



Community Development Authority
Meeting AGENDA
April 8, 2016 7:30 A.M.

Village Hall Second Floor Committee Room
3930 N. Murray Avenue, Shorewood, WI 53211

1. Call to order.
2. Consideration of March 4, 2016 meeting minutes.
3. Discussion and recommendation of business assistance request for new business proposal 4144 N. Oakland Avenue.
4. Discuss business incentive loan program.
5. Update façade grant program.
6. Discussion of the CDA Project List and associated initiatives as required.
7. Future agenda items.
8. Scheduling of future meetings.
9. Adjournment.

DATED at Shorewood, Wisconsin, this 4th day of April, 2016.

VILLAGE OF SHOREWOOD
Tanya O' Malley, Village Clerk WCPC

Should you have any questions or comments regarding any items on this agenda, please contact the Village Manager's Office at 847-2700. It is possible that members of and possibly a quorum of members of other governmental bodies of the municipality may be in attendance at the above stated meeting to gather information; no action will be taken by any governmental body at the above stated meeting other than the governmental body specifically referred to above in this notice. Upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals

March 4, 2016

3930 N. Murray Avenue, Shorewood, WI 53211



1. Call to order.

The meeting was called to order at 7:30 a.m. Members present: Chair Peter Hammond, Andrea Roschke, Michal Dawson, Tr. Tammy Bockhorst, Tr. Davida Amenta. Members Pete Petrie and John Florsheim were absent.

2. Consideration of February 5, 2016 meeting minutes.

Tr. Amenta questioned the voting for item #3. Ms. Dawson moved to approve the minutes with the change, seconded by Tr. Bockhorst. Vote 5-0.

3. Consideration of economic development grant reimbursement for liquor license for 4075 N. Oakland Ave by Roundy's.

Village Manager Chris Swartz gave the general background about Shorewood's economic development grants. The business pays the Village \$10,000 and the business is reimbursed \$9,400.

Ms. Roschke moved to recommend approval of the grant to the Village Board, seconded by Ms. Dawson. Vote 4-1. Nay vote by Tr. Amenta.

4. Discuss business incentive loan program

a. Review Program information presented in TID Annual Financial Report

b. Identify next steps

Mr. Hammond reminded members of the extensive discussion of the loan program at the joint Village Board and CDA meeting the previous month as part of the annual Tax Increment District review. At the next CDA meeting members will review the current program, roles and responsibilities, administration, and review any resources. The program is administered by Southeastern Wisconsin Regional Planning Commission and the Business Improvement District Director. The Planning & Development Department inspection staff are also involved. Loans are for building improvements and not for working capital. There's been one default since the program's inception in 2009.

5. Update façade grant program.

Mr. Hammond noted that the CDA will receive an update of the façade program each month. Members requested minor revisions to the reporting template.

6. Future agenda items.

7. Scheduling of future meetings.

The next meeting is scheduled April 8, 2016.

8. Adjournment.

Tr. Amenta moved to adjourn the meeting at 8:26 a.m., seconded by Tr. Bockhorst. Vote 5-0.

Recorded by,

Planning Director Ericka Lang

Community Development Authority Project List

Updated 3-30-2016

Project or Program	Status	Comment
Metro Market Redevelopment	Opened February 2016	Metro Market and parking structure outer complete, starting on streetscape. See Village web site for timetable and links to construction information. Mixed use started September 2015-17 month construction timeline.
Mixed Use Development Oakland/Olive	In process.	Completion Fall 2016
Sherman Redevelopment	In process	April 2016 start. 17-month construction period.
<hr/>		
CDA Financial Plan and Projections	Ongoing	The CDA 2015 Annual Financial Report was completed and presented at a joint meeting of CDA and Village Board. State equalized values received and financial report adjusted accordingly. Reviewed TID#1 closing scenarios.
Future CDA Strategies and Plans	In Process	Consolidated list from Master Plan. Completing member initiatives survey priorities and opportunities.
Commercial Business Recruitment and Retention Program	In process	Expect increased emphasis due to current vacancies and added Metro Market opportunities. More to come as CDA strategy and initiatives are updated. Working on a restaurant opportunity.
Façade Program	Ongoing	Revisions completed February 2016
Business Incentive Loan Program		Recommend program changes June 2016
Developer Recruitment Program	Ongoing	

April 3, 2016

To: Community Development Authority
Cc: Village Board

From: CDA Chair Peter Hammond

RE: Façade Grant - Proposed Restaurant

Enclosed is a memo and background information outlining a facade grant request for a new restaurant on Oakland Avenue. As the attached information details, the grant request exceeds the \$25,000 limitation and, as a result, must go the CDA and Village Board for approval.

TAX INCREMENT DISTRICT #1 IMPACT

I asked the Village staff to analyze the impact of the façade grant on TID 1. As you will see, this grant request does not impact the closing date, modestly increases the equalized value in TID 1 and modestly impacts TID 1's closing cash balance.

VILLAGE BENEFITS

This is a very exciting opportunity for Shorewood. The applicants are Shorewood residents and currently have existing small business operations in Shorewood. Their long term strategic plan calls for multiple locations and they were very desirous to have the first location in Shorewood. They are proposing to significantly enhance an existing structure along Oakland Avenue that will dramatically improve the street scape, create a warm gathering space, provide an excellent contrast to the larger Metro Market development, positively impact pedestrian/bike safety and highlight that positive smaller scale developments can rehabilitate sites like this. In addition, they will be tenants of the building, not owners. They were interested in purchasing the building but were unable to consummate an agreement. However, they did not let this deter their efforts and are proceeding with making a significant investment in the facade and building infrastructure. While I will defer to the expertise of the Design Review Board, it is my understanding that, even without owning the building, the applicants are making the necessary investment in quality materials and solid construction to ensure the long term viability of the building.

We will review this application at this Friday's CDA meeting and it is my recommendation that we propose approval of the facade grant request to the Village Board.

Please let me know if you have any questions in the interim.

April 1, 2016



To: Community Development Authority

From: Village Manager Chris Swartz

RE: 4144 N. Oakland business proposal

Project Description

Business owner Paul Miller is proposing a fast casual restaurant at 4144 N. Oakland Avenue that involves substantial improvements to the entire 4,600 sqft site. The current building is less than 1,200 sqft and is set back from the street front. Previous businesses included Verizon and Sprint.

The project proposal adds on to the one-story building to the north (side) and west (front), creating a larger interior space (2,170 sqft) and creating a significant outdoor seating space that is currently surface parking. Per the attached project description (Exhibit A), the restaurant will offer classic burgers and ice cream, proving a “fund neighborhood gathering place for families, friends, and kids big and small.” Also attached are project site plan, concepts (Exhibit B) and cost estimates (Exhibit C).

Zoning Considerations

Nonconforming structure. The building is considered legal nonconforming. Shorewood’s zoning code requires commercial buildings set at the front property boundary, be a minimum of two-stories high and set back from the rear boundary not less than five feet. The current building is set back 37 feet from the front boundary, 1.77 feet from the rear boundary and is one-story. Expanding a nonconforming structure requires approval by the Board of Appeals and a meeting is scheduled April 12th.

Parking. The site has space to park up to five vehicles. The project eliminates all surface parking and would require the Plan Commission to grant an exception to the parking requirements. Restaurants require 20 parking spaces per 1,000 sqft of floor area, so the code would require 17.6 spaces for this project. The newly constructed parking structure across the street of this site provides 50 public parking spaces.

Central District Master Plan

The 2014 Central District Master Plan includes a redevelopment concept for this site and the adjoining sites in the block. The narrow lot depth is a challenge for the building depth does not allow for underground parking.

