



AGENDA OF THE COMMUNITY DEVELOPMENT BLOCK GRANT REVOLVING LOAN COMMITTEE

**THURSDAY, AUGUST 8, 2019, 7:30 AM
CITY HALL, ROOM 207**

A. Roll Call.

- I. Members: Matt Schuller - Chair, Vice Chair (Vacant), Ald. Brian Johnson, Chad Van Handel and James Blumreich

B. Approval of the Agenda.

- I. Approval of the agenda for the August 8, 2019, meeting of the Community Development Block Grant Revolving Loan Committee.

C. Approval of Minutes.

- I. Approval of the minutes from the June 7, 2019, meeting of the Community Development Block Grant Revolving Loan Committee.

D. Regular Business.

- I. Consideration with possible action regarding the loan application from Voyageurs Sourdough, LLC, requesting \$45,000 in Community Development Revolving Loan Funds (CD-RLF).

The Committee may convene in closed session pursuant to Sections 19.85(1)(e), Wis. Stats., for purposes of deliberating or negotiating the sale of public properties, investing of public funds or conducting other specified public business as necessary for competitive or bargaining reasons. The Committee may thereafter reconvene in open session pursuant to Section 19.85(2), Wis. Stats., to report the results of the closed session and consider the balance of the agenda.

2. Consideration and possible action on the request by Gather of Broadway and SEE Ventures, LLC., to restructure of their revolving loans.

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3. Consideration with possible action regarding the additional information on the Cineviz loan bankruptcy.

4. Election of Vice-Chair for the Revolving Loan Fund Committee due to a vacant position.

E. Informational.

- I. Revolving Loan Fund Status Report

F. Adjournment.

- 1) THIS MEETING IS RECORDED: THE VIDEO OF THIS MEETING AND MINUTES ARE AVAILABLE ONLINE AT www.greenbaywi.gov
- 2) ACCESSIBILITY: Any person wishing to attend who requires special accommodation because of a disability, should contact the City Safety Manager at 920-448-3125 at least 48 hours before the scheduled meeting time so that arrangements can be made.
- 3) QUORUM: Please take notice that a majority or quorum of the Common Council will attend this Community Development Block Grant Revolving Loan Committee meeting and will constitute a meeting of the Common Council for purposes of discussion and information gathering relative to this agenda.
- 4) REPRESENTATION: The party requesting the communication, or their representative, should be present at this meeting.



MINUTES OF THE COMMUNITY DEVELOPMENT BLOCK GRANT REVOLVING LOAN COMMITTEE

**FRIDAY, JUNE 7, 2019, 7:30 AM
CITY HALL, ROOM 207**

A. ROLL CALL.

I. Members: Matt Schuller - Chair, Mike Borlee - Vice Chair, Ald. Brian Johnson, Chad Van Handel and James Blumreich

Present: Matt Schueller, Chad VanHandel, Brian Johnson, Excused: James Blumreich, Absent: Mike Borlee

B. APPROVAL OF THE AGENDA.

I. Approval of the agenda for the June 7, 2019, meeting of the Community Development Block Grant Revolving Loan Committee.

Moved by Ald. Brian Johnson, seconded by Chad VanHandel to approve the agenda. Motion carried.

Yes- Brian Johnson, Matt Schueller, Chad VanHandel, No- None, Abstain- None

C. APPROVAL OF MINUTES.

I. Approval of the minutes from the December 12, 2018, meeting of the Community Development Block Grant Revolving Loan Committee.

Moved by Ald. Brian Johnson, seconded by Chad VanHandel to approve the minutes. Motion carried.

Yes- Brian Johnson, Matt Schueller, Chad VanHandel, No- None, Abstain- None

D. REGULAR BUSINESS.

I. Request by Robert Stahl of ZoZo World, LLC to amend the terms of their Community Development - Revolving Loan Fund loan.

Moved by Ald. Brian Johnson, seconded by Chad VanHandel to open the floor for discussion. Motion carried.

Yes- Brian Johnson, Matt Schueller, Chad VanHandel, No- None, Abstain- None

Moved by Ald. Brian Johnson, seconded by Chad VanHandel to close floor for discussion. Motion carried.

Yes- Brian Johnson, Matt Schueller, Chad VanHandel, No- None, Abstain- None

Moved by Ald. Brian Johnson, seconded by Chad VanHandel to approve the new proposed loan terms for ZoZo World, LLC dba ZoZo Kitchen, LLC and ZZQ, LLC. Motion carried.

Yes- Brian Johnson, Matt Schueller, Chad VanHandel, No- None, Abstain- None

2. The City received a Chapter 7 Bankruptcy notification for Cineviz, LLC. The notice is dated May 17, 2019, and is requesting to write off their defaulted loan balance of \$33,291.25.

Moved by Ald. Brian Johnson, seconded by Chad VanHandel to refer this request back to staff for additional information from the Legal Department regarding their Chapter 7 Bankruptcy. Motion carried.

Yes- Brian Johnson, Matt Schueller, Chad VanHandel, No- None, Abstain- None

E. INFORMATIONAL.

I. Revolving Loan Status report.

Wendy Townsend presented the Revolving Loan Status report. No action needed.

F. ADJOURNMENT.

Moved by Chad VanHandel, seconded by Ald. Brian Johnson to adjourn. Motion carried.

Yes- Brian Johnson, Matt Schueller, Chad VanHandel, No- None, Abstain- None



Report to the
Community Development Block Grant Revolving Loan Committee
of the City of Green Bay

MEETING DATE

August 8, 2019

PREPARED BY

Wendy Townsend, Economic
Coordinator

AGENDA ITEM # D.I.

