



MINUTES OF THE COMMUNITY DEVELOPMENT BLOCK GRANT REVOLVING LOAN COMMITTEE

FRIDAY, MAY 5, 2023, 7:30 AM
City Hall, Room 604 - The Harry Maier Room.
Virtual attendance is also available via Zoom.

A. ZOOM MEETING INSTRUCTIONS.

I. This item contains Zoom information, instructions, and a link to the Virtual Comment Form.

B. ROLL CALL.

I. Members: Matt Schueller - Chair, Ace Champion - Vice Chair, Ald. Bill Morgan, Eli Hicks, Kathy Hinkfuss

Present: Matt Schueller, William Morgan, Kathy Hinkfuss, and Eli Hicks

Excused: Ace Champion

C. APPROVAL OF THE AGENDA.

I. Approval of the agenda for the May 5, 2023, meeting of the Community Development Block Grant Revolving Loan Committee.

Moved by Ald. William Morgan, seconded by Kathy Hinkfuss to approve the agenda. Motion Passed.
Yes- Matt Schueller, Kathy Hinkfuss, Eli Hicks, William Morgan, No- None, Abstain- None.

D. APPROVAL OF MINUTES.

I. Approval of the minutes from the July 25, 2022, meeting of the Community Development Block Grant Revolving Loan Committee.

Moved by Kathy Hinkfuss, seconded by Ald. William Morgan to approve the minutes. Motion Passed.
Yes- Matt Schueller, Kathy Hinkfuss, Eli Hicks, William Morgan, No- None, Abstain- None.

E. REGULAR BUSINESS.

I. Consideration with possible action on the request for a working capital loan for \$35,000 from Cali Dreamin LLC dba Bambu Green Bay.

The Authority 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 Authority will thereafter reconvene in open session pursuant to Section 19.85(2), Wis. Stats., to take action on items discussed in closed session, if appropriate, and to consider the remainder of the agenda.

Moved by Ald. William Morgan, seconded by Kathy Hinkfuss to open the floor. Motion Passed.
Yes- Matt Schueller, Kathy Hinkfuss, Eli Hicks, William Morgan, No- None, Abstain- None.

Speakers:
Danny Thao
Nadine Lee

Moved by Kathy Hinkfuss, seconded by Ald. William Morgan to close the floor. Motion Passed.
Yes- Matt Schueller, Kathy Hinkfuss, Eli Hicks, William Morgan, No- None, Abstain- None.

Moved by Kathy Hinkfuss, seconded by Ald. William Morgan to approve the working capital loan request for \$35,000 for equipment and inventory for Cali Dreamin LLC dba Bambu Green Bay at an interest rate of 5% for 3 years. With this loan, Bambu Green Bay is required to create one (1) full-time position that will be offered to an individual in a low-to-moderate household as defined by HUD. Motion Passed.

Yes- Matt Schueller, Kathy Hinkfuss, Eli Hicks, William Morgan, No- None, Abstain- None.

F. ADJOURNMENT.

Moved by Ald. William Morgan, seconded by Matt Schueller to adjourn. Motion Passed.
Yes- Matt Schueller, Kathy Hinkfuss, Eli Hicks, William Morgan, No- None, Abstain- None.

VERBATIM MINUTES

- [Wendy] Ready for first day. All right.

- Okay, so should we kick it off with roll call here, Wendy?

- [Wendy] Yes, please.

- All right. And actually Wendy, if you would do roll, that'd be great 'cause I don't have the agenda in front of me yet.

- [Wendy] That's no problem. Alder Bill Morgan, please

- Present on Zoom.

- [Wendy] Matt Schueller.

- I am present on Zoom as well.

- [Wendy] Eli Hicks.

