

**VILLAGE OF PLEASANT PRAIRIE
COMMUNITY DEVELOPMENT AUTHORITY
Village Hall Auditorium
9915 39th Avenue
Pleasant Prairie, WI
March 18, 2015
5:00 p.m.**

A regular meeting of the Pleasant Prairie Community Development Authority was held on Wednesday, March 18, 2015. Meeting called to order at 5:00 p.m. Present were John Steinbrink, Phil Godin, Mike Serpe, Larry Nelson and Gary Hutchins. Kate Jerome, Tom Reiherzer and Jill Sikorski were excused. Also present were Mike Pollocoff, Executive Director; Tom Shircel, Assistant Village Administrator; Kathy Goessl, Treasurer and Jane M. Romanowski, Secretary.

1. CALL TO ORDER

2. ROLL CALL

3. MINUTES OF MEETINGS –DECEMBER 17, 2014

GODIN MOVED TO APPROVE THE DECEMBER 17, 2014 MINUTES OF THE COMMUNITY DEVELOPMENT AUTHORITY AS PRESENTED IN THEIR WRITTEN FORM; SECONDED BY HUTCHINS; MOTION CARRIED 5-0.

4. CITIZEN COMMENTS – None.

5. COMMISSION COMMENTS – None.

6. NEW BUSINESS

- A. Consider statements of proposals to RFP #15-01, Real Estate Broker Services, to provide marketing and land sales services for properties owned by the Community Development Authority (CDA) along the I-94 corridor, namely Prairie Springs Pointe and Prairie Springs Pointe North and to award and enter into an Exclusive Right to Sell Agreement between the selected brokerage firm and the CDA.**

Tom Shircel:

The staff put together a RFP #15-01 for brokerage services to get some marketing help on the two CDA lands along I-94 and we sent that out January 15th of this year. Again, that is to acquire real estate brokerage services to help market the two CDA owned lands along I-94. And if you see the slide on the wall, those two being Prairie Springs Pointe, which is at the southwest corner of I-94 and 165 – it is about 18.5 acres

Community Development Authority
March 18, 2015 Meeting

and the second site is Prairie Springs North, again north of 165 along I-94 on the East Frontage Road about 1/3 mile north of 165 and that is about 11.5 acres.

Pursuant to the scope of services in the RFP, the companies submitting were to perform a market analysis, develop strategies for the sale of the properties; work with the CDA and the Village Attorney to negotiate land sales with buyers and prospects; coordinate real estate appraisals; coordinate real estate transactions and closings; handle all the customer activities associated with real estate transactions; and to make presentations at meetings as may be required.

As I stated, we sent the RFP out in January and it went to 17 different firms and you can see the list on the wall there, but we did receive three responses. The ones in red, Cushman and Wakefield and the Boerke Company, they submitted as one, as a partnership; the one in yellow, Lee & Associates and, of course, the one in blue Collier's International, both their Milwaukee and Chicago offices submitted as a team. Again, those are the three, Cushman Wakefield along with Boerke, Lee & Associates and Colliers gave proposals.

Just a brief summary table. The transaction fee proposed from Colliers was 4% for a direct deal and 5% for a brokered deal. The commission for Cushman Wakefield and Boerke is 6% and Lee & Associates, 6%. Length of Agreement was listed as one year for both Colliers and Cushman. Lee didn't specify and all three offered to pay all marketing costs associated with the brokerage services.

On February 26th, myself, Mike Pollocoff and Ed Judt, our Village property appraiser reviewed all three RFP responses and as a result of that team evaluation, the staff recommends that the CDA formally accept the Colliers RFP submittal to provide marketing and land service sales for the CDA properties and to enter into an Exclusive Right to Sell Agreement between Colliers and the Village.

