



City of Racine

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

Meeting Minutes - Final

Redevelopment Authority of the City of Racine

Thursday, June 7, 2018

6:00 PM

City Hall, Room 303

Call To Order

Chairman Spangenberg called the meeting to order at 6:09 p.m.

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

Approval of Minutes for the May 2, 2018 Meeting.

A motion was made by Mason, seconded by Crimmings, to approve the minutes of the May 2nd meeting. The motion PASSED by a Voice Vote.

[0329-18](#)

Subject: Resolution 18-13 authorizing the RDA Executive Director and the RDA Chairman to execute a contract with Global Signal Acquisition IV LLC (representing Crown Castle and Verizon) for a perpetual easement for a 2,496 s.f. parcel of property at 1828 DeKoven Avenue/1811 Phillips Avenue for an existing telecommunications tower and ground equipment.

Attachments: [City of Racine - Sale of RDA easement 06.07.2018](#)
[843991 De Koven Avenue Perpetual Easement Purchase letter agreement 3-27-18](#)
[Resolution 18-13 Crown Castle Verizon Wireless Perpetual Easements](#)

City Administrator Jim Palenick explained the request. He stated there is an area within the Southside Industrial Park referred to as 1828 DeKoven Avenue or 1811 Phillips Avenue and there is a cell tower and ground equipment located on the site that is owned and maintained by Crown Castle. Crown Castle currently has a lease with the RDA for the property that will expire in 2026. The current lease is for an 1196 s.f. parcel and Verizon has an additional 800 s.f.

Palenick explained that discussions took place regarding the sale of an easement for \$458,000. Crown Castle has offered a letter of intent and some of the language was concerning to staff. He stated that the request before the RDA is that the sale be authorized, however, be consistent with and subject to the terms of a final "Grant of Easement and Assignment of Lease" to be negotiated and approved by the RDA Executive Director and support staff, including legal Counsel representing the RDA".

RDA Executive Director Amy Connolly showed a map of the site where the cell tower is housed.

Crimmings asked regarding the reasoning behind an easement vs. a fee simple sale and if the owner of the property would be required to pay taxes.

Palenick stated the city would still own the property and may not be subject to property taxes for a permanent easement.

Deputy City Attorney Nicole Larsen stated if the Assessor determines the property is more for private use property taxes may be assessed.

DeMatthew asked regarding the permanent easement who would own the building.

Palenick stated the building is part of the equipment and would still be owned by Crown Castle.

DeMatthew asked regarding the liability if the RDA if an easement were negotiated.

Larsen stated being the owner of the site (not the equipment), the city may still hold liability.

In response to DeMatthew, Connolly stated insurance would still be held on the property. Stated we would like to have revenue at the present so redevelopment issues can be addressed at the present.

In response to DeMatthew's question about liability, Larsen stated the management company could come in and sublease and add more tenants to the tower.

Nicholson asked whether or not Crown Castle is opposed to the sale of the property.

Palenick the company does not usually entertain sales it is either a lease or an easement.

Brief discussion ensued.

A motion was made by Crimmings, seconded by Nicholson to approve the sale and conveyance of a perpetual easement for a combined 2,496 square-foot parcel of real property at 1828 DeKoven/1811 Phillips Avenue in the City of Racine, to Global Signal Acquisitions IV LLC (representing Crown Castle and Verizon) for an existing telecommunications tower and ground equipment for the lump sum purchase price of four hundred fifty-eight thousand dollars (\$458,000) and conditional upon reaching an agreement with the purchaser, consistent with and subject to the terms of a final "Grant of Easement and Assignment of Lease" to be negotiated and approved by the RDA, its Executive Director, and support staff, including legal Counsel representing the RDA.

A friendly amendment was added to the motion that the agreement be brought back to the RDA for review. The motion and amendment PASSED by a Voice Vote.

[0568-18](#)

Subject: Communication from the City Administrator requesting a recommendation regarding the use of Intergovernmental Revenue Sharing Funds by the City of Racine for the fee simple purchase of the property at 441 Lake Avenue consisting of an underground parking structure, surface lot, and canopy drive-through.

Attachments: [City of Racine ABM - 441 Lake Avenue](#)
[Johnson Bank Condition Report - Carl Walker April 2018](#)
[Letter of Intent 441 Lake Avenue](#)

Palenick introduced the request. He stated there is a property at Lake Avenue and 5th Street (441 Lake Avenue) that is owned by Johnson Financial and is operating as a small drive up bank with an underground structure and surface lot. He stated Johnson Financial does not need to operate the bank at this location; however the ATM would remain, and has plans to raze in the future. They would like to donate the property to the City with the condition that the ATM would operate for a 10 year period and no financial businesses will compete with them. He stated the city will pay an initial amount of \$100,000 for the property; however, \$10,000 per year will be received for the ATM lease on the property. Over the ten years the city would be able to use for other uses as long as ATM remains on the site and not used for another financial institution, the property is currently assessed at \$500,000. Palenick explained that parking will be added to the city's inventory that would assist with development in the area. It is the last piece of property not controlled by the city that is around festival hall. Use of Intergovernmental Revenue Sharing Funds is being proposed for the acquisition. He stated there is a private investment required of 5x's to 1; however, the value of the property would hopefully cover that requirement.

