

Department of Port Control

Ordinance No.: 1230-2022

Finance: Lease Administration

EXECUTIVE SUMMARY

The Department of Port Control is requesting authority to lease certain space located at Building No. 208 at 5851 Cargo Road at Cleveland Hopkins International Airport to Swissport USA Inc., for office and storage space to support aviation ground handling operations and maintenance services for various airlines at the airport. The term shall be for two years, with three 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 Swissport USA Inc. (“Swissport”), 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 work shop space to support aviation ground handling operations and maintenance services for the airlines at CLE.

The Department and Swissport, desire to enter into a lease for the Premises, for a term of two (2) years with three (3) 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 with Swissport 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 by Swissport, to operate an aviation ground handling and maintenance services business.
- (C) Lessee shall pay the City for the initial term, an annual rent as 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 United States Department of Labor, Consumer Price Index: “All Urban Consumers” Cleveland and Akron; however, never lower than the rate during the initial term.
- (D) The term of the Lease shall be for a period of two (2) years with three (3) one-year options to renew, exercisable by the Director of Port Control.

Justification /Urgency:

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

Anticipated Cost:

None

Schedule or Term of Contract:

The Department is requesting a lease term of two (2) years with three (3) one-year options to renew, exercisable by the Director of Port Control.

Employee Demographics:

Total number of employees: 85

Number of employees that are minorities: 44

Number of employees that are women: 34

Number of employees that are City of Cleveland Residents: 5