Economic Feasibility Study & Historic Structures Report

De Pere Lockkeeper’s House
Government Island
De Pere, Wisconsin

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September 2011
Acknowledgments

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LJM Architects, Inc. would like to thank the following persons or organizations for their assistance in completing this report:

**City of De Pere**

Michael J. Walsh, Mayor
Lawrence Delo, City Administrator
Ken Pabich, Director of Planning & Economic Development
David R. Hongisto, Building Inspection & Zoning Administrator
Marlin Huppert, Wildlife Viewing Pier Fundraising Committee
Robert Kiser, Fire Chief
Don Melichar, City Forester
Eric Rakers, City Engineer
Scott J. Thoresen, P.E., Director of Public Works

**De Pere Historic Preservation Commission**

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Paul Kegel, Alderperson
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**De Pere Area Chamber of Commerce**

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Rose Smits, Beautification Committee Chair

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## Contents

Acknowledgements ................................................................. 3  
Contents ................................................................................. 5  
Executive Summary ............................................................. 6  

### Economic Feasibility Study

- Introduction ........................................................................... 9  
- Sustainable Future Use ..................................................... 12  
- Rehabilitation Cost Analysis ............................................. 21  
- Economic Viability ............................................................ 28  
- Marketing Plan ................................................................. 32  
- Realistic Timeline ............................................................. 33  

### Historic Structures Report

- Introduction ......................................................................... 39  
- Developmental History .................................................... 44  
- Architectural Description ................................................ 55  
- Condition Assessment ....................................................... 59  
- Ordinance, Codes & Accessibility Review ......................... 76  
- Materials Analysis ............................................................. 81  
- Treatment Recommendations ......................................... 85  
- Furnishings & Interior Decoration Recommendations ........ 112  
- USGBC LEED Rating Systems .......................................... 113  
- Renewable Energy Systems ............................................ 125  
- Prioritization & Cost Estimates ......................................... 133  
- Maintenance Recommendations ...................................... 139  

- Conclusion ........................................................................... 144  

- Notes .................................................................................. 145  

- Bibliography ...................................................................... 147  

- Appendix ........................................................................... 150  

- De Pere River Walk & Wild Life Viewing Pier  
- Fox-Wisconsin Waterways Map  
- De Pere Lock & Dam Site Plan  
- Certified Sanborn Map Report  
- Lockmaster’s Dwelling to be Erected at De Pere Lock  
- Proposed Lockhouse at Cedars Lock  
- Archive Photographs  
- Plans and Elevations c. 1912-1948  
- Plans and Elevations c. 1949-1960s  
- Plans and Elevations c. 1960s-1973  
- Plans and Elevations c. 1974-2010  
- Proposed Plans and Elevations  
- Building Inspection Checklists & Repair Logs  
- Baseline Exterior Photographs  
- List of Contacts  
- Materials, Finishes & Colors  
- National Register of Historic Places Registration Form  
- Historic American Engineering Record
Executive Summary

This report focused on the De Pere Lockkeeper’s House which is located on a narrow dyke locally referred to as Government Island in De Pere, Wisconsin. The building was found to be a small, two-story Dutch Colonial Revival style house constructed of cream limestone at the base, red brick at the first floor, and green wood shingles at the front and back porches, gambrel ends, and dormers. It was constructed between April and August of 1912. While it underwent numerous small alterations through the years, major interior alterations were conducted in the mid-1960s in the kitchen, and the entire interior was remodeled in 1973-1974, the alterations significantly affected the interior’s historic finishes. The building was significant as a contributing element to the De Pere Lock & Dam Historic District under National Register Criterion A and C for its role in Wisconsin’s inland water transportation history and engineering.

The house was vacated in 1983. While the exterior was stabilized in 2010, the interior is in need of major repairs. Once rehabilitated, the house could become an important component in the economic development of downtown De Pere and may serve as a major attraction for heritage tourism in northeastern Wisconsin and the Fox River valley. In addition, new public attractions to the island, the De Pere Riverwalk and Wildlife Viewing Pier, are scheduled for completion in the coming years. This Economic Feasibility Study and Historic Structures Report were undertaken as a first step in planning for the future of this building.

The Economic Feasibility Study involved consultations with key stakeholders to provide future use options for the house, which included an active recreational shelter, an institutional office, and heritage tourism lodging. Rehabilitation costs for each use were developed, and the economic viability of each use determined. Schematic plans and elevations were developed for each use as a means to attract investors and prospective tenants. Finally, a realistic timeline was developed for architectural plans, securing rehabilitations funds, and construction completion.

The Historic Structures Report documented the developmental history of the building, including its significance, chronology of ownership, construction, alterations, and prior studies and treatment efforts. It gave an architectural description of the exterior and interior conditions of the building and identified character-defining elements and features. A conditions assessment was made of the site, envelope, interiors, structure, plumbing, heating, and electrical systems. Ordinances, codes, and accessibility laws were reviewed. Paint and mortar analysis was performed. Detailed rehabilitation recommendations were made for each façade, room, and feature. Work items were then prioritized, and rehabilitation costs for each potential future use developed. Finally, maintenance recommendations were made for the interim until the building can become occupied.

The Fox River Navigational System Authority and the City of De Pere should be applauded for their efforts to undertake these studies. The FRNSA should consider performing similar studies on the remaining lockkeeper’s houses, begin negotiations with authorities having jurisdiction, and follow through with routine maintenance and prioritized rehabilitation recommendations contained within this report.
Economic Feasibility Study

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September 2011
Introduction

Funding Sources for Study

This Economic Feasibility Study has been funded by a Preserve America Grant, a National Trust for Historic Preservation Wisconsin Projects Fund Grant, the Fox River Navigational System Authority (FRNSA), the City of De Pere, Celebrate De Pere, the Union Hotel Corporation, the Boyd & Hackbarth families, local residents, and organizations committed to saving the integrity of the De Pere Lockkeeper’s House for its enjoyment by future generations.

Sponsoring Individuals & Organizations

This project was commissioned by the City of De Pere Historic Preservation Commission which is comprised of Chair Mary Jane Herber and members Gene Hackbarth, Mike Fleck, Alderperson Paul Kegel, Tom Monahan, Brian Netzel, and Carla Nicks as overseen by the City of De Pere’s Director of Planning & Economic Development, Ken Pabich. Gene Hackbarth and Ken Pabich provided primary project representation and were particularly helpful in the day to day activities related to the project.

Methodology & Timeline of Study

A Request for Proposals for a Historic Structures Report & Feasibility Study was issued by the City of De Pere’s Historic Preservation Commission in June 2010. In July 2010, building site visits were offered to the field of invited consultants and proposals were due. Oral presentations and interviews of three consultants were conducted in August 2010, and LJM Architects, Inc. of Sheboygan, Wisconsin was selected through this competitive selection process. Project funding was finalized in October 2010, and a contract was executed in November 2010.

