



# REDEVELOPMENT AUTHORITY AGENDA

**April 06, 2022 at 7:45 AM**

**City Hall - Council Chamber, 828 Center Avenue, Sheboygan, WI**

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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 -David Sachse may attend meeting remotely.
2. Call to Order
3. Pledge of Allegiance
4. Identify potential conflict of interest

## MINUTES

5. Approval of minutes from the March 16, 2022 meeting

## ITEMS FOR DISCUSSION AND POSSIBLE ACTION

6. Discussion and possible action on Leasehold of Mortgage related to Lino Ristorante Italiano, LLC and US Bank for property located at 422 South Pier Drive.

## ADJOURN

7. 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, March 16, 2022**

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**OPENING OF MEETING**

**MEMBERS PRESENT:** Roberta Filicky-Peneski, James Conway, Alderperson Trey Mitchell, and Amy Horst

**MEMBERS EXCUSED:** David Sachse, Steven Harrison, and James Owen

**STAFF/OFFICIALS PRESENT:** Planning & Development Director Chad Pelishek and Mayor Ryan Sorenson

**OTHERS:** Chris Merklein (VanHorn)

1. Roll Call: Roberta Filicky-Peneski, David Sachse, Steven Harrison, James Conway, James Owen, Alderperson Trey Mitchell, and Amy Horst

2. Call to Order

Chairperson 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 committee member had a conflict of interest.

**CLOSED SESSION**

5. Motion to convene in closed session under the exemption provided in Sec. 19.85 (1)(e) Wis. Stats., for the purpose of possible development opportunity at 517 N. Commerce Street, where bargaining reasons require a closed session.

Motion by Amy Horst, second by Alderperson Trey Mitchell to go into closed session

Roll Call Vote:

Aye: Filicky-Peneski, Horst, Owen, and Conway

Nay: none

Motion carried.

**OPEN SESSION**

6. Motion to reconvene into Open Session

Motion by Amy Horst, second by Trey Mitchell to reconvene into open session

Roll Call Vote:

Aye: Filicky-Peneski, Conway, Mitchell and Horst

Nay: none

Motion carried.

**ITEMS FOR DISCUSSION AND POSSIBLE ACTION**

7. Discussion and possible action on item discussed in closed session.

No action on closed session item.

8. Update on the options for the Redevelopment Authority to obtain outside legal counsel.

City Attorney Charles Adams didn't respond to emails or phone calls requesting his presence at today's meeting to provide an update on the Invitation to Bid for outside legal services. Therefore, the Redevelopment Authority had authorized City Staff to work on a Scope of Work for obtaining outside counsel.

9. Discussion and possible action on business development loans.

WeGameOn has defaulted on their loans in the past and currently. Last year they were sent a Right to Cure letter which Justin Webb did bring his loan up-to-date through the end-of-the-year 2021. No payments have been made in 2022. Redevelopment Authority discussed sending another letter of Right to Cure or request the loan be due in full if the job creation is not fulfilled.

Motion by Alderperson Mitchell, second by Jim Conway to have City Staff write a Right to Cure letter. Motion carried.

**ADJOURN**

10. Motion to Adjourn

Motion by Amy Horst, second by Jim Conway to adjourn. Motion carried.

Being no further business, the meeting was adjourned at 8:24 a.m.

## MODIFICATION OF LEASEHOLD MORTGAGE

This Modification of Leasehold Mortgage (“**Modification**”) is made and entered into by the parties set forth below as of the date set forth below:

**MORTGAGOR:**

LINO RISTORANTE ITALIANO, LLC  
A Wisconsin Limited Liability Company  
422 South Pier Drive  
Sheboygan, WI 53081

**LENDER:**

U.S. BANK NATIONAL ASSOCIATION  
Collateral Department  
P.O. Box 3487  
Oshkosh, WI 54903-3487

**RETURN TO:**

U.S. Lender National Association  
Collateral Department  
P.O. Box 3487  
Oshkosh, WI 54903-3487

59281322029

Parcel Identification Numbers

**LANDLORD:**

REDEVELOPMENT AUTHORITY OF THE CITY OF SHEBOYGAN  
A State of Wisconsin Domestic Government Unit  
828 Center Avenue  
Sheboygan, WI 53081

### RECITALS:

A. Mortgagor, Lender and Landlord have entered into a Leasehold Mortgage dated February 22, 2017 which was recorded with the Sheboygan County Register of Deeds on February 24, 2017 as Document No. 2035418 (the “**Leasehold Mortgage**”) related to the leasehold interest in the Real Property described as follows:

The West seventy-eight and seventeen one-hundredths (78.17’) feet of Lot 5, South Pier Plat in the City of Sheboygan, Sheboygan County, Wisconsin, reserving an easement for utility purposes along, under and through the North six (6’) feet thereof.

