

# COUNCIL ON DEVELOPMENT FINANCE

November 26, 2018

## PUBLIC HEARING 441

### **THOSE PRESENT:**

Mr. Fred Sears II, Chairman  
Hon. Nancy Cook  
Hon. Josh Martin  
Mr. Jack Riddle  
Mr. Kevin Kelly  
Mr. Richard Rowland

Mr. Damian DeStefano, Chairperson, DEDA  
Ms. Jordan Schulties  
Mr. Michael Chesney  
Mr. Lawrence Lewis, DAG  
Ms. Leilani Decena-Shepherd  
Ms. Regina Mitchell  
Ms. Amy Reville  
Ms. Sheryl Hill-Dyer  
Mr. Gary Haber

### **ALSO PRESENT:**

#### **Marlette Funding, LLC**

Mr. Bobby Ritterbeck, Chief Marketing Officer  
Mr. Jason Swift, Chief Operating Officer  
Mr. Stephen Ovadje, Financial Planning Analysis  
Mr. William Reynolds, Esq.

#### **JustFoodForDogs, LLC**

Mr. Carey Tischler, CEO

Mr. Kurt Foreman, Delaware Prosperity Partnership  
Ms. Becky Harrington, Delaware Prosperity Partnership  
Ms. Michele Schiavoni, Delaware Prosperity Partnership  
Ms. Sarah Kenney, Delaware Prosperity Partnership

Ms. Ruth Jones, State of Delaware, OCG  
Mr. Erin Innes, State of Delaware, OMB

### **LOCATION:**

Buena Vista Conference Center  
661 S. DuPont Highway, 1<sup>st</sup> Floor  
New Castle, Delaware 19720

### **TIME:**

9:00 a.m.

**CALL TO ORDER:** The meeting was called to order at 9:00 a.m. by Council Chairman Fred Sears II, on Monday, November 26, 2018.

**OLD BUSINESS:**

Chairman Sears welcomed everyone back from the holiday and asked the Council if there were any comments, suggestions and/or recommendations regarding the October 22, 2018 minutes from Council on Development Finance. Honorable Josh Martin motioned to approve the minutes and Mr. Riddle seconded the motion, which was then adopted by unanimous vote.

**NEW BUSINESS:**

Honorable Josh Martin request to disqualify himself from the discussion of Marlette Funding, LLC because of a potential conflict. His daughter, an attorney, has a contractual relationship with Marlette Funding, LLC and it would not be appropriate to participate. Chairman Sears accepted the request.

**Marlette Funding, LLC** – The Applicant is requesting a Delaware Strategic Fund Grant in the amount of \$2,725,000 for the expansion of its operations in Wilmington, Delaware.

Mr. Kurt Foreman, CEO for Delaware Prosperity Partnership (DPP) introduced Marlette Funding, LLC. Mr. Foreman presented a brief overview of the company as a thriving innovative Fintech organization using technology to foster financial services. Mr. Bobby Ritterbeck, Chief Marketing Officer, proceeded with the background and mission to find better ways for financial accessibility. The current plan is to add over 200 jobs in the next five years. Further discussion detailed typical customers, regulators, and the relationships between Cross River Bank and Marlette Funding, LLC.

**EXECUTIVE SESSION**

Chairman Sears made a motion that the Council go into Executive Session pursuant to 29 Del. C. §10004(b)(6) to discuss commercial and financial information excluded from the definition of public record in 29 Del. C. §10002(1)(2) and to conduct a strategy session for the purpose of obtaining legal advice (discussion of personnel matters) or opinion from an attorney-at-law, with respect to pending or potential litigation related to collection issues, which if conducted in an open meeting, would have an adverse effect on the bargaining or litigation position of the Authority, which do not constitute public records within the meaning of 29 Del. C., § 10004(b)(4). The motion was seconded by Mr. Riddle, which was then adopted by unanimous vote.

Mr. Rowland made a motion that the Council go out of executive session. The motion was seconded by Mr. Riddle, which was then adopted by unanimous vote.

