



City of Racine

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

Meeting Minutes - Final

Finance and Personnel Committee

Chairman Q.A. Shakoor II
Vice Chair James Morgenroth
Alderman Dennis Wiser
Alderman Michael Shields
Alderman Mary Land

Monday, February 13, 2017

5:00 PM

City Hall, Room 307

Call To Order

PRESENT: 5 - Chairman Q.A. Shakoor II, James Morgenroth, Dennis Wiser, Michael Shields and Mary Land

Chairman Comments

Approval of Minutes for the January 23, 2017 Meeting.

A motion was made by Vice Chair Morgenroth, seconded by Alderman Wiser, that this file be to Approve the Minutes

1. [54-17](#)

Subject: Communication from the General Manager of the Water Utility wishing to discuss the Financial Assistance Agreement for the Safe Drinking Water Loan Fund Program (SDWLFP), Project No. 4887-08, Private Lead Service Lateral Replacements

Recommendation of the Waterworks Commission on 1/31/17: That the Mayor and City Clerk be authorized to sign the Financial Assistance Agreement for the Safe Drinking Water Loan Fund Program relating to Project No. 4887-08, Private Lead Service Lateral Replacements.

Recommendation of the Finance & Personnel Committee on 2/13/17: That the Mayor and City Clerk be authorized to sign the Financial Assistance Agreement for the Safe Drinking Water Loan Fund Program relating to Project No. 4887-08, Private Lead Service Lateral Replacements.

Fiscal Note: This loan is in the amount of \$500,000 and contains principal forgiveness in an amount up to \$500,000 for private lead service lateral replacements.

Attachments: [financial assistance agrmt 4887-08 LSL](#)
[res dnr 4887-08](#)

Keith Haas, General Manager of Wastewater, appeared before the Committee to

Speak on the item.

A motion was made by Vice Chair Morgenroth, seconded by Alderman Wisner, that this file be Recommended For Approval

2. [74-17](#)

Subject: (Direct Referral) Communication from the City Assessor requesting a correction to the 2016 assessment of 2707 Rapids Drive.

Recommendation of the Finance & Personnel Committee on 2/13/17: Update the description in the tax roll for the property located at 2707 Rapids Drive (parcel # 21192005) to exempt nontaxable for the 2016 tax year and write off the real estate tax portion of the 2016 Tax Bill.

Fiscal Note: Real Estate taxes of \$14,488.14 will be written off. Chargebacks will be made to the other taxing jurisdictions.

Attachments: [2707 Rapids Dr](#)
[2016 2707 Rapids Drive Tax Bill](#)

David Brown, Finance Director, appeared before the Committee to speak on the item.

A motion was made by Vice Chair Morgenroth, seconded by Alderman Wisner, that this file be Recommended For Approval

3. [38-17](#)

Subject: Communication from the Chairman of Salmon-a-Rama and the President of Salmon Unlimited - Wisconsin, Inc. requesting the Pershing Park permit fees be waived for the 10 day 2017 Salmon-a-Rama event.

Recommendation of the Finance & Personnel Committee on 2/13/17: Receive and File.

Fiscal Note: N/A

Attachments: [Salmon Unlimited - Park Fee Waiver](#)
[Salmon a Rama 2017 Estimated Fees](#)

Steve Bernstein, Salmon-A-Rama representative, appeared before the Committee to speak on the item.

A motion was made by Vice Chair Morgenroth, seconded by Alderman Wisner, that this Communication be Recommended to be Received and Filed.

Alderman Shields voted no.

4. [17-17](#)

Subject: Communication from the City Administrator forwarding the request of Fischer USA, Inc. to purchase City park land to enable the expansion of its Racine plant.

Recommendation of the Board of Parks, Recreation & Cultural Services on 2/8/17: To approve Fischer USA Inc.'s offer to purchase

32,760 SF of Pierce Woods Park to allow for the expansion of their facility.

Recommendation of the Finance & Personnel Committee on 2/13/17: Authorize the Mayor and City Clerk to enter into an agreement allowing Fischer USA to purchase 32,760 sq. ft. of land in Pierce Woods Park subject to conditions at a purchase price of \$40,000.00. Further recommend that Fischer USA be allowed to purchase an exclusive ten year option for \$1,000.00 on an additional 32,760 sq. ft. parcel at a price to be negotiated should they choose to exercise the option. Further recommend that proceeds from the sale of the land be fully allocated to supplement the budget for citywide tree replacements.

