

LRB – FISCAL REVIEW SECTION ANALYSIS

FEBRUARY 14, 2001 AGENDA

ITEM 24, FILE 001466

PUBLIC IMPROVEMENTS COMMITTEE

DAVID SCHROEDER

Resolution approving Extension of Lease Agreement dated 30 October 1990 with ST Services, Inc. for the "Second Option Period," of five years, under existing lease terms, rates, and conditions.

BACKGROUND

1. ST Services is in the business of operating petroleum tank farms. This facility has been on Jones Island for many years and is one of two petroleum facilities at the Port of Milwaukee.
2. ST Services handles gasoline, lubricating oils, heating oils and other bulk liquids. It is the kind of small business that is the backbone of the Port and Milwaukee's local economy. ST has been a good and responsive tenant for the Port.

DISCUSSION

1. This resolution would approve the Extension of Lease Agreement with ST Services, Inc. for a "Second Option Period," of five years, for the real property located on the South Harbor Tract of the Port of Milwaukee.
2. The term of the extension is August 17, 2000 through August 16, 2005.

FISCAL IMPACT

1. The lease will produce an income of \$87,945 per year or \$439,725 over 5 years.

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