

May 31, 2022

Project Proposer: Milwaukee Yacht Club

Contact person/spokesperson:

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Milwaukee Yacht Club

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Proposed site: Describe the particular location. Attach a map or diagram showing the site boundaries. Indicate the owner or owners of the proposed site. Indicate the acreage or square feet of the proposed site. If shoreline is to be used, indicate how much. Describe how the proposed site is used now.

- Site Location: 1700 N. Lincoln Memorial Drive, Milwaukee, WI 53202
- Owner or Owners of the Proposed Site: Milwaukee County (lessor); Milwaukee Yacht Club (lessee)
- Acreage or Square Feet of Proposed Site: 4,000 sq feet
- Shoreline will not be used.
- Describe how the proposed site is used now: the current site is the location of the current yacht club docks.



General Project Description: Briefly describe the overall purpose and nature of the proposed development.

- The purpose and nature of the proposed project is to replace the existing docks in the yacht club basin.
- The Milwaukee Yacht Club (“MYC” or the “Club”) dock infrastructure is currently at the end of its useful and economic life. Constructed nearly 50+ years ago, the aging slips/docks are in constant need of annual repair and are vulnerable as time passes especially with higher water concerns from previous cycles.
- Notwithstanding the repair issues, the current docks are a fixed structure. Fixed piers become problematic when the water level varies especially during extremes (i.e., high/low water cycles, storms, ice).
- Modern marinas, including McKinley Marina, have a floating pier structure that fluctuates with the water level. **Floating docks are advantageous primarily because of their safety impact for boaters. Boats are designed for a level boarding/de-boarding which a floating pier is designed to accomplish.**

Buildings or other structures: identify all buildings, structures or other physical additions to the site that will be part of the project. Describe new construction or installation and any modification of existing structures. For each building, structure or other physical addition to the site, describe its proposed use or uses. Describe the design of each structure or physical addition to the site. Supply photographs or drawings of each. A scale model of the proposed project would be helpful to the Commission’s understanding of what you propose.

- Included in the presentation appendix.

Landscaping: Describe the landscaping your project will include.

- The new docks will attach to the seawall and will not change the landscaping on club grounds.

Parking: How many parking spaces will be required when your proposed project is in peak use? Describe where you propose that the required parking will be. How will the parking your project will require affect availability of parking for others? Will your parking needs increase in the future? If so, where do you propose the additional parking will be located?

- The MYC leases 100 spaces from the County, located in the tenant lot next to the Overlook. New docks will not require additional parking.

Traffic and pedestrian flow: Describe the traffic patterns that will result from your proposed project. Describe how pedestrian traffic will flow.

- The entrance to the new docks will be from a gangway next to the D-Dock entrance to the property and by the outdoor seating area next to the clubhouse.
- The proposed dock ramps are ADA compliant.

Proposed arrangements for use of site: If site is to be leased, indicate lease term and rent. If purchased, indicate purchase price. List any special terms or conditions of the sale or lease.

- Currently lease agreement is in place with Milwaukee County. Our lease term is 25 years with a 25-year extension. Per our lease agreement, our rent payment is \$68,000 year.
- The new docks will not affect the lease. The cost to MYC for this project is approximately \$4-\$4.5 million.

Describe the impact your proposed project will have on each of the following: Promotion of clean water. Reduction of air pollution. Noise levels. Traffic congestion. Litter reduction.

- Promotion of clean water: The new docks will have an on-dock waste pump-out.
- Reduction of air pollution: Not at this time. As boats convert to electric motors, MYC will follow the trend.
- Noise levels: No changes; negligible noise impact.
- Traffic congestion: No changes are predicted.
- Litter reduction: MYC has added staff to take care of the upkeep of the new docks and grounds.

Describe the area surrounding the proposed site. Identify how each part of the surrounding area is currently used. Identify all impacts your proposed project will have on use of the surrounding area.

- The surrounding area of the proposed project is the Yacht Club Grounds and McKinley marina D-dock and E-dock. All design plans meet the requirements and guidelines set forth by ASCE (American Society for Civil Engineers).
- The greatest impact will be to current Yacht Club slip tenants and members.
- There will little to no impact for McKinley slip tenants.

Describe how your project will change site lines and vistas of the Lake.

- There will be no changes to vistas or sightlines.

Access to the Lake: Describe how your project will affect access to the Lakefront area generally and particularly to the water's edge.

- Access to the lake will remain as it is today. There will be no changes in access.

Food service: Do you propose to provide food service. If you do, describe the nature and extent of the service to be provided. Include proposed hours, any limits on who will be served, projected meal or sample item price ranges.

- This is not applicable.

Great Lakes history: How does your proposal convey our Great Lakes History? How will it preserve our lake Michigan heritage? How will it leave a legacy for the future?

