



REDEVELOPMENT AUTHORITY AGENDA

March 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: Roberta Filicky-Peneski, Cleo Messner, Jim Conway, Deidre Martinez, Alderperson Robert LaFave, Steven Harrison, and Darrell Hofland
2. Call to Order
3. Pledge of Allegiance
4. Identify potential conflict of interest

MINUTES

5. Approval of minutes from the February 12, 2025 meeting.

ITEMS FOR DISCUSSION AND POSSIBLE ACTION

6. Discussion and possible action on a pool deck expansion at Blue Harbor Resort.

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 negotiating the purchasing of public properties or conducting other specified public business, to-wit: Discussion of a potential business expansion project where competitive and bargaining reason require a closed session.

Open Session: Motion to reconvene into open session.

Discussion and possible action on the business loan application.

7. Discussion on possible business loan application for Krazian Fuzian.

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 negotiating the purchasing of public properties or conducting other specified public business, to-wit: Discussion of a potential business loan where competitive and bargaining reason require a closed session.

Open Session: Motion to reconvene into open session.

Discussion and possible action on the business loan application.

8. Discussion and possible action on business loan application for AspenOak.

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 negotiating the purchasing of public properties or conducting other specified public business, to-wit: Discussion of a potential business loan where competitive and bargaining reason require a closed session.

Open Session: Motion to reconvene into open session.

Discussion and possible action on the business loan application.

9. Discussion and possible action on Exclusive Right to Negotiate for property (parcel # 59281322003) located on South Pier.

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 negotiating the purchasing of public properties or conducting other specified public business, to-wit: Discussion regarding an Exclusive Right to Negotiate for potential development on South Pier where competitive and bargaining reasons require a closed session.

Open Session: Motion to reconvene into open session.

Discussion and possible action on Exclusive Right to Negotiate.

10. Discussion and possible action on use of the RDA property by Powerboat P1 USA LLC for the boat races held the weekend of August 7-11, 2025.
11. Discussion and possible action on the use of RDA properties by Race Day Events for the a Run Santa Run event held on December 6, 2025.

NEXT MEETING

12. To Be Determined

ADJOURN

13. 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, February 12, 2025**

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

MEMBERS EXCUSED: None.

STAFF/OFFICIALS PRESENT: Mayor Ryan Sorenson, Assistant to the City Administrator Marie Foss, Kristen Fish-Peterson (Redevelopment Resources).

OPENING OF MEETING

1. Roll Call: Roberta Filicky-Peneski, Alderperson Robert LaFave, Darrell Hofland, Cleo Messner, Deidre Martinez, Steven Harrison, and Jim Conway
2. Call to Order
Chair Roberta Filicky-Peneski called meeting to order 7:45 a.m.
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. Motion to approve the minutes from February 5, 2025.
Motion made by Deidre Martinez, second by Alderperson Robert LaFave to approve the minutes. Motion carried.

ITEMS FOR DISCUSSION AND POSSIBLE ACTION

6. Discussion and possible action authorizing the RDA chair to sign an “Assignment and Assumption of Interest in Ground Lease” and a “Memorandum of Assignment and Assumption of Interest in Ground Lease” on behalf of the RDA, as landlord of the affected property at 802 Blue Harbor Dr., copies of which are attached to the agenda.

Motion by Deidre Martinez, second by James Conway to consent to sign the “Assignment and Assumption of Interest in Ground Lease” and “Memorandum of Assignment and Assumption of Interest in Ground Lease”. Motion carried.

7. Discussion and possible action on a Consent to Mortgage pertaining to Parcel No. 59281109514.

Motion by James Conway, second by Deidre Martinez to consent to sign the Consent to Mortgage. Motion carried.

