



December 19, 2007

To: **Barbara Constans, CDBG Office**

From: **David Scholtens**

Subject: **Request for Exception to Conflict of Interest**

MDC recently reviewed a loan application from Out Nightclub LLC for a BLP Loan that would be used in conjunction with a loan from Great Wisconsin Credit Union. Dana Hoffmann of Great Wisconsin Credit Union is a member of MDC's Loan & Investment Committee. Accordingly, MDC is requesting an Exception to the Conflict of Interest Regulation.

Please find attached a Conflict of Interest Checklist, copy of the MDC Loan & Investment Committee Meeting Agenda for the 12/14/07 meeting and a copy of the Minutes for the 12/14/07 MDDC Loan & Investment Committee.

Please let me know if there is any other information that you might require to process this request.

Thanks.

Conflict Of Interest Checklist

Name of Applicant: **Out Nightclub LLC**

Name of Loan Committee Member with Conflict: **Dana Hoffmann**

Lending Institution: **Great Wisconsin Credit Union**

Description of Conflict situation: **Applicant has also applied for funding from Great Wisconsin Credit Union. Committee member Hoffmann is an employee of Great Wisconsin Credit Union**

Conflict Disclosure Method: **Notification was included on the Loan & Investment Committee Agenda for the 12/14/07 meeting that MDC would request an exception to the Conflict of Interest Regulation. Committee Member Hoffmann also excused herself from the loan committee meeting prior to any discussion or voting on the request.**

Check All Which Apply:

- X Loan Committee Member refrained from discussion
- X Loan Committee Member abstained from voting
- X Loan Committee Member has served less than 4 years.
- X Loan Committee Member has had no contact with applicant
- X Total Amount of loans made involving this lending institution is less than 25% for 2007



## **MEMORANDUM**

**DATE:** December 11, 2007  
**TO:** MDC Loan & Investment Committee  
**FROM:** Tom Solheim, Chair  
**SUBJECT:** MDC Loan & Investment Committee Meeting

### **MEETING NOTICE**

MDC Loan & Investment Committee Meeting  
**Friday December 14, 2007**  
550 West Washington Avenue  
MDC Boardroom  
**7:45 am**

### **AGENDA**

- I. Approve Minutes of the April 13, 2007 MDC Loan & Investment Committee Meeting
  - II. Motion to go into Closed Session pursuant to s. 1985 (1)(f) Wis. Stats., to discuss Credit requests and Loan Status
  - III. CLOSED SESSION
    - A. Credit Requests
      1. Badger Babies LLC
      2. Amir Jafarnejad/Early Childhood Learning
      3. Out Nightclub LLC
- MDC will request exception to 570.611 Conflict of Interest Regulation for Loan Committee member Dana Hoffmann pf Great Wisconsin Credit Union relating to loan request from Out Nightclub LLC.
4. Other Requests
- IV. Motion to go out of Closed Session into Open Session
  - V. Open Session

Adjournment



**MINUTES**  
**MDC Loan & Investment Committee**  
**December 14, 2007**

**PRESENT:** Tom Solheim, Vicki Bankston, Kevin Mahaney, Godwin Amegashie,  
Mike Flynn, Mark Taber, Dana Hoffmann

**EXCUSED:** Victor Arellano

**STAFF:** Dave Scholtens, Frank Staniszewski

The meeting was called to order at 7:45

I. APPROVAL OF MINUTES

Flynn/Taber moved approval of the minutes of the April 13, 2007 MDC Loan & Investment Committee meeting. **APPROVED** unanimously.

II. MOTION TO GO INTO CLOSED SESSION

Bankston/Flynn moved to go into closed session to discuss credit requests and loan status. Roll Call: all ayes

III. CLOSED SESSION

A. CREDIT REQUESTS

1. **Badger Babies LLC.**

Badger Babies LC is a start up day care business that anticipates locating a facility in the East Rail Corridor district on the near east side of Madison. The business will differentiate itself by focusing on infant care and embracing environmental sustainability. Applicant has requested a \$60,000 equipment loan as part of the start up funding of the center.

Hoffmann/Bankston moved to **APPROVE** contingent upon: Barbra Strong agreeing to a limited guaranty of \$30,000, recruitment of Executive Director, applicant securing a location within the market area and at a cost as assumed in projections, approval of appropriate licensing, and applicant securing other required financing.

Amegashie/Taber moved a substitute motion to **TABLE** the request. Motion to table failed 2 ayes and 3 nos.

Original motion to APPROVE passed 3 ayes and 2 nos.

2. **Amir Jafarnejad/Early Childhood Learning Center**

The applicant withdrew the application due to difficulty in securing additional outside