



## MEMORANDUM

To: City of Menasha Board of Public Works  
From: Donald Merkes, Mayor  
Date: 13 July 2016  
RE: Exploration of City of Menasha and Menasha Joint School District offices at 100 Main Street

### **Background**

The Menasha Joint School District (MJSD) recently purchased the Harbor Place Building at 100 Main St to house the school district administrative offices. The district intends to use the space currently occupied by the administrative offices at Banta School to consolidate the bilingual program into one building as well as to allow the 4K program to be housed at neighborhood schools. The Harbor Place Building is approximately 33,000 sq feet and the MJSD requires approximately 15,000 sq feet of that space.

The City and MJSD currently cooperate in numerous ways and are continually discussing opportunities to strengthen both organizations by working together. The most visible current examples include the Health Department, Police/School Liaison Officers, and vehicle maintenance; however, there are numerous smaller examples like elections, Arbor Day, Bluejay Health and Wellness Center, & equipment sharing. By working in the same building, we anticipate there would be more opportunities for shared services, as well as improved customer service for residents in a one-stop shop.

The Menasha Joint School District has invited us to explore consolidating City and MJSD offices in the Harbor Place Building.

### **Financial Impact**

#### Taxes

100 Main Street was in TID #1, which closed at the end of 2015, so the parcel will be included in the general tax base for 2016. The 2016 value of 100 Main Street is \$ 1,478,500, which equates to approximately \$15,285 in annual city taxes. The associated parking lot is a separate parcel, and is in TID #10. The annual taxes (all taxing entities) on this parcel are approximately \$3,210, with the funds going to the TID.

If City Hall relocates, part of the loss of taxes from 100 Main Street could be offset by 140 Main Street being returned to the tax roll as a redevelopment site or sale of the existing building for other uses.

## Design

MJSD has a quote from Blue Design group for architectural design of their space for \$12,500, it is expected the City cost for architectural design would be similar.

## Build Out

MJSD estimates the cost for build out in their areas to be \$15-\$25 per sq foot. Being that there are no final designs at this point these numbers are estimates.

## Lease

MJSD is anticipating a lease rate of \$3 per square foot. This rate would be all inclusive including utilities, capital maintenance, ongoing building maintenance, and cleaning.

The City may be able to discontinue leases for spaces elsewhere that are more costly.

## Current Operating Expenses for 140 Main St

Public Works estimates that the operational expenses for City Hall average \$55,000 annually, and the Health Department \$35,000 annually. Furthermore, there are three major capital improvements projects expected for the building boiler, elevator, and backup generator, all of which are original to the building and expected to cost approximately \$262,000 to replace in the next 5 years.

## **Opportunities**

### Existing Building

The site at 140 Main Street offers opportunity for commercial use just west of the current heart of downtown. Adding retail or residential opportunities to the site would assist in the revitalization and desirability of the western end of downtown, which is currently somewhat segregated from the eastern half of downtown.

### Shared Space

It is likely that one floor of the building could be used for shared training and meeting space. This provides for more cost effective use of spaces that are not in continual use, such as board rooms, conference rooms, and large training rooms.

### Staffing

By having the majority of City staff on one floor there are more opportunities for cooperative working environments between departments as well as coverage during vacations and other absences. There are also opportunities for City and MJSD staff to share expert knowledge and/or work with each other on special projects or using special equipment. Long term, this could lead to more cooperative arrangements with joint departments and services.

### Proximity

Currently the Health Department works closely with MJSDto provide school health services, staff training, and other health-related services. The Health Department also oversees Senior Center operations and provides health and wellness services. Being located at 100 Main would put their employees in much closer proximity to the Senior Center, and in the same building with the School District. In addition, the Health Department oversees the City Safety Program. Co-locating City offices will facilitate collaboration and communication with City Departments on safety-related responsibilities (e.g. safety committee meetings, training, and inspections).

### Downtown

Bringing the school district offices downtown will add further activity and allow visiting teachers to experience our downtown. It will allow the School District to help showcase Menasha during joint training opportunities with other districts and be the home of regional meetings for school officials in Northeast Wisconsin. Visitors will have opportunities to visit area businesses and cultural attractions.

### **Recommendation**

Authorize City of Menasha and Menasha Joint School District to explore a consolidated office complex at 100 Main Street and contract with Blue Design Group for architectural services.

The City and Menasha Joint School District staff would bring information regarding build out costs and a preliminary design to the Common Council for consideration as part of the 2017 budget process.



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July 14, 2016

Dear Menasha Common Council,

The Menasha Joint School District wants to inform you that the District purchased the property at 100 Main St (Harbour Place). Below are reasons why we needed to move the District office and reasons why this building made sense:

- Bilingual program will be housed 100% at Banta. Right now it is split between two buildings.
- The District wanted to participate in the revitalizing of the downtown.
- The building provides the necessary space needed and the ability to house programs hosted outside of the District.
- Opportunity to lease out a floor to provide additional revenue to pay off the building faster.
- Create a stronger bond with City Hall.