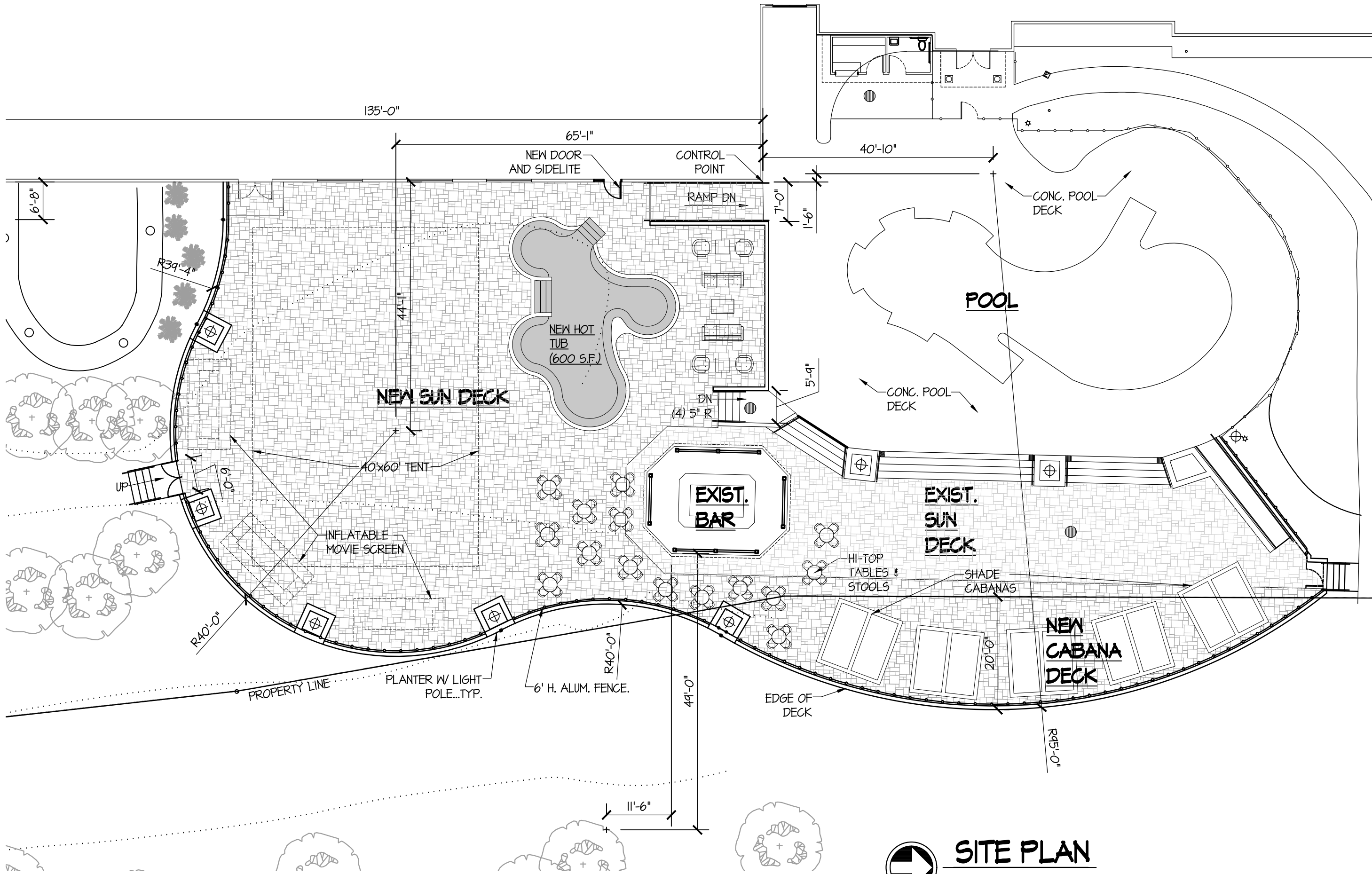
NEXT MEETING

8. To Be Determined

ADJOURN

9. Motion to Adjourn

Motion by Darrell Hofland, second by James Conway to adjourn. Motion carried.
Being no further business, the meeting was adjourned at 7:56 a.m.



SITE PLAN
SCALE 1/16" = 1'-0"

Item 6.	
NO. REVISIONS	
LJM Architects	
813 Riverfront Drive Sheboygan, WI 53081 Phone (920) 458-4600 Fax (920) 458-1485	
BLUE HARBOR RESORT POOL DECK EXPANSION SOUTH PIER SHEBOYGAN, WI	
SHEET TITLE	
DRAWN BY JA	
CHECKED BY EJ	
DATE 08-18-14	
PROJECT NO. 1437	
SHEET NO. A1	
5	



Item 6.



