

# Super Steel, LLC 1 and 2

7900 West Tower Avenue  
Milwaukee, WI 53223-3214



**FIRE**  
FIRST-RING INDUSTRIAL REDEVELOPMENT ENTERPRISE  
MILWAUKEE • RACINE • KENOSHA

## Project Description

Super Steel, LLC, formerly known as Super Steel Products Corporation (SSPC), had been in existence since 1923, providing contracted manufacturing services to customers in the industrial, construction, agricultural, and defense markets, and specializing in providing metal fabrication to the rail industry. The company was heavily impacted by the economic downturn and was forced to file for receivership in March 2010.

The closure of this facility would have materially and negatively impacted the area based on the number of jobs that would be lost both directly and indirectly. Economic development professionals in the regional and most notable for the City of Milwaukee deemed this a high priority. Structuring a capital stack that would make acquisition and turn-around financing viable was a key item in attracting a buyer.

FIRE underwrote a \$15,500,000 allocation, supporting the acquisition, operational upgrades and working capital requirements of the re-launch of the company. The allocation matched total project costs. The NMTC allocation provided allowed Super Steel, LLC to retain its 223 current employees, and projected initial growth of 80 additional permanent quality jobs at an average annual anticipated wage of \$36,000 within the first 12-18 months, the majority of these jobs available to low income persons. The owner of the company committed \$12,750,000 in equity and FIRE provided the remaining \$2.75 million in allocation after reserves for monitoring, legal expense, and placement fees. FIRE subsequently provided an additional \$10 million in allocation in a similar structure, for total financing of \$25.5 million in allocation. This allowed the company to purchase a new facility and to further expand both in product line and in employee base.

Since closing on these transactions, the company has exceeded its original employment goals, and has now hired 356 new employees, the majority of which were low-income at time of hire.

<b>Total Project Costs:</b>	\$25,500,000
<b>NMTC Allocation:</b>	\$25,500,000
<b>FIRE NMTC Allocation:</b>	\$25,500,000
<b>NMTC Investor:</b>	JP Morgan Chase
<b>Closing Date:</b>	

## Distress Criteria

- Area MFI: 78.6%
- Poverty: 20%
- Brownfield
- State Designated Enterprise Development Zone
- 2010 FEMA Designated Area

## Community Impacts

- 223 retained jobs
- Creation of 356 jobs
- Brownfield remediation



## CDE Alignment

The project is located in a designated Brownfield area and has two other secondary distress criteria making this a highly distressed project and meeting this component of the CDE's mission. The project also retained 223 quality manufacturing jobs and has added an additional 207 jobs (117 in excess of original estimates), providing employment for 430 persons. The jobs provided are predominately accessible to low-income persons with high school education and on-site training. This directly meets the CDE's goals of providing quality employment opportunities to low-income persons and/or low-income community residents. The company also committed to local hiring practices and internal training which also specifically aligns with FIRE's mission and goals.