

**CITY OF PLYMOUTH**  
**Revolving Loan Committee Meeting**  
**9:00 AM, Tuesday, September 5, 2023**  
**Room 305, City Hall, 128 Smith St., Plymouth, WI**

**AGENDA**

1. Call to order and roll call
2. Approve August 21, 2023 Meeting Minutes
3. Discussion and Possible Action on RLF Application from Plymouth Industries Inc.
4. Adjournment

**It is likely a quorum of members of other governmental bodies of the municipality may be in attendance at the above stated meeting to gather information. No action will be taken by any governmental body at the above stated meeting other than the governmental body specifically referred to above in this notice.**

**Please note that, upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals through appropriate aids and services. For additional information or to request this service, please contact the City of Plymouth ADA Coordinator Leah Federwisch, located in the Plymouth Utilities office at 900 County Road PP, Plymouth, WI or call 920-893-3853.**

Members Present:

\_\_\_ Donald Pohlman  
\_\_\_ Donna Hahn  
\_\_\_ Diane Gilson  
\_\_\_ Terry Abler  
\_\_\_ Mel Blanke  
\_\_\_ Gary Kramer  
\_\_\_ Scott Flood

Staff:

\_\_\_ Tim Blakeslee  
\_\_\_ Anna Voigt

Other:

**CITY OF PLYMOUTH**  
**Revolving Loan Committee Meeting**  
**9:00 AM, Monday, August 21, 2023**  
**Room 210, City Hall, 128 Smith St., Plymouth, WI**

**MEETING MINUTES**

**1. Call to order and roll call:** Chairman Abler called the meeting to order at 9 AM. Members present were Terry Abler, Mayor Don Pohlman, Diane Gilson, Donna Hahn, Mel Blanke, and Scott Flood. Also present was Tim Blakeslee, Anna Voigt and Chris Russo.

**2. Approve November 11, 2019 Meeting Minutes:** Motion was made Pohlman/Flood to approve the minutes from November 11, 2019. A unanimous aye vote was cast. Motion carried.

**3. Discussion of New Revolving Loan Fund Program:** City Administrator / Utilities Manager explained the City has a Revolving Loan Fund Program that has gone defunct as a result of changes in state/federal guidelines. In 2019 the City was notified that it was not subject to the restrictions of the CBGD-CLOSE program. Wis. State Statutes provides authority to a City to make loans for certain purposes. The RLF program is not specifically identifies as one of those. As a result, The City requests the RDA host the program, with the program being funded and managed by the City. An RDA is specifically permitted in state law to host an RLF. The City of Plymouth Finance & Personnel committee directed staff to develop the program. The RDA and Common Council Committee of the Whole reviewed the draft program. Blanke was involved in the last RLF Program and pointed out a few differences from the last program. Members asked how the program was going to get promoted. It was suggested that City Administrator / Utilities Manager Blakeslee meet with local banks to let them know about the program.

**4. Adjournment:** Motion was made by Pohlman/Blanke to adjourn the meeting. A unanimous aye vote was cast. Motion carried.



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**DATE:** August 31, 2023  
**TO:** Revolving Loan Fund Committee  
**FROM:** Tim Blakeslee, City Administrator/Utilities Manager  
**RE:** Revolving Loan Fund (RLF) Loan Request from Plymouth Industries.

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**Background:** The City of Plymouth Revolving Loan Fund was recently reestablished by the City of Plymouth in coordination with the Plymouth Redevelopment Authority (RDA). Currently, the new RLF program has a fund balance of approximately \$2.3 Million with \$1.0 million currently available for loans. Outstanding loans are the following: ~\$20,000 from Hub Studio Café, \$500,000 from TID#4 paid back 2024, and \$750,000 from TID#5 paid back by 2028. The new Revolving Loan Fund Program is intended to meet the following objectives:

- To encourage the leveraging of new private investment into the City of Plymouth in the form of fixed asset investment, particularly in land, buildings, and fixed equipment.
- To perpetuate a positive and proactive business climate which encourages the retention and expansion of existing businesses and helps to attract desirable new businesses.
- To implement the City of Plymouth's comprehensive plan goals and objectives.
- To maintain and promote a diverse mix of employment opportunities and to minimize seasonal or cyclical employment fluctuations.
- To encourage the development and redevelopment of the historic downtown district.
- To promote new housing and commercial/industrial development and redevelopment for purposes of blight elimination and prevention as contemplated under Wis. Stat. § 66.1333.

