



# City of Racine

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

## Meeting Minutes - Draft

### Redevelopment Authority of the City of Racine

*James Spangenberg  
Gregory Holding  
Jen Adamski-Torres  
Doug Nicholson  
John Crimmings  
Alderman Tracey Larrin  
Robert Anderson*

---

Thursday, August 3, 2017

6:00 PM

City Hall, Room 303

---

#### Call To Order

*Vice-Chairman Spangenberg called the meeting to order at 6:04 p.m.*

**PRESENT:** 4 - James Spangenberg, Jen Adamski-Torres, Doug Nicholson and Tracey Larrin

**EXCUSED:** 3 - Gregory Holding, John Crimmings and Robert Anderson

#### Approval of Minutes for the June 1, 2017 Meeting.

A motion was made by Nicholson, seconded by Adamski-Torres, to approve the minutes of the June 1, 2017 meeting. The motion **PASSED** by a Voice Vote.

#### Approval of Minutes for the June 27, 2017 Special Meeting.

A motion was made by Adamski-Torres, seconded by Nicholson, to approve the minutes of the June 27, 2017 special meeting. The motion **PASSED** by a Voice Vote.

#### Approval of Minutes for the July 6, 2017 Special Meeting.

A motion was made by Nicholson, seconded by Adamski-Torres, to approve the minutes of the July 6, 2017 special meeting. The motion **PASSED** by a Voice Vote.

[647-17](#)

**Subject:** (Direct Referral) A request by James Spangenberg for the review and approval of a White Box Program Grant for the property at 3221 Washington Avenue.

**Attachments:** [ABM on White Box 3221 Washington Avenue](#)  
[3221 Washington Avenue WB](#)

*Vice-Chairman Spangenberg recused himself prior to the first item. Nicholson took over as temporary chairman.*

*Chief Building Inspector, Ken Plaski, introduced the request. He stated that a White Box grant was being applied for to fix up the space to use as a restaurant or retail in the future. He stated quotes were reviewed and, based on the cost of construction*

and the square footage, the project would be eligible for the full \$20,000.00 of the grant.

Beth Spangenberg, co-applicant, described the renovations that would take place. She stated an electrical engineer plotted the lighting and HVAC technician plotted the heating and cooling system. She stated they plan on opening the wall to their furniture store. The ceilings and the floors will be restored.

Connolly stated the Downtown Area Design Review Commission reviewed and approved the request in July.

Nicholson confirmed that at least two bids were received from everyone who applied for the program.

Plaski stated yes.

Adamski-Torres asked about the bathrooms being sufficient for restaurant uses.

Ms. Spangenberg explained some of the bathroom remodels.

**A motion was made by Adamski-Torres, seconded by Alderman Larrin, to approve the request of a White Box grant for up to \$20,000.00. The motion PASSED by a Voice Vote with Spangenberg recused.**

[754-17](#)

**Subject:** (Direct Referral) A request by Joseph and Tesa Schulte for the review and approval of a White Box Program Grant for the property at 501 Sixth Street.

**Attachments:** [ABM on White Box 501 Sixth Street](#)  
[501 Sixth Street WB](#)

Vice Chairman Spangenberg returned to the meeting at 6:14 p.m.

Plaski explained the request. He stated the applicants purchased the old Henry and Wanda's at 501 Sixth Street. He stated the plan is to have a dinner restaurant and a bakery. Reviewed the plans and floor plans and bids. Based on the cost and square footage they would be eligible for the full \$20,000 of the grant.

Tesa Schulte, co-applicant, explained the renovations to be done to the location. The bar will be refinished and the existing brick will be exposed and repaired. She stated the footprints of the bathrooms will not be changed, just modernized and the back dining room will become their commercial baking operations. She explained the kitchen was opened to help with better flow and \$30,000.00 worth of electrical is needed to complete the electrical work. She stated catering will also be done out of the location.

Nicholson asked the reason for keeping the kitchen in the back.

Schulte explained cost wise it is the best option.

Alderman Larrin asked about the timeframe of the project.

Schulte stated they will start as soon as they receive approvals.

**A motion was made by Nicholson, seconded by Adamski-Torres, to approve the request. The motion PASSED by a Voice Vote.**

[737-17](#)

**Subject:** (Direct Referral) Consideration of RDA Resolution 17-21 authorizing the funding of a consulting contract for land bank/strategic code enforcement with the Center for Community Progress.

