

# 2024 ANNUAL REPORT



**BLACK HAWK ECONOMIC DEVELOPMENT, INC**

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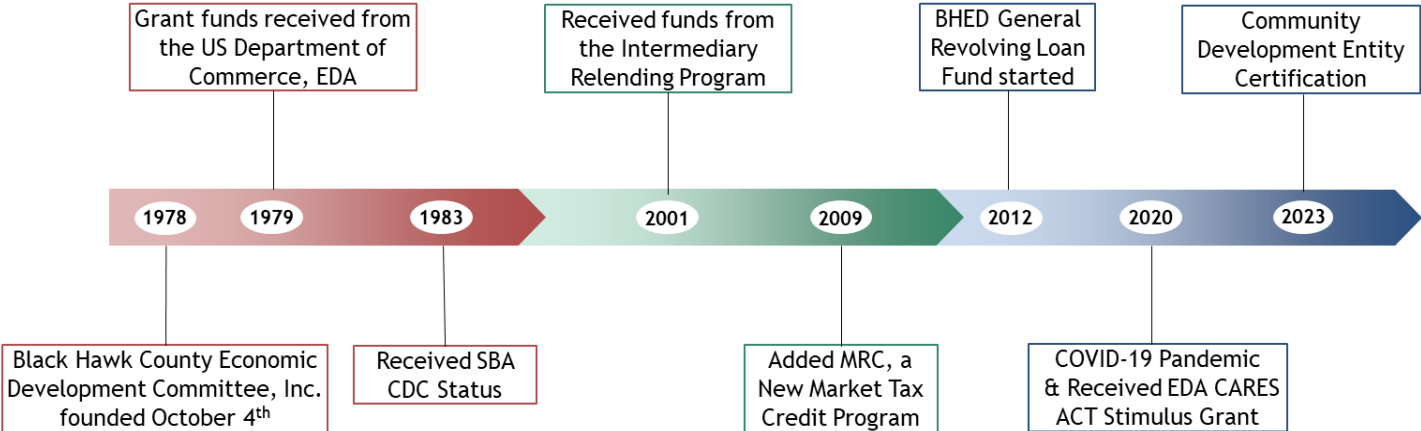
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# Welcome



“Looking back over the course of the past seven years as the President of the Organization, I continue to be amazed at the public and private partnerships formed and our collaborative efforts towards the achievement of and dedication to our mission - goals and objectives. Without question, the pandemic, high inflation, labor shortage and supply chain disruptions, as well as foreign wars have taken their toll on the American Spirit and our lives. Yet, through the continued efforts of you as members, directors and staff, clients and our public and private partners, we will continue to meet the challenges through the Organization’s transformative programs resulting in a stronger Nation, higher achievements and restoration of the American Spirit to an unprecedented level reminiscent of the American Dream”

Luke Lesyshen  
President





# Introduction

Throughout 2024, the Nation continued to rebuild from the devastating effects of the COVID-19 Pandemic outbreak. Although four years have past since the outbreak, the long-lasting negative effects on the economic and social well-being of the Nation continue to this day. The unprecedented social cost of lives lost or long-term effect on the health of millions of Americans and staggering rate of inflation left no one person or business untouched.

Many businesses are now dealing with high inflation and skilled labor shortages impacting their business operations daily. And larger companies are exploring offshoring their production which would have a disastrous impact on small local businesses that provide goods and services to the larger companies.

As we look in the rearview mirror, the Organization is brought to the realization that the future and well-being of its people will be dependent upon a transformation of the underlying basic economic needs of businesses large and small, that are needed to restore the economic balance. The Organization continues to build upon its over forty-five years of financial and technical assistance to business with the end goals of increased capital investment and creation/retention of jobs on an accessible, diverse and inclusive basis. Coupled with its long-standing traditional financial assistance programs are its more recent General Loan Fund Program, its Loan Securitization Program, and certification as a Community Development Entity.



It is our belief that these new initiatives, coupled with other collaborative public and private actions, will build upon the Organization's past success and assist in the transformation to advanced manufacturing that will propel not only the State of Iowa but the Nation forward at an unprecedented rate.

