

**AGENDA**  
**CITY OF STURGEON BAY**  
**WATERFRONT REDEVELOPMENT AUTHORITY**  
Monday, November 18, 2013  
2:00 p.m.  
Community Room, City Hall  
421 Michigan Street

1. Roll call.
2. Adoption of agenda.
3. Approval of minutes from October 28, 2013.
4. Consideration of: Design of the public waterfront improvements.
5. Consideration of: Waterfront lease with Selvick Marine Towing.
6. Consideration of: Update regarding West Waterfront Redevelopment activities.
7. Convene in closed session in accordance with the following exemption:

Deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session. 19.85(1)(e).

Consideration of: Potential Development incentives for West Side Redevelopment Project.

Move to reconvene in open session to take formal action upon preceding subject of closed session, if appropriate; or to conduct discussion or give further consideration where the subject is not appropriate for closed session consideration. The Authority may adjourn in closed session.

8. Adjourn.

*NOTE: DEVIATION FROM THE AGENDA ORDER SHOWN MAY OCCUR.*

WRA Members  
Thomas Herlache, Chair  
William Galligan  
Rick Wiesner  
Joe Stutting  
Ross Schmelzer  
Cap Wulf  
John Asher

11/14/13  
2:00 p.m.  
CN

## WATERFRONT REDEVELOPMENT AUTHORITY

Monday, October 28, 2013

A meeting of the Waterfront Redevelopment Authority was called to order at 2:00 p.m. by Chairperson Tom Herlache in Community Room, City Hall, 421 Michigan Street.

**Roll call:** Members John Asher, Tom Herlache, Ross Schmelzer, and William Galligan were present. Excused: Members Rick Wiesner, Joe Stutting, and Thomas Wulf. Also present were City Administrator Steve McNeil, Mayor Thad Birmingham, City Treasurer Val Clarizio, Attorney Jim Smith, Vandewalle Consultants Brian Vandewalle and Dean Proctor (by teleconference), Alderman Bob Schlicht, Community Development Director Marty Olejniczak, and Community Development Secretary Cheryl Nault.

**Adoption of agenda:** Moved by Mr. Schmelzer, seconded by Mr. Asher to adopt the following agenda:

1. Roll call.
2. Adoption of agenda.
3. Approval of minutes from August 19, 2013.
4. Consideration of: Title commitment for waterfront parcel.
5. Consideration of: Design of the public waterfront improvements.
6. Consideration of: Update regarding West Waterfront Redevelopment activities.
7. Consideration of: Resolution Declaring Official Intent To Reimburse Expenditures From Proceeds Of Borrowing.
8. Adjourn.

Carried.

**Approval of minutes from August 19, 2013:** Moved by Mr. Asher, seconded by Mr. Schmelzer to approve the minutes from August 19, 2013. All ayes. Carried.

**Consideration of: Title commitment for waterfront parcel:** Mr. Olejniczak stated that the City was unable to get a title commitment for a large portion to the south and east of the Co-op property. This was discovered when the City tried to do an ALTA Survey of the entire waterfront parcel. There is no deed to the property. The land was filled in the 1950's and 1960's. In order to try and resolve this matter, the City has been working with the City Attorney's office, as well as a private counsel, Attorney Wally Arts in Madison. She had given her legal opinion that the City is indeed the owner of the land. The title company wants some other acknowledgement from the State agreeing with her opinion, so that there are no other problems that would arise in the future.

Attorney Jim Smith stated that Ms. Arts suggested that the Mayor, Mr. Olejniczak, and Mr. McNeil meet with Matt Moroney in Madison regarding title to the property and find a solution to the problem. There is no chain of title to the property since it was filled in land. The DNR needs to be convinced that this would be a good thing for Sturgeon Bay. A good portion is used for public property and the property along the waterfront is important to the DNR. There is a bulkhead line that currently exists.

After a short discussion, it was moved by Mr. Galligan, seconded by Mr. Asher to have City officials meet with Matt Moroney, WI DNR in Madison, to see what can be worked out. All ayes. Carried.

**Consideration of: Design of the public waterfront improvements:** Mr. Olejniczak stated that the City had received a Wisconsin Coastal Management Grant for the design of public improvements. Vandewalle & Associates worked on the design and a public forum was held in early October at Sawyer Park Pavilion.

A teleconference then took place with Dean Proctor and Brian Vandewalle regarding the Festival Waterfront. They hope to make this a destination for Sturgeon Bay and Door County. The Festival Waterfront would provide public access to the waterfront, unite the whole area and provide a setting for the private development. Mr. Proctor went through all the details of the proposed improvements.

Mr. Galligan suggested that the public walkway going all the way to Maple Street should not be shown as an actual line on the plan. Only an intent should be shown. He added that there is 600 feet from the Maritime Museum to the Michigan St. Bridge. The Tug Purves takes up much room and seems like there is too much being put in a small area. We need to keep a safe working environment. Mr. Proctor responded the working waterfront will be engineered to be safe.

Mr. Galligan questioned the relocation of the tugboats and if that would affect the working waterfront. Mr. Olejniczak responded a potential funding source that has been identified is the Wisconsin Harbor Assistance Program. It will only fund a commercial or transportation oriented aspect. Mr. Asher added if the Fireboat was transferred from the Maritime Museum to that dock, it would qualify.

Mr. Asher stated that the dock should be extended by the fireboat. Expansion of the Maritime Museum should be shown to the south. He also mentioned that he spoke with some fishermen and that they would prefer a floating dock and use carts to bring the fish to the restaurant/market. Also, he personally felt that cars should not be allowed to drive on the Festival Pier, with all the benches, flowerboxes, etc. that would be located there.

Members discussed the informal public fishing area near the Oregon Street Bridge and would prefer asphalt rather than the gravel that is shown on the plan. That would prevent kids from throwing stones and possibly damaging any boats in that area.

Discussion took place regarding the location of the steps by the event stage on the Festival Pier and the change of elevation.

Mr. Herlache mentioned that they are not asking for approval of the docks and piers. They are there as placeholders.

Mr. Asher thought the pier behind the Tug Purves should be moved closer to the restaurant and away from the yachts. Mr. Vandewalle will check with the Pollmans, the potential restaurant owner, to see if "Fresh fish caught daily" would be listed on their menu. There should also be a lease agreement in place with fishermen that their fish be cleaned before they are brought in.

By consensus, the WRA approved the concept on the land side of the schematic with amendments discussed, and Vandewalle is to bring back a new drawing for approval.

Mr. Olejniczak stated that the City can apply for an engineering or construction grant for the promenade and event stage. The maximum grant award is \$100,000.00. This grant can get the engineering done, as well as construction of the water's edge treatment. If the City would receive this matching grant, we would not be able to spend any of the grant until July, 2014. It was the consensus of the WRA that the City apply for the grant.

**Consideration of: Update regarding West Waterfront Redevelopment activities:** Ms. Clarizio stated that at the meeting on August 19, 2013, the WRA authorized refinancing of the TID #2 portion of the June 1, 2005 bond issue and the balance of the TID #2 December 1, 2006 bond issue. Since then, interest rates

had climbed and no longer warranted the refinancing. The rates continued to be monitored and have now lowered again, which is even lower than when it was authorized. The recommendation will now go to Council on November 5<sup>th</sup>. These bonds have only one opportunity to be refinanced.

Mr. Olejniczak stated that at the last meeting the WRA approved spending funds for the foundation analysis. The City will be going forward with the analysis and staying under the not to exceed amount of \$10,000. It will first need to be reviewed by the City Attorney.

The demo of the other Co-op buildings is occurring. Everything will be coming down except for the grain elevator.

In regard to the brownfield remediation issue, it is progressing on the Co-op parcel.

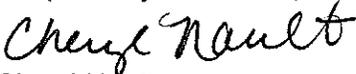
The City has met with the DNR Fisheries regarding design of the large commercial pier and they had no concerns.

