



REDEVELOPMENT AUTHORITY AGENDA

February 12, 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. Motion to approve the minutes from February 5, 2025.

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

NEXT MEETING

8. To Be Determined

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, February 05, 2025

MEMBERS PRESENT: Deidre Martinez, Darrell Hofland, Cleo Messner, Alderperson Robert LaFave and Roberta Filicky-Peneski

MEMBERS EXCUSED: Steven Harrison and Jim Conway

STAFF/OFFICIALS PRESENT: City Attorney Charles Adams, Finance Director Kaitlyn Krueger, Kristen Fish-Peterson (Redevelopment Resources) and Assistant to the City Administrator Marie Foss

OTHERS: Steve Knaus, Marty Cowie and Lenny Schaub (Old World Creamery)

OPENING OF MEETING

1. Roll Call: Roberta Filicky-Peneski, Cleo Messner, Deidre Martinez, Alderperson Robert LaFave, Darrell Hofland

2. Call to Order

Chair 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.

MINUTES

5. Motion to approve the minutes from the December 4, 2024.

Motion made by Deidre Martinez, second by Alderperson Robert LaFave to approve the minutes. Motion carried.

ITEMS FOR DISCUSSION AND POSSIBLE ACTION

6. RDA 2024 & 2025 Budget Review

Finance Director Kaitlyn Krueger provided an overview of the 2024 and 2025 Budget Review packet.

7. Quarterly RDA Loan Update

Finance Director Kaitlyn Krueger provided an overview of the Quarterly RDA Loan update packet.

8. Discussion and possible action on a potential business development loan for Old World Creamery located at 1606 Erie Avenue.

Presentation by Old World Creamery on expansion projects.

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.

Motion made by Darrell Hofland, second by Deidre Martinez to convene in closed session.

Roll Call Vote:

Yea: Filicky-Peneski, Hofland, Martinez, Messner and Lafave

Nay: None

Open Session:

Motion to reconvene into open session.

Motion by Alderperson Robert Lafave, second by Deidre Martinez to reconvene into open session.

Roll Call Vote:

Yea: Filicky-Peneski, Hofland, Martinez, Messner and Lafave

Nay: None

Discussion and possible action on the business loan application.

Motion by Darrell Hofland, second by Alderperson Robert Lafave to approve the business loan application. Motion carried.

NEXT MEETING

- 9. To be determined.

ADJOURN

- 10. Motion to Adjourn

Motion by Darrell Hofland, second by Deidre Martinez to adjourn. Motion carried.

Being no further business, the meeting was adjourned at 8:28am.

ASSIGNMENT AND ASSUMPTION OF INTEREST IN GROUND LEASE

THIS ASSIGNMENT AND ASSUMPTION OF INTEREST IN GROUND LEASE (the "Agreement") made as of this 10th day of February 2025 by and between Sheboygan Acquisitions LLC, a Wisconsin limited liability company ("SA"), New Frontiers Capital, L.L.C., a Delaware limited liability company ("NFC"), 802 Building, LLC, a Delaware limited liability company (the "Assignee"), and the Redevelopment Authority of the City of Sheboygan, Wisconsin (the "Landlord").

RECITALS

A. On or about June 27, 2011, Landlord entered into a Ground Lease with Office Service Company, LLP, a Wisconsin limited liability partnership (the "Initial Tenant") under which Landlord granted the Initial Tenant a leasehold interest and other rights in and to the premises described by the legal description contained in **Exhibit A** attached to this Agreement (the "Premises") for a term commencing on June 27, 2011 and terminating at 12:00 midnight on the date which is eighty-five (85) lease years thereafter (the "Lease").

B. On June 29, 2012, the Initial Tenant assigned and transferred all of its right, title and interest as Tenant (as originally defined in the Lease) in and to the Lease to SA with the written consent of Landlord, thereby making SA the successor Tenant under the Lease.

