



City of Racine

Meeting Minutes - Draft

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

Redevelopment Authority of the City of Racine

Chairman John Crimmings
Alderman Pete Karas
Alderman James T. Spangenberg
David Lange
Robert Ledvina
Cory Mason
Scott Terry

Wednesday, November 7, 2007

4:00 PM

City Hall, Room 209

Chairman John Crimmings called the meeting to order at approximately 4:05 p.m.

PRESENT: 5 - Scott Terry, John Crimmings, James T. Spangenberg, David Lange and Robert Ledvina

EXCUSED: 2 - Cory Mason and Pete Karas

Approval of Minutes for the September 5, 2007 Meeting.

A motion was made by Robert Ledvina, seconded by Alderman James T. Spangenberg, to Approve the Minutes, as distributed. The motion PASSED by a Voice Vote.

07-1380

Subject: (Direct Referral) Request of the Executive Director for approval of the acquisition of 1014 Dr. Martin Luther King Jr. Drive and authorization for the demolition of the structures there.

Recommendation of Redevelopment Authority on 11-07-07: To adopt the Redevelopment Authority Res. 07-19 authorizing the Executive Director to solicit bids for the demolition of the structures on the property, including any environmental remediation related to the demolition, and enter into contracts for the work.

Director O'Connell stated that at sheriff's sale \$190,000 had been offered to acquire the former Homeward Bound site, as authorized by the authority. He explained that the next step would be to proceed with the demolition of the buildings and site remediation at an estimated cost of \$110,000.

A motion was made by Alderman James T. Spangenberg, seconded by Robert Ledvina, that this item be Approved. The motion PASSED by a Voice Vote.

07-1381

Subject: (Direct Referral) Communication from Gordon Kacala, Executive Director with the Racine County Economic Development Corporation, transmitting an agreement between the City of Racine and Racine County Economic Development Corporation for providing technical assistance on

the Brownfield Redevelopment Program.

Recommendation of Redevelopment Authority on 11-7-07: That the contract be approved, including the use of Intergovernmental Revenue Sharing funds for the contract. To adopt Redevelopment Authority Res. 07-20. Further recommends that the item be referred to the Finance and Personnel Committee.

Recommendation of the Finance & Personnel Committee on 11-26-07: The Mayor and City Clerk be authorized and directed to enter into an agreement between the City of Racine and Racine County Economic Development Corporation for providing technical assistance on the Brownfield Redevelopment Program.

Fiscal Note: The funds are available in the city's 2008 capital budget for this \$55,000 contract.

Attachments: [Brownfield Redevelopment.pdf](#)
[RDA Res 07-20.pdf](#)

Direct O'Connell explained the agreement was a continuation of services currently provided by RCEDC and that the technical assistance was instrumental in secure grants.

A motion was made by Robert Ledvina, seconded by Alderman James T. Spangenberg, that this item be Recommended For Approval. The motion PASSED by a Voice Vote.

[07-1366](#)

Subject: (Direct Referral) Communication from Devin Sutherland, Executive Director of Downtown Racine Corporation requesting a facade grant increase of \$15,000 during the 2008 - 2009 for businesses on 6th Street and Wisconsin between 6th Street and 7th Street.

Recommendation of Redevelopment Authority on 11-7-07: That the maximum facade grant be increased to \$10,000.00 for facade improvements undertaken during 2008 and 2009. To adopt Redevelopment Authority Res. 07-21. Further recommends the item be referred to the Finance and Personnel Committee.

Recommendation of the Finance & Personnel Committee on 11-26-07: The facade grant be increased from \$7,500 to \$10,000 for facade improvements undertaken during the 2008 and 2009 year.

Fiscal Note: There are sufficient funds available in the City's 2008 Capital Budget for the program.

