



## Community Development Authority

Meeting Date:	January 15, 2026
Agenda Item:	Memo regarding current status of Fine Food Arts LLC loan
Staff Contact (name, email, phone):	Mason Becker, <a href="mailto:mbecker@whitewater-wi.gov">mbecker@whitewater-wi.gov</a> , 262.443.4458

### BACKGROUND

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

As board members are aware, the case of Fine Food Arts LLC (Jay Stinson) defaulting on their previous 2021 CDA loan has been ongoing for some time. Below is an excerpt that was provided by the City of Whitewater Comptroller Jeremiah Thomas at the December 2025 board meeting:

“The original loan to Fine Food Arts (dba Black Sheep) occurred on 12/29/2021 with a principal loan balance of \$31,810.00. Payments were to be deferred, but interest accrued for 1 year and payments were to start on 12/15/2022. Starting in May 2024 the CDA Board began incurring attorney fees on the default of the loan continuing through December 2025. To date the CDA Board has spent a total of \$24,904.44 in attorneys fee for the collection on the \$31,810 loan. It amounts to spending 78.3% of the original principal balance of the loan with little chance of recovering any costs, principle, interest or attorney’s fees. An analysis of the cost/benefit of pursuing a default judgement should be completed. The likelihood of recouping any funds should be compared to the costs to recoup the funds. This analysis would help preserve the CDA’s assets and allow for optimal use of CDA funds.”

It should be noted that at some point, Stinson (Fine Food Arts) sold the remaining business assets to another individual (KLD LLC – Daniel Rodriguez), who asserts they do not owe on the past debt, even though the CDA had a legal lien on those assets. The CDA only has an unsigned copy of that sales agreement. It is indeterminate as to what assets remain at this time.

In December 2025, the CDA received notice that Stinson had filed for bankruptcy.

### PREVIOUS ACTIONS – COMMITTEE RECOMMENDATIONS

(Dates, committees, action taken)

- The CDA board received an update on this loan at the December 16, 2025 meeting. The board asked staff to confirm if there is a judgement, and to obtain an estimate on future legal expenses related to this matter. Per the November 2025 memo from Stafford Rosenbaum, the firm that the CDA is utilizing in this case, a default judgment was made against Fine Food Arts LLC previously.

### FINANCIAL IMPACT

(If none, state N/A)

- As the communication from Stafford Rosenbaum states, continuing to pursue this case could cost an estimated \$10,000-\$16,000 additionally, beyond the nearly \$25,000 (approx.) already expended, with no certainty any amount will be recovered.

### STAFF RECOMMENDATION

- Staff recommendation is to not proceed with incurring further legal costs. The additional cost of \$10,000-\$16,000 outweighs any realistically expected potential benefit, considering staff feels there is no substantial collateral to recoup against the legal fees incurred already.

### ATTACHMENT(S) INCLUDED

(If none, state N/A)

- Copy of summary email from Stafford Rosenbaum
  - Copy of November update memo from Stafford Rosenbaum
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