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Title: Substitute resolution appropriating \$250,000 from the Development Fund to Sweet Water Organics for economic development purposes, in the 14th Aldermanic District.

Sponsors: ALD. ZIELINSKI, ALD. BAUMAN, ALD. KOVAC, ALD. WADE, James N. Witkowiak

Indexes: DEVELOPMENT FUND, ECONOMIC DEVELOPMENT

Attachments: 1. Sweet Water Organics - Grow Zone Expansion & Operating Expenses, 2. City wins grant to develop urban farms MJS article 3-9-2011.pdf, 3. IBM Smarter Cities Challenge - Program Overview.pdf, 4. Milwaukee perch on menu at Obama fundraiser MJS article 4-13-2011.pdf, 5. Line Itemization for Sweetwater Organics Loan Proposal, 6. TERM SHEET.pdf, 7. Proposal - Final 4-21.pdf, 8. Hearing Notice List, 9. Proposed Sub A

Date	Ver.	Action By	Action	Result	Tally
3/1/2011	0	COMMON COUNCIL	ASSIGNED TO		
3/29/2011	0	COMMUNITY & ECONOMIC DEVELOPMENT COMMITTEE	HEARING NOTICES SENT		
3/29/2011	0	COMMUNITY & ECONOMIC DEVELOPMENT COMMITTEE	HEARING NOTICES SENT		
4/4/2011	1	COMMUNITY & ECONOMIC DEVELOPMENT COMMITTEE	HELD TO CALL OF THE CHAIR	Pass	4:0
4/20/2011	1	COMMUNITY & ECONOMIC DEVELOPMENT COMMITTEE	HEARING NOTICES SENT		
4/20/2011	1	COMMUNITY & ECONOMIC DEVELOPMENT COMMITTEE	HEARING NOTICES SENT		
4/26/2011	2	COMMUNITY & ECONOMIC DEVELOPMENT COMMITTEE	RECOMMENDED FOR ADOPTION	Pass	5:0
4/26/2011	1	COMMUNITY & ECONOMIC DEVELOPMENT COMMITTEE	SUBSTITUTED	Pass	5:0
5/3/2011	2	COMMON COUNCIL	ADOPTED	Pass	14:1
5/10/2011	2	MAYOR	SIGNED		

101375
SUBSTITUTE 2

ALD. ZIELINSKI, BAUMAN, KOVAC, WADE AND WIKOWIAK
 Substitute resolution appropriating \$250,000 from the Development Fund to Sweet Water Organics for economic development purposes, in the 14th Aldermanic District.
 This resolution authorizes the expenditure of \$250,000 from the Development Fund in the form of a forgivable loan to Sweet Water Organics to assist in a "Milwaukee Grow Zone" development project. Whereas, The 2011 Capital Budget for the City of Milwaukee provides for the Development Fund;
 and

Whereas, The City has an ongoing commitment to job retention and creation; and

Whereas, Sweet Water Organics is an urban farm that has re-purposed an unused industrial building in Milwaukee's Bay View neighborhood; and

Whereas, Virtually all of the product grown and raised at Sweetwater and sold to city vendors such as Empire Fish, La Marenda, and many others, creates a 2.75 economic multiplier factor in the work force; and

Whereas, Future production would meet additional demand requested by such vendors as Roundy's, Metcalfe/Sentry and SURG Restaurant Group; and

Whereas, These products are sold to retail outlets where they generate additional jobs and tax revenue and are making the city a recognized worldwide leader in the aquaponics industry as Sweetwater's numerous appearances in the national and international media attest; and

Whereas, Sweetwater was one of 24 winners of the IBM Smaller Cities Challenge Grant, chosen from over 200 cities in 40 countries world-wide attesting to the power of its business concepts to attract global attention; and

Whereas, Numerous Milwaukee companies, foundations and educational entities (Great Lakes Water Institute, UWM, and MSOE, for example) are working with Sweetwater to expand its capacity and to assist it in patenting and licensing its products and operating trade secrets; and

Whereas, Sweet Water Organics has provided the yellow perch that was served at a fundraiser dinner for President Obama and his guests on April 14, 2011, at mk Restaurant in Chicago; and

Whereas, Sweetwater and its foundation currently provides opportunities for minority members in the community to learn life-long skills, trades and technology applications and apply them to careers at Sweetwater and other food producers in the city; and

Whereas, Sweetwater is committed to hiring as many as 20% of those trained minority members to full-time positions as they become available; and

Whereas, Sweetwater currently utilizes over 600 hours of minority member labor a month, estimated to rise to 1,400 hours monthly within 2 years, to assist in its operation, many of whom will go on to hone their skills and obtain well paying jobs at all levels within the market place; and

Whereas, A loan would provide Sweetwater an opportunity to greatly enhance its production volume, meet additional local and regional demand, as well as furthering its cutting edge food production ideas, while providing the highest quality, fresh food to Milwaukee, reducing the use of petroleum in food production, and providing a growing number of urban jobs; and

Whereas, Management and staff of Sweetwater have consistently demonstrated a total commitment to growing their business within the City of Milwaukee and raising and investing the capital necessary to achieve success and profitability on its operating side, while at the same time utilizing its foundation to make significant contributions to individuals of all backgrounds within the city; and

Whereas, This combination of commitment offers Milwaukee huge potential for economic growth, job development, national and international recognition; and

Whereas, Jobs created through the Milwaukee Green Zone project will stay in Milwaukee, encourage workers to reside within Milwaukee city limits and be accessible career opportunities for entry-level “middle-skills” workers; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the City Comptroller is directed to transfer \$250,000 from the Development Fund Parent Account to the Sweet Water Organics Project to fund a \$250,000 forgivable loan to Sweet Water Organics for the “Milwaukee Grow Zone” development project; and, be it

Further Resolved, That, in addition to the job requirements for this forgivable loan, Sweet Water Organics shall submit to the City documentation showing that, over the entire term of the loan, Sweet Water Organics has made at least a 50% (i.e., at least \$125,000) match for the requested forgivable loan amount; and be it

Further Resolved, That the Commissioner of City Development and the City Attorney are directed to negotiate, draft and execute a loan agreement with Sweet Water Organics on behalf of the City of Milwaukee.

LRB125818-3
Amy E. Hefter
4/26/2011