



MEMORANDUM

To: City of Menasha Common Council
From: Donald Merkes, Mayor
Date: 13 October 2016
RE: Lease of 133 Water Street

Best Friends of Neenah-Menasha has come to the City of Menasha with a proposal to repurpose the former Coast Guard facility at 133 Water Street. The attached proposal envisions new siding, windows, doors in a style complementing the nautical waterfront branding Menasha has been implementing.

The proposal offers opportunities for the community including:

- Enhancement of a blighted building that could help facilitate additional development
- Public restroom facilities
- Opportunities for area youth to participate in Best Friends boat building program teaching life skills
- Concession sales to people using the trestle trail and loop the lake trail
- Kayak and/or bike rentals

There are some potential downfalls as well including:

- Conflicts with redevelopment
- Public perception of the area before redevelopment

The City is working with the owner of 95 Broad Street regarding the connection of the trestle trail to the future Water Street Riverwalk leading downtown. In addition, a new lease with Valley Marine will need to be negotiated which will likely lead to more public access and use of the riverfront in this area. Finally the 2020 CIP anticipates the reconstruction of Water Street and associated Riverwalk.

Staff does not have a recommendation at this time and is forwarding the proposal to the Common Council for consideration.

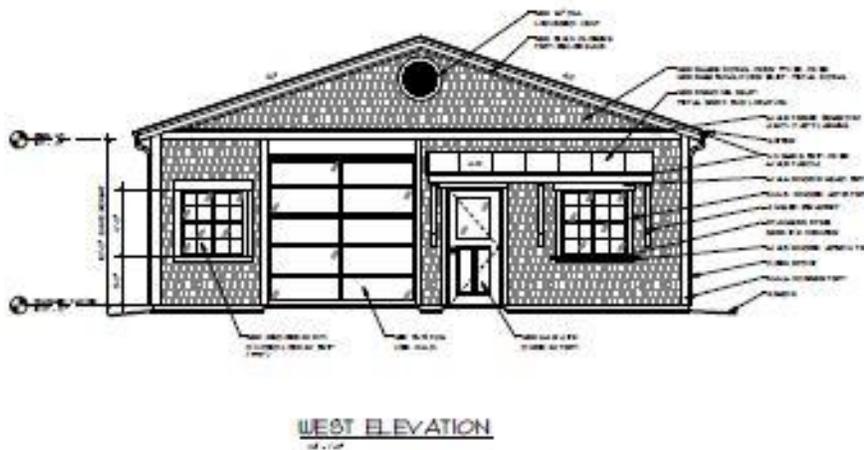
Learning Harbor Proposal

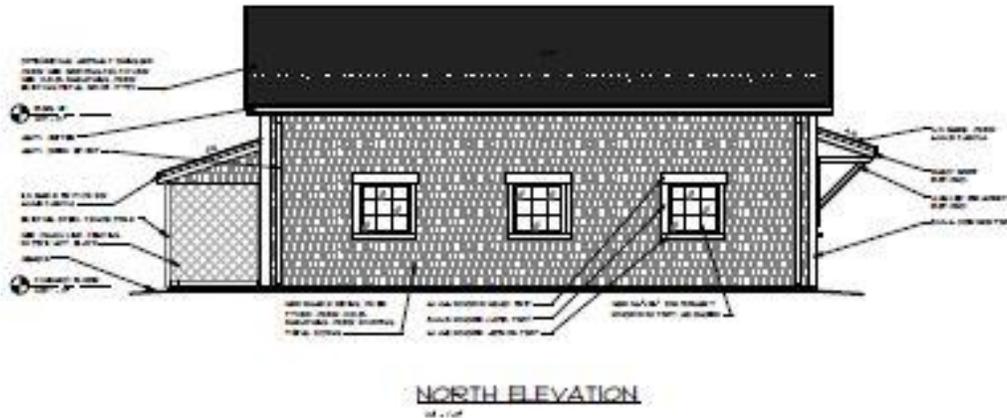
Situation

An underused portion of waterway and publically owned building in Menasha are under consideration for improvement and revitalization by Best Friends of Neenah Menasha (BFNM). The former Coast Guard station at (123 Water Street) has been vacant for 10- 15 years. BFNM is proposing a capital investment of approximately \$135,000 to open a multi-use complex to serve youth in crisis while encouraging families to enjoy Menasha's safe water access to Little Lake Butte de Morts. The Learning Harbor would encourage cross-traffic between the highly popular Trestle Trail and Menasha's business district.



