

1 **2015 RES-439**

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  
7 in 1991 (Department of Development, now Department of Administration). The grant was accepted by  
8 Dane County by Resolution 78, 1991-92: Accepting Wisconsin Development Fund Grant Monies and  
9 Awarding Contracts (Leisure Concepts), passed on August 15, 1991. In 2004 the ED-RLF was increased by  
10 an additional \$422,337 with funds transferred to Dane County from RLFs in other Dane County  
11 municipalities.

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

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

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

29 WWBIC is requesting a second rollover of the 2005 ED-RLF loan to continue it’s micro-enterprise loan  
30 fund, as the demand for micro-business assistance in Dane County continues to grow. The CDBG  
31 Commission met on September 24, 2015 to consider WWBIC’s request. Based on the qualifications of  
32 WWBIC and previous performance of the micro-enterprise loan fund, the CDBG Commission  
33 recommended approval (6-0) of the \$100,000 loan renewal request with a five-year term, at an interest  
34 rate of 1.5% with interest-only payments and payable on a semi-annual basis.

35 NOW, THEREFORE, BE IT RESOLVED that the ED-RLF loan to WWBIC for \$100,000, authorized under RES  
36 32, 05-06, be renewed for an additional five-year term, at an interest rate of 1.5 percent with interest-  
37 only payments during the term and a balloon payment at the end of the term, is approved by the Dane  
38 County Board of Supervisors;

39 BE IT FINALLY RESOLVED that the Dane County Controller is authorized to issue checks necessary to  
40 implement the 2016 CDBG and HOME programs.