

## WATERFRONT REDEVELOPMENT AUTHORITY

Monday, August 25, 2015

A meeting of the Waterfront Redevelopment Authority was called to order at 6:02 p.m. by Chairperson Tom Herlache in Council Chambers, City Hall, 421 Michigan Street.

**Roll call:** Members Tom Herlache, Kelly Catarazoli, Bill Galligan, Rick Wiesner, John Asher and Chris Jeanquart were present. Absent: Member Cap Wulf. Also present were Aldermen Stewart Fett and Will Gregory, DCEDC Executive Director Bill Chaudoir, Josh Van Lieshout, Community Development Director Marty Olejniczak, Community Development Secretary Cheryl Nault, and several members of the public.

**Adoption of agenda:** Moved by Mr. Galligan, seconded by Mr. Asher to adopt the following agenda by removing Item #8 and moving Item #7 to 2a:

1. Roll call.
2. Adoption of agenda.
3. Presentation: Proposal for redevelopment of granary site by Ryan Schabach.
4. Presentation: Proposal for redevelopment of granary site by Laurel Hauser/Dan Collins.
5. Presentation: Proposal for redevelopment of granary site by Smet Construction Services.
6. Public comment regarding the redevelopment of the granary site.
7. Approval of minutes from July 20, 2015 and July 28, 2015.
8. Consideration of: Granary Redevelopment Proposals.
9. Update regarding West Waterfront redevelopment activities.
10. Adjourn.

Carried.

**Approval of minutes from July 20, 2015 and July 28, 2015:** Moved by Mr. Galligan, seconded by Mr. Jeanquart to approve the minutes from July 20, 2015 and July 28, 2015. All ayes. Carried.

**Presentation: Proposal for redevelopment of granary site by Ryan Schabach:** Mr. Schabach presented his proposal that features the grain elevator, built in 1901, as an iconic image of historic downtown Sturgeon Bay. He currently is employed at Lakefront Brewery. His plans are for a mixed use building, with barrels located on the second story and a tap (tasting) room. He would like to reuse what he could of the grain bins located inside the granary. John Ranson would be the general contractor. For the first year, employees would consist of maintenance, bar staff, and retail positions. This would be a 10 barrel project, featured with all local orchards and their fruited beer. He would like a 1200 barrel system capacity per year. Also, Mr. Schabach added that he would like to reuse stone from local abandoned barns for the first floor. Plans are to give tours and keep the people downtown. He had never revitalized a grain elevator.

Mr. Schabach is willing to commit \$700,000. He submitted a letter from First Merit Bank, who he is working with for financing the project. He stated that he was not asking for a handout. He also stated that it would take \$130,000 to put the building back in the "plumb", based on a structural analysis that was completed.

Mr. Schabach mentioned that the first year's goal is to open up the tap tasting room to make income to revitalize the grain elevator. He also had an idea of constructing apartments or office

space, as well as moving the train depot from its present location and place on a footprint nearby the grain elevator.

**Presentation: Proposal for redevelopment of granary site by Laurel Hauser/Dan Collins:**

Ms. Hauser and Mr. Collins gave a short background on themselves. Ms. Hauser is currently a free-lance writer, but spent most of her career as a professional fundraiser. Mr. Collins is a licensed professional engineer.

Ms. Hauser stated their proposal is consistent with the wishes of the community as reflected in recent meetings and comprehensive plan. She mentioned that they are in the process of applying to have the granary listed on the National Register of Historic Places. She spoke about a similar project that was undertaken in Wisconsin Rapids. She wanted it to go on record that if one of the other proposals were accepted they would like to work with them using some of their ideas. She wondered how they can collaborate with the Maritime Museum, how aid can be enlisted from the Community Foundation by sharing space, or how this structure could support a vibrant and growing arts community. There has been interest from a professor at the UW Milwaukee school of Fresh Water Science and the possibility of establishing a Great Lakes Research Outpost. She questioned if the granary could help the DCEDC with its goal of attracting young entrepreneurs or if they could partner with Lakefront or Titledown in a commercial venture. This idea is a resident center design.

