

**CITY OF RACINE, WISCONSIN
REDEVELOPMENT AUTHORITY RESOLUTION 19-23**

WHEREAS, in 2015, the Redevelopment Authority directed staff to begin marketing and promoting the City's Brownfield Industrial Parks, particularly the South Side Industrial Park; and

WHEREAS, in June 2015, Racine County Economic Development Corporation (RCEDC) issued a request for qualifications and received four responses to their advertisement. The proposals were reviewed by the Racine Economic Development Advisory Committee (REDAC); and

WHEREAS, through Resolution 16-12 RFP Commercial Real Estate was the lone bidder and the RDA accepted a proposal for brokerage services to market the South Side Industrial Park;

WHEREAS, when the contract expired in 2017, the RDA determined that we would not continue to market the SSIP due to lack of interest in the property;

WHEREAS, to date, the RDA has experienced little interest in the SSIP and only one potential user has been identified in the last several years;

WHEREAS, unsolicited, the RDA received a proposal last week from SVN (Sperry Van Ness) – Hintze Commercial Real Estate to serve as the Redevelopment Authority's real estate brokerage firm;

WHEREAS, City staff recommends that the RDA consider contracting with SVN as no other firms have requested to work with the RDA over the past several years and our last RFP for Commercial Real Estate Brokerage services received very minimal response;

WHEREAS, the Southside Industrial Park property will be listed for \$390,000 for the full 15.01 acres (or 25,982.68/acre if the parcels are split up) and the Broker's commission shall be eight percent (8%) for a direct sale and 10% of co-brokered which are the same exact terms that the RDA used for the contract with RFP several years ago;

WHEREAS, for unsuccessful listing, the RDA will pay for the signage used and the drone expense (if used);

WHEREAS, SVN wishes to reserve the right of providing a Protected Buyer list for a period of six months for any listing was unable to sell;

WHEREAS, the terms of the agreement would run from August 1, 2019 to August 1, 2020 and the agreement can be extended by the RDA if desired; and

WHEREAS, if the RDA wishes to add other RDA-owned property into this brokerage contract, a resolution from the RDA would be required and the contract could be amended.

NOW BE IT THEREFORE RESOLVED That the Racine Development Authority accept a proposal for brokerage services to market the South Side Industrial Park from Jay Hintze and Dawn Davis of SVN Commercial Real Estate and direct the Executive Director to sign the brokerage agreement, after review and approval of the City Attorney.

Fiscal Note: This expense is an eligible Tax Increment District expense and this property is within TID 10. However, because TID 10 is not producing sufficient revenues at this time, we would use the proceeds of any sale for the property to pay the commercial brokerage fees. If sale proceeds are not available, the RDA would have the ability to use Intergovernmental Shared Revenue Funds to pay the brokerage fees.

Adopted on:

August 1, 2019

Seal

By a Vote of

For: 0

Against: 0

Abstain: 0

Attest:

Amy Connolly, Executive Director
City of Racine Redevelopment Authority