C. On December 1, 2022, SA and NFC entered into a written Assignment and Assumption of Interest in Ground Lease whereby SA assigned to NFC an undivided one-half tenancy-in-common interest in and to SA's entire interest as successor Tenant under the Lease and to the Premises. As a result of the assignment described in this Paragraph C of the Recitals, as of the date of this Agreement, SA and NFC each respectively hold 50% of the Tenant's interest in the Lease and to the Premises as tenants-in-common, each therefore respectively hold an undivided one-half tenancy-in-common interest in the interest of the Tenant under the Lease and to the Premises, and are therefore collectively the successor Tenant under the Lease.

D. SA desires to assign to the Assignee its undivided one-half tenancy-in-common interest in and to the Tenant's interest under the Lease and to the Premises, NFC desires to assign to the Assignee its undivided one-half tenancy-in-common interest in and to the Tenant's interest under the Lease and to the Premises, and the Assignee desires to accept and assume both assignments, intending thereby to become the holder of 100% of the Tenant's interest in the Lease and to the Premises and the successor Tenant under the Lease moving forward. Accordingly, once this Agreement is given effect, Assignee will hold 100% of the Tenant's interest under the Lease and to the Premises and will be the successor Tenant under the Lease.

E. SA, NFC, and Assignee desire to obtain Landlord's consent to the assignments and assumption contained in this Agreement.

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and the agreement of the parties hereinafter set forth:

AGREEMENT

1. SA Assignment. SA hereby assigns and transfers to the Assignee SA's entire undivided one-half tenancy-in-common interest in and to the Tenant's interest under the Lease and to the Premises (including all buildings, improvements, appurtenances, fixtures and personal property

located on the Premises) effective upon the execution hereof by each of SA and Assignee, and the consent of the Landlord (the "Effective Date").

2. NFC Assignment. NFC hereby assigns and transfers to the Assignee NFC's entire undivided one-half tenancy-in-common interest in and to the Tenant's interest under the Lease and to the Premises (including all buildings, improvements, appurtenances, fixtures and personal property located on the Premises) effective upon the execution hereof by each of NFC and Assignee, and the consent of the Landlord (the "Effective Date").

3. Assignee's Assumption. As of the Effective Date for each assignment under Section 1 and Section 2 of this Agreement, the Assignee hereby agrees to and does accept each of the assignments set forth in Section 1 and Section 2 of this Agreement, and in addition expressly assumes and agrees to keep, perform, and fulfill all the terms, covenants, conditions, and obligations required to be kept on the part of Tenant under the Lease, including the making of all payments due or payable on behalf of the Tenant under the Lease when due and payable. It is agreed that after the assignments set forth in this Agreement, Assignee will hold 100% of the Tenant's interest in the Lease and to the Premises, will therefore be the successor Tenant under the Lease from the Effective Date forward, and will be responsible for performing all the terms, covenants, conditions, and obligations required to be kept on the part of Tenant under the Lease.

4. Notices. The portion of Section 11.07 of the Lease referring to Tenant's notice address is hereby revised as follows:

802 Building, LLC
Attention: Marsha L. Forsythe
1111 Willis Avenue
Wheeling, IL 60090

There are currently no mortgagees with any interest in any of SA's, NFC's, or Assignee's interests in the Lease.

5. Consent of Landlord and Release. The Landlord hereby consents to the assignments and assumptions contained in this Agreement. No further assignment of the Lease or subletting of the Premises shall be made except in accordance with the provisions of the Lease.

6. Binding on Successors. This Agreement shall be binding on and inure to the benefit of the parties hereto, their successors-in-interest, and assigns.

[SIGNATURE PAGE TO FOLLOW]

EXECUTED as of the 10th day of February, 2025.

