

CITY OF RACINE, WISCONSIN

REDEVELOPMENT AUTHORITY RESOLUTION 17-07

WHEREAS, The City of Racine and the Racine County Economic Development Corporation (RCEDC) cooperated to receive a grant from the Federal Economic Development Administration (EDA) to implement a Revolving Loan Fund (RLF) within the City of Racine for the purposes of gap financing to assist with the recruitment, retention, growth of businesses, and job growth and retention;

WHEREAS, the City of Racine partnered with the Racine County Economic Development Corporation to assist the City in managing and tracking the loan portfolio, providing review and approval of applications, and underwriting the revolving loans;

WHEREAS, this partnership with RCEDC allows the City of Racine to provide over \$5 Million in low interest loans to businesses through the RLF and further, to revolve these funds to provide funding to other businesses and developments in our City;

WHEREAS, an initial fund capitalization of \$1.6 Million (\$1.13M from the EDA and \$468,000 from the City of Racine) has resulted in over 40 low interest loans and 110 new jobs.

WHEREAS, RCEDC estimates that over \$26 Million in total project investments that resulted from the RLF and total private investment of over \$21 Million.

WHEREAS, the revolving loan fund has met all the targets required by the Racine County Economic Development plan, except for the goal of targeting minority-owned businesses (women-owned businesses are 33% of the total portfolio and only 5% of loans were made to ethnic minorities) and there are plans to try to improve those numbers.

BE IT THEREFORE RESOLVED that the Redevelopment Authority of the City of Racine receive and file the semi-annual Plan Certification for the Revolving Loan Fund for the period ending September 30, 2016;

FURTHER, the RDA recognizes that the Revolving Loan Fund is consistent with both the Racine County Economic Development Plan and the policies and procedures in the RLF manual; and

FURTHER, Redevelopment Authority of the City of Racine recommends that the City of Racine Common Council and its Finance and Personnel Committee also certify that the Revolving Loan Fund is consistent with the County Plan and policies/procedures and receive and file the semi-annual Plan Certification report.

Fiscal Note: As this loan fund was previously capitalized by the City of Racine and the EDA, there are no budgetary or fiscal impacts at this time. Note that there is currently \$84,200 available for lending within the RLF.

Adopted on: February 6, 2017

Seal

By a Vote of

For:	4
Against:	0
Abstain:	0

Attest:

  
Amy Connolly, AICP  
Executive Director