During the 2023-2024 fiscal year, the Organization provided direct financial assistance in the form of loans to 25 businesses totaling \$7,006,440 through the Organization's EDA Revolving Loan Fund Program, SBA 504 Loan Program, USDA IRP Loan Program and BHED General Loan Fund Program. These 25 loans are expected to result in total project investments of \$19,831,723 and creation and/or retention of 432 jobs within two years of project funding.

In addition to the 25 loans funded, the Organization continues to service over \$300 million to low-income businesses through our continued efforts servicing the Midwest Renewable Capital New Market Tax Credit projects funded until 2023.

In summary, the 2023-2024 year concluded on a positive note as the Organization's programs continued to make positive impacts on the wellbeing of businesses served and the welfare of the public at large.

# Mission

**To actively engage in sustainable economic and community development activities for the benefit of all constituents through various financial and other assistance programs principally targeted to qualified low-income communities and/or low-income persons.**

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## GOALS AND OBJECTIVES

The goals and objectives of the Organization are to promote an increase in the standard of living and quality of life for all constituents through strategic, inclusive and sustainable economic and community development activities:

### Economic Activities -

- New business start-up, expansion and retention programs, and activities that promote:
  - Entrepreneurship
  - Public/Private partnerships
  - Capital investment
  - Job opportunities — new, enhanced, retained
  - Diversification and expansion of economic base
  - Business recruitment
  - Minority-owned business and career opportunities
  - Exports and import substitution

### Community Activities -

- Quality of life initiatives that promote:
    - Economic opportunity
    - Healthcare Access
    - Community wellbeing
    - Development/rebuilding of low income rural areas
    - Development/rebuilding of low income urban areas
    - Capital Investments
    - Public/Private partnerships
    - Community enhancement
- 

And further supported in large part with the various partnerships and collaborations with special recognition to:

Midwest Renewable Capital, LLC

Cedar Valley Growth Fund I, Inc.

# Overview

Number of Loans	
Cares RLF Loan	6
IRP Loans	0
Legacy RLF Loans	7
SBA 504 Loans	6
GEN Loans	<u>6</u>
<b>Total Loans</b>	<b>25</b>

## DOLLARS (\$) APPROVED

<b>Total Dollars Approved</b>		<b>\$7,006,440</b>
IRP Program Loans	\$ 0	
LEGACY RLF Program Loans	989,830	
SBA 504 Program Loans	3,875,000	
GEN Program Loans	1,051,610	
CARES RLF Program Loan	1,090,000	

## PROJECT INVESTMENTS

<b>Total Project Investments</b>		<b>\$19,831,723</b>
IRP Program Loans	\$ 0	
LEGACY RLF Program Loans	5,200,858	
SBA 504 Program Loans	6,160,275	
GEN Program Loans	6,480,590	
Cares RLF Program Loans	1,990,000	

## JOBS CREATED/RETAINED (Estimated)

<b>Total Jobs Created/Retained</b>		<b>432</b>
IRP Program Loans	0	
LEGACY RLF Program Loans	103	
SBA 504 Program Loans	145	
GEN Program Loans	111	
CARES RLF Program Loans	73	

## Total Dollar (\$) Servicing as of September 30, 2024

<b>Total Dollars (\$) Servicing</b>		<b>\$344,986,739</b>
SBA 504 Program	\$ 34,034,968	
LEGACY RLF Program	2,308,995	
CARES RLF Program	3,032,228	
GEN Program	2,536,691	
IRP Program	92,266	
MRC NMTC Program	302,981,591	

# General Loan Program

The General Loan Fund Program (GEN Program) is a financial assistance program founded in 2012. As the purpose of the program is to broaden the types of businesses or organizations served and the means to serve them, the program is administered similar to the Organization's RLF and IRP Programs, albeit, with fewer regulations.

