



City of Racine

City Hall
730 Washington Ave.
Racine, WI 53403
www.cityofracine.org

Meeting Minutes - Draft

Redevelopment Authority of the City of Racine

Alderman James Morgenroth
James Spangenberg
Gregory Holding
Robert Anderson
Jen Adamski-Torres
Doug Nicholson
John Crimmings

Monday, January 9, 2017

5:15 PM

City Hall, Room 303

Call To Order

Chairman Holding called the meeting to order at 5:15 p.m.

PRESENT: 7 - James Morgenroth, James Spangenberg, Gregory Holding, Robert Anderson, Jen Adamski-Torres, Doug Nicholson and John Crimmings

Others present:

Amy Connolly, Director of City Development
Mayor John Dickert
Matt Sadowski, Assistant Director/Principal Planner of City Development
Michelle Cook, Secretary of City Development
Michael Lechner, Housing Technician
Tom Friedel, City Administrator
Scott Letteney, City Attorney
Nicole Larsen, Deputy City Attorney
Jenny Trick, RCEDC
Laura Million, RCEDC
Jordan Brown, RCEDC
Thalia Mendez, Gateway Technical College

Approval of Minutes for the December 5, 2016 Meeting.

A motion was made by Authority member Spangenberg, seconded by Authority member Crimmings, to approve the minutes of the December 5, 2016 meeting, as distributed. The motion PASSED by a Voice Vote.

Budget and Finance

Financial Report

N/A

Report of the Executive Director

A. Update on 1520 and 1536 Clark Street (Ajax Building)

Director Connolly stated that we closed on the property on December 22nd and an option to purchase was signed with Keystone Development to do a Veteran's housing project. Mike Lechner, Housing Technician, stated that he went through and secured the property; water and electricity have been turned off at the property.

B. Update on RFP for "on-call" real estate brokerage services

Director Connolly explained that the Finance Department helped with sending out RFQ locally, however, no responses were received. She stated that the RFQ will be sent again to include those in Milwaukee and other areas within Wisconsin.

Chairman Holding requested that the items requiring reports from those other than city staff be taken first. Hearing no objections, the remainder of the agenda was taken in the following order: 1124-16; 1120-16; 1122-16; 1121-16; Items C. D.E. of the Executive Directors Report; and items A. B. of the RDA-Owned Property Report.

C. Proposed RFP for snow removal and mowing for RDA and City-owned properties

Mr. Lechner stated that snow removal services will go out to bid by the end of January.

D. Update on Electric Pedestal project in West Racine

The installation for the electric pedestal in West Racine is under contract and will be finished as soon as weather allows.

E. Brownfields Report

It was explained that the plan is to present a monthly report to the RDA regarding brownfields sites. More information for this month's report can be found under item 1121-16.

RDA-Owned Property Report

A. Southside Industrial Park Report

N/A. This report will be provided once it is available.

B. Other RDA-owned and City-owned

The City of Racine recently closed on the promenade portion of the Machinery Row development.

[1120-16](#)

Subject: (Direct Referral) Request by the Executive Director of the

Redevelopment Authority to consider RDA Resolution 17-01 recommending approval of a contract for 2017 small business development services between the City of Racine and Gateway Technical College for the operation of the Launch Box Co-working Space.

Recommendation of the Redevelopment Authority on 1-9-16: That the contract and funding for the Launch Box Co-working Space through the City's Intergovernmental Fund be approved and that the Mayor and City Clerk be authorized and directed to enter into an agreement with Gateway Technical College.

FURTHER THAT THE AGREEMENT BE REFERRED TO THE FINANCE AND PERSONNEL COMMITTEE FOR ITS REVIEW AND APPROVAL.

Fiscal Note: The 2017 request from Launch Box is budgeted for \$50,000, which is \$49,930 less than the 2016 grant (total 2016 grant was \$99,930). Funding for the request was budgeted within the City's 2017 Capital Budget using Intergovernmental Funds. This will be the last year that the City will budget for operational expenses for Launch Box.

Attachments: [Launchbox Packet for RDA 2017](#)

Director Connolly introduced Thalia Mendez, Business Resource Specialist and Launch Box Program Coordinator. Ms. Mendez explained the accomplishments of the program in 2016 as well as the goals for 2017. She stated that for 2017 she is working with partnering with other organizations such as WWBIC and Devin Sutherland of the Downtown Racine Corporation and the Business Improvement Districts and working on getting a segment on Racine and Me, etc... The request for 2017 is for \$50,000.00; \$49,930.00 less than the 2015 request.

Director Connolly stated the contract will be reviewed by the City Attorney's office prior to the Finance and Personnel Committee.

A motion was made by Authority member Crimmings, seconded by Authority member Nicholson, to adopt RDA Resolution 17-03 recommending approval of the request. The motion PASSED by a Voice Vote.

[1121-16](#)

Subject: (Direct Referral) Request by the Executive Director of the Redevelopment Authority to consider RDA Resolution 17-02 recommending approval and renewal of a professional services contract between the City of Racine and the Racine County Economic Development Corporation (RCEDC) for the City's Brownfield Initiative.

Recommendation of the Redevelopment Authority on 1-9-17: That the contract and funding for the City's Brownfield Initiative through the City's Intergovernmental Fund be approved and that the Mayor and City Clerk be authorized and directed to enter into an agreement with

RCEDC.

FURTHER THAT THE PROPOSED AGREEMENT BE REFERRED TO FINANCE AND PERSONNEL COMMITTEE FOR ITS REVIEW AND APPROVAL.