Mr. Galligan asked what the City needs to do to start consideration of the Selvick operation and what the alternatives are. Mr. Olejniczak responded a number of concepts have been put together to see where the tugs can be relocated. Possibilities included Sunset Park, Bay Ship, or Bayview Bridge areas. Selvicks are aware of this project. A future agenda item should include a formal recommendation to Council regarding the relocation of the tugs.

**Consideration of: Resolution Declaring Official Intent To Reimburse Expenditures From Proceeds Of Borrowing:** Ms. Clarizio explained that this is for an amount of \$2,000,825.00. The site work has begun on the Co-op property and she would like to wait a bit for the actual borrowing. Because the site work is not considered a preliminary expense, a resolution needs to be passed within 60 days of incurring the expense to reimburse the general fund with the borrowed funds. After a short discussion, it was moved by Mr. Schmelzer, seconded by Mr. Asher to recommend to Council to pass the Resolution Declaring Official Intent To Reimburse Expenditures From Proceeds Of Borrowing. All ayes. Carried.

**Adjourn:** Moved by Mr. Asher, seconded by Mr. Schmelzer to adjourn. Carried. The meeting adjourned at 3:45 p.m.

Respectfully Submitted,

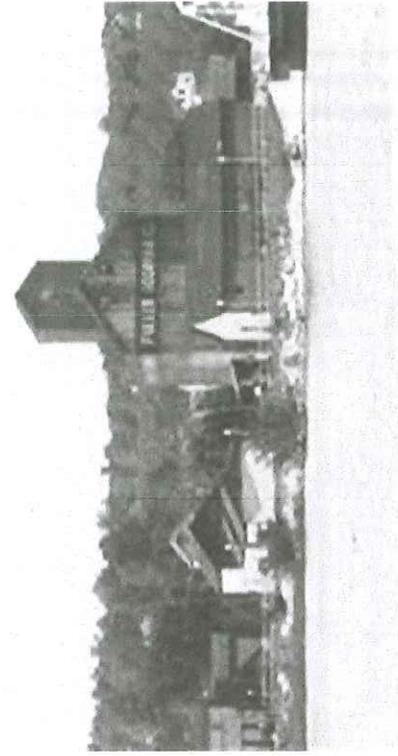


Cheryl Nault  
Community Development Secretary

**FESTIVAL WATERFRONT**  
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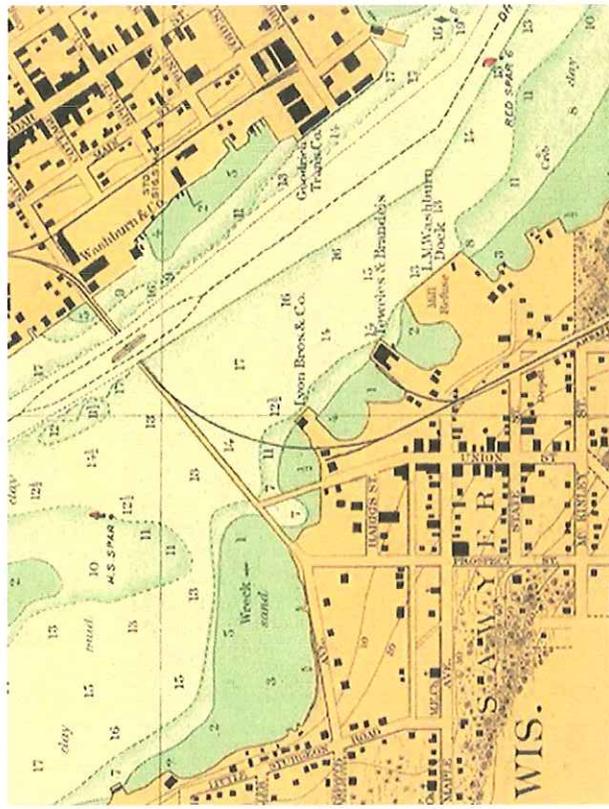


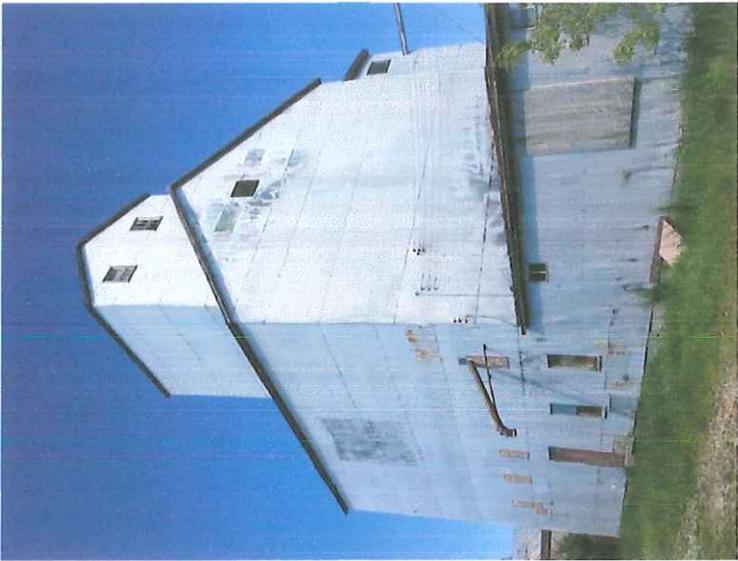
**HISTORIC IMAGES**



A postcard shows Madison Avenue (Union Street) on the west side. The buildings face east with a grain elevator at the foot of the street on the shore. The limestone building on the left is the Sawyer branch of the Bank of Sturgeon Bay.

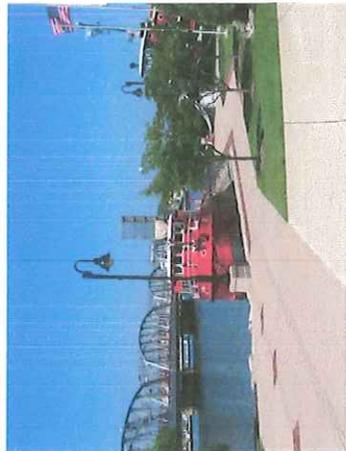
Postcard from Sturgeon Bay book by Ann Jinkins and Maggie Weir



