

**\*\*\*ATTACHMENTS\*\*\***

OFFICE USE ONLY

CDBG PROGRAM YEAR \_\_\_\_\_

APPLICATION REC'D DATE \_\_\_\_\_

OFFICE USE ONLY

DATED APP'D BY RDA \_\_\_\_\_

DOLLAR AMT APP'D \_\_\_\_\_

**CITY OF SHEBOYGAN  
APPLICATION FOR HISTORIC PRESERVATION GRANT PROGRAM  
FAÇADE GRANT FOR RESEARCH WORK  
Amended by RDA, August 6, 2014**

Completed application is to be filed with the Department of City Development, 828 Center Avenue, Suite 104, Sheboygan, WI 53081. Applications that are not complete or legible will not be accepted. Applications must be approved by the Redevelopment Authority before work may begin.

**1. GENERAL INFORMATION**

DATE OF APPLICATION SUBMITTAL: September 28, 2020

APPLICANT: David Lin PHONE: (708) 834-0938

NAME OF FIRM: 1136 Indiana Avenue LLC

APPLICANT'S ADDRESS: 1412 Hinman Ave. Unit G, Evanston, IL 60201

ARCHITECT: Jennifer Lehrke, Legacy Architecture PHONE: (920) 783-6303

ADDRESS: 605 Erie Ave #101, Sheboygan, WI 53081

**2. PROJECT INFORMATION (Costs must be verified with a written estimate for the research work from design professional)**

PROJECT LOCATION: 1136 Indiana Ave., Sheboygan, WI 53081

FAÇADE GRANT REQUEST \$ 5,000

### 3. CERTIFICATION

I hereby certify that all the above statements and attachments submitted hereto are true and correct to the best of my knowledge and belief.



\_\_\_\_\_  
**APPLICANT'S SIGNATURE**

September 28, 2020

\_\_\_\_\_  
**DATE**

David Lin

\_\_\_\_\_  
**PRINT ABOVE NAME**

### 4. NOTES

**PURPOSE:** To promote facade renovation of historic buildings, to conserve valuable architecture and to preserve the City's ethnic and cultural heritage as reflected in its historic structures.

**ELIGIBILITY:** The Redevelopment Authority (RDA) will give priority to projects completed along Michigan Ave (from N. 14<sup>th</sup> to N. 8<sup>th</sup> St), 8<sup>th</sup> Street (from Michigan to Indiana Ave) and Indiana Ave (from S. 8<sup>th</sup> to S. 14<sup>th</sup>). Projects located in other areas will be considered if funding is available and determined eligible by the RDA.

**GRANT REQUIREMENTS:** The research work/design must be prepared by a qualified historic preservation design professional and must reflect the original design, materials and character of the building including cost estimates for the proposed work. It must be approved by designated agencies.

**CITY PARTICIPATION:** The City will fund up to a maximum of \$5,000 and pay 100% of the cost of preliminary architectural and historical research, if deemed acceptable by the Redevelopment Authority (RDA). 75% of the façade grant for research work will be paid upon completion of the design. The remaining 25% of the façade grant for research work will be paid to the applicant upon completion of the construction project per the Architect's architectural and historical research. Funding will be provided on a first-come, first-served basis.

**COMPLETION:** Research work shall be completed within 6 months of authorization to proceed by the Redevelopment Authority. Work completed prior to approval will not be eligible for funding.

### 5. ACTION BY THE CITY OF SHEBOYGAN

DATE APPROVED BY REDEVELOPMENT AUTHORITY: \_\_\_\_\_

**CITY OF SHEBOYGAN**

**REQUEST FOR REDEVELOPMENT AUTHORITY COMMITTEE CONSIDERATION**

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**ITEM DESCRIPTION:** Discussion and possible action on historic preservation façade grant request for research work at 1136 Indiana Avenue.

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**REPORT PREPARED BY:** Chad Pelishek, Director of Planning and Development

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**REPORT DATE:** October 2, 2020

**MEETING DATE:**

October 7, 2020

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**FISCAL SUMMARY:**

Budget Line Item: N/A  
Budget Summary: N/A  
Budgeted Expenditure: N/A  
Budgeted Revenue: N/A

**STATUTORY REFERENCE:**

Wisconsin Statutes: N/A  
Municipal Code: N/A

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**BACKGROUND / ANALYSIS:**

David Lin purchased 1136 Indiana Avenue in Sheboygan as an investment property. City staff is working with Mr. Lin on a upper floor rehabilitation grant and a landscaping grant under separate programs. City staff approached Mr. Lin about the city’s historic preservation grant program for this property as a way to enhancing the façade. Given the building is in a target area related to the innovation district, city staff supports moving forward with the request. The city has budgeted CDBG funds in the 2018 budget for historic preservation activities.

**STAFF COMMENTS:**



**ACTION REQUESTED:**

Motion to approve the \$5,000 request for research work to be provided by Legacy Architecture with 75% being paid out upon completion of the work and the remaining 25% paid should the project proceed into construction.

**ATTACHMENTS:**

- I. Façade Grant for Research Work
- II. Proposal from Legacy Architecture dated September 28, 2020



LEGACY  
architecture

605 Erie Avenue, Suite 101  
Sheboygan, Wisconsin 53081  
(920) 783-6303  
www.legacy-architecture.com

September 28, 2020

David Lin  
1136 Indiana Avenue, LLC  
1412 Hinman Avenue, Unit G  
Evanston, Illinois 60201-4762

Re: City of Sheboygan Historic Preservation Grant Program  
Façade Grant for Research Work  
1136 Indiana Avenue, Sheboygan, Wisconsin 53081

Dear David:

It was a pleasure talking to you regarding the above-mentioned building. We understand that you would like to restore the exterior of the building. You are interested in utilizing the City of Sheboygan's Historic Preservation Grant Program Façade Grant for Research Work as part of an overall financing package and will prepare and submit the application to the city.

Remodeling a commercial building such as this is a major undertaking. We can help guide you through the steps in this process including Schematic Design, Design Development, Construction Documents, Bidding & Negotiation, and Construction Contract Administration. Based on our discussion, we suggest a Scope of Work which includes Schematic Design only. Our Scope of Services for this Agreement shall include the following:

1. Attend Redevelopment Authority meeting necessary to approve grant funding. The Redevelopment Authority typically meets on the first and third Wednesday of each month or as needed at 7:45 am and is currently meeting virtually via GoToMeeting.com.
2. Visit the site to verify existing conditions and take field measurements and photographs of the building.
3. Draft existing floor plans and elevations.
4. Research archive photographs to determine the building's original appearance.
5. Meet with you to arrive at a preferred design concept.
6. Prepare color elevations including material notes and color selections.

In addition to the Scope of Services to be provided under this Agreement, the Consultant has offered and recommended to the Client certain other services that the Consultant deems necessary or advisable for the Project. The Client and Consultant have decided to include such services from another source or to forgo those services until a later date. The following recommended services are therefore excluded from this Agreement:

- Additional work not specifically mentioned in the Scope of Services above
- ALTA Land Title, Existing Conditions, and Topographic Survey
- Civil, structural, fire protection, plumbing, mechanical, and electrical engineering services
- Applications and meetings with authorities having jurisdiction including, but not limited to, Plan Commission, Architectural Review Board, Historic Preservation Commission, etc.
- Interior material and finish selections and interior design services
- Design Development phase services
- Construction Documents phase services
- Bidding & Negotiation phase services
- Construction Contract Administration phase services

- Three-dimensional renderings

In consideration of the risks to the Consultant as a result of the Client’s decision to exclude these recommended services from this Agreement, the Client hereby agrees, to the fullest extent permitted by law, to indemnify and hold harmless the Consultant, its officers, directors, employees and subconsultants (collectively, Consultant) from any damages, liabilities or costs arising out of or in any way connected with the Consultant’s not providing these Excluded Services. If any of these services are desired at a later date, they will be performed at our regular hourly rates. Our 2020 Schedule of Rates is as follows:

Principal Architect & Historic Preservation Consultant III .....	\$120/hour
Architectural Intern III .....	\$95/hour
Architectural Intern II & Historic Preservation Consultant II .....	\$80/hour
Architectural Intern I & Historic Preservation Consultant I .....	\$70/hour
Administrative Assistant .....	\$60/hour
Reimbursable Expenses .....	Cost + 10%

Based on our past experience, we estimate the fees for the above scope of services will be approximately \$5,000, of which the first 75% (\$3,750) will be billed directly to and paid by the City of Sheboygan, and the remaining 25% (\$1,250) will your responsibility. If you proceed with construction as designed, the City may reimburse your initial 25% (\$1,250) investment. Reimbursable expenses such as printing, mileage, and postage are in addition to these fees.

Invoices shall be submitted by the Consultant monthly and are due on the 21<sup>st</sup> of each month and shall be considered past due if not paid by the end of the same month. If payment in full is not received by the Consultant within 30 calendar days, invoices shall bear interest at 1.5% or the maximum rate allowable by law, whichever is less, of the past due amount per month, which shall be calculated from the invoice date. Payment thereafter shall be first applied to accrued interest and then to the unpaid principal.

If the Client fails to make payments when due and the Consultant incurs any costs in order to collect overdue sums from the Client or in the event legal action is necessary to enforce the payment terms of this Agreement, the Consultant shall be entitled to collect from the Client any judgment or settlement sums due, plus collection agency fees and expenses, collection bonds, reasonable attorney’s fees, court costs, and other expenses incurred by the Consultant for such collection action and, in addition, the reasonable value of the Consultant’s time and expenses spent for such collection action, computed according to the Consultant’s prevailing fee schedule and expense policies. The obligation of the Client to pay the Consultant’s collection costs shall survive the term of this Agreement or any earlier termination by either party.

