



Legislation Text

File #: 56676, **Version:** 1

Fiscal Note

The proposed resolution authorizes allocating \$250,000 to the Madison Development Corporation for the Worker Cooperative Loan Fund and \$50,000 to Wisconsin Women's Business Initiative Corporation to establish a revolving KIVA loan fund. The \$300,000 total will be funded by the Cooperative Enterprise Development program in the Economic Development Corporation's capital budget. The available budget authority for the Cooperative Enterprise Development capital program is approximately \$445,000. No additional City appropriation is required.

Title

Resolution approving up the Scope of Services for the Cooperative Enterprise Loan Fund for 2019, creating a "community impact loan" designation and allowing for \$50,000 to be allocated to WWBIC for a KIVA loan fund matching grant for Madison Cooperative Development Coalition endorsed Kiva loans.

Body

WHEREAS, in June, 2016 the Madison Development Corporation (MDC) was selected through RFP 8516-0-2016RR to serve as the loan administrator for the Cooperative Loan Program to provide loan services to sustain, create and/or convert business cooperatives; and

WHEREAS, the Wisconsin Women's Business Initiative Corporation (WWBIC) has been designated as the fiscal agent and partner for the KIVA loan program and has worked with the City of Madison Economic Development Staff and the Madison Cooperative Development Coalition (MCDC) to create guidelines and criteria for such loans; and

WHEREAS, MDC has agreed to support the efforts of the project in reaching smaller loan requests to higher risk borrowers through the KIVA program in the amount of \$50,000; and

WHEREAS, MDC will also make available up to \$25,000 for "Community Impact Cooperative Loans" that will help non-traditional borrowers, at a higher loss risk than those borrowers that are working closely with MCDC and receiving intense technical assistance to help mitigate this risk;

NOW THEREFORE BE IT RESOLVED the Economic Development Division staff is authorized to contract with MDC and for up to \$250,000 total of Cooperative Enterprise Funds for the Worker Cooperative Loan Fund and administration of that fund and \$50,000 to WWBIC to establish a revolving KIVA loan fund.

BE IT FINALLY RESOLVED that the Mayor and City Clerk are authorized to execute said contracts and are authorized to execute, deliver, accept and record any and all documents and take such other actions as shall be necessary or desirable to accomplish the purpose of this resolution in a form approved by the City Attorney.