



Brock Portilia  
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DATE: July 20, 2017

TO: Mr. David Geertsens, Finance Director  
Kenosha County

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

SUBJECT: KABA 2017 2<sup>nd</sup> Quarter Loan Reports

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In accordance with the existing contracts between KABA and the County, we are pleased to provide the specific quarterly reports for the period ending June 30, 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

July 2017

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

## Summary of Visits

- Met with 47 Companies from 1/1/2017 to 6/30/2017. Recent visits include Ariens, Roundy's/Kroger Acquisition, Rust-Oleum, Platinum Systems and Equity Creative.
- Leverage partnerships with Kenosha County Job Center, Gateway Technical College and consultants to build strategies for recruitment and retention for companies that are hiring.
- Provided support to multiple companies including Vonco, Gold Standard Baking and with Ariens. Vonco recruited more than 60 applicants to their event, Gold Standard has begun hiring and Ariens met their goal to hire 50 full time employees within six months of beginning operations.
- Business executives ranked employee retention as urgent or very important and have taken steps to improve their onboarding process to retain new hires.

## Key Metrics

Understanding the factors that keep employees is key. CareerBuilder recently released survey results documenting Chicago-land company responses:



1/3 of employers expect a percentage of their employees to 'job hop'.



Job hopping is reportedly more likely in some industries over others: Information Technology (42%), Leisure & Hospitality (41%), Transportation (37%), Retail (36%) and Manufacturing (32%).

"Most employees know whether or not the company is the right fit within the first week of being on the job."



Synchronist data confirms that 67% of executives interviewed indicated that they increased training budgets from the year before to attract, compete for and retain talent.

## Conclusions

- Employers are increasing spending for budgets to enhance training and professional development and are actively encouraging employees to take advantage of these opportunities.
- Successful employers consider how to tap into their employees' desire to feel their work has meaning and makes a difference in the world. The types of jobs that make people happy are frequently those which give individuals a sense of purpose or open up future opportunities—whether it be through helping others or advancing within their companies.

## Continued Support for Companies

- Collaborating with Brooke to launch a talent retention series workshop in the fall. Plan is to host leaders in talent recruitment and retention activities to bolster company efforts in improving job postings, understanding online platforms and sharing competitive features in the current environment with companies. Dates to be announced.
- Continue to respond to multiple inquiries regarding interest in Kenosha County development via direct responses to companies, consultants and requests for proposals.
- Acclimating DKI, Inc. Executive Director with developers and businesses interested in revitalizing projects in Downtown Kenosha including execution of the regional retail strategy.

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

Period April 1, 2017 through June 30, 2017

Bank Account Balance as of 4/1/17:	\$ 763,650.87
Plus Loan Principal & Interest Received:	\$ 113,888.70
Plus Bank Interest Income:	\$ 559.64
Plus CD Proceeds (Incl. Interest):	\$ -
Less Loan Disbursements:	\$ -
Less CD Purchases:	\$ -
Less Bank/Loan/Service/Legal Expenses:	\$ -
Less Administrative Allocation for 2017:	\$ 52,691.83
Balance In Bank Account as of 6/30/17:	<u>\$ 825,407.38</u>
Less Outstanding Commitments as of 6/30/17:	\$ -
Less Approved Loans (Commitments Pending):	\$ -
Balance Available for Loans:	<u><u>\$ 825,407.38</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 Six Months Ended June 30, 2017

	Original Principal Balance	Principal Balance at 1/1/2017	Current Year Borrowings	Principal Receipts YTD 6/30/2017	Interest Receipts YTD 6/30/2017	Principal Balance 6/30/2017	Current Interest Rate
<b>EDA/County Revolving Loan Fund (EDA/CLF)</b>							
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		\$ 6,040.19	\$ 3,070.09	\$ 149,970.41	4.00%
Five Star Coatings, Inc.	\$ 400,000.00	\$ 92,572.64		\$ 23,470.48	\$ 1,656.62	\$ 69,102.16	4.00%
Bradshaw Medical, Inc.	\$ 400,000.00	\$ 83,936.67		\$ 22,436.41	\$ 1,119.23	\$ 61,500.26	3.00%
Bradshaw Medical, Inc.	\$ 250,000.00	\$ 133,149.81		\$ 12,435.43	\$ 1,919.75	\$ 120,714.38	3.00%
ROA, LLC	\$ 145,000.00	\$ 124,126.25		\$ 2,666.13	\$ 3,075.51	\$ 121,460.12	5.00%
Hanna Cylinders, LLC	\$ 750,000.00	\$ 448,290.07		\$ 52,905.62	\$ 6,927.64	\$ 395,384.45	3.25%
Quest 8201, LLC	\$ 550,000.00	\$ 509,599.87		\$ 9,724.81	\$ 10,743.23	\$ 499,875.06	4.25%
Allied Partners	\$ 750,000.00	\$ 696,234.52		\$ 14,012.38	\$ 12,082.28	\$ 682,222.14	3.50%
GFI Midwest, LLC	\$ 750,000.00	\$ 690,842.93		\$ 33,336.70	\$ 10,154.90	\$ 657,506.23	3.00%
Total	\$ 4,645,000.00	\$ 2,939,209.01	\$ -	\$ 181,473.80	\$ 50,760.17	\$ 2,757,735.21	