Attachments: [Facade Grant for 6th St. Project.pdf](#)

Director O'Connell explained that the Downtown Racine Corp. had suggested that an additional incentive should be offered to encourage property owners on Sixth Street to use the façade program during the next two years to coincide with street reconstruction. He went on to say that grant request had slowed and that funds were available. He estimated that 10-12 properties with frontages on Sixth and Seventh Streets could potentially benefit if the incentive was approved.

Alderman Spangenberg suggested that the additional incentive be made city wide for a two year period to eliminate any perception of special treatment.

Res. 07-21 was revised per Alderman Spangenberg's suggestion, authorizing an increase in the maximum facade grant as outlined in the recommendation.

A motion was made by Chairman John Crimmings, seconded by Alderman James T. Spangenberg, that this item be Recommended For Approval. The motion PASSED by a Voice Vote.

07-1382

Subject: (Direct Referral) Request of Investment Real Estate Services Inc. for an extension of its option to purchase property in the 3100 block of Washington Avenue.

Recommendation of Redevelopment Authority on 11-7-07: To adopt Redevelopment Authority Res. 07-22 authorizing the extension of the option for four (4) months.

Director O'Connell explained that developer has been actively market the site to potential tenants but has yet to attract an anchor tenant. He suggested that the option be extended until spring.

A motion was made by David Lange, seconded by Robert Ledvina, that this item be Approved. The motion PASSED by a Voice Vote.

07-1369

Subject: (Direct Referral) Communication from Robert A. Gleason of R & R Innovative Investments requesting to sell his property at 1418 Washington Avenue to the City of Racine Redevelopment Authority at the price of \$109,000.

Recommendation of Redevelopment Authority on 11-7-07: That the offer be accepted. Further that the funds previously provided for the acquisition of 1511 Washington Avenue be used instead for the acquisition of 1418 Washington Avenue and that funds allocated under the 2008 CDBG program for Uptown Property Acquisition be used at such time that 1511 Washington Avenue may become available. To adopt Redevelopment Authority Res. 07-23. Further recommends that the item be referred to the Finance and Personnel Committee.

Fiscal Note: Funds are available in the accounts identified for this

purpose.

Recommendation to the Finance & Personnel Committee on

11-26-07: The Redevelopment Chairman and Executive Director be authorized and directed to execute all documents necessary to purchase the property at 1418 Washington Ave. Further recommends that funds previously provided for the acquisition of 1511 Washington Ave. be utilized instead for the acquisition of 1418 Washington Ave. and the 2008 CDBG Program for Uptown Property acquisition be utilized for 1511 Washington Ave.

Fiscal Note: There are sufficient funds available for the purchase of the two properties.

Attachments: [L. Robert Gleason.pdf](#)

Director O'Connell explained that Mr. Gleason owns three properties within the Uptown area and that he has been actively working with the Artist Relocation program. He went on to explain that Mr. Gleason's goal was to focus on the renovation of the former Paulson Furniture building and wished to sell 1418 Washington Avenue. Director O'Connell stated that the building at 1418 Washington Avenue was in good shape and that funds were available since the acquisition of 1511 Washington Avenue had been delayed.

A motion was made by Robert Ledvina, seconded by Alderman James T. Spangenberg, that this item be Recommended For Approval. The motion PASSED by a Voice Vote.

[07-1383](#)

Subject: (Direct Referral) Communication transmitting an addendum to the Uptown Improvement Plan for the Artist Relocation Program.

Recommendation of Redevelopment Authority on 11-7-07: That the addendum be adopted as an amendment to the Uptown Improvement Plan. To adopt Redevelopment Authority Res. 07-24.

Fiscal Note: N/A

Recommendation of the City Plan commission on 11-28-07: That an ordinance be prepared and a public hearing scheduled.

Fiscal Note: N/A

Director O'Connell explained that the purpose was to provide a precise description of program, which would tie it to the Uptown Improvement Plan. He went on to say that the description as an addendum to the plan had met with Alderman Karas' approval.

A motion was made by Alderman James T. Spangenberg, seconded by Robert Ledvina, that this item be Recommended For Approval. The motion PASSED by a Voice Vote.

