

DEPARTMENT OF PORT CONTROL

Ordinance No.: 441-2024

Executive Summary

The Department of Port Control (“Department”) is requesting authority to exercise the second option term of Lease Agreement # CT 3001 LS2023*0003 with Paratus Air for the lease of certain city owned space located at 1501 North Marginal Road, Cleveland, OH 44114. The space is needed to support its helicopter tour services.

Background/Purpose:

Under the authority of Ordinance 1044-2022 which passed Cleveland City Council on November 7, 2022, the Department entered into a lease agreement City Contract No. CT 3001 LS2023*0003, Paratus Air currently leases approximately 114 square feet of space also known as Gate 4, located in the Terminal Building at 1501 North Marginal Road, Burke Lakefront Airport. This space is used as a base for its’ helicopter tour services.

Paratus Air is requesting to exercise the second of three one-year options. The term was set at two years with three one (1) year option to renew, the second of which required additional legislative authority.

Scope:

The following were the material provisions contained in the Lease:

- (A) The Director of Port Control is authorized to enter into a lease for the use and occupancy of approximately 114 square feet of space (“Leased Premises”) known as Gate 4, in the Terminal Building of Burke Lakefront Airport.
- (B) The Leased Premises shall be used to support Lessee’s helicopter tour services.
- (C) United shall pay the City an annual rental rate to be determined by a third party appraisal. The rental rate shall be adjusted annually on the effective date based on the United States Department of Labor, Consumer Price Index: “All Urban Wage Earners and Clerical Workers (CPI),” however, never lower than the rate during the initial term. The rent is payable in twelve (12) equal monthly installments.
- (D) The term of the lease shall be for a period of one (1) year with three (3) one-year options to renew, the second of which is subject to additional legislative approval.

Justification/Urgency:

The Leased Premises shall be used to support Lessee’s helicopter tour services.

Anticipated Cost:

None.

Schedule or Term of Contract:

The Department is requesting the second option of three be renewed and which is subject to additional legislative approval.

Current Contract:

Name	Number/Term	Expiration	Amount
Paratus Air	CT3001LS2023*0003	10-10-2024 - Initial Term	\$1,965.35/annum

Employee Demographics:

Total number of employees – 1

Number of employees that are minorities – 0

Number of employees that are women 0

Number of employees that are City of Cleveland residents - 0