REDEVELOPMENT AUTHORITY AGENDA

November 05, 2025 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

2. Call to Order

3. Pledge of Allegiance

4. Identify potential conflict of interest

MINUTES

5. Motion to approve the minutes from October 15, 2025.

ITEMS FOR DISCUSSION AND POSSIBLE ACTION

6. Review loan request from Uptown Slice.

   Potential Closed Session: Motion to convene into closed session under the exemption provided in Sec.19.85(1)(e) Wis. Stats for the purpose of deliberating or negotiating the investment of public funds or conducting other specified public business when competitive or bargaining reasons require a closed session, to wit: to discuss a request by Uptown Slice LLC for a new business loan.

   Open Session: Motion to reconvene into open session.

   Discussion and possible action on the business loan modification request.

7. Review proposed changes to the RDA Economic Development Loan Program Manual, also known as the Revolving Loan Fund.

NEXT MEETING

8. November 19, 2025

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, October 15, 2025

MEMBERS PRESENT: Roberta Filicky-Peneski, Steven Harrison, Jim Conway, Cleo Messner, Alderperson Robert La Fave

MEMBERS EXCUSED: Deidre Martinez and Darrell Hofland

STAFF/OFFICIALS PRESENT: City Attorney Liz Majerus, Director of Planning and Development Taylor Zeinert.

OTHERS: James Uptown Slice, Appointed Council Attorney Nick Cerwin, (remotely)

OPENING OF MEETING

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

2. Call to Order

   Chair Roberta Filicky-Peneski called the meeting to order at 7:46 AM

3. Pledge of Allegiance

   The Pledge of Allegiance was recited.

4. Identify potential conflict of interest

   No conflicts of interest were identified.

MINUTES

5. Motion to approve the minutes from August 27, 2025.

Motion made by Steve Harrison, seconded by Alderperson Robert LaFave to approve the minutes from August 27, 2025. Motion carried.

ITEMS FOR DISCUSSION AND POSSIBLE ACTION

6. Discussion and possible action of adopting a Code of Ethics and Operational Guidelines of RDA Members

   Motion made by Jim Conway, seconded by Alderperson Robert LaFave, Steve Harrison, abstained to adopt a Code of Ethics and Operational Guidelines. Motion carried.

7. Discussion and possible action on Uptown Slice Loan Modification Request

   Motion by Alderperson Robert LaFave and second by Jim Conway to convene into closed session at 7:54 AM

Adjourn into closed session under the exemption provided in Sec. 19.85(1)(e) Wis. Stats. for the purpose of deliberating or negotiating the investment of public funds or conducting other specified public business when competitive or bargaining reasons require a closed session, to-wit: to dicuss a request by Uptown Slice LLC to modify their existing business loan.

Roll Call Vote:

Yea: Filicky-Peneski, Messner, Harrison La Fave and Conway

Nay: None

Abstain: None

Motion by Steve Harrison, second by Jim Conway to reconvene into open session at 8:27 AM

Yea: Filicky-Peneski, Harrison, Messner, La Fave and Conway

Nay: None

Abstain: None

Discussion and possible action on Uptown Slice Loan Modification Request

Motion by Steve Harrison, second by Alderperson Robert LaFave to table the pending request from Uptown Slice.

NEXT MEETING

12. November 5, 2025

ADJOURN

13. Motion to Adjourn

Motion by Steve Harrison, second by Alderperson Robert LaFave to adjourn. Motion carried. Being no further business, the meeting was adjourned at 8:57 AM.

Economic Policy Manual

A Program of City of Sheboygan, Wisconsin

Economic Development Loan Program
Manual of Policies and Procedures

revised 2025

Economic Policy Manual

PURPOSE

The purpose of the Economic Development Loan Program is to promote employment and business opportunities in the City of Sheboygan. Such purposes are declared to be a public purpose for which public funds may be expended. Through the Economic Development Loan Program, the City will provide below market interest rate loans to qualified borrowers for specified eligible projects.

PROGRAM FUNDING

An economic development loan pool for the City of Sheboygan is established, containing funds allocated through various Community Development Block Grant Programs and income generated by repayment of loans. The pool will serve as a revolving loan fund for future activities. Loans cannot exceed 50% of total project cost.

BUSINESS DEFINITIONS

New Business – A company that has been in operation for less than 12 months or has not previously operated in the City of Sheboygan. New businesses must provide a complete business plan, 3-year financial projections, and proof of adequate capital funding. Businesses relocating from outside Sheboygan are considered new but must demonstrate net new job creation.

Existing Business – A company with 12 months or more of continuous operations supported by at least one year of financial statements. Existing businesses must provide a business plan and proof of adequate capital. Expansion projects (new facility, equipment, or workforce growth) and job retention projects qualify as existing.

ELIGIBLE AREA

Eligible activities must take place within the city limits of the City of Sheboygan. Certain designated areas of the City will receive priority. Please contact the Department of Planning and Development for details.

ELIGIBLE APPLICANTS

Eligible applicants are businesses and/or industries that will locate or expand in the City of Sheboygan by creating or retaining jobs, of which more than 51% must be for low and moderate-income people. Documentation of income of job positions created or retained is required. Job pirating is prohibited under Section 588 of the Quality Housing and Work Responsibility Act of 1998.

ELIGIBLE ACTIVITIES

Eligible uses of funds include: (1) building demolition, renovation, or addition; (2) land acquisition, site preparation, or new building construction; (3) equipment purchase and installation; and (4) working capital. Ineligible activities include maintenance of facilities and specialized equipment not essential to business operations.

