LEGISLATIVE SUMMARY Mayor's Office of Capital Projects Division of Real Estate

Lease of Property from Blanket Mills Prime Tenant, LLC for the City of Cleveland Health Department

Ordinance No: 468-2025

Legislative Purpose:

To authorize the Director of the Department of Public Health to enter into a Lease Agreement with Blanket Mills Prime Tenant, LLC, or its designee, to lease property at 3466 St. Rocco's Court

Cleveland Ohio 44109.

Project Summary:

Department of Public Health ("DPH") provides no- to low-cost reproductive health care services and vaccinations at two City-owned facilities on the City's east and west sides. Due to an increased need for health care services in the Clark-Fulton neighborhood and a simultaneous need for affordable housing in the Ohio City neighborhood, DPH will move its existing clinic at its west side location, McCafferty Health Center, to a new location at the Northern Ohio Blanket Mills ("NOBM").

This move will enable the DPH to continue health care services uninterrupted, while allowing for the development of affordable housing on the McCafferty Health Center site. At the new location, DPH will continue to serve existing clients and expand to serve greater numbers of clients on the City's west side.

NOBM is a historic former factory building that was recently redeveloped to serve mixed-use affordable housing and commercial tenants. DPH determined that NOBM's location is ideal due to size and proximity to neighboring organizations, such as Neighborhood Family Practice, with which DPH will have the opportunity to partner to help provide better services to the community. City wishes to lease 6,034 SF at NOBM for a term of ten (10) years from Blanket Mills Prime Tenant, LLC, or its designee.

Price: Years 1-2: \$14.50 PSF

Year 3: \$14.75 PSF Years 4-5: \$15.50 PSF Year 6: \$16.00 PSF Years 7-8 \$16.50 PSF Years 9-10: \$17.00 PSF

Anticipated maximum cost to the City Year 1-2

\$9,553.83 Per Month (Rent + Utilities)

Rent:

6,034 SF at \$14.50/PSF = \$87,493 (\$7,291.18 Per Month)

<u>Utilities (Estimated):</u>

6,034 SF at \$4.50/PSF = \$27.163 (\$2,262.80 Per Month)

Plus 19.09% pro-rata share of common area maintenance, real

estate taxes, insurance and operating expenses

15 dedicated parking spaces (Included in Rent)

Permanent Parcel No:

007-32-301

Ward: Ward 14 (Councilperson Santana)

Attachments: Location Map