**Request:** Plymouth Industries submitted a loan application in April of 2023 knowing that that the City was working on reestablishing the program (Attachment 1). Additional financial documents will be distributed at the meeting. Request Summary

1. Total Project Cost: \$2,668,355.71
2. RLF Request: \$500,000 (18% of project funding)
3. Private Bank Financing: \$1,000,000
4. Company/Investor Financing: \$1,168,355.74

**Sample Loan Terms (Subject to RLF Committee Discussion and Change):**

- 10-year loan with balloon payment in year 10
- 20-year amortization schedule
- Year 1-3 Interest rate at 2.85 (Rate half of Plymouth Industries construction loan).
- Year 4 Interest rate at 3.1
- Year 5 Interest rate at 3.6
- Years 6-10 Interest Rate increase 1 per year (Capped at 2 points over prime).
- Year 10 Balloon Payment
- Personal Guarantee - Required
- Collateral – Business Assets

**Recommendation:** Discussion and potential recommendation on Revolving Loan Fund (RLF) Loan request from Plymouth Industries to the Common Council.

**Attachments:**

1. Cover Letter and Loan Application
2. Financial Documents (Distributed at the Meeting)



Mayor Donald Pohlman  
Revolving Loan Committee  
c/o City Hall  
PO Box 107  
128 Smith Street  
Plymouth, Wisconsin 53073

April 10, 2023

Re: Development Fund Re-Established  
The Review March 17, 2023

Dear Mayor Pohlman and Revolving Loan Committee,

Please find our enclosed application for a loan from the Revolving Loan Fund. We have taken on yet another expansion project involving a significant investment in our plant in the city of Plymouth, which in turn is an investment in our local work force.

With the rising interest rates, high inflation and supply chain issues, we are concerned that these factors could have a significant impact. The lower interest rates on this loan gives us some relief to help us retain the employees we already added, as well as continue to fund our growth going forward.

We are committed to the Plymouth area and appreciate being the recipient from this fund in the past. Your trust in us has been instrumental in surviving some of our tough first years.

We feel this new loan is important to help us invest in equipment and expanded facilities that will keep us growing in a constantly changing market.

Thank you for your consideration on our behalf. Please keep our financial data as confidential as possible. Thank you.

Sincerely,

Plymouth Industries, Inc.

John R. Knowles  
CEO

John J. Knowles  
President

Michael Knowles  
Vice President

CITY OF PLYMOUTH REVOLVING LOAN FUND APPLICATION

Name of Industry/Business PLYMOUTH INDUSTRIES, INC  
Address 1919 COUNTY ROAD C PLYMOUTH WISCONSIN 53073  
Telephone No. 920-892-2223  
Contact Person. JOHN R KNOWLES Telephone No. 920-918-5000

Name and addresses of all company owners or corporate officers. Use additional sheet, if necessary.

JOHN R KNOWLES 1245 EAST STREET ELKHART LAKE WI 53020  
JOHN J KNOWLES W 6276 HILL + DALE ROAD PLYMOUTH, WI 53074  
MICHAEL J KNOWLES 1233 GREYSTONE DRIVE PLYMOUTH, WI 53073

Project Name: 2022 - 2023 ADDITION

Description of total project. Use additional sheets if necessary.

75' x 200' 15000 SQFT ADDITION ON WEST SIDE  
BUILDING COST 1,369,360.00  
MACHINERY COST 1,300,995.71

Cost:	A. Total Cost	<u>3,668,355.71</u>
	B. Amount of requested Revolving Fund	<u>500,000.00</u>
	C. Amount of private financing	<u>1,000,000.00</u>
	D. Amount of cost from company or investors	<u>1,168,355.71</u>

Source of private funding SUMMIT CREDIT UNION (COMMENCE STATE BANK)  
(Attach copy of letter of commitment)

Terms of private funding (SEE ATTACHED)

Project commencement date AUGUST 22, 2022

Project completion date JUNE 2023

Estimated number of new jobs to be created and basis for each estimate 45

Schedule for new job creations 25 JOBS ALREADY ADDED - 2022  
10 JOBS 2023  
10 JOBS 2024

Public Record Notice to the Applicant: This application should be considered a Public Record open for inspection by the Public except for the confidential financial data which may be submitted.

The following financial data must be submitted by the applicant for consideration by the City. When such information is submitted, please indicate whether such information is confidential and may negatively affect the applicant if open to the public. Where confidentiality is claimed, such data shall not be considered public information without the written consent of the applicant.

1. Tax records and financial statements for prior 3 years.
2. Financial projections or pro-forma operating statements for a minimum of 3 years.
3. Bank references.
4. Name and address of accountant and other business advisors, if any.
5. Most recent balance sheet & income statement as requested.

Failure to provide any requested financial data may result in rejection of application by the City.