

Ordinance No. 304-2021

By Council Members Slife and Kelley
(by departmental request)

AN EMERGENCY ORDINANCE

Authorizing the Director of Port Control to consent to the assignment of Lease By Way of Concession No. 56693 from Specialty Restaurants Corporation to UCG KAGS TGDFaB, LLC; and authorizing the director to enter into an Amendment to the assigned contract regarding certain terms.

WHEREAS, under Ordinance No. 320-2000, passed June 19, 2000, Council authorized the Director of Port Control to enter into Lease By Way of Concession No. 56693 (the “Lease”) with Specialty Restaurants Corporation (“Specialty Restaurants”) to construct and operate a restaurant facility in the vicinity of Cleveland Hopkins International Airport now known as the 100th Bomber Group Restaurant; and

WHEREAS, Specialty Restaurants is willing to allow UCG KAGS TGDFaB, LLC (“UCG”) to assume the obligations of the Lease and has requested consent of the City to the assignment of the Lease to UCG; and

WHEREAS, this ordinance constitutes an emergency measure providing for the usual daily operation of a municipal department; now, therefore,

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CLEVELAND:

Section 1. That the Director of Port Control is authorized to consent to the request of Specialty Restaurants to assign the obligations of the Lease to UCG.

Section 2. That the Director of Port Control is authorized to enter into an Amendment to the Lease assigned to UCG under this ordinance (“Amendment”) which shall contain the following material changes:

Specialty Restaurant’s forgiveness of all outstanding rent credits, including interest payments relating to the recapture of the original 100th Bomber Group Restaurant, which totals \$887,000 as of January 30, 2021;

UCG’s investment of \$500,000 within the first two years of its assumption of the Lease and another \$500,000 within eleven years; and

A revised rent schedule that substantially increases the guaranteed minimum rent and the percentage rent currently stipulated in the Lease; and

The release of Specialty Restaurants from any stated contractual obligations from the moment of the Agreement’s assignment until its termination.

Section 3. That the Director of Port Control is authorized to execute all documents and do all things necessary and appropriate to effectuate the consent to the

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Assignment and Amendments authorized by this legislation. A copy of the Assignment shall be filed in the office of the Commissioner of Accounts.

Section 4. That the Amendment shall be prepared by the Director of Law and shall contain any additional provisions that he or she deems necessary to protect and benefit the public interest.

Section 5. That this ordinance is declared to be an emergency measure and, provided it receives the affirmative vote of two-thirds of all the members elected to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor; otherwise it shall take effect and be in force from and after the earliest period allowed by law.

RS:nl
5-3-2021
FOR: Director Keane

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REPORT
after second Reading

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READ FIRST TIME on MAY 3, 2021

REPORTS

and referred to DIRECTORS of Port Control, Finance, Law;
COMMITTEES on Transportation, Finance

CITY CLERK

READ SECOND TIME

CITY CLERK

READ THIRD TIME

PRESIDENT

CITY CLERK

APPROVED

MAYOR

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COMMITTEE ON
TRANSPORTATION

FILED WITH COMMITTEE

PASSAGE RECOMMENDED BY
COMMITTEE ON
FINANCE

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