



City of Racine

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

Meeting Minutes - Draft

Redevelopment Authority of the City of Racine

Thursday, July 18, 2019

6:00 PM

City Hall, Room 303

Call To Order

Vice Chairman Adamski called the meeting to order at 6:00 p.m.

PRESENT: 5 - Jen Adamski, John Crimmings, James DeMatthew, Cory Mason and Trevor Jung

EXCUSED: 2 - Doug Nicholson and Robert Anderson

Approval of Minutes for the June 6, 2019 Meeting.

A motion was made by Jung, seconded by Crimmings, to approve the minutes of the June 6th meeting. The motion PASSED by a Voice Vote.

[0821-19](#)

Subject: Resolution 19-17 commemorating the long time service of former Authority member and Chairman James T. Spangenberg.

Mason read the proclamation on behalf of the City and the Redevelopment Authority that will be presented to former Chairman Jim Spangenberg. The proclamation highlighted Spangenberg's 17 years of service to the RDA and the contributions he has made as an Authority member and Chairman. The Authority members recognized Spangenberg for his term of service and contributions to the RDA.

[0822-19](#)

Subject: Election of a Chairperson and Vice-chairperson for the Redevelopment Authority of the City of Racine.

A motion was made by Jung, seconded by Mason, to nominate Jennifer Adamski as the Chair of the Redevelopment Authority. Adamski accepted the nomination. Adamski was elected as the Chair by a Voice Vote.

A motion was made by Jung, seconded by Adamski, to nominate DeMatthew as the Vice-Chair of the Redevelopment Authority. DeMatthew accepted the nomination. DeMatthew was elected as the Vice-Chair by a Voice Vote.

[0657-19](#)

Subject: A request by Heliodoro Guzman for review of a façade renovation project at 2300 Douglas Avenue.

Attachments: [ABM on Facade Grant 2300 Douglas Avenue](#)
[2300 Douglas Avenue FG Application](#)
[2300 Douglas Avenue FG Rendering](#)
[2300 Douglas Avenue Recommendation](#)

Planning Manager Matt Sadowski reviewed the request. He stated that the request is for a façade renovation project for an existing building on Douglas Avenue.

William Feldman, the architect for the project, spoke. He explained what was being proposed at the site, and what the site currently looks like. He stated there was a roof structure that was put on the building that defines the proposed look of the building.

The applicant, Heliodoro Guzman, stated that the roof was done this last winter and they are hoping to move forward with the rest of the renovation project.

Feldman stated that the roof starts to dictate the direction of the building. He explained how the building exists now and the proposed building elevations that describe some of the materials that are being used. He stated the product being used is a stucco product and in the past has received a bad reputation because of water absorption. He stated the stucco will be kept 8 feet above grade and that the cement board will be up to 8 feet above grade. He stated they are looking at a material that is a rain screen and stated that it would be more of a decorative element. Feldman stated that a dark brown color would be used that relates to the roof. He stated there is also a new garage door that is being proposed that would be translucent with a steel or aluminum frame.

Chair Adamski stated the renovation would add a nice sense of vibrancy that is currently lacking.

Feldman explained the potential landscaping of the site which will include river rock and lilies.

A motion was made by Jung, seconded by DeMatthew, to approve the façade renovation project at 2300 Douglas Avenue. The motion PASSED by a Voice Vote.

[0658-19](#)

Subject: A request by Heliodoro Guzman for a façade grant for a façade renovation project at 2300 Douglas Avenue.

Attachments: [ABM on Facade Grant 2300 Douglas Avenue](#)
[2300 Douglas Avenue FG Application](#)
[2300 Douglas Avenue FG Rendering](#)
[2300 Douglas Avenue Recommendation](#)

Sadowski stated that the project qualifies for the façade grant maximum of \$10,000.00.

A motion was made by Jung, seconded by Crimmings, to approve the façade grant in an amount not to exceed \$10,000.00 or 50 percent of the project costs, whichever is less. The motion PASSED by a Voice Vote.

[0823-19](#)

Subject: A request from Ron Christensen for review and approval of a White Box Program Grant for the property at 230 Main Street.

Attachments: [230 Main Street WB](#)

Plaski introduced the request. He stated that the building used to be the Casablanca restaurant. He stated the inside has been demolished and the proposal will add a kitchen, seating area, bar, handicapped assessable restrooms, etc. Plaski explained that the bids that were submitted were for carpentry and drywall. He stated the HVAC bids were not eligible because the HVAC unit is in the basement. He stated the

Downtown Area Design Review Commission (DADRC) approved the grant up to \$20,000.00, with the addendum that additional bids be submitted for plumbing and electrical work.