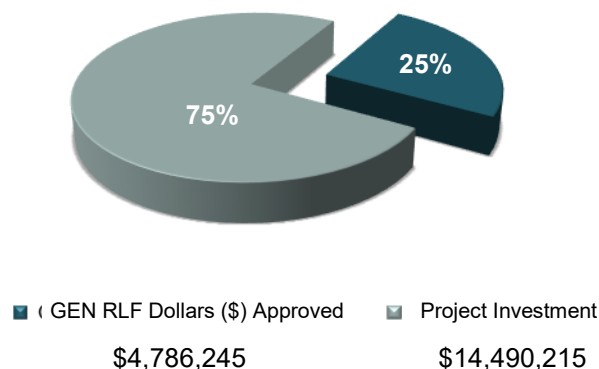
Eligible businesses/organizations include both for-profit and not-for-profit. Eligible use of funds include purchase of land and buildings, building construction/improvements, purchase and installation of equipment and fixtures, and working capital.

The GEN Program is available on a nationwide basis.

Since the beginning in 2012, the General Loan Fund Program has funded 29 loans.

	2023-2024 Goals	2023-2024 Actual	2024-2025 Goals
Number of Loans	6	6	8
Dollars Loaned	\$400,000	\$1,051,610	\$1,200,000
Total Project Costs	\$800,000	\$6,480,590	\$2,400,000
Job Creation/Retention	240	111	120

## General Revolving Loan Fund (GEN)





# Dental Specialists & Implant Clinic of Iowa



"Working with Black Hawk Economic Development has been seamless and transparent. When we require supplemental information or have questions, we are met with timely, helpful information provided by friendly and professional people!"

Rachael Sorrento  
Dental Specialists & Implant Clinic of Iowa, LLP

# Legacy Revolving Loan Program

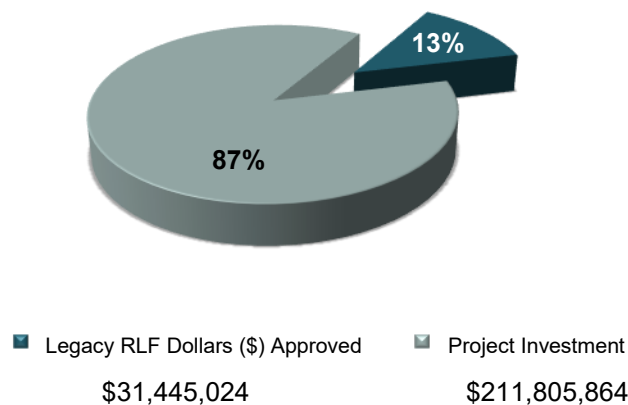
The Organization's Legacy Revolving Loan Fund Program (Legacy RLF Program) is a small business financial assistance program founded with the assistance of the U.S. Department of Commerce—Economic Development Administration. The purpose of the program is to provide “gap financing” to for-profit small businesses. Gap financing is typically defined as subordinated financing and can be thought of in terms of “filling” the short fall or “gap” between the required equity portion of a financial package and bank/credit union financing. Under the Legacy RLF Program, emphasis is placed on providing gap financing to businesses in the industrial/manufacturing sectors. Although, all for-profit businesses may apply with specific exceptions.

Eligible project costs include purchase of real estate, building improvements, machinery and equipment purchase and installation, and working capital. Legacy RLF Program assistance is provided on a competitive basis. Eligible areas include Black Hawk, Bremer, Buchanan, Butler, Chickasaw and Grundy counties in the State of Iowa.

Since 1979, the Legacy Revolving Loan Fund Program has funded 498 loans.

	2023-2024 Goals	2023-2024 Actual	2024-2025 Goals
Number of Loans	12	7	10
Dollars Loaned	\$1,000,000	\$989,830	\$850,000
Total Project Costs	\$1,900,000	\$5,200,858	\$1,500,000
Job Creation/Retention	120	103	80

**Legacy Revolving Loan Fund (RLF)**





# Kimberly Entertainment



"We feel Black Hawk Economic Development was easy to work with and offered great programs and terms available for small businesses."