Consideration with possible action regarding the loan application from Voyageurs Sourdough, LLC, requesting \$45,000 in Community Development Revolving Loan Funds (CD-RLF).

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BACKGROUND

Voyageurs Sourdough is a bakery that produces naturally leavened, handcrafted sourdough bread made with local grains in Green Bay, Wisconsin. Co-owners Ben Cadman and Kevin McGillivray began baking and selling their bread at local farmers' markets in June of 2018 and have grown their offering to include farm markets, online sales, home delivery, wholesaling to restaurants and retail sales. Currently Voyageurs Sourdough is using a shared kitchen with St. Jude Church. They are experiencing growth challenges that come with a shared space and are looking to move into the Railyard District and lease a space of their own. With the new space they will be adding a coffee shop as well. Ben Cadman and Kevin McGillivray are asking for \$45,000 in RLF Funds for their project to buy equipment for their new space located at 320 North Broadway, Suite 110, in Green Bay. They are working with American National Bank as the primary lender for this project who will be providing financing for leasehold improvements and equipment purchases. Voyageurs Sourdough is requesting 6-month interest only payments with a 6-year term to match primary lender.

RECOMMENDATION

Staff is recommending approval of the revolving loan fund request from Voyageurs Sourdough for \$45,000 to purchase equipment for their new location at 320 N. Broadway with 6-month of interest only payments with a 6-year term to match primary lender.

FISCAL IMPACT

Voyageurs Sourdough will be creating at least two (2) full-time equivalent positions made available to low to moderate income individuals.

ATTACHMENTS

1. Voyageurs Sourdough Business Plan
2. Voyageurs Sourdough LLC Balance Sheet 2019-06-25-03_21
3. Voyageurs Sourdough LLC Profit and Loss 2019-06-25-12_06
4. RLF Application 9 -2018.docx
5. PFS □%93 Kevin McGillivray 6-23-19
6. PFS - Cadmen 6-24-19

7. AmercianNationalBankTermSheet
8. 2018 Tax Cadmen
9. 2018 Tax McGillivray



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PREPARED BY

Wendy Townsend, Economic
Coordinator

AGENDA ITEM # D.2.

Consideration and possible action on the request by Gather of Broadway and SEE Ventures, LLC., to restructure of their revolving loans.

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BACKGROUND

History: On June 15, 2016, three (3) couples (Anthony and Priya Ehrbar, Matthew and Kathryn Sherman and Thomas and Jyll Everman) purchased the property at 139 North Broadway and renovated the space and created the business Gather on Broadway. The City of Green Bay lent them \$249,000 where \$117,000 went towards kitchen equipment and \$132,000 went towards the building purchase. We are in a third position for the building with SBA and Nicolet participating at \$630,000. Also, there was \$133,000 in personal funds invested into this project.

Request: Tommy Everman (Business Manager) and Jyll Everman (Executive Chef) have been running Gather on Broadway LLC, for the last year and are now requesting to restructure their loan with the following terms:

1. To remove Matthew and Kathryn Sherman and Anthony and Priya Ehrbar as equal partners and guarantors from both of the City's CD-RLF loans.
2. Once final agreements are made, making Tommy and Jyll Everman 100 percent share holders of Gather on Broadway LLC. They are requesting to have Gather on Broadway LLC and themselves listed as guarantors for the City's CD- RLF equipment loan of \$94,908.26, remaining balance as of August 2, 2019. The City would be in a primary position on this loan.
3. Once final agreements are made with Bascom Holdings LLC and SEE Ventures LLC is dissolved, the request is to have Bascom LLC and it's members assume the \$118,571.78 remaining loan balance for the property loan for 139 N. Broadway. This loan would be in a subordinate position to Nicolet Bank and would include unlimited personal guarantees from Sean and Jennifer Moran and Tommy and Jyll Everman 85/15 members of Bascom LLC. All other terms and conditions would remain the same.

RECOMMENDATION

Staff is recommending the restructuring with items as presented pending subject to:

1. Confirmation from our City attorney that the resulting structure is legally sound; and
2. Confirmation that all documents and required information are in order for this transfer of responsible parties; and
3. That all new guarantors are in place prior to releasing any current guarantors or agreements.

FISCAL IMPACT

ATTACHMENTS

1. Gather 2018US Tax Return
2. Everman2018US Tax Return
3. EvermanFinancial

4. Gather Profit and Loss
5. Gather Balance Sheet
6. See Ventures LLC_2017_ArchiveTaxReturn
7. SEE Balance Sheet
8. SEEP Profit and Loss
9. SEEVentures 2018 US Tax Return



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PREPARED BY

Wendy Townsend, Economic
Coordinator

AGENDA ITEM # D.3.

Consideration with possible action regarding the additional information on the Cineviz loan bankruptcy.

BACKGROUND

Cineviz, LLC, filed Chapter 7 Bankruptcy on May 17, 2019. We originally did not see our name listed as a creditor but have since done additional investigation and now have updated information attached to show we are listed as creditors on the filing.

RECOMMENDATION

Staff is recommending to Write-off the Cineviz LLC balance of \$33, 291.25 due to Chapter 7 bankruptcy.

FISCAL IMPACT

ATTACHMENTS

1. Cineviz Amended Filing
2. Cineviz Docket Sheet
3. Cineviz list of creditors
4. Bankruptcy Chapter 7 filing