If the Client fails to make payments when due or otherwise is in material breach of the Agreement, the Consultant may suspend performance of service. The Consultant shall have no liability whatsoever to the Client for any costs or damages as a result of such suspension caused by any breach of this Agreement by the Client. Upon payment in full by the Client, the Consultant shall resume services under this Agreement, and the time schedule and compensation shall be equitably adjusted to compensate for the period of suspension plus any other reasonable time and expense necessary for the Consultant to resume performance.

If the Client fails to make payment to the Consultant in accordance with the payment terms herein, this shall constitute a material breach of the Agreement and shall be cause for termination of this Agreement by the Consultant. In the event of termination of this Agreement by either party, the Client shall within 30 calendar days of termination pay the Consultant for all services rendered and all reimbursable costs incurred by the Consultant up to the date of termination, in accordance with the payment provisions of this Agreement.

If, during the term of this Agreement, circumstances or conditions that were not originally contemplated by or known to the Consultant are revealed, to the extent that they affect the scope of services, compensation, schedule,

allocation of risks or other material terms of this Agreement, the Consultant may call for renegotiation of appropriate portions of this Agreement. The Consultant shall notify the Client of the changed conditions necessitating renegotiation, and the Consultant and the Client shall promptly and in good faith enter into renegotiation of this Agreement to address the changed conditions. In establishing fees for any additional services to be performed, the Consultant shall utilize the same fee schedule included herein. If terms cannot be agreed to, the parties agree that either party has the absolute right to terminate this Agreement in accordance with the termination provision thereof.

If the Consultant for any reason is not allowed to complete all the services called for by this Agreement, the Consultant shall not be held responsible for the accuracy, completeness, or constructability of the construction documents prepared by the Consultant if used, reused, changed, or completed by the Client or by another party. Accordingly, the Client agrees, to the fullest extent permitted by law, to indemnify and hold harmless the Consultant, its officers, directors, employees, and subconsultants (collectively, Consultant) from any damages, liabilities or costs, including reasonable attorneys' fees and defense costs, arising or allegedly arising from such use, change, or completion by any other party of any construction documents prepared by the Consultant.

This proposal is valid for 90 days from the date listed above.

We appreciate the opportunity to provide this proposal and look forward to working with you. Please contact us if there are any questions or if you require further information. Signing and dating of this letter and returning it to Legacy Architecture, Inc. will indicate your acceptance.

Sincerely,

Legacy Architecture, Inc.



Jennifer L. Lehrke, AIA, LEED AP, NCARB  
Principal Architect & Historic Preservation Consultant

Acceptance:

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Signature

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Date

Note: The Client agrees, to the fullest extent permitted by law, to limit the liability of the Consultant and Consultant's officers, directors, employees, shareholders, owners and subconsultants for any and all claims, losses, costs, damages of any nature whatsoever or claims expenses from any cause or causes, including attorneys' fees and costs and expert witness fees and costs, so that the total aggregate liability of the Consultant and Consultant's officers, directors, employees, shareholders, owners and subconsultants shall not exceed \$50,000, or the Consultant's total fee for services rendered on this project, whichever is greater. It is intended that this limitation apply to any and all liability or cause of action however alleged or arising, unless otherwise prohibited by law.

## Community Land Trust Ground Lease Rider

THIS COMMUNITY LAND TRUST GROUND LEASE RIDER (the "Rider") is made this 24 day of September, 2020, and amends and supplements a certain ground lease (the "CLT Ground Lease") dated Oct 2, 2019, that is by and between City of Sheboygan as lessor (herein referred to as the "Lessor" but may otherwise be referred to in the CLT Ground Lease as the "CLT") and South Pier Family Investments, as lessee (herein referred to as the "Lessee" but may otherwise be referred to in the CLT Ground Lease as "Homeowner"). This Rider shall be deemed incorporated into the CLT Ground Lease, and the CLT Ground Lease as amended by this Rider, shall hereafter be referred to as the "Lease," unless otherwise indicated.

The CLT Ground Lease is a long-term lease of the Lessor's fee interest in the land located at 750 S. Pier Dr., Sheboygan, WI 53081, referred to herein as the "Leased Land," as improved by a residential structure or unit, referred to herein as the "Improvements." The Leased Land and the Improvements are collectively referred to herein as the "Leased Premises."

This Rider amends the CLT Ground Lease for the purpose of enabling the Lessee to obtain financing eligible for sale to Freddie Mac in the form of a mortgage or deed of trust (the "Specified Mortgage") given this 25 day of September, 2020, by Lessee to City of Sheboygan- City Development (including its successors and assigns, and any indorsee of the promissory note secured by such Specified Mortgage, the "Specified Mortgagee"), and the interest of the holder of the Specified Mortgage in the Leased Premises as secured by such Specified Mortgage may be referred to herein as the "Leasehold Estate." The Specified Mortgage is recognized by Lessor as a "Permitted Mortgage" (or as such concept is otherwise defined) under the CLT Ground Lease, and the Specified Mortgagee is recognized as a "Permitted Mortgagee" (or as such concept is otherwise defined) under the CLT Ground Lease.

**ADDITIONAL COVENANTS.** Notwithstanding anything to the contrary contained in the CLT Ground Lease, and in addition to the covenants and agreements made in the CLT Ground Lease, the Lessor and the Lessee further covenant and agree, so long (but only so long) as the Specified Mortgagee shall have an interest in the Leased Premises as a holder of the Specified Mortgage or as an owner of the Lessee's interest pursuant to any foreclosure sale or assignment in lieu of foreclosure, the following provisions shall apply to the CLT Ground Lease as modifications thereof:

- A. No Assignment or Transfer.** The making of the Specified Mortgage shall not be deemed to constitute an assignment or transfer of the Lease or Leasehold Estate so as to require the Specified Mortgagee to assume the performance of any of the Lessee's obligations under the Lease.
- B. Status of the Fee Estate.** The Lessor represents and warrants that there is no existing mortgage on the fee estate, and so long as the Specified Mortgage shall remain on the Leased Premises, the Lessor and the Lessee shall not subordinate the Lease to any mortgage or lien that may hereafter be placed on the fee estate. Notwithstanding the foregoing, a state- or local-government entity ("Government Entity") may hold a prior recorded interest (represented by recorded covenants, a mortgage or deed of trust, other lien) on the fee estate **if** the Government Entity has agreed that in the event it (including its successors and assigns) succeeds to the interest of the Lessor under the Lease by any remedy available to the Government Entity by law or pursuant to its lien, the Government Entity shall recognize all the terms of the Lease and this Rider as though the

Government Entity were acting as the Lessor. Such recognition must include, but is not limited to, the provisions of this Rider whereby all provisions of the Lease regarding (a) occupancy of the Leased Premises as a primary residence by the Lessee, (b) limitation on assignment of, or sublease under, the Lease, (c) the price at which the Leasehold Estate may be transferred, and (d) the income of successive transferees, assignees or successors, shall, in the event of foreclosure or recordation of assignment in lieu of foreclosure of the Specified Mortgage, be of no further force or effect with respect to such Specified Mortgagee. Further, in such event of the Government Entity succeeding to the interests of the Lessor, the Lessee hereby agrees to recognize the Government Entity as exercising all rights and privileges of the Government Entity as lessor under the Lease and this Rider.

Such agreement by the Government Entity may be evidenced by the agreement between the Government Entity and the Lessor under which the Government Entity's prior recorded interest is derived, or by use of a recognition agreement derived from a sample the Specified Mortgagee may obtain from Freddie Mac. Irrespective of any interest by a Government Entity, the Specified Mortgage shall constitute a first leasehold lien on the Leased Premises, and shall have priority over the Lessor's reversionary interest. If the Lessor conveys title to the Leased Land while the Specified Mortgage remains on the Leased Premises, the Lease shall remain in effect with the same priority thereto.

- C. Termination, Forfeiture and Modification of Lease.** There shall be no termination, forfeiture, or modification of the Lease, except as provided in this Rider, without the prior written consent of the Specified Mortgagee. The Lessor and Lessee shall amend the Lease from time to time as reasonably requested by the Specified Mortgagee, as long as the requested changes do not change the periodic fee, charge or payment due the Lessor for the rights accorded the Lessee under the Lease (the "Ground Lease Fee"), and do not materially or adversely affect the rights of Lessor or Lessee or their respective interests in the Leased Premises. An adjustment of the Ground Lease Fee may be made by the Lessor as provided in the Lease, without prior approval of the Specified Mortgagee, so long as written notice has been delivered to the Specified Mortgagee at least 60 days prior to the effective date of such adjustment with respect to adjustments other than those (i) that were scheduled at the time the Specified Mortgage was given, and (ii) reflecting routine, periodic updates to variable expenses such as property taxes and liability insurance premiums; provided, however, that the Specified Mortgagee shall have the right to arbitrate (as provided herein) any dispute as to an adjustment of the Ground Lease Fee.
- D. New Lease.** In the event the Lessee's interest in the Lease has been terminated, forfeited, or surrendered as provided in the Lease, and the Specified Mortgage remains outstanding, a new Lease shall automatically be created between the Lessor and the Specified Mortgagee, which Lease shall be for the remainder of the term of the Lease, with the same priority thereto, and shall be subject to the same terms of the Lease as would be applicable pursuant to Section E.1. below where the Specified Mortgagee had accelerated its note, foreclosed on the Specified Mortgage, taken an assignment in lieu of foreclosure, or exercised its other remedies for default.
- E. Mortgage Default or Foreclosure.** Subject to the following, upon the occurrence of an event of default under the Specified Mortgage or a determination that the Lessee is in imminent default (as determined by the Specified Mortgagee or its mortgage servicer—an "Event of Default"), and without the consent of the Lessor, the Specified Mortgagee or its mortgage servicer may enter into any loss mitigation option, such as a repayment plan, forbearance plan, or loan modification agreement, accelerate its note, foreclose on the Specified Mortgage, take an assignment in lieu of foreclosure, or exercise its other remedies for default. In addition, in the event the Specified Mortgagee or its mortgage servicer enters into a loan modification agreement to extend the term of the Specified Mortgage, Lessor agrees to amend the Lease to extend its expiration date to at least five years beyond the modified term of the Specified Mortgage.

