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City of Kenosha Redevelopment Authority
Minutes
January 20, 2009

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

EXCUSED: Tom Carls and Alderman Katherine Marks

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 December 16, 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. Redevelopment Authority Financial Report

Mr. Keating said the Financial Report is readable and gets right to the point. Staff does a nice job on the report. Zohrab Khaligian, Community Development Specialist, said it is mostly Ms. Smith putting the information together. Mr. Keating said the report is well done.

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

Mr. McCurdy requested that Items 2 through 5 be taken together. Members of the Authority were in agreement.

2. Offer to Purchase Agreement to Acquire Property located at 4609 36th Avenue (Coulter)

3. Offer to Purchase Agreement to Acquire Property located at 4615 36th Avenue (Coulter)

4. Offer to Purchase Agreement to Acquire Property located at 4811 37th Avenue (Coulter)

5. Offer to Purchase Agreement to Acquire Property located at 4817 37th Avenue (Coulter)

Sharon Krewson, Real Estate Agent, said the four (4) properties are owned by the same person and going into foreclosure. Ms. Krewson said she is hoping to get them for short

sale at \$150,000 each. The property at 4811 37th Avenue has been approved by the lender for short sale. Mr. McCurdy asked what the timeline is for the approvals. Ms. Krewson said the four (4) properties will go to Common Council on Wednesday, January 21, 2009. Ms. Krewson said there are seven (7) lenders involved on the four (4) properties. Mr. Potente asked what the likelihood is of obtaining the approvals prior to Common Council tomorrow. Ms. Krewson said she can still bring the offers to Common Council prior to lender approvals.

Mr. Keating asked where the funds were coming from to purchase the properties. Has the \$225,000 from the City been put into Fund 461 yet? Ms. Krewson said we have CIP Funds of \$600,000 to purchase the properties. The \$225,000 for 2009 has not been put into Fund 461 yet.

Mr. Keating asked if the funds from the Federal grant were expected in March. Ms. Krewson said yes, but there may be another fourplex going into foreclosure by then. With the federal funds, the City has to pay 15% less than the appraisal amount. An appraisal will be necessary in order to use the federal funds. They are trying to get this requirement changed. Ms. Swartz asked if they would accept the assessed value. Ms. Krewson said the City would not want to pay off of the assessed value. Ms. Swartz asked who is requiring the 15% restriction. The restriction to pay at least 15% less of the appraised value is required by the Federal Grant. The City applied for \$2.5 million of the Neighborhood Stabilization Grant. We may not get all that we ask for, but we should get some. Mr. Keating asked if there was a precursor. Ms. Krewson said the City would have to spend the money within 18 months. Mr. Keating asked if we could use the funds for these four (4) fourplexes. Ms. Krewson said we could if our appraisal was complete. Mr. McCurdy said there will be additional fourplexes to purchase in the Wilson Neighborhood to use the grant money on.

Mr. Potente said there was the problem where the Authority wanted to purchase the Barn property was denied at Common Council. Will we get the same result with these offers? Mr. Khaligian said these fourplexes are in both a neighborhood plan area and a redevelopment area which should help. Mr. Keating asked if Alderman Kennedy, the alderman for the district, supports the project. Mr. McCurdy noted that Alderman Kennedy supported the purchase of the Barn property. Ms. Krewson said Alderman Kennedy is in support of the project so he should vote in favor of the purchases. Mr. Potente said he was surprised and confused following the Common Council meeting as to why we wanted the Barn property being that it's not in a target area.

Mr. McCurdy said the Common Council will ask where the funds will come from to purchase the fourplexes. Mr. Keating said the rehab issues will come up again also. Ms. Krewson said the redevelopment plan approved the purchase, demolition and construction of new single family homes in the Wilson Neighborhood. Ms. Swartz said a good point to make against the rehab issue is that many of the fourplexes are going into foreclosure because the owners can not find tenants.

Mr. Keating said the Authority does need to put the presentation together for the Aldermen stating what we do, why, and how we spend our money. Mr. McCurdy said

the presentation should start with the Crow property and various other areas before developing them. Blight elimination is the main purpose of the Authority. The Authority does not take any money from the general fund so they do not have to repay any of the money.

Mr. Potente asked if staff had much contact with the aldermen. Jeff Labahn, Director of City Development, said staff met with almost all of the aldermen at the beginning of their terms and explained what City Development was all about. It appears that needs to be revisited. Mr. McCurdy said at the beginning of their terms, the aldermen were most likely inundated with a lot of material.

A motion was made by Mr. Keating and seconded by Ms. Swartz to approve the Offer to Purchase Agreements to acquire 4609 36th Avenue in the amount of \$150,000 (Coulter), 4615 36th Avenue in the amount of \$150,000 (Coulter), 4811 37th Avenue in the amount of \$150,000 (Coulter), and 4817 37th Avenue in the amount of \$150,000 and forward to the Common Council for approval. The Offer to Purchase Agreements will be acted upon after all approvals have been received. The motion passed unanimously (4 ayes; 0 noes).

