

CITY OF SHEBOYGAN

REDEVELOPMENT AUTHORITY

DECEMBER 5, 2018

1. OPENING OF MEETING MEMBERS PRESENT: Matt Quasius, Alderperson Todd Wolf, Amy Horst, Dave Sachse, Dave Gass, Steve Harrison, and Roberta Filicky-Peneski STAFF/OFFICIALS PRESENT: City Administrator Darrell Hofland and Planning & Development Director Chad Pelishek OTHERS PRESENT: Erik Jensen and Patrick Cadman

1.1 Call to Order

Vice-chair Steve Harrison called the meeting to order.

1.2 Pledge of Allegiance

The Pledge of Allegiance was recited.

1.3 Identify potential conflict of interest.

No committee member has a conflict of interest with any item on this agenda.

2. MINUTES

2.1 Approval of minutes from the October 24, 2018 meeting.

Motion by Alderperson Wolf, seconded by Dave Sachse to approve.

Motion carried.

3. ITEMS FOR DISCUSSION AND POSSIBLE ACTION

3.1 Discussion and possible action on proposed third amendment to the Contract for Sale of Land for Private Redevelopment by and between the Redevelopment Authority of the City of Sheboygan, Wisconsin and River Park Place of

Sheboygan, LLC.

Chad Pelishek explained the current terms of the developers agreement.

He further stated that there are four lots available, of which, one is a duplex lot. The last lot that sold in this development was back in 2007.

Due to the inability to sell these lots,

the developer is

requesting that an amendment to the developers agreement to remove the \$1,000 sale price of each lot and fifty percent of the profits to be paid to the Redevelopment Authority.

Erik Jensen explained that he and Patrick Cadman have been covering the note since they have been unable to sell the lots.

There has been a recent inquiry into the properties but with the

current agreement

hanging over the properties it is hindering negotiations.

Also Erik Jensen mentioned that if they are able to sell the properties at the current price they would not make any money and the sale wouldn't cover the remaining value of the note.

Chad Pelishek stated that these lots are located in TID 10 and if they sell them the value would help the TID to close positively.

Motion by Dave Sachse, seconded by Matt Quasius to approve the amendment request and authorize the City Attorney to draft the third amendment to the agreement with the condition that the current architectural design must be followed by new developer. Motion carried.

Roberta Filicky-Peneski joined the meeting at 7: 47 a.m..

3.2 Motion to grant approval of execution by the appropriate RDA officials of a Landlord Estoppel Certificate and a Consent of Lessor regarding a Leasehold Mortgage, Security Agreement, and Financing Statement; both relating to property owned by the Redevelopment Authority and ground leased to South Pier,

LLC located at 511 and 611 South Pier Drive, Sheboygan, Wisconsin.

Chad Pelishek explained that Portscape Phase II is currently under a ground lease and has up to 10 years to purchase the property.

South Pier LLC is in the process of trying to find the financing and we need to approve these documents according to the development agreement.

Motion by David Sachse, seconded by Alderperson Wolf to approve the execution of the Landlord Estoppel Certificate, and a Consent of Lessor regarding a Leasehold Mortgage, Security Agreement and Financing Statement.

Motion carried.

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 7: 57 a.m..