



SPECIAL JOINT MEETING OF FINANCE COMMITTEE & MARINA COMMITTEE AGENDA

Tuesday February 10th, 2026 at 4:00PM

Sister Bay Liberty Grove Fire Station, 2258 Mill Rd., Large Meeting Rm

To access the meeting electronically via Zoom, click the link below:

<https://zoom.us/j/3597569647?pwd=671UiiPSuJM9QHfABHmzGC12vIhJa.1&omn=99413666077>

Meeting ID: 359 756 9647

Password: 8544457

To connect by telephone, please dial

1-305-224-1968 - Meeting ID 359 756 9647#

AGENDA

1. Call to Order
2. Roll Call
3. Approval of Agenda
4. Comments and Correspondence
5. Discussion/Action Items:
 - a. Lease Agreement; Marina Boathouse; Historical Society; 10697 Bay Shore Drive
6. Matters to be Placed on a Future Agenda or Referred to a Committee, Official, or Employee
7. Adjournment

Public Notice

Questions regarding the nature of the agenda items or more detail on the agenda items listed above can be directed to Village Administrator, Julie Schmelzer. Email administrator@sisterbaywi.gov. It is possible that members of, and possibly a quorum of members, of other governmental bodies of the municipality may attend the meeting to gather information; no action will be taken by any governmental body other than the governmental body specifically referred to in this notice. Upon reasonable notice, a good faith effort will be made to accommodate the needs of disabled individuals through sign language interpreters or other auxiliary aids at no cost to the individual to participate in public meetings. Due to the difficulty in finding interpreters, requests should be made as far in advance as possible, preferably a minimum of 48 hours. For additional information or to request this service, contact the Sister Bay Village Administration Office at 854-4118, (FAX) 854-9637, or by writing to the Village Administration Building, 2383 Maple Drive, PO Box 769, Sister Bay, WI 54234. Copies of reports and other supporting documentation are available for review at the Administration Building, 2383 Maple Drive during operating hours. (8 a.m. – 4 p.m. Monday – Thursday, 8 a.m. to 12:00 p.m. on Friday).

The Village of Sister Bay is an Equal Opportunity Provider.

Staff Report – Overview of Boathouse Museum Financial Payment Options

Background: 5 years ago, the village was approached with the concept of turning the boathouse into a marine museum to include the “Shadow” wooden boat as the main attraction. Prior to this proposal, the boathouse was rented by the marina on a seasonal basis for 15K to 18K per season. The village board and the marina committee agreed to the museum concept and planning began.

As part of the plan, the crib dock that the boathouse was sitting on was deteriorating rapidly and required significant repair and rehab. The project expense was \$204,000 dollars to rehab the area. As part of the project some boat slips were added into the project so the “Shadow” could be brought out of the boathouse and placed in the water for special occasions and festivals. It was anticipated that the museum funds would contribute up to \$20,000 towards the cost. The contractor also lowered the price by \$20,000 as they wanted to see the museum completed. Untimely we were able to obtain a DNR grant for a portion of the project, and it was completed in 2023. The marina did not receive funds from the museum and paid for the difference in grants and the final total. The grant was \$60,000. The total cost paid by the marina was \$124,000.

In 2023 the marina stopped renting the boathouse apartment based on the museum moving forward. Unfortunately, that was not completed and the discussions continued during 2024 and 2025. For the last 3 seasons Marina has given up \$45,000 in rental income as a result.

The marina committee has repeatedly requested that as part of the museum agreement that the marina be compensated for at a minimum \$15,000 per year and finally agreed to accept \$10,000 per year to move the museum project ahead. The museum group initially agreed to provide that payment until it was decided they were not going to accept that condition. The village agreed that the project should continue to move forward and offered a formula for reducing the annual PILOT paid by marina by \$10,000 thereby meeting the marina’s requirement for compensation for the boathouse.

There have been several iterations of the PILOT payment reduction that have been offered but no one formula that everyone has agreed to. In the packet is the last attempt at the formula that was referred to the joint committees in an attempt at finding an acceptable solution.

BOATHOUSE LEASE AGREEMENT

This **BOATHOUSE LEASE AGREEMENT** ("Lease") made this 16th day of December 2025, by and between the VILLAGE OF SISTER BAY (the "Landowner"), and the SISTER BAY HISTORICAL SOCIETY, INC. (the "Lessee"), collectively known as the "Parties".

Landowner grants a lease to Lessee for a thirty (30) year term, beginning on January 1, 2026, and ending on December 31, 2055, for the right to remodel the Village of Sister Bay Marina Boathouse and operate it as a waterfront museum located on the real estate known as Tax Parcel No. 181-00-05312841N1, at Fire Number 10697 North Bay Shore Drive (the "Premises").

The Parties to this Lease for and in consideration of the mutual covenants contained in this Lease agree with each other as follows:

SECTION 1. PAYMENT

In consideration of the use of the Premises to remodel and maintain a waterfront museum thereon, the Landowner shall charge the Lessee an annual sum of \$1, payable within ten (10) days of signing this Lease and annually by the first of the year thereafter. To ensure the Sister Bay Marina does not lose revenue historically relied upon by the leasing of the premises, the Landowner agrees to annually adopt a resolution setting a limit on the Marina's Payment in Lieu of Taxes (PILOT) due the Landowner per the following schedule and payment: Until December 31, 2035, the annual contribution due shall be the actual calculated annual payment in lieu of taxes (PILOT), but not exceed \$50,000 annually; effective January 1, 2036, annually thereafter through December 31, 2055, the annual payment shall be \$40,000 plus the annual Consumer Price Index (CPI) adjustment.

SECTION 2. RIGHT TO RENEW

This Lease shall automatically renew for a subsequent ten (10) year period so long as Lessee is in good standing hereunder, and there is no change in the PILOT limit in Section 1 above, unless either party gives notice to the other of their intent to not renew at least nine (9) months prior to the end of the current term. In the event such notice is given by Landowner, and Lessee desires to nevertheless continue with this Lease, the Parties agree to engage in good faith negotiations to address the Landowner's concerns. Any renewal will be on the same terms and conditions as set forth herein, excepting the Parties recognize there may be a change in the PILOT limit in Section 1 above, unless otherwise agreed in writing.

SECTION 3. SURRENDER AND TERMINATION

Lessee agrees that at the expiration of this Lease or any extension thereof, Lessee will surrender peaceful possession of the described Premises to the Landowner. Landowner reserves the right to early termination of this Lease upon twelve (12) months' notice to Lessee in the event Lessee fails to remodel the boathouse within twenty-four (24) months of this Lease, or, operate the