**Attachments:** [ABM on Center for Community Progress.docx](#)  
[Community Progress Racine Wisconsin Proposal for Services 6.13.17](#)  
[Resolution 17-21 Center for Community Progress](#)

*Connolly explained staff is asking that the RDA consider funding partially the request. She stated the Center for Community Progress (CCP) is the only national nonprofit consulting with communities regarding blight and strategic code enforcement. They started in 2010 and have assisted with writing policies and started in 2010. The goal would be to use the opportunity to collaborate with other community partners such as Racine Revitalization Partnership, Building Department, etc... to help with blighted property. She stated the request is for \$10,000 of funding from the RDA; and \$3,750 of funds would come from the Community Development Block Grant (CDBG).*

*Discussion after the motion - Ald. Weidner asked when program was first introduced to RDA she understood it to be a scholarship program so that funds would not have to be spent.*

*Connolly stated when it first came to RDA options were granted. There are two programs: consulting and a grant program. She stated we are looking to move forward quickly and are looking to do more than one visit. Once the report is received, follow-up services will be applied for, however, that is competitive and is not guaranteed it would be received.*

*Connolly stated this particular application will not be granted until 2018. She stated developing a land bank is a complicated process.*

**A motion was made by Nicholson, seconded by Alderman Larrin to approve RDA Resolution 17-21. The motion PASSED by a Voice Vote.**

[738-17](#)

**Subject:** (Direct Referral) Consideration of RDA Resolution 17-22 authorizing changes to the policies for the White Box Program Grant.

**Attachments:** [ABM on White Box Policy July 2017](#)  
[Resolution 17\\_22 White Box Policy Changes](#)

*Connolly stated the White Box program issued more than \$90,000 in grants and interest has grown. She stated a request went to the Finance and Personnel Committee last month to ask for additional money and a policy change. The Common Council was then asked to allocate \$150,000 in funding to supplement the original approval and to combine the white box and façade grant line items into one pool of money. The total available balance for 2017 for both the White Box and the Façade Grants is \$400,000. Policy changes include:*

- 1. Setting a sunset for White box so it would end 2019. This policy would hopefully encourage property owners will take action quickly; and*
- 2. Allowing property owners with more than one vacant retail space in the same building to be eligible for multiple grants (e.g. Red Cross Building). The space has to already be distinct and property owners would be limited to two grants.*

*Adamski-Torres asked if property owners would be notified of the sunset clause.*

*Connolly through the newspaper and various media sources and committee meetings Torres asked regarding timeframe completion once they have been awarded. Nicholson expressed concern regarding the sunset clause and not giving building owners the opportunity to take advantage of the program.*

*Connolly stated that the intent is to create a sense of demand and urgency.*

*Ald. Weidner felt that the triple approval process time lag works against business owners. She asked if the RDA would consider streamlining the process. She suggested maybe the grants should just come to RDA instead of DADRC. She also expressed concern with a particular area getting the bulk of the grants. She stated property owners on Taylor Avenue and Rapids Drive have no idea that their buildings may qualify for white box and façade grant. She stated a brochure should be created to inform those who come into City Hall of the program.*

*Nicholson asked if every White Box went through the DADRC.*

*Connolly answered yes, they look more at the design of the building and remodels to make sure they apply to the guidelines. She stated everyone usually gets approved the same day.*

*Nicholson said as long as they are approved the same day, there should not be an issue.*

*Alderman Larrin suggested creating a flyer to advertise both the White Box and Façade grant programs.*

**A motion was made by Nicholson, seconded by Ald. Larrin to adopt RDA Resolution 17-22 approving the request. The motion PASSED by a Voice Vote.**

## **Budget and Finance**

[741-17](#)

**Subject:** (Direct Referral) Update on 2nd Quarter finances for the Redevelopment Authority.

**Attachments:** [RDA financial report 2nd Quarter](#)  
[Exhibit A](#)

*Connolly explained that the Finance Department produced second quarter income statements and expenses for the RDA. She stated \$1.4 million was allocated to RDA at the beginning of the year and over the last quarter, \$544,000 was spent. Connolly explained the attached expenses, most of which relate to the event center and environmental consulting.*

**A motion was made by Adamski-Torres, seconded by Nicholson, to receive and file the Budget and Finance Report. The motion PASSED by a Voice Vote.**

