

SOUTH SHORE CRUISE DOCK REQUEST FOR INTEREST (RFI)

Responses Requested by December 17, 2021 at 12:00 p.m. CST

SUMMARY:

Port Milwaukee (“Port”), a City of Milwaukee (“City”) department, is seeking high-quality proposals for development of and a long-term tenant at a 5-acre site (“Site”) located at its South Shore Cruise Dock with an address of 2320 S. Lincoln Memorial Drive; Milwaukee, and located immediately east of the Lake Express High Speed Ferry terminal. Preferred lease term is a maximum of 30 years structured as 15-year base term lease with three options for subsequent 5-year extensions. Because of restrictions under the [Wisconsin Public Trust Doctrine](#), the Port cannot lease this Site for more than 30 years under the initial agreement; at the end of the 30 years, a new lease agreement would be necessary.

The Site is available for development of recreational, entertainment, tourism, cultural, passenger vessel and public access uses, and is well-situated for tenants seeking to partner with the Port on Site development. Proposals should incorporate new and innovative development concepts that would co-exist with and take advantage of concurrent growth of international cruise activity in Milwaukee, including Viking Cruises, which is scheduled to begin in 2022.

Site development proposals, either in part or in full, must incorporate a cruise passenger “welcome center” (or similar concept), which includes the following:

1. *Minimum standard:* Must include facilities that meet safety/security requirements for cruise passenger embarkation/disembarkation (as required by the U.S. Coast Guard), and
2. *Minimum standard:* Must provide sufficient room for passenger exchange, tour bus utilization, and luggage clearance on-site without interrupting the proposed use, and
3. *Ideal standard:* May or may not include facilities that meet safety/security requirements for international clearance of domestic and foreign passengers (as required by U.S. Customs and Border Protection).



Any development at the Site is subject to both the submerged land grant authority, as bequeathed to the Port and City of Milwaukee by the State of Wisconsin (see Chapter 358 of Wisconsin State Law 1909 and its subsequent amendments), and the Wisconsin Public Trust Doctrine regarding lakefront development. The Wisconsin Public Trust Doctrine requires that the Site be developed for public purposes and uses, including commercial navigation and recreation. Examples of recreation include boating, sailing, fishing and enjoying scenic beauty. For additional information, please visit the Wisconsin Department of Natural Resources (DNR) [website](#).

Further, any development at the Site must, at a minimum, be mindful of the sustained operation of the nearby Lake Express High Speed Ferry, which operates 2-3 daily crossings between Milwaukee and Muskegon, Michigan from approximately May 1 to November 1 each year. More compelling proposals will complement Lake Express service offerings and help to incentivize new passenger utilization of the ferry.

Development at the Site could begin with execution of a lease, ideally as early as September 1, 2022. The land is not and will not be available for sale under any circumstance; Site development can only take place through the execution of a new long-term lease with Port Milwaukee, which is contingent upon the approval of the Board of Harbor Commissioners, the Milwaukee Common Council, and the Office of the Mayor. Depending on the final development design, additional approvals may be necessary, including by the City of Milwaukee and the State of Wisconsin, including the DNR.

SITE INFORMATION:

Owner – Port Milwaukee, a City of Milwaukee department

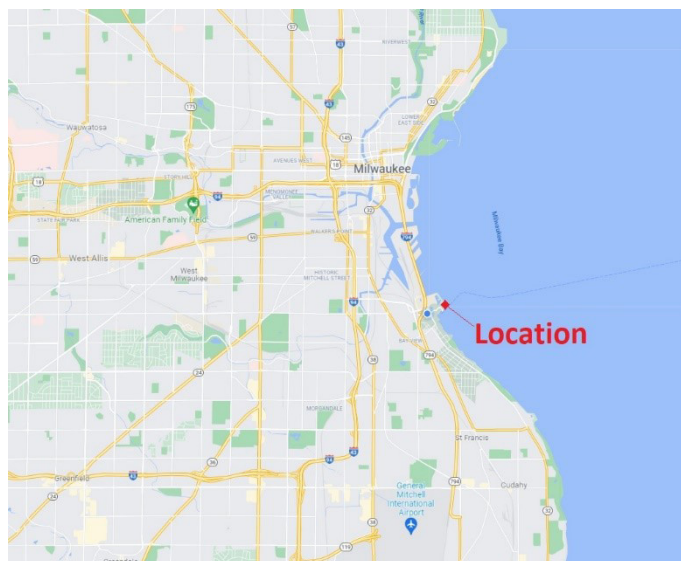
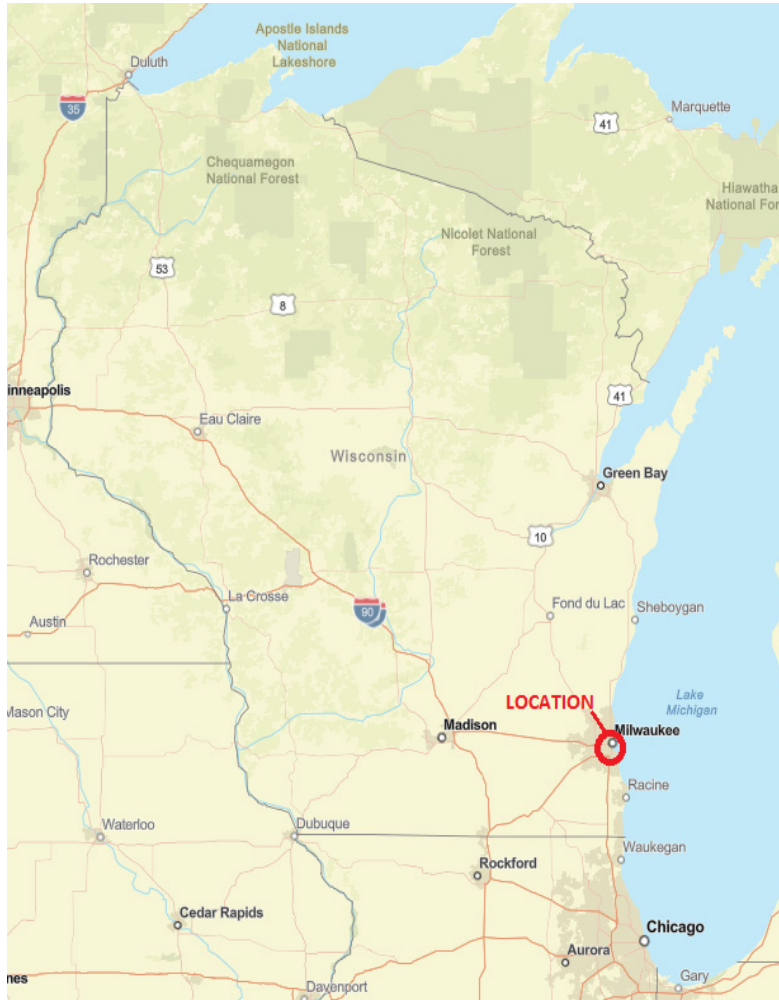
Current Address – 2320 S. Lincoln Memorial Drive; Milwaukee, WI 53207

Size – An approximately 5 acre bare-ground, vacant parcel of land

Technical summary – The Site sits atop a capped Confined Disposal Facility (CDF), previously utilized by the U.S. Army Corps of Engineers for the permanent storage of sediment to support commercial navigation in Milwaukee Harbor, and is immediately adjacent to a Dredged Material Disposal Facility (DMDF), that is in active use by the U.S. Army Corps for the same purpose.

Cruise capabilities – Port Milwaukee will assume long-term operation and maintenance of the cruise dock and mooring structures, infrastructure, and equipment at the site. The Port is planning to invest no less than \$6 million in dock-related enhancements at South Shore in the immediate future. The tenant will be responsible for Site development and upkeep of the associated grounds.

SITE LOCATION EXHIBITS





FURTHER PORT & PROPOSAL DETAIL:

Port Milwaukee is excited to present this RFI for potential longtime tenants seeking utilization of a portion of its waterfront land, totaling approximately 5.00 acres.

The Site is not currently situated with storm sewer, sanitary, domestic water, gas or electrical service, and connections will need to be established by the selected respondent. Basic information for adjacent utilities (e.g. pipe size, location, capacity, available power, etc.) will be provided to the selectee.

Proposals should include design elements which allow for the utilities installed on the Site to be accessible by the adjacent South Shore Cruise Dock. Vessels may be docked on both the eastern and southern faces of the parcel. Future utility connections to the dock wall for vessel use must be assumed, particularly on the eastern face.

