

November 24, 2008

Gary Becker, Mayor  
Members of the City Council  
City of Racine  
730 Washington Avenue  
Racine, WI 53403

Dear Mayor Becker and Members of the City Council:

This letter is intended to serve as an agreement between the City of Racine, hereinafter the "City," and the Racine County Economic Development Corporation, hereinafter the "RCEDC." In accordance with this agreement, the RCEDC agrees to continue to provide economic development technical assistance to the City, to coordinate this assistance with the Mayor, Department of City Development, City Council, and City Economic Development Committee, and to implement the activities set forth herein.

## **PURPOSE**

The purpose of the agreement is to further the overall goals of economic development by facilitating job growth and investment, resulting in accrued revenues and wealth for the City, through interagency cooperation and services provided by the RCEDC.

## **AGREEMENT**

The RCEDC agrees to provide direct economic development technical assistance to the City in accordance with the adopted Racine County Economic Development Plan, as well as any objectives promulgated by the City's Economic Development Committee. The RCEDC will assign an economic development professional to the City who will act as the City's economic development advocate and the lead staff person for assistance being provided to the City who together with other RCEDC staff members will expend his/her best efforts to promote the economic development including the attraction and retention of business within the City.

The economic development services to be provided by the RCEDC will consist of the following:

### **Organizational Development Assistance**

1. To provide economic development technical assistance through attendance at all City Economic Development Committee meetings. The RCEDC staff will also attend other City committee meetings and City Council meetings that are related to economic development, as requested.
2. Identification and implementation of appropriate strategies to address additional economic development issues and concerns that are identified throughout the contract period.

3. Provide the equivalent of 100 percent of full-time economic development services to the City through RCEDC specialists and resources.
4. Provide staff assistance to the City Economic Development Committee. This activity includes:
  - Coordination of economic development activities between the Committee Chairman, Mayor and City Council.
  - Staff assistance in the design and implementation of economic development goals, objectives and activities, as deemed necessary by the Committee.
  - Attendance at all Committee meetings, and the related meetings as directed by the Mayor and the Committee.
  - Reporting of economic development activities carried out in conjunction with this agreement.
  - Draft Committee agendas and minutes.
5. Coordinate the City's economic development program with, but not limited to, the following agencies:

Community Economic Development Corporation (CEDCO)  
Downtown Racine Corporation  
Gateway Technical College  
Racine Area Board of Realtors  
Racine Area Manufacturers & Commerce, Inc.  
Racine County Convention and Visitors Bureau  
Racine Department of City Development  
Racine Department of Public Works  
Southeastern Wisconsin Regional Planning Commission  
Milwaukee 7  
U.S. Economic Development Administration  
U.S. Small Business Administration  
UW-Extension  
UW-Parkside  
UW-Parkside - Racine County Small Business Development Center  
Wisconsin Department of Commerce  
WE Energies  
Wisconsin Procurement Institute
6. Provide written semi-annual and annual reports to the Mayor, Director of City Development, Economic Development Committee and City Council. This activity will include a summary of the economic development activities conducted during the reporting period.
7. Participate, through staff, or private sector Board members, on the Board of Directors of CEDCO.

### **Growth of Existing Business**

8. Continue to implement an existing business growth program in the City in conjunction with the Milwaukee 7 Initiative with the objective of developing and maintaining a database that tracks significant issues facing local business. In-person visits to local companies will continue as a part of this effort.
9. RCEDC staff will, dependent upon the availability of State funding for the program, provide information regarding the State of Wisconsin Development Zone and the State of Wisconsin Technology Zone program to interested businesses through one-on-one meetings, the distribution of program literature and other appropriate means. This assistance will be coordinated with the City of Racine, Department of City Development which will prepare applications to the Development Zone program for businesses. In addition, RCEDC staff will assist businesses in preparing Technology Zone applications to the City and State of Wisconsin.
10. Annual evaluation of the City's overall Economic Development Plan, as the evaluation impacts the City of Racine.
11. Assist existing businesses per direct contact or referral from the Mayor and Director of City Development and report findings and resolution to the respective party.
12. Continue to work with the City to determine an appropriate strategy for meeting the needs of existing businesses regarding new lands for industrial development, including existing vacant buildings and brownfield sites. This activity is based on the limited availability of industrial lands in the Young and Olsen Industrial Parks, and the utilization of local revenue sharing funds.

### **Business Attraction Activities**

13. Provide assistance through the development of customized letter proposals to businesses interested in establishing a location within the City per direct contact or referral from the Mayor or members of the City's Staff, or other reliable sources. This activity includes providing copies of such proposals, when requested, to the Director of City Development, as well as a status report on such businesses as part of this agreement's quarterly and annual report, coordinating regular meetings with the Director of City Development, and maintaining a periodic business follow-up procedure.
14. Continue to implement a program that identifies and provides information to businesses with locational criteria that are similar to that offered by available brownfield redevelopment sites (i.e. Jacobson-Textron site). The objective of this activity would be to attract such businesses to the City of Racine.

### **Business Finance Activities**

15. Through existing business growth and business attraction activities, provide existing and potential businesses with information and assistance relative to available State, federal and local business development financing programs. This activity includes the referral of businesses to appropriate RCEDC business finance staff to further develop loan applications.

