

Department of Port Control

Ordinance No.: 369-2020

Business Development & Management

Executive Summary

The Department of Port Control is requesting authority to exercise the first option to renew Contract No. CT 3001 NF 2017*061 with Grain Craft, Inc. for the lease of certain city-owned property generally located at 1635 Merwin Avenue.

Background/Purpose:

Under the authority of Ordinance 388-17 passed on May 8, 2017, the Department and Grain Craft, Inc. executed and entered into a lease agreement on August 10, 2017, for approximately 23,716 square feet for the use of certain city owned property located at 1635 Merwin Avenue, Cleveland, OH 44113 (PPN #101-16-005) for the purpose of vehicle parking associated with their adjacent flour milling operation (“Premises”).

The term was set at two (2) years with three (3) one-year options to renew, with the first of the one year options requiring additional legislative authority.

Both Grain Craft and the Department desire to exercise the first option to renew.

Scope:

The following are provisions to be contained in the Lease:

- (A) The Director of Port Control is authorized to exercise the first of three one-year options for the use and occupancy of approximately 23,716 square feet of land generally located at 1635 Merwin Avenue, Cleveland, OH 44113 which has been determined to be not needed for public use for the term of the Lease.
- (B) The Leasehold Premises shall be used for vehicle parking associated with Grain Craft’s adjacent flour milling operation.
- (C) The annual rental rate is based on an independent third party appraisal. For each year after the initial term, the rental rate shall be adjusted based on the United States Department of Labor, Consumer Price Index (“CPI”).

Justification/Urgency:

The Premises is needed by Grain Craft for use as a parking facility for support vehicles used in its operation.

Anticipated Cost: N/A

Term: The Department is requesting to exercise the first year of the three (3) one-year options to renew.

Current Contracts:

Name	Term	Contract No.	Annual Amount
Grain Craft, Inc.	Two (2) years with (3) three one year options to renew.	CT 3001 2017*061	\$17,764.00 per annum

Employee Demographics:

Total number of employees - 19

Number of employees that are minorities – 6

Number that are women – 2

Number that are City of Cleveland residents – 4