

CITY OF SHEBOYGAN

REDEVELOPMENT AUTHORITY

JULY 22, 2020

1. OPENING OF MEETING MEMBERS PRESENT: David Sachse, Roberta Filicky-Peneski, David Gass, James Owen, Amy Horst, and Steven Harrison -all attended remotely STAFF/OFFICIALS: City Administrator Todd Wolf, Planning & Development Director Chad Pelishek, City Attorney Charles Adams, and Mayor Michael Vandersteen OTHERS: Greg Casper (Financial Group) and Philippe Cagnant (Rendez-Vous)

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

1.2 Call to Order.

Chair Roberta Flicky-Peneski called the meeting to order.

1.3 Pledge of Allegiance.

The Pledge of Allegiance was recited.

1.4 Identify potential conflict of interest.

David Sachse

has a conflict of interest with the possible business development loan in closed session.

2. MINUTES

2.1 Approval of minutes from the July 1, 2020 meeting.

Motion by David Sachse, second by Steve Harrison to approve. Motion carried.

3. DISCUSSION AND POSSIBLE ACTION

3.1 Discussion and possible action on business loan modification for The Financial Group.

Chad Pelishek explained that the Financial Group has a business development loan in the amount of \$75,000.00 issued in December 2017.

They were supposed to create three full time jobs with two of them being LMI.

As of today, the loan is current, and

they have created one LMI position.

Greg Casper is asking the city to modify the loan because he is

concerned he will not create anymore jobs to meet the job creation requirements. He has contacted his lender, and they are not willing to refinance the loan.

Roberta Filicky-Peneski informed Greg Casper that our funds are federal funds, so we have to follow their rules. The committee could look at extending the loan one year,

but the Financial Group would still need to create two more jobs.

The job requirement is something that we can't change.

Roberta Filicky-Peneski further asked if he thinks they will be able to hire more people within the year if the committee is to extend the loan.

Greg Casper replied that he is unsure.

Roberta Filicky-Peneski inquired if he has checked with other banks.

Steve Harrison asked if there are any programs out there or revision to the business loan program due to COVID.

Chad Pelishek stated that HUD has given very little guidance on the new funding and has given no guidance on existing loans.

Chad Pelishek mentioned that the Financial Group loans isn't up until December.

Roberta Filicky-Peneski directed Greg Casper to work with other bankers within the next 5 months and the committee will revisit at the end of November/beginning of December.

Motion by Steve Harrison, second by Amy Horst to hold until November.

Motion carried.

David Gass left 8: 00 a.m.

4. CLOSED SESSION

4.1 Motion to convene in Closed Session under exemption provided in Sec. 19.85 (1)(e), Wis. Stats., where competitive and bargaining sessions require a closed session related to a possible option to purchase of the RDA-owned property at 519 N. Commerce Street and a business development loan for a development opportunity.

Motion by Amy Horst, second by David Sachse to convene into closed session.
Roll Call Vote: Aye: Filicky-Peneski, Harrison, Sachse, Owen, and Horst
Nay: none

Motion carried.

City Administrator Wolf left 8: 18 a.m. Mayor Vandersteen joined 8: 35 a.m. Mayor Vandersteen left 8: 55 a.m.

David Sachse abstained for business development loan conversation.

5. OPEN SESSION

5.1 Reconvene into open session.

Motion by Steven Harrison, second by Amy Horst to reconvene into open session.
Roll Call Vote: Aye: Filicky-Peneski, Harrison, Sachse, Owen, and Horst
Nay: none

Motion carried.

5.2 Possible action on 519 N Commerce Street as discussed in closed session.

Motion by Amy Horst to give Exclusive Rights to Negotiate for 6 months to Philippe Cagnant.

Steve Harrison made a motion to amend Amy Horst motion by including "with the purchase value of \$100,000.00 ".

Amy Horst second the amendment. Motion carried.

6. ADJOURN

6.1 Motion to Adjourn.

Motion by Amy Horst, second by Steve Harrison to adjourn.

Being no further business the meeting was adjourned at 9: 10 a.m.