

# Racine County Community Development Block Grant Revolving Loan Fund (CDBG-RLF)

This loan program was designed specifically to target businesses within the County of Racine, except for the City of Racine. The program mainly targets municipalities with population less than 50,000 to finance fixed asset purchases and working capital needs.

CDBG-RLF offers a below market interest rate. Our participation cannot exceed the lesser of 50% or \$300,000 of the total eligible project costs.

## Program Parameters

- Lesser of 50% or \$300,000.

\*Note: The County seeks projects that offer a benefit to the community such as: job creation, increased tax base, occupancy and renovation of vacant buildings.



*Smiling Georgie Porgie's used the CDBG-RLF proceeds to construct and renovate their new location to expand into another sector of the market.*

## Rate & Term

- A below market interest rate is fixed at the time of approval and remains unchanged for life of the loan
- 4%

\*Note: The term of the loan depends upon the assets being financed.



*Poclain Hydraulics benefitted from the CDBG-RLF to finance their equipment purchase.*

## Eligible Project Costs

- Land and building acquisition
- Building construction
- Equipment, furniture and fixture purchases
- Working capital, & training costs
- Demolition, removal or rehabilitation, and improvements of buildings
- Purchase of rolling stock

## Ineligible Project Costs

- Debt refinancing
- Specialized equipment not essential to business
- Speculative residential or commercial construction
- Routine Maintenance

## Fees:

- Estimated \$1,000 legal fee.
- 1.5% processing fee, and out-of-pocket closing costs.



**BUSINESS LENDING  
PARTNERS**

A Division of RCEDC, a Wisconsin Corporation

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