Ineligible Businesses And Activities

Program loans shall not be available for the following businesses and activities, unless an exception is requested and granted by the Wisconsin Economic Development Corporation due to unusual circumstances:

- Speculative investment or real estate investment companies
- Lending institutions
- Gambling operations
- Non-public recreation facilities
- Refinancing or consolidating of existing debt
- Reimbursement for expenditures prior to loan approval
- Specialized equipment that is not essential to business operation
- Residential building construction or reconstruction (unless such construction is intended to convert the building to a business or industrial operation)
- Routine maintenance
- Professional services such as accounting, management services or other similar services. Legal services incurred in the closing of the loan are eligible.

Elkhorn Treasurer’s Office
Jessie Bartmann
gbartmann@cityofelkhorn.org
262-723-2219

9 S. Broad Street
Elkhorn, WI 53121

Hours:
8:00 a.m.—4:30 p.m.

The Treasurer's Office cannot provide legal advice.
What is RLF for?
The City of Elkhorn Revolving Loan Fund (RLF) was created with Wisconsin Community Development Block Grant funds. The Fund currently has in excess of $1,000,000 available to assist eligible development projects. Low-interest loans made from this fund are used to help finance commercial revitalization, business start-up or expansion, and industrial development that foster job creation and/or retention within the City.

Minimum Requirements
To be eligible for funding, a proposed project must meet the following:

- Private Funds Leveraged: One dollar of financing from a private lending institution or public sector business loan program, new equity or contribution from the Owners or existing company shall be provided for each dollar of RLF investment.
- Cost Per Job Created: At least one full-time job or equivalent shall be created and/or retained for each $30,000 of funds requested.

Financial Feasibility and Business Viability: Applicant should demonstrate the project is viable and the business will have the economic ability to repay the funds.

Low and Moderate Income Benefits: Each project must demonstrate that it meets the CDBG-ED objective of benefiting low to moderate income persons. The project will create jobs with at least 51% of the jobs to be held or made available to LMI persons (persons with household income less than 80% of the median income by family size).

Compliance with Applicable Laws: Applicants shall comply with all applicable local, state, and federal laws and codes.

Project Completion: Applicants submit an implementation schedule not exceeding 24 months for project completion and 60 months job creation, and maintain the positions created for 24 months.

What are the Terms and Conditions?
Loan terms and conditions are structured on the need and ability to repay. The minimum standards are:

- Loan Amount: The amount loaned is subject to the availability of program funds.
- Interest Rate: The interest rate is determined by the Loan Review Committee.
- Terms: Working capital loans generally mature in 3-8 years; equipment loans generally mature in 5-8 years; real estate loans have a maximum term of 8 years which can be amortized on a 20 year basis with an option of refinancing for another 8 years upon approval.
- Payment Period: Amortization schedules will be set up for monthly payments. Terms may include longer schedules with balloon payments.
- Repayment: Interest and/or principal payments may be deferred during the implementation period if merited in the loan application. Interest will accrue and may be paid in full or added to the principal. After the deferral period, interest and principal are paid for the remainder of the loan.
- Prepayment: Prepayment is not subject to penalties.
- Collateral: The City will seek to have the best possible collateral position to ensure that loans are adequately secured.

This is a brief overview of the City’s RLF program.

For additional program details contact the City of Elkhorn Treasurer, Jessie Bartmann, at (262) 723-2219