



# City of Racine

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

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

*Alderman James Morgenroth,  
James T. Spangenberg, David Lange,  
Jim Chambers, Doug Nicholson,  
Linda Johnson, Greg Holding*

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Monday, April 6, 2015

5:15 PM

City Hall, Room 303

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### Call To Order

*Chairman Spangenberg called the meeting to order at 5:19 p.m.*

*PRESENT: 4 - James Spangenberg, Jim Chambers, David Lange, and James Morgenroth*

*EXCUSED: 2 - Linda Johnson and Doug Nicholson*

### Approval of Minutes for the March 2, 2015 Meeting.

**A motion was made by Alderman Morgenroth, seconded by Commissioner Chambers, to approve the minutes of the March 2, 2015 meeting. The motion PASSED by a Voice Vote.**

### CLOSED SESSION

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

*Chairman Spangenberg read the closed session notice.*

**At 5:19 p.m. a motion was made by Commissioner Lange, seconded by Commissioner Chambers to go into closed session. The motion PASSED by the following vote:**

**Ayes: Chambers, Morgenroth, Spangenberg, Lange**

**Excused: Nicholson, Johnson**

[15-00307](#)

**Subject:** (Direct Referral) Communication from the Director of City Development requesting consideration of financial assistance for the relocation and expansion of an existing business. (Res No. 15-0179)

**Recommendation of the Redevelopment Authority on 4-6-15:** That the Authority supports the use of funding from the Intergovernmental Revenue Sharing fund for financial assistance to Apak, Inc.

Further, that the financial assistance be conditioned upon Apak, Inc. agreeing to acquire 3801 S. Memorial Drive, expand in Racine and give preference to qualified job applicants residing in the City of Racine when filling open positions.

**Recommendation of the Finance & Personnel Committee on 4-27-15:** Authorize the Mayor and City Clerk to enter into agreement with Apak, Inc. in substantially the same form as outlined in the Memorandum from Racine County Economic Development Corporation attached to this item as Exhibit A.

**Fiscal Note:** The funds are available in the Intergovernmental Revenue sharing account. Based on the property's 2014 assessed value, the estimated annual assistance to Apak, Inc. will be \$8,685.00 and continue for a period of 10 years.

**Attachments:** [4.1.15 RDA informational memorandum Apak](#)

## OPEN SESSION

At 5:32 a motion was made by Alderman Morgenroth, seconded by Commission Lange, to reconvene into open session. The motion PASSED by the following vote:

**Ayes:** Chambers, Morgenroth, Spangenberg, Lange

**Excused:** Nicholson, Johnson

[15-00307](#)

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**Fiscal Note:** The funds are available in the Intergovernmental Revenue sharing account. Based on the property's 2014 assessed value, the estimated annual assistance to Apak, Inc. will be \$8,685.00 and continue for a period of 10 years.

**Attachments:** [4 1 15 RDA informational memorandum Apak](#)

*Assistant Director Sadowski described the request for an existing Illinois company, Apak, Inc. to expand a second location into the city at 3801 S. Memorial Drive. He stated the request would provide the company with a 75 percent credit in property taxes provided the company create a number of jobs and give city of Racine residents hiring preference.*

*Mr. Sadowski read through the corresponding resolution for the item.*

*Commissioner Chambers noted a correction needed in the resolution; Vista Dental needed to be changed to Apak, Inc.*

**A motion was made by Commissioner Lange, seconded by Commissioner Chambers, to adopt RDA Resolution 15-9 with the noted correction, approving the request. The motion PASSED by a Voice Vote.**

[15-00303](#)

**Subject:** (Direct Referral) Request for the renewal of the lease between the Authority and the Racine Urban Garden Network for use of 734 S. Marquette Street as a community garden.

**Attachments:** [RUGN Memo and Lease\\_001](#)

*Director Brian O'Connell explained the request. He stated that a 5-year lease was entered into with the Racine Urban Garden Network (RUGN) for the urban garden at 734 S. Marquette Street. We would like to continue with the lease for another five years and in return RUGN would pay \$1/year in rent. RUGN would also be responsible for site maintenance.*

**A motion was made by Alderman Morgenroth, seconded by Commission Chambers, to adopt RDA Resolution 15-10 approving the request. The motion PASSED by a Voice Vote.**

[15-00304](#)

**Subject:** (Direct Referral) Communication from the Director of City Development requesting creation of a REC Adjustment Grant for small businesses. (Res No. 15-0178)

**Recommendation of the Redevelopment Authority on 4-6-15:** That the Common Council create a REC Adjustment Grant as described in Authority resolution 15-11 to assist the growth of commercial businesses and increase the occupancy of existing commercial space.