- Also present on Zoom.
- [Wendy] Kathy Hinkfuss.
- On Zoom.
- [Wendy] And Ace Champion is not here. So not present. All right, we have a quorum so we are able to proceed, chair.
- Great, why don't we start off then with our first order, is to approve the agenda for the May 5th meeting on the Community Development Revolving Loan Fund committee. Do I have a motion?
- I make a motion to approve the agenda.
- Second.
- We have a motion and a second. Any comments before we go forward? If not, all those in favor say aye.
- Aye.
- Aye.
- Aye.
- Anybody oppose?
- Nope, okay. And then our next item is approval of the minutes from our last Revolving Loan Fund Committee which was July 25th of last year, it's hard to believe it's that long, Wendy
- I move to approve.
- Second.
- We have a motion and a second to approve. Any comments? Nope. Then all those in favor, say aye.
- Aye.
- Aye.
- Aye.
- Okay, and nobody's opposed. So let's go into our order of regular business then, which will be a request for a working capital loan of \$35,000 for Callie Dreaming LLC doing Businesses Bamboo Green Bay. And Wendy, why don't I hand it over to you with that as our lead in.
- [Wendy] Thank you chair. As we made a couple of quick introductions as we got started, but I met

with Danny Tao a few months ago and was recently introduced to Nadine and so they are proprietors and a new franchise owners of Bamboo desserts and drinks. They are going to be opening a location at 424 South Military Avenue. This will be kind of fun because it's going to be, it'll have a Vietnamese flair, so it's always fun to bring different cultural influences into our community to make it a rich offering of different kinds of businesses. So, this will be kind of fun to have some diversity in food and beverages. So this will be a nice addition to the Military Avenue. Danny and I have worked very, very hard on this piece. Danny has gone above and beyond with all of the recommendations and thoughts that we have talked about. He has gone to small business development center and has worked with David Stauffacher over there and put together some beautiful financial projections and has worked diligently with him on that. He has developed a business plan that in part came from Bamboo, from his franchise piece, but also he's added his own information in with that. He has rolled up his sleeves and taken a deep dive into the remodeling and has tried to be as involved in this project as possible. His landlord will be a family member and so he's gotta really prove himself. So I don't know, family can be even the hardest landlord because you don't wanna ever fail in a family situation. So, he has a generous family member that has working with him for the space, but he also has to be generous with his talents and time to make it all happen. They have come up with, because they're new to the entrepreneur portion of this, they ended up working with WWBIC, which is as we know that is lending source within, so Wisconsin Women's Business Initiative Corp. They have thoroughly reviewed his business plan. They've underwritten him and have approved him for \$100,000 business loan, be at a rate of 9.25 for 84 months. They have a period with interest only. So that's been another endeavor for him to work with another, this is gonna be their primary lending source but with this lending source, they also get a mentor which is really wonderful when you're new to the program. They also have educational training and all kinds of other great things for entrepreneurs. So while the interest rate's a little higher, they also get all kinds of benefits through this organization. There's a 90, I don't know, like eighth percentile rate of success by working with WWBIC. So they have a wonderful success rate with this particular lending source. So I feel that they're in good hands. They have reached out to all of the wonderful resources within our community that are available to them and I think they've put together a beautiful portfolio. You'll see in your packet their personal financial statements and information. So, we've identified still a gap where they may need \$35,000 in addition to what they're doing. 'Cause like most plans, these keep growing, he's done a major remodel on this building. It's a 50 year old building or it's built in the '50s, sorry. But it has, so he is bringing everything up to modern coats. So as we know, once you start to peel off the onion skin, there's a lot of extra expenses. So he's been pouring his own funds into that right now. Some of the WWBIC funds, our funds will go to equipment and to working capital stuff. So, it could be going to wages and other things to get this startup going. And so that's a little bit about that. I know Danny would like to also share a little bit about himself, I did include a bio, which I think is always helpful. These are character loans and so we always wanna know what the passion is behind and what the story is and why they would wanna do what they're doing. So with that, I guess that kind of gives you a little bit of the background and the structure of this. The \$35,000 working capital loan would be those loans go for a shorter duration because we only use a signature, a personal guarantee on that. We don't take a security on that. So, it's a five year, I mean, I'm sorry, 5% for three years is our structure for this particular loan. And so that's, I guess, with that I'll take questions from the floor, I think I've covered most pieces of that, but...

- Are there any questions from anyone or should we just open up the floor right away to hear from Danny?

- I make a motion, we open up the floor.

- Second.

