



# City of Racine

City Hall  
730 Washington Ave.  
Racine, WI 53403  
[www.cityofracine.org](http://www.cityofracine.org)

## Meeting Minutes - Final

### Planning Heritage and Design Commission

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Wednesday, September 7, 2022

4:30 PM

City Hall, Room 205

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#### Call To Order

*Mayor Mason called the meeting to order at 4:32 p.m. He announced that public comments will be limited to three minutes.*

**PRESENT:** 6 - Mason, Jones, Hefel, Peete, Kohlman and Jung

#### Approval of Minutes for the August 3, 2022 Meeting.

**A motion was made by Hefel, seconded by Peete, to approve the August 3, 2022 minutes. The motion PASSED by a voice vote.**

#### 0628-22

Subject: Review and discussion of the proposed establishment of the project plan, boundaries, and creation of Tax Incremental District No. 30 and consideration of an approving resolution (PHDC-22).

Recommendation of the Planning, Heritage, and Design Commission on 09-07-22: That the resolution establishing the boundaries and approving the project plan creating Tax Incremental District No. 30 be approved.

Fiscal Note: TID No. 30 is projected to generate \$54,445,178 of increment to fund activities identified in the project plan over its life for a period of 27 years.

**Attachments:** [Draft Project Plan - TID 30](#)

[Public Hearing Notice](#)

[PHDC Resolution - TID 30](#)

[#0628-22 Resolution](#)

*Jeff Hintz, Planning Manager, presented the maps of TID 30 and 31.*

*Harry Allen, Ehlers, explained that a Tax Increment District (TID) is a defined geographical area that is created to capture future taxes on new development or economic changes within that area to pay for project costs within that area. More specifically, TID 30 is nearly identical to TID 20 minus a few parcels. He explained that they are creating TID 30 because TID 20 has negative incremental value and it is nearing the end of its statutory lifetime. Allen stated that TID 30 is being established as a blighted area District with a maximum life of 27 years and that the purpose is to provide funding for development incentives needed to promote mixed-use development. Further, that the area meets the required finding that not less than 50% of the real property within the District is a blighted area. More specifically, 54% of the total 138*

*acres that makes up TID 30 meets this criteria. Allen then reviewed the proposed development map and the projected incremental valuation. He also clarified the difference between a city-funded versus a developer-funded TID; A PAYGO or Developer-funded TID puts the risk on the developer whom is financing the development upfront and the City reimburses the developer later. Allen stated that they project the TID to close early in 2044.*

*Peete asked what risk the City will be taking on from this TID. Allen responded that the City will not be taking on any financial risk.*

*Mayor Mason opened the public hearing at 4:44 p.m.*

*John Mulherin of the Hull Group, owner of Regency Mall, addressed the commission. He said that the mall is over 60% vacant. Also, that TID 20 was a rehabilitation TID and that TID 30 is a blighted TID. He said they plan to demolish over 400,000 sq. ft. and project to invest \$113 million over the next three years to create an adaptive, mixed use development including a grocery super center, retail/restaurants, and 279 apartments.*

*Mayor Mason closed the public hearing at 4:48 p.m.*

**A motion was made by Hefel, seconded by Peete, to recommend approval of the resolution establishing the boundaries and approving the project plan creating TID No 30. The motion PASSED by a voice vote.**

[0629-22](#)

Subject: Review and discussion of the proposed establishment of the project plan, boundaries, and creation of Tax Incremental District No. 31 and consideration of an approving resolution (PHDC-22).

Recommendation of the Planning, Heritage, and Design Commission on 09-07-22: That the resolution establishing the boundaries and approving the project plan creating Tax Incremental District No. 31 be approved.

Fiscal Note: TID No. 31 is projected to generate \$21,421,055 of increment to fund activities identified in the project plan over its life for a period of 27 years.