**Recommendation of the Finance & Personnel Committee on 4-27-15:** That the Mayor and City Clerk be authorized to create a REC Adjustment Grant as described in Authority resolution 15-11 to assist the growth of commercial businesses and increase the occupancy of existing commercial space.

**Fiscal Note:** Intergovernmental Sewer Revenue Sharing funds are available for the grant. \$25,000 annually would ensure sufficient coverage based on review of past REC fees on existing commercial buildings. This estimate will be adjusted based on actual experience after the grant program is established.

**Attachments:** [RDA Res. 15-11](#)  
[REC adjustment grant](#)

*Director O'Connell gave background information about the Residential Equivalence Connection fee for water services that new businesses often face. He stated that the REC fee can impose a hefty cost burden for a small business. The request is to establish a grant to allow small businesses for a onetime REC credit to help offset the costs of the fee. The source of funding would come from the Intergovernmental Revenue Sharing account.*

*Director O'Connell stated that the City Assessor would like to add a stipulation that the receiver of the grant cannot disallow the City Assessor to enter the building for reassessment.*

*Alderman Weidner asked if this were common in other communities*

*Director O'Connell stated that the fee applies to existing buildings and is a one charge fee based on what a typical single residential home would use.*

**A motion was made by Commissioner Chambers, seconded by Commissioner Lange, to adopt RDA Resolution 15-11 recommending approval of the request. The motion PASSED by a Voice Vote.**

[15-00305](#)

**Subject:** (Direct Referral) Communication from the Director of City Development requesting authorization to retain engineering and/or environmental consultants to prepare bid specifications for demolition and clearance of 1500 N. Memorial Drive.

*Director O'Connell described the request and the location of the building. He stated in 2013 a raze order was placed on the building and through circuit court action, the Redevelopment Authority received control over managing the property from the current owners.*

*Commissioner Chambers asked about whether or not one building would be razed or all of the buildings on the property.*

*Director O'Connell stated the entire complex would be razed. He said that the process would be completed step-by-step. He said the first steps would be to assess the property and to bid the demolition.*

*Commissioner Lange asked if the current owners would be responsible for the cost.*

*Director O'Connell stated yes.*

**A motion was made by Commissioner Lange, seconded by Alderman Morgenroth, to adopt RDA Resolution 15-12, approving the item. The motion PASSED by a Voice Vote.**

[15-00306](#)

**Subject:** (Direct Referral) Request by the Assistant Executive Director

of City Development to apply for a US EPA Brownfield Clean Up Revolving Loan Fund (BC RLF) Supplemental Grant (Control #00034). (Res. No. 15-0157)

**Recommendation of the Redevelopment Authority on 4-6-15:** That the Director of City Development or his designee be authorized to act on the behalf of the Authority to submit to the US EPA an application for a supplemental grant to the BC-RLF, sign all forms and documents necessary, pay all fees, and take necessary action to undertake, direct, complete, and submit the supplemental grant application.

**Recommendation of the Finance & Personnel Committee on 04/13/2015:** Authorize that the Director of City Development to act on the behalf of the Authority to submit to the US EPA an application for a supplemental grant to the BC-RLF, sign all forms and documents necessary, pay all fees, and take necessary action to undertake, direct, complete, and submit the supplemental grant application (Control #00034).

**Fiscal Note:** It is estimated that the brownfield cleanup sites represent an estimated needs of funds in excess of \$3,000,000.00. A 20% local match is required (\$600,000.00 local match). Match funds are available via non-EPA grants, Tax Increment Districts, and the Intergovernmental Shared Revenue account (Control #00034).

