

Subgrantee Agreement - Part 1

CONTRACT FOR SERVICES
City of West Allis
COMMUNITY DEVELOPMENT
BLOCK GRANT PROGRAM

CDBG - FY2006

DATE OF AWARD

Distribution:

Original – City Clerk

Original – Contractor

Copy 1 - Department of Development

SERVICE DESCRIPTION (General): Micro Enterprise Development Assistance Project (see **Exhibit A**)
TIME OF PERFORMANCE: January 1, 2006 through December 31, 2006
TOTAL AMOUNT OF CONTRACT: Seventy Thousand Dollars (\$70,000)

THIS AGREEMENT, entered into by and between Wisconsin Women's Business Initiative Corporation (hereinafter referred to as the "CONTRACTOR"), and the City of West Allis, a municipal corporation of the State of Wisconsin (hereinafter referred to as the "CITY").

Performance and schedules will be approved by John F. Stibal, Director, Department of Development, (or his designee), of the City of West Allis, Department of Development.

Work may commence in accordance with the terms and conditions of this Contract on January 1, 2006, provided the grant agreement for the Community Development Block Grant (CDBG) program from the U.S. Department of Housing and Urban Development has been executed by the City of West Allis or the Common Council of the City of West Allis has established other temporary appropriation authority for the City's CDBG Program.

WITNESSETH THAT:

WHEREAS, The CONTRACTOR represents itself as being capable, experienced and qualified to undertake and perform those certain services, as hereinafter set forth, as are required in accomplishing fulfillment of the obligations under the terms and conditions of this Contract as an independent contractor and not as an employee of the CITY.

NOW, THEREFORE, the parties hereto do mutually agree as follows:

- I. RETENTION OF SERVICES AND REQUIREMENTS. The CITY hereby agrees to engage the CONTRACTOR and the CONTRACTOR hereby agrees to personally perform, as an independent contractor and not as an employee of the CITY, the services hereinafter set forth, all in accordance with the terms and conditions of this Contract. CONTRACTOR, agrees time is of the essence and will meet all deadlines, any schedules as herein set forth, and is required to:
 - A. Do, perform, and carry out in a satisfactory, timely, and proper manner, the services delineated in this Contract.
 - B. Comply with requirements listed with respect to reporting on progress of the services, additional approvals required, and other matters relating to the performance of the services.

- C. Comply with time schedules and payment terms.
- D. Since the CONTRACTOR is being funded, in whole or in part, with Federal Community Development Block Grant funds, it is necessary to comply with the Section Two – Statutory Requirements hereby incorporated and attached to this contract.

II. SCOPE OF SERVICES. In accordance with the CITY's Final Statement of Community Development Objectives and projected use of funds for the Community Development Block Grant Program as approved under **Resolution No. R-2005-0244**, incorporated herein by reference, and all applicable Community Development Program Regulations promulgated by the U.S. Department of Housing and Urban Development (hereinafter referred to as "HUD") under Title I of the Housing and Community Development Act of 1974 (as amended), the CONTRACTOR shall in a satisfactory, timely and proper manner, undertake and complete the following activities eligible under the Community Development Block Grant Program as set forth in the attached **Exhibit A** which is attached hereto and made a part hereof. The CONTRACTOR certifies that the activities carried out in **Exhibit A** with funds provided under this Agreement will meet one or more of the CDBG program's National Objectives – 1) benefit low/moderate income persons, 2) aid in the prevention or elimination of slums or blight, 3) meet community development needs having a particular urgency – as defined in 24 CFR Part 570-208. Any Budget Amendment or Activity Report Amendment to be considered by the CITY from the CONTRACTOR must be submitted no later than ninety (90) days prior to the expiration of this Contract.

III. Availability of Funds

- A. This contract award is 100% funded under the Federal-Community Development Block Grant Program. Thus, should the availability of federal funds be reduced, the CITY and the CONTRACTOR agree that the City of West Allis's Department of Development can modify and reduce either the CONTRACTOR's compensation (as listed on page 1 as the "Total Amount of Contract") or the CONTRACTOR's program year or both. (The Department of Development will notify the CONTRACTOR of such reduction).
- B. In the event of such modification or reduction, the parties shall agree upon the portions of the contract to be reduced or modified.

IV. NOTICES. Any and all notices shall be in writing and deemed served upon depositing same with the United States Postal Services as "Certified Mail, Return Receipt Requested," addressed to the CONTRACTOR at:

Name: Wendy K. Baumann, President
Organization: Wisconsin Women's Business Initiatives Corp
Address: 2745 North Dr. Martin Luther King Dr.
City: Milwaukee, WI 53212

and to the CITY at:

Department of Development
West Allis City Hall
7525 West Greenfield Avenue
West Allis, Wisconsin 53214
Attention: John F. Stibal, Director

All other correspondence shall be addressed as above, but may be sent "Regular Mail" and deemed delivered upon receipt by the addressee.