SA:

Sheboygan Acquisitions LLC,
a Wisconsin limited liability company

By: _____
Marsha L. Forsythe, Manager

NFC:

New Frontiers Capital, L.L.C.,
a Delaware limited liability company

By _____
Gerald R. Forsythe, Member

By _____
Marsha Lynn Forsythe, Trustee of
The Marsha Lynn Forsythe Living
Trust, Member

By _____
Melissa F. Bernadette, Member

By _____
MICHELLE R. FAWCETT, as Trustee
under the MICHELLE R. FAWCETT
REVOCABLE TRUST AGREEMENT DATED
AUGUST 27, 2007, and any amendments or
restatements thereto, Member

By _____
Monica J. Breslow, Member

ASSIGNEE:

802 Building, LLC,
a Delaware limited liability company

By: _____
Marsha L. Forsythe, Manager

LANDLORD:

REDEVELOPMENT AUTHORITY OF
THE CITY OF SHEBOYGAN, WISCONSIN,

By: _____

Its _____

Attest: _____

Its _____

EXHIBIT A
LEGAL DESCRIPTION

That part of Lot 8 South Pier Plat located in the S.E. 1/4 of Section 23 and the N.E. 1/4 of Section 26 all in T.15N., R.23E., City of Sheboygan, Sheboygan County, Wisconsin, described as follows:

Commencing at the Northeasterly corner of said Lot 8, also being the intersection of the Southwesterly right of way line for Lakeview Drive and the Northwesterly right of way line for Blue Harbor Drive, thence S. 42°36'12"W. along the Northwesterly line of Blue Harbor Drive 141.00 feet, thence N. 47°23'48"W. 187.14 feet, thence Northeasterly 35.24 feet along the arc of a curve to the right having a radius of 198.34 feet and a chord bearing N. 38°29'57"E. 35.24 feet, thence N. 41°13'22"E. 105.92 feet to the Southwesterly right of way for Lakeview Drive, thence S. 47°23'48"E. along said right of way 192.21 feet to the point of beginning.

Also known as:

That part of Lot 2 of a Certified Survey Map recorded in the office of the Register of Deeds for Sheboygan County, Wisconsin, in Volume 27 of Certified Survey Maps, at Page 206, as Document No. 2023967, being a Redivision of Lots 7 and 8 of South Pier, in the City of Sheboygan, Sheboygan County, Wisconsin, described as:

Commencing at the Northeasterly corner of said Lot 2, also being the intersection of the Southwesterly right of way line for Lakeview Drive and the Northwesterly right of way line for Blue Harbor Drive; thence S.42°36'12"W. along the Northwesterly line of Blue Harbor Drive 141.00 feet; thence N.47°23'48"W. 187.14 feet; thence Northeasterly 35.24 feet along the arc of a curve to the right having a radius of 198.34 feet and a chord bearing N.38°29'57"E. 35.24 feet; thence N.41°13'22"E. 105.92 feet to the Southwesterly right of way for Lakeview Drive; thence S.47°23'48"E. along said right of way 192.21 feet to the point of beginning.

Document Number

**MEMORANDUM OF ASSIGNMENT AND
ASSUMPTION OF INTEREST IN GROUND
LEASE**

Document Title

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Recording Area

Name and Return Address

William T. Stuart
Stuart, Tokarz, Soberalski & Pollard
LLC
309 N. Water Street, Suite 250
Milwaukee, WI 53202

59281322022

Parcel Identification Numbers (PIN)

DRAFTED BY:

William T. Stuart

**MEMORANDUM OF ASSIGNMENT AND ASSUMPTION
OF INTEREST IN GROUND LEASE**

This MEMORANDUM OF ASSIGNMENT AND ASSUMPTION OF INTEREST IN GROUND LEASE (the "Memorandum") is made as of this 10th day of February 2025 by and between Sheboygan Acquisitions LLC, a Wisconsin limited liability company ("SA"), New Frontiers Capital, L.L.C., a Delaware limited liability company ("NFC"), 802 Building, LLC, a Delaware limited liability company (the "Assignee"), and the Redevelopment Authority of the City of Sheboygan, Wisconsin (the "Landlord").