[07-1384](#)

Subject: (Direct Referral) Request of the Executive Director to enter into agreements with Katt Construction Corporation for roof replacement and design-build services for 1526 Washington Avenue.

Recommendation of Redevelopment Authority on 11-7-07: To adopt Resolution 07-25 authorizing the Chairman and Executive Director to enter into the agreements with Katt Construction

Director O'Connell explained that three general construction firms had been contacted regarding the renovation of 1526 Washington Avenue and had provided proposals in response. He said that Katt Construction had the best understanding of the project. He went on to state that cost of the roof repair was \$69,300 and that the design-build services would be \$10,100. He explained that the build-out to "empty box" condition would be completed under the ownership of a limited liability corporation (LLC) created for the project. He described this initial work as being an expensive but much needed effort.

Chairman Crimmings questioned the proposed transfer of the property to an LLC.

Director O'Connell explained that an LLC would have access to private credit and that it would lessen the department's work load.

A motion was made by Alderman James T. Spangenberg, seconded by Robert Ledvina, that this item be Approved. The motion PASSED by a Voice Vote.

[07-1389](#)

Subject: Communication from the Mayor requesting to discuss the acceptance of a parcel of land from ARB Enterprises. Parcel addresses include: 1116, 1128, 1130, 1152 Washington Avenue, and 1309 11th Street.

Recommendation of Redevelopment Authority on 11-7-07: That the acquisition be approved. Further that funds be provided in the amount of not less than \$50,000.000 for demolition of structures on the property and one-years costs of holding the property. Further that Intergovernmental Revenue Sharing Funds be used for this purpose. To adopt Redevelopment Authority Res. 07-26. Further recommends that the item be referred to the Finance and Personnel Committee.

Recommendation of the Finance & Personnel Committee on 11-26-07: The Redevelopment Chairman and Executive Director be authorized and directed to execute all documents necessary for the acquisition of property at 1116, 1128, 1130, 1152 Washington Ave. and 1309 11th Street. Further recommends that up to \$55,000 from the Intergovernmental Revenue Sharing Funds be advanced for the demolition of structures on the property and the one-year's holding cost.

Fiscal Note: The real estate would be donated to the Redevelopment Authority. Funds are available in the accounts identified for the demolition and holding costs. The funds are available in the City's 2008 Capital Budget for this \$55,000 contract.

Attachments: [DOC071105accept parcel](#)

Director O'Connell described the parcels as the former Schaffer auto dealership. He stated that the intent was to raze the building and address any contamination issues. He went on to state that the demolition cost was estimated at \$50,000 and any contamination issues would be addressed with the use of Brownfield grant funds. He explained that no immediate reuse of the property was anticipated.

A motion was made by Alderman James T. Spangenberg, seconded by Robert Ledvina, that this item be Recommended For Approval. 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) of the 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 this agenda.

[07-1385](#)

Subject: (Direct Referral) Communication from Andrew Stefanich requesting that the Redevelopment Authority issue a letter of intent.

Recommendation of Redevelopment Authority on 11-7-07: To adopt Resolution 07-27 authorizing the Chairman and Executive Director to execute a letter of intent to sell 3124 Washington Avenue subject to conditions.

Director O'Connell explained that there was no needed to go into closed session since Commissioners and staff were the only persons present. He went on to explain that Mr. Stefanich of the firm of CB Richard Ellis was assembling property for future real estate development. He explained that the letter of intent was to ensure that the Authority would not attempt to sell the property to another party during the next 45 days and to provide a framework for a sales agreement.

A motion was made by Alderman James T. Spangenberg, seconded by David Lange, that this item be Approved. The motion PASSED by a Voice Vote.

Adjournment

There being no other matters before the Authority, the meeting was adjourned at approximately 5:40 p.m.

Respectfully submitted,

*Brian F. O'Connell, Executive Director of the Redevelopment Authority,
and Director of City Development*