March 5, 2025

Commercial Loan Application

Borrower: Krazian Fuzian (Asian fusion restaurant and bar)

Project: Renovate property at 906 S. 15th St. and purchase equipment from former bar to full-service bar and restaurant

Total Project: \$350,000 acquisition of property
 \$187,000 building renovation
 \$100,000 for equipment and soft costs

Request: City of Sheboygan revolving loan fund:

- \$100,000 for equipment and working capital/soft costs
- 10-year term
- 4.25% interest rate
- 10-year amortization

Expected Payments: \$1,036.38 per month

Collateral:

- 3rd position lien on real property
- 3rd position lien on new equipment
- Owner's personal guarantee

Project Information:

Krazian Fuzian is an Asian Fusion restaurant with a dining room that seats 168, and has additional seating around the bar area for 100, that brings together Asian and American food. The target market is households earning \$75,000+ in the area, accounting for 29% of the population, as well as visitors to Sheboygan who enjoy fine Asian/American food. There is not an Asian fusion restaurant in the market area so the owner believes they will have a niche in the market and not a significant amount of competition.

The owner is currently employed full time at Kwik Trip and plans to stay employed until the restaurant is operational, then leave that employment to oversee operations at Krazian Fuzian.

Private Funds Leveraged: *(The applicant must leverage a minimum of one dollar (\$1.00) of private funds for every one dollar (\$1) of loan funds requested.)*

Krazian Fuzian has borrowed \$557,000 to date (\$407,000 for acquisition and some renovation, and \$150,000 for further renovation and equipment). The owner has invested \$55,000 of her own cash.

Cost overruns have necessitated the need for an additional \$100,000 to complete renovations and purchase FFE for the restaurant/bar.

Casey Bradley
City Administrator

CITY HALL
 828 CENTER AVE.
 SHEBOYGAN, WI 53081

920-459-3317
www.sheboyganwi.gov



Cost per Job Created: (At least one (1) full-time permanent position or full-time equivalent must be created for every \$25,000 of program funds requested.)

Krazian Fuzian is projecting to create 11 full-time jobs and 9 part-time jobs over the first two years.

	MANAGEMENT/SUPERVISORY TOTAL	PROFESSIONAL/TECHNICAL TOTAL	SKILLED LABOR TOTAL	UNSKILLED LABOR TOTAL
End of First Year	1		8	11
End of Second Year	1		8	11
Average Wage	22.25		11.75	9.5

Low and Moderate Income (LMI) Benefits: (The project shall provide increased permanent employment or will retain existing jobs, which would have been lost locally. Of the jobs created or retained by the project, at least 51 percent of these jobs must be made available to low to moderate income persons (as defined by household incomes published by the U.S. Department of Housing and Urban Development.)

All of the jobs created will be available to low-to-moderate income individuals.

Financial Feasibility and Business Viability:

Verified: Kue Yang, LLC is the business name under which Krazian Fuzian operates. It is verified and has been in existence since 04/18/2023.

A UCC Filing search reveals no tax liens.

A review of the company’s financial records and projections including this project has been conducted and has been found to be acceptable.

Strengths:

- The business has a comprehensive business plan
- They were advised by the SBDC through SCEDC’s offices.
- Financial projections are within industry standards for full service restaurants/bars.
- They have purchased and are renovating an existing property that was vacant and underutilized
- The owner is driven and committed to business success
- The owner has recruited most of the staff needed and is confident staffing will not be an issue for this restaurant

Noteworthy:

- Collateral for this loan does not cover the value of the loan.
- The City of Sheboygan has available funding and continues to receive program income, as repayments from other loans, which it also needs to keep revolving into local projects.
- Current pipeline demand for loan funds does not exceed supply.

Casey Bradley
City Administrator

CITY HALL
828 CENTER AVE.
SHEBOYGAN, WI 53081

920-459-3317
www.sheboyganwi.gov



March 5, 2025

Commercial Loan Application

Borrower: AspenOak

Project: The business owner is expanding AspenOak into Sheboygan's downtown and lakefront. She plans to open a bakery and home store downtown (at 633 N. 8th Street) and open a café within the Sheboygan County YMCA (812 Broughton Drive).

Total Project: \$ 85,568 equipment
 \$14,432 working capital
 \$100,000

Request: City of Sheboygan revolving loan fund:

- \$100,000 for equipment and working capital/soft costs
- 10-year term
- 4.25% interest rate
- 10-year amortization

Expected Payments: \$1,036.38 per month

Collateral:

- 1st position lien on new equipment
- Potential mortgage against owner's residence
- Owner's personal guarantee

Project Information:

AspenOak was founded in May of 2023 with a home store in Elkhart Lake, WI. AspenOak is a home store providing bakery from local Sheboygan County restaurants, (Black Pig and Stefano's) and home furnishings and gifts. Aspen Oak has had two successful seasons in Elkhart Lake which have now given me the drive to bring the business to Sheboygan sites. In the off season we have been providing a morning pop up in downtown Sheboygan at 633 N.8th Street. AspenOak has also offered a pop-up café within the Sheboygan County YMCA, 812 Broughton Drive, for the past three months, providing breakfast and lunch items.