Susan and Trent Lorfeld  
Kimberly Entertainment

# CARES Loan Program

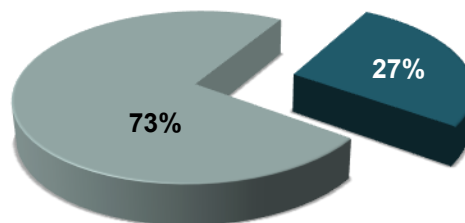
The Organization's CARES Revolving Loan Fund Program (CARES RLF Program) is a small business financial assistance program founded with the assistance of the U.S. Department of Commerce—Economic Development Administration. The purpose of the program is to provide "gap financing" to for-profit small businesses. Gap financing is typically defined as subordinated financing and can be thought of in terms of "filling" the short fall or "gap" between the required equity portion of a financial package and bank/credit union financing. Under the CARES RLF Program, emphasis is placed on providing gap financing to businesses in the industrial/manufacturing sectors. Although, all for-profit businesses may apply with specific exceptions.

Eligible project costs include purchase of real estate, building improvements, machinery and equipment purchase and installation, and working capital. CARES RLF Program assistance is provided on a competitive basis. Eligible areas include Black Hawk, Bremer, Buchanan, Butler, Chickasaw and Grundy counties in the State of Iowa.

Since the beginning in 2021, the CARES Revolving Loan Fund Program has funded 34 loans.

	2023-2024 Goals	2023-2024 Actual	2024-2025 Goals
Number of Loans	5	6	8
Dollars Loaned	\$700,000	\$1,090,000	\$780,000
Total Project Costs	\$1,000,000	\$1,990,000	\$1,600,000
Job Creation/Retention	70	73	75

**CARES Revolving Loan Fund (CARES RLF)**



■ CARES RLF Dollars (\$) Approved	■ Project Investment
\$4,998,500	\$13,772,107



# Image Pointe & Dignity Apparel



"We are grateful to Black Hawk Economic Development for their support in facilitating the CARES RLF loan. This funding arrived at a crucial time for our business, enabling us to increase inventory and purchase equipment that has expanded business opportunities and created jobs. It has been a pleasure working with the team at Black Hawk Economic Development over the years, and we look forward to many more years of working together in the Cedar Valley!"

Josh Ruyle  
Image Pointe & Dignity Apparel



# SBA 504 Loan Program

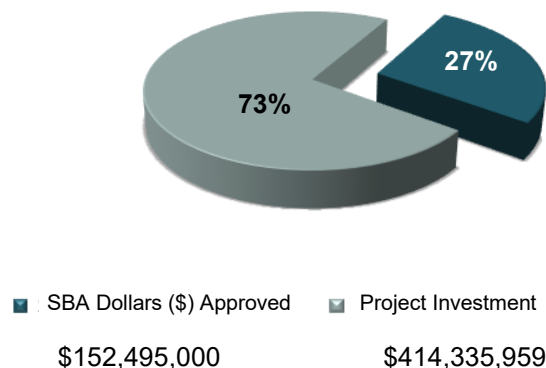
The SBA 504 Loan Program is an U.S. Small Business Administration (SBA) economic development program administered on a local level by a *Certified Development Company*, such as Black Hawk Economic Development, Inc. The SBA 504 Loan Program is designed to provide direct financing for long-term fixed assets under new business start-up, expansion and retention projects. Under the program, an eligible business may obtain up to a total of 80-90% financing for a project.

Eligible businesses must be for-profit. Manufacturing, service, professional and retail businesses are generally eligible. Eligible project costs include purchase of real estate, building construction/improvement, and purchase/installation of machinery and equipment that meet certain useful life requirements. Program assistance is provided on a statewide basis.

Since the program began, in 1984, the SBA 504 Loan Program has funded 426 loans.

	2023-2024 Goals	2023-2024 Actual	2024-2025 Goals
Number of Loans	10	6	12
Dollars Loaned	\$3,500,000	\$3,875,000	\$4,800,000
Total Project Costs	\$9,800,000	\$6,160,275	\$12,100,000
Job Creation/Retention	120	145	140

**SBA 504 Program (SBA)**



# Mid-American Glass



“Being in business nearly 35-years now, Mid-American Glass recognizes the value of partnering with solid professionals who will work with you to build and develop your business along the way. We’ve found such a partner in Black Hawk Economic Development. As a glass professional looking to expand on our foundation of success in glass fabrication, the path to SBA financing can seem daunting. But the folks at BHED took the time to learn about our business and truly work to find the best financing path for us to follow! Their understanding of the processes and willingness to share their knowledge with us has been a huge factor in our confidence moving forward.”