Just to go through some of the reasons we came up with that recommendation – again, the fees – Colliers was the lowest commission fee at 4%; the marketing process – Colliers had the most detailed process and presented a sealed bid approach with no asking price. Colliers examplewise – they presented a good mixture of mixed use projects which are similar to what the Prairie Springs Pointe site would be developed as; Coverage – again Colliers and Cushman Wakefield along with Boerke, they both had a dual agency team effort involving both their Milwaukee and Chicago offices which is important because we are located obviously right between so we thought that would be a plus. Finally understanding – Colliers specifically noted in their proposal that this land needed to be moved quickly and not be land banked. So those were the reasons that the review team came up with recommending Colliers International. With that, if you have any questions, we'll be happy to answer them.

Community Development Authority
March 18, 2015 Meeting

Mike Serpe:

My nephew is a Vice President and partner for Colliers. Not that he would have anything to do with this particular transaction, but I think I should not vote on this. I don't think he would have anything to do with the Pleasant Prairie portion over here but he is a Vice President at Colliers.

MIKE SERPE RECUSED HIMSELF FROM THE DISCUSSING AND VOTING ON THIS MATTER.

Larry Nelson:

Can you explain how they are going to put it out and how they are going to get sealed bids for this thing. Is there like a minimum price we are going ask or do we have to take anything. Are we obligated to pay these people?

Mike Pollocoff:

My understanding is they still have to negotiate the price with us and the terms of the deal. If the Authority thinks that the price isn't where we want it to be or if there are some terms that they submit in their offer and that you aren't comfortable with, I mean I guess we are out time at that point.

Phil Godin:

Mike, do we think – would it be sensible to go to Uline before we sign this or do you think you have been down that far . . .

Mike Pollocoff:

We have been down that road.

Phil Godin:

And they would just land bank – they would just hold it anyway.

Mike Pollocoff:

That is really what they want.

Phil Godin:

And they wouldn't add any real value.

Mike Pollocoff:

I would not be surprised to see them submit a bid once its out and see if they can buy it but we really need – we indicated to Colliers this is

Community Development Authority
March 18, 2015 Meeting

redevelopment property – this has to be developed – it just can't be held for spec or anything like that.

Phil Godin:

Would there be a price with them though that we would let them have it knowing they might let it sit vacant or not necessarily?

Mike Pollocoff:

I guess there might be and I kind of went through that at one point because they wanted to know what it would cost to buy it and to stop us from developing it and they didn't like that number.

Phi Godin:

O.K.

Mike Pollocoff:

They are fairly dynamic in the sense that – they brought to the Plan Commission a proposal to create a conference center behind the office building and you know that might be a good use on this property if they thought about it because they were going to use it for their own purposes plus they are going to rent it out.

Phil Godin:

That would actually really help us out. So you don't think it is worth it? You have met with Phil and talked to him right a bunch of times?

Mike Pollocoff:

Yeah. Before we take off on this, I can run it by him again.

Phil Godin:

I mean it is your call. I'm just asking because otherwise once we authorize you and you sign it, it is 4%.

Mike Pollocoff:

Right.

Larry Nelson:

Can we list them as a . .

Community Development Authority
March 18, 2015 Meeting

Phil Godin:

You could try but they wouldn't like it. Most of the commercial brokers don't go for it.

Mike Pollocoff:

We are going to run the plans by Uline – part of our development agreement with them is we said as this site develops, we will share the proposed site with them when they get ready to build but they don't have any veto authority.

John Steinbrink:

What is their time line with the Paris property?

Mike Pollocoff:

It is out there. They have some environmental permitting issues they have to go through for some wetlands and floodplain.

Phil Godin:

And they are full speed ahead on the second building.

Mike Pollocoff:

They have the one they are working on now and they are leasing another 580,000 square foot building that is under construction right now in Pleasant Prairie. They have some capacity. They are thinking it would be 1-2 years to get the permits and plus get all the infrastructure they need across the Interstate and everything to do those two buildings.

Phil Godin:

Maybe the strategy would be to just give them a timeline – say we were authorized by the CDA to market it. If you want to make an offer to us in two weeks, a month or whatever. We'll bring it back to them otherwise it is going.

Mike Pollocoff:

Right. They don't like to deal with brokers, I know that.

Community Development Authority
March 18, 2015 Meeting

Phil Godin:

Right. But if you could kind of pass along e to Uline that the Broker's indicated there would be interest so if they want it before you get a broker. It is your call.

