Department of Port Control

Ordinance No.: 475-2024

EXECUTIVE SUMMARY

The Department of Port Control ("Department") is requesting authority to enter into a Lease Agreement with Wargo Law, LLC for lease of certain city owned property generally located in the terminal budling of Burke Lakefront Airport ("BKL") at 1501 North Marginal Road Suite No. 182, Cleveland, OH 44115, for the operation of a law firm and related services, for a term of one (1) year, with three (3) one-year options to renew, exercisable by the Director of Port Control.

Background/Purpose:

Pursuant to the authority of City Ordinance No. 1159-18, passed on October 22, 2018, the Department, and Wargo Law, LLC entered into a Lease Agreement, for the use of approximately 491 square feet and 178 square feet of office space located in the terminal building at BKL, Rooms #182 and 180 respectively; for activities necessary to operate a law firm.

The term was set at two (2) years with three (3) one-year options to renew. The option term was authorized under Ordinance No. 546-202; the term is set to expire on December 31, 2024.

Department is requesting authority to enter into a new lease to commence June 1, 2024, for a term of one(1) year with three (3) one-year options to renew exercisable by the Director of Port Control.

Scope:

The following are the material provisions to be contained in the Lease:

- A. The Director of Port Control is authorized to enter into a Lease for a period of one (1) year, with three (3) one-year options to renew, for the use and occupancy of approximately 491 square feet of space located in the terminal building, Room 182, generally located at 1501 North Marginal Road Cleveland, OH 44114 at BKL, which has been determined to be not needed for public use for the term of the Lease.
- B. The Leasehold Premises shall be used as offices to operate a law firm.
- C. The initial term rental rate shall be based on an independent third-party appraisal. For each option term, the rental rate shall be adjusted based on the United States Department of Labor, Consumer Price Index: "All Urban Wage Earners and Clerical Workers", however, this CPI adjustment shall never be lower than the rate established during the initial term.
- D. All other terms of the Lease shall be exactly as the City of Cleveland deems necessary.

Justification/Urgency:

These premises are needed by Wargo Law in order to operate a law firm.

Anticipated Cost:

None.

Schedule or Term of Contract:

A term of one (1) year, with three (3) one-year options to renew, exercisable by the Director of Port Control.

Current Contract(s):

| Name | Term | Contract | Amount |
|-----------------|---------------------------------|--------------|--------------------|
| Wargo Law, LLC. | Two Years w/ 3 (1) Year Options | LS 2020*0002 | \$11,993.163/annum |
| | to renew. Expiration 12-31-24 | | |

Employee Demographics:

Total number of employees - 1

Number of employees that are minorities - o

Number that are women - 1

Number that are City of Cleveland residents - \boldsymbol{o}