Financing

The current value of the parcel is \$321,600. The business owner would lease the building and the estimated value of the new completed facility would be increased to \$500,000 more, totaling over \$800,000. The business owner is requesting a façade program grant of \$103,000. Façade grants over \$25,000 are considered by the CDA and recommended to the Village Board. Other requests include use of 18 of the village’s 50 parking spaces in the new parking structure across the street.

Analysis

Zoning Review

- A. Legal Nonconforming Structure: The building is a Legal Nonconforming Structure: one-story and set back from the street.
- ✓ Any building improvements that add onto the building and do not meet current zoning setbacks or height shall be considered by the Board of Appeals as a Special Exception per §535-34E.
- B. Parking: The current site provides 5 parking stalls. Per 535-47D(7) restaurants require 20 spaces per 1,000 sqft of floor area. The interior floor seating area will be 880 sqft, requiring 17.6 spaces. The proposed project provides no on-site parking. Per parking code 535-51B the Plan Commission may grant a special exception to the requirements of the code. These special exception criteria are different from the criteria the Board of Appeals uses.

Outdoor seating traditionally is not considered for calculating parking. The seating area outside is 785 sqft. If applying the current parking requirements, an additional 15.7 parking spaces could be required.

The Village Board would have to designate some of its parking spaces for this facility. There is other parking along the street and the village and business would work with neighboring property owners for additional parking options.

- C. Schedule of Approvals:
- ✓ Special exception by Board of Appeals for expanding nonconforming structure
 - ✓ Special exception by Plan Commission for parking requirements
 - ✓ Design approval by Design Review Board

<u>MEETINGS</u>	<u>Timeline</u>	<u>ACTION</u>
Staff	March	Complete zoning review of proposed project.
CDA	Apr. 8, 2016	Introduce project for façade and other economic grants.
Board of Appeals	Apr. 12, 2016	Special Exception for adding onto existing nonconforming structure.
Design Review Board	Apr. 14, 2016	Discuss/Consider addition, façade, outdoor space, landscaping, signage
Plan Commission	Apr. 26, 2016	Special Exception for Parking
Design Review Board	Apr. 28, 2016	Consideration.
CDA, if needed	May 6, 2016	Consider façade grant and recommendation if additional economic incentives.
Village Board	May 2 or 16, 2016	Consider recommendations from CDA and potential parking agreement.

Façade Grant

The façade program provides for up to 50% of certain eligible project costs. Projects over \$50,000 are to be approved by the CDA and Village Board with CDA making a recommendation to the Village Board. The request is for \$103,000 based on the construction estimation. Staff has determined that there are \$206,000 eligible façade expenses. Eligible expenses for the site also include any fixed vertical elements. Attached as Exhibit C is the eligible façade budget for this project based on the façade program criteria.

Below is an estimated financial impact on the proposed \$103,000 façade.

Façade project Scenario's - TID #1

	Base *		
	<u>Case</u>	<u>Case A</u>	<u>Case B</u>
Total projected costs	\$ 2,012,700	\$ 2,015,700	\$ 2,115,700
change	0	\$ 3,000	\$ 103,000
Excess Cash at Closure	\$ 764,904	\$ 810,739	\$ 722,201
change	0	\$ 45,835	\$ (42,703)
Projected increment at Closure	\$ 82,491,779	\$ 82,919,391	\$ 83,026,294
change	0	\$ 427,612	\$ 534,515
Annual tax value of increment			
at current tax rate	\$ 597,814	\$ 600,913	\$ 601,688
change	0	\$ 3,099	\$ 3,874
TID closure year	2021	2021	2021

*Recommendation by the CDA in their 2015 Annual Report and conditionally approved by the Village Board.

Case A includes the \$103,000 proposed façade grant, which is \$3000 over the base case amount.

Should an additional level façade grant be required, the impact of such grant on TID #1 is represented in Case B.

Parking Agreement

In addition, the CDA will also recommend to the Village Board designation of 18 parking spaces within the new Metro Market four-level parking structure. Any approvals for parking will require a short agreement between the parties. The Village has 50 designated parking spaces within the parking structure for daytime and night time parking. It is anticipated that these spots are in addition to other designated parking spots in the structure. The purpose for the 50 spots was to serve adjacent businesses and apartments.

verizon
wireless
Authorized Retailer

verizon
wireless
Wireless Rep/Reseller/ Premium Reseller

SEND A
STRONG
SIGNAL

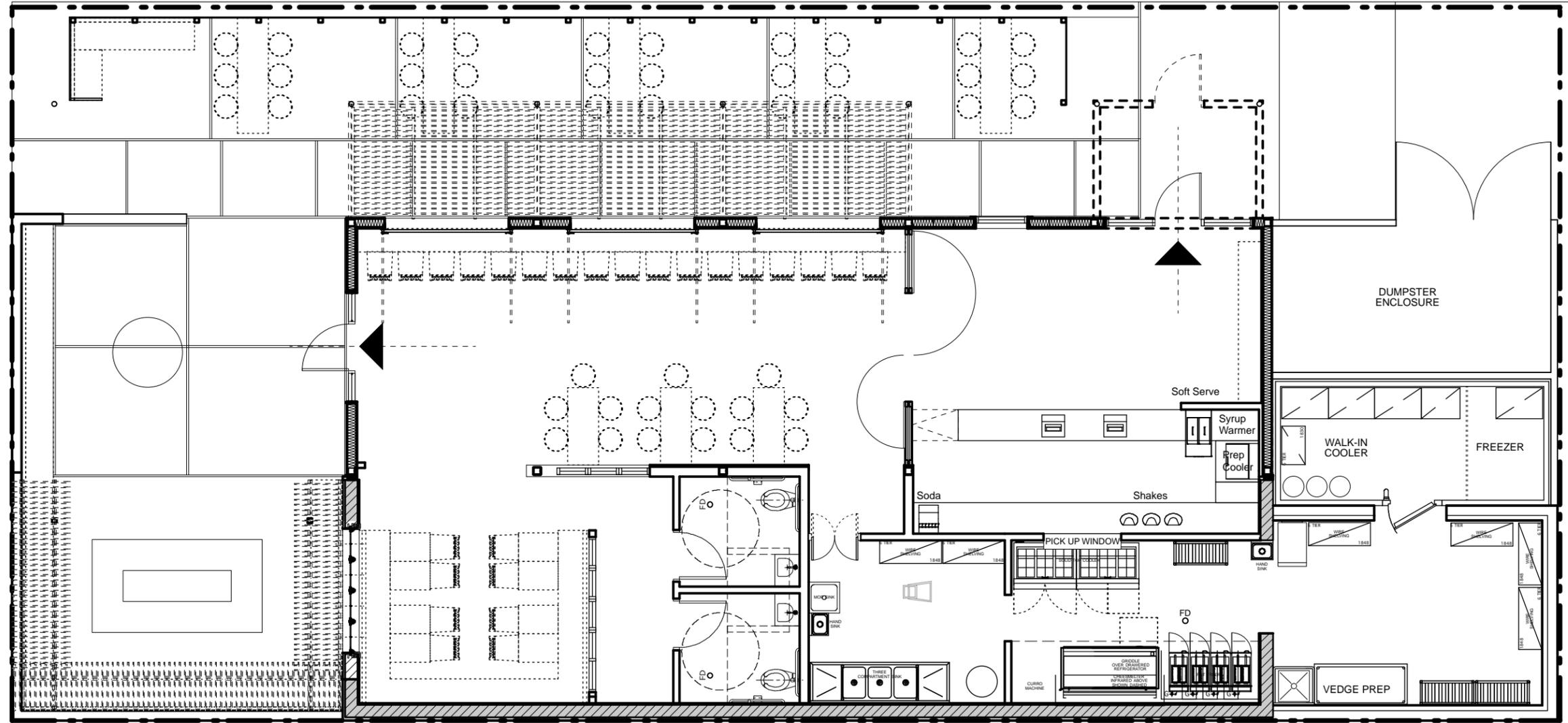
SEND A
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MOBILE WORKSTATIONS

SEND A
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05/03/2011

E. WOOD PL.



FIRST FLOOR PLAN

Scale: 1/8" = 1'-0"





PERSPECTIVE - AERIAL VIEW



PERSPECTIVE - ACROSS OAKLAND AVE



PERSPECTIVE - OAKLAND ELEVATION



PERSPECTIVE - FROM OAKLAND & WOOD PL.