- We have a motion and a second to open the floor. All those in favor, say aye.

- Aye.

- Aye.

- Anyone opposed? No opposes, let's open up the floor and Danny, we'd love to hear about your background some, and then what led you to this business and where you're planning to open and we'd love to hear a little bit more of the story.

- [Danny] Yes, definitely. First off, I just wanna thank you all and great meeting the committee. Thank you for your time and the effort put in today. I'm downtown born and raised in Green Bay, Wisconsin. I grew up on the west side, so where I'm opening up is very, a little bit my background, kind of where I grew up in that area and neighborhood. For myself, I've been working with UnitedHealthcare for 15 years or so, just working in corporate world. I just felt like I needed to do something to change. I wanted to take a risk into this business and just really somewhat chase that American dream per se. I've worked and saved hard, so I'm really committing all of my savings into this just to achieve what I can. Ultimately, my goal is if this franchise goes good, I wanna open up a few more locations, preferably maybe in the Fox Valley area. And from there on, just continue to grow the business overall and just succeed on that end. I know it's a huge risk of what I did, I resigned last year and I committed full-time into this business. I know what the risk involved, but it's something that I've always been wanting to do. I just wanted to chase something meaningful and do something for myself and just keep at it. Other than that, I mean, I would say the area where the shop is in the Military District, so it is growing out there. I know in talking to Leah, the Military District Manager.

- [Wendy] Yeah, she's the director of the Business Improvement District, yep?

- [Danny] Just the growth out there, I thought that it was just a perfect area for the shop. There's a lot of traffic with coming from Chanos, Delsman, Military and West Mason, I just thought it was just a prime location. I've looked at other locations as well, by Bay Park, across the street by TJ Max and I just thought that location and knowing it was owned by a family member also helped out as well. So I just, me, Nadine and I decided just to land on this area and start from there. That's a little bit about my background.

- And hey Danny, could you tell us a little bit about the specific business? I'm not familiar with it, so we'd love to hear a little bit about what the business will be serving, what the role the overhead franchise is, just a little bit about the menu and kind of what it's bringing to the community. We'd love to hear about that.

- [Danny] Yeah, definitely. Bamboo Dessert Drinks, it's a Vietnamese franchise, very unique, authentic, organic vegan items. So the franchise started, I would say about 15 years ago by four sisters in California. Eventually they got purchased out by a group and they're headquartered in Denver, Colorado. From there on, it is a fairly new and a young franchise. What I mean by that is they're about 85 to 90 franchises across the US, so that's pretty young for a franchise. There are

three locations in Wisconsin, one in West Alice and two in the Madison area. So it's making its way to Wisconsin. The two shops down there are succeeding, the one in West Alice, they want to open up another location in Milwaukee area. So we decided to bring this franchise to the Green Bay area. A lot of the items on the menu, it is a Vietnamese Che. What Che means is it's pretty much, it just stands for dessert in Vietnamese. Dessert, whether it's liquid form, solid form, and a drink form, so Che just means dessert. It's unique, authentic. So a lot of the items are cooked onsite, boiled, pre-made, bread, we use fresh fruits, some powders and syrups. There is no hot cooking onsite, so there's no hot kitchen or hot items, a lot of just cold items. We offer smoothies, you get fresh tea, you also have desserts like waffles, macaroon cookies and ice cream as well. As it expands, eventually I want to start serving maybe just cold sandwiches, things like that, like deli type sandwiches. The beautiful thing about this franchise is they are very flexible, so if we do want to add an item, remove an item, we just have to run it by the franchise and get their approval on it and their thought process behind that. When it comes to support from the franchise, they support with marketing. We do pay for the brand marketing, they help us advertise, they'll create a Google account for us, a Yelp account for us, they have their own art team, so if we ever need a design made like a wall, decal, posters, signage, their team does help with that and they create that for us just based on our vision that we do need. When it comes to other support, they also help with the business plan, they help with the menu, the items that we place in the menu, they help with the layout of the kitchen. So, they want everything easy flow. You have different stations, they just make sure everything is easy going. So, it's just easy for the workers overall. Other than that, support wise, I know the VP, I chat with him quite often. He's a text away, email away. He's available to answer my phone call whenever needed. So, they definitely do their best to support us in that aspect. That's about the franchise itself.

