

OFFICE OF THE CITY ADMINISTRATOR & DIRECTOR OF COMMUNITY DEVELOPMENT

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To: David Phillips and Dane County CDBG Commission Members

From: Mike Davis

Re: National Mustard Museum (NMM)

Date: December 15, 2015

I understand that the Commission will be meeting with Barry Levenson this Thursday, December 17. The City of Middleton greatly values having the NMM as an anchor tenant in our Downtown. Their building has undergone a renaissance under the ownership of the Sustainable Engineering Group and is now filled and thriving. The new energy of the owners and the other tenants provides a better foundation for NMM's sustenance. We genuinely want to keep this focal point of fun and destination travel in our community, and I urge your continued consideration of the same by keeping the NMM's loan payment reasonable at this critical time of their resurgence.

Following is an update on what the City of Middleton has done to assist the NMM with its financial concerns over the past few years:

- In 2013, the City Council authorized assistance to the NMM to help them to consolidate their space into a smaller, yet still quite attractive, footprint. NMM completed that move with \$10,000 in assistance provided.
- In 2012, the Community Development Authority (CDA) paid off the \$35,000 private loan that the NMM had with Bayview Loan Services at 8.25% and converted that 3-year loan to a much more generous 7-year term at 4% interest. The \$1,206 loan payment converted overnight to a monthly \$496/month payment to the Middleton CDA, thereby freeing up \$710/month to the NMM.
- The Middleton Tourism Department continues to market the NMM as an ongoing tourism destination and additionally provides \$15,000 in marketing assistance specifically for National Mustard Day activities for the first Saturday in August.
- NMM's move to Middleton inspired the City to renovate one of its oldest landmark buildings. Although the building toppled during construction, the historic Milwaukee cream bricks enabled us to keep the historic appeal of the structure. The City's tax incremental finance assistance for this project was \$1.4 million. It was an effective subsidy from our very successful TIF District to spur greater private investment in Downtown Middleton, and it has worked.
- In short, the City of Middleton is making every effort to assist the NMM to keep it a viable business and non-profit museum in and benefiting Dane County, Middleton and the State of Wisconsin. Former County Executive Falk's decision to provide a \$200,000 loan to the NMM enabled them to make a move that probably saved the business from the effects of the Great Recession. We appreciate the County's partnership with the City in sustaining this unique gem for our area.