



# REDEVELOPMENT AUTHORITY AGENDA

January 03, 2024 at 7:45 AM

City Hall  
Conference Room 106  
828 Center Avenue  
Sheboygan, WI

Persons with disabilities who need accommodations to attend this meeting should contact the Department of City Development, (920) 459-3377. Persons other than commission, committee, and board members who wish to participate remotely shall provide notice to the City Development Department at (920) 459-3377 at least 24 hours before the meeting so that the person may be provided a remote link for that purpose.

## OPENING OF MEETING

1. Roll Call: Steven Harrison, James Owen, Deidre Martinez, Jim Conway, Cleo Messner, Darrell Hofland and Roberta Flicky-Peneski
2. Call to Order
3. Pledge of Allegiance
4. Identify potential conflict of interest

## MINUTES

- [5.](#) Approval of the minutes from the December 6, 2023 meeting.

## ITEMS FOR DISCUSSION AND POSSIBLE ACTION

- [6.](#) Discussion and possible action on Exclusive Right to Negotiate for the property formerly known as the Mayline property located on N. Commerce Street.
7. Discussion and possible action on Exclusive Right to Negotiate for property (parcel # 59281322003) located on South Pier.

## NEXT MEETING

8. TBD

## ADJOURN

9. Motion to Adjourn

***In compliance with Wisconsin's Open Meetings Law, this agenda was posted in the following locations more than 24 hours prior to the time of the meeting:***

City Hall • Mead Public Library  
Sheboygan County Administration Building • City's website

**CITY OF SHEBOYGAN****REDEVELOPMENT AUTHORITY MINUTES****Wednesday, December 06, 2023**

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**OPENING OF MEETING**

**MEMEBERS PRESENT:** Steven Harrison, Jim Conway, Deidre Martinez, Darrell Hofland, Cleo Messner, and Roberta Filicky-Peneski

**MEMBERS EXCUSED:** James Owen

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

**OTHERS:** Joel Pipkorn and Gary Gartman (Quasius)

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

2. Call to Order

Chair Filicky-Peneski called the meeting to order.

3. Pledge of Allegiance

The Pledge of Allegiance was recited.

4. Identify potential conflict of interest

No committee member had a conflict of interest.

**MINUTES**

5. Approval of minutes from the November 15, 2023 meeting.

Motion by Steven Harrison, second by Jim Conway to approve. Motion carried.

**ITEMS FOR DISCUSSION AND POSSIBLE ACTION**

6. Discussion on potential apartment complex at the corner of Blue Harbor Drive and Lakeview Drive. (Parcel # 59281322016)

Community Development Planner Janet Duellman stated that Gary Gartman (Quasius) had contacted her on Friday with concerns regarding the turning of the building. The concerns were access to the SW buildings garages and the building being turned would face the former Triple Play. She further stated that on Tuesday the City met with the Joel Pipkorn and Gary Gartman for a Predevelopment Meeting and they had mentioned that they will be doing condominiums instead of apartments.

The committee inquired as to why he wanted to change from apartments to condominiums. Joel Pipkorn stated that if they did apartments that they would have to rent them anywhere from \$3,000 to \$3,200 per month for the quality of construction he is proposing. The construction cost per unit is approximately \$350,000.00 due to cost of materials. If he does condominiums, he believes that they would sell for at least \$450,000.00 per unit, but he could only build one building at a time until all the units are under contract to start on the next building. He mentioned

that he would like to market the condos as short-term rentals which he believes would help move the condominiums faster.

The Redevelopment Authority was not in favor of the short-term rentals on the South Pier. They expressed that we need housing this community not more short-term rentals. Joel Pipkorn and Gary Gartman referenced the Blue Harbor Condos as an example of short-term rental condominiums. The committee explained that the Blue Harbor condominiums were original built as owner-investor condos.

Motion by Darrell Hofland, second by Deidre Martinez to approve the new concept of an Owner-Occupied Condominium complex with no Short-term Rental written into the Developer's Agreement, Ground Lease, and Condo Associations By-Laws. The Developer's Agreement will also include language related to the project being done in three phases and times for completion. Motion carried.

They further directed staff to work with the Attorney's Office on the Ground Lease, Developers Agreement, and easement (if needed).

7. Discussion and possible action on Earnest Money Escrow Agreement regarding 575 Riverwoods Partners LLC properties purchase.

Community Development Planner Janet Duellman mentioned that City Attorney Charles Adams contacted her yesterday afternoon to explain that this item just needs to be approved. The Earnest Money Escrow Agreement form lays out how the funds are going to be used for. The escrow has already been paid and they have received it. Planning & Development Director Diane McGinnis-Casey stated that the reason you have never seen any documents like this in the past is because we are using their title company which is a title company that the City does not usually use.

Motion by Jim Conway, second by Deidre Martinez to have the Chairperson and Vice Chairperson sign the Earnest Money Escrow Agreement. Motion carried.

## **NEXT MEETING**

8. TBD

## **ADJOURN**

9. Motion to Adjourn

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

Being no further business, the meeting was adjourned at 8:41 a.m.



January 3, 2024

Mr. Kyle Strigenz  
KHS Holdings, LLC  
172 N Broadway, STE 200  
Milwaukee WI 53202

Re: Exclusive Right to Negotiate – former Mayline property (parcel # 59281501560, 59281501540, and 59281501630) and 639 N Commerce Street (parcel # 59281501550).

Dear Mr. Kyle Strigenz:

Thank you for your interest developing the former Mayline property including 605 N Commerce Street and 639 N Commerce Street.

The Redevelopment Authority (RDA) hereby grants KHS Holdings LLC and its affiliates an Exclusive Right to Negotiate the purchase of the Property. This Exclusive Right to Negotiate will be in effect from the date of this letter until Tuesday, March 5, 2024.

This right is conditioned upon your continued attention to your proposed development and its design, cost, financing, and other details and your regular communication with our Planning Department.

The RDA will hold the Property off the market, and will not discuss or negotiate its possible development with anyone not associated with your proposed development, during the period of this Exclusive Right to Negotiate.

To help your architect and/or contractor prepare the plans and realistic cost estimates, the RDA also hereby grants KHS Holdings, LLC, a Right of Entry to conduct site survey and any other surveys necessary.

At its discretion, the RDA may grant an extension of the negotiation period if, in its opinion, satisfactory progress is being made.

Should you choose to exercise this Right of Entry, please note that it is granted under the following conditions:

- Entry is at your own risk;
- You will notify the City Development Department before accessing the property.
- You will indemnify and hold the City harmless from any and all claims that may result from your occupancy, and you will provide a scope of work prior to any testing you undertake;
- You will provide the City with an insurance certificate with satisfactory limits, with the City named as an additional

DEPARTMENT OF  
PLANNING AND  
DEVELOPMENT

828 Center Avenue,  
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insured;

- After completion of the investigation, the Property will be restored to a condition that is substantially similar to its condition prior to occupancy;
- Copies of all environmental and geotechnical results will be provided to the City; and
- The Right of Entry will terminate at 5:00 p.m. on March 5, 2024.

Please acknowledge the terms and conditions of this Exclusive Right to Negotiate and Right of Entry by signing this letter and returning it to me. It will be effective upon my receipt.

We hope this Exclusive Right to Negotiate and Right of Entry will facilitate preparation of a feasible plan for your project. If you have any questions or need additional assistance, please contact Diane McGinnis Casey, Director of Planning and Development at (920) 459-3383.

Sincerely,

REDEVELOPMENT AUTHORITY

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Roberta Filicky-Peneski  
Chairperson

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Diane McGinnis Casey  
Executive Director

**Acknowledgement and Agreement:**

KHS Holding LLC acknowledges receipt of this letter and accepts the above terms and conditions of the Exclusive Right to Negotiate and Right of Entry.

KHS Holding LLC

By: \_\_\_\_\_  
Kyle Strigenz, Registered Agent