



City of Racine

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

Meeting Minutes - Final Standing Joint Review Board

*Mayor John Dickert, David J. Hazen, Mark Zlevor
John Engel, Thomas Friedel, Daniel Eastman*

Friday, February 24, 2012

4:00 PM

City Hall, Room 301

Call To Order

Chairman John Engel called the meeting to order at 4:04 p.m.

PRESENT: 6 - David J. Hazen, Mark Zlevor, John Engel, John Dickert, Thomas Friedel and Daniel Eastman

Others present:

*Brian F. O'Connell, Director of City Development
Todd Taves, Ehlers and Associates
Matthew Sadowski, Principal Planner
Micah Waters, Porters of Racine*

Elections:

Election of Public Member

It was moved by Mayor Dickert and seconded by Board Member Hazen to nominate John Engel as the Public Member of the Board. Hearing no objections to the nomination, Mr. Engel was approved as Public Member by unanimous voice vote.

Election of Chairperson

It was moved by Mayor Dickert and seconded by Board Member Zlevor to nominate Mr. Engel as Chairperson of the Board. Hearing no objections to the nomination, Mr. Engel was approved as Chairperson by unanimous voice vote.

Election of Vice-Chairperson

It was moved by Board Member Zlevor and seconded by Board Member Hazen to nominate Mayor Dickert as Vice-Chairperson of the Board. Hearing no objections to the nomination, Mayor Dickert was approved as Vice-Chairperson by unanimous voice vote.

Approval of Minutes for the June 22, 2010 Meeting

A motion was made by Mayor Dickert, seconded by Board member Zlevor, to approve the minutes of the June 22, 2010 meeting. The motion PASSED by a Voice Vote.

[12-7413](#)

Subject: (Direct Referral) Request to create Tax Incremental District No. 17 for the Porters of Racine redevelopment.

Attachments: [Racine TID No. 17 Project Plan-3 20 12](#)

Director O'Connell briefly reviewed the current inventory of Tax Incremental Districts. He then introduced the proposed TID No. 17 by describing it as a conservation and rehabilitation district. He reviewed the boundaries, past uses of the properties in question, participating and non-participating properties. He continued by presenting an artist's rendering of the proposed façade renovations and outlined proposed building usage (residential, commercial and flex space). He summarized the difficulties in securing private financing in the current economic climate despite favorable value brought to the project: the developer owns and controls the property; the owner is doing all design work.

Director O'Connell concluded his comments by stating that there are three sources of financing for the project: 1) the owner's equity, 2) a private lender, 3) the City; and there is an estimated increment in value of \$3.2 million with a final value to be available by the Board's second meeting.

In response to Chairman Engel, Micah Waters, representative of Porters of Racine, explained that the project provides over 45 off-street parking spaces in addition to the on-street, metered parking.

In response to Board Member Hazen, Todd Taves of Ehlers stated that the interest rate the City will charge for the funding provided to the district is a fixed rate of 3% for the planned life of the TID of 22 years.

In response to Board Member Hazen, Director O'Connell stated that if TID revenue is greater than projected, the TID could be paid off sooner. He continued stating that contemplated protections and incentives to the City would consist of a combination of specified drawdowns on the funds to be lent, potential participation in excess revenues, and a potential second mortgage position. He provided examples where similar financial participation has been provided by the City. Director O'Connell concluded his response by stating that the Common Council will also be asked to approve the TID plan.

A motion was made by Mayor Dickert, seconded by Board Member Hazen, to defer action on the item. The motion PASSED by a Voice Vote.

Future meetings

In response to Board Member Zlevor, Director O'Connell reviewed the TID timeline and state that Board Members would be polled via e-mail to determine the next date for the Standing Joint Review Board, anticipated to be sometime in late March, 2012.

Adjournment

It was moved by Board Member Zlevor and seconded by Mayor Dickert to adjourn the meeting.

Hearing no objections, Chairman Engel adjourned the meeting at 4:37 p.m.