In an effort to broaden the economic expertise for the project, the City of De Pere suggested that LJM team with AECOM Technical Services, Inc. of Chicago, who had recently participated in the De Pere Downtown Master Plan, to provide market and economic support associated with the Economic Feasibility Study for the Lockkeepers House in De Pere, Wisconsin. Their combined approach included extensive interviews with local stakeholders in December 2010 to propose reuse options for the building. Current economic information regarding the region is also presented to help frame market opportunities for the area that impact the site.

In February 2011, public meetings were held with the Fox River Navigational System Authority and the De Pere Historic Preservation Commission to present initial findings and give a project status report.

Consultation with the Wisconsin Department of Natural Resources began in March 2011 regarding their regulatory authority on the site and their interpretation of the City of De Pere’s Floodplain Zoning Ordinance, a critical finding in this study.

The report was written from April through September 2011. Drafts of the
report were presented to the De Pere Historic Preservation Commission in May, June, July, and September 2011 for review and comment. A final report was issued to the Historic Preservation Commission and forwarded to the De Pere Common Council in September 2011 and accepted and placed on file by the Council in October 2011.

Individuals or Consultants Involved in Study

LJM Architects, Inc. would like to acknowledge the following consultants, sub-consultants, and individuals for their involvement and participation in this Economic Feasibility Study:

LJM Architects served as the primary consultants for this project. Senior Architect and Historic Preservation Consultant, Jennifer L. Lehrke, AIA, LEED AP, served as the project leader and principal author, and was assisted by Intern Architects, Katie Derksen and Bob Short, and Office Manager, Karen Lindow. Jennifer assisted in the stakeholder interviews, compiled data from the sub-consultant, and integrated it into one comprehensive report.

Due to his local familiarity and past work on De Pere’s Downtown Master Plan, Chris Brewer of AECOM in Chicago, was retained by LJM Architects to assist in the stakeholder interviews and provide economic context and insight into the project’s economic viability.

Organization of Document

This Economic Feasibility Study is one part of a two-part study of the De Pere Lockkeepers House; the other portion being a Historic Structures Report. A Table of Contents, included at the beginning of the joint document, illustrates the organization of this Economic Feasibility Study.

Parameters and/or Limitations of Study

Information contained in this report documents conditions and information available to LJM Architects during the preparation of this report from November 2010 to July 2011. That information served as a basis for the recommendations made herein. As additional information becomes available, the report should be supplemented and amended.

Areas of Future Study

This report does not constitute a complete economic study of the Lockkeeper’s House. This report provides a broad overview of many topics in one publication. It is intended to be a work in progress that can lead to future research and can be updated over time as new information is collected and as potential future uses for the buildings are refined. This is a living document and the beginning of an effort that will continue for years to come in De Pere and other communities along the Fox River.
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Jim Draeger, Deputy State Historic Preservation Officer
Chip Harry L. Brown, III, Government Assistance & Training Specialist
Mark Buechel, Preservation Architect
Sustainable Future Use

Economic & Real Estate Context
By Chris Brewer, Vice-President of AECOM Technical Services, Inc.

For the Green Bay Metropolitan Area, overall employment was impacted by the recession. Prior to 2008, the region had sustained enviable unemployment rates at or below 5%. Beginning in 2009, unemployment rates surged, to a peak of 9.5% in the spring of 2010. Unemployment rates have since begun to recover, with a March 2011 unemployment level of 7.6%, reflecting the addition of about 2,000 jobs across the metro area over the past 12 months. At the current pace, the region would reach pre-recession employment levels in another 12 to 24 months. Unemployment rates are below national levels, which is significant.

The metropolitan area has managed to sustain relevant population growth from 2000 to 2010 according to the U.S. Census, with growth from about 282,600 to 306,200 residents over the noted period, which is reflective of 0.8% annualized growth, or about 2,300 residents per year. These growth rates reinforce the notion of Green Bay as a thriving regional center. Other notable market factors for Green Bay and De Pere include:

- The State of Wisconsin forecasts that Brown County will continue to be one of the fastest growing counties in the state through 2025, with the potential to add about 32,800 residents. Over the same period, De Pere is expected to add about 4,500 residents; only Bellevue and Howard are projected to grow at faster rates.
- Income levels in De Pere are higher than adjacent jurisdictions and national averages. Consistent with higher incomes, educational attainment is also above average, supported to a certain extent by the presence of St. Norbert College as well.
- Analysis of immigration data for Brown County indicated that, of the top 20 counties for in-migration to Brown County, 17 are Wisconsin counties. As well, overall migration trends for the past several years have been modestly negative; this information would suggest that Brown County is a more insulated market within the State of Wisconsin.

For the Lockkeeper’s House, a key market framework is residential development. The residential analysis suggests the following:

- Although the “walkable core” within a ½ mile distance of downtown De Pere supports significant housing (over 1,200 units), the share of more contemporary rental and owner occupied housing is smaller (about 400 units) and concentrated within ¼ of a mile of downtown. This factor is generally consistent with other Midwestern cities.
- Of all households in De Pere, an estimated 24% of households prefer multifamily (urban) types of housing, some in addition to single family homes. These figures do not convey the number of potential buyers, but reflect on the share of households that, if moving within the area, could consider an urban product in a downtown setting, such as Downtown De Pere.
Future market opportunities for urban housing need to be consistent with broader trends for how De Pere is expected to grow in the near and mid-term. Current forecasts for the community point to a return to historic housing growth rates, i.e. below recent trends, offset by the likelihood of further decreases in the average housing size. Using state forecasts as a baseline, De Pere could be positioned to add about 4,700 residents by 2025, which could break down to demand for about 2,300 new housing units over the same period. If the core downtown just maintains its current “fair share” of potential new inventory over the forecast period (4%), that would point to an overly conservative urban housing construction factor of 100 more urban units through 2025.

From a commercial space standpoint, analysis noted that Downtown De Pere supports a total inventory of about 773,000 sq. ft. of leasable space, which is currently being occupied by an array of retail, service, office, government, and institutional tenants, on both sides of the river. In 2009, downtown street level vacancies were below regional levels. In downtown west of the river, 9.7% of street level space is vacant; east of the river only 6.1% of space is vacant. On both sides of the river, Restaurants and Bars constitute the largest cluster of space. The overall downtown vacancy rate was estimated at 7.4%. Across Brown County since 1982 there has been an average of about 100,000 sq. ft. of new retail space delivered annually. In 2005, approximately 400,000 sq. ft. was delivered, making this year the peak year since 1982. This significant increment of space will take several years for the local economy to work through, dampening rent growth and reducing demand for new space in the near-term.