**Attachments:**    [Draft TID 31 Project Plan](#)  
[Public Hearing Notice](#)  
[PHDC Resolution - TID 31](#)  
[#0629-22 Resolution](#)

*Hintz presented the map of TID 31 and reviewed what is in a tax bill and what happens to the tax bill when a TID is established. He stated that by State Law, being in a TID has no bearing on the assessed value of your property. Further, the value of property is based on supply/demand, quality of the property, and the market sales. Right now, the trend is up; assessments are based on recent sales prices (market value) and improvements. The assessments must represent what the property could sell for and what a typical buyer would pay for it in the open market with no duress. Hintz stated that municipal taxation is impacted by new development in the City (adds taxable value), the total dollars a city, village, town, or county approves/desires as an operating budget, the mill (tax) rate property is taxed at, and the assessed value of a property.*

*Lastly, assuming the operating budget remains generally the same, as assessed values increase, the rate at which taxes are collected will decrease.*

*Hintz reviewed what the TID 31 incremental funds will be used for. Further, 75% of the funds are intended to support a housing improvement program to be used for: correction of code violations or conditions that would be considered code violations, repairs or improvements that would extend the economic life of a home, additions or other improvements that would enhance the value of a house, and down payment and closing cost assistance to eligible households seeking homeownership. The remaining portion of funds (25%) are intended to support infrastructure updates including, but not limited to: resurfacing of existing roadways, curb and gutter repair, installation of ADA-compliant crosswalk ramps, installation, replacement, or repair of stormwater or sanitary sewers, and installation or repair of broadband internet infrastructure.*

*Todd Taves, Ehlers, highlighted that the TID is essentially taking any future increase in taxes and reinvesting it into the District. The City has done this four times previously with TID 22, 23, 27, & 28 and this one is modeled after those four TIDs. He stated that the requirement for this TID is that not less than 50% of the real property within the District is in need of rehabilitation or conservation work; more specifically, 58% of the total 376 acres of TID 31 meets this criteria. The criteria is determined from the condition of the property given by the assessor, they used any property that was given an average or lesser condition. Further, that assessed values will increase from general economic appreciation and voluntary property improvements. Taves stated that the funds will become available in 2024, with a projected closure in 2044 due to the City planning to spend cash generated in the district.*

*Mayor Mason asked Taves to explain how TID 31 will not raise taxes. Taves responded that the tax levy is capped by State Law and then it is divided across all homeowners within the City. Further, that assessed values increase due to the economy across the City or improvements that are made on the property, not TIDs.*

*Mayor Mason opened the public hearing at 5:04 p.m.*

*Henry Perez, Alderman of the 12th District, 1017 Kentucky St., expressed concern about the assumptions made in the presentation. Further, he is happy that the City is looking at improving neighborhoods but he doesn't think a TID is the right way to do so. He will be submitting a petition against the creation of this TID at the next Common Council meeting.*

*Darin Zimpel, 1417 Kentucky St., stated that he is still confused by what this means for him as a homeowner in the TID; are they loans or grants? Kathleen Fischer, Interim Assistant Director of City Development, responded that they anticipate to run TID 31 similar to the TID 22 and 23 programs, which are grants of up to \$10,000 for repairs or enhancements that are for homeowner-occupied, one- or two-family homes. They are interest free with no income requirements and payments are made directly to the contractor chosen by the homeowner.*

*Richard Clemons, 1124 Cleveland Ave., asked about the lifetime of the TID. Taves responded that there is a statutory limit of 27 years, cannot make it shorter or longer. He stated that the plan is to use cash generated by the District to fund the grants, so the first grants will potentially be available in 2024 and available for 19 more years thereafter. It cuts off in 2044 because they are statutorily restricted from making any more expenditures. Clemons then asked how they determine which ones to fund first.*

*Fischer responded that for TID 22 and 23 it is on a first come first serve basis unless they didn't meet program requirements. Clemons asked if there is a minimum contribution to the grant. Fischer responded that there is a 10% contribution required from the homeowner.*

*Bill Wall, 1243 Illinois St., asked if the program will encourage solar panels. Mayor Mason responded that it is not how the program is run right now but that is an interesting proposal.*

*Van Wangaard, Senator District 21, 1246 Blaine Ave., expressed concern about the timing of the public hearing notice and he doesn't think a TID is necessary as he thinks the homes have been well maintained and that it will take money from the school district. Also, investor properties are an issue that he would like addressed. He is concerned about the status of the existing 18 City of Racine TIDs.*

*Sarah Russell, 1517 Ohio St., stated that she doesn't see the value in the TID and she would like heritage included in the TID grant process.*

*Sandy Weidner, 2310 Thor Ave., asked what percentage of the City will be in a TID with the creation of TIDs 30 & 31. She also expressed concern that all four of the neighborhood TIDs are taking funds from the general fund and result in a loss of services or staff. Weidner asked what the measurements for success are for the two active TIDs, 22 & 23. She also wants to know who and how determines the distribution of the funds and who provides financial oversight of the TIDs. Lastly, she wants to know why the old Piggly Wiggly wasn't included in TID 31. Mayor Mason stated that he will write down all of her questions and respond in a timely manner after the meeting.*

*Jim McClain, 1505 Grange Ave., spoke in opposition of this request. He stated that he agreed with Senator Wangaard and Sandy Weidner's questions. He also expressed concern about the lack of a risk assessment in the TID 31 plan.*

*Janis Barker, 1222 Cleveland Ave., expressed concern about the mostly senior citizen residents in the area and the lack of a grocery store. She is concerned that if the TID is successful that it will become a Tax Incremental Financing District (TIF). She does not want this to move forward and wants more community conversations. Barker asked if there is an application fee with this program. Fischer responded that this program does not require an application fee.*

*Jon Leischow, 1340 Monroe Ave., asked if the improvements depicted in the presentation maps have occurred in the current TIDs. Mayor Mason responded that there are no TIDs old enough to make that determination.*

*Grace Lohti, 1252 Blaine Ave., stated that she wants the answers to Sandy Weidner's questions to be sent to everyone. Mayor Mason responded that he will answer those questions and other frequently asked questions (FAQs) from other TIDs will be shared with the proposed district and online.*

*Casey Rouse, 1417 Oregon St., asked how many homes in the District are investor homes that wouldn't qualify. Mayor Mason responded that he does not have that information on hand but he can include that in the FAQ. Rouse expressed concern about the lack of a SWOT analysis and no examples from other cities.*

*Antoinette Drier, 1435 Oregon St., clarified that the program is not intended for*

*individuals that flip houses. She also expressed concern that West Racine is a food desert; need a grocery store.*

*Janice Rorik, 1609 Thurston Ave., asked for more clarification on how the taxes will be reallocated being in the TID. Taves responded that any property value increases after January 1, 2022 will still be taxed the same, what changes is the additional value after the 2022 value will go into the TID fund and the base value still goes to the taxing jurisdictions. She then asked if they will ever be required to make home improvements. Mayor Mason responded that the TID will not make home improvements required, just the building code.*

*There being no further comments or questions from the public, Mayor Mason closed the public hearing at 5:56 p.m.*

*Commission discussion after the motion, before the vote:*

*Jung asked for clarification on the legislative calendar for this item. Mayor Mason responded that the item will go to Common Council for further discussion and then final approval by the Standing Joint Review Board, made up of all of the taxing jurisdictions.*

*Jung asked for clarification that the TID will not be taking money from other taxing jurisdictions, like the school district. Taves responded that the school district has a revenue cap from the state equalization aids and property taxes; as property taxes go up the amount of state equalization aids go down, so they will have the same amount of revenue. Then, Jung asked what effect the increased property values have on the school district when the TID closes. Taves responded that it is basically a wash.*

*Jung then asked what percentage of the City can be in a TID and what percentage of the City is currently in a TID. Taves responded that no more than 12% of a jurisdiction can be in a TID. Currently, 4.18% of the City is in a TID.*

*Jones asked if the questions posed today will be answered before the next Common Council meeting. Mayor Mason responded that yes, a frequently asked questions and answers document will be mailed and posted online before the next Common Council meeting.*

*More information about TID 31 can be found here: <https://www.buildupracine.org/tid-31/>*

**A motion was made by Jung, seconded by Jones, to recommend approval of the resolution establishing the boundaries and approving the project plan creating TID No 31. The motion PASSED by a voice vote.**

[0633-22](#)

Subject: Consideration of a conditional use permit to operate an electronic message sign at 2065 Geneva Street, located in a R-3 Limited General Residence Zone District. Electronic message signs are allowed by Section 114-1033 of the Municipal Code (PHDC-22).

