



City of Racine

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

Meeting Minutes - Final

Community Development Authority

Thursday, September 22, 2022

6:00 PM

City Hall, Room 303

Call To Order

Chair Thomas called the meeting to order at 6:00 p.m.

Roll Call

Vice Chair Jennifer Adamski (not listed) was present.

PRESENT: 1 - Mason

EXCUSED: 1 - Madsen

Introduction of the Manager of Real Estate and Development and the Neighborhood Investment Manager

Michelle Cook, Associate Planner, introduced the Manager of Real Estate and Development, Michael Lechner, and the Neighborhood Investment Manager, Cathy Anderson.

Approval of Minutes for the August 4, 2022 Meeting.

A motion was made by Mason, seconded by Adamski, to approve the August 4, 2022 minutes. The motion PASSED by a voice vote.

PUBLIC HEARING

[0699-22](#)

Subject: Consideration of Resolution 22-31 authorizing the acquisition of real estate at 500 Walton Avenue, 2138 N. Wisconsin Street, and 2214 N. Wisconsin Street from the City of Racine for the purpose of blight elimination and redevelopment and that the Community Development Authority of the City of Racine acquire such real estate notwithstanding that it is not in an existing redevelopment plan.

Attachments: [ABM - 500 Walton Avenue](#)
 [CDA Resolution 22-31](#)

Cook presented the item and displayed images of the properties. Lechner added that the CDA wants to acquire them from the City to improve the building that is about 13,000 sq. ft. and becoming a nuisance.

Hardy asked about the plans for the parking lots. Lechner responded that the parking lot is chained off right now to keep people from using them and there are no plans for

the parking lot yet.

Chair Thomas opened the public hearing at 6:07 p.m.

There being no public comments, Chair Thomas closed the public hearing at 6:08 p.m.

A motion was made by Mason, seconded by Hardy, to approve CDA Resolution 22-31. The motion PASSED by a voice vote.

END OF PUBLIC HEARING

[0700-22](#)

Subject: Consideration of Resolution 22-32 authorizing the solicitation of bids for the roof replacement at the property at 500 Walton Avenue.

Attachments: [ABM - 500 Walton Ave Roof Repair](#)
[CDA Resolution 22-32](#)

Lechner said the roof has been leaking for a long time and needs to be completely replaced; however, the remainder of the building is still in good shape. The roof is currently a flat roof that will be pitched to improve drainage.

Adamski asked if full demolition of the building would be more cost efficient. Lechner responded that the demo would cost the same as the roof and the interior rehabilitation.

A motion was made by Mason, seconded by Adamski, to approve CDA Resolution 22-32. The motion PASSED by a voice vote.

[0701-22](#)

Subject: Consideration of Resolution 22-33 authorizing the solicitation of bids for the selective interior demolition of the property at 500 Walton Avenue.

Attachments: [ABM - 500 Walton Ave Selective Interior Demo](#)
[CDA Resolution 22-33](#)

Lechner said the interior of the building has been getting wet for a long time from the leaking roof, so they want to do selective demolition to remediate mold and create an open space to redesign and rebuild. The utilities need to be updated as well. He stated that the estimated cost is \$150,000 which will be funded by CDBG funds.

A motion was made by Mason, seconded by Hardy, to approve CDA Resolution 22-33. The motion PASSED by a voice vote.

[0702-22](#)

Subject: Consideration of Resolution 22-34 authorizing payment of the final invoice to Vassh Excavating for the crushing of material related to the demolition at 1500 N. Memorial Drive, as stipulated in the contract for services.

Attachments: [ABM - Vassh Final Payment](#)
[CDA Resolution 22-34](#)
[Vassh Final Payment Request](#)

Lechner stated that this item is what is left for the 1500 N. Memorial Dr. demolition. He

stated that at the time of demo, it was difficult to determine how much the crushing of the material would cost. Currently, it has all been crushed and stored behind the wall at 1425 N. Memorial Dr. He stated that there is a future use for the crushed material.

A motion was made by Mason, seconded by Adamski, to approve CDA Resolution 22-34. The motion PASSED by a voice vote.

0703-22

Subject: Communication from the Acting Executive Director that the Community Development Authority designate the boundaries of the project area and adopt the Redevelopment Plan for the Regency Mall and High Ridge Center Properties, and submit the boundaries of the project area and redevelopment plan to the Common Council for approval, with a recommendation that the Common Council declare the project area to be a blighted area in need of a blight elimination and urban renewal project.

Recommendation of the Community Development Authority on 09-22-22: That the boundaries of the project area and the Redevelopment Plan for the Regency Mall and High Ridge Center Properties be adopted. Further that the project area be declared a blighted area in need of a blight elimination, slum clearance, and an urban renewal project.

