



MEMO

PLANNING AND COMMUNITY DEVELOPMENT

To: Redevelopment Authority of the City of Kaukauna
From: Lily Paul, Associate Planner
Date: July 29, 2022
Re: Revolving Loan Application Review – Mena’s Place LLC, 215 W Wisconsin Ave

Shaila Lopez, owner of Mena’s Place LLC, has submitted a RACK Revolving Loan application for a property she leases at 215 W Wisconsin Ave. The applicant is looking to perform a number of updates to the building to prepare it for a Mexican Style restaurant. Updates include: replacing the flooring, painting the interior, reworking the plumbing to create a wet bar, fixing the air conditioning unit, purchasing equipment and updating more plumbing and electrical work. The extent of the plumbing and electric work is set to be completed by Black Haak out of Greenville. The cosmetic updates such as flooring, walls, and bar will be done by Ms. Lopez and personal help.

The current flooring is carpet and is no longer appropriate for the use of the space. New flooring is necessary. The cosmetic updates will add an authentic style to the restaurant. Plumbing and electrical work will allow for a working wet bar. Also, Ms. Lopez has applied for a liquor license to be able to truly utilize the bar she is proposing to build.

The cost estimate for the electrical and plumbing work is \$14,500 which is detailed in the attachments. The floor update is estimated at \$3,749 while the wall update is estimated at \$2,946. Lastly, the bar updates and equipment is estimated at \$18,160. All estimates have item break downs listed in the attachments. The total estimate for the whole scope of work

is \$39,355. The applicant is seeking a loan from the Redevelopment Authority as she was not approved for a personal loan due to this being a new business. Personal funds equaling \$5,000 will be used to complete some of the work.

It is the duty of the Redevelopment Authority to discuss and agree on the loan proposal. Loan proposals will be based on need and ability to repay. Minimum standards include the following:

1. Loan Amount: Loan amounts are subject to the availability of funds. There is no set minimum or maximum loan amount, however, the Redevelopment Authority of the City of Kaukauna loan amount shall not constitute the only source of funds for the project.
2. Interest Rate: The interest rate shall be established by the RACK board. Please check the Interest Rates Addendum for the latest guidelines. *The interest rate has been set at 2%*
3. Term: The term of the loan shall be no longer than the term of private financing. In no case shall the term exceed fifteen (15 years).
4. Period of Payment: The repayment schedule shall be set up for monthly payments.
5. Amount of Payment: Interest and principal shall be collected for the term to maturity. Interest and/or principal may be deferred for up to one year, if justified in the loan proposal.
6. Collateral: Reasonable security will be required for one hundred percent (100% of the loan. Collateral shall consist of a first or second lien on all assets owned and used in the business and personal guarantees.