6. Any Other Business as Authorized by Law

Ms. Krewson said regarding the Barn property located at 2114 52nd Street and their vacant lot across the street, that Alderman Juliana would like the offer resubmitted to Common Council after the hole is filled. Ms. Swartz asked what the main objective was for denying the offer. Ms. Krewson said because the property was not in a project area. Alderman Juliana would like to have ownership of the parking lot and lease it out to area businesses. Mr. Keating said maybe in a few months we could send it through again after these four (4) fourplexes go through. Mr. Potente asked if the seller would consider selling just the parking lot. Ms. Krewson said she doubted it. Ms. Krewson said the hole is being filled in and Neighborhood Services and Inspections is involved. Mr. McCurdy asked if the owner is moving ahead with his other project. Ms. Krewson said yes, he is going to open the old Brewmaster's on the south side. Mr. McCurdy agreed that the Authority should wait 1-2 months before bringing this offer back to Common Council. Ms. Krewson said she will meet with Frank Pacetti, City Administrator, to keep him informed of where the Authority is. Ms. Swartz suggested that next time the surrounding businesses should be contacted to see if interested in leasing, what the amount of return on the property would be, etc. Mr. Keating asked if the lot where the tavern was could be turned into a parking lot. Ms. Krewson said the City would not allow that. Aiello Florist looked at the property, but at this time is not interested. Mr. McCurdy said in the past the City has purchased property, turned it into parking for area businesses, and then the businesses went out of business.

Ms. Krewson said next month the Authority will meet to discuss the Metra Station. The Chicago/Northwestern's lease with the cafe operator expired in July 2008. Currently, the cafe is month-to-month and rent is \$200 plus 10% of ticket sales. Len Brandrup wishes to discuss this in Closed Session. The City has a grant to rehab the entire building. Mr.

Keating asked to have the contract brought to the next meeting. Mr. McCurdy said if the KRM goes through, the location will be ideal.

7. 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 Mr. Keating to adjourn the meeting. The motion passed unanimously (4 ayes; 0 noes). The meeting adjourned at 6:10 p.m.

**City of Kenosha Redevelopment Authority
Minutes
February 17, 2009**

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

EXCUSED: Adelaide Swartz

STAFF PRESENT: Jeff Labahn, Zohrab Khaligian and Sharon Krewson

The meeting was called to order at 5:45 p.m. by Bruce McCurdy and roll was taken.

Approval of Minutes of January 20, 2009 Meeting

A motion was made by Mr. Keating and seconded by Mr. Potente to approve the minutes of the January 20, 2009 meeting as written. The motion passed unanimously (5 ayes; 0 noes).

1. Redevelopment Authority Financial Report

Zohrab Khaligian, Community Development Specialist, said the Statement of Authorizations and Expenditures, page 3, does not include the 2008/2009 funds. The 2008 and 2009 funds are authorized funds. Our actual cash included in the report is for 2007, 2006 and remaining funds from other program income. The \$450,000 for 2008 and 2009 are authorized funds available for the City to borrow but we do not have the funds to date.

Alderman Marks asked what the process was to request the \$450,000. Do we have to use all the funds we currently have before we request the additional money? Zohrab Khaligian replied that yes, the Authority does have to spend funds they currently have first. The Authority was proposing to use the 2008 funds and leave the 2009 funds for future acquisition, but the authorization is there to borrow down the funds at a later date. Mr. Keating stated the Authority needs to have a project in order to use the \$450,000. Mr. Khaligian said the Department of City Development has funds also, so we would not have needed to tap into the \$450,000 to acquire the four (4) fourplexes. The problem is that the Common Council could zero out the fund and the Authority would not have any funds to draw down. The Financial Report currently indicates we have the funds.

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

2. Any Other Business as Authorized by Law

No other business was presented.

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

Public comments opened.

Len Brandrup, Transportation Director, said the City owns the parking lots surrounding the Metra Station. The Redevelopment Authority owns the Metra Station. The lease agreement was in place prior to the Authority becoming the owner. The lease agreement has had two (2) assignments. The first was to KCT, Ltd. for one year, then to Nafi Kalan and Rezak Pehlivan. An amendment to the agreement removed Nafi Kalan from the lease. Rezak Pehlivan is the currently running the Metra station by himself. The lease expired in July 2008. Mr. Pehlivan is on a month-to-month lease.

Transit applied for a CMAQ grant to rehabilitate the Metra Station. This \$500,000 Grant will be lost if the funds are not utilized by the end of this year. Mr. Pehlivan is aware of the situation. We would like to bring an architect on board to design the renovation of the station.

Public comments closed.

A motion was made by Mr. Carls and seconded by Mr. Keating to convene into Closed Session per Section 19.85(1)(eg) Wisconsin Statutes and May or May Not Reconvene into Open Session for Purpose of Holding a Hearing and Making a Final Determination. The motion passed unanimously (5 ayes; 0 noes). Roll was taken.

