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To: Dane County Revolving Loan Fund Committee
From: Wendy K. Baumann *WKB*
The Wisconsin Women's Business Initiative Corporation
Date: September 21, 2015
Re: Current Microloan Fund Roll-over Request and Request for Additional Funds.

"From the moment I started working with WWBIC, any doubt or fear I had about potential failures, trials and challenges vanished. The education, support and resources available have amazed me from day one. Anything I can dream up, WWBIC will help me achieve."—Nicole Wasmund, owner, RIK RAK Studio, Monona

The Wisconsin Women's Business Initiative Corporation is grateful for the strong support of the Dane County Revolving Loan Fund since 2005. We deeply appreciate the confidence you have placed in WWBIC, which has allowed us to significantly impact job and business development in Dane County.

Today, WWBIC requests Dane County to renew its investment in WWBIC's Impact Fund, our revolving loan fund, in the amount of \$100,000. To more closely reflect today's environment, we propose a five-year note at an interest rate of 1.5% percent with semi-annual interest-only payments due over the term.

Long-term patient capital allows WWBIC to meet the ever-expanding needs of our target market. While our services are open to anyone in Wisconsin, our mission emphasis is women, people of color, and people of lower wealth and incomes – those most likely to be underserved by traditional financial institutions.

To enhance the impact of our work, the funds we receive from Dane County are leveraged with capital from a variety of other sources. WWBIC's loan capital sources include:

- CDBG and targeted county funds
- CDFI Awards
- SBA Microloan Funds
- Financial institutions
- Foundations
- Faith-based investors
- Individual investors

In addition, your investment is leveraged through technical assistance funds that WWBIC is awarded from Dane County CDBG each year. These funds afford WWBIC the opportunity to identify, educate, advise and support a variety of entrepreneurs from throughout the county more proactively. Together, the Dane County loan capital and technical assistance dollars help address the Dane County 2015-2019 Consolidated Plan Priority of "Providing loans for microbusinesses to start up or grow."

Every day, entrepreneurs like Nicole Wasmund draw on WWBIC to strengthen and grow their small and micro businesses. This assistance would not be possible without partners like Dane County. All of us at WWBIC greatly value our relationship with Dane County.

Dane County's first investment in 2005 in WWBIC's Revolving Loan Fund proved to be powerful and effective. Since the inception of the fund, which has revolved at least three times over the past five years, WWBIC has closed 21 loans totaling \$307,208 – and, if we consider additional funds leveraged by the Dane County Loan Fund, the total infusion of capital to Dane County is \$464,900!

The Dane County Loan Fund has resulted in the creation and expansion of local small businesses and helping to create 52 and retain 12 jobs (The businesses and jobs reported reflect the number assisted with the fund collectively.). There are six active borrowers currently in the fund. We will continue to lend and relend these funds while providing necessary small business counseling and education through our programs. However, additional capital will allow us to really advance more loans in this market.

With the success of the Dane County Loan Fund, we believe it makes sense to renew or rollover our current loan of \$100,000. In addition we believe that need and demand justifies our request for an additional \$100,000. This will enable us to exponentially increase our impact in Dane County! The additional \$100,000 will initially be used to fund four businesses at \$25,000 each, with each business creating at least one low-to-moderate income job. We will continue to report on the cumulative impact of the Loan Fund as it revolves over time.

This request aligns perfectly with WWBIC's 2014-2017 Strategic Plan, which calls for WWBIC to increase its loan portfolio from \$10 million in 2014 to \$16 million in 2017. The Strategic Plan also defines our social goals. Your investment will help to achieve important goal indicators: job creation; new, expanded or strengthened businesses; increased individual income; increased personal and business assets; and higher credit scores.

As you know, WWBIC is a leading innovative statewide economic development corporation that has been "Putting Dreams to Work" since 1987. WWBIC focuses on individuals who face barriers in accessing traditional financing or resources. WWBIC opens doors of opportunity by providing these individuals who are interested in starting, strengthening or expanding a business with access to necessary resources and tools such as quality financial and business education, and responsible financial products.

Good afternoon, Peter,

We at WWBIC are grateful for this opportunity to request a rollover of our existing note with Dane County and also request additional funds. We believe that you and the Committee will agree that market need and demand justify increasing this loan pool.

Attached please find our Formal Request Memo, charts addressing Dane County RLF Loan and Job Activity, a comparison of WWBIC's activity in Dane County relative to the rest of the State, and answers to your questions below.

- Loan activity from Dane County ED-RLF loan between July 15, 2010 through July 15, 2015.
 - List of businesses assisted, including loan amount, term, interest rate, remaining balance, and jobs created.
 - Employee verification worksheet of job hires of assisted businesses from 2010-2015.

Please see the attached information on loans closed between 7/15/10 and 7/15/15, and the jobs created from those loans (two pages.)

- Terms and conditions requested for loan extension (specifically, indicate any changes from previous Loan Agreement).

We are requesting a five-year note at 1.5 percent (same as our current agreement.)

