

CITY OF SHEBOYGAN

REDEVELOPMENT AUTHORITY

APRIL 14, 2021

1. OPENING OF MEETINGMEMBERS PRESENT: James Owen, David Gass, David Sachse, Amy Horst, Steven Harrison and Roberta Filicky-PeneskiMEMBERS EXCUSED: Alderperson Trey MitchellSTAFF/OFFICIALS PRESENT: Planning & Development Director Chad Pelishek, Assistant City Attorney Thomas CameronOTHERS PRESENT: Atty Peter Mayer and Tom Atkins

1.1 ROLL CALL -Roberta Filicky-Peneski, David Sachse, Steven Harrison, David Gass, James Owen, Alderperson Trey Mitchell, and Amy Horst may attend meeting remotely.

1.2 Call to Order.

Chair Roberta Filicky-Peneski called the meeting to order.

1.3 Pledge of Allegiance.

The Pledge of Allegiance was recited.

1.4 Identify potential conflict of interest.

No committee member has a conflict of interest.

2. MINUTES

2.1 Approval of minutes from the April 7, 2021 meeting.

Motion by Steven Harrison, seconded by David Sachse to approve. Motion carried.

3. DISCUSSION AND POSSIBLE ACTION

3.2 Discussion and possible action on request from the Blue Harbor Resort

Condominium Association, Inc. to grant a waiver and release of the limitation of continuous occupancy for 29 days at the Blue Harbor Condominium. Attorney Peter Mayer and Tom Atkins

were present to represent the Blue Harbor Condominium Association.

Chad Pelishek explained that the Blue Harbor Resort Condominium Association had hired Aspire Architecture and Design, LLC to do a building code and HVAC code analysis to confirm that it can be converted to longer stays.

The report was review by Building Inspector Pat Eirich and he concurs with the findings of the Architect.

Also, the condo association has hired an outside management company which seems to be working out.

Motion by David Sachse, second by David Gass to grant a waiver and release of the limitation of continuous occupancy at the Blue Harbor Condominiums and authorize

Staff to modify any necessary documents to accomplish that waiver / release. Motion carried.

3.1 Discussion and possible action on deeming Lajungua, LLC business development loan uncollectible.

Chad Pelishek explained that the city is looking for the Redevelopment Authority to deem the Lajungua, LLC (former Harvest Cafe) loan as uncollectible, so it can be written-off.

The owners had filed Chapter 7 Bankruptcy.

Assistant City Attorney Thomas Cameron stated that the City Attorney's office is comfortable writing off the Lajungua loan.

Motion by David Sachse, second by Steve Harrison to deem this loan uncollectible and direct the Finance Department to write-off the loan balnce and remove from the

balance sheet. Motion carried.

3.3 Discussion and possible action on Assignment of Rents between 539 Riverfront Drive, LLC and the Redevelopment Authority for 539 Riverfront Drive.

Chad Pelishek explained that this was the former Pier 17 site and that it was recently purchased by 539 Riverfront Drive, LLC (Tom Schafer and Paul Gottsacker). In order to move forward with their permanent financing with Denmark State Bank, the Assignment of Rents and Landlord Estoppel Certificate needs to be approved by the Redevelopment Authority.

Assistant City Attorney Thomas Cameron mentioned that the subordination needs to have some corrections made to it, so he would recommend not moving forward with it at this time.

The committee inquired as to what the proposed use of the property is. Chad Pelishek stated that he has an idea but doesn't feel comfortable discussing it in open session. Roberta Filicky-Peneski and Amy Horst expressed concerns about approving these documents without knowing what the project is and encouraged the new owners to join a future meeting to share the project with the Redevelopment Authority in order to maintain a good working relationship with the committee.

Motion by David Sachse, second by David Gass to approve the Assignment of Rents and Landlord Estoppel Certification. Motion carried. (5 - 1: Filicky-Peneski)

Steve Harrison left meeting at 8: 15 a.m.

3.4 Discussion and possible action on Landlord s Release and Consent regarding 528 - 530 South Pier Drive and 534 - 538 South Pier Drive.

Chad Pelishek mentioned other documents were on the previous agenda for these properties. Oostburg State Bank needs the Redevelopment Authority to approve the Landlord's Release and Consent which is approved after the Assignment of Lease is approved.

Motion by David Sachse, second by James Owen to approve. Motion carried. (4 - 0 - 1 abstained: Gass)

Amy Horst left meeting at 8: 18 a.m.

4. ADJOURN

4.1 Motion to Adjourn.

Motion by David Sachse, second by David Gass to adjourn. Motion carried.

Being no further business the meeting adjourned at 8: 19 a.m.

