



WHEDA

MEDIA RELEASE

For Immediate Release: September 13, 2017

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WHEDA announces new small business financing tools
Announcement made at WHEDA Conference 2017

Madison – At its annual conference on September 12, the Wisconsin Housing and Economic Development Authority (WHEDA) announced new capital funds to help small businesses expand. While addressing nearly 750 conference attendees, WHEDA Executive Director Wyman Winston said the new business lending options will provide millions in financing opportunities across Wisconsin.

“Wisconsin is ready for WHEDA’s new financing tools that will help spur even more business growth for our state,” said Governor Scott Walker. “The timing is right as we gear up to help support new business and market opportunities as a result of Foxconn’s statewide economic ripple effect.”

“As WHEDA celebrates its 45th anniversary, we are excited to announce new small business financing tools to complement our long-standing housing commitment,” said WHEDA Executive Director Winston. “These new economic development resources leverage public-private partnerships to help fuel business growth and job creation throughout the state.”

The newly-created WHEDA/LRC Wisconsin Business Opportunity Fund totals \$5 million and will finance equipment purchases and other types of hard assets for small businesses through the federal New Markets Tax Credits (NMTC) program. NMTCs allocated by WHEDA are a resource to help generate job creation and economic development by promoting equity investment in low-income urban and rural communities. Legacy Redevelopment Corporation (LRC) will administer the fund.

“As the administrator of the Wisconsin Business Opportunity Fund, LRC is uniquely positioned to help small businesses access the capital they need to succeed,” said José A. Mantilla, President and CEO of LRC. “With small business financing, we are helping underserved markets transform into thriving, sustainable neighborhoods that improve the lives of local residents.”

An additional \$6.1 million is being made available to support WHEDA’s Participation Lending Program approved in 2012 by Governor Walker and the state legislature. The Participation Lending Program can be used for purchases such as land, facilities and equipment as well as long term working capital.

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The \$11.1 million of capital for the two new programs is being provided by PNC Bank, Johnson Bank and Milwaukee LISC. A minimum of \$3 million will be targeted for the Milwaukee area with the balance available statewide.

Along with the two new economic development financing programs, WHEDA has also established a new collaboration with Rural LISC to provide access to millions of dollars in capital specifically for rural Wisconsin.

“When we invest in our heartland, we can unlock economic opportunities that help families and businesses thrive,” noted Maurice Jones, president and CEO of LISC. “LISC is eager to deliver the kind of patient, flexible capital and technical expertise that will spur entrepreneurs, support new health centers and recreational facilities, enhance educational opportunities, catalyze the creation of affordable housing, create jobs and build local assets. We’re thrilled to be working closely with WHEDA on this important effort.”

The new partnership leverages WHEDA’s knowledge of Wisconsin small business development projects and Rural LISC’s business investment and training tools. Through the partnership, WHEDA will assess local economic development needs and will act as a liaison between the project developers and Rural LISC’s underwriting team.

The LISC-WHEDA collaboration will help provide low-interest financing to rural businesses and nonprofits for economic development in various sectors including office, retail, industrial, health care, education, commercial as well as special needs and supportive housing.

LRC: LRC provides strategic lending solutions for Milwaukee’s underserved markets. Since originating its first loan in 2003, LRC is the only U.S. Treasury-certified Community Development Financial Institution (CDFI) with a focus on housing and commercial real estate in Milwaukee’s central city.

LISC: With residents and partners, LISC forges resilient and inclusive communities of opportunity across America – great places to live, work, visit, do business and raise families. Since 1980, LISC has invested \$17.3 billion to build or rehab 366,000 affordable homes and apartments and develop 61 million square feet of retail, community and educational space.

WHEDA: For 45 years, WHEDA, as an independent state authority, has provided low-cost financing for housing and small business development in Wisconsin. Since 1972, WHEDA has financed more than 84,000 affordable rental units, helped more than 122,000 families purchase a home and made more than 29,000 small business and agricultural loan guarantees. For more information on WHEDA programs, visit wheda.com or call 800-334-6873.