Our District leadership team believes that the District and City Hall could have added benefits if City Hall would also move into the building. We are asking you to please explore the possibility of moving City Hall to the 100 Main Street location with us. The move would be an advantage to both organizations.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris L. VanderHeyden", written over a horizontal line.

Chris L. VanderHeyden  
Superintendent

A handwritten signature in black ink, appearing to read "Brian Adesso", written over a horizontal line.

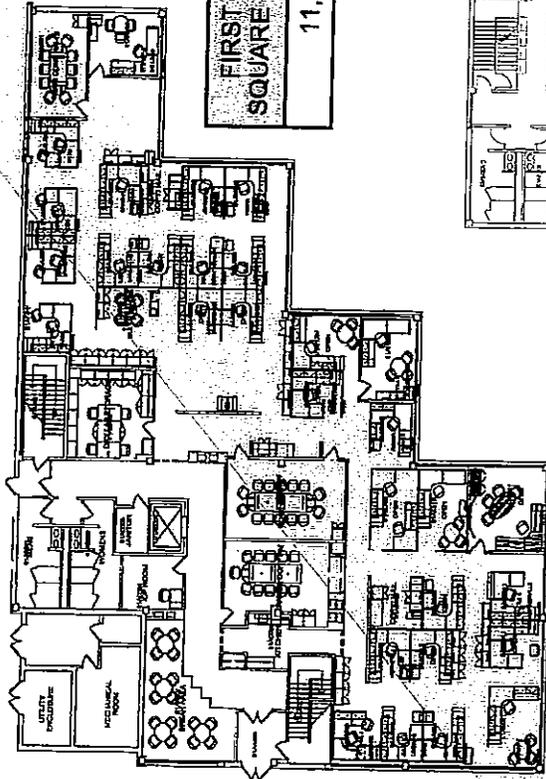
Brian Adesso  
Director of Business Services

# HARBOUR PLACE

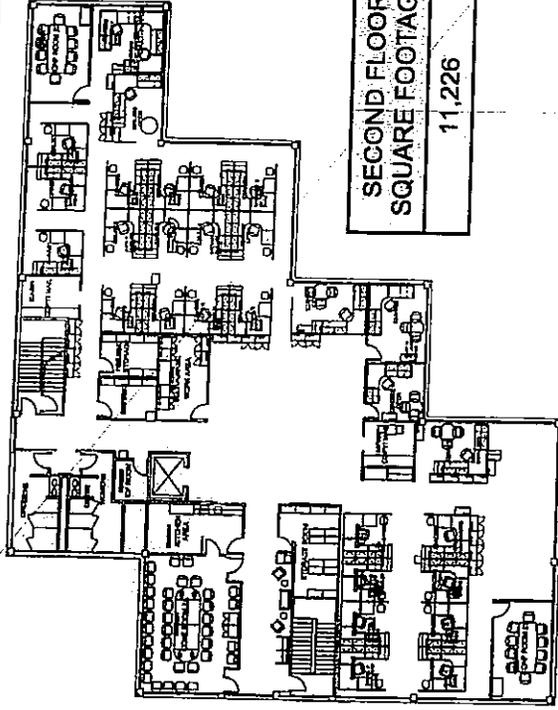
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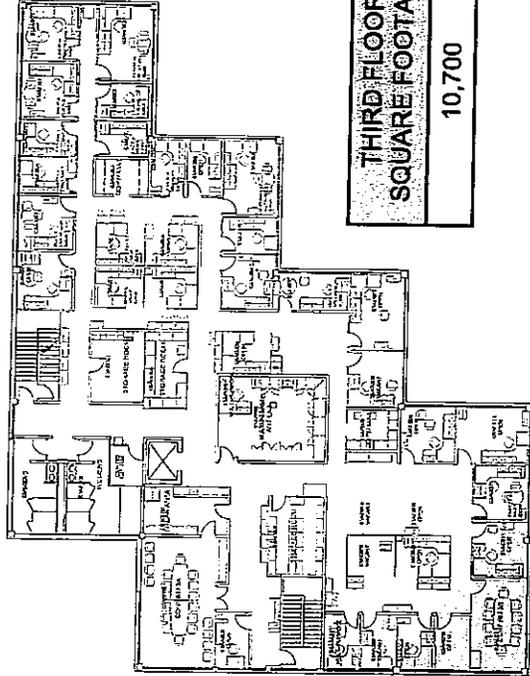
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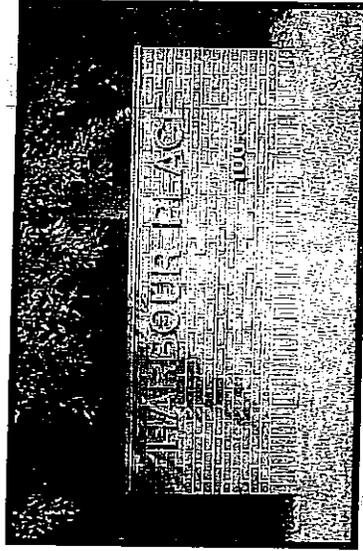
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