



Legislation Text

File #: 36945, **Version:** 2

Fiscal Note

The 2015 adopted capital budget of the Planning and Community and Economic Development agency (PCED) authorizes expenditures of \$250,000 for a "Women Small Business Development Fund" (Project No. 50). The Resolution will rename the program and authorize a selection process for an organization to manage the program. No additional appropriation is required.

Title

SUBSTITUTE Resolution Approving the Entrepreneurship and Small Business Development Resource Fund RFP and Fund Release.

Body

WHEREAS, men start their businesses with nearly twice as much capital as women and this disparity is slightly larger among firms with high-growth potential; and

WHEREAS, the biggest difference in amount of capital between men and women was with regard to outside equity. Women received only 2 percent of total funding from outside equity, compared to 18 percent for men; and

WHEREAS, organizations like the National Women's Business Council have suggested that closing this gap with equity financing programs, and business mentorship and training programs that target women-owned firms with high-growth potential can help women-owned firms maximize their opportunities for growth; and

WHEREAS, we recognize that Madison is becoming a recognized mid-western technology hub and now is the time to work to address equity issues in the funding of early-stage women-owned companies for the purpose of job creation and economic development; and

WHEREAS, the Entrepreneurship and Small Business Development Resource Fund will target women-owned businesses, but be available on a non-discriminatory basis for all qualified applicants; and

WHEREAS, the 2015 approved budget has funds for this program called the "Women Small Bus. Develop. Fund", which will be renamed the "Entrepreneurship and Small Business Development Resource Fund"; and

BE IT FURTHER RESOLVED, that the program will be called the "Entrepreneurship and Small Business Development Resource Fund"; and

NOW THEREFORE BE IT RESOLVED that the Economic Development staff is authorized to prepare and release a Request for Proposals to contract with an organization to manage the Entrepreneurship and Small Business Development Resource Fund; and

BE IT FURTHER RESOLVED that the RFP should ask how respondents would propose to manage the Entrepreneurship and Small Business Development Resource Fund; and

BE IT FURTHER RESOLVED that Fund management and operation should meet the following minimum criteria:

- Responders to the RFP will be required to have an established fund that will match the City's dollars on a 1:1 basis.

- A fund focused on women's entrepreneurship or a general fund that is committed to further diversifying their portfolio
- Programming to support women entrepreneurs with a focus on technology or small business enterprise
- Emphasis on women entrepreneurs, but open to all qualified applicants
- Regular reporting to the Office of Business Resources
- Ability to track job creation and revenue growth for firms receiving funds
- Revolving fund that will reinvest repayments back into technology or small business enterprises with a focus on women entrepreneurs

: All companies receiving funding from this program shall be located in the City of Madison.

BE IT FURTHER RESOLVED that the Director of the Department of Planning and Community and Economic Development is authorized to select an organization from the proposals submitted, and negotiate a contract with said organization; and,

BE IT FURTHER RESOLVED that the RFP shall contain standard language protecting the City's right to reject any and all applicants, or to negotiate with one or more applicants; and

BE IT FINALLY RESOLVED that the contract shall be approved by the Common Council at a later date.