



# 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 Spangenberg  
Gregory Holding  
Jen Adamski-Torres  
Doug Nicholson  
John Crimmings  
Alderman Tracey Larrin  
Robert Anderson*

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Thursday, May 11, 2017

6:00 PM

City Hall, Room 303

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#### Call To Order

*Vice Chairman Spangenberg called the meeting to order at 6:04 p.m.*

**PRESENT:** 5 - James Spangenberg, Gregory Holding, Jen Adamski-Torres, Doug Nicholson and John Crimmings

**EXCUSED:** 1 - Robert Anderson

#### Misc. Notes/Arrivals

*Chairman Holding arrived at 6:15 p.m.*

*Alderman Tracey Larrin was present for the Authority (not listed in the attendance).*

#### Approval of Minutes for the April 3, 2017 Regular Meeting.

**A motion was made by Commissioner Nicholson, seconded by Commissioner Crimmings to approve the minutes of the April 3 meeting. The motion PASSED by a Voice Vote.**

#### Approval of Minutes for the April 17, 2017 Special Meeting.

**A motion was made by Commissioner Nicholson, seconded by Commissioner Adamski-Torres, to approve the minutes of the April 24th special meeting. The motion PASSED by a Voice Vote.**

#### [430-17](#)

**Subject:** (Direct Referral) A request by Carl Kump for review and approval of a White Box Program Grant for the property at 420 Main Street.

**Attachments:** [420 Main Street WB](#)

*Ken Plaski, Chief Building Inspector, introduced the item and described the location of the building. Authority members were provided with architectural plans and summary of quotes. Carl Kump, the applicant stated the 2nd story houses a small residential area with the first floor being commercial. He stated the first floor is approximately 1875 sq. ft.*

*Mr. Kump stated he would like to add ADA compliant bathrooms, bring electrical, plumbing and HVAC up to code and would like to submit for the façade grant in the near future.*

*Commissioner Nicholson asked about the square footage discrepancy.*

*Ken Plaski, Chief Building Inspector, stated the 1865 sq. ft. was what the architect's proposal contained and once the quotes were reviewed, the lowest was at roughly \$32,000.00. Mr. Kump stated the 2200 square footage was calculated by using the outside walls not the inside walls of the building.*

*Mr. Crimmings asked when the last time the space was occupied.*

*Mr. Kump stated a law firm occupied the space previously and was removed in November.*

**A motion was made by Commissioner Crimmings, seconded by Commissioner Nicholson, to approve the request for a White Box grant for the property at 420 Main Street. The motion PASSED by a Voice Vote.**

[431-17](#)

**Subject:** (Direct Referral) A request by Tad Ballantyne for review and approval of a White Box Program Grant for the property at 408 Main Street.

**Attachments:** [408 Main Street WB](#)

*Mr. Plaski briefly explained the request. He stated the proposal is to renovate a building at 408 Main Street. It is three stories and is looking to have shared office space. He stated the applicant, Tad Ballantyne, has demolished the entire first floor.*

*Mr. Ballantyne described his proposal. He purchased and renovated 410 Main Street and turned it into a media building. He stated for 408 Main Street he priced out the square footage and desk costs. He explained the interior use of the building and stated that he used white box market study to price out the space usage.*

*Mr. Plaski stated the quotes were complete. It was explained that Mr. Ballantyne is free to use and pay what he wants; however, the grant amount caps at the 50 percent of the lowest total bids.*

*Ms. Connolly stated the Downtown Area Design Review Commission met prior to this meeting and approved both requests for the White Box.*

**A motion was made by Mr. Crimmings, seconded by Mr. Spangenberg, to approve the request for a White Box grant at 408 Main Street. The motion PASSED by a Voice Vote.**

[440-17](#)

**Subject:** (Direct Referral) RDA Resolution 17-17 authorizing the City Attorney to prepare a license to use real estate and hold harmless agreement and authorizing the Executive Director to sign an agreement with the operators of the Farmer's Market for use of the West Racine Farmer's Market property at 1218 West Blvd., owned by the Redevelopment Authority.

*Ms. Connolly explained the request and stated the agreement would be between the RDA and the West Racine Business Professional Association. The resolution will be amended to show that fact.*

*Ms. Connolly read through the resolution.*

**A motion was made by Ms. Adamski-Torres, seconded by Mr. Crimmings to approve the request and adopt RDA Resolution 17-17 as amended to add Professional. The motion PASSED by a Voice Vote.**

[441-17](#)

**Subject:** (Direct Referral) Communication from the Executive Director requesting permission to seek a quote for technical assistance from the Center for Community Progress (CCP), based in Flint, Michigan, related to strategic code enforcement, land banking, and neighborhood housing markets. The technical assistance would assist the City Development Department in developing strategies to increase the tax base and reduce blight in the community.

