

## GRANT AGREEMENT

This agreement made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2018, by and between the City of Racine (“City” or “Grantee”), a municipal corporation, and Wild Root Market Cooperative (“Grantee”), a membership cooperative, collectively described herein as “the Parties.”

### Recitals

**WHEREAS**, pursuant to Racine Code of Ordinances section 42-266, Grantee has established the Intergovernmental Revenue Sharing Fund (“IG Fund”); and

WHEREAS, the proceeds of the IG Fund are to be used in one or more of the manners described in Racine Code of Ordinances sections 42-267 and 42-268; and

WHEREAS, in addition to the terms described in more detail below, the construction of a \$1,950,000.00 cooperative grocery market in the City of Racine is determined to satisfy the conditions of the above-referenced Ordinances; and

WHEREAS, Grantee has applied for a grant from the City of Racine for the use of the funds and the City has determined that, upon compliance with the terms and conditions set forth below, a grant is an appropriate use of the IG Funds;

**NOW THEREFORE**, in consideration of the foregoing and the mutual undertakings set forth herein, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Grantee and Grantor hereby agree as follows:

1. Grant. Grantor agrees to grant Grantee a total of \$390,000.00, to be distributed by two separate grants of \$290,000.00 and \$100,000.00, in two separate phases (“Phase 1” and “Phase 2”) upon the completion of two separate sets of conditions for each phase; however, Grantee must satisfy the conditions of Phase 1 to be eligible for the grant funds of Phase 2.

2. Project. Grantee agrees to invest a minimum of \$1,950,000.00 in construction costs and equipment acquisitions for a grocery market cooperative, which shall be located at 500 Walton Street and 2214 North Wisconsin Street, Racine, Wisconsin.

3. Additional Phase 1 Conditions.

- a. Documentation of the investment requirement described above shall be made by providing copies of contractors’ invoices to City staff upon request;
- b. The grocery market cooperative is open for regular business no later than December 31, 2019;

- c. Grantee hires and maintains a minimum of ten (10) Full Time Equivalent employees on staff, and that it establish and maintain a policy of hiring preference goals targeting employees from historically disadvantaged and minority groups proportionate to or exceeding the percentage of said groups within the greater population makeup of the City of Racine;
- d. Grantee closes on private financing assistance for its overall minimum \$1,950,000.00 investment;
- e. Grantee's board of directors adopts a policy guaranteeing its employees will receive wages and benefits similar to local comparable full-service grocers, for the express purpose of ensuring that Grantee does not obtain a competitive advantage over other local full-service grocers and cooperatives which have not received public assistance such as is being granted hereunder;
- f. Grantee's board of directors must contract or subcontract for its construction activities using a contractor who engages with and utilizes State or Federally sanctioned apprenticeship programs, and who further establishes a program goal to draw from graduates of local pre-apprenticeship training programs;
- g. Grantee's board of directors must adopt a local hiring goals policy and agree that a minimum of twenty (20) percent of its employees will be residents of the City of Racine.

Grantor reserves the right to audit Grantee for compliance with the above-listed conditions for up to 36 months after the certificate of occupancy is issued.

Grantor will issue a check within 10 business days after Grantee provides evidence that its private financing has closed.

4. Additional Phase 2 Conditions.

- a. The Phase 2 grant shall be described as a Community Challenge Grant, which purpose shall serve to match funds raised by Grantee.
- b. Grantee shall have received or collected, not simply have received pledges for, matching cash contributions or secured guarantees from individual donors, municipalities, or corporate donors or contributors.

- c. The funds collected or guaranteed between May 1, 2018 and December 31, 2019 may be counted as eligible funds to match the Community Challenge Grant.

Grantor will issue a check within 10 business days after Grantee provides evidence of the receipt of cash contributions or secured guarantees..

5. Indemnification. Grantee covenants not to sue and agrees to indemnify, defend, hold harmless Grantor, its departments, officers, agents and employees from and against any and all costs (no limitation), damages, expenses or liability for personal injuries, bodily injuries, death or property damage arising out of the acts or omissions of the Grantee, its officers, employees, agents, volunteer workers, program participants, or frequenters of the project arising from the grant or the use of the funds granted hereunder.

6. Limitation of Liability. Except for the indemnity obligations set forth in this Agreement, the Parties waive any claims that each may have against the other with respect to punitive or other special damages, however caused, which may arise out of this Agreement. In addition, neither Party shall be liable to the other for any lost revenue, lost profits or loss of technology.

7. Modification. This Agreement may be modified or extended only upon the express written consent of all Parties.

8. Notices. Any notice required herein shall be in writing and shall be deemed effective and received (a) upon personal delivery; (b) five days after deposit in United States mail, certified mail, return receipt requested, postage prepaid; or (c) one business day after deposit with a national overnight air courier, fees prepaid, to Seller or Buyer at the following addresses:

If to Grantor: City Clerk, City of Racine  
730 Washington Avenue, Room 103  
Racine, Wisconsin 53403

With a copy to: Department of City Development  
City of Racine  
730 Washington Avenue, Room 102  
Racine, Wisconsin 53403

If to Buyer: \_\_\_\_\_  
\_\_\_\_\_  
Racine, Wisconsin \_\_\_\_\_

9. Public Records. The Parties acknowledge Grantor's obligations under the Wisconsin Public Records Law and Wisconsin Open Meetings Law, Wis. Stat. §§19.31-19.39 and 19.85-19.98. In the event that a request for records or information is received by Grantee, Grantee shall promptly notify Grantor of the request.

10. Jurisdiction. This Agreement shall be governed by, and construed and enforced in accordance with, the internal laws of the State of Wisconsin. The parties hereby stipulate and agree that any action or other legal proceeding arising under or in connection with this Agreement shall be commenced and tried in its entirety in the Wisconsin Circuit Court for Racine County, Wisconsin, and each party hereby agrees not to assert in any such action or proceeding that either of such courts lacks personal jurisdiction or is not a convenient forum and hereby waives, to the fullest extent permitted by law, any other right to contest the jurisdiction and/or venue thereof.

11. Integration. This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof, and supersedes any and all oral, written or other negotiations, warranties, agreements in regard thereto.

12. Severability. If any provision of this Agreement is held invalid, illegal or unenforceable by a court or agency of competent jurisdiction, the validity, legality and enforceability of the remaining provisions of this Agreement are not affected or impaired in any way if the overall purpose of the Agreement is not rendered impossible and the original purpose, intent or consideration is not materially impaired.

[SIGNATURE PAGE TO FOLLOW]

In executing this document, the undersigned affirms that he/she is an Owner of Wild Root Cooperative Market, and is duly authorized by the organization to execute this Agreement.

**WILD ROOT MARKET COOPERATIVE**

By: \_\_\_\_\_  
Print name: \_\_\_\_\_ Date \_\_\_\_\_  
Title: \_\_\_\_\_

**CITY OF RACINE**

By: \_\_\_\_\_  
Cory Mason, Mayor Date \_\_\_\_\_

**ATTEST:**

By: \_\_\_\_\_  
Tara McMenamin, Assistant City Clerk Date \_\_\_\_\_

Provisions have been made to pay the liability that will accrue hereunder.

By: \_\_\_\_\_  
David Brown, Finance Director Date \_\_\_\_\_

**APPROVED AS TO FORM:**

By: \_\_\_\_\_  
Scott R. Letteney, City Attorney Date \_\_\_\_\_