

HOW TO USE COMMITTEE/COMMISSION MINUTES ARCHIVE

Click the “Bookmarks” tab to the left of the screen to view links to view the minutes of each Meeting. Click on the Meeting Date.

City of Kenosha Redevelopment Authority
Minutes
April 22, 2008

MEMBERS PRESENT: Nick Infusino, Larry Keating, Bruce McCurdy, John Potente and Adelaide Swartz

EXCUSED: Tom Carls

STAFF PRESENT: Jeff Labahn, Zohrab Khaligian and Sharon Krewson

The meeting was called to order at 5:34 p.m. by Bruce McCurdy and roll was taken.

Approval of Minutes of March 18, 2008 Meeting

A motion was made by Mr. Keating and seconded by Mr. Potente to approve the minutes of the March 18, 2008 meeting as written. The motion passed unanimously (5 ayes; 0 noes).

1. Redevelopment Authority Financial Report

There were no questions on this month's Financial Report.

Mr. McCurdy suggested that at the first meeting following the appointment of a new Alderman an explanation of the Financial Report be put on the agenda as a separate item to provide information on properties owned by the Authority, the funds available and what the funds may be used for.

A motion was made by Mr. Infusino and seconded by Ms. Swartz to receive and file the Financial Report as submitted. The motion passed unanimously (5 ayes; 0 noes).

2. Offer of Sale Agreement for property at 5016 Sheridan Road. (Mattioli)

Sharon Krewson, Real Estate Agent for the City of Kenosha, said Lambert Environmental went through the building. The consultant was unable to take any samples for testing because Mr. Mattioli is still conducting a business. The consultant said there could be some asbestos in the roof but it could be left as is. If there is any asbestos, it would not exceed \$10,000 to have it removed prior to demolition. Mr. Keating thought there might be some asbestos in the office area from the glue used for the tile. The clause will remain in the contract that Mr. Mattioli will share the cost of any asbestos abatement up to \$5,000.

Mr. Keating asked if there was a date for the owner to vacate the building. Sharon Krewson said once we have the signed offer, Mr. Mattioli will have a big sale. If Mr. Mattioli has not vacated the building prior to closing, he will have to pay the Redevelopment Authority rent.

Mr. McCurdy asked how many years the Redevelopment Authority has been trying to purchase this property. Ms. Krewson said about 15 years. Mr. Infusino asked if the signature page will be changed to reflect Bruce McCurdy's name as Vice-Chairman of the Redevelopment Authority. Ms. Krewson said yes, it will be changed.

A motion was made by Mr. Keating and seconded by Mr. Infusino to approve the Offer of Sale Agreement for the property at 5016 Sheridan Road (Mattioli) in the amount of \$275,000. The motion passed unanimously (5 ayes; 0 noes).

3. Any Other Business as Authorized by Law

Jeff Labahn, Director of City Development, presented Frank Pacetti with a plaque for his 20 years of service to the Redevelopment Authority and two years with the Community Development Block Grant Committee. The Redevelopment Authority and the City appreciates the service and dedication Mr. Pacetti has provided over the past 20 years.

Mr. Pacetti said the election went as anticipated. It was time for someone else to step up and represent his district. Mr. Pacetti said he is proud of the 18 years he has spent as a City Alderman. His first 2 years on the Authority were as a citizen, then he stayed on the Authority after being elected an alderman. Mr. Pacetti reminisced about the many projects the Authority was involved in and what they were able to accomplish with Mayor Antaramian in office. He said it is important for this committee to maintain its high level of integrity and continue to move this City forward.

4. Public Comments will be limited to subjects within the jurisdiction and responsibilities of the Authority

Public comments opened. No public comments. Public comments closed.

A motion was made by Mr. Keating and seconded by Mr. Infusino to adjourn the meeting. The motion passed unanimously (5 ayes; 0 noes). The meeting adjourned at 6:15 p.m.

City of Kenosha Redevelopment Authority
Minutes
August 19, 2008

MEMBERS PRESENT: Alderman Katherine Marks, Larry Keating, Bruce McCurdy, John Potente and Adelaide Swartz

EXCUSED: Tom Carls

STAFF PRESENT: Jeff Labahn, Zohrab Khaligian and Sharon Krewson

The meeting was called to order at 5:30 p.m. by Bruce McCurdy and roll was taken.