- V. **TIME OF PERFORMANCE.** The services to be performed under the terms and conditions of this Contract shall be in force and shall commence on **January 1, 2006**, and shall be undertaken and completed in such sequence as to assure its expeditious completion in the light of the purposes of this Contract, but in any event all of the services required hereunder shall be completed as indicated on page 1 under "Time of Performance", which is the termination date of this Contract. In addition to all other remedies inuring to the CITY should the Contract not be completed by the date specified in accordance with all of its terms, requirements and conditions therein set forth, the CONTRACTOR shall continue to be obligated thereafter to fulfill CONTRACTOR's responsibility to amend, modify, change, correct or expand thereon until the Contract is fully completed.

VI. **CONDITIONS OF PERFORMANCE AND COMPENSATION.**

- A. **Performance.** The CONTRACTOR agrees that the performance of CONTRACTOR's work, services and the results therefore, pursuant to the terms, conditions and agreements of this Contract, shall conform to such recognized high professional standards as are prevalent in this field of endeavor and like services.
- B. **Place of Performance.** The CONTRACTOR shall conduct CONTRACTOR's services in the following areas: ***City-wide for the City of West Allis, as well as to eligible clients whose business operations are currently outside the City of West Allis.***
- C. **Compensation.** The CITY agrees to pay, subject to the contingencies herein, and the CONTRACTOR agrees to accept for the satisfactory performance of the services under this Contract in amounts indicated within **Exhibit B** (Program Budget and Compensation and Reimbursement Schedule) it being expressly understood and agreed that in no event will the total compensation to be paid hereunder exceed said maximum sum of \$70,000.
- D. **Additional Fringe or Employee Benefits.** The CONTRACTOR's fringe benefits shall not exceed the fringe benefits to which CITY salaried employees are entitled to or are receiving.
- E. **Taxes, Social Security, and Government Reporting.** Personal income tax payments social security contributions, insurance and all other governmental reporting and contributions required as a consequence of the CONTRACTOR receiving payment under this Contract

shall be the sole responsibility of the CONTRACTOR.

- F. Reports. Contractor agrees to submit to the City a Semi-Annual report within 30 days of June 1st and December 31st of the program year. The report should include a narrative activity report and a financial report detailing the expenditure of funds provided to Contractor hereunder. Such report shall be a format acceptable to the Department of Development.
- G. Program Income. Program Income means gross income received by Contractor directly generated from the use of C.D.B.G. funds. When such income is generated by an activity that is only partially assisted with C.D.B.G. funds, the income shall be prorated to reflect the percentage of C.D.B.G. funds used. Program income shall be reported on the quarterly financial statement and shall be used only for activities included in the statement of work made part of this Agreement.
- H. All loan applications completed by participants in the microenterprise and quasiequity loan programs, as well as all loan closing documents and records of repayments shall be the property of the City and shall be turned over to the City at the time this agreement expires.
- I. Beneficiary Reporting. Since the project described under **Exhibit A** is supported by the use of federal funds, the Contractor agrees to submit to the City the following reports:
 - 1. Low/Moderate Income–Ethnicity Reports. A report of income and ethnicity for all individuals who benefited from project activities. At least 51 percent of these benefited by project activities, must be from low-to moderate income households.
 - 2. Job Creation. Contractor agrees to submit to the City annually a report of all jobs created by project activities. At least 51 percent of these new jobs must be filled by workers from a low-to moderate income household.

(Signatures on next page)

CITY OF WEST ALLIS,
A Municipal Corporation

CONTRACTOR

By: _____
Jeannette Bell, Mayor

By: _____
Wendy K. Baumann, President

Date: _____

Date: _____

Countersigned:

By: _____
Paul M. Ziehler, City Administrative Officer

Date: _____

Witness: _____

Examined and approved as to form
and execution this _____ day of
_____, 2005.

Scott Post, City Attorney

CERTIFICATE RE: CORPORATION

I, _____ certify that I am the _____ (Official Capacity)
of the above CONTRACTOR named herein; that _____, who executed this
Contract on behalf of the CONTRACTOR was then _____ (Official
Capacity of Signatory) of said corporation, and in said capacity, duly signed said Contract for
and on behalf of said corporation, being duly authorized so to do under its bylaws or is authorized so to do by
action of its duly constituted board, all of which is within the scope of its corporate powers.

Dated at _____ this _____ day of _____, 20____.

