



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
Jim Chambers
Josh Garner
Doug Nicholson
Q.A. Shakoor, II
Robert Anderson*

Monday, February 4, 2013

5:15 PM

City Hall, Room 306

Call To Order

PRESENT: 5 - James T. Spangenberg, David Lange, Jim Chambers, Doug Nicholson and Q.A. Shakoor, II

EXCUSED: 2 - Josh Garner and Robert Anderson

Others present:

*Mayor John Dickert
Matthew Sadowski, Assistant Director of City Development
Michelle Logan, Secretary of City Development
Karen Frost, Racine County Economic Development Corporation
Stephanie Hinz, Symbiont
Mr. Joey LeGath
Mr. Randy Larson
Mrs. Peg Larson*

Approval of Minutes for the December 3, 2012 Meeting.

A motion was made by Alderman Shakoor II, seconded by Commissioner Lange to approve the minutes of the December 3, 2012 meeting. The motion PASSED by a Voice Vote.

[13-8577](#)

Subject: (Direct Referral) Communication from Joey LeGath requesting to discuss allowing taverns to participate in the façade grant program. (Res. No. 13-0093)

Recommendation of the Redevelopment Authority on 2-4-13: That the lifting of the exclusion of taverns from participation in the façade grant program be approved.

Further, that ineligibility criteria No. 6 be amended to read, "Properties licensed by the City for alcoholic beverages for which the owner or

licensee has been found to be in violation of the conditions of their license."

Fiscal Note: Funding for this expanded program would continue to be accessed from the Intergovernmental Shared Revenue Fund account. Exact number of applications to be received is unknown.

Mr. Joey LeGath spoke about the façade grant program and how taverns are currently excluded from the program. He was unsure of the reason the rule was put into place, but stated if the objective is to have buildings that look good, it shouldn't matter what is housed in that building. He would like to see the language taken out that says taverns are not allowed to participate in the façade grant program.

Mr. Randy Larson, owner of the City Haul Lounge, stated that the extra \$10,000 from a façade grant could go a long way in fixing up the façade of any building. He sees no difference between a façade of any other business and that of a tavern.

Chairman Spangenberg stated that the façade grant was initially put in place for the corridor and downtown areas and was expanded in the last couple of years.

Assistant Director Sadowski stated that staff is in favor of the request. He explained that the initial guidelines of the program stated that no property with an alcohol license was allowed to participate in the façade grant program; however, the City has been flexible on that by allowing restaurants that serve food as well as have an alcohol license to apply and receive the façade grant.

Commissioner Chambers asked about the original intention of not allowing taverns to participate in the program.

Assistant Director Sadowski explained, as it was explained to him, that since a requirement of having an alcohol license was that the building must be kept up, they did not need a façade grant.

Discussion ensued about the requirements and the grant limits of the program.

A motion was made by Alderman Shakoor, II, seconded by Commissioner Lange, to approve RDA Resolution 13-01 recommending approval of the request to allow taverns to participate in the façade grant program. The motion PASSED by a Voice Vote with Commissioner Nicholson abstaining.

13-8578

Subject: (Direct Referral) Communication from Alpha Terra Science seeking a change order for environmental work at 1425 North Memorial Drive, Racine Steel Castings.

Assistant Director Sadowski described the request. Alpha Terra Science is requesting additional funds to finish the remediation of the Racine Steel Castings site. This would be their third change order for unanticipated work that was not included in the initial scope of work. Mr. Sadowski expressed concern with this request and suggested that the amount be refigured to only include the actual work, not costs for meals, setup, etc...

Commissioner Lange asked how close we were to being done. He stated this has been going on increase by increase. Mr. Sadowski explained that with Alpha Terra this would be their final round of work; however, there are still other activities that

need to be conducted with the Wisconsin Economic Development Corporation.

Alderman Shakoor, II asked if there were something contractually that could be done in the future to avoid extra costs and if there were ways to anticipate the added costs from Alpha Terra.

Ms. Karen Frost of RCEDC stated the second change order was due to requirements from the DNR to expand on certain activities; she is unaware about the first change order.

Discussion ensued.

Commissioner Nicholson suggested that the item be tabled until more information was received.

A motion was made by Alderman Shakoor, II, seconded by Commissioner Nicholson to defer this item. The motion was PASSED by a Voice Vote.

