

CITY OF RACINE, WISCONSIN

REDEVELOPMENT AUTHORITY RESOLUTION 18-35

**AUTHORIZING THE TERMINATION OF THE REC FEE GRANT PROGRAM AND
REPEALING RESOLUTION 15-11**

WHEREAS, in April 2015, the Redevelopment Authority established a REC Fee grant program to assist the growth of commercial businesses and increase the occupancy of existing commercial space in the City through RDA Resolution 15-11;

WHEREAS, REC Fees are the “Residential Equivalent Charge” or water connection fees charged to new development;

WHEREAS, there were several grant given since 2015 paid for through the City’s Intergovernmental Revenue Sharing (Sewer Agreement) Fund;

WHEREAS, in the Fall of 2018, the City of Racine and surrounding communities reached agreement on an updated Water Utility Agreement that drastically lowered REC fees for every community served by the City of Racine Water Utility;

WHEREAS, REC fees are now less than 80% of the former cost and are no longer a significant obstacle to the creation and expansion of commercial businesses or residential growth (previously \$3,623 and now \$500);

BE IT THEREFORE RESOLVED, that the Redevelopment Authority authorizes the termination of the REC Fee Grant program and resolves to no longer budget money within the City’s Intergovernmental Revenue Sharing Funds for this grant program;

FURTHER RESOLVED, that Resolution 15-11 is repealed;

FURTHER RESOLVED, that individual, large-scale developments that may incur significant REC Fees may seek incentives, that may include subsidized REC Fees, through traditional incentive and developers agreements;

***Fiscal Note:** There are no monies budgeted in the 2018 Intergovernmental Revenue Sharing (Sewer Agreement) Fund for REC Fee grants, however, the City has estimated that approximately three or four developments may request a REC Fee incentive through a traditional development or incentive agreement and has set aside \$50,000 in the 2019 IG Fund Budget for such individually granted incentives from incentive agreements.*

Adopted on: December 6, 2018 *Seal*

By a Vote of
For: 0
Against: 0

Abstain: 0

Attest:

Amy Connolly, AICP
Executive Director/Director of City Development