

MINUTES
REDEVELOPMENT AUTHORITY

Redevelopment Authority, Thursday, April 8, 2010 at 5:15 P.M. in the City Attorney's office conference room, City Hall, 828 Center Avenue.

Present: Roberta Filicky-Peneski, Atty. Dave Gass, Glenn Pilling, Richard Hiers, & Dolcye Johnson, Ald. James Gischia

Absent: Mike Leibham

Public: John Renzelmann

Staff present: Atty. Steve McLean, Paulette Enders & Chad Pelishek

Chairperson Roberta Filicky-Peneski called the meeting to order at 5:15 P.M.

Pledge of Allegiance was recited.

Approval of minutes of March 25, 2010 .

Dick Hiers moved, Dolcye Johnson seconded to amend the previous minutes to reflect the correct date of March 25, 2010. Motion carries.

Request and possible action regarding request from M & I Bank for subordination of mortgage on 909 North 8th Street (Niagara LLC) and 821 North 8th Street (821 LLC).

John Renzelmann from M&I Bank was present to discuss the request and answer questions from the Authority members.

Mr. Renzelmann explained that the first position loan on the 909 North 8th Street building was paid off and a new loan was executed to utilize the equity to provide a line of credit to the developers to finance the strip mall construction on North and Calumet Drive.

Dave Gass stated that he does not support this subordination request, because he does not feel it is fair to provide a subordination on a loan to refinance another development. Mr. Gass stated that he could agree to subordinate to the amount that was paid out for the first mortgage.

Dick Hiers felt that the developer should have come to the Authority at the time of M & I issuing a new loan on the property. Mr Renzelmann stated that is was overlooked at the time.

Paulette Enders stated that the Redevelopment Authority has been very accommodating when working with developers when documentation is provided in advance of a loan closing.

Mr. Renzelmann stated that the bank could provide a "Sources and Uses of Funds" with the loans for the Authority to review.

Following due consideration, Dave Gass moved, Ald. Jim Gischia seconded to hold until the next meeting with M&I Bank providing a "Sources and Use of Funds", appraisals, and the value of the original loan prior to the refinance for the new line of credit debt. Motion carried.

Discussion regarding ground lease vs sale of Redevelopment Authority owned land.

General discussion was held on the sale vs. lease of Redevelopment Authority owned land.

Being no further business, Dave Gass moved, Dick Hiers seconded to adjourn the meeting at 6:62 P.M. Motion carried.

Chad Pelishek
Recording Secretary