



**Economic  
Development and  
Growing the  
Economy**

**UW  
Extension**

# Profiles of Best Practices

## Stimulating Entrepreneurship—Revolving Loan Fund Program

### Community, County

City of Antigo, Langlade County

### Area of Project Impact

City of Antigo, Langlade County

### Population Affected

20,740

### Situation

Prior to 1989, both the City of Antigo and Langlade County had a limited number of loan options available for either expansion or start-up of small businesses -- loans in the range of \$ 5,000 to \$ 100,000. Both the City of Antigo and Langlade County worked with the Wisconsin Department of Development (DOD) Community Development Block Grant Economic Development Program to establish the Revolving Loan Fund, based on an original loan to the city in 1989 and original loan to the County in 1993. Since the initial loans, second and third generation loans have been available to local entrepreneurs through the Revolving Loan Fund.

### Economic Development Strategies

The Revolving Loan Fund Program's main goal is to attract financial resources for local efforts. Secondary goals include the growth and expansion of existing business and stimulation of entrepreneurship.

### Implementation

The Revolving Loan Fund Program is open to any start-up or expanding business in Langlade County. Residents of the City of Antigo may apply for a city loan or county loan, while non-city residents may apply for only a county loan. Applicants must provide a dollar for dollar match of the loan and create a full-time job equivalent for every \$20,000 loaned; and loan terms vary from 7 to 12 years. Loans through this program allow for the purchase of land, buildings and equipment, and provide working capital. More importantly, loans through this program help to ensure that local business development needs are met.

The Antigo Housing Authority administers both the city and county Revolving Loan Fund Programs. The City of Antigo and Langlade County each have "review boards" established to evaluate and approve applications. In both cases, applicants are required to submit business plans, personal financial statements, a job creation schedule, and 3-year business projections. Loans approved by the review board are sent to either the Antigo City Council or Langlade County Board of Supervisors for final approval. These screening procedures have minimized risk in order to help ensure that this Revolving Loan Fund Program is self-sustaining.

The Revolving Loan Fund Program has a solid history in Langlade County. Dollars are paid back locally so that they can be used again to make future loans. It is these local dollars that make it possible to provide funding at interest rates from prime minus 2% to prime plus 2%.

### Partners and Leadership

The Antigo Housing Authority, the City of Antigo Economic Development Committee, and the Langlade County Economic Development Committee work closely together to implement the program. Financial institutions, the Chamber of Commerce, and the Main Street Program are familiar with the program and assist with its promotion.

## **Outcomes**

Since its establishment, the Revolving Loan Fund Program has assisted 25 businesses with the city's fund and 12 businesses with the county's fund. Over the life of these two loan programs, over \$1.7 million have been loaned to second-generation applicants and beyond. It is anticipated that the city and county revolving loan fund programs can continue for the next twenty years or so.

Testimonial comment from Pete and Pam Augustyn of Canopy Gardens, "We appreciate so much the low interest rate, but especially the people; and feeling like a face instead of a number."

## **Contact**

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