



Legislation Details (With Text)

File #:	18273	Version:	1	Name:	An Agreement with Madison Development Corporation for a loan to Idle Free System, Inc. for \$53,050 and Common Wealth Development for a loan to Seventh Generation Energy Systems for \$53,050.
Type:	Resolution	Status:	Passed		
File created:	4/15/2010	In control:	BOARD OF ESTIMATES (ended 4/2017)		
On agenda:	5/18/2010	Final action:	5/18/2010		
Enactment date:	5/21/2010	Enactment #:	RES-10-00453		
Title:	An Agreement with Madison Development Corporation for a loan to Idle Free System, Inc. for \$53,025 and Common Wealth Development for a loan to Seventh Generation Energy Systems for \$53,025.				
Sponsors:	Shiva Bidar, Tim Bruer, Marsha A. Rummel				
Indexes:					
Code sections:					
Attachments:	1. RFP for Economic Development CDBG-R Stimulus Funds 2009.pdf, 2. CWD Green Loan Fund RFP.pdf, 3. Idle Free System RFP for CDBG-R, 4. TJ Brokerage RFP for CDBG-R, 5. ED CDBG -R Recommendation Summary 04302010.pdf				

Date	Ver.	Action By	Action	Result
5/18/2010	1	COMMON COUNCIL	Adopt	Pass
5/10/2010	1	BOARD OF ESTIMATES (ended 4/2017)	RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER	Pass
5/6/2010	1	COMMUNITY DEVELOPMENT BLOCK GRANT COMMITTEE	Return to Lead with the Recommendation for Approval	Pass
5/5/2010	1	BOARD OF ESTIMATES (ended 4/2017)	Refer	
5/4/2010	1	COMMON COUNCIL	Referred	Pass
4/28/2010	1	CDBG Office	Referred for Introduction	

Fiscal Note

The Council previously approved funding of \$106,050 in Federal stimulus grant monies (Legistar #15276, RES -09-00685, adopted 8/4/09) to an entity that is unable to complete the contract. This Resolution reallocates the funding to two other programs.

Title

An Agreement with Madison Development Corporation for a loan to Idle Free System, Inc. for \$53,025 and Common Wealth Development for a loan to Seventh Generation Energy Systems for \$53,025.

Body

BACKGROUND:

The American Recovery and Reinvestment Act of 2009 provided \$534,096 to the City for the Community Development Block Grant-Recovery (CDBG-R) program for the purpose of providing community development assistance for projects that assist low or moderate income households while creating and or retaining jobs and providing long-term benefits to the City of Madison. This resolution re-allocates \$106,050 previously awarded to a business that was unable to complete their contract with the CDBG Office.

AGENCIES:

The agencies selected were determined following a Request For Proposal (RFP) process conducted by the CDBG Office. The CDBG staff reviewed the proposals and provided proposal ranking and recommendations to the CDBG Committee. Based on these ranking, project recommendations will be made by the CDBG Committee to the Board of Estimates for referral to the Common Council.

ACTION:

WHEREAS, the American Recovery and Reinvestment Act of 2009 provides \$534,096 to the City for the Community Development Block Grant-Recovery program for the purpose of providing community development assistance for projects that assist low or moderate income households while creating and or retaining jobs and providing long-term benefits to the City of Madison.

WHEREAS, the Common Council authorized a contract with a small business for \$106,050 for an economic development project to assist the business to start-up and create 3 new jobs for low or moderate income persons; and

WHEREAS, that business was unable to complete their start-up as anticipated so an RFP process was conducted by the CDBG Office to re-allocate those funds. CDBG Staff reviewed and ranked the proposals and will provided a recommendation to the CDBG Committee, for referral to the Board of Estimates and approval by the Common Council.

NOW THEREFORE BE IT RESOLVED THAT the Common Council approve the CDBG-R funds for the following projects; and authorize the Mayor and City Clerk to enter into agreements with:

Common Wealth Development for \$53,025 for one loan, to Seventh Generation Energy Systems, which create 1.5 FTE positions. These loan funds will become part of the Common Wealth's CDBG revolving loan fund upon repayment, subject to the CDBG program income regulations; and

Madison Development Corporation for \$53,025 for one loan, to Idle Free Systems, which will create 1.5 FTE position. These loan funds will become part of the MDC - Business Loan Program revolving loan fund upon repayment, and will be subject to the CDBG Program Income regulations.