**Attachments:** [Brownfields and Redevelopment Properties RDA Update Memo 4.1](#)

*Assistant Director Sadowski stated this item is a follow-up regarding the existing Brownfield Cleanup Revolving Loan Fund. He introduced Jordan Brown, Brownfield Redevelopment Specialist from RCEDC.*

*Mr. Brown described the current amount in the revolving loan fund and the intentions of the grant to assist with cleanup of sites around the city.*

**A motion was made by Commissioner Lange, seconded by Commissioner Chambers, to adopt RDA Resolution 15-13 recommending approval of the item. The motion PASSED by a Voice Vote.**

[15-00308](#)

**Subject:** (Direct Referral) Request by the Assistant Executive Director of City Development seeking permission to accept a Wisconsin Economic Development Corporation (WEDC) Idle Industrial Site grant for Machinery Row. (Res. No. 15-0159)

**Recommendation by the Redevelopment Authority on 4-6-15:** That the Mayor, City Clerk, Executive Director or their designee act on behalf of the Authority to accept a \$1,000,000.00 grant from the Wisconsin Economic Development Corporation to aid in the removal of asbestos and lead in the Machinery Row site, sign documents, and take necessary action to undertake, direct, and complete approved

grant activities.

**Recommendation of the Finance & Personnel Committee on 04/13/2015:** Permission be granted to the Mayor, City Clerk, Executive Director or their designee to accept a \$1,000,000.00 grant from the Wisconsin Economic Development Corporation to aid in the removal of asbestos and lead in the Machinery Row site, sign documents, and take necessary action to undertake, direct, and complete approved grant activities.

**Fiscal Note:** There is a local match of \$3.3 million which will come from a variety of sources including private sector investment and eligible project plan line items from TID 18. (Grant Control No. 2014-041) (Control #00037).

**Attachments:** [WEDC Idle Award Letter & LOI](#)  
[RootWorks 2014 Plan](#)

*Mr. Sadowski stated that this grant was applied for from the Environmental Protection Agency (EPA) last year and the grant has been received.*

*The request is to accept the grant and it would cover removing the two large buildings on the Machinery Row site.*

*Alderman Weidner asked about the match involved.*

*Mr. Sadowski explained that there is a 20 percent match; however, the match would be taken care of through other projects.*

**A motion was made by Alderman Morgenroth, seconded by Commissioner Lange, to adopt RDA Resolution 15-14, recommending approval of the item. The motion PASSED by a Voice Vote.**

[15-00309](#)

**Subject:** (Direct Referral) Request from the Assistant Executive Director of City Development seeking permission to accept a US EPA Area Wide Planning grant for RootWorks. (Res. No. 15-0158)

**Recommendation of the Redevelopment Authority on 4-6-15:** That the Mayor, City Clerk, Executive Director, or their authorized agent act on behalf of the City to accept the US EPA for Area Wide Planning Grant funds to aid in the development or detailed reuse plans for brownfield sites in the RootWorks redevelopment area, sign documents, and take necessary action to undertake, direct and complete approved grant activities.

**Recommendation of the Finance & Personnel Committee on 04/13/2015:** Permission be granted to the Mayor, City Clerk, Executive Director, or their authorized agent to accept the US EPA for Area Wide Planning Grant funds, sign documents, and take necessary action to undertake, direct and complete approved grant activities.

**Fiscal Note:** The grant request is for \$200,000.00 and there is no City Match required. (Grant Control No. 2014-036) (Control #00036).

*Assistant Director Sadowski explained the request. He stated the grant was applied for and now the request is to accept the grant.*

**A motion was made by Commissioner Lange, seconded by Commissioner Chambers, to adopt RDA Resolution 15-15, recommending approval of the item. The motion PASSED by a Voice Vote.**

## CLOSED SESSION

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

*Chairman Spangenberg read the closed session notice.*

**At 6:19 p.m. a motion was made by Alderman Morgenroth, seconded by Commissioner Lange to go into closed session. The motion PASSED by the following vote:**

**Ayes: Chambers, Morgenroth, Spangenberg, Lange**

**Excused: Nicholson, Johnson**

[15-00310](#)

**Subject:** (Direct Referral) Knowles Nelson West Bluff update.

## OPEN SESSION

**At 6:28 p.m. a motion was made by Alderman Morgenroth, seconded by Commissioner Chambers to go into closed session. The motion PASSED by the following vote:**

**Ayes: Chambers, Morgenroth, Spangenberg, Lange**

**Excused: Nicholson, Johnson**

## Administrative Business

Update on Redevelopment Properties

*Mr. Brown, RCEDC, gave a brief update and status on the RDA properties that are being worked on environmentally.*

## Adjournment

*There being no further business, Chairman Spangenberg adjourned the meeting at 6:31 p.m.*

