CRA Network Member Banks
CRA Network - Project Recruiters

Mike Harrigan
mharrigan@wedaw.org
Southeast, Southcentral and Northeast

Brian Doudna
bdoudna@wedaw.org
Southwest, Northwest and Northcentral
Services of the CRA Network

- Connect Network Banks with Eligible Projects

- CRA Project Categories:
  - Community development
  - Economic development
  - Business financing
  - Workforce
  - Housing
  - Tribal communities
  - Technical assistance

- WEDA Guidance Role: Align projects with CRA purposes

- Build Relationships/Network
  - Banks
  - Local ED Directors
  - Developers
How are we doing?

### Year 1 Measurements

<table>
<thead>
<tr>
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<th>Target</th>
<th>Actual</th>
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<tbody>
<tr>
<td>Paid Memberships</td>
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<td>Project Presentations</td>
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<td>CRA Qualified Investments</td>
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### Year 2 Measurements

<table>
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<td>CRA Qualified Investments</td>
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The Process

• WEDA Recruiters work with Local ED officials or Developers to Identify Projects.
• 1 Page Application
• Reviewed by WEDA Recruiters
• OCC, FRB, FDIC Consulted as needed to assure eligibility
• Distribute to CRA Network Banks
• Coordinate with Regional Meetings or convene special meetings as needed.
• Presentations to Bank Reps by Project Sponsors.
• Banks Follow Up with Project Sponsors Directly with Further Questions and Offers.
Year 1 - CRA Project Presentations

- **EverGrow Daycare – Ashland, WI (Northwest)**
  - Technical Assistance provided by Member Bank to make it financially feasible
  - Letter of intent for financing from Member Bank

- **913 South Main St (redevelopment) – Oshkosh (Northeast)**
  - Project not approved for LIHTC by WHEDA

- **Goodwill Industries – LMI Loan portfolio package (Southeast)**
  - One Member Bank has formed partnership with Goodwill Industries
  - Goodwill, in MKE, doesn’t want to have their own loan portfolio

- **Kiva – Madison (Southcentral)**
  - Kiva Madison has been launched - 2nd location in WI

- **Hotel project – City of Jefferson (Southcentral)**
  - Investors are secured – TIF secured
  - Seeking financing proposals by May 2019

- **Winnon Fund – Equity Fund for seed stage companies (Southcentral)**
  - Presentation to banks as potential equity investor
  - CRA eligibility – referred banks to OCC for specific guidance

- **Reunion Restaurant – West Allis (Southeast)**
  - Redevelopment of building and opening of owners 2nd restaurant
  - Bank proposals are due in May

- **Butcher Shop – Mark Lutz – West Allis (Southeast)**
  - Redevelopment of building
  - Building renovation, equipment loan – bank proposals due May 7

- **Market Rate Housing – Appleton (Northeast)**
  - High priority site for City of Appleton (LMI and OZ census tract)
  - Developer seeking lenders and open to OZ Funds for investors
  - Fall construction is goal

- **Live it up Wausau – Home Buyer Assistance – (Northcentral)**
  - Seeking funding to support home buying in Wausau

- **Hotel Project – Berlin WI (Northcentral)**
  - Project is still dealing with contamination issues with DNR/WEDC
  - Project needs equity investor (in OZ) and bank technical assistance to support redevelopment in small community – Fall target
EverGrow Daycare
Ashland
Mari Kay-Nabozny

- Day care facility for 96 children
- LMI Census tract
- Over 51% of the users will be from LMI households
- A portion of the staff and customers will be from the Bad River Tribal Community
- Technical Assistance – usbank
## Project Capital Stack

### Proposed Project Budget - Next 3 Years

<table>
<thead>
<tr>
<th>USES OF FUNDING</th>
<th>TOTAL BUDGET</th>
<th>Equity</th>
<th>Financial Institution</th>
<th>Other (donations/grants)</th>
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</table>
Office Conversion to Restaurant West Allis, Patrick Schloss / Shaun Mueller

- Moderate Census tract – 30 jobs
- In TIF District & Opportunity Zone
- Building owned by Community Development Authority
- CDA – priority project in redevelopment
- Will be 2nd restaurant of owner under different brand
S. 70th St. Corridor Vision
$85 million development

New Developments - Mandel Group
200 Market Rate Apartments
Project Capital Stack

- $650 k building purchase
- $515 k renovation
- $60 k contingency
- $25 k Architect fees
- $15 k Fees and Licenses
- $50 k Equipment
- $75 k Working Capital (6 mo.)

CRA Network Process:

1. Preliminary Proposal presented at CRA Bank Meeting
2. Four CRA Network Banks sought to hear City and business presentation
3. Borrower presented to CRA Network Banks
4. Business received term sheets from multiple banks

Business selects Bank
- Approved pending final submittals
  - SBA 504 & SBA 7(a)
Adaptive Reuse

• Local Food Production Users
• One of a kind Event Space

Financing

• Historic Tax Credits
• New Market Tax Credits
• TIF
• Opportunity Zone

Project Capital Stack

A summary of the project budget and capital structure is as follows:

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<th>Sources of Capital</th>
<th>Amount</th>
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<td>NMTC Allocation</td>
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<td>New Market Tax Credits</td>
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<td>Required Funding/Bank Loan</td>
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<td>Total Sources of Capital</td>
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<th>Leveraged Loan Analysis</th>
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<td>Leveraged Loan Amount</td>
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<td>Total Leveraged Loan</td>
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CRA Regional Meetings

• Oct 9th: Northcentral Region
• Oct 10th: Northwest Region
• Oct 18th: Southeast Region
• Oct 24th: Southwest Region
• Oct 31st: Southcentral Region
• Nov 7th: Northeast Region

www.cranetwork.org
QUESTIONS?