



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29

City of Racine, Wisconsin  
COMMON COUNCIL

**AGENDA BRIEFING MEMORADUM (ABM)**

**COMMITTEE:** Committee of the Whole    **LEGISLATION ITEM #:** \_\_\_\_\_

---

**AGENDA DATE:** July 6, 2017

---

**DEPARTMENT:**

**Prepared By:** Jim Palenick, City Administrator

**Reviewed By:**

---

**SUBJECT:**

Recommendation of The Committee of the Whole Relating to the proposed, Downtown Multi-Purpose Event Center and Hotel project. **A RESOLUTION TO ADOPT A PREFERRED FINANCING MODEL FOR THE DEVELOPMENT, FINANCING, AND CONSTRUCTION OF AN EVENT CENTER ON THE RDA-OWNED PROPERTY AT 233 LAKE ST., AND TO AUTHORIZE AND DIRECT CITY STAFF TO PURSUE CERTAIN PARTNERSHIP ENGAGEMENT EFFORTS REQUIRED TO FURTHER DEVELOP THE FINANCING MODEL AND RECRUITMENT OF A PRIVATE, FULL-SERVICE HOTEL.**

---

**EXECUTIVE SUMMARY:**

We would ask that the Committee of the Whole further discuss and evaluate the proposed process and optimal financing model for the multi-purpose event center and hotel project and consider recommending the attached resolution to the Common council for Adoption. The resolution commits no further funding, nor does it firmly commit to the design or construction of the event center. Rather, it asks the Council to endorse the optimal financing model as proposed and then to direct City staff to pursue a series of milestone achievements that would be first necessary to accomplish prior to the Council being able to make a final decision to move forward on financing, designing and constructing the project.

---

30 **BACKGROUND & ANALYSIS:**

31 The next steps (or, Milestone achievements) would include and require:

- 32 1.) A contingent agreement with a private-sector developer for the financing and construction of
- 33 the contemplated full-service hotel.
- 34 2.) Development of the T.I.D. District to capture the Hotel property taxes.
- 35 3.) Development of an agreement with Real Racine to capture, dedicate, and use Hotel Occupancy
- 36 taxes to support debt service on the event center.
- 37 4.) Solicitation and development of a naming rights partner.
- 38 5.) Lease agreement with the anchor-tenant USHL Hockey franchisee.
- 39 6.) Development of a C.I.P. Program for IG Fund Revenues after dedicating \$800,000 per year to the
- 40 event center debt-service.
- 41 7.) Solicitation and contingent agreements from one or more funding partners to achieve \$365,000
- 42 per-year toward debt service.
- 43 8.) The creation, staffing and implementation of the Mayor’s Advisory Committee to assist in the
- 44 evaluation and feedback on the financing model.

45 It would be the desired intent to complete these steps by December 1, 2017.

46

---

47 **BUDGETARY IMPACT:**

48 It is anticipated that the efforts to complete the next steps can be funded within the currently adopted,  
49 FY2017 City and RDA Budgets for professional and consulting services as approved and contemplated for  
50 support of the Event Center effort.

51

---

52 **OPTIONS/ALTERNATIVES:**

53 To discuss, evaluate and: 1.) Recommend the Resolution for Approval to the Common Council

54 2.) Defer action to a future date.

55 3.) Amend the Resolution.

56 4.) Deny the Resolution and direct staff as to an alternative Action(s).

57

58

---

59 **RECOMMENDED ACTION:**

60 **To discuss, evaluate, and Recommend the Resolution for Approval to the Common Council.**

61

62

63

64

65

---

66 **ATTACHMENT(S): RESOLUTION**