



City of Racine

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

Meeting Minutes - Final

Planning Heritage and Design Commission

Monday, March 3, 2025

4:30 PM

City Hall, Room 205

Call To Order

Acting Chair Peete called the meeting to order at 4:32 p.m.

Mayor Mason attended the meeting, virtually.

PRESENT: 4 - Hefel, Kohlman, Peete and Chambers

Approval of Minutes for the February 3, 2025 Meeting.

A motion was made by Chambers, seconded by Kohlmann, to approve the minutes of the February 3, 2025, meeting. The motion **PASSED** by a Voice Vote.

4:30 P.M. PUBLIC HEARING

[0240-25](#)

Subject: Public Hearing regarding proposed amendment of the Project Plan of Tax Incremental District No. 9.

Attachments: [TID No. 9 Amendment Project Plan Draft](#)
[TID No. 9 Legal Notice](#)

Jeff Hintz, Assistant Director, introduced the request and the public hearings. He explained that the public hearings for the amendments to Tax Incremental District (TID) Nos. 9 and 26 will be done concurrently.

Hintz briefly explained what was included in a property tax bill and what happens when a TID is established. He stated, by state law, the TID has no bearing on the assessed value of property. Hintz introduced Ehlers to further explain the request for the amendments to TID Nos. 9 and 26.

Paul Boening, Ehlers, presented the amendments being request to TID Nos. 26 and 9 (the presentation given at the meeting is attached to this agenda item).

Boening began with the amendment request for TID No. 26. He stated that TID 26 was created in 2021 as a rehab and conservation district and was created for the redevelopment of property at 500 Main Street. He stated that as of January 1, 2024, which is the most recent valuation from the Department of Revenue, the district has \$15.1 million in incremental value. He stated that the amendment for TID No. 26 includes adding 40 additional adjacent parcels to the district which would increase the district size to approximately 13 acres and adding approximately \$7.6 million in estimated project costs.

Boening showed the map of parcels proposed to be added to TID No. 26. The boundary for TID No. 9 was also shown.

Boening explained a summary of the various project costs categories, their timeframes, and whether the amendment shows an increase or a decrease for each of the costs. He explained that the original plan had approximately \$19.7 million in project costs and the amended plan has approximately \$27.2 million in project costs. He stated that there is a decrease of \$9 million in public infrastructure costs because the majority of the public infrastructure improvements have already taken place.

Boening explained the potential developments for TID No. 26 which includes the renovation of 512 Main Street into a full-service spa; renovation of 222 – 5th Street into a mixed-use property containing one retail and four residential units; demolition of existing building and improvements to 401 Wisconsin Avenue; and future development of approximately 40 units of multi-family housing at 426 Wisconsin Avenue. He stated, in total, the new development is expected to add \$4 million of value to the district and generate more than \$80,000 in additional tax increment, annually, based on the tax rate projections.

Boening explained the update to the TID No. 26 Cash Flow. He pointed out that if you look at years 25 beyond, those are the years that were the focus of the plan amendment. Projected Revenues for future years were also explained. He stated that as part of this amendment, there is a \$5.7 million transfer from TID No. 9 and a proposed transfer from the Intergovernmental Revenue Sharing Fund (IG Fund). He explained that the amendment is projected to move the closure of the TID to 2045, a two-year increase from the original plan.

Boening explained the amendment to TID No. 9. He stated that the purpose of the amendment is to allow the \$5.7 million transfer to TID No. 26. He stated, as a reminder, TID No. 9 was created in 2000 for the Johnson Building rehabilitation. Boening stated the only change to the TID No. 9 Cash Flow is \$5.7 million under expenditures. He stated even with the transfer, there is no change to the project TID closure of 2034.

Boening explained the amendment approval schedule for TID Nos. 9 and 26. He stated earlier that day the Joint Review Board held their organizational meeting; the public hearing and the PHDC consideration are both on tonight's agenda; the Common Council will consider the amendments at its March 18, 2025 meeting; and the Joint Review Board will meet again on April 4th.

Acting Chair Peete opened the meeting to public comment at 4:46 p.m.

Thotsaphone Khampane, 304 Sixth Street, Racine, chose not to speak.

Lorna Revere, 310 Sixth Street, Racine, spoke regarding the request. She stated she is in support of the expansion, however, the City needs to take care of what's already there. She explained that shops are closing in the downtown area and why create retail space when there is already empty retail space that exists. She explained that the downtown looks "trashy" with trash all over the streets. The (former) Porters lot has weeds and trash and the weeds were sprayed with round up causing a safety hazard. She explained no one held the property owner accountable, and asked who will make sure it is safe. Ms. Revere explained that laws are being broken, she is not happy, and the City needs to know what is going on. She asked why property taxes are increasing

and why downtown is run by a non-profit. She stated she hopes that grant money becomes available for businesses and building owners.

Heather Novotny, 415 Sixth Street, Racine, spoke regarding the request. She stated she bought a building adjacent to the TID in November 2023 and opened up shop in August 2024. She explained the charm of the old Victorian buildings in Racine and stated that they love the lakefront. She stated she would like to see grants given to current business owners; need to take care of what's here and keep money local. She explained we should continue to preserve what we have.

Alder Peete closed the public hearing at 4:56 p.m.

