

**RESOLUTION NO. 2011-74-S**

10-21-11

**A JOINT RESOLUTION BY THE VILLAGE OF STURTEVANT AND THE  
STURTEVANT CDA AUTHORIZING THE EXECUTION OF A DEVELOPMENT  
AGREEMENT BETWEEN AND AMONG RUUD LIGHTING, INC., THE  
COMMUNITY DEVELOPMENT AUTHORITY OF THE VILLAGE OF STURTEVANT  
AND THE VILLAGE OF STURTEVANT**

The Village Board of the Village of Sturtevant, Racine County, Wisconsin (“Village”) and the Community Development Authority of the Village of Sturtevant (“CDA”) do hereby jointly resolve as follows:

**WHEREAS**, Ruud Lighting, Inc. (“Ruud”), an incorporated business engaged in the production and distribution of lighting products, currently operates a production facility in the Village; and,

**WHEREAS**, Ruud has expressed an interest in expanding its existing facility with said expansion to be in the Village’s Tax Increment Financing (“TIF”) District (“TID”), if adequate financial incentives to make the expansion viable could be obtained; and

**WHEREAS**, Ruud’s proposed \$24.5 million expansion would involve the construction of an approximately 208,000 sq. ft. building, at a cost of approximately \$17.5 million, and the creation of 469 new jobs over the course of the next five years; and,

**WHEREAS**, the Wisconsin Department of Commerce has agreed to support this project conditioned upon Ruud’s creation and retention of the promised jobs; and,

**WHEREAS**, to facilitate the proposed construction and the creation of the promised jobs, and to induce Ruud to undertake its expansion in the Village instead of elsewhere, the Village and the CDA are amenable to incenting Ruud’s development of the TID site on the terms generally set forth herein.

**NOW, THEREFORE, BE IT RESOLVED** that the Village and the CDA hereby authorize the drafting of a TIF-incentive development agreement with Ruud (“Development Agreement”), which shall include, without limitation by enumeration, at least the following terms and conditions:

1. Ruud would construct a building addition which is to be located in the TID, a building addition of approximately 208,000 sq. ft onto its existing facility, at a construction cost of approximately \$17.5 million and with a total project cost of approximately \$24.5 million.
2. Ruud would commit to the creation of at least 469 new jobs over the five-year period with Ruud’s job guaranty to the Village paralleling Ruud’s commitment to the State relating to the creation and the maintenance of the new jobs.

3. Village residents would receive a hiring preference from Ruud with respect to the new jobs, in the form of a hiring procedure by which Village residents would be considered for hiring before new job openings were opened to the public at-large and by a “tie-breaker” favoring Village residents in the event of equally-qualified applicants.
4. The Village and the CDA would grant Ruud a five-year economic incentive consisting of annual payments to Ruud in an amount equal to the property tax increment generated by Ruud’s expansion, based on the assessed value of Ruud’s real and personal property located in the TID. The Village and the CDA would make this incentive payment to Ruud for five years provided that the promised construction received its occupancy permit in 2012.
5. All incentive payments to Ruud would be an expense of the TID. Were the TID to close before the five-year incentive period had ended, the final payments owed to Ruud, based on previous years’ tax payments as described above, would be a debt of the TID to be paid to the Village, prior to the TID closing, for the Village’s disbursement to Ruud as the incentive payments would become due.
6. Incentive payments would not begin until the year that the Village first receives taxes related to the promised construction, and each year’s incentive payment to Ruud would be conditioned on the Village having received, in said year, tax payments from Ruud related to the new construction.
7. The Development Agreement would include such additional terms and conditions as are standard provisions for such contracts, and would be in a form acceptable to counsel for the Village and the Village Administrator.
8. 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 deemed necessary and proper by the Village’s attorneys and the Village Administrator.

Dated this 25<sup>th</sup> day of October, 2011.

**VILLAGE OF STURTEVANT**

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Steve Jansen, Village President

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Mary Cole, Village Clerk/Deputy Treasurer

Dated this 25<sup>th</sup> day of October, 2011.

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

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Daryl Lynaugh, Chairman

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Mark Janiuk, Executive Director