Recommendation of the Planning, Heritage, and Design Commission on 09-07-22: That based on the findings of fact, the request to operate an electronic message sign at 2029 Geneva Street, also addressed as 2065 Geneva Street, be denied.

Fiscal Note: N/A

**Attachments:**     [Review and Recommendation](#)  
                                 [Public Hearing Notice](#)  
                                 [Applicant Submittal](#)

*Michelle Cook, Associate Planner, presented the item. She displayed the Bird's Eye View of the property, zoning and land use map, and street view images of the property. She reviewed the electronic message sign ordinance sec. 114-1033. Cook stated that the applicant is requesting several exceptions to the ordinance that staff does not support. She stated that the applicant is requesting an approximately 35 sq. ft. wall-mounted electronic message sign on the Southern wall of the school building, it is proposed to be 21 feet from the property line, directly facing residential property, and mounted at a height of nine feet above grade. Cook stated that the ordinance only allows electronic message signs as monument signs (not wall-mounted), the height may not exceed six feet above grade, the minimum setback from any property line is 25 feet, and the sign may not be located within 200 feet of a residential zone or use and may not directly face a residential zone or use. Therefore, staff recommends denial of the proposal.*

*Pam, principal of Lutheran High School, applicant, stated that the sign was requested by their PTO to reach the parents of the students easier other than e-mail. Also, to advertise their community-based programs. She stated that it faces their parking lot and the home 200 feet away is currently being purchased by the school. She stated that they plan to have the sign on from 7 a.m. to 7 p.m.*

*Zach Wenger, Lemberg Electric, applicant representative, stated that they proposed it to be placed facing the parking lot to minimize distractions and the height was to prevent vandalism. He also pointed out that the sign is broadcasted via Verizon 5G and has easy programming capabilities.*

*Kohlmann asked the applicant if they could program the sign to be on only during drop-off and pick-up times. Wenger responded that they could program it in any fashion and they will only use static images. Kohlmann then asked the applicant if the sign needs to be flat against the wall or if it could be angled. Wenger responded yes, it can be angled.*

*Commission discussion after the motion, before the vote:*

*Jones asked if the proposal can come back. Hintz responded that they can resubmit if they substantially change the request.*

**A motion was made by Hefel, seconded by Peete, to recommend that the request from Lemberg Electric, representing Trinity Lutheran Church and School for a conditional use permit to operate an electronic message sign at 2065 Geneva street be denied. the motion PASSED by a voice vote.**

**End of Public Hearings - Applicants may address Commission only if called upon**

[0627-22](#)

Subject: Consideration of a minor amendment to a conditional use permit to paint the existing building, constructed in 2021, at 5019 Washington Avenue located in a B-2 Community Shopping Zone District

as contemplated by Section 114-155 of the Municipal Code (PHDC-22).

**Attachments:**     [Review and Recommendation](#)  
                              [Applicant Submittal](#)

*Hintz presented the item. He displayed the Bird's Eye View of the property, zoning and land use map, and street view images of the property. He stated that the current usage on the property is for an auto repair establishment that was approved in October of 2019. The building was constructed in 2021-2022 and received final occupancy in 2022. Further, the existing building was built in accordance with the approval from 2019 and has received all final sign offs from the City. The current application contemplates an amendment in which portions of the masonry building would be painted to match current brand standards. Hintz stated that painted masonry is not allowed by ordinance due to maintenance issues. Therefore, staff recommends denial.*

*No discussion on the item.*

**A motion was made by Jung, seconded by Kohlman, that the request from Wamboldt Electric, on behalf of Discount Tire, seeking a minor amendment to a conditional use permit to paint the building at 5019 Washington Avenue be denied. The motion PASSED by voice vote.**

## **Adjournment**

*Mayor Mason adjourned the meeting at 6:45 p.m.*

**If you are disabled and have accessibility needs or need information interpreted for you, please contact the City Development Office at (262) 636-9151 at least 48 hours prior to this meeting.**