LABOR STANDARDS (DAVIS BACON ACT)
The Applicant, if awarded an Economic Development Loan through this program, shall comply with and assure compliance of all Project contractors and subcontractors with the Davis Bacon Act, as amended 40 U.S.C. 276a-276a-5, the Contract Work Hours and Safety Standards Act, 40 U.S.C. 327-333, applicable Federal laws, provide weekly payroll reports for contractors/subcontractors working on this project, and other regulations pertaining to labor standards.

APPLICATION PROCESS
Applications must include:

For existing businesses: current year-to-date balance sheet and income statement, past two years of historical financials, a current financial statement, sources and uses of funds, three-year pro forma and cash flow analysis, and a business plan.

Two or more years of business tax returns, and credit analysis from bank lending partner if applicable

For new businesses:

(1) three-year pro forma and cash flow analysis that includes a sources and use, P&L (Income Statement), Statement of Cashflows, Depreciation Schedule, Balance Sheet, and Breakeven Analysis; and a

(2) business plan that includes an Executive Summary, Business Description, Industry Analysis, Target Market Analysis, Competitive Analysis, Sales and Marketing Plan, Risk Analysis.

Credit analysis from bank lending partner if applicable.

EVALUATION CRITERIA
In general, the Redevelopment Authority of Sheboygan will evaluate the application in accordance with the following criteria and in comparison, with other applications received:

a. Employment opportunities.
b. Economic impact on community.
c. Amount of project cost over and above loan.
d. Need for financial assistance.
e. Compatibility with nearby land uses.
f. Consistency with existing economic development plans of the City of Sheboygan.

The City of Sheboygan will also decide of the applicant's ability to repay the loan. Each completed application will be reviewed by the Redevelopment Authority. The RDA will decide within 60 days of application submission. A rejected application may be resubmitted, provided it is revised in accordance with the RDA’s recommendations and funds are still available. Decisions of the RDA shall be final.

Applications will be evaluated based on the following criteria, with a maximum of 100 points. Applicants must score at least 60 points to qualify. 10 points per category.

1. Employment Opportunities – Creates permanent jobs at or above one FTE per $40,000 loaned, with additional points for jobs paying above the county median wage or offering benefits.

2. Spin-off Development – Potential to generate additional development.

3. Tax Base Generation – Increases local tax base relative to public expenditures.

4. Private vs. Public Investment – Leverage of private capital.

5. Benefit-to-Risk Ratio – Balance of benefits versus risks to the City of Sheboygan.

6. Economic Impact – Positive impact on the local economy.

7. Neighborhood Impact – Positive compatibility with surrounding properties.

8. Conformance with City Plans – Aligns with economic development and comprehensive plans.

9. Local Ownership & Community Commitment – Up to 10 points for locally owned or community-invested businesses.

10. Management Readiness – Up to 10 points business plan quality, collateral, and management experience.

LOAN AND INTEREST TERMS

All loans granted under this program shall be subject to the following terms and conditions:

1. Loans will only be made to owners of the business to be affected directly by the proposed activity.

2. No loan shall be made to any party whose application does not indicate adequate financial capacity for loan repayment.

3. Approved loan amounts may vary according to the amount of dollars in the pool.

4. Interest Rate – Loans will be issued at Prime minus 1% for projects creating or retaining a majority of low-to-moderate income (LMI) jobs, or at Prime for general projects. The AFR shall serve as the minimum floor.

5. Loan Amounts – Loans cannot exceed 50% of total project cost and are limited to $40,000 per job created.

6. Loan Term – Up to 20 years for real estate, 7–10 years for equipment, and 3–5 years for working capital.

7. Loans will be secured by a mortgage to security agreements. The security agreements will include LMI job requirements and standards for compliance on a yearly basis.

8. Repayment Start – Loans may include up to 12 months of interest-only payments for new businesses or expansions.

9. No Loans shall be subject to any penalty for prepayment.

10. The funds of each loan shall be paid in the name of the borrower by the City and shall constitute a loan advance in the borrower's name. The City shall not disburse any of the loan proceeds to any contractor, sub-contractor or supplier until it has satisfactory written, evidence that all work has been completed satisfactorily, and that all suppliers, laborers, and sub-contractors have been paid or have delivered releases of their rights to assert liens upon the property.

11. In the event any installment payment (including, without limitation, the entire principal balance upon maturity), becomes more than fifteen (15) days past due, borrowers shall pay a late payment charge to holder equal to five (5%) percent of the entire unpaid amount of the installment. Payments received after any installment becomes more than fifteen (15) days past due shall be applied first to current installment(s) and then to delinquent installments for purposes of this provision.

12. Claw-back Provisions – Borrowers must meet job creation/retention commitments. Annual reporting required. Non-compliance may result in adjusted terms or repayment acceleration.

LOAN FORGIVENESS

Note: The requirements, including terms of the agreement, including the possibility of waiving repayment for the activity, would need to be part of the policies and procedures and contained in the CDBG written agreement between the grantee and the business.

EQUITY POSITION

The City of Sheboygan will buy non-voting stock in companies that cannot afford loans at any rate. The company must agree to buy all stock back within ten years and must agree not to move any of its operations out of the City of Sheboygan within ten years of the date of the City's initial participation. All applications requesting City equity participation, under this section, shall be submitted to the Common Council for approval.