Aside from restaurants, hotels, office, and residential, other typical downtown retail store clusters remain underdeveloped. Segments such as jewelry, shoes, and books would benefit from further growth, particularly on the East side of downtown De Pere. Quantifying market opportunities for downtown De Pere for the next several years is complicated by several factors. In the short-term, there are only a small number of national retailers who are in expansion mode, driven by opportunities to lease lower cost space in attractive market locations.

As well, while financial markets are stabilizing, a significant amount of distressed commercial real estate is about to enter the market, which will limit near-term opportunities to build new space. Perhaps more importantly, bank lending requirements have come back to earth, with logical emphasis on tenant quality dictating lending terms. In this context, the premium rents that would be required to support construction of new space will be difficult to support in the short-term. In the context of average downtown store sizes smaller than 5,000 sq. ft. and rents in the $8 to $12 range, existing space in downtown De Pere will be well positioned as an affordable option in the regional market.

Market Implications include:

- The Green Bay region is growing, providing gradual support for growth in attraction attendance, as well as demand for restaurants, retail and entertainment
- For the short-term, as the region recovers, existing vacant commercial space will likely be re-occupied first, reducing initial demand for space that requires considerable reinvestment.
- The downtown area of De Pere includes the Kress Inn and the Union Hotel, as well as a small number of B&B’s in the area. Key drivers for the
hospitality market include the significant base of fishing tournaments that happen on the Fox River below the dam.

While the above market factors are relevant in considering reuse of the site, our analysis also revealed an array of policy and site factors that will exert greater influence over possible outcomes. These are discussed below.

**Consultations with Key Stakeholders**

By Chris Brewer, Vice-President of AECOM Technical Services, Inc. & Jennifer L. Lehrke, Senior Architect & Historic Preservation Consultant of LJM Architects, Inc.

As the State agency charged with the maintenance and operation of the Lower Fox River lock and dam sites, the Fox River Navigational System Authority has recently invested funds to preserve the exteriors of several lockkeeper’s houses and is currently maintaining the exteriors of these buildings as monuments. The FRNSA’s primary goals are to restore the lock system, sustain river navigation, and eventually create a heritage corridor along the river. As such, adaptive reuse ideas need to be consistent with these concepts.

Several stakeholders were identified, including the Fox River Navigational System Authority (FRNSA), the Wisconsin Department of Natural Resources (DNR), the Wisconsin Historical Society (WHS), the City of De Pere, and other parties with a vested interest in the community. A series of public meetings were held to open the dialogue with civic groups and the general public. These dialogues explained the purpose of this study and sought the civic groups’ input on ideas, concepts, and how the De Pere Lockkeeper’s House could integrate with and further enhance the community. The meetings also included dialogues with the City of De Pere elected and appointed officials and planning, engineering, public works, and park and recreation departments. Local knowledge was gathered, and municipal input of the concepts put forth was sought out.

Stakeholder interviews completed as part of the Lockkeeper’s House study identified an array of ideas for how the building and site could be adapted and reused. Ideas included:

- Bed & Breakfast / Hotel
- Artist live / work housing / art gallery
- Restaurant / concessions sales
- Meeting facility
- Three-season shelter for events / recreational programs
- Small boat / kayak launching / rental facilities
- Living history museum, linking with other attractions such as Heritage Hill and the De Pere Historic Society, hosting historic reenactments, or linked with the story of Fox River.
- Wildlife / bird viewing / fishing
- Weigh in location for fishing tournaments

The future uses that were identified left several areas for additional consideration:

- Can the house be preserved and renovated such that it can be used to sustain events year round?
• The river walk project is being implemented, which will significantly improve access to the island from Voyageur Park. With the level of investment being undertaken to create access, maintaining the condition of the house is a relevant consideration.
• The downtown bridge approach project is a lower priority for the City. This project would otherwise significantly improve access from downtown to the island, which would boost market opportunities.
• Utility services are a practical concern that have the potential for significant cost implications.
• The DNR & FRNSA may choose to limit access to the site during periods of high water.
• There is limited space along the river for boat slips, and water levels around the island are quite low, limiting boat launch opportunities.
• Could the City of De Pere play a role in the adaptive reuse of the house?
• Could St. Norbert College play a role in the adaptive reuse of the house?
• What is the role of the De Pere Historical Society and other groups related to this building?
• What is the role of groups such as Friends of the Fox, and the extent to which their plans for the Fox-Wisconsin Heritage Parkway can lead to the creation of a series of renovated lock houses along the Fox River? This could alter the market slightly, to the extent that the houses could be managed/marketed as a single asset.

From here, one-on-one consultations with key stakeholders, FRNSA, DNR, WHS & City of De Pere, were undertaken to obtain their feedback on the future use options identified for the De Pere Lockkeeper’s House. The key stakeholders’ opinions are discussed below.

Fox River Navigational System Authority

FRNSA views on the future uses for the De Pere Lockkeeper’s House were the most open-ended. First and foremost, the FRNSA mandates that the historic integrity of the house be maintained. While the FRNSA is not authorized to sell the house, they would like to see the house put to good use by a long-term lessee who would be responsible for all the associated rehabilitation, operation, and maintenance costs. It is the FRNSA’s hope that a lease could be negotiated that would actually be a source of income for them. If such an agreement cannot be negotiated, the FRNSA is willing to forgo the income generation as long as the use is deemed worthy. If a suitable lessee and use cannot be found, the FRNSA is content to maintain the house as a monument.

Wisconsin Department of Natural Resources

In evaluating the use options for the site, our approach focused on key policy questions that would shape site and building reuse. These factors all relate to legal and regulatory factors that will influence how the site and building can be occupied. After communicating with David R. Hongisto, Building Inspector & Zoning Administrator for the City of De Pere, and Richard J. Koch, Floodplain/Storm Water Specialist at the DNR, it was determined that the City of De Pere’s Floodplain Zoning Ordinance as well as Wisconsin Statutes Chapter 30 Navigable Waters, Harbors, and Navigation and Chapter 31 Regulation of Dams and Bridges Affecting Navigable Waters, all regulated by the DNR, have the potential to have a major impact on the potential future use of the Lockkeeper’s House.
While the Floodplain Zoning Ordinance allows some latitude with regards to historic structures, the De Pere Lockkeeper’s House is located on Government Island, which is considered by the DNR to be an integral component of the De Pere Dam. Due to its flood prone nature, the standards for development in the Floodway District and on the dam are the strictest and the most difficult to comply with.

