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City of West Allis Matter Summary

7525 W. Greenfield Ave.
West Allis, WI 53214

File Number	Title	Status
R-2008-0053	Resolution	In Committee
Resolution Approving a Contract for Services Between the City of West Allis and FirstRing Industrial Redevelopment Enterprises, Inc. (F.I.R.E.).		
Introduced: 3/4/2008		Controlling Body: Safety & Development Committee
Sponsor(s): Thomas G. Lajsic		

COMMITTEE RECOMMENDATION

ADOPT

ACTION DATE:	MOVER	SECONDER		AYE	NO	PRESENT	EXCUSED
<u>3/4/08</u>			Barczak	✓			
			Czaplewski				
			Dobrowski				
			Kopplin				
			Lajsic	✓			
			Narlock				
	✓		Reinke	✓			
			Sengstock				
		✓	Vitale	✓			
			Weigel	✓			
			TOTAL	<u>5</u>	<u>0</u>		

SIGNATURE OF COMMITTEE MEMBER

[Signature]
 Chair _____ Vice-Chair _____ Member _____

COMMON COUNCIL ACTION

ADOPT

ACTION DATE:	MOVER	SECONDER		AYE	NO	PRESENT	EXCUSED
<u>MAR 04 2008</u>		✓	Barczak	✓			
			Czaplewski	✓			
			Dobrowski	✓			
			Kopplin	✓			
	✓		Lajsic	✓			
			Narlock	✓			
			Reinke	✓			
			Sengstock				✓
			Vitale	✓			
			Weigel	✓			
			TOTAL	<u>9</u>			<u>1</u>



City of West Allis

7525 W. Greenfield Ave.
West Allis, WI 53214

Resolution

File Number: R-2008-0053

Final Action:

Sponsor(s): Thomas G. Lajsic

MAR 04 2008

Resolution Approving a Contract for Services Between the City of West Allis and First-Ring Industrial Redevelopment Enterprises, Inc. (F.I.R.E.).

WHEREAS, the Common Council by Resolution R-2006-0223, adopted September 5, 2006, authorized the creation of a Regional Certified Development Entity which subsequently became First-Ring Industrial Redevelopment Enterprises, Inc. (hereinafter "F.I.R.E.") for the purpose of stimulating development and redevelopment and to create a fund for the City's own development and redevelopment projects; and,

WHEREAS, it is essential that the City have an agreement with F.I.R.E. setting forth the relationship between the City and F.I.R.E., the operational control of F.I.R.E., and the handling of any profits generated by F.I.R.E.; and,

WHEREAS, the attached proposed contract between the City and F.I.R.E. provides for City control of F.I.R.E. and City control of any profits generated by F.I.R.E.; and,

WHEREAS, it is in the best interest of the City to have such a contract.

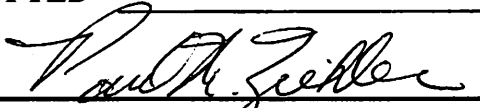
NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of West Allis that the Mayor and City Administrative Officer, Clerk/Treasurer are hereby authorized to enter into the Contract for Services between the City of West Allis and F.I.R.E., a copy of which is attached hereto and incorporated herein.

BE IT FURTHER RESOLVED that the City Attorney is authorized to make such substantive changes to the Contract as are needed to protect the City's best interests.

ATTR-Contract-City&FIRE

ADOPTED

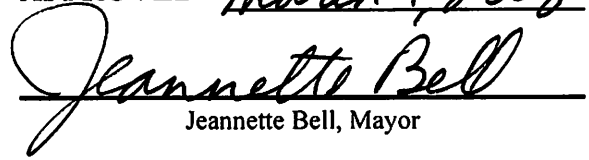
MAR 04 2008



Paul M. Ziehler, City Admin. Officer, Clerk/Treas.

APPROVED

March 7, 2008



Jeannette Bell, Mayor

**CONTRACT FOR SERVICES BETWEEN
THE CITY OF WEST ALLIS AND
FIRST-RING INDUSTRIAL REDEVELOPMENT
ENTERPRISES, INC. (F.I.R.E.)**

THIS AGREEMENT, entered into by and between the **CITY OF WEST ALLIS**, a municipal corporation, created and existing under the laws of the State of Wisconsin (hereinafter referred to as the "City"), and **FIRST-RING INDUSTRIAL REDEVELOPMENT ENTERPRISES, INC.**, a Wisconsin non-stock corporation (hereinafter referred to as "F.I.R.E.");

WHEREAS, the Common Council of the City of West Allis, by Resolution R-2006-0223, effective September 5th, 2006, authorized the creation of a regional certified development entity that subsequently became F.I.R.E. for the purpose of stimulating development and redevelopment under Subchapter XII of Chapter 66 of the Wisconsin Statutes and to create a fund for the City's own development and redevelopment projects; and,

