



City of Racine, Wisconsin
AGENDA BRIEFING MEMORADUM

AGENDA DATE: July 9, 2019, Finance and Personnel Committee

SUBJECT:
Communication from Alder Shakoor II requesting the City transfer 1530 Holmes Avenue to Liliana Carranza.

PREPARED BY:
Matthew Rejc, Manager of Neighborhood Services

EXECUTIVE SUMMARY:
The City of Racine owns 1530 Holmes Avenue, which Ms. Carranza has applied for as part of the Property Reactivation Program. Ms. Carranza was the only applicant for this property.

BACKGROUND & ANALYSIS:
As a means to return tax delinquent properties to the tax rolls and to ensure that properties contribute positively to their surrounding neighbors, the City of Racine launched the Property Reactivation Program on April 29, 2019 to accept applications for redevelopment of City-owned properties that were foreclosed upon by Racine County and donated to the City. The City of Racine acquired 1530 Holmes Ave. through the 2018 in rem tax foreclosure process.

Applications were due on May 31, 2019, and qualifying applications were received on six of the seven available properties with residential structures. Ms. Carranza applied for the 1530 Holmes Avenue as well as 1543 West Blvd. and 1445 Clark Street. Ms. Carranza was the highest scorer on 1543 West Blvd. and 1530 Holmes Avenue, but has decided to pursue rehabilitation and sale of only 1530 Holmes Avenue. The subject property at 1530 Holmes Ave. currently contains a two-family structure that Ms. Carranza proposes to rehabilitate in partnership with FJ Construction and sell the property without restrictions. Ms. Carranza has successfully demonstrated approved financing sufficient to complete essential repairs on the property.

Ms. Carranza's responsibilities for the property will include the following as prescribed through the Property Reactivation Program:

- All work will be performed with proper building permits and the buildings will be in compliance with City building codes before resale.
- Certificate of occupancy (completion of construction/rehabilitation) must be obtained within 180 days of receiving the property.
- Properties must be occupied within at least one year of property transfer
- Ms. Carranza must comply with all Federal regulations associated with the property should any or all of the properties be approved for Federal funding.

Ms. Carranza has also been determined to meet the general buyer requirements that were incorporated into the Property Reactivation Program request for proposals documents. According to the buyer requirements, applications will be denied from any applicant who:

- Is delinquent in the payment of any property tax, special assessment, special charge or special tax to the City of Racine or Racine County.
- Has outstanding judgments from the City or County.
- Has outstanding health, building, or zoning code violations or orders from the City's Health Department or Building Department that are not actively being abated as determined by the Chief Building Inspector or the Director of the Health Department.
- Owned property in the County that, at any time within the past 5 years, the County acquired by means of property-tax foreclosure.
- Has been convicted of a felony determined by the City Attorney to reasonably cause neighborhood or community concern with respect to neighborhood stability, health, safety or welfare.

BUDGETARY IMPACT:

Ms. Carranza will reimburse the City for title transfer, recording, or any other applicable fees, while also paying the City a \$7,500 acquisition cost. Of the acquisition cost, \$5,000 will be returned as a deposit upon successful completion of the rehabilitation work and sale of the property in the timeframes allotted.

RECOMMENDED ACTION:

Staff recommends that the Finance and Personnel Committee recommend transfer of 1530 Holmes Ave. to Liliana Carranza in accordance with the procedures established in the Property Reactivation Program.