The short-term goal for AspenOak is to open a daily, quality bakery home store at 633 N. 8th Street and a daily, quality café at the Sheboygan County Y. Business goal and objective is to provide excellent customer service and healthy and quality products to all the consumers that visit AspenOak.

Private Funds Leveraged: *(The applicant must leverage a minimum of one dollar (\$1.00) of private funds for every one dollar (\$1) of loan funds requested.)*

AspenOak has borrowed \$31,435 to date.

The owner has invested \$50,000 of her own cash, and \$25,000 from an investor.

Total dollars leveraged: \$106,435.

Casey Bradley
City Administrator

CITY HALL
 828 CENTER AVE.
 SHEBOYGAN, WI 53081

920-459-3317
 www.sheboyganwi.gov



Cost per Job Created: (At least one (1) full-time permanent position or full-time equivalent must be created for every \$25,000 of program funds requested.)

AspenOak is projecting to create 2 full-time jobs and 3 part-time jobs over the first two years.

	MANAGEMENT/SUPERVISORY TOTAL	PROFESSIONAL/TECHNICAL TOTAL	SKILLED LABOR TOTAL	UNSKILLED LABOR TOTAL
End of First Year	0	0	1	2
End of Second Year	1	0	0	1
Average Wage	48000	0	36360	13520

Low and Moderate Income (LMI) Benefits: (The project shall provide increased permanent employment or will retain existing jobs, which would have been lost locally. Of the jobs created or retained by the project, at least 51 percent of these jobs must be made available to low to moderate income persons (as defined by household incomes published by the U.S. Department of Housing and Urban Development.)

All the jobs created will be available to low-to-moderate income individuals.

Financial Feasibility and Business Viability:

Verified: Borrower reports she is a sole proprietor. No listing is recorded with WI DFI. A UCC Filing search reveals no tax liens. A review of the company’s financial records and projections including this project has been conducted and has been found to be acceptable.

Strengths:

- The business has a business plan
- Financial projections are within industry standards for a retail establishment.
- They are occupying a downtown storefront and will have a second location as a pop-up at the YMCA, in addition to an existing business in Elkhart Lake.
- The owner is driven and committed to business success
- The owner has recruited most of the staff needed and is confident staffing will not be an issue for this restaurant
- The owner is not giving up her primary full-time employment.

Noteworthy:

- The City of Sheboygan has available funding and continues to receive program income, as repayments from other loans, which it also needs to keep revolving into local projects.
- Current pipeline demand for loan funds does not exceed supply.

Casey Bradley
City Administrator

CITY HALL
828 CENTER AVE.
SHEBOYGAN, WI 53081

920-459-3317
www.sheboyganwi.gov



March 5, 2025

Brennan Seehafer
via email: brennanseehafer@yahoo.com

Re: Exclusive Right to Negotiate -South Pier Drive
Parcel # 59281322003

Dear Mr. Seehafer:

Thank you for your interest in developing a site on our South Pier District.

The Redevelopment Authority (RDA) hereby grants Brennan Seehafer and his affiliates an Exclusive Right to Negotiate the ground lease of the property. This Exclusive Right to Negotiate will be in effect from the date of this letter until September 15, 2025.

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 architecture and/or contractor prepare the plans and realistic cost estimates, the RDA also hereby grants Brennan Seehafer, a Right to 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 the 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 certification with satisfactory limits, with the City named as an additional insured;

DEPARTMENT OF
PLANNING AND
DEVELOPMENT

828 Center Avenue
Suite 208
Sheboygan, WI 53081

920-459-3383 (Phone)

- 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 September 15, 2025.

Please acknowledge the terms and conditions of the 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 Casey Bradley, City Administrator at (920) 459-3287.

Sincerely,

REDEVELOPMENT AUTHORITY

Roberta Filicky-Peneski
Chairperson

Casey Bradley
City Administrator

Acknowledgement and Agreement:

Brennan Seehafer acknowledges receipt of this letter and accepts the above terms and conditions of the Exclusive Right to Negotiate and Right of Entry.

By: _____
Brennan Seehafer, Owner