

Department of Public Works

Richard M. Jones, P.E.
Commissioner of Public Works

Thomas M. Eeg, P.E.
Assistant Commissioner of Public Works



City Hall
730 Washington Avenue
Racine, Wisconsin 53403
262-636-9121
Fax: 262-636-9298

November 29, 2007

Alderman Ron Hart, Chairman
Public Works and Services Committee
Racine, Wisconsin

RE: 2008 Lease Agreements for Office Space

Dear Alderman Hart:

Submitted for your review and approval are lease agreements for the use of office space in City Hall, City Hall Annex and the Safety Building. These leases are with entities outside the City and City-functions that are either grant-funded or enterprise functions.

With the exception of the organizations that enjoy a rent-free lease in the lower level of the City Hall Annex, I am proposing that all leases be increased by 3.5% over the 2007 rates based upon the Consumer Price Index variances between 2006 and 2007. This percentage is based on the difference between September 2006 (199.6) and September 2007 (206.5), which is a 3.5% difference.

The attached summary lists the various lessees, space occupied and proposed rate for each of the leases being considered for renewal. The biggest change over last year is that the D.D.I.S. lease of Rooms 329, 331 and 333 and the Pre-Apprenticeship Program lease of Room 313 no longer exist and results in the elimination of approximately 3,173 square feet of office space at the City Hall Annex. I would recommend that these leases be renewed for the time period of January 1, 2008 to December 31, 2008 at the rates listed.

These leases will generate a total annual revenue of \$78,357.70 in 2008.

Sincerely,

A handwritten signature in black ink that reads "Thomas M. Eeg".

Thomas M. Eeg
Assistant Commissioner of Public Works

Attachment

cc: Richard M. Jones
Ben Hughes
Dave Brown