

**Memorandum
Community and Economic Development**

To: Thomas Thomas, City Manager
Subject: Rock Island River Terminal
Date: July 21, 2014



Per our existing lease agreement, Rock Island River Terminal Corporation (RIRT) is seeking permission to allow improvements in excess of Twenty-Five Thousand Dollars (\$25,000) and to enter into a sublease the property. RIRT would like to enter into an agreement with Lighthouse Agri Services LLC. Lighthouse Agri Services would rehab the currently moth-balled trans-loading operation before starting operations. They would create 5-6 new employees to the site as well as potential expansion in the future.

RECOMMENDATION:

The Community and Economic Development Department recommend Council approve to allow Rock Island River Terminal Corporation sub-lease the existing moth-balled trans-load operation, authorize City Manager to execute the consent agreement.

Submitted by: Jeffery A. Eder, Assistant City Manager / CED Director

Approved by: Thomas Thomas, City Manager



ROCK ISLAND RIVER TERMINAL CORPORATION

7th AVENUE & MILL STREET, P.O. BOX 4566

ROCK ISLAND, ILLINOIS 61201

TEL. (309) 788-7683 FAX (309) 788-7197

June 10, 2014

Mr. Jeff Eder
City of Rock Island
1528 3rd Avenue
Rock Island, IL 61201

Dear Mr. Eder,

As discussed, Lighthouse Agri Services LLC would like to refurbish and operate currently moth-balled trans-loading operation including equipment and approximately one acre of Rock Island River Terminal property. This operation is intended to bring a minimum of 5-6 new employees to the site as well as potential expansion of the existing site and a possible permanent structure constructed. The operation would trans-load dried distillers grain, a byproduct of Midwest ethanol plants, from truck and rail to container for export. There is also potential for additional commodities to load through the site once established.

Per our long-term lease with the City of Rock Island, Rock Island River Terminal must secure approval for this sublease of the property as well as for any alterations, changes, additions, or expansion in an amount greater than Twenty-five Thousand Dollars (\$25,000.00)

As per the attached consent by the City of Rock Island, Rock Island River Terminal would be allowed to sublease a portion of the leased property, including the equipment and scale house on approximate one acre of the north end of the property, to Lighthouse Agri Services LLC to refurbish and make improvements to the trans-load facility for operation.

All terms and conditions as outlined in the original lease dated July 31, 1980 would remain unchanged and in full force and effect.

Thank you Jeff for your consideration.

Very truly yours,

Rock Island River Terminal

Thomas Streight
Vice President of Terminal Services

cc: Jeff Goldstein
President/Chairman, Alter Company

As per our lease with the City of Rock Island dated July 31, 1980 Paragraph 11 which states, "No alterations, changes, additions, or expansion of any building in an amount greater than Twenty-five Thousand Dollars (\$25,000.00) shall be made without the approval of The City first had obtained in writing, which approval, however, shall not be unreasonably withheld."

Therefore, as per confirmation of the subject Agreement, the City of Rock Island will permit Rock Island River Terminal to sublease the equipment and scale house on approximate one acre of the north end of the property to Lighthouse Agri Services LLC to refurbish and make improvements to the trans-load facility for operation.

All terms and conditions as outlined in the original lease dated July 31, 1980 shall apply to this Agreement and sub-lease hereunder and remain unchanged and in full force and effect.

Executed this _____ day of _____, 2014.

Rock Island River Terminal Corporation

City Of Rock Island, Illinois

By: _____

By: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____