

Department of Public Works

City Hall
730 Washington Ave.
Racine, WI 53403
262.636.9121 - Public Works
262.636.9191 - Engineering



Mark H. Yehlen, P.E.
Commissioner of Public Works

Thomas M. Eeg, P.E.
Asst. Comm. of Public Works/Operations

John C. Rooney, P.E.
Asst. Comm. of Public Works/Engineering

November 12, 2013

Ald. Sandy Weidner
Chairwoman, Public Works
and Services Committee
Racine, Wisconsin

RE: State of Wisconsin, Dept. of Administration
5-Year Lease – City Hall Annex

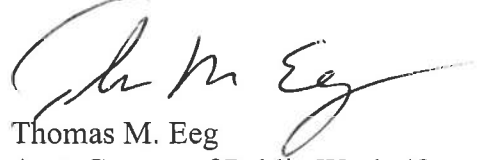
Dear Ald. Weidner:

Submitted for your review and approval is a 5-year lease agreement for the Wisconsin Department of Administration, Department of Corrections. This lease is for the period of January 1, 2013 to December 31, 2017.

This lease calls for a 2% per year increase, which is higher than our rate increase next year for other renters. Their rate is currently 12% greater than other Annex locations, so a 2% raise per year will still keep them at or above other user rates. This lease will generate \$455,118.92 in revenue for the City of Racine over the 5-year period.

We request that the lease renewal be approved and that the Mayor and City Clerk be authorized to sign the lease with the State of Wisconsin.

Sincerely,



Thomas M. Eeg
Asst. Comm. of Public Works/Operations

TME:das



**WISCONSIN DEPARTMENT OF
ADMINISTRATION**

SCOTT WALKER

GOVERNOR

MIKE HUEBSCH

SECRETARY

Division of Facilities Management

P.O. Box 7866

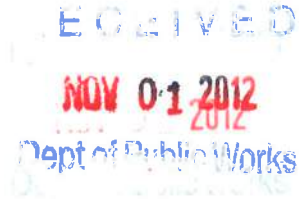
Madison, WI 53707-7866

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TTY (608) 267 9629

October 30, 2012

Tom Eeg
City of Racine
730 Washington Avenue
Asst. Commissioner-Dept of Public Works
Racine, WI 53403-1497



Dear Mr. Eeg:
Lease Number 410-425

Attached is a lease amendment in duplicate covering space in your building at 800 Center Street Racine, WI occupied by the Department of Corrections.

The lease amendment is for the period from January 1, 2013 to December 31, 2017. The initial monthly rental rate is \$7,287.91.

Please sign both copies of the amendment and return both to me for completion. Would you please ensure that your Employee Taxpayer or Social Security number is included on the signature page of the lease.

Payment of rentals for occupancy of the space prior to the execution and/or commencement of the lease cannot be guaranteed.

Proof of fire insurance and proof of public liability insurance in the amount of \$1 million each occurrence and \$1 million general aggregate must be provided. One fully executed copy of the lease will be returned to you for your records after all signatures have been affixed. If you have any questions please contact me at (608) 266-5398 or the above address.

Sincerely,

Jane Zavoral
Real Estate Transaction Manager

12-8325

LEASE AMENDMENT

This LEASE AMENDMENT is made and entered into this 30th day of October, 2012 by and between City of Racine ("Lessor"), and the STATE OF WISCONSIN, DEPARTMENT OF ADMINISTRATION ("Lessee").

WHEREAS Lessor and Lessee have entered into a lease dated December 20, 1997, together with all amending instructions subsequent thereto (collectively, the "Lease"), which Lease covers approximately 5,894 square feet of office space (the "Premises") in Lessor's building (the "Building"), together with all appurtenances and access to common areas, located at 800 Center Street in the City of Racine, Wisconsin (the "Building"), and

WHEREAS, Lessor and Lessee thereto wish to amend said Lease,

NOW, THEREFORE, IT IS AGREED THIS 30th DAY OF OCTOBER, 2012,:

Said Lease is hereby amended as follows:

NOW, THEREFORE, in consideration of the mutual covenants contained herein, Lessor and Lessee agree to amend the Lease effective on January 1, 2013 (the "Commencement Date") as follows:

1. The term of the Lease shall be extended for a term of five years, commencing on January 1, 2013 and ending on December 31, 2017. Rent payable during this extended five-year term shall be payable in accordance with the schedule below.

Rental Rate Schedule			
Begin Date	End Date	Annual Rent	Monthly Rent
January 1, 2013	December 31, 2013	\$87,454.92	\$7,287.91
January 1, 2014	December 31, 2014	\$89,204.02	\$7,433.67
January 1, 2015	December 31, 2015	\$90,988.10	\$7,582.34
January 1, 2016	December 31, 2016	\$92,807.86	\$7,733.99
January 1, 2017	December 31, 2017	\$94,664.02	\$7,888.67

2. Lessee may use conference room 130 in the building of the Premises on a sign up basis at no cost.

All other provisions of the Lease, except as otherwise expressly provided herein, shall continue to be binding upon the parties thereto and shall inure to the benefit of said parties, their respective heirs, personal representatives, successors and assigns.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names as of the date first above written.

LESSOR:
City of Racine

In presence of:

By: _____

Dated: _____

Social Security or Taxpayer Number:

LESSEE:
State of Wisconsin

By: _____

CHRIS SCHOENHERR
DEPUTY SECRETARY
DEPARTMENT OF ADMINISTRATION

Dated: _____

File No. 410-425