

Department of Port Control

Ordinance No.: 249-2019

Business Development & Management

EXECUTIVE SUMMARY

The Department of Port Control is requesting authority to exercise the first option to renew Contract No. CT 3001 NF 2017-063 with Circadian Knight Corp. dba Top Gun to lease office space at Burke Lakefront Airport for operation of a flight school and related services.

Background/Purpose:

The Department of Port Control, under the authority of Ordinance No. 1303-16 passed on January 30, 2017, entered into a lease, Contract No. CT 3001 NF 2017*063 with Circadian Knight Corp. d/b/a Top Gun ("Top Gun") for the use and occupancy of approximately 205 square feet of space located in Room 162 of the passenger terminal building at Burke Lakefront Airport, for activities necessary for the training and instruction of student pilots ("Lease"). The Lease term was set at an initial term of two (2) years with three (3) one (1) year options to renew.

The Department requests approval to exercise the first option term which requires additional legislative authority.

Scope:

The following are the material provisions in the Lease:

- (A) The Director of Port Control is authorized to enter into a Lease for the use and occupancy of approximately 205 square feet of office space, located on the first floor of the passenger terminal building at Burke Lakefront Airport ("Leased Premises").
- (B) The Leased Premises shall be used for the purpose of operating a training and instructional flight school for student pilots.
- (C) Lessee shall pay the City an annual rental rate of \$3,280.00, payable in monthly installments of \$273.00, based on a per-square-foot rate of \$16.00, which was determined to be fair market based on an independent, third-party appraisal established on July 11, 2018. All other terms of the Lease shall remain the same.

Justification/Urgency:

The initial term is set to expire on May 8, 2019 and the approval of the option term is necessary for Top Gun to continue to provide activities necessary for the training and instruction of student pilots.

Anticipated Cost: None

Current Contract:

Name	Term/Expiration	Contract No.	Amount \$
Circadian Knight, Corp. d/b/a Top Gun.	2 years w/three (3) one year options to renew; Initial Term expires 5-8-2019	NF 2017*063	\$3,075/yr.

Total number of employees – 1

Number of employees that are minorities –0

Number that are women – 0

Number that are City of Cleveland Residents -0