13-8591

Subject: (Direct Referral) Request of the Assistant Executive Director for authorization to apply for a Wisconsin Economic Development Corporation Environmental Assessment Grant for the Racine Steel Castings property. (Res. No. 13-0094)

Recommendation of the Redevelopment Authority on 2-4-13: That the Redevelopment Authority hereby authorizes Brian F. O'Connell, Executive Director, or his authorized agent to act on behalf of the Authority to submit an application to Wisconsin Economic Development Corporation (WEDC) to aid in site assessment of 1425 North Memorial Drive (a/k/a the Racine Steel Castings property), sign documents, and take necessary action to undertake, direct, and complete approved grant activities.

Fiscal Note: The grant level ranges from \$40,000 to \$200,000 with a required 50% match from the City. Funds are available in the Intergovernmental Shared Revenue Account. The environmental firm of Symbiont has offered to prepare and submit the grant application, at no cost to the City, as part of their City-wide environmental services contract.

Ms. Karen Frost stated that there is still more site investigation that needs to be conducted as a result of the DNR grant. The ground water wells need to be further investigated and we need to see what is present in the tunnels at the site.

Stephanie Hinz from Symbiont stated there is some pre-product at the site that the extent and the source of will need to be determined and there are also several underground storage tanks.

Ms. Frost stated applying for this additional grant will help identify the scope of work that will be necessary, further identify the extent of the contamination at the site and develop a plan of clean up for the site. She explained there is a 50 percent match that is required for the grant and we would be looking for a total of \$155,000 from Wisconsin Economic Development Corporation (WEDC). A match of \$55,000 for the site assessment and \$20,000 for PECFA (Petroleum Environmental Cleanup Fund

Award) is requested from the City.

Ms. Hinz stated that out of the tanks present on the property, two tanks are eligible for PECFA funding. She explained that there is a \$10,000 deductible and once that deductible is met, we would be eligible for up to \$500,000 of funding to help remove the tanks and remediate anything associated with them. The \$55,000 for the site assessment will allow us to remove the additional tanks and investigate the tunnels and any further contamination of the site.

Mayor Dickert explained that underneath the Racine Steel Castings site there are actually very large train tunnels that were used to move product back and forth underground. They are now filled with ten feet of water.

Commissioner Lange asked if the tunnels ran east to west. Ms. Frost stated that there are some that run east to west and some that run north to south, they connect throughout the property.

A motion was made by Commissioner Nicholson, seconded by Commissioner Chambers, to adopt RDA Resolution 13-03, recommending approval of the request to apply for a Wisconsin Economic Development Corporation Environmental Assessment Grant. The motion PASSED by a Voice Vote.

CLOSED SESSION

Chairman Spangenberg read the Closed Session notice.

It is intended that the Authority will convene in closed session pursuant to section 19.85 (1) (e) and (f), Wisconsin Statutes, to consider the following matters that require a closed session for competitive and bargaining reasons and for consideration of financial data, after which the Authority will reconvene in open session to consider these and other matters on the agenda.

At 5:44 p.m., a motion was made by Alderman Shakoor, II, seconded by Commissioner Nicholson to convene into closed session. The motion PASSED by the following vote:

AYES: 5 - James T. Spangenberg, David Lange, Jim Chambers, Doug Nicholson and Q.A. Shakoor, II

EXCUSED: 2 - Josh Garner and Robert Anderson

13-8576

Subject: (Direct Referral) Request of the Assistant Executive Director to acquire non-residential property.

OPEN SESSION

At 6:00 p.m., a motion was made by Commissioner Nicholson, seconded by Commissioner Lange, to reconvene in open session. The motion PASSED by the following vote:

AYES: 5 - James T. Spangenberg, David Lange, Jim Chambers, Doug Nicholson and Q.A. Shakoor, II

EXCUSED: 2 - Josh Garner and Robert Anderson

Administrative Business

Status report on on-going projects

Mr. Sadowski stated an email was sent to Authority members regarding Racine Steel Castings; the locks have been changed, broken windows have been boarded up, and the site has been secured.

Current conditions and possible future tenants of the property were discussed.

Next Meeting: March 4, 2013

Adjournment

There being no further business, Alderman Shakoor, II moved to adjourn the meeting, seconded by Commissioner Nicholson. Meeting adjourned at 6:07 p.m.