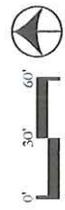
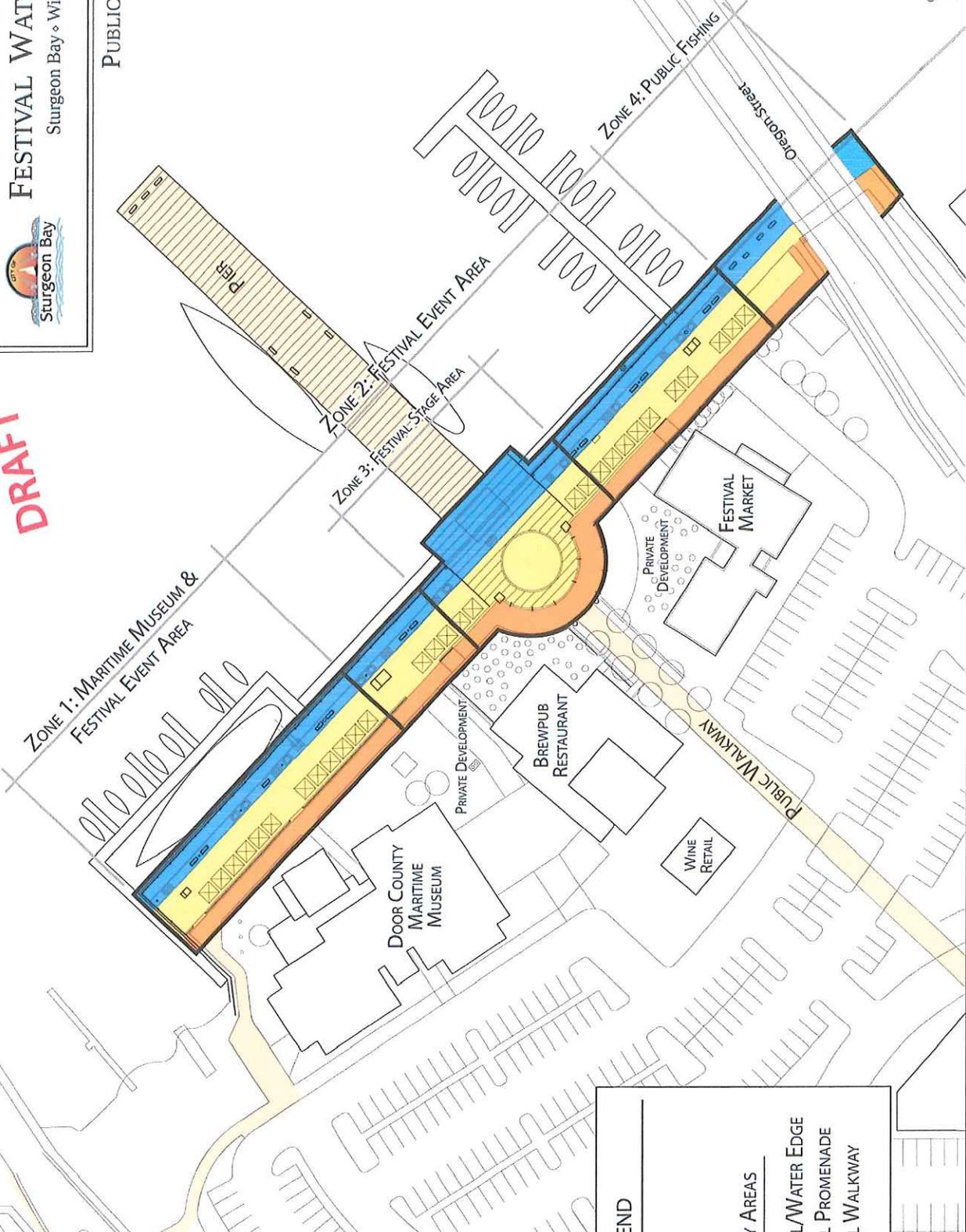


**FESTIVAL WATERFRONT**  
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**EXISTING CONDITIONS**



**DRAFT**



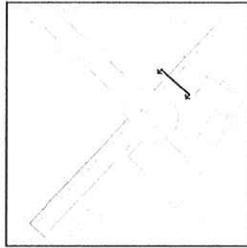
**LEGEND**

**ZONES**

- [Blue Box] ZONE 1: MARITIME MUSEUM & FESTIVAL EVENT AREA
- [Yellow Box] ZONE 2: FESTIVAL EVENT AREA
- [Orange Box] ZONE 3: FESTIVAL STAGE AREA
- [Blue Box] ZONE 4: PUBLIC FISHING

**ACTIVITY AREAS**

- [Blue Box] SEAWALL/WATER EDGE
- [Yellow Box] FESTIVAL PROMENADE
- [Orange Box] FESTIVAL WALKWAY



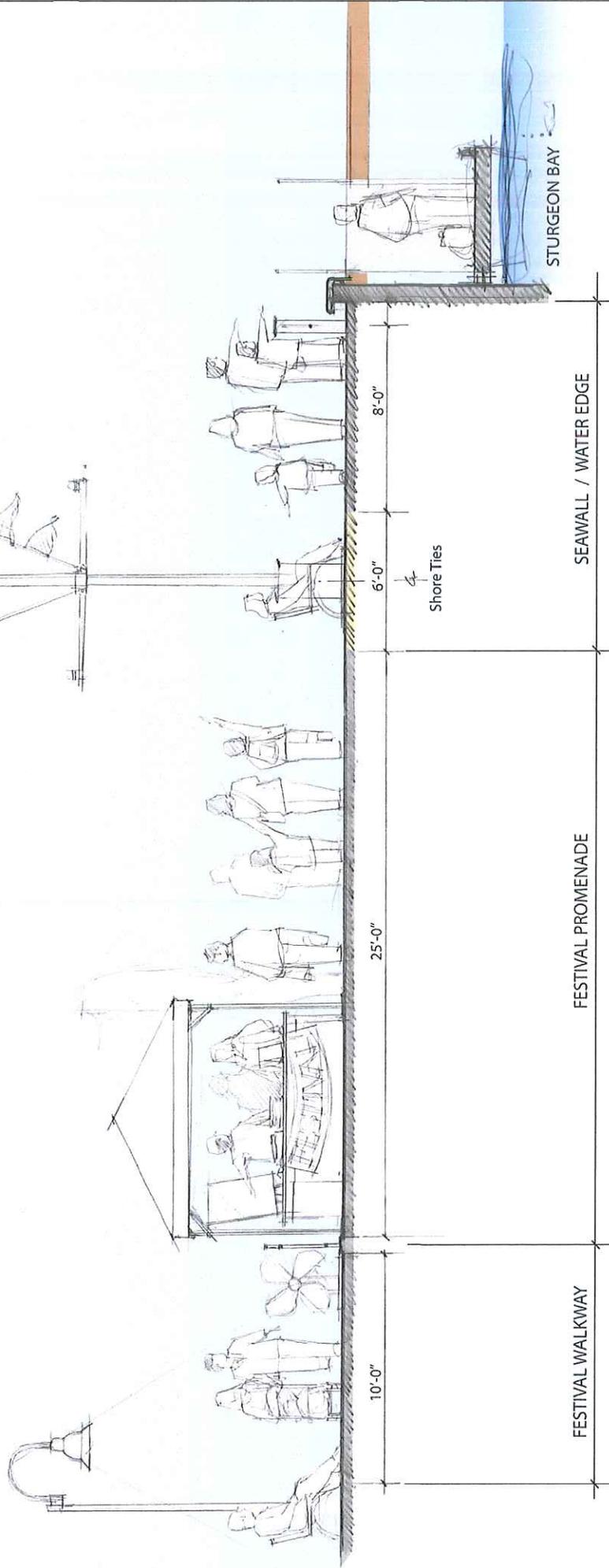
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# FESTIVAL WATERFRONT

