



CDA Agenda Item

Meeting Date: 10-19-2023

Agenda Item: Update and discussion regarding status of CDA Loan to Fine Food Arts LLC (The Black Sheep)

Staff Contact (name, email, phone): Bonnie Miller, CDA Administrative Assistant
bmiller@whiewater-wi.gov
262-473-0149

BACKGROUND

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

On 12/29/2021, Fine Food Arts LLC entered into a Loan Agreement with the CDA in the sum of \$30,000 plus loan administration fees and costs incurred by the CDA. A Promissory Note was executed by Jay Stinson on behalf of Fine Food Arts, LLC in the sum of \$31,810, together with interest at the rate of 5.0% per annum, with payments being due and owing in the sum of \$951.72 per month for 42 months, with the first such payment being due and payable on 06/29/2023. Pursuant to the terms and conditions of the Loan Agreement, in the event Borrower ceases the active conduct of its business operations at the Facility (defined as 210 W. Whitewater Street) and such cessation of business continues for an un-interrupted period in excess of forth-five (45) days or exists for period which total in excess of sixty (60) days within any twelve (12) month periods, the entire outstanding balance of the loan shall become immediately due and payable at the option of the CDA. Based on information obtained by the CDA, Fine Food Arts ceased the active conduct of its business operations at the Facility on or before 10/03/2022 and has not recommenced such business.

PREVIOUS ACTIONS – COMMITTEE RECOMMENDATIONS

(Dates, committees, action taken)

On 12/21/2022, the CDA sent a certified letter to fine Food Arts LLC to the attention of Jay Stinson which contained a Notice of Acceleration of Full Amount of Loan and Demand for Payment in Full. The letter was sent to Mr. Stinson at 221 W. Whitewater Street, Whitewater, WI 53190 and to 625 Waters Edge Drive, Whitewater, WI 53190. USPS subsequently forwarded that certified letter to 741 Myrtle Way, Apt. 200, Janesville, WI 53545-9120. Anne Stinson accepted delivery of that letter at the Janesville address on behalf of Jay Stinson on 12/20/2022.

FINANCIAL IMPACT

(If none, state N/A)

As of 09/30/2023, Mr. Stinson has not communicated with the City or the CDA, and no payments have been received by the City or the CDA from Mr. Stinson. The current balance of principal and interest is due in the sum of \$_____.

STAFF RECOMMENDATION

Staff is requesting direction regarding any action the Board deems would be in the best interest of the CDA in pursuing collection of this debt.

ATTACHMENT(S) INCLUDED

Copy of Certified Letter Dated 12/01/2022.