Of the most consequence to the successful adaptation of this house, structures intended for human habitation are prohibited in the Floodway District. This would preclude any residential, bed and breakfast, vacation rental, inn, or other forms of lodging that were suggested during the key stakeholder meetings and strongly considered as economically viable options during the preparation of this Economic Feasibility Study. The only permitted uses are those structures accessory to permanent open space uses such as picnic grounds, parks, wildlife and nature preserves, fishing areas, hiking trails, and other recreational uses. Voyageur Park and the planned $2.5 million dollar pedestrian bridge, river walk, and wildlife viewing platform (see concept drawing in appendix) should be considered open space uses. According to the DNR, the proposed use of the Lockkeeper’s House will need to be accessory to them in order for it to be used in the future, perhaps some sort of an “Active Recreational Shelter.”

In addition to the potential use restrictions, there are also floodproofing, plan approval, and permitting measures which will also have to be undertaken. More information regarding the Floodplain Zoning Ordinance can be seen in the Historic Structures Report.

City of De Pere

Another approach to the evaluation of potential future uses took a macro-scale look at the site and its surroundings, including access to the site through Voyageur Park and the planned operations of the pedestrian bridge. After communicating with Ken Pabich, Director of Planning & Economic Development for the City of De Pere, it was determined that this too will influence how the site and building can be utilized.

After over two years of negotiations with the FRNSA, DNR, and U.S. Army Corps of Engineers, the City is reluctant to pursue any avenue which may threaten their community’s $2.5 million investment in the pedestrian bridge, river walk, and wildlife viewing platform. The DNR and the Army Corps of Engineers are concerned about protecting the integrity of the dam and controlling the flow of water through the dam during periods of high water. The DNR is also concerned about protection wildlife habitat, including the local fisheries and avianes, from poachers. Because of these concerns, negotiations to-date have included provisions that would limit the construction activity, particularly any digging, on the dam and would require raising of the pedestrian bridge daily after park closing from 11:00 pm to 6:00 am and periodically during flood events. In the City’s opinion, these negotiated restrictions on the operation of the bridge would prohibit activities that would allow people to be on the island overnight, i.e.-residential or lodging. However, it is our belief that these concerns could be alleviated through lease language which would impose strict fines on persons found fishing or requiring access across the bridge after park closing. It is also believed that the limited access to the site and relatively small size of the building would make it difficult to accommodate any retail, personal service, or restaurant. Therefore, the City would like to see daytime use of the building and believes that some
form of an “Institutional Office” may be a viable alternative for the site.

In addition to the potential operational restrictions, the City of De Pere Fire Department would also require certain life safety measures be undertaken, i.e.- sprinklering the building. More information regarding the NFPA Life Safety Code can be seen in the Historic Structures Report.

**Wisconsin Historical Society**

After receiving this limiting information from the DNR and the City, Jim Draeger, Deputy State Historic Preservation Officer, and Chip Harry L. Brown, III, Government Assistance & Training Specialist, both of the WHS, were consulted for their technical assistance in the matter. The WHS serves as the principal historic preservation agency of the state and carries out the state’s historic preservation program. They pointed to Wisconsin Statutes Chapter 44 Historical Societies and Arts Board, which grants the WHS the duty to serve as the state’s principal agency for administration of historic preservation activities; cooperate with federal, state, and local government agencies in the planning and conduct of specific undertakings affecting historic properties and preservation objectives, and in overall land use planning; and review and comment upon those actions of any state agency which may have an adverse effect upon historic properties and ameliorate that adverse effects. In general, this statute gives the WHS the lead role among other state agencies in negotiating the mitigation of potential adverse effects on historic properties.

In addition, they pointed to Chapter 87 Flood Control of the Wisconsin Statutes, particularly section 87.305 Use of certain facilities on St. Feriole island, as a precedent or case study of the negotiations that can take place between the WHS, the DNR, and a municipality. This piece of legislation was written specifically for the Dousman hotel on St. Feriole island in the City of Prairie du Chien. It accommodated the leniency necessary to successfully re-use the building and allowed for modified floodproofing measures provided a flood warning system was installed and an emergency evacuation plan was instituted and tested annually and the rehabilitation was consistent with the standards used by the U.S. Secretary of the Interior. A similar piece of legislation could be written for the De Pere Lockkeeper’s House.

The FRNSA, the DNR, and the WHS are all partners in the Fox-Wisconsin Heritage Parkway concept which was created in 1991 by the National Trust for Historic Preservation and the Wisconsin Department of Tourism to highlight and enhance the unique heritage of the state by promoting the cultural, historical, and recreational resource of the Fox and Wisconsin Rivers. A National Heritage Area, affiliated with the National Park System, would ensure the future preservation of the riverways and their resources, including places like the De Pere Lockkeeper’s House. As Wisconsin has become a destination for regional, out-of-state, and in-state visitors, tourism is just one component of the overall concept. While summer continues to be the state’s top tourism season, recent economic impact reports by the Wisconsin Department of Tourism demonstrate that Wisconsin is a year-round destination. Tourism greatly contributes to state and local economies. The De Pere Lockkeeper’s House is located in Brown County, which ranks fifth in the state’s most visited counties, accounting for nearly 9,000 jobs, over $32 million in state revenue, and nearly $12 million in local revenue. As such, representatives of the WHS have encouraged some form of “Heritage Tourism Lodging” for the adaptive re-use of the Lockkeeper’s House.
Due to the unique property conditions, the regulatory requirements are subject to much interpretation. An attempt at an exemption, variance, and new legislation to allow the most economically viable use is strongly recommended. In either case, close examination and careful negotiation between the WHS and both the DNR & the City of De Pere will be required during the planning process to ensure success in adaptively reusing the house.

**Future Uses**

Given the information available at this time, it is unknown which stakeholder’s point of view will prevail. Therefore, for the remainder of the study, three future uses will be explored: an Active Recreational Shelter, an Institutional Office, and Heritage Tourism Lodging. Proposed plans and elevations illustrating these uses are included in the appendix.

**Active Recreational Shelter**

Given the DNR’s current standpoint and interpretation of the Floodplain Zoning Ordinance, the De Pere Lockkeeper’s House could be adaptively reused and rehabilitated as a public park shelter or recreational facility.

To achieve this purpose, the City of De Pere suggested the possibility of creating an open air, un-manned shelter. Among other things, this option would require gutting of the interior of the building, removal of the windows and possibly the doors, and removal of the original hardwood floors to be replaced with flooring that could withstand the elements. This option was vehemently rejected by the WHS as it would destroy the historic integrity of the building.

Therefore, it is envisioned that the site and building could accommodate features of a public comfort station with passive recreational activities such as hiking, wildlife viewing, and fishing, but also more active recreational activities such as canoe and kayak lessons, rentals, and trips; boat, jet ski, water ski, and tube rentals; sport and charter fishing headquarters. In addition to providing support for these recreational activities, the building could also accommodate educational (such as boater’s safety), interpretive, and administrative functions. The key to the successful re-use of this property as an Active Recreational Shelter will not only be dependent upon summer tourists, but also largely dependent upon year round use supported by local residents and students of St. Norbert College.