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## SECTION: ACTIVITY AREAS



# FESTIVAL WATERFRONT

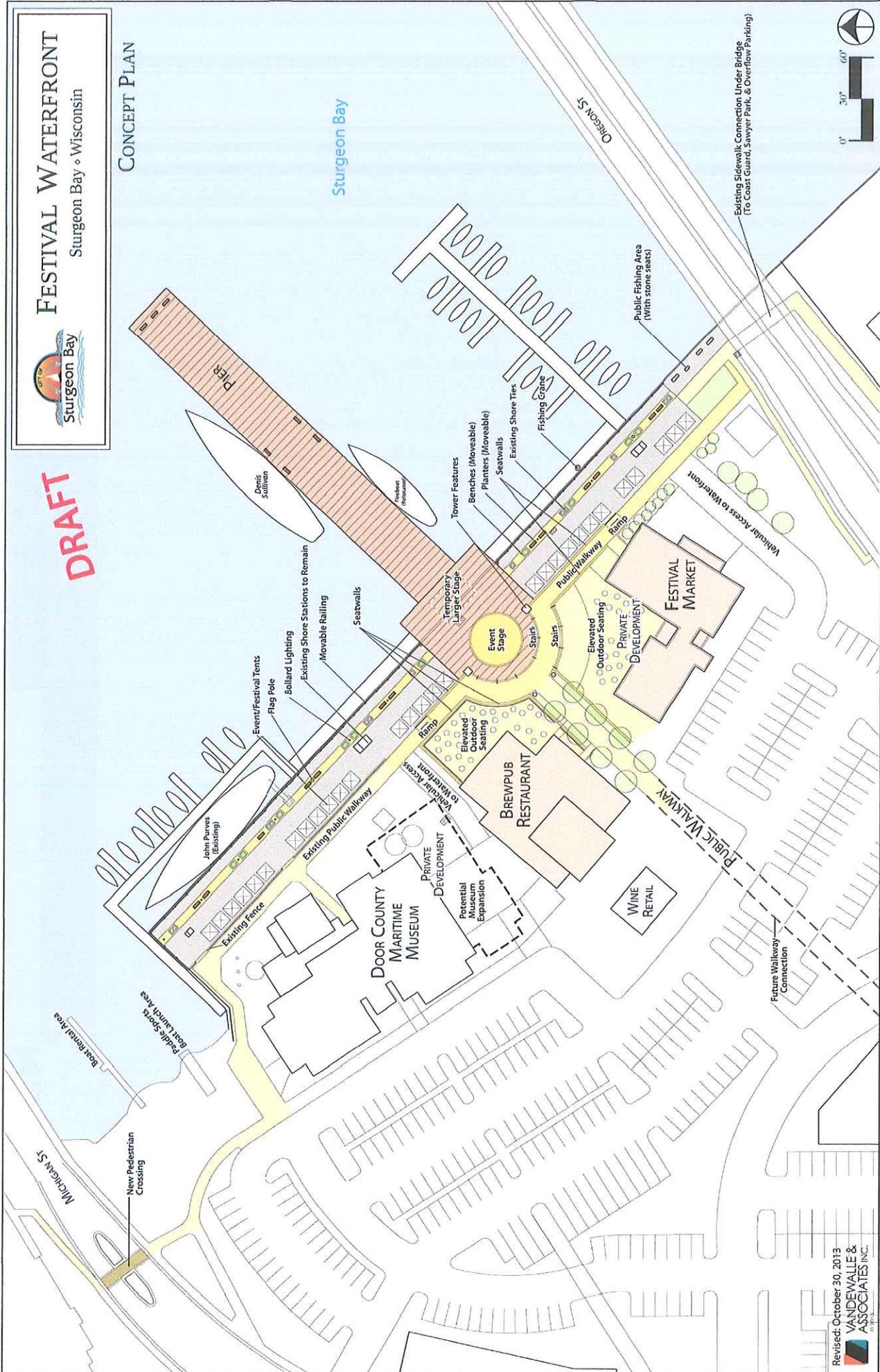
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## CONCEPT PLAN

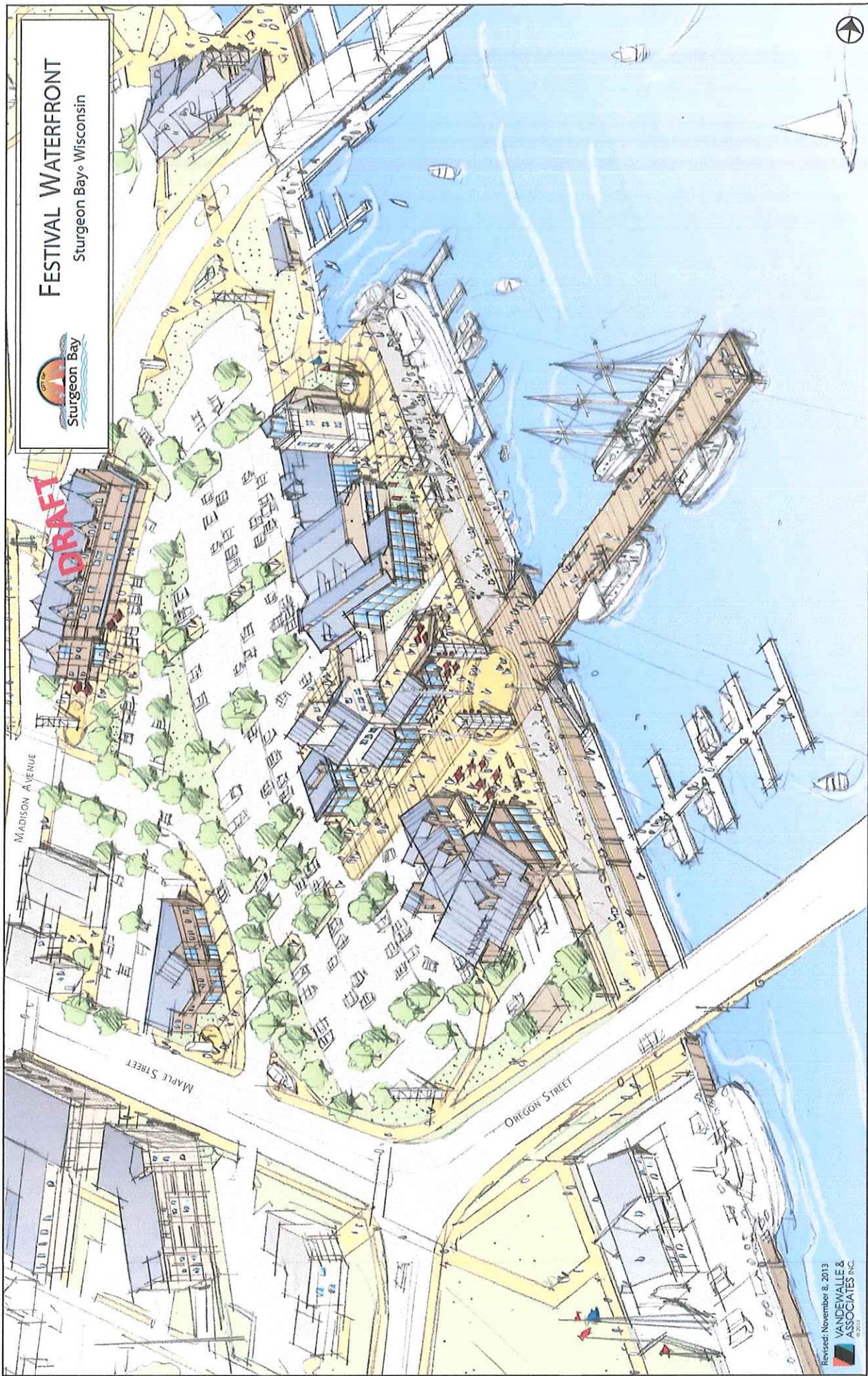
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Sturgeon Bay



# FESTIVAL WATERFRONT

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# FESTIVAL WATERFRONT

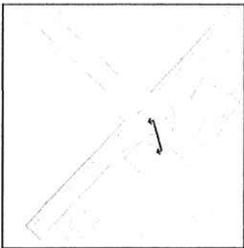
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LOOKING NORTHEAST



