

RESOLUTION 2013-84

AUTHORIZING THE GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY TO ENTER INTO A LICENSE AGREEMENT WITH CUYAHOGA COUNTY, OHIO FOR A PORTION OF HARVARD GARAGE, LOCATED AT 2501 HARVARD AVENUE, NEWBURGH HEIGHTS, OHIO

WHEREAS, the Greater Cleveland Regional Transit Authority ("GCRTA") is the owner of record of 2501 Harvard Avenue, Newburgh Heights, Ohio known as Harvard Garage (the "Property"); and

WHEREAS, the Property was used as a bus garage until closed for operations in 2010; and

WHEREAS, in January 2013, the GCRTA entered into a license agreement with Cuyahoga County, Ohio ("County") authorizing the County to use a portion of the property for office furniture and document storage; and

WHEREAS, in addition to the County's storage, the Property is also currently used for transit vehicle storage and transit police activities and this extended License Agreement will not disrupt those activities; and

WHEREAS, the County wishes to enter into an extended License Agreement with GCRTA for use of a larger portion of the Property during the County's transition to new office buildings; and

WHEREAS, the GCRTA has listed the property for commercial lease, posted a "for sale" sign on the Property, and has publicly advertised and marketed the Property with Ostendorf-Morris Company since 2011; and

WHEREAS, the County has agreed to pay a monthly rental rate of \$17,555.50, which is based on a fair market value of the licensed space and a portion of the utility costs commensurate with the licensed percentage of the Property; and

WHEREAS, the GCRTA will offset some of its annual asset maintenance expenses, including utility costs, associated with the Property through the rental income.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio:

Section 1. That the General Manager/Secretary-Treasurer is hereby authorized to execute a License Agreement with Cuyahoga County, Ohio and all other documents required to enter into this transaction.

Section 2. That the monthly rental will be \$17,555.50, which is based on a fair market value of the licensed space and the County will also pay a portion of the utility costs commensurate with the licensed percentage of the Property.

Section 3. That the rental income received will be used to offset maintenance costs at the Property.

Section 4. That the initial term of the agreement shall extend through December 31, 2014 but may be extended, by mutual agreement of the parties, on a month-to-month basis through December 31, 2015.

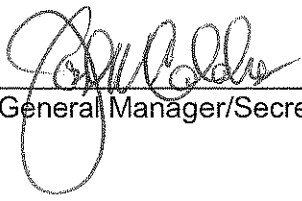
Section 5. That execution of this License Agreement is contingent upon receiving FTA concurrence on the use of the Property.

Section 6. That this resolution shall become effective immediately upon its adoption.

Adopted: August 20, 2013



President

Attest: 

CEO, General Manager/Secretary-Treasurer



Greater Cleveland Regional Transit Authority
STAFF SUMMARY AND COMMENTS

TITLE/DESCRIPTION: CONTRACT: LICENSE AGREEMENT FOR 2501 HAVARD AVENUE VENDOR: CUYAHOGA COUNTY, OHIO AMOUNT: \$17,555.50/month	Resolution No.: 2013-84
	Date: August 15, 2013
	Initiator: Programming and Planning
ACTION REQUEST: <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Review/Comment <input type="checkbox"/> Information Only <input type="checkbox"/> Other _____	

- 1.0 **PURPOSE/SCOPE:** The purpose of entering into a License Agreement with Cuyahoga County is to assist the county in meeting its short-term, urgent need for storage space due to re-organization of its current building assets. Also, the License will allow GCRTA to more fully utilize the Harvard Garage facility, located at 2501 Harvard road in Newburgh Hts, Ohio.

- 2.0 **DESCRIPTION/JUSTIFICATION:** The Property, which is owned by the GCRTA was purchased with federal funds. Built in 1995, it consists of a 193,175 sq. ft. building on 18.46 acres in Newburgh Hts, OH. The facility has not been used as an active operating district since 2010 and has been publicly advertised and marketed for sale or lease since 2011. The Authority presently uses the facility for training and storage.

 Currently, the County has a month-to-month license at Harvard Garage for approximately 11, 250 sq. ft. of storage space for office materials. The County has requested a new License Agreement for additional space, totaling approximately 63,650 sq. ft., for office furniture and related supplies. The County has requested that the License commence in September 2013 and extend through December 31, 2014, with month-to-month extensions through December 31, 2015 if mutually agreeable to the parties. Execution of this License Agreement is contingent upon FTA approval.

- 3.0 **PROCUREMENT BACKGROUND:** Does Not Apply.

- 4.0 **DBE/AFFIRMATIVE ACTION BACKGROUND:** Does Not Apply.

- 5.0 **POLICY IMPACT:** Does Not Apply.

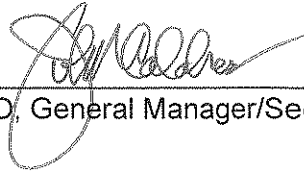
- 6.0 **ECONOMIC IMPACT:** The GCRTA will obtain rental income that will assist in defraying some of the operational expenses, including utility costs, associated with maintaining the Facility. The funds will be deposited into the Operating budget.

- 7.0 **ALTERNATIVES:** Not to enter into this agreement. GCRTA would have to continue maintaining this vacant property until another interested party was found.

- 8.0 **RECOMMENDATION:** This action was presented to the Planning and Development Committee on August 6, 2013 and recommended for approval to the Board of Trustees. Staff recommends that the Board of Trustees approve the resolution to authorize a License Agreement covering a portion of the Harvard Garage to Cuyahoga County, Ohio.

9.0 ATTACHMENTS: None.

Recommended and certified as appropriate to the availability of funds, legal form and conformance with the Procurement requirements.



CEO, General Manager/Secretary-Treasurer