Open Session reconvened.

4. Metra Train Station

A motion was made by Alderman Marks and seconded by Mr. Keating to extend the current lease for six (6) month for continuation of services at \$200 per month. The motion passed unanimously (5 ayes; 0 noes).

A motion was made by Mr. Carls and seconded by Mr. Potente to adjourn the meeting. The motion passed unanimously (5 ayes; 0 noes). The meeting adjourned at 6:55 p.m.

City of Kenosha Redevelopment Authority
Minutes
April 21, 2009

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

EXCUSED: Tom Carls and Larry Keating

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 February 17, 2009 Meeting

A motion was made by Mr. Potente and seconded by Alderman Marks to approve the minutes of the February 17, 2009 meeting as written. The motion passed unanimously (4 ayes; 0 noes).

1. Redevelopment Authority Financial Report

There was discussion on the CIP Resolution regarding the Housing and Economic Loan Program (H.E.L.P.) approved at the April 20, 2009 Common Council meeting. Jeffrey Labahn, Director of City Development, will get a determination on whether a new resolution or a revised resolution is required for the funding of H.E.L.P. and which committees will be voting on the resolution. Members of the Department of City Development staff will be meeting with Administration and several Aldermen regarding H.E.L.P. It was requested that select members of the Authority attend this meeting also, if possible. Alderman Marks requested a breakdown of available funds for Authority members prior to the meeting with Administration. The Authority also discussed educating the elected officials and public about the responsibilities of the Redevelopment Authority.

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

2. Vapor Intrusion Project on MGP Site

Sharon Krewson, Real Estate Agent for the City of Kenosha, said the information provided is from the consultant who will be conducting sampling and testing on the site over the summer to see if gas or hydrogen is emitted from the soil if a foundation or concrete slab were ever poured. The testing should begin within the next two (2) weeks weather permitting. The test site will be fenced in over the 4th of July.

Alderman Marks asked if the readings for the soil was good or bad. Ms. Krewson said on the map the numbers and markings are for borings they had done in the past. There are currently open wells on the site. There is still gas by-product in the soils. The DNR

will not give closure which is why work is still being conducted. The Authority is not in any hurry to develop the site.

A motion was made by Alderman Marks and seconded by Mr. Potente to receive and file. The motion passed unanimously (4 ayes; 0 noes).

3. Metra Train Station

Sharon Krewson said the lease is for six (6) month to get through the bidding process for architectural drawings and oversight of the rehabilitation of the Metra Train Station. It is for \$200 per month. The language is cleaner than the previous lease with Chicago & Northwestern and has insurance coverage. The lease has not been presented to Ray Pehlivan yet. If the lease is approved by the Authority, Ms. Krewson will meet with Mr. Pehlivan.

Alderman Marks asked if the Authority owned the building and if the Authority has to provide any funds toward the rehabilitation of the building. Ms. Krewson said the Authority does own the building. Transit has received a \$600,000 grant for the rehabilitation of the station(CIP has the 20% match), but the funds have to be contracted by the end of 2009. Alderman Marks asked when the Request for Qualifications (RFQ) will be sent out. Ms. Krewson said they are hoping to send the RFQ out the week of April 27, 2009 with a deadline of 30 days. Alderman Marks asked who will review the RFQs. Ms. Krewson suggested City Development staff and two (2) Authority members form a committee to review the RFQs and conduct the interviews. The finalist will be interviewed by the Authority who also has final approval authority. Mr. Labahn suggested the Chairperson coordinate with the members of the Authority who will participate in the Metra Train Station committee.

A motion was made by Alderman Marks and seconded by Ms. Swartz to approve the lease for the Metra Train Station for six (6) months at \$200 per month. The motion passed unanimously (4 ayes; 0 noes).

4. Any Other Business as Authorized by Law

No other business was presented.

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

There were no public comments.

A motion was made by Alderman Marks and seconded by Mr. Potente to convene into Closed Session per Section 19.85(1)(eg) Wisconsin Statutes and May or May Not Reconvene into Open Session for Purpose of Holding a Hearing and Making a Final Determination. The motion passed unanimously (4 ayes; 0 noes). Roll was taken.

Open Session reconvened.

A motion was made by Alderman Marks and seconded by Ms. Swartz to adjourn the meeting. The motion passed unanimously (4 ayes; 0 noes). The meeting adjourned at 6:50 p.m.

City of Kenosha Redevelopment Authority
Minutes
May 11, 2009

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

EXCUSED: Tom Carls and Adelaide Swartz

STAFF PRESENT: Mayor Keith Bosman, Jeff Labahn, Zohrab Khaligian and Sharon Krewson

The meeting was called to order at 12:23 p.m. by Bruce McCurdy and roll was taken.

1. City-Wide Housing Rehabilitation Loan Program

Public hearing opened, no one spoke, public hearing closed.