Further:

1. Upon the occurrence of an Event of Default under the Specified Mortgage, the Lessee shall immediately notify the Lessor of such Event of Default and shall submit to Lessor copies of all notices the Lessee received from the Specified Mortgagee relating thereto. The Specified Mortgagee and the Lessor shall endeavor to communicate and cooperate in efforts to deal with the circumstances of the Event of Default and the actions the parties may take relating thereto.
2. Lessee authorizes and consents to the Specified Mortgagee, Freddie Mac, and any mortgage servicer of such entity, to send to the Lessor copies of any notices related to an Event of Default under the Specified Mortgage, including, but not limited to, notice of default, notice of acceleration, and any other foreclosure and pre-foreclosure notices related to the Specified Mortgage. In addition, Lessee authorizes and consents to the Specified Mortgagee, Freddie Mac, and any mortgage servicer of such entity, to disclose to Lessor any of the Lessee's personal or financial non-public information related to any evaluation of the Lessee for loss mitigation assistance. Any such notices or other information to be sent under this paragraph to the Lessor shall be sent to the Lessor's address at City of Sheboygan City Development, 807 Center Ave., Sheboygan, WI 53081 or at such other address provided by the Lessor in writing to the sender of such notices or other information.
3. The Lessee and the Specified Mortgagee agree that the Lessor shall have the right, but not the obligation, to cure an Event of Default in the Lessee's name and on the Lessee's behalf. If such cure is not effective and continuing, nothing herein shall be construed to prevent or delay the Specified Mortgagee from its pursuit of foreclosure and any other available remedies. The Lessee shall be responsible to the Lessor for all payments made, and expenses incurred, by the Lessor in curing such default.
4. The Specified Mortgagee or its mortgage servicer must send to the Lessor a copy of the first notice of the Event of Default related to the Lessee's Event of Default under the Specified Mortgage (the "First Notice of Default") upon sending the First Notice of Default to the Lessee. Following delivery of the First Notice of Default to the Lessor, the Lessor may give notice to the Specified Mortgagee by sending such notice to its mortgage servicer, notifying it of the Lessor's intent to cure the Event of Default through (a) reinstatement by payment of all delinquent amounts due under the Specified Mortgage, or (b) full payoff of all amounts secured by the Specified Mortgage, (the "Notice of Intent to Cure"). Provided Lessor sends a Notice of Intent to Cure no later than the 120<sup>th</sup> day following the Event of Default, the Specified Mortgagee will not undertake the first legal action to commence foreclosure on the Specified Mortgage earlier than the 180<sup>th</sup> day following the related Event of Default.
5. Should the Lessor not choose to cure an Event of Default as specified above, the Lessor shall nevertheless have the option to purchase from the Specified Mortgagee its interest in the Leasehold Estate on the Leased Premises for the full amount owing to the Specified Mortgagee under the Specified Mortgage as of the date of closing of the purchase, upon written notice given by the Specified Mortgagee (the "Mortgagee Option Notice") not later than 60 days following, and no earlier than, acquisition of title to the Leasehold Estate by the Specified Mortgagee by foreclosure or by an assignment in lieu of foreclosure; provided, however, the Specified Mortgagee may give such Mortgagee Option Notice following the occurrence of an Event of Default under the Specified Mortgage and prior to the completion of foreclosure proceedings. If the Lessor elects to exercise such option to purchase, the Lessor shall give written notice to the Specified Mortgagee, or, as applicable, its successors or assigns, of the Lessor's intent to purchase the Leasehold Estate (the "Lessor Option Notice") within 45 days following the Specified Mortgagee's giving of the Mortgagee Option Notice; provided, however,

at the option of the Lessor, in the event the Mortgage Option Notice is given prior to the completion of foreclosure by the Specified Mortgagee, the Lessor shall, within such 45-day period, be able to give a written notice to the Specified Mortgagee that it will delay giving the Lessor Option Notice until a date that is not later than 30 days following written notice from the Specified Mortgagee of its acquisition of title to its interest in the Leasehold Estate on the Leased Premises.

The Lessor shall complete the purchase of the Specified Mortgagee's interest in the Leasehold Estate within 60 days of giving the Lessor Option Notice. If the Lessor does not complete the purchase within the allotted 60 days, the Specified Mortgagee shall be free to sell its interest to another person or entity. Further, if the Lessor does not complete the purchase within the allotted 60 days, the Lessor agrees to pay to the Specified Mortgagee its costs of holding its interest in the Leasehold Estate from the date of the Lessor Option Notice until the expiration of such 60-day period in accordance with paragraph 8 below using the unpaid principal balance of the Specified Mortgage as of the date the Specified Mortgagee acquired its interest in the Leasehold Estate through foreclosure or assignment in lieu of foreclosure of the Specified Mortgage. If the Lessor does not purchase the Specified Mortgagee's interest in the Leasehold Estate as described herein, the Leasehold Estate may be transferred, mortgaged and sublet an unlimited number of times, and the Lessor shall not require a credit review or impose other qualifying criteria on any such transferee, mortgagee or sublessee.

6. In the event of foreclosure or assignment in lieu of foreclosure, which results in the conveyance of the Leasehold Estate on the Leased Premises from the Lessee, any adjustment of the Ground Lease Fee to reflect the current fair market rental value as provided in the Lease, shall be subject to the approval of the Specified Mortgagee. The Specified Mortgagee and the Lessor shall attempt to resolve any dispute concerning such adjustment of the Ground Lease Fee, through the normal interaction of the parties, or through formal mediation as the case may warrant. If the dispute remains unresolved, the Specified Mortgagee and the Lessor shall submit the dispute as to the fair market rental value to binding arbitration.
7. In the event the Specified Mortgagee acquires title to the Leasehold Estate on the Leased Premises through foreclosure or assignment in lieu of foreclosure of the Specified Mortgage upon foreclosure (or the expiration of any application redemption period) or upon recordation of assignment in lieu of foreclosure, if applicable, all provisions of the Lease regarding (a) occupancy of the Leased Premises as a primary residence by the Lessee, (b) any limitation on the assignment of, or sublease under, the Lease, (c) any obligation to target certain populations in marketing the Leasehold Estate to potential transferees, (d) the price at which the Leasehold Estate on the Leased Premises may be transferred, and (e) the income of successive transferees, and their successors and assigns, shall be of no further force or effect with respect to such Specified Mortgagee. The foregoing sentence shall not be construed to invalidate other Lease provisions regarding permitted use of the Leased Premises. Any transfer or assignment of the Leasehold Estate encumbered by the Specified Mortgage as provided for in this paragraph shall be deemed a permitted sale, transfer or assignment of the Lease and the Leasehold Estate. Further, in such event, the Leasehold Estate may be transferred, mortgaged and sublet an unlimited number of times, and the Lessor shall not require a credit review or impose other qualifying criteria on any such transferee, mortgagee or sublessee.
8. In the event the Lessor sends a timely Notice of Intent to Cure and fails to cure the Event of Default within the allotted 60 days, Lessor agrees to reimburse the Specified Mortgagee or its mortgage servicer for holding costs, if incurred, related to the delay in pursuing foreclosure on the Specified Mortgage or obtaining an assignment in lieu of foreclosure of the Specified Mortgage. The amount of holding costs will be based on a mutually agreeable calculation by the parties; however, holding costs must not exceed an amount equal to (A divided by B) multiplied

by C, where:

A = the unpaid principal balance of the Specified Mortgage multiplied by its interest rate

