



# City of Racine

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

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

*James T. Spangenberg  
David Lange  
Jim Chambers  
Josh Garner  
Doug Nicholson  
Alderman Greg Holding  
Robert Anderson*

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Monday, August 26, 2013

5:15 PM

City Hall, Room 106

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### Call To Order

*Chairman Spangenberg called the meeting to order at 5:15 p.m.*

**PRESENT:** 7 - James T. Spangenberg, David Lange, Jim Chambers, Josh Garner, Doug Nicholson, Robert Anderson and Gregory Holding

Others present:

*Matt Sadowski, Assistant Director/Principal Planner of City Development  
Brian O'Connell, Director of City Development  
Michelle Cook, Secretary of City Development  
Tom Friedel, City Administrator  
Mayor John Dickert  
Karen Frost, RCEDC  
Stephanie Hinz, Symbiont  
Other members of the public*

### Approval of Minutes for the August 5, 2013 Meeting.

**A motion was made by Alderman Holding, seconded by Commissioner Lange, to approve the minutes of the August 5, 2013 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 matter that requires a closed session for competitive and bargaining reasons, after which the Authority will reconvene in open session to consider this and other matters on the agenda.

*Chairman Spangenberg read the closed session notice.*

**At 5:15 p.m. a motion was made by Alderman Holding, seconded by Commissioner Lange, to convene in closed session. The motion PASSED by the following vote::**

**AYES:** 7 - James T. Spangenberg, David Lange, Jim Chambers, Josh Garner, Doug Nicholson, Robert Anderson and Gregory Holding

[13-9282](#)

**Subject:** (Direct Referral) Discussion regarding the acquisition of the property at 1248 Washington Avenue.

#### **OPEN SESSION**

**A motion was made by Alderman Holding, seconded by Commissioner Lange, to reconvene into open session. The motion PASSED by the following vote:**

**AYES:** 7 - James T. Spangenberg, David Lange, Jim Chambers, Josh Garner, Doug Nicholson, Robert Anderson and Gregory Holding

#### **OPEN PUBLIC HEARING (5:15 p.m. or soon thereafter)**

*Chairman Spangenberg opened the public hearing at 5:26 p.m.*

[13-9283](#)

**Subject:** (Direct Referral) Designation of 1248 Washington Avenue as a blighted property and authorizing acquisition of the property. (Res. No. 13-0366)

#### **Recommendation of the Redevelopment Authority on 8-26-13:**

That the property at 1248 Washington Avenue is blighted property based on the condition of the property, environmental contamination levels found at the site and the cleanup efforts that need to be completed to remediate the contamination.

Further that the City Attorney is authorized and directed to take all necessary steps to acquire 1248 Washington Avenue in accord with the applicable federal, state, and local laws and regulations.

**Fiscal Note:** Funding for the acquisition is available in Fund 976 (TIF District #16). Environmental assessment of the property was funded through the City's EPA site assessment grant. Cleanup will be funded through a WEDC site cleanup grant and a grant from the City's EPA Brownfield Cleanup-Revolving Loan Fund.

**Attachments:** [RDA Resolution 13-15](#)

*Assistant Director Sadowski explained the history of the item, the location and the zoning of the property and the surrounding zoning. The property is zoned B-3 and is surrounded by Industrial and Business zonings. He described the current exterior condition and the reason for the blight designation. Assistant Director Sadowski also described the internal condition of the property; the property contains lead paint and has a few underground tanks.*

*Chairman Spangenberg asked if there were any public comment on this item.*

*Tom Leuenberger, representative of Nelson Electric, described the history of the*

*building and the company's intent to offer it to the City.*

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

## **CLOSE PUBLIC HEARING**

*Chairman Spangenberg closed the public hearing at 5:35 p.m.*

*Assistant Director Sadowski read through RDA Resolution 13-15.*

### **13-9282**

**Subject:** (Direct Referral) Discussion regarding the acquisition of the property at 1248 Washington Avenue.

**A motion was made by Alderman Holding, seconded by Commissioner Garner to receive and file the item. The motion PASSED by a voice vote.**

### **13-9284**

**Subject:** (Direct Referral) Authorization to acquire by condemnation the property at 1248 Washington Avenue (parcel ID 10109000).

*Assistant Director Sadowski read the RDA Resolution 13-16. Attorney Joseph Muratore, Jr. described the cost of the transaction. Assistant Director Sadowski further explained that the environmental assessment of the property was paid for with grant money, with no cost to the City, and remediation of the property will come from funds from the EPA through the city's revolving loan fund.*

**A motion was made by Alderman Holding, seconded by Commissioner Lange, to adopt RDA Resolution 13-16 recommending approval of the item. The motion PASSED by a Voice Vote.**

### **13-9285**

**Subject:** (Direct Referral) Review of Development Agreement for the Porters residential and commercial redevelopment project at 301 Sixth Street and 608 Wisconsin Avenue. (Res. No. 13-0367)

**Recommendation of the Redevelopment Authority on 8-26-13:** that the Mayor and City Clerk be authorized to execute a development agreement with the developer of the Porters of Racine redevelopment, subject to the terms of the revised term sheet approved by the Authority.

**Fiscal Note:** The amount, type and source of the city's financial assistance for the redevelopment are unchanged.

**Attachments:** [RDA Resolution 13-17](#)

*Director O'Connell stated that 18 months ago the RDA endorsed the redevelopment efforts at the Porters building. He stated that during that time, the developers have been arranging the financing for the project. He explained the project and the mix of financing. Director O'Connell explained that once the developer had the endorsement of the city through the creation of a Tax Incremental District financial assistance, the developer went looking for other financial resources. They found a single bank to do the financing and the breakdown of financial support for the project would be as follows: Bank \$2.3 million; City participation, including a \$160,000*

*façade grant: \$1.26 million; developer's cash contribution, in addition to the equity in the building: \$782,000.*

*Director O'Connell stated that the term sheet needs to be amended to broaden the source of funds and include the cash contribution by the developer.*

*Discussion ensued.*

*Alderman Holding asked how close we were to getting an agreement signed with Porters.*

*Attorney Chris Geary responded that other agreements have to be prepared.*

**A motion was made by Commissioner Lange, seconded by Commissioner Garner, to adopt RDA Resolution 13-17 recommending approval of the change to the term sheet as it relates to the Porters redevelopment project. The motion PASSED by a Voice Vote.**

**13-9277**

**Subject:** (Direct Referral) Request of the Executive Director for approval of use of 1014 Dr. Martin Luther King Jr. Drive for a one-day picnic.

**Attachments:** [1014 Dr. MLK Jr. Dr. Approval](#)  
[Trinity United Request Drawing](#)

*Director O'Connell explained that he granted approval for a one-day picnic to be held by Trinity United Missionary Baptist Church at 1014 MLK Jr. Drive. He stated the group has held the picnic in the past without incident and he would like to be able to make approvals for the use of Authority-owned land for events administrative.*

**A motion was made by Alderman Holding, seconded by Commissioner Nicholson, to grant approval for use of 1014 Dr. MLK Jr. Dr. for a one-day picnic. The motion PASSED by a Voice Vote.**

## **Administrative Business**

Status report on on-going projects

*1526 Washington Avenue – Assistant Director Sadowski explained that the cabinet shop/Chinese restaurant was supposed to be opening up around this time. He stated he will have to check in with them to see how they close they are to opening.*

Next Meeting: October 7, 2013

## **Adjournment**

*There being no further business, Chairman Spangenberg adjourned the meeting at 6:00 p.m.*