

**CITY OF RACINE, WISCONSIN**

**REDEVELOPMENT AUTHORITY RESOLUTION 18-28**

WHEREAS, the Redevelopment Authority of the City of Racine (the Authority) recognizes that the cultivation and support of microenterprise businesses is an essential component to equitable redevelopment and growth of the City of Racine (the City) and the nation; and

WHEREAS, microenterprise businesses are defined as small businesses with five (5) or fewer employees, one of whom holds 51% ownership of the business; and

WHEREAS, microenterprise businesses are core to economic competitiveness, neighborhood stability, and community resilience; and

WHEREAS, external financing is crucial to microenterprise businesses, yet criteria from banks and other sources of financing remain prohibitive to many new microenterprise business development; and

WHEREAS, the Community Development Committee and Common Council allocated \$62,700 to assist microenterprise businesses through the Community Development Block Grant Program with the goal of expanding opportunities for Low and Moderate Income households, creating jobs, and providing financing for owner-operated micro-enterprise business start-ups located in the City; and

WHEREAS, a Micro-Enterprise Revolving Loan Fund designed to meet the lending gap and leverage available resources will provide crucial financing for microenterprise businesses; and

WHEREAS, a Micro-Enterprise Revolving Loan Fund will help the City invest CDBG resources in a manner that will return the funding to the City for reinvestment into additional projects that benefit micro-enterprise businesses; and

WHEREAS, the Authority currently administers the Small Business Development Revolving Loan Fund, and is best suited to administer a Micro-Enterprise Revolving Loan Fund.

THEREFORE BE IT RESOLVED, that the Redevelopment Authority of the City of Racine, WI authorize the Executive Director of the Redevelopment Authority of the City of Racine to enter into a written agreement with the City of Racine, WI consistent with federal, state, and local regulations upon review by the City Attorney for \$62,700 of CDBG funds for the purpose of creating and administering a CDBG Micro-Enterprise Revolving Loan Fund.

Fiscal Note: The Community Development Committee and Common Council allocated \$62,700 of CDBG funds for the purposes of assisting micro-enterprise businesses through the 2018 Annual Plan, and, as such, there are sufficient resources available to fund this project.

*Adopted on:*

*Seal*

*By a Vote of*

For:

Against:

Abstain:

*Attest:*

Amy Connolly, Executive Director  
City of Racine Redevelopment Authority