B = 365

C = 60

- F. Lease Default.** There shall be no forfeiture or termination of the Lease except for (i) the nonpayment of amounts due under the Lease, and (ii) violation of one or more provisions of the Lease addressing the following: (a) prohibition or restrictions on the sale or transfer of the Lessee's interest (however, non-sale transfers protected under the Garn St. Germain Act or otherwise permitted under Freddie Mac's *Single-Family Seller/Service Guide* ("Guide") (see e.g., Guide Sections 8406.3 and 8406.4), as amended from time to time, may not constitute a basis for default under the Lease, though the Lessor may require such transferee to agree to assume the transferor's obligations under the Lease when an assumption of the Specified Mortgage would be required under Freddie Mac's Guide (see e.g., Guide Chapter 8406), and (b) requirement that the Lessee occupy the Leased Premises as primary residence. Provided, however, such forfeiture or termination shall be subject to the Specified Mortgagee's right to cure a monetary default, or otherwise foreclose or take an assignment of the Leasehold Estate in lieu of foreclosure with respect to the Lessee's monetary or non-monetary default. Notwithstanding the foregoing, nothing herein shall be construed to require the Specified Mortgagee to cure any non-monetary default. Further, the Specified Mortgagee shall become subrogated to any and all rights of the Lessee with respect to such curing of a default. If the Lessee's default shall be cured as provided in the Lease, and the Specified Mortgagee shall discontinue its foreclosure or assignment in lieu of foreclosure proceedings, the Lease shall continue in full force and effect as if the Lessee had not defaulted. A default by the Lessee under the Lease shall constitute a default under the Specified Mortgage.
- G. Lease Default Notice.** Notwithstanding the notice requirements provided in the Lease, no default notice by the Lessor shall be deemed to have been given unless and until a copy thereof shall have been so given to the Specified Mortgagee or its mortgage servicer.
- H. Insurance.** All insurance policies covering the Improvements shall by endorsement name the Specified Mortgagee as an additional insured and loss payee, and provide the Specified Mortgagee with 30 days' cancellation notice.
- I. Casualty and Condemnation.** If the Leased Premises are destroyed or taken to such an extent that the Lease is to be terminated, the insurance proceeds or condemnation award, as the case may be, shall be applied first in an amount sufficient to satisfy the Specified Mortgage. Upon the termination of the Lease as a result of a partial destruction or a condemnation of less than the entire Leased Premises, the total insurance proceeds or condemnation award, as the case may be, shall be paid to an appointed trustee, who shall first apply such insurance proceeds or condemnation award in accordance with the Specified Mortgage for restoration of the Improvements (if such trustee determines that the Improvements may reasonably be restored to a residential use consistent with the Lease), with the balance of such insurance proceeds or condemnation award to be allocated between the Lessor and Lessee as otherwise provided in the Lease. The Specified Mortgagee or its mortgage servicer shall be entitled to participate in (i) the adjustment of all casualty losses and (ii) all condemnation proceedings and settlement discussions. Any insurance proceeds or condemnation award shall be applied in accordance with the Specified Mortgage. The Specified Mortgagee or its mortgage servicer shall also be entitled to participate in the adjustment of the Ground Lease Fee as a result of a partial destruction or taking.
- J. Force Majeure.** The Lessee shall not be in default where performance is delayed or prevented by "Acts of God," war, civil commotion, strikes, labor disputes or the like.

- K. **Easements and Alterations.** Additions to and alternations in the Improvements may be made as provided in the Lease, as long as the value of the Leased Premises is not diminished. The Lessor, as owner of the fee interest in the Leased Land, shall join in all easements, permits and applications necessary for such development of the Leased Premises as is permitted under the Lease, provided that the Lessor shall have no liability or obligation under such easement, permit or application.
- L. **Arbitration.** The Specified Mortgagee shall have the right to participate in any arbitration or legal proceedings between the Lessor and the Lessee. Any arbitration proceedings shall be conducted in accordance with arbitration statutes applicable in the state where the Leased Premises are located.
- M. **Merger.** If the estates of the Lessor and Lessee are at any time owned by the same person, so long as the Specified Mortgagee has any interest in the security or in the Specified Mortgage, such person shall take all necessary steps to ensure that the Specified Mortgage constitutes a first lien on the combined estate.
- N. **Sublease.** There shall be no modification, cancellation, or surrender of any subleases, or prepayment of rent thereunder without the consent of the Specified Mortgagee. If the Specified Mortgagee forecloses on the Leased Premises, or takes and records an assignment in lieu of foreclosure, all subtenants shall attorn to such Specified Mortgagee or its assignee.
- O. **Estoppel Certificate.** The Lessor shall, from time to time, with 10 days written notice from the Specified Mortgagee, certify by written instrument, duly executed and acknowledged, to such Specified Mortgagee that the Lease has not been amended, the Lease is in full force and effect, that neither party is in default thereunder, and shall certify as to the existence of any offsets, counterclaims or defenses on the part of the Lessee.
- P. **Conflict.** In the event of a conflict between the terms and provisions of this Rider and the terms and provisions of the Lease, the terms and provisions of this Rider shall control.


BY SIGNING BELOW, the Lessor and the Lessee accept and agree to the terms and conditions of this Rider.

IN WITNESS WHEREOF, the parties have executed this Rider at \_\_\_\_\_, on the day and year first written above.

LESSOR:

By: \_\_\_\_\_

Title: \_\_\_\_\_

LESSEE:  
  
 \_\_\_\_\_  
 Taylor Anderson, S.P.F.I.

(Add notaries)

**CITY OF SHEBOYGAN**

**REQUEST FOR REDEVELOPMENT AUTHORITY COMMITTEE CONSIDERATION**

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**ITEM DESCRIPTION:** Review of the South Pier Live Work Guidelines adopted in 2011.

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**REPORT PREPARED BY:** Chad Pelishek, Director of Planning and Development

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**REPORT DATE:** October 2, 2020      **MEETING DATE:** October 7, 2020

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**FISCAL SUMMARY:**

Budget Line Item:      N/A  
Budget Summary:      N/A  
Budgeted Expenditure:      N/A  
Budgeted Revenue:      N/A

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**STATUTORY REFERENCE:**

Wisconsin Statutes:      N/A  
Municipal Code:      N/A

**BACKGROUND / ANALYSIS:**

The attached document includes the South Pier Live Work Guidelines approved the Redevelopment Authority in 2011. The purpose of the supplemental guidelines is to provide more detailed series of recommended development patterns and design character pertinent to the Live/Work character zone of the South Pier district. These recommendations take into account the lessons learned from the development that has occurred thus far at South Pier. In addition, clarification and further definition of the intended character and use of the network of public spaces with South Pier is also included.

**STAFF COMMENTS:**

Page 6 shows the master plan and buildings planned on the pier.  
Page 7 and 8 shows the public plazas, promenades, and green spaces available per the master plan.  
Page 10 shows the permitted building types.

**ACTION REQUESTED:**

For discussion only.

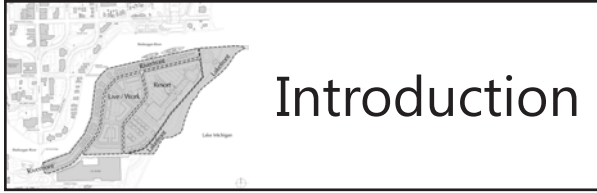
**ATTACHMENTS:**

None.



## SOUTH PIER LIVE/WORK ZONE SUPPLEMENTAL GUIDELINES 2011

S H E B O Y G A N , W I S C O N S I N



The original design guidelines for South Pier, a separate document established in 2003, outlined four distinct character and development zones: the Riverfront zone (the Shanties,) the Live/Work zone (the Lofts,) the Resort zone (the Dunes,) and the Lakefront zone (the Beach.). These supplemental guidelines update the Live/Work zone (page 8-10) in the 2003 edition of the South Pier Design Guidelines.

South Pier, located at the convergence of the Sheboygan River and Lake Michigan, was formerly a 42-acre brownfield site that was used to store coal, salt, fertilizer and petroleum for over 100 years. The citizens of Sheboygan, along with City officials, staff, and the business community, realized the latent opportunities of the site and began efforts to revitalize the site in order to create not only jobs and economic growth, but also to create vibrant and memorable public places for use and enjoyment of all the people of Sheboygan and the region. An enormous amount of time, energy, local and private resources, as well as state and federal grants have been committed to South Pier's mixed-use redevelopment project.

As a result, South Pier is well on its way to realizing the promise of the original development vision for the site as a mixed use waterfront district as well as other retail and commercial businesses have been established on the site. In addition, public infrastructure including streets, sidewalks, and utilities have been constructed. Of particular significance is the establishment of the public riverwalk, Lake Michigan beachfront restoration, and other public places within the development, including public service facilities which include such amenities as restrooms and fish cleaning facilities all of which continue to build upon Sheboygan's civic values in providing public access to waterfronts.

In establishing a vision for the site, citizens, officials, and planners looked to retain and emulate

the charm and economic vibrancy of historic and timeless waterfront places such as Portsmouth, New Hampshire, Mackinac Island, Michigan, Port Washington, Wisconsin, and Fishtown in Leeland, Michigan (as illustrated in the images on the following page.) In essence the goal was to create not a "waterfront development" but a true mixed-use, publicly-accessible, pedestrian-scaled, waterfront neighborhood that integrates seamlessly with adjoining downtown and residential areas.

The purpose of these supplemental guidelines is to provide more detailed series of recommended development patterns and design character pertinent to the Live/Work character zone of the South Pier district. These recommendations take into account the lessons learned from the development that has occurred thus far at South Pier. In addition, clarification and further definition of the intended character and use of the network of public spaces within South Pier is also included.