In order to accomplish this, site amenities could include drinking fountain(s), picnic tables, water skis and tubes, kayaks and canoes, boat and jet ski docks, and perhaps a tent for rentals and a fish cleaning station.

The building would house the following program of spaces:

On the first floor, the rear entry would be altered to accommodate an ADA compliant lift to provide accessibility to the first floor and to accommodate catering carts. The former kitchen would be rehabilitated into a catering kitchen with cabinets, refrigerator, range, sink, and dishwasher to support events on the site at the pavilion or at a nearby tent. The former pantry space would be adaptively reused as a public ADA compliant unisex toilet room and a janitor’s closet. The former dining room would serve as a small meeting or
classroom and would function as a lounge when meetings were not taking place. The living room would be converted into a guest services space. Administrative tasks involving rentals and trip planning would be handled here.

As a future phase, the remainder of the house could hold displays and exhibits on the history of the Lower Fox River’s system of locks and dams. The stairway could accommodate archival photographs and displays on the people involved in the history of the De Pere lock and dam which would carry up the stairs. On the second floor the former southeast bedroom would serve administrative functions including an administrator/caretaker/curator’s office as well as archives on the De Pere lock and dam site. The former bedrooms would house exhibits about the De Pere lock and dam. Utilizing exterior views to the wildlife viewing platform, the southwest bedroom would house displays and exhibits on the flora and fauna of the site. The former northwest bedroom would take advantage of exterior views of the river by hosting exhibits on the types of water vessels that have traveled through the De Pere lock during its history. Taking advantage of the exterior views to the De Pere lock, the former northeast bedroom would support exhibits on the De Pere lock and dam engineering and components and would describe how the lock works.

**Institutional Office**

Based on the City’s concerns, the De Pere Lockkeeper’s House could be adaptively reused and rehabilitated as a branch office for a governmental or institutional entity. It is envisioned that the site could be a draw for governmental agencies that regulate the river, lock, or dam or the natural fish and bird habitat or an educational institution that would study the same. The building could accommodate educational, interpretive, and administrative functions to support such a use. The planned river walk, wildlife viewing pier, and pavilion would be enticing features for the entity and additional site amenities such as kayaks, canoes, boats, and a dock may further aid the tenant.

The building would house the following program of spaces:

Similar to the Active Recreational Shelter, the rear entry would be altered to accommodate an ADA compliant lift to provide accessibility to the first floor. The former kitchen would be converted into a workroom with a copy machine, file cabinets, and workspace and an employee lounge with kitchenette and table and chairs. The former pantry space would be adaptively reused as an ADA compliant unisex toilet room and janitor’s closet. The former dining room would serve as a small meeting or classroom. The living room would act as the main entrance and would include a reception and waiting area. Each of the four rooms on the second floor would serve as offices. Throughout the building, archival photographs and displays on the history of the De Pere lock and dam could be used as artwork or decoration.

**Heritage Tourism Lodging**

Given the WHS’ s point of view, the De Pere Lockkeeper’s House could be adaptively reused and rehabilitated for heritage tourism lodging where the entire house would be rented out on a daily or weekly basis to up to eight guests who are drawn to the site for its unique blend of cultural, historical, and recreational features. It is envisioned that the site could accommodate passive recreational activities such as hiking and wildlife viewing, but also more active
recreational activities such as canoeing, kayaking, boating, jet skiing, water skiing, tubing, sport fishing. In addition to providing support for these recreational activities, the building could also be opened to the public periodically to accommodate educational and interpretive functions.

The building would house the following program of spaces:

Because this use would maintain its residential nature, the building would not need to be altered to accommodate an ADA lift to provide accessibility to the first floor. Therefore, the back porch would remain as a rear entry point with a coat closet. The former kitchen would be rehabilitated back into a kitchenette with cabinets, refrigerator, range, sink, and dishwasher. The former pantry space would be adaptively reused as a powder room and smaller pantry. The former dining and living rooms would restored back to their original use.

On the second floor the rooms would be restored back to their original use. The former southeast bedroom would be restored as the house’s main bathroom, and the three remaining rooms would be bedrooms. Throughout the building, archival photographs and displays on the history of the De Pere lock and dam could be used as artwork or decoration.
Rehabilitation Cost Analysis

Methodology of Analysis

Costs can vary depending upon a number of variables including quality, overtime, productivity, size of project, location, season of year, contractor management, weather conditions, availability of skilled labor and building materials, owner’s special requirements, and the final scope of the project. The opinions of probable construction costs provided below are made on the basis of information available to LJM Architects, Inc. in the Spring of 2011, the recommendations outlined in the Historic Structures Report, our assumptions of the scope of work, and our professional judgment and expertise. They are derived from in-house cost estimating software developed by LJM Architects and cross referenced with industry accepted figures from RS Means’ Building Construction Cost Data and a reasonable square foot cost analysis from RS Means’ Square Foot Costs. While we exercised usual and customary professional care in our efforts to develop the preliminary cost estimate, we have no control over costs or the price of labor, equipment or materials, or over the Contractor’s method of pricing. We make no warranty, expressed or implied, as to the accuracy of such opinions as compared to bid or actual costs.

The opinions of probable construction costs provided below are given for each of the three identified future uses and are broken down by industry accepted categories from the latest version of MasterSpec’s MasterFormat, a standard for organizing specifications and other written information for commercial and institutional building projects in the United States.

Prevailing Wage Rates

It is assumed that the Active Recreational Shelter will involve some governmental entity which will trigger use of prevailing wage rates, a legislative effort to provide unionized labor a fair chance to bid for government contracts. These laws requires all contractors engaged in the performance of federal, state, and local construction contracts to pay prevailing wages to their employees to ensure that nonunion contractors cannot gain an unfair bidding advantage by paying wages far below the union rate and passing the savings on to governmental bodies in lower bids. Prevailing wage rates are determined by the U.S. Department of Labor and the Wisconsin Department of Workforce Development and are based upon the particular geographic area for a given class of labor and type of project. In our experience, this generally increases the cost of construction; therefore, a factor of 10% was added to the Construction Subtotal.

Construction & Design Contingency

A construction and design contingency is an amount of money reserved to pay for unanticipated added costs of the project. These may include building code changes, local or state law changes, unforeseen building conditions, escalating materials prices, and project scope changes. Construction and design contingencies are very important on a historic preservation project such as this, especially due to the unforeseen conditions inherent in working with an existing building. Because it is early in the overall preservation planning process, a factor of 15% was included. After actual restoration plans are
prepared, a reexamination of the Opinion of Probable Construction Costs should be undertaken. As they can be more precisely tabulated, the contingency may be safely reduced to somewhere in the range of 10%.