Fiscal Note: The \$40,000.00 proceeds from the property sale will be used exclusively to supplement the purchase of replacement trees citywide.

Attachments: [Fischer Offer](#)

Thomas Friedel, City Administrator, Laura Million, Business Development Manager of REDC, Ryan Brath, President of Fisher USA, appeared before the Committee to speak on the item.

A motion was made by Vice Chair Morgenroth, seconded by Alderman Wiser, to suspend rules to allow public comments.

Public Comments were made by: Steve Olsen, Pete Scharding, Matt Montemurro, President/CEO of RAMAC, Marilyn Hazen, Linda Polzin, Melissa Warner, Russell Clark, County Board Chair.

A motion was made by Vice Chair Morgenroth, seconded by Alderman Wiser, that this Communication be Recommended For Approval.

5. [104-17](#)

Subject: A request by the Executive Director of the Redevelopment Authority to consider RDA resolution 17-06 recommending an economic development incentive in the form of a property tax reimbursement (TRIP - Tax Re-Investment Program) to Fischer USA, Inc. to renovate and expand its current location at 3715 Blue River Avenue and to create at least 20 full-time jobs. The assistance request is to share 75% of City portion of the property taxes over a 10-year term.

Recommendation of the Redevelopment Authority on 2-6-17: That the request to provide financial assistance in the form of a tax reimbursement incentive (TRIP) of 75% of the City portion on property taxes to Fischer USA be approved. Further that the Mayor and City Clerk be authorized and directed to execute a financial assistance agreement with Fischer USA, Inc. in substantially the same form as outlined in the Memorandum from the Racine County Economic Development Corporation (RCEDC) attached to this file.

Recommendation of the Finance & Personnel Committee on

2/13/17: That the request to provide financial assistance in the form of a tax reimbursement incentive (TRIP) of 75% of the City portion on property taxes to Fischer USA be approved. Further that the Mayor and City Clerk be authorized and directed to execute a financial assistance agreement with Fischer USA, Inc. in substantially the same form as outlined in the Memorandum from the Racine County Economic Development Corporation (RCEDC) attached to this file.

Fiscal Note: The total assistance provided, based upon the 2016 property tax bill, will be approximately \$11,600 per year or \$116,200 over a ten-year period. RCEDC would assist the City in tracking the jobs created and the City hiring preference ratios. The assistance agreement requires (1) that Fischer retain its existing full time workforce; and (2) create 20 full-time positions, if job creation falls below estimated levels in any year of the agreement the incentive is prorated.

Attachments: [2017.2.2.Fischer RDA Memo.Final](#)
[RDA Resolution 17-06](#)

Amy Connolly, Director of City Development, Laura Million, Business Development Manager of REDC, Ryan Brath, President of Fisher USA, appeared before the Committee to speak on the item.

A motion was made by Vice Chair Morgenroth, seconded by Alderman Wisner, that this Communication be Recommended For Approval.

6. [102-17](#)

Subject: Consider RDA resolution 17-05 recommending approval of a Redevelopment Authority budget and requesting that funding allocated to the Redevelopment Authority (RDA) in various accounts in the 2017 City budget be consolidated into a single allocation account in order to better track projects of the Authority.

Recommendation of the Redevelopment Authority on 2-6-17: That an annual budget for the Redevelopment Authority be created using funds allocated to the RDA from the Intergovernmental Revenue Fund that currently supports programs and projects of the RDA and consolidating the budget allocations for the various programs into a single allocation account will allow for better transparency and oversight.

Recommendation of the Finance & Personnel Committee on

2/13/17: Funding allocated to the Redevelopment Authority in various accounts in the 2017 City budget be consolidated into a single allocation account in order to better track projects of the Authority.

Fiscal Note: Funds have been appropriated in the 2017 City budget

for the programs and projects of the RDA. \$100,000 of Business Development, \$250,000 of Redevelopment Activities and \$300,000 of Land Improvements for a total of \$650,000 will be consolidated in the Allocation account. All RDA project expenditures will then be processed out of Racine Redevelopment Authority Fund 950.

