



City of Racine

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

Meeting Minutes - Draft

Community Development Authority

Monday, January 13, 2025

6:15 PM

City Hall, Room 303

The meeting will commence at 6:15 p.m. or immediately following the conclusion of the Community Development Block Grant Advisory Board meeting.

Call To Order

Chair Shakoor, II called the meeting to order at 6:53 p.m.

Approval of Minutes for the December 2, 2024 Meeting.

Michelle Cook, Associate Planner, informed the Authority that the approval of the minutes should be for the November 6, 2024 meeting.

Public Comments

Chair Shakoor, II opened the meeting up to public comment.

No members of the public were present to speak.

0057-25

Subject: Consideration of Resolution 25-01 authorizing the acquisition of a vacant property owned by the City of Racine and located at 1624 Holmes Avenue 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.

Attachments: [Agenda Briefing Memo](#)
 [CDA Resolution 25-01](#)

Hintz explained the request and reminded the CDA that is the last step in the process to acquire the property. He stated that the property is down the street from the former Church property that the CDA recently acquired. He showed an aerial photo of the property and stated that the CDA held a public hearing at its meeting on September 30th, 2024 and issued a determination of blight. He stated the property was acquired by the City in December 2018 and the structure was demolished in 2014 through a raze order. November 11, 2024 the Finance and Personnel Committee recommended to the Common Council that the lot be transferred to the CDA.

Hintz explained the steps for the CDA to acquire property not within a redevelopment area. He stated that on December 3, 2024, the Common Council found that a redevelopment plan was not necessary for the acquisition of the property by the CDA. He stated tonight is the final step of the process and staff is requesting to the authorization to negotiate to acquire the property.

Hintz explained staff's recommendation and the fiscal note for the item as found in the attached resolution and agenda briefing memo.

A motion was made by Mason, seconded by Adamski, to adopt CDA Resolution 25-01 approving the request. The motion PASSED by a Voice Vote.

[0058-25](#)

Subject: Consideration of Resolution 25-02 related to the transfer of a property at 1014 Dr. Martin Luther King Jr. Drive for the operation of a Federally Qualified Health Clinic (FQHC) with the Lincoln-King Community Center and Clinic QALICB, Inc.

Attachments: [Agenda Briefing Memo](#)
 [CDA Resolution 25-02](#)

Prior to reviewing the next item. Amanda Roman, the newest member of the CDA introduced herself.

Hint introduced the request and introduced City Attorney Scott Letteney for any questions the CDA members might have.

Hintz reviewed the aerial photo of the property in question for the Federal Qualified Health Center and the Community Center. He stated that the property is currently owned by the CDA and is within the Lincoln King Redevelopment area. He stated the property was acquired in 2007 after being demolished by the City. He stated the property used to be a homeless shelter/transitional housing facility. Hintz explained that the City was awarded a grant from the Neighborhood Investment Fund from the State of Wisconsin in March 2022 to construct a Federally Qualified Health Center and Community Center on the particular property. He stated this action will transfer the property from the CDA to the not for profit entity that would own the property

He stated that the recommendation is that the resolution transferring the property be adopted and authorize the staff to complete the necessary documents to complete the transaction.

Chair Shakoor, II asked if the property were going to be given to someone else.

Hintz stated that was correct, that the property would be sold.

In response to Chair Shakoor, II, City Attorney Letteney stated that the Lincoln King Community Center and Clinic QALICB, Incorporated which is a wholly owned entity of the City of Racine. City Attorney Letteney explained around \$20 Million of financing for the clinic and community center is coming from investors who provided funding through New Market Tax Credits (NMTC). He stated NMTC can only be paid to a QALICB which is a Qualified Active Low Income Community Business which are businesses that receive funds from one or more community development entities through the Federal NMTC program. He stated the investors are the community development entities and loan the money to the project, however, the funds can only be paid to a QALICB which is a 501(c)(3) corporation. He explained what would happen the property will be transferred from the CDA to the QALICB and the QALICB will receive the financing and the QALICB will then lease the property in part to the City of Racine and in part to the Federally Qualified Health Clinic.

Chair Shakoor, II asked if this would be part of the budget for the City of Racine.

City Attorney Letteney stated that once the property is transferred, the CDA will be done with the property.

Mason explained that it is the goal of the CDA to put all its property back into productive use.

Mason explained that NMTC is new to the CDA and explained how the credits affected the financing for the Health Clinic. He explained that there are city staff on the board for the QALICB and that the non-profit has a relationship with the City.

Adamski asked if there is a length of time for the property to remain in QALICB.

City Attorney Letteney stated it is based on the NMTC financing. He stated the initial lease is seven years.

Roman asked if the \$20M were operational or related to the construction of the project.

City Attorney Letteney stated that it was part of the funding.

Mason stated that at a future meeting it may be worth having a presentation of what New Market Tax Credits are; Mason briefly explained the concept of NMTC.

Discussion ensued regarding the potential of not having the tax credits available and a possible expiration date.

Mason explained that we would receive the credits right away.

In response to Adamski, Mason stated that we wanted to make sure the board members for the clinic were a diverse group.

A motion was made by Mason, seconded by Adamski, to adopt CDA Resolution 25-02 approving the request. The motion PASSED by a Voice Vote.

