



City of Racine

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

Meeting Minutes - Final

Standing Joint Review Board

Monday, September 16, 2019

4:00 PM

City Hall, Room 303

Call To Order

Mayor Mason called the meeting to order at 4:00 p.m.

PRESENT: 5 - Cory Mason, James Palenick, Brian O'Connell, Sharon Johnson, and Brian Nelson

Approval of Minutes for July 2, 2019 Meeting

A motion was made by Palenick, seconded by O'Connell, to approve the minutes of the July 2, 2019 meeting with the change to item 0758-19, the second sentence in the ninth paragraph to read "no increment" instead of "no life". The motion PASSED by a Voice Vote.

Appointments

Public Member

A motion was made by O'Connell, seconded by Nelson, to appoint Jim Palenick as the public member of the Standing Joint Review Board (JRB). The motion PASSED by a Voice Vote.

Chairperson

A motion was made by O'Connell, seconded by Palenick, to appoint Mayor Mason as the Chairperson of the JRB. The motion PASSED by a Voice Vote.

Review responsibilities of the Joint Review Board

Todd Taves of Ehlers and Associates explained the role of the JRB. He stated that the standard that the JRB is to use is the "but for test" – but for the use of the Tax Incremental District (TID), what is expected or what would like to happen within the district would not be able to happen.

[1030-19](#)

Subject: (Direct Referral) Review and discussion of the proposed establishment of the project plan, boundaries, and creation of Tax Incremental District No. 22.

Attachments: [TID No. 22 Project Plan DRAFT 2019-9-10.pdf](#)

Taves explained there would be no action required at today's meeting. He stated this was just to familiarize the JRB with the proposed TIDs. He stated there will be another

meeting where a final vote will take place. He stated no changes can be made once the TID is up for a final vote by the JRB.

Taves reviewed the project plans. He stated that the maps tell the story of the proposed TID and that he will talk about both of the TIDs in parallel since the programs are similar. Taves explained the map on page five of the plans. He explained at least 50 percent of the properties have to meet certain property conditions as being in need of rehabilitation or conservation and stated the Assessor's code was used to determine property status of the properties in each of the proposed TIDs.

Taves stated in proposed TID No. 22, 69 percent of properties meet the conditions and in proposed TID No. 23, 64 percent meet the conditions.

O'Connell stated he lives within the boundary of the proposed TID No. 22 and that he will not recuse from voting because he will not be benefiting from the program.

Taves explained page 10 of the project plans. He stated page 10 shows a detailed list of the proposed costs for each project in the proposed TIDs. He stated the type of projects contain administrative costs that will cover staff time. The projects are broken down to 75 percent residential homeowner repair loans and 25 percent to public improvement projects such as crosswalks, roads, etc.

Taves explained page 13 of the project plans. He stated page 13 illustrates the potential funding. He showed the value of increase based on the trend of economic appreciation. Assuming that the properties will change 5 percent next year and 2.5 percent over the other two years, he stated, proposed TID No. 22 is assumed to produce \$33.5 million in incremental value and proposed TID No. 23, more than \$10 million in incremental value.

Taves stated that it is a cash and carry type of situation, no borrowing would occur. He stated it would use the incremental dollars as it would come into the city over time. He stated the TIDs can be closed at an earlier period if the city chooses to do so. Taves stated the focus of the TIDs is on homeowner rehab and public infrastructure.

Mayor Mason explained the program based off of TID No. 8. He stated TID No. 8 expired at the end of last year and a forgivable loan program for home repairs was created. He stated, however, it is a one year program. Mayor Mason acknowledged City Development and Bill Bowers in the Assessor's office who looked at the program. He stated when the TID was created, it was created to address neighborhood blight.

O'Connell asked if funding would come in the form of grants or loans and if there would be a means test or a restriction on income.

Mayor Mason stated that the form of funding is still being developed, however, staff is looking at either a forgivable loan to a low interest loan or a forgivable loan to a higher match. He stated the idea is to stabilize the neighborhood and increase valuation. He stated staff has been exploring how it would be worked out, but the idea is to provide incentives to homeowners.

O'Connell asked about the use of funds for small rental properties as they can be a source of blight.

Mayor Mason stated the decision was made to prioritize and encourage homeownership.

O'Connell spoke about possible outreach efforts for the program, he suggested using nearby schools such as an outreach forum.

Nelson asked about the marketing to the homeowners and how participation in the program would be encouraged.

Mayor Mason stated no trouble with the Rebuild Racine program in terms of advertising and participation. He stated the Alders are very excited to talk to constituents about the program. He explained that 10-15 loans per year may be the max of what the TID can do. He stated the long-term goal of the proposed TIDs is to improve the state of the neighborhood.

Mason referenced the maps on page five and page 11. He stated that he wished the maps were on the same page.

Johnson asked if the plan would give priority to properties in lower conditions or if it would apply to whatever property applies for the program.

Mason stated the program is intended to take a stabilization approach and certain blocks in the neighborhood can be targeted, however, everyone in the proposed district would be able to apply. He stated we may come up with a scoring criteria regarding applications and projects.

No action was taken on item 1030-19.

[1031-19](#)

Subject: (Direct Referral) Review and discussion of the proposed establishment of the project plan, boundaries, and creation of Tax Incremental District No. 23.

Attachments: [TID No. 23 Project Plan DRAFT 2019-9-10.pdf](#)

Please see the discussion for item 1030-19.

No action was taken on item 1031-19.

Set next meeting date

The Joint Review Board set Monday, October 7 at 4:00 p.m. as their next meeting date.

Adjournment

There being no further business, the meeting adjourned on a motion by Palenick, seconded by Nelson. The meeting adjourned at 4:27 p.m.