



# City of Racine

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

## Meeting Minutes - Final Redevelopment Authority of the City of Racine

*James T. Spangenberg*  
*David Lange*  
*Jim Chambers*  
*Josh Garner*  
*Doug Nicholson*  
*Alderman Greg Holding*  
*Robert Anderson*

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Monday, October 7, 2013

5:15 PM

City Hall, Room 306

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### Call To Order

**PRESENT:** 6 - James T. Spangenberg, David Lange, Jim Chambers, Doug Nicholson, Robert Anderson and Gregory Holding

**EXCUSED:** 1 - Josh Garner

Others present:

*Brian O'Connell, Director of City Development*  
*Matthew Sadowski, Assistant Director of City Development*  
*Michelle Cook, Secretary of City Development*  
*Tom Friedel, City Administrator*  
*Other members of the public*

### Approval of Minutes for the August 26, 2013 Meeting.

**A motion was made by Alderman Holding, seconded by Commissioner Lange to approve the minutes of the August 26, 2013 meeting. The motion PASSED by a Voice Vote.**

### CLOSED SESSION

*Chairman Spangenberg read the closed session notice.*

It is intended that the Authority will convene in closed session pursuant to section 19.85 (1) (e), Wisconsin Statutes, to consider the following matter that requires a closed session for competitive and bargaining reasons, after which the Authority will reconvene in open session to consider this and other matters on the agenda.

**At 5:15 p.m. a motion was made by Alderman Holding, seconded by Commissioner Chambers, to convene into closed session. The motion PASSED by the following vote:**

**AYES:** 6 - James T. Spangenberg, David Lange, Jim Chambers, Doug Nicholson, Robert Anderson and Gregory Holding

EXCUSED: 1 - Josh Garner

[13-9433](#)

**Subject:** (Direct Referral) Discussion regarding a potential residential redevelopment project.

### OPEN SESSION

**At 5:35 p.m. a motion was made by Commissioner Nicholson, seconded by Alderman Holding, to reconvene into open session. The motion PASSED by the following vote:**

**AYES:** 6 - James T. Spangenberg, David Lange, Jim Chambers, Doug Nicholson, Robert Anderson and Gregory Holding

EXCUSED: 1 - Josh Garner

[13-9434](#)

**Subject:** (Direct Referral) Authorization to apply for and accept a \$400,000 US-EPA Site Assessment Grant for eligible projects, City-wide. (Res. No. 13-0417)

#### **Recommendation of the Redevelopment Authority on 10-7-13:**

That the Authority requests funds and assistance available from the EPA Site Assessment Grant and comply with rules for the program.

Further, that the Assistant Executive Director act on the behalf of the Authority and submit an application for an EPA Brownfield Site Assessment Grant for \$400,000 to aid in the investigation of brownfield properties, sign documents, and take necessary action to undertake, direct, and complete approved grant activities.

**Fiscal Note:** No local match is required for this grant.

*Assistant Director Sadowski gave a brief introduction to the item. We currently have a site assessment grant and the funds have been well-utilized for other projects. Mr. Sadowski explained the success of the program and the anticipation of the need for the grant. He stated we would like to apply for another grant to recapitalize the funds. Commissioner Anderson asked if a match from the City would be required for this grant.*

*Mr. Sadowski stated there is no match with this grant application.*

**A motion was made by Commissioner Nicholson, seconded by Commissioner Lange, to adopt RDA Resolution 13-18 recommending approval of the item. The motion PASSED by a Voice Vote.**

[13-9435](#)

**Subject:** (Direct Referral) Authorization to apply for and accept a \$200,000 US-EPA Clean Up Grant for 1425 North Memorial Drive, former Racine Steel Castings. (Res. No. 13-0418)

#### **Recommendation of the Redevelopment Authority on 10-7-13:**

That the Authority requests funds and assistance available from the

EPA under the brownfield cleanup grant and comply with rules for the program.

Further, that the Assistant Executive Director act on behalf of the Authority and submit applications for two EPA Brownfield Cleanup Grants, \$200,000 each, to aid in the continuation of site cleanup of 1425 North Memorial Drive (aka the Racine Steel Castings property), sign documents, and take necessary action to undertake, direct, and complete approved grant activities.

**Fiscal Note:** Two grants will be applied for, each being for \$200,000. A 20% local match is required for each grant for a total of \$80,000. Funds are available in the Intergovernmental Shared Revenue Account and from the City of Racine US EPA Brownfield Cleanup Revolving Loan Fund.