EXHIBIT A

March 30, 2016

SITE: 4144 N. OAKLAND AVE.

CONCEPTUAL OVERVIEW

CONCEPT

The debut location from locally owned creators is a twist on the classic burger and ice cream joint, providing a fun neighborhood gathering place for families, friends, and kids big or small.

FOOD

A simple off-the-grill menu utilizing high quality, honest ingredients, will be highlighted by house-made, old-fashioned style soft serve ice cream along with a few other sweet treats. Beverages will range from fountain to proprietary tapped sodas and our beer.

DESIGN

The restaurant's design is an intentional counterpoint to the large format, new development along the west side of Oakland Ave. With a sense of scale to appropriately address the street but with a distinct intimacy to foster a pedestrian-friendly relationship to the sidewalk, creating a catalytic reimagining of small property opportunity within the Village.

The restaurant's custom architecture blurs the line between indoor and outdoor experiences. Large operable glass garage doors anchor a light-filled addition to the existing building, clad in hand-crimped galvanized shingles, capped with a glass surround roofline. The structure's entrance, bike parking, and patio will directly encourage pedestrian activation in combination with the pocket park section that will provide a year-round outdoor setting with fire pit, permanent seating, large caliper tree, and living greened walls. The entire property will be addressed in custom steel and cedar fencing accentuated by lighting, landscape greenery, artful signage, and a thoughtful attention to details from all angles of view to our neighbors and its street presentation within the Village.



March 31, 2016

Mr. Lincoln Fowler
Colectivo Coffee Roasters
2999 N. Humbolt Ave.
Milwaukee, WI 53212

Re: 4144 N. Oakland Ave., Budget Pricing for the Façade – *Revision II*

Dear Lincoln;

Budget figures for Façade work with North, South & West exposure are listed below.

Description of Work:

1. Exterior Masonry Work.....	\$8,600
2. Façade Panels (galvanized flat-lock panels)	\$36,200
3. Steel stud framing, sheathing, insulation & air barrier at new exterior walls	\$14,500
4. Exterior Structural & Miscellaneous Steel	\$9,100
5. Exterior Carpentry (canopy, cedar trellis, overhangs, fiberglass panels)	\$26,000
6. Overhead Doors: furnish and install three overhead doors	\$9,000
7. Windows, Glass, Storefront.....	\$41,800
8. Sheet Metal Coping & Fascia.....	\$2,200
9. Shade Cloth	\$4,100
10. Landscaping (planting beds, tree, tree grate, crushed granite, plantings, fireplace cladding).....	\$15,800
11. HVAC Screening.....	\$3,500
12. Outdoor Lighting.....	\$6,700
13. Signage (exterior sign above the entry & pole sign).....	\$17,100
14. Fence & dumpster doors.....	<u>\$10,100</u>
Total.....	\$204,700

Items not included:

1. Fire Pit (concrete & mech. work).....	\$9,600
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Sincerely,

Mark R. Steigerwald, P.E.



MEMORANDUM

April 1st, 2016

To: Village of Shorewood Community Development Authority

From: Jim Plaisted, Shorewood Business Improvement District

The CDA requested that Village and BID staff provide an overview of the Business Incentive Loan program goals, processes, and administration for their review.

The following staff members met recently to discuss the program and provide this memorandum and revised program outline and application:

Mark Emanuelson, Finance Director; Ericka Lang, Planning and Development Director; Dave Henson, Building Inspection; Chris Swartz, Village Manager; and Jim Plaisted, Executive Director for the Shorewood BID.

We've attached the revised program outline and application document. There have been some changes to the document and we will outline them at the CDA meeting on April 8th. The program overview, objectives, and guidelines for approval are all included in the document.

We will discuss the process of loan approval and administration at the meeting.

We've also attached two examples of loan applications and memorandum from SEWRPC's John Meland, our underwriter to illustrate the outcome of a successful application.

Thank you for all you do to support commercial businesses in Shorewood and please feel free to contact me with any questions prior to the meeting.



VILLAGE OF SHOREWOOD

BUSINESS INCENTIVE LOAN PROGRAM

*As revised **June 25**, 2016*

VILLAGE OF SHOREWOOD

BUSINESS INCENTIVE LOAN PROGRAM

PROGRAM HIGHLIGHTS

Purpose of the Program

The Business Incentive Loan Program (the “Program”) has been established by the Community Development Authority (“CDA”) and Village Board to assist businesses and property owners finance business expansion and startup projects, consistent with the economic development goals of the Village.

The Program is expected to be an important component of the Village of Shorewood’s economic development toolbox, which includes the façade grant program and redevelopment project incentives.

The Benefits to participating Program businesses might include providing “first dollars” required by other lending organizations, lower than market interest rates, and potential to lower debt service payments during the startup period of a new venture.

The Village of Shorewood Business Improvement District (“BID”) and Southeastern Wisconsin Regional Planning Commission (“SEWRPC”) will provide assistance to businesses interested in borrowing funds from the Program. SEWRPC will also assist the Village with the review and underwriting of loans.

Economic Development Goals

The economic development goals of the Program are comprised of property tax base enhancement, business recruitment and retention, and expanded business activity.

Loan Parameters

Loan amounts may range between \$10,000 - \$100,000. Loans requests over \$100,000 will be considered in special cases only and may need to be funded separately by an existing TIF District. All loans must be approved by the Shorewood Community Development Authority (“CDA”). Loans over \$25,000 must also be approved by the Shorewood Village Board.

A minimum of one dollar of private sector investment related to approved expenditures will be required for each dollar of CDA investment. It is expected that a bank or other private financial institution will be financing all or a portion of the private sector match.

Sufficient collateral, including personal guarantees from the principals of the business with twenty (20) percent or more ownership, will be required.

Interest charged to the borrower will be

- ✓ The cost of funds to the Village, based on the Village’s last taxable borrowing –

Interest cost to the borrower from Program loans is expected to be lower than for loans from banks or other financial institutions.

Payment of principal and interest may be deferred for up to eighteen (18) months if required for the success of the undertaking. Need for such deferral must be demonstrated.

Criteria for Granting

Criteria for granting or for limiting the amount of a requested loan include the following:

- **Eligibility** – the project must contribute **proportionately** to the achievement of Shorewood’s economic development goals and be for the activities listed in the Program Details section of this document.
- **Need** - the applicant must demonstrate that Program financing is necessary to make the project feasible and that alternate sources of funding needed to finance the project are not available on reasonable terms.
- **Availability of Funds** – a balance of sufficient funding authority (unloaned funds) should be available within the CDA program funding schedule parameters.

Because of the scarcity of funds, the Program will be administered in a way that maximizes their impact on realization of Village economic development goals. The loans supported by this Program are not intended to be an entitlement.

Application Process

Submit applications to Jim Plaisted, c/o Village of Shorewood, 3930 N. Murray Avenue, Shorewood, Wisconsin 53211, 414-272-5823. See the Program Details section of this document for detailed application procedures and requirements.

VILLAGE OF SHOREWOOD BUSINESS INCENTIVE LOAN PROGRAM

PROGRAM DETAILS

Introduction

The Business Incentive Loan Program (the “Program”) was established by the Community Development Authority (“CDA”) and Village Board in 2007 to assist businesses and property owners finance business expansion and startup projects, consistent with the economic development goals of the Village.

