

1 **WASHINGTON COUNTY, WISCONSIN**

2
3 Date of enactment: 9/13/11

4 Date of publication: 9/21/11

5 **VOTE**

6 **2011 RESOLUTION 30**

7
8 **Impact Revolving Loan Fund – Establishment of Local Program**

9
10 **WHEREAS**, competition for business growth is heated in today’s shifting economy and
11 local job creation remains a vital concern of the citizens of Washington County; and

12
13 **WHEREAS**, the establishment of a local revolving loan fund will encourage economic
14 development in Washington County, reduce unemployment by conditioning loans on a
15 commitment to job creation and retention and will further encourage capital investment in
16 Washington County as businesses expand operations, providing for an expanded tax base in
17 Washington County; and

18
19 **WHEREAS**, the nature of a revolving loan fund is that it will be replenished upon
20 repayment of loans so that it can provide for a continual benefit to the public and return on the
21 investment of public funds; and

22
23 **WHEREAS**, pursuant to 2006 Resolution 40, Washington County transferred certain
24 functions to the Washington County Economic Development Corporation (“EDWC”) including
25 the County’s federally-funded Revolving Loan Fund (RLF) Program and, as a result, EDWC was
26 assigned the responsibility of administering, operating, marketing and promoting the RLF
27 Programs; and

28
29 **WHEREAS**, the federally-based RLF of about \$1 million is nearly loaned out, has less
30 than \$75,000 available for new loans, and is intended to supply gap financing of no more than
31 \$100,000 per business expansion project; and

32
33 **WHEREAS**, pursuant to 2010 Ordinance 8, the County Board of Supervisors authorized
34 that private economic development projects are eligible to be included in the Capital
35 Improvement Program with funding by the County sales tax; and

36
37 **WHEREAS**, EDWC has proposed the creation of a locally-based Impact RLF beginning
38 with \$1 million of 2012 funding recommended by the Executive and Finance Committees in the
39 2012-2017 Capital Improvement Program and with anticipated additional loan funds to assist
40 further business expansion projects in 2013 and 2014; and

41
42 **WHEREAS**, the partnership between EDWC and Washington County is an effective
43 structure for assuring that public funds are appropriately used for the public purposes of job
44 creation and leveraging of new capital investment in a business friendly manner; and

1 **WHEREAS**, a revolving loan fund is an effective funding approach with long-term value
2 since funds repaid by an initial business expansion project will be used to fund expansion
3 projects for future business applicants; and
4

5 **WHEREAS**, the proposed Impact RLF is designed to provide gap financing loans for
6 businesses committed to maintaining a presence in Washington County that are exporting outside
7 of Washington County, for loans not more than \$500,000 per project that will create and retain at
8 least one full-time job per \$20,000 of loaned funds, and that will be funded with at least an equal
9 amount private investment to the revolving loan;
10

11 **NOW, THEREFORE, BE IT RESOLVED** by the Washington County Board of
12 Supervisors that based on the foregoing findings of public purpose, the Impact Revolving Loan
13 Fund (RLF) Program is hereby established.
14

15 **BE IT FURTHER RESOLVED** that the Impact Revolving Loan Fund Program is
16 eligible for such sales tax funds as are authorized and budgeted by the County Board through the
17 Capital Improvement Plan for this purpose.
18

19 **BE IT FURTHER RESOLVED** that the County and EDWC shall enter into an
20 agreement setting forth the parameters for the administration of the Impact RLF Program which
21 shall, among other provisions, require that in the event of EDWC ceasing operations for
22 whatever reason, the Impact RLF Program shall be returned to the County in good and orderly
23 form for its administration.
24

25 **BE IT FURTHER RESOLVED** that the EDWC Revolving Loan Committee is assigned
26 the responsibility to evaluate and decide on applications for an Impact RLF which meet the
27 minimum requirements set forth in this resolution and agreement between the County and
28 EDWC and are issued in compliance with the Fund Manual, loan offer letter, and loan
29 documents signed at closing, with appropriate security and protection of the County's interests.
30

31 **BE IT FURTHER RESOLVED** that EDWC will operate the program in a manner
32 similar to the current RLF administered by EDWC, including monitoring and enforcement of all
33 terms and conditions of the respective loan agreements.
34

35 **BE IT FURTHER RESOLVED** that an Impact RLF application with significant merit
36 that does not meet the minimum job creation or private investment requirements, or is larger than
37 \$500,000 for the proposed project, may be recommended by the EDWC Revolving Loan
38 Committee but will require review and approval of the County Executive Committee before
39 awarding of that loan.
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43 VOTE REQUIREMENT FOR PASSAGE: Majority
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45 RESOLUTION SUMMARY: Authorization to establish an Impact Revolving Loan Program to
46 be administered by Economic Development of Washington County.

1 APPROVED:
2 (signed by Kimberly A. Nass)
3 Kimberly A. Nass, County Attorney
4 Dated 9/19/11
5
6 Considered 9/13/11
7 Adopted 9/13/11
8 Ayes 26 Noes 3 Absent 1
9 Voice Vote _____

Introduced by members of the EXECUTIVE
and FINANCE COMMITTEES as filed
with the County Clerk.
(signed by Herbert J. Tennes)
Herbert J. Tennes, Chairperson
Executive Committee
(signed by Ralph R. Hensel
Ralph R. Hensel, Chairperson
Finance Committee

10
11 (The 2012-2017 Capital Improvement Fund provides \$1,000,000, \$500,000 and \$500,000 for the
12 years 2012, 2013 and 2014. The program is funded with County sales tax revenues.)