



Brock Portilia
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DATE: April 28, 2017

TO: Mr. David Geertsen, Finance Director
Kenosha County

FROM: Brock Portilia, Director – Finance & Administration
Kenosha Area Business Alliance, Inc.

SUBJECT: KABA 2017 1st Quarter Loan Reports

In accordance with the existing contracts between KABA and the County, we are pleased to provide the specific quarterly reports for the period ending March 31, 2017 for the following contracts:

1. Business Retention & Expansion Program Summary Report
2. EDA Revolving Loan Fund
3. County Revolving Loan Fund
4. CKC Revolving Loan Fund
5. High Impact Loan Fund

Should you have any questions or need additional information in the interim, please do not hesitate to call me at your convenience. Copies of these reports have also been sent to the other members of the County Finance Committee. Staff will be present at the County meeting when this is scheduled to respond to any questions or provide further clarification.

Brock

Enclosures

cc: Jim Kreuser, Kenosha County Executive
County Finance Committee

Business Retention & Expansion Report

*Presented by Heather Wessling Grosz, Vice President of Economic Development
at the April 25, 2017 Board of Directors meeting*

Company Visits:

- First Quarter BR|E visits are off to a strong start with a total 24 visits complete: JHT Holdings, Shiloh, Uline, Associated Wholesale Grocers (AWG), FNA Group, Mondy Akrosil, Quest and Five Star Fabricating.
- Existing companies report strong sales for 2017 concentrating efforts on hiring and training their employees with an emphasis to build their businesses via customer loyalty, care and support.
- Hosted Food & Beverage Industry forum with 30+ participants that included companies such as Meijer, Ardent Mills, downtown retailers, Elsie Mae's and Rustic Road, and facilitated the program with speakers from WEDC, FaB Wisconsin, Contract Comestibles, FEED Kitchens, UW Extension and Gateway Technical College. Discussions centered upon practical ways to expand food production capacity, update safety requirements and expand food science education locally.

Follow up Actions:

- KABA shares progressive online/in-person strategies as well as supporting companies facing high demand for applicants.
- KABA assisted multiple companies in the recent past including Meijer, Amazon, Kenall, Specialized Accounting Services as well as currently working with VONCO and soon with AWG, Gold Standard Baking and HARIBO.
- Worked with DKI's Board of Directors to select new DKI Director. Nicole Thomsen's start date is May 1st.

Key Takeaways:

- Hiring Events is a primary activity to support companies and is key part of KABA's Talent Matrix implementation process.
- KABA is involved in the onboarding approach with the DKI Executive Director to provide set strategy and support to pursue leads and build relationships with existing businesses and City stakeholders.

Key Metric:

- Executives were asked how their company increased sales, and responded by adding capacity to increase and maintain customer loyalty, deliberately fostering relationships to do so:



KENOSHA AREA BUSINESS ALLIANCE
EDA/Revolving Loan Fund
Quarterly Status Report *

Period January 1, 2017 through March 31, 2017

Bank Account Balance as of 1/1/17:	\$ 645,105.72
Plus Loan Principal & Interest Received:	\$ 118,354.27
Plus Bank Interest Income:	\$ 190.88
Plus CD Proceeds (Incl. Interest):	\$ -
Less Loan Disbursements:	\$ -
Less CD Purchases:	\$ -
Less Bank/Loan/Service/Legal Expenses:	\$ -
Less Administrative Allocation for 2016:	\$ -
Balance In Bank Account as of 3/31/17:	<u>\$ 763,650.87</u>
Less Outstanding Commitments as of 3/31/17:	\$ -
Less Approved Loans (Commitments Pending):	\$ -
Balance Available for Loans:	<u><u>\$ 763,650.87</u></u>

* There were no loans in arrears as of this report date.

* See attached summary for all active loans in this account.

KENOSHA AREA BUSINESS ALLIANCE, INC. AND ITS SUBSIDIARY
LOAN FUND/ADVANCE RECEIVABLE ANALYSIS SCHEDULE
For the Three Months Ended March 31, 2017

