

Department of Port Control

Ord. No.: 384-18

Division of Harbors

EXECUTIVE SUMMARY

The Department of Port Control is requesting authority to exercise the third option to renew Contract No. LS 2018-3 with the Cleveland Browns Stadium Company LLC to provide for the use of the warehouse on City Dock 32, located at 101 Erieside Avenue.

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 the purposes that may include 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 the warehouse on City Dock 32 for a term of one (1) year with three (3) additional one year options. The two Parties desire to exercise the option that will authorize the third year of the lease agreement.

Justification:

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

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 these facilities. 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 three (3) one-year options to renew, the option that will authorize the third year of the agreement is exercisable by additional legislative authority.

Employee Demographics:

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

Number of employees that are minorities: 12

Number of employees that are women: 5

Employees that are City of Cleveland residents: 9