

City of Sheboygan  
2016-02-03

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REDEVELOPMENT AUTHORITY - 7: 30 AM (Wednesday, February 3, 2016) Generated by Janet Duellman on Monday, February 15, 2016

1. OPENING OF MEETING Present:

Matt Quasius, Amy Horst, Steven Harrison, Roberta Filicky-Peneski, David Sachse, and David Gass Absent: Ald. Don Hammond Staff: Chad Pelishek, Jim Amodeo, Atty. Chuck Adams, and Janet M Duellman Other: Steve Schmitt

1.1 Pledge of Allegiance

2. ITEMS FOR ACTION

2.1 Approval of minutes for the December 2, 2015 meeting. Matt Quasius moved to approve, Steve Harrison seconded. Motion passed unanimously.

2.2 Update on Business Development Loans. Optenburg Enterprises:

David Gass suggested that a supplement be done to get him in front of the judge to find out if he has any net worth.

Atty. Chuck Adams stated that he believes that Atty. Steve McLean had completed that prior to his retirement.

Bridal Essence: Steve Harrison moved to write-off loan as uncollectible due to owner filing bankruptcy, Matt Quasius seconded.

Motion passed unanimously.

2.3 Discussion and possible action on CDBG funding allocated to Historic Preservation Activities. Chad Pelishek explained the current Historic Preservation Grants and the current loans.

He further stated that in December 2015, the RDA agreed to allocate \$900,000 of the RLF to other projects (\$150,000 towards Downtown Street Enhancements and \$750,000 towards Street Projects in LMI areas).

CAO Jim Amodeo is proposing that the RDA look at taking the whole \$900,000 and putting it towards Downtown Façade Renovations.

He feels that with everything going on within the BID that this would be a better use of the funds.

The committee discussed what stake the building owner has in it, hiring an outside firm to look at each building and give an assessment, benefit for the building owner vs. the community, past loans and terms of those loans, not being an employment based program, along with terms of the new program and how to market the new program.

David Sachse moved to put on RFP out to the area architects requesting a study of which buildings need a façade renovation, estimated cost per building, and an artist rendering of said building, Amy Horst seconded.

Motion passed unanimously.

### 3. CLOSED SESSION

3.1 Motion to convene in closed session under the exemption contained in Sec 19.85 (1)(e), Wis. Stats. where competitive or bargaining reasons require a closed session for purpose of deliberation related to a possible business development loan with HH 2 Properties, LLC and possible development opportunity on South Pier. Steve Harrison moved to go into closed session, Amy Horst seconded.

Motion passed unanimously on a roll call vote.

### 4. RECONVENE IN OPEN SESSION

4.1 Motion to reconvene in open session. David Sachse moved to go into open session, Matt Quasius seconded.

Motion passed unanimously on a roll call vote.

4.2 Possible action on item discussed in closed session. David Sachse moved to approve an economic development loan in the amount of \$250,000 at the current APR rate at time of closing for 10 years with the following conditions: A total of 25 jobs need to be created within the first 2 years and \$100,000 of the \$250,000 loan would be forgiven. A breakdown of the costs and cash flows must be provided prior to the release of funds. Loan shall be secured with a UCC filing and a second mortgage on the building. A new entity must be created. An Environmental Review will need to be performed by the Department of Planning & Development.

Motion passed 5 - 0 - 1: Gass abstained

Matt Quasius moved to go back into closed session to discuss South Pier Development Opportunity, Amy Horst seconded.

Motion passed unanimously on a roll call vote.

### 5. ADJOURN

5.1 Motion to Adjourn David Gass moved to adjourn, Steve Harrison seconded.

Motion passed unanimously. Being no further business the meeting was adjourned at 8: 50 am.

