

December 13, 2024

Cory Mason, Mayor
Members of the Common Council
City of Racine
730 Washington Avenue
Racine, WI 53403

RE: 2025 City of Racine/RCEDC Agreement

Dear Mayor Mason and Members of the Common Council:

This letter is intended to serve as a letter agreement (Agreement) between the City of Racine (Racine) and the Racine County Economic Development Corporation (RCEDC). In accordance with this agreement, the RCEDC agrees to continue to provide economic development technical assistance to Racine. Such assistance will be coordinated on a day-to-day basis with the Administration and, regarding policy-related issues, coordinated with the Mayor, Department of City Development and Common Council.

PURPOSE

The purpose of the agreement is to further the overall goals of economic development by facilitating job growth, private investment, and new tax base for Racine, through interagency cooperation and services provided by the RCEDC. In addition to facilitating the 2024-2026 RCEDC Strategic Plan, this Agreement will also include special projects summarized in section six.

AGREEMENT

The RCEDC agrees to provide direct economic development assistance to Racine in accordance with the objectives promulgated by the Mayor, City Council and Department of City Development. The RCEDC has assigned Laura Million, Deputy Director, as the lead economic development staff person with direct support provided by Jenny Trick, Executive Director. Ms. Million will act as the City's economic development advocate, in partnership with other RCEDC staff. RCEDC will expend its best efforts to promote industrial, residential, and commercial development; entrepreneurship and business growth; talent attraction; and collaborative efforts to support the City of Racine and its companies.

This agreement is broken into three sections. First, RCEDC's 2025 strategic plan focuses efforts to deliver financial and technical resources in the City and throughout Racine County as described in Sections I-IV. The RCEDC Board of Directors adopted the 2025 RCEDC Strategic Plan at its December 2024 meeting. Second, RCEDC is responsible for administering the various City of Racine loan programs (Section V), and third, the City leadership has assigned a number of special projects to RCEDC to complete (Section VI).

In addition to the monthly scheduled meetings and ongoing communications, RCEDC will deliver written and if allowed, verbal reports to the Mayor, City Council, and Administrator on the progress to meet measurable outcomes for each goal and special project assignment.

I. Priority: Seize the potential of our existing land, assets, and physical attributes by aggressively promoting Racine County.

This priority focuses on business attraction. Our goal is to leverage Racine County's competitive advantages including geographical location, public infrastructure, affordability, and ease of doing business to attract industrial development and residential and commercial development.

In 2025, RCEDC's Business Attraction activities will include the following:

Industrial Development

- A. In partnership with Milwaukee 7, Wisconsin Economic Development Corporation, and private developers proactively seek and secure new investments, businesses, and tenants in Racine County.
- B. To leverage RCEDC's real estate membership status in AIRE, NAIOP, and CARW, undertake proactive recruitment outreach focusing efforts on northern Illinois and engagement and growth of our networks of site selectors, real estate professionals, and developers.
- C. From an industry concentration perspective, focus recruitment efforts on industries that align with local industry and regional workforce concentrations that include the following:
 - Mechanical Manufacturing
 - Energy, Power and Controls
 - Food and Beverage
 - Water Technology

- Medical Technology
 - Financial and Corporate Services
 - Datacenter and Information Technology Services
- D. To ensure we promote and develop land opportunities, work with local municipalities to identify and support land development opportunities for developers, site selectors, and businesses.
- E. Work cooperatively with local municipalities to explore creative ways to attract tenants to vacant buildings or encourage the development of underutilized lands.

Residential Development

- F. Research creative funding to increase the quantity and variety of housing in Racine County.
- G. Work cooperatively with local municipalities to secure land use and zoning information and site details of private and municipally owned land sites ideal for residential development.
- H. Develop and distribute residential development materials to housing developers and municipalities.

Tracking

The above activities will be tracked by measuring the following:

- Number of outreach meetings and events completed.
- Number of Request for Information packages received, completed, and submitted.
- Number of active prospects.
- Number of industrial and residential developments approved.
- Dollar value of private investment, including construction investment of approved projects.