- Great, very helpful context, Danny. Are there other questions at this point?

- Mr. Morgan...

- I think Bill, Bill, you've got your hand up there virtually.

- Yes, are you sharing this area you're renting? Is that another business in there? If so, what is that business?

- [Danny] No, it's a condo. The place that I'm leasing from my sister, it's a condo unit, so she owns both condos, but it's not shared, it's a unit by itself. So, the area where I'm located will be just Bamboo, then right next door will be her nail salon.

- Okay.

- [Wendy] It's right near where, do you remember where Henry's music was?

- Yes, spent a lot of time there.

- [Wendy] Yes, that's the area. So, you can imagine the businesses are in kind of a strip mall related environment there. Which is funny, we've gotten away from that and now we're going back to the strip mall concept. So, everything old is new again.

- I had a neighbor that the Chan family used to have a restaurant in there also and I believe they did quite well when they were in business.

- [Danny] Beautiful.

- [Wendy] I wanted to also mention real quick and we can either keep the floor open or not, but this might be a discussion for Danny. So, I'm gonna add this to the conversation real quick. We didn't touch on the fact that he does need to create one full-time equivalent with this particular program and he's mentioned to me that that should be of no problem. He's gonna start out with two part-timers to fill that full-time position and that's pretty much almost right away. Obviously, with a service industry like this, it's hard to cover. One person can't cover all of the bases, so this looks like it would be a pretty easy achievement for him. But if you wanna ask him any questions about that, I just wanted to make sure that the committee knew about the commitment on Danny and Nadine's part with being able to meet the criteria of this loan program with creating a position.

- No, and my actual question, and this can be to Danny or Nadine and maybe both of you answering this, but in the business plan that you've created, could you talk to me just a little bit about how you've put that together what resources you've worked with in creating that business plan? Kind of would just love to understand a little bit better how you've kind of built that foundation of what the plan will be for the business.

- [Danny] Yep, I can go first on that. So with a business plan, first thing I did on my end is I created a business plan myself just based on the basic format that you find online. After that, I reached out to the franchise and I asked the franchise did they support anything on the business plan, they said they do. So I was like, oh beautiful, can I get an example of like what you can support with? So they sent me an example and I was like, oh, it looks a lot cleaner than my business plan. So, a lot of that, I sent the information over to my VP, I worked with my VP on business plan. So he kind of made it look nice, clean, more clean, beautiful in that sense. And then from there on I reached out to David, I can't pronounce his last name, .

- [Wendy] Oh, Stauffacher, yeah.

- [Danny] I reached out to David Stauffacher at UW-GB. He works with the SBA, he's been phenomenal. He's been a second set of eyes for me, just to tidy up and clean up my business plan, mostly when it comes to the financial portion of it and I can't thank David enough. I met with him, sat down with him, I had phone calls, emails back and forth with him just to clean everything up, just so it looks more professional and tells the story. So on that end, that's how I came to the business plan and how I came to the model.

- Okay, and how Danny in your business plan did you start to arrive at, right, some of your initial projections around numbers of customers per day, how do you kind of establish where that baseline is and what the business starts to build from, especially in those early months?

- [Danny] Yeah, that's a discussion I had with the VP. So, I sat with them, well not sat with them, oh, not sat with them, but over the phone, chat them over the phone, really based on the market, based on the demographics. I know that the numbers that he came up with was an estimate based off what Milwaukee, the West Alley shop and the Madison shop was doing. In the Green Bay area, I know there's not a huge Asian population, so, more so we kind of directed the financials of selling from smoothies, waffles and the other drinks besides the Vietnamese Che. So that's where the financial projections came off, was really a lot of the historic data based on the Milwaukee and the Midwest

region, should I say. The demographic is really different from the west coast versus the east coast. So, that's where we're sat down and kind of tidy those numbers up.

- Okay.