Attachments: [Proposed Budget](#)
 [RA Adopted Budget](#)
 [Budget Revision](#)
 [RDA Resolution 17-05](#)

Kathleen Fischer, Assistant Finance Director, appeared before the Committee to speak on the item.

Sandy Weidner, Alderman, was included in the discussion.

A motion was made by Vice Chair Morgenroth, seconded by Alderman Wiser, that this Communication be Recommended For Approval.

7. [59-17](#) **Subject:** A request by the Executive Director of the Redevelopment Authority to consider RDA resolution 17-07 recommending approval of the City Revolving Loan Fund Semi-annual Plan Certifications for the period ending September 30, 2016.

Recommendation of the Redevelopment Authority on 2-6-16: That the City certify the semi-annual reporting period ending September 30, 2016. Further, that the City-Revolving Loan Fund (City-RLF) Plan is consistent with and supportive of the area's current economic adjustment strategy; that the City-RLF is being operated in accordance with the policies and procedures contained in the City-RLF Plan; and that the loan portfolio meets the standards contained therein.

Recommendation of the Finance & Personnel Committee on 2/13/17: That the City certify the semi-annual reporting period ending September 30, 2016. Further, that the City-Revolving Loan Fund (City-RLF) Plan is consistent with and supportive of the area's current economic adjustment strategy; that the City-RLF is being operated in accordance with the policies and procedures contained in the City-RLF Plan; and that the loan portfolio meets the standards contained therein.

Fiscal Note: As this loan fund was previously capitalized by the City of Racine and the Economic Development Administration, there are no budgetary or fiscal impacts at this time. Note there is currently \$84,200 available for lending within the City-RLF.

Attachments: [9.30.2016_CITY RLF_Plan Certification](#)
 [RDA Resolution 17-07](#)
 [Communication to Mayor and CC- 9.30](#)

Amy Connolly, Director of City Development, appeared before the Committee to speak on the item.

A motion was made by Vice Chair Morgenroth, seconded by Alderman Wiser, that this Communication be Recommended For Approval.

8. [76-17](#)

Subject: A request by the Executive Director of the Redevelopment Authority to consider RDA resolution 17-10 to apply to the Wisconsin Coastal Management Program (WCMP) for a \$60,000 grant to assist in the creation of schematic designs which include alignment, cross section and material recommendations for public streets leading to and along the lakefront for the Harborside connections design project. (Grant Control # 00115)

Recommendation of the Redevelopment Authority on 2-6-17: That the Mayor, City Clerk, Executive Director of the Redevelopment Authority or their designee or authorized agent act on the behalf of the City and apply to the Wisconsin Coastal Management Program (WCMP) for a \$60,000 grant to assist in the creation of schematic designs of Harborside connections design project.

Recommendation of the Finance & Personnel Committee on 2/13/17: That the Mayor, City Clerk, Executive Director of the Redevelopment Authority or their designee or authorized agent act on the behalf of the City and apply to the Wisconsin Coastal Management Program (WCMP) for a \$60,000 grant to assist in the creation of schematic designs of Harborside connections design project.

Fiscal Note: The total project cost is estimated to be \$60,000. At \$30,000 the City's funding will meet the WCMP requirement of a minimum a 50% local match. The City's funding source will be the Intergovernmental Revenue Sharing Fund.

Attachments: [RDA Resolution 17-10](#)

Amy Connolly, Director of City Development, appeared before the Committee to speak on the item.

A motion was made by Vice Chair Morgenroth, seconded by Alderman Wiser, that this Communication be Recommended For Approval.

9. [107-17](#)

Subject: A request by the Executive Director of the Redevelopment Authority to consider RDA resolution 17-09 recommending the approval of an option and predevelopment agreement between the Redevelopment Authority and General Capital Group, LLP regarding the redevelopment of 615 Marquette Street and 922 Sixth Street properties.

Recommendation of the Redevelopment Authority 2-6-17: To approve the option to purchase and predevelopment agreement, which lays out the terms of an exclusive option to purchase the property and

discloses a purchase price and expenses between both the RDA and the developer over the next 24 months of due diligence.

Recommendation of the Finance & Personnel Committee on 2/13/17: To approve the option to purchase and predevelopment agreement, which lays out the terms of an exclusive option to purchase the property and discloses a purchase price and expenses between both the RDA and the developer over the next 24 months of due diligence.

