

CITY OF LA CROSSE COUNCIL LEGISLATION

File #

2009-04-026

CAPTION:

Amended

Resolution approving lease with Doug Arneson for old voting booth property at Rose and Island Streets.

REFERRAL ROUTE:

Intro. 03/12/09
BPW
CPC
HPU

ACTIONS AND DATES: (for Clerk's Office use only)

REPORT AND
RESOLUTION ADOPTED
APR 09 2009
BY COUNCIL

DRAFTED BY:

REQUESTED BY:

INTRODUCED BY:

Mayor Mark Johnsrud

File # 2009-04-026

COMMITTEE REPORT

To the Honorable Mayor and Common Council of the City of La Crosse:

Your Highways, Properties and Utilities Committee having under consideration the annexed resolution approving lease with Doug Arneson for old voting booth property at Rose and Island Streets, and said matter having been referred to the Board of Public Works and the City Plan Commission and same having made and filed their reports thereon, recommends the same be adopted as amended.

Respectfully submitted,

Jai Johnson, Chmn.
Jim Bloedorn
Lorraine Rose Decker
Bill Harnden
Bernard Maney

REPORT AND
RESOLUTION ADOPTED
APR 09 2009
BY COUNCIL

APR 22 2009

WD
Atty
filed
DH

AMENDED RESOLUTION

WHEREAS, the current lease pertaining to the property located at the intersection of Rose and Island Street with the Douglas Arneson expires June 1, 2009.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of La Crosse that the attached three-year lease dated April 2, 2009 with Douglas Arneson is hereby approved.

BE IT FURTHER RESOLVED that on December 31, 2011 a Request for Proposals be sent out regarding said property to see if any other party is interested in leasing said property.

BE IT FURTHER RESOLVED that the Mayor and City Clerk are hereby authorized to execute same.

Typed: 4-2-09

Approved:

HPU Vote: Unanimous

LEASE AGREEMENT

This Lease Agreement dated this 9th day of April, 2009, by and between Douglas A. Arneson, 722 Cliffwood Lane, La Crosse, Wisconsin, hereinafter referred to as "Lessee" and the City of La Crosse, a municipal corporation, La Crosse County, Wisconsin, hereinafter referred to as "Lessor."

WITNESSETH:

The Lessor and Lessee for the consideration herein agree as follows:

1. That the Lessor does hereby lease and demise unto the Lessee a certain parcel of land including building located at the intersection of Rose and Island Streets, known as Lot 9 in Block 3 of Southeastern Addition to the Village of North La Crosse, now City of La Crosse, consisting of approximately 4,200 square feet more fully depicted on the attached map as Exhibit "A."

2. Except as otherwise provided for herein, the Lessee shall lease said premises for a term of three (3) years, commencing June 1, 2009, and terminating June 1, 2012.

3. The Lessee shall pay the Lessor as rental for said premises to be paid annually, in advance, the sum of \$400.00, with the first payment to be made on upon execution of this lease, and the on the first day of each June thereafter until termination. On the anniversary date of each contract year, commencing June 1, 2009, the rent described herein shall be adjusted in accordance with the Consumer Price Index (CPI) – National Index for All Urban Consumers for the previous calendar year. Said adjustments shall be computed as follows:

$$\begin{aligned} &\text{Most recent year's rate X} \\ &\quad \frac{\text{CPI Index for April of most recent year}}{\text{CPI Index for April of next most recent year}} \\ &\quad = \text{New Rate} \end{aligned}$$

4. The Lessor is leasing the above-described premises to the Lessee for the purpose of storage of personal property and for no other purpose without the express written consent of Lessor.

5. The Lessee specifically agrees that he shall not structurally alter the building on the premises known as the old voting building and maintain and preserve the same as a historical building. No remodeling or other alterations shall be made to the building without the express written consent of the Lessor.

6. The Lessee agrees to maintain the leased property in good and safe condition at his sole cost and expense.

7. It is further agreed that should public necessity or convenience necessitate termination of this lease by Lessor, Lessor may terminate the same upon sixty (60) days prior notice and Lessee agrees to vacate the premises upon such notice.


