Community Development Authority

Meeting Date:	July 16, 2026
Agenda Item:	Memo re Settlement and Release Agreement w/ Fine Food Arts LLC & KLD LLC & Daniel Rodriguez
Staff Contact (name, email, phone):	Mason Becker, mbecker@whitewater-wi.gov, 262.443.4458

BACKGROUND

(Enter the who, what when, where, why)

As CDA board members likely recall, the CDA's claim against the previous and current owners of the former Black Sheep property had been ongoing for some time. The CDA has expended approximately $28,000.00 pursuing the claim. At some point, Jay Stinson and his related entities sold remaining business assets to Daniel Rodriguez, who currently operates the businesses known as Lloyd's and Cheap Shots, both located on W Whitewater St. Stinson has since filed for bankruptcy.

Daniel Rodriguez is the current owner of the remaining assets of the business, consisting of a large amount of bar and tableware, furniture, equipment, etc. Currently, Rodriguez has "Lloyd's" (the former Black Sheep location) listed for sale.

Following CDA board direction, staff have worked with Stafford and Rosenbaum to come to a settlement agreement with Rodriguez. This settlement agreement was approved at the June CDA board meeting. Since that time, Stafford & Rosenbaum have obtained all necessary signatures to execute the agreement.

PREVIOUS ACTIONS – COMMITTEE RECOMMENDATIONS

(Dates, committees, action taken)

- At the January 2026 regular CDA board meeting, board consensus was to not incur further costs on this case, though an inventory of the collateral was requested.
- At the February 2026 meeting during closed session, the CDA recommended that legal counsel evaluate all possible options for the sale of assets/restaurant equipment.
- At the June 2026 regular CDA board meeting, the board voted to approve and accept the settlement and release agreement as presented.

FINANCIAL IMPACT

(If none, state N/A)

- Total settlement amount is $7,000.00, which will be paid in installments. Additionally, if the business or the assets are sold at any point before full repayment, the remaining amount would be due and payable at that time.

STAFF RECOMMENDATION

- None. This is provided as an informational update.

ATTACHMENT(S) INCLUDED

(If none, state N/A)

- Executed Mutual Settlement and Release Agreement
- Order for Dismissal from Walworth County Circuit Court