



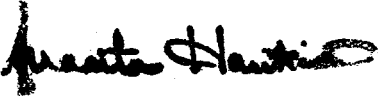
Department of Administration
Community Block Grant Administration

John O. Norquist
Mayor

David R. Riemer
Director

Juanita Hawkins
Administration—Block Grant Director

TO: Community Development Committee Members

FROM: Juanita Hawkins
Director 

DATE: May 30, 2001

RE: File Number 010207 - Lincoln Neighborhood Redevelopment Corporation - Revolving Loan Fund

Lincoln Neighborhood Redevelopment Corporation, since 1999, has operated a Revolving Loan Program with CDBG funds. In 2000, interest in the amount of \$5,701.54 was earned on this account.

The Community Block Grant Administration supports LNRC's request to revolve \$5,701.54 to the Revolving Loan Fund.

Attached is a status report on the LNRC Revolving Loan Fund.

C B G A

CDBG / LNRC Revolving Loan Fund Status Report December 2000

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1. Loans made in 1999:

Pa Foua Yang / MPC Investments Inc.

\$40,300 for capital improvements and computer equipment to start a new clinic at 535 S. 27th Street. Dr. Yang is Wisconsin's first Hmong physician and together with her Pharmacist husband, she is developing the clinic to serve the Hmong community and all other residents in the area. Total loan package \$160,000.

Jimmy McClendon / Skyway Painting Inc.

\$12,500 for capital improvements and working capital to expand Skyway Painting's construction business and to move the company in its newly acquired headquarters at 2454 W. Lisbon Avenue. Total loan package \$50,000.

2. Loans made in 2000:

Jose Sanchez / Sanchez Painting and Decorating, Inc.

\$7,500 for working capital to expand the painting business located at 926 S. 1st Street. Mr. Sanchez operates a specialty painting company with emphasis on artisan quality work. Total loan package was \$30,000.

Maria Colunga d/b/a Deportes Colunga

\$6,500 for working capital to start a combination of flower and import shop at 1535 W. Lincoln Avenue. Total loan package \$26,000.

3. Loans made in 2000 and 2001 but not participated to the Revolving Loan Fund yet:

James A. Hishmeh

\$35,000 to assist with the purchase of a crucial piece of real estate on the Southwest corner of 13th Street and Lincoln Avenue. Total package was \$375,000. Mr. Hishmeh is now renovating the building, which is a key element in the continuing economic development of the area.

C B G A

Maria and Guillermo Colunga

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\$28,000 to assist with the purchase of a mixed-use building at 1550-56 W. Lincoln. The Colungas moved their business and their residence to that building. Total loan package \$145,000.

Maximo and Maria Galeno / Hipanomex Travel Agency

\$15,000 to assist with the purchase of a mixed use building at 1708-10 W. Lincoln in which the Galenos started their new travel agency Hispanomex. Total loan package \$70,000.

Javier Covarrubias / Mendoza Landscaping Inc.

\$12,000 for new equipment for the landscaping business located at 1254 S. 30th Street. Total loan package \$55,000.

4. Loans in process:

Marco Carrasquillo / Follicle Hair Studio

\$25,000 to assist with the purchase of a mixed-use building at 817 S. 5th Street, where Mr. Carrasquillo has operated his business as a tenant for a year. Total loan package \$115,000.

Greg and Dolly Mertens / Wildfour Bakery

\$15,000 for working capital for the new bakery at 2800 W. Lincoln Avenue. The Mertens currently operate their Wildflour Bakery and Storefront in New Berlin. They decide to open a second location on Lincoln Avenue, to expand their wholesale operation and to bring their product closer to their customers, many of whom come from the City of Milwaukee. Total loan package \$50,000.

5. Total loan portfolio:

The portfolio is operating in a satisfactory manner. There are very few late payments and no defaults, which reflects the overall record of LNRC's commercial loans. This loan program has proven to be an important tool in our development lending efforts, since it acts as seed money which enables Banks to accept higher risk loans. The technical assistance provided by LNRC staff – which is partially funded by CDBG – enhances the quality of the loans and is the other important tool of this type of development.