8. This Lease shall not be extended or renewed without the express written consent of Lessor.

9. Lessee agrees to provide bodily injury insurance with an aggregate of at least \$500,000 per person and property damage insurance in an amount of at least \$100,000 naming the City of La Crosse, Wisconsin, as additional insured. Lessee further agrees to indemnify and hold harmless the City of La Crosse, its agents, officers and employees from any and all claims, damages or loss that may arise from the use of the leased premises by Lessee.

IN WITNESS WHEREOF the parties have hereto caused this instrument to be executed the day and year first written above.

WITNESS

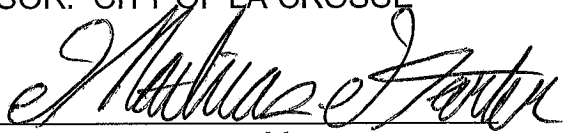
LESSEE:



Douglas A. Arneson

WITNESS

LESSOR: CITY OF LA CROSSE

BY: 

, Mayor

BY: 

Teri Lehrke, City Clerk

NW 1/4 - SW 1/4 - 29-16-7

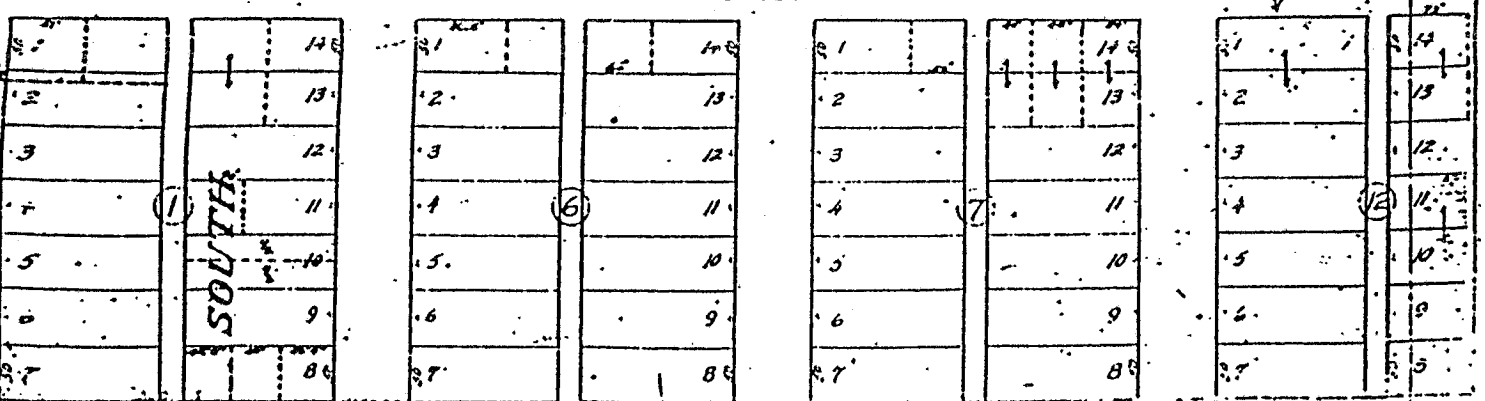
