

LRB – FISCAL REVIEW SECTION ANALYSIS

PUBLIC IMPROVEMENTS COMMITTEE

ITEM 16, FILE 040150

JUNE 2, 2004

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File #04150 is a resolution regarding public improvement work for the Pier Wisconsin Project.

Background and Discussion

1. On August 11, 2003, a development and lease agreement was entered into between Pier Wisconsin Limited, and the City of Milwaukee through the Board of Harbor Commissioners for land located on the south side of the Municipal Pier. On May 28, 2004, Pier Wisconsin broke ground for the construction the Great Lakes Museum and Navigation Education Center.
2. The 30-year lease agreement provides \$390,000 of initial rent as a one-time payment, and a 5% of all Pier Wisconsin net income in excess of \$5 million annually. Section 14 of the agreement describes the mutually agreed upon public improvement work by Pier Wisconsin and the City.
3. This resolution provides the terms and conditions for the public improvement work associated with the construction of the Great Lakes Museum and Navigation Education Center. Pier Wisconsin is responsible for the design, construction/installation of material and equipment according to the standard specifications.
4. The City shall provide the standard specifications for the public improvement. It will also review, approve and inspect the design documents and construction work, will submit the sewer plans to the Milwaukee Metropolitan Sewage District for approval, and provide water fittings and materials as necessary.
5. Public improvements included in this project are a new asphalt street, sanitary sewer, water main, streetlights, public sidewalk and trees, all located on the new E. Michigan Street. The City will maintain all of the improvements, except the streetlights and trees.

Fiscal Impact

1. All costs associated with the public improvements for the construction of the Great Lakes Museum and Navigation Education Center will be paid by the Pier Wisconsin, through the initial rent of \$390,000.
2. Any costs that are over and above the \$390,000 will be paid by Pier Wisconsin.

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LRB-Fiscal Review Section
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