

Department of Port Control

Ordinance No.: 540-2019

Business Development & Management

Executive Summary

The Department of Port Control is requesting authority to enter into a Lease Agreement with Swissport USA, Inc. for the lease of space located in the passenger terminal building at Cleveland Hopkins International Airport to support its ground handling and other airline support service operations for multiple airlines, for a period of two years, with three one-year options to renew, the first of which requires additional legislative authority.

Background/Purpose:

Swissport has requested to lease approximately 944 square feet of space, located on the ramp level beneath Concourse A of the passenger terminal building at CLE to support its ground handling and other services for multiple airline partners.

The Department is requesting a term for a period of two years with three one-year options to renew, the first of which requires additional legislative authority.

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 lease for the use and occupancy of approximately 944 square feet of space ("Leased Premises") located beneath on the ramp level of Concourse A of the passenger terminal building at CLE for use as support space by Swissport.
- (B) The Leased Premises shall be used to support Lessee's business as a provider of ground handling and other airline support services for multiple airline partners.
- (C) Swissport shall pay the City an annual rental rate of \$89,849.92 at a per square foot rate of \$95.18 as determined by the airports' 2019 rates and charges calculation, subject to annual changes based on said budget. The rent is payable in twelve (12) equal monthly installments.
- (D) The term of the lease shall be for a period of two (2) years with three (3) one-year options to renew, the first option subject to additional legislative approval.

Justification/Urgency:

The space is needed by Swissport to support its ground handling and other support services for multiple airlines.

Anticipated Cost:

None.

Schedule or Term of Contract:

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

Total number of employees – 85

Number of employees that are minorities – 44

Number of employees that are women – 34

Number of employees that are City of Cleveland residents – 5