premises to prospective purchasers and mortgagees and, during the six (6) months prior to termination of this lease, to prospective tenants, during business hours upon reasonable notice to Lessee.

**SECTION XXXII**  
**Effect of Other Representations**

No representations or promises shall be binding on the parties to this agreement except those representations and promises contained in this agreement or in some future writing signed by the party making the representations or promises.

**SECTION XXXIII**  
**Peaceful Enjoyment**

Lessor covenants that if, and for as long as Lessee pays the rent, and any additional rent as provided in this agreement, and performs the covenants of this lease, Lessee shall peaceably and quietly have, hold, and enjoy the premises for the term mentioned, subject to the provisions of this lease.

**SECTION XXXIV**  
**Lessee's Certification as to Force and Effect of Lease**

Lessee shall, from time to time, upon not less than five (5) days' prior written request by Lessor, execute, acknowledge, and deliver to Lessor a written statement certifying that the lease is unmodified and in full force and effect, or that the lease is in full force and effect as modified and listing the instruments of modification; the dates to which the rents and other charges have been paid; and, whether or not to the best of Lessee's knowledge Lessor is in default under this lease and, if so, specifying the nature of the default. It is intended that any statement delivered according to this Section may be relied upon by a prospective purchaser of Lessor's interest or mortgagee of Lessor's interest or assignee of any mortgage upon Lessor's interest in the building.

**SECTION XXXV**  
**Waiver of Jury Trial**

To the extent permitted by law, the parties waive trial by jury in any action or proceeding brought in connection with this lease or the premises.

**SECTION XXXVI**  
**Section Headings**

The section headings in this lease are intended for convenience only and shall not be taken into consideration in any construction or interpretation of this lease or any of its provisions.

**SECTION XXXVII**  
**Binding Effect on Successors and Assigns**

The provisions of this lease shall apply to, bind, and inure to the benefit of Lessor and Lessee and their respective heirs, successors, legal representatives, and assigns. It is understood that the term "Lessor" as used in this lease means only the owner, a mortgagee in possession, or a term Lessee of the building, so that in the event of any sale of the building or of any lease of the building, or if a mortgagee takes possession of the premises, the Lessor named in this agreement shall be entirely freed and relieved of all covenants and obligations of Lessor subsequently accruing under this agreement. The purchaser, the term Lessee of the building, or the mortgagee in possession has assumed and agreed to carry out any and all covenants and obligations of the Lessor under this agreement.

**SECTION XXXVIII**  
**Insurance.**

1. Lessee shall protect, save harmless and indemnify Lessor against and from (i) any penalties, damages, charges or costs (including reasonable attorneys fees) imposed or resulting from any violation of any law, order of governmental agency or ordinance by Lessee, (ii) all claims, losses, costs, damages or expenses (including reasonable attorneys' fees) arising out of or from Lessee's occupancy of the Premises, and (iii) any and all losses, costs, damages or expenses (including reasonable attorneys' fees) arising out of any failure of Lessee in any material respect to comply with or perform all of the requirements and provisions of this Lease.

2. Lessee shall, at Lessee's cost and expense, procure and continue in force, in the name of Lessor, Lessor's mortgagee(s) and Lessee, as their interests may appear, general liability insurance coverage against injuries to persons and property occurring in, or upon the Premises, during the term of this Lease, such insurance at all times to be in a single limit amount of not less than \$500,000 per incident and One Million Dollars (\$1,000,000) in the aggregate. Such insurance shall be written with a company or companies authorized to engage in the business of general liability insurance in the State of Ohio, and there shall be delivered to Lessor customary insurance certification evidencing such insurance and copies of the policies. Such insurance shall further provide that the same may not be cancelled, terminated or modified unless the insurer gives Lessor at least fifteen (15) days' prior written notice thereof.

3. Lessor, at Lessor's expense, shall maintain special form or "All-Risk" property insurance insuring the Premises and other improvements on the land but not Lessee's contents or personal property located on the Premises.

**SECTION XXXIX**  
**Waiver of Relocation Benefits**

The below signed Lessees of the property located at 201 East Summit Street, Kent Ohio, hereby acknowledge and agree that each, jointly and severally, is a tenant in the described premises for a two (2) year term pursuant to this lease of even date herewith with the City of Kent as the owner and Lessor of the premises.

