



City of Racine

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

Meeting Minutes - Draft

Redevelopment Authority of the City of Racine

Thursday, May 2, 2019

6:00 PM

City Hall, Room 303

Call To Order

Chairman Spangenberg called the meeting to order at 6:00 p.m.

PRESENT: 5 - Jen Adamski, Doug Nicholson, John Crimmings, Robert Anderson and James DeMatthew

Misc. Notes/Arrivals

James Spangenberg and Cory Mason were also present (members not listed in the attendance).

Approval of Minutes for the April 4, 2019 Meeting.

A motion was made by Anderson, seconded by Adamski, to approve the minutes of the April 4th meeting. The motion PASSED by a Voice Vote.

[0505-19](#)

Subject: (Direct Referral) A request by John Dunk for review and approval of a white box grant for the property at 3207 Washington Avenue.

Attachments: [3207 Washington Ave WB](#)

Chief Building Inspector Ken Plaski introduced the request and the applicant. He explained that a quorum was not able to be obtained for the Downtown Area Design Review Commission (DADRC) so we are looking for the RDA to grant final approval of the application.

Connolly stated staff has reviewed the application and are happy to issue approval. She stated she sits on the DADRC and staff has made sure that the application complies.

Plaski stated that the applicant is looking to open a tavern/restaurant at 3207 Washington Avenue. He stated the building was formerly home to Security Finance. Plaski informed the Authority that the building is 100 years old and would be eligible for a maximum grant award of \$20,000.00.

The applicant, John Dunk, expressed gratitude for the consideration of his application. He stated he has been out of business for a few years and is excited to be open again. He stated he is excited to remodel the natural brick and the 100 year old floors.

Crimmings asked if they will be the first liquor license in West Racine.

Dunk stated there was a hotel that had a bar in West Racine in the 1920's.

In response to Chairman Spangenberg, Plaski stated the application has been reviewed in full.

A motion was made by Crimmings, seconded by Adamski, to approve the White Box Grant for 3207 Washington Avenue for an amount up to \$20,000.00. The motion PASSED by a Voice Vote.

[0506-19](#)

Subject: (Direct Referral) A request by Michael Bain, representing Mt. Royal Property Management, for review and approval of a White Box Grant for the property at 302 Main Street.

Attachments: [302 Main Street WB](#)

Plaski reviewed the request. He stated the proposed improvements to the building include, plumbing flooring, drywall, framing, trim, HVAC, etc. He stated the building used to house a general store since 1978 and is 149 years old. He stated the maximum grant award would be \$15,300.00, based on the square footage of the building.

Tim Ryan, Mt. Royal Capital and the property owner, stated the building will be finished out as retail space. He stated they are looking for someone who will be a long-term tenant.

Adamski asked if the wood floor would be removed.

In response to Adamski, Ryan stated they are looking into keeping the wood floor and patching the spots that need repair.

A motion was made Anderson, seconded by Crimmings, to approve the White Box Grant for 302 Main Street in an amount up to \$15,300.00. The motion PASSED by a Voice Vote.

[0507-19](#)

Subject: (Direct Referral) A request by Michael Bain, representing Mt. Royal Property Management, for review and approval of a White Box Grant for the property at 411 Main Street.

Attachments: [411 Main Street WB](#)

Plaski reviewed the request. He stated the building is 169 years old and will be a retail space. He stated the improvements that will take place include, flooring, plumbing, HVAC, and the drop ceiling. He stated the maximum grant award would be \$20,000.00 based on the square footage of the building.

In response to Adamski, Ryan stated there is a signed lease with 2 Swift Suits for the building.

A motion was made by Crimmings, seconded by Anderson, to approve the White Box Grant for 411 Main Street in an amount up to \$20,000.00. The motion PASSED by a Voice Vote.