*Assistant Director Sadowski briefly explained the request.*

*Karen Frost, RCEDC, stated that the grant would address contaminated soil on the property.*

*Chairman Spangenberg asked about the match required.*

*Mr. Sadowski confirmed there would be a 20 percent match required with acceptance of the grant. He stated that we are seeking two grants.*

**A motion was made by Commissioner Lange, seconded by Alderman Holding, to adopt RDA Resolution 13-19, recommending approval of the item. The motion PASSED by a Voice Vote.**

[13-9436](#)

**Subject:** (Direct Referral) Request by the Assistant Executive Director seeking approval to borrow funds from the City of Racine US EPA Brownfield Clean Up Revolving Loan Fund to assist in the environmental remediation of 1129 Michigan Boulevard, Harborside (Walker) Property. (Res. No. 13-0419)

**Recommendation of the Redevelopment Authority on 10-7-13:**  
That the Authority borrows funds from the City of Racine US EPA Brownfield Cleanup Revolving Loan Fund.

Further, the Director of City Development, or his designee, act on behalf of the Authority to submit a loan application for \$150,000 to aid in the site cleanup of 1129 Michigan Boulevard (aka the Harborside property), sign all necessary forms and documents (including loan application, borrowing resolution, closing documents), pay all closing and legal fees, and take necessary action to undertake, direct, and complete approved loan activities.

**Fiscal Note:** The loan will be from the City BC-RLF for \$150,000 at 0% interest until expiration of Tax Increment District 14 (2031), or the

sale of the property, whichever comes first. There are sufficient funds in the capital budget for legal fees and closing costs.

*Assistant Director Sadowski explained that this request was a companion to a grant already received on the property. Mr. Sadowski stated we are looking to borrow \$150,000 to assist in the environmental remediation of the site and the monies would be paid back when the TID closes in 2031 or when the property sells.*

*Commissioner Lange asked how soon the property could sell after cleanup.*

*Ms. Frost went through a timeline of cleanup activities and estimated that the property could be ready to sell by the end of 2014.*

**A motion was made by Alderman Holding, seconded by Commissioner Nicholson, to adopt RDA Resolution 13-20, recommending approval of the item. The motion PASSED by a Voice Vote.**

13-9437

**Subject:** (Direct Referral) Request for a façade grant for façade remodeling project at 3806 Douglas Avenue, Russell Kortendick of Kortendick Ace Hardware.

*Assistant Director Sadowski explained that the item went before the City Plan Commission (CPC) because the changes of the façade required an amendment to the property's conditional use permit. He stated the project received both amendment approval and design review at the CPC meeting.*

*Alise Steed from Architectural Associates explained the design of the new façade. She stated the design of the sides of the building has changed, but the front remains the same. Proposed materials were shown.*

*Mr. Sadowski explained the intent of the façade grant to assist with improving the façade of buildings that are 50 years or older. He stated since the property is a highly visible property from Douglas Avenue, staff is advocating an exception to the 50 year rule for the grant.*

*Alderman Holding spoke in favor of the request.*

*Mr. Sadowski stated a correction to the proposed resolution should be made to read "the grant would be an exception to the 50 year rule".*

**A motion was made by Commissioner Anderson, seconded by Commissioner Lange, to adopt RDA Resolution 13-21, approving the item, with a change to the resolution stating that the property be an exception to the 50 year rule for the façade grant. The motion PASSED by a Voice Vote.**

13-9438

**Subject:** (Direct Referral) Request for development assistance for project at 1130 Washington Avenue, Akil Ajmeri of Ayra's.

*Assistant Director Sadowski introduced the request and gave background on the property. He stated that developer's funds for the project had to be diverted to help with unexpected site cleanup. Staff is recommending up to \$100,000 in assistance.*

*Akil Ajmeri also spoke about unanticipated storm sewer costs and other issues he encountered while working and building on the site.*

*Commissioner Anderson asked if original site assessment showed the issues encountered by Mr. Ajmeri.*

*Mr. Sadowski stated despite a series of soil borings, it did not.*

*Alderman Holding asked if issues found were from buildings that were built on the site prior to the Schaefer building.*

*Mr. Sadowski explained the issues were from a buildings built prior to the Schaefer building but torn down to accommodate Schaefer auto parking and display.*

*Mr. Sadowski read over the resolution.*

**A motion was made by Commissioner Nicholson, seconded by Alderman Holding, to adopt RDA Resolution 13-22, approving the item. The motion PASSED by a Voice Vote.**

**13-9439**

**Subject:** (Direct Referral) Review of designs for a façade remodeling project at 1730-1732 State Street, Robert Hoelzl.