II. PRIORITY: Support New and Established Businesses and Entrepreneurs to Thrive in Racine County.

This priority focuses on supporting Racine County's existing businesses. RCEDC will provide technical and financial assistance to support and grow the local economy and entrepreneurs in our area. In 2025, RCEDC's Business Expansion and Entrepreneurial activities will include the following:

Business Expansion

- A. Continue the robust outreach program to engage businesses and intermediaries that facilitate business expansions, including commercial lenders, real estate professionals, attorneys, accountants, chambers of commerce, and municipal officials.
- B. Facilitate business expansion projects by proactively providing concierge services, excellent customer service, and technical and financial resources that result in private investment.

Entrepreneurs and Start-Ups

- C. Convene entrepreneurial partners quarterly to increase collaboration to reach, inform, equip, and connect entrepreneurs with resources. Regularly seek, compile and distribute resources for entrepreneurs.
- D. Continue to facilitate the first cohort of the BizStarts program and launch a second cohort in April 2025.
- E. If the submitted funding application is approved by the Wisconsin Economic Development Corporation (WEDC), implement the new small business loan and grant program to help newly formed and existing businesses access capital.

Tracking

The above activities will be tracked by measuring the following:

- Number of outreach meetings and events.
- Number of prospects.
- Number of technical assistance actions (incoming inquiries).
- Number of loans, grants, and incentives approved.
- Dollar value of loans, grants, and incentives approved.
- Dollar value of private investment, including construction investment, of approved projects.

III. PRIORITY: Racine County is the Destination of Choice for Talent.

This priority will focus on promoting Racine County to attract and retain talent. Through the Greater Racine County website, RCEDC will compile relevant data, create talent attraction stories and videos, and other marketing materials to tell Racine County's story of being an amazing place to work and live. The messaging will focus on the reasons why people live and work here. Because of the post-secondary educational assets we have in our region, RCEDC will continue to leverage this partnership with the goal to retain young talent in Racine County.

In 2025, RCEDC's Talent Attraction activities will include the following:

- A. Through the Greater Racine County website and social media channels, promote Racine County's assets, geography, and attractions to increase talent to live and work in Racine County.
- B. Influence internal and external perceptions of Racine County by:
 - Continuing the internal marketing efforts that boost community pride to retain and attract talent.
 - Seeking funding to leverage RCEDC resources to continue external marketing and communication efforts that highlight Racine County differentiators and successes.
- C. Increasing our engagement with area educational institutions to ensure young talent (students, interns, and graduates) are aware of the employment opportunities in Racine County.
 - Volunteer on relevant committees to increase collaboration between educators and businesses.
 - Explore and implement opportunities to work with area higher education partners to retain graduates in Racine County. Implementation may include presenting to and engaging with college classes to promote Racine County, employment opportunities, and answer questions.
 - Explore opportunities to collaborate with partner organizations that work directly with RUSD and the Academies of Racine to retain graduates in Racine County. In addition, seek connections with Burlington, Waterford, and Union Grove high schools to retain graduates in Racine County.

Tracking

The above activities will be tracked by measuring the following:

- Number of talent-focused events with local employers hosted or co-hosted.
- Increase year over year of the Greater Racine County website and social media engagement.
- Number of talent events and presentations with area colleges, high schools and employers.

IV. Grow our Relationships & Explore New Opportunities.

RCEDC recognizes that a key to success will be to continue to work collaboratively, support relationships that add value to Racine County, and continue to stay innovative in how we do our work.

- A. Commit to continue and enhance what's working and has measurable impacts.
- B. Strengthen collaborations and partnerships that focus on adding value, leveraging resources, and avoiding duplicating effort.
- C. Explore bold opportunities including new approaches to solve problems, modify existing programs to increase measurable outcomes, and identify and seek resources to support Racine County businesses.
- D. Support and collaborate with area chambers of commerce and other relevant nonprofit organizations that align with RCEDC's mission to further economic development goals including but not limited to business outreach, resource awareness and community promotion.

Tracking

The above activities will be tracked by measuring the following:

- Maintain an attendance goal of 75% at the Leadership Council meetings.
- Seek diverse volunteers to fill a minimum of 25% of RCEDC's volunteer opportunities.
- Maintain active engagement with area chambers and nonprofit organizations by providing referrals and making presentations.

