

**TOWN OF BAYFIELD
Bayfield County – Wisconsin**

**ORDINANCE 2006-13
Establishing a Growth Incentive Fund
And By Laws of Operation**

**By-Laws
Governing the Operation of
TOWN OF BAYFIELD - GROWTH INCENTIVE FUND [GIF]**

Article One - Name and Location

Section 1. The name of the fund is “Town of Bayfield - Growth Incentive Fund” hereinafter referred to as GIF. The location of GIF is the Town of Bayfield Town Hall, P.O. Box 1126, Bayfield, Wisconsin 54814.

Section 2. GIF, having been authorized by Town Ordinance consists of a six (6) member Board of Trustees who are Town residents and who are persons of recognized experience and qualifications.

Article Two - Purpose of Fund

The purpose of GIF is to provide short-term, low interest loans not to exceed \$4,500, to small businesses, including cottage industries and fruit growers who are residents of the Town who own a small business located in the Town of Bayfield or neighboring communities of City of Bayfield, Red Cliff, and the Towns of Bayview, Russell, and La Pointe.

Article Three - Board of Trustees

Section 1. Number. The affairs of this Fund shall be managed by a Board of six (6) Trustees consisting of one Town Board member, and four (4) citizen members who will be appointed by the Town Board Chairperson upon the recommendation of the Town Plan Commission and the Town Treasurer who will be a non-voting Trustee.

Section 2. Term of Office. Trustees shall be appointed for a term of three (3) years. Initial appointees to be appointed to staggered terms of one (1), two (2), three (3) years. The Town Treasurer will be a standing Trustee.

Section 3. Vacancy. Vacancies shall be filled by appointment by Town Board Chairperson upon recommendation of the Town Plan Commission.

Section 4. Compensation. No member of the GIF Board shall receive compensation for any service they may render to GIF.

Article Four – Meetings

Section 1. Annual Meeting. The first annual meeting of the GIF Board will be held within a month of its establishment for the purpose of electing a chairperson, organizing the enterprise. Subsequent annual meetings will be on a date set by the GIF Board.

Section 2. Special Meetings. Special meetings will be called by the Chairperson to consider applications for loans by eligible applicants, promptly upon receipt of applications.

Section 3. Notice of Meetings. Written, e-mail, or telephonic notice of meetings will be issued by the Chairman to members at least five (5) days prior to meeting date informing them of its purpose, and in the event a loan application is to be considered, a copy of the application. Meeting agendas will be posted at official Town of Bayfield posting locations.

Section 4. Quorum. A majority of the GIF Board present shall constitute a quorum in voting on matters other than granting of loans. In matters of granting loans 2/3 of all directors voting in the affirmative will be required.

Article Five - Responsibilities and Powers

Section 1. Responsibilities. The responsibilities of the GIF Board are limited to the following:

- (a) The Town Treasurer will manage GIF monies not loaned in a manner that maximizes security and appreciation.
- (b) Meet to consider any application for loan, interview applicant, and determine whether to grant or deny loan. [Should there be instances when several applications of comparable merit compete for loans when funds are short, preference will be given to those businesses located in the Town of Bayfield]
- (c) Track all loans outstanding to insure that terms are being met.
- (d) Report new loans made and any delinquency, or violation of terms in outstanding loans, to the Town Board of Supervisors.
- (e) Maintain a complete record of all acts of the GIF Board and provide a statement thereof to the Town Board of Supervisors as required by it.
- (f) Carefully observe requirements of any applicable ‘Open Meeting’ statutes.

Section 2. Powers. Unless changed by the Town Board, the following terms shall govern all GIF loans made:

- (a) No GIF loan shall be granted unless it is used for the purpose of expanding the recipient enterprise.
- (b) No loan shall exceed \$4,500.
- (c) The period of any loan shall not exceed thirty (30) months.
- (d) The interest on all loans shall be Prime Rate at the time the loan is granted minus one half (½) per cent.
- (e) No second loan shall be granted an applicant until an earlier GIF loan has been paid in full.
- (f) No penalty shall be assessed for early payment of a loan provided interest

is paid in full as of the time of payment.

Article Six. Amendments

These BY-Laws may be amended by the Town Board of Supervisors only. However, recommendations for amendments may be submitted to the Town by the GIF Board.

Adopted this 17th day of July in the year 2006.

Tom Gordon, Chair

Gerald L. Carlson, Supervisor

Richard L. Carver, Supervisor

Richard C. Compton, Supervisor

William Ferraro, Supervisor

THIS IS TO CERTIFY THAT the foregoing is a true and correct copy of a resolution duly and legally adopted by the TOWN OF BAYFIELD at a regular meeting held on the 17th day of July 2006.

David L. Good, Clerk