

FOR IMMEDIATE RELEASE: October 19, 2020

CONTACT

Carolyn Engel, Business Finance Manager
(262) 898-7420
carolyn@blp504.org

RCEDC financial resources support Racine businesses amid pandemic

Racine, WI – The City of Racine houses many businesses in a variety of industries, serving its residents and the surrounding communities. However, the challenges posed by the COVID-19 pandemic were severe and required creative, flexible solutions to ensure the retention of these valuable assets in the City.

"RCEDC has a long history of supporting Racine County businesses with technical and financial resources," said Jenny Trick, Executive Director for the Racine County Economic Development Corporation (RCEDC). "In March, our efforts shifted from expansion projects to the retention of local businesses as quickly as possible."

When the Safer at Home Order began, RCEDC staff contacted past and current loan and grant recipients to identify areas of greatest need. Working capital and financial obligations were two consistent areas identified.

The RCEDC Board of Directors acted by capitalizing a new loan fund program to support Racine County businesses. The program offered flexible terms including no payments for an extended period. Additionally, existing loans were adjusted to allow for deferrals, micro loans, and reduced closing costs.

The following are a few examples of this new program being utilized by local businesses.

In 2014, Dr. Sara Nicholson used the RCEDC Revolving Loan Fund (RLF) to purchase the Pearle Vision Clinic on South Green Bay Road. Most recently, as COVID-19 negatively impacted the business, Nicholson used a new RCEDC program, the Small Business Relief Loan, to meet the company's working capital needs.

Hestia Heat Treat, formerly Racine Heat Treat, seized an opportunity to expand by investing in a new piece of equipment. Combining two RLF programs, owner Dariusz Szczekocki was able to purchase a nitride heat treating furnace. This unique equipment will allow the company to adapt and expand its market versatility. The expected increase in business will allow Szczekocki to return several employees laid off in the height of the crisis.

The Racine community mourned the unexpected passing of Attorney John Knuteson, former owner of the law firm of Knuteson, Hinkston & Quinn. With a desire to retain this important company, Andrew Rosenberg contacted RCEDC for assistance. The firm, now Knuteson, Hinkston & Rosenberg, used an RCEDC RLF program to acquire the company's Racine facility.

RCEDC'S FINANCIAL AND TECHNICAL SUPPORT IS PROVIDED BY OUR DEDICATED STAFF THROUGH:

"RCEDC helped a family during a tough time, continued the careers of multiple professionals, and saved a 40-year-old local business with this single transaction," said Rosenberg. "They provided the guidance and the financing we needed under circumstances we could not account for."

Summit Tool Works has been working with RCEDC since 1999. Most recently, owner Hans Hansen used an RCEDC RLF program to purchase equipment required to complete some of the company's largest projects. The company used a newly formed RCEDC micro-loan program, which boasted a quick closing process with reduced fees.

"When small businesses are growing or simply trying to survive, our staff is driven to find the right financial solutions for local companies," said Carolyn Engel, Business Finance Manager for RCEDC's finance division, Business Lending Partners. "We are proud of how many businesses we were able to assist already this year, but we understand there is still a lot of work to do."

These are a few examples of the 74 projects RCEDC staff assisted with in 2020. RCEDC is committed to helping businesses with a variety of financial and technical resources. City of Racine companies can access RCEDC's programs to finance working capital, building and equipment purchases, new construction, and refinancing. To learn more and apply for funding, please contact a BLP staff member.

###

About RCEDC

The Racine County Economic Development Corporation is a private, non-profit organization providing Racine County businesses with technical and financial resources for nearly 40 years. The mission of RCEDC is to increase Racine County's property tax base and create employment opportunities in the County.

About BLP

Since 1983, RCEDC has executed its financial lending services through Business Lending Partners (BLP). Approaching 40 years of operation, BLP has administered nearly \$600 million to 500+ businesses throughout Wisconsin.

BLP is the only Certified Development Company (CDC) headquartered in Southeast Wisconsin and manages an office in Green Bay. Specializing in processing and servicing SBA 504 loans, BLP utilizes local, state and federal partners to successfully assist in completing a variety of projects.

RCEDC'S FINANCIAL AND TECHNICAL SUPPORT IS PROVIDED BY OUR DEDICATED STAFF THROUGH:

