

Ordinance No. 129-2021

**By Council Members Cleveland and Kelley
(by departmental request)**

AN EMERGENCY ORDINANCE

Authorizing the Director of Port Control to enter into one or more amendments to Lease by Way of Concession Agreements with various car rental companies that operate rental car concessions at Cleveland Hopkins International Airport to extend the term of the leases for one year and for amendments to the Guaranteed Minimum Privilege Fee for certain companies.

WHEREAS, under Ordinance No. 1024-97, passed June 16, 1997 and Ordinance No. 699-08, passed December 8, 2008, this Council authorized contracts and leases with several rental car companies to operate rental car concessions at Cleveland Hopkins International Airport and to lease space for vehicle service and support relating to car rentals; and

WHEREAS, under Ordinance No. 185-15, passed March 16, 2015, these contracts and leases were amended to run coterminous with one another; and

WHEREAS, under Ordinance No. 248-2020, passed March 23, 2020, these contracts and leases were extended for a term of one year, expiring on February 28, 2021; and

WHEREAS, a one-year extension of the contracts and leases is desired; and

WHEREAS, all applicable terms and conditions of the contracts and leases shall remain in effect during the extended one-year period with the exception of the Guaranteed Minimum Privilege Fee for some; 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 enter into one or more amendments to the following contracts and leases to extend their terms for one year, all commencing March 1, 2021:

<u>Name</u>	<u>Contract Number</u>
Avis Rent A Car Systems, LLC Service Area	52442
Dollar (DTG Operations) Service Area	52457
National Service Area	52459
CLERAC Service Area	52461
Thrifty (DTG Operations) Service Area	52473
Hertz Corporation Service Area	52556
Budget Rent A Car Service Area	52600
CLERAC Lease By Way of Concession	69919
Budget Rent A Car Lease By Way of Concession	69920
DGT Lease By Way of Concession	69921
Avis Rent A Car Systems, LLC Lease By Way of Concession	69922
Hertz Corporation Lease By Way of Concession	69923

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Section 2. That the amendments shall include changes to the Guaranteed Minimum Privilege Fee which shall be in effect for the following companies:

Company	Annual	Monthly		
	March 1, 2021 through February 28, 2022	March 1, 2021 through August 31, 2021	September 1, 2021 through February 28, 2022	Average

Enterprise	\$2,022,000	\$134,800	\$202,200	\$168,500
Avis	743,000	49,533	74,300	61,917
Budget	607,000	40,467	60,700	50,583
Hertz	1,075,000	71,667	107,500	89,583
Dollar/Thrifty	455,000	30,333	45,500	37,917

Total	\$4,902,000	\$326,800	\$490,200	\$408,500
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Current 2020 Minimum Annual Guarantee			\$624,744
2021 vs. 2020	-48%	-22%	-35%

Section 3. That all other applicable terms and conditions of the contracts and leases shall remain in force and effect.

Section 4. That the amendments shall be prepared by the Director of Law.

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
3-1-2021
FOR: Director Kennedy

