

1 **2018 RES-062**

2 **APPROVING AGREEMENT FOR COMMUNITY DEVELOPMENT BLOCK GRANT LOAN TO QUALITY**  
3 **TRANSIT, LLC.**  
4

5 Dane County administers Community Development Block Grant (CDBG) funds from the U.S. Department  
6 of Housing and Urban Development (HUD) as an entitlement community on an annual basis. The funds  
7 are allocated within the County's CDBG jurisdiction to implement the strategies of the Dane County  
8 2015-2019 Consolidated Plan.

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

16 The CDBG Commission met on April 26, 2018 to consider approval of a revolving loan fund loan for the  
17 expansion of an existing business, Quality Transit, LLC. Quality Transit provides affordable  
18 transportation services to ambulatory and disabled clients in Dane County. The loan proceeds will be  
19 used to purchase three additional wheelchair accessible vehicles allowing Quality Transit to keep pace  
20 with growing transportation ridership demands in the County. The loan requires Quality Transit to  
21 create 3.58 new permanent full-time equivalent positions, 51% of which, or 1.8, must be held by low to  
22 moderate-income persons.

23 The CDBG Commission recommended approval (8-0) of a loan of \$125,000 at 5.75% interest for seven  
24 years. \$80,000 will be initially disbursed upon approval and execution of the loan closing documents to  
25 purchase two vehicles, and the remaining \$45,000 will be disbursed for the purchase of a third vehicle  
26 upon submission of updated business financial statements, service provider contracts, and  
27 job/employment information. The remaining disbursement will be approved by the CDBG Commission  
28 upon receipt and review of the updated business documents.

29 NOW, THEREFORE, BE IT RESOLVED that the Dane County Board of Supervisors does approve a CRLF  
30 loan of \$125,000 with a seven-year term at an annual interest rate of 5.75% to Quality Transit, LLC for  
31 the purchase of additional handicapped-accessible vehicles

32 BE IT FURTHER RESOLVED that the Dane County Controller is authorized to issue checks necessary to  
33 effectuate this transaction; and

34 BE IT FINALLY RESOLVED that the Dane County Clerk and Dane County Executive are hereby authorized  
35 to sign the appropriate contract on behalf of Dane County.