Signature and/or Seal
(Signature MUST accompany if seal is used)

SECTION TWO-STATUTORY REQUIREMENTS

This agreement is funded, in whole or in part, with Federal Community Development Block Grant Funds. The Sub-Recipient will fully comply with the following statutes, laws, rules, regulations and other requirements during the term of the Agreement.

I. Non-Discrimination.

A. Title VI of the Civil Rights Act of 1964 (Pub. L. 86-352), and implementing regulations issued at 24 CFR Part 1, which provide that no person in the United States shall, on the grounds of race, color or national origin, be excluded from participation in, denied the benefits of or otherwise subjected to discrimination under any program or activity for which the person receives federal financial assistance and will immediately take measures necessary to effectuate this assurance.

B. Section 109 of the Housing and Community Development Act of 1974, as amended, and the regulations issued at 24 CFR 570.601, which provide that no person in the United States shall, on the grounds of race, color, national origin or sex, be excluded from participation in, denied the benefits of or subject to discrimination under any program or activity funded in whole or in part with funds provided under 24 CFR Part 570.

C. Section 504 of the Rehabilitation Act of 1973, as amended (Pub. L. 93-112), and implementing regulations of 24 CFR Part 8. Section 504 provides that no qualified handicapped person shall, on the basis of handicap, be excluded from participation in, denied the benefits of or otherwise subjected to discrimination under any program or activity which received or benefits from federal financial assistance.

D. The Fair Housing Act (42 U.S.C. 3601-3619), the Fair Housing Act implementation regulations, Executive Order 11063 and implementing regulations issued at 24 CFR Part 107.

II. Equal Employment Opportunity. (All Projects exceeding \$10,000). Executive Order 11246, as amended by Executive Order 11375, and as supplemented in Department of Labor Regulations (41 CFR Part 60).

A. The Sub-Recipient will not, in carrying out the Project, discriminate against any employee because of race, color, religion, sex, handicap or national origin. It will take affirmative action to insure that applicants for employment are employed, and that employees are treated during employment without regard to their race, color, religion, sex, handicap or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation and selection for training, including apprenticeship. The Sub-recipient shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by HUD setting forth the provisions of this non-discrimination clause.

B. The Sub-recipient will, in all solicitations or advertisements for employees placed by or on its behalf, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, handicap or national origin.

C. The Sub-recipient will incorporate the foregoing requirements of this section in all of its contracts for Project work, except contracts for standard commercial supplies or raw materials or contracts covered under 24 CFR Part 570 and will require all of its contracts for such work to incorporate such requirements in all subcontracts for work done with funds provided under 24 CFR Part 570.

III. Employment Opportunities For Low Income Residents. Section 3 of the Housing and Urban Development Act of 1968, as amended, and implementing regulations at 24 CFR Part 135, requiring that to the greatest extent feasible, opportunities for training and employment be given to lower income residents of the Project area and contracts for work in

connection with the Project be awarded to eligible business concerns which are located in or owned in substantial part by persons residing in the area of the Project.

IV. Age Discrimination Prohibited. The Age Discrimination Act of 1975, as amended, (Pub. L. 94-135), and implementing regulations (when published for effect).

V. Drug-Free Work Place. Sub-recipient certifies that it will provide a drug-free work place and will otherwise comply with the Drug-Free Work Place Act of 1988, as amended, and the regulations promulgated thereunder.

VI. Federal Management and Budget Requirements and Procurement Standards.

A. The regulations, policies, guidelines and requirements of OMB Circular Nos. A-102, Revised, and A-87, as they relate to the acceptance and use of federal funds under 24 CFR Part 570.

B. All requirements imposed by HUD concerning special requirements of law, program requirements and other administrative requirements approved in accordance with OMB No. A-102, Revised.

C. OMB Circular A-110.

VII. Environmental Review. Sub-recipient's chief executive officer or other officer of the Sub-recipient will cooperate with the City in carrying out the following:

A. Consents to assume the status of a responsible federal official for environmental review, decision making and action pursuant to the National Environmental Policy Act of 1969, and the other authorities listed in Part 58, insofar as the provisions of such act or other authorities apply to 24 CFR Part 570.

B. Is authorized and consents on behalf of the Borrower and himself/herself to accept the jurisdiction of the federal courts for the purpose of enforcement of his/her responsibilities as such official.

C. Prohibition against the use of Lead-Based Paint.

VIII. Historic Preservation. Sub-recipient will comply with the requirements for historic preservation, identification and review set forth in section 106 of the National Historic Preservation Act of 1966 (16 U.S.C. 470), Executive Order 11593, and the Archeological and Historic Preservation Act of 1974 (16 U.S.C. 469a, et seq.), regulations of the Advisory Council on Historic Preservation at 36 CFR 801, and any other regulations promulgated pursuant to section 21 of the Housing and Community Development Act of 1974, as amended.