#### **Contact Information**

Additional information regarding development of the South Pier District can be obtained from:

Department of City Planning and Development  
City of Sheboygan  
828 Center Avenue, Suite 104  
Sheboygan, WI 53081  
920-459-3377  
development@ci.sheboygan.wi.us



*Fishtown - Leeland, Michigan*



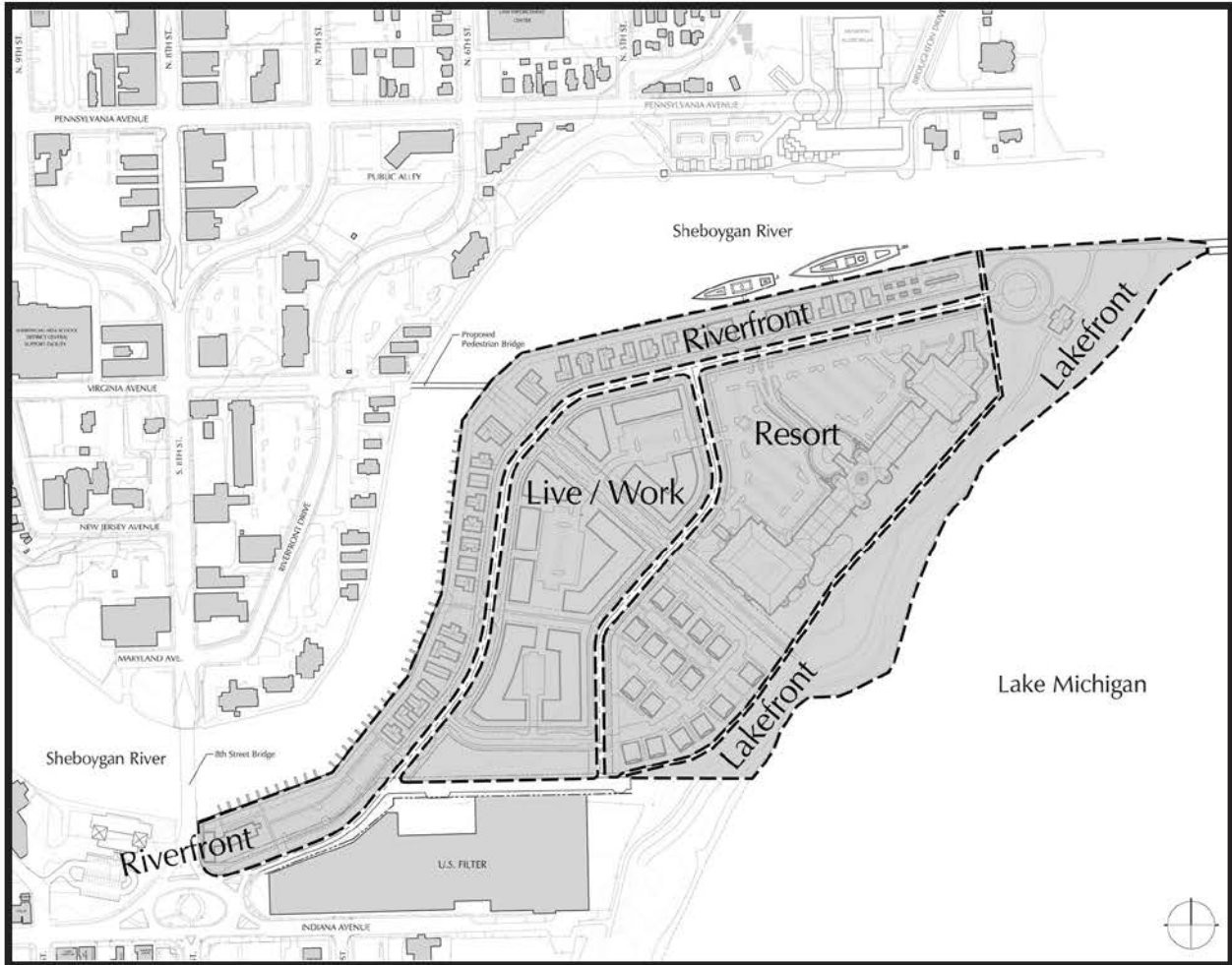
*Port Washington, Wisconsin*



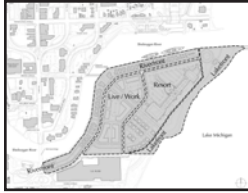
*Mackinac Island, Michigan*



*Portsmouth, New Hampshire*



*Live/Work District Area*



## Live/Work Character Zone

The South Pier district has become a notable waterfront address and desirable area attracting private investment for the City of Sheboygan. Over the past several years major infrastructure, waterfront access, and public places have been constructed on the former industrial site giving the city a vibrant waterfront neighborhood. Four distinct character and development zones were outlined for the South Pier district: the Riverfront zone (the Shanties,) the Live/Work zone (the Lofts,) the Resort zone (the Dunes,) and the Lakefront zone (the Beach.) The original design guidelines for South Pier, established in 2003, outlined some general recommendations for each zone regarding the physical character and use envisioned for future developments.

The purpose of these supplemental guidelines is to provide more detailed series of recommended development patterns and design character pertinent to the Live/Work character zone of the South Pier district. These recommendations take into account the lessons learned from the development that has occurred thus far at South Pier. In addition, clarification and further definition of the intended character and use of the network of public spaces within South Pier is also included.

### General Description:

The Live/Work zone was originally envisioned primarily as a residential neighborhood with allowance for retail on ground floors of buildings across South Pier Drive from the Shanties and the potential for live/work residential units within the district. The vision of the Live/Work District outlined in this document broadens the scope of the allowable uses, to create a more commercially-oriented edge along South Pier Drive, in which the shanties are replicated along the eastern side of South Pier Drive, and primarily office/retail uses are envisioned. The rest of the Live/Work district would contain primarily residential "rows," individual attached town house type structures or walk-up corridor multifamily buildings. A limited amount of ground floor retail could occur in these

rows primarily at the noted "significant corners" of the intersections of Lakeview Drive with South Pier Drive and Blue Harbor Drive.

Parking for the Live/Work District would be located in the internal portion of the blocks, either as surface parking lots or as parking structures. The entrances to the parking lots should occur at limited locations, along Lakeview Drive, Blue Harbor Drive, and from Fishermans Row. The current surface parking lot configuration, which has east and west entrances from Lakeview Drive and Blue Harbor Drive respectively, should be reconfigured if possible to have the entrances from Fishermans Row and Lakeview Drive. This will allow more development frontage along South Pier Drive and Blue Harbor Drive and better pedestrian access for the mid-block South Pier Mews.

The existing and abandoned indoor sports center occupies an important significant corner location. Efforts need to be made to renovate and improve the architecture of the structure more strongly reflecting the character suggested in the design guidelines and to take advantage of its location as a landmark corner. Ground floor retail use should be provided in this building, with larger, deeper openings on the building façade and more pedestrian-friendly ground floor architectural features need to be added. The existing "flat" façade should be replaced or upgraded with a building wall that has more variations in surface depth and architectural relief to it. A major façade element such as a tower, or major entrance placed at the corner of the building would increase its value and create a landmark address.

### Supplemental Guidelines Diagram List

The following illustrations diagram the framework elements that define the supplemental guidelines for the Live/Work Zone.

1. Master Plan
2. Public Place Network
3. Frontage Zones
4. Permitted Building Types
5. Public and Private Connections
6. South Pier Drive Frontage Zone
7. Lakeview Drive Frontage Zone
8. Blue Harbor Drive Frontage Zone



South Pier Master Plan



## South Pier Public Place Network

The master plan for the South Pier District included a number of important public places, consisting of walkways, gathering spaces, natural areas, and waterfront edges. Of particular importance is that these spaces are interconnected, forming an open space network which facilitates pedestrian exploration and enjoyment. The purposes and intended character of these existing or planned public places is outlined below.

**A. Riverfront Promenade:** The riverfront is a continuous pedestrian experience, combining active uses such as charter fishing boats, retail and restaurant uses, with opportunities for civic and passive activities such as strolling and sitting along the river's edge.

**B. Sheboygan River Plaza:** A small open space, this plaza connects the riverwalk to South Pier Drive. This space intersects with the river promenade offering amenities such as benches, planters

and other landscape features. To the east, the plaza connects to the South Pier Mews, a mid-block pedestrian passage that leads to the lakefront.

**C. Bridge Plaza:** This plaza lies at the terminus of Harbor View Drive and is the proposed location of a future pedestrian bridge that will link the South Pier District to Virginia Avenue and downtown commercial properties, waterfront spaces, and neighborhoods on the west bank of the Sheboygan River.

**D. Cruise Ship Plaza (Formerly Cruise Ship Terminal Plaza):** The purpose of this plaza is to provide a docking location and public access point for various lake excursion vessels. The hardscape plaza can also host small gatherings or other events.

**E. Peninsula Park:** This space is the primary public gathering place for the South Pier District. A public pavilion is proposed to act as a community meeting and reception amenity. The considerable amount of open space available in this location affords the opportunity for programmed public events. The unequalled view of the lake, riverfront, and downtown from this location provides Sheboygan with a precious community resource. In



*South Pier Public Place Network*

addition, the strategic location of this public destination at the end of South Pier Drive helps draw customers through the South Pier site, along the businesses located in the shanties, and increasing the likelihood of visits to the shops, restaurants, offices, and other commercial activities located in South Pier. This area also provides public rest rooms supporting walkers, fishermen, and families on outings.

**F: Lakefront/Beach:** The restored dunes and beach provide an outstanding natural edge for the South Pier District. Activities such as strolling, swimming, picnicking, and nature observation are possible, encouraging use by resort guests, South Pier visitors, and 24-hour access for the community as a whole.

**G: Lakeview Esplanade:** Extending the public space of Lakeview Drive to the lake, the Esplanade is a linear pedestrian mall, with seating, planters, and wide walkways to allow generous views toward the water.

**H. Lakeview Drive:** This street is an important public space connection between the Lakeview Esplanade and Bridge Plaza, linking the riverfront with the lakefront. Retail activities and pedestrian-oriented building and landscape features are encouraged along the ground floors of buildings lining the street.