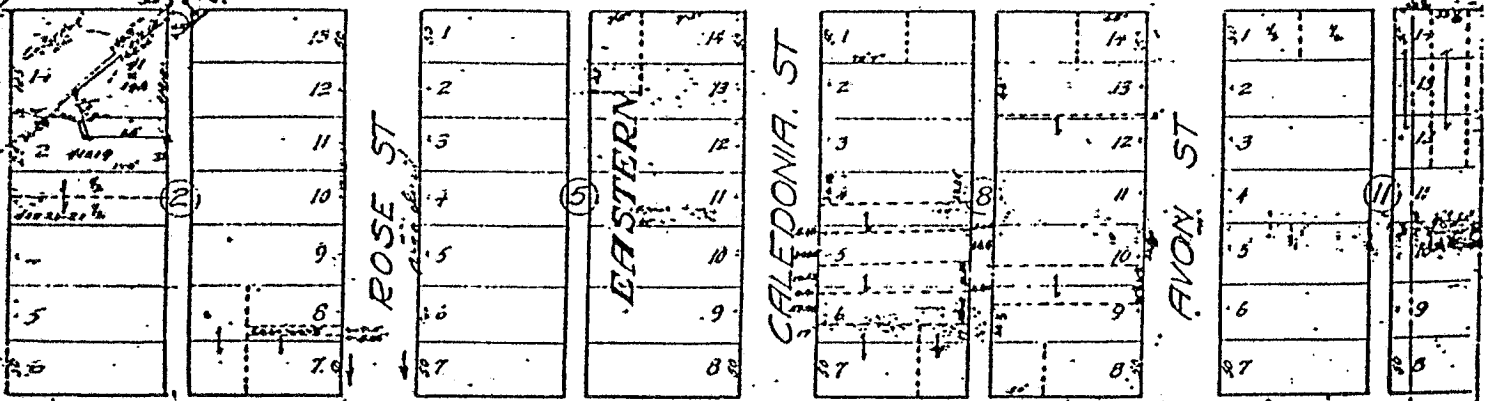
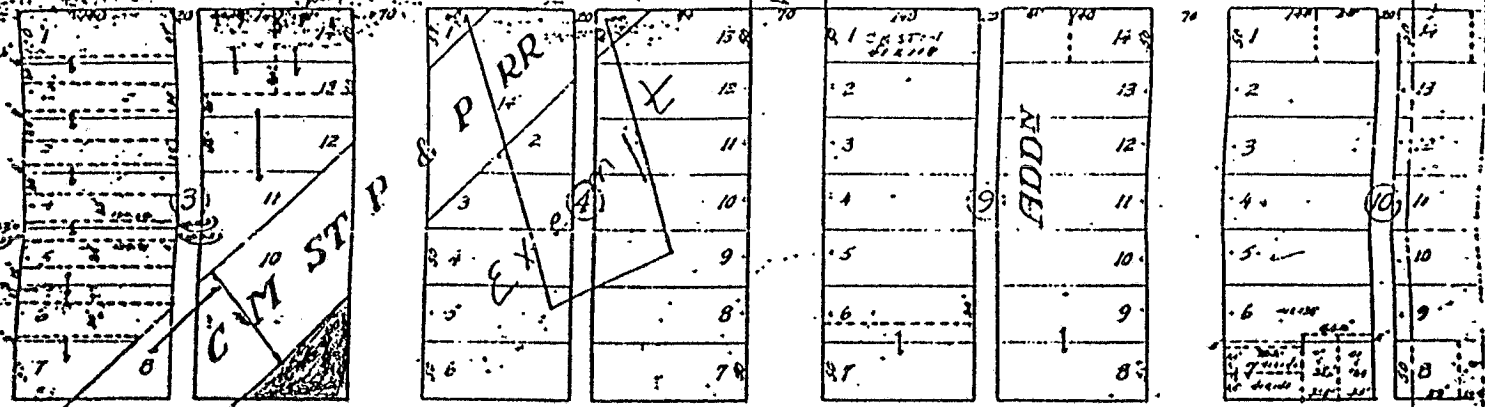
42

ST ANDREW ST

ISLAND ST

GOULD ST

CAR ST



Southeastern Adm

29-12



Germantown Mutual Insurance Company
 W209 N11845 Insurance Place - P O. Box 1020
 Germantown, Wisconsin 53022-8220 - Phone (262)251-6660

**Renewal Business Owners Declarations
 Apartment**

Policy Number: 1019241

Policy Period: 05/12/2008 - 05/12/2009
 12:01 A.M. standard time at
 your mailing address shown
 in the declarations

Named Insured and Address:

DOUG AND MARG ARNESON

 722 CLIFFWOOD LANE
 LA CROSSE, WI 54601

Agency Name and Number:

00030
 FLEIS INSURANCE AGENCY, INC.
 1824 E. MAIN STREET
 P O BOX 537
 ONALASKA, WI 54650
 (608)783-5206

APR 17 2008

IN RETURN FOR THE PAYMENT OF PREMIUM, AND SUBJECT TO ALL THE TERMS OF THE COVERAGE PARTS/POLICIES ATTACHED, WE AGREE TO PROVIDE YOU WITH THE INSURANCE DESCRIBED THEREIN.