IX. Relocation. The relocation requirements of Title II and the acquisition requirements of Title III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, implementing regulations at 24 CFR Part 42, and the special provisions of section 570.457, concerning the relocation of residential tenants not covered by the Uniform Act.

X. Labor Standards. The labor standards requirements as set forth in section 570.605 and HUD regulations issued to implement such requirements.

XI. Flood Insurance. The flood insurance purchase requirements of section 102(a) or the Flood Disaster Protection Act of 1973 (Pub. L. 93-234).

XII. Facilities. The Sub-recipient will insure that the facilities under its ownership, lease or supervision which shall be utilized in the accomplishment of the Project are not listed on the Environmental Protection Agency's (EPA) list of violating facilities, and that it will notify HUD of the receipt of any communication from the Director of the EPA Office of Federal Activities, indicating that a facility to be used in the Project is under consideration for listing by the EPA.

XIII. Davis-Bacon. The Project may be subject, in whole or in part, to Federal Fair Labor Standards provisions in accordance with the Davis-Bacon Act (as amended at 40 U.S.C. section 276a-276a-5), the Copeland Anti-Kickback Act, and the Contract Work Hours and Safety Standards Act, implementing regulations issued at 29 CFR Parts 1,3,5, and 7 and 24 CFR Part 570.603, and HUD Form 4010 Federal Labor Standards Provisions, incorporated herein by reference. The Sub-recipient will agree that any such work will be done in accordance with such laws, regulations, and provisions.

XIV. As a general rule, per CFR 24, Part 570.200(j)(3), CDBG funds may be used for eligible public services to be provided through a primarily religious entity, where the religious entity enters into an agreement with the recipient or subrecipient from which the CDBG funds are derived that, in connection with the provision of such services:

- (i) It will not discriminate against any employee or applicant for employment on the basis of religion and will not limit employment or give preference in employment to persons on the basis of religion;
- (ii) It will not discriminate against any person applying for such public services on the basis of religion and will not limit such services or give preference to persons on the basis of religion;
- (iii) It will provide no religious instruction or counseling, conduct no religious worship or services, engage in to religious proselytizing, and exert no other religious influence in the provision of such public services.

XV. Fraud. The Sub-recipient has not knowingly and willingly made or used a document or writing containing any false, fictitious or fraudulent statement or entry. it is provided in 18 U.S.C. 1001 that whoever does so within the jurisdiction of any department or agency of the United States shall be fined not more than Ten Thousand Dollars (\$10,000) or imprisoned for not more than five (5) years, or both.

XVI. Remedies for Noncompliance. In the event of Sub-recipient's noncompliance with any of the provisions of these General Conditions, the City shall impose such sanctions as it may determine to be appropriate, including, but not limited to:

- A. Withholding of payment of funding under the Agreement until Sub-recipient complies; and/or
- B. Immediate cancellation, termination or suspension of the Agreement, in whole or in part.
- C. Other remedies that may be legally available.

XVII. Section 3 Clause.

All section 3 covered contracts shall include the following clause (referred to as the section 3 clause):

A. The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.

C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or

workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

D. The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.

E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.

F. Severability Clause. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

G. With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

XVIII. Reversion of Assets. Contractor agrees that upon termination or expiration of the Agreement, Contractor shall transfer to City all Community Development Block Grant funds on hand at that time as well as any accounts receivable attributable to the use of Community Development Grant funds. Contractor also agrees that any real property under Contractor's control that was acquired or improved in whole or in part with Community Development Block Grant funds is:

A. With written permission of City, retained by Contractor and used to meet the Community Development Block Grant objectives for such a period of time as agreed to between City and Contractor; or

B. Transferred to City for disposition in accordance with Community Development Block Grant Program regulations; or

C. Disposed of in a manner which results in City being reimbursed in the amount of the current fair market value of the property less any portion thereof attributable to expenditures of non-Community Development Block Grant funds for acquisition of, or improvement to, the property. Contractor agrees that upon expiration or termination of the agreement, Contractor shall transfer to City all C.D.B.G. funds on hand at the time of expiration.

XIV. Access to Books. Contractor agrees to maintain, make available and provide access to all books, documents, papers and records relating to this agreement to City, the U.S. Department of Housing and Urban Development, Comptroller General of the United States, or any of their duly authorized representatives, for the purpose of making audits, examinations, excerpts and transcriptions therefrom.

