

Department of Port Control

Ordinance No.: 217- 2023

Executive Summary

The Department of Port Control (“Department”) is requesting to enter into a Lease Agreement with MarKenCami, LLC, an Ohio Corporation at 1501 North Marginal Road, Cleveland, OH 44114 for the use and occupancy of certain space located in the Terminal of Burke Lakefront Airport, for a period of two years, with three one-year options to renew, exercisable by the Director of Port Control.

Background/Purpose:

By way of background, MarKenCami currently lease space from the Department under the authority of Section 183.16 of the Codified Ordinances of the City of Cleveland, for the use of approximately 797 square feet of space at Burke Lakefront Airport for activities necessary for the operation of a Podcast Studio and office space.

MarKenCami has proposed to enter into a new lease for the use of aforementioned space in the terminal building of Burke Lakefront Airport (“Leasehold Premises”) located at 1501 North Marginal Road, Cleveland, OH 44114 (“Lease”).

Scope:

The following are provisions to be contained in the Lease:

- A. **Purpose:** Lessee shall have the permission to enter upon the Property for the non-exclusive right to operate and maintain for use only by Lessee and any authorized assigns and/or Affiliate(s), for use as a Podcast Studio and office space.
- B. **Rent Fee:** The annual rent for Room Number 150 space will be 284 total square feet x \$17.00/sf (Lake View Office Rate) = **\$4,828.00** and is payable in **12** equal monthly installments of **\$402.33**.

The annual rent for Terminal Office space in Room Number 174 will be 513 total square feet x \$17.00/sf (Lake View Rate) = **\$8,721.00** and is payable in **12** equal monthly installments of **\$726.75**.

- C. The annual license fee for Terminal space G2 hold room will be 972 total square feet x \$17.00/sf (Lakeview Rate) = \$16,524.00 and is payable in 12 monthly equal monthly installments of \$1,377.00.
- D. An independent third party, fair market value appraisal dated August 28, 2022, set the annual rental rate for the leasehold area.

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

Justification/Urgency:

The License agreement is set to expire on March 18, 2023. In addition, the agreement is for the non-exclusive right to use the premises by only Lessee and any authorized assigns and/or Affiliates(s) for the continuation of the operation of a Podcast Studio and office space.

Anticipated Cost:

There is no cost to the City associated with this Lease.

Schedule or Term of Contract:

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

Current Contract:

Name	Term/Expiration	Contract No.	Amount
MarKenCami, LLC	Expiration 3-18-2023	Codified Ord. 183.16 License Agreement	\$ 13,549/annum