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3 (ITEM) From the Director, Department of Transportation, and the Interim Airport
4 Director requesting authorization to enter into a new building lease agreement with Tax
5 AirFreight, Inc., for a term of three (3) years effective July 1, 2014, through June 30,
6 2017, with one (1) two-year mutual renewal option for the lease of approximately 6,750
7 square feet of office space at Milwaukee County's MKE Regional Business Park, by
8 recommending adoption of the following:
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10 **A RESOLUTION**

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12 WHEREAS, Tax AirFreight, Inc., whose headquarters is on South Howell
13 Avenue, employs over 200 people and is a locally-owned business that assists
14 companies with the coordination of overseas air shipping; and
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16 WHEREAS, Tax AirFreight, Inc., began the Flyer Logistics Solutions division as a
17 wholly-owned subsidiary to diversify its services by coordinating business-to-business
18 shipping throughout the United States; and
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20 WHEREAS, since December 1, 2012, Flyer Logistics Solutions has occupied
21 2,712 square feet of office space at 6083 South Jasper Avenue at Milwaukee County's
22 MKE Regional Business Park; and
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24 WHEREAS, Flyer Logistics Solutions originally expected to accommodate up to
25 twelve (12) employees with plans to grow the division; and
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27 WHEREAS, as a result of rapid growth and the hiring of additional employees,
28 Tax AirFreight, Inc., has selected a 6,750 square foot building located at 418 East
29 Goldleaf Avenue as suitable lease space to comfortably accommodate its existing staff
30 and have even more room for future expansion; and
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32 WHEREAS, upon lease execution, Tax AirFreight, Inc., will terminate its current
33 lease agreement for the 2,712 square feet of office space it currently occupies at 6083
34 South Jasper Avenue; and
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36 WHEREAS, this agreement commenced on December 1, 2012, and ends on
37 November 30, 2015, and has an annual rent of \$18,984, and subsequently upon lease
38 execution, net rent revenue will increase \$31,641 annually for the property located at
39 418 East Goldleaf Avenue; now, therefore,
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41 BE IT RESOLVED, that the Director of the Department of Transportation and the
42 Airport Director are hereby authorized to enter into a lease agreement with Tax
43 AirFreight, Inc., effective July 1, 2014, for the lease of approximately 6,750 square feet
44 of office space at Milwaukee County's MKE Regional Business Park under standard
45 terms and conditions for County-owned land and building space inclusive of the
46 following:

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1. The term of the triple net lease agreement shall be for three (3) years effective July 1, 2014, and ending June 30, 2017, with one (1) two-year mutual renewal option.
2. Any furniture, office equipment, or any other material identified will be inventoried in the building and made available to Tax AirFreight, Inc., at no charge and to be returned at the conclusion of the lease.
3. Rental for the approximately 6,750 square feet of space in the building will be established at \$7.50 per square foot for an approximate total of \$50,625 for the first year of the lease. This rental rate was developed by comparison of appraisal information for similar office space at Milwaukee County's MKE Regional Business Park, and an option to extend the lease term for an additional two (2) years shall be at the fair market value lease rate to be reappraised for the option period.
4. Upon lease execution, Tax AirFreight, Inc., will terminate its current lease agreement for the 2,712 square feet of office space it currently occupies at 6083 South Jasper Avenue. This agreement commenced on December 1, 2012, and ends on November 30, 2015, and has an annual rent of \$18,984. Subsequently upon lease execution, net rent revenue will increase \$31,641 annually for the property located at 418 East Goldleaf Avenue.
5. The lease agreement shall contain the current standard insurance and environmental language for similar agreements. Under these terms of this triple net lease agreement, Tax AirFreight, Inc., will be responsible for the cost of insurance, utilities, and common area maintenance charges.