

Department of Public Works

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November 30, 2009

Alderman Gregory Holding
Chairman, Public Works
and Services Committee
Racine, Wisconsin

RE: 2010 Lease Agreements for Office Space

Dear Alderman Holding:

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 organizations that enjoy a rent-free or low cost lease in the City Hall Annex, I am proposing that all leases be increased by 1.2% over the 2009 rates based upon the Consumer Price Index variances between 2008 and 2009. This percentage is based on the difference the First Half 2008 (214.7) and First Half 2009 (217.3), which is a 1.2% 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 Housing and Fair Housing offices moved to City Hall in 2009 and will result in 1,130 square feet of space being available in the City Hall Annex. I would recommend that the leases be renewed for the time period of January 1, 2010 to December 31, 2010 at the rates listed.

These leases will generate a total annual revenue of \$86,559.77 in 2010.

Sincerely,

Thomas M. Eeg
Assistant Commissioner of Public Works

Attachment

cc: Richard M. Jones
Tom Friedel
Dave Brown

PROPOSED CITY HALL & CITY HALL ANNEX LEASE CONTRACTS
Jan-10

| LESSEE | BUILDING | ROOMS | SQ. FT. | BASE RATE | SUR-CHARGE | TOTAL RENTAL RATE | LEASE PERIOD | TOTAL INCOME |
|--|-------------|---------------------------|---------|-----------|------------|-------------------|-------------------|---------------------|
| RACINE ARTS COUNCIL | Annex | 15 | 640 | N/C | | N/C | JAN-10 DEC-10 | 0.00 |
| RACINE SYMPHONY | Annex | 120 | 478 | 3.96 | | 3.96 | JAN-10 DEC-10 | 1,892.88 |
| CHORAL ARTS SOCIETY | Annex | 122 | 500 | 3.96 | | 3.96 | JAN-10 DEC-10 | 1,980.00 |
| WATER & WASTEWATER | Annex | 223/227 229/231 226 | 3,958 | 12.58 | | 12.58 | JAN-10 DEC-10 | 49,791.64 |
| | | 497 (storage) | | 1.16 | | | Lump Sum TOTAL | 576.52 50,368.16 |
| TOYS FOR TOTS | Annex | | 11,000 | N/C | | N/C | JAN-10 DEC-10 | 0.00 |
| BOXING CLUB | Annex | 14 | 3,444 | N/C | | N/C | JAN-10 DEC-10 | 0.00 |
| VACANT (FORMER HOUSING / FAIR HOUSING) | Annex | 114/116 | 1,130 | 0.00 | | 0.00 | JAN-10 DEC-10 | 0.00 |
| NEIGHBORHOOD WATCH | Annex | 314/316 | 864 | 3.96 | | 3.96 | JAN-10 DEC-10 | 3,421.44 |
| Subtotal City Hall Annex: | | | | | | | | 57,662.48 |
| W.I.C. | City Hall | 4 | 845 | 5.69 | | 5.69 | JAN-10 DEC-10 | 4,808.05 |
| HOUSING & FAIR HOUSING | City Hall | 102 | 1,008 | 13.98 | | 13.98 | JAN-10 DEC-10 | 14,091.84 |
| BUS | City Hall | 303 | 150 | 13.98 | | 13.98 | JAN-10 DEC-10 | 2,097.00 |
| PARKING SYSTEM | City Hall | 303 | 500 | 13.98 | | 13.98 | JAN-10 DEC-10 | 6,990.00 |
| Subtotal City Hall | | | | | | | | 27,986.89 |
| POLICE DEPT CREDIT UNION | Safety Bldg | 240 | 160 | 5.69 | | 5.69 | JAN-09 DEC-09 | 910.40 |
| 9,722 | | | | | | | | |
| Subtotal Safety Bldg: | | | | | | | | 910.40 |
| TOTAL ANNUAL RENTAL AMOUNT: | | | | | | | | 86,559.77 |

* Yearly increase dependent upon the C.P.I.