Approval of Minutes of April 22, 2008 Meeting

A motion was made by Mr. Keating and seconded by Mr. Potente to approve the minutes of the April 22, 2008 meeting as written. The motion passed unanimously (5 ayes; 0 noes).

1. Election of Chairperson and Vice Chairperson

The meeting was turned over to Jeff Labahn, Recording Secretary. Mr. Labahn said the Authority has a vacancy in the Chairperson position that needs to be filled through November. According to the By-Laws, the annual election is held in December and extends through November.

The meeting was opened for nominations.

Mr. Keating made a motion to nominate Bruce McCurdy as Chairman. Ms. Swartz seconded the nomination. Mr. McCurdy accepted the nomination. There were no additional nominations. Nominations were closed.

A roll call vote was taken and all were in favor of the nomination of Mr. McCurdy as Chairman. The motion passed unanimously (5 ayes; 0 noes).

The meeting was turned back over to Mr. McCurdy who entertained a motion for nominations for Vice Chairman. Ms. Swartz nominated Larry Keating as Vice Chairperson. Mr. Potente seconded the nomination. Mr. Keating accepted the nomination. There were no additional nominations. Nominations were closed.

A roll call vote was taken and all were in favor of the nomination of Mr. Keating as Vice Chairman. The motion passed unanimously (5 ayes; 0 noes).

2. Redevelopment Authority Financial Report

At a prior meeting the Authority had requested an explanation of the Financial Report. Zohrab Khaligian, Community Development Specialist, said he met with the Finance

Director for an explanation of the report.

Column 1 on page 1, TID #4 General (Fund 444) are funds left over from TID #4. The funds in Fund 444 are technically not Redevelopment Authority funds. The former Chairperson intended to meet with the Finance Director to discuss a transfer of these funds from Fund 444 to Fund 461, with the hope that the Authority would not lose these dollars. We will only discuss Fund 461 on the remainder of the report.

Fund 461 (Column 2), is the Redevelopment Authority account and indicates the actual cash on hand. If Purchase Requisitions are not complete, the balances left for payment are indicated under *Reserved Encumbrances* and the Purchase Requisitions with outstanding dollar amounts are listed below. Page 2 also indicates the interest income received on our actual cash amount of \$618,291 along with what is spent each month and year-to-date.

Each year we receive between \$225,000 to \$250,000 in the Capital Improvement Plan (CIP). Page 3 shows how these funds are spent and in which year. The cash on hand does not include the 2007 and 2008 amounts. The 2007 and 2008 funds have been authorized, but have not been borrowed yet. If the Authority needed to spend more than \$618, 291, Finance would need to know this in advance so that they could borrow the money. Because we have not received the 2007 and 2008 amounts yet, we only received interest on our actual cash on hand.

Mr. Keating asked if the Landmark Title and Chicago Title Insurance amounts for April were for the total acquisitions of property on page 4. Sharon Krewson, Real Estate Agent, confirmed they were. Alderman Marks asked if a column could be added indicating what the vendor payments are for. Ms. Krewson explained Malsack is for property maintenance such as snow removal, grass cutting and weed control; ELM is environmental testing; title companies are used for the purchasing of properties; Brooks Tractor was equipment to raze a building; and Waste Management was the removal of debris from the demolition of a house. Mr. Keating said it makes sense to add a column showing what the vendor is used for as a past and future reference. Zohrab Khaligian said we can add a sheet of our own telling you what the vendor is used for.

Alderman Marks asked for an explanation of how long the acquisitions are held and what the intent of the acquisitions are. Mr. McCurdy said that over time, the Authority has assembled properties as indicated on the map (last page of the Financial Report). Mr. Khaligian said the map does not include the Wilson neighborhood acquisitions. An additional map showing the Wilson neighborhood acquisitions will be added beginning with the next meeting.

Mr. McCurdy referenced the properties along Sheridan Road. These properties have been acquired over time. If the Authority is able to acquire the properties owned by Captain Mike, then we have a large enough area to do a project. Some of the properties that have environmental issues are titled by the City because the City has the exemption from Environmental Liability, but Authority funds were used to purchase them. The Authority does not have exemption from environmental liability. Once they have DNR clearance, they are transferred to the Authority. But, all the properties are under the City's umbrella.

