

### AGENDA ITEM MEMORANDUM

DATE: 06/04/2025

TO: Public Works Committee

FROM: Joe Kerlin, Parks Manager

SUBJECT: Resolution No. 32-25-26 – A resolution authorizing the appropriate City officials to execute the Ground Lease Agreement between the City of Sheboygan and Blue Line Association, Inc., for continued use of 1202 Wildwood Avenue, Sheboygan, Wisconsin.

# **ISSUE**

Should the Public Works Committee recommend authorizing the appropriate City officials to execute the Ground Lease Agreement between the City of Sheboygan and Blue Line Association, Inc., for continued use of 1202 S. Wildwood Avenue, as a multi-purpose recreational facility containing, among other things, an indoor ice-skating rink for use by the public?

### STAFF RECOMMENDATION

Staff recommends approval of the Ground Lease Agreement.

## BACKGROUND/DISCUSSION

Since 1988, the Blue Line Association, Inc. has leased the property located at 1202 S. Wildwood Avenue from the City. Blue Line constructed and operated a multi-purpose recreational facility containing an indoor ice-skating rink as well as an event center for other revenue generating activities.

Blue Line has been exceptional in providing indoor ice-skating related activities to the public, schools, clubs and providing community events. The Blue Line Association built the facility and fully maintains it with no financial aid from the City.

Blue Line has leased the City property since 1988. They had a 25-year lease with options to extend the lease for successive ten-year periods by notifying the City. In 2023, they missed an extension request due to staffing changes.

This new agreement will be for an initial 10 years with option to extend the lease for successive five-year periods by notifying the City.

#### **FUNDING IMPACT**

The rent will remain at \$1.00 annually, As stated above, there is no funding expense to the City.

# IF APPROVED, NEXT STEPS:

The Blue Line Association, Inc., will continue to operate the property if approved by Council.

DEPARTMENT OF PUBLIC WORKS

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