

**City of Scottsbluff, Nebraska**  
**Monday, August 14, 2023**  
**Regular Meeting**

**Item 1**

**Committee to review Papa Moon LB840 Application**

**Staff Contact:**

**City of Scottsbluff  
Economic Development Grant Application**

**1. Applicant Information:**

Business Name: Papa Moon Vineyards & Winery LLC

Address: 230975 CR J, Scottsbluff, NE 69361

Applicant Contact: Ryan Massey

Business Phone: (308) 631-8380

E-mail address: ryan@papamoonvineyards.com

**2. Business Information:**

Structure of Business (proprietorship, partnership, LLC, corporation, etc.): Domestic LLC

Ownership breakdown (include percentages for each Owner):

- Trevor Massey- 33.33%
- Ryan Massey- 33.33%
- Jim Massey- 33.34%

General Description of Business: Cultivation and manufacturing operation of high-quality craft beverages. Local grapes, honey and apples are the main growing source for raw materials. Wines are sold through a local distributor as well as direct to consumers with tap room experience that can also be utilized as an event venue.

Products/Services: Variety of high-quality craft beverages including hard ciders, wines and meads as well as several non-alcoholic ciders, canned coffees and teas. The expansion will also bring in a dining room with a full kitchen and allow for the first location to be solely for event space.

Number of years in Business (or if a new Business, describe Owners experience in this type of business): 11 Years

Proposed Location Address: 3109 Avenue B, Scottsbluff, NE 69361

Current Zoning Classification: Commercial

**3. Employment:**

Base (current) number of full-time positions: 5

Full-time positions to be created: Year 1- 11, Year 2- 4, Year 3- 4

Salary/Wage Range: \$10.50/hr (plus tips) to \$60,000/yr depending on position.

Benefits provided to employees (include any contribution required by Employees): 20 days PTO for managers, sales reps.

**4. Financial Need:**

Total project cost estimate: \$2,587,995

Breakdown of use of funds:

- Building- \$1,395,000
- Renovation- \$607,650
- Equipment- \$409,425
- Furniture/Fixtures- \$75,920
- Working Capital- \$100,000

Date funds are needed: 7/1/2023

Investment to be made by Applicant (Amount & Source): \$880,371 Cash/equipment investment

Loan(s) to be obtained (Amount & Bank Name): Platte Valley Bank- \$973,000

LB840 financial assistance amount requested for the Project: Grant- \$55,000 ; Loan- \$679,624

\*\*The committee reserves the right to make part of the funds Grant (forgivable loan) and part of the funds Loan, which in non-forgivable and has repayment terms.

Other Loans/Grants (CDBG, TIF, Re-Use, etc.): N/A

**5. Security Available:**

Guarantor(s): Trevor Massey; Ryan Massey; Jim Massey

Real Estate: 3109 Ave B

Existing Liens: PVB

Personal Property: Manufacturing Equipment

Existing Liens: N/A

Stock / LLC Interests:

Other:

**6. Eligibility:**

Principal Source of Income from (circle one):

- a. Manufacturing
- b. Research & development
- c. Processing, storage, transport or sale of goods or commodities in interstate commerce
- d. Sale of Services in interstate commerce
- e. Headquarters facilities relating to eligible activities
- f. Telecommunications activities
- g. Tourism-related activities
- h. Construction and rehabilitation of housing
- i. Retail trade where the principal source of income is from retail sales of products manufactured on the premises.
- j. Film production (Nebraska Film Office Activity Registration Form is also required).
- k. Retail

Statement of how the project is consistent with the goals of the Scottsbluff Economic Development Program: This development will increase the production and manufacture capacity of quality craft beverages that are sold locally and outside of the market area and state. This will lead towards greater interstate commerce through being able to supply a larger distribution network. Increased production means job creation, sales tax increases and horizontal supply chain benefits with local producers having the opportunity to supply more. An increased capacity for events in which we support over 20 small local crafters & businesses.

Describe any pending legal action(s), to include the amount at risk and a summary of how ownership is reacting to the action(s): None.

**7. Additional Information to be submitted:**

- a. Resumes of Owners, Management & Key Employees (include experience, training, credentials & work history).

- b. Brief history of your business and where you see your business going in the next 5 years, with emphasis on the impact to the City of Scottsbluff.
- c. Personal Financial Statement of Guarantors and anyone owning 25% or more of the business. Note: documentation verifying assets and liabilities shall be made available upon request.
- d. Income statement covering the past 2 years of business operations, if in business for that long. Copies of filed tax returns are acceptable and the most recent year's return must be included.
- e. Business Plan, to include:
  - Total project costs to include itemized use of funds
  - Lender Commitments
  - Investor Commitments
  - Financial projections for the next 3 years.
  - Employment projections for the next 3 years
  - Identification of jobs to be created by description, number, average wage, benefits, etc.
  - Information as to suppliers, and in particular, those in the Scottsbluff area
- f. References, to include name, position, address and phone number:
- g. Any other information that you feel will assist the City in evaluating your Application. Please include any marketing or sales brochures.
- h. With respect to the Business, or any persons owning 25% or more of the business and any officers, indicate if there is any past or pending litigation which either has resulted in or could result in a judgment against the Business or any such person. List the nature of the judgment or pending action, and whether any portion remains unpaid as of this date.
- i. With respect to any persons owning 25% or more of the business and any officers, indicate any who have been convicted of or plead guilty to any criminal charge or violation of law, excepting minor traffic offenses. List the nature of the charge, where the charge occurred and the year and month of the conviction or plea.
- j. Applicant agrees to sign waiver form provided by the City of Scottsbluff for Background and Credit Check.
- k. Small Business Assistance: loans cannot exceed \$10,000 or 50% of the project. 10% owner equity is required. (Forms of equity could include cash investment, remodeling expenses, equipment expenses, facade and signage, rent, and or utilities.

**8. ImagiNE Nebraska Act:**

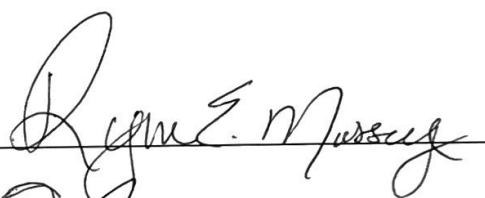
The Applicant certifies to the city as follows (select one):

The Applicant has not filed nor does it intend to file an application with the Nebraska Department of Economic Development to receive tax incentives under the ImagiNE Nebraska Act with respect to this project.

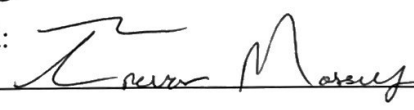
The Applicant has filed or intends to file an application with the Department of Economic Development to receive tax incentives under the ImagiNE Nebraska Act for this project. If so, indicate if such application includes or will include, as one of the tax incentives, a refund of the City's local option sales tax revenue: \_\_\_\_; and whether such application has been approved under the ImagiNE Nebraska Act: \_\_\_\_.

I certify that the information presented in connection with this Application for Economic Development Assistance is true and correct. Consent is given to the City of Scottsbluff to contact references, conduct one or more credit checks, criminal background checks, and to verify the information contained in this Application.

Dated: 5/30/23

Signed:  CEO  
Title: \_\_\_\_\_

Signed:   
Title: \_\_\_\_\_

Signed:   
Title: \_\_\_\_\_