

**City of Manitowoc
Industrial Development Corporation
City Hall, 900 Quay Street
First Floor West Conference Room
Tuesday, September 24, 2019 – 3:30 PM**

Meeting Summary

I. CALL TO ORDER

The Meeting of the Industrial Development Corporation (IDC) was called to order by President J. Hamann at 3:30 PM

II. ROLL CALL

Attendance was recorded.

III. APPROVAL OF MINUTES of the June 18, 2019 Regular Meeting

Motion by: M. Williams

Second by: J. Brunner

Moved that: Minutes Approved

Upon vote: The motion carried unanimous

IV. NEW BUSINESS

A. Discussion and Possible Action on a Request for an Option and Right of First Refusal from Dramm Corporation for Lot 8, Block 1, Manitowoc I-43 Industrial Park Subdivision No. 2. (parcel # 447-001-080).

P. Braun detailed the option process for the Corporation members, he explained the right of first refusal is \$500/acre/year. The lot is 15.62 acres and the annual payment to retain the right of first refusal is \$7,810 per year.

Hans Dramm provided the members with background information regarding their request to acquire an option. They are at capacity at the facility and are in the early stages of looking into a new location for the business.

Motion by: J. Zimmer

Second by: D. Tienor

Moved that: Recommend entering into the Right of First Refusal agreement.

Upon vote: The motion carried unanimous

- B. R2H, 6260 Vits Drive Request to satisfy current mortgage and execute a subsequent agreement and mortgage.

City Attorney Kathleen McDaniel provided the members with the background information regarding the refinancing request. In October of 2016 R2H received a loan from the City in the amount of \$750,000 which currently has a balance of \$568,015.14. The Rozum's wish to refinance their property in Marinette County which is one of the seven properties that were used as collateral for the loan in order to obtain a more advantageous interest rate. In order to refinance the City must satisfy the mortgage and record a new mortgage against the Marinette property.

Motion by: C. Herzog

Second by: T. Vallis

Moved that: i) Approve the request from Mr. and Mrs. Rozum (R2H) to satisfy the mortgage and record a new note at the time of closing, ii) approve hiring Attorney Andy Steimle to draft the necessary paperwork on behalf of the City, with a cost not to exceed \$3,000 to be reimbursed by R2H.

Upon vote: The motion carried unanimous

- C. Communication from Jagemann Stamping to Release their Right of First Refusal on Lot 1 CSM Volume 33, Page 199.

P. Braun explained that no formal action is required by the Corporation and that the item is for informational purposes only. Jagemann Stamping is requesting to relinquish their Right of First Refusal.

- D. Update on Status of Wetlands located at the Southwest Corner of Vits Drive and S. 59th Street.

P. Braun explained that the City received approval from the Army Corps of Engineers and Department of Natural Resources for permission to fill in two small wetlands located at the southwest corner of Vits Drive and S. 59th Street. The City is looking into obtaining some clean fill to address the two lowland areas.

- E. Financial Report for the Industrial Revolving Loan Fund

P. Braun explained that there has not been any activity regarding the revolving loans because the monies are frozen due to the CDBG – Close procedures. He explained that the City is working with the Department of Administration on closing out the loan funds.

D. Tienor suggested that if the City is going to take over the outstanding loans after it pays back the State, the City should look at some type of underwriting to address the possibility of defaults on those loans.

V. OLD BUSINESS

VI. NEXT MEETING

The next meeting will be set as needed.

VII. ADJOURNMENT

Motion by: D. Tienor

Second by: J. Zimmer

Moved that: To Adjourn

Upon vote: The motion carried unanimous

Respectfully Submitted,
Paul Braun, City Planner

Attendance

Members Present

Dennis Tienor
James Hamann
Ald. Mike Williams
John Zimmer
John Brunner
Ted Vallis
Chris Herzog

Staff Present

Paul Braun
Lisa Mueller

Others Present

Hans Dramm
Curt Dramm

Members Excused

Ald. Jim Brey
Tom Giesen
Bob Kaufman