

CITY OF SHEBOYGAN

REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION

ITEM DESCRIPTION: Res. No. 130-21-22, A Resolution authorizing entering into a Development Agreement with CORTA Sheboygan, LLC and NS Retail Holdings, LLC.

REPORT PREPARED BY: Chad Pelishek, Director of Planning and Development

REPORT DATE: February 7, 2022

MEETING DATE:

February 14, 2022

FISCAL SUMMARY:

Budget Line Item:
Budget Summary: N/A
Budgeted Expenditure: N/A
Budgeted Revenue: N/A

STATUTORY REFERENCE:

Wisconsin Statutes:
Municipal Code: N/A

BACKGROUND / ANALYSIS:

CORTA Sheboygan, LLC and NS Retail Holdings, LLC is the developer for the former Shopko store redevelopment. The project involves redevelopment of the former Shopko store into Hobby Lobby and Ross Dress for Less. The total development incentive towards the project totaled \$700,000. The Redevelopment Authority provided a \$375,000 loan based on the creation of 15 new jobs.

This development agreement provides the remaining \$325,000 for the redevelopment. Under the agreement the developer shall provide evidence that \$4,600,000 of new increment has been generated for the project. After the evidence is received, the City should pay the developer \$325,000 no later than June 30, 2022. The payment will come from the City's unrestricted general fund balance.

STAFF COMMENTS:

ACTION REQUESTED:

Motion to recommend Common Council to approve Res. No. 130-21-22 a Resolution authorizing entering into a Development Agreement with CORTA Sheboygan, LLC and NS Retail Holdings, LLC.

ATTACHMENTS:

- I. Res. No. 130-21-22