XXI. The Contractor shall maintain all records required by the Federal regulations specified in 24 CFR Part 570.506, that are pertinent to the activities to be funded under this Agreement. Such records shall include but not limited to:

A. Records providing a full description of each activity undertaken;

- B. Records demonstrating that each activity undertaken meets on the National Objectives of the CDBG program;
- C. Records required to determine the eligibility of activities;
- D. Records required to document that acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance:
- E. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
- F. Final records as required by 24 CFR Part 570.502, and OMB Circular A-110; and
- G. Other records necessary to document compliance with Subpart K of 24 CFR 570.

XX. Retention of Records. Contractor agrees to retain all records relating to this Agreement for no less than three years after the termination of all activities funded under this agreement. Records for non-expendable property acquired with funds under this contract shall be retained for three (3) years after final disposition of such property. Records for any displaced person must be kept for three (3) years after he/she has received final payment. Notwithstanding the above, if there is litigation claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the three-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the three-year period, whichever occurs later.

Exhibit A

The Wisconsin Women's Business Initiative Corporation

Proposal Summary

We at The Wisconsin Women's Business Initiative Corporation (WWBIC) see an opportunity to advance our mutual goals in the transformation of the City of West Allis by building on our successful and proven program. We propose to significantly step up outreach, loans and assistance to individuals and businesses to encourage them locate in the City of West Allis, and specifically the Downtown BID. We enclose our proposal respectfully requesting \$100,000 for 2005 from West Allis CDBG funds in the next funding cycle.

As in previous years, CDBG funds will support our comprehensive service for microentrepreneurs in the City of West Allis that we call the ***Microenterprise Development Continuum***. From outreach through education, through technical business assistance before and after a loan is received, continued participation in our services keeps clients on track with their business development. We plan to increase dollars lent, as well as the number of West Allis residents served in all outcome categories, by an average of at least 25 percent.

"We were having a hard time borrowing from a traditional bank. WWBIC is the reason we are in business today."

-WWBIC loan client

Organization Information

The Wisconsin Women's Business Initiative Corporation (WWBIC) stands out among economic development and business assistance organizations because of our focused mission, comprehensive offerings, and demonstrated record of success. WWBIC, the largest micro-lender in the state, helps low-income entrepreneurs by concentrating on two basic, interlinked needs - education and loans. We help our clients secure the loans they need to get started or grow and give them the training and technical assistance they need to make use of their access to capital and thrive over the long run. When we help a client become a successful businessperson, we don't just help one person out of poverty - we create jobs, expand our economy and improve the community.

Street Graphix, Inc.: West Allis Small Business Development Success Story

Troy Linde was the key employee and manager of an existing West Allis business, Stickers & Stuff, but dreamed of running it on his own. He was referred to WWBIC by a local CPA after he was unable to secure traditional bank financing because of lack of collateral. Mr. Linde applied for a loan through the West Allis EDPC loan committee to purchase Stickers & Stuff, but his request was tabled because committee members felt that he lacked the requisite savvy to succeed. At the committee's urging, Mr. Linde graduated from WWBIC's Start Smart class, which helped to turn his situation around. He was recently approved for a \$25,000 loan to purchase Stickers & Stuff, which he renamed Street Graphix Inc. The business, located on the west side of S. 108th St., is a retail shop that sells and installs stock and custom automotive decals and signage. The business continues to grow under Mr. Linde's ownership. A part-time employee was recently hired. Street Graphix, Inc. has acquired all the necessary equipment to move forward with Mrs. Linde's vision to offer custom T-shirt production.

WWBIC - An Entrepreneurial Launching Pad

Mission: To promote economic development by providing access to capital, quality business education and business assistance for entrepreneurs throughout the state of Wisconsin, with a primary focus on minorities, women and low-income individuals.

We were incorporated in Wisconsin in 1987 as a non-profit, tax exempt, 501(c)(3) organization, and have grown to become a statewide economic development corporation. Our focus has always been on two key areas of successful entrepreneurship. We zero in on 1) direct loans and access to other capital and 2) quality business education and ongoing support. We help our clients become successful, self-sufficient entrepreneurs.

Comprehensive Program Areas

WWBIC's education and loan programs fall under four major categories, allowing us to serve clients at an individual level - we meet them where they are. Some clients use our entire spectrum of services while others use only one.

- Direct Loans and Access to Other Capital
- Business Education and Training
- Business Assistance
- Economic Literacy Education and Individual Development Accounts

Major Accomplishments and Qualifications

While we see every client success as an important accomplishment, we are especially proud of being Wisconsin's first funded and certified Community Development Financial Institution (CDFI). This U.S. Department of Treasury certification ensures that we provide both financial and development services to underserved populations. It also requires that we maintain strict performance standards and meet yearly financial-soundness testing. We gained this certification because we operate in a niche marketplace and can prove that we serve clients that have not been adequately served by conventional financial institutions.

