



# Dane County

## Minutes - Final Unless Amended by Committee

### Community Development Block Grant (CDBG) Commission - Loan Review Team Subcommittee

*Consider:*

*Who benefits? Who is burdened?*

*Who does not have a voice at the table?*

*How can policymakers mitigate unintended consequences?*

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Tuesday, July 30, 2019

4:45 PM

Madison College- Room C2440, 1701 Wright Street  
Madison, WI 53704

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Madison, WI 53704

#### A. Call To Order

*The meeting was called to order at 4:45 p.m.*

*Staff and others present: Melissa and Kingsley Gobourne (Little Cardinals Academy);  
Dave Phillips and Peter Ouchakof (staff).*

*Note: Cynda Solberg and Bill Clausius no longer serve on the CDBG Loan Review Team  
and have been replaced by Neil Stechschulte and a vacant seat. The attendance will be  
updated once the roster has been updated in the legislative system.*

**Present** 1 - GODWIN AMEGASHIE

**Excused** 2 - CYNDA SOLBERG, and BILL CLAUSIUS

#### B. Public Comment on Items not on the Agenda

*None.*

#### C. Presentations

*Melissa and Kingsley Gobourne presented to the Loan Review Team a proposal to secure  
a \$150,000 CDBG loan to purchase Little Cardinals Academy- a childcare facility in  
Cross Plains, WI. The loan proceeds would be used as a downpayment to purchase the  
building, with the primary source of funding for the building and business coming from  
the State Bank of Cross Plains. The current owners of the facility have indicated that  
they plan to close the facility within the next couple of months if the business is not  
bought out; as such, the proposal is for job retention as the positions with the childcare  
facility would be lost if not for the use of a CDBG loan to buy-out the business.*

## D. Action Items

*Motion by Stechschulte, seconded by Amegashie, to approve the \$150,000 CDBG loan with the following terms and contingencies:*

- 1st mortgage approval from the bank for at least \$590,000 (Dane County will be a 2nd mortgage on the property);*
- Appraisal conducted (securing Dane County's position)*
- Personal Gaurantees of owners*
- Life insurance of the Key Person in charge (primary owner);*
- Interest rate between Prime and Prime +2 determined at the time of closing and a 7 year term amortized with a balloon payment at the end.*

*Motion passed unanimously by a voice vote.*

**This item was approved.**

[2019](#)  
[ACT-115](#)

DISCUSSION AND ACTION ON RLF LOAN REQUEST FROM LITTLE  
CARDINALS ACADEMY.

**Attachments:** [RLFApplication-LittleCardinalsAcademy](#)

**This Action Item was approved.**

## E. Adjourn

*Motion by Stechschulte, seconded by Amegashie, to adjourn. Motion passed unanimously and the meeting adjourned at 5:25 p.m.*

**The meeting was adjourned.**