The below signed further acknowledge that either party may terminate the written lease upon giving the other the requisite notice provided for in the lease.

Upon receipt of such notice, the below signed agree to vacate the premises in accordance with the terms of the lease without any compensation due the below signed from the Lessor for exercising its rights under the lease.

The below signed hereby waive and release Lessor from having to pay to the below signed, their successors, administrators and assigns, any relocation benefit or payments in the event Lessor, City of Kent, exercises its rights under the terms of the lease to terminate the lease for any reason, with or without cause.

**SECTION XXXX**  
**Relocation Incentive**

Lessee will be eligible to receive a \$500.00 per year rebate on their rental rate, up to \$2,000.00, provided Lessee locates within the City of Kent at the end of the term of this lease agreement.



**SMITH & SON LAW, LLC**

**CITY OF KENT, OHIO**

By: \_\_\_\_\_  
Timothy D. Smith

By: \_\_\_\_\_  
David Ruller, City Manager

By: \_\_\_\_\_  
Bryan D. Smith

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**APPROVED AS TO FORM:**

\_\_\_\_\_  
James R. Silver, Law Director

**LEASE AMENDMENT**

THIS AMENDMENT is for the lease, dated June 7, 2007, by and between the CITY OF KENT, OHIO (“Lessor”) and THERESA TRIVELLI, dba Capelli (“Lessee”), for the space known as 209 East Summit Street, Kent, Ohio.

Pursuant to the City of Kent Summit Street Incubator Program Policies and Administrative Rules, the lease between the City of Kent, Ohio and Theresa Trivelli, dba Capelli is extended for a period of up to six (6) months, or December 31, 2013, with the following terms and conditions:

1. Rent for July, August and September, 2013 will be \$6.65 per square foot for a monthly payment of \$421.17.
2. Rent for October, November and December, 2013 will be \$7.31 per square foot, for a monthly payment of \$463.25.
3. Lessee may terminate this Agreement before December 31, 2013 by giving the City thirty (30) days at the end of the stated thirty (30) day period, written notice to the Lessor of her interest to vacate the premises.

This Lease Amendment is executed this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

**THERESA TRIVELLI dba CAPELLI, LESSEE**

**CITY OF KENT, OHIO, LESSOR**

By: \_\_\_\_\_  
Theresa Trivelli dba Capelli

By: \_\_\_\_\_  
David Ruller, City Manager

**APPROVED AS TO FORM:**

\_\_\_\_\_  
James R. Silver, Law Director

**SECTION XVIII**  
**Eminent Domain**

If the cost of restoration as estimated by Lessor amounts to less than forty (40) percent of the replacement value of the building, or if, despite the cost, Lessor does not elect to terminate this lease, Lessor shall restore the building and the premises with reasonable promptness, subject to delays beyond Lessor's control and delays in the making of insurance adjustments between Lessor and its insurance carrier, and Lessee shall have no right to terminate this lease except as provided in this agreement. Lessor need not restore fixture and improvements owned by tenant.

If the premises or any part of the premises or any estate in the premises, or any other part of the building materially affecting Lessee's use of the premises, is taken by eminent domain, this lease shall terminate on the date when title vests pursuant to the taking. The rent, and any additional rent, shall be apportioned as of the termination date and any rent paid for any period beyond that date shall be repaid to Lessee. Lessee shall not be entitled to any part of the award for the taking or any payment in lieu of payment, but Lessee may file a claim for any taking of fixtures and improvements owned by Lessee, and for moving expenses.

**SECTION XIX**  
**Lessor's Remedies on Default**

If Lessee defaults in the payment of rent, or any additional rent, or defaults in the performance of any of the other covenants or conditions of this agreement, Lessor may give Lessee notice of the default. If Lessee does not cure any rent, or additional rent, default within thirty (30) days, or other default within thirty (30) days, after notice is given or if the other default is of a nature that it cannot be completely cured within that period, Lessee does not commence curing within thirty (30) days and thereafter proceed with reasonable diligence and in good faith to cure the default, then Lessor may terminate this lease on not less than three (3) days' notice to Lessee. On the date specified in the notice the term of this lease shall terminate and Lessee shall then quit and surrender the premises to Lessor, but Lessee shall remain liable as provided in Section XX. If this lease is terminated by Lessor, Lessor may at any time after termination resume possession of the premises by any lawful means and remove Lessee or other occupants and its or their effect.