**I. South Pier Mews:** Primarily a pedestrian passage, the Mews currently is a mid-block public pathway passing through the existing residential property, acting as a grand “front lawn” and connecting the street to the waterfront. In the future, the Mews will continue westward along a portion of Harbor View Drive, then passing through the Live/Work block, cross South Pier Drive, and terminate in the River Plaza. This pedestrian passage is envisioned as an intimately scaled space, with pedestrian oriented landscape features along its length. The Mews helps to create one of a series of pedestrian “loops” that offers numerous opportunities for pedestrian to circulate through South Pier.



*Lakefront Beachwalk*



*South Pier Mews*



*Lakeview Esplanade*



*Bridge Plaza*



*Riverfront Promenade*

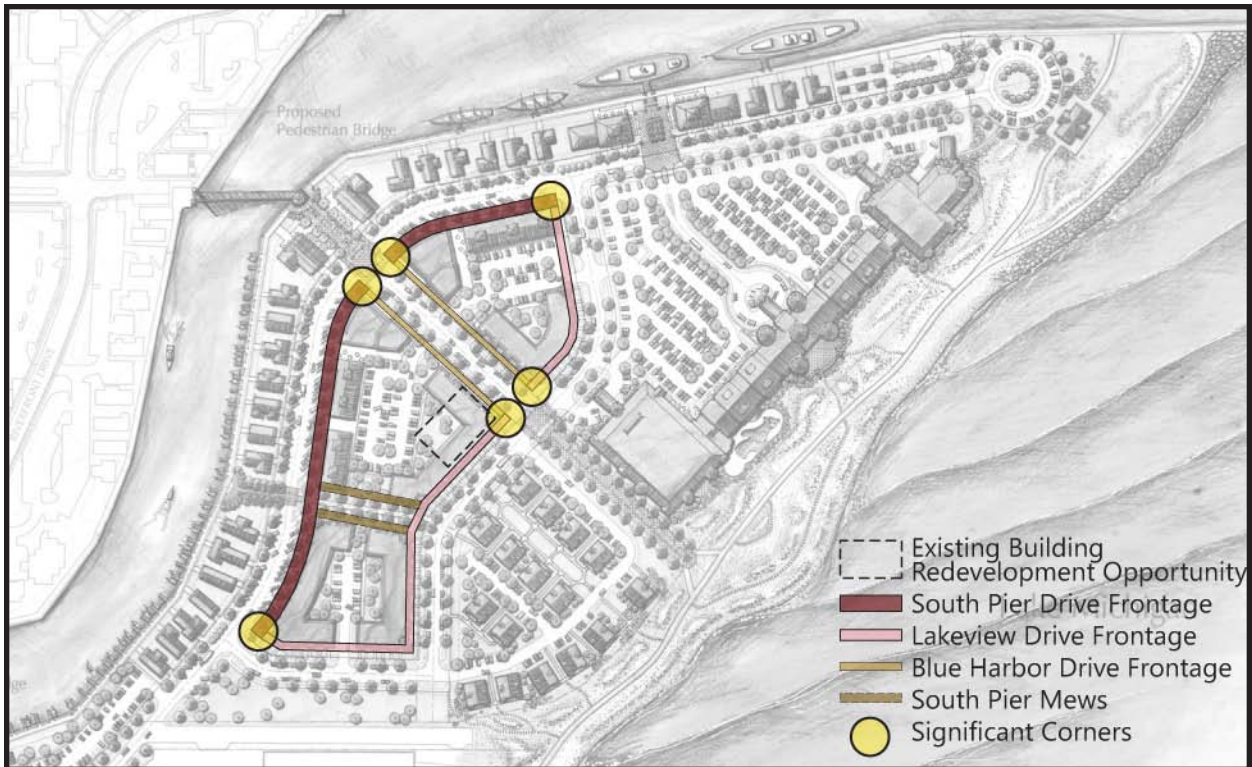


## Frontage Zones

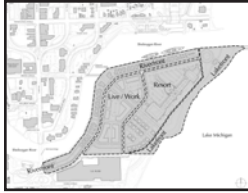
The Live/Work District consists of two blocks in the interior portion of the South Pier District, bounded by the streets of South Pier Drive, Fishermans Row, and Harbor View Drive. The purpose of the supplemental guidelines is to provide recommendations for future building placement, configuration, use (especially ground floor) and locations of parking, service, and circulation access points for the two block area. The original design guidelines for the live/work zone still apply; the supplemental guidelines provide additional requirements and will be used by City of Sheboygan staff and officials as a tool to inform potential site developers of the design character and planning objectives expected to be met, and as a tool to review submitted development proposals within the district.

In the supplemental guidelines, a series of “frontage zones” have been identified. These frontage zones are established according to street: This acknowledges the importance of the buildings

in collectively establishing the character of the streets as public places. Each of the proposed streets in South Pier will have a unique purpose and character, although all are important public places and must have carefully designed building edges, landscape areas, and streetscape elements along them in order to maximize pedestrian usage. Three frontage zones have been identified: South Pier Drive zone, Lakeview Drive zone and the Blue Harbor View Drive zone. In addition, six significant corners are outlined; these are important block corners where a special architectural feature, use, or public space should be provided to help mark the landmark aspect of these locations. Each frontage zone has a unique set of components but some elements are shared by all zones. When a building site is developed, the supplemental guidelines of the frontage zone(s) corresponding to the front and/or side of the property should be followed.



Frontage Zones



## Permitted Building Types

In order to encourage compatible development within the South Pier District, certain building types are recommended for specific locations in the Live/Work zone. The diagram below indicates the locations for the specific types. Please see page 12 for design character examples.

### Enhanced Shanties

The basic pattern of the shanty building type, several of which have been constructed along the riverfront, will be repeated across the street, along the east side of South Pier Drive. These “enhanced shanties” will follow the basic design guidelines for the shanty building type as outlined elsewhere in the guidelines. The basic rectangular shape of the shanty must present the shorter “gable” end of the building to the street. Shanties can be linked to form larger structures, or a larger building form can have gable ends that mimic the shanty form. Examples of this building type have already been constructed in two instances on the west side of South Pier Drive. In the future, buildings of this

type will be allowed only on the east side of South Pier Drive. The enhanced shanties will house a mix of commercial activities, including office and retail uses. Retail uses are encouraged on the ground floors of the units but office uses are allowed if the design of the building edge along sidewalks provides pedestrian-oriented features, and active uses are located along these edges (i.e. primary address, access doors, lobbies, office spaces, conference areas, etc.) Additional information on design recommendations for the enhanced shanties is included in the supplemental guidelines.

### Residential Rows

These structures will be either traditional row homes, or walk-up corridor residential buildings. Retail ground floor uses are allowable on the significant corners. Additional information on design recommendation for the residential rows is included in the supplemental guidelines.



Permitted Building Types



## Public & Private Connections

Since the Live/Work zone occupies an important central location within the South Pier District, pedestrian connections within and through the site are critical in realizing the potential to create a comprehensive and appealing pedestrian experience for the District as a whole. The diagram below indicates key access points, edges, and public/private realms within the Live/Work zone.

### Public Edge

The outer perimeters and street network of the two live/work blocks are the primary public spaces in the zone. As indicated in the supplemental guidelines, buildings must be placed up to the build-to zone and have features on the facades, especially at the ground floor, that are attractive to pedestrians. Major building entrances should occur along these edges and are critical in vitalizing the street. Please see page 12 for design character examples.

### Primary Vehicular Access

The primary vehicular entrances should occur as

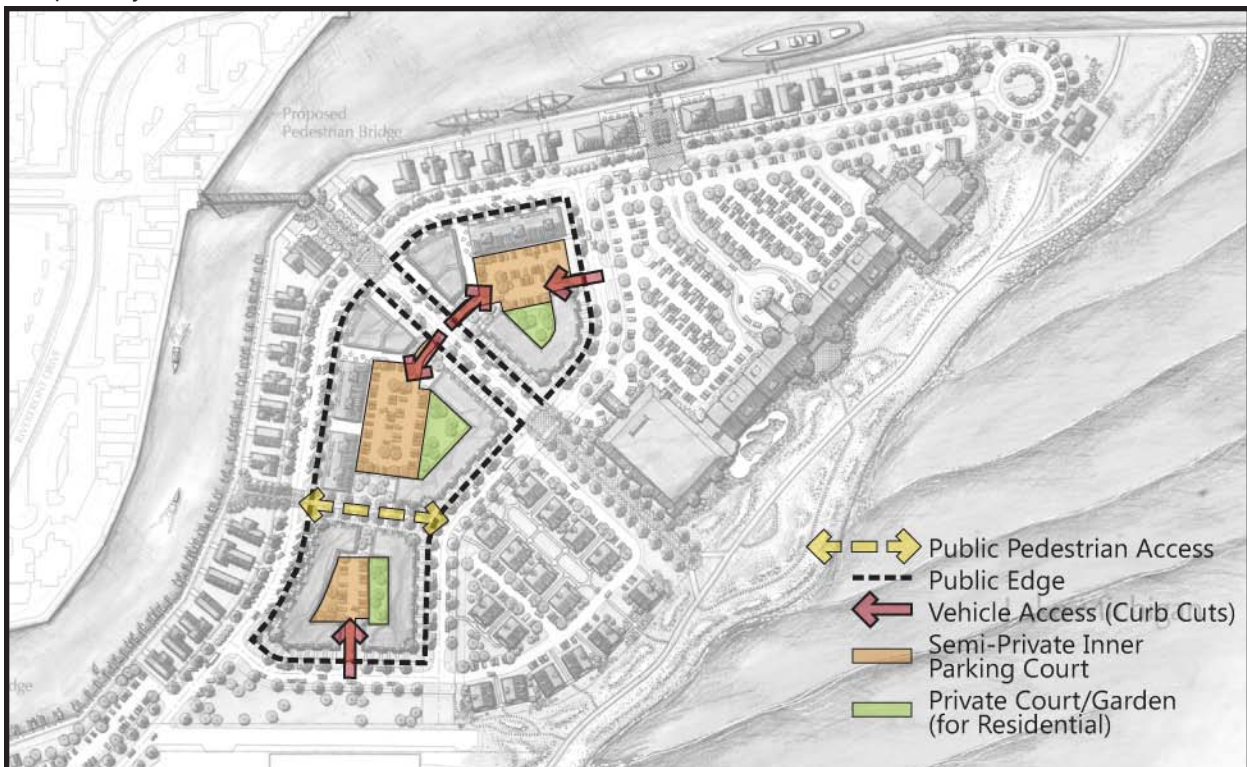
shown in the diagram, from Lakeview Drive, the northern portion of Blue Harbor Drive, and from Fishermans Row. This will allow maximal use of the frontages along South Pier Drive and Blue Harbor Drive for building edges.