Kohlmann asked how historic buildings would be impacted in the TIFs (Tax Increment Financing).

Hintz explained the Council could choose to use the increment to fund grants for property owners or development projects.

Alder Weidner asked who was in attendance at the Joint Review Board meeting.

Hintz stated representatives of each taxing jurisdiction.

Weidner questioned having a city employee on the board (of the Joint Review Board) and the membership present for the Planning, Heritage and Design Commission. She stated it was not a representation of the people of the city of Racine.

Alder Weidner questioned the projects proposed to be funded by the TID amendments – a luxury spa, parking lot, and apartments.

Hintz confirmed the projects mentioned by Alder Weidner, but deferred to Todd Taves, Ehlers, who explained the cash flow for the potential projects proposed. He stated \$5.7 million is proposed to be borrowed from TID No. 9 and the balance would be from a City secured loan.

Alder Weidner questioned the use of money for building a parking ramp.

Hintz stated the proposed project is theoretical and the project would have to be approved by the Common Council.

Alder Weidner expressed concern over the Commission appointments and tearing down a beautiful building for a parking structure.

Ms. Revere asked the Commission if there were an opportunity to discuss the project more.

Hintz stated the request will be at the March 18th Common Council meeting.

In response to Ms. Revere, Acting Chair Peete explained the procedure and the schedule for approving the TID amendments.

Hintz stated that ultimately the Common Council will vote on the request.

Kohlmann commented about the lack of documentation in the request, that only

addresses were provided.

Hintz explained the requirements for TID plans. He stated that the presentation was for funding and potential projects.

Acting Chair Peete stated that the plans are a statutory requirement and that there are no renderings as the project is not definite at this point.

Discussion ensued about why a spa and parking lot were potentially funded projects.

Hintz stated there were a lot of moving parts and the potential projects were used as modeling for the numbers included in the plans. He explained the recommendation for the request.

Acting Chair Peete stated whatever happens tonight does not guarantee the spa or that the building would be torn down.

Chambers asked what happens if the request does not go through tonight.

In response to Hintz, Taves stated that it was correct that the TID amendments would not go through to the Common Council.

Acting Chair Peete stated that the action tonight simply moves it to the Council where it can be debated and discussed.

Brief discussion ensued on the opportunity to discuss the request.

[0241-25](#)

Subject: Public Hearing regarding proposed amendment of the boundaries and Project Plan of Tax Incremental District No. 26.

Attachments: [TID No. 26 Amendment Project Plan Draft](#)
 [TID No. 26 Legal Notice](#)
 [TID No. 26 Public Hearing Notice](#)

Please see the discussion for item 0240-25.

END OF PUBLIC HEARING

[0242-25](#)

Subject: Consideration and possible action of a "Resolution Approving an Amendment to the Project Plan for Tax Incremental District No. 9".

Recommendation of the Planning, Heritage and Design

Commission on 03-03-2025: That the "Resolution Approving an Amendment to the Project Plan for Tax Incremental District No. 9, City of Racine, Wisconsin" be approved.

Fiscal Note: Tax Incremental District No. 9 is projected to generate a total of \$12,987,674 in increment through its remaining life.

Attachments: [TID No. 9 PC Resolution](#)
 [#0242-25 Resolution](#)

Please see the discussion for item 0240-25.

A motion was made by Chambers, seconded by Mason, to recommend approval of the request and adopt the proposed resolution amending the project plan for TID No. 9. The motion PASSED by a Voice Vote.

[0243-25](#)

Subject: Consideration and possible action of a "Resolution Approving an Amendment to the Project Plan and Boundaries of Tax Incremental District No. 26".

Recommendation of the Planning, Heritage and Design

Commission on 03-03-2025: That the "Resolution Approving an Amendment to the Project Plan and Boundaries of Tax Incremental District No. 26, City of Racine, Wisconsin" be approved.

Fiscal Note: Tax Incremental District No. 26 is projected to generate a total of \$10,266,685 in increment throughout its remaining life.

Attachments: [TID No. 26 PC Resolution](#)
 [#0243-25 Resolution](#)

Please see the discussion for item 0240-25.

A motion was made by Mason, seconded by Kohlmann, to recommend approval of the request and adopt the proposed resolution amending the project plan for TID No. 26. The motion PASSED by a Voice Vote.

[0232-25](#)

Subject: Consideration of a request from Katt Construction, representing Robert Osborne, for design review and approval of facade changes at 419 Sixth Street.

Attachments: [Design Review](#)
 [Recommendation](#)
 [Applicant Submittal](#)

Michelle Cook, Associate Planner, explained the request. She showed the current design of the building and the proposed rendering submitted by the applicant. She stated that the applicant is proposing to update the façade of the building by removing the current siding, adding transom windows, and replacing the storefront windows with a clear insulated glass with bronze framing. She stated the storefront door will also be replaced.

Kohlmann asked if work were proposed to be done on the second level of the façade.

Cook responded no.

Kohlmann questioned the rendering as it appears that the windows were also to be changed on the second floor.

A motion was made by Kohlmann, seconded by Chambers, to approve the request subject to conditions a. – d. The motion PASSED by a Voice Vote.

Adjournment

There being no further business, the meeting adjourned at 5:26 p.m.