



Legislation Text

File #: 72432, **Version:** 1

Fiscal Note

No expenditure required.

Title

Authorizing the City to execute a \$250,000 contract with Shared Capital Cooperative to fund loans to Madison-based business cooperatives; and authorizing the City to execute an amendment to an existing contract with Madison Development Corporation to direct repayments of an outstanding business cooperative loan to their Business Loan Program.

Body

WHEREAS, the City has invested in the creation of the Madison Cooperative Development Coalition (MCDC) to provide technical assistance and organizing for business cooperatives, and a loan fund was developed with Madison Development Corporation (MDC); and

WHEREAS, Madison Development Corporation no longer desires to manage the loan fund; and

WHEREAS, there is currently one existing loan that as of May, 19, 2022 has an outstanding balance in the amount of \$8,315.99 and \$34,411.59 had been paid in December 2021 and remains with MDC; and

WHEREAS, the City prefers that MDC transfers repayments of this loan to MDC's business loan program; and

WHEREAS, the City now desires to contract with Shared Capital Cooperative to manage the Cooperative Loan Program; and

WHEREAS, Shared Capital Cooperative is the leading national lending Community Development Financial Institution (CDFI) and has supported the formation of the Cooperative Enterprise Development Loan Fund since the beginning of the program.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Clerk are authorized to execute a \$250,000 contract with Shared Capital Cooperative to establish and run a revolving loan program in partnership from the Madison Cooperative Development Coalition; and,

BE IT FURTHER RESOLVED that the Mayor and City Clerk are authorized to amend the City's existing Business Loan Program contract with Madison Development Corporation to direct repayments of the outstanding business cooperative loan balance into the Business Loan Program to be used following the same terms of the Business Loan Program; and,

BE IT FINALLY RESOLVED that the City's Common Council hereby authorizes the Mayor and City Clerk to execute, deliver and record any and all documents and take other actions as shall be necessary or desirable to accomplish the purpose of this resolution in a form approved by the City Attorney.