Alderman Marks asked what was the future intent for the assembled properties. Sharon Krewson said a Boys and Girls Club will be built where the former Crow property was. Mr. Khaligian said currently the intent in the Wilson Neighborhood is to buy and assemble property to reduce the density in the neighborhood.

Mr. Keating said that in the past, groups have come to the Authority and said they want to develop in a particular area or that they have a vision for a particular neighborhood. Many of the people come to us to purchase their property if they know we are working within that neighborhood or area. The KRA Holdings are the properties owned by the Redevelopment Authority.

A motion was made by Mr. Potente and seconded by Ms. Swartz to receive and file the Financial Report as submitted. The motion passed unanimously (5 ayes; 0 noes).

3. Offer to Purchase Agreement to Acquire 4901 37th Avenue

Sharon Krewson said this property is a four-unit next to one that the Authority purchased and torn down. The unit was listed with a broker for \$194,000. We offered them \$175,000 and they counter-offered \$180,000. The property is assessed at \$235,000 and they are paying taxes on \$235,000.

Two (2) units are vacant and two (2) are occupied. The two (2) tenants have agreed to move to another location within the seller's properties, but there may be relocation costs. Mr. Keating asked when the Authority would know if there were relocation costs involved. Sharon Krewson said if the tenants receive Section 8 funding, they are not eligible for relocation costs unless they agree to give up their Section 8 funding. Relocation costs could be \$10,000 each if the tenants do not want to move and wish to be relocated.

Mr. Keating asked if the seller has had any other offers. Sharon Krewson said she did not think they did which is why the seller contacted her to purchase the property. If the tenant agrees to move, they have to sign a waiver forfeiting any relocation benefits.

Zohrab Khaligian said the Authority can approve the purchase at \$180,000 with the stipulation that if relocation costs are incurred, then the purchase must come back to the Authority. Alderman Marks said the tenants may not want to stay in the neighborhood. Also, the seller may have another property next door to this for purchase. Ms. Krewson said there are three (3) four-unit buildings in foreclosure in the neighborhood. Alderman Marks asked where the funding would come to purchase foreclosure properties. Sharon Krewson said they would use Fund 461.

Mr. Keating said he did not want to approve the purchase at \$180,000 and then have the Authority incur more costs bringing the purchase to \$200,000 or more. Zohrab Khaligian said they will have to meet with the tenants before the closing and if both tenants are on Section 8, the only way they would get relocation would be if they came off Section 8.

A motion was made by Alderman Marks and seconded by Mr. Potente to approve the Offer to Purchase Agreement to acquire 4901 37th Avenue in the amount of \$180,000 plus moving costs for the two (2) tenants. If any additional costs are incurred, the

Purchase Agreement must come back to the Authority for approval. The motion passed unanimously (5 ayes; 0 noes).

Zohrab Khaligian said the City still has to legally inform the tenants their building is being sold and the building they move to has to be inspected.

4. Any Other Business as Authorized by Law

Alderman Marks asked what the cost is to acquire the property and demolish the buildings in the Wilson Neighborhood. Mr. Khaligian said the total cost for acquisition and demolition is estimated to be about \$15 - \$20 million. There are 60 fourplexes in the neighborhood. Alderman Marks asked if CDBG funds could be used. Mr. Khaligian said the City applied for \$3 million of special appropriation CDBG funds but only received \$300,000. In addition, although the City applied for the funds for blight elimination, HUD approved them for new housing construction and so the funds could not be used in the Wilson neighborhood. The funds were exchanged with CDBG funds designated for blight elimination in the Devil's Elbow neighborhood. As a result, the CDBG funds were used to assemble two (2) properties in the Wilson neighborhood and the special appropriation funds were used to construct two (2) houses in the Devil's Elbow neighborhood.

Mr. McCurdy asked if the Mattioli transaction is completed. Ms. Krewson said the asbestos abatement is currently being done at a cost of approximately \$8,000. The seller will be paying one-half of that cost. Once the asbestos abatement is completed, then the building will be demolished.

The house and tavern at 1102/1200 52nd Street (Jaquinta) will be demolished in about 30 days.

