

1 **2020 RES-246**

2 **APPROVING AGREEMENT FOR COMMUNITY DEVELOPMENT BLOCK GRANT LOAN RENEWAL FOR**  
3 **WISCONSIN WOMEN’S BUSINESS INITIATIVE CORPORATION**  
4

5 Dane County administers an Economic Development Revolving Loan Fund (ED-RLF), originally capitalized  
6 with a Community Development Block Grant (CDBG-ED grant) of \$120,000 from the State of Wisconsin in  
7 1991 (Department of Development, now Department of Administration). The grant was accepted by Dane  
8 County by Resolution 78, 1991-92: Accepting Wisconsin Development Fund Grant Monies and Awarding  
9 Contracts (Leisure Concepts), passed on August 15, 1991. In 2004 the ED-RLF was increased by an  
10 additional \$422,337 with funds transferred to Dane County from RLFs in other Dane County municipalities.

11 The purpose of the ED-RLF is to provide financing to businesses that create jobs for low and moderate-  
12 income persons. The objectives of the RLF are to: expand or modernize existing or locally owned and  
13 managed enterprises; encourage the creation or retention of employment opportunities for low and  
14 moderate-income County residents; leverage new private investment in downtown business districts and  
15 traditional business districts; assist businesses with high-value added products or services, especially in  
16 the agricultural sector; and assist dairy farmers with capital improvements resulting in an increase in milk  
17 production.

18 In 2005, the Wisconsin Women’s Business Initiative Corporation (WWBIC) received an ED-RLF loan of  
19 \$100,000 to help capitalize their micro-enterprise loan fund. The micro-enterprise fund provides loans of  
20 up to \$25,000 to graduates of WWBIC’s entrepreneur training programs, which are funded in part with  
21 Dane County CDBG. The loan was approved for a five-year term, at an interest rate of 3.5 percent and a  
22 loan fee of 0.25% points, with interest-only payments during the term and a balloon payment at the end  
23 of the term. The balloon payment could be rolled over to a new term upon approval of the Loan  
24 Committee and CDBG Commission.

25 In 2010, WWBIC requested a five-year rollover of it’s \$100,000 ED-RLF loan. The CDBG Commission met  
26 and approved the \$100,000 rollover request for an additional five-year term, at an interest rate of 1.5%  
27 with interest-only payments and payable on a semi-annual basis. In 2015, WWBIC requested another five-  
28 year rollover of it’s \$100,000 ED-RLF loan. The CDBG Commission met and approved the rollover request  
29 with the same terms and conditions.

30 In 2020, WWBIC is requesting a third rollover of the 2005 ED-RLF loan to continue it’s micro-enterprise  
31 loan fund, as the demand for micro-business assistance in Dane County continues to grow. The CDBG  
32 Commission met on October 27, 2020 to consider WWBIC’s request. Based on the qualifications of  
33 WWBIC and previous performance of the micro-enterprise loan fund, the CDBG Commission  
34 recommended approval (9-0) of the \$100,000 loan renewal request with a five-year term, at an interest  
35 rate of 1.5% with interest-only payments and payable on a semi-annual basis. WWBIC will submit loan  
36 performance reports to the CDBG Commission on a quarterly basis.

37 NOW, THEREFORE, BE IT RESOLVED that the ED-RLF loan to WWBIC for \$100,000, authorized under RES  
38 32, 05-06, be renewed for an additional five-year term, at an interest rate of 1.5 percent with interest-

39 only payments during the term and a balloon payment at the end of the term, is approved by the Dane  
40 County Board of Supervisors;

41 BE IT FINALLY RESOLVED that the Dane County Controller is authorized to issue checks necessary to  
42 implement the 2020 CDBG and HOME programs.