Mr. McCurdy said there are two (2) resolutions for funding the City-Wide Rehabilitation Loan Program (HELP) on the Common Council agenda. One resolution would take \$450,000 from the Redevelopment Authority Real Estate Acquisition account to fund HELP. The other resolution is to fund HELP through Parks and Public Works. Plan Commission voted to approve the HELP program and send it to the Common Council because they were told Redevelopment Authority funds would not be used to fund the program. That is not the case at this time. At this time, both resolutions mentioned above are on Finance Committee and Common Council agendas for tonight. The resolution that involves Parks and Public Works are also on their respective committees today prior to Common Council.

The Plan Commission's recommendation on May 7, 2009 was to deny the resolution to fund HELP with Redevelopment Authority funds and approve taking the funds from Parks and Public Works.

Mr. Keating said he is not supportive of the resolution to use Redevelopment Authority funds. The other issue to take the funds from the other two areas is deferred to the Mayor and Administration to decide if that is the best use of funds. Since it does not affect our operation, heI would support the resolution to take funds from Parks and Public Works.

Mr. Potente said it is shortsighted to disenable the Redevelopment Authority from doing what we are doing now and have been doing for the past 18 years. The Brass site could be a brownfield or just a number of closed factories. Instead, we have a shopping center and a school. If money is taken from the Redevelopment Authority, it probably will not be replaced in the future.

Mr. McCurdy said taking \$450,000 from the Redevelopment Authority would destroy what we are doing in the Wilson Neighborhood. In the paper, there seems to be a discrepancy on what constitutes the Wilson Neighborhood. The Redevelopment Plan for

the Wilson Neighborhood is bounded by 45th Street, 35th Avenue, 50th Street and 38th Avenue. There are approximately 64-66 buildings designated to be razed in the Redevelopment Plan. A RFP would then be sent out to develop that entire area. This is a long term project, at least six (6) to ten (10) years. The main goal is to eliminate density and you do this by eliminating the fourplexes. The police department and other agencies state it is a bad section of town with drugs, etc., and needs to be cleaned up. The \$450,000 needs to go to the Wilson Neighborhood. We should be able to purchase three (3) or four (4) houses with \$450,000. To take \$450,000 away will stop the Redevelopment Authority in their tracks. Mr. McCurdy said he doesn't think the City of Kenosha wants to see that happen.

Mayor Bosman thanked the Redevelopment Authority members for donating their time to the Authority and to the well-being of the City of Kenosha. Mayor Bosman said he has a high regard for the work of the Redevelopment Authority. The problems within the Wilson Neighborhood have a detrimental effect on the schools because of the transient population. The fourplexes need to be eliminated. If the \$450,000 is taken from the Authority, it won't be returned.

Mayor Bosman stated that the two (2) projects offered in the other resolution are projects that will not happen. In meetings with Mr. Stetson and the DOT on the I-94 frontage roads, if and when the area is developed, the developer will pay for the construction of the 60th Street frontage road. The new state regulations requiring supervision for spray parks has put a hold on this project until the issue is resolved with the state. It seems reasonable to take the funding from these two (2) projects that will not be completed with City funds and leave the funding for the Authority to continue with their work in the Wilson Neighborhood. It does not make sense to take funds from the Redevelopment Authority who is working on a concentrated project in the inner city to fund a program for the entire city.

Alderman Marks said it is important to remember we are using targeted funding for the Wilson Neighborhood. The Authority has worked on projects in a number of districts. The City should be increasing the funding at this time because of the homes that may be available. The City has done well in identifying the areas that need to be redeveloped. Stationside is another example of an area where the Redevelopment Authority acquired the property, redeveloped the area, and reduced crime. The Common Council needs to see what the Authority has done, and what they are capable of doing now with City and Federal funds for not only the Wilson Neighborhood, but other areas within the City. The Authority needs to look at other districts also.

A motion was made by Alderman Marks and seconded by Mr. Keating to support the Resolution "To Amend the City of Kenosha Capital Improvement Program by Decreasing Line CO-09-001 (2012) "West Side Frontage Road at County Highway K" by \$400,000 and By Decreasing Line PK-03-002 "Neighborhood Spray Park" by \$50,000 for a Net Overall Decrease of \$450,000" and to deny Resolution "To Amend the City of Kenosha Capital Improvement Program for 2008 and 2009 by Decreasing Line RA-95-001 "Redevelopment Authority Real Estate Acquisition" by \$225,000 for a Decrease in the 2008 Program of \$225,000 and by \$225,000 for a Decrease in the 2009

Program of \$225,000 for a Net Overall Decrease of \$450,000.” The motion passed unanimously (4 ayes; 0 noes).

2. Any Other Business as Authorized by Law

No other business was presented.

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

There were no public comments.

A motion was made by Alderman Marks and seconded by Mr. Keating to adjourn the meeting. The motion passed unanimously (4 ayes; 0 noes). The meeting adjourned at 12:55 p.m.