WHEREAS, various City officials have been placed on F.I.R.E.'s Board of Directors and in other capacities with F.I.R.E.; and,

WHEREAS, said service of various City officials on behalf of F.I.R.E. is wholly related to their duties as City officials; and,

WHEREAS, it is found to be necessary to enter into a contract between the City and F.I.R.E. to establish the relationship between the two and to protect the City's interests and said City officials; and,

WHEREAS, pursuant to its Bylaws, F.I.R.E. is authorized to enter into contracts for services in the performance of its goals, duties and functions; and,

WHEREAS, F.I.R.E. wishes to contract with the City for the performance of services which may be required by F.I.R.E. in the performance of its goals, duties and functions and compensate the City for all services rendered to F.I.R.E., said services to be coordinated through the City's Director of Development and F.I.R.E.'s President; and,

WHEREAS, it is deemed desirable by the parties hereto to enter into a contract to achieve the goals and objectives of F.I.R.E. and the City and to continue to serve the public interest.

NOW, THEREFORE, in consideration of these premises, the parties do mutually agree to bind themselves as follows:

ARTICLE I

PURPOSE/RELATIONSHIP BETWEEN CITY AND F.I.R.E.

City Control of F.I.R.E. As F.I.R.E. is an entity created by the City to enhance development and redevelopment in southeastern Wisconsin through tax credits and other sources of funding and to be a vehicle to fund the City's own development and redevelopment efforts, F.I.R.E. agrees to the following:

1. **City Officials as F.I.R.E. Directors/Officers.** The City's Director of Development, an Alderperson and a member of the Community Development Authority of the City of West Allis shall, at all times, constitute a majority of F.I.R.E.'s Board of Directors.

2. **City Approval of F.I.R.E. Actions.** F.I.R.E. must obtain approval from the West Allis Common Council before taking any of the following actions:

- a. Amendment of F.I.R.E.'s Articles of Incorporation or Bylaws.
- b. The establishment of or amendment of the criteria for eligibility for being awarded any of the tax credits F.I.R.E. controls.

3. **Distribution of F.I.R.E.'s Excess Funds.** The City shall have the right, exercisable at any time, to direct F.I.R.E. to transfer all or any part of its available funds into a separate redevelopment fund established and maintained by the City. Said funds are intended for any and all expenses related to or necessary and convenient to development or redevelopment projects. Upon the dissolution and liquidation of F.I.R.E., all remaining assets shall be distributed to the City and/or, as directed by the City, to any other state governmental subdivision the gross income of which is exempt from federal income tax under Section 115 of the Internal Revenue Code of 1986.

ARTICLE II

SCOPE OF SERVICES PROVIDED BY CITY

A. **City Services.** The City shall provide to F.I.R.E., upon request, the services necessary to carry out its goals, duties and functions. The services provided shall be coordinated by the City's Director of Development. The services available to F.I.R.E. from the City shall include, but not necessarily be limited to, the following:

1. **Planning Services.** This service shall include planning services for land use, housing, development and urban renewal policies, plans, programs and projects, functional planning and capital improvement programming and other planning services that may, from time to time, be needed by F.I.R.E.

2. **Economic Development Services.** This service shall include administrative services, including fiscal management services, in connection with blight elimination, slum clearance, urban renewal and economic development programs and projects.

3. **Financial Services.** This service, provided through the City Administrative Officer shall include administrative and fiscal support, and maintenance of F.I.R.E. financial records. The financial records of F.I.R.E. shall be maintained by the city in a manner acceptable to F.I.R.E. and applicable federal, state and local laws, statutes, regulations and ordinances.

4. **Legal Services.** This service, provided by the City Attorney, shall include rendering legal opinions and drafting legal documents. It is expressly understood that F.I.R.E. shall hire its own legal representation for the formation and maintenance of F.I.R.E., as a legal entity, for federal tax issues and for litigation. It is understood that in the event a conflict of interest develops in the legal representation of F.I.R.E. and the City, the City Attorney will decline the representation of F.I.R.E. and shall represent the City unless conflict of interest principles prevent the City Attorney from representing either the City or F.I.R.E.

5. **Other City Services.** The City shall provide such other services and activities, including special studies, as are necessary to accomplish the purposes of this Agreement and as may be requested by F.I.R.E. and directed by the Director of Development.

The City reserves the right and discretion to determine funding and staffing levels of City officers, agents and employees to be made available to F.I.R.E. pursuant to the terms of this Agreement. Nothing contained herein shall be construed as requiring the City to budget funds or retain such personnel to provide said services. In addition, F.I.R.E. may request the City to employ technical experts and such other officers, agents and employees, permanent and temporary, as F.I.R.E. may require from time to time in the performance of its functions within the limits of the City funds available for such purposes.

