



Legislation Text

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Fiscal Note

Ordinance No. ORD-19-00057 passed in 2019, allows the Affirmative Action Division Manager to reach voluntary agreements with contractors who have failed to meet affirmative action plan requirements. Under these agreements, contractors provide payments to the City that will be used to support programs that grow Small Business Enterprises, Disadvantaged Business Enterprises, Minority Businesses Enterprises, Section 3 Business Enterprises, and Women's Business Enterprises.

The Department of Civil Rights (DCR) has received payments of \$337,000 from such agreements to date. DCR intends to use these funds for a program that seeks to increase the number of real estate developers from marginalized identities. The proposed resolution amends DCR's 2021 Operating Budget to appropriate \$3,000 from these affirmative action plan agreements. These funds will be provided as a grant to a graduate of the Associates in Commercial Real Estate program.

Title

Amending the 2021 Adopted Operating Budget for the Department of Civil Rights to authorize a grant to Lignon Real Estate Holdings, LLC for Three Thousand Dollars, and amending the Department of Civil Rights Operating Budget to provide for the Grant.

Body

WHEREAS, City loan documents contain provisions related to the hiring of targeted business enterprises, and compliance for those requirements is reviewed by the Department of Civil Rights; and

WHEREAS, as a method of efficient and meaningful settlement for non-compliance, Chapter 39(9)(g)(13) of the Madison General Ordinances states:

[T]he AA Division Manager may reach a voluntary agreement with a contractor claimed to be in violation of this ordinance. The agreement shall provide for payments to the City by the contractor to support a program or programs to enhance the growth of DBE, MBE, WBE or SBE in the greater Madison area, or to enhance the diversity of membership in the apprenticeship and trades.

WHEREAS the Affirmative Action Division Manager has negotiated settlements and received settlement monies; and

WHEREAS the Department of Civil Rights has been working with the Economic Development Division and the City Attorney's Office to implement a program to support increasing the number of real estate developers from marginalized identities; and

WHEREAS the Department of Civil Rights has been working with the Economic Development Division and the City Attorney's Office to partner with the Associates in Commercial Real Estate ([ACRE](https://www.lisc.org/milwaukee/our-work/acre/)) Program [<https://www.lisc.org/milwaukee/our-work/acre/>](https://www.lisc.org/milwaukee/our-work/acre/) currently run by Local Initiatives Support Corporation (LISC) Milwaukee; and

WHEREAS, Jeff Lignon, owner and operator of the Lignon Real Estate Holdings LLC, recently graduated from the ACRE program and has requested a grant in the amount of Three Thousand Dollars (\$3,000) for pre-development costs.

NOW THEREFORE BE IT RESOLVED, that the Common Council hereby agrees to provide the Grant materially, though not exclusively, on the following terms and conditions:

1. The City shall provide a funding commitment of Three Thousand (\$3,000) (the "Grant") in support of Ligon Real Estate Holdings LLC.

2. Repayment. The Grant shall not be subject to repayment, except in the event of default under the City's standard loan provisions, or if the Grant is used for purposes other than those stated herein.

BE IT FURTHER RESOLVED that the 2021 Adopted Operating Budget is amended to appropriate \$3,000 for purchased services and \$3,000 in contribution revenues within the Department of Civil Rights.

BE IT FINALLY RESOLVED that the Mayor and City Clerk are authorized to execute a Grant Agreement, a financial commitment letter and any other documents necessary to accomplish the goals of this resolution in a form to be approved by the City Attorney.