



Milwaukee County

Legislation Text

File #: 11-230, Version: 1

From the Director, Department of Transportation and Public Works, and the Airport Director, requesting authorization to amend Airport Agreement HP-1289 (File 02-231) between Milwaukee County and Johnson Controls, Inc., under the standard terms and conditions, for the construction of additional parking spaces at General Mitchell International Airport (GMIA).

POLICY

County Board authorization is required to amend long-term land lease agreements at General Mitchell International Airport (GMIA).

BACKGROUND

Johnson Controls, Inc. (JCI) constructed an aircraft hangar on airport property located on Citation Way under the terms of Airport Agreement No. HP-1289. JCI operates a fleet of jet aircraft and needs to expand an employee parking area adjacent to its aircraft hangar.

Johnson Controls, Inc., is now requesting to enter into an amendment for the lease of vacant land at GMIA on which to construct a 58-foot-by-274.09-foot parking lot in which to expand parking area adjacent to JCI's aircraft hangar.

RECOMMENDATIONS

Airport staff recommends that Milwaukee County enter into a lease amendment with Johnson Controls, Inc., for the lease of land at GMIA, under the terms and conditions of Airport Agreement HP-1289.

1. The amendment shall be binding and take effect upon execution by all parties hereto (the "Effective Date"). The term and obligation to pay additional rent shall not commence until the Date of Substantial Beneficial Occupancy ("SBO") of the completed parking lot, which shall mean the date specifically designated in a written notice to JCI from the Airport Director that the parking lot is completed to the extent that it is usable, but no later than one (1) year after the effective date. Said notice shall be attached to and be deemed a part of the Agreement.
2. Commencing on the Date of SBO, JCI agrees to pay Milwaukee County the then-current land rental rate in effect for the land supporting and surrounding the additional 58-foot-by-274.09 parking area (currently .3133 cents per square foot).
3. The rental rates for the land and associated ramp area shall be adjusted by Milwaukee County each July 1, based on the percentage increase or decrease in the Consumer Price Index (All Urban Consumers) for the Milwaukee area as published by the U.S. Department of Labor, Bureau of Labor Statistics, or the

generally accepted national replacement or successor index, as readjusted to the base month and computed by comparison of the then-current January index with the index of the preceding January.

4. Parking lot construction by JCI shall be subject to approval by the Airport engineers, and comply with City of Milwaukee storm water runoff requirements.

FISCAL NOTE

GMIA land rental revenue will increase by approximately \$4,980.60 annually with the construction of the Johnson Controls, Inc., employee parking area.

Prepared by: Steven Wright, A.A.E., Airport Properties Manager

Approved by:

Jack Takerian, Director of
Transportation and Public Works

C. Barry Bateman
Airport Director

H:\Private\Clerk Typist\Aa01\TPW&T 11\May 2011\REPORT - JCI Parking.doc