A motion was made by Mason, seconded by Jung, to approve the white box grant in an amount not to exceed \$20,000.00 or 50 percent of the project costs, whichever is less, contingent on estimates being received for work to reach that amount. The motion PASSED by a Voice Vote.

[0824-19](#)

Subject: A request from Ed Miller for review and approval of a White Box Program Grant for the property at 1418 Washington Avenue.

Attachments: [1418 Washington Avenue WB](#)

Plaski explained the request. He stated the request is eligible for the maximum \$20,000.00 and the building is 119 years old. He stated the DADRC approved the request at its meeting prior.

Jung stated the project will be a good investment for the area.

A motion was made by Mason, seconded by Crimmings, to approve the white box grant in an amount not to exceed \$20,000.00 or 50 percent of project costs, whichever is less. The motion PASSED by a Voice Vote.

[0825-19](#)

Subject: A request from Ed Miller for review and approval of a façade renovation project at 1418 Washington Avenue.

Attachments: [ABM on Facade Grant 1418 Washington Avenue](#)
[1418 Washington Avenue FG Application](#)
[1418 Washington Avenue FG Materials](#)
[1418 Washington Avenue Recommendation](#)

Sadowski explained the request. He explained the proposed plans and stated the renderings were prepared when the building was initially purchased by the RDA. He explained that as a condition of sale, whoever renovated the building would have to do so according to the plan. Sadowski showed the materials to be used including the windows, tiling to be placed around the parapet level, and a color sample for the windows.

Joe Heck, Racine Revitalization Partnership (RRP), stated the property was purchased from the RDA about a year and half ago. He stated it is completely gutted and there are two retail units on the lower level and two affordable apartments on the upper level. Heck stated one of the lower level units will become their offices.

In response to Chairman Adamski, Heck stated the office space will be a long-term space for RRP.

A motion was made by Crimmings, seconded by DeMatthew, to approve the façade renovation project at 1418 Washington Avenue. The motion PASSED by a Voice Vote.

[0826-19](#)

Subject: A request from Ed Miller for a façade grant for a façade renovation project at 1418 Washington Avenue.

Attachments: [ABM on Facade Grant 1418 Washington Avenue](#)
[1418 Washington Avenue FG Application](#)
[1418 Washington Avenue FG Materials](#)
[1418 Washington Avenue Recommendation](#)

A motion was made by Jung, seconded by Crimmings, to approve the façade grant for an amount not to exceed \$10,000.00 or 50 percent of project costs, whichever is less. The motion PASSED by a Voice Vote.

[0827-19](#)

Subject: Resolution 19-18 recommending approval of an extension of a contract between the RDA and the Racine Revitalization Partnership for the use of TID 19 or Intergovernmental Revenue Funds.

Attachments: [RRP TID No19 Request](#)
[RDA Resolution 19-18 RRP Extension.pdf](#)

Connolly explained the request. She stated \$100,000.00 was approved in city's Capital Improvement Plan budget for RRP. She stated they notified staff that RRP was not able to fully expend the funds by the end of the contract, June 30, 2019 and are requesting an extension until the end of the year to be able to spend the remaining \$7,670.59.

A motion was made by Mason, seconded by Jung, to adopt RDA Resolution 19-18 approving the contract extension between the RDA and RRP. The motion PASSED by a Voice Vote.

[0828-19](#)

Subject: Resolution 19-19 recommending approval of a Community Development Block Grant (CDBG) Revolving Loan Fund small business loan in an amount not to exceed \$57,000.00 for the purchase of equipment, working capital, and the creation of at least two full-time equivalent jobs for 911 Tacos and Catering LLC.

Recommendation of the Redevelopment Authority on 7-18-19: That the request from 911 Tacos and Catering LLC for the use of a Community Development Block Grant (CDBG) Revolving Loan Fund small business loan in an amount not to exceed \$57,000.00 for the purchase of equipment, working capital, and the creation of at least two full-time equivalent jobs be approved. Further that the Mayor, City Clerk, and Director of City Development or their designee be authorized to execute written agreements with 911 Tacos and Catering, LLC for loan assistance not to exceed Fifty Seven Thousand Dollars (\$57,000.00) for the creation of two (2) full-time equivalent jobs in the City of Racine, to be held by members of Low/Moderate Income Households, consistent with federal regulations for CDBG funds and City of Racine Small Business Development Revolving Loan Fund guidelines.

