

CITY OF RACINE, WISCONSIN

REDEVELOPMENT AUTHORITY RESOLUTION 13-17

WHEREAS, on March 5, 2012, by resolution 12-01, the Redevelopment Authority supported financial assistance for the redevelopment of the Porters of Racine Building, subject to conditions including the terms in a term sheet dated February 28, 2012.

WHEREAS, in the intervening time, the sources of private financing for the redevelopment have changed, necessitating a revision to the term sheet.

RESOLVED, that the Redevelopment Authority approves the revised term sheet dated August 22, 2013 and presented to the Authority on August 26, 2013.

FURTHER RESOLVED that the Redevelopment Authority recommends that the Mayor and City Clerk be authorized to execute a development agreement with the developer, subject to the terms of the revised term sheet.

Fiscal Note: The amount, type and source of the city's financial assistance for the redevelopment are unchanged.

Adopted on:

August 26, 2013

Seal

By a Vote of

For:	7
Against:	0
Abstain:	0

Attest:


Brian F. O'Connell, Executive Director



Porters Term Sheet

Developer will redevelop the Porters of Racine property at 301 Sixth Street and 608 Wisconsin Avenue as a mixed use development featuring 37 market rate apartments and ground floor commercial space. Redevelopment to have an estimated assessed value of \$3.2 million.

Developer to provide the city with documentation of sufficient additional financing to complete the project. Developer will agree not to act in such a way as to reduce the taxable value of the property below the promised assessed value of \$3.2 million or the assessed value necessary to closeout the TID within the time limit for its duration, whichever is greater.

Developer will renovate the façade of the Porters of Racine property consistent with the city's downtown design guidelines.

Developer will agree to a "look back" provision. The grant agreement will provide for the city to share in project "profit" above a specified return on investment for the developer. Payments to the city will accelerate closeout of the TID.

City will provide the developer with a tax incremental financing grant of \$1.1 million for costs related to the renovation. City's funding shall be drawn during construction in proportion with the project's other sources of funds (developer's cash and bank financing).

City will provide a special façade grant of \$160,000 to the developer for renovation of the building facades to a design approved by the city.

Terms and conditions of this financial assistance will be documented in a development agreement between the city and the developer.

City Development 022812

Revised 082213