

June 19, 2017

Dear Public Works Committee Members:

At the June 8, 2017 meeting of the Board of Harbor Commissioners, the Board voted unanimously (one member excused) to approve and recommend passage of the Discovery World – Harbor House sub-lease agreement. This new lease will replace the existing lease which expires on January 31, 2018.

Board members and staff have spent considerable time and effort working on the new lease to make certain it serves the needs of the City and is in the public interest. The new lease significantly increases the City's revenue and strengthens public access to the waterfront, both of which have been key objectives of the Harbor Commission. Port staff researched comparable agreements from Milwaukee County and Port of Cleveland to aid in our negotiations and final agreement. Likewise, Private Class A restaurant information not available publicly was also gathered and considered. As a result, we are confident the proposed agreement meets the public and private sector value expected from such a premier restaurant location.

The new agreement is both fair and beneficial to the City and the tenant. It will ensure a successful operation into the new term and will help drive future growth in revenues to be shared with the City. As a result, we strongly recommend that the Common Council Public Works Committee pass this new agreement.

We thank you for your time and consideration of this matter before you.

Sincerely,



Timothy K. Hoelter, President



Ron SanFelippo, Vice President