WWBIC is also an SBA Microloan Intermediary Lender and an SBA Women's Business Center. Both are important credentials that bring responsibilities, credibility and expanded opportunities to reach our target audiences. At the same time, both create huge challenges in that the federal sources for these designations are constantly in peril. We need to continually raise funds to support the activities generated by these programs.

Another major accomplishment is our 17-year record of measurable success. For example, since 1987 WWBIC has:

- Served more than 22,000 individuals;
- Directly financed more than 570 businesses in local communities;
- Assisted in creating over 1,680 jobs by providing small business assistance; and
- Lent nearly \$6.5 million to small business owners across the state.

The demand for our services is increasing every year. In 2003 alone, WWBIC:

- Made \$1.54 million in direct loans to 70 business clients.
- Secured an additional \$3 million in loans from other financial sources for our business clients.
- Matched more than \$152,000 toward our clients' own savings accounts for business, homeownership or post-secondary education through our Individual Development Account (IDA) program.
- Offered more than 350 business education classes to more than 1,650 unduplicated clients.
- Provided more than 2,500 hours of one-on-one business counseling.

Program History and Overview

In January 2000, WWBIC established the West Allis Micro Enterprise Assistance Program with City of West Allis funds made available through the Community Development Block Grant (CDBG). Since the program's inception, WWBIC has offered West Allis entrepreneurs special access to its training and lending programs, developed the West Allis Micro-loan Fund and positioned the West Allis Economic Development Partnership Committee (EDPC) to approve loans and program policies and procedures on behalf of the West Allis Common Council. The program is in its fourth year.

Since its inception the program approved fourteen loans totaling just under \$235,000. Principal repayments have totaled more than \$100,000. Six of the fourteen loans made have repaid in full. This program has generated interest income for the City of West Allis in the amount of \$29,768 since its inception.

Program Objectives and Activities

In 2004, WWBIC proposes to continue to enhance the ***City of West Allis Microenterprise Development Continuum***. To meet WWBIC's organizational goals, and those set forth by Housing and Urban Development (HUD) through Community Development Block Grant (CDBG), this program focuses on West Allis' low and moderate-income entrepreneurs. As stated in the program's policies and procedures manual, adopted by the EDPC, WWBIC will offer services to commercial micro enterprises, defined as any business with five or fewer employees, one or more of whom owns the enterprise. For the purposes of this program, the micro enterprise must be located in the City of West Allis and the owner of the micro enterprise must also qualify as one of the following:

- A low-income individual at the time of entry to the program; or
- Willing to offer open positions to low or moderate-income persons at least 51% of the time a job becomes available within 24 months of program participation.

In order to serve the target population and meet program objectives, WWBIC proposes to increase our outreach, and offer our services of access to capital, business education and training, and business assistance that will help further our mutual goals for the redevelopment and revitalization of the City West Allis.

Objective One - Provide Access to Capital Services:

WWBIC's ***Microenterprise Development Continuum*** is comprised of both access to capital and business education, training, and direct, one-on-one business assistance. WWBIC will manage and administer the loan capital of West Allis Microenterprise Training and Loan Program.

Prospecting - We will manage the pipeline of customers seeking funding from West Allis Micro-loan Fund, a fund specifically for micro enterprises in the City of West Allis. In 2004, WWBIC projects it will present three loans to the Economic Development Partnership Committee (EDPC) for review totaling \$75,000. In order to achieve this objective, WWBIC will perform assessments of existing and start-up businesses, assist individuals in preparing their applications, analyze requests for funding and prepare information for committee review.

WWBIC will offer two products through the West Allis Micro-loan Fund: (1) Micro-loans, which are available for up to \$25,000, at a fixed interest rate of 9% with terms between 12 months and six years. (2) Quasi-Equity Loans, which are loans \$5,000 or less offered to West Allis graduates of Start Smart and program participants in need of capital to leverage conventional financing. Loans made through the quasi-equity program will not accrue interest for 24 months.

Loan Program Administration - We will administer, disburse and monitor loan funds. On behalf of the City of West Allis, WWBIC will disburse funds and collect and monitor repayment of the twelve loans made in 2000 through 2004. WWBIC program staff will also provide ongoing case management services to West Allis loan clients throughout the contract period. We assist our clients in developing their business plans and applying for loans. We continue to provide one-on-one assistance throughout the loan application phase, and follow up with post-loan assistance to ensure positive outcomes, both in terms of repayment and the client's success. This time- and effort-intensive work pays dividends in preventing problems, reducing defaults and increasing our clients' chances of success.