16. RCEDC finance staff, doing business as Business Lending Partners (BLP) will administer the Industrial/Commercial Building Revolving Loan Fund (I/CB-RLF) which is regulated by the U.S. Economic Development Administration (EDA). The grant, approved in 1998, and re-capitalized in 2001, together with \$400,000 of matching funds from the City of Racine, establishes a \$1,466,000 loan fund for the re-cycling of older vacant commercial and industrial buildings in the City of Racine. In addition, BLP, in collaboration with the Director of City Development will continue to explore future options of re-capitalizing this fund.
17. Business Lending Partners will continue to service any loans made through the I/CB-RLF.
18. Provide staff support to the Racine Development Group (RDG), the City of Racine's multi-bank community development corporation, in the provision of business financing to small businesses, housing redevelopment and real estate development with a focus on Census Tracts 1-5. This organization is capitalized at approximately \$873,000 and recently approved a program of small business loans to Sixth Street businesses affected by the upcoming road construction. This initiative is similar to the successful program established for Main Street businesses.

### **Marketing Activities**

19. Continue to develop and implement DRIVE (Developing Racine County through Innovation, Vision and Entrepreneurship). This program includes: developing a regional marketing/branding initiative; existing business growth strategy; business attraction initiative; talent attraction and technology transfer initiatives.
20. In 2009, RCEDC will, with the current recessionary period in mind, broaden its marketing efforts of the Southside Industrial Park and explore multiple options of attracting new and existing businesses, as well as developers to that location. These efforts will be developed over the first quarter of 2009 and approved by the City's Planning and Development Director.

### **Workforce Development Services**

21. RCEDC will provide the services of a Workforce Development Representative to assist Development Zone certified businesses recruit and employ certifiable workers.
22. RCEDC will continue to represent the interests of the City relative to the ongoing operations of the Center for Advanced Technology and Innovation (CATI). CATI is designed to provide a range of activities related to improving the workforce, technology transfer among business, and creation of a technology incubator.
23. RCEDC will continue to be an advocate for the City in working with the Racine County Workforce Development Center to complete a workforce development plan that, in part, will address high unemployment in the City.

### **Special Program Assistance**

24. RCEDC staff will participate on the advisory committee of the Johnson Bank Community Development Corporation, M & I Community Development Corporation, First-Ring Industrial Redevelopment Enterprises, Inc. and Delta Institute relative to the New Markets Tax Credit initiative in the State of Wisconsin.
25. RCEDC will continue to provide staff assistance to the Department of City Development relative to the implementation of the Southside Neighborhood Plan-which was adopted by the City in 2002. Specific assistance is provided relative to the redevelopment of the former Jacobsen-Textron site through a separate brownfield redevelopment contract.
26. RCEDC will maintain information on the City's industrial parks for the purpose of assisting those interested in purchasing the remaining lots in the parks. RCEDC staff will assist purchasers with the completion of applications of land purchase, and reviewing these applications with City staff, appropriate City Committees, and the City Council. This service will also be extended to vacant redeveloped lands through the brownfield initiative.
27. RCEDC will provide assistance to commercial corridors not funded under separate CDBG contracts.
28. RCEDC will assist in the development of the Kitchen Incubator project at Festival Hall under a separate CDBG contract.

### **Support Activities**

29. RCEDC will maintain, together with other appropriate agencies, demographic and socio-economic data and community facilities and services information necessary to support the City economic development program.
30. RCEDC will maintain an inventory of significant, marketable industrial and commercial buildings and land sites in the City and a system for providing this information to interested parties.

### **TIME PERIOD FOR THIS AGREEMENT AND COMPENSATION**

The above-referenced assistance will be provided by the RCEDC staff during the time period beginning February 1, 2009 to January 31, 2010. The cost to the City of Racine for this assistance is \$67,000. Payments will be made during the first week of each quarter, upon the receipt of an invoice from the RCEDC. The cost of developing any additional materials and significant printing and mailing of items necessary to implement these services are outside the scope of the Agreement and will be negotiated on an as necessary basis.

### **INDEPENDENT CONTRACTOR**

RCEDC shall be an independent contractor of the City. Neither RCEDC nor any of its officers, employees, or agents shall be considered to be an employee of the City as a result of the obligations

undertaken pursuant to this agreement. RCEDC's officers, employees and agents shall make no commitments or representations to third parties without prior approval of the City. In addition, RCEDC hereby holds harmless the City and its departments, officers, employees and agents from and against all claims, demands and liability for damages to third persons of any type whatever arising solely out of the actions of RCEDC under this agreement.

## **TERMINATION**

This agreement may be terminated by either party upon thirty (30) days written notice in the event of default by the other party of any material provision hereof which remains unremedied for thirty (30) days following written notice of such default.

## **NOTICES**

Notices under this agreement shall be mailed by registered mail to the City Clerk, 730 Washington Avenue, Racine, WI 53403, for the City, and to Gordon Kacala, Executive Director, 2320 Renaissance Blvd., Sturtevant, WI 53177, for RCEDC, or shall be personally served on either said person or the person in charge of either respective office.

## **ASSIGNMENT:**

RCEDC agrees that it will not assign this agreement or any portion thereof, or any of its responsibilities hereunder, to any other party without first obtaining the written permission of the City.

If the terms and conditions of this proposal are satisfactory, please sign the two original documents where indicated on Page Seven and return to the RCEDC for RCEDC final signature.

Sincerely,

Gordon Kacala  
Executive Director

**IN WITNESS WHEREOF**, the parties hereto have executed this agreement on the \_\_\_\_ day of \_\_\_\_\_, 2008.

**CITY OF RACINE**

By: \_\_\_\_\_

Title: \_\_\_\_\_

**ATTEST:**

By: \_\_\_\_\_

Title: \_\_\_\_\_

**RACINE COUNTY ECONOMIC  
DEVELOPMENT CORPORATION**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Gordon M. Kacala, Executive Director

Approved as to form:

\_\_\_\_\_  
Robert Weber,  
City Attorney

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

\_\_\_\_\_  
David Brown,  
Finance Director