City of Kenosha Redevelopment Authority
Minutes
July 28, 2009

MEMBERS PRESENT: Alderman Katherine Marks, Tom Carls, Bruce McCurdy, and John Potente

EXCUSED: Larry Keating and Adelaide Swartz

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 21, 2009 and May 11, 2009 Meetings

A motion was made by Alderman Marks and seconded by Mr. Potente to approve the minutes of the April 21, 2009 and May 11, 2009 meetings as written. The motion passed unanimously (4 ayes; 0 noes).

Mr. McCurdy stated no Financial Report was available for this meeting because the person responsible for the report in Finance had been on emergency medical leave. As soon as the report is available, it will be emailed to Authority members.

1. Offer to Purchase Agreement to Acquire 1343 50th Street from David and Margaret Smith

Sharon Krewson, Real Estate Agent, said the property at 1343 50th Street is the last property to be acquired for the Boys and Girls Club site. The owners will need to be relocated. The family needed to make the home handicapped accessible or move to a different location. They may also consider renting for a period of time due to family health issues. The offer is for the 2008 assessed value. Mr. Carls said it is probably about 10% above current assessed value due to the economy. Ms. Krewson said we need to purchase this property to finish acquiring land for the Boys and Girls Club project on the site. Alderman Marks said she thought the original proposal with the Boys and Girls Club was focused on the south end of 52nd Street and 14th Avenue. Ms. Krewson said there is a change in the plans for the Boys and Girls Club to use all the land between 50th Street to 52nd Street.

Mr. Potente said in the minutes of the April 21st meeting, there was discussion of the possibility that the Smith family could swap their home for the city-built handicapped accessible home that is for sale. Ms. Krewson said the Smith family did not qualify because they were over the federal income limits. Because CDBG funds were used to assemble the property, they have to meet the income limits set by HUD.

A motion was made by Alderman Marks and seconded by Mr. Potente to approve the Offer to Purchase for the property at 1343 50th Street in the amount of \$73,300 and move forward with closing the transaction and relocating the family. The motion passed unanimously (4 ayes; 0 noes).

2. Metra Train Station

Mr. McCurdy said Administration is not in agreement with the lease for the Metra Train Station. Ms. Krewson said the Transit Director has issues with the lease also and did not inform us of the issues until today. Alderman Marks asked what the concerns were. Ms. Krewson said the Transit Director was concerned about the approvals stated in the lease and the authority of the Transit Commission.

Mr. Carls asked if we have ever had a 25 year lease before. Ms. Krewson said the lease we have with Transit Authority for the vacant lot on 13th Avenue and 56th Street is a 25 year lease. The federal agency administering the CMAQ grant wants to see that the Transit Authority has control of the facility because of the conditions of the grant.

A motion was made by Alderman Marks and seconded by Mr. Carls to defer action on the lease with the Metra Train Station until the next meeting. The motion passed unanimously (4 ayes; 0 noes).

Mr. McCurdy said there is a timeline to hire an architect by the end of the year per the grant.

3. Any Other Business as Authorized by Law

Ms. Krewson said the Boys and Girls Club met with Mayor Bosman and asked about getting title to the entire site (i.e., 50th Street to 52nd Street). They would like to add some type of ball fields on the site, so they have requested title of the property all the way to the north end of the site. Mr. Potente asked if there were any problems with contamination of the area where the ball fields would be. Ms. Krewson said the contamination was on the south end of the site. Alderman Marks asked if this will have to be brought before the Common Council. Ms. Krewson said the agreement will go before the Common Council. Alderman Marks asked if the Authority expedited the Offer to Purchase the property at 1343 50th Street because of the Boys and Girls Club. Ms. Krewson said the Smith's came to her wishing to sell their property.

Ms. Krewson explained that the agreement with the Boys and Girls Club would be a three-party agreement between the City of Kenosha, the Redevelopment Authority and the Common Council. She is hoping to have the contract on the agenda for the next meeting and then bring it before the Common Council.

In return for the site, the Authority receives all the property currently owned by the Boys and Girls Club on 52nd Street and the Madrigrano Center located at 3712 50th Avenue in the Wilson Neighborhood. Alderman Marks noted that the Authority will then have to raze all of the buildings at these two locations.

Alderman Marks asked for a status report on purchasing fourplexes in the Wilson Neighborhood. She noted crime is rising daily in this neighborhood. Ms. Krewson said she has sent letters to banks and submitted a couple of offers. It has been difficult

dealing with banks on foreclosed properties. Ms. Krewson said she submitted an offer on for 4609 36th Avenue to a broker in Milwaukee today.

Alderman Marks said with the CIP coming up, it is going to be difficult to get funding if we cannot even spend the money we currently have. Mr. McCurdy said he discussed the difficulty the Authority is having with banks and foreclosed property with Mayor Bosman and Mr. Pacetti. If we do not have any information in two (2) weeks, Mr. Pacetti said he will see what he can do for us. Ms. Krewson said we want vacant buildings which makes it more difficult.