V. RCEDC - Business Finance, Racine Specific Activity

- A. RCEDC will administer the City of Racine Revolving Loan Fund (City RLF). On December 7, 2023, the City RLF was defederalized by the US Economic Development Administration. The original RLF program was initially capitalized with grants from EDA and the City of Racine (1998, 2001, and 2011 grants). In preparation for the defederalization an updated RLF Policy Manual was prepared by RCEDC and approved by the City of Racine. RCEDC will continue to follow the procedures established in the approved manual.
- B. RCEDC will continue to administer the Seed Loan program that was established in 2015. This program provides financing to high-growth and emerging growth businesses in the City of Racine and is funded with \$100,000 from the WEDC and \$100,000 through the City of Racine. RCEDC will continue to follow the procedures established in the approved manual.
- C. RCEDC processes, closes and services loans from the City of Racine Brownfield Clean Up Revolving Loan Fund (BC-RLF) working with the City's Brownfield team of consultants and staff. RCEDC will continue to follow the procedures established in the approved manual.

RCEDC's services for each City RLF include the following:

1. Review and revise the Policies and Procedures Manual, as needed, subject to City Council approval.
2. Preparation of the appropriate marketing materials to promote the programs.
3. Meet with potential applicants to inform them of the benefits of the RLF programs.
4. Screen applications relative to their eligibility for the RLF programs.
5. Work with eligible businesses in the preparation of applications to the RLF programs and the review of these application materials for any deficiencies.
6. Coordinate loan closings and disbursement of funds.
7. Annually risk rate all loans in the portfolio to evaluate compliance risks.
8. Meet with loan recipients during the term of their loans to identify how the business is performing and if needed, refer them to other resources available to support or help grow their business.
9. Collect monthly payments and monitor the projects for compliance with program requirements and all other terms of the loans. This includes monitoring for compliance of company investments and jobs as part of the terms of their loans.
10. In performing the work for this contract, the RCEDC agrees to adhere to all applicable State and Federal regulations.
11. RCEDC will coordinate the City's RLF program with other State and federal business loan programs to ensure the lowest cost business financing for the customer.

In addition to City of Racine RLF programs, RCEDC administers a variety of community revolving loan fund programs, matching grants and because RCEDC is a certified development company, we are able to provide Small Business Administration 504 direct loans to City of Racine businesses.

VI. RCEDC Special Projects, Racine Specific Activities

In addition to the above activities, RCEDC will work in partnership with the City on the special projects detailed below:

- A. Engage with multi-family housing development prospects, providing site selection assistance and supporting analysis review for requested incentives.

- B. Assist City staff in the creation, assembly, distribution, and marketing of Request for Qualifications (RFQs) to attract development to priority developable land sites in the City of Racine.
- C. Continue outreach to City of Racine businesses through commercial corridor walks, business park mailings, and contact with local lenders and real estate professionals and collaborate this outreach and follow up with City Development Staff.
- D. Provide technical assistance in support of priority redevelopment projects, including but not limited to Downtown and Uptown Racine.
- E. Process, close, and service loans from the City of Racine Brownfield Clean Up Revolving Loan Fund (BC-RLF) in partnership with the City's Brownfield consultants and staff.
- F. Monitor compliance of 4 City of Racine development agreements to ensure capital expenditures and/or job retention and creation activities are documented. Complete annual reporting for City of Racine WI DOT TEA Grant related to Summit Packaging.
- G. Identify opportunities to bolster and coordinate marketing efforts of successful projects, program resources, events, and other activities that further economic development goals for the City of Racine.

TIME PERIOD FOR THIS AGREEMENT AND COMPENSATION

The above-referenced assistance will be provided by the RCEDC staff during the time period beginning January 1, 2025 to December 31, 2025.

The cost of this assistance to the City of Racine is \$94,760. 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 Racine. Neither RCEDC nor any of its officers, employees, or agents shall be considered to be an employee of Racine 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 Racine. In addition, RCEDC hereby holds harmless Racine 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.

INSURANCE

RCEDC shall not commence work under this contract until proof of insurance required has been provided to the City of Racine City Attorney's Office before the contract or purchase order is considered for approval by the City of Racine.