Through the Program, qualified Businesses and property owners are eligible for low-interest loans to finance qualifying business expansion or start-up projects. Loan funds that are repaid to the Village will be used to assist other businesses within the loan program. The purpose of this manual is to set forth the criteria for the financing that is available from the program.

Purpose

The objective of the Business Incentive Loan Program is to increase the Village of Shorewood’s tax base through the retention and expansion of existing, and the development of new, small- and medium-sized businesses within the village. The Program is also intended to provide assistance to business owners who wish to purchase commercial property within the Village. Small- and medium-sized businesses often lack the necessary capital to develop or expand their operations, and, as such, this lack of capital has a significant impact on the local tax base.

The Loan Program includes funding mechanisms and interest rates that are designed to encourage business development, while providing for the recapitalization and growth of the Program.

Eligible Applicants

Eligible applicants for the Business Incentive Loan Program are business establishments or property owners located in a Village or those that will locate in the village as a result of loan fund financing. These applicants must demonstrate that they are unable to access the financing necessary for the business or real estate project through conventional sources.

Administration

The assets in the Business Incentive Loan Program shall be the property of the Village of Shorewood Community Development Authority (“CDA”) and funding decisions relative to loan applications shall be made by the CDA, except that any member of the CDA, who so desires, may request that a specific funding request under consideration be forwarded to the Village of Shorewood Board of Trustees for a final decision. All loans of \$25,000 or more require both CDA and Village Board approval.

Applications for program funding will be provided by the Village of Shorewood Business Improvement District (“BID”). The Southeastern Wisconsin Regional Planning

Commission (“SEWRPC”) or other designated agent approved by the CDA, will review all loan applications and provide loan underwriting assistance to the CDA. Village staff shall be responsible for administration of the program loan disbursements and collections after approval.

Application Procedures

Businesses that are interested in applying for financing should contact Jim Plaisted, c/o Village of Shorewood, 3930 N. Murray Avenue, Shorewood, Wisconsin 53211. A copy of the loan application and a list of the supporting documentation needed for each application are included as Attachment B to this manual. Following the submittal of the application, BID staff will examine the application and supporting documentation for completeness and make a determination within 20 working days on whether or not the proposed project conforms to the standards and policies as set forth in this manual.

Once staff has completed its review of the application, the applicant business will be informed of any deficiencies, and requested to amend the application, if necessary. Upon final submission of a completed application, the application will be forwarded to the underwriter for review and recommendation to the CDA for consideration.

Standards and Policies

The following standards and policies will be utilized in administering the Business Incentive Loan Program:

1. Funding Limits: The amount of funding available for each applicant is from **\$10,000** - \$100,000. Loans in excess of \$100,000 may be considered in special cases only, and funding may need to be supported externally through an existing TIF district.
2. Type of Financing Available: All monies will be provided in a manner that enhances the viability of the proposed project. The CDA, at its discretion, may waive the requirement for providing loans on an installment basis.
3. Project Initiation: Any Business Incentive Loan Program and matching monies may not be spent prior to the approval of the loan by the CDA, and / or Village Board as applicable.
4. Private Sector Leverage Ratio: A minimum of one dollar of private sector investment towards approved expenditures will be required for each dollar of CDA investment. Private sector investment is defined as financing from a private lending institution and/or cash equity that is contributed to the project by the applicant. Applicants will be required to utilize a private financial institution to finance all or a portion of the private sector match, unless waived by the CDA. In addition, all private sector dollars must be obtained from a non-public source and no public funds of any type may be counted towards leveraged private investment.
5. Community Benefits: Applicants must demonstrate tax base enhancement to be eligible for funding. In particular, Business Incentive Loan Program monies contributed to a project must not exceed 30 percent of the existing fair market value of the property as reported by the Village Assessor or an appraiser acceptable to the CDA.

Applicants for funding must also demonstrate that the project will meet a public purpose test, such as providing jobs, enhancing the tax base, or increasing tourism and consumer utilization within the TID providing the financing.

6. Access to Program Funds: Program funds will typically be provided in installments to applicants through draw requests as expenditures are made in accordance with the funding application. The minimum draw request shall be \$5,000 or 20% of the approved loan amount, whichever is greater. All draw requests must be submitted within 90 days of the project completion date to be eligible for reimbursement. The project completion date will be clearly noted in the construction schedule.
7. Expenditures: All expenditures must be properly documented. All draw requests must be supported by appropriate receipts, invoices, lien waivers, and proofs of payment prior to being processed. As applicable, all permits, inspections, and verifications of work done must also be completed in order to process any draw requests.
8. Eligible Activities: Activities eligible for funding include:
 - a) Real property acquisition, building demolition, site preparation, and similar site-related redevelopment activities to stimulate business development.
 - b) Interior and exterior building rehabilitation and new construction.
 - c) Leasehold improvements; the acquisition of furniture, fixtures, and equipment. .
9. Ineligible Activities: Activities not eligible for funding include:
 - a) Purchasing equity in private businesses.
 - b) Subsidizing interest payments on existing loans and other working capital expenses.
 - c) Refinancing loans made by other lenders or investors.
 - d) Contributing equity required of borrowers participating in other loan programs.
 - e) Financing deposits in interest-bearing accounts, certificates of deposit, and other cash investments.
10. Other Considerations: Typically, Village assistance will consist of providing financing for fixed assets that are an integral part of the proposed project..
11. Standard Loan Terms: Standard terms for installment loans are as follows:
 - a) Real property acquisition, site-related redevelopment, building rehabilitation—maximum of ten (10) years. .
 - b) Leasehold improvements, Furniture, fixtures, and equipment; three to seven (3-7) years depending on the size of the program loan and the ratio of private sector investment in the project. .

The specific term for an individual borrower may also be based on the useful life of the asset, as well as the terms offered by the private sector financial institution participating in the project. However, the CDA retains the right to adjust individual loan terms in order to facilitate a successful loan fund project.

10. Need Determination: Each applicant must demonstrate that Business Incentive Loan Program financing is necessary to make the project feasible and that

alternative sources of financing are not available on reasonable terms.

11. Interest Rate: Interest charged to the borrower will be the cost of funds to the Village, based on the “true interest cost” of the Village’s last taxable borrowing prior to closing rounded to the next one-tenth (0.1) percent (the “Village Interest Rate”). The interest rate charged to the borrower will be fixed for the entire term of the loan at the time a loan agreement is signed with the Village.
12. Deferral of Principal and Interest: The Business Incentive Loan Program has the option of deferring principal and interest payments for up to eighteen (18) months upon demonstration by the recipient business that a deferral is required to make the project feasible.. This deferral period begins from the date of the first participant draw disbursement.
13. Equity Requirements: The CDA may require an equity injection for Business Incentive Loan Program projects, when appropriate..
14. Collateral Requirements: Each Business Incentive Loan Program project will include a financing agreement between the Village and recipient business that details the terms and conditions of the loan fund financing, along with supporting collateral documents. In addition, performance bonding may be required when deemed necessary to protect the Village’s interest in the project.

Collateral requirements will be determined on an individual basis by the CDA and may include mortgages on land and buildings; liens on furniture, fixtures, and equipment; and liens on accounts receivable and inventory. This collateral may be subordinated to private sector financial institutions participating in the project, if required. In addition, junior liens on all business assets may be used where appropriate. Personal guarantees from the principals of the business with 20 percent or more ownership will be required.

Finally, loan recipients will be required to maintain property-casualty insurance for the appraised value of the property being financed, and have the Village listed as an additional insured on the policy.