### Semi-Private Interior Court


Within the middle of the block, parking will be provided in the form of either surface parking lots or parking structures. The inner court will represent a semi-private zone, a space that while basically the "back" of the buildings, must still be designed to acknowledge that people will be arriving in the inner court, and passing through it on their way to the fronts of the buildings. Sidewalks should be provided between buildings to bring pedestrians from parking areas to the building fronts. Building service areas will most likely be provided in the interior court but must be screened and visually attractive.

### Private Court/Garden (for residential buildings)

Where residential uses occur, a private "back yard" space or garden should be provided to create a separate outdoor space behind the buildings. This space should be physically separated from the interior parking courts by decorative fencing, walls or other landscape elements and be directly accessible from the residential units.

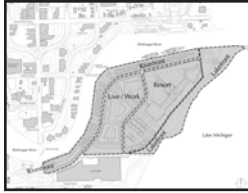


Public & Private Connections



Design  
Character  
Examples





## South Pier Drive Frontage

### 1. Building Use

Permitted uses: retail, office, residential (residential limited to upper floors)

### 2. Street Activation

South Pier Drive is the principal street access of South Pier. The building type desired for this frontage zone is the "enhanced shanty," mixed-use office and retail buildings that relate to the shanty building type located on the west side of South Pier Drive. This frontage is not expected to contain the same amount and intensity of pedestrian uses that will occur along the waterfront, but should still contribute to the pedestrian-oriented nature of South Pier Drive.

#### 2.1 Uses that activate the street

While the character and quality of the building façade is important, the activity taking place behind the façade is critical in creating a place where pedestrians will want to go. People will be attracted

to buildings or places where they can look in and see something enticing to visit or at least is visually interesting.

- Ground floor retail uses are preferable, especially at the significant corners flanking the intersection of Lakeview Drive and South Pier Drive. Otherwise office uses are allowable, if they contain active work spaces or main lobbies (not shelving, storage, or non-active use) located along the sidewalk edges of the ground floor of the building along South Pier Drive.

- For this frontage, it is suggested that for each building, at least 50% of the façade between two to eight feet above grade be clear, non-tinted windows.

#### 2.2 Pedestrian Entries

- Each enhanced shanty shall have the primary entrance and address along the South Pier Drive façade. This entrance should be a prominent visual feature of the building.

- Visitors and building uses who park behind the buildings in the internal lot should be directed through pedestrian walks between buildings to the fronts along South Pier Drive.

#### 2.3 Gathering Spaces

- Outdoor gathering spaces are encouraged along



South Pier Drive Frontage

the South Pier Frontage, especially at retail locations. In particular, provision of outdoor cafés, plazas, or other gathering places is encouraged at the significant corners.

### **3. Building Placement and Scale**

Buildings that create a continuous linear street edge help promote pedestrian-friendly corridors.

- Buildings should be placed along a "Build-to" zone, 0-8 feet back from the property line.
- If a building fronts two streets, the building should be placed directly at the corner of the property.
- In places along the frontage zone where building edges do not exist, landscape elements such as low walls, planters, pergolas, or other streetscape features should be placed along the frontage to physically align and create an implied building edge. An outdoor café or seating area would also provide a pedestrian-friendly condition along the frontage zone.

### **4. Parking and Vehicular Circulation**

Parking for buildings along the South Pier Frontage zone will take place behind the buildings, in shared parking facilities, either surface lots or structures. Vehicular access to these parking areas would occur from Lakeview Drive, Blue Harbor Drive, or Fisherman's Row.

- No curb cuts or parking access drives will be allowed along South Pier Drive.
- The existing parking lot entrance from South Pier Drive, located midblock, should be eliminated when development occurs. This internal parking lot should instead have access from Fisherman's Row in order to maximize buildable frontage along South Pier Drive, across from the existing shanty developments. Street parking is available along this frontage.
- No drive-through facilities are allowed.

### **5. Service Areas**

- Building service areas and utility functions should be placed at the back or sides of the buildings.
- Service areas should be treated and designed to a high level of quality. Materials, access and architectural integration are a high priority.
- Decorative fencing, garden walls, or other landscape treatments should be utilized. Shared service facilities are encouraged where possible.

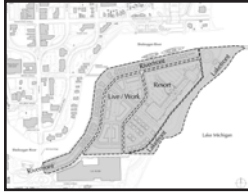
### **6. Building heights**

Refer to page 19.

### **7. Encroachments**

Architectural elements that project from the building façade including balconies, bay windows, eaves, and decorative façade features can help enliven the building and make it more interesting as seen from the pedestrian perspective.

- These elements may project up to a maximum of 3 feet into required setbacks.
- Lightweight, street level awnings may project up to 6 feet.
- Allowable encroachments such as awnings, blade signs and other decorative projections may be considered on a case-by-case basis and may project into the public right-of-way provided that the encroachments are 10 feet above the sidewalk height.



# Lakeview Drive Frontage

## 1. Building Use

Permitted Uses-Buildings NW of parking lot access drives: retail, office

Permitted Uses-buildings SE of parking lot access drives, retail, residential, mixed use

## 2. Street Activation

Lakeview Drive, in addition to providing vehicular access through the middle of the site, is the principal pedestrian connection between the river and the lake. Building types for this frontage zone include enhanced shanty, mixed-use office and retail buildings to the NW of the parking lot access drives, and residential rows to the SE of the parking lot access drives. This is an important pedestrian corridor and therefore uses and the design character of the buildings along this frontage will be critical in enhancing the pedestrian experience.

### 2.1 Uses that activate the street

While the character and quality of the building fa-

çade is important, the activity taking place behind the façade is critical in creating a place where pedestrians will want to go. People will be attracted to buildings or places where they can look in and see something enticing to visit or at least is visually interesting.

### Enhanced shanty buildings

- Ground floor retail uses are preferable, especially at the significant corners flanking the intersection of Lakeview Drive and South Pier Drive.

- Ground floor office uses are allowable, if they contain active work spaces or main lobbies (not shelving, storage, or non-active use) located along the sidewalk edges of the ground floor of the building along South Pier Drive.

- For this frontage, it is suggested that for each enhanced shanty building, at least 50% of the façade between two to eight feet above grade be clear, not-tinted windows.

### Residential row buildings

- Ground floor uses of retail or residential are allowable. Ground floor retail uses are preferable, especially at the significant corners flanking the intersection of Lakeview Drive and Blue Harbor Drive.

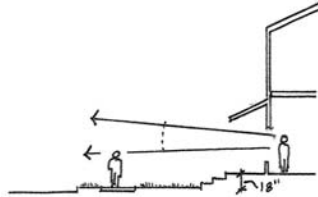
- If residential uses are proposed for ground floor



Lakeview Drive Frontage

locations, the ground floors should be raised up at least 18 inches from grade if possible (while resolving accessibility issues where applicable). See image below.

- Ground floor on residential buildings should feature clear, non-tinted glazing.



## 2.2 Pedestrian Entries

Enhanced shanty

- Entries to the enhanced shanties should be at the corners, at the intersection of South Pier Drive and Lakeview Drive. The entrances should be prominent visual features of the building.
- Visitors and building uses who park behind the buildings in the internal lots should be directed through pedestrian walks between buildings to the building fronts.

Residential rows

- For retail uses, the primary pedestrian entrance should be from Lakeview Drive, or at the corners of South Pier Drive and Lakeview Drive.
- First floor residential uses should have separate residential entries and addressing with access from the public street.
- Shared ground floor entrance lobbies are permitted for upper story uses.

## 2.3 Gathering Spaces

- Outdoor gathering spaces are encouraged at retail uses along the Lakeview Drive frontage. In particular provision of outdoor cafés, plazas, or other gathering places is encouraged at the significant corners.

## 3. Building Placement and Scale

- Buildings that create a continuous linear street edge help promote pedestrian-friendly corridors. Buildings should be placed along a "Build-to" zone, 0-12 feet back from the property line.
- If a building fronts two streets, the building should be placed directly at the corner of the property.
- In places along the frontage zone where building edges do not exist, landscape elements such as low walls, planters, pergolas, or other streetscape features should be placed along the frontage to physically align or create an implied building

edge. An outdoor café or seating area would also provide a pedestrian-friendly condition along the frontage zone.