**SECTION XX**  
**Deficiency**

In any case where Lessor has recovered possession of the premises by reason of Lessee's default, Lessor may, at Lessor's option, occupy the premises or cause the premises to be redecorated, altered, divided, consolidated with other adjoining premises, or otherwise changed or prepared for reletting, and may relet the premises or any part of the premises as agent of Lessee or otherwise, for a term or terms to expire prior to, at the same time as, or subsequent to, the original expiration date of this lease, at Lessor's option, and receive the rent as agreed under the lease. Any rent received shall be applied first to the payment of expenses Lessor may incur in connection with the recovery of possession, redecorating, altering, dividing, consolidating with other adjoining premises, or otherwise changing or preparing for reletting, and reletting, including brokerage and reasonable attorneys' fees, and then to the payment of damages in amounts equal to the rent under this agreement



# CITY OF KENT, OHIO

## DEPARTMENT OF FINANCE

TO: Dave Ruller, City Manager  
FROM: Dave Coffee, Director of Budget and Finance *David Coffee*  
DATE: July 23, 2013  
SUBJECT: Renewal of City Debt and related Bond / Note Issuance Ordinances

I am respectfully requesting Finance Committee agenda time at the August 7, 2013 meeting to request authorization of separate ordinances related to City debt obligations as defined herein. Principal and Interest payments will be made for each obligation as scheduled in the 2013 budget. Following is a summary of the BANs that will come due on October 8, 2013 along with the requested renewal principal amount:

2012 Main Fire Station BAN - \$ 1,770,000  
2012 Admin. Office BAN - \$ 175,000  
2012 Sanitary Sewer BAN - \$ 615,000  
2012 Streets / Alley 5 BAN - \$ 1,650,000

Following is a summary of the 2012 Various Purpose Refunding (of 1998 Bond) Notes that will come due on September 10, 2013 along with the requested renewal principal amount:

2012 Service Building Note - \$ 700,000  
2012 Fairchild Ave. Note - \$ 320,000

Additionally, we have determined that it is advantageous for the City to convert the following Bond Anticipation Notes attributable to the City's Downtown Development activity to Bonds in order to lock-in the current low interest rates to best ensure long term debt service from TIF District PILOTS (payments in lieu to taxes) as reflected in the City's TIF District proforma over the remaining life of the debt. These obligations will also come due on October 8, 2013:

2012 Parking Facility BAN - \$ 4,000,000  
2012 Streets / Alley 4 BAN - \$ 1,230,000

The original plan to convert a substantial portion of our existing BAN debt to long term Bonds this fall was recently re-evaluated by our Debt Team and the above requested actions are a result of the consensus opinions reached. This determination was based on a combination of current and projected bond and note market conditions in addition to the City's financial needs and objectives.

Thank you in advance for your support of this request and the actions being recommended.

CITY OF KENT  
DEPARTMENT OF PUBLIC SERVICE

MEMO

July 25, 2013

To: Dave Ruller, City Manager

From: Gene Roberts, Service Director  
Bob Brown, WRF Manager

RE: 2013 Water Reclamation Facility Budget Increase

An unprecedented series of events creating unforeseen operational and capital costs requires this request for budget increases for both operating and capital funds. The requested increase for Capital is \$133,950 and Operational is \$85,000; total combined is \$218,950 with an available off set of \$84,000 release of Capital reducing the overall net increase requested on \$134,950.

