



**PUBLIC NOTICE – LOAN & FINANCE COMMITTEE**

**DATE:** November 11, 2014  
**TIME:** 2:00 p.m. (closed session)  
2:35 p.m. (open session)  
**PLACE:** 809 N. Broadway, 2<sup>nd</sup> Floor, 2 West Conference  
(Committee members may be present via teleconference)

**AGENDA ITEMS**

1. **WYEAST PIZZA**  
Address: 5601 W. Vliet Street  
Milwaukee, WI 53208  
Loan Requests (MEDC): \$ 75,000  
\$ 145,000
2. **LLC TO BE FORMED/HAVE A GOOD HAIR DAY SALON & SPA**  
Address: 1910 N. Farwell Avenue  
Milwaukee, WI 53202  
Loan Request (MEDC): \$ 158,000
3. **BEAU CHALET LLC DBA BEERLINE CAFE**  
Address: 2076 N. Commerce Street  
Milwaukee, WI 53212  
Loan Request (MEDC): \$ 250,000
4. **8111 BRADLEY, LLC/MIDWEST STAIRS & IRON, INC.**  
Address: 679 S. 76<sup>th</sup> Street  
Milwaukee, WI 53214  
Loan Request (MEDC): \$ 391,500
5. **BDA SALES, LLC**  
Address: 8711 W. Brown Deer Road  
Milwaukee, WI 53224  
Loan Requests (MEDC): \$ 500,000  
\$ 500,000
6. **CALUMET ROAD PROPERTY, LLC/PAK TECHNOLOGIES, INC.**  
Address: 6800 W. Calumet Road  
Milwaukee, WI 53223  
Loan Request (MEDC): \$ 580,000
7. **BLUE RIBBON REDEVELOPMENT FUND III, LLC**  
Address: 1036 W. Juneau Avenue  
Milwaukee, WI 53233  
Loan Request (NMTC Allocation): \$15,500,000
8. **OTHER**

The meeting will convene at the time indicated and immediately go into closed session for purposes of credit review and evaluation of the loan applications of the borrowers and operating companies identified above. Status reviews of existing loans may also be undertaken at this time. This portion of the meeting will be held in closed session pursuant to SS.19.85(1)(e) and (f), Wis. Stats.

The meeting will reconvene in open session at the time indicated above for the purpose of further discussion and action upon the above-referenced loan applications. Upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals through sign language interpreters or other auxiliary aids.

Dated: November 10, 2014

By: David E. Latona  
David E. Latona, President



**I. BORROWER/OPERATING COMPANY: Wy'east Pizza, LLC**

**II. PROPOSED LOAN:**

Loan #1	\$145,000	Loan #2	\$75,000
Rate	5.25%	Rate	5.25%
Term/Amortization	5/20	Term/Amortization	10/10
Aldermanic District	10	New Customer	Yes
Census Tract	124	Start Up	Yes

**III. PROJECT DESCRIPTION / SUMMARY OF REQUEST:**

**Address:** 5601 W. Vliet St. Milwaukee, WI

**Contact:** Ann Brock 503-201-3269

**Description:** Wy'East Pizza, LLC is seeking financing to purchase a vacant City owned property and renovate the space into a new dine-in Pizzeria located in Milwaukee's Washington Heights neighborhood.

<b>Sources</b>	<b>Amount</b>	<b>Term Amortization</b>	<b>Rate</b>	<b>% of Total</b>
MEDC Loan #1	\$ 145,000	5/20	5.25%	63.04%
MEDC Loan #2	\$ 75,000	10/10		32.61%
Equity	\$ 10,000			4.35%
	<u>\$ 230,000</u>			<u>100.00%</u>
<b>Uses</b>				
Purchase and Construction	\$ 125,000			
FF&E	\$ 65,000			
Working Capital	\$ 40,000			
	<u>\$ 230,000</u>			