*Assistant Director Sadowski explained the request. He stated the property is a highly visible property on State Street; however, the building is less than the 50 year old requirement of the façade grant program. He stated the property was built in 1970 which makes the building 43 years old.*

*Mr. Sadowski explained the first item regarding the property was approval of the design of the façade.*

*Robert Hoelzl explained his intent to better the property's appearance and explained the materials to be used in the design.*

*Commissioner Chambers asked if the wall material were changing.*

*Mr. Hoelzl explained no. He explained his intention with regards the proposed road changes on State Street and incorporating landscaping and green space into the property in the future.*

*Alderman Holding asked about signage and the existing businesses at the site. Mr. Hoelzl stated that old signage has been removed.*

*Chairman Spangenberg asked what is and is not eligible for the façade grant.*

*Mr. Sadowski explained everything proposed was eligible since it is part of a bigger project.*

**A motion was made by Alderman Holding, seconded by Commissioner Chambers, to adopt RDA Resolution 13-23, approving the designs of the façade remodeling project at 1730-1732 State Street. The motion PASSED by a Voice Vote.**

**13-9440**

**Subject:** (Direct Referral) Request for façade grant for a façade remodeling project at 1730-1732 State Street, Robert Hoelzl.

*Assistant Director Sadowski explained there were two issues with the grant request.*

- 1. The age of the building*
- 2. The property is eligible for two grants*

*Mr. Sadowski stated in 2015 the Department of Transportation plans to update the street by putting in a round-a-bout and adding lighting and landscaping. He*

*explained how the property is seen as a gateway into the State Street area. The total cost of the project is \$65,000 and staff is recommending that the property receive the dual-façade grant since the property has two façades on two majorly visible streets; the property is between State and Barker Streets. Funds for the request are available in the façade grant fund.*

*The intent of the façade grant was discussed.*

*Commissioner Chambers asked about the requirements for spending.*

*Commissioner Nicholson stated 50 % of the project can be funded up to \$10,000.*

*A motion was made by Alderman Holding to approve the request up to \$10,000. The motion failed for lack of a second.*

**A motion was made by Commissioner Nicholson, seconded by Commissioner Chambers, to adopt RDA Resolution 13-24 approving the façade grant request for a dual grant totaling \$20,000. The motion PASSED by a Voice Vote.**

**13-9441**

**Subject:** (Direct Referral) Authorization for limited term stipend for VISTA Volunteer early start.

*Assistant Director Sadowski explained that last year the Redevelopment Authority approved the use of funds for VISTA Volunteers for the Launch box program and the Racine Urban Garden Network.*

*He stated that due to the VISTA schedule, our volunteer was assigned to the City on November 18; however, we have projects we want to start the VISTA working on before the holidays. We would like to bring the VISTA to work on November 4 and staff is requesting that the Authority authorize a \$500 stipend for the early start until the volunteer begins to receive VISTA funds on November 12. Mr. Sadowski stated funds are available in the RDA Capital Budget.*

**A motion was made by Alderman Holding, seconded by Commissioner Lange, to adopt RDA Resolution 13-25, approving the item. The motion PASSED by a Voice Vote.**

## **Administrative Business**

### Status report on on-going projects

*1425 N. Memorial Drive – Assistant Director Sadowski explained that there was some vandalism at the property and staff is currently working on securing the property by getting the locks changed and adding security lighting to the property.*

*Karen Frost from RCEDC gave a presentation on the DNR and WEDC grants activities that have been taking place at the site. She explained six underground tanks were removed including a buried railcar. She explained with the grant funds ground water monitoring wells were installed and additional soil samples taken. She showed images of the excavation that took place at the site and explained how the tanks were removed. She stated site investigation also allowed steel plates on the site to be removed that covered shallow process piping and old bottles were found at the site.*

*1248 Washington Avenue – Mr. Sadowski stated the property was purchased by the*

*City on October 1. He stated we are in the process of negotiating a lease on the property with First Choice Pre Apprenticeship.*

*Ms. Frost stated there are some remediation activities that need to take place at the site such as the removal of tanks, asbestos, hydraulic lift and lead based paint.*

*1418 Washington Avenue – Mr. Sadowski stated someone is interested in the property and would like to go through with an architect. He explained that plans or earnest money have not yet been submitted.*

*Uptown Planning – Planning Meetings regarding uptown planning have been taking place. Stakeholder meetings will be begin this month*

*Real Estate Broker Search – Mr. Sadowski stated he was in the process of getting information for brokers in Northern Illinois area; a Request for Qualifications has not been sent out yet.*

**Next Meeting:**

*A special meeting of the RDA is requested to be held on Monday, October 14. Authority members will be polled via e-mail to determine their availability.*

**Adjournment**

*There being no further business, Chairman Spangenberg adjourned the meeting at 6:44 p.m.*