



PLANNING AND DEVELOPMENT

400 LA CROSSE STREET | LA CROSSE, WI 54601 | P: (608) 789-7512 | F: (608) 789-7318

September 24, 2020

Memo

To: Economic Development Commission

From: Planning and Development Staff

RE: Update on Plans for Resuming Loan Payments, Item #20-1371

Background: In response to the COVID-19 pandemic, on March 20, 2020, Mayor Kabat announced an immediate pause for all payments owed for City loan programs from businesses for 3 months (April, May and June). Staff sent out an announcement in June reminding loan recipients that payments were to resume as scheduled July 1, 2020. Mayor and staff then decided to continue the pause and address the issue with the EDC at the July 23 meeting. At the July 23rd meeting, the EDC voted to extend the pause for 3 additional months with payments to resume October 1, 2020. Staff was directed to invite each loan client to propose a modified repayment plan, if they were not able to commit to resuming payments as scheduled.

During the pause some businesses continued to make payments while others accepted the financial relief. Staff asked loan recipients for feedback on their ability to resume payments. Here are the current status and/or requests received:

Main St Renaissance (SBDL-\$51,239.49; UFRL-\$97,845.70): Accepted the pause in payments but plan to continue making monthly payments as of July 1, 2020. **Response:** Originally planned to resume payments in July. Sent 1 payment that caught them up through March, then accepted the pause through September. Updated amortization schedules have been sent to adjust maturity date extension out by 6 months with no change in total interest or principal payments due.

Ocean Fin (SBDL-\$43,393.66; UFRL-\$47,322.72): Accepted the pause in payments through June, regular payments resumed as of 7/1/20. Updated amortization schedules have been sent to adjust maturity date extension out by 3 months with no change in total interest or principal payments due.

Three Sixty Realty (Tausche Hardware UFRL-\$57,660.67): Maintained regular payments as originally scheduled.

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RRJ Holdings (UFRL - \$93,317.71): Accepted the pause in payments. Updated amortization schedules have been sent to adjust maturity date extension out by 6 months with no change in total interest or principal payments due.

Piggy's (Capital - \$236,596.85): Accepted the pause in payments. Updated amortization schedules have been sent to adjust maturity date extension out by 6 months with no change in total interest or principal payments due.

That Foreign Place (SBDL - \$35,253.29): Accepted the pause in payments. Updated amortization schedules have been sent to adjust maturity date extension out by 6 months with no change in total interest or principal payments due.

RWR Properties Camp 20 (TIF - \$220,000 monthly interest only payments): Accepted the pause in payments for August and September. Updated amortization schedules have been sent to adjust maturity date by 2 months as well as principal and interest payment commencement out by 2 months with no change in total interest or principal payments due.

Russell Holdings ServiceMaster (SBDL - \$42,364.23): Maintained regular payments as originally scheduled.

Jeaneri Dale's (UFRL - \$190,326.61, UFRL - \$190,348.17, UFRL - \$190,392.89): Accepted the pause in payments. Updated amortization schedules have been sent to adjust maturity date extension out by 6 months with no change in total interest or principal payments due.

Batavian (UFRL - \$171,593.06): Accepted the pause in payments. Request for modification in repayment schedule in separate agenda item.

RMD Buzz's Bike Shop (UFRL - \$189,863.30): Accepted the pause in payments. Updated amortization schedules have been sent to adjust maturity date extension out by 6 months with no change in total interest or principal payments due.