

CITY OF RACINE, WISCONSIN

COMMUNITY DEVELOPMENT AUTHORITY RESOLUTION 20-01

WHEREAS, the Community Development 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 businesses; and

WHEREAS, the Community Development Committee (now the Community Development Block Grant Advisory Board) and Common Council allocated \$100,000 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.

THEREFORE BE IT RESOLVED, that the Community Development Authority of the City of Racine authorize the Interim Executive Director of the Community Development 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 \$100,000 of CDBG funds for the purpose of administering a CDBG Micro-Enterprise Revolving Loan Fund.

Fiscal Note: The Community Development Committee (now the Community Development Block Grant Advisory Board) and Common Council approves funding allocations from the annual CDBG entitlement funds to the Micro Fund. There are sufficient funds allocated to this program in the FY19 CDBG Annual Plan.

Adopted on:

Seal

By a Vote of

For:

Against:

Abstain:

Attest:

Matthew Sadowski, Interim Executive Director
Community Development Authority of the City of Racine