15. General Policies for Restructuring Loans: Business Incentive Loan Program loans may be restructured when restructuring will improve the borrower's ability to repay the loan, as long as the business is financially viable as evidenced through a business credit analysis. The CDA will work with the owner(s) of the business to determine the need for restructuring, and, if appropriate, the CDA may restructure the loan to improve cash flow within the business..
16. Program Fees: The CDA will require a loan application fee of \$300 to be paid to at the time of loan application. If the application is approved, a loan origination fee equal to one (1.0) percent of the loan amount, plus payment of any legal fees incurred by the CDA for the loan closing, will be added to the principal amount of the loan and paid with program monies. The CDA reserves the right to waive or reduce these financing origination fees.

17. Availability of Funds: Available funding for the program will be managed by the CDA. In those instances where the number of requests exceeds available funding, applications will be prioritized based upon the use of the funds, , the community benefit, and the amount of private sector leverage that is included in the project. When feasible, the amount of CDA monies contributed to each project may also be reduced in order to facilitate as many requests as possible.
18. Project Completion Date: All projects must be initiated within six (6) months following approval of the financing application and completed within one (1) year of loan closing. Authorizations /approvals for program participation lapses at the project completion date. The CDA may provide extensions beyond the time limit, if warranted, upon the request of the applicant.
19. Additional Requirements: All CDA-financed activities must:
 - a) Contribute **proportionately** to the achievement of the Village's economic development goals as outlined in the Village of Shorewood Master Plan and design guidelines .
 - b) Have the applicant retain ownership for sufficient time to complete the project, stabilize its occupancy, and establish project management.
 - c) Not damage designated Village landmarks.
 - d) Comply with all applicable policies, rules, codes, regulations, and statutes of the Village and State.

* * *

Attachment B
VILLAGE OF SHOREWOOD
BUSINESS INCENTIVE LOAN PROGRAM APPLICATION

Name: _____

Address: _____

Business Name: _____

Address: _____

Telephone No.: _____

Brief Project Description:

Sources and Uses of Funds

	Business Incentive Loan Program	Other Debt Financing	Other Village Assistance	Equity Financing	Total
a) Land / Building Purchase					
d) Building Renovation					
e) Capital Equipment					
SUBTOTAL					
Closing Costs (1%)					
TOTAL COSTS					

Business Incentive Loan Program Assistance Requested

a) Loan Amount	
c) Loan Term (years)	
d) Deferral Period (months)	

Source of Bank Financing:

Name: _____

Address: _____

Contact Person: _____

Telephone No.: _____

Loan Amount: \$ _____

Source of Equity Financing:

Name: _____

Address: _____

Telephone No.: _____

Amount: \$ _____

Date Project Will Begin: _____

I hereby certify that the information provided above and in the attached supporting documentation is to the best of my knowledge true and correct. I also agree to pay the loan origination fee and any legal expenses, as defined in the Village of Shorewood Business Incentive Loan Program manual, should a loan be approved by the Village of Shorewood Community Development Authority.

Applicant Signature

Date

For additional information about the Village of Shorewood Business Incentive Loan Program, please contact Jim Plaisted at (414) 272-5823.

Please submit the Business Incentive Loan Program application and supporting documentation to:

Jim Plaisted
c/o Village of Shorewood
3930 N. Murray Avenue
Shorewood, WI 53211

* * *

**VILLAGE OF SHOREWOOD
BUSINESS INCENTIVE LOAN PROGRAM: PROJECT DOCUMENTATION**

The following supporting documentation should be submitted along with each Business Incentive Loan Program application.

1. A business plan that provides the information identified in Note 1.
2. Three years of the applicant's most recent financial statements or three years of the applicant's most recent Federal Income Tax Returns.
3. Financial projections including, at a minimum, a balance sheet at project initiation and income statements for the first three years of the project.
4. Personal financial statements for the applicant.
5. A statement of the anticipated community benefits to be derived from the proposed loan fund project and the reasons why the project will not take place without financing from the Business Incentive Loan Program.
6. A letter of commitment from the financial institution or other source of debt financing that is a part of the project.
7. Cost estimates and a binding construction schedule for all fixed assets to be purchased or real estate improvements to be made with Business Incentive Loan Program monies.
8. A lease or pre-lease agreement for rental property, an offer to purchase for the acquisition of commercial real estate, or a warranty deed for existing commercial real estate.
9. Other documentation that may be required by the CDA or Village Board that is deemed important relative to a determination regarding the loan fund project.

Note 1: The business plan should present a description of the business that includes the following level of detail:

1. A description of the business and its legal organization.
2. A detailed description of the proposed business or real estate project.
3. A discussion of the management team and all experience relevant to the development of the proposed project.
4. A discussion of the marketplace that identifies the applicant's current customer base; its major competitors; and a marketing strategy.
5. A discussion of projected sales growth and the financing and capital requirements necessary to achieve the projected growth.

* * *

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MEMORANDUM

TO: Village of Shorewood Community Development Authority

FROM: John R. Meland, Principal Specialist
Southeastern Wisconsin Regional Planning Commission

DATE: November 14, 2013

SUBJECT: BUSINESS INCENTIVE LOAN PROGRAM REQUEST: LA ORANGERIE, INC.

The purpose of this memorandum is to provide a summary and Commission staff analysis of the request from La Orangerie, Inc., for a loan from the Village of Shorewood's Business Incentive Loan Program.

Background

As described in the attached application, La Orangerie is planning to establish a new bakery and café at 4401-03 N. Oakland Avenue. The business is owned by Gene Webb whose experience is described in the attached resume. Funding is being secured to renovate the building, purchase capital equipment, and finance working capital expenses for the new operation. It is expected that the bakery will begin operations in early 2014. The business entered into a three-year lease on September 24, 2013, with the owners – Richard and Barbara Kuehn. The lease includes an option to renew for an additional three-year period.

Funding Request

As shown in the attached Business Incentive Fund application, the Company is requesting that a \$50,000 Community Development Authority (CDA) loan be provided to assist with the renovation of the building. It is requested that the Village loan be provided with a five-year term, an amortization period of 10 years, a deferral of principal payments for nine months, and an interest rate that matches the cost of the Village's last taxable borrowing. Monthly interest-only payments would be made during the deferral period. The last taxable borrowing was at 3.32 percent in March 2012. The CDA loan would be used to fund building renovation at the Oakland Avenue location.

The CDA loan would be matched with \$200,000 in loans from North Shore Bank, \$121,359 in owner's equity, and \$15,000 in landlord assistance. The bank financing would include a \$100,000 home equity line of credit at 1.99 percent and two \$50,000 loans on 401(k) accounts at 4.25 percent with loan terms of 60 months. One 401(k) loan would be provided by Mr. Webb and the other by David Stowe.

The requested loan amount, repayment terms, and ratio of private sector to public financing are consistent with the company's financial projections and program guidelines. To assist with cash flow, it is recommended that the requested deferral and amortization period be provided.

The collateral available to secure the loan would be the personal guarantee of Mr. Webb and a third mortgage on Mr. Webb's residence at 2611 N. Wahl Avenue, Milwaukee. The Village mortgage would be junior to first and second mortgages with balances totaling \$341,000. The assessed value of the real estate in 2012 was \$936,600. With a \$50,000 third mortgage from the Village, the loan to value ratio for all borrowing on this property would be 42 percent.

Community Benefits / Demonstration of Need

Applicants must demonstrate that the project will provide a public benefit and that there is a need for the CDA loan. The applicant's project would provide the community benefits of the start-up of a new retail business in the downtown and the improvement of a prominently located building on N. Oakland Avenue.

The participating lender is not interested in additional loan exposure for this project. The requested financing from the Village is needed to finance the start-up of this business.