Alderman Marks said the Authority needs to spend the funds they have. Ms. Krewson said additional property could be acquired on 52nd Street, but the offers would have to go before the Common Council. Alderman Juliana would like us to purchase the parking lot on 52nd Street. Also, the owner of Corbett Appliance is desperate for us to buy their property so they can move back south.

Alderman Marks asked if there was anything else available in the Wilson Neighborhood. Ms. Krewson said there were just the two (2) that are vacant and there are two (2) more listed, but they are occupied. We do not want to have to pay relocation costs. Jeffrey Labahn, Director of City Development, said it is currently proposed that the Authority will receive \$450,000 in 2010 to recoup the \$225,000 and then the amount will return to \$225,000 from 2011 to 2014. Mr. McCurdy said some of the tension that was evident in the spring seems to have subsided.

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

There were no public comments.

Alderman Marks suggested that at the next meeting the Authority think about upcoming activities and becoming proactive in communicating information pertinent to the activity. The Authority should possibly reevaluate where they are going also. Create a plan as we enter the budget cycle. Put an ad on Time Warner that gets the word out regarding the benefits of the Authority and the good they have done for the City of Kenosha. Mr. Labahn said they do want to provide additional information to the Common Council for the budget. Alderman Marks said the Authority needs to talk about what it is doing; the rising crime in the Wilson Neighborhood; how the Authority improves the quality of life in neighborhoods. Mr. Carls agreed something should be put on the public channels. Mr. Labahn said they have discussed putting something on the City Development website also.

Mr. Potente said the Brass area is successful, but not complete. Is there still some responsibility by the Authority to push that project to completion? Zohrab Khaligian, Community Development Specialist, said the original developer went bankrupt. Before going bankrupt, they took on a partner, Kilduff and Company. The agreement with Kilduff and Company has expired. We are currently trying to negotiate a new agreement with them to build the next building.

Alderman Marks said the property surrounding the Brass Community School needs to be developed also. A plan needs to be developed for that area. Mr. McCurdy said there isn't much being developed right now. Many of the items on the City Plan Commission agenda are for Conditional Use Permit extensions because of the economy. This would be a good time to develop a plan for the area surrounding the Brass Community School, but you need to have an idea as to what type of development you want there first. Now is a good time to re-think other areas also, such as the old Bain school and the 52nd Street corridor.

A motion was made by Alderman Marks and seconded by Mr. Potente to adjourn the meeting. The motion passed unanimously (4 ayes; 0 noes). The meeting adjourned at 6:00 p.m.

Redevelopment Authority of the City of Kenosha
Minutes
August 18, 2009

MEMBERS PRESENT: Alderman Katherine Marks, Tom Carls, Bruce McCurdy, John Potente and Adelaide Swartz

EXCUSED: Larry Keating

STAFF PRESENT: Jeff Labahn, Zohrab Khaligian and Sharon Krewson

The meeting was called to order at 5:32 p.m. by Bruce McCurdy and roll was taken.

Approval of Minutes of July 28, 2009 Meeting

A motion was made by Alderman Marks and seconded by Mr. Potente to approve the minutes of July 28, 2009 meeting as written. The motion passed unanimously (5 ayes; 0 noes).

1. Redevelopment Authority Financial Report

Zohrab Khaligian, Community Development Specialist, noted that Fund 461 has a balance of \$515,254 which includes all money available to the Authority. The Authority also has authorized funding for 2009 of \$225,000 for a total of \$740,254.

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

2. Contract of Purchase and Sale and Development Agreement Between the Boys & Girls Club, the Redevelopment Authority and the City of Kenosha

Public hearing opened.

Mayor Bosman stated the agreement between the City of Kenosha and the Boys & Girls Club was originally made with the previous administration but is one that he fully supports. Mayor Bosman agrees with the direction of the partnership, and all involved will benefit from this partnership.

Public hearing closed.

Sharon Krewson, Real Estate Agent, said the agreement will be a 3-party agreement between the City of Kenosha, the Redevelopment Authority and the Boys & Girls Club because both the City of Kenosha and the Redevelopment Authority own land that will be transferred to the Boys & Girls Club. Approximately 7.1 acres of land will be transferred to the Boys & Girls Club as shown in Exhibit A. The Contract of Purchase and the Development Agreement, if approved tonight, will go to the Plan Commission on September 10, 2009 and then to Finance Committee and Common Council on September 21, 2009.

The Boys & Girls Club intends to begin construction in April or May of 2010 with completion by June 2011. These dates are in the contract. Once the new building is occupied, the Boys & Girls Club will transfer the property they currently occupy to the City of Kenosha. Remediation on the new site has been completed. If any problems arise when excavating, it will be dealt with by the Boys & Girls Club. This information is in the letter from the DNR. Mr. Potente asked if the transfer amount would be \$1. Ms. Krewson said yes, it would.