	Original Principal Balance	Principal Balance at 1/1/2017	Current Year Borrowings	Principal Receipts YTD 3/31/2017	Interest Receipts YTD 3/31/2017	Principal Balance 3/31/2017	Current Interest Rate
EDA/County Revolving Loan Fund (EDA/CLF)							
Bradshaw Medical, Inc.	\$ 400,000.00	\$ 4,445.65		\$ 4,445.65	\$ 10.92	\$ 0.00	3.00%
Corporate Drive Properties, LLC	\$ 250,000.00	\$ 156,010.60		\$ 3,005.02	\$ 1,550.12	\$ 153,005.58	4.00%
Five Star Coatings, Inc.	\$ 400,000.00	\$ 92,572.64		\$ 11,676.66	\$ 886.89	\$ 80,895.98	4.00%
Bradshaw Medical, Inc.	\$ 400,000.00	\$ 83,936.67		\$ 11,176.19	\$ 601.63	\$ 72,760.48	3.00%
Bradshaw Medical, Inc.	\$ 250,000.00	\$ 133,149.81		\$ 6,194.43	\$ 983.16	\$ 126,955.38	3.00%
ROA, LLC	\$ 145,000.00	\$ 124,126.25		\$ 1,324.75	\$ 1,546.07	\$ 122,801.50	5.00%
Hanna Cylinders, LLC	\$ 750,000.00	\$ 448,290.07		\$ 26,345.49	\$ 3,571.14	\$ 421,944.58	3.25%
Quest 8201, LLC	\$ 550,000.00	\$ 509,599.87		\$ 4,836.62	\$ 5,397.40	\$ 504,763.25	4.25%
Allied Partners	\$ 750,000.00	\$ 696,234.52		\$ 6,975.59	\$ 6,071.74	\$ 689,258.93	3.50%
GFI Midwest, LLC	\$ 750,000.00	\$ 690,842.93		\$ 16,605.92	\$ 5,139.88	\$ 674,237.01	3.00%
Total	\$ 4,645,000.00	\$ 2,939,209.01	\$ -	\$ 92,586.32	\$ 25,758.95	\$ 2,846,622.69	

KENOSHA AREA BUSINESS ALLIANCE
County Revolving Loan Fund
Quarterly Status Report *

Period January 1, 2017 through March 31, 2017

Bank Account Balance as of 1/1/17:	\$ 1,086,165.18
Plus Loan Principal & Interest Received:	\$ 203,645.70 ⁽¹⁾⁽²⁾
Plus Bank Interest Income:	\$ 543.83
Plus CD Proceeds (Incl. Interest):	\$ -
Less Loan Disbursements:	\$ -
Less CD Purchases:	\$ -
Less Bank/Loan/Service/Legal Expenses:	\$ -
Less Administrative Allocation for 2016:	\$ 65,380.12
Balance In Bank Account as of 3/31/17:	<u>\$ 1,224,974.59</u>
Less Outstanding Commitments as of 3/31/17:	
Less Approved Loans (Commitments Pending):	\$ -
Balance Available for Loans:	<u><u>\$ 1,224,974.59</u></u>

(1) Paddock Lake Heights in Default; legal counsel working on collection

(2) ITO Industries in Default; legal counsel working on collection

* See attached summary for all active loans in this account.

KENOSHA AREA BUSINESS ALLIANCE, INC. AND ITS SUBSIDIARY
LOAN FUND/ADVANCE RECEIVABLE ANALYSIS SCHEDULE
For the Three Months Ended March 31, 2017

	Original Principal Balance	Principal Balance at 1/1/2017	Current Year Borrowings	Principal Receipts YTD 3/31/2017	Interest Receipts YTD 3/31/2017	Principal Balance 3/31/2017	Current Interest Rate
County Revolving Loan Fund (CRLF)							
ITO Industries	\$ 472,960.70	\$ 119,858.44		\$ 107,627.17	\$ 5,076.44	\$ 12,231.27	5.75%
Five Star Coatings Group, Inc.	\$ 472,375.00	\$ 107,721.41		\$ 13,702.29	\$ 773.70	\$ 94,019.12	3.00%
Mills Hotel Kenosha, LLC	\$ 800,000.00	\$ 525,354.09		\$ 9,360.34	\$ 3,916.79	\$ 515,993.75	3.00%
Paddock Lake Heights, LLC	\$ 187,500.00	\$ 171,103.49		\$ 45,000.00	\$ -	\$ 126,103.49	4.25%
OFFSITE, LLC	\$ 200,000.00	\$ 166,399.93		\$ 1,962.24	\$ 1,657.47	\$ 164,437.69	4.00%
Better World Realty, LLC	\$ 500,000.00	\$ 425,962.91		\$ 4,846.18	\$ 4,243.52	\$ 421,116.73	4.00%
ROA, LLC	\$ 31,601.38	\$ 29,961.83		\$ 319.75	\$ 373.19	\$ 29,642.08	5.00%
Hanna Cylinders	\$ 120,000.00	\$ 71,726.09		\$ 4,215.24	\$ 571.38	\$ 67,510.85	3.25%
Total	\$ 2,784,437.08	\$ 1,618,088.19	\$ -	\$ 187,033.21	\$ 16,612.49	\$ 1,431,054.98	

