



## REDEVELOPMENT AUTHORITY MINUTES

The Redevelopment Authority met on Wednesday, July 16, 2014 at 7:30 A.M. in the City Attorney's Office, 3<sup>rd</sup> Floor of City Hall, 828 Center Avenue. Vice Chairman David Gass presided.

Present: Steven Harrison, David Gass, Ald. Don Hammond, and Ed Surek

Absent: David Sachse, Amy Horst, and Roberta Filicky-Peneski

Staff present: Chad Pelishek, Jim Amodeo, Mayor Vandersteen, and Janet M Duellman

Other: Steve Mech, and Dave Hoffman

The meeting was called to order at 7:30 am and the Pledge of Allegiance was recited.

### Approval of minutes June 18, 2014 meeting.

Steven Harrison moved to approve, Ald. Don Hammond seconded. Motion passed unanimously.

### Discussion and possible action regarding business development loan with 701-703, LLC.

Steve Mech was present on behalf of the building owner, Lance McGrath, to request that the RDA forgive and/or extend the existing loan with 701-703, LLC. The reason for the request is to allow the Nest retail store to expand into additional space to expand the business to retain this business in Downtown Sheboygan. In order for the Nest to take on the larger footprint (5,000 sf), they would need a lower than market rate in cost per square foot to cash flow the expansion. In order for McGrath to offer this to the Nest, would have requested a change in the current business development loan to forgive payments while they in turn give those savings to the Nest.

Steve Harrison moved to defer payments and forgive interest for 6 months, adding only the defer payments to the end of the loan contingent on the lease with Nest and a copy of the lease agreement to be provided to the RDA, Ed Surek seconded.

Under further discussion, it was further noted that the awnings on the building need to be replaced at a cost of approximately \$5,000-6,000. The committee discussed who was going to replace the awnings and if the city should help fund the awnings.

Due to this additional request, Steve Harrison and Ed Surek agreed to have their motion withdrawn.

Ald. Don Hammond moved to forgive five months of payments (principal and interest) provided the building owner and/ or leasee replace the awnings and provide a copy of the executed lease agreement to the RDA, Ed Surek seconded. Motion passed unanimously.

Once the conditions of the motion are met, Attorney McLean shall draft a letter to the building owner indicating the five months of forgiving of principal and interest payments.

### Adjournment

Ald. Don Hammond moved to adjourn, Ed Surek seconded. Motion passed unanimously.

Being no further business, the meeting adjourned at 7:58 am.

Janet M Duellman  
Recording Secretary