Business Type: Individual
Coverage Form: Special Form

Policy Coverage	Limit	Deductible	Premium
Prem/Oper Liability:	\$ 1,000,000		\$ 563.00
General Aggregate:	\$ 2,000,000		Included
Medical Payments:	\$ 1,000		Included
Business Income and Extended Business			Included
Damage to Premise Rented to You:	\$ 100,000		Included
Forgery Or Alteration:	\$ 2,500	Included	Included
Personal Advertising Injury:	\$ 1,000,000		Included
Products Aggregate:	\$ 1,000,000		Included
Optional Coverages/Endorsements:			
BOP-3 04 03 Multiple Locations			Included
BP0003 07 02 Businessowners Coverage			Included
BP0127 01 06 Wisconsin Changes			Included
BP0417 07 02 Employment - Related			Included
BP0439 07 02 Abuse or Molestation			Included
BP0458 07 02 Business Income/Extra			Included
BP0514 01 03 War Liability Exclusion			Included
BP0515 01 06 Disclosure Pursuant to			Included
BP0534 11 02 Lmt. Excl.			Included
BP0538 12 02 Lmtd. Terrorism			Included
BP0564 01 07 Condl Excl Terrorism			Included
BP0576 11 02 Limited Fungi or Bacteria			Included
BP0577 11 02 Fungi or Bacteria Exclusion			Included
BP1005 07 02 Exclusion Y2K Computer &			Included
BP1006 07 02 Exclusion Y2K/Products			Included
GM-30 04 86 Punitive or Exemplary			Included
GM-38 06 95 Lead Liability Exclusion			Included
GM58 01 07 Policy Holder Notice			Included
GM-54 01 06 Equipment Breakdown			Included
BP0412 07 02 Limit of Coverage			Included

1019241

Premise 10/ Building 1

Class: 65132

Description: SHOP - PRIVATE USE

Territory: Remainder of State

Sprinklered: No

BCEG Grade: Not Applicable

Year Built: 1985

Building Description: SHOP - PRIVATE USE

Address:

1513 CALEDONIA
LA CROSSE, WI 54601

Construction: Joisted Masonry

Protective Device: None

BCEG Type: Not Applicable

Occupancy: Single

Protection Class: 02

Valuation: Replacement

Inflation: 4%

Opt Cov/Glass Deduct: 500

Premise/Bldg Coverage	Limit	Deductible	Premium
Building:	\$ 66,100	\$ 500	\$ 221.00
Business Personal Property:	\$ 21,000	\$ 500	\$ 71.00
Money & Securities:	\$ 2,500 OnPrem/1,000 OffPrem		Included
Optional Coverages/Endorsements:			
BP0446 11 02 Ordinance or Law			\$ 39.00

IRPM: 0.98

Total Building Premium: \$ 331.00

Premise 11/ Building 1

Class: 65141

Description: LIABILITY ONLY

Territory: Remainder of State

Sprinklered: No

BCEG Grade:

Year Built: 0

Building Description: LIABILITY ONLY

Address:

437 ROSE STREET
LA CROSSE, WI 54603

Construction: Joisted Masonry

Protective Device: None

BCEG Type:

Occupancy: Single

Protection Class: 02

Valuation:

Inflation:

Opt Cov/Glass Deduct:

Premise/Bldg Coverage	Limit	Deductible	Premium
LIABILITY ONLY:			Included
437 ROSE STREET, LA CROSSE, WI 54603			
BP0402 07 02 - A1 - Managers or Lessors of			\$ 40.00

IRPM: 0.98

Total Building Premium: \$ 40.00

Total Premium: \$ 4,737.00

THIS REPLACES ALL PREVIOUSLY ISSUED POLICY DECLARATIONS, IF ANY. THIS POLICY APPLIES ONLY TO ACCIDENTS, OCCURRENCES, OR LOSSES WHICH HAPPEN DURING THE POLICY PERIOD SHOWN ABOVE.