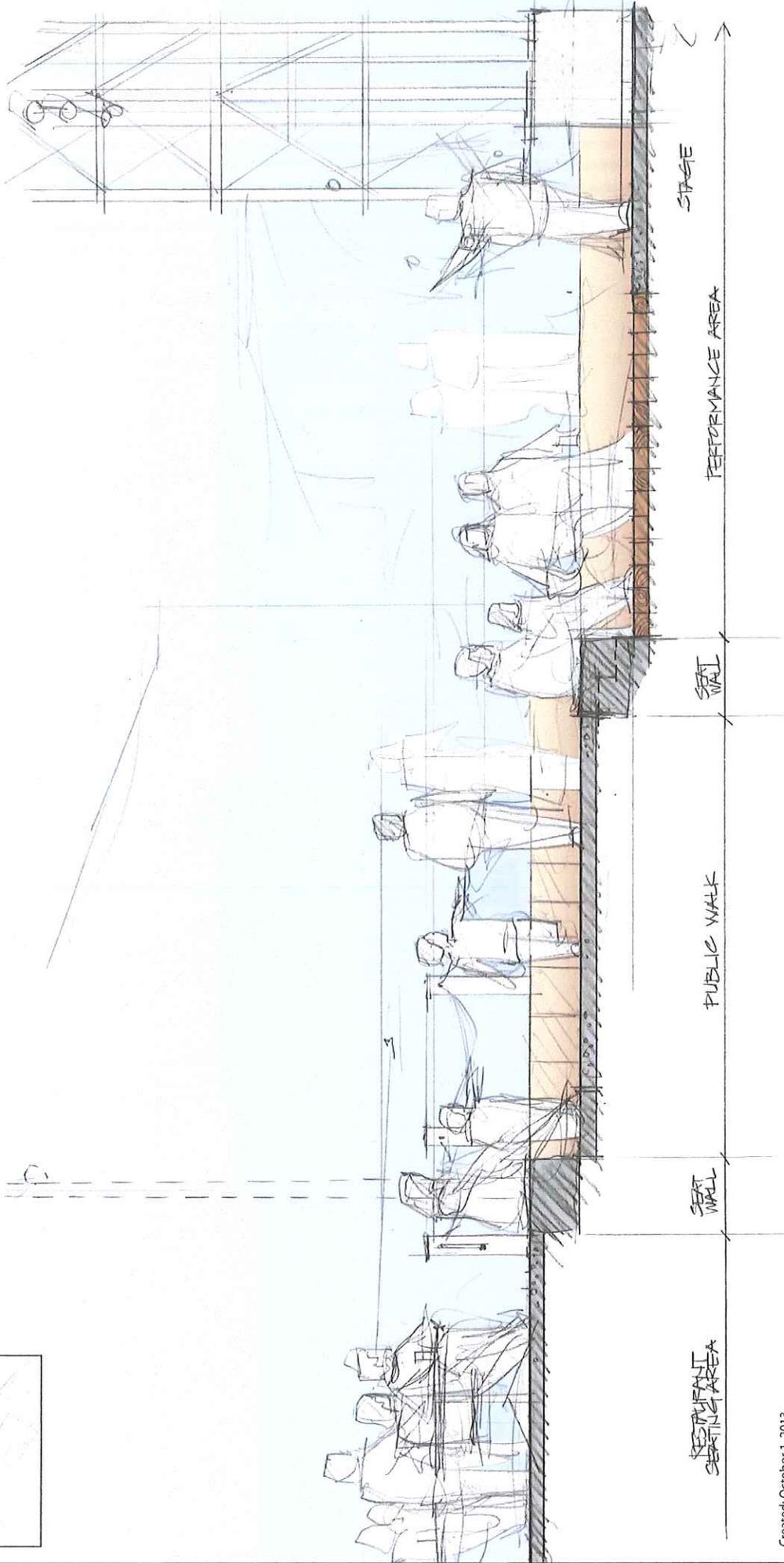
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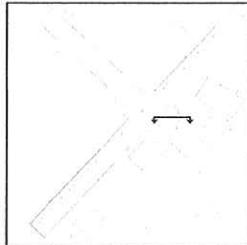
**FESTIVAL WATERFRONT**  
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**SECTION: BREWPUB AND STAGE**



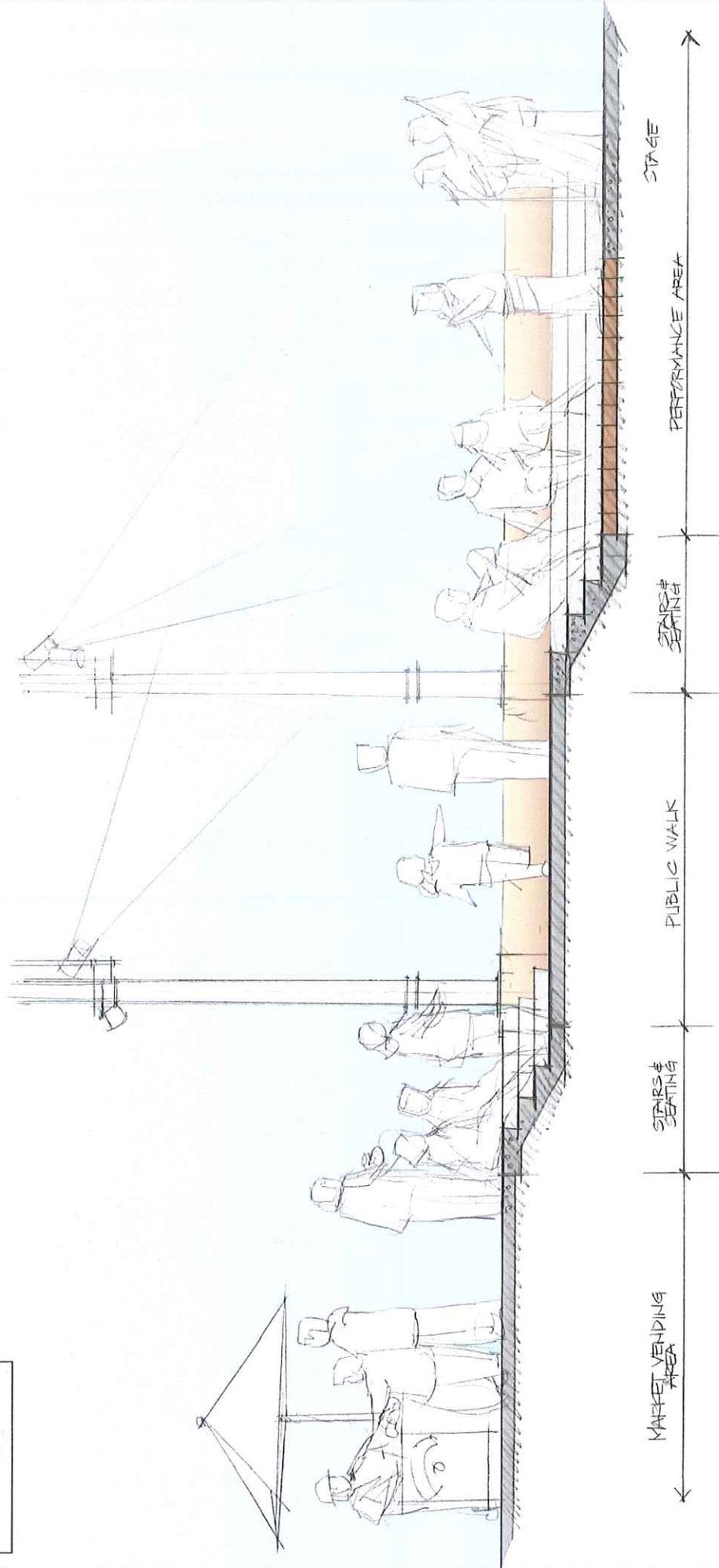
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**FESTIVAL WATERFRONT**  
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**SECTION: FESTIVAL MARKET AND STAGE**



