



# City of Racine

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

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

*James T. Spangenberg  
David Lange  
Doug Nicholson  
Robert Anderson  
Jim Chambers  
Josh Garner  
Alderman Q.A. Shakoor, II*

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Tuesday, November 8, 2011

5:30 PM

City Hall Annex, Room 130

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### Call To Order

*Chairman Spangenberg called the meeting to order at 5:33 p.m.*

**PRESENT:** 5 - James T. Spangenberg, David Lange, Jim Chambers, Robert Anderson and Doug Nicholson

**EXCUSED:** 2 - Josh Garner and Q.A. Shakoor, II

Others present: Alderman Keith Fair  
Kristin Niemiec, RCEDC  
Carolyn Engel, RCEDC  
Brian F. O'Connell  
James Luelloff

### Approval of Minutes for the September 7, 2011 Meeting.

**A motion was made by Commissioner Anderson, seconded by Commissioner Lange, to approve the minutes of the September 7, 2011 meeting. The motion PASSED by a Voice Vote.**

#### 11-7071

**Subject:** (Direct Referral) Communication from Steve Rick on behalf of AT&T requesting an amendment to the ground lease at 1828 DeKoven Avenue for a back-up generator.

**Attachments:** [RDA Res. 11-13 \(1828 DeKoven\)](#)

*Director O'Connell briefly explained the history of the parcel and location within the Southside Industrial Park. He went on to say that the proportional increase in rent was based on the increased square footage of proposed usage.*

**A motion was made by Commissioner Lange and seconded by Commissioner Chambers to approve Resolution 11-13 authorizing and directing the Chairman and Director to execute an amendment to the ground lease agreement for 1828 DeKoven Avenue. The motion PASSED by a Voice Vote.**

#### 11-7072

**Subject:** (Direct Referral) Communication from Ivan Davalos

requesting to extend the term of his lease for 1402 State Street.

**Attachments:** [RDA Res. 11-14 \(1402 State Street Parking\)](#)

*Director O'Connell briefly explained the location and recent history of the parcel. He explained that the parcel had been acquired as part of the State Street reconstruction project and that no immediate use had been planned. He went on to say that the tenant was responsible for maintenance of the parcel and they were required to provide proof of insurance.*

**A motion was made by Commissioner Lange and seconded by Commissioner Anderson to approve Resolution 11-14 authorizing and directing the Chairman and Director to execute an amendment to the lease agreement for 1402 State Street. The motion PASSED by a Voice Vote.**

**11-7073**

**Subject:** (Direct Referral) Communication from the Executive Director requesting authorization to acquire 1437 Owen Avenue in the Uptown area. (Resolution No. 11-2830)

**Recommendation of the Redevelopment Authority on 11-8-11:**  
That the Common Council, pursuant to sec. 66.1333 (5) (b) Wis. Stats., authorize and direct the Redevelopment Authority to acquire the property at 1437 Owen Avenue.

**Fiscal Note:** The property at 1437 Owen Avenue (parcel ID no.09296000) is blighted property due to extensive fire damage. The owner of the property has offered to transfer the property to the Authority at no cost; the Authority would be responsible for demolition and incidental costs. Demolition of the building and associated expenses are expected to cost \$13,000.000. The Authority has funding for a residential redevelopment project in the Uptown Improvement Program. The redevelopment would consist of the construction of an in-fill single family home and sale to owner-occupants. Funds are available in the TID-16 plan and the S.C. Johnson grant for this purpose.

**Attachments:** [RDA Res. 11-15 \(1437 Owen Ave\)](#)

*Director O'Connell explained that the house at 1437 Owen Avenue was a fire damaged duplex, located near the Corner House Restaurant. He said that the owner had been issued a raze or repair order from the Building Department and was subsequently offering it to the city. He stated that the Uptown Plan has a residential rehabilitation component and that the acquisition and redevelopment of this property is an opportunity to improve the area.*

*Commissioner Nicholson asked if the house could be renovated. Director O'Connell stated that the fire damage was extensive and that the property would need to be razed, but that it would provide a site for single family residential infill.*

*Commissioner Anderson asked if any other similar efforts would be made in the area.*

*Director O'Connell stated that neighborhood rehabilitation efforts are being made and*

*ongoing.*

**A motion was made by Commissioner Nicholson and seconded by Commissioner Anderson to recommend approval of Resolution 11-15 recommending the Common Council to authorizing and directing the Redevelopment Authority to acquire the property at 1437 Owen Avenue. The motion PASSED by a Voice Vote.**

**11-7074**

**Subject:** (Direct Referral) Communication from Gordon Kacala of Racine County Economic Development Corporation requesting authorization to apply for and accept a matching grant from the US Economic Development Administration to recapitalize the City's Industrial/Commercial Building Revolving Loan Fund. (Res. 11-7074)

**Recommendation of the Redevelopment Authority on 11-8-11:** that the Authority supports the use of funds from the Intergovernmental Revenue Sharing Fund to match a grant from the US EDA for recapitalizing the Industrial/Commercial Building Revolving Loan Fund.