Nick Infusino thanked everyone for the opportunity to work with them on the Redevelopment Authority. The Authority has great leadership, does outstanding work moving the City of Kenosha forward and is a great asset to the City of Kenosha. Jeff Labahn, Director of City Development, presented Mr. Infusino with a plaque for his service to the Redevelopment Authority from 2006 to 2008. The Redevelopment Authority and the City appreciates the service and dedication Mr. Infusino has provided to the Authority.

5. Public Comments will be limited to subjects within the jurisdiction and responsibilities of the Authority

Public comments opened. No public comments. Public comments closed.

A motion was made by Mr. Keating and seconded by Mr. Potente to adjourn the meeting. The motion passed unanimously (5 ayes; 0 noes). The meeting adjourned at 6:10 p.m.

City of Kenosha Redevelopment Authority
Minutes
December 16, 2008

MEMBERS PRESENT: Alderman Katherine Marks, Larry Keating, Bruce McCurdy and John Potente

EXCUSED: Tom Carls and Adelaide Swartz

STAFF PRESENT: Jeff Labahn, Zohrab Khaligian and Sharon Krewson

The meeting was called to order at 5:33 p.m. by Bruce McCurdy and roll was taken.

Approval of Minutes of April 22, 2008 Meeting

A motion was made by Mr. Keating and seconded by Mr. Potente to approve the minutes of the August 19, 2008 meeting as written. The motion passed unanimously (4 ayes; 0 noes).

1. Election of Chairperson and Vice Chairperson

The meeting was turned over to Jeff Labahn, Recording Secretary. Mr. Labahn said according to the By-Laws, the annual election is held on the first meeting after December 1st of each year and extends through November of the following year.

Jeff Labahn entertained a motion for nominations for Chairman.

Mr. Potente made a motion to nominate Bruce McCurdy as Chairman. Mr. Keating seconded the nomination. Mr. McCurdy accepted the nomination. There were no additional nominations. Nominations were closed.

A roll call vote was taken and all were in favor of the nomination of Mr. McCurdy as Chairman. The motion passed unanimously (4 ayes; 0 noes).

The meeting was turned back over to Mr. McCurdy who entertained a motion for nominations for Vice Chairman. Alderman Marks nominated Larry Keating as Vice Chairperson. Mr. Potente seconded the nomination. Mr. Keating accepted the nomination. There were no additional nominations. Nominations were closed.

A roll call vote was taken and all were in favor of the nomination of Mr. Keating as Vice Chairman. The motion passed unanimously (4 ayes; 0 noes).

A motion was made by Mr. Potente and seconded by Alderman Marks for Jeff Labahn to continue as the Recording Secretary of the Redevelopment Authority. The motion passed unanimously (4 ayes; 0 noes).

2. Redevelopment Authority Financial Report

Zohrab Khaligian, Community Development Specialist, said there are two (2) additions to the financial report. More detail on expenses incurred by the Redevelopment Authority and a second map showing property owned in the Wilson Neighborhood will be included in the monthly reports.

Available funding in account 461 is down to approximately \$400,000. The Authority had over \$1 million but with the purchase of the fourplexes and the Mattioli property, the funds have dwindled. We are purchasing the properties we desire and we are bringing blight down in the neighborhoods.

Mr. Potente asked if the funds for 2007 and 2008 were included in the funding total. Mr. Khaligian said yes, page 3 shows that 2007 and 2008 funding is included. The Authority will receive approximately \$225,000 in 2009 to add to the \$400,000.

Mr. Potente asked what the anticipated expenditures are. Mr. Khaligian said demolitions have taken place on recently purchased property, but have not been paid out yet. Alderman Marks asked if the anticipated \$106,000 demolition will be taken from the \$400,000. Mr. Khaligian said yes, it will.

Alderman Marks said the \$225,000 that the Authority is receiving from CDBG funding was difficult to obtain. The Authority should have a presentation for the Common Council. No one on the Common Council knows what the Authority is doing; what our plan is; why it is important to have funds available to purchase properties within that plan when they become available.

Mr. McCurdy said we need to have funds available, but it is difficult to say what properties we are going to purchase or where we are going to assemble properties.