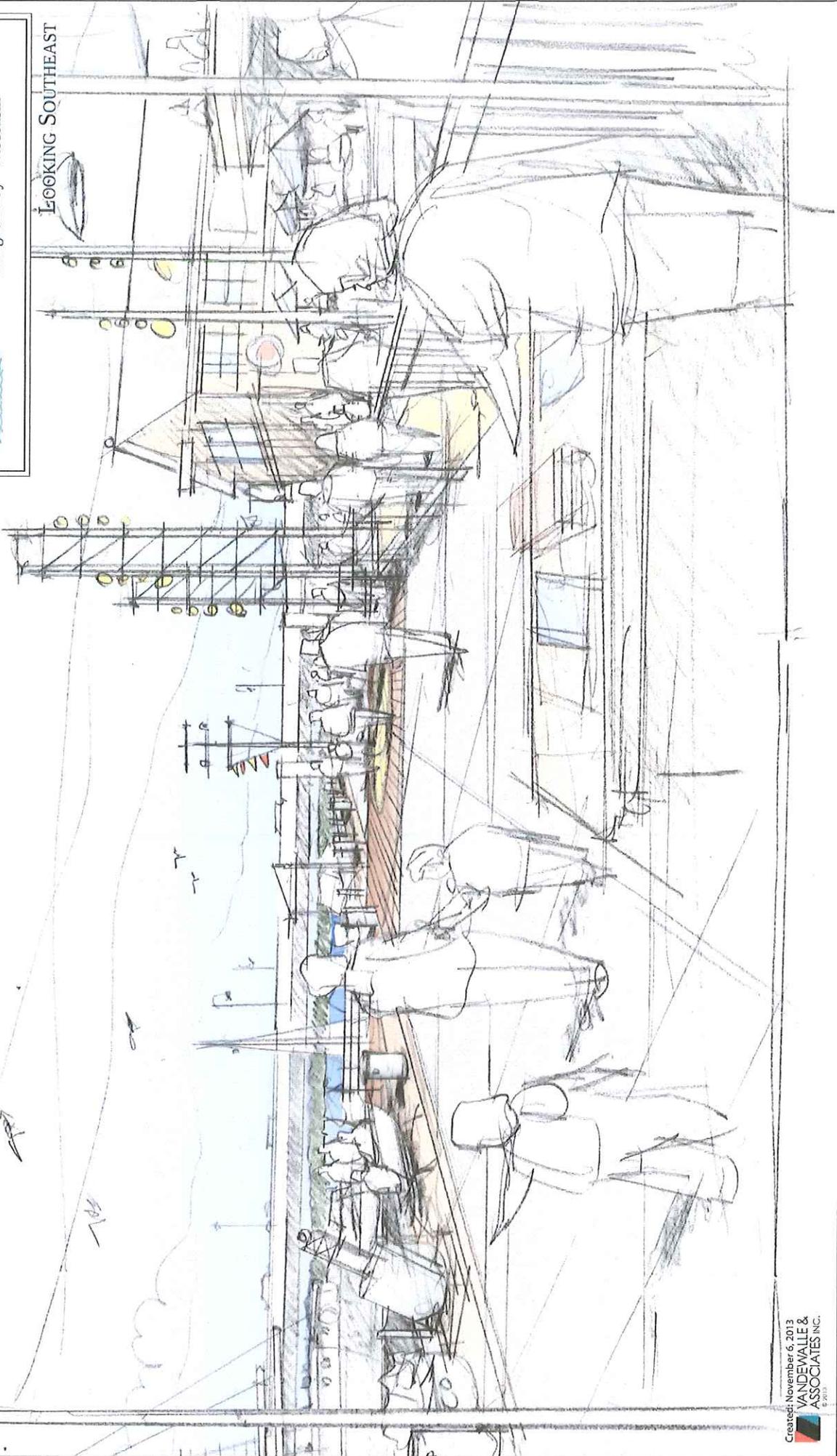
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# FESTIVAL WATERFRONT

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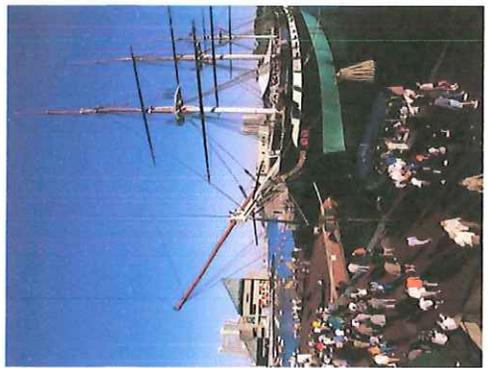
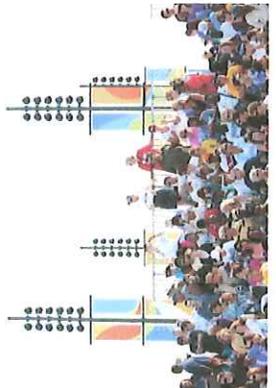
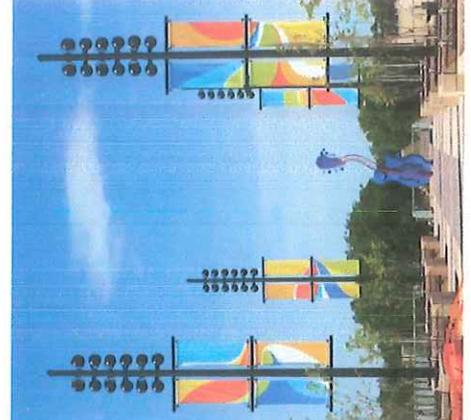
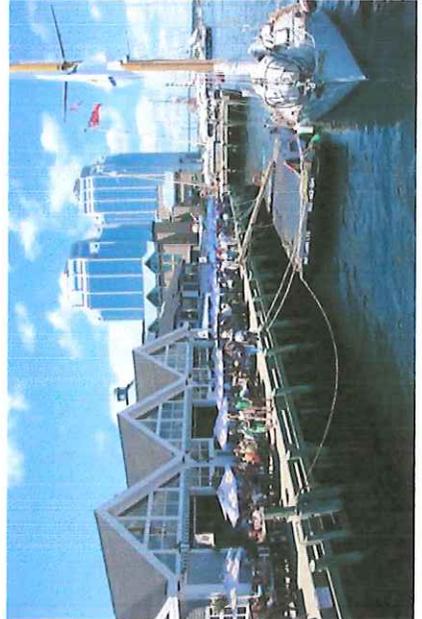
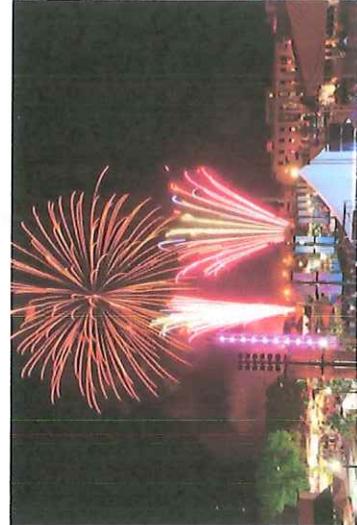
LOOKING SOUTHEAST