Contingencies

If the CDA approves the loan request, it is recommended that the following conditions accompany the approval:

1. That a \$50,000 Business Incentive Fund loan is provided to La Orangerie, Inc. The loan would be used to finance building improvements at 4401-03 N. Oakland Avenue.
2. That loans of at least \$200,000 are provided by North Shore Bank as described above.
3. That Gene Webb provides at least \$121,359 in owner's equity towards the bakery operation on N. Oakland Avenue.
4. That the CDA loan is provided with a five-year term, an amortization period of 10 years, a nine-month deferral of principal payments, and an interest rate of 3.32 percent. Monthly interest-only payments would be made during the deferral period.
5. That the loan is secured with the collateral identified above.
6. That the Company provides to the CDA, or its designee, annual financial statements that are compiled by a certified public accountant and signed copies of the corporate Federal income tax return.

* * *

JRM/jm
#00214659 – LA ORANGERIE CDA MEMO

Enclosures

Narrative, La Orangerie Inc
Shorewood Business Incentive Loan Program
October 27, 2013

The North Oakland/Kensington Square area of Shorewood has seen extraordinary business development activity over the last few years, with an array of services installed that positively impact the quality of life and economic activity of the Village. A sector of service not currently addressed is a locally-owned bakery with onsite production. The business plan for a bakery and café submitted with this application for a TID Loan would address this need and opportunity.

Demographic studies suggest an authentic French/Alsatian bakery would service this area well with a robust morning commute coffee/pastry service, a neighborhood daytime social locus and a late afternoon site for take-home baked goods. This is in addition to anticipated corporate/nonprofit event catering and wholesale baked goods supporting area restaurants.

A particularly well-placed location in the historic Schomberg building has been identified. The building was designed, built and cared for by the Kuehn family for four generations. With nearly all of its original design features from 1923 still intact, the storefronts at 4401 and 4403 North Oakland Avenue (combined 2,400 ft²) would provide a very pleasant and highly unique experience for Village residents and could potentially draw heavily from surrounding communities. The location has large display windows facing both Oakland Ave and Lake Bluff Blvd making it exceptionally visible and a good match for a bakery where display of product is key to success. Parking is available in front, on the side as well as behind the building and the site enjoys a large volume of car, bus and foot traffic throughout the day. While the storefront could ultimately provide a great experience for Village residents, the nearly century-old building would need significant infrastructure investment to install a modern bakery and savory kitchen setup (see architectural plans included with the attached lease agreement). This type of significant investment in an existing leased Village building would not only provide added value to the structure but would also provide employment opportunity immediately for 6-8 residents. As owner, operator and head baker of the proposed business, I am providing at least \$100K and up to \$122K of the total startup package (from personal funds) with \$200K financing coming from locally operated North Shore Bank. This leaves a delta of approximately \$50K. Please see attached *pro forma*. It is hoped that the Village TID Loan program might be able to help make up this difference for partial coverage of the permanent infrastructure renovation of this unique Village building.

The building is currently assessed for tax purposes at approximately \$780K according to the owner.

Attachment B
VILLAGE OF SHOREWOOD
BUSINESS INCENTIVE LOAN PROGRAM APPLICATION

Name: Gene Webb
 Address: 2611 N. Wahl Ave
Milwaukee, WI 53211
 Business Name: La Orangerie, Inc
 Telephone No.: 414-617-2611

Brief Project Description:

The project establishes an authentic French/Alsatian bakery/
cafe in the North Oakland area of Shorewood. The existing
Schomberg building at 4401/4403 N Oakland requires
significant infrastructure investment.

Sources and Uses of Funds

	Business Incentive Loan Program	Other Debt Financing	Other Village Assistance	LANDOLD Developer Assistance	Equity Financing	Total
a) Land Purchase						NA
b) Building Purchase						NA
c) Building Construction						NA
d) Building Renovation	\$50,000			\$15,000	\$10,000	\$75,000
e) Capital Equipment		\$144,088			\$40,000	\$184,088
f) Working Capital					\$50,000	\$50,000
g) Closing Costs Other		\$55,942			\$21,358	
TOTAL COSTS	\$50,000	\$200,000		\$15,000	\$121,358	\$386,358

Business Incentive Loan Program Assistance Requested

a) Loan Amount	\$50,000
b) Initial Reduced Interest Rate (percent / months)	
c) Loan Term (years)	
d) Deferral Period (months)	

Source of Bank Financing:

Name: North Shore Bank
Address: 3970 N. Oakland Ave

Contact Person: Rebecca Reinhardt
Telephone No.: 414-719-7614
Loan Amount: \$200,000 total

Source of Equity Financing:

Name: Gene Webb & David Stowe
Address: 2611 N. Wahl Ave
Milwaukee, WI 53211
Telephone No.: 414-617-2611
Amount: \$121,359

Date Project Will Begin: Nov/Dec 2013

I hereby certify that the information provided above and in the attached supporting documentation is to the best of my knowledge true and correct. I also agree to pay the loan application fee and any legal expenses, as defined in the Village of Shorewood Business Incentive Loan Program manual, should a loan be approved by the Village of Shorewood Community Development Authority.

Gene Webb
Applicant Signature

10-27-2013
Date

For additional information about the Village of Shorewood Business Incentive Loan Program, please contact Jim Plaisted at (414) 272-5823.

Please submit the Business Incentive Loan Program application and supporting documentation to:

Jim Plaisted
c/o Village of Shorewood
3930 N. Murray Avenue
Shorewood, WI 53211

* * *

Pro Forma, La Orangerie Inc
 Shorewood Business Incentive Loan Program
 27-Oct-13

	BID	Debt Financing	Village other	Developer	Landlord Improvement	Equity Financing	Total
Land Purchase							NA
Building Purchase							NA
Construction							NA
Renovation	\$50,000				\$15,000	\$10,000	\$75,000
Capital Equipment		\$144,088				\$40,000	\$184,088
Working Cap/Contin						\$50,000	\$50,000
Closing Costs							NA
Other:							
Professional Services		\$19,700					\$19,700
Lic/Permits/Deposits		\$27,250					\$27,250
Signage		\$8,000					\$8,000
Pre-open expenses		\$962				\$21,358	\$22,320
Totals:	\$50,000	\$200,000	\$0	\$0	\$15,000	\$121,358	\$386,358

Executive Summary



La Orangerie Bakery and Café will be introduced in the North Shore area of Milwaukee. The optimum location will be in Shorewood or Whitefish Bay. The Café will provide high quality European style breads and pastries prepared in plain site of the guests so they may see and smell how fresh the product is. A light menu for lunch made up of soups, salads and sandwiches will be offered that focuses on quality over quantity. There will be daily quiche specials that will entice the taste buds of the most discerning foodie. All of this will be served in an uncluttered warm welcoming environment.

There will be a walk up take out counter that will service the busy/hurry up crowd in the morning that wants a high quality freshly prepared pastry or baked product for their commute to the office. High quality coffees and specialty drinks will be offered to fill out their order. There will also be a selection of up-scale grab and go items.

The guests will be encouraged to purchase breakfast items not only for themselves but the entire office. Special pricing will be offered if baked goods are purchased in quantities of six or more.

