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(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 76<sup>th</sup> 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           WHEREAS, 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

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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

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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

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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,

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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

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