



City of Racine, Wisconsin
AGENDA BRIEFING MEMORADUM

AGENDA DATE:	July 18 – Redevelopment Authority August XX – Common Council
SUBJECT:	REPORT TO RDA AND COMMON COUNCIL REGARDING the Racine County and Redevelopment Authority Memorandum of Understanding on access to tax delinquent properties for environmental inspection
PREPARED BY:	Amy Connolly, Director of City Development
SUMMARY:	<p>City staff seek RDA approval of a resolution approving the RDA entering a Memorandum of Understanding (“MOU”) with Racine County to allow the RDA and its designees to enter tax delinquent properties to determine the nature and extent of environmental pollution, under the authority granted to Racine County by Wisconsin Statute § 75.377.</p> <p>The documents requiring approval include:</p> <ol style="list-style-type: none">1. Resolution 19-22 approving the terms and conditions of the MOU and authorizing the RDA Chair or Vice-Chair to sign the MOU upon receipt of City Council approval and upon further receipt of the City Attorney’s approval of the final MOU documents.2. Racine County Resolution 2019-21 pertaining to Racine County’s approval of the MOU.3. The MOU as approved by Racine County.4. Exhibit A to MOU regarding template RDA request for access.5. Exhibit B to MOU regarding template County grant of access.6. Exhibit C to MOU regarding waiver of liability for persons accessing property. <p>The Wisconsin Statute § 75.377 allows the County or its designee to enter any property for which a tax certificate is outstanding for the purpose of determining the nature and extent of environmental pollution.</p>
BACKGROUND:	<p>Many tax delinquent properties in Racine are blighted and in need of inspection for environmental pollution as the first step in attracting a buyer that would repurpose the property. However, the County has no program of entry for such purpose, and no program of investigating or cleaning up environmental pollution. In contrast, the RDA has a mission and a program of eliminating blight through inspection for and cleanup of environmental pollution, as a means of restoring non-productive property to productive use under ownership that results in paying taxes.</p> <p>On behalf of the RDA, City staff worked with the RCEDC and Racine County to develop a means of conveniently allowing the RDA and its contractors to inspect tax delinquent properties. Frequently, a buyer emerges, but the existing County practice of requiring individual County Board approval for each access simply takes too much time to respond to the buyer’s needs. The MOU would allow a</p>

much faster response, with a request from the RDA and response from the County allowing access upon proof of insurance and signed liability waivers for all those that would enter the property.

City staff recommends that the RDA approve the resolution to allow the RDA to sign the resolution pending approval of the MOU by the City Council and approval of the final versions of the MOU documents by the City Attorney. Certain wording of the documents could change pending City Attorney review, but they are expected to be in substantially the same form as attached to this Memo.

Conclusions of the Executive Director:

1. The benefits of entering the MOU include:
 - a. The RDA will be able to timely respond to requests of potential buyers interested in normal acquisition practices, which include environmental inspection.
 - b. The RDA will be able to enter tax delinquent properties to serve the RDA's own objectives, without the need for an interested buyer.
 - c. The RDA will not spend time seeking search warrants or landowner permission.
2. The liability risks of entry will be covered by the insurance required of all contractors doing work at the property, the liability insurance carried by the City on its employees that enter the properties and the liability waivers of all designees the RDA authorizes to enter.

FISCAL NOTE:

The RDA will expend funds to enter properties pursuant to the MOU, but the majority of those costs are generally covered by site assessment grants from the federal government.

RECOMMENDATION:

City staff recommends the RDA adopt a resolution approving the terms and conditions of the MOU and all exhibits thereto in substantially the same form as set forth in County Resolution 2019-21.

City staff also recommends, the RDA authorize and direct the Chair or Vice Chair to execute the MOU in substantially the same form as set forth in County Resolution 2019-21 upon receipt of the City Council's resolution in support of the RDA signing the MOU in substantially the same form as set forth in County Resolution 2019-21 and upon receipt of the City Attorney's approval of the final MOU documents;

City staff also recommends, that upon full execution of the final MOU documents the Executive Director is authorized and directed to access Tax Delinquent Properties in accordance with the MOU at the Executive Director's discretion as consistent with the priorities established or approved by the Redevelopment Authority or upon further directive of the Redevelopment Authority.