- The Milwaukee Yacht Club celebrates its 150th anniversary in 2021 and is the oldest premier yacht club on Lake Michigan.
- The mission of the Milwaukee Yacht Club is to foster and promote interest and participation in boating, boating education, world-class and local sailboat racing, and related activities. Milwaukee Yacht Club members pledge to conduct themselves in the Corinthian Spirit of good sportsmanship, respect for the rights of others, the seaman's code of honesty, courtesy, and consideration toward other boaters.
- The Milwaukee Yacht Club's educational mission is to support junior and adult sailing programs and water safety training, and other water-related activities. The Milwaukee Yacht Club is dedicated to being a responsible participant in the McKinley Marina community and the Milwaukee community at large.
- Lake Michigan has always been filled with boats from commercial mariners to recreational boaters, as far back as history is recorded. Our history as a 151-year-old yacht club continues to promote the legacy of boating for all generations. Having docks provide refuge and a home for our members and their families.
- Milwaukee Yacht Club has a dedicated board member position focused on Community Outreach. It is a role we take a lot of pride in as we support the following organizations annually:
 - Make A Wish Yacht Blast for Kids – host event site, 11 years running
 - Toymakers Guild Workshop
 - Louie's Last Regatta for Children's Hospital
 - Sailing Lessons for Veterans, partnering with MKE VA Hospital (PTSD/Rec Therapy Division) – award-winning program, 7 years running
 - Coast Guard Auxiliary Meeting
 - Milwaukee Yacht Club Foundation
 - Preserve Our Parks
 - Marine Toys for Tots Collection
 - Host Site for UWM And Marquette Sailing Teams
 - Seascouts
 - All Hands Boatworks

Open Space and Recreational Role of Parkland: How will your project impact the traditional open space and recreational role of lakefront parkland?

- This is not applicable.

Necessity for lakefront site:

- Is the use you propose now located away from the lakefront? No.
- Can the use you propose be located away from the lakefront? No.
- Describe the efforts you have undertaken to locate a site for your proposed project away from the lakefront. If you believe your project can only be located at the proposed lakefront site, please explain why.
 - Yacht clubs are typically located near lakes with local members that are boat owners or people, leasing or renting boats.
 - Our members have boats an average of 30'+ or greater and require access to deep waters for the sport of racing, sailing, and cruising. Our members have both power and sailboats.

Impact on space for temporary uses: How long will the use you propose be in place? What impact will your project have on the availability of space for temporary uses?

- This is not applicable.

Restoration plan when proposed use of site ends: What will be required if the use you propose for the site is no longer appropriate? How will the site be restored? Expansion: Describe all future phases for your project and all anticipated future expansion. Identify all buildings, structures or other physical improvements anticipated or that are desirable. Describe all anticipated future parking, roadway and other infrastructure needs. Describe the impact of your proposed project on the expansion possibilities and needs of nearby facilities now and in the future.

- Using the existing marina basin for the project is the only available space for the replacement of the current dock infrastructure.
- Our project is 1 phase which encapsulates the replacement of the current docks.
- The sub-infrastructure such as the electrical and plumbing are corroding and constantly in need of attention. These repairs have turned into “band-aid” fixes and need a more permanent solution to satisfy the demand levels of dock tenants.
- To accommodate the fluctuating water levels, over time the dock is now littered with hardware, such as cleats, to secure members’ boats. Not only do these unconventional techniques cause property damage it raised concerns over the personal safety of slip tenants. A floating pier system that we are proposing will satisfy these issues.
- The existing slips were constructed in the 1970s when the boat’s beams (width) were slimmer and as such the current layout configuration is not suitable for modern boat designs. The new design will incorporate a broader slip well to address this yachting trend.

Business plan viability: Provide the business plan for your proposed project. Include all projected revenues and identify the proposed source or sources for each. List your anticipated expenses, both for beginning of your project and for continuing upkeep and maintenance. Demonstrate the long-term viability and sustainability of your proposed use of lakefront land. Indicate whether you have received or will be seeking support from any governmental source. Include any expectation that your project will receive the benefit of in-kind contributions or reduced rates for goods or services.

- The Club will be securing a hybrid mix of equity and bank financing to secure the proceeds for the project. There is no government assistance to support the project. The chart below shows anticipated source/use for the project. Please note some of this is fluid and subject to change based on variables including project costs and donations. At this moment we believe this is a fair representation of the project financing.
- Terms of the financing are still underway but we anticipate a 15-year note of \$3mln with approximately 25-35% down payment. Since we lease from the County we cannot offer a mortgage as security for the loan, but the bank will request an assignment of the lease as collateral (similar to what was provided the last time we secured debt for our clubhouse renovation and pool project in 2000).
- We have modeled \$350thd in proceeds from cash on hand, \$325thd of donations from members, \$350thd in slip deposits, \$175thd in assessments, and a financing terms from our contractor. The capital campaign from the membership is ongoing and we are optimistic that once the project is approved this will increase. Slip deposits are refundable when the slip tenant vacates their slip. We are negotiating terms from our contractor and is still an open item at this time. Any monetary shortfall will come from an assessment from the general membership.

