



Community Development Authority

City of Racine

AGENDA BRIEFING MEMORANDUM

AGENDA DATE: May 15, 2023

PREPARED BY: Jeff Hintz, CNU-A, Planning Manager, City Development Department

SUBJECT: Communication from the Interim Executive Director requesting the Community Development Authority make and serve a Jurisdictional Offer upon Penny Racine, LLC, for the acquisition of easements and restrictive covenants at Regency Mall, as authorized by Resolution 22-37, Determination of Necessity.

SUMMARY: In September and October of 2022, the CDA adopted a redevelopment plan for the area which focused on and authorized the removal of private deed restrictions, agreements, and easements that preclude redevelopment or make redevelopment of the site more difficult. As a final step in extinguishing these restrictions, deeds, and/or agreements, a jurisdictional offer based on the appraisal of these agreements is required. The appraisal of these interests is valued at \$100 in this case.

BACKGROUND & ANALYSIS: After authorizing a redevelopment plan for the Regency Mall area, the CDA approved a resolution of necessity on October 25, 2022 which allowed for the acquisition and extinguishment of easements and restrictions which preclude in some cases, severely hampering the redevelopment potential of the Regency Mall property. These easements, deeds, restrictions, and agreements have been evaluated and appraised and the final step is to offer a jurisdictional offer based on the value of the rights and obligations owner(s) have an interest in.

The offer outlines the rights of the current owner of these interests and outlines the process in how the proceedings will move forward. The value of these interests and rights was appraised to be \$100 and the current owner can accept or decline this offer within 20 days. If no response is received, a determination of just compensation would occur from the circuit court. The end result is that the CDA, as authorized by the Redevelopment Plan and Resolution of Necessity from 2022 would acquire and extinguish these restrictions, deeds, and/or agreements. Once this occurs, the redevelopment of the Regency Mall property will be able to move forward in earnest.

RECOMMENDED ACTION:

Staff recommends that the Community Development Authority of the City of Racine recommend approval of this Jurisdictional Offer, further authorizing the Interim Executive Director to execute all necessary documents and payment of funds.

BUDGETARY IMPACT:

The offer to acquire the property rights and obligations is \$100 and nominal administrative fees will be required to ensure the transaction is finalized.