[0508-19](#)

Subject: RDA Resolution 19-09 recommending approval of a Community Development Block Grant (CDBG) Revolving Loan Fund small business loan in an amount not to exceed \$35,000.00 for the

purpose of equipment, working capital, and closing costs, and the creation of at least 1 full-time equivalent job for Racine Brewing Company LLC at 331 Main Street.

Recommendation of the Redevelopment Authority on 05-02-19:

That the request from for a Community Development Block Grant (CDBG) Revolving Loan Fund small business loan for the purpose of equipment, working capital, and closing costs, and the creation of at least 1 full-time equivalent job for Racine Brewing Company LLC at 331 Main Street be approved. Further, that the Mayor, City Clerk, and Director of City Development be authorized to execute written agreements with Racine Brewing Company LLC for loan assistance not to exceed Thirty Four Thousand Eight Hundred Dollars (\$34,800.00) for the creation of at least one [1] full-time equivalent job in the City of Racine, to be held by a member of a Low/Moderate Income Household, and consistent with federal regulations for CDBG funds, and City of Racine SBD-RLF guidelines.

Fiscal Note: The Community Development Committee and Common Council allocated CDBG funds or the purposes of assisting businesses through the 2018 Annual Plan. There are sufficient funds available.

Attachments: [ABM Racine Brewing Company](#)
 [RBC RLF Loan Summary](#)
 [Resolution 19-09 CDBG SB RLF Racine Brewing Company](#)
 [#0508-19 Resolution](#)

Connolly explained the request. She stated that the RDA is responsible for approving the Community Development Block Grant Revolving Loan Fund (CDBG-RLF). She stated the CDBG-RLF is used for job creation, equipment, and other capital and the loans provided in the past include R&B Grinding, and Kouzena. Connolly introduced Ben Lehner, Community Development Program Specialist for the Department of City Development.

Lehner gave an overview of the CDBG-RLF Program. He stated for every \$30,000.00 borrowed, one full-time equivalent job is to be created. He stated the job is to benefit those of low-moderate income. He stated this specific project was reviewed by WWBIC. Lehner explained the project guidelines and described the business for the request. He stated Racine Brewing Company was established in 2017. Last year they were approved for a \$30,000.00 for equipment upgrade and they are looking to do Business-2-Business sales and participate in special events. He stated the funds that are being requested will be used for a sales vehicle, delivery vehicle, and a kiosk. Lehner explained he scoring criteria used; Racine Brewing Company received a 76 out of 100.

In response to Adamski's question about the types of events, Angie Molina, the applicant, stated they are working with the Downtown Racine Corporation and will be on Monument Square.

DeMatthew asked when they will be doing the hiring.

Molina stated that they are already conducting interviews.

In response to Anderson, Molina stated they have also purchased a canning machine in addition to the possibility of kegging.

Adamski asked if the delivery vehicle will need to have a cooler.

Molina stated that the delivery vehicle will not need to have a cooler, however, the trailer will.

A motion was made by Crimmings, seconded by Adamski, to adopt RDA Resolution 19-09 recommending approval of a CDBG RLF small business loan in an amount not to exceed \$35,000 for Racine Brewing Company LLC at 331 Main Street. The motion PASSED by a Voice Vote.

CLOSED SESSION

Chairman Spangenberg read the closed session notice.

It is intended that the Redevelopment Authority convene in closed session pursuant to Wisconsin Statutes, Sec. 19.85(1)(e) to deliberate or negotiate the purchase of public properties, to invest public funds, or conduct other specified public business, whenever competitive or bargaining reasons require a closed session and 19.85(1)(g) conferring with legal counsel for the 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.

At 6:22 p.m. a motion was made by DeMatthew, seconded by Mason, to convene into closed session. The motion PASSED by the following vote:

Ayes: Spangenberg, Mason, DeMatthew, Adamski, Anderson, Crimmings

Excused: Nicholson

[0509-19](#)

Subject: Communication from the Executive Director requesting to meet with the Redevelopment Authority in Closed Session to discuss litigation strategy involving 1425 North Memorial Drive.

