COUNTY OF MILWAUKEE INTEROFFICE COMMUNICATION

DATE: August 13, 2014

14-659

- **TO**: Supervisor Marina Dimitrijevic, Chairwoman, County Board of Supervisors Supervisor Michael Mayo, Sr., Chairman, Transportation, Public Works and Transit Committee
- **FROM**: Brian Dranzik, Director, Department of Transportation
- SUBJECT: NEW LEASE AGREEMENT WITH LAMAR OUTDOOR ADVERTISING OF MILWAUKEE FOR USE OF COUNTY-OWNED LAND FOR AN OUTDOOR ADVERTISING SIGN AT GENERAL MITCHELL INTERNATIONAL AIRPORT

POLICY

County Board approval is required to enter into a lease agreement for use of Countyowned land for the purpose of placing an outdoor advertising sign at General Mitchell International Airport.

BACKGROUND

On December 30, 1998, Milwaukee County purchased property located at 5673 S. 6th Street, formerly owned by the late Kenneth Zeck, d/b/a Lake Auto Parts and Salvage Company, Inc. At the time of the acquisition an outdoor advertising sign was located on the property (*see attached exhibit*). In accordance with a lease agreement between advertising company and Kenneth Zeck dated October 1, 1992, the lease agreement stipulated that the lease would be terminated if notice were given to the advertising company that the property had been sold to Milwaukee County and the sign would be removed within 180 days. Subsequent to the sale of the property, the advertising company requested to extend the lease agreement to maintain the sign on the property. On May 20, 1999 the County Board approved extending the lease agreement on a month-to-month basis until bids for an advertising sign on the land could be taken and an agreement awarded.

Bids were solicited under Official Notices in 1999, 2004, 2009, and five (5) year lease agreements were awarded to the highest bidder. The current lease agreement expires on November 30, 2014.

Milwaukee County solicited bids under Official Notice No. 6939 for the use of County Owned Land at General Mitchell International Airport for the placement of an outdoor advertising display for a period of five (5) years, effective December 1, 2014. One bid was received under Official Notice No. 6939 by the required due date of August 6, 2014 from LAMAR Advertising.

RECOMMENDATIONS

Airport staff recommends that Milwaukee County enter into a five (5) year agreement with LAMAR Outdoor Advertising for the lease of County-owned land for the purpose of placing an outdoor advertising sign at General Mitchell International Airport, under Supervisor Marina Dimitrijevic, Chairwoman, County Board of Supervisors Supervisor Michael Mayo, Sr., Chairman, Transportation, Public Works and Transit Committee August 13, 2014 Page 2

standard conditions for similar permitted land uses, inclusive of the following:

- 1. The term shall be for a period of five (5) years, commencing on December 1, 2014 and ending on November 30, 2019, subject to early termination by either party with one (1) year's notice.
- 2. LAMAR Advertising will pay an annual rental of \$9,000 per year for lease of the land.
- 3. LAMAR Advertising shall abide by the adopted County advertising restrictions and prohibitions.
- 4. LAMAR Advertising shall comply with all applicable ordinances of the County of Milwaukee and the rules and regulations governing the operation of the Airport.

FISCAL NOTE

Airport land lease revenue from this lease agreement will be \$9,000 for the lease agreement year December 2014 through November 2015 and for each of the four subsequent contract years, for a total of \$45,000 over the five year period.

Prepared by: Kathy Nelson, Airport Properties Manager

Approved by:

Brian Dranzik, Director, Department of Transportation Terry Blue Interim Airport Director

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