

Department of Port Control

Ordinance No.: 1044-2022

Airport Development – Real Estate

Executive Summary

The Department of Port Control is requesting authority to enter into a Lease Agreement with Paratus Air for the lease of certain city owned space located at 1501 North Marginal Road, Cleveland, OH 44114. The space is needed to support its helicopter tour services for a period of one (1) year with three (3) one-year options to renew.

Background/Purpose:

Under City Contract No. 3001LS2021*010, Paratus Air currently leases approximately 114 square feet of space also known as Gate 4, located in the Terminal Building at 1501 North Marginal Road, Burke Lakefront Airport. This space is used as a base for its helicopter tour services.

The current agreement is a license agreement and Paratus Air is requesting to enter into a longer term leased. The term shall be one (1) year with three (3) one-year options to renew, the second 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 114 square feet of space (“Leased Premises”) known as Gate 4, in the Terminal Building of Burke Lakefront Airport.
- (B) The Leased Premises shall be used to support Lessee’s helicopter tour services.
- (C) Paratus Air shall pay the City an annual rental rate to be determined by a third party appraisal. The rental rate shall be adjusted annually on the effective date based on the United States Department of Labor, Consumer Price Index: “All Urban Consumers (CPI): Midwest Region, North Central,”; however, never lower than the rate during the initial term. The rent is payable in twelve (12) equal monthly installments.
- (D) The term of the lease shall be for a period of one (1) year with three (3) one-year options to renew.

Justification/Urgency:

The Leased Premises shall be used to support Lessee’s helicopter tour services.

Anticipated Cost:

None.

Schedule or Term of Contract:

The Department is requesting a term of period of one (1) year with three (3) one-year options to renew.

Current Contract:

Name	Number/Term	Expiration	Amount
Paratus Air	CT3001LS2021*010	10-10-2022	\$1,965.35/annum

Employee Demographics:

Total number of employees – 1

Number of employees that are minorities –

Number of employees that are women –

Number of employees that are City of Cleveland residents

