



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 Spangenberg
Jen Adamski-Torres
Doug Nicholson
John Crimmings
Robert Anderson
James DeMatthew
Mayor Cory Mason*

Thursday, April 5, 2018

6:00 PM

City Hall, Room 303

Call To Order

Vice-Chairman Adamski-Torres called the meeting to order at 6:00 p.m.

PRESENT: 5 - Jen Adamski-Torres, Doug Nicholson, John Crimmings, Robert Anderson and Cory Mason

EXCUSED: 1 - James DeMatthew

Misc. Notes/Arrivals

James Spangenberg (not listed in the attendance) was excused from the meeting.

Approval of Minutes for the March 1, 2018 Meeting.

A motion was made by Nicholson, seconded by Crimmings, to approve the minutes of the March 1, 2018 meeting. The motion PASSED by a Voice Vote.

[0332-18](#)

Subject: (Direct Referral) A request from Paul Maheras for review and approval of a White Box Program Grant for the property at 220 Sixth Street.

Attachments: [\(0332-18\) 220 Sixth Street WB Application](#)

Chief Building Inspector Ken Plaski introduced the request. He stated the applicant has applied for a White Box grant to reopen the restaurant at 220 Sixth Street. He stated the restaurant has been closed for a while and based on the estimates received, the applicant would be eligible for a grant in the amount of \$10,425.00. He stated the Downtown Area Design Review Commission approved the grant at their meeting.

The applicant, Paul Maheras stated he has owned building for 30 years and the restaurant has been closed for 11 years. He stated he is hoping to have a thriving destination on Sixth Street.

A motion was made by Anderson, seconded by Nicholson, to approve the White Box Grant request in the amount of \$10,425.00. The motion PASSED by a Voice Vote.

[0330-18](#)

Subject: Resolution 18-08 recommending the use of Intergovernmental Revenue Funds and directing staff to negotiate and execute a development agreement resulting in a grant to Wild Root Market Cooperative at 500 Walton Avenue.

Attachments: [ABM for Wild Root Market](#)
[Resolution 18-08 Wild Root Market](#)

Executive Director Connolly explained the request and introduced Margie Michicich, Board of Directors Secretary. She stated Michicich and the Wild Root Market Coop have been working on a grant application with the Wisconsin Economic Development Corporation (WEDC) for \$250,000.00 that was just submitted on their behalf from the City of Racine. She stated the grant being requested from the Intergovernmental Revenue Fund (IG Fund) would help the Coop get their doors open and with the costs of equipment. She stated financing has already been secured through National Cooperative Bank located in Washington D.C. and \$2.8 million will be invested into construction and equipment; the building will be revitalized and taxes produced.

Michicich stated the pro forma of their loan requires \$1.25 million from owners that can make down payment on the sites and also requires some grant dollars which is where the city's assistance would come in. She stated Wild Root Market is different than a traditional grocery store as it will be open to the public, but owned by community owners. She stated the coop is a mission driven business and profits are funneled back to the community.

Connolly explained funding would occur in two phases. She stated \$290,000 would be distributed to the coop once private financing was in place, \$100,000 would be a challenge grant that would challenge Wild Root to raise money from the community and the city will match the monies raised 1 to 1 up to \$100,000. She stated a term sheet has not yet been negotiated. The first step is to request permission to use the Intergovernmental Funds and then a development agreement would be negotiated from there.

Anderson asked if how the money affected the RDA budget.

Connolly stated there are reserves and funds will not come from the RDA budget, but from the IG Fund. She explained \$1.5 million comes to the city in that fund every year. The money will be distributed at the time Wild Root closes on the loan and when they are able to accomplish the match.

Mayor Mason stated it is \$1.9 million that the city receives each year in the IG Fund, Palenick confirmed.

Adamski-Torres asked about full time employees and the wage for part time positions

Michicich stated she did not have the exact figures available; however, Wild Root will be paying a fair wage.

Mayor Mason stated that as part of the grant a community development agreement would be established which would help determine a fair living wage.

Connolly stated hiring goals and pre-apprentiship training were being looked at. She stated it will all be worked out in the agreement between the City and Wild Root.

Mayor Mason explained that Wild Root hopes to model after the Outpost located in the Milwaukee area.

Crimmings asked if they have a sense of the profit margin for a coop such as Wild Root.

Michicich stated she was unsure of the number.