**IV. EMPLOYMENT:**

	<b>Full-Time (more than 30 hrs. per week)</b>	<b>Part-Time (less than 30 hrs. per week)</b>
Current	0	0
Estimated increase in jobs within two years:	3	9

**V. OWNERSHIP/MANAGEMENT TEAM:**

<b>Wy'East Pizza, LLC</b>		
<b>Name</b>	<b>Title</b>	<b>Ownership %</b>
<b>Ann Brock</b>	<b>Co-owner</b>	<b>50%</b>
<b>James Durawa</b>	<b>Co-owner</b>	<b>50%</b>



**I. BORROWER/OPERATING COMPANY:** LLC to Be Determined/Have a Good Hair Day Salon and Spa

**II. PROPOSED LOAN:**

Loan Amount	\$158,000	New Customer	Yes
Rate	5.25%	Start Up	No
Term/Amortization	3/20	Years in Existence	6
Aldermanic District	3	Primary Lender	MEDC

**III. PROJECT DESCRIPTION / SUMMARY OF REQUEST:**

**Address:** 1910 N. Farwell Avenue, Milwaukee, WI 53202

**Contact:** Kayleigh Rucktenwald (262) 260-8497 or [krucktenwald@yahoo.com](mailto:krucktenwald@yahoo.com)

**Description:** Ms. Kayleigh Rucktenwald is seeking financing in the amount of \$158,000 for the purchase and improvement of a condo unit located at 1910 N. Farwell Avenue to operate her business, Have a Good Hair Day Salon and Spa. The unit is 1,972 square feet with eight rooms set up that will be used as salon suites to lease to cosmetologist with managers licenses.

Sources	Amount	% of Total
MEDC Loan	\$ 158,000	77.83%
Other	\$ 45,000	22.17%
	<u>\$ 203,000</u>	<u>100.00%</u>

**Uses**

Condo Purchase	\$ 100,000
Improvements & FF & E	\$ 103,000
	<u>\$ 203,000</u>

**IV. EMPLOYMENT:**

	Full-Time (more than 30 hrs. per week)	Part-Time (less than 30 hrs. per week)
Current	1	0
Estimated increase in jobs within two years:	12	0

**V. OWNERSHIP/MANAGEMENT TEAM:**

Name		
Name	Title	Ownership %
Kayleigh Rucktenwald	Owner	100%



**I. BORROWER/OPERATING COMPANY:** Beau Chalet, LLC dba Beerline Cafe

**II. PROPOSED LOAN:**

Loan Amount	\$250,000	New Customer	Yes
Rate	5.25%	Start Up	Yes
Term/Amortization	10/10	Years in Existence	0
Aldermanic District	6	Primary Lender	Tri City National Bank

**III. PROJECT DESCRIPTION / SUMMARY OF REQUEST:**

**Address:** 2076 N. Commerce St. Milwaukee, WI

**Contact:** Michael Allen 414-750-3605

**Description:** Beau Chalet, LLC dba Beerline Café is seeking financing to build out and equip a new fast casual vegetarian restaurant on Milwaukee's East Side.

Sources	Amount	Term Amortization	Rate	% of Total
MEDC Loan	\$ 250,000	10/10	5.25%	31.85%
Tri-City National Bank	\$ 275,000	3/20	5.00%	35.03%
Equity	\$ 260,000			33.12%
	<u>\$ 785,000</u>			<u>100.00%</u>
<b>Uses</b>				
Purchase and Construction	\$ 515,000			
FF&E	\$ 142,000			
Contingency	\$ 20,000			
Working Capital	\$ 34,000			
Other	\$ 74,000			
	<u>\$ 785,000</u>			

**IV. EMPLOYMENT:**

	Full-Time (more than 30 hrs. per week)	Part-Time (less than 30 hrs. per week)
Current	0	0
Estimated increase in jobs within two years:	12	4

