

MINUTES
REDEVELOPMENT AUTHORITY

Redevelopment Authority, Thursday, January 3, 2013, at 5:00 pm in the Attorney's Office City Hall, 828 Center Avenue. Chairperson Roberta Filicky-Peneski presided.

Present: Roberta Filicky-Peneski, Ald. Don Hammond, Amy Horst, David Sachse, & Ed Surek,

Excused: Michael Leibham and David Gass

Staff present: Mayor Van Akkeren, Steve McLean, Chad Pelishek, and Janet M Duellman

Others: Atty Andrew Morgan, Dave Hoffman, Scott Matula, Christina Latifi, Harry Ljatifouski, Erik Jensen, Avni Latifi, and Jay Craig

The meeting was called to order and the Pledge of Allegiance was recited.

Approval of minutes of December 6, 2012 meeting.

Dave Sachse moved to approve the minutes, Ald. Don Hammond seconded. Motion passed unanimously.

Discussion and possible action on request from Zieggies Restaurant for a Historic Preservation for Research Work.

Chad Pelishek explained that the location of Zieggies is located in the Indiana Avenue Revitalization Planning area and would make a nice project to move forward with. Scott Matula explained that he would like to do a study of Zieggies Restaurant to restore it to its historic look, due to the fire this is the perfect time to look into this.

Dave Sachse moved to approve, Ald. Don Hammond seconded up to \$2,500 with 75% being funded upon completion and the remaining 25% being funded if they move forward with construction. Motion passed unanimously.

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 the purpose of deliberating 668 South Pier Drive ground lease agreement, Business Development Loan with Prohibition Bistro, Inc., Boston Store South Parking lot, and possible amendment to Central Pier Condo Assn. ground lease.

Dave Sachse moved to convene in closed session, Ald. Don Hammond seconded. On a roll call vote, the motion passed unanimously.

Motion to reconvene in open session.

Dave Sachse moved to reconvene in open session, Ald. Don Hammond seconded. On a roll call vote, the motion passed unanimously.

Possible action on closed session items:

Dave Sachse moved, Don Hammond seconded to approve a ground lease assignment from Sparrows Point, LLC to Prohibition Bistro, Inc. Sparrows Point, LLC shall provide the sum of the deferred payment due June 2013, plus the current payment for a total of approximately \$7,600 to be put into City's escrow at the time of closing on the buildings. Motion carried.

Dave Sachse moved, Don Hammond seconded to approve a Business Development Loan with Prohibition Bistro, Inc. with the following terms:

- Amount: \$120,000
- Purpose: Land Acquisition and/or working capital
- At least 12 new FTE positions created where at least 51% of the new positions are low-to-moderate income positions.
- 3% for 10 years
- Subject to an environmental review
- Collateral: mortgage of the two existing Harry's Diner restaurants
- Personal Guarantees
- Contingent upon accepted offer to purchase being provided.

Dave Sachse moved, Amy Horst seconded to approve a ground lease agreement for 668 South Pier Drive to Prohibition Bistro, LLC. Motion carried.

Dave Sachse moved, Don Hammond seconded to authorize Atty. McLean to forward a letter to Boston Store regarding the portion of the project that the City will fund for the parking lot. Motion carried.

Dave Sachse moved, Don Hammond seconded to approve an amendment to Central Pier Condo Assn. ground lease to delete the lease obligation of the tenant condominium association from being in default for nonpayment of real estate taxes assessed against condominium unit owners. Motion carried.

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 the purpose of deliberating regarding a Right to Purchase for the former Kingsbury site.

Ald. Don Hammond moved to convene in closed session, Dave Sachse seconded to proceed into closed session. On a roll call vote, the motion passed unanimously.

Motion to reconvene in open session.

Ald. Don Hammond moved to reconvene in open session, Amy Horst seconded. On a roll call vote, the motion passed unanimously.

Possible action on closed session item: Right to Purchase for the former Kingsbury site.

Dave Sachse moved to approve, Ald. Don Hammond seconded to approve the option to purchase to Office Service Company for the former Kingsbury property until May 1, 2013. Motion passed unanimously.

Discussion and possible action on next steps with the South Pier District.

Roberta Filicky-Peneski proposed that Chad (City Development) and herself meet with Tourism and come up with a plan to get developers/brokers here.

She also stated that she has been meeting with Steve Mech (Commercial Broker) and he suggested the City of Sheboygan should wait until summer to bring broker/developers in to see South Pier so they can see it at its best/ busiest. Other members stated that summer would be too late we need to act on getting ideas and broker/developers here now, within the next month or so.

Dave Sachse feels we need to explore an option on the former Pentair property and develop our incentive package to encourage development.

Ald. Hammond feels we need to take a large look then just focusing on South Pier.

Another option that was discussed was doing seasonal leases for those businesses that operate during just the summer or winter months.

Dave Sachse moved to table this item to its own separate meeting, Ald. Don Hammond seconded. Motion carried.

Adjournment

Ald. Dave Hammond moved to adjourn. Dave Sachse seconded. Motion carried.

Being no further business, the meeting adjourned at 6:48 p.m.

Respective Submitted,
Janet M Duellman
Recording Secretary