



***** AMENDED *****
REDEVELOPMENT AUTHORITY AGENDA

December 14, 2022 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: Roberta Filicky-Peneski, Steven Harrison, David Sachse, Jim Conway, James Owen, Deidre Martinez, and Cleo Messner
2. Call to Order
3. Pledge of Allegiance
4. Identify potential conflict of interest

MINUTES

- [5.](#) Approval of the minutes from the November 4, 2022 meeting.

ITEMS FOR DISCUSSION AND POSSIBLE ACTION

- [6.](#) Discussion and possible action on First Amendment to the Offer to Purchase for vacant land near N. 10th Street and Indiana Avenue.
7. Approval of the Johnsonville, LLC meeting the job creation requirements for the business development loan executed December 4, 2020.

CLOSED SESSION

8. Motion to convene in closed session under the exemption provided in Sec. 19.85 (1)(e) Wis. Stats., for a potential business development loan with Uptown Slice, where bargaining reasons require a closed session.

OPEN SESSION

9. Motion to reconvene in open session.

ITEMS FOR DISCUSSION AND POSSIBLE ACTION

10. Possible action on item discussed in closed session.

NEXT MEETING

11. TBD

ADJOURN

12. 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
Friday, November 04, 2022

OPENING OF MEETING

MEMBER PRESENT: Steven Harrison, David Sachse, Jim Conway, James Owen, and Deidre Martinez

MEMBER ABSENT: Roberta Filicky-Peneski

STAFF/OFFICIALS PRESENT: Mayor Ryan Sorenson, City Attorney Charles Adams, and Planning & Development Director Chad Pelishek

OTHERS PRESENT: Josh Hafron (General Capital), Sig Strautmanis (General Capital), Anthony Tislau (Keller), Doug Schwalbe (Keller), and Dustin Dutter

1. Roll Call: Roberta Filicky-Peneski, Steven Harrison, David Sachse, Jim Conway, James Owen, and Deidre Martinez
2. Call to Order

Vice-Chairperson Steven Harrison called 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 with any item on the agenda.

MINUTES

5. Approval of the minutes from the October 13, 2022 meeting.

Motion by David Sachse, seconded by Jim Conway to approve the minutes.
Motion carried.

ITEMS FOR DISCUSSION AND POSSIBLE ACTION

6. Discussion and possible action on contract amendment request for Berkshire Sheboygan (former Koepsell property).

Chad Pelishek explained that they originally didn't get all the WHEDA credits they initially requested but they have since received additional WHEDA credits. They would like to move up their closing date from 12-31-2023 to 9-30-2023 because this property currently is in a qualifying census tract and soon this census tract will not qualify for affordable housing credits.

The current proposal for this site is for 86 units of senior housing (55+) and 16-18 units of any age. Chad Pelishek emphasized that this is a housing type that currently does not exist in the city.

Motion by David Sachse, second by Jim Conway to authorize staff to work with the developer on an amendment to the offer to purchase to extend the closing timelines and terms necessary to comply with WHEDA funding requirements. Motion carried.

CLOSED SESSION

7. Motion to convene in closed session under the exemption provided in Sec. 19.85 (1)(e) Wis. Stats., for a potential development opportunity in the South Pier District, where bargaining reasons require a closed session.

Motion by David Sachse, second by Jim Conway to convene into closed session.

Roll Call Vote:

Aye: Harrison, Sachse, Owen, Martinez, and Conway

Nay: none

Motion carried.

OPEN SESSION

8. Motion to reconvene into open session.

Motion by David Sachse, second by Jim Conway to reconvene into open session.

Roll Call Vote:

Aye: Harrison, Sachse, Owen, Martinez, and Conway

Nay: none

Motion carried.

ITEMS FOR DISCUSSION AND POSSIBLE ACTION

9. Discussion and possible action South Pier development opportunity discussed in closed session.

Motion by David Sachse, second by Jim Conway to six-month exclusive rights to negotiate for a new shanty on South Pier near the intersection of Lakeview and South Pier Drive. Motion carried.

NEXT MEETING

10. TBD

ADJOURN

11. Motion to Adjourn

Motion by David Sachse, second by Jim Conway to adjourn. Motion carried.

Being no further business, the meeting was adjourned at 8:03 am.

FIRST AMENDMENT TO OFFER TO PURCHASE

THIS FIRST AMENDMENT TO OFFER TO PURCHASE (this "First Amendment") dated as of December __, 2022, is entered into by and between GENERAL CAPITAL ACQUISITIONS, LLC, a Wisconsin limited liability company ("Buyer") and the REDEVELOPMENT AUTHORITY OF THE CITY OF SHEBOYGAN ("Seller").

RECITALS

A. Buyer and Seller entered into that certain Offer to Purchase dated as of December 1, 2021 (the "Offer"), whereby, pursuant to the terms and conditions of the Offer, Buyer agreed to purchase and Seller agreed to sell certain real property located in Sheboygan, Wisconsin as more particularly described therein (the "Property").