## 4. Parking and Vehicular Circulation

Parking for buildings along the Lakeview Drive Frontage zone will take place behind the buildings, in shared parking facilities, either surface lots or structures. Vehicular access to these parking areas would occur from either Lakeview Drive or Blue Harbor Drive.

- Therefore, one curb cut for a parking access drive will be allowed along each side of Lakeview Drive at approximately the mid-block location.
- Street parking will be available along this frontage.
- No drive-through facilities are allowed.

## 5. Service Areas

- Building service areas and utility functions should be placed at the back or sides of the buildings.
- Service areas should be treated as important visual features and designed to a high level of quality.
- Decorative materials, fencing, garden walls, or other landscape treatments should be utilized. Shared service facilities are encouraged where possible.

## 6. Building heights

Refer to page 16.

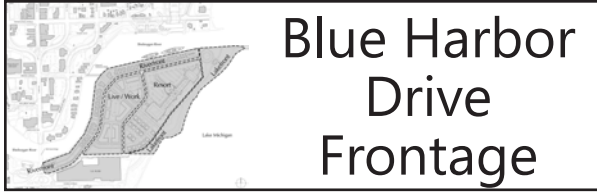
## 7. Encroachments

Architectural elements that project from the building façade including balconies, bay windows, eaves, and decorative façade features can help enliven the building and make it more interesting as seen from the pedestrian perspective.

- These elements may project up to a maximum of 3 feet into required setbacks. Lightweight, street level awnings may project up to 6 feet.
- Allowable encroachments such as awnings, blade signs and other decorative projections may be considered on a case-by-case basis and may project into the public right-of-way provided that the encroachments are 10 feet above the sidewalk height.
- For residential structures, ramps, stairs, stoops or porches are allowable encroachments which will be reviewed on a case-by-case basis.

## 8. 802 Blue Harbor Drive

Encourage redevelopment of existing property at landmark corner.



## Blue Harbor Drive Frontage

### 1. Building Use

Permitted Uses: residential (ground floor retail encouraged in building corners at the intersection of Blue Harbor Drive and Lakeview Drive.)

### 2. Street Activation

Blue Harbor Drive provides access to existing and future residential properties. It also provides access to the water park drop off and a portion of the hotel parking lot. The building type for this frontage zone is residential rows.

#### 2.1 Uses that activate the street

This portion of the South Pier site is primarily residential in use. While pedestrian usage will not be as extensive as in retail/commercial areas, the quality of the building and landscape edge along the street is important in both creating an attractive pedestrian experience and in providing a transition from the public zone of the sidewalk to the private zone of the front yard and entrances to

the residential units.

- Ground floor use and other floor levels to be residential.
- Retail uses are encouraged at the significant corners flanking the intersection of Lakeview Drive and Blue Harbor Drive.
- For residential buildings, ground floors should be raised up several feet from grade (while resolving accessibility issues where applicable)
- Clear, non tinted glazing should be utilized.

#### 2.2 Pedestrian Entries

- If retail uses are proposed, the primary pedestrian entrance should be from Lakeview Drive, or at the corners of South Pier Drive and Lakeview Drive.
- First floor residential uses should have separate residential entries with primary access and addressing from the public street.
- Shared ground floor entrance lobbies are permitted for upper story uses.

#### 2.3 Gathering Spaces

Outdoor gathering places are not encouraged in residential areas, however outdoor cafés, plazas, or other gathering places are encouraged at the significant corners if ground floor retail is provided at these locations.



Blue Harbor Drive Frontage

### **3. Building Placement and Scale**

Buildings that create a continuous linear street edge help promote pedestrian-friendly corridors.

- Buildings should be placed along a "Build-to" line, 0-12 feet back from the property line.
- If a building fronts two streets, the building should be placed directly at the corner of the property.
- In places along the frontage zone where building edges do not exist, landscape elements such as low walls, planters, pergolas, or other streetscape features should be placed along the frontage to physically create and align an implied building edge.

### **4. Parking and Vehicular Circulation**

Parking for buildings along the Blue Harbor Drive Frontage zone will take place behind the buildings, in shared parking facilities, either surface lots or structures. Vehicular access to these parking areas would occur from either Lakeview Drive, the northern segment of Blue Harbor Drive or Fishermans Row.

- No curb cuts will be permitted along Blue Harbor drive except at the current parking entrance along the northern segment of Blue Harbor Drive.
- Street parking will be available along this frontage.
- No drive-through facilities are allowed.
- The existing parking lot entrance located along the southern portion of Blue Harbor Drive should be eliminated when development occurs. This parking lot should have access from Fishermans Row in order to maximize buildable frontage along Blue Harbor Drive, across from the existing condos.

### **5. Service Areas**

- Building service areas and utility functions should be placed at the back or sides of the buildings.
- Service areas should be treated as important visual features and designed to a high level of quality.
- Decorative fencing, garden walls, or other landscape treatments should be utilized. Shared service facilities are encouraged where possible.

### **6. Building heights**

Refer to page 19.

### **7. Encroachments**

Architectural elements that project from the building façade including balconies, bay windows, eaves, and decorative façade features can help

enliven the building and make it more interesting as seen from the pedestrian perspective.

- These elements may project up to a maximum of 3 feet into required setbacks.
- Lightweight, street level awnings may project up to 6 feet.
- For residential structures, ramps, stairs, stoops or porches are allowable encroachments which will be reviewed on a case-by-case basis.

### **8. 802 Blue Harbor Drive**

Encourage redevelopment of existing property at landmark corner.



## Live/Work District Height & Build-to Line Summary

	<b>Height Limit</b>	<b>Build to Zone</b>
<b>South Pier Drive Frontage</b>	Maximum 3 Story	0-8ft back from front property line
<b>Lakeview Drive Frontage</b>	Maximum 3 Story	0-12ft back from front property line
<b>Blue Harbor Drive Frontage</b>	Maximum 3 Story	0-12ft back from front property line



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Department of Planning and Development 828 Center Avenue, Suite 104, Sheboygan, WI 53081 · 920-459-3377



**CITY OF SHEBOYGAN**

**REQUEST FOR REDEVELOPMENT AUTHORITY COMMITTEE CONSIDERATION**

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**ITEM DESCRIPTION:** Discussion and possible action on business loan modification for The Financial Group.

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**REPORT PREPARED BY:** Chad Pelishek, Director of Planning and Development

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**REPORT DATE:** October 2, 2020

**MEETING DATE:** October 7, 2020

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**FISCAL SUMMARY:**

**STATUTORY REFERENCE:**

Budget Line Item: N/A  
Budget Summary: N/A  
Budgeted Expenditure: N/A  
Budgeted Revenue: N/A

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Wisconsin Statutes: N/A  
Municipal Code: N/A

**BACKGROUND / ANALYSIS:**

The Redevelopment Authority has a \$75,000 loan with The Financial Group executed in December 2017. Under the terms of the loan, The Financial Group was to create three (3) new FTE positions in three years with two meeting the low to moderate income status. To date, they have created one FTE job that meets the LMI status. The Financial Group explored paying the RDA off early and that did not work out. After the discussion with the RDA at a meeting on July 22, 2020, The Financial Group is willing to pay back \$25,000 for the one FTE job that they do not believe they will be able to create and continue to make payments on the remaining balance.

**STAFF COMMENTS:**

The loan is current. Current terms is 2.5% for 10 years.

**ACTION REQUESTED:**

Motion as determined by the Authority.

**ATTACHMENTS:**

- I. Letter from The Financial Group dated October 2, 2020.



# The Financial Group

625 N. 8TH STREET • SHEBOYGAN, WI 53081

**GREG S. CASPER, CFP®**  
FINANCIAL ADVISOR

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October 2, 2020

City of Sheboygan  
City Hall  
Attn: Chad Pelishek  
828 Center Avenue, Suite 208  
Sheboygan, WI 53081

Dear Chad,

I'm sending this letter as an update from our recent meeting with the City of Sheboygan on July 22, 2020. Since our meeting, The Financial Group's business has been sustainable, however, it's not feasible to add another low-to-moderate income employee by year end in view of the unprecedented time we are facing; the pandemic due to COVID-19.

When I borrowed money from the City of Sheboygan's revolving loan fund, the loan terms were to hire three people in total (\$25,000 per person was leant) and the majority of the workforce had to be low-to-moderate income (currently half of the workforce is at low-to-moderate income).

I spoke with my bank recently regarding refinancing/restructuring the City of Sheboygan loan, and the bank views this as a small deal, which brings me back to you. You mentioned recently that you may be able to remove one of the "promises" to hire a third employee that's low-to-moderate income.

Understanding the difficulties of hiring another low-to-moderate income employee by year end during these unprecedented times and not having the bank on my side, I'm asking the City of Sheboygan to modify the terms of my note in which I'd be able to pay down my loan by \$25,000 (the cost of not hiring a third person that's low-to-moderate income) and I will continue to make my current monthly payments to the City of Sheboygan. Going this route, the note should be paid in full within about four years.

I hope you and the Redevelopment Authority understand my predicament and can accept my proposed solution. I appreciate all you have done and continue to do in our thriving community.

If you have any questions or need further information, please contact me directly at 920-451-6800.

Sincerely,

Greg Casper, CFP®  
Financial Advisor | Owner

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