



PUBLIC NOTICE – LOAN & FINANCE COMMITTEE

DATE: July 15, 2014

TIME: 2:00 p.m. (closed session)
2:45 p.m. (open session)

PLACE: 809 N. Broadway, 1st Floor, Boardroom
(Committee members may be present via teleconference)

AGENDA ITEMS

1. **KING VENTURES, LLC**
Address: 1572 E. Bolivar
St. Francis, WI 53235
Loan Request (MEDC Direct): \$100,000
2. **MBC PROPERTIES, LLC/MILWAUKEE BREWING COMPANY**
Address: 613 S. 2nd Street
Milwaukee, WI 53204
Loan Request (MEDC Direct): \$241,200
3. **DIASPORA TEA & HERB CO. LLC**
Address: 185 S. 33rd Street
Milwaukee, WI 53208
Loan Request (MEDC Direct): \$500,000
4. **RICHARD A. PLATT**
Address: 7407 S. 27th Street
Franklin, WI 53132
Loan Request (MEDC Direct): \$500,000
5. **SILVER SPRING STORAGE, LLC**
Address: 2727 W. Silver Spring Drive
Milwaukee, WI 53209
Loan Request (MEDC Direct): \$778,400
6. **HB 3600, LLC/PAK TECHNOLOGIES, INC.**
Address: 3600 N. 35th Street
Milwaukee, WI 53216
Loan Request (MEDC Direct): \$1,126,812
7. **GENCAP CENTURY CITY I, LLC**
Address: Southwest Corner of W. Capitol Drive &
N. Hopkins Street
Milwaukee, WI
Loan Request (MEDC Direct): \$3,200,000

8. HELLERMANN TYTON CORPORATION

Address: 6701-11 W. Good Hope Road
Milwaukee, WI 53223

Loan Request (MEDC Direct): \$10,000,000

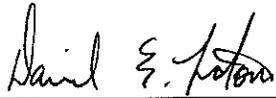
9. PAST DUE LOANS

10. 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: July 14, 2014

By: 

David E. Latona, President



LOAN & FINANCE COMMITTEE – July 15, 2014

I. BORROWER/OPERATING COMPANY:

King Ventures, LLC

II. PROPOSED LOAN:

Loan Amount	\$100,000	New Customer	Yes
Rate	5.25%	Start Up	No
Term/Amortization	5 / 20	Years in Existence	22
Milw. County Community	St. Francis	Primary Lender	St. Francis

III. PROJECT DESCRIPTION / SUMMARY OF REQUEST:

Address: 1572 E. Bolivar, St. Francis WI **Contact:** Mark Sloan (414) 688-4526

Description: King Ventures, LLC, owned 100% by Mark Sloan, is requesting financing to complete renovations to a newly purchased multi-tenant building in St. Francis, WI. The new facility at 1572 E Bolivar is slightly larger and a more recently constructed building in comparison to Mr. Sloan’s former property. The new building will be renovated to accommodate the needs of King Kase, four existing tenants, and will also have additional space for a fifth tenant that is negotiating a lease with King Ventures, LLC at this time. St. Francis provided financing in the form of a \$174,000 first mortgage. Mr. Sloan will provide additional funds, in conjunction with Milwaukee County RLF funds, to complete the renovations and allow all companies to move into the new building by September 30, 2014.

<u>Sources</u>	<u>Amount</u>	<u>% of Total</u>
MEDC / Milw County Loan	\$ 100,000	21.28%
Other	\$ 370,000	78.72%
	<u>\$ 470,000</u>	<u>100.00%</u>
 <u>Uses</u>		
Purchase Real Estate	\$ 330,000	
Renovations / Improvements	\$ 140,000	
	<u>\$ 470,000</u>	

IV. EMPLOYMENT:

	Full-Time (more than 30 hrs. per week)	Part-Time (less than 30 hrs. per week)
Current	1	2
Estimated increase in jobs within two years:	1	1

V. OWNERSHIP/MANAGEMENT TEAM:

King Ventures, LLC	
Name	Title
Mark Sloan	Member



MILWAUKEE

LOAN & FINANCE COMMITTEE – July 15, 2014

I. BORROWER/OPERATING COMPANY: MBC Properties, LLC/Milwaukee Brewing Company

II. PROPOSED LOAN:

Loan Amount	\$241,200	New Customer	Yes
Rate	5.25%	Start Up	No
Term/Amortization	3/15	Years in Existence	17
Aldermanic District	12	Primary Lender	Spring Bank

