

Department of Port Control

Ordinance No.: 107-2025

Executive Summary

The Department of Port Control is requesting authority to enter into a new lease for certain city owned space, located at Building No. 208 at 5851 Cargo Road at Cleveland Hopkins International Airport to PrimeFlight Aviation Services ("PrimeFlight") for office and storage space to support aviation ground handling operations and ground service equipment maintenance for various airlines at the airport. The term shall be for one (1) year, with four (4) one-year options to renew, exercisable by the Director of Port Control.

Background/Purpose:

The Department of Port Control ("Department") is requesting authority to enter into a lease agreement with Primeflight for the use of Building No. 208 at Cleveland Hopkins International Airport ("CLE"). This property consists of an approximately 9,920 square foot building and parking support space, which is not needed for public use. The building is located at 5851 Cargo Road, Cleveland, Ohio 44135. The Premises will be used for office, storage and workshop space to support aviation ground handling operations and ground service equipment maintenance for various airlines at CLE.

The Department and Primeflight, desire to enter into a lease for the Premises, for a term of one (1) year with four (4) one-year options to renew, exercisable by the Director of Port Control.

Scope:

The following are the material provisions to be contained in the lease agreement:

- (A) The Director of Port Control is authorized to enter into a Lease for the use and occupancy of approximately 9,920 square feet of building and adjacent parking support space.
- (B) The Leased Premises shall be used to operate an aviation ground handling and maintenance services business.
- (C) This lease will be absolute triple net whereby the tenant agrees to pay the property expenses such as real estate taxes, building insurance, and maintenance in addition to rent and utilities. The City will not have liability for any such maintenance and upkeep of the building portion leased by the tenant.

(D) No Warranty of Condition or Suitability. The City does not make any warranty, either express or implied, as to the condition, workmanship, merchantability, or capacity of the Licensed Property.

(E) Lessee shall pay the City an annual rent determined by an independent third-party appraisal based on the fair market value of the leased premises and rental rates charged for comparable facilities. Rental rate for each of the option terms shall be adjusted based on the CPI; published by the United States Department of Labor, Bureau of Labor Statistics ("CPI"); however, never lower than the rate during the initial term.

(F) The term of the Lease shall be for a period of one (1) year with four (4) one-year options to renew, exercisable by the Director of Port Control.

Justification/Urgency:

This facility is needed by Primeflight to support the airlines at CLE with aviation ground handling and maintenance services.

Anticipated Cost:

None.

Term:

The term shall be set at one (1) year, with four (4) one-year options to renew.

Current Contracts:

N/A

Employee Demographics:

Total number of employees: 38

Number of employees that are minorities: 30

Number that are women: 23

Number that are City of Cleveland residents: 14