

CITY OF RACINE, WISCONSIN

REDEVELOPMENT AUTHORITY RESOLUTION 18-16

A resolution authorizing the RDA Executive Director and the RDA Chairman to sign and execute a Development Agreement and Memorandum of Repurchase for RDA-owned property at 1800 S. Memorial Drive and 1831 Phillips Avenue (portions of the Southside Industrial Park) to Jacquet Midwest, LLC.

WHEREAS, the Redevelopment Authority (RDA) purchased the former Jacobson Textron facility at the Northwest corner of South Memorial Drive and DeKoven Avenue in 2002 (through RDA Resolution 02-05, adopted August 19, 2002) for the purpose of redeveloping the property through demolition, environmental remediation, and future sale of the property to a light industrial business;

WHEREAS, to achieve this vision, the RDA adopted a redevelopment plan, in conformity with Section 66.1333 (Wisconsin Statutes) for the area designated as the Jacobson/Textron Industrial Area by RDA resolution 02-04 (July 24, 2002) approved by the RDA and also approved by the Common Council by Resolution 4774, adopted August 5, 2002;

WHEREAS, Racine County Economic Corporation and the RDA collaborated to receive significant federal and state grants to assist with the demolition and environmental remediation of the property and, subsequently created an industrial park to allow industrial redevelopment within the City of Racine;

WHEREAS, since the redevelopment of the property was completed in 2009, the RDA has attempted to sell the property through brokerage services and through marketing and promotion by the RDA itself;

WHEREAS, City staff and RCEDC were approached last summer by Jacquet Midwest, LLC about purchasing the property at 1800 South Memorial Drive and 1831 Phillips Avenue in order to develop a new plant facility and for a future planned expansion beyond the first phase of development;

WHEREAS, City staff and the RDA's development partner, RCEDC, staff have worked with Jacquet Midwest to come to agreement on a purchase price and terms of the agreement;

WHEREAS, Jacquet Midwest wishes to be located within the City of Racine so that they can invest a total of \$5.9M in an initial Phase I investment to create a 50,000 s.f. industrial building with room to expand by 19,000 s.f. in the near term, add an additional 3 jobs, and retain the 19 existing jobs within the City;

WHEREAS, Phase II of the proposed development would result in an additional foreign investment from Jacquet Metal Services (based in France) of over \$6M and the creation of an additional 9 jobs with an average wage of \$18/hour;

WHEREAS, the total investments required through this sale of property to Jacquet Midwest, LLC will be over \$11M and the creation and retention of a total of 31 jobs within the City of Racine;

WHEREAS, the property is being sold "AS IS" and is currently tax exempt, however, the property will become taxable on or after January 1, 2019;

BE IT THEREFORE RESOLVED that the RDA authorize the RDA Executive Director and the RDA Chairman to Sign and Execute a Development Agreement and Memorandum of Repurchase for RDA-owned property at 1800 S. Memorial Drive and 1831 Phillips Avenue (portions of the Southside Industrial Park) to Jacquet Midwest, LLC.

***Fiscal Note:** The purchase price of the property is \$250,000. Closing costs and any expenses incurred to close on the property will be paid by Jacquet Midwest, LLC. City will pay their own attorney fees.*

Adopted on: July 19, 2018 *Seal*

By a Vote of

For:

Against:

Abstain:

Attest:

Amy Connolly, Executive Director
City of Racine Redevelopment Authority