**Architectural & Engineering Fees**

A team of properly educated and trained historic preservation professionals should be assembled to undertake the work. These individuals or firms should be contracted directly with the FRNSA or lessee, and should be involved with the project throughout the design, construction document, bidding, and construction phases to ensure consistent and ongoing compliance with *The Secretary of the Interior’s Standards*. While architectural and engineering fees can very greatly from firm-to-firm and based on the scope of services provide, a factor of 10% was included for both the Active Recreational Shelter and the Institutional Office as they are both commercial in nature and will require more extensive engineering. As it is more residential in nature and will require less engineering detail, a factor of 5% was included in the Heritage Tourism Lodging estimate.

**Miscellaneous Costs**

Miscellaneous costs are project-related out of pocket expenses, or reimbursable expenses, incurred by the design team. These may include state and local plan review fees, printing, mileage, postage. Because of the commercial nature of the Active Recreational Shelter and the Institutional Office, a factor of 1% was included, while only a 0.5% factor was included in the Heritage Tourism Lodging estimate.

**Annual Inflationary Increase**

The overall process for any historic preservation project may take years from initial conception, to preservation planning, to a capital campaign, to design, to construction, and, finally, project completion. Annual inflation is a key driver of construction costs. Increases in global demand for construction products, cost of raw materials, and the unavailability of skilled labor make forecasting total cost of construction challenging. Over the past several decades, inflation has accounted for a zero- to nine-percent increase in construction costs per year. Therefore, an average annual inflationary increase of 5% was included in the construction budget. If the project is delayed beyond 2012, an increase of 5% should be included for each additional year.
## Preliminary Cost Estimates

### Active Recreational Shelter

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23
Heritage Tourism Lodging

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Private & Public Financial Resources

External funding is essential for many successful preservation projects. For the consideration of private and public financial resources for this study, it is assumed that the Active Recreational Shelter and Institutional Office uses would be undertaken by entities that would qualify for many grants, but not for tax credits. Therefore, we assumed 50% of the total project costs could be offset by grants. For the Heritage Tourism Lodging, we assumed a mix of 25% tax credits and 5% in grants for a total reduction in the project costs of 30%. These financial goals are not factored into the above project totals.

The Wisconsin Historical Society maintains a database which identifies potential private and public sources of funding assistance for projects related to the documentation and preservation of Wisconsin’s historic places. Assistance types include grants, low-cost loans, and tax credit programs and include funding programs administered by federal, state, and local agencies, as well as by private organizations.

Below is a list of funding sources obtained from the WHS database which this project may be eligible for. Eligibility, application requirements, and level of competition vary according to the criteria of each funding source. Each source should be contacted directly for application materials and detailed, up to date information on their assistance programs. Ongoing consideration of such criteria will be an important in the overall accumulation of the financial resources required to undertake the project.
F.K. Bemis Family Foundation (Grant)

The F.K. Bemis Family Foundation supports area projects involved in community development and education.

The George Kress Foundation, Inc. (Grant)

The George Kress Foundation supports community development through building and renovation projects.

Hampton Save-A-Landmark

A community-outreach campaign dedicated to refurbishing historical, fun, and cultural landmarks residing along the highways.

Hedberg Foundation, Inc. (Grant)

The foundation generally targets organizations dedicated to the arts and humanities, education, environment, natural resources, health care, humanities.

Historic Preservation Tax Credit for Income-Producing Historic Buildings (Income Tax Credit)

20% federal tax credit for rehabilitation of income-producing historic buildings. An additional 5% Wisconsin tax credit for those who apply for and receive project approval before beginning physical work on their projects.

International Preservation & Restoration Grants Program (Grant)

The Questers is an international membership organization that funds the preservation and restoration of artifacts, existing memorials, historic buildings, landmarks, and educational purposes. Must be a member of the organization to apply.

The Jeffris Family Foundation (Grant)

The Jeffris Family Foundation is dedicated to Wisconsin's cultural history and heritage through preserving regionally and nationally important historic buildings and decorative arts projects. The Foundation supports significant projects that strive for high preservation standards and show a strong degree of local support.

Founded in Janesville, Wisconsin in 1979, the Foundation currently has more than $20 million in assets, and grants about $1 million annually. The scope of the Foundation’s restoration projects is wide ranging. At the Villa Louis in Prairie du Chien, Wisconsin and the Lincoln-Tallman House in Janesville, Wisconsin, the Foundation funded decorative arts analysis and the recreation of historically accurate textiles and carpeting. It has also helped to reconstruct historic and technically significant industrial machines such as the Cornell Pulpwood Stacker in Cornell, Wisconsin and the Plummer Mining Headframe near Pence, Wisconsin.

The Foundation funds the following types of historic preservation projects:

• Capital improvement projects that are consistent with and part of an overall master plan or Historic Structures Report.
• Research projects such as Historic Structure Reports and color analysis.
• Publications that document historic preservation projects, projects
documenting significant events or activities related to Wisconsin's history,
or projects furthering the cause of historic preservation in Wisconsin.

The Jeffris Family Foundation reviews proposals based on the following
criteria:

• The Foundation funds only nonprofit 501(c)(3) organizations that are
classified as 509(a)(1) or 509(a)(2) public charities by the Internal
Revenue Service or publicly owned projects. The Foundation will not
fund privately owned projects or private foundation projects. Copies of
501(c)(3) and public charity tax determinations must be submitted to the
Foundation as a condition of grant consideration.
• Projects must be locally, regionally, or nationally significant.
• Foundation support should serve as a catalyst.
• Foundation support typically represents a significant portion of the project,
often ranging from 25% to 33% of the total project cost requiring a
significant amount of funds from broad-based community support.
• The Foundation does not fund endowments, maintenance projects,
aquisitions, debt reduction or operating budgets.
• Organizations must demonstrate the ability to sustain their projects after
they are funded.
• The primary focus is on projects in smaller communities under 100,000 in
population.
• Projects relating to historic sites and structures must serve a public
purpose.

Main Street Program (Grant/Loan)

Many of Wisconsin's 36 Main Street communities offer grant and loan
programs designed to help downtown businesses maintain and improve their
businesses as well as their historic buildings.

Mead Witter Foundation, Inc. (formerly Consolidated Papers Foundation,
Inc.) (Grant)

Giving for local community causes, youth and social service agencies, fine and
performing arts, and other cultural programs.

National Trust Community Investment Fund (Equity investment)

This fund invests in projects eligible for the federal and state historic
rehabilitation tax credits.

National Trust Loan Fund (Loan)

The National Trust Loan Fund specializes in predevelopment, acquisition, mini
-permanent, bridge and rehabilitation loans for residential, commercial and
public use projects.