Michelle Magyar  
Mid-American Glass, Inc.



# Intermediary Relending Program

The Intermediary Relending Program is an economic development program designed to promote rural small business development and community enhancement projects. Under the program, BHED funds were leveraged with funds from the U.S. Department of Agriculture (USDA) to capitalize the Organization's Intermediary Lending Program (IRP) Fund. The IRP Program operates similar to the Revolving Loan Fund Program in terms of gap financing.

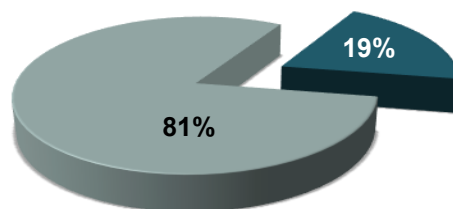
Eligible businesses must be for-profit. Manufacturing, service, professional and retail businesses are generally eligible. In addition certain community based organizations and governmental entities may be eligible. Eligible project costs include purchase of real estate, building construction/improvement, and purchase and installation of machinery and equipment. Businesses may also use the funds for working capital. In view of the limited funds available, IRP Program assistance is provided on a competitive basis.

Eligible Iowa counties include rural Benton, Black Hawk, Bremer, Buchanan, Butler, Chickasaw, Floyd, Grundy and Tama in the State of Iowa.

Since the program began, in 1984, the IRP Loan Program has funded 21 loans.

	2023-2024 Goals	2023-2024 Actual	2024-2025 Goals
Number of Loans	1	-	1
Dollars Loaned	\$250,000	-	\$100,000
Total Project Costs	\$300,000	-	\$200,000
Job Creation/Retention	25	-	20

**Intermediary Relending Program (IRP)**



IRP Dollars (\$) Approved	Project Investment
\$1,581,000	\$6,588,449



# Cedar Valley Growth Fund



The mission of Cedar Valley Growth Fund I, Inc. is to enhance the quality of life in areas of need and on a nationwide basis through responsible innovative economic development initiatives.