- Projected use of loan funds during the extension period.
 - Describe how you will meet a National Objective. If qualifying based on micro-enterprise assistance, business must have 5 or fewer employees and owner must be LMI. If meeting based on business job creation, income certification forms must be completed by employees (regardless of size of business or whether owner is LMI) and 51% or more must be LMI.

We propose that the matrix be 18A: Economic Development: Direct Financial Assistance to For-Profits, and the National Objective LMJ. WWBIC will loan these funds to small and micro businesses, and will report on the jobs created as a result of these loans. Of the total jobs created, 51% will be occupied by low-to-moderate income individuals. Income certification will be collected through WWBIC's Employee Information Forms (sample forms attached.) The additional \$100,000 will initially be used to fund four businesses at \$25,000 each, with each business creating at least one low-to-moderate income job. We will continue to report on the cumulative impact of the Loan Fund as it revolves over time.

- Balance/ summary of the micro-enterprise loan fund. What other, if any, sources of funds were used to capitalize the micro-enterprise loan fund? Do the businesses assisted/ jobs reported reflect the number of businesses assisted with the fund collectively, or just the businesses assisted from Dane County's seed money?

The current portfolio balance of the fund is \$38,806. WWBIC leveraged, and would continue to leverage, these dollars with additional private and public capital from various sources such as: government, faith based, organizations, corporations, and individuals. For the Dane County fund, loans have been leveraged with USDA Rural Business Microenterprise Assistance Program loans, SBA Microloans, and WWBIC's own Revolving Loan Fund. The businesses and jobs reported reflect the number assisted with the fund collectively.

Peter, for your reference we have also included the attached information on WWBIC's activity in 2013, 2014, and 2015 through 8/31. This includes activity statewide, in the South Central region, and in Dane County.

If you could please acknowledge receipt of this email, we would most appreciate it. Please don't hesitate to follow up with any questions.

Again, we thank you for this opportunity –

Sincerely,

Barbara Kueny



Barbara Kueny | Director of Development

WWBIC

A Leading Innovative Statewide Economic Development Organization

Milwaukee | Madison | Racine | Kenosha | Statewide

Statewide Headquarters/Milwaukee Office

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Join WWBIC during the 2nd Annual [Riverworks Week](#) from September 15-19th!

Celebrating Milwaukee's Creative District

Dane County Loan Information
July 15, 2010 - July 15, 2015

Business Name	Loan Closing Date	Loan Amount	Leveraged	Term	Rate	Portfolio Balance	Jobs Created
FloClaire, LLC	9/1/2010	\$10,000.00	\$0.00	42 months	10.00%	Paid in Full	3
Bouncy Town USA, Inc.	9/1/2010	\$20,000.00	\$0.00	57 months	10.00%	Paid in Full	0.6
Active Sign Installation	9/1/2010	\$20,000.00	\$0.00	44 months	10.00%	Paid in Full	0
Professional Employment Services	10/21/2010	\$3,000.00	\$0.00	47 months	8.50%	Paid in Full	1
Engaging Results Communications	12/2/2011	\$19,000.00	\$0.00	48 months	7.75%	\$3,757	0.9
Bouncy Town USA	12/9/2011	\$15,000.00	\$85,000.00	72 months	8.00%	\$9,142	0
Total Manufacturing Solutions	5/4/2012	\$15,000.00	\$0.00	44 months	7.75%	Paid in Full	0.5
In N Out Empanada LLC	7/13/2012	\$10,000.00	\$0.00	60 months	5.00%	\$4,905	1.7
Windsor Breads Bakery & Coffeehouse, LLC	8/22/2012	\$6,250.00	\$196,250.00	42 months	7.75%	\$1,133	0
Active Sign Installation, LLC	9/14/2012	\$1,750.00	\$5,250.00	36 months	8.00%	Paid in Full	0
Total Manufacturing Solutions, LLC	10/23/2012	\$20,000.00	\$0.00	12 months	7.75%	\$19,869	0
Total		\$140,000.00	\$286,500.00			\$38,806	7.7