Mr. Keating suggested sending them a packet of materials and then setting up meetings with them to discuss the Authority's purpose. Zohrab Khaligian said at the Committee of the Whole meeting, they asked how long we looked at the Mattioli property. We have been interested in the Mattioli property for 10-15 years. There isn't an immediate turnaround for most of the properties we are interested in acquiring.

Alderman Marks suggested giving a presentation to the Finance Committee, Public Safety and Welfare Committee, and other committees to educate all the Alderman. Show the committees a timeline, what has been done and provide examples such as the Brass Site. Mr. Keating agreed, and said the presentation highlighting the Authority should have three (3) parts: 1) The purpose of the Redevelopment Authority; 2) How the Authority Works; and 3) The Vision of the Authority. An example is the Mattioli property. The Authority wanted that property for 15 years. We finally purchased it and could explain what our plan is for that property and area. The presentation needs to explain our vision for the project areas and the City. The Authority does not do *just in time projects*. We need to purchase properties when they become available because without the properties we have no projects.

Mr. Potente asked if the alderman realize the size and magnitude of the Wilson Heights project. Zohrab Khaligian said many of the alderman are saying the City is not a Real Estate Agent.

Zohrab Khaligian suggested starting with Finance Committee the beginning of 2009. Alderman Marks thought the Chairperson and Vice-Chairperson should make the presentation. Alderman Marks said the presentation should have before and after pictures. Mr. Keating said he does that with juries because people are visual. Sharon Krewson, Real Estate Agent, said all purchases do go to the Common Council for final approval.

A motion was made by Alderman Marks and seconded by Mr. Keating to receive and file the Financial Report as submitted. The motion passed unanimously (4 ayes; 0 noes).

Alderman Marks requested that the Committee receive a copy of the updated Financial Report on a monthly basis even when the Authority does not have a meeting.

3. Offer to Purchase Agreement to Acquire 2114 52nd Street and Vacant Lot on 52nd Street and 21st Avenue (Gochis)

Sharon Krewson said this property was where the Barn Tavern was that burnt down and the parking lot across the street. Mr. Keating disclosed that he has met with the owners, but has never represented them. The Authority did not consider this to be a conflict of interest.

Ms. Krewson said the Authority has a signed Offer to Purchase for \$62,000. The City will fill in the hole. The owners estimate to fill in the hole was \$6,000 so we adjusted our offer price down \$3,000 to cover the fill cost. Our estimated cost to the City to fill in the hole is about \$1,000. The structure of the building next door will have to be looked at. Alderman Juliana would like to use the property for a mid-town parking lot for the businesses in the area. Mr. McCurdy asked if there was a business association. Mr. Labahn said no there is no business association. Ms. Krewson said if the Church or businesses wanted to lease the property for a parking lot, they would be responsible for the upkeep.

Ms. Krewson said the appliance store to the west of this site is for sale. The Authority might want to consider purchasing that property also. Eventually the tire business on the corner may sell and we would have a nice piece of land.

Regarding the Bain School property, we would like the City to tear down the building and give the property to the Authority to work with a developer. There is a potential developer interested in the property, who would tear the school down and develop on the site.

A motion was made by Alderman Marks and seconded by Mr. Keating to approve the Offer to Purchase Agreement to acquire 2114 52nd Street and the vacant lot on 52nd Street and 21st Avenue in the amount of \$62,000 (Gochis) and forward to the Common Council for approval. The motion passed unanimously (4 ayes; 0 noes).

4. Any Other Business as Authorized by Law

Mr. Labahn said some of the expenses yet to be paid by the Authority are for the demolition of the house on 38th Avenue, the bar and house on 52nd Street, and the Mattioli property. Sharon Krewson stated that Waste Management costs to remove debris from a demolition site has increased from \$17 per ton to \$30 per ton.

Ms. Krewson said there are four (4) fourplexes in foreclosure in the Wilson Neighborhood and she has prepared Offers to Purchase them at \$150,000 each. If they are accepted, a special meeting will be called so the offers can be presented to Common Council on January 21, 2009. Mr. Potente asked if they were all owned by the same person. Ms. Krewson said they are the same owner, but different lenders. Mr. Keating asked where the additional funds would come from. Sharon Krewson said the Authority has some money in Acquisition Fund #303. Alderman Marks asked where the funds in Acquisition Fund #303 come from. Jeff Labahn said they are part of the City Development budget. Mr. Keating asked who has access to those funds. Sharon Krewson said just City Development can use the funds. The Authority would have to exhaust all Redevelopment Authority funds before using the City Development funds.