Access to Capital - WWBIC will also work to package loans for Small Business Administration (SBA) guarantees and other financing sources, as well as direct businesses to appropriate financing sources and business development resources, should their needs not fit the scope of the micro enterprise development program.

Objective Two - Provide Quality Training and Business Development Assistance:

The second component of WWBIC's ***Microenterprise Development Continuum*** is business education and training and direct, one-on-one business assistance. Training programs at WWBIC are among the best in the state. WWBIC's most comprehensive course is called "Start Smart," a multi-session business planning series, where participants learn all aspects of starting and operating a business. Topics include: marketing, record keeping, cash flow projections, human resource management and business operations. Leaders in micro-business development throughout the country, including WWBIC's Vice President, Julann Jatzak, wrote this textbook.

WWBIC's Start Smart - Start Smart topics include marketing, record keeping, cash flow projections, human resource management and business operations. WWBIC plans to use the CDBG funds for eligible West Allis residents and business owners to attend on a full scholarship.

One-on-One Business Assistance - WWBIC's West Allis Program Director will continue to provide regular office hours at the West Allis Chamber of Commerce to provide guidance to the owners of start-up and existing businesses, with assistance ranging from reviewing business plans to helping with financial projections. We also utilize professional in areas such as accounting, legal and marketing on both volunteer and reduced-rate bases.

Consulting and Mentoring Program - WWBIC will link seasoned business owners and corporate professionals directly with West Allis entrepreneurs. Program participants will receive assistance in overall business development and guidance in specific areas including law, tax, and marketing.

Our Achievements

Already as of July, 2004, eight West Allis residents have enrolled in "Start Smart" and five have graduated. Twenty-two West Allis residents have participated in business financing seminars, significantly exceeding our goal of eight. In addition, we have completed 372 hours of business development and 24 business assessments. Sixteen of these business assessments, or 64 percent, were for low-to-moderate income clients. We have packaged six loans and presented two to the West Allis EDPC. We have reviewed nine business plans, achieving 90 percent of our 2004 goal in only six months.

Our Impact

WWBIC designs each class to meet the needs of low-income individuals and strives to schedule classes in locations and at times convenient for the entrepreneur. The language used in the materials is geared for an early high school reading level and the worksheets are interactive. WWBIC's trainers use a cooperative learning style and have developed a reputation for making learning fun.

Full scholarships will also be available for WWBIC's other training sessions. In addition to Start Smart, WWBIC has developed a range of workshops to suit the needs of both the novice and the experienced entrepreneur. Workshop topics include bookkeeping, Internet marketing strategies, marketing a childcare business, and personal money management.

Performance Benchmarks

WWBIC proposes the following performance objectives to meet the goals of the West Allis Microenterprise Development Continuum. WWBIC will submit quarterly performance reports to the City of West Allis, Department of City Development.

Required Objectives	Activity	Q1	Q2	Q3	Q4	Total	Goal
Business Development	WA assessments completed	12	13	12	13	50	50
	WA enrolled in Start Smart	15		15		30	30
	WA Start Smart graduates		8		7	15	15
	WA business plans reviewed	3	4	4	4	15	15
	WA hours of Business Assistance*	187	188	187	188	750	750
Access to Capital	WA loans presented to EDPC	1	1	1	1	4	4
	WA dollar amount of loans	\$15,000	\$20,000	\$20,000	\$20,000	\$75,000	\$75,000

*Includes class time and loan preparation, as well as one-on-one business assistance.

Supplementary Objectives	Activity	Q1	Q2	Q3	Q4	Total	Goal
Program Outreach	WA outreach impressions		1200		1200	2400	2400
	WA residents who attend introductory workshops	22		23		45	45
	LMI/or potential of hiring LMI	8	9	9	9	35	35
	WA in other WWBIC courses	8	9	9	9	35	35
	WA loans assisted/supported through WWBIC	3	3	3	3	12	12

WWBIC's Partnerships

Currently, WWBIC has more than 30 community partnerships and offers classes at more than 30 sites around the state including community centers, churches, libraries and schools. Most recently, WWBIC has partnered with the Housing Authority of the City of Milwaukee to improve the rate of home ownership in a targeted "hot zone." WWBIC provides our Economic Literacy Education program *Make Your Money Talk* to public housing residents, many of whom will buy their first home in the same community or another hot zone tract. Other partnerships include:

- The Wisconsin Child Care Business Partnership
- Hispanic Chamber of Commerce of Wisconsin
- American Indian Chamber of Commerce
- The Racine Small Business Development Partnership Council
- The Kenosha County Small Business Development Partnership Council

Additionally, WWBIC works closely with:

- The U.S. Department of Health and Human Services
- The U.S. Department of the Treasury
- The U.S. Department of Agriculture
- The U.S. Small Business Administration
- The Wisconsin Department of Commerce
- The Wisconsin Department of Workforce Development
- The Wisconsin Department of Financial Institutions
- Wisconsin Housing and Economic Development Authority (WHEDA)
- Milwaukee Department of City Development (DCD)

- Milwaukee Economic Development Corporation (MEDC)
- Housing Authority of the City of Milwaukee (HACM)

WWBIC's Management Capacity

WWBIC has become a national leader in the issues of microenterprise education, training, and lender.