III. PROJECT DESCRIPTION / SUMMARY OF REQUEST:

Address: 613 S. 2nd St Milwaukee, WI Contact: James McCabe (414)232-2337

Description: Milwaukee Brewing Company (“MBC”) under a related real estate holding company MBC Properties, LLC, is requesting financing to complete the purchase of the building they currently operate out of located at 613 S. 2nd Street along with cooler equipment. MBC is a craft Brewery located in Walker’s Point.

Sources	Amount	% of Total
MEDC Loan	\$ 241,200	35.37%
Other	\$ 440,800	64.63%
	<u>\$ 682,000</u>	<u>100.00%</u>

Uses	Amount
Building	\$ 560,000
Equipment	\$ 122,000
	<u>\$ 682,000</u>

IV. EMPLOYMENT:

	Full-Time (more than 30 hrs. per week)	Part-Time (less than 30 hrs. per week)
Current	13	22
Estimated increase in jobs within two years:	3	6

V. OWNERSHIP/MANAGEMENT TEAM:

MBC Properties, LLC		
Name	Title	Ownership %
James McCabe	Member	50%
James Hughes	Member	50%

Milwaukee Brewing Company		
Name	Title	Ownership %
James McCabe	Member	52.5%
James Hughes	Member	43.8%
Others	-	3.7%



MILWAUKEE

LOAN & FINANCE COMMITTEE – July 15, 2014

I. BORROWER/OPERATING COMPANY:

Diaspora Tea & Herb Co., LLC

II. PROPOSED LOAN:

Loan Amount	\$500,000	New Customer	No
Rate	5.25%	Start Up	No
Term/Amortization	2 / 10	Years in Existence	16
Aldermanic District	8	Primary Lender	BMO Harris Bank

III. PROJECT DESCRIPTION / SUMMARY OF REQUEST:

Address: 185 S. 33rd Ct., Milwaukee WI Contact: Benjamin Harrison (414) 747-4001

Description: MEDC has been asked to provide financing to Diaspora Herb & Tea Co., LLC for the purpose of purchasing equipment, furniture and fixtures, and leasehold improvements as it moves to its new facility in the Menomonee Valley. The new equipment will allow for additional sales capacity and improve production efficiency. The furniture, fixtures and leaseholds are the result of the move to the new facility. Diaspora Tea & Herb Co., LLC blends, packages, and distributes tea under the brand name Rishi Tea.

Sources	Amount	% of Total
MEDC Loan	\$ 500,000	36.10%
Other	\$ 885,000	63.90%
	<u>\$ 1,385,000</u>	<u>100.00%</u>

Uses	Amount
Equipment/Furniture/Fixtures	\$ 1,260,000
Leasehold Improvements	\$ 125,000
	<u>\$ 1,385,000</u>

IV. EMPLOYMENT:

	Full-Time (more than 30 hrs. per week)	Part-Time (less than 30 hrs. per week)
Current	43	
Estimated increase in jobs within two years:	10	

V. OWNERSHIP/MANAGEMENT TEAM:

Diaspora Tea & Herb Co., LLC	
Name	Title
Joshua Kaiser	President
Benjamin Harrison	Vice President
DJG / DJG 2011 Trust	Non-Management Owners



I. BORROWER/OPERATING COMPANY:

Richard A. Platt

II. PROPOSED LOAN:

Loan Amount	\$500,000	New Customer	Yes
Rate	5.25%	Start Up	No
Term/Amortization	2 / 10	Years in Existence	33
Milw. County Community	Franklin	Primary Lender	Franklin

III. PROJECT DESCRIPTION / SUMMARY OF REQUEST:

Address: 7407 S. 27th St., Franklin, WI **Contact:** Richard Platt (414) 828-0421

Description: Richard Platt is requesting financing through Milwaukee County and MEDC to provide support to his company, Platt Construction, in the form of a subordinated note from owner. The financing and subsequent company investment will add capacity through higher bonding support. With this support, Mr. Platt and Platt Construction will have a strong model for growth in a national market where concrete construction work has been increasing dramatically. Platt Construction is a 42 year old firm that specializes in concrete construction, particularly underground tunneling, paving and general construction. The company also has a HVAC division. Due to its current backlog and weather that has impeded production, bonding has been somewhat of a limitation as the company has continued to bid on future contracts.