B. F.I.R.E.'s Goals and Functions.

First-Ring Industrial Redevelopment Enterprise (FIRE) is a Community Development Entity strategically focused to provide gap financing to mixed-use developments and business expansions throughout the Southeast Wisconsin (Kenosha, Racine and Milwaukee Counties) industrial corridor.

FIRE was designed to extend the strategies and expertise of successful revitalization opportunities throughout the "first-ring" of industrial corridors in Southeast Wisconsin. Its strategy is to use a proven leveraged financing model that is made possible through New Markets tax credits to be the catalyst for the revitalization of southeastern Wisconsin's aging industrial neighborhoods.

FIRE has a mission of stimulating regional economic growth. The principal vision is to inject capital into mixed-use, commercial and industrial development projects to create jobs, tax base and catalyze new life in the urban cores of targeted dis-invested areas. As an initial vision, FIRE has set out to fund projects that are mixed-use or are expanding businesses, that will provide jobs for local residents (particularly where there is a commitment to working with workforce training and employment placement providers), and where brownfield remediation and/or green-build principles are a part of the project's design.

The CDFI Fund, an arm of the U.S. Treasury Department, awarded New Markets Tax Credits FIRE. This resource is anticipated to be utilized as a primary vehicle to support FIRE's mission.

ARTICLE III

REIMBURSEMENT

A. F.I.R.E. agrees to reimburse the City for performing services and providing the space, materials, supplies and equipment to carry out the activities and operations described under this Agreement. The City shall be reimbursed for all costs of providing said services, including reimbursement for fringe benefits and worker's compensation payments.

B. The City Administrative Officer shall prepare, on a periodic basis, a summary of the cost of City services on behalf of F.I.R.E. This reimbursement summary shall be submitted to F.I.R.E. or its designee for approval. F.I.R.E. shall reimburse the City on a timely basis. The approval by the President of F.I.R.E. of the Payroll Time Sheets for the Department of Development shall constitute the necessary approval for the reimbursement for those services. The approval by F.I.R.E. or its designee of all purchase orders and disbursement vouchers shall constitute the necessary approval for reimbursement for those services. The President is F.I.R.E.'s designee for such approvals and approval by F.I.R.E.'s President of all contract disbursements as provided in Article II of this Agreement shall constitute the necessary approval for the reimbursement of those costs.

ARTICLE IV

TIME OF CONTRACT, AMENDMENTS AND TERMINATION

A. **Term of Agreement.** The term of this Agreement shall commence upon its execution by the parties and shall continue until terminated by either party upon a thirty (30) day written notice.

B. **Amendments.** This Agreement may be amended at any time, but such amendment shall take effect only upon the mutual written consent of both parties.

ARTICLE V

ANNUAL WORK PLAN

F.I.R.E. and the City's Director of Development agree to develop an Annual Work Plan prior to the preparation of the City's budget.

ARTICLE VI

INSURANCE INDEMNIFICATION

A. **Insurance.** The City shall secure the following policies of insurance for F.I.R.E.:

1. Errors and omissions professional liability insurance in an amount of at least One Million Dollars (\$1,000,000) covering members of the City and its Director of Development.

2. Comprehensive general liability and property damage insurance in an amount of at least One Million Dollars (\$1,000,000) per occurrence and in the aggregate.

B. Indemnification. The City's Director of Development, Alderperson and Community Development Authority member serving as F.I.R.E.'s officers and directors shall be considered to be acting as employees and officials of the City for all activities related to F.I.R.E. operations and shall be indemnified by the City for said actions under Section 895.45 of the Wisconsin Statutes.

ARTICLE VII

CITY PERSONNEL

City personnel performing services for F.I.R.E. under the terms of this Agreement are considered to be and shall remain employees of the City of West Allis.

IN WITNESS WHEREOF, the City and F.I.R.E. have caused this Agreement to be executed in their respective names and have caused their respective seals to be hereunto affixed this 11 day of March, 2008.

CITY OF WEST ALLIS

By: Jeannette Bell
Jeannette Bell, Mayor

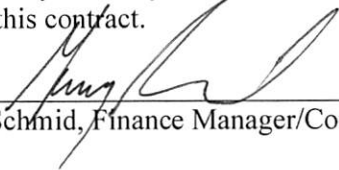
Attest: Paul M. Ziehler
Paul M. Ziehler, City Administrative Officer,
Clerk/Treasurer

FIRST-RING INDUSTRIAL REDEVELOPMENT ENTERPRISES, INC.

By: John F. Stibal
, President


(SIGNATURES CONTINUED ON NEXT PAGE)

Countersigned this 11 day of March, 2008, and I certify that the necessary funds have been provided to pay the liability that may be incurred by the City of West Allis under this contract.



Gary Schmid, Finance Manager/Comptroller

Approved as to form this 10 day of March, 2008.



Scott E. Post, City Attorney

H/Scott/Service Contract – CWA & FIRE