

## **Department of Port Control**

Ordinance No.: 1159-18

Business Development & Management

### **EXECUTIVE SUMMARY**

The Department of Port Control is requesting authority to enter into a Lease Agreement with Wargo Law, LLC, for the lease of space in the Terminal Building at Burke Lakefront Airport for operating a law firm, for the Department of Port Control, for a period of two years, with three one-year options to renew, the first of which is exercised by additional legislative authority.

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#### **Background/Purpose:**

On June 5, 2018 the Department of Port Control ("Department") entered into a License Agreement, City Contact No. LS 2018\*016, with Wargo Law under the authority of Section 183.16 of the Codified Ordinances of the City of Cleveland for the use and occupancy of approximately 491 square feet of office space located in the Terminal Building Room 182 at BKL for the purpose of operating a law firm ("Lease"). The term is currently not to exceed twelve (12) months.

Wargo Law has requested to enter into a longer term lease for the aforementioned space; two years with three (1) one-year options to renew, the first of which requires additional legislative authority.

#### **Scope:**

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

- (A) The leasehold premises shall be approximately 491 square feet of space located in the Terminal Building, Room 182 at BKL.
- (B) The leased premises will be used for the purpose of operating a law firm.
- (C) The current annual rental rate of \$8,592.50, shall be payable in monthly installments of \$716.00, based on a 2018 Fair Market Valuation appraised rental rate of \$17.50/square foot.

#### **Justification /Urgency:**

The Lease of the space is necessary to maintain the operation of a law firm.

#### **Anticipated Cost:**

None

**Schedule or Term of Contract:**

The Department is requesting a term of two (2) years with three (3) one year options for renewal, the first option subject to additional legislative approval.

**Current Contract:**

<b>Name</b>	<b>Expiration</b>	<b>Contract No.</b>	<b>Amount</b>
Wargo Law, LLC	6/4/2019	LS 2018*016	\$8,347.00/ annum

Total number of employees – 1

Number of employees that are minorities – 0

Number that are women – 1

Number that are City of Cleveland Residents - 0