<u>Sources</u>	<u>Amount</u>	<u>% of Total</u>
MEDC / Milw County Loan	\$ 500,000	11.41%
Other	\$ 3,881,000	88.59%
	<u>\$ 4,381,000</u>	<u>100.00%</u>

<u>Uses</u>	
Owner Infusion/Working Capital	\$ 500,000
Wkg Capital / Mtg Financing	\$ 3,881,000
	<u>\$ 4,381,000</u>

IV. EMPLOYMENT:

	Full-Time (more than 30 hrs. per week)	Part-Time (less than 30 hrs. per week)
Current	19	2
Estimated increase in jobs within two years:	2	

V. OWNERSHIP/MANAGEMENT TEAM:

Platt Construction, Inc.	
Name	Title
Richard A. Platt	President



MILWAUKEE

LOAN & FINANCE COMMITTEE – July 15, 2014

I. BORROWER/OPERATING COMPANY: Silver Spring Storage, LLC

II. PROPOSED LOAN:

Loan Amount	\$778,400	New Customer	Yes
Rate	5.25%	Start Up	No
Term/Amortization	5/20	Years in Existence	7
Aldermanic District	21	Primary Lender	Cornerstone Community Bank

III. PROJECT DESCRIPTION / SUMMARY OF REQUEST:

Address: 2727 W. Silver Spring Dr., Milwaukee, WI 53209

Contact: Cris Schroeder: 414-443-9898

Description: Cris Schroeder of Humboldt Storage has formed Silver Spring Storage, LLC and is requesting \$768,000 from MEDC to complete the purchase of land and construction of a second self-storage facility located at 2727 W. Silver Spring Dr. in Milwaukee. The property is in a targeted redevelopment area for the city. It was previously a bottling plant that fell into foreclosure after a former owner failed to redevelop the property into a grocery store.

The proposed project has a 4 phase development plan - 2 of which will be funded with this request. Phase 1 includes purchase and building demolition. Phase 2 includes construction of 287 indoor self-storage units with 170 outdoor parking spaces. Phases 3 and 4 - not included in this request - will be the development of climate controlled units and retail spaces.

Sources	Amount	% of Total
MEDC Loan	\$ 778,400	34.38%
Other	\$ 1,486,000	65.62%
	<u>\$ 2,264,400</u>	<u>100.00%</u>

Uses	Amount
Acquisition	\$ 1,178,500
Working Capital	\$ 211,000
Equipment/supplies	\$ 102,900
Construction	\$ 772,000
	<u>\$ 2,264,400</u>

IV. EMPLOYMENT:

	Full-Time (more than 30 hrs. per week)	Part-Time (less than 30 hrs. per week)
Current	5	2
Estimated increase in jobs within two years:	7	5

V. OWNERSHIP/MANAGEMENT TEAM:

Name		
Name	Title	Ownership %
Cris and Orphelina Schroeder	Owners	50/50



LOAN & FINANCE COMMITTEE – July 15, 2015

I. BORROWER/OPERATING COMPANY: HB 3600, LLC/PAK Technologies, Inc.

II. PROPOSED LOAN:

Loan Amount	\$1,126,812	New Customer	No
Rate	5.25%	Start Up	No
Term/Amortization	5/15	Years in Existence	30
Aldermanic District	7	Primary Lender	BMO Harris Bank

III. PROJECT DESCRIPTION / SUMMARY OF REQUEST:

Address: 3600 N. 35th Street
Contact: Kevin Schuele, (414) 371-3104

Description: PAK Technologies, Inc is seeking financing in the amount of \$1,126,812 to assist with the purchase of new equipment and facility improvements at its building located at 3600 N.35th Street.

The improvements/leasehold improvements and the automation equipment will improve the conditions and speed for the packaging of dry materials, including rock salt.