**V. OWNERSHIP/MANAGEMENT TEAM:**

Beau Chalet LLC dba Beerline Cafe		
Name	Title	Ownership %
Michael Allen	Owner	100%



MILWAUKEE

LOAN &amp; FINANCE COMMITTEE – Nov. 11, 2014

I. **BORROWER/OPERATING COMPANY:** 8111 Bradley, LLC/Midwest Stairs & Iron, Inc.

II. **PROPOSED LOAN:**

Loan Amount	\$391,500	New Customer	Yes
Rate	5.25%	Start Up	No
Term/Amortization	5/20	Years in Existence	8
Aldermanic District	9	Primary Lender	BMO Harris Bank

III. **PROJECT DESCRIPTION / SUMMARY OF REQUEST:**

**Address:** 8111 W. Bradley Road Milwaukee 53214

**Contact:** Howard Wurgler (414) 483-2890

**Description:** Midwest Stairs & Iron, Inc (“MS&I”) through their real estate holding company 8111 Bradley, LLC is requesting financing for the purchase and renovation of the 22,800SF industrial building located at 8111 W. Bradley Road. MS&I fabricates and installs stairs, railings, balconies, and other related iron products for commercial, industrial, and residential customers.

<u>Sources</u>	<u>Amount</u>	<u>% of Total</u>
MEDC Loan	\$ 391,500	41.87%
Other	\$ 543,500	58.13%
	<u>\$ 935,000</u>	<u>100.00%</u>

Uses

Building Purchase	\$ 900,000
Remodeling	\$ 35,000
	<u>\$ 935,000</u>

IV. **EMPLOYMENT:**

	Full-Time (more than 30 hrs. per week)	Part-Time (less than 30 hrs. per week)
Current	30	-
Estimated increase in jobs within two years:	8-10	-

V. **OWNERSHIP/MANAGEMENT TEAM:**

8111 Bradley, LLC		
Name	Title	Ownership %
Howard Wurgler	Member	100%
Midwest Stairs & Iron, Inc.		
Name	Title	Ownership %
Howard Wurgler	President	100%



**I. BORROWER/OPERATING COMPANY: BDA Sales, LLC**

**II. PROPOSED LOAN:**

Loan #1	\$500,000	New Customer	Yes
Rate	5.25%	Start Up	No
Term/Amortization	6/6	Years in Existence	10
Loan #2	\$500,000	Primary Lender	Waukesha State Bank
Rate	5.25%	Aldermanic District	9
Term/Amortization	3/20	Census Tract	1.02

**III. PROJECT DESCRIPTION / SUMMARY OF REQUEST:**

**Address:** 8711 W. Brown Deer Rd.

**Contact:** Kristie Goben 414-365-3500.

**Description:** BDA Sales, LLC is seeking financing to restructure portions of its debt with Waukesha State Bank due to a change of ownership.

Sources	Amount	Term Amortization	Rate	% of Total
MEDC Loan #1	\$ 500,000	6/6	5.25%	5.21%
MEDC Loan #2	\$ 500,000	3/20	5.25%	5.21%
Waukesha State Bank	\$ 8,603,503			89.59%
	<u>\$ 9,603,503</u>			<u>100.00%</u>

**Uses**

Real Estate Refinance	\$ 2,872,968
Debt Refinance	\$ 1,346,535
Change of Ownership	\$ 3,384,000
Working Capital	\$ 2,000,000
	<u>\$ 9,603,503</u>

**IV. EMPLOYMENT:**

	Full-Time (more than 30 hrs. per week)	Part-Time (less than 30 hrs. per week)
Current	69	43
Estimated increase in jobs within two years:	0	5