B. On even date herewith Mortgagor and Lender are entering into an amendment renewing and extending the term of the Specific Debt described as a promissory note or other agreement, No. 647922713, dated February 22, 2017, in the original loan amount of Four Hundred Twelve Thousand Five Hundred Dollars (\$412,500.00), and related to such renewal, Mortgagor, Lender and Landlord desire to

modify and amend the Leasehold Mortgage as set forth herein.

NOW THEREFORE, Mortgagor, Lender and Landlord hereby modify the Leasehold Mortgage as follows:

1. Section 4(A) of the Leasehold Mortgage is amended to read as follows:

“A. Specific Debts. The following debts and all extensions, renewals, refinancings, modifications and replacements (the “Specific Debts”): A promissory note or other agreement, No. 6479227713, dated February 22, 2017, from Mortgagor to Lender, with a loan amount of Four Hundred Twelve Thousand Five Hundred Dollars (\$412,500.00) as renewed and extended by that certain Amendment to Note dated on even date with this Modification.”

2. Section 4(C) of the Leasehold Mortgage is hereby deleted in its entirety.

3. **CONTINUING VALIDITY.** Except as expressly modified above, the terms of the original Leasehold Mortgage shall remain unchanged and in full force and effect and are legally valid, binding, and enforceable in accordance with their respective terms. The Leasehold Mortgage, as modified by this Modification, continues to secure the Lender’s security interest in the Mortgagor’s leasehold estate in and to the Real Property. Consent by Lender to this Modification does not waive Lender’s right to require strict performance of the Leasehold Mortgage as changed above nor obligate Lender to make any future modifications. Nothing in this Modification shall constitute a satisfaction of the Specific Debts or any of the loan documents related thereto. It is the intention of Lender to retain as liable all parties to the Leasehold Mortgage and all parties, makers and endorser to the Specific Debts or any of the related loan documents, including accommodation parties, unless a party is expressly released by Lender in writing. Any maker or endorser, including accommodation makers, shall not be released by virtue of this Modification.

*(Signature Pages Follows)*

IN WITNESS WHEREOF, the undersigned have executed this Modification effective as of March 30, 2022.

MORTGAGOR:  
LINO RISTORANTE ITALIANO, LLC

By: \_\_\_\_\_  
Pasquale L. Autiero, Member

By: \_\_\_\_\_  
Therese M. Janssen, Member

STATE OF WISCONSIN :  
: SS.  
COUNTY OF SHEBOYGAN :

Personally came before me this \_\_\_\_\_ day of March, 2022, the above-named Pasquale L. Autiero and Therese M. Janssen, Members of Lino Ristorante Italiano, LLC, to me known to be the persons who executed the foregoing instrument and acknowledged the same.

\_\_\_\_\_  
\_\_\_\_\_(Print Name)  
Notary Public, State of Wisconsin  
My Commission: \_\_\_\_\_

LENDER:  
U.S. BANK NATIONAL ASSOCIATION

By: \_\_\_\_\_  
Christopher T. Varah, Assistant Vice President

STATE OF WISCONSIN :  
: SS.  
COUNTY OF SHEBOYGAN :

Personally came before me this \_\_\_\_\_ day of March, 2022, the above-named Christopher T. Varah, Assistant Vice President of U.S. Bank National Association, to me known to be the person who executed the foregoing instrument and acknowledged the same.

\_\_\_\_\_  
\_\_\_\_\_(Print Name)  
Notary Public, State of Wisconsin  
My Commission: \_\_\_\_\_

LANDLORD:  
REDEVELOPMENT AUTHORITY OF THE  
CITY OF SHEBOYGAN

By: Roberta Filicky-Penski, Chairperson

By: \_\_\_\_\_  
Chad Pelishek, Executive Director

STATE OF WISCONSIN :  
 : SS.  
COUNTY OF SHEBOYGAN :

Personally came before me this \_\_\_\_\_ day of March, 2022, the above-named Roberta Filicky-Penski and Chad Pelishek, Chairperson and Executive Director of Redevelopment Authority of the City of Sheboygan, to me known to be the persons who executed the foregoing instrument and acknowledged the same.

\_\_\_\_\_  
 \_\_\_\_\_ (Print Name)  
 Notary Public, State of Wisconsin  
 My Commission: \_\_\_\_\_

This instrument was drafted by Attorney Michael R. Demerath, of Hager, Dewick & Zuengler, S.C., on behalf of U.S. Lender National Association.