



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?

Tuesday, January 28, 2020

4:45 PM

Town of Blooming Grove- Town Hall
1880 S. Stoughton Rd.
Madison, WI 53716

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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);
Peter Ouchakof (staff).*

*Attendance, to be updated in Legistar: PRESENT- Godwin Amegashie, Neil
Stechschulte, Jeremiah DeGollon.*

ABSENT- None.

Present 1 - GODWIN AMEGASHIE

Excused 2 - Supervisor BILL CLAUSIUS, and CYNDA SOLBERG

B. Public Comment on Items not on the Agenda

None.

C. Consideration of Minutes

*Motion by Stechschulte, seconded by Amegashie, to approve the minutes of the July 30,
2019 CDBG Loan Review Team meeting. Motion carried unanimously by a voice vote.*

[2019
MIN-427](#)

MINUTES OF THE JULY 30, 2019 CDBG LOAN REVIEW TEAM
SUBCOMMITTEE MEETING.

Attachments: [CDBG-LoanReviewTeam-minutes-07.30.2019](#)

Approved.

D. Presentations

The loan applicants Melissa and Kingsley Gobourne, owners of One Love, One Heart, LLC. dba Little Cardinals Academy, summarized their application and loan request to the CDBG-Loan Review Team subcommittee. The applicants seek a \$250,000 CDBG loan to be used to acquire Little Cardinals Academy, an existing childcare center in Cross Plains, WI. The loan proceeds would be used towards a downpayment to purchase the property; acquire the business; and for working capital, with the primary source of funding for the purchase of the property coming from the State Bank of Cross Plains. The current owners of the daycare center plan to close the facility if it is not purchased by the Gobournes as part of this loan request, and are currently on a month-to-month lease with the property owner. 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.

E. Action Items

Motion by Stechschulte, seconded by DeGollon, to approve a \$200,000 CDBG loan to Little Cardinals Academy, with the following contingencies:

- Owners Melissa and Kingsley Gobourne must contribute \$25,000 in equity to the project;*
- First 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 Guarantees 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 carried unanimously by a voice vote.

[2019](#)
[ACT-316](#)

RLF LOAN REQUEST- LITTLE CARDINALS ACADEMY.

Attachments: [BF Letter for RLF](#)
[Letter for RLF final](#)
[RLF-app\(revised\)1-24-20](#)
[RLFapplication-LittleCardinalsAcademy](#)

This item was approved.

F. Adjourn

Motion by Stechschulte, seconded by DeGollon, to adjourn. Motion carried unanimously by a voice vote, and the meeting adjourned at 5:40 p.m.