The Learning Harbor will create new waterfront amenities including kayak and canoe rental, paddleboard rental and concession sales. This business venture will support new programming at BFNM, concentrating on workforce readiness skills for youth in our community. The building will also host mentoring activities focused on boat building to foster a deeper understanding of school curriculum, enhancing writing skills and math competencies.





Proposal Benefits

- Revitalizes a Community Landmark: Transforms a long-vacant asset with historic significance into a vibrant waterfront attraction, reinforcing Menasha’s water heritage.
- Connects the Trestle Trail to downtown Menasha: The Learning Harbor will serve as a corridor between the Trestle Trail Loop (300,000 annual visitors) and the Riverwalk on Water Street.
- New Tourism Asset: Unique-to-the-area waterfront amenities such as canoe, kayak, paddleboard rentals with concession sales.
- Invests in Workforce Development: The Learning Harbor will support student workplace readiness skills through business planning and operation, watercraft rental, concession sales and other projects.
- Productive Land Use – Now and in the Future: New development for this site will be challenging given the close proximity to the water. However, a mutually beneficial deal will help create a city asset, helping to attract new business, with the flexibility for future development.

Proposal Deal Points

- Initial five-year contract with 2 five-year options
- City will retain ownership of the building.
- BFNM will invest approximately \$135,000 in capital improvement to include:
 - Demo of fence (Fall 2016-Spring of 2017)
 - Windows and Doors (Winter 2016-2017)
 - Reconnection of utilities (Summer – Fall 2017)
 - Interior Renovation(Spring-Fall of 2017)
 - Exterior Renovation (Spring of 2018)
 - Landscaping (Spring 2018)
 - Signage (Summer 2018)
 - Exterior seating (Summer 2018)

Lease Termination

After three years, with 90 days' written notice, BFNM agrees to relinquish the property to facilitate redevelopment with capital improvement payback as detailed below: payback would follow a straight line depreciation method based upon a ten year time frame.

- From year 3, 70% payback of all cumulative cost of capital improvements to BFNM, not to exceed \$94,500.
- From year 5, 50% payback of all cumulative cost of capital improvements to BFNM, not to exceed \$67,500.
- From year 7, 30% payback of all cumulative cost of capital improvements to BFNM, not to exceed \$40,500.
- After year 10, there is no payback of capital improvement.

Operational Plan

Purpose of The Learning Harbor – To operate a community gathering place to rent watercraft and sell concessions to the public at a profit, utilizing the business as a learning experience for area youth. The Learning Harbor is a self-sustaining program that supports the mission of Best Friends of Neenah Menasha.

Open peak hours from approximately Memorial Day to Labor Day. Hours of operation TBD, but a minimum of 25 hours per week with a uniform, static schedule of operation.

Concessions to include, but not limited to, healthy, packaged snacks and grab-and-go food items, soft serve ice cream, non-alcoholic drinks, fruit, sweets and similar food items.

BFNM intends to solicit operational partners, sponsorships, donations and in-kind trade deals to help offset costs. Partners will not include businesses that do not align with the mission of BFNM.

Best Friends of Neenah Menasha

A 501(c)(3) youth serving organization that has been helping young people in Neenah and Menasha thrive through the power of mentoring friendships and supportive family networks for over 43 years.

We ensure all youth have the emotional, educational, and economic tools they need to thrive after high school and into early adulthood.

- Youth Empowerment: We work one-to-one or in a group setting with each child and teen to increase their developmental assets and lower risky behavior that leads to juvenile crime and victimization.
- Academic Achievement: We work with each student to remove barriers to learning and help them navigate the road to graduation.
- Strengthen Families: We connect our families to community resources to help to prevent child abuse and neglect through parent resilience, new social connections, and support in time of need.