**FESTIVAL WATERFRONT**  
Sturgeon Bay • Wisconsin



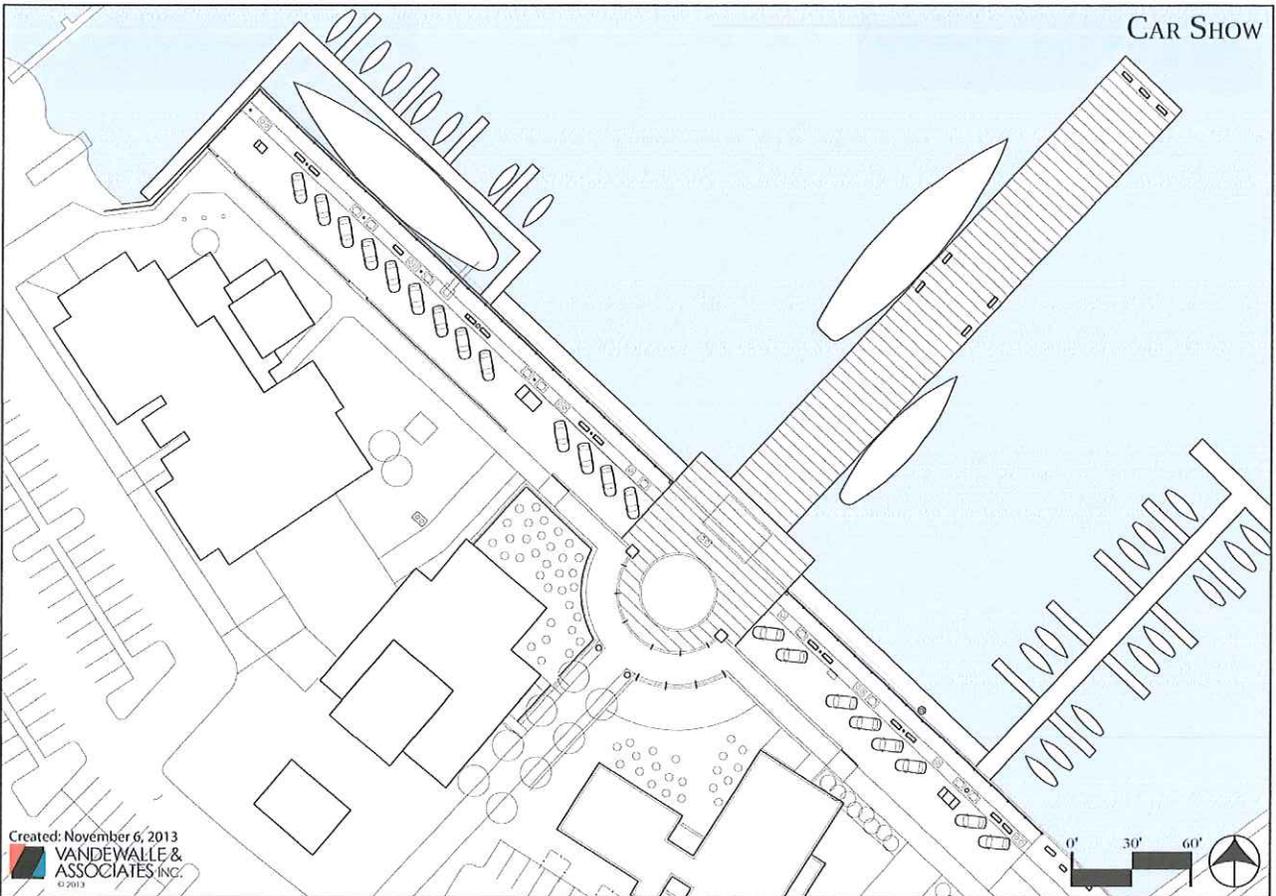
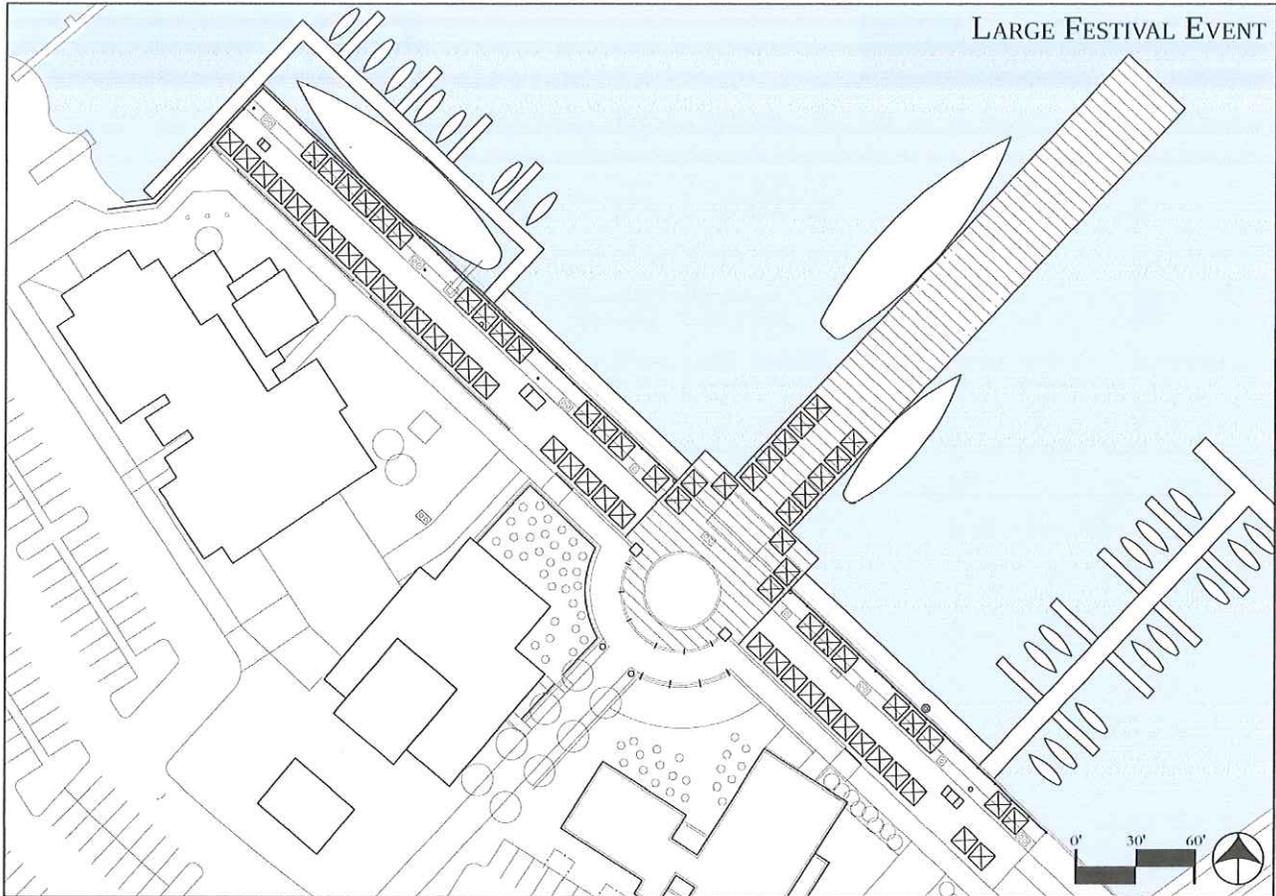
**PROJECT VISION**



**DRAFT**



**FESTIVAL WATERFRONT**  
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**LEASE**

LEASE made by and between the City of Sturgeon Bay, Wisconsin, a municipal corporation in Door County, Wisconsin, hereinafter referred to as "Lessor" and Selvick Marine Towing Corp., a Wisconsin Corporation, hereinafter referred to as "Lessee".

**RECITALS:**

The parties recite and declare that:

- 1. Lessor is the owner of a developed municipal property which it desires to lease for a public purpose.
- 2. Lessee desires to lease certain properties from Lessor for the purpose of having dockage space for vessels owned by Lessee, Lessee's principal office being located in Sturgeon Bay, Door County, Wisconsin, for the purpose of mooring Lessee owned vessels.
- 3. Lessor considers Lessee's purpose in leasing the property a purpose which has a public benefit and finds such purpose to be in the best interests of Lessor.
- 4. The parties desire to enter into an agreement to establish terms of such lease of such property.

**AGREEMENT:**

For the rent and mutual covenants and promises of the parties as hereinafter set forth, and other good and valuable consideration, the parties agree as follows:

- A. Description. The parties agree hereto that the property to be leased herein is described as follows:

The 265' of steel sheet piling waterfront dock space adjacent to the following described line: Commencing at the intersection point of the south line of Madison Avenue and a meander line as described in the Job No. 14524, plat of survey, prepared by Stephen P. Meneau, dated October 27, 1994, thence along said meander line S34°03'11"E, 158.84 feet; N45°01'12"E, 20 feet; thence N45°01'12"E 99.64 feet to a point, said point being the northerly most intersection of two steel sheet pile walls creating the "West Side Dock", thence S 44°E more or less along the steel sheet wall, 200' the point of beginning: thence continuing S 44°E along the sheet pile 265' to the point of termination.

Lessee acknowledges specific knowledge as to the condition of the premises and takes said premises "as is".

B. Term. The term of the lease shall be for a two (2) year period beginning on July 1, 2008, and ending on June 30, 2010; and further subject to termination provisions as described herein.

C. Consideration. The consideration for said lease is the sum of \$10,997.23 plus tax payable in semi-annual installments every six (6) months in advance, the first payment being due and payable on July 1, 2008 , or in one annual payment in advance on July 1<sup>st</sup> each year at Lessee's option. For the year beginning on July 1, 2009, the annual rent due in accordance with this lease shall be increased or decreased by the Consumer Price Index (W) increase or decrease for the preceding 12 months ending September 30 of the preceding year. For example, the annual rent for the year beginning July 1, 2009 shall be increased or decreased by the CPI(W) increase or decrease for September 30, 2008.

