



Legislation Text

File #: 73673, **Version:** 1

Fiscal Note

The proposed resolution authorizes a \$212,500 loan to SolEscape Healing Arts for the purchase of property at 1148 Williamson Street. The proposed loan will be funded by the Economic Development Division's Small Business Equity and Recovery (SBER) capital program. No additional City appropriation is required.

Title

Providing SolEscape Healing Arts or its assigns a \$212,500 loan to purchase a commercial property at 1148 Williamson Street through the Commercial Ownership Assistance program using the Small Business Equity and Recovery Program (SBER) funds and authorizing the Mayor and City Clerk to sign an agreement with Madison Hanarue Emrose, LLC (dba SolEscape Healing Arts) for that purpose. (6th A.D.)

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, SolEscape Healing Arts is a 100% women-owned business that will operate its business out of this location. The business is a community based wellness center committed to bringing therapy, relaxation, balance, and wellness to their customers and has been in operation for over seven years; and

WHEREAS, SolEscape Healing Arts would utilize Commercial Ownership Assistance funds to assist with the acquisition of the property located at 1148 Williamson Street, 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 \$212,500 of Commercial Ownership Assistance Funds to this project.

NOW, THEREFORE BE IT RESOLVED, that the Common Council authorizes a \$212,500 Commercial Ownership Assistance Program Loan to Hanarue Emrose, LLC (dba SolEscape Healing Arts) and/or its assigns for the purchase of the property at 1148 Williamson Street; 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.