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	\$ 1,126,812	39.18%
Other	\$ 1,749,200	60.82%
	<u>\$ 2,876,012</u>	<u>100.00%</u>

Uses	Amount
Bank/MEDC	1,645,089
Renovations/Improvements	\$ 630,923
New Equipment	\$ 600,000
	<u>\$ 2,876,012</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



I. BORROWER: GenCap Century City 1, LLC

II. PROPOSED LOAN:

Loan Amount	\$3,200,000	New Customer	Yes
Rate	1%	Start Up	No
Term/Amortization	7/20	Years in Existence	18
Aldermanic District	7		

III. PROJECT DESCRIPTION / SUMMARY OF REQUEST:

Address: Southwest corner of W. Capitol Drive & N. Hopkins Street

Contact: Michael Weiss (414) 232-0106

Description: : GenCap Century City 1, LLC is a newly formed LLC and will be constructing a 53,160 square foot industrial building located in the Century City Business Park.

General Capital Group will be partnering with the City of Milwaukee (through RACM) to develop the building. The building will be an industrial building with 24-foot clear ceiling heights, 59-foot structural bays and both at grade and full depth loading docks.

The building will be designed for up to six tenants and divided into 8,860 square feet of space each. This will be the first building at Century City site with future plans for a business park, housing, and other uses.

The project will be located at the former A.O. Smith /Tower Automotive complex, which is an 84 acre site, bordered by W. Capitol Drive, W. Hopkins St, railroad tracks, W. Townsend Street and N. 27th Street.

<u>Sources</u>	<u>Amount</u>	<u>% of Total</u>
MEDC Loan	\$ 3,200,000	80.00%
Other	\$ 800,000	20.00%
	<u>\$ 4,000,000</u>	<u>100.00%</u>

<u>Uses</u>	
Land & Improvement	238,260
Hard Cost & Construction	\$ 2,873,000
Soft Cost & Contingency	\$ 888,740
	<u>\$ 4,000,000</u>

IV. EMPLOYMENT: Estimate For Tenants of Building

	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:	90	0

V. OWNERSHIP/MANAGEMENT TEAM:

<u>Name</u>		
<u>Name</u>	<u>Title</u>	<u>Ownership %</u>
General Capital Group, LLP	Managing Member	50
Michael Weiss	President	
David Weiss	CEO	
RACM	Member	50



LOAN & FINANCE COMMITTEE – July 15, 2014

I. BORROWER/OPERATING COMPANY: HellermannTyton Corporation

II. PROPOSED LOAN:

Loan Amount	\$10,000,000	New Customer	No
Rate	5.25%	Start Up	No
Term/Amortization	8/20	Years in Existence	43
Aldermanic District	9		

III. PROJECT DESCRIPTION / SUMMARY OF REQUEST:

Address: 6701- 11 W. Good Hope Road, Milwaukee, WI 53223
Contact: Terry Tuttle (414) 362-8347. Mobile: (414)745-6373

Description: HellermannTyton Corporation is seeking financing to expand its building located at 6701-11 W. Good Hope Road. The growth in the automotive industry is the driving factor for the company's growth and the need to expand. HellermannTyton is a global manufacturer with locations in 34 countries with the North American Corporate Headquarters located in Milwaukee. The company is a leading, global manufacturer of products for fastening, securing, identifying and protecting cables and components. Their products are used by leading companies worldwide in a number of industries including automotive, truck, heavy equipment, electrical, manufacturing/OEM, renewable energies, and networking/data centers.

<u>Sources</u>	<u>Amount</u>	<u>% of Total</u>
MEDC Loan	\$ 10,000,000	54.05%
Other	\$ 8,500,000	45.95%
	<u>\$ 18,500,000</u>	<u>100.00%</u>

<u>Uses</u>	<u>Amount</u>
Expansion of Existing Building	\$ 12,000,000
FF & E	\$ 4,000,000
Refinance 1st Mortgage	\$ 2,500,000
	<u>\$ 18,500,000</u>

IV. EMPLOYMENT:

	Full-Time (more than 30 hrs. per week)	Part-Time (less than 30 hrs. per week)
Current	404	2
Estimated increase in jobs within two years:	50	0

V. OWNERSHIP/MANAGEMENT TEAM:

<u>Name</u>	<u>Title</u>	<u>Ownership %</u>
Doughty Hanson Co.		100%
James Campion	President	N/A
Terry Tuttle	V.P. Sales & Marketing	N/A
Peter Jonas	V.P. Operations	N/A
Dave Sladky	V.P Finance	N/A