[0059-25](#)

Subject: Consideration of Resolution 25-03 adopting a Policy Document for the Neighborhood Tax Incremental Districts (TIDs).

Attachments: [Agenda Briefing Memo](#)
 [CDA Resolution 25-03](#)

Hintz explained the request and summarized the policy document. He gave background information regarding the establishment of the Neighborhood TIDs, their locations, and the applications received over the years. Hintz introduced Christina Moratto and Amanda Kallie who administer the Neighborhood TID program.

Hintz explained that the CDA received more than 1,000 applications this year (2024); 632 were complete and of those 407 homeowners provided the necessary information to move forward with the program. Hintz explained that the policy document was needed to allow for transparency in the process and answer questions about how the program will be implemented and contracts drafted.

Moratto explained the patience of the staff and stated that this year applicants will have to review the policy document prior to moving on with the contract. She explained that it can be difficult to move forward with a contract where an applicant may have five contractors for one contract.

Hintz stated that the intent of the program is to help increase the value of the neighborhood. He stated the policy document will outline repair projects taking precedence over enhancement projects, provide clarity on which projects are eligible, etc.

Moratto explained that there will be a contractor information session at the end of January related to the Neighborhood TIDs.

Adamski asked why the large number of applications were not complete.

Moratto explained that that has happened every year, but was more noticeable because of the volume of applications received this year. She stated that a lot of applicants do not set up an appointment for an inspector to come out to the property to verify the work to be done. She stated that staff have discussed partnering with other departments to help applicants with the application process.

Discussion ensued different ways to market the program and assist applicants with completing the Neighborhood TID applications.

Further discussion ensued about the application process, contractor availability for the Neighborhood TID program, the remarkability of the program, and the potential focus areas that will be discussed in the next item.

Mason stated that item 2 of the policy document may need to be clarified.

In response to Mason, Hintz stated that item 2 should be per year.

Mason also stated that the city's contribution (grant) will not exceed \$10,000.00.

A motion was made Mason, seconded by Roman, to adopt CDA Resolution 25-03 adopting a Policy for the Neighborhood Tax Incremental Districts (TIDs) with the amendment to item #2 of the policy document to add per year and to clarify that the city's portion will not exceed \$10,000.00. The motion PASSED by a Voice Vote.

0060-25

Subject: Consideration of Resolution 25-04 acknowledging applications to process for the Neighborhood tax Incremental District (TID) Program for TIDs 22, 23, 27, 28, and 31.

Attachments: [Agenda Briefing Memo](#)
 [CDA Resolution 25-04](#)

Hintz explained the request and stated that instead of waiting until the summer or fall, the goal is to have the applications completed within the calendar year. He stated by doing this today will allow staff to run the program in a way that allows the applicants to do work this year. Hintz explained the repair and enhancement programs as provided in the attached agenda briefing memo.

Mason clarified that the repair program is not only for code violations, but can be used for potential code violations.

Hintz stated that there are some target areas for the Neighborhood TIDs based on the analysis of potential code violations and property eligibility. He stated the target areas are how the applications will be prioritized. Hintz described the focus areas for each of

the Neighborhood TIDs 22, 23, 27, 28, and 31 for 2025. He stated applicants outside of the focus area can apply for funding, however, those owner-occupied homes in the focus area will be prioritized.

Hintz explained the amount of applicants that each Neighborhood TID can fund and when each TID will be opened for the year.

Discussion ensued about the notification process for contractors and applicants.

Moratto stated mailers will be sent out and the Neighborhood Enhancement Division will be in the neighborhoods communicating with homeowners.

0061-25

Subject: Lincoln-King Redevelopment Project update.

Hintz explained the request and provided the CDA with an update of the Lincoln King project as it was requested at the last CDA meeting. He explained that the City was awarded a grant to improve the housing stock in the area of the Lincoln King neighborhood. He stated that the Redevelopment plan was approved in 2023 and adopted a resolution of necessity that explained the properties that would be acquired for the project for a Phase I (build townhomes) and Phase II (provide program income for the project). Hintz showed a general site plan developed by the SmithGroup for the Lincoln King Neighborhood project. He explained the overall project that will be funded by the grant received from the State of Wisconsin.

Hintz explained the upcoming portion of the project that the CDA and staff are undertaking. He explained a RFP was published for the construction of 35 townhomes. He showed the area for the Phase I project and what has taken place so far. He stated that WE Energies has disconnected 12 properties so far, the Water Utility has disconnected 7 properties.

Further discussion of the project ensued.

A motion was made by Mason, seconded by Adamski, to receive and file the item. The motion PASSED by a Voice Vote.

0062-25

Subject: Consideration of Resolution 25-05 related to an extension of a professional services agreement with the Concord Group for the Lincoln-King Redevelopment Project.

Attachments: [Agenda Briefing Memo](#)
 [CDA Resolution 25-05](#)

Hintz explained the work that Concord Group has done so far with the Lincoln King project. He stated that staff is recommending that the CDA authorize the Executive Director and/or the City Attorney, or their designee(s) to extend the professional services agreement with the Concord Group.

A motion was made by Mason, seconded by Roman, to adopt CDA resolution 25-05 approving the request. The motion PASSED by a Voice Vote.

Adjournment

There being no further business, the meeting adjourned at 8:13 p.m.