

Ordinance No. 430-2023

By Council Members McCormack and Griffin (by departmental request)

AN EMERGENCY ORDINANCE

Authorizing the Director of Port Control to enter into a Lease By Way of Concession with the Cleveland National Airshow, Inc. for the use of certain portions of office space, airfield and airport facilities at Cleveland Burke Lakefront Airport to conduct an air show and related events, for a period of three years with two one-year options to renew, exercisable by the Director of Port Control.

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 a Lease By Way of Concession (“Lease”) with the Cleveland National Airshow, Inc. (the “Lessee”) for use of certain portions of airfield and airport facilities as designated by the Director of Port Control at Cleveland Burke Lakefront Airport (the “Airport”) to conduct air show and related events. In addition, the Lessee shall also lease during the term of the Lease approximately 1,523 square feet of office space in the Terminal Building at the Airport (the “office space”) necessary for the continued promoting, producing, and conducting the event. The term of the Lease shall be for a period of three years with two one-year options to renew, exercisable by the Director of Port Control.

Section 2. That Lessee shall pay a rental amount of \$22,845.00 for office space in the Terminal Building for the initial term. The rate was determined by an independent third-party appraisal dated August 28, 2022 and based on the fair market value of leased premises and rental rates charged for comparable facilities. This is a rate of \$15.00 per square foot for approximately 1,523 square feet of space. The rental rate for office space shall be adjusted annually based on the United States Department of Labor Consumer Price Index: “All Urban Consumers” Midwest; however, never lower than the rate during the initial term. In addition to the office space rent, Lessee shall pay the City an annual rental of \$29,896.00 for the Event during the term of the lease, which will included the option years exercised and increased annually on the anniversary of the effective date of the Lease by the United States Department of Labor, Consumer Price Index: “All Urban Consumers” Midwest; however, never lower than the rate during the initial term.

Section 3. That the leased premises shall be used to support Lessee’s business as a provider, promotor, and producer of the Cleveland National Air Show event.

Section 4. That the Lease authorized 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.

