

July 12, 2011

RESOLUTION NO. 2011-27

**RESOLUTION BY THE FINANCE AND HUMAN RESOURCES COMMITTEE
AUTHORIZING THE TRANSFER OF COUNTY OF RACINE COMMUNITY
DEVELOPMENT BLOCK GRANT – BUSINESS LOAN REPAYMENTS TO THE RACINE
COUNTY ECONOMIC DEVELOPMENT CORPORATION FROM THE LOAN MADE TO
MIDWEST AIRLINES, INC. AND SKYWAY AIRLINES, INC.**

To the Honorable Members of the Racine County Board of Supervisors:

WHEREAS, the State of Wisconsin Department of Commerce awarded a grant of \$4 million to Racine County for the benefit of Midwest Airlines, Inc. and Skyway Airlines, Inc. (now Frontier Airlines) in order for Racine County to make a low-interest business development loan using those Community Development Block Grant (CDBG) funds; and

WHEREAS, the Wisconsin Department of Commerce has agreed that Racine County could retain 50% of the loan repayments for a period of three years to be used for the Jobs for Racine County initiative; and

WHEREAS, the Wisconsin Department of Commerce has agreed to allow Racine County to also retain the State's 50 percent share of loan repayments over a three-year period in order to create a new Revolving Loan Fund (RLF) as long as Racine County repaid these funds before the end of the loan term for Midwest Airlines, Inc. and Skyway Airlines, Inc. in 2033; and

WHEREAS, the County of Racine has reviewed the Jobs for Racine County program, as summarized in the brochure provided and recommends the transfer of its share of the Midwest Airlines, Inc. and Skyway Airlines, Inc. loan repayments over the next three years to Racine County Economic Development Corporation for the Jobs for Racine County initiative; and

WHEREAS, the County of Racine has reviewed the new RLF investment strategy, as summarized in the memorandum dated June 20, 2011 and has considered the advantages and disadvantages of participating in a new RLF and recommends the transfer of the Midwest Airlines, Inc. and Skyway Airlines, Inc. loan repayments to Racine County Economic Development Corporation for the creation of a new RLF; and

WHEREAS, the Racine County Economic Development Corporation will implement the new RLF Investment Strategy.

NOW, THEREFORE BE IT RESOLVED that the County of Racine hereby transfers the Midwest Airlines, Inc. and Skyway Airlines, Inc. loan and repayments to Racine County Economic Development Corporation for the creation of a new RLF to be administered by the Racine County Economic Development Corporation.

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6 **BE IT FURTHER RESOLVED** by the Racine County Board of Supervisors that such
7 transfer take place as soon as all administrative procedures are in place to do so or by July
8 15, 2011, whichever comes first.

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10 **BE IT FURTHER RESOLVED** by the Racine County Board of Supervisors that the
11 County Executive be authorized to sign and execute all necessary documentation to
12 complete said transfer on behalf of the County.

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14 Respectfully submitted,

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16 1st Reading _____

**FINANCE AND HUMAN RESOURCES
COMMITTEE**

17
18 2nd Reading _____

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20 **BOARD ACTION**

Robert N. Miller, Chairman

21 Adopted _____

22 For _____

23 Against _____

24 Absent _____

Mark M. Gleason, Vice-Chairman

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26 **VOTE REQUIRED:** 2/3's M.E.

Thomas Pringle, Secretary

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28 Prepared by:
29 Corporation Counsel

Gilbert Bakke

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32 _____
Q. A. Shakoor, II

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35 _____
John A. Wisch

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38 _____
Pamela Zenner-Richards

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40 **The foregoing legislation adopted by the County Board of Supervisors of**
41 **Racine County, Wisconsin, is hereby:**

42 **Approved:** _____

43 **Vetoed:** _____

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45 **Date:** _____,

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47 _____
48 **James A. Ladwig, County Executive**