Alderman Marks asked why the amount of land being given to the Boys & Girls Club in 2009 increased from the amount proposed in 2007. Wally Graffen, Boys & Girls Club, said the original plan never went before the Common Council for approval. They were waiting for DNR approval and closure on the site before moving forward. Ms. Krewson noted the only portion of the proposal brought before the Common Council was the TID Agreement. Mr. Graffen said the new proposal would add green space to the site and fields that would require the entire site were recently discussed with the new Administration. Alderman Marks said she was not aware of the new proposal brought forward until the last Redevelopment Authority meeting. Alderman Marks said she thought a road and future development was planned for the remaining portion of the site. Alderman Marks asked what the additional land was going to be used for. Mr. Graffen said playing fields such as baseball or soccer. The specific type of playing field has not yet been determined.

Alderman Marks asked for the value of the land being transferred to the Boys & Girls Club. Ms. Krewson said she did not have that information at this time. Alderman Marks said if this proposal goes forward, this question along with others will be asked and we should have the answers. Alderman Marks said she would like to know the cost-to-date to acquire, demolish, etc. the property proposed to be transferred to the Boys & Girls Club. Alderman Marks also asked for the value of the current Boys & Girls Club and the Madrigrano building that will be transferred to the City along with an estimate to raze these buildings. It is important to have this information and to know where the funds will come from. Funds were found to raze the Roosevelt Theater, but not sure where they came from which is important information. Mr. McCurdy said when obtaining the information on razing the buildings, a statement should be included stating this is an estimate. It will be difficult to determine these costs due to tipping fees, asbestos abatement, etc.

Mr. Carls asked if the funds for razing the buildings could be included in the widening of 52nd Street. Ms. Krewson said they are not in the same timeframe. Mr. McCurdy said when the buildings are razed, setbacks for the future widening of 52nd Street would be required. Ms. Krewson said street right-of-way requirements for the widening of 52nd Street will be required on the land being transferred to the Boys & Girls Club as well as the land the City of Kenosha will receive from them. The street right-of-way setback requirement would apply to any property acquired around the Boys & Girls Club.

Alderman Marks said she was not comfortable voting on this item without reviewing the cost-to-date information. Mayor Bosman stated the main objective for this proposal is the overall benefit to the community. Alderman Marks noted the cost information for

past, present, and future for the property we are transferring to the Boys & Girls Club and for the land being given to the City, is necessary when the item is brought forward. Mayor Bosman agreed an estimate of every component of this project is necessary when moving forward.

Alderman Marks said she would like to review the cost information to weigh the pros and cons before voting on this item. Mr. Carls said he is comfortable as a member of the Redevelopment Authority that this is a good project. Reviewing the cost information would not change his mind. Ms. Swartz asked how knowing the cost would change the vote. The money has already been spent. Alderman Marks said the transfer amount is \$1. Ms. Swartz said she understands the dynamics of the Common Council, but there is no other use for the land. Alderman Marks said the original proposal was made with a different Common Council and Administration. She reminded the Authority of the property on 60th Street and 18th Avenue. This agreement had been made with the prior Administration. The proposal was to give the City the land and the current Common Council denied the proposal. Mayor Bosman said we need to be prepared with as much information as possible, but the end result is where the value lies. You cannot put a monetary value on the benefit this proposal will have on the community. Alderman Marks reminded the Authority that the City was positioned to receive \$340,000 for the property on 60th Street and 18th Avenue and the Common Council found a reason to deny the project.

Mr. McCurdy asked if the cost information can be put together in three (3) weeks. Ms. Krewson said she believes it can. She is already working on it. Alderman Marks said the Authority needs to know the cost also to know if it is a good project before voting.

Mr. Khaligian said the Boys & Girls Club needs to raise \$8 million to construct the Boys & Girls Club. To obtain national funding, they need to own the property. A decision was made by Administration to enter into this agreement. Plan Commission and Common Council will have to decide if they want to honor the agreement or not. The number of children served is not the issue. The main issue is whether this is a good use of the land – yes or no. Alderman Marks said the performance of the Boys & Girls Club is not in question, but the Plan Commission and Common Council will ask questions on tangible outcomes. This past Monday, the CDBG Subgrantee Agreements were deferred. The Common Council wants to see Outcomes and Measurements even though they saw that same information months ago. Approving this item without the cost information, does not make the Authority look good. Mr. Carls asked Alderman Marks what she did not like about the use of the property. Alderman Marks said she would like the Authority to look at the overall cost of the project. After the review, if the Authority still believes this is a good project, then approve it. But at least look at everything first. Mr. Potente said he would feel more comfortable if the Authority has the cost information available to present to Plan Commission and Common Council.

A motion was made by Mr. Potente and seconded by Ms. Swartz to approve the Contract of Purchase and Sale and Development Agreement between the Boys & Girls Club, the Redevelopment Authority and the City of Kenosha to transfer land located at 14th Avenue and 52nd Street to the Boys & Girls Club in exchange for

the property they currently own and the Madrigrano Center. The motion passed (4 ayes; 1 no). Alderman Marks voted against.