Ms. Krewson said she gets two (2) or three (3) calls a week from people with property to sell. Mr. Potente noted that the sale price is quite a bit less than the assessed value. Ms. Krewson said they are also vacant so no relocation costs will be involved. She said the owners were asking \$160,000 per property and the offers are for \$150,000 each.

Alderman Marks asked where the properties were located. Sharon Krewson said they are north and east of properties the Authority already owns. Alderman Marks commented that the Authority only owns 6 properties in the Wilson Neighborhood. Mr. McCurdy stated they just started acquiring properties in July or August of 2008. Ms. Krewson said that Mr. Labanowsky informed her he would have another fourplex available in 2009, but she told him the Authority would not pay him \$180,000 for the properties.

Ms. Krewson said the City is applying for \$2 million in Federal money through the Neighborhood Stabilization Program to buy foreclosures. The foreclosures need to be in project areas. The City should hear something in March. The application is due in February. Mr. Keating asked if we could set the closings on the four (4) properties after that date. Ms. Krewson said the process associated with these funds is more difficult. The property will have to be appraised and offer 15% less than appraised value. The City should receive some funding.

Alderman Marks asked what will be done to the fourplexes after they are purchased. Ms. Krewson said they will be razed. Alderman Marks asked if that is necessary since they are structurally sound. Ms. Krewson said the buildings are in bad condition inside and rehabilitation is very costly. Alderman Marks said she would like to see some comparisons between rehabilitation vs. new construction. She thinks Alderman Casey would be interested in the comparisons also. What about converting the fourplexes into duplexes? Mr. Potente said the plan was to reduce density in the area and build single family homes. Zohrab Khaligian said in the Long-Range Plan for the Wilson Neighborhood, there are short-term goals and long-term goals. The short-term goal is to reduce density. There is no market for an owner-occupied duplex. Alderman Marks said the other Alderman will ask why The Authority has not looked at more rehabilitation

instead of demolition. Mr. Khaligian said the property has to be owner-occupied in order to rehab it. Mr. McCurdy said it would be hard to create rental properties and compete with large corporations who own rental properties.

Mr. Keating said maybe there can be a compromise. People brainstorm all the time, but you have to have an explanation for their question or argument. The Authority needs to do their homework and have answers for whatever questions or scenarios might come up.

Alderman Marks asked if most of the fourplexes would have to be acquired before single family homes could be built. Mr. McCurdy said initially there were 64 fourplexes and it was estimated that it would cost the Authority \$17 million to acquire them. Zohrab Khaligian said the Authority is trying to purchase the fourplexes before someone else does. Mr. McCurdy said in addition to the presentation, we need to provide the original Wilson Neighborhood Plan and the Redevelopment Plan. Mr. Keating asked if Alderman Casey was against the redevelopment plan. Alderman Marks said no, he is looking at redevelopment vs. rehabilitation. Mr. Keating said if the Authority can take a 50 year problem and correct it by building single family home in a 8-9 year span, that benefits the City.

Mr. McCurdy said we need to educate the Common Council. The Boys & Girls Club would be a good example. Zohrab Khaligian pointed out that if the Boys & Girls Club had not come along, there would not have been a strong market for the Redevelopment Area at 14th Avenue and 52nd Street.

Currently, we have the offers out on the four (4) fourplexes. If we can acquire and raze them, and if the grant money comes through we can continue to acquire additional properties. Alderman Marks asked what Plan B is if we exhaust all of our funds. Mr. McCurdy said we will continue to look for additional funds. Mr. Keating said the Authority needs to put the Presentation together and get the Common Council's buy-in.

5. Public Comments will be limited to subjects within the jurisdiction and responsibilities of the Authority

Public comments opened. No public comments. Public comments closed.

A motion was made by Mr. Potente and seconded by Alderman Marks to adjourn the meeting. The motion passed unanimously (4 ayes; 0 noes). The meeting adjourned at 6:20 p.m.