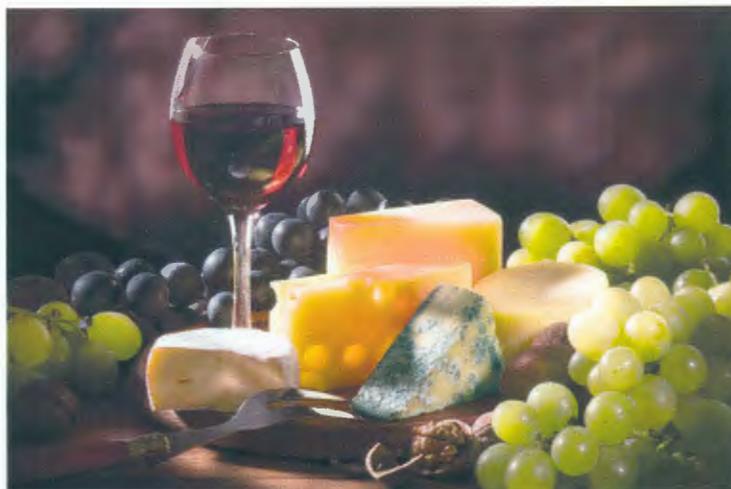
There will also be a small dining room offering twenty to thirty seats that will allow guests to come in and have a leisurely early morning meal delivered to their table. Free internet access will be available.

The demographic of the lunch and afternoon guest will change to more of a mature female crowd. The emphasis of the café will be on great sandwiches and finger foods that will compliment a selection of fine teas and wines. A selection of fruit and cheese plates will be available in the afternoon that will be a compliment to the selection of wines.

The guests will be able to pick up freshly baked breads to take home with them all day.



La Orangerie will redefine what a specialty bakery is. The look and feel of the space will reflect more of a high end retail space that is merchandised to give you the feel of being in a market. The baked goods and pastries will be merchandised in display cases that speak of quality and elegance while making a statement that is found in many upscale boutiques that cater to the more affluent demographic.



LCD screens will feature the freshly baked pastries that are available that day with professionally produced photos. Suggestive selling will promote the purchase of baked goods as something that needs to be taken home to share with family and friends. Catering for special events will be heavily promoted.

A specialty “House Branded” coffee will be offered that features bold and flavorful blends. Drinks will be prepared through a trained and engaging barista that has the qualities of a higher end sommelier that you would find at an exclusive wine shop.

A selection of tasteful complimentary retail items (along with bags of the specialty coffee) will be offered that reflect the brand and a specialty market. The goal of these items will be to promote the experience of La Orangerie and that the product is something exceptional and should be sought out during their next visit.

La Orangerie estimated check averages for the early morning crowd will be between \$6 and \$8. The take out average will be about \$12. Lunch averages will be between \$11 and \$13. Based upon the local demographics of area and other bakery/cafés offering similar products, these price points will not be excessive and will be justified through significant value and quality to the guests.



The La Orangerie will be owned by Gene Webb who will also manage the business. Gene is currently attending the French Pastry School at Kennedy King College and will be graduating this spring. This is a hands on program that develops the talents of individuals in the fine art of pastry making.

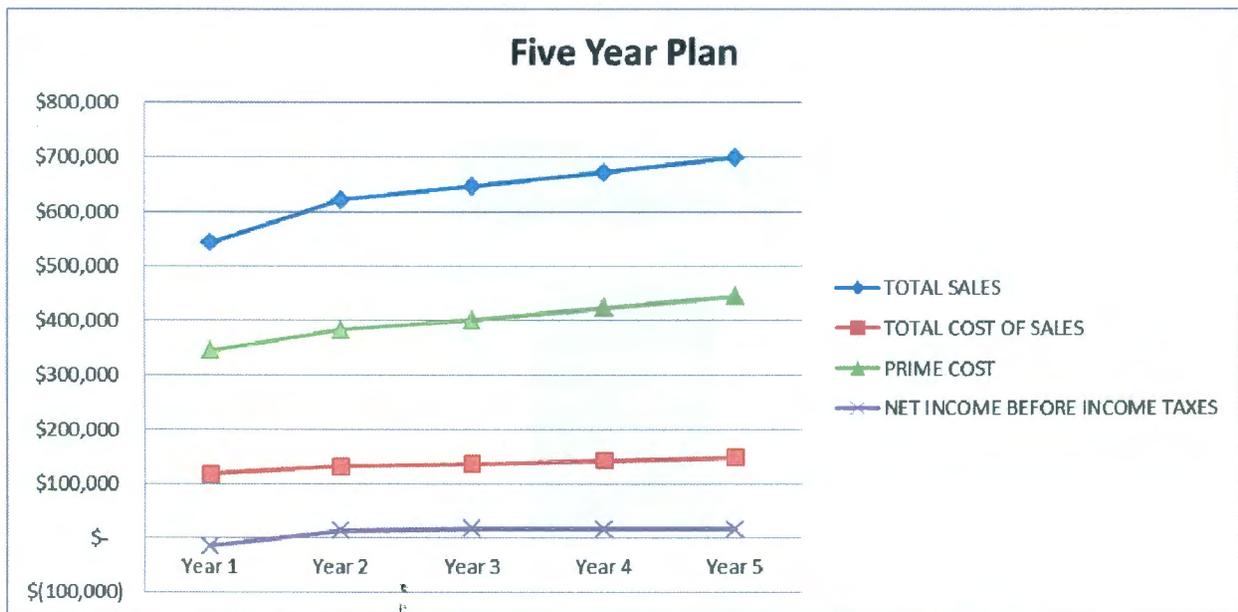
There are over 95,000 people living in the Whitefish/Shorewood area. This population provides a strong base for the venue. A restaurant strategically located and branded for this market will be well positioned for success.

Developing a unique La Orangerie brand will be one of the most important tasks prior to opening the store and is one of the reasons for a generous pre-opening marketing budget. The brand will set the restaurant apart from other bakeries. It will establish “La Orangerie” as something special and desired. The brand will be solidified with upscale stylish furnishings throughout the restaurant. Signage, artwork, and other artifacts will further define the brand and will be supported by its unique flavors from the menu offering.



When there are no obvious differences between products and services in a particular market segment, restaurant/retail guests will be attracted to the strong brand and brand identification. Furthermore, a strong brand can demand a higher price point and escape price competition.

The La Orangerie will redefine this niche that at first glance would appear to be somewhat crowded with a few apparent competitors in terms of concept. However, upon further inspection, no potential competitor has distinguished itself as unique or ground-breaking in terms of defining a genre which crosses many demographic levels. La Orangerie will re-define the atmosphere and experience of a “true” European Pastry shop and café. There will be no clear competition in the target area.



The La Orangerie will require an estimated \$375,000 for its development in an existing restaurant space that will be renovated to suit due to inflated Island costs and the very high end finishes. This will be funded by the developers and outside financing. Management is currently seeking appropriate space in and around the Whitefish Bay area.

The La Orangerie Will have a total of about 1,500 gross square feet and will accommodate 30 seated guests. The shop will require 7 - 12 part-time employees and should generate annual gross revenue of almost \$625,000 within 2 years of opening. Before tax profits are expected to average approximately \$15,000 by the second year of operation, increasing to almost 2.5% of revenues once the growth of the business has stabilized. This also includes the salary of the owner, Gene Webb. If this salary is not included, pretax profits would be approximately \$70,000 the first year of operation. EDBITA will be approximately \$45,000 annually by the second year of operations including Mr. Webb's salary.

The structure of the development debt will determine how quickly the business and profits will grow beyond projected expectations.

(*) The name "*La Orangerie*" is a possible placeholder for the actual business name, which is yet to be chosen. The new name will be evocative of the marketing area as well as descriptive of the products offered.

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MEMORANDUM

TO: Village of Shorewood Community Development Authority (CDA)

FROM: John R. Meland, Principal Specialist
Southeastern Wisconsin Regional Planning Commission

DATE: June 25, 2014

SUBJECT: BUSINESS INCENTIVE LOAN PROGRAM REQUEST

The purpose of this memorandum is to provide a summary and Commission staff analysis of the request from Blackbird Mercantile L.L.C., d/b/a Craft & Vessel for a loan from the Village of Shorewood.

