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FOR IMMEDIATE RELEASE



FOR INFORMATION CALL

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June 25, 2018

Ald. Russell W. Stamper, II  
(414) 286-2659

## Council approves CDBG funds for minority business development \$1 million revolving loan fund

The Common Council has approved a \$1 million revolving loan fund to increase small business capacity and minority business capacity. The Community Development Block Grant (CDBG) fund, approved by the Council on June 20, is meant to foster minority contractors, commercial development and business development, according to **Alderman Russell W. Stamper, II**, chair of the Community and Economic Development Committee.

**Alderman Stamper encourages minority contractors to apply**, citing major development in Milwaukee that is or will be occurring such as the Foxconn building, the Couture high-rise and the new Bucks arena.

**“With construction booming across the city, this is the perfect time to take your business to the next level!** I encourage small minority-owned businesses who want to someday be a prime contractor to explore this resource,” Alderman Stamper said.

Qualified recipients may apply the money toward their business operations including payroll reimbursement, bonding and equipment purchasing.

Other elements of the loan fund are as follows:

- Loan fund must be used only within the City of Milwaukee for small business capital needs
- An emphasis on the needs of subcontractors
- Loan is secured by “pre-approved” forecasted developer fees that will be paid out throughout the project.
- Line of Credit (LOC) term is not to exceed 12 months (reviewed annually)
- Interest rate of 4% to 6 %
- Loan amount ranges from \$40,000 to \$200,000

The loan is administered through Legacy Redevelopment Corporation whose staff will help provide technical assistance to entities to ensure all financial information is completed.

Interested parties can contact the Community Development Grants Administration at City Hall at 414-286-3647.