SA, NFC, Assignee and Landlord state and agree as follows:

1. Landlord and Office Service Company, LLP, a Wisconsin limited liability partnership (the "Initial Tenant") entered into a Ground Lease on or about June 27, 2011 for the Initial Tenant's rental from Landlord of certain real property located in the City of Sheboygan, Wisconsin, that is described by the legal description contained in **Exhibit A** attached to this Memorandum (the "Premises"), which is evidenced by a Memorandum of Lease dated June 27, 2011 and recorded with the Register of Deeds for Sheboygan County, Wisconsin on June 29, 2011 as Document No. 1926375 (the "Ground Lease").
2. Initial Tenant and SA executed and entered into a written Assignment and Assumption of Interest in Ground Lease dated June 29, 2012, whereby the Initial Tenant assigned and transferred its interests in and to the Ground Lease to SA, which is evidenced by a Memorandum of Assignment and Assumption of Interest in Ground Lease dated June 29, 2012 and recorded with the Register of Deeds for Sheboygan County, Wisconsin on July 2, 2012 as Document No. 1947610.
3. A Correction Instrument was recorded with the Register of Deeds for Sheboygan County, Wisconsin on August 17, 2012 as Document No. 1950715, which corrected the legal description for the Premises.
4. A Certified Survey Map was recorded with the Register of Deeds for Sheboygan County, Wisconsin, in Volume 27 of Certified Survey Maps, at Pages 206 to 210, as Document No. 2023967, which impacted the Premises.
5. On December 1, 2022, SA and NFC entered into a written Assignment and Assumption of Interest in Ground Lease whereby SA assigned to NFC an undivided one-half tenancy-in-common interest in and to SA's entire interest as successor Tenant under the Ground Lease and to the Premises, which is evidenced by a Memorandum of Assignment and Assumption of Interest in Ground Lease dated December 1, 2022 and recorded with the Register of Deeds for Sheboygan County, Wisconsin on January 3, 2023 as Document No. 2145949. As a result of the assignment described in this Paragraph 5 of the Recitals, SA and NFC each respectively held 50% of the Tenant's interest in the Ground Lease and to the Premises as tenants-in-common and collectively became the successor Tenant under the Lease.

6. SA, NFC, and Assignee have executed and entered into a written Assignment and Assumption of Interest in Ground Lease dated February 10th, 2025 (the "Assignment") whereby (i) SA has assigned to Assignee SA's entire undivided one-half tenancy-in-common interest in and to the Tenant's interest under the Ground Lease and to the Premises held by SA; (ii) NFC has assigned to Assignee NFC's entire undivided one-half tenancy-in-common interest in and to the Tenant's interest under the Ground Lease and to the Premises held by NFC; and (iii) Assignee has accepted and assumed each of the assignment from SA and assignment from NFC described in this Paragraph 6 of the Recitals. After the Effective Date under the Assignment, SA and NFC no longer hold any interest in the Ground Lease or Premises, Assignee holds 100% of the Tenant's interest in the Ground Lease and to the Premises, and Assignee is therefore the successor Tenant under the Ground Lease.
7. Pursuant to the terms of the Ground Lease, Landlord has consented to the Assignment.
8. The Assignment fully sets forth the names and addresses of the parties and contains all of the terms, covenants, conditions and agreements to be performed by the parties.
9. This Memorandum is made and filed for the purpose of giving record notice of Assignee's rights and interest with respect to the Ground Lease and Premises. The Assignment is incorporated into this Memorandum by this reference and hereby is made a part of this Memorandum as if the Assignment was fully set forth in this Memorandum. In the event of any conflict between this Memorandum and the Assignment, the terms and conditions of the Assignment shall control.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed this Memorandum of Assignment and Assumption of Interest in Ground Lease as of the day and year identified below.

SA:

SHEBOYGAN ACQUISITIONS LLC,
a Wisconsin limited liability company

NFC:

NEW FRONTIERS CAPITAL, L.L.C.,
a Delaware limited liability company

By: _____
Marsha L. Forsythe, Manager

By _____
Marsha L. Forsythe, Manager

State of _____)
)ss
County of _____)

State of _____)
)ss
County of _____)

Personally came before me on this ___ day of February 2025, the above-named **Marsha L. Forsythe**, to me known to be the person(s) who executed the foregoing instrument and acknowledged the same.