Mr. Kelly made a motion to approve the application. Mr. Rowland noted for the record that he wished to abstain from voting since information was not available on one capital transaction and 2018 interim financials.

After further discussion, Mr. Kelly withdrew his initial motion. Second motion made to approve application contingent upon receipt and review of interim financials though September 2018 and an explanation of one capital transaction from Marlette Funding, LLC.

**2<sup>nd</sup> Motion Made By: Mr. Kelly**  
**Seconded By: Hon. Nancy Cook**

Chairman Sears asked if there were any members of the public that would like to comment on

this application. There were no public comments.

**Approved By: Vote of 5 to 1 abstained.**

**JustFoodForDogs, LLC** - The Applicant is requesting a Delaware Strategic Fund Grant in the amount of \$170,000 to open a facility in New Castle, Delaware.

Becky Harrington, Director of Business Development for DPP introduced JustFoodForDogs, LLC. The company is a California-based premium dog and cat food provider. The company is expanding to an east coast distribution production facility in New Castle, Delaware. Initially, the company will employ 25 people and increase to 50 in the next three years. Mr. Carey Tischler, CEO, explained the company's mission, organization and product lines. The New Castle facility is prepared to create 30,000 pounds of fresh whole-food daily.

### **EXECUTIVE SESSION**

Hon. Josh Martin made a motion that the Council go into Executive Session pursuant to 29 Del. C. §10004(b)(6) to discuss commercial and financial information excluded from the definition of public record in 29 Del. C. §10002(1)(2) and to conduct a strategy session for the purpose of obtaining legal advice (discussion of personnel matters) or opinion from an attorney-at-law, with respect to pending or potential litigation related to collection issues, which if conducted in an open meeting, would have an adverse effect on the bargaining or litigation position of the Authority, which do not constitute public records within the meaning of 29 Del. C., § 10004(b)(4). The motion was seconded by Mr. Riddle, which was then adopted by unanimous vote.

Mr. Riddle made a motion that the Council go out of executive session. The motion was seconded by Mr. Rowland, which was then adopted by unanimous vote.

**Motion Made By: Mr. Rowland**  
**Seconded By: Hon. Josh Martin**

**Approved By Vote of 6 to 0**

Chairman Sears asked if there were any members of the public that would like to comment on this application. There were no public comments.

Chairman Sears requested executive session to review the Division of Small Business Annual Report.

### **EXECUTIVE SESSION**

Mr. Rowland motion that the Council go into Executive Session pursuant to 29 Del. C. §10004(b)(6) to discuss commercial and financial information excluded from the definition of public record in 29 Del. C. §10002(1)(2) and to conduct a strategy session for the purpose of obtaining legal advice (discussion of personnel matters) or opinion from an attorney-at-law, with respect to pending or potential litigation related to collection issues, which if conducted in an open meeting, would have an adverse effect on the bargaining or litigation position of the Authority, which do not constitute public records within the meaning of 29 Del. C., § 10004(b)(4). The

motion was seconded by Hon. Josh Martin, which was then adopted by unanimous vote.

Mr. Rowland made a motion that the Council go out of executive session. The motion was seconded by Mr. Riddle, which was then adopted by unanimous vote.

Mr. Rowland made the motion to adjourn regular meeting seconded by Mr. Riddle.

**ADJOURNMENT:**

The meeting adjourned at 10:51 a.m.

**Adjournment by consent.**

Respectfully submitted,  
Sheryl Hill-Dyer  
SHD

cc: Members of the Council on Development Finance  
Damian DeStefano, Chairperson, Delaware Economic Development Authority, (DEDA)  
Jordan Schulties, Deputy Director, Delaware Division of Small Business  
Lawrence Lewis, DAG

The next CDF meeting is scheduled Monday, December 17, 2018, 9:00 a.m., Division of Small Business, 99 Kings Highway, Dover Delaware, Dover Large Conference Room, 1<sup>st</sup> Floor.