Fiscal note: The option and predevelopment agreement set a purchase price of approximately \$750,000 for the property and option consideration of \$100 for a term ending December 31, 2018. RDA estimates that predevelopment expenses are estimated at approximately \$87,000, to be paid through the City Intergovernmental Fund. Predevelopment expenses incurred by the RDA would include environmental assessments, building surveys, historic preservation surveys, TID revenue studies, and legal expenses. Developer will also incur equivalent expenses during due diligence.

Attachments: [Option and Predevelopment Agreement](#)
[RDA Resolution 17-09](#)

Amy Connolly, Director of City Development, appeared before the Committee to speak on the item.

A motion was made by Vice Chair Morgenroth, seconded by Alderman Wiser, that this Communication be Recommended For Approval.

Alderman Shields was excused from the meeting at 6:17 p.m.

10. [108-17](#) **Subject:** A request by the Executive Director of the Redevelopment Authority to consider RDA resolution 17-08 recommending approval of a professional services contract for Brownfield and Environmental Consulting Services between the Redevelopment Authority and Ramboll Environ US Corporation.

Recommendation of the Redevelopment Authority on 2-6-17: That the contract between the Redevelopment Authority and Ramboll Environ US Corporation be approved. Further that the Mayor, City Clerk, and Executive Director of the Redevelopment Authority, or their designee, be authorized to and directed to enter into an agreement with Ramboll Environ US Corporation.

Recommendation of the Finance & Personnel Committee on 2/13/17: That the contract between the Redevelopment Authority and Ramboll Environ US Corporation be approved. Further that the Mayor, City Clerk, and Executive Director of the Redevelopment Authority, or their designee, be authorized to and directed to enter into an

agreement with Ramboll Environ US Corporation.

Fiscal Note: Ramboll Environ US Corporation will be reimbursed on a time and materials basis for all work under EPA grants. These grants will be approved by the RDA and Common Council prior to commencements and all City expenditures will follow the requirements on these grants.

Attachments: [Proposed Final Contract Ramboll RDA 2 2 2017](#)
[Scope of Services Amendment Form](#)
[RDA Resolution 17-08](#)

Amy Connolly, Director of City Development, appeared before the Committee to speak on the item.

Sandy Weidner, Alderman, was included in the discussion.

A motion was made by Vice Chair Morgenroth, seconded by Alderman Wiser, that this Communication be Recommended For Approval.

11. [109-17](#)

Subject: A request by the Executive Director of the Redevelopment Authority to consider RDA Resolution 17-11 recommending approval of a new “White Box” Incentive program to encourage investment in older buildings by incentivizing conformity with new building code requirements.

Recommendation of the Redevelopment Authority on 2-6-17: That the White Box incentive program along with its details and application be approved. The City’s Chief Building Inspector will staff the program and provide staff review of plans to the Downtown Area Design Review Commission, who will then provide a recommendation to the RDA for funding each incentive.

Recommendation of the Finance & Personnel Committee on 2/13/17: That the White Box incentive program along with its details and application be approved. The City’s Chief Building Inspector will staff the program and provide staff review of plans to the Downtown Area Design Review Commission, who will then provide a recommendation to the RDA for funding each incentive.

Fiscal Note: \$100,000 was budgeted in the 2017 Intergovernmental Revenue Fund Capital Budget for a \$100,000 White Box Incentive. The incentives will be granted for first floor, building code related improvements (plumbing, electrical, HVAC, bathrooms, ADA compliance), at a maximum of \$10/s.f. and up to \$20,000 per project; approximately 7 incentives will be provided to building owners and leaseholders in 2017.

Attachments: [White Box Program Summary](#)
[White Box Application](#)
[RDA Resolution 17-11](#)

Amy Connolly, Director of City Development, appeared before the Committee to speak on the item.

Sandy Weidner, Alderman, was included in the discussion.

A motion was made by Vice Chair Morgenroth, seconded by Alderman Wisner, that this Communication be Recommended For Approval.

Adjournment

There being no further business to come before the Committee, the meeting adjourned at 6:28 p.m. The next scheduled meeting of this Committee is at 5:00 p.m. on Monday, February 27, 2017 at City Hall, Room 307.

Respectfully submitted,

**Ald. Q.A. Shakoor II, Chairman
Finance & Personnel Committee**