#68

COMMON COUNCIL
CITY OF LA CROSSE

REPORT OF THE COMMITTEE OF THE WHOLE

The Committee of the Whole considered the attached matter and makes the following recommendation to the Common Council:

SUBJECT: Doug Arneson - old voting booth property lease

MOTION: 9/17 CR to A a Amd vv 16-0

MOTION:

MOTION:

	Absent	For	Against
1. Richmond			
2.			
3. Italiano			
4. Johnson			
5. Gamroth			
6. Harnden			
7. Bloedorn			
8. Lenard			
9. Becker			
10. Farmer			
11. Kader			
12. Ranis			
13. Maney			
14. Sweeney			
15. Decker			
16. Wigdahl			
17. Swantz			
TOTAL			

DATA ON PUBLIC HEARINGS

The following persons appeared in favor:

NAME

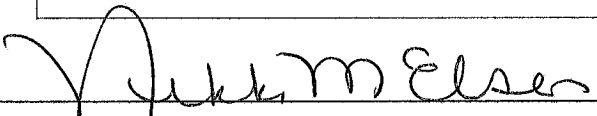
ADDRESS

The following persons appeared against:

NAME

ADDRESS

Dated: 4/6/09

Signed: 

Please put the legislation number from referred matters list beside the appropriate committee(s).

J&A _____

HPU #68 _____

F&P _____

GOLD

COMMITTEE HEARING REGISTRATION SLIP

Name: GARY AMESON Date: 4-06-09
PLEASE PRINT

Address: 425 Rose St.

I represent: Arneson Mini Storage

Legislation: Voting Booth

(Please fill out a separate sheet for each piece of legislation in which you are interested.)

Please check only one (1) of the following six (6):

- I wish to **speak** in favor of the legislation.
- I wish to **speak** in opposition of the legislation

- I wish to **register** in favor of the legislation
- I wish to **register** in opposition of the legislation

- I'm in favor of the legislation, but only here to answer questions
- I'm in opposition of the legislation, but only here to answer questions

COMMON COUNCIL CITY OF LA CROSSE

The following Committee(s) considered the attached matter and make(s) the following recommendation to the Common Council:

Subject: Resolution approving lease with Doug Arneson for old voting booth property at
Rose and Island Streets.

JUDICIARY & ADMINISTRATION COMMITTEE

(A) NA R AF RF NR

VOTE:	<u>ABSENT</u>	<u>FOR</u>	<u>AGAINST</u>
BECKER	_____	_____	_____
GAMROTH	_____	_____	_____
ITALIANO	_____	_____	_____
LENARD	_____	_____	_____
RANIS	_____	_____	_____
SWEENEY	_____	_____	_____
Total	=====	=====	=====

MOTION: 2nd

MOTION: 2nd

MOTION: 2nd

Date _____ Signed _____

HIGHWAYS, PROPERTIES & UTILITIES COMMITTEE

(A) NA R AF RF NR

(CPC rec.)

VOTE:	<u>ABSENT</u>	<u>FOR</u>	<u>AGAINST</u>
BLOEDORN	_____	X	_____
DECKER	_____	X	_____
HARDEN	_____	X	_____
JOHNSON	_____	X	_____
MANEY	X	_____	_____
Total	=====	=====	=====

MOTION: *Harden* 2nd *Bloedorn*

MOTION: 2nd

MOTION: 2nd

Date APR 01 2009 Signed *L. Decker*

FINANCE & PERSONNEL COMMITTEE

A NA R AF RF NR

VOTE:	<u>ABSENT</u>	<u>FOR</u>	<u>AGAINST</u>
FARMER	_____	_____	_____
KADER	_____	_____	_____
RICHMOND	_____	_____	_____
SWANTZ	_____	_____	_____
WIGDAHL	_____	_____	_____
Total	=====	=====	=====

MOTION: 2nd

MOTION: 2nd

MOTION: 2nd

Date _____ Signed _____



BOARD OF PUBLIC WORKS

CITY OF LA CROSSE

400 LA CROSSE ST
LA CROSSE, WI 54601
PHONE (608) 789-7599
FAX (608) 789-8322

MARK JOHNSRUD, Mayor
RICHARD SWANTZ, Council Member
DALE J HEXOM, Dir. of Public Works
WAYNE DELAGRAVE, Finance Director
RANDY TURTENWALD, City Engineer
LAWRENCE KIRCH, City Planner
TERI LEHRKE, City Clerk - Secretary

March 23, 2009

Honorable Mayor and
Common Council Members

Re: Resolution approving lease with Doug Arneson for old voting booth property at Rose and Island Streets.