Description	Amount
Emergency Repair College Tower Lift Station	\$100,000
Thoma Technology; SCADA Update	\$15,000
Emergency Repair No. 2 Clarifier Drive Unit	\$18,950
Sub Total Additional Funds Capital:	\$133,950
Aeration Tank Air Valves Alternative Source	-\$84,000
Net Increase Need Capital Funds	\$49,950
Un-programmed Funding Expenses to Date	\$25,000
Current Estimated Additional Chemical Funds	\$60,000
Sub Total Additional Funds Operating:	\$85,000
<b>Total Funds Requested Capital &amp; Operating</b>	<b>\$134,950</b>
<b>Capital Appropriations</b>	<b>Amount</b>
RE-Appropriations (Tank Air Valves Alt. Source)	\$84,000
Additional Appropriation	\$16,000
Total Additional Requested Capital Contract (Ln. 68):	<del>\$100,000</del> 16,000
Additional Appropriation Misc. Plant Equip. (Ln. 63):	\$33,950
<b>Operating Appropriations</b>	<b>Amount</b>
Return to Line 34	\$7,500
Return to Line 35	\$10,000
Return to Line 39	\$7,500
Additional to Line 42	\$60,000
Total Operating:	\$85,000

The unscheduled emergency repair of the College Tower Lift Station is for the replacement of the pump guide rails which were found defective during the last removal of the lift station pumps. As part of this repair upgrades to electrical system will occur providing a safer access to the electrical connections. The design of the repair is currently underway and the non-budgeted \$100,000 is needed to complete the repairs. A delay in repair of the pump rails leaves the City with little alternative but to man the pump station 24/7 in the event of another failure.

An offsetting project that is complete and has surplus budget is the Aeration Tank Air Valves. The projected cost for the replacement of in kind equipment was \$90,000. Staff spent considerable time investigating alternative valves and was able to complete the required repair for just under \$6,000 thus freeing up \$84,000 which can be applied to the College Tower Lift Station.

The emergency repair to the No. 2 Clarifier Drive Unit is ongoing do to a failure that occurred in the drive unit. Completion of this repair in a timely fashion is required prior to the return of KSU students and the resulting increased plant flow.

The Water Reclamation Facility is partnering with the Water Treatment Plant in the separation of the two facilities into individual SCADA networks. The separation of the combined SCADA network will increase reliability of the respective system as the combined total data traffic was peaking the current combined system. Completion of this work in conjunction with work being undertaken at the Treatment Plant is cost affective.

The City of Kent Water Reclamation Facility has enjoyed the use of a waste product from the production of acetylene at a very low cost. The waste product, lime slurry, cost the plant little compared to alternative chemicals which are used to adjust the pH of the waste water discharge to the Cuyahoga River as required by the Ohio EPA discharge permit. As staff did in the past they continue to explore alternatives to expensive chemicals and at this point an additional \$60,000 is requested to fund chemical purchase through the end of the year. It is anticipated that staff will have a fairly accurate estimate as to dosing rate and thus cost as tests continue through the end of the year.

Cc: David Coffee, Budget & Finance Director  
file

CITY OF KENT  
DEPARTMENT OF PUBLIC SERVICE  
DIVISION OF ENGINEERING

MEMO

TO: Dave Ruller  
Linda Copley

FROM: Jim Bowling

DATE: July 29, 2013

RE: Redmond Bridge– LPA Agreement Amendment and Appropriation Increase

The Division of Engineering is requesting Council time to consider the attached Agreement Amendment with ODOT. The amendment increases the maximum amount of Federal Municipal Bridge Funds from \$968,00 to \$1,139,800. This is a \$171,800 (18%) increase in grant funds. The amendment also increases the total cost estimated for the Project from \$1,166,000 to \$1,425,000.

In addition, we are requesting an appropriation increase of \$171,800 in Parks and Recreation funds to reflect the increase in Federal Municipal Bridge Funds for the project.

C: Rhonda Boyd  
Gene Roberts  
John Idone  
Jim Silver

## AGREEMENT AMENDMENT

Agreement No. 25380 is revised as follows. This Agreement Amendment will be inserted into the original agreement under the existing terms and conditions.

