



Department of City Development

MEMORANDUM

TO: City of Racine Redevelopment Authority

FROM: Amy Connolly, Director of City Development

SUBJECT: South Suburban Industrial Park Marketing

FOR MEETING DATE: June 1, 2016

On today's agenda, is a response to an RFQ from Paul McBride of RFP Commercial, Inc. to serve as a broker for the South Side Industrial Park.

This proposal comes to you as a directive from 2015 to begin marketing and promoting the City's Brownfield Industrial Parks. RCEDC issued a request for qualifications in 2015 and received four responses to their advertisement. Paul McBride was deemed most qualified to provide brokerage services and RCEDC and City staff recommend that we hire Mr. McBride according to the conditions set forth in the brokerage agreement.

The brokerage agreement terms include:

- 6 month contract (July 1, 2016 to January 1, 2017)
- An 8% Brokerage Commission fee and a 10% Co-Brokered Commission fee.

Fiscal Note: This expense is an eligible Tax Increment District expense and this property is within TID10. However, because TID10 is not producing sufficient revenues at this time, staff recommends that money is borrowed from the IGA account and that once TID10 produces sufficient increment, the IGA account be reimbursed.

Recommended Motion:

...."That the Racine Development Authority accept a proposal for brokerage services to market the South Side Industrial Park from Paul McBride of RFP Commercial, Inc. and direct the Executive Director to sign the brokerage agreement, as proposed, with funds coming from Tax Increment Finance District 10."