



Office of Business
Inclusion and Advancement

City of Winston-Salem
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Memorandum

TO: Mayor Joines and Members of City Council
FROM: Evan Raleigh, Director of Business Inclusion and Advancement
DATE: May 30, 2017
SUBJECT: City of Winston-Salem Opportunity Loan Program
CC: Lee Garrity, City Manager

During the Mayor and City Council's strategic planning retreat in January, the exploration of a project-based lending program was identified as a mid-term strategy pursuant to the objective of assisting small businesses with innovation and entrepreneurship. Staff has conducted a review of contract-based and working capital lending programs administered by peer municipalities and has developed an outline for a similar program. The proposed City of Winston-Salem Opportunity Loan Program is intended to do the following:

- Assist owners of local small businesses with working capital to help meet the initial costs of contracts with the City of Winston-Salem
- Provide short-term, low-rate working capital loans.
- Increase local small businesses' access to capital and put larger, city-sponsored projects within reach.
- Assist local small businesses in managing cash flow during the life of a project.
- Increase the pool of local small businesses able to compete for city-sponsored projects.

Attached to this memo is a document which provides a detailed overview of the program guidelines, eligibility criteria, maximum loan assistance, and loan terms.

Funds to support the loan program would be made available from Community Development Block Grant funds that are also used to support the Small Business Loan Program. Funds set aside for the Opportunity Loan Program would be capped at \$100,000 and loans would be approved on a first-come, first-served basis as available funding allows.

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City Council: Mayor Allen Joines; Vivian H. Burke, Mayor Pro Tempore, Northeast Ward; Denise D. Adams, North Ward; Dan Besse, Southwest Ward; Robert C. Clark, West Ward; John C. Larson, South Ward; Jeff MacIntosh, Northwest Ward; Derwin L. Montgomery, East Ward; James Taylor, Jr., Southeast Ward; City Manager: Lee D. Garrity