B. Buyer and Seller desire to amend the Offer, as more particularly described below.

AGREEMENTS

In consideration of the Recitals and the mutual promises set forth below, the parties hereby agree as follows:

1. Recitals. The foregoing Recitals are hereby incorporated herein by this reference.
2. Capitalized Terms. Capitalized terms not otherwise defined in this First Amendment shall have the meanings assigned to them in the Offer.
3. Purchase Price. Section 1(a) of the Agreement is hereby deleted in its entirety and replaced with the following:
 - (a) The purchase price ("Purchase Price") for the Property shall be One Hundred Fifty Thousand Dollars (\$150,000.00), and shall be payable, subject to pro-rations, deferrals and credits provided in this Offer, at Closing by delivery of a certified or cashier's check or by wire transfer. In addition, Buyer shall deliver at Closing (or will cause one of its affiliates to deliver at Closing), at Buyer's sole cost, an irrevocable letter of credit to Seller, naming Seller as beneficiary, in the amount of \$150,000 to secure the completion of the Remedial Work (the "Letter of Credit"). The term "Remedial Work" shall mean any work required to be performed by Buyer or its contractors to remediate, address or remove Hazardous Substances located on the Property, or to address any environmental condition affecting the Property, in order to develop the Property for Buyer's Intended Use.
4. Contingencies. The Contingency Periods are hereby extended by replacing the date "December 10, 2022" with "June 30, 2023" wherever it appears in Section 2 of the Offer.
5. Closing. Section 10 of the Offer is hereby amended by deleting the date "December 31, 2022" and replacing it with "September 30, 2023".

6. Closing Deliveries. Section 10(a)(x) is hereby marked as “intentionally deleted.” The words “and Escrowed Funds” are hereby deleted from Section 10(b)(i). The Letter of Credit shall be delivered by Buyer to Seller at Closing.
7. Miscellaneous. Except as specifically amended in this First Amendment, the terms of the Offer remain unmodified and in full force and effect. In the event of any inconsistency between the terms of this First Amendment and the Offer, the terms of this First Amendment shall control. This First Amendment may be executed in several counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument. This First Amendment may be executed via e-mail or facsimile transmission and all PDF (or similar electronic format) or facsimile signatures shall be deemed originals for all purposes.

[Signature page follows]

BUYER:

GENERAL CAPITAL ACQUISITIONS, LLC

By: _____
Name: _____
Its _____

SELLER:

REDEVELOPMENT AUTHORITY OF THE
CITY OF SHEBOYGAN

By: _____
Name: _____
Its _____

By: _____
Name: _____
Its _____

FIRST AMENDMENT TO OFFER TO PURCHASE

THIS FIRST AMENDMENT TO OFFER TO PURCHASE (this "First Amendment") dated as of December 15, 2022, is entered into by and between GENERAL CAPITAL ACQUISITIONS, LLC, a Wisconsin limited liability company ("Buyer") and the REDEVELOPMENT AUTHORITY OF THE CITY OF SHEBOYGAN ("Seller").

RECITALS

A. Buyer and Seller entered into that certain Offer to Purchase dated as of December 1, 2021 (the "Offer"), whereby, pursuant to the terms and conditions of the Offer, Buyer agreed to purchase and Seller agreed to sell certain real property located in Sheboygan, Wisconsin as more particularly described therein (the "Property").

B. Buyer and Seller desire to amend the Offer, as more particularly described below.

AGREEMENTS

In consideration of the Recitals and the mutual promises set forth below, the parties hereby agree as follows:

1. Recitals. The foregoing Recitals are hereby incorporated herein by this reference.
2. Capitalized Terms. Capitalized terms not otherwise defined in this First Amendment shall have the meanings assigned to them in the Offer.
3. Purchase Price. Section 1(a) of the Agreement is hereby deleted in its entirety and replaced with the following:

(a) The purchase price ("Purchase Price") for the Property shall be One Hundred Fifty Thousand Dollars (\$150,000.00), and shall be payable, subject to pro-rations, deferrals and credits provided in this Offer, at Closing by delivery of a certified or cashier's check or by wire transfer. In addition, Buyer shall deliver at Closing (or will cause one of its affiliates to deliver at Closing), at Buyer's sole cost, an irrevocable letter of credit to Seller, naming Seller as beneficiary, in the amount of \$150,000 to secure the completion of the Remedial Work (the "Letter of Credit"). The term "Remedial Work" shall mean any work required to be performed by Buyer or its contractors to remediate, address or remove Hazardous Substances located on the Property, or to address any environmental condition affecting the Property, in order to develop the Property for Buyer's Intended Use.

4. Contingencies. The Contingency Periods are hereby extended by replacing the date "December 10, 2022" with "June 30, 2023" wherever it appears in Section 2 of the Offer.
5. Closing. Section 10 of the Offer is hereby amended by deleting the date "December 31, 2022" and replacing it with "September 30, 2023".

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[Signature page follows]

BUYER:

GENERAL CAPITAL ACQUISITIONS, LLC

By: Jim Kim
Name: Joshua Habes
Its Authorized Signatory

SELLER:REDEVELOPMENT AUTHORITY OF THE
CITY OF SHEBOYGAN

By: Robert Filipek-Peneski
Name: Robert Filipek-Peneski
Its Chair, RDA

By: Chad Pelishek
Name: Chad Pelishek
Its Executive Director