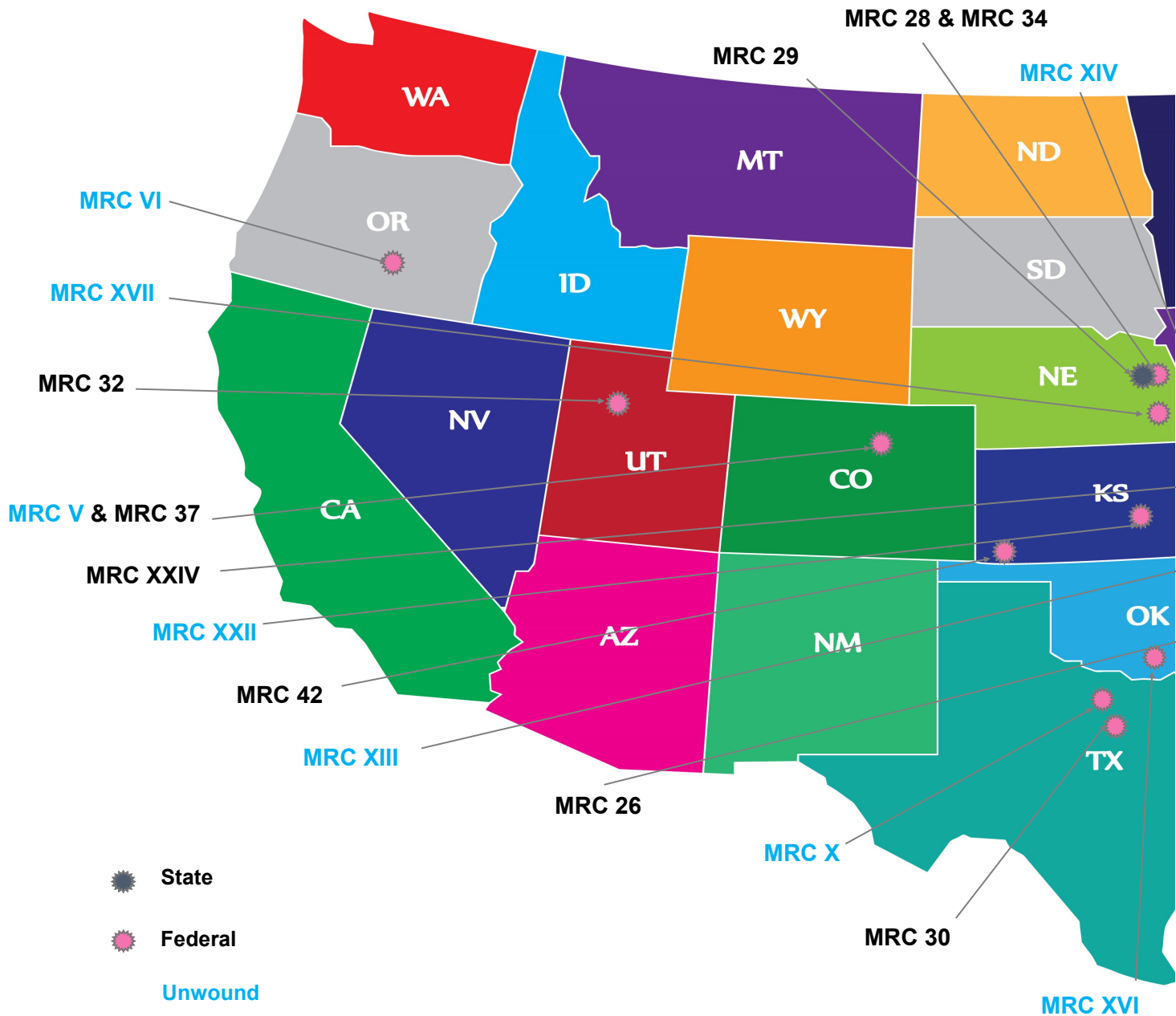
Cedar Valley Growth Fund I, Inc., (CVGFI) established in 2009, is a 501 (c) (3) not-for-profit corporation. The corporation was sponsored by Black Hawk Economic Development, Inc. in an effort to increase the availability of capital and technical assistance to area small businesses. Cedar Valley Growth Fund I, Inc. was designed to provide near equity loans to both existing businesses and new business start-ups under a revolving loan fund program similar to BHED's Revolving Loan Fund Program, but with less regulations. Income derived from the CVGFI RLF Program is in-turn used to provide professional technical assistance to area small businesses free or at a nominal cost, to fund a micro-venture fund, to replenish the RLF fund and for direct administrative costs. During the Summer of 2015, CVGFI expanded its service area to nationwide.