A successful respondent will be responsible, at their expense, for bringing new and creative improvements to the Site. The Port offers its long-term commercial tenants, including terminal operators, manufacturers, and other beneficial owners of cargo, with world-class access to domestic and world markets via its multimodal transportation operations. Recreational tenants of the Port include Discovery World museum, Harbor House restaurant, and Milwaukee World Festivals, Inc., the operator of the Port-owned Henry Maier Festival Grounds.

Proposals should demonstrate capacity and interest in expanding the recreational, entertainment, tourism, cultural, and/or passenger vessel utilization of the South Shore Cruise Dock and the Site. Proposals should integrate public access opportunities, providing Milwaukeeans, visitors and cruise tourists with a dynamic, welcoming, scenic water-centric experience upon arrival. Though cruise activity at Port Milwaukee and at the South Shore Cruise Dock generally takes place May through October annually, Site development proposals should consider and accommodate year-long visitor and Milwaukee resident activity on-site. Over 10,000 cruise passengers annually are anticipated to visit Port Milwaukee in the future, beginning as early as 2022.

The Site is positioned at the southern end of Jones Island, immediately adjacent to the Lake Express High Speed Ferry and is within Milwaukee's Harbor District. In 2010, the Milwaukee Common Council adopted the Port of Milwaukee Redevelopment Plan, which established design recommendations for the Site. A copy of the plan can be found [here](#).

In 2018, the Milwaukee Common Council further adopted the Harbor District Water and Land Use Plan, setting forth a vision for the continued revitalization of Milwaukee's inner harbor. A copy of the plan can be found [here](#). Although the Site is located in the outer harbor, principles detailed in both plans should be incorporated for development of the Site.

The Site sits atop a capped Confined Disposal Facility (CDF), previously utilized by the U.S. Army Corps of Engineers for the permanent storage of sediment to support commercial navigation in Milwaukee Harbor, and is immediately adjacent to a Dredged Material Disposal Facility (DMDF) that is actively used by the U.S. Army Corps for the same purpose. Port Milwaukee is prepared to share geotechnical information and best practice recommendations for development atop a CDF, as a closed landfill, particularly given the Port's historic role in constructing and maintaining the structures associated with the Lake Express Ferry terminal adjacent to the Site.

The Ferry terminal rests on a clay cap and is a pile supported building with a floating concrete floor on top of a sealed venting layer (e.g. liquid boot) which is connected to a venting system. A methane monitor and alarm is mounted in the Ferry terminal and should be envisioned as a requirement for the new development. Short-term and long-term responsibility for removal and long-term management of any CDF sediment is subject to future negotiations between the Port and the selectee.

Port Milwaukee and the U.S. Army Corps will continue to use the DMDF for active storage of commercial navigation-related sediment, and proposals to develop the Site must be considerate of this nearby federal activity. Bird watchers seasonally frequent areas near the DMDF, the Lake Express, and the South Shore Cruise Dock given the area's reputation as a provisional respite for migratory birds, including snowy owls.



A proposed Dredged Material Management Facility (DMMF) may be built in the coming years north of the DMDF as part of the region-wide effort to delist the Milwaukee Estuary as an Area of Concern. Unlike the DMDF, which only stores sediment dredged for commercial navigation purposes, the DMMF will store commercial and environmental sediments. Both the DMDF and DMMF lands are not expected to be capped or available for future uses for decades.

The South Shore Cruise Dock is near the southern end of all lakefront property owned by the Port, so no other similar Port land will be available for commensurate recreational uses for decades to come.



Zoning – IH (Industrial-Heavy). This district accommodates light or high-intensity industry and often includes large structures. It also accommodates uses that require harbor or rail service. It has a strong relationship to shipping and rail services, accommodating manufacturing, shipping, and marina uses. While defined as Industrial-Heavy, the Site is set apart from most Port commercial vessel and rail activity on Jones Island. The Port and the City of Milwaukee are willing to entertain a change in zoning at the Site. Depending on the proposed use and if the selected proposal requires a zoning change or additional approvals from the Board of Zoning Appeals (BOZA), Port and Department of City Development staff will work with the selected proposer to secure any required zoning approvals concurrent with the lease approval process.

