



**City of Racine, Wisconsin**  
**AGENDA BRIEFING MEMORADUM**

**AGENDA DATE:** July 9, 2019, Finance and Personnel Committee

**SUBJECT:**

Communication from Alder Shakoor II requesting the City transfer 939 Center Street, 1644 Holmes Avenue, 1637 Packard Avenue, and 1445 Clark Street to Racine Revitalization Partnership (RRP).

**PREPARED BY:**

Matthew Rejc, Manager of Neighborhood Services

**EXECUTIVE SUMMARY:**

The City of Racine owns 939 Center Street, 1644 Holmes Avenue, 1637 Packard Avenue, and 1445 Clark Street, which RRP applied for as part of the Property Reactivation Program and was determined to be the highest scorer for the properties.

**BACKGROUND & ANALYSIS:**

As a means to return tax delinquent properties to the tax rolls and to ensure that properties contribute positively to their surrounding neighbors, the City of Racine launched the Property Reactivation Program on April 29, 2019 to accept applications for redevelopment of City-owned properties that were foreclosed upon by Racine County and donated to the City. The City of Racine acquired 939 Center Street, 1644 Holmes Avenue, 1637 Packard Avenue, and 1445 Clark Street through the 2018 in rem tax foreclosure process.

Applications were due on May 31, 2019, and qualifying applications were received on six of the seven available properties with residential structures. RRP applied for the four subject properties and was determined to have the highest score for each of the properties on which they applied. All of the subject properties currently contain one- or two-family structures that RRP proposes to rehabilitate and sell to eligible homeowners. RRP has successfully demonstrated approved financing sufficient to complete essential repairs on the properties.

RRP's responsibilities for the properties will include the following as prescribed through the Property Reactivation Program:

- All work will be performed with proper building permits and the buildings will be in compliance with City building codes before resale.
- Certificate of occupancy (completion of construction/rehabilitation) must be obtained within 180 days of receiving the property.
- Properties must be sold to homeowner-occupants within at least one year of property transfer
- RRP must comply with all Federal regulations associated with these properties should any or all of the properties be approved for Federal funding.

RRP has also been determined to meet the general buyer requirements that were incorporated into the Property Reactivation Program request for proposals documents. According to the buyer requirements, applications will be denied from any applicant who:

- Is delinquent in the payment of any property tax, special assessment, special charge or special tax to the City of Racine or Racine County.
- Has outstanding judgments from the City or County.
- Has outstanding health, building, or zoning code violations or orders from the City's Health Department or Building Department that are not actively being abated as determined by the Chief Building Inspector or the Director of the Health Department.
- Owned property in the County that, at any time within the past 5 years, the County acquired by means of property-tax foreclosure.
- Has been convicted of a felony determined by the City Attorney to reasonably cause neighborhood or community concern with respect to neighborhood stability, health, safety or welfare.

**BUDGETARY IMPACT:**

RRP will reimburse the City for title transfer, recording, or any other applicable fees, while also paying the City a \$7,500 acquisition cost for each property. Of the acquisition cost, \$5,000 will be returned as a deposit upon successful completion of the rehabilitation work and sale of the property in the timeframes allotted.

**RECOMMENDED ACTION:**

Staff recommends that the Finance and Personnel Committee recommend transfer of 939 Center Street, 1644 Holmes Avenue, 1637 Packard Avenue, and 1445 Clark Street to Racine Revitalization Partnership in accordance with the procedures established in the Property Reactivation Program.