



Legislation Details (With Text)

File #: 78826 **Version:** 1 **Name:** Commercial Ownership Assistance - Isthmus Wellness
Type: Resolution **Status:** Passed
File created: 7/13/2023 **In control:** Economic Development Division
On agenda: 9/5/2023 **Final action:** 9/5/2023
Enactment date: 9/7/2023 **Enactment #:** RES-23-00555

Title: Providing Isthmus Wellness or its assigns a \$250,000 loan to purchase a commercial property at 970 N. Gammon Road through the Commercial Ownership Assistance program under the Small Business Equity and Recovery Program (SBER) using the American Rescue Plan Act of 2021 (ARPA) aid Local Fiscal Recovery funds and authorizing the Mayor and City Clerk to sign an agreement with Isthmus Wellness or its assigns for that purpose. (District 19)

Sponsors: Satya V. Rhodes-Conway, Kristen Slack, Amani Latimer Burris

Indexes:

Code sections:

Attachments: 1. RES-21-00487 File ID 65935, 2. 970 Gammon Rd - Isthmus Wellness LLC (OC) - Concurrence Memo-exe.pdf, 3. COA Program Guidelines-Final.pdf

Date	Ver.	Action By	Action	Result
9/5/2023	1	COMMON COUNCIL	Adopt	Pass
8/28/2023	1	FINANCE COMMITTEE	RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER	Pass
8/1/2023	1	COMMON COUNCIL	Refer	Pass
7/25/2023	1	Economic Development Division	Referred for Introduction	

Fiscal Note

No additional City appropriation is required. Funds were authorized in 2021 by the Common Council through RES-21-00487 (File ID 65935) and are available in the SBER 2022 Capital Project (Munis Project 13658).

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Body

WHEREAS, business and property ownership is a vital pathway to economic empowerment. For Madison to make meaningful progress in addressing racial and gender disparities the City must go beyond programs focused on addressing basic needs, and direct more resources and strategies toward building wealth and economic empowerment among communities that are not sharing in the City’s prosperity; and

WHEREAS, Isthmus Wellness a women owned business that will operate its business out of this location. The business has applied therapies from ancient Eastern culture to modern Western culture that strengthen the body-mind-spirit connection for over seven years; and

WHEREAS, Isthmus Wellness would utilize Commercial Ownership Assistance funds to assist with the acquisition of the property located at 970 N. Gammon Road, hereby meeting the requirements of the

Commercial Ownership Assistance (COA) Program; and

WHEREAS, the COA program guidelines stipulate these funds can be no more than 25% of the total project package and all loan repayments are deferred until sale, cash-out refinance for other than property improvements, and the property is transferred or ceases to be a location for a business owned by the borrower. If any of the above happen within the first 7 years repayment of the full amount is required. If any of the above happen between years 7-15 repayment of one-half the borrowed amount will be required. If the applicant still owns the property after year 15, the original loan amount will be forgiven. There will be no interest rate; and

WHEREAS, the Director of the Department of Planning, Community, and Economic Development recommends an investment of \$250,000 of Commercial Ownership Assistance Funds to this project.

NOW, THEREFORE BE IT RESOLVED, that the Common Council authorizes a \$250,000 Commercial Ownership Assistance Program Loan to Isthmus Wellness and/or its assigns for the purchase of the property at 970 N Gammon Road; and

BE IT FINALLY RESOLVED that the Mayor and City Clerk are hereby authorized to execute a loan agreement and/or any other documents as may be necessary to effectuate the transaction, all of which are subject to the approval of the City Attorney.