



City of Sheboygan
PLANNING AND DEVELOPMENT

Sheboygan City Hall
828 Center Ave, Suite 201
Sheboygan, WI 53081

To: Redevelopment Authority

Date: August 5th, 2025

Subject: Business Development Loan for CORTA Sheboygan, LLC /NS Retail Holdings, LLC

NS Retail received a \$367,000 loan at the September 15, 2001, meeting. When receiving the loan NS retail agreed to create 15 Low to Moderate Income (LMI) jobs. NS Retail worked with the cooperate entities of Ross and Hobby Lobby to create these LMI jobs. Ross and Hobby Lobby is located at 514 and 518 S. Taylor Street, Sheboygan, WI. While the Ross and Hobby Lobby have been created NS Retail has failed to prove that they created LMI jobs.

At the RDA meeting on June 4th, 2025, the board voted to send NS Retail a demand letter. This demand letter stated that NS Retail pay \$446,287.50. This letter is attached to this memo.

CORTA Sheboygan, LLC/NS Retail Holdings, LLC is seeking to forebear collection on a promissory note for six months made between the RDA and NS Retail Holdings, LLC, ("NS Retail") on December 27, 2021. The note contains a condition that the business development creates fifteen full-time positions for persons in low to moderate income households. Section 3 of the Housing and Urban Development Act of 1968 mandates that recipients of certain HUD financial assistance prioritize the creation of employment and business opportunities for

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low- and very low-income individuals, particularly those who receive government housing assistance, and for businesses that serve these individuals. They have accomplished this goal. However, they have not obtained the employment verification documents as a requirement for receiving funding from the City's Community Development Block Grant Program.

Since they received notice of default in fall of last year, they have diligently attempted to work with the tenants to obtain the Employee Income Certification forms required by The Department of Urban Development (HUD). The tenants have not been amenable to working with them.

NS Retail and CORTA respectfully request that the RDA forbear collection on the promissory note for six additional months, to give them the opportunity to come into compliance with the promissory note.

Staff commends NS Retail and CORTA on the efforts; however, they were made aware of the terms at the time of signing. Staff is recommending that you stand firm in the demand letter and not approving the forbearance on the promissory note for six months.