

CITY OF RACINE, WISCONSIN

REDEVELOPMENT AUTHORITY RESOLUTION 19-06

RECOMMENDING THE USE OF INTERGOVERNMENTAL SHARED REVENUE FUNDS
AND APPROVING WAIVING \$27,000 IN REC FEES FOR GOLD MEDAL LOFTS

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

WHEREAS, the City has previously had a REC Fee Grant program that used the City’s Intergovernmental Revenue Sharing (Sewer Agreement) Fund to support the program and this grant program was dissolved in 2018 by the RDA because 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, when the RDA dissolved the previous REC Fee program, the RDA 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;

WHEREAS, Gold Medal Lofts is a new development proposed at 1701 Packard Avenue that will invest over \$18M in the City of Racine and build 77 new apartments within a historic structure;

WHEREAS, Gold Medal Lofts will incur approximately \$27,000 in REC Fees because they are transitioning use from industrial to residential and adding residential customers to the Racine Water Utility;

WHEREAS, the RDA budgeted approximately \$50,000 in the 2019 annual budget for “REC Fee Grants” that would go to large-scale, redevelopment projects;

BE IT THEREFORE RESOLVED, that the Redevelopment Authority find that the use of Intergovernmental Revenue Shared Funds meets the project eligibility requirements set forth in City Policy;

FURTHER RESOLVED, the Redevelopment Authority approve using \$27,000 of the budgeted \$50,000 “Rec Fee Grant program” to waive the REC fees of Gold Medal Lofts.

***Fiscal Note:** The proposed REC Fee “waiver” of \$27,000 is fully supported within the City of Racine and the RDA’s Budget within the Intergovernmental Revenue Fund Budget for 2019 (Allocation to the RDA) of \$50,000 for “REC Fee Grant Program.”*

Adopted on:

February 7, 2019

Seal

By a Vote of

For: 0

Against: 0

Abstain: 0

Attest:

Amy Connolly, AICP

Executive Director/Director of City Development