Ladies and Gentlemen:

The Board of Public Works considered the above matter at their meeting today, and recommended the same be adopted with the amount of the lease being amended to \$840 per year plus cost of living increase.

Sincerely,

Mark Johnsrud

President


/tll



OFFICE OF
THE CITY ASSESSOR
CITY HALL
400 LA CROSSE STREET
LA CROSSE WI 54601-3396
608-789-7525

MEMO

TO: Board of Public Works
City of La Crosse

FROM: **Mark Schlafer** 
City Assessor

RE: Rental value estimate for City building at Rose and Island Sts

DATE: March 19, 2009

Per your request, I have reviewed the proposed lease renewal for the old voting booth at Rose and Island Streets.

After reviewing current market data and the lease value estimate that I provided for this property in June of 2006, my opinion is that the most probable market rent is the same as in 2006 - **\$840.00 per year** (\$70.00 per month).

I have attached the June 2006 memo detailing my logic, as well as a follow-up email sent to Pat Houlihan in August of 2006.

As a comparison, Mr. Arneson rents out a 104 sf unit next door for about \$45.00 per month, or \$540.00 per year. Renting 3 of these units would give roughly the space of the subject. It would cost about \$135.00 per month, or \$1620 per year to rent them. It would appear that my opinion at about half of the rate charged by Mr. Arneson should adequately account for any expenses incurred by him, such as maintenance and insurance.

Schlafer, Mark

From: Schlafer, Mark
Sent: Wednesday, August 02, 2006 12:01 PM
To: Houlihan, Pat; Matty, Stephen
Subject: Arneson rent proposal

Good Morning,

I have reviewed Mr. Arneson's letter stating he would be willing to pay \$400 per year to rent the old voting booth property at Rose and Island Sts. Land only rentals at the airport are currently over \$.20 per sf. Land only rentals in the downtown range from \$.50/sf to \$.90/sf. This property has 4225 sf of land. At \$400 per year, this would be less than \$.10/sf for just the land.

As per my memo dated June 14, 2006 to you, Mr. Arneson and others in the storage rental business typically command \$4.00 to \$5.00 per sf of building for rentals. With consideration for minimal maintenance and insurance, it still seems reasonable that my estimate at \$840 per year, or \$2.47 per sf of building does not exceed this property's fair market rental.

Mark Schlafer
City Assessor - City of La Crosse
400 La Crosse St
La Crosse, WI 54601
608-789-7525ph 608-789-8123fx
schlaferm@cityoflacrosse.org



OFFICE OF
THE CITY ASSESSOR
CITY HALL
400 LA CROSSE STREET
LA CROSSE WI 54601-3396
608-789-7525

MEMO

TO: City Attorney Pat Houlihan
FROM: City Assessor Mark Schlafer
RE: Rental value estimate for City building at Rose and Island Sts
DATE: June 14, 2006

Per your request, I have reviewed the proposed lease renewal, available market information, and the 2001 opinion of lease value on this property(attached).

The current rent at \$325 per year for this property is well below market standards. Capitalizing this income would indicate a value to the property of around \$3000. The land by itself is worth at least \$2.00 per sf, even in this location, which would indicate a land only value of about \$8500. The depreciated value of the building was estimated at \$2400, giving a total value estimate of \$10,900. The typical and accepted process to estimate the most probable market rental rate for this property is to discount the value by a market capitalization rate including taxes. A reasonable overall rate is currently estimated at 11%. Therefore, $\$10,900 \times .11 = \1200 (indicated market rent per year). For the 340 sf building, this rent rate is at \$3.53 per sf or \$100 per month.

