

# **City of Racine**

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

# **Meeting Minutes - Draft**

# **Community Development Authority**

Monday, May 20, 2024 6:00 PM City Hall, Room 303

### **Call To Order**

Chairman Shakoor, II called the meeting to order at 6:02 p.m.

Cobb Madsen appeared virtually.

PRESENT: 5 - Shakoor II, Mason, Vice Chair Adamski, Madsen and Hardy

EXCUSED: 1 - West

## Approval of Minutes for the April 22, 2024 Meeting.

A motion was made by Adamski, seconded by Mason to approve the minutes of the April 22, 2024 meeting. The motion PASSED by a Voice Vote.

#### 6:00 P.M. PUBLIC HEARING

### 0467-24

**Subject:** Consideration of a request by the Community Development Authority of the City of Racine through Resolution 24-12 related to property owned by JP Morgan Chase Bank, National Association Inc. and located at 516 Eleventh Street, for potential acquisition 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.

# Recommendation of the Community Development Authority on

**05-22-24:** That the Common Council find that a comprehensive redevelopment plan is not necessary to determine the need for the acquisition of the real estate at 516 Eleventh Street by the Community Development Authority of the City of Racine, the uses of the property after acquisition, and the relation of the acquisition to other property redevelopment by the Community Development Authority of the City of Racine.

Further, that the Community Development Authority of the City of Racine be permitted to acquire such real estate notwithstanding that it is not within an existing redevelopment plan area.

Fiscal Note: N/A as the CDA will be acquiring the property and City

funds will not be used for property acquisition or recording of necessary documents.

<u>Attachments:</u> <u>Staff Memo</u>

CDA Resolution 24-12 #0467-24 Resolution

Jeff Hintz, Assistant Director, introduced the item and explained the request. He stated this is a public hearing for the request of acquisition for 516 Eleventh Street. Hintz showed an aerial view of the site and stated there are currently two houses on the lot. He stated the lot is existing non-conforming, however, would allow for a single unit dwelling because it is an existing lot. Hintz showed photos of the property and described the property's issue. He explained that the property also has an address of 1047 Villa Street. Hintz stated that there is someone living at the property addressed as 516 Eleventh Street, however, the bank (the current owner of the property) plans to evict because they are not legally allowed to be there.

Hintz reviewed the timeline of actions on the property. He stated that the property was deemed a nuisance property in 2021 and has had 78 code enforcement responses in the last two years. He stated 29 police calls for service were received in the last two years and 124 citations were issued by the Neighborhood Enhancement Division totaling more than \$70,000. He stated JP Morgan Chase Bank acquired the property on March 25, 2024.

Hintz explained the timeline for potential acquisition. He stated that tonight is just the public hearing and the determination of whether the property is blighted. He stated that the aim would be for some sort of redevelopment opportunity on the property, however, the first step would be to go through the three-step process of determining blight.

Hintz explained that staff is recommending that the CDA recommends to the Common Council that the property at 516 Eleventh Street be acquired, notwithstanding that it is not in a redevelopment area and that the property is blighted. He explained that there is not yet a fiscal note because the potential purchase price from JPMorgan Chase Bank has not been determined at this time.

Shakoor, II, opened the public hearing at 6:10 p.m.

\*Comments were consolidated due to the nature of comments received.

Three members of the public and an Alderman for the district spoke regarding the request. Comments received described the nature of activities in the area regarding drug use and gunshots. Citizens described bullet holes going into their properties, drug deals going on around the property, public defecation and urination, and feelings of intimidation. Citizens who spoke regarding the request have lived in the area for years and want the neighborhood to look nice and spoke in favor of the potential acquisition of the site. One citizen purchased the property at 514 Eleventh Street, which was another problem property in the area.

Those who spoke regarding the potential acquisition also discussed the complaint process for nuisance property, from the neighborhood point of view, is slow and often people feel like they are being ignored. It was commented that negative activity goes on, property values go down, and the reputation of the neighborhood worsens.

The suggestion was made to tear it down and make the property green space. Citizens

City of Racine Page 2

stated they would love to see the city address the problem per the staff recommendation.

