

Department of Port Control

Ordinance No.: 1307-17

Business Development & Management

Executive Summary

The Department of Port Control is requesting authority to enter into a Lease Agreement with Avflight Services Corporation, for the lease of space located in the passenger terminal building at Cleveland Hopkins International Airport to support its ground handling operation for Allegiant Air, for the Department of Port Control, for a period of two years, with three one-year options to renew, the first of which requires additional legislative authority.

Background/Purpose:

On December 22, 2016 under the authority of Section 183.16 of the codified Ordinance of the City of Cleveland, the Department entered into a License Agreement with Avflight, which is set to expire on December 21, 2017.

Avflight has requested to lease approximately 284 square feet of office space, located on the ramp level beneath Gate A-3 on Concourse A of the passenger terminal building at CLE to support its ground handling services for Allegiant Air, LLC. The Department is requesting a lease term of two (2) years with three (3) one-year options to renew, the first of which requires additional legislative authority.

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 the use and occupancy of approximately 284 square feet of space ("Leased Premises") located beneath Gate A-3 on Concourse A of the passenger terminal building at CLE for use as office space by Avflight.
- (B) The Leased Premises shall be used to support Lessee's business as a provider of ground handling services.
- (C) Avflight shall pay the City an annual rental rate to be determined the airports' rates and charges calculation, subject to annual changes based on said budget. The rent will be payable in twelve (12) equal monthly installments.
- (D) The term of the lease shall be for a period of two (2) years with three (3) one-year options to renew, the first option subject to additional legislative approval.

Justification/Urgency:

The space is needed by Avflight to support ground handling services for Allegiant Air. The current License Agreement between the City and Avflight expires on 12-21-17.

Anticipated Cost:

None.

Schedule or Term of Contract:

The Department is requesting a term of two (2) years with three (3) one-year options to renew, the first option subject to additional legislative authority.

Current Contract:

Name	Term/Expiration	Amount \$
Avflight Services Corporation	License Agreement of 1 year, expiring 12-21-2017	\$35,599.40 per annum.

Employee Demographics:

Total number of employees - 15
Number of employees that are minorities - 11
Number that are women - 6
Number that are City of Cleveland Residents - 13