

Department of Port Control

Ordinance No.: 138-2023

Executive Summary

The Department of Port Control (“Department”) is requesting authority to enter into a Lease Agreement with Worldwide Flight Services, Inc., (“Worldwide”) for the lease of certain city owned property generally located South Cargo Road Building No. 216, Cleveland, OH 44135, for the purpose of the operation of an air cargo facility.

Background/Purpose:

Pursuant to the authority of ordinance No. 19-18 passed by the Cleveland City Council on March 19, 2018 the Department, on July 19, 2018 executed and entered into a lease agreement, CT 3001 LS2018*019, for approximately 3,680 square feet for the use of certain city owned property generally located at Cleveland Hopkins International Airport, South Cargo Road, Building No. 216, Cleveland, OH 44135 for the purpose of the operation of an air cargo facility (“Premises”).

The term was set at two (2) years with three (3) one-year options to renew.

Worldwide has requested that the Department obtain new legislative authority to enter into a new lease. The term shall be two (2) years with three (3) one-year options to renew, exercisable by the Director of Port Control.

Scope:

The following are provisions to be contained in the Lease:

- (A)The Director of Port Control is authorized to enter into a Lease Agreement for a term of two (2) years with three (3) one-year options, for the use and occupancy of approximately 3,680 square feet of space for the purpose of aviation use; operating an air cargo facility.
- (B)The initial rental rate will be based on an independent third party appraisal.
- (C)For each year after the initial term, the rental rate shall be adjusted annually on the effective date of the lease; based on an independent third party appraisal and the United States Department of Labor, Consumer Price Index: “All Urban Consumers” Midwest; however, never lower than the rate during the initial term.

Justification/Urgency:

These Premises is needed by Worldwide to continue the operation of a cargo facility.

Anticipated Cost:

None.

Term:

The Department is requesting a two (2) year term, with three (3) one-year options to renew, exercisable by the Director of Port Control.

Current Contracts:

Name	Term	Contract No.	Annual Amount
Worldwide Flight Services, Inc.	Two (2) years w/ (3) three one year options to renew.	CT 3001 2018*019	\$24,500/annum

Employee Demographics:

Total number of employees - 20

Number of employees that are minorities - 14

Number that are women - 6

Number that are City of Cleveland residents - 15