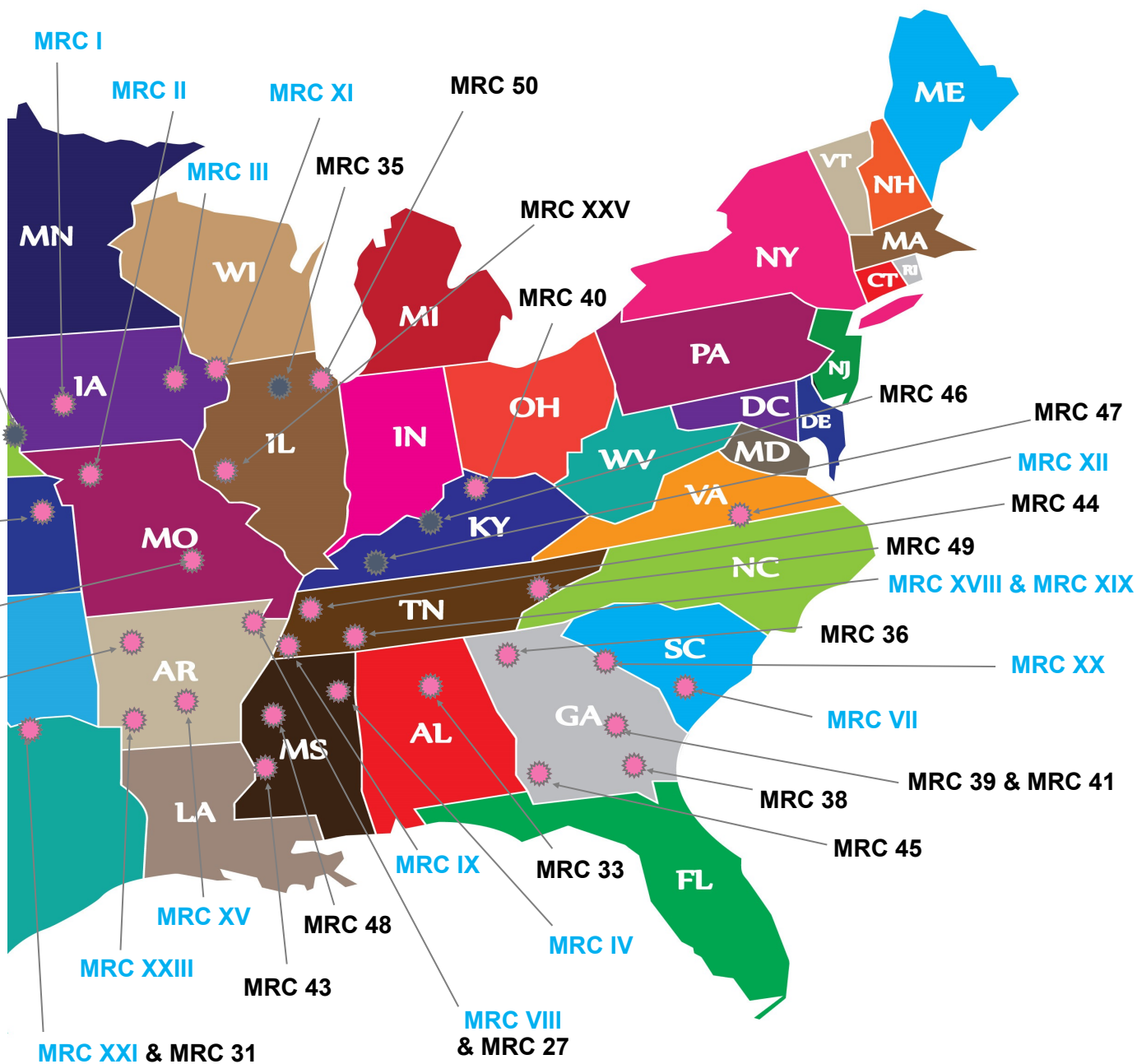
*"Black Hawk Economic Development's assistance helped us expand our loan fund and portfolio. Through this assistance we are able to assist in retention of a long-standing community business and its five employees, and have available additional funds to support our technical assistance endeavors."*

Joe Engelkes  
Cedar Valley Growth Fund I

# Midwest Renewable Capital



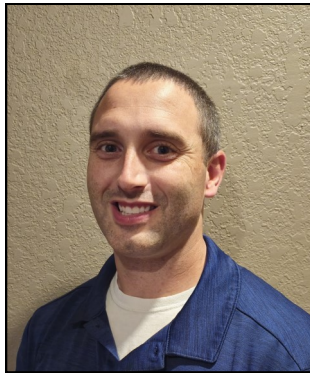
BHED served as the manager and controlling entity of Midwest Renewable Capital, LLC (MRC) for over ten years deploying over \$550 million in NMTC allocations through May 4, 2023. Although, no longer the manager and controlling entity, BHED continues to provide loan servicing and administrative functions to MRC for deployments under its former capacity. MRC is a community development entity deploying New Market Tax Credits (NMTC) under the Community Development Finance Institution - Department of Treasury.