Self storage rent comparables:

Edwards – 200 sf @ \$80 per month (\$4.80/sf)
Johnson - 300 sf @ \$114 per month (\$4.56/sf)
Arneson (next door) – 104 sf @ \$45 per month (\$5.20/sf)

The subject does have 4225 sf of land included. However, the building's age and lack of overhead door access are negatives. The tenant also must maintain the property and provide insurance. My opinion is that a reasonable allowance for these factors would be 30%. Therefore, the adjusted market rent estimate for this property is:

$\$1200 \times .70 = \underline{\$840 \text{ per year}} (\underline{\$2.47 / sf} \text{ of building or } \underline{\$70 \text{ per month}})$

RESOLUTION

WHEREAS, the current lease pertaining to the property located at the intersection of Rose and Island Street with the Douglas Arneson expires June 1, 2009.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of La Crosse that the attached three-year lease with Douglas Arneson is hereby approved.

BE IT FURTHER RESOLVED that the Mayor and City Clerk are hereby authorized to execute same.

LEASE AGREEMENT

This Lease Agreement dated this ____ day of _____, 2009, by and between Douglas A. Arneson, 722 Cliffwood Lane, La Crosse, Wisconsin, hereinafter referred to as "Lessee" and the City of La Crosse, a municipal corporation, La Crosse County, Wisconsin, hereinafter referred to as "Lessor."

WITNESSETH:

The Lessor and Lessee for the consideration herein agree as follows:

1. That the Lessor does hereby lease and demise unto the Lessee a certain parcel of land including building located at the intersection of Rose and Island Streets, known as Lot 9 in Block 3 of Southeastern Addition to the Village of North La Crosse, now City of La Crosse, consisting of approximately 4,200 square feet more fully depicted on the attached map as Exhibit "A."

2. Except as otherwise provided for herein, the Lessee shall lease said premises for a term of three (3) years, commencing June 1, 2009, and terminating June 1, 2012.

3. The Lessee shall pay the Lessor as rental for said premises to be paid annually, in advance, the sum of \$400.00, with the first payment to be made on upon execution of this lease, and the on the first day of each June thereafter until termination. On the anniversary date of each contract year, commencing June 1, 2009, the rent described herein shall be adjusted in accordance with the Consumer Price Index (CPI) – National Index for All Urban Consumers for the previous calendar year. Said adjustments shall be computed as follows:

$$\begin{aligned} &\text{Most recent year's rate X} \\ &\quad \frac{\text{CPI Index for April of most recent year}}{\text{CPI Index for April of next most recent year}} \\ &\quad = \text{New Rate} \end{aligned}$$

4. The Lessor is leasing the above-described premises to the Lessee for the purpose of storage of personal property and for no other purpose without the express written consent of Lessor.

5. The Lessee specifically agrees that he shall not structurally alter the building on the premises known as the old voting building and maintain and preserve the same as a historical building. No remodeling or other alterations shall be made to the building without the express written consent of the Lessor.

6. The Lessee agrees to maintain the leased property in good and safe condition at his sole cost and expense.

7. It is further agreed that should public necessity or convenience necessitate termination of this lease by Lessor, Lessor may terminate the same upon sixty (60) days prior notice and Lessee agrees to vacate the premises upon such notice.

8. This Lease shall not be extended or renewed without the express written consent of Lessor.

9. Lessee agrees to provide bodily injury insurance with an aggregate of at least \$500,000 per person and property damage insurance in an amount of at least \$100,000 naming the City of La Crosse, Wisconsin, as additional insured. Lessee further agrees to indemnify and hold harmless the City of La Crosse, its agents, officers and employees from any and all claims, damages or loss that may arise from the use of the leased premises by Lessee.

IN WITNESS WHEREOF the parties have hereto caused this instrument to be executed the day and year first written above.

WITNESS

LESSEE:

Douglas A. Arneson

WITNESS

LESSOR: CITY OF LA CROSSE

BY: _____

Mark Johnsrud, Mayor

BY: _____

Teri Lehrke, City Clerk