

RESOLUTION NO. 2011-14

3-1-11

**A JOINT RESOLUTION AUTHORIZING A DEVELOPMENT AGREEMENT
BETWEEN AND AMONG BRP US INC., THE COMMUNITY DEVELOPMENT
AUTHORITY OF THE VILLAGE OF STURTEVANT ("CDA") AND THE VILLAGE
OF STURTEVANT ("VILLAGE")**

The Village Board of the Village of Sturtevant, Racine County, Wisconsin, and the resolves as follows:

WHEREAS, BRP US Inc., a privately-held company, is involved in the design, development, manufacturing, distribution and marketing of motorized recreational vehicles in over 90 countries; and

WHEREAS, BRP US Inc. presently utilizes its facility located within the Village at the Renaissance Industrial Park for the manufacturing and assembly of Evinrude outboard engines, employing approximately 300 employees; and

WHEREAS, it is the desire of BRP US Inc. to co-locate its Sturtevant team with the existing BRP US Inc. Waukegan, Illinois "Product Research and Development and After-sales Support" teams, comprised of approximately 130 staff persons, at the Sturtevant location; and

WHEREAS, to accommodate the combination of the workforce, BRP US Inc. will invest nearly \$15 million over the next three years into the Sturtevant facility. The building will be expanded to include a dynamometer lab with U.S. EPA certified emissions cells; new equipment will be purchased, indoor testing and Dealer Training facilities will be built and equipment from the Waukegan location will be transferred; and

WHEREAS, The Wisconsin Department of Commerce has agreed to support this project with a \$1.0M forgivable loan based upon job performance and investment. In order for BRP US Inc. to proceed with this project, BRP US Inc. has requested additional assistance from the Village in the amount of \$300,000, payable over a three year period and conditioned upon certain job performance and investment criteria.

NOW, THEREFORE, BE IT RESOLVED that the Village hereby authorizes and approves an agreement with BRP providing for the expenditure of up to \$300,000 to BRP US Inc. ("Development Agreement"), subject to all of the terms and conditions of such agreement, including, without limitation, the following conditions:

1. BRP US Inc. would build a minimum 6,000 sq. ft. addition at an estimated cost of \$750,000 onto the existing building.

2. BRP US Inc. would fulfill all of the requirements for obtaining the above described State of Wisconsin Department of Commerce Loan and would make any reports and verified statements that are submitted to the State available to the Village of Sturtevant, during the term of this commitment.

3. Sturtevant would provide \$300,000 to BRP US Inc. based on \$100,000 per year for 2011, 2012 and 2013 payable on December 31st of each year.

4. Each year's payment would be contingent on BRP US Inc. fulfilling the following goals for job creation and job retention at the Sturtevant location, with each year's payment being separate and earned upon completion of that year's requirements:

- (a) New jobs: a minimum of 83 new jobs on or before December 31, 2011, 41 additional jobs on or before December 31, 2012, and 12 additional jobs on or before December, 31, 2013, combining for a total of 136 new jobs on or before December 31, 2013, irrespective of which year in which the jobs were added.
- (b) Total jobs (including new jobs) retained listed as "End of Year Total" below:

Sturtevant Project Employment Plan by Calendar Year				
December	2010	2011	2012	2013
End of Year Total	322	405	446	458

5. The Village and BRP US Inc. would have to execute a development agreement incorporating these conditions as well as typical average wage rates and verification requirements for the creation and retention of jobs acceptable to the Village and BRP US Inc. and approved by both parties' internal governing authority.

6. The requisite Village and CDA officials are hereby authorized to execute on behalf of the Village and the CDA, respectively, a Development Agreement containing the above terms and conditions, as well as such other terms and conditions as shall be acceptable to the Village's attorneys as well as any other agreements or documents necessary to carry out the intent of this resolution.

Dated this 1st day of March, 2011.

VILLAGE OF STURTEVANT

Steve Jansen, Village President

Mary Cole, Village Clerk

Dated this 1st day of March, 2011.

**COMMUNITY DEVELOPMENT AUTHORITY
FOR THE VILLAGE OF STURTEVANT**

Daryl Lynaugh, Chairman

Mark Janiuk, Executive Director