### 3. FUNDING

- 3.1 The total cost for the PROJECT is estimated to be \$ 1,425,000 as set forth in Attachment 1. ODOT shall provide to the LPA 80 percent of the eligible preliminary engineering or construction costs, up to a maximum of \$5,600 in Federal Municipal bridge funds and 80 percent of the eligible construction costs, up to a maximum of \$1,139,800 in Federal Municipal bridge funds. This maximum amount reflects the funding limit for the PROJECT set by the applicable Program Manager. Unless otherwise provided, funds through ODOT shall be applied only to the eligible costs associated with the actual construction of the transportation project improvements and construction engineering/inspection activities.
- 3.2 The LPA shall provide all other financial resources necessary to fully complete the PROJECT, including all cost overruns and contractor claims.



**SIGNATURES**

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed in duplicate as of the day and year first above written.

CITY OF KENT  
LPA

By: \_\_\_\_\_ Date:

**ODOT**

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Jerry Wray  
Director

Approved as to form:

\_\_\_\_\_  
James R. Silver, Law Director  
City of Kent

**Certificate of Director of Budget and Finance**

It is hereby certified that the amount TWO HUNDRED EIGHTY FIVE THOUSAND TWO HUNDRED Dollars (\$285,200) required to meet the contract, agreement, obligation, payment or expenditure, for the above, has been lawfully appropriated or authorized or directed for such purpose and is in the City Treasury or in the process of collection to the credit of the PARKS AND RECREATION Fund free from any obligation or certificates now outstanding.

\_\_\_\_\_  
Dave Coffee, Director of Budget and Finance

\_\_\_\_\_  
Date



# CITY OF KENT, OHIO

## DEPARTMENT OF FINANCE

**To:** Dave Ruller, City Manager

**From:** David A. Coffee, Director of Budget and Finance

**Date:** July 26, 2013

**Re:** FY2013 Appropriation Amendments, Transfers, and Advances

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**The following appropriation amendments for the August Council Agenda are hereby requested:**

### **Fund 106 – Parks and Recreation**

Increase     \$ 171,800     Parks&Rec / Capital – Increase in appropriation reflecting additional ODOT Grant funding for Harvey Redmond Bridge, Fred Fuller Park Replacement Project per J. Idone memo of 7/22/13 – contingent upon authorization and approval of ODOT Grant acceptance by KCC on 8/7/13 and 8/21/13.

### **Fund 126 – CDBG**

Increase     \$ 255,061     CDBG / Capital - Addt'l appropriation for Pine Street Reconstruction Project - utilizing prior fiscal year CDBG allocations not previously re-appropriated.

### **Fund 202 – Sewer**

Increase     \$ 85,000     Service / SVC-WR / Other (O&M) – Addt'l funding for Water Reclamation Plant operational expense increases including required chemicals per Gene Roberts memo dated 7/25/13.

Increase     \$ 49,950     Service / SVC-WR / Capital – Addt'l appropriation for emergency repairs to College Tower Lift Station and No. 2 Clarifier Drive Unit per Gene Roberts memo dated 7/25/13.



# CITY OF KENT, OHIO

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## DEPARTMENT OF COMMUNITY DEVELOPMENT

DATE: August 2, 2013  
TO: David Coffee, Budget & Finance Director  
FROM: Bridget Susel, Community Development Director *BSD*  
RE: Appropriations Request: CDBG Pine Street Reconstruction Project

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As part of the five-year Community Development Block Grant (CDBG) Consolidated Plan, the City has identified addressing needed infrastructure improvements in low income residential areas as a high priority need.

Since 2010, the City has been allocating a portion of its annual CDBG funding to support the Pine Street reconstruction project, which will allow for the full depth reconstruction of a portion of Pine Street and the installation of sidewalks and street trees.

I am requesting that \$255,060.49 in committed CDBG funding be appropriated in 2013 to allow for the construction to commence in September. This amount includes the following:

\$ 49,060.49 (unencumbered balance of PY2010 CDBG Pine Street funding)  
\$ 90,000.00 (PY2011 CDBG Pine Street funding)  
\$ 90,000.00 (PY2012 CDBG Pine Street funding)  
\$ 26,000.00 (PY2013 additional CDBG Pine Street funding)  
\$255,060.49 TOTAL

I am respectfully requesting that this appropriations item be presented to Council for consideration at the August 7, 2013 Committee session.

Please let me know if you need any additional information in order to process this request.

Thank you.