Connolly stated she is hoping the doors to Wild Root will be open by the fall, alleviating food desert issues in the area.

A motion was made by Crimmings, seconded by Mason, to adopt RDA Resolution 18-08 recommending approval of the use of IG Funds for a grant to Wild Root Market Cooperative. The motion PASSED by a Voice Vote.

[0331-18](#)

Subject: Resolution 18-09 authorizing City Staff to negotiate and execute a contract, on behalf of the RDA, with K. Singh & Associates for the provision of specification writing and construction/project management for the remediation and demolition of the collection of properties and buildings known as the Water Street Redevelopment Area.

Attachments: [ABM Development Services K. Singh](#)
[Resolution 18-09 K. Singh Contract](#)

Kathy Kasper, Purchasing Agent for the City of Racine, explained the request. Kasper stated that staff would like to move forward in negotiating a contract with KSingh to provide specification writing and construction management for the project. She stated KSingh will also provide deconstruction management for the project. Kasper explained there is not a firm dollar amount for the contract as there are a lot of unknowns in the project and costs will fluctuate, billable rates were provided in the proposal received. She stated the City does not have the staff available with the expertise or the time to complete the project. Tom Eeg, Mike Lechner, and Bob Rafel made up the selection committee and all proposals received were good; however, KSingh had a better understanding of the city's needs.

Connolly stated that environmental issues are anticipated and the project has already been discussed with the Wisconsin Department of Natural Resources (WDNR).

A motion was made by Nicholson, seconded by Anderson, to adopt RDA Resolution 18-09 approving the request to negotiate and execute a contract with KSingh per the request. The motion PASSED by a Voice Vote.

[0336-18](#)

Subject: Resolution 18-10 authorizing City Staff to issue a Request for Qualifications for a Master Redevelopment Implementation Plan for the Water Street Redevelopment Area, as well as negotiate and execute a contract with the selected project team.

Attachments: [ABM Planning RFQ for Water Street Redevelopment](#)
[Resolution 18-10 RFQ for Water Street Redevelopment](#)

Connolly explained the request. She stated once a determination has been made

regarding the buildings' salvage ability for residential rehab, a new plan will be needed for the site. She stated staff is proposing to do a master redevelopment plan which will focus on the design and implementation of the site. She stated the deliverables include an illustrative design plan, site development guidelines (e.g. building heights, façade guidelines), market and absorption strategies, etc. (more information can be found on the attached memo).

Mayor Mason asked if the request is solely for the ability to issue a RFQ and then a separate request will be presented to the RDA on who to hire or if staff will select the firm to hire.

Connolly explained what was done in the past is a selection committee was formed that included staff and a couple of members of the RDA. She stated staff will interview the prospective firms and then the recommendations will be brought to the RDA.

Adamski-Torres asked if the cost for Leadership in Energy and Environmental Design for Neighborhood Development (LEED ND) status were looked into.

Connolly stated no; however, sometimes LEED ND status does not cost more, just need a good design. She explained there are different levels of LEED.

Crimmings asked the reasoning behind not having developers decide what to build and then come to the city for approval.

In response, Connolly stated that developers would like a sense of an idea of what the community wants.

Mayor Mason stated it allows the city to set standards for what we want to see at the site; it is helpful to give developers a picture of what you are looking for.

Nicholson asked if there were any cost savings in using any of the plans that were already completed for the site.

Connolly stated the market has to be the same in order to be able to use any of the previous plans. She stated a plan was just completed, however, that was before Foxconn was announced. She stated a new market analysis will have to be done.

A motion was made by Nicholson, seconded by Mason, to adopt RDA Resolution 18-10 authorizing City Staff to issue a RFQ for a Master Redevelopment Implementation Plan. The motion PASSED by a Voice Vote.

Administrative Business

[0337-18](#)

Subject: RDA Financial Report

Attachments: [Financials for RDA 033118](#)
[Ledger details 033118](#)

Connolly briefly explained the current state of the RDA budget. She stated a lot of the budget goes to paying utilities and maintenance on RDA owned properties. Some of the money spent on professional services for clean up at the Racine Steel Castings site, she stated the pilot testing results will be known by next week.

A motion was made by Crimmings, seconded by Mason, to receive and file the

budget report. The motion PASSED by a Voice Vote.

Adjournment

There being no further business, the meeting adjourned at 6:42 p.m.