[0510-19](#)

Subject: Communication from the Executive Director requesting to meet with the Redevelopment Authority in Closed Session to discuss negotiations with Global Signal Acquisition IV, LLC (Crown Castle/Verizon).

OPEN SESSION

At 7:04 p.m. a motion was made by Crimmings, seconded by Adamski, to reconvene into open session. The motion PASSED by the following vote:

Ayes: Spangenberg, Mason, DeMatthew, Adamski, Anderson, Crimmings

Excused: Nicholson

The remainder of the agenda was taken in the following order 0511-19, 0523-19, 0524-19, 0512-19.

[0523-19](#)

Subject: RDA Resolution 19-10 approving Findings of Fact and Conclusions of the Executive Director's Report on the terms and conditions of the sale of property at 1825 DeKoven/1811 Phillips Avenue to Global Signal Acquisition IV, LLC (Crown Castle/Verizon).

Attachments: [ABM Crown Castle](#)
[Resolution 19-10 Approving the Report of the Executive Director](#)

A motion was made by Anderson, seconded by Crimmings, to adopt RDA Resolution 19-10 approving the Findings of Fact of Conclusions of the Executive Director's Report on the terms and conditions of the sale of the property at 1825 DeKoven/1811 Phillips Avenue to Global Signal Acquisition IV, LLC.

[0524-19](#)

Subject: Resolution 19-11 approving and recommending sale of Parcel 3, CSM 2781 to Global Signal Acquisition IV, LLC (Crown Castle/Verizon).

Attachments: [ABM Crown Castle](#)
[Resolution 19-11 Approve sale to Crown Castle](#)

A motion was made by Adamski, seconded by DeMatthew, to adopt RDA Resolution 19-11 approving and recommending the sale of Parcel 3 CSM 2781 to Global Signal Acquisition IV, LLC. The motion PASSED by a Voice Vote.

[0511-19](#)

Subject: Resolution 19-12 rescinding Resolutions 10-10, 18-12, and 18-15 regarding Southside Industrial Park Design Standards and Covenants.

Attachments: [ABM Crown Castle](#)
[RDA Corresp - 20190501](#)
[Resolution 19-12 Rescinding SSIP Standards and Covenants Resolution](#)

A motion was made by Crimmings, seconded by Anderson, to adopt RDA Resolution 19-12 rescinding Resolutions 10-10, 18-12, and 18-15 regarding Southside Industrial Park Design Standards and Covenants. The motion PASSED by a Voice Vote.

[0512-19](#)

Subject: Communication from the Executive Director requesting approval to draft and sign a contract with TerraVenture Advisors to facilitate the purchase of properties in Uptown for the Uptown Triangle Park project not to exceed \$30,000.00.

Attachments: [Letter Proposal - City of Racine Triangle Junction](#)
[ABM Hiring Terra Venture Advisors to acquire uptown properites](#)

Director Connolly explained the request. She stated that as part of the Uptown Redevelopment Plan and the Uptown Tax Incremental District approved in 2016, there were plans to acquire properties near the railroad tracks. She stated the properties that are proposed to be acquired make up a triangle piece of four properties. She stated staff is working with outside contractors to acquire the properties and will be coordinating with the Business Improvement District to implement a plaza that will include parking and outdoor space; a collective meeting and organizing space for Uptown. Connolly explained that environmental assessments will be conducted on the property prior to acquisition and that a relocation expert will be hired. She stated that TerraVenture Advisors has worked with the city on the Machinery Row project. She stated once everything is complete, the property will be turned over to the City of Racine Parks Department.

A motion was made by Crimmings, seconded by Adamski, to approve the request of the Executive Director to draft and sign a contract with TerraVenture Advisors to facilitate the purchase of properties in Uptown for the Uptown Triangle Park. The motion PASSED by a Voice Vote.

Brownfield Update

Connolly introduced Abby Reichling and Donna Volk from Ramboll, Attorney Bill Scott, and Mike Lechner from City Development.