Fiscal Note: The Community Development Committee and Common Council allocated CDBG funds for the purposes of assisting businesses

through the 2018 Annual Plan. There are sufficient funds available.

Attachments: [RDA Memo RLF 911 Tacos](#)
 [Loan summary - 911 Tacos \(proposed\)](#)
 [RDA Resolution 19-19 RLF 911 Tacos](#)

Ben Lehner, Community Development Program Specialist, explained the request for 911 Tacos and gave a background on the loan funds. He stated they are a downtown business located at 817 Main Street and they are looking to expand with a food truck and working capital. He stated in reviewing the loan application, it was made sure that the debt could be covered by just the operations of the restaurant; the potential revenue from the food truck was not factored in.

Chairman Adamski stated food trucks are up and coming.

Lehner stated the loan will be collateralized with equipment.

The applicant Alice Saucedo, stated she is excited and has been in business for three years.

In response to Chairman Adamski, Saucedo stated she has gone through online classes through the Wisconsin Women's Business Initiative Corporation (WWBIC) and has been working one-on-one with WWBIC staff.

Mason stated last year, an event was hosted at City Hall where food trucks were invited for employee appreciation. He stated he hopes that 911 Tacos are able to participate in the future.

A motion was made by Jung, seconded by DeMatthew, to adopt RDA Resolution 19-19 recommending approval of a CDBG RLF Small Business Loan in an amount not to exceed \$57,000.00 for 911 Tacos and Catering LLC. The motion PASSED by a Voice Vote.

0830-19

Subject: Resolution 19-20 extending the existing contract with GRAEF/Perkins + Will for the Water Street Redevelopment Implementation Plan.

Attachments: [2019-06-18 Racine Water St Scope Schedule](#)
 [2019-06-18 Water St Scope of Work](#)
 [RDA Resolution 19-20 GRAEF Extension](#)

Connolly explained the background for the request. She stated the Request for Qualifications (RFQ) as well as the resolution authorizing a contract between GRAEF and the RDA for the Water Street Master Plan development was approved last year. She stated that at the time of approval, the contract was not to exceed \$150,000.00, however, changes took place over the last several months.

Connolly stated that a developer came forward facilitating the need to revise the master plan to accommodate the potential development. She stated, unfortunately, the partnerships did not come to fruition and because partnerships did not occur, we need to get back on track to finish the project. She stated \$64,000 was spent on the detour from the plan and now the contract needs to be fulfilled.

Connolly explained that existing market conditions in Racine have to be looked at and a plan created based on those conditions. She stated that the consultants also need to be reengaged and that the request includes a time extension to January 31, 2020.

In response to Crimmings, Connolly stated that the potential developer was looking for an entertainment district and, unfortunately, there was nothing there for that type of development.

DeMatthew asked how long it would take to get back to speed.

Connolly stated the market analysis piece is currently being worked on. She stated they are looking to spend the requested funds on designers who worked hard to design the entertainment piece.

In response to Crimmings, Connolly stated the Water Street Master Plan would be the plan that a Request for Qualifications would be based.

DeMatthew asked how long until a design or concept would be seen.

Connolly stated by mid-fall. She explained the development should be designed around the market conditions as was the original scope, however, a detour was taken to explore other options. She stated the detour, unfortunately caused an extra \$64,000.00 to be spent.

Crimmings asked if would be out of line to suggest that the RDA be informed when a detour is taken without necessarily providing specifics on the potential development.

Mason stated the potential developer wanted information very quickly and the consultants were very accommodating. He stated everyone was working in good faith and with a very tight timeline.

DeMatthew expressed the possibility of a closed session to keep the RDA in the loop with things.

A motion was made by Mason, seconded by Jung, to adopt RDA Resolution 19-20 recommending approval of the contract extension with GRAEF/Perkins + Will for the Water Street Redevelopment Implementation Plan. The motion PASSED by a Voice Vote.

[0831-19](#)

Subject: Resolution 19-21 declaring blight, establishing redevelopment project area boundaries for, and authorizing acquisition of property at 1500 N. Memorial Drive.

Attachments: [ABM Acquisition of property at 1500 N Memorial Dr](#)
 [RDA Resolution 19-21 1500 N Memorial Dr](#)

Attorney Bill Scott explained the request and its history. He explained the amount of waste that had been expelled in the building and stated that a large number of containers left in the building may contain contaminants. He stated there is a health and safety risk with the property and showed images showing the current state of the property. He stated the RDA should be the owners of the property and there are three ways the RDA can acquire the property, however, a blighted property acquisition should be followed. Atty. Scott stated the standard way of acquisition will take some time and a redevelopment plan is not necessary at this point. Atty. Scott explained the

resolution being requested for adoption by the RDA and the changes that were recently made.