<u>Sources & Uses</u>			
<u>Source</u>		<u>Use</u>	
Bank Loan - 15	\$ 3,000	New Docks	\$ 4,600
MYC Cash	350		
Donations	325		
Slip Deposits	350		
Assessment	175		
Contractor	400		
Total	\$ 4,600	Total	\$ 4,600

- Repayment of the loan will come from existing membership dues and the slip fees charged to tenants. Based on our modeling assumptions we see the low point of our free cash flow to be ~\$375thd and improving after the project stabilizes. Based on a \$3mln, 15-year amortization term loan the annual payment would be \$340thd which is adequate to service debt payments. Our free cash flow of \$375thd will be a low point because we anticipate membership dropping after the assessment and improving going forward. We also anticipate a principal plus interest payment which reduces our payment obligation over time. Please note bank underwriting standards would prohibit any transaction that would not cash flow and service debt and other obligations for the entire project.
- We do not have any planned “in-kind” contributions for goods and services.

Your experience and resources: Please describe the experience you have had with development and implementation of projects similar to the project you are proposing? Describe the qualifications and experience of the key people involved with implementing your proposal. Describe the funds and resources you have in hand to support the project and their source. Do you have adequate resources to go forward with the proposed project? Explain.

- The membership of the MYC provides many talents to provide resources outside of economics to the project. Membership professions include surveyors, engineers, computer science, and project construction. Over the past few years there has been many conversations and input to help the project along.
- That said, we recognize the project scope and hired MSA Engineering to design and specify the project. Bruce Lunde (engineer) was the project manager for the McKinley floating dock renovations (Bruce originally worked for Skipper Marine). Mr. Lunde eventually would become an engineer at MSA Engineering and that was a critical factor for the MYC to hire MSA for engineering on this project. Dan Williams is currently the MSA lead engineer with Bruce Lunde acting in a consulting role.
- Further to help the project our contractor will execute the final designs. The project will be financed with a hybrid of equity from members, slip tenants, contractor note and committed senior debt bank financing.
- Dan Williams, PLA, ASLA, AHLP | Sr. Landscape Architect
MSA Professional Services,
Email: dwilliams@msa-ps.com
608-216-2066

Future public investment: Do you assume that any governmental body will make improvements to accommodate your project? Identify the governmental body you anticipate will make the changes and their cost. Will public investment be required in the future?

- We do not assume any governmental body will make improvements to accommodate the project. As a private Club we do not anticipate using public investments in the future.

Additional questions requested by LDAC that Milwaukee Yacht Club provide comments:

Environmental:

- About 8-9 years ago the county dredged the flushing channel of which a significant amount of contaminated soil was removed.
- A few years ago, the MYC removed our on-water fuel gas pump reducing current and potential contamination of the lake.
- There will be some lakebed disruption with the removal of the current pilings that secure the fixed docks. Their removal is an environmental improvement according to MSA as decaying posts will be replaced by fewer concrete weights that rest on the basin floor.
- The County will be replacing the flushing channel wall which will be a greater environmental impact and disruption.

Increasing McKinley Dockage Supply:

- Including the new 27 MYC slips overall slip count increases by 4%
- Depending on final configuration overall slips equate at or <100
- MYC is significantly more expensive (initiation, club dues, and slip fees) than McKinley
- Increased slips will help address our waiting list of current members that have no slips, have dockage outside Milwaukee, or are on mooring balls

Impact to McKinley dock and slip access:

- No impact to dock access and minimal impact to slip access (waterside only, no impact to accessing slips from land).
- The distance between the proposed MYC docks and the McKinley E-dock will tighten overall, but still fall comfortably within ASCE guidelines. The distance between the proposed MYC docks and the McKinley D-dock will create, on the whole, a more generous navigational area (also within ASCE guidelines).

Access by boats under sail or without auxiliary power:

- The new design will tighten the fairways for non-motorized craft, and this was thoroughly addressed by MYC. MYC used the Soling Class as the use case for fairway measurement since they are the longest (27 feet) non-motorized craft, our Soling Class members asked for a minimum fairway of 81 feet (3 x 27 feet). The tightest point is now at 91 feet when you first leave the flushing channel (3.4 boat lengths). The fairway as you leave the MYC docks by the McKinley E Dock is 118 feet (4.3 boat lengths). Going around the corner towards the E dock - there are varying widths from 107 to 123 depending on if there are boats side tied.
- The average fairway width is around 4.1 boat lengths exceeding the "3 boat length" accommodation.
- Our dry dock sailors signed-off on the plan after two meetings of robust discussion.
- Towing of non-motorized watercraft will continue to remain a service/option provided by our yard.
- The distance between the proposed MYC docks and the McKinley E-dock will tighten overall, but still fall comfortably within ASCE guidelines. The distance between the proposed MYC docks and the McKinley D-dock will create, on the whole, a more generous navigational area (also within ASCE guidelines).

Disabilities Access:

- MYC will improve access for disabled individuals. MYC will go from zero to two ADA compliant gangways.
- The new floating docks will normalize ease of access on vessels (floating piers are the new standard because they are level with the vessel). Current dock/slips are very narrow and limit persons with disabilities. The current docks require that boaters either adjust boat access steps/ladders on a yearly basis for boarding and egress causing unsafe and access issues.
- The new floating docks will eliminate uneven, slanted and the unsafe placement of utilities.
- The new docks will contain a modern marine code fire suppression system which will increase safety for all patrons including those with disabilities.