Fiscal Note: N/A

Attachments: [ABM - Mall Redevelopment Plan](#)
 [Draft Regency Mall and High Ridge Center Redevelopment Plan](#)
 [#0703-22 Resolution](#)
 [Attachment A TID 30 Plan](#)

Jeff Hintz, Planning Manager, presented the proposed Redevelopment Plan for Regency Mall. He stated that the Plan is intended to facilitate the projects in the recently adopted TID 30. Hintz reviewed the TID 30 plan stating that this is a "Pay As You Go" TID. Hintz stated that adopting the Redevelopment Plan would aid in undoing the easements and restrictions put on the property that restrict redevelopment. He explained that after the CDA's approval tonight, the Common Council will need to adopt a resolution declaring the area to be blighted and approve the plan. The CDA would then hold a public hearing on the plan and consider its approval.

Jerry Franke, City Development Consultant, stated that Real Estate Agreements (REAs) are preventing redevelopment. He stated that the two owners of the mall property want to see this redevelopment happen because the existing REA restricts building outside of the existing building lines. Franke stated that the eastern 60% of the mall (east of Dunham's) will be demolished to be replaced with mixed uses, including market-rate apartments, new restaurants, and retail.

Adamski asked about relocation costs. Franke responded that the current tenants will need to be relocated at the cost of the owner.

In response to Thomas, Mason added that sometimes things go wrong when the developer gets in over their head, he asked Franke to speak on Hull Group's history. Franke stated that the Hull Group owns 32 malls and they have no debt on the property

right now.

Hardy asked about the market-rate housing. Franke responded that in order to make the TIF district work, the housing has to be market-rate.

Thomas asked when TID 20 will end. Kathleen Fischer, Finance Director and Acting Executive Director, responded that TID 20 will close before April of 2023 by State Statute. Further, the base valuation of TID 30 will be 1/1/2022.

Scott Letteney, City Attorney, stated that the CDA is addressing the Redevelopment Plan in order to acquire and terminate the easements and restrictions that will allow the TID 30 plan to work.

Hintz went over the difference between TID 20 and TID 30, mainly that the property east of Home Depot (High Ridge Center) is not included.

A motion was made by Mason, seconded by Hardy, that the boundaries of the project area and the Redevelopment Plan for the Regency Mall and High Ridge Center Properties be adopted by Common Council. Further, that the Common Council declare the project area as blighted and in need of a blight elimination and an urban renewal project. The motion PASSED by a Voice Vote.

0704-22

Subject: Consideration of Resolution 22-35 authorizing the Acting Executive Director to forgive remaining CDBG Micro-Fund Loans to Microenterprises issued in 2019 via Common Council Resolution 0305-18.

Attachments: [ABM - Micro-Fund Loan Forgiveness](#)
[CDA Resolution 22-35](#)

Cook presented the item. She stated that Micro-Fund Loans were provided to five Microenterprises to help with capital and then COVID hit and several had to shut down for some time. She stated staff is recommending that the loans be forgiven to help these businesses recover. The money for this request would come from CDBG funds.

A motion was made by Mason, seconded by Adamski, to approve CDA Resolution 22-35. The motion PASSED by a voice vote.

Administrative Business

Update on the property at 1500 N. Memorial Drive

Cook stated that staff met with the Environmental Protection Agency's (EPA) environmental consultant the week prior about their Targeted Brownfield Assessment monies. Staff walked the site with the consultant and they are now working on their site investigation plan. Lechner added that they should get a report in about two to three months. Further, the EPA and their consultant will provide data to CDA staff that will aid in the remediation to make 1500 N. Memorial Dr. a reusable site.

Discussion regarding the approval of Tax Incremental Districts Nos. 30 and 31

Cook stated that TID 31 is the newest Neighborhood TID, similar to TID 22 & 23 that

the CDA has been approving. Further, that TID 31 is in the West Racine area. Hintz displayed the map of TID 31.

Thomas asked who the Alder is for that area. Mason responded that it is Perez and Taft.

Hintz added that the base value of TID 31 will be from 1/1/2022 (like TID 30) with the funds becoming available in 2024. He explained that the improvements of the old Shopko building, the addition of Panera Bread, and Discount Tire will help create funding for Neighborhood TID 31.

Fischer added that a secondary, simpler letter was sent out to residents in TID 31, as a result of the Public Hearing at the Planning, Heritage, and Design Commission meeting.

Discussion regarding the future CDA Meeting Schedule

Cook stated that staff would like to switch the meeting date and time. She suggested the first Monday of each month at noon, virtual. Hardy indicated the evening works better for him. Staff decided they would discuss and propose a new time prior to the next meeting.

Discussion regarding establishing a Facebook page for the CDA

Cook stated that staff thinks that the CDA needs a Facebook page to get the word out more about what the CDA does.

Adamski expressed concern that the page would fall by the wayside. Cook confirmed that staff will create a plan prior to making the page to ensure that does not happen.

Brief discussion ensued and overall, the CDA agreed they need a Facebook page.

Adjournment

There being no further business, a motion was made by Mason, seconded by Hardy, to adjourn the meeting at 7:04 p.m. The motion PASSED by a voice vote.