Fiscal Note: The 2017 professional services contract with RCEDC is budgeted for \$70,000 and represents a 15% increase from the 2016 contract of \$66,650.00. Funding for the request was budgeted within the City's 2017 Capital Budget using Intergovernmental Funds.

Attachments: [2017 City of Racine Brownfields Contract.12.20](#)

Jordan Brown, RCEDC filled in for Ms. Rachana Kothari who was unable to be present at the meeting. He described the position's responsibilities which are to seek out funding sources for areas in the city that are deemed to be brownfield sites making sure the expenses are eligible and relationships are maintained.

Mr. Brown further explained the current project areas within the City and the monies already received for various sites.

The request is for \$70,000.00 a 15 percent increase from the 2016 amount of \$66,650.00.

A motion was made by Authority member Spangenberg, seconded by Authority member Adamski-Torres, to adopt RDA Resolution 17-02 recommending approval of the contract. The motion PASSED by a Voice Vote with Authority members Crimmings and Nicholson abstaining.

[1122-16](#)

Subject: (Direct Referral) Request by the Executive Director of the Redevelopment Authority to consider RDA Resolution 17-03 recommending approval and renewal of a professional services contract between the City of Racine and the Racine County Economic Development Corporation (RCEDC) for General Economic Development services.

Recommendation of the Redevelopment Authority on 1-9-17: That the contract and funding through the City's Intergovernmental Fund for General Economic Development Services be approved and that the Mayor and City Clerk be authorized and directed to enter into the agreement with RCEDC.

FURTHER THAT THE PROPOSED AGREEMENT BE REFERRED TO FINANCE AND PERSONNEL COMMITTEE FOR ITS REVIEW AND APPROVAL.

Fiscal Note: The 2017 professional services contract with RCEDC is budgeted for \$80,000 and represents a 15% increase from the 2016 contract. Funding for the request was budgeted within the City's 2017 General Budget (Department of City Development, Economic

Development, 16002 52260)

Attachments: [2016.12.22 CITY OF RACINE General 2017 Contract](#)

Ms. Million explained some of the activities accomplished under the 2016 General Services contract. Jenny Trick, Executive Director of RCEDC, explained the revenue model under the contract. She explained the number of successful projects and the total amount of project investment. She stated \$109 million was the total for new project investment for the city of Racine. She stated RCEDC is looking for an increase from 2016 from \$69,000 to \$80,000.

Authority member Adamski-Torres asked if there were any change in staffing at RCEDC.

Ms. Trick answered there was one reduction.

Director Connolly stated that for the cost of one employee's salary at the City of Racine, we can use four employees at RCEDC. She stated the cost of the contract increase was already approved in the budget by the Common Council.

A motion was approved by Authority member Anderson seconded by Authority member Adamski-Torres, to adopt RDA Resolution 17-03, recommending approval of the contract. The motion PASSED by a Voice Vote with Authority members Crimmings and Nicholson abstaining.

[1124-16](#)

Subject: (Direct Referral) Request by the Executive Director of the Redevelopment Authority to consider RDA Resolution 17-04 supporting an economic incentive from tax increment district #19 to Culinary Infusions at 2219 Washington Avenue for the renovation of the historic property toward the creation of an event facility.

Recommendation of the Redevelopment Authority on 1-9-17: That the incentive for financial assistance from tax increment district #19 be approved subject to conditions and that the Mayor and City Clerk be authorized and directed to execute an agreement with Culinary Infusions.

FURTHER THAT THIS ITEM BE REFERRED TO THE FINANCE AND PERSONNEL COMMITTEE FOR ITS REVIEW AND APPROVAL.

Fiscal note: The Incentive request is for a total of \$80,971 over five years or \$16,194 per year from TID #19 (Uptown). Because the incentive is a "pay-as-you-go" incentive, the private taxable investment will be made before the incentive will be provided. Therefore, funds are projected to be available within TID #19 and continue to be available for the five-year period of the agreement.

Attachments: [Culinary Infusions RCEDC Memorandum](#)

Director Connolly introduced Laura Million from RCEDC and Kathy and Keith Meyer from Culinary Infusions. Ms. Million and the Meyers explained the request. She stated that Culinary Infusions purchased the property in 2015 and, unfortunately, the cost of renovation exceeded the bank appraised value; current investment into the

property is \$1.7 million while the appraised value is \$1.3 million. The Meyers explained their business model. They are working on receiving historic tax credits from the WHS

Ms. Connolly explained that this property is a gateway to the Uptown area and that staff is extremely supportive of the request.

A motion was made by Authority member Crimmings, seconded by Authority member Nicholson, to adopt RDA Resolution 17-04 recommending approval of the request. The motion PASSED by a Voice Vote.

CLOSED SESSION

At 6:25 p.m. a motion was made Authority member Spangenberg, seconded by Authority member Nicholson to go into Closed Session. The motion PASSED by the following vote:

AYES: 7 - James Morgenroth, James Spangenberg, Gregory Holding, Robert Anderson, Jen Adamski-Torres, Doug Nicholson and John Crimmings

It is intended that the Redevelopment Authority will convene in closed session pursuant to Wisconsin Statutes, Sec. 19.85(1)(e) to consider strategy where bargaining reasons require a closed session.

[1125-16](#)

Subject: (Direct Referral) Request by the Executive Director of the Redevelopment Authority to receive and file a presentation regarding a predevelopment agreement between the RDA and General Capital Group, LLC for RDA-owned property located at 615 Marquette Street.

Received and Filed

OPEN SESSION

Adjournment

The meeting adjourned at 7:18 p.m.