

**COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION**

DATE: May 16, 2011

TO: Lee Holloway, Chairman County Board of Supervisors
Michael Mayo, Sr., Chairman, Transportation, Public Works and Transit committee

FROM: Jack Takerian, Director, Transportation and Public Works

SUBJECT: **BUILDING LEASE AGREEMENT BETWEEN MILWAUKEE COUNTY AND THE
FEDERAL AVIATION ADMINISTRATION (FAA)**

POLICY

County Board approval is required for Milwaukee County to enter into a building lease agreement with the Federal Aviation Administration for a warehouse building at the former 440th Air Reserve Station (ARS) at General Mitchell International Airport (GMIA).

BACKGROUND

The FAA currently occupies space in the area of the airline fuel operation located on the airfield (near Concourse "C"). The building that they currently occupy is no longer usable due to size and location and they wish to relocate from airside to landside to a structure, identified as building 129 at the former 440th ARS. No leased rental is assessed for this building. This building is used for storage of navigational equipment and spare electrical parts. FAA grant assurances provide that the airport shall not charge rent for FAA buildings used for air traffic control use.

Once vacated, the building that they currently occupy will be turned over to GMIA to utilize for airport storage purposes.

RECOMMENDATION

Airport staff recommends that Milwaukee County enter into a no cost lease agreement with the FAA, effective July 1, 2011, for the lease of 1,690 square feet of warehouse (building 129) space at the former 440th Air Force Reserve Base, under standard terms and conditions for County-owned land and building space, inclusive of the following:

1. The term of the triple net lease agreement shall be for five (5) years, effective July 1, 2011, and ending June 30, 2016, with one (1) two-year mutual renewal option.
2. Any furniture, office equipment, or any other material identified will be inventoried in the office building and made available to the FAA at no charge, to be returned at the conclusion of the lease.
3. Rental for the approximately 1,690 square foot building will be at no cost.
4. The lease agreement shall contain the current standard insurance and environmental language for similar agreements. Under these terms of this triple net lease agreement the FAA will be responsible for the cost of insurance, utilities and grounds maintenance charges for the leased

premises.

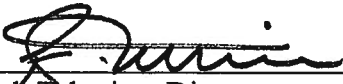
5. The building will be used by the FAA for the storage of navigational equipment and spare electrical parts.

FISCAL NOTE

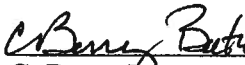
There will be no rental revenue for the duration of this agreement consistent with FAA grant assurances.

Prepared by: Ted J. Torcivia, Airport Business Manager

Approved by:



Jack Takerian, Director
Transportation and Public Works



C. Barry Bateman
Airport Director