**V. OWNERSHIP/MANAGEMENT TEAM:**

BDA Sales, LLC		
Name	Title	Ownership %
Kristie Goben	Owner	100%



MILWAUKEE

LOAN & FINANCE COMMITTEE – November 11, 2014

I. BORROWER/OPERATING COMPANY: Calumet Road Property, LLC/PAK Technologies, Inc.

II. PROPOSED LOAN:

Loan Amount	\$580,000	New Customer	No
Rate	5.25%	Start Up	No
Term/Amortization	5/20	Years in Existence	30
Aldermanic District	9	Primary Lender	Citizens Bank of Mukwonago

III. PROJECT DESCRIPTION / SUMMARY OF REQUEST:

Address: 6800 W. Calumet Road

Contact: Kevin Schuele, (414) 371-3104

Description: Calumet Road Property, LLC is seeking financing in the amount of \$580,000 to assist with the purchase of the real estate and improvements located at 6800 W. Calumet Road. The building is approximately 67,000 sq.ft. and will be used by the operating company, PAK Technologies Inc.

The Calumet Road facility will be used for production, warehousing, logistics and shipping. In the next 12-18 months, PAK will begin installing equipment to begin production of other chemical products currently being blended at the Good Hope Road facility,

PAK Technologies, Inc., started in 1980 and is a blending, packaging and distribution company with both international and national customers. They are a contract manufacturing packager of food and non-food blended products (both dry and liquid).

Sources	Amount	% of Total
MEDC Loan	\$ 580,000	40.00%
Other	\$ 870,000	60.00%
	<u>\$ 1,450,000</u>	<u>100.00%</u>

Uses

Purchase Real Estate	1,000,000
Renovations/Improvements	<u>\$ 450,000</u>
	<u>\$ 1,450,000</u>

IV. EMPLOYMENT:

	Full-Time (more than 30 hrs. per week)	Part-Time (less than 30 hrs. per week)
Current	58	2
Estimated increase in jobs within two years:	15	0

V. OWNERSHIP/MANAGEMENT TEAM:

Name		
Name	Title	Ownership %
Kevin Schuele	President & CEO	100



**NEW MARKETS TAX CREDIT ALLOCATION REQUEST**

**I. QUALIFIED ACTIVE LOW INCOME BUSINESS (QALICB):**

**Blue Ribbon Redevelopment Fund III, LLC (a project entity of Blue Ribbon Management, LLC)/Other MEDC Projects TBD**

**II. PROPOSED QUALIFIED EQUITY INVESTMENT (QEI):**

NMTC Allocation	\$15,500,000	NMTC Census Tract	55079014100
B Note Amount *	\$4,896,450	Leveraged Lender	EB-5
B Note Rate	2.25%	Tax Credit Investor	PNC Bank
B Note Term/Amortization	8/1	Aldermanic District	4

\* Approximate value of the monetized credit. Estimate based on 68% of 39% NMTC.

**III. PROJECT SUMMARY:**

**Address:** 1036 West Juneau Avenue, Milwaukee, WI 53233

**Contact:** Mike Mervis, (414) 274-2551

**Description:** Funding for the 72,000 square foot Pabst Professional Center located at the former Pabst Brewery site in the Park East redevelopment area. The development includes three floors of roughly 42,000 square feet of office space and two decks of parking. The \$13.25 million project is expected to result in 114 FTE when fully leased. The project has already utilized 225 quality construction jobs for the project. The Project lies within a highly distressed target area for the NMTC program and will immediately add taxable value to the City of Milwaukee property tax base. The building also provides space for business and employment expansion for the proposed tenants.

The remaining \$2.25 million will be utilized for other to be determined MEDC loan projects.

**IV. EMPLOYMENT: Tenants**

	Full-Time <i>(more than 30 hrs. per week)</i>	Part-Time <i>(less than 30 hrs. per week)</i>
Current	54	225
Estimated increase in jobs within two years:	60	75

**V. MANAGEMENT TEAM: Blue Ribbon Management, LLC**

Name	Title
Ying Chan	President
Tom Gehl	CEO
Michael Kelly	Vice President
Mike Mervis	Consultant