



# Milwaukee County Revolving Loan Fund Update

May 12, 2014

Economic and Community Development Committee

Supervisor Patricia Jursik, Chairperson

Teig Whaley-Smith, ED Director



# Program Basics

- Agreement executed May 1, 2013
- County Board allocated \$1 million
- County ED convened panel to determine lending guidelines.
  - Loans up to \$250,000.
  - Up to 40% of project costs
  - Minimum 10% equity
  - 50% matching debt or equity, traditional or non-traditional lenders



# Program Basics

- Generally subordinate financing
  - Yes - traditional lenders
  - No - non-traditional lenders
- 5.25% interest rate
- Passive real estate
- Owner occupied real estate
- Equipment
- Long term working capital



# Program Basics

- All municipalities in County are eligible areas
- Municipalities with a RLF must participate if funds are available.
  - West Allis
  - Wauwatosa
  - Milwaukee (through MEDC)
- MEDC is able to utilize its SBA Community Advantage program if necessary for loan guarantees



# 2920 W Vera Avenue LLC-\$440,000

- \$1.1 million project
- Vacant warehouse
- Converted into indoor sports facility, focus on Futsal
- Estimate 12 FTE's within 2 years
- MEDC purchased \$190,000 of the Note





# 2920 W Vera Avenue LLC-\$440,000







# 2920 W Vera Avenue LLC-\$440,000







# 2920 W Vera Avenue LLC-\$440,000







# 6505 W North Avenue-\$250,000

- \$900,000 total project
- Fill 2 vacant storefronts, 2<sup>nd</sup> location for a successful Bayview restaurant
- Wauwatosa RLF \$90,000
- Estimate 25-30 FTE's within 2 years



# 6505 W North Avenue-\$250,000







# 6505 W North Avenue-\$250,000







# Status and Next Steps

- Slower than anticipated ramp up
- \$500,000 available
- Working through final closing procedures, MEDC has prefunded the loans.
- Loan documentation templates in place.



# Status and Next Steps

- Outreach to community contacts in County
- Outreach to bankers, brokers, attorney, accountants
- Four potential projects in pipeline
- [http://www.medconline.com/Milwaukee\\_County\\_RLF.html](http://www.medconline.com/Milwaukee_County_RLF.html)



# Questions?

David E. Latona, President

414-286-5682

David.Latona@MEDCOnline.com

[www.MEDCOnline.com](http://www.MEDCOnline.com)