Current Condition – Vacant, bare ground property available for utilization and development.

Asking Price – The Port is willing to receive and consider all proposals. The final lease amount will be negotiated between the Port and the selectee depending on the amount of guaranteed capital investment on the Site. In recent years, the Board of Harbor Commissioners has approved leases at other Port properties at \$30,000/acre for the base lease year.

Time Frame – Port Milwaukee is seeking a long-term tenant that is interested in a lease not to exceed 30 years. The preferred lease term is 15 years with options for extensions up to a total of 30 years.

Wharfage and Dockage – In addition to rent, tenant may be expected to pay additional fees pursuant to the Port’s Municipal Port Tariff, depending on the end use for the Site. Wharfage and dockage fees associated with cruise vessels docking at the South Shore Cruise Dock would be paid by the vessel owner or its agent, not the Site tenant. Other City, state, and federal requirements and fees for development of the Site may apply.

Storm Water Management Requirements – A successful respondent will be required to comply with City of Milwaukee Code of Ordinances Chapter 120 and create a storm water management plan if any of the following scenarios occur: (1) Development or redevelopment activities cause a land disturbing activity of 1 acre or more. (2) Development or redevelopment activities cause the cumulative area of all land disturbing activities at a property to be 1 acre or more over a 3-year period. (3) Development or redevelopment activities cause an increase of 0.5 acres or more of impervious area.

Given the shared geology, Port Milwaukee will require that a new storm water plan be developed for the entirety of the Site and nearby areas, including the adjacent Lake Express High Speed Ferry terminal site and Port-managed green space, in partnership with the ownership and management of the Lake Express High Speed Ferry.

A cost share agreement with the Port and/or Lake Express should not be assumed.

Additional information can be found on the City’s website [here](#).



DEVELOPMENT GOALS:

- Establishment of a new recreational, entertainment, tourism, cultural, and/or vessel passenger facility adjacent to the South Shore Cruise Dock.
- Integration of on-site U.S. Coast Guard and/or U.S. Customs facilities within Site to allow for concurrent embarkation and disembarkation of international cruise ship passengers.
- Modernization and improvement of the Site, recreationally and aesthetically.
- Incorporation of new, dynamic and multi-season public access opportunities on the Site.

SITE ATTRIBUTES:

- Approximate 5.00 acre lot
- Premiere waterfront property on Lake Michigan
- “Welcome Center” location; first entry to Milwaukee for thousands of cruise passengers per year
- Sewer/water/gas/electric service potential
- Immediate proximity to interstate highway system and downtown Milwaukee; six minute travel time from the Site to central business district
- Functional dock and mooring structures on the eastern and southern faces of the parcel

RESTRICTIONS:

Port Milwaukee reserves the right to reject any and all proposals for any reason at its sole discretion. Rejections will occur should an entity submitting a proposal:

- Be delinquent in the payment of real or personal property taxes in the City
- Have an outstanding judgment from the City
- Have been subject to a property tax-foreclosure by the City within the previous five years
- Have an outstanding health or building code violation or orders from the City’s Department of Department of Neighborhood Services that are not under active abatement
- Have been convicted of a felony that affects neighborhood stability, health, safety, or welfare

PROPOSAL REQUIREMENTS:

Proposals should be received not later than 12:00 p.m. Noon (CST) on Friday, December 17, 2021, and should be limited to 10 pages total. Responders are asked to submit a proposal inclusive of three elements: (i) Executive and General Summary of the entity submitting the proposal; (ii) Understanding and Accomplishing the Goals of the RFI; and (iii) Organization and Contact Information Summary. Responses to this RFI must disclose a list of corporate officers, partners, or LLC members (if applicable) as well as documentation which establishes the applicant’s financial capacity (e.g. a recent company financial statement, audit, or other) as appendices. Proposals must be submitted electronically to the Port via email at jqcart@milwaukee.gov.

In other words, qualified respondents should succinctly explain the history and background of the entity submitting the proposal; its understanding of Port Milwaukee’s contemporary operations, particularly related to the international cruise market; its envisioned use of the Site; its knowledge of U.S. Coast Guard and U.S. Customs requirements at the Site; its knowledge and proposed compliance with the Wisconsin Public Trust Doctrine requirements at the Site; and its outlook for Site utilization, including integration with cruise activity, public access, multiple season use, and other unique features.