Background

Craft & Vessel plans to offer a tasting room that sells craft beverages at 4413 N. Oakland Avenue (see attached business plan). Blackbird Mercantile is the owner of the Oakland Avenue property, which is comprised of two residential units and two commercial units. Nathaniel Davauer is the sole owner of the Company and lives with his family in one of the residential units. Craft & Vessel will occupy one of the commercial units. The two remaining units are also occupied.

Funding Request

As shown on the attached application, Mr. Davauer is requesting that the Village of Shorewood provide a \$20,000 loan through the Business Incentive Loan Program to assist with the renovation of the commercial space that will be used for the business operation. The loan would be matched with a \$10,000 line of credit from U.S. Bank, \$4,300 from Fund Milwaukee, and \$12,000 in owner's equity. The proceeds from these matching funds would be used to finance capital equipment and working capital.

If the Village loan is approved, it is recommended that it be provided with a 10-year term and amortization and an interest rate of 3.4 percent. The monthly payment would be \$196.84.

The collateral available to secure a Village loan would be a second mortgage on the N. Oakland Avenue property and the unlimited personal guarantee of the owner. The mortgage would be junior to a U.S. Bank first mortgage with a balance of \$203,000. The property has an estimated fair market value of \$279,000 according to the Village assessor.

The requested loan amount, repayment terms, and ratio of private sector to public financing are consistent with the program guidelines. The Company's projected statements of income support the debt financing proposed for this project.

Community Benefits / Demonstration of Need

The applicant's project would provide the community benefits of establishing a new business within the Village and the improvement of the N. Oakland Avenue property. In addition, the owner has obtained the maximum financing available from a private sector lender and the requested financing from the Village is needed to complete the project.

The Business Incentive Fund guidelines require that all applicants demonstrate tax base enhancement to be eligible for funding. Village loans cannot exceed 30 percent of the existing fair market value of the property as reported by the Village Assessor or an appraiser acceptable to the Village. With an estimated fair market value of \$279,000, the requested \$20,000 in financing would represent 7 percent of the property's value.

Contingencies

If the Village approves the loan request, it is recommended that the following conditions accompany the approval:

1. That a \$20,000 Business Incentive Fund loan is provided to Blackbird Mercantile L.L.C., d/b/a Craft & Vessel as shown on the attached Village loan application.
2. That the Village loan is provided with a 10-year term and amortization and an interest rate of 3.4 percent.
3. That Fund Milwaukee provides a \$4,500 loan that is used to purchase capital equipment.
4. That U.S. Bank provides a \$10,000 line of credit that is used to purchase capital equipment.
5. That Nathaniel Davauer provides \$12,000 in owner's equity that is used to purchase capital equipment and finance working capital.
6. That the Village loan is secured with the collateral identified above.
7. That the Company provides to the CDA, or its designee, annual financial statements that are compiled by a certified public accountant and signed copies of the corporate Federal income tax return.

* * *

JRM/jm
CRAFT & VESSEL CDA MEMO

Enclosures

Attachment B
VILLAGE OF SHOREWOOD
BUSINESS INCENTIVE LOAN PROGRAM APPLICATION

Name: Nathaniel Davauer
 Address: 4413 N Oakland Ave
Shorewood, WI 53211
 Business Name: Craft & Vessel
 Telephone No.: 414-364-3370

Brief Project Description:

Craft beer tasting room that offers 16 taps of unique beer for consumption on premise or in growlers to go. Also locally made snacks and beer themed events. Tastings and educational events held regularly.

Sources and Uses of Funds

	Business Incentive Loan Program	Other Debt Financing	Other Village Assistance	Developer Assistance	Equity Financing	Total
a) Land Purchase						
b) Building Purchase						
c) Building Construction						
d) Building Renovation	19,300					19,300
e) Capital Equipment	700	14,300			2,000	17,000
f) Working Capital * incl. inventory					10,000	10,000
g) Closing Costs						
TOTAL COSTS	20,000	14,300			12,000	46,300

Business Incentive Loan Program Assistance Requested

a) Loan Amount	
b) Initial Reduced Interest Rate (percent / months)	
c) Loan Term (years)	
d) Deferral Period (months)	

Source of Bank Financing:

Name: US Bank
Address: 777 E Wisconsin Ave
Milwaukee WI 53212

Contact Person: _____

Telephone No.: _____

Loan Amount: \$ 10,000 Line of credit

Source of Equity Financing:

Name: <u>Self</u>	<u>FUND Milwaukee</u>
Address: <u>4413 N Oakland Ave</u> <u>Shorewood, WI 53211</u>	<u>fundmilwaukee.com</u> <u>fundmilwaukee@gmail.com</u>
Telephone No.: <u>414-364-3370</u>	<u>\$4,500</u>
Amount: \$ <u>12,000</u>	

Date Project Will Begin: July 1st 2014

I hereby certify that the information provided above and in the attached supporting documentation is to the best of my knowledge true and correct. I also agree to pay the loan application fee and any legal expenses, as defined in the Village of Shorewood Business Incentive Loan Program manual, should a loan be approved by the Village of Shorewood Community Development Authority.

[Signature]
Applicant Signature

6/22/14
Date

For additional information about the Village of Shorewood Business Incentive Loan Program, please contact Jim Plaisted at (414) 272-5823.

Please submit the Business Incentive Loan Program application and supporting documentation to:

Jim Plaisted
c/o Village of Shorewood
3930 N. Murray Avenue
Shorewood, WI 53211

* * *

Craft & Vessel

BID loan benefits

Craft & Vessel will be an asset to Shorewood by continuing to grow the retail experience on Oakland Ave. It will add to the current atmosphere which reflects an interest in boutique shops and local experiences. It will also bring the foot traffic that's present at Oakland and Kensington down to the corner of Oakland and Lake Bluff, where along with a few other new places, Craft & Vessel will help build another shopping destination. Craft beer is very popular right now and having a destination that is trending is good for Shorewood's public retail image.

Centrally located on Oakland Ave. and with a bus stop and bike racks, the store will be easily accessible to locals and others from nearby neighborhoods.

With outdoor seating it will be an asset to developing the street itself as a place to be and be seen. Enjoying a craft beer on a summer day on Oakland Ave. will be something residents are proud to do and non-residents will come to do. Watching the bike race from Craft & Vessel will be popular because of it's location and also because of the substantial overlap in interest between craft beer and cycling.

By offering educational events such as tastings, the store will be seen as an asset to those customers developing their interest craft beer. By coordinating tastings with art openings at Waxwing, Craft & Vessel will help grow the "artsy" nature of Shorewood that is part of Shorewood's future vision.

When I purchased this property in 2008, it was in dire need of renovation. I've brought the residence (behind the store) up to code and improved it significantly inside as well as out (new fence, landscaped yard, new parking lot) making an attractive property out of an eyesore. The storefront's tenant had occupied the space for 20 years with no improvements. The space that Craft & Vessel will occupy is desperately in need of remodeling and this is an opportunity to bring a long neglected storefront in a highly visible area up to code. Another related part of this project will be using the Facade Improvement Program to install a new and fresh facade replacing the seriously worn and outdated one that's currently there. The aesthetic improvements as well as the code compliance improvements will be a win-win opportunity for me as well as the Village of Shorewood. With the current boom of retail growth on this block, it's also perfect timing for the Village to help take this opportunity to help me make those improvements.

Through crowdfunding and microlending, Craft & Vessel has raised \$12,000. Every dollar of this money was invested by an individual who made a personal choice to support the concept of the store. This is important because not only is it significant to raise a substantial amount of startup costs from future customers, but the very fundraising campaign itself is a referendum on whether or not the public would like to have this store. Just as a failed crowdfunding attempt would cause one to reconsider their business, one that raised 120% of it's goal confirms that there's a healthy demand and a supportive customer base for the prospective store.