Personally came before me on this ___ day of February 2025, the above-named **Marsha L. Forsythe**, to me known to be the person(s) who executed the foregoing instrument and acknowledged the same.

Notary Public
My commission (is permanent)
(expires:_____)

Notary Public
My commission (is permanent)
(expires:_____)

ASSIGNEE:
802 BUILDING, LLC,
a Delaware limited liability company

LANDLORD:
REDEVELOPMENT AUTHORITY OF
THE CITY OF SHEBOYGAN, WISCONSIN,

By: _____
Marsha L. Forsythe, Manager

By: _____

Its _____

Attest: _____

Its _____

State of _____)
)ss
County of _____)

State of Wisconsin)
)ss
County of Sheboygan)

Personally came before me on this ____ day of February 2025, the above-named **Marsha L. Forsythe**, to me known to be the person(s) who executed the foregoing instrument and acknowledged the same.

Personally came before me on this __ day of _____ 2025, the above named _____, to me known to be the person(s) who executed the foregoing instrument and acknowledged the same.

Notary Public
My commission (is permanent)
(expires:_____)

Notary Public
My commission (is permanent)
(expires:_____)

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**EXHIBIT A
LEGAL DESCRIPTION**

That part of Lot 8 South Pier Plat located in the S.E. 1/4 of Section 23 and the N.E. 1/4 of Section 26 all in T.15N., R.23E., City of Sheboygan, Sheboygan County, Wisconsin, described as follows:

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**CONSENT TO
MORTGAGE**

Document No.

Document Title

THIS SPACE IS RESERVED FOR RECORDING DATA

NAME AND RETURN ADDRESS

Attorney Michele M. McKinnon
Law Firm of Conway, Olejniczak & Jerry, S.C.
P.O. Box 23200
Green Bay, WI 54305-3200

59281-109514
(Parcel Identification Number)

CONSENT TO MORTGAGE

The Redevelopment Authority of Sheboygan, Wisconsin (“RDA”) is the landlord pursuant to that certain Ground Lease executed on July 1, 1996 as evidenced by a Memorandum of Lease recorded with the Sheboygan County Register of Deeds on November 5, 1998 as Document No. 1523465 with respect to the real property identified on **Exhibit A**. RDA hereby consents to the Mortgage executed by Salon SASE, LLC (as assignee of Eileen Simenz and Ann Schroeder) in favor of UnitedOne Credit Union in the original principal amount of Two Hundred Thousand Dollars (\$200,000.00) (the “Mortgage”).

Dated this _____ day of _____, 2020.

REDEVELOPMENT AUTHORITY OF SHEBOYGAN, WISCONSIN

By: _____
_____, **Chair**

STATE OF WISCONSIN :
: SS.
COUNTY OF _____ :

Personally came before me this _____ day of _____, 2020, the above-named _____, known to me to be the persons who executed the foregoing instrument, and acknowledged that they executed the foregoing instrument.

* _____
Notary Public, State of Wisconsin
My Commission: _____

THIS INSTRUMENT WAS DRAFTED BY:

Attorney Michele M. McKinnon
Law Firm of Conway, Olejniczak & Jerry, S.C.
P.O. Box 23200
Green Bay, WI 54305-3200
332194

EXHIBIT A

Part of Lots Four (4), Five (5), and Six (6) in Block One Hundred Seventy-nine (179) of the Original Plat, in the City of Sheboygan, Sheboygan County, Wisconsin, described as follows:
Commencing at the Northeast corner of Riverfront Drive and Virginia Avenue; thence North 88°42'33" East 233.56 feet; thence North 33°04'24" East 70.30 feet; thence North 09°53'02" West 20.27 feet; thence North 77°37'50" East 19.53 feet; thence North 32°47'22" East 2.79 feet to the point of beginning; thence South 88°42'33" West 125.01 feet; thence North 38°20'12" East 54.06 feet; thence North 88°57'33" East 118.35 feet; thence South 32°47'22" West 49.65 feet to the point of beginning.

APN: 59281-109514