



CITY OF RHINELANDER

Office of the City Administrator

October 13, 2008

James E. Cleary Foundation, Inc.
PO Box 1247
Rhinelanders, WI 54501-1247

Dear Mr. Kost,

Please consider this letter and accompanying documents as an application for financial assistance from the Cleary Foundation to assist in the establishment of a new economic development organization titled Downtown Works. The purpose of Downtown Works is to actively foster and promote the business recruitment, expansion, and retention efforts throughout the Rhinelanders downtown business district.

This new organization would be managed by a seven member Board of Directors representing Downtown Rhinelanders, Inc., the City of Rhinelanders, and the Cleary Foundation. Please see the attached documents for a detailed program description.

We would like your organization to become a collaborative partner in this endeavor because of the significant contributions you have already made to the Rhinelanders community. We sincerely appreciate your continued support of Downtown Rhinelanders, Inc. and the Parking Advisory Board, making it possible to focus on the long term vision of creating a vibrant downtown area where residents and visitors alike can shop, dine, or enjoy the arts.

Thank you for your consideration in this matter. We look forward to working with you on this very exciting and impactful project. Please contact me with any questions regarding this application by calling 715-365-8602 or via email: admin@rhinelandercityhall.org

Respectfully,

William E. Bell, M.P.A.
City Administrator
City of Rhinelanders

Sally Latimer
Organization Chair
Downtown Rhinelanders, Inc.

James E. Cleary Foundation, Inc.
Charitable Contribution Application

Applications for a charitable contribution are accepted and reviewed on an ongoing basis from 501 C (3) Non-Profit Organizations. Decisions on applications are generally made during the last quarter of the year. Every application submitted in writing will receive a response.

The completed application form should be directed to James E. Cleary Foundation, Inc., c/o Eckert, Kost & Vocke, L.L.P., ATTN: Keith K. Kost, P.O. Box 1247, Rhinelander, WI 54501-1247.

Date of Application: October 10, 2008
Organization Name: Rhinelanders Works (aka Downtown Works)
Contact Person: William Bell
Title: City Administrator
Address: 135 South Stevens Street
City: Rhinelanders
State: WI
Zip Code: 54501
Telephone Number: 715-365-8602
Counties or Areas Served: Oneida
Amount Requested: \$30,000 Annually for 10 Years
Total Project Cost: \$900,000
For what purpose is this contribution requested: Rhinelanders downtown business revolving loan fund

Describe the project for which funds or services are being sought:

To foster economic growth and stability throughout the downtown business district.

Give a brief description of your organization, its purpose, population served, and geographic area of service:

The purpose of Downtown Works is to actively identify, pursue, and recruit the businesses and individuals responsible for contributing to the durable prosperity of downtown Rhinelanders.

**List additional sources from whom funds for this request are being sought
- amount of each request and the status (pending, received, or denied):**

City of Rhinelander \$30,000 annually for 10 years

Downtown Rhinelander Inc. \$30,000 annually for 10 years

Please enclose the following information with this application:

1. List of the organization's officers and directors
2. Complete budget for the project
3. IRS form 501(c)(3) tax determination letter
4. Financial statement for last year end
5. Current annual operating budget

RHINELANDER WORKS

RHINELANDER DOWNTOWN BUSINESS REVOLVING LOAN FUND

Goals of the Fund:

1. To foster economic growth and stability throughout the Downtown Business District via the establishment of a Small Business Revolving Loan Fund.
2. To provide financial and technical assistance to small businesses located in the Downtown Business District.
3. To lead planning efforts (immediate – mid range – long term) designed to foster long-term economic and business development in the Downtown Business District.
4. To facilitate the lending process for determined qualified applicants with adherence to the standard program guidelines as set forth by the Board of Directors.
5. To encourage shared equity partnerships among local Financial Institutions, the Fund, and the applicants.
6. Actively identify-persuade-recruit the individuals and businesses responsible for and contributing to the durable and increasing prosperity of the Downtown Business District.
7. To monitor the prosperity of Rhinelander Works participants using both public and confidential criteria (profit and loss data) to enable effective planning and implementation of the goals of this program, so long as the participating business is under repayment obligation to the Rhinelander Works Revolving Loan Fund.