# MIDWEST RENEWABLE CAPITAL, LLC

Total Dollars (\$) Loaned	\$ 553,451,567
Total Dollars (\$) Servicing	\$ 302,981,591
Total Project Costs (\$)	\$ 2,989,509,217
Direct Jobs Created and/or Retained in Census Tract	13,101

# Board of Directors



**Eric Bearbower ~**  
*Board Member since 2023*



**~ Nate Clayberg**  
*Board Member since 2017*  
Member of the  
Loan Committee  
Personnel Committee



**Eric Coulter ~**  
*Board Member since 2022*  
Member of the  
Executive Committee



**Natalie Dlouhy ~**  
**Secretary/Treasurer**  
*Board Member since 2020*  
Member of the  
Executive Committee  
Audit Committee  
Loan Committee





**Lexie Heath ~**  
*Board Member since 2022*



**~ Carol Jahnke**  
*Board Member since 1995*  
Member of the  
Personnel Committee



**Luke Lesyshen ~**  
**President**  
*Board Member since 2017*  
Member of the  
Executive Committee  
Audit Committee  
Budget Committee  
Loan Committee  
Nominating Committee  
Personnel Committee



**~ Brian Quirk**  
**Vice-President/Asst. Sec**  
*Board Member since 1993*  
Member of the  
Executive Committee  
Budget Committee



**Tony Thompson ~**  
*Board Member since 2008*  
Member of the  
Executive Committee  
Nominating Committee



**~ ReShonda Young**  
*Board Member since 2017*  
Member of the  
Nominating Committee

# Organization

## OFFICERS

Luke Lesyshen	President
Brian Quirk	Vice President/Asst. Secretary
Natalie Dlouhy	Secretary/Treasurer

## BOARD OF DIRECTORS

Eric Bearbower	Carol Jahnke
Nate Clayberg	Luke Lesyshen*
Eric Coulter*	Brian Quirk*
Natalie Dlouhy*	Tony Thompson*
Lexie Heath	ReShonda Young

*\*Denotes member of Executive Committee*



### 2023 — 2024 Number of Meetings

Board of Directors	9
Budget Committee	1
Executive Committee	6
Loan Committee	14
Nominating Committee	1
Personnel Committee	1

## MEMBERS

Eric Bearbower	Brenda Gibson	Cindy Lantow	Brian Quirk
Nate Clayberg*	Lexie Heath	Luke Lesyshen*	Chuck Rowe
Eric Coulter	Carol Jahnke	Steve Lindaman*	Adam Schaefer
Natalie Dlouhy*	Lisa Kremer	Mohammad Ilyas	Marge Schurman*
Bill Dotzler, Jr.	Robert Krogh*	Adrienne Miller*	Bob Seymour*
Karen Dunlap	Anee Lampe	Jon Mixdorf*	Tony Thompson
Amy Dutton	Amy Lang	Chris Mueller	Connie Tolan
		Jordan Nomansen	ReShonda Young

*\*Denotes member or alternate member of the Loan Committee*

## STAFF

Hector Baldiviezo	Business Development/Lender
Aaron Bixby	Senior Lender/Credit Manager
Stephen Brustkern	Special Projects
Stacy Hageman	Administrative Assistant
Brian Harger	Business Development/Lender
Stephanie Koenen	Executive Director
J.P. Myers	Accountant
Meghan Schildgen	Administrative Specialist

### Committees

Audit Committee
Budget Committee
Executive Committee
Loan Committee
Nominating Committee
Personnel Committee

# Staff



**~ Hector Baldiviezo**  
*Since 2023*  
Business Development/Lender



**Aaron Bixby ~**  
*Since 2024*  
Senior Lender/Credit Manager



**~ Steve Brustkern**  
*Since 1990*  
Special Projects



**Stacy Hageman ~**  
*Since 2006*  
Administrative Assistant



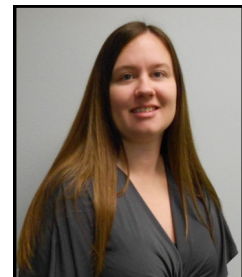
**~ Brian Harger**  
*Since 2021*  
Business Development/  
Commercial Lender



**Stephanie Koenen ~**  
*Since 2015*  
Executive Director



**~ J.P. Myers**  
*Since 2021*  
Accountant



**Meghan Schildgen ~**  
*Since 2015*  
Administrative Specialist

# Notes



# Notes

# Notes



The assistance programs offered and administered by Black Hawk Economic Development, Inc. are provided on a non-discriminatory and equal opportunity basis.

Equal  
Opportunity  
Employer