**Attachments:** [Memo to RDA regarding Center for Community Progress TA Request](#)  
[CCP Rockford Report 9.22.16 Final updated](#)

*Laura Detert, Manager of Housing and Community Development explained the item. She stated we are looking for technical assistance to assist with code enforcement and to have a land bank for the city. She stated the Center for Community Progress (CCP) would help with getting the residential foreclosures with a fair process. The request presented to the RDA is to get the authorization to get the bid from CCP. Once the bid is received a separate request would come back to the RDA for the request to spend the funds.*

*Ms. Connolly stated the goal is to regrow the tax base.*

*Ms. Adamski-Torres asked if CCP has provided a Return on Investment (ROI) report.*

*Ms. Detert stated not at this point.*

*Mr. Crimmings asked how other cities are handling the issue.*

*Ms. Detert stated that one of the places researched was New York and they have started a land banking program. It was noted that CCP has worked in Rockford and other locations throughout the Midwest.*

*Brief discussion ensued.*

**A motion was made by Mr. Spangenberg, seconded by Mr. Crimmings, to approve the request to obtain a bid for technical assistance from CCP. The motion PASSED by a Voice Vote.**

[442-17](#)

**Subject:** (Direct Referral) Communications from Ed Miller, Executive Director of the Racine Revitalization Partnership seeking a term sheet discussion and a predevelopment agreement for the rehabilitation of Redevelopment Authority-owned property at 1418 Washington Avenue, in the Uptown neighborhood.

**Attachments:** [RDA Presentation Packet May 11](#)

*Ms. Detert and Ms. Connolly introduced Ed Miller from Racine Revitalization Partnership (RRP). RRP is working to become a Community Housing Development*

*Organization (CHDO).*

*Mr. Miller explained the program and the goal of RRP. He stated the organization would like to create neighborhood organizations within the community and the goal was to find a building that would fit within the community and 1418 Washington Avenue meets that goal.*

*The goal is to remodel the interior of the building as laid out on the attached proposal. He stated they are aware of the possible vacancy rate on the first and second floors (44 percent and 10 percent respectively). The annual return for a 40 percent vacancy would be \$120.00.*

*Mr. Miller stated their request is for approval of a predevelopment agreement for 1418 Washington Avenue.*

*He explained conceptual designs for the building from the UWM School of Architecture. He stated RRP is looking to apply for the following funding sources CHDO, Tax Increment District Funding, CHDO HOME Investment Partnership Funding, the White Box program and the façade grant program.*

*Ms. Connolly explained to the RDA that if this item is approved, a term sheet and predevelopment agreement would need to come back to the Authority for approval.*

*Mr. Crimmings clarified that a predevelopment agreement allows a certain business or organization to be in control of the building.*

*Ms. Connolly stated that is correct.*

*Mr. Miller stated they are requesting the City's help in obtaining a survey for the site and with an environmental review for the use of the HOME funds.*

*Ms. Connolly corrected that the only expense would be that of the survey as the environmental review for HOME funds is typically done gratis by the City.*

*She stated that she is requesting permission to work with the City's legal team to develop a predevelopment agreement with the RDA's covering the cost of a survey not to exceed \$1000. The predevelopment agreement would come back to the RDA for approval.*

**A motion was made by Mr. Crimmings, seconded by Mr. Nicholson, to approve the request and to negotiate a predevelopment agreement with RRP. The motion PASSED by a Voice Vote.**

[443-17](#)

**Subject:** (Direct Referral) Communication from Charlie French, Director for Neighborhood Watch seeking a grant of \$40,000 from the Redevelopment Authority for the annual Neighborhood Camps program.

**Attachments:** [NW CDBG RDA Request for WC 2017 Funds](#)  
[NW GWC Economic Impact Report](#)  
[NW 2017wcbudget](#)

*Charlie French, Racine Neighborhood Watch, introduced the request and explained the program. He stated the Group Work Camp program is coming on its 19th year and utilizes 6,500 volunteers from all across the United States to come to Racine for*

one week. Each year an area is chosen and this year, for the second year, TID 19 will be the core area. He stated the Work Camp does home repair and can usually do about 50-60 homes; this year will be 50 homes. Mr. French stated volunteers can do porch repairs, painting of homes, etc. Volunteers are housed at Case High School and work Monday through Friday. 944 homes have been repaired to date. He stated property owners have to be income qualified and only home owners qualify.

Chairman Holding stated he is concerned about the source of funding. He stated the Council controls the sewer funds not the RDA.

Ms. Connolly explained that in the past in the program was funded by CDBG, however, it can no longer be funded through CDBG because people receiving the assistance have to show proof that they income qualify. Mr. French stated that the income qualification requirements can be trying on the person receiving the assistance.

Last year RDA provided funding of \$20,000.00 from the SC Johnson (SCJ) grant due to partially being in the City and partially in Mt. Pleasant.

SCJ stated already funding the program so would rather not use the grant funds given to the city for the Work Camp, Connolly stated.

Mr. French stated SCJ has provided \$19,000 in material funding 17 out of 18 years and this year included.

Mr. Crimmings asked if other local sources have been approached.

Mr. French stated yes and they are asking where the City's funding is on this.

Ms. Connolly stated TID No. 19 funds could be used, however, we would have to see if there are any generation of funds within the TID.

**\*\*Discussion after the motion\*\***

Alder. Weidner asked what would happen to this year's Group Work Camp if there is no funding.