Discussion after the motion:

DeMatthew asked if the festival hall area were part of the request.

Palenick, stated it was not, however this would be the last property around the area that the city does not own.

DeMatthew asked if festival hall could use some of the underground space.

Palenick stated that would be TBD however would be in the city's prevue as we would own the property.

Alderman Coe asked about storage and the Johnson Outdoors facility.

Palenick stated only parking Monday-Friday on the surface lot and ATM on the site was being requested by Johnson's.

In response to Nicholson's and DeMatthew's questions about cost and gated parking, Palenick stated the expected parking revenue has the potential to offset the cost and placement of meters would be worked out and discussed at a later date.

A motion was made by Mason, seconded by Crimmings to recommend approval of the request. The motion PASSED by a Voice Vote.

[0569-18](#)

Subject: Communication from the Executive Director requesting that the remaining \$53,000.00 allocated to the RDA for the Event Center project be allowed to carry over to the 2018 RDA budget for professional services.

Connolly explained the request. She stated the request to have the monies allocated for the Event Center to stay within the RDA's Professional Services budget. She stated a request will have to go back to the Common Council for approval.

A motion was made by Mason, seconded by Nicholson, to approve the request. The motion PASSED by a Voice Vote.

[0586-18](#)

Subject: Resolution 18-14 authorizing the RDA to enter into a contract with the Racine Revitalization Partnership (RRP) for neighborhood development services for \$100,000.00, as budgeted in the 2018 Capital Improvement Plan.

Attachments: [RRP Staff Memo June2018](#)
 [2018 YR 2 Agreement Draft](#)
 [RDA Resolution 18-14 RRP Grant](#)

It was explained that in June 2016 funding was approved for the Racine Revitalization Partnership (RRP) for work within the Uptown neighborhood based on work put in the TID 19, uptown TID program. Connolly stated over the last year and a half RRP was created and an executive director hired. She stated the current contract expired February 28, 2018 so funding is being requested. This was approved by the Common Council in the Capital Improvement Budget for the City. Connolly explained that staff is recommending funding of the organization for \$100,000. She stated TID No. 19 is not yet producing increment so money will be used from the Intergovernmental Sharing Fund (IG Fund) and once TID No. 19 starts to produce, the IG Fund will be reimbursed.

A motion by Nicholson, seconded by Mason, to approve the request. The motion PASSED by a Voice Vote.

Water Street Redevelopment Update

a. Update on bid for demolition

Connolly informed that bids went out today. KSingh wrote the bid specifications and they were reviewed by Attorney Bill Scott and staff. Bids are due at the end of June and a special July meeting of the RDA may be called to award the bid.

Crimmings asked if the goal were to have the buildings down by the end of the year.

Connolly stated yes.

b. Update on selection of planning team for redevelopment plan

Connolly stated the project is still underway. Twelve proposals were received, interviewed in-house and recommendations made. Further interviews may possibly take place at the July 5th meeting.

Brownfield Update

a. Presentation from Bill Scott and Brownfield Team on Brownfield Priorities

Attorney Bill Scott began the presentation. He stated there are several projects that the city is working on. He stated the RDAs job is review, approve, and set priorities for

redevelopment; a brownfields plan is in the works. He stated redevelopment will happen on used properties and anytime we use property, environmental cleanup and issues may arise. He stated areas that are deemed blighted as well as funding opportunities and developer interests will be the basis for the plan.

Environmental consultants Donna Volk and Abigail Wedig from Ramboll presented the sites within the city that were considered brownfield priorities.

Volk discussed the Brownfield Assessment Grant. She stated \$300,000 was received with \$200,000 for hazardous substance sites and \$100,000 for petroleum sites. She stated the grant does not cover clean up, just site assessment investigation and remedial planning. There is an estimated date of July 1st to begin using the funds.

Crimmings asked if the grant were only for RDA property.

Volk stated no, any property that may be of interest to the city or to a developer who would like assistance in the environmental assessment.

Volk explained the priority areas and stated the main focuses are RootWorks, Racine Steel Casting/Douglas Avenue, uptown, downtown/lakefront, and Southside Industrial Park. She explained the progress of the sites.

DeMatthew and Atty. Scott discussed the environmental impact of 1505 High Street.

Connolly stated the existing buildings at 1520 Clark Street have to be demolished which may require a different cleanup scenario.

Atty. Scott added that the remedy has to be suitable for the development.

b. New EPA Site Assessment grant plan

The former Imperial Laundry at 1236 13th Street was discussed. There is a potential buyer for the property; however, concern was expressed regarding the environmental conditions of the property. The property was eligible for and awarded a DNR WAM Grant (Department of Natural Resources Wisconsin Assessment Monies). The DNR will do the assessment on the property and the City and potential purchaser will get a copy of the grant.

Volk and Wedig explained a spreadsheet shows status, milestones, and future outcomes for each of the project sites along with reporting deadlines.

Adjournment

There being no further business, the meeting adjourned at 7:18 p.m. on a motion by Crimmings, seconded by Nicholson.