Atty. Scott explained the project life cycle which is the course of events brownfield properties must pass through in order to become developable. The cycle includes the following steps:

- Intake – Amy accepts project and establishes priority*
- Triage – BF Team performs preliminary problem assessment, project scoping, sets approach to resolution and discusses range of budget needed and probable funding sources*
- Initiation – BF Team sets timelines, obtains access, confirms funding, confirms relative priority*
- Preliminary Investigation – Phase I ESA (required before acquisition and also for grant eligibility), possible limited sampling, refine preliminary strategy, preliminary regulatory discussions*
- Project Kickoff – Discuss findings of preliminary investigation, finalize strategic approach, perform remedial planning, acquire ownership of site, investigate site, abate asbestos and demolish buildings, remediate and monitor site, seek case closure*

He stated at any time a buyer may emerge requiring negotiations that may change approach and timing.

Volk discussed the brownfield priority areas in the city, the US Environmental Protection Agency Assessment Grant, the Brownfields Cleanup Revolving Loan Fund (BC-RLF), additional funding opportunities, green team sites, and RDA and City owned sites.

Volk explained the sites such as Imperial Laundry that were part of the green team sites. She stated Imperial Laundry is located in Uptown and received Wisconsin Assessment Monies (WAM) Funds. She also explained the grants received for brownfield sites.

Anderson asked if there were anything found at the Horlick site on Northwestern

Avenue.

In response to Anderson, Volk stated that one of the properties at the Horlick site on Northwestern Avenue has cyanide, however it will not be a huge cleanup.

Connolly stated the reuse of the property will be able to be contributed to the grant funds received. She stated that a Phase II will be conducted at the property at 1535 High Street for a potential buyer.

The actions at Racine Steel Castings and other sites (upcoming) were explained along with the BC-RLF. Volk stated that Harborside is taking a majority of the funds for the BC-RLF. Volk also explained additional funding opportunities. She stated another cleanup grant was applied for the former Machinery Row and 615 Marquette Street. She stated we will hopefully know by early June whether or not grant funds will be received. She stated we are also looking for supplemental funding application for Hazardous Substance for \$500,000.00.

The green team sites were further explained. The sites include Merchants Moving & Storage Imperial Laundry, and General Converters. Volk stated the County is interested in foreclosing on the property and the assessment grant may be utilized.

In response to Mason about the length of time for General Converters, Volk stated when the process gets started it is only a couple of months, however, there are several steps that take place before that happens.

Mason asked about the contamination of the site.

Atty. Scott stated that there are some barrels and tanks present on the site.

Reichling stated that the site had prior assessments done for the exterior of the building in 1999.

Volk explained Racine Steel Castings and other RDA-owned sites. She stated the North Lot of Racine Steel Castings is where the high levels of PCB's are located.

Adamski and Mason asked about any concerns with the sewers.

Volk stated there are PCB's located within the storm sewers on the property.

The former Machinery Row property was discussed. It was stated that all of the buildings have been demolished and more than 90 percent of building materials have been recycled. Stated there were a lot of asbestos present in the buildings and described the intended future uses.

Mason asked about the parking lot requirement and asked if it were necessary due to the Knowles Nelson Grant.

Connolly stated once the plan for the property is completed, we can decide whether or not we want to repay the grant because the parking lot requirement will not be met.

Mason asked if there were any flexibility on parking lot acreage requirement.

Atty. Scott stated unsure about the flexibility on the parking lot, however, flexibility has

been received on other things.

Discussion ensued about a livable working community in urban areas vs. rural areas.

The former UPEC site at 1500 N. Memorial Drive was discussed. The property is currently owned by the city and Phase I assessments will be conducted before the property is transferred to the RDA.

In response to Connolly, Lechner stated we are working on moving containers from the site.

Connolly stated that we are working on specs to demolish the site.

Atty. Scott stated we are making sure that no spills occur on the site while the city owns the property.

Adjournment

There being no further business, the meeting adjourned at 7:51 p.m.