Mr. Collins explained two build-out visions they have, which can be built individually or build the first one and move on to the second at a later date. The first vision, at a cost of \$442,000, creates a public space icon. This would become the granary district or granary wharf. There could be a public restroom for the splash park. The first floor of the granary would be exposed and create space for speakers, weddings, picnics, etc. Activating the granary mechanism would not be out of the question. The second vision, at an incremental cost of \$1.7 million dollars, would contain all of vision one plus activating space on the top of the next three floors and viewed as non-profit incubation space. The upper floors would have potential for viewing and meeting space. There would be 4 full-time positions per 1,000 feet of available space. There would be 6,000 - 7,000 square feet of usable, rentable and active space. An estimated 24 jobs could be housed in this facility. They are looking for a 49 year lease to a non-profit that would operate this. They would like the City to provide utilities up to the building, all security, insurance, and maintenance, as well as a \$150,000 stipend for the public restroom buildout. They are envisioning a partnership for funding for this project, including 40% from the City, 40% from grants, and 20% from private donors.

Mr. Asher asked when a historic structure no longer becomes a historic structure. He referred to installing a new roof, new siding, windows, etc. Ms. Hauser responded that they plan on having some educational panels explaining what the building looked like when it was built. It wouldn't generate a lot of income with the first phase. It is a different kind of public asset on the waterfront.

Mr. Galligan added that the City needs to do something to generate taxes.

**Presentation: Proposal for redevelopment of granary site by Smet Construction Services:**

Greg Polacheck, representing Smet Construction Services & Investments, gave a short

background of himself and the 80 year-old company. His first thought was to take the granary down. But, after touring the granary with the owners of Titledown he changed his mind. They loved the structure and the facility. It needed to be saved. The proposal includes a brew pub and restaurant. Their initial plan came up with a footprint of 9,020 sq. ft. It is basically taking a new facility for the housing of the restaurant and brewery area and wrapping it around the existing granary structure. The project came in just over \$3 million in TIF valuation. Their revised plan reduced it to 7,000 square feet. The kitchen and seating area was reduced. The brewing containers would be located in the front corner of the building. There would be an additional outdoor seating area. The siding would be replaced with metal siding and windows added as well. They do not plan to utilize the second or third story. Some of the granary equipment would be removed, cleaned up, and brought back for decoration. The construction came in at \$2.4 million. It was estimated that the project would generate \$1.5 million in tax revenue over a 20 year period. The plan would be to open mid 2017. Their brewery partner asked for an extension, since more time would be needed with the brewery expansion happening in Green Bay. They would be open to ideas from other groups. The color scheme has not yet been decided. They have never done a grain elevator, but have done three train stations.

**Public comment regarding the redevelopment of the granary site:** Bryan Troutman thought there was a partnership in the making; Hans Christian liked the aspects of all three proposals; Kelly Avenson stated she also liked all three proposals; Laurel Brooks said the presentations were motivated emphasis on “local”; Carri Anderssen stated they have people staying at their B & B that have only been north before. She is excited about Lakefront and familiar with Titledown; Jeremy Polpelka and Linda Cockburn also like all three proposals; Stephanie Trenchard suggested to let all three groups work together with a proposal; Will Gregory said he enjoyed hearing the presentations. It is important for the West Side; Kelly Avenson was glad to be able to speak – needs more community involvement; and Nancy Fisher favored Mr. Schabach’s proposal.

**Update regarding West Waterfront redevelopment activities:** Mr. Olejniczak stated that the City is waiting for a response from Cedar Corp regarding the public space. The sanitary sewer was approved by Council. In regard to the hotel, the City is working through some environmental issues. Urban Apex is still interested in residential development. AECOM is still working on the tugboat relocation.

**Adjourn:** Moved by Mr. Asher, seconded by Mr. Galligan to adjourn. All ayes. Carried. Meeting adjourned at 7:52 p.m.

Respectfully Submitted,

Cheryl Nault  
Community Development Secretary