



City of Sturgeon Bay
421 Michigan Street
Sturgeon Bay, WI 54235

Thad Birmingham
Mayor

920-746-2900 (Voice)
920-746-2905 (Fax)
sbmayor@sturgeonbaywi.org

RECEIVED
1/18/19

January 18, 2019

Stephanie Reinhardt, Clerk
City of Sturgeon Bay
421 Michigan Street
Sturgeon Bay, Wisconsin 54235

Re: Veto of Council Action Approving Resolution to accept donation of Teweles and Brandeis Grain Elevator with endowment and to enter into a land lease and to request facilitation by the Door County Community Foundation

Dear Ms. Reinhardt,

This letter serves as my veto of agenda item 15, "Resolution to accept donation of Teweles and Brandeis Grain Elevator with endowment and to enter into a land lease and to request facilitation by the Door County Community Foundation" taken at the Tuesday January 15, 2019 meeting of the Common Council of the City of Sturgeon Bay.

Chapter 62.09(8)(c) Wis. Stats. identifies the process for execution of a veto. The statute in whole reads: *"The mayor shall have the veto power as to all acts of the council, except such as to which it is expressly or by necessary implication otherwise provided. All such acts shall be submitted to the mayor by the clerk and shall be in force upon approval evidenced by the mayor's signature, or upon failing to approve or disapprove within 5 days, which fact shall be certified thereon by the clerk. If the mayor disapproves, the mayor's objections shall be filed with the clerk, who shall present them to the council at its next meeting. A two-thirds vote of all the members of the council shall then make the act effective notwithstanding the objections of the mayor."*

As Mayor it is incumbent on me explain to the common council and the electorate why I am taking this extraordinary action.

First, this action of Common Council directly contradicts their decision of November 20, 2018. The reasons stated by Alders Allmann and Hauser for placing this item back on the agenda are weak at best and contradictory to their own previous commitment to follow a public process of determining the plan for the West Waterfront area. A process that other members of Common Council and public were led to believe would be inclusive and independent.

Second, the Council is relying only on information supplied by the Sturgeon Bay Historical Society Foundation, Inc. (SBHSF) for project cost estimates that are going on four years old.

That estimate relied upon an analysis from 2013, long before the deterioration visible today was noted. Construction costs are much higher today. A new cost analysis to restore the grain elevator is needed before the Council can properly act.

Third, while it has been stated that the property only takes 1/20th of the land available below the OHWM, the Council hasn't considered other subordinate needs to serve the donated grain elevator. Improvements such as parking, access lanes and sidewalks and so forth all consume space. It is foolish to accept the SBHS notion that such needs won't be necessary (Restoration and Preservation of the Teweles & Brandeis Grain Elevator; pg. 3).

Fourth, while it may be true the foot print of the structure is small, the building nevertheless could have a detrimental impact on tax increment generating uses on or near the site. For instance, a storage building for tugboat use could be situated on the property below the OHWM. Plus, public parking or green space to support private uses above the OHWM could be needed on the site. The Council has fully neglected to consider this fact. This donated project, based on the stated conditions, seems to preclude the use of the structure as a means to generate increment necessary to finance public improvements such as walkways, fishing areas, landscaping and other treatments in the tax increment district.

Fifth, the gift as stated in the January 10, 2019 letter to the Sturgeon Bay Historical Society from the Door County Community Foundation has several conditions the Society must meet in order to make use of the funds. What guarantee is there that the Historical Society will meet those conditions?

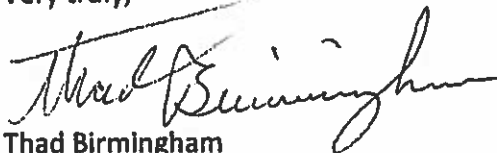
Sixth, the SBHSF makes the argument that receiving this asset and placing it on City owned property won't have a significant cost of ownership. But the SBHSF business plan is relying upon comparisons with the Rotary Pavilion at Sawyer and with the Kress Center in Egg Harbor. There is no guarantee or even a plan that the grain elevator can be converted to a public assembly use.

As the letter is written, donations made between now and whenever, will only serve to reduce the amount of money this donor is willing to give.

The Community Foundation is not guaranteeing there will be sufficient funds to cover the cost of the project, as the Community Foundation clearly states this is a fundraising effort of the Historical Society. I am unaware of any campaign, public or private, of the Sturgeon Bay Historical Society to raise additional funds.

For the reasons expressed above, this letter is a veto of the foregoing council actions. Please serve this notice upon the Common Council at their next meeting as required by statute.

Very truly,



Thad Birmingham
Mayor, City of Sturgeon Bay