

CITY OF SHEBOYGAN

REDEVELOPMENT AUTHORITY

APRIL 17, 2019

1. OPENING OF MEETINGMEMBERS PRESENT: Amy Horst, Matt Quasius, David Sachse, David Gass, Steven Harrison, Roberta Filicky-Peneski and Alderperson Todd WolfSTAFF/OFFICIALS PRESENT: City Attorney Charles Adams, Mayor Michael Vandersteen, Director of Senior Services Vicky Schneider, and Planning & Development Director Chad Pelishek

1.1 Call to Order

Chair Roberta Filicky-Peneski called the meeting to order.

1.2 Pledge of Allegiance

The Pledge of Allegiance was recited.

1.3 Identify potential conflict of interest.

Matt Quasius has a conflict with item

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2. MINUTES

2.1 Approval of minutes from the March 20, 2019 meeting.

Motion by Alderperson Wolf, seconded by Matt Quasius to approve.

Motion carried.

3. DISCUSSION AND POSSIBLE ACTION

3.1 Discussion and possible action on request from Mayor Vandersteen to utilize RDA-owned land at the end of South Pier Drive for a brat fry as part of the Great Lakes-St. Lawrence Cities Initiative.

Mayor Michael Vandersteen requested on behalf of the Great Lakes

- St. Lawrence Cities Initiative permission to utilize the open grassy area to the northeast of Blue Harbor Resort

to host

a traditional Sheboygan brat fry lunch for attendees of the group's annual conference on Wednesday, June 5, 2019.

The luncheon will take place from 11: 15 p.m. to 12: 15 p.m. A tent will be set up on the site to shelter the convention attendees from the sun or rain during the luncheon.

Chad Pelishek stated that the staff has no concerns regarding the request. He also asked the \$50.00 event fee be waived since the event is a city sponsored event.

Motion by Amy Horst, seconded by Matt Quasius to approve with the waiving of the \$50.00 event fee.

Motion carried.

3.2 Discussion and possible action on request from Anglers Avenue to utilize RDA-owned land on either July 26, 2019, or July 27, 2019, to host an event related to Lakeshore Weekend.

Lisa Roberts, Anglers Avenue, requested the use of the lot to the east of Anglers Avenue on Friday, July 26, 2019, or Saturday, July 27, 2019.

The proposed event is to present a check to Children's Hospital for money raised at the meat raffle along with donated funds from Anglers Avenue donation net.

There will be music and a brat fry similar to the July 4 th celebration.

Chad Pelishek explained that Lakeshore Weekend didn't get their approvals in time to secure the dragon boats, so they have canceled the event.

However, Anglers Avenue would like to use the property between Anglers Avenue and South Pier Ice Cream Parlor for a one-day event to have a brat fry, music, drinks and to present a check to Lakeshore Weekend from raffles.

Staff has no issues with this request and recommends this request be approved with the following; \$50.00 event fee, completion of an event application, hold harmless agreement, and insurance to be provided.

Lisa Roberts added that the event will be held on Friday, July 26, 2019, at 6: 30 p.m. to 9: 30 p.m.

Motion by David Sachse, seconded by Alderperson Wolf to approve with the following conditions: A \$50.00 event fee must be submitted. A submittal and approval of an event application. A hold harmless agreement is to be provided. An insurance certification is to be provided. Motion carried.

3.3 Update on outstanding business development loans.

Chad Pelishek provided the committee with the list of loans and explained that the loan balances are through December 31, 2018.

Chad Pelishek

further explained that there are no new delinquent loans and that a number of the historic preservation loans met their forgiveness period in 2018

prior action by the Authority

was taken to forgive them.

Chad Pelishek

added

Optenburg has a judgment against them, and Three Sheeps is deferred for two years, with payments starting soon.

Lajungua LLC (Harvest Cafe) is still delinquent and will be discussed in item
3.
4.

3.4 Discussion and possible action on delinquent loan with Lajungua, LLC.

Chad Pelishek mentioned that the RDA provided a business development loan to Lajungua LLC (Harvest Cafe) in the amount of \$70,000.00 for fixtures, furniture, and equipment at 2.48 % for 10 years.

The current loan balance is \$60,012.

42. The collateral on this loan was a UCC filing behind the bank equipment. The loan also has personal guarantees from Brian Bernier and Lisa Bernier. The last time the owner was at an RDA meeting he stated he has three loans including the RDA loan.

He owes \$225,000.00 to Waldo State Bank in front of the RDA's loan.

City staff has confirmed that the Bernier's are leaving Sheboygan to take a job in Idaho and were asked to attend to meeting, but due to the move they are unable to attend.

Motion by David Gass, seconded by Alderperson Wolf to instruct City Attorney Charles Adams to start legal action. Motion carried.

3.5 Discussion and possible action on historic preservation facade grant for construction for 908 Michigan Avenue.

Chad Pelishek explained that Bray Architects has completed facade drawing for Craft 30 for the renovation of 908 Michigan Avenue. Bids for the facade renovation have come in between \$115,000.00 and \$132,000.00.

They are coming to RDA for approval of the five-year forgivable loan in the amount of \$50,000.00.

Motion by Alderperson Wolf, seconded by Amy Horst to approve the historic preservation construction grant for 908 Michigan Avenue for \$50,000 as a five-year forgivable loan.

Under further discussion the committee inquired about the funding for this project and if the city was giving them other monies.

Chad Pelishek stated that yes, there is a RDA loan for \$75,000.00 and the city is purchasing their property on South Commerce Street from them.

The Mayor stated that the clientele on Michigan Avenue is not the best.

Chad Pelishek said that Craft 30 understand that they will have to hire a bouncer for the weekends.

But hopefully it would be an issue since they cater to an older demographic.

Motion carried.

(6 - 0 - 1 abstained: Quasius)

4. ADJOURN

4.1 Motion to Adjourn.

Motion by Alderperson Wolf, seconded by Matt Quasius to adjourn.

Motion carried.

Being no further business the meeting adjourned at 8: 15 a.m.