Connolly stated the RDA became the receiver of the property and last year the County did an in rem foreclosure and gave the property to the city. Connolly stated the property is to the west of the Racine Steel Castings building.

DeMatthew asked if the outside of building were contaminated.

Atty. Scott stated various parties have investigated the site. He stated there are as many as nine tanks and some are still in the ground. He stated there is evidence of contamination in the ground; however grant money has been identified that could potentially help with the cleanup of the property.

Mason asked if the cleanup will be as bad as the Racine Steel Castings site.

Atty. Scott stated we do not have evidence there are Polychlorinated biphenyls (PCBs) present at the site like they are at the former Racine Steel Castings.

DeMatthew asked about health and safety aspect and how long it would take to put fencing to secure the property.

Mike Lechner, Housing Technician, stated there is a partial fence around the site and it is boarded up and closed. He stated the police are present at the site and that he goes to the site at least once a week, however, opportunity still exists for people to break in.

Adamski asked about the time estimation for the removing the contamination.

Atty. Scott responded that once the drums are removed there is a cost of cleanup of ground; however we currently do not have an idea what that would cost.

In response to Connolly, Lechner stated there are no bids for demolition of the property.

Connolly stated that a Phase II would have to be conducted before a cost and time of cleanup could be estimated.

Atty. Scott stated the property is a safety issue and is an unnecessary liability for the city.

Atty. Scott read the proposed revisions to the resolution.

A motion was made by Crimmings, seconded by DeMatthew, to adopt RDA Resolution 19-21 recommending approval of declaring blight, establishing redevelopment project area boundaries for, and authorizing acquisition of the property at 1500 N. Memorial Drive. The motion PASSED by a Voice Vote with Jung abstaining.

[0832-19](#)

Subject: Resolution 19-22 approving signing a Memorandum of Agreement with Racine County to provide the RDA with access to tax delinquent properties to determine the nature and extent of environmental pollution.

Attachments: [ABM Access to Tax Delinquent Properties](#)
[County Resolution No. 2019-21 \(MOU, Exhibits A, B, C attached\).pdf](#)
[RDA Resolution 19-22 Access to Tax Delinquent Properties](#)

Connolly explained the request. She explained the history of the Imperial Laundry location and its contamination and stated that access to the property was granted by the County. She stated, since then, additional properties for potential environmental investigations have come up including the Dumore property on Racine Street. Connolly explained that in order to streamline the process of entering tax delinquent properties, staff went to the County and developed a Memorandum of Understanding (MOU) that would allow the RDA, or their designee, to go into certain tax delinquent properties. She stated the request would be to enter into a MOU that would allow the City and the RDA to be parties to that MOU.

In response to Crimmings' concern, Atty. Scott stated there has to be an outstanding tax certificate on the property. Connolly stated that at least three full years of taxes would have to not be paid.

In response to Crimmings, Mason stated it is three full years of a property owner not paying anything towards their taxes.

Atty. Scott stated that reasons were explained to the County Board. He stated the RDA has the authority to get a court order or special inspection warrant, however that is not always available. Atty. Scott described the documents of the MOU. He stated it would be helpful because it would allow the RDA to respond timely to an interested buyer.

A motion was made by Crimmings, seconded by DeMatthew, to adopt RDA Resolution 19-22 recommending approval of the MOU. The motion PASSED by a Voice Vote.

0833-19

Subject: Communication from the Racine County Economic Development Corporation submitting its first quarter update for the 2019 Economic Development Contract.

Attachments: [2019 Q1 Racine Report](#)

Connolly briefly explained the quarterly report for the first quarter with the Racine County Economic Development Corporation (RCEDC).

The report was received and filed.

CLOSED SESSION

Chairman Adamski read the closed session notice.

The Redevelopment Authority shall convene in closed session under Wisconsin Statute § 19.85 (1) (e) for the purposes of deliberating or negotiating the investing of public funds and the sale of public properties, when competitive or bargaining reasons require a closed session.

At 7:20 p.m. a motion was made by Jung, seconded by Crimmings, to go into Closed Session. The motion PASSED by the following vote:

AYES: 5 - Jen Adamski, John Crimmings, James DeMatthew, Cory Mason and Trevor Jung

EXCUSED: 2 - Doug Nicholson and Robert Anderson

[0834-19](#)

Subject: Discussion of the property at 1535 High Street.

Adjournment

There being no further business, the meeting adjourned at 7:47 p.m.