



Community Development Authority

City of Racine

AGENDA BRIEFING MEMORANDUM

AGENDA DATES:

May 20, 2024, Community Development Authority of the City of Racine
June 4, 2024, Common Council
July 15, 2024, Community Development Authority of the City of Racine

PREPARED BY: Kelly Reed, Neighborhood Enhancement Division Manager
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SUBJECT: Consideration of Resolution 24-15 related to property owned by JPMorgan Chase Bank, National Association, Inc, located at 516 Eleventh Street (including 1047 Villa Street), for potential acquisition by the Community Development Authority of the City of Racine (CDA) for blight elimination and redevelopment and that the CDA acquire such property notwithstanding that it is not in an existing redevelopment area.

SUMMARY: The property at 516 Eleventh Street currently has two structures designed as and currently used for dwelling units. Each structure was built as a single-unit dwelling in 1886 per assessor records. The property was deemed a nuisance property in 2021 by the City of Racine. Below is a summation of municipal activity on the property:

- 78 code enforcement responses the last two years;
- 29 Police calls for service the last two years;
- 124 citations issued by the Neighborhood Enhancement Division (NED) totaling over \$70,000.

On March 25 of 2024, JPMorgan Chase Bank acquired the property. For the CDA to act, this process must be followed. If acquired, the CDA would explore demolition and redevelopment of the site as one owner-occupied single-unit dwelling.

BACKGROUND & ANALYSIS:

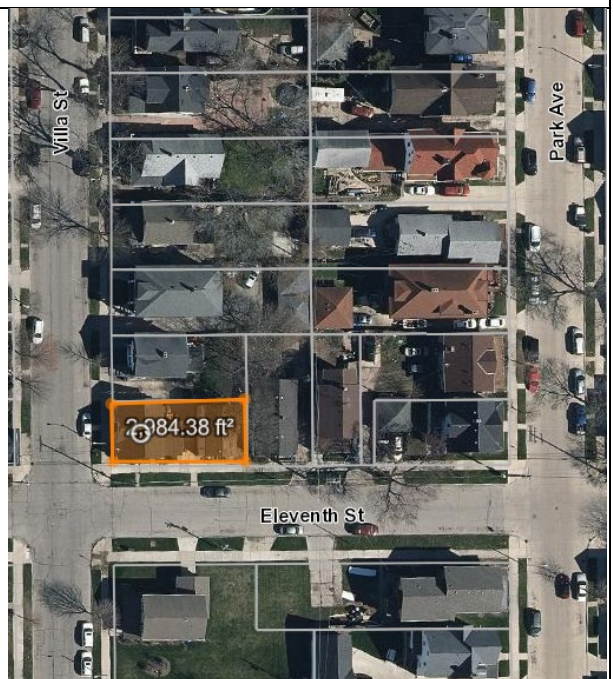
- **Address:** 516 11th Street
- **Lot Size:** 3,267 square feet
- **Building Size:** 1,778 and 1,110 square feet
- **Year Built:** 1886

Because the property is not in a redevelopment area with a redevelopment plan adopted by the City of Racine and its CDA, the CDA must hold a public hearing to discuss the potential acquisition and find that the property should be acquired notwithstanding that it is not in a redevelopment area for the purposes of blight elimination and redevelopment.

A notice was posted on the property on Friday, May 10, 2024, to comply with the Wisconsin State Statute.

The timeline for this item is as follows:

1. **May 20, 2024 (CDA)** - Public Hearing and determination of blight.
2. **June 4, 2024 (Common Council)** - Consideration of resolution that includes the following findings:
 - That a comprehensive redevelopment plan is not necessary to determine the need for the acquisition of the real estate by the CDA;



- That a comprehensive redevelopment plan is not necessary to determine the need for the uses of the property after acquisition by the CDA, and
 - That a comprehensive redevelopment plan is not necessary to determine the relation of the acquisition to other property redevelopment by the CDA.
3. **July 15, 2024 (CDA)** - Authorization to negotiate and potentially acquire the property.

RECOMMENDED ACTIONS:

May 20 - CDA: That the Community Development Authority of the City of Racine recommends to the Common Council that a comprehensive redevelopment plan is not necessary to determine the need for the acquisition of the property at 516 Eleventh Street, the uses of the property after acquisition, and the relation of the acquisition to other property redevelopment by the Community Development Authority of the City of Racine and that the property is blighted.

June 4 – Common Council: That the City of Racine Common Council authorizes the CDA to acquire the property and adopt the resolution which finds:

- That a comprehensive redevelopment plan is not necessary to determine the need for the acquisition of the real estate by the CDA;
- That a comprehensive redevelopment plan is not necessary to determine the need for the uses of the property after acquisition by the CDA, and
- That a comprehensive redevelopment plan is not necessary to determine the relation of the acquisition to other property redevelopment by the CDA.

July 15 – CDA: That the Executive Director and/or the CDA Chairperson, or their designee(s), be authorized to act on behalf of the CDA, to negotiate, sign, and execute all documents necessary to acquire the property.

BUDGETARY IMPACT:

The potential purchase price from JPMorgan Chase Bank has not been determined at this time.

Transfer of the property will require \$30 in recording fees. All future proceeds from the redevelopment, and sale, minus commissions and fees, will be routed back as program income to the CDA.