Richard and Ethel Herzfeld Foundation, Inc. (Grant)

The Richard and Ethel Herzfeld Foundation makes grants in areas of Arts and
Culture, Education, and limited funding in Civic Improvement.
Tourism Cares—Worldwide Grant Program (Grant)

Tourism Cares awards grants to worthy tourism-related organizations worldwide for preservation or conservation of exceptional cultural, historic, or natural sites.

Transportation Enhancements Program (Grant)

This program funds projects that increase multi-modal transportation alternatives and enhance communities and the environment.

Walter Alexander Foundation, Inc. (Grant)

The Walter Alexander Foundation, Inc. gives grant money to public and community service organizations looking to fund start-up capital projects, emergency funds, and special projects.

Wisconsin Coastal Management Program (Grant)

Coastal Management Grants are available for coastal land acquisition, protection and restoration projects but may also be used for historic preservation projects at facilities that are integral components of coastal landscapes.
Economic Viability
By Chris Brewer, Vice-President of AECOM Technical Services, Inc.

In the case of the De Pere Lockkeeper’s House, it is questionable if this project can be economically viable, with capital costs being the larger primary concern and operating costs also being problematic. Capital costs will be largely dependent upon the ability to successfully raise the funds required to absorb the significant rehabilitation costs possibly through historic or new markets tax credits. Even if that is accomplished, enough income will need to be generated via operations to offset expenses and maintain the building in the long term. In practical terms, financing a $400,000 renovation of the building could require annual payments of about $30,000 – which assumes financing at an annual interest rate of 5%, with 12 payments per year and a 20-year term. Access to lower cost interest rates associated with public finance would lower finance costs. Lessee/operator selection will be critical as well as their ability to promote the project locally and provide a range and frequency of services and activities to the public. Preliminary business planning considerations were focused on three primary uses of the structure:

- Active recreational shelter
- Institutional office
- Heritage tourism lodging (rental house)

The three concepts are discussed below.

Active Recreational Shelter

The active recreational shelter concept assumes that the Lockkeeper’s House is used for several key functions, including:

- Administration space for canoe and kayak rentals
- Support space for summer island rentals (shelter / kitchen and bathroom).
- Support resident demand for picnics, reunions, meetings, small weddings, and similar events
- The proposed building could also support environmental / educational programming

The core business plan for the facility would be expected to include facility rental charges as well as fees on canoe / kayak rentals. All meeting and event facilities start with revenue from meeting room and exhibit hall rentals, equipment rentals, and royalties from decorating, utilities, etc. For these events, the key is to generate event volume, since the per-event fees, between $100-$500/day for a meeting / small wedding are generally insufficient to cover the total facility operating costs generated by a single event. The key revenue driver for the facility operator is food and beverage service. Facility rental rates could likely be based on the number of people in a group, beginning at potentially $50 for up to 100 people (picnics / private parties), and stopping at $250 for larger events (weddings, corporate meetings, and convention dinners). Between May and October (core wedding season), 15 to 25 larger weekend events such as weddings using the island and building for events was considered possible, as well as a smaller weekday meetings. While
the facility is not expected to have a full kitchen, it could be sufficient to support catering for larger events. In this context, it would be reasonable to assume that the facility could charge a 10% commission on gross food and beverage sales at the venue. Possible revenue streams include:

- Annual facility rental payments of $7,000 to $8,000
- Food and beverage commissions assume 20 events and an average party size of 125 and food & beverage sales of $75 per person, resulting total food and beverage sales of about $187,000 would be possible, with a commission to the venue of about $18,700 per year.
- Per visitor revenue of $0.90 to $1.10 on concession purchases (no alcohol) assuming 45,000 visits per year gross sales of about $40,000, offset by cost of goods at 35% and cost of labor at 40%, resulting in net income of about $10,000 under ideal circumstances. The concession stand could generate modest additional revenue from sales of bait, soft goods, and other fishing related merchandise.
- A key challenge with this concept is that the cost of tent rental would need to be factored into the operating costs.

Venues of this type are typically operated by the public sector, on a partial cost recovery basis. A number of venues are operated on a contract / concession basis, and some aggressive operators are profitable on an operating basis. Considerations include:

- Private sector interest would link with trail access between downtown and the park. Although current plans assume that trail access from Voyageur Park to the island will be completed soon, timing for the connection to downtown is unclear. With this connection, opportunities to sell beer and wine would enhance financial performance. The owner would have the option to solicit an RFP for interest in the building, to refine ideas for its use.
- Public sector cost factors would relate to whether existing staff can operate the venue, or if a new hire is needed. In some markets, municipal police have been asked to assist with evening facility closure, otherwise reducing labor costs.

The canoe / kayak rental business is considered an ancillary component, offering a mix of canoes, kayaks, and paddle boats, with average rental fees of $35 per day. Due to the shallow conditions in the area, fishing boats are not viewed as an option. Assuming a rental fleet of 25 kayaks and canoes, 50 trips per boat per season, and average revenue of $35 per trip, potential gross revenue of $40,000 to $45,000 is possible, less capital costs for boat acquisition and maintenance. In total, the above conceptual operation has potential to generate meaningful gross cash flow, in the range of $100,000 to $115,000 per year, before operating expenses and cost of goods sold. Considerations include:

- The revenue streams will all be highly dependent on weather conditions. This risk factor alone would be problematic for traditional bank financing.
- It is unclear if the island can support permanent boat storage or if an off-site location is required.
- The ability to connect the island to downtown would facilitate opportunities, particularly the ability of the house to sustain a modest outdoor lunch and drink business, through an aggressive operator.
• While a small number of users may be willing to separately rent a tent for special events, achieving any volume of events would require a tent to be provided as part of the operation, which increases costs.

Operating expense estimates are difficult to estimate at this juncture and would be dictated by the operating approach (city managed or contracted, on a non-profit or for profit basis), as well as decisions related to risk tolerance on the food and beverage side. For facilities like this, one key challenge is managing labor costs, particularly during periods of poor weather. Opportunities to share costs and revenues between entities would be important here, as the FRNSA would be responsible for a share of site maintenance costs, as well as the City.

Institutional Office

The institutional office approach assumes that the structure can be renovated for use for unique office functions, ones that do not require significant public visitation. The business plan in this case would build from existing office market lease rates, assuming that the house is renovated for office use. De Pere supports an estimated 988,000 sq. ft. of office space, of which an estimated 265,000 sq. ft. is in the downtown area. The inventory analysis found that downtown office space is roughly divided between office tenants in existing store fronts, and space in recently built office buildings. Downtown rents range from $8 to $12 per square foot full service (includes expenses). Rents for upper floor office space fall at the top end of this range, with Class A rents reported at $13 per square foot (full service). Prior to the recession growth in professional services as well as finance, insurance, and real estate, were key drivers of office demand in the region. Moving forward, we would expect these sectors to drive demand for the Lockkeeper’s House in the future.