Further recommends, that the Executive Director of RCEDC be authorized and directed on behalf of the City of Racine to apply for and to accept from the US EDA the proposed grant.

Further recommends, that the Finance Director be authorized and directed to segregate and restrict in a separate account five hundred thousand dollars (\$500,000.00) from the Intergovernmental Revenue Sharing account no. 919.000.1180 for the local match for the grant.

Further recommends, that the Mayor and City Clerk be authorized and directed to execute such grant agreements with US EDA and RCEDC as may be necessary to implement this resolution.

Further recommends, that this item be referred to the Finance and Personnel Committee of the Common Council for its review and approval.

**Fiscal Note:** The funds are available in the Intergovernmental Revenue Sharing (919) Account.

**Recommendation of the Finance & Personnel Committee on 11-21-11:** Adopt the November 8, 2011 recommendation of the Redevelopment Authority.

**Fiscal Note:** The funds are available in the Intergovernmental Revenue Sharing (919) Account.

**Attachments:** [RDA Res. 11-16 \(I CB-RLF\)](#)

*Director O'Connell explained that the Industrial/Commercial Building Revolving Loan*

*Fund has been in existence for the past 13 years and administered by RCEDC. He went on to say that the fund had been drawn down and that RCEDC has an opportunity to apply for a matching US EDA grant to replenish that fund. He stated that use of Sewer Agreement funds was consistent with such a match. He asked that the Authority authorize RCEDC to apply for that grant and that the Finance Director be authorized to transfer \$500,000 from the Intergovernmental Revenue Sharing account for the local match for the grant.*

**A motion was made by Commissioner Anderson and seconded by Commissioner Chambers to approve Resolution 11-16 authorizing and directing the Executive Director of RCEDC to apply and to accept from the US EDA a grant, for the Finance Director to transfer funds for the match and the Mayor and City Clerk to execute such grants agreements with the US EDA and RCEDC as may be necessary, and that the item be referred to the Finance and Personnel Committee of the Common Council. The motion PASSED by a Voice Vote.**

## **CLOSED SESSION**

*Chairman Spangenberg announced that the Authority would convene in 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.

**A motion was made by Commissioner Lange, seconded by Commissioner Chambers, to convene in closed session. The motion PASSED by the following vote:**

**AYES:** 5 - James T. Spangenberg, David Lange, Jim Chambers, Robert Anderson and Doug Nicholson

**EXCUSED:** 2 - Josh Garner and Q.A. Shakoor, II

**A motion was made by Commissioner Lange, seconded by Commissioner Chambers, to allow elected officials to remain during closed session. The motion PASSED by a Voice Vote.**

**Item 11-6868 was discussed.**

## **OPEN SESSION**

**A motion was made by Commissioner Lange, seconded by Commissioner Anderson, to convene in open session. The motion PASSED by a Voice Vote.**

**AYES:** 5 - James T. Spangenberg, David Lange, Jim Chambers, Robert Anderson and Doug Nicholson

**EXCUSED:** 2 - Josh Garner and Q.A. Shakoor, II

[11-6868](#)

**Subject:** (Direct Referral) Communication from the Director of City Development submitting proposals for the redevelopment of 1130 Washington Avenue. (Resolution No. 11-2831)

**Recommendation of the Redevelopment Authority on 11-8-11:**

That the Common Council approve the granting of an option to purchase the Authority-owned properties at 1116 through 1152 Washington Avenue and 1309 Eleventh Street to Akil Ajmeri (d.b.a. Akil, LLC) for redevelopment consistent with his proposal dated August 30, 2011 and Redevelopment Authority resolution 11-17.

**Fiscal Note:** Redevelopment Authority resolution 11-17 is an attachment to this item. The option is for six months during which Mr. Ajmeri would obtain regulatory approvals and satisfy contingencies. Mr. Ajmeri will pay a \$1,000 option fee and \$10,000 for the property upon closing. He has proposed to develop a gas station, convenience store and sandwich shop, and car wash.

**Attachments:** [RDA Res. 11-17 \(Akil\)](#)

**A motion was made by Commissioner Nicholson and seconded by Commissioner Anderson to approve Resolution 11-17 that Mr. Akil Ajmeri (Akil, LLC) be granted an option for 1152, 1130 1128, 1116 Washington Avenue and 1309 Eleventh Street so that Akil Ajmeri can complete a development agreement, complete project design, obtain regulatory approvals, and finalize project financing. The motion PASSED by a Voice Vote.**

*Alderman Fair questioned if the selected developer didn't fulfill the agreement would Kabir Properties be automatically selected to proceed with the project.*

*Chairman Spangenberg explained that the agreement allowed Akil, LLC a six month option and that if they didn't proceed with developing the site, the Authority would then consider requesting other proposals.*

*Alderman Fair asked if the procedure could be changed.*

*Director O'Connell stated that in his experience an agreement hasn't done that way, but that he would check on it.*

## **Administrative Business**

## **Adjournment**

*There being no other business before the Authority, Chairman Spangenberg adjourned the meeting at 6:35 p.m.*