It is hereby agreed and understood that the insurance required by the City of Racine is primary coverage and that any insurance or self-insurance maintained by the City of Racine, its elected and appointed officials, officers, employees, or authorized representatives or volunteers, and each of them, will not contribute to a loss. All insurance shall be in full force prior to commencing work and remain in force until the entire job is completed and the length of time that is specified, if any, in the Contractor listed below whichever is longer.

1. PROFESSIONAL LIABILITY

A. Limits

- (1) \$1,000,000 each claim
- (2) \$1,000,000 annual aggregate

B. Must continue coverage for 2 years after final acceptance of work.

2. GENERAL LIABILITY COVERAGE

A. Commercial General Liability

- (1) \$1,000,000 each occurrence limit
- (2) \$1,000,000 personal liability and advertising injury
- (3) \$2,000,000 general aggregate
- (4) \$2,000,000 products - completed operations aggregate

B. Claims made form of coverage is not acceptable.

C. Insurance must include:

- (1) Premises and Operations Liability
- (2) Contractual Liability
- (3) Personal Injury
- (4) Explosion, collapse and underground coverage
- (5) Products/Completed Operations must be carried for 2 years after acceptance of completed work
- (6) The general aggregate must apply separately to this project/location

3. BUSINESS AUTOMOBILE COVERAGE

- A. \$1,000,000 combined single limit for Bodily Injury and Property Damage each accident
- B. Must cover liability for all automobiles used in RCEDC operations.

4. WORKERS COMPENSATION AND EMPLOYERS LIABILITY – As required by Wisconsin State Statute or any Workers Compensation Statutes of a different state.

- A. Must carry coverage for Statutory Workers Compensation, and an Employers Liability limit of:
 - (1) \$100,000 Each Accident
 - (2) \$500,000 Disease Policy Limit
 - (3) \$100,000 Disease - Each Employee

5. UMBRELLA LIABILITY – If exposure exists, provide coverage at least as broad as the underlying Commercial General Liability, Watercraft Liability (if required), Automobile Liability and Employers Liability, with a minimum limit of \$2,000,000 each occurrence and \$2,000,000 aggregate, and a maximum self-insured retention of \$10,000.

6. ADDITIONAL PROVISIONS

- A. Primary and Non-contributory requirement - all insurance must be primary and noncontributory to any insurance or self-insurance carried by City of Racine.
- B. Acceptability of Insurers - Insurance is to be placed with insurers that have an A. M. *Best* rating of no less than A- and a Financial Size Category of no less than Class VII, and who are authorized as an admitted insurance company in the state of Wisconsin.
- C. Additional Insured Requirements - The following must be named as additional insureds on the General Liability and Business Automobile liability coverage arising out of project work:

The City of Racine, its elected and appointed officials, officers, employees, authorized representatives, and volunteers.

On the Commercial General Liability Policy, the additional insured coverage must be ISO form CG 20 10 0704 and also include Products - Completed Operations additional insured coverage per ISO form CG 20

37 07 04 or their equivalents for a minimum of 2 years after acceptance of work. This does not apply to Workers Compensation Policies.

D. Deductibles and Self-Insured Retentions - Any deductible or self-insured retention must be declared to and approved by the City of Racine.

E. Evidences of Insurance - Prior to execution of the agreement, the Contractor shall file with the City of Racine a certificate of insurance (Accord Form 25-S or equivalent) signed by the insurer's representative evidencing the coverage required by this agreement. In addition, form CG 20 10 07 04 for ongoing work exposure and form CG 20 37 07 04 for products-completed operations exposure must also be provided or their equivalent.

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 Mayor and City Administrator, 730 Washington Avenue, Racine, WI 53403, for the City, and to Jenny Trick, 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 and return to the RCEDC for RCEDC final signature.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jenny Trick", with a stylized flourish extending to the right.

Jenny Trick, Executive Director

IN WITNESS WHEREOF, the parties hereto have executed this agreement on the ____ day of _____, 2025.

CITY OF RACINE

By: _____
Cory Mason, Mayor

Witness: _____
Tara McMenamin, City Clerk

Approved as to form:

Scott Letteney,
City Attorney

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

Kathleen Fischer,
Finance Director

**RACINE COUNTY ECONOMIC
DEVELOPMENT CORPORATION**

By:  _____
Jenny Trick, Executive Director