(ITEM     )  From the Director of County Economic Development, Department of Administrative Services, requesting authorization to apply for, accept, and implement a Community Development Investment Grant from the Wisconsin Economic Development Corporation in the amount of $250,000 to assist in funding streetscaping improvements for the expansion of Milwaukee's Asian Market Phongsavan, by recommending adoption of the following:

## A RESOLUTION

WHEREAS, the Wisconsin Economic Development Corporation (WEDC) is the State of Wisconsin's lead economic development agency focused on sustainable business growth and job creation; and

WHEREAS, WEDC's Community Development Investment Grant (CDIG) Program is meant to "support urban, small city, and rural community redevelopment efforts by providing financial incentives for shovel-ready projects with emphasis on, but not limited to, downtown community driven efforts" by providing grants to local municipalities for use on specific projects which "demonstrate significant, measureable benefits in job opportunities, property values, and/or leveraged investment by local and private partners;" and

WHEREAS, Department of Administrative Services (DAS)-Economic Development Division is seeking authorization to apply for a Tier 2 CDIG in an amount up to $250,000 to assist in the redevelopment and expansion of Milwaukee's Asian Market Phongsavan; and

WHEREAS, Milwaukee's Asian Market Phongsavan, located on the northwest side of the City of Milwaukee at 6300 North 76th Street, opened in 2008 in a former blighted and abandoned auto repair building and features groceries, produce, a café, and 30 vendor stalls providing an assortment of goods including fruits, vegetables, and Hmong cultural items; and

WHEREAS, to accommodate the massive growth and demand of the current market, Milwaukee's Asian Market Phongsavan began planning a new two-story building adjacent to the existing structure that would provide not only new vendor stalls, but restaurants, medical offices, and an assortment of other services that could benefit the community including basketball courts and community halls; and

WHEREAS, the new venue would be approximately 70,582 square feet and feature 160 rentable spaces in a variety of sizes, the majority of which have already been pre-leased; and

45     WHERERAS, upon completion of the new building, the existing 14,000-square-foot
46  structure will be converted solely into a grocery store; and
47
48      WHEREAS, Milwaukee's Asian Market Phongsavan's expansion project will cost
49  approximately $4.1 million, funded primarily through a $3,346,300, 75% Small Business
50  Administration-backed loan serviced by Ridgestone Bank with $418,281 in Milwaukee
51  Economic Development Corporation participation; and
52
53      WHEREAS, owner equity and WEDC grant funds will be used to cover the
54  remaining project costs; and
55
56      WHEREAS, WEDC grant funds would be used specifically for streetscaping
57  improvements on both the existing building and the new building, including but not
58  limited to, landscaping, signage, storefront windows, doors, and awnings; and
59
60      WHEREAS, the required 75% local match requirement is satisfied by the
61  $3,346,300 loan and owner equity, which account for approximately 94% of project costs;
62  and
63
64      WHEREAS, the Committee on Economic and Community Development, at its
65  meeting of April 14, 2014, recommended adoption of the Department's request (vote 4-0);
66  and
67
68      WHEREAS, the Committee on Finance, Personnel, and Audit, at its meeting of April
69  17, 2014, also recommended adoption of the Department's request (vote 7-0); now,
70  therefore,
71
72      BE IT RESOLVED, that the Director of County Economic Development is hereby
73  authorized to apply for, and if awarded, accept Community Development Investment
74  Grant (CDIG) funds in an amount not to exceed $250,000 from the Wisconsin Economic
75  Development Corporation (WEDC) to pay for streetscaping improvements for the
76  expansion of Milwaukee's Asian Market Phongsavan; and
77
78      BE IT FURTHER RESOLVED, that if awarded the grant, the Department of
79  Administrative Services (DAS)-Economic Development Division is authorized to enter into
80  a CDIG Agreement with WEDC and a Development Agreement with Milwaukee's Asian
81  Market Phongsavan, subject to the approval of Risk Management and Corporation Counsel;
82  and
83
84      BE IT FURTHER RESOLVED, the Development Agreement shall include at least the
85  following terms and conditions:
86
87   (a) Disadvantaged Business Enterprise participation pursuant to Chapter 42 for the
88       portion of the project funded by the grant.
89   (b) Goal of 25% residential hiring for the portion of the project funded by the grant.

| | |
|---|---|
| 90 | (c) Good faith efforts to utilize workers from Milwaukee JobCorps where possible on |
| 91 | the entire project. |
| 92 | (d) Submittal to County of paid itemized invoices for eligible expenses with proof of |
| 93 | payment for reimbursement purposes, as required by WEDC. |
| 94 | (e) Semi-annual performance reporting during the life of the project, with a final report |
| 95 | due upon completion, as required by WEDC. |
| 96 | (f) Reporting for the next several years regarding job creation and retention, leveraged |
| 97 | investment, project specific gains, and the increase in the tax base, as required by |
| 98 | WEDC. |
| 99 | (g) Indemnification in favor of County in the event of a default entitling WEDC to a |
| 100 | return of any grant funds expended. |
| 101 | (h) Guaranty that County is not responsible for financial obligations of Milwaukee's |
| 102 | Asian Market Phongsavan, including but not limited to, loan default by the |
| 103 | principal. |
| 104 | (i) Access to project records during the life of the project and for at least three years |
| 105 | thereafter for auditing purposes. |
| 106 | |
| 107 | |
| 108 | ag |
| 109 | 04/17/2014 |
| 110 | H:\Shared\COMCLERK\Committees\2014\Apr\ECD\Resolutions\14-297.doc |