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

Period April 1, 2017 through June 30, 2017

Bank Account Balance as of 4/1/17:	\$ 1,224,974.59
Plus Loan Principal & Interest Received:	\$ 46,888.52 <sup>(1)(2)</sup>
Plus Bank Interest Income:	\$ 766.73
Plus CD Proceeds (Incl. Interest):	\$ -
Less Loan Disbursements:	\$ -
Less CD Purchases:	\$ -
Less Bank/Loan/Service/Legal Expenses:	\$ 8,074.31
Less Administrative Allocation for 2017:	\$ -
Balance In Bank Account as of 6/30/17:	<u>\$ 1,264,555.53</u>
Less Outstanding Commitments as of 6/30/17:	
Less Approved Loans (Commitments Pending):	\$ -
Balance Available for Loans:	<u><u>\$ 1,264,555.53</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 Six Months Ended June 30, 2017

	Original Principal Balance	Principal Balance at 1/1/2017	Current Year Borrowings	Principal Receipts YTD 6/30/2017	Interest Receipts YTD 6/30/2017	Principal Balance 6/30/2017	Current Interest Rate
<b>County Revolving Loan Fund (CRLF)</b>							
ITO Industries	\$ 472,960.70	\$ 119,858.44		\$ 108,434.63	\$ 5,215.41	\$ 11,423.81	5.75%
Five Star Coatings Group, Inc.	\$ 472,375.00	\$ 107,721.41		\$ 27,507.59	\$ 1,444.39	\$ 80,213.82	3.00%
Mills Hotel Kenosha, LLC	\$ 800,000.00	\$ 525,354.09		\$ 18,791.05	\$ 7,763.21	\$ 506,563.04	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		\$ 3,944.16	\$ 3,295.26	\$ 162,455.77	4.00%
Better World Realty, LLC	\$ 500,000.00	\$ 425,962.91		\$ 9,741.00	\$ 8,438.40	\$ 416,221.91	4.00%
ROA, LLC	\$ 31,601.38	\$ 29,961.83		\$ 643.51	\$ 742.37	\$ 29,318.32	5.00%
Hanna Cylinders	\$ 120,000.00	\$ 71,726.09		\$ 8,464.82	\$ 1,108.42	\$ 63,261.27	3.25%
Total	\$ 2,784,437.08	\$ 1,618,088.19	\$ -	\$ 222,526.76	\$ 28,007.46	\$ 1,395,561.43	

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

Period April 1, 2017 through June 30, 2017

Bank Account Balance as of 4/1/17:	\$ 3,660,448.07
Plus Loan Principal & Interest Received:	\$ 34,875.96
Plus Bank Interest Income:	\$ 2,851.12
Plus CD Proceeds (Incl. Interest):	\$ -
Less Loan Disbursements:	\$ 1,000,000.00
Less CD Purchases:	\$ -
Less Bank/Loan/Service/Legal Expenses:	\$ -
Less Administrative Allocation for 2017:	\$ 41,492.08
Balance In Bank Account as of 6/30/17:	<u>\$ 2,656,683.07</u>
Less Outstanding Commitments as of 6/30/17:	\$ -
Less Approved Loans (Commitments Pending):	\$ 1,500,000.00
Balance Available for Loans:	<u><u>\$ 1,156,683.07</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 Six Months Ended June 30, 2017

	Original Principal Balance	Principal Balance at 1/1/2017	Current Year Borrowings	Principal Receipts YTD 6/30/2017	Interest Receipts YTD 6/30/2017	Principal Balance 6/30/2017	Current Interest Rate
<b>Consolidated Kenosha County/RLF (CKC/RLF)</b>							
Corporate Drive Properties, LLC	750,000.00	468,101.79		18,123.27	9,211.59	449,978.52	4.00%
Quest 8201, LLC	750,000.00	694,908.87		13,261.08	14,649.90	681,647.79	4.25%
MIKA Brands	316,000.00	312,327.47		7,549.18	6,956.90	304,778.29	4.50%
Ariens Company	1,000,000.00	-	1,000,000.00	-	-	1,000,000.00	1.00%
<b>Total</b>	<b>\$ 2,816,000.00</b>	<b>\$ 1,475,338.13</b>	<b>\$ 1,000,000.00</b>	<b>\$ 38,933.53</b>	<b>\$ 30,818.39</b>	<b>\$ 2,436,404.60</b>	



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

Period April 1, 2017 through June 30, 2017

Bank Account Balance as of 4/1/17:	\$ 682,380.18
Plus Loan Principal & Interest Received:	\$ -
Plus Bank Interest Income:	\$ 498.74
Plus Funds Received from County	\$ -
Plus CD Proceeds (Incl. Interest):	\$ -
Less Loan Disbursements:	\$ 250,000.00
Less CD Purchases:	\$ -
Less Bank/Loan/Service/Legal Expenses:	\$ -
Balance In Bank Account as of 6/30/17:	<u>\$ 432,878.92</u>
Plus Cash available from County	\$ 250,000.00
Less Approved Loans (Commitments Pending):	\$ 650,000.00
Balance Available for Loans (Existing Funds):	<u><u>\$ 32,878.92</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 Six Months Ended June 30, 2017

	Original Principal Balance	Principal Balance at 1/1/2017	Current Year Borrowings	Principal Receipts YTD 6/30/2017	Interest Receipts YTD 6/30/2017	Principal Balance 6/30/2017	Current Interest Rate
<b>High Impact Economic Development Fund Advance Receivable (HI)</b>							
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	\$ 250,000.00	\$ -	\$ 250,000.00			\$ 250,000.00	4.00%
Ariens Company	\$ 250,000.00	\$ 250,000.00		\$ -	\$ -	\$ 250,000.00	3.50%
<b>Total</b>	<b>\$ 2,337,500.00</b>	<b>\$ 3,075,000.00</b>	<b>\$ 250,000.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,325,000.00</b>	