The Alderman of the area, spoke about the request. He stated there were 600 pages of police calls in a ten-year period. He stated he moved into the neighborhood in 1968 and purchased his property in 1979. In 1980, the house cropped up. He stated he has bullet holes in his home, these houses have to go, and asked why should he have to move from his house. He stated he ran for Alder to try and clean up the neighborhood, but it should not take 40 years and this has got to stop. He stated in five or six landlords for the property, not one of them have improved the property. He stated the property is too small for one house and, if possible, suggested to give it to the neighbor for a two-car garage. He stated he can leave the police calls for staff, if they would like to go through them.

Shakoor, II, commented that he was from the Sixth Street area. He stated a neighborhood watch a was organized and 43 individual group organizations along with the City and the County. He stated in less than two years, a 94 percent reduction in crime was seen in one area, and a 74 percent reduction in another. Shakoor, II explained we have all the components in place to make this happen; have to speak up, be involved, and make it happen. He called on staff, elected officials, and the CDA, to get it done. Shakoor, II thanked everyone for their comments.

Shakoor, II, closed the public hearing at 6:28 p.m.

Discussion after the motion:

Mason clarified the procedure for acquiring property not within a redevelopment area. He stated that first, the CDA has to declare the property to be blighted before we try to acquire and enter into negotiations. He stated then the request has to go through the Common Council to get permission to try to acquire the property.

In response to Adamski, Hintz explained the procedure to purchase the property. He stated we will come back to the CDA in a closed session to discuss monetary issues.

A motion was made by Mason, seconded by Hardy, to approve the item and CDA Resolution 24-12 recommending approval of the determination of blight for the property and recommending that the CDA acquire such property, notwithstanding that it is not in an existing redevelopment plan area. The motion PASSED by a Voice Vote.

### **END OF PUBLIC HEARING**

0468-24

**Subject:** Consideration of Resolution 24-13 related to the lease of CDA-owned property at 1402 State Street to Saul Vivero, owner and operator of a commercial establishment at 1336 State Street.

<u>Attachments:</u> <u>Staff Memo</u>

CDA Resolution 24-13

Hintz reviewed the request and showed the Google Street image of the property. He stated that the owner of a commercial establishment at 1336 State Street, Saul Vivero, approached City staff and asked if he could use the property at 1402 State Street as a parking lot for his business. Hintz stated Mr. Vivero would be willing to pay \$100 per month for the use of the property and would be responsible for snow removal

City of Racine Page 3

and lawn care. Hintz stated that Mr. Vivero understands that it would not be a long-term lease. He stated the plan is for this to be a year-to-year lease and we can bring it back next year.

He stated that the CDA has owned the property since 2010 and explained the area of properties along State Street that is owned by the CDA.

He explained staff's recommendation for approval of the request.

Adamski asked about the cost of \$100 and if a precedent were being set for other lots owned by the CDA

Hintz stated that staff did the math backwards based on the condition of the lot and its square footage. He stated that we have not done much with the lot and have no plans for the lot at this time. Considering those factors, Hintz explained, staff felt \$1,200/year for the lot and taking care of the maintenance of the lot was a fair price.

Shakoor, II asked about if there were any properties like this in the City.

Hintz stated not that he is aware of. He stated the only lots similar to this one would be the urban garden lots. He stated we have, in the past, allowed We Energies to use a lot for their piping improvement project. Due to the size and nature of the project, that lot was leased an area for \$1,000 per month.

Shakoor, II, just wanted to ensure fairness to others who may want to use property.

Mason asked, how much would the parking utility charge if they owned the lot.

Hintz stated the only comparable that is a surface lot would be behind Uptown and in West Racine, however, we do not have the answer at this time. He stated that out of the lots, the one being requested for use is of the worse condition in terms of surface and materials.

A motion was made by Adamski, seconded by Hardy, to approve the item and adopt CDA Resolution 24-13, authorizing the Executive Director and the City Attorney to enter into a lease agreement for the property at 1402 State Street. The motion PASSED by a Voice Vote.

## Adjournment

There being no further business, the meeting adjourned at 6:38 p.m.