

MINUTES
COMMUNITY DEVELOPMENT REVOLVING LOAN FUND
LOAN COMMITTEE
Thursday, August 20, 2015
Room 207, City Hall, 4:30 p.m.

ROLL CALL:

Gary Delveaux	x	Ald. Tim De Wane	x
Matt Schueller	x	Mike Vogel	x
Mike Borlee	x		

Others Present: Wendy Townsend, Julia Upfal, Economic Development; Ms. Alberta Tete-Lartey, Crisp Gourmet; Ald. Randy Scannell

The meeting was called to order by G. Delveaux at 4:30 p.m. All members were present as indicated above.

1. Approval of minutes from May 1, 2015 meeting

Motion to approve the minutes of the May 1, 2015 meeting of the Revolving Loan Fund Committee made by M. Borlee, seconded by M. Vogel. Motion carried.

2. Review the status of outstanding loans.

Motion by M. Borlee, seconded by M. Schueller to receive and place the report on file. Motion carried.

3. Review and action regarding the request by Crisp Gourmet for a revolving loan application.

W. Townsend stated a new restaurant will be located at 401 N. Washington Street in downtown Green Bay, which includes a business plan, and all other documents required by program guidelines.

Ms. Alberta Tete-Lartey and Dr. Edward Anafi, co-owners of the Crisp Gourmet, are planning to start their new business in the newly built City Deck Landing building on Washington St. The project includes taking two first floor retail spaces and turning the space into an upscale urban dining experience for breakfast and lunch. Crisp Gourmet will offer natural, healthy fresh food choices including a salad bar with over 40 toppings which will be provided by local resources and will feature brunch on weekends. Ms. Tete-Lartey brings years of experience in management consulting and corporate strategy.

Crisp Gourmet has requested \$150,000 from the City's Revolving Loan Fund to purchase the equipment needed for the restaurant. Ms. Tete-Lartey and Dr. Anafi will be providing \$150,000 matching funds from their savings which will be used towards the construction and build-out costs. That loan is financed at 4% over 8 years. Detailed information is included in the attached packet.

Crisp Gourmet will create five (5) FTE positions, all of which will be made available to low/moderate income individuals.

M. Borlee asked what prompted you to get into the food business from banking and medical.

Ms. Tete-Lartey stated from personal experience she tried to lose weight and eat healthy and while working downtown at Associated Bank, she ran out of options. Crisp Gourmet will have healthy food options at a competitive price and a great location. There is a limited offering of healthy/organic/gluten free food in downtown Green Bay.

M. Borlee asked if Crisp Gourmet is a franchise.

Ms. Tete-Lartey stated that Crisp Gourmet is not a franchise and they wanted to use one name that means fresh and natural.

M. Schueller stated he wanted to clarify that Ms. Tete-Lartey and her husband are putting in equity of half of the project, \$150,000. The total project cost is \$300,000.

Ms. Tete-Lartey stated they are putting \$150,000 towards the project. They approached Associated Bank regarding a SBA loan, but that would take 4-6 months and they want to get started before it gets cold so that people could come and see the restaurant and they wanted to take advantage of the farmers market and all of the activities downtown.

M. Vogel stated that he works at a bank downtown and that a SBA loan should not take that long.

Ms. Tete-Lartey stated she was told it would take 4-6 months.

M. Vogel stated that he likes this project, but thinks the City would need a rejection from a bank first.

W. Townsend stated that usually a bank is involved if the applicant cannot come up with the 50% of financing.

M. Borlee asked about working capital.

Ms. Tete-Lartey stated working capital is part of the \$300,000. The actual start up cost is \$275,000 and \$25,000 is working capital.

M. Borlee asked about their monthly income.

Ms. Tete-Lartey stated that her husband is a doctor and she works at Associated Bank. They decided to put in 50% of the cost because of the time delay with a SBA loan.

M. Borlee asked about them being absentee owners and having a manager to operate the restaurant.

Ms. Tete-Lartey stated the first year they plan to have a manager but she works only two blocks away and will be heavily involved. In the second year she will manage the restaurant full time and her husband will not be active in the restaurant.

M. Schueller asked about the employee wages and salaries which is a big expense and would they forecast that.

Ms. Tete-Lartey stated by market analysis and the going rate.

Motion made by M. Borlee, seconded by M. Vogel to convene in closed session. Motion carried. M. Schueller read the closed session and roll call was taken with all members present.

Motion made by M. Borlee, seconded by Ald. De Wane to reconvene in open session. Roll call was taken with all members present. Motion carried.

After the Committee's review of the financial information submitted, a motion was made by M. Borlee, seconded by Ald. T. De Wane and unanimously carried to provide a loan to Crisp Gourmet. Under the following terms and conditions:

- The loan is for \$150,000 towards the purchase of equipment located at 401 N. Washington Street.
- The Loan will have a four percent fixed interest rate for the 8 year period.
- The City of Green Bay will have first position lien on all equipment being purchased at 401 N. Washington Street.
- Personal loan guarantee from all principals at Crisp Gourmet.
- Creation of five (5) FTE positions, all of which will be made available to low/moderate income individuals.

4. Adjourn

There being no further business, a motion to adjourn was made by M. Borlee, seconded by M. Vogel. Motion carried.