



Dane County Economic Development Revolving Loan Fund

The Dane County Economic Development Revolving Loan Fund (ED-RLF) provides gap financing to businesses that create jobs, 51% of which must go to low and moderate-income persons. The objectives of the ED-RLF are to:

- Expand or modernize existing or locally owned and managed enterprises.
- Encourage the creation or retention of employment opportunities for low and moderate-income County residents.
- Leverage new private investment in downtown business districts and traditional business districts.
- Assist businesses with high-value added products or services, especially in the agricultural sector.
- Assist Dairy Farmers with capital improvements resulting in an increase in milk production.

Funding Source: Dane County Community Development Block Grant (CDGB) funds.

Qualifying Applicants: For-profit businesses, not for profit organizations and municipalities, outside the City of Madison. For a complete list of loan application requirements, please go to: http://www.dane-econdev.org/financing_and_capital.aspx.

Uses of Loans: Acquisition of land, buildings, and fixed equipment, site preparation, clearance of land, rehabilitation of buildings, working capital and public utility assessments (for job creation activities). Loans to assist Dairy producers undertaking capital improvements that will increase milk production.

Loan Size: Minimum loan size is \$25,000. Maximum is based on availability of funds.

Loan Maturity: The loan term will be equal to the useful life of the assets financed.

Interest Rates: Two percent above prime. Lower rates can be negotiated based on need.

Loan Fee: One point of total loan amount.

Application Requirements:

- Creation or retention of new jobs for Dane County residents of whom 51% must be LMI.
- Leverage a minimum of one dollar (\$1.00) of private funds for every one dollar (\$1.00) of loan funds requested.
- Demonstrate that the proposed project is viable and the business will have the economic ability to repay the funds.
- Be completed within 24 months from the date of the loan approval.
- Increase permanent employment or retain existing jobs that would have been lost locally, primarily benefiting low to moderate-income persons.
- At least one full-time equivalent position must be created for every \$35,000 of CDBG funds requested.

Selection Process:

- ED-RLF application
- Staff review and underwriting
- ED-RLF Loan Committee review and recommendations
- CDBG Commission, County Board of Supervisors and County Executive

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