

# Department of Port Control

Ordinance No.: 875-2023

## Executive Summary

The Department of Port Control (“Department”) is requesting authority to enter into an amendment to the existing Lease By Way of Concession Agreement, No. 67743 between the Department and Fraport Cleveland, Inc. The request shall amend the termination date, to extend the agreement for a one-year period.

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### **Background/Purpose:**

Pursuant to the authority of Ordinance No. 1850-06, passed by Cleveland City Council on April 2, 2007, the Department entered into a Lease by Way of Concession Agreement with BAA USA, Inc., k/n/a Fraport Cleveland, Inc. (“Fraport”), for the lease, management, design, and construction of retail merchandise, food, beverage, and service concessions for the Department of Port Control facilities. The term of the agreement was set at ten (10) years, with one (1) five-year option to renew, which required additional legislative authority. The agreement is set to expire on January 15, 2024.

### **Justification/Urgency:**

The Department is requesting to extend Lease Agreement No. 67743 with Fraport for a period of one-year. The extension is necessary, as the new Airline Master Lease & Master Plan evolve. The Master Lease has a significant impact to the Concessions Program, in that it is a contributor of non-airline revenue generation to the airport. All non-airline revenue assists in the reduction of costs associated for the airlines to operate at Cleveland Hopkins International Airport, therefore the Department feels that it is in our best interest to extend the current agreement.

### **Anticipated Cost:**

Not Applicable

### **Current Contract:**

Name	Contract Number	Expiration
Fraport Cleveland, Inc	67743	January 15, 2024