Mr. French stated he would have to discuss that with his board.

Alder. Weidner asked how this request is different from any other blight removal program

Ms. Connolly stated that it is not, however, it will have to be determined what is under the RDA budget and would have to go to the Common Council for funding.

**A motion was made by Mr. Nicholson, seconded by Mr. Spangenberg to look into TID financing opportunities and to refer this request to Finance and Personnel for its suggestion of funding sources. The motion PASSED by a Voice Vote.**

[394-17](#)

**Subject:** Communication from the Director of City Development seeking permission to apply for a \$320,000 DNR-Knowles Nelson Stewardship Grant for Parkland Development: Proposed RootWorks South River Loop Improvements. (Res. No. 0170-17)

**Recommendation of the Finance & Personnel Committee on 5/8/2017:** To apply for a \$320,000 DNR-Knowles Nelson Stewardship Grant for Parkland Development: Proposed RootWorks South River Loop Improvements.

**Recommendation of the Redevelopment Authority on 5/11/2017:** To apply for a \$320,000 DNR-Knowles Nelson Stewardship Grant for Parkland Development: Proposed RootWorks South River Loop Improvements.

**Fiscal Note:** \$500,000 in matching funds are budgeted in the 2017 IG Capital Budget and in associated line items in the TID 18 project plan. Funds will be used for design, engineering, and amenities associated the River Loop areas south of Fourth Street and will include walkways and railings stormwater plantings, walkway corridor and sidewalks and amenities. It is anticipated that any award notice will be received in late 2017 or early 2018. (Grant Control #00135).

**Attachments:**     [Racine Knowles Grant\\_Full Application\\_4.28.17](#)

*Ms. Connolly explained that this request relates to the parkland grants for the second phase of the parkland improvements*

*She stated funds are budgeted in the 2018 budget and in the TID 18. The application is for about 35 percent of the total project cost.*

**A motion as made by Mr. Spangenberg, seconded by Mr. Crimmings to approve the request and apply for the grant. The motion PASSED by a Voice Vote.**

## **Report of the Executive Director**

A. Update on RFP for “on-call” real estate brokerage services (on hold)

*Ms. Connolly stated this item is still on hold.*

B. Proposed RDA training (Visit to Milwaukee RDA in Summer 2017)

*Ms. Connolly stated that the RDA will take a trip to Milwaukee in the Summer to learn about their Redevelopment Authority.*

C. Update on White Box Program

*Ms. Connolly informed the RDA that the White Box program has been successful. The third grant was just approved and funds are available for only one or two more applications. She stated she would like to go back to the Council to request more funding. Currently, there are 12 potential applications for the program.*

## **RDA-Owned Property Report**

A. 233 Lake Street (Hotel & Event Center)

*Ms. Connolly stated we are more than halfway through the Phase I for the project. She stated that there will be a community outreach event next Wednesday at Festival to discuss what citizens would like to see within the center (uses, concerts, etc...).*

B. 615 Marquette Street (Case Plow Works Building)

*Ms. Connolly stated General Capital is almost done with historic preservation surveying.*

C. 1520 and 1536 Clark Street (Ajax Building)

*Ms. Connolly stated the RDA granted an option to purchase to Cal Schulz and an application was submitted to WHEDA for low income tax credits and historic preservation. However, in the recent weeks, Schulz had his team in the building and a train went by and the exterior walls moved. They felt that the building was very unstable so they pulled their tax credit application from WHEDA and also pulled their option to purchase. Ms. Connolly stated there are two options for the next steps: seek new developers for the site; or to look at the cost of demolishing the building.*

*Chairman Holding asked if someone else needed to look at the building for an opinion on what to do with the property. Solicit bids for demo or possibly do another RFQ (Crimmings and Connolly) Possible bids for structural engineer to review the property and bids to knock it down.*

D. Southside Industrial Park

*None.*

E. City-owned property Report

*Ms. Connolly explained that the final property in the West Bluff project was acquired and the donation from SCJ received. She stated the next step is to start on the streambank restoration project.*

**Brownfield Properties Report**

A. Racine Steel Castings Property

*No updates.*

B. Harborside Property (aka Walker Site)

*No updates.*

**A motion was made by Mr. Crimmings, seconded by Mr. Spangenberg to receive and file the Report of the Executive Director. The motion PASSED by a Voice Vote.**

## CLOSED SESSION

*Chairman Holding read the closed session notice.*

**At 7:40 p.m., a motion was made by Ms. Adamski-Torres, seconded by Mr. Crimmings, to go into Closed Session. The motion PASSED by the following vote:**

**AYES:** 5 - James Spangenberg, Gregory Holding, Jen Adamski-Torres, Doug Nicholson and John Crimmings

**EXCUSED:** 1 - Robert Anderson

The Redevelopment Authority will convene in closed session pursuant to Wis. Stat. Sec. 19.85(g) to confer with legal counsel for governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved.

**No action will be taken by the Redevelopment Authority after the closed session**

## Adjournment

*There being no further business, the meeting adjourned at 7:57 p.m.*