

Department of Port Control

Ordinance No.: 1155-2022

Development & Lease Administration

Executive Summary

The Department of Port Control is requesting authority to enter into a new lease with Alaska Airlines, Inc. (“Alaska”) an Alaska Corporation for the lease of certain city owned space in aid of advancing air commerce and navigation in the passenger terminal building at Cleveland Hopkins International Airport (“CLE”).

Background/Purpose:

Under the authority of Section 183.16 of the Codified Ordinances of the City of Cleveland and Alaska entered into a License Agreement (“Agreement”) No.LS2022*007 for approximately 357 total square feet of office space on Concourse C, ramp level and 144 square feet of office space, located on the South end of the ticketing level in the passenger terminal building at CLE to support its check-in and processing of passengers.

The term was set for a period of one (1) year, under the authority of a License Agreement.

Alaska has requested that the Department obtain new legislative authority to enter into a lease 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:

- (A) The Director of Port Control is authorized to enter into a new lease with Alaska for the use and occupancy of approximately 357 square feet of space (“Leased Premises”) located on Concourse C, ramp level at CLE for use as support services for the airline operation.
- (B) The Director of Port Control is authorized to enter into a new lease with Alaska for the use and occupancy of approximately 144 square feet of office space (“Leased Premises”) located in the passenger terminal building at CLE for use as support for the passenger check-in process.
- (C) The Leased Premises shall be used to support Lessee’s business as an airline.
- (D) Alaska shall pay the City an annual rental rate based on the airports’ rates and charges calculation as outlined in the Master Lease and Use Agreement, which is subject to annual changes. The rent is payable in twelve (12) equal monthly installments.

Justification/Urgency:

The space is needed by Alaska for passenger check-in and processing services.

Anticipated Cost:

None.

Schedule or Term of Contract:

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

Current Contract:

Name	Contract No.	Expiration Date	Amount
Alaska Airlines, Inc.	LS 2022*007	5/31/2023	\$240,905.55

Employee Demographics - Alaska:

Total number of employees – 1

Number of employees that are minorities - 1

Number of employees that are women - 1

Number of employees that are City of Cleveland residents - 1

Employee Demographics – Business Partner, Primeflight:

Total number of employees – 19

Number of employees that are minorities - 17

Number of employees that are women - 9

Number of employees that are City of Cleveland residents - 19