**KENOSHA AREA BUSINESS ALLIANCE
CKC/Revolving Loan Fund
Quarterly Status Report ***

Period January 1, 2017 through March 31, 2017

Bank Account Balance as of 1/1/17:	\$ 3,623,370.80
Plus Loan Principal & Interest Received:	\$ 34,875.96
Plus Bank Interest Income:	\$ 2,201.31
Plus CD Proceeds (Incl. Interest):	\$ -
Less Loan Disbursements:	\$ -
Less CD Purchases:	\$ -
Less Bank/Loan/Service/Legal Expenses:	\$ -
Less Administrative Allocation for 2016:	\$ -
Balance In Bank Account as of 3/31/17:	<u>\$ 3,660,448.07</u>
Less Outstanding Commitments as of 3/31/17:	\$ -
Less Approved Loans (Commitments Pending):	\$ 2,000,000.00
Balance Available for Loans:	<u><u>\$ 1,660,448.07</u></u>

* There were no loans in arrears as of this report date.

* See attached summary for all active loans in this account.

KENOSHA AREA BUSINESS ALLIANCE, INC. AND ITS SUBSIDIARY
LOAN FUND/ADVANCE RECEIVABLE ANALYSIS SCHEDULE
For the Three Months Ended March 31, 2017

	Original Principal Balance	Principal Balance at 1/1/2017	Current Year Borrowings	Principal Receipts YTD 3/31/2017	Interest Receipts YTD 3/31/2017	Principal Balance 3/31/2017	Current Interest Rate
Consolidated Kenosha County/RLF (CKC/RLF)							
Corporate Drive Properties, LLC	750,000.00	468,101.79		9,016.40	4,651.03	459,085.39	4.00%
Quest 8201, LLC	750,000.00	694,908.87		6,595.38	7,360.11	688,313.49	4.25%
MIKA Brands	316,000.00	312,327.47		3,753.40	3,499.64	308,574.07	4.50%
Total	\$ 1,816,000.00	\$ 1,475,338.13	\$ -	\$ 19,365.18	\$ 15,510.78	\$ 1,455,972.95	

KENOSHA AREA BUSINESS ALLIANCE
High Impact Loan Fund
Quarterly Status Report *

Period January 1, 2017 through March 31, 2017

Bank Account Balance as of 1/1/17:	\$ 681,975.20
Plus Loan Principal & Interest Received:	\$ -
Plus Bank Interest Income:	\$ 404.98
Plus Funds Received from County	\$ -
Plus CD Proceeds (Incl. Interest):	\$ -
Less Loan Disbursements:	\$ -
Less CD Purchases:	\$ -
Less Bank/Loan/Service/Legal Expenses:	\$ -
Balance In Bank Account as of 3/31/17:	<u>\$ 682,380.18</u>
Less Outstanding Commitments as of 3/31/17:	
Less Approved Loans (Commitments Pending):	\$ 900,000.00
Balance Available for Loans (Existing Funds):	<u><u>\$ (217,619.82)</u></u>

* There were no loan defaults as of this report date.

* See attached summary for all active loans in this account.

KENOSHA AREA BUSINESS ALLIANCE, INC. AND ITS SUBSIDIARY
LOAN FUND/ADVANCE RECEIVABLE ANALYSIS SCHEDULE
For the Three Months Ended March 31, 2017

	Original Principal Balance	Principal Balance at 1/1/2017	Current Year Borrowings	Principal Receipts YTD 3/31/2017	Interest Receipts YTD 3/31/2017	Principal Balance 3/31/2017	Current Interest Rate
High Impact Economic Development Fund							
Advance Receivable (HI)							
Bradshaw Medical, Inc.	\$ 250,000.00	\$ 250,000.00		\$ -	\$ -	\$ 250,000.00	3.25%
Hanna Cylinders, LLC	\$ 250,000.00	\$ 250,000.00		\$ -	\$ -	\$ 250,000.00	3.25%
Kenall Manufacturing	\$ 500,000.00	\$ 1,000,000.00		\$ -	\$ -	\$ 1,000,000.00	3.25%
Niagara Bottling, LLC	\$ 175,000.00	\$ 350,000.00		\$ -	\$ -	\$ 350,000.00	3.25%
InSinkErator	\$ 312,500.00	\$ 625,000.00		\$ -	\$ -	\$ 625,000.00	3.25%
GFI Midwest, LLC	\$ 100,000.00	\$ 100,000.00		\$ -	\$ -	\$ 100,000.00	3.00%
Colbert Packaging	\$ 250,000.00	\$ 250,000.00		\$ -	\$ -	\$ 250,000.00	3.50%
Vonco Products		\$ -				\$ -	
Ariens Company	\$ 250,000.00	\$ 250,000.00		\$ -	\$ -	\$ 250,000.00	3.50%
Total	\$ 2,087,500.00	\$ 3,075,000.00	\$ -	\$ -	\$ -	\$ 3,075,000.00	