

CITY OF SHEBOYGAN
REDEVELOPMENT AUTHORITY MINUTES
Wednesday, June 05, 2024

MEMBERS PRESENT: Deidre Martinez, Roberta Filicky-Peneski, Darrell Hofland, Jim Conway, Steve Harrison, and Cleo Messner

MEMBERS ABSENT: Alderperson Robert LaFave

STAFF/OFFICIALS PRESENT: City Attorney Charles Adams, Planning & Development Director Diane McGinnis-Casey, Mayor Ryan Sorenson, and Community Development Planner Janet Duellman

OTHERS: Ryan Crump, Attorney Sam Spurney and Joel Pipkorn

OPENING OF MEETING

1. Roll Call: Jim Conway, Cleo Messner, Deidre Martinez, Steven Harrison, Alderperson Robert LaFave, Roberta Filicky-Peneski, and Darrell Hofland

2. Call to Order

Chair Roberta Filicky-Peneski called the meeting to order.

3. Pledge of Allegiance

The Pledge of Allegiance was recited.

4. Identify potential conflict of interest

No conflict of interest.

MINUTES

5. Approval of minutes from May 1, 2024 and May 15, 2024.

Motion by Steven Harrison, second by Darrell Hofland to approve. Motion carried.

ITEMS FOR DISCUSSION AND POSSIBLE ACTION

6. Discussion and possible action on the reconsideration of conditions of approval for Special Event Permit #49 for Driftwood Bar & Grill from the March 6, 2024 Redevelopment Meeting.

Community Development Planner Janet Duellman explained that the committee had previously approved the Special Event Permit for the Boat Race weekend with the condition that all events must be open to the public. The owner has been approached by a P-1 team to have a private event on Thursday and we are bringing it back in front of the committee for approval of the private event.

Ryan Crump, Driftwood, explained that they would like to host a VIP party on Thursday and they will have wrist bands for Thursday to monitor who is coming and going.

Motion by Deidre Martinez, second by Darrell Hofland to amend previous approval to allow the use of Redevelopment Authority Land on Thursday for a private event. Motion carried.

7. Discussion and possible action on the proposed Pipkorn Development located on South Pier.

Joel Pipkorn was present along with his Attorney Sam Spurney

The committee asked Joel Pipkorn for a status update of his proposed project. Joel Pipkorn explained that he would like to have Phase I (4 units) ground breaking by July 30, 2024, construction completed by January 1, 2025 and all of phase I sold by April 2025. When the committee inquired about his financials, he stated that the cost of construction is too high and that the condo sold will buy down the cost of the apartments. The committee asked if he had the bond that they had requested at the last meeting. Joel Pipkorn said that is has never been done on leased land but he had a pre-qualified letter. The committee asked for a copy of the pre-qualified letter after the committee reviewed the letter it was noted that it was not a pre-qualified letter but a letter stating that financing may be available to him. The committee explained that if he could receive a pre-qualified loan letter for the whole project from the financial institution that they would consider that instead of the bond. Joel Pipkorn explained that didn't fit into his plan to finance the whole project at this time. The committee explained that their concern is that all three phases will not be completed due to the fact that the project description keeps changing, no bonding, no appraisal, and changes in start dates. Joel Pipkorn stated that the appraisal will be back within 3 weeks and a bond is never going to happen.

Closed Session: Motion to convene into closed session under the exemption provided in Sec. 19.85(1)(e) Wis. Stats. for the purpose of negotiating the purchasing of public properties or conducting other specified public business, to-wit: Discussion regarding a potential development on South Pier where competitive and bargaining reasons require a closed session.

Motion by Deidre Martinez, second by Steven Harrison to go into closed session.

Roll Call Vote:

Yea: Filicky-Peneski, Conway, Hofland, Martinez, Harrison, and Messner

Nay: None.

Motion carried.

Open Session: Motion to reconvene into open session.

Motion by Darrell Hofland, Deidre Martinez to reconvene into open session.

Roll Call Vote:

Yea: Filicky-Peneski, Conway, Hofland, Martinez, Harrison, and Messner

Nay: None.

Motion carried.

Discussion and possible action of closed session item.

Roberta Filicky-Peneski stated that the Exclusive Right to Negotiate ends today with last extension approved on May 15, 2024 so that you could provide us with the bond or loan guarantee. As of today, you have provided us with no more information than we previously had. Joel Pipkorn stated that Redlight Finance was going to finance phase I than he was going to do a conventional loan for phase II & III. The committee stated that the letter provided from Red Light is not a loan guarantee letter so it did not satisfy the request from the committee.

The committee asked about what would happen if they did not extend the Exclusive Right to Negotiate and if other development came forward. It was explained to the committee that by not extending the Exclusive Right to Negotiate it would allow anyone to come in with a proposal to develop on this property. The committee decided not to move forward with the extension of the Exclusive Right to Negotiate.

8. Discussion on dates for Redevelopment Authority Site Tour.

Roberta Filicky-Peneski asked Community Development Planner Janet Duellman to send out a doodle poll for dates of the week our next scheduled meeting.

NEXT MEETING

9. To Be Determined

ADJOURN

10. Motion to Adjourn

Motion by Deidre Martinez, second by Jim Conway to adjourn. Motion carried.

Being no further business, the meeting was adjourned at 8:57 a.m.