Assuming a 1,200-square-foot building and rents of $13 per square foot per year, the resulting revenue stream of about $15,000 per year would be the result. After taxes and expenses associated with the building (estimated at 35%), revenue available of about $10,000 would be able to service about $130,000 in debt. This approach assumes that the FRNSA is responsible for maintaining the site.

Heritage Tourism Lodging

The heritage tourism concept assumes that the house is renovated for residential use and rented out on a seasonal / annual basis to individual tenants. The residential strategy builds from existing rents in the local market for apartments, as noted:

• Projects such as the 70-unit Lawton Foundry Apartments, with quoted rents in the $0.90 per sq. ft. range per month (about $1,080 per month).
• Larger 3br homes in the market are renting for $950 per month, smaller 2br duplex homes are renting for $725 per month. Smaller 4br homes rent for $850 per month.
• Four bedroom units are renting for $1100 per month, or about $0.52 per square foot, also on larger lots.
• More modern houses on larger lots are renting for significant premiums of $1800 per month, for a 2,720 square foot house, or about $0.60 per month.
Resort home rental pricing varies significantly, with quoted weekly rentals ranging from $400 per week to more than $2700 per week. Pricing for many resort properties tends to factor in the number of bedrooms, as well as the destination. Summer appears to be the prime market for weekly rentals, with winter rates at a relevant discount.

The choice between stable annual rentals versus seasonal rentals boils down to the ability of the site to command premium prices that would otherwise offset higher management and marketing costs. The array of benchmark homes for rent include older single family homes on smaller lots, as well as homes on larger sites in destination locations. Assuming a year-around rental, with monthly rents of $0.75 per square foot on a 1,200-square-foot house would amount to monthly rent of $900, or annual rent of $10,800. Assuming operating expenses at 35% of gross revenue, about $7,020 per year would remain, which could service about $90,000 in debt. Unique pricing associated with specific rentals of the site to fishing tournament groups is a consideration, although pricing is unclear at present.
Marketing Plan

Proposed plans and elevations illustrating the three recommended future uses are included in the appendix and may be used to attract investors and prospective tenants.
Realistic Timeline

The overall process for any historic preservation project may take years from initial conception—from preservation planning, to a capital campaign, to design, to construction, and finally project completion. Timelines can be affected by a number of variables including quality, overtime, productivity, size of project, location, season of year, contractor management, weather conditions, availability of skilled labor and building materials, owner’s special requirements, and the final scope of the project. In addition, the ability to secure rehabilitation funds will be affected by the overall economic health in the area as well as consumer confidence. The timelines provided are made on the basis of information available in spring 2011, our assumptions of the scope of work as described in the Historic Structures Report, and our professional judgment and expertise.

Architecture & Engineering

Regardless if the FRNSA or and individual lessees move forward with the actual rehabilitation of the houses, a team of properly educated and trained historic preservation professionals should be assembled to undertake the work.

An architect, designer, or consultant should be retained who has been educated and trained in architectural history and historic preservation and has demonstrated experience working on National Register listed buildings, single-family residential and commercial projects, tax credit projects, and Section 106 projects. This individual or firm should be contracted directly with the FRNSA or lessee, rather than as a subordinate to the General Contractor. The architect, designer, or historic preservation consultant should be aboard the project team throughout the design, construction document, bidding, and construction phases to ensure consistent and ongoing compliance with The Secretary of the Interior’s Standards. The architect should be given adequate time to prepare any documents and reporting required by the FRNSA or SHPO before the start of construction.

It is estimated that schematic design, design development, and construction document preparation could be completed in approximately four to six months. Bidding and negotiation would add another month to the schedule. Design development through negotiation could run concurrently with the public phase of a capital campaign as described below. Construction contract administration services would run concurrent with the construction phase as described below.

Securing Rehabilitation Funds

Largely dependent upon overall economic health, consumer confidence, the organizational skills of the future tenant, and grant cycles, which may only occur annually, it is estimated that the overall process to secure rehabilitation funds could take as little as six or more than twenty-four months to complete. Negotiations with the FRNSA, DNR, and WHS will also be lengthy and should run concurrently with this time span.
Active Recreational Shelter & Institutional Office

Securing rehabilitations funds for an Active Recreational Shelter, perhaps run by the City of De Pere Parks and Recreation Department, or an Institutional Office, perhaps run by the DNR, St. Norbert College, or UW-GB, may involve a capital campaign, the timeline for which would include planning and preparation, organizing the campaign, quiet or big gift phase, public phase, and finally conclusion of the campaign. Concurrently, a process of applying for and securing grants should be established.

During the planning and preparation and organizing phases, a campaign chair will be identified as well as others serving on a campaign committee. This group of individuals will set goals and a timeline and identify prospects. This phase may take three months.

The quiet, or big gift, phase involves solicitation of a small number of large donors in the hopes that these donation will constitute approximately half of the campaign goal. This process may take six to nine months. With these funds secured, it is generally safe to proceed with design development and construction document preparation with the architect.

Then, the campaign can be officially launched or announced to the public where the remaining half of the campaign goal will come from a larger pool of donors. This process could take twelve to eighteen months. Construction may begin when a majority of the funds have been secured.

Heritage Tourism Lodging

Securing rehabilitation funds for a Heritage Tourism Lodging facility may be run through a private individual or a small business and would likely require applying for and obtaining a loan. Similar to the Active Recreational Shelter and Institutional Office, a process of applying for and securing grants as well as tax credits should be established.

To apply for a loan, a business plan will need to be developed which explains what the business is and why the loan is necessary. A complete financial history of the borrow will need to be assembled including statements of personal finances, past tax returns, and personal credit information. Financial cash-flow projections will also need to be calculated before finally meeting and working with a lender.

It’s almost impossible to predict what the lending industry will do at the moment. Given that the State of Wisconsin owns the building and only intends on renting or leasing it to a prospective tenant, the ownership structure of the property will also make financing difficult. As the building cannot be used for collateral, the future tenant for this type of use will likely need personal assets well in excess of the loan amount they seek in order to obtain financing. Furthermore, because of the location, there may also be problems insuring the building to the lenders satisfaction. This process could take six to twelve months to complete, and construction should not proceed until all of the funds have been secured.

Construction

A general contractor should be retained who has also demonstrated experience
working on National Register listed buildings, single-family residential commercial buildings, and tax credit projects. This individual or firm should also be contracted directly with the FRNSA or lessee to ensure that they too are respected as an equal on the team and have the right to voice their concerns from a construction standpoint. While it is imperative that the general contractor be brought aboard the project team at the bidding and construction phases, it is sometimes desirable to bring them aboard during the design and construction document phases to obtain their input on construction materials, techniques, and opinions on probable construction costs.

It is estimated that an experienced general contractor could complete the scope of work described in the Historic Structures Report in four to six months.