Sources of Funding:

- | | |
|------------------------------|---------------------------------|
| 1. City of Rhinelander | \$30,000.00 annually (10 years) |
| 2. Cleary Foundation | \$30,000.00 annually (10 years) |
| 3. Downtown Rhinelander Inc. | \$30,000.00 annually (10 years) |

The goal of the Fund is to achieve a \$900,000.00 total RLF base after 10 years to be repaid through participant amortization schedules including a 1-3 % administrative fee to be included as part of each repayment agreement, to be equally shared among each of the three sources in anticipation of Fund expenses.

Maintenance to the Funding Sources:

In the event that a funding source must withdraw from participation in the Rhinelander Works Program, the following steps shall be taken:

1. The departing source shall contact and make available a suitable replacement contributor to provide for long term sustainability of the program.
2. The Fund shall be maintained by less than three funding sources.
3. The Fund shall cease all lending operations and equally divide all accumulated funds and accounts receivable among the remaining contributors.

Organizational Structure:

1. The Board of Directors consists of seven (7) members:
 - 2 members – City of Rhinelander (City Administrator & Finance Committee Chair)
 - 2 members – Cleary Foundation
 - 2 members – Downtown Rhinelander Inc. (E.R. and Organization Chairs)
 - 1 member - Fund Administrator.
2. The Board of Directors is responsible for the ethical and vigorous administration of the Revolving Loan Fund to meet the published and stated objectives.
3. The Board of Directors is responsible for the consideration and approval of all pre-qualified candidates or applicants for funding.
4. The Board of Directors is responsible for instituting and monitoring a process enabling funding recipients to acquire and exhibit appropriate business and management skills necessary to ensure long-term business success.
5. The members of the Board of Directors are expected to be well-prepared and vigorously attend and participate in all monthly meetings to administer the Revolving Loan Fund to the published and stated goals and responsibilities.

Administrator:

1. Initially a volunteer position.
2. Demonstrates a complete appreciation and comprehension of the goals of the Revolving Loan Fund.
3. Promotes and fully engages in the applicant process to the Fund.
4. Pre-qualifies applicants for presentation to the Board of Directors for affirmation or denial.
5. Participates and vigorously administers the Board of Directors from the position of Chairperson.
6. Persuades and engages selected applicants to acquire and exhibit the defined business skills to ensure success and prosperity.
7. Promotes – Nurtures – Accomplishes the prosperity of the Downtown Business District.
8. Provides and exhibits the skills in communication and persuasion to accomplish the goals of the Fund.

Applicant Process:

1. See the attached sheets.
2. Establish and maintain an interest rate of $\frac{1}{2}$ of the current prime rate (not to exceed 3%) determined monthly at the time of mandatory payment.

Results or Benefits:

1. A durable and increasing prosperity for the Downtown Business District of Rhinelander.
2. Provide initial financing to engage financial institutions to commit to the necessary loans to start businesses in the Downtown Business District of Rhinelander.
3. To leave our children and grand-children a positive legacy (not our debts).

Administration of the Fund:

(a) Board of Directors:

- (01) Consists of 7 members
 - 2 members City of Rhinelander
 - 2 members Cleary Foundation
 - 2 members Downtown Rhinelander Inc.
 - 1 member Fund Administrator
- (02) Responsible for the ethical and vigorous administration of the Fund to the stated and published goals.
- (03) Responsible for the approval of pre-qualified candidates for funding.
- (04) Responsible for instituting and monitoring a process enabling selected applicants to acquire and exhibit the designated business skills ensuring success and durable prosperity.
- (05) Vigorous attendance at monthly meetings to administer the Fund to the state goals and responsibilities.

(b) Administrator:

- (01) Initially a volunteer position
- (02) Demonstrates a complete appreciation and comprehension of the goals of the Fund.
- (03) Promotes and fully engages in the applicant process to the Fund.
- (04) Presents pre-qualified applicants to the Board for affirmation or denial.
- (05) Participates and vigorously administers to the Board of Directors from the position of Chairperson..
- (06) Persuades and engages the selected applicants to acquire and exhibit the defined business skills to ensure success and prosperity.
- (07) Nurtures and accomplishes the prosperity of Downtown Rhinelander.
- (08) With enthusiasm provides and exhibits the skills in communication and persuasion to accomplish the goals of the Fund.

Process for applicants:

- (01) See the attached sheets.
- (02) Establish and maintain an interest rate of $\frac{1}{2}$ prime rate determined monthly at the time of mandatory payment.

Results or Benefits:

- (01) A durable and increasing prosperity for Downtown Rhinelander.
- (02) Provide initial financing to engage financial institutions to commit to to the necessary loans to start businesses in Downtown.
- (03) To leave our children a positive legacy (not our debts).