PROPOSED TIMELINE:

The envisioned proposal process is as follows:

- November 8, 2021: Formal announcement of South Shore Cruise Dock Request for Interest (RFI)
- November 17, 2021 (2:30 p.m. – 4:00 p.m. CST): Site Walk-Through
- November 24, 2021 (12:00 p.m. Noon CST): Deadline for Questions
- December 3, 2021: Posting of Addendum on Port Website, if necessary
- December 17, 2021 (12:00 p.m. Noon CST): RFI responses due at Port Milwaukee via email at jqcart@milwaukee.gov
- January 5, 2022 – January 12, 2022: Port Milwaukee RFI Internal Review of Proposals
- January 14, 2022: Selection of Proposal and Notification by the Port
- February 1, 2022 – May 15, 2022 (estimated): Final lease negotiations between selected respondent and Port Milwaukee
- June 9, 2022 (estimated): Lease review and approval by Port Milwaukee Board of Harbor Commissioners
- June 29, 2022 (estimated): Lease review and approval by the City’s Public Works Committee
- July 12, 2022 (estimated): Lease review and approval by Milwaukee Common Council
- July 26, 2022 (estimated): Lease review and approval by the Office of the Mayor
- August 1, 2022: Execution of the lease
- September 1, 2022: Start of the lease term

REVIEW AND SELECTION:

Proposals will be evaluated in terms of:

- Quality of proposed utilization of the Site
- Unique nature of proposed Site development, particularly in the context of other similar waterfront developments in southeastern Wisconsin
- Total project investment
- Total lease-generated revenue to the Port
- Proposal team’s expertise, experience, and financial capacity
- Project schedule

FINANCIAL ASSISTANCE:

The Site will be leased at a market-rate commensurate with other waterfront Port Milwaukee parcels with no additional City financial assistance.

As a Port tenant, the selected respondent may have access to state and federal grants to support Site development, including the Wisconsin Department of Transportation Harbor Assistance Program (HAP), at the respondent’s own expense. Port Milwaukee personnel are experienced in submitting successful HAP applications and are available to act as a facilitator and resource for Port tenants opting to submit their own grant applications.



SITE WALK-THROUGH & RFI QUESTIONS:

A Site walk-through will take place on November 17, 2021, from 2:30 p.m. to 4:00 p.m. CST. All parties attending the Site walk through will need to have safety boots, hard hat, safety glasses, and a high-visibility vest. Social distancing will be practiced, and mask wearing is required to prevent the community spread of COVID-19. The walk-through is intended to give prospective respondents an opportunity to inspect the Site. This will be an informal walk-through, however all participants will be required to sign in. A representative from the Port will be on hand to record any questions.

If any questions are received about the RFI, either at the Site walk-through or via written or electronic communication, an addendum will be publicly issued to address all inquiries on December 3, 2021.

QUESTIONS & ANSWERS:

All written questions concerning this RFI must be submitted to Jackie Q. Carter, Port Finance & Administration Officer at Port Milwaukee, via email at jqcart@milwaukee.gov. All inquiries must be received at the Port by November 24, 2021, at 12:00 p.m. CST. An addendum with answers to all questions received by the Port will be posted by December 3, 2021. It is the responsibility of the prospective respondents to review the website prior to submission of their proposal.

MORE INFORMATION:

- Website: www.portmilwaukee.com
- Website: www.milwaukee.gov/RFP

SPECIAL NOTES:

Unauthorized contact regarding this RFI with any City employee or official, including but not limited to representatives of Port Milwaukee, the Board of Harbor Commissioners, and/or the Department of City Development, may result in disqualification.

Port Milwaukee reserves the right to reject any and all proposals for any reason at its sole discretion, to negotiate the terms and conditions of the eventual lease with the ultimate tenant, and to impose additional restrictions, if necessary, particularly at the direction of the Board of Harbor Commissioners or the Milwaukee Common Council.

The contents of this packet are for informational purposes only and the representations made herein, though thought to be accurate, are without warranty. Proposal teams should rely exclusively on their own investigations and analyses.

The Port will honor confidentiality requests to the extent possible under applicable law. However, potential respondents should be aware that the Port and City are subject to Wisconsin's Public Records Law (*Wis. Stats. 19.31-19.39*).