As of 09/20/2015

**Dane County Job Information
July 15, 2010 - July 15, 2015**

WWBIC Dane County Loan Fund Businesses	Employee Name (Last, First)	Date of Hire	Job Title	Job Type	Full-Time or Part Time (FT/PT)	No. of Hours Per Week	Employer Sponsored Health Care Benefits (Y/N)	Gender (M/F)	Race (Code)	Ethnic Status (Hispanic or Not Hispanic)	Income Level at Time of Hire (EL, VL, or L)
Bouncy Town USA	Brown, Alexandra	1/1/2011	Safety Monitor	Service	PT	12	N	F	White	Not	L
Bouncy Town USA	Hageman, Lauren	6/1/2011	Safety Monitor	Service	PT	7	N	F	White	Not	EL
Bouncy Town USA	Monson, Mersadi	3/1/2011	Safety Monitor	Service	PT	4	N	F	White	Not	EL
Engaging Results Communications	Bushnell, Rebecca	9/1/2011	Communications Manager	Official/Manager	PT	20	N	F	White	N/A	VL
Engaging Results Communications	Yohn, Katie	9/1/2011	Promotions Coordinator	Office/Clerical	PT	15	N	F	N/A	N/A	VL
Flo-Claire	Diakite, Fatima	2/1/2011	Sales Manager	Official/Manager	FT	40	Y	F	African American	Not	L
Flo-Claire	Nsofwa, Matilda	10/28/2010	Office Manager	Official/Manager	FT	40	Y	F	African American	Not	VL
Flo-Claire	Schulz, Kalia	7/12/2011	Marketing Associate	Professional	FT	40	Y	F	White	Not	VL
In N Out Empanada LLC	Pesce, Ariel	7/1/2012	Owner	Official/Manager	PT	28	N	F	White	Hispanic	EL
In N Out Empanada LLC	Pesce, Lacey	7/1/2012	Owner	Official/Manager	FT	40	N	F	White	Not	EL
Professional Employment Services	Dahling, Nancy	9/3/2010	Sales Associate	Sales	PT	20	N	F	White	Not	VL
Professional Employment Services	Fedkenheur, Nancy	8/3/2010	Administration	Office/Clerical	PT	18	N	F	White	Not	EL
Total Manufacturing Solutions	Ammon, Michael	3/5/2012	Machinist	Labor	PT	20	N	M	White	Not	Over

As of 09/20/2015



WWBIC Loan Activity 2013-2015

Total WWBIC Loans	2015 (through 8/31)				2014				2013			
Business Ownership	#	%	\$	%	#	%	\$	%	#	%	\$	%
Total loans in Wisconsin	82	100%	\$4,797,796	100%	133	100%	\$5,485,515	100%	124	100%	\$4,848,992	100%
Low-to-moderate income	48	59%	\$2,173,498	45%	84	63%	\$2,810,265	51%	76	61%	\$2,466,292	51%
Women-owned	45	55%	\$2,392,997	50%	59	44%	\$2,107,350	38%	55	44%	\$1,862,092	38%
Minority-owned	27	33%	\$1,349,398	28%	39	29%	\$1,311,500	24%	42	34%	\$1,232,700	25%
South Central Loans	2015 (through 8/31)				2014				2013			
Business Ownership	#	%	\$	%	#	%	\$	%	#	%	\$	%
Total loans in South Central	17	100%	\$645,997	100%	31	100%	\$1,448,500	100%	26	100%	\$846,392	100%
Low-to-moderate income	12	71%	\$342,999	53%	20	65%	\$703,000	49%	16	62%	\$386,392	46%
Women-owned	11	65%	\$486,997	75%	12	39%	\$421,000	29%	13	50%	\$336,392	40%
Minority-owned	5	29%	\$179,999	28%	7	23%	\$248,000	17%	10	38%	\$240,000	28%
Dane County Loans	2015 (through 8/31)				2014				2013			
Business Ownership	#	%	\$	%	#	%	\$	%	#	%	\$	%
Total loans in Dane County	12	100%	\$311,999	100%	26	100%	\$1,284,000	100%	22	100%	\$711,392	100%
Low-to-moderate income	10	83%	\$247,000	79%	17	65%	\$603,000	47%	14	64%	\$321,392	45%
Women-owned	8	67%	\$236,999	76%	10	38%	\$391,000	30%	13	59%	\$336,392	47%
Minority-owned	5	42%	\$179,999	58%	5	19%	\$193,000	15%	7	32%	\$165,000	23%

Dane County Loan Fund – Active Borrowers		
Business Ownership	#	%
Total loans in Dane County	6	100%
Low-to-moderate income	4	67%
Women-owned	4	67%
Minority-owned	2	33%



WWBIC Client Service and Demographics 2013-2015

Clients Served - Statewide	2015 (through 8/31)		2014		2013	
Demographic	#	%	#	%	#	%
Total clients served in Wisconsin	2585	100%	3,571	100%	3,011	100%
Low-to-moderate income individuals	1597	67%	1,826	62%	1,634	67%
Women	1740	68%	2,508	71%	2,067	69%
Racial/Ethnic Minorities	1323	52%	1,832	53%	1,525	53%
Clients Served - South Central	2015 (through 8/31)		2014		2013	
Demographic	#	%	#	%	#	%
Total clients served in South Central	581	100%	820	100%	749	100%
Low-to-moderate income individuals	287	55%	394	54%	314	54%
Women	386	67%	607	75%	505	68%
Racial/Ethnic Minorities	226	40%	339	44%	274	39%
Clients Served - Dane County	2015 (through 8/31)		2014		2013	
Demographic	#	%	#	%	#	%
Total clients served in Dane County	504	100%	724	100%	674	100%
Low-to-moderate income individuals	252	56%	353	55%	284	55%
Women	333	66%	534	74%	454	68%
Racial/Ethnic Minorities	214	43%	318	46%	250	40%

Please note: Percentages are calculated after "no response" answers are filtered out