Request for City Council Committee Action
From the Department of Finance

Date: November 14, 2011

To: Honorable Betsy Hodges, Chair Ways & Means Committee

Subject: Lease Renewal at 2710 Pacific Street N for Barge Mooring

Recommendation:

That the proper City officers be authorized to negotiate and execute a new two year lease with Aggregate Industries, Inc. for barge mooring along 325 linear feet of shoreline on City-owned property at 2710 Pacific Street North.
The annual rent will be deposited into Fund 06200 Department 8201340.

Previous Directives:

- December 29, 2003- Authorized a five year lease with a two year extension at 2710 Pacific St. N

Prepared by: Greg Goeke, Director, Property Services; 673-2706

Approved by:

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Kevin Carpenter, Chief Financial Officer, Finance Dept.

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Steven Bosacker, City Coordinator

Presenters: Greg Goeke, Director, Property Services

Reviews

Permanent Review Committee (PRC):	Approval _NA	Date _____
Civil Rights Approval	Approval _NA	Date
Policy Review Group (PRG):	Approval _NA	Date _____

Financial Impact

None

Community Impact

Neighborhood Notification:
City Goals:
Comprehensive Plan:
Zoning Code:

Background/Supporting Information

The City owned property at 2710 Pacific Street N is primarily devoted to the Public Works Solid Waste and Recycling operations. Since 1989, the City has leased part of the property's shoreline to Aggregate Industries, Inc. for barge traffic purposes. The existing lease expires December 31, 2011.

The company would like to extend for another two years, with consideration given to a longer extension.

CPED staff has recommended that the City limit the lease to a two year term, as this site is part of the Upper River Harbor Redevelopment Plan and CPED does not want to restrict the use of the land beyond two years.

CPED's Appraiser, Lee Peterson, has confirmed that $7,000 per year represents Fair Market Value.

Recommendation:

City staff recommends the City enter into a two year lease for the referenced property.

Cc: Mike Christensen, CPED Director
Jason Wittenberg, Acting Planning Director, CPED
Kristen Guild, Manager, Business Development, CPED