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**From:** McCarthy, Terry  
**Sent:** Thursday, October 08, 2009 2:38 PM  
**To:** Weber, Robert  
**Cc:** OConnell, Brian; Friedel, Thomas; Dickert, John  
**Subject:** Formal Referrals (2) for the City Council Regarding the Redevelopment Authority

I attended the October 7 Redevelopment Authority meeting. I was very concerned to hear a proposal for State Street be rejected for the following voiced reasons:

- KRM might be coming
- We don't know the value of the land; we need more information
- The property is not for sale, and we want a moratorium on selling it

These do not form a rational basis for rejecting a proposal; rather they form the basis for improved analysis and planning.

I heard several times at the meeting about the fiduciary responsibility of the Redevelopment Authority to the City of Racine and its citizens. I agree that this is the case, but fiduciary responsibility extends beyond property values. For example, the Redevelopment Authority may choose to delay a property sale for the sake of \$100,000 increased value. From their perspective, this is the right thing to do. From the larger picture perspective, the City may have foregone more than that amount in property tax receipts and driven away a good developer who would bring in further projects. (This is only an example.)

A moratorium may indeed be the right approach, but it should be based on professional analysis not on speculation. Such a policy should come from the City Council, the only body with the authority to set this policy, based on a recommendation from the Redevelopment Authority.

As such, please consider this a formal request for the Redevelopment Authority to:

- Formalize a strategy for its State Street holdings until a KRM decision is finalized. This strategy should include, but not be limited to, a financial analysis based on professional assessments of current and anticipated property values and property taxes.
- Formalize post-decision strategies for two scenarios – KRM approved and KRM rejected. This will allow for immediate response to the decision, not another waiting period.
- Bring this overall strategy to the City Council for approval.

A second, separate request is for the City Council to reconsider the make-up of the Redevelopment Authority and potentially restore a 2<sup>nd</sup> Alderman position on the Authority. This should be referred to the Committee of the Whole.

Terry McCarthy  
9th District Alderman, City of Racine