



City of Racine

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

Meeting Minutes - Final Community Development Committee

*Mayor John Dickert,
Alderman Q.A. Shakoor II,
Alderman Jim Kaplan, Alderman Henry Perez,
Alderman Dennis Wisner, Alderman Jeff Coe,
Alderman James Morgenroth, Joey LeGath,
Anna Clementi, Tony Martinez, Victor Frasher,
Sharon Campbell, Cecilia Anguiano*

Thursday, July 16, 2015

6:00 PM

City Hall, Room 205

Call To Order

- PRESENT:** 9 - John Dickert, Q.A. Shakoor II, Joey LeGath, Henry Perez, Anna Clementi, Jim Kaplan, Victor Frasher, Dennis Wisner and Jeff Coe
- EXCUSED:** 4 - Tony Martinez, Sharon Campbell, James Morgenroth and Cecilia Anguiano

Others Present:

*Matt Sadowski, Interim Director of City Development
Laura Detert, Community Development Compliance Specialist
Jeff Vitton, Community Development Program Specialist*

Approval of Minutes for the June 18, 2015 Meeting.

A motion was made by LeGath, seconded by Ald. Perez, to approve the minutes of the June 18, 2015 meeting. The motion **PASSED** by a Voice Vote.

[15-00629](#)

Subject: (Direct Referral) A request by the Department of Parks, Recreation, and Cultural Services for an amendment and extension to its CDBG contract for the 2014 Hantschel Park program. (RES. No.15-0296)

Recommendation of the Community Development Committee on 7-16-15: That the request of the Racine Department of Parks, Recreation & Cultural Services to extend its contract for the Hantschel Park program to December 15, 2015 be approved; and

That the request to amend its budget for the Hantschel Park program be approved.

Further, that the Mayor and City Clerk be authorized to execute an amended grant agreement consistent with the revised contract.

Fiscal Note: The total 2014 Community Development Block Grant allocation to Parks, Recreation & Cultural Services for the Hantschel

Park Structure will remain \$150,000.00.

Attachments: [Hantschel Park amend memo](#)

Laura Detert, Community Development Compliance Specialist, explained the contract amendment was needed to complete all park improvements and complete financial requests to expend grant funds. Robert Rafel, Racine Department of Parks, Recreation & Cultural Services, was present to answer additional questions.

A motion was made by Ald. Shakoor, II, seconded by Ald. Perez, to recommend approval of the request. The motion PASSED by a Voice Vote.

[15-00630](#)

Subject: (Direct Referral) A request by the United Way of Racine County for an amendment and extension of its 2014 Emergency Solutions Grant (ESG) contract.(RES. No.15-0297)

Recommendation of the Community Development Committee on 7-16-15: That the request by United Way of Racine County be approved; and

That the Mayor, City Clerk, and Director of City Development be authorized to execute an amended written agreement with the United Way of Racine County to reduce the contract with Racine Vocational Ministries by \$1,500.00, and increase the contract with the Center for Veterans Issues by \$1,500.00 and extend its term to September 30, 2015.

Fiscal Note: The total 2014 Emergency Solutions Grant allocation to the United Way of Racine County will remain \$127,847.00.

Attachments: [United Way ESG amend memo](#)

Laura Detert, Community Development Compliance Specialist, explained that this item is an extension of the current United Way/ Continuum of Care contract for time and to allow a shift of funds. Mayor Dickert also explained this use of funds is to make sure anyone can be housed in Racine.

A motion was made by LeGath, seconded by Ald. Coe, to recommend approval of the request. The motion PASSED by a Voice Vote.

[15-00631](#)

Subject: (Direct Referral) A request by the Department of Housing for use of HOME funds to build a house at 1801 Grand Avenue. (RES. No.15-0298)

Recommendation of the Community Development Committee on 7-16-15: That the request for use of HOME Housing Investment Partnership Funds to build a house at 1801 Grand Avenue be approved; and

That the Mayor, City Clerk, and Director of City Development, or their designee, be authorized to execute a written agreement with the Housing Department consistent with its application and federal

regulations for \$239,500.00 of HOME funds for the purpose of building a single-family house for sale to an eligible homeowner.

Fiscal Note: There are sufficient HOME funds available to meet this request.

Attachments: [1801 Grand Memo](#)
 [1801 Grand HOME Grant application](#)
 [1801 Grand Application Workbook - Ownership](#)

Jeff Vitton, Community Development Program Specialist gave a presentation regarding the Housing Department's request for HOME funds to build a single-family house on a city-owned corner lot. The property was acquired by the city in cooperation with Racine County through tax foreclosure at a nominal cost. An unsafe blighted structure on the property was then demolished through a State of Wisconsin grant program. The now vacant property now requires ongoing snow removal and lawn maintenance at the city's expense.

City Development staff recommended funding at only \$239,500.00 because the contingency requested should not be needed given the recent construction of a nearly identical house by the City of Racine's Housing Technician Mike Lechner at a lower cost. Mike Lechner was present to answer additional questions. Frasher questioned the price of the house; Vitton explained it was within standards for cost per square foot of new construction and that the price includes an upfront not-to-exceed development fee instead billing staff time against the project as an activity delivery fee.

A motion was made by Frasher, seconded by Ald. Coe, to recommend approval of the request. The motion PASSED by a Voice Vote.

[15-00626](#)

Subject: (Direct Referral) Consideration of the Community Development Block Grant (CDBG) Small Business Development - Revolving Loan Fund. (RES. No.15-0299)

Recommendation of the Redevelopment Authority on 7-14-15:
That the request to establish a CDBG Small Business Development - Revolving Loan Fund be approved, and

That the Mayor, City Clerk, and Director of City Development be authorized to execute a written agreement with the Redevelopment Authority of the City of Racine consistent with federal regulations for \$371,454.00 of CDBG funds for the purpose of creating and administering a CDBG Small Business Development Revolving Loan Fund.

Recommendation of the Community Development Committee on 7-16-15: That the request be approved; and

That the Mayor, City Clerk, and Director of City Development be authorized to execute a written agreement with the Redevelopment Authority of the City of Racine consistent with federal regulations for

\$371,454.00 of CDBG funds for the purpose of creating and administering a CDBG Small Business Development Revolving Loan Fund.

Fiscal Note: The Community Development Committee and the Common Council allocated \$371,454.00 of CDBG funds for the purposes of assisting businesses through the 2015 Annual Plan, and, as such, there are sufficient resources available to fund this project.

Attachments: [SBD RLF Staff Memo](#)
 [Draft Notice of Fund Availability](#)
 [Harvard Business School - State Small Business Lending](#)
 [SBD RLF Presentation](#)

Jeff Vitton, Community Development Program Specialist gave a presentation on the proposed use of CDBG Economic Development funds to create a revolving loan fund. Ald. Shakoor asked how the funds would be protected if a business went bankrupt; Ald. Wisner explained existing City mechanisms were in place for recovery or legal services if needed. Ald. Kaplan was unsure if the skills gap in Racine would mean there weren't candidates to fill jobs created.

A motion was made by Ald. Coe, seconded by LeGath, to recommend approval of the request. The motion PASSED by a Voice Vote.

Administrative Business

Staff Report: Schedule for Annual Plan and 2016 Allocation Round

Briefing on the schedule for the 2016 Annual Plan and 2016 funding allocation. Proposed schedule will resume standard allocation schedule, and begin next month.

Adjournment

On a motion by Ald. Shakoor, Mayor Dickert adjourned the meeting.