D. Use. The leased premises shall be used as docking space for Lessee. The parties contemplate that more than one vessel may be docked at said site at one time, but not more than five in total during the period April 1 through November 30, and six vessels during the period December 1 through March 31. The total number of vessels that may be

secured to a vessel secured at the dock at all times shall not exceed three additional vessels. During the period April 1 through November 30, there shall not be more than two additional vessels secured in turn to a vessel secured at the dock itself. For the purposes of this lease, a vessel is defined as a tug boat; it does not include barges and other construction vessels. <sup>SMS</sup> It is understood that from time to time Maritime Museum personnel will conduct public tours of the vessels. The premises shall not be used for any other purpose without the prior written consent of Lessor.

Parking of vehicles shall be in designated areas only. Equipment accessory to the vessel operation shall not be stored on the site with the exception of one lift-type tractor which shall be stored in the designated parking area. Maintenance of vessels may be performed while moored at the site provided that all equipment and materials needed to do the work is performed and stored on the vessel. No dry-dock type work shall be performed at the site and no vessel shall be placed upon the shore.

E. Utilities. During the term hereof, Lessee will pay all utilities, including, but not limited to, fuel, electricity, telephone, water and sewerage, gas, etc., used on the premises, including the cost of installation of such utilities and the removal of such utilities. All such utilities shall be in the name of Lessee during this lease.

F. Insurance. Lessee shall, at its expense, maintain in effect throughout the term of this lease and any extension thereof, general liability insurance, personal and bodily injury liability insurance, and property damage insurance. The limits of said coverage shall be One Million Dollars (\$1,000,000.00) per occurrence. The policies for the above referenced coverages shall name Lessor as additional insured for use of the leased premises. In addition, the liability policy provided shall include fire legal liability

limits of not less than One Hundred Thousand Dollars (\$100,000.00). The Lessee shall provide the Lessor with a certificate of insurance annually verifying said coverages naming the Lessor as additional insured. The lease may terminate any time at the option of the Lessor upon the lapse or failure of the Lessee to present a copy of such policy or Certificate of Insurance showing such coverage.

G. Hold Harmless/indemnity.

1. Lessee hereby holds the Lessor harmless and will indemnify Lessor, its council members, officers, employees, and agents from any and all claims, damages, demands, lawsuits, judgments and liability that may arise out of, or be made, brought or filed against Lessor, its council members, officers, employees and agents as a result of any death, injury to person to property occurring upon the leased premises.

2. In addition, Lessee shall defend Lessor, its council members, officers, employees and agents, against any such claims, damages, demands, lawsuits, judgments and liability made, brought or filed against Lessor in connection with, any death, injury to person or property occurring upon the leased premises, including payment of court costs and disbursements and reasonable attorney fees.

H. Assignment and Sublease. Lessee shall not assign its rights and duties under this lease or sublease the premises or any part thereof, without the prior written consent of Lessor. The approval of any sublease by Lessor shall not relieve Lessee of liability for the performance of all of the terms and conditions of this lease.

I. Alterations and modifications. Lessee shall obtain the written approval of Lessor, through Lessor's Finance/Purchasing and Building Committee, prior to making any

alterations or modifications to the premises leased. All approved and completed alterations or modifications shall become part of the leased premises and title thereto shall vest in Lessor. The alterations or modifications undertaken by Lessee shall be performed and completed in a workman-like manner and in a timely manner. At the option of Lessor, upon lease termination, Lessee shall remove improvements and modifications and the subject property shall be restored to the condition it was in at the commencement of this lease.

J. Repair of Damages. Lessee shall repair damage done by it, its officers, agents, employees, or workmen, to the dock surface beyond normal wear and tear. "Normal" does not contemplate the use of heavy equipment on said dock surface; in the event heavy equipment is used on said dock surface, then any damage done thereby shall be repaired immediately at the expense of Lessee. Lessee shall not be responsible for damage done by ice, wind or acts of God, except as to such damage done by Lessee's failure to properly anchor, tie or otherwise secure its vessels to the dock. Lessee shall maintain the premises in its present condition, normal wear and tear excepted.

K. Lessee shall be responsible, at Lessee's sole expense for any environmental damage to the property caused by the use of the property by Lessee, its officers, directors, employees or agents.

L. Termination Provisions. Either party may cancel this lease provided a six (6) month written notice is given to the other party. In the event of termination, any unused prepaid rent shall be refunded on a pro-rated basis. This lease shall be automatically renewed for successive periods of one year unless six months written notice is given prior to the end of the term of this lease.

M. Non-Payment of Rent. In the event the rental payment is received five (5) or more days after its due date, lessee shall be subject, at the option of the Lessor, to a penalty of Ten Dollars (\$10.00) per day for each day rent payment remains unpaid. In addition, all unpaid rent shall accrue interest at the rate of Twelve percent (12%) per annum until paid in full.

N. Default or Breach.

1. Each of the following events shall constitute a default or breach of this lease by Lessee.

- (a) If Lessee fails to pay to Lessor any rent or other payments due within ten (10) days after they become due.
- (b) If Lessee vacates or abandons the leased premises.
- (c) If Lessee fails to perform or comply with other term or condition of this lease, and such non-performance shall continue for a period of fourteen (14) days after written notice by Lessor to Lessee to perform or comply
- (d) If Lessee shall violate any laws, ordinances or codes of any governmental authority pertaining to the operation or the leased premises.

2. In the event of any default or breach hereunder by Lessee, Lessor, at its option shall have the right to re-enter and relet the leased premises for the benefit of Lessor without terminating this lease or declare a forfeiture of the lease in its entirety and demand return of the premises and proceed with an action at law for collection of all rents, monies and damages due to Lessor.

3. Lessee shall be responsible for payment of all of Lessor's costs of enforcement of this lease, including, but not limited to, payment of court costs, disbursements and reasonable attorneys fees.

O. Modification. No modification of this lease shall be made except in writing by the parties hereto.

P. Inspection. Lessor shall have the right to inspect the leased premises at all reasonable times.

Q. Successors and Assigns. This lease shall extend to the successors and assigns of the parties hereto.

R. Trash and Recycling. Lessee shall be responsible for and pay any and all costs of trash collection and removal and recycling of refuse generated within the leased premises, and other related cleaning and maintenance adjacent to the property.

S. Possession and Abandonment. Lessor shall deliver possession of the premises to Lessee on the date stated for commencement of this lease agreement unless Lessor is unable to do so for reasons beyond Lessor's control. Lessee shall vacate the premises and return all of Lessor's property promptly upon the expiration of this lease or any extended term, or upon termination of this lease.

T. Declaration of Novation: This lease represents and constitutes a novation of any and all existing leases, including but not limited to the present lease entered into for the period January 1, 2004 through June 30, 2004 and extended thereafter, and that as a novation, this lease supersedes and replaces all such previously existing leases.

WHEREFORE, the parties hereto set their hands on the dates below written.

LESSOR:  
CITY OF STURGEON BAY

Dated: 7/31/09

By: *T. Voegelé*  
Thomas D. Voegele, Mayor

Dated: 7/31/09

By: *Stephanie L. Reinhardt*  
Stephanie L. Reinhardt, City Clerk

STATE OF WISCONSIN )  
  ) SS  
COUNTY OF DOOR        )

Personally came before me this 31st day of July, 2009, the above named Thomas D. Voegele, Mayor, and Stephanie L. Reinhardt of the above named municipal corporation, to me known to be the persons who executed the foregoing instrument and to me known to be such officers of said municipal corporation, and acknowledged that they executed the foregoing instrument as such officers as the deed of said municipal corporation by its authority.

*Laurie A. Spillmeister*

Notary Public, State of Wisconsin  
My Commission: 02-27-11