Mike Pollocoff:

It doesn't cost us anything to talk to them.

Phil Godin:

Just time so you want to put a deadline on them as I know they do string you along some times.

Larry Nelson:

I totally agree with that.

Phil Godin:

They have been such a corporate citizen and I agree, you won't put something up there crummy anyway but they will do it better than anybody if they get it.

Mike Pollocoff:

Yeah. When you look at this conference center, it could fit on that parcel.

Gary Hutchins:

Different question. The CDA owns more property than these two parcels right at this point?

Mike Pollocoff:

We still own where their second headquarters is going and we own the site where the old Manu-Tronics is – that is a park now and that is it.

Gary Hutchins:

My question was is why we only did these two if we have a couple other ones but it sounds like one is spoken for and the other . . .

Mike Pollocoff:

I'm sorry. The other lands that the CDA owns are along the Frontage Road along the Abbott development – we own properties that are going to be used

Community Development Authority
March 18, 2015 Meeting

for detention and then one is going to be used for a road access. Of the saleable properties, once we take the other Uline site, these are the only two saleable ones we have.

Phil Godin:

Should we hold title to that park or should we deed that over to the Village?

Mike Pollocoff:

We probably should give that to the Village. Once we acquired the blighted use and now it is gone, that should be transferred. I'll bring a document to convey that back to the Village.

Larry Nelson:

So if they don't take it, I don't know if you need a motion. I don't have any problems with using this firm.

Phil Godin:

I think we should give Mike the authority to sign it now and he can use his discretion to wait if he wants to talk to Uline. I'll make that motion.

Larry Nelson:

I'll second.

John Steinbrink:

We have a motion by Phil and a second by Lawrence. Further discussion?

GODIN MOVED TO ENTER INTO AN EXCLUSIVE RIGHT TO SELL AGREEMENT WITH COLLIER'S TO PROVIDE MARKETING AND LAND SALE SERVICES FOR PROPERTIES OWNED BY THE COMMUNITY DEVELOPMENT AUTHORITY ALONG THE I-94 CORRIDOR, NAMELY PRAIRIE SPRINGS POINTE AND PRAIRIE SPRINGS POINTE NORTH AND TO AUTHORIZE THE EXECUTIVE DIRECTOR TO CONTACT ULIN PRIOR TO THE EXECUTION OF THE AGREEMENT TO SEE IF THEY ARE INTERESTED IN PURCHASING THE PRAIRIE SPRINGS POINTE PROPERTY; SECONDED BY NELSON; MOTION CARRIED 4-0 WITH SERPE ABSTAINING FROM THE DISCUSSION AND VOTE.

7. CONSIDER ENTERING INTO EXECUTIVE SESSION PURSUANT TO SECTION 19.85(1)(E) WIS. STATS. TO DISCUSS, DELIBERATE OR NEGOTIATE THE PURCHASE OF PUBLIC PROPERTY, INVESTING OF PUBLIC FUNDS, OR CONDUCT OTHER SPECIFIED PUBLIC BUSINESS, WHENEVER COMPETITIVE OR BARGAINING REASONS REQUIRE A CLOSED SESSION.

John Steinbrink:

The Board will take no other action and return to open session for the purpose of adjournment only.

GODIN MOVED TO ENTER INTO EXECUTIVE SESSION; SECONDED BY HUTCHINS; ROLL CALL VOTE – STEINBRINK – AYE; HUTCHINS – AYE; GODIN – AYE; SERPE – AYE; NELSON – AYE; MOTION CARRIED.

8. Return to Open Session and Adjournment.

After discussion was held, **GODIN MOVED TO RETURN TO OPEN SESSION AND ADJOURN THE MEETING; SECONDED BY HUTCHINS; ROLL CALL VOTE – STEINBRINK – AYE; HUTCHINS – AYE; GODIN – AYE; SERPE – AYE; NELSON – AYE; MOTION CARRIED AND MEETING ADJOURNED AT 5:35 P.M.**