

Department of Port Control

Ord. No.: 121-2020

Division of Harbors

EXECUTIVE SUMMARY

The Department of Port Control is requesting authority to lease certain warehouse space on City Dock 32, located at 101 Erieside Avenue Cleveland for storage purposes to the Cleveland Browns Stadium Company LLC, for a term period of one year, with a one-year option to renew, exercisable by the Director of Port Control.

Background/Purpose:

On April 27, 2015 the Cleveland City Council adopted Ordinance No. 194-15 authorizing the Director of Port Control to lease certain warehouses located at City Docks 30 and 32 to various companies for purposes including storage, movie staging, construction staging, and special events for a term not to exceed two (2) years with two (2) one-year options to renew, the first of which requires additional legislative authority.

Pursuant to this authority, the Department of Port Control entered into an agreement with the Cleveland Browns Stadium Company LLC to lease 9,600 square feet of warehouse space on City Dock 32 for a term of two (2) years with two (2) additional one year options. The final term of this agreement ends on February 28th, 2020, requiring the Department of Port Control to enter into a new agreement with the Cleveland Browns Stadium Company LLC to continue their current operations for a period of one year, with one (1) one-year option to renew, which requires the Director's approval.

Justification:

Entering into this lease is advantageous for a number of reasons, including but not limited to the following:

1. The City's termination rights afford for the unrestricted near term development of the subject properties.
2. The agreement ensures the properties are maintained and safely operated until the properties are fully developed.
3. The tenant occupies only 16% of the 60,000 square foot building yet maintain the entire structure.

Anticipated Cost:

There is no cost to the City associated with the leasing of this facility. The fair market rental rate for the facility shall be established by Board of Control resolution.

Schedule or Term of Contract:

One (1) year with one (1) one-year option to renew, which is exercisable at the Director's discretion.

Employee Demographics

Total number of Cleveland Browns Stadium Company, LLC employees: 39

Number of employees that are minorities: 12

Number of employees that are women: 5

Number of employees that are City of Cleveland residents: 9