- Matt, you touched on pretty much what I was gonna ask about the kinda financials, where they got those numbers. Danny or Nadine, I'm just reading your background a little bit, do you either one of you guys have any experience with running, I know it's not a full blown restaurant or anything, but running anything like this or working or have any family members that have done anything like this?

- [Danny] For myself, I mean the only thing I ran was a call center in my previous work. I was in workforce management, so I managed four call centers when it came to scheduling like PTO, lunchtime, break time, just shuttling them around, just to protect the business, so it doesn't really tank or you don't have a high call volume in queue and so forth. When it comes to running a business by itself, this will be my first venture into it. As for family members, I do have family members that have ran business before. I have picked their brains on it on how they run, how they function, how they work. I have a lot of friends that also run businesses as well and I kind of picked up their brains as well on what they do. So, that's my experience. But Nadine definitely has more experience in that deal than...

- [Nadine] Yeah, thank you community members, I don't know if I have like tons of experience with entrepreneurship or running a business, but my previous background, I worked at Amazon, I was with them for nine years, all of them in HR, and then employee relations. Right now I'm an HR manager for Reynolds and right now I'm moving over to a project manager based work. So, I've overseen tons of warehouses, over 9,000 employees at one time. I have a background in law school, so, hopefully I'll be able to finish my law school out here. But other than that I don't have so much in business but with the human aspect of it, I'm pretty good.

- Okay.

- I think we've heard of that Amazon place, Nadine, it seems like they have a growing business.

- [Nadine] You would think, but you know, I actually unfortunately was part of the last, not the last one, but the last two layoffs so, which is okay because we knew that this was going to happen and I think that's what kind of fueled us together, is because we don't want to continue to work for corporate America. We want to make something for ourselves and inspire like the younger generation to do the same as I'm first generation here in America as an Asian American. And so, I tell my stories to my mom and my mom cries and she's all happy for us, but that's the type of stories that we wanna inspire for our newer generations is make something your own, that's what America's all about.

- That's awesome. Any, other questions from the rest of the committee? I see Kathy shaking no, I see Bill shaking no, and Eli...

- [Wendy] I think Kathy, were getting something on the west side, so.

- Oh, come on Kathy.

- Yeah, anytime we can get anything in Military, I'm happy.
- Awesome. No, that's great, and I think the business is a really good fit with where you're going in as well, you seem to be in kind of a cluster there of folks that I think serve in similar populations as well. So, I think your idea is right on. If there's no further questions, I'd see if anybody wants to make a motion in regard to what's in front of us here.
- [Wendy] Should we close the floor? We need to close the floor.
- Yeah, a motion to close the floor.
- Second.
- So we have a motion and a second, all those in favor, say aye.
- Aye.
- Aye.
- Anybody opposed? Nope, okay, floor is closed and we'll go back to regular business here. Would anybody like to put a motion for it?
- I'll make the motion that we move to approve the \$35,000 for the new business on Military.
- I will second that.
- So we have a motion and a second. And just to confirm, Kathy, I know that in the recommendation, it's at the interest rate of 5% for three years and I'm assuming that's the terms that you're thinking?
- Yes, yes.
- Okay.
- 5%, three years, \$35,000.
- And Bill, I'm assuming you're good with that as well, then as you seconded?
- Yes sir.
- Okay, are there any other questions or comments then to that before we formally vote?
- [Nadine] Maybe you wanna add just the full-time equivalent just to create one position, thank you.
- And with those terms, yes, there'd be the requirement to create the equivalent of one FTE in a low to moderate income household as defined by HUD. So, with it then we have a motion and a second. All those in favor, say aye.
- Aye.

- Aye.

- Anyone opposed? Nope, well congratulations Danny and Nadine, you will be getting the loan from the Revolving Loan Fund Committee and I don't think we had anything else that we needed to go through on the agenda today. Is that correct, Wendy?

- [Wendy] That's right.

- Great, then I would take a motion to adjourn.

- I make a motion we adjourn.

- We have a motion and I'll make a second. All those in favor, say aye.

- Aye.

- Aye.

- And meeting is adjourned.

- Hey everyone, just so everyone knows it's Sting Cancer Day as a Preble baseball coach for...