- In her tenth year at WWBIC, President **Wendy K. Baumann (FKA) Werkmeister** is a nationally recognized leader. With more than 20 years of micro-enterprise development experience, she has pioneered activity in Milwaukee with regard to business incubation, capital access programming and social entrepreneurship. With her leadership and vision, the agency has grown from a \$200,000 budget with a staff of two, to a \$2.1 million operation with a staff of 24 full- and part-time employees. She introduced and continues to nurture the *Milwaukee Saves* campaign in Milwaukee. She serves on the national boards of the National Consumer Federal Advisory Board, The Association of Economic Opportunity, and the Office Depot National Women's Advisory Council. Ms. Baumann is current Chair of The Association of Women's Business Centers.
- Vice President of Lending Initiatives **Jodi M. Sturgeon** has ten years of CDFI experience working with the New Hampshire Community Loan Fund, with five years as Vice President overseeing all financial, human resource and information systems areas. Ms. Sturgeon was responsible for investments, budgeting and acting as liaison to the Board of Directors, all standing committees and outside vendors. She has a Bachelor's degree in Accounting and an advanced certificate in Governmental Finance; experience with peer lending, business incubation, portfolio management, risk assessment, borrower technical assistance, compliance with and reporting to federal and private investors and grantors, operational planning and staff management. Ms. Sturgeon's experience with a large and experienced CDFI will greatly contribute to WWBIC's movement to the next level in microenterprise development.
- Vice President of Education Initiatives, **Julann Jatzak**, worked in the private sector for the majority of her career, including with Fortune 500 companies. Ms. Jatzak has eight years with WWBIC and provides linkage to other organizations through serving on numerous statewide advisory boards, partnerships and commissions advancing quality business education. She was recently elected to the national Social Enterprise Alliance Board of Directors; has provided numerous business exploration and development workshops as well as guidance and consultation to emerging business centers across the country and internationally. Ms. Jatzak co-authored a national small business planning curriculum NXLevel Guide for Entrepreneurship.
- Controller **Robert Klug, CPA**, has been with WWBIC since 2002. Mr. Klug has worked in financial institution settings in progressively responsible positions for nearly sixteen years, most recently serving as managing director of an operations department. His experience in both accounting and banking is well-suited to the demanding position of WWBIC's controller. Mr. Klug is a CPA and has extensive experience with accounting/financial management; operations management and staff supervision. In addition, Mr. Klug has experience with financial reporting and evaluation of operating statements and balance sheets, cash flow analysis and asset/liability management, and other functions of a large financial institution. Just prior to joining WWBIC, Mr. Klug was a founding management team member of a new bank, responsible for establishing operations, accounting and financial functions and coordinating installation of IT systems.
- **Sherry Saiki** has been the West Allis Program Director since January 2002, and is responsible for all of the major successes of the program. Prior to 2002, she was a member of WWBIC's lending department. Ms. Saiki is an active member of the West Allis BID Economic Development Committee. She is a member of the Rotary Club of West Allis and regularly attends and supports West Allis Chamber of Commerce functions. Ms. Saiki has more than 10 years experience in the banking industry including management. She is an experienced loan officer. Additionally, she has owned her own business and has a track record of assisting other small business during both start-up and expansion phases. Ms. Saiki is fluent in Spanish.

WWBIC maintains a 10-member volunteer board of directors, and a 15-member volunteer loan committee. WWBIC's business assistance program utilizes a business volunteer corps consisting of more than 200 professionals who volunteer as

mentors and consultants, providing valuable expertise in areas ranging from accounting to business plan writing to public relations. Overall, the human resources leveraged from the community and dedicated to WWBIC greatly contributes to the strength and effectiveness of the organization.

WWBIC's Financial Performance

WWBIC's audited financial statements demonstrate sound fiscal management. The 2003 financial audit is provided in the proposal attachments. WWBIC's current Articles of Incorporation and By-Laws are on file at your offices.

*"WWBIC is a wonderful group of people. I can't say enough about all of you!!
Looking forward to many years to working together with you.
Dreams do come true for people who work hard."*

--WWBIC Loan Client