## **RDA-Owned Property Report**

### **A. Southside Industrial Park**

*Connolly explained preliminary negotiations were taking place with a potential purchaser of the SSIP. However, the discussions are only in the preliminary stage*

*and nothing is public at this time.*

B. 615 Marquette Street (Case Plow Works Building)

*Connolly stated that the historic preservation study was completed on the property in July. She stated the State Historic Property Office (SHPO) does not support building being listed on the National Register. She stated the SHPO felt that the property is not architecturally significant and nothing of significance happened at the property. There will be a report in September regarding financing.*

C. 1520 and 1536 Clark Street (Ajax Property)

*Connolly stated Capital Cardinal is working on their due diligence on the property and working with Quantum Architects. She stated they would like to submit tax credits by November this year.*

D. 1418 Washington Avenue (RRP Project)

*Connolly stated Racine Revitalization Partnership (RRP) met deadlines for HOME Investment Partnership funding and secured private funding for renovation of the property.*

E. 1425 N. Memorial Drive (Racine Steel Castings)

*Rachana Kothari, Racine County Economic Development Corporation (RCEDC) stated a notice for public comment was issued and a public information meeting is scheduled for Aug. 28th. She stated information regarding is available at City Development and RCEDC website. The goal is to market the site for redevelopment and reuse. Overall cost for remediation for south lot is more than \$200,000. She described the removal of the contamination; treatability analysis is being completed.*

F. City-Owned Property Report

*West Bluff – Ms. Kothari explained that the streambank stabilization contract with Smith JJR is in development. She stated there are two phases costing roughly \$114,000 and \$95,000, paid from the Fund for Lake Michigan (FFLM). She stated once contract is prepared with Smith JJR, it will go for RCEDC and the City's Finance and Personnel Committee for final approval. She also explained the grants the City has received for brownfields and redevelopment projects. The total amount of grants received is \$4.6 million and there are 12 active grants.*

*Machinery Row – No update to give at this time.*

G. 233 Lake Avenue

*Connolly gave a brief update on the event center. She stated a Request for Information (RFI) for hoteliers was sent out to more than 25 hoteliers. Responses are due in September.*

**CLOSED SESSION**

*Vice-chairman Spangenberg read the closed session notice.*

It is intended that the Redevelopment Authority convene in closed session pursuant to Wisconsin Statutes, Sec. 19.85(1)(e) to consider strategy where bargaining reasons require a closed session, and which, if publicly noticed, would compromise such competitive and bargaining reasons, and pursuant to Wisconsin Statutes Sec. 19.85(1g), to confer with legal counsel concerning strategy with respect to litigation in which the Redevelopment Authority is or is likely to become involved.

**At 6:59 p.m., a motion was made by Adamski-Torres, seconded by Alderman Larrin, to convene into closed session. The motion PASSED by the following vote:**

**AYES:** 4 - James Spangenberg, Jen Adamski-Torres, Doug Nicholson and Tracey Larrin

**EXCUSED:** 3 - Gregory Holding, John Crimmings and Robert Anderson

[739-17](#)

**Subject:** (Direct Referral) Communication from the Executive Director requesting to meet with the Redevelopment Authority in Closed Session pursuant to Wisconsin Statutes section 19.85(1)(e) concerning strategy with respect to negotiations involving certain tax incremental incentive agreements.

[740-17](#)

**Subject:** (Direct Referral) Communication from the Deputy City Attorney requesting to meet with the Redevelopment Authority in Closed Session pursuant to Wisconsin Statutes section 19.85(1)(g), concerning strategy with respect to litigation in which the Redevelopment Authority is or is likely to become involved, specifically regarding relocation claims.

**The Redevelopment Authority will return to Open Session.**

**The RDA may take action regarding matters addressed in Closed Session.**

## **OPEN SESSION**

*No action was taken on the closed session items.*

**At 7:39 p.m., a motion was made by Adamski-Torres, seconded by Nicholson, to reconvene into open session. The motion PASSED by the following vote:**

**AYES:** 4 - James Spangenberg, Jen Adamski-Torres, Doug Nicholson and Tracey Larrin

**EXCUSED:** 3 - Gregory Holding, John Crimmings and Robert Anderson

## **Adjournment**

*There being no further business the meeting adjourned at 7:40 p.m.*