3. Any Other Business as Authorized by Law

Mr. Potente asked for an update on the Metra Station rehabilitation. Mr. McCurdy said the lease agreement between the Redevelopment Authority and Transit Commission is still with the City Attorney. Once updated, the City Administrator and Transit Director will review. Ms. Krewson said we will probably have to call a special meeting for this item because of the deadline constraints.

Alderman Marks asked for an update on the fourplexes in the Wilson Neighborhood. Ms. Krewson said the Authority has an accepted offer on one fourplex and a second offer will be made within a couple of days. A memo is being prepared to provide a status report to the Common Council.

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

Mayor Bosman and Wally Graffen thanked the Authority for their support.

A motion was made by Mr. Carls and seconded by Mr. Potente to adjourn the meeting. The motion passed unanimously (5 ayes; 0 noes). The meeting adjourned at 6:00 p.m.

**Redevelopment Authority of the City of Kenosha
Minutes
September 22, 2009**

MEMBERS PRESENT: Tom Carls, Larry Keating, John Potente and Adelaide Swartz

EXCUSED: Alderman Katherine Marks and Bruce McCurdy

STAFF PRESENT: Jeff Labahn, Zohrab Khaligian and Sharon Krewson

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

Approval of Minutes of August 18, 2009 Meeting

A motion was made by Mr. Potente and seconded by Ms. Swartz to approve the minutes of the August 18, 2009 meeting as written. The motion passed unanimously (4 ayes; 0 noes).

1. METRA Train Station Lease Agreement

Sharon Krewson, Real Estate Agent for the City of Kenosha, said the agreement is for 25 years. Transit has made their revisions. The lease was on the Transit Commission agenda last evening. Mr. Carls asked if the previous lease was for 25 years. Ms. Krewson stated there was no previous lease, but usually the City of Kenosha enters into 25 year leases. Mr. Keating said the "Informal Conflict Rules" clause is a very good way to handle any type of conflict that may arise. He was glad to see that in the lease.

Ms. Krewson said they hope to send out the Request for Proposals for the architectural/engineering aspect of the project this week or next so they can have someone in place by the end of the year.

A motion was made by Ms. Swartz and seconded by Mr. Potente to approve the METRA Train Station Lease Agreement between the Redevelopment Authority and the Transit Authority and to have the Transit Authority enter into a Sub-lease Agreement on the building with the current tenant. The motion passed unanimously (4 ayes; 0 noes).

2. Wilson Neighborhood Update

Ms. Krewson said she has closed on two (2) fourplexes, 4609 36th Avenue and 4915 37th Avenue. Asbestos abatement and demolition will be completed by the end of the year. Mr. Keating asked why such a large difference in price between the two (2) properties. Ms. Krewson said the property purchased for \$112,500 was a foreclosure obtained from a bank and the other closing was from an owner directly. Mr. Potente asked how many properties the Authority currently owns. Ms. Krewson said including the two (2) we properties we just closed on, we have acquired eight (8) out of 60 properties identified for acquisition in the Wilson Neighborhood Redevelopment Plan. Mr. Carls asked about

trying to purchase properties from Sheriff's sales. Ms. Krewson said she is not sure if the banks would even consider low bids. Mr. Carls said the banks might consider low bids. Ms. Krewson said she might offer \$112,500 and see what happens. Mr. Carls said he knows of a law firm in Milwaukee handling foreclosures like an assembly line making it difficult to get a local contact. Mr. Carls suggested going to a Sheriff's sale and then wait for the bank to respond.

Mr. Potente asked what is the City's tax liability for properties we purchase. Ms. Krewson said the taxes are prorated. The owners also are responsible for any back taxes and special assessments. Mr. Carls suggested trying to purchase homes via short sale or by contacting the owners directly. Ms. Krewson said she tried short sale, but was unsuccessful.

3. Any Other Business as Authorized by Law

Ms. Krewson said she just closed on the house at 1343 50th Street and gave 90-day notice to the occupants. Mr. Keating asked if there were any additional costs. Ms. Krewson said the additional costs are relocation and demolition.

Jeffrey Labahn, Director of City Development, said there was no financial report because Finance is currently working on the budget. As soon as an updated report is received, it will be forwarded to the committee.

Mr. Labahn also noted that final approval was granted on the sale and amendment to the agreement for the Boys & Girls Club by the Finance Committee and Common Council. Ms. Swartz asked what role the Authority still has with the Boys & Girls Club. Ms. Krewson said the Authority is finished except for closing transaction and the current Boys & Girls Club properties are transferred to the Authority at the end of the project.

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

Public hearing opened.

Louis Rugani, 4526 29th Avenue, Kenosha, thanked the Authority for taking down the ugly houses.

Public hearing closed.

A motion was made by Mr. Potente and seconded by Mr. Carls to adjourn the meeting. The motion passed unanimously (4 ayes; 0 noes). The meeting adjourned at 5:43 p.m.