June 14, 2024

Racine County Board Members 730 Wisconsin Avenue Racine, WI 53403

Subject: Request to acquire County-owned properties in the Lincoln-King Neighborhood of Racine

County Board Members,

Thank you for your consideration of this request on behalf of the Community Development Authority of the City of Racine (CDA). Please allow this letter to serve as a memo to provide background about the request and to provide an update on the Lincoln-King Redevelopment project.

**Background:** On March 27, 2024, the Executive Director of the CDA presented an offer to the County Treasurer, requesting 15 county-owned parcels that have been foreclosed upon due to non-payment of taxes. The properties will be utilized in the Lincoln-King Redevelopment project and are within the boundaries of the Lincoln-King Redevelopment area. The future use of the properties will be for housing redevelopment and will be funded by the Neighborhood Investment Fund Grant Program (NIFGP) awarded to the City by the State of Wisconsin in March of 2022.

**Lincoln-King Project Update**: To date, the CDA staff has been working to carry out the objectives of the Redevelopment Plan (Plan); to date, the following actions have taken place:

- 36 environmental reports have been completed.
- 26 property appraisals have been completed.
- Five properties have been acquired by the CDA.

The legal steps for the CDA to be in a position to acquire property require a redevelopment plan and once that is in place, the steps to acquire properties are prescribed by State Statute. It is lengthy, but the pace of acquisitions has increased and largely depends upon extending offers to owners and negotiating to acquire the property. The NIFGP requires the construction of 40 new dwelling units for owner-occupants and the rehabilitation of 10 existing dwellings.

The CDA and City of Racine are working towards revitalizing the area around the Julian Thomas Elementary School by adding a Federally Qualified Health Clinic (FQHC) with a community center, as depicted in the site plan below (King Community Center on graphic).



We plan to revitalize the area immediately surrounding the FQHC by adding new dwelling units and rehabilitating properties in this general vicinity. Project income returned from the sales of these dwellings to owner occupants will be put towards the construction of additional owner-occupied dwelling units and will continue to repeat this until we have spent all the funds from the original grant and those returned to us from property sales. The dwelling units will consist of a variety of housing styles (townhomes, walkups, flats, and traditional detached single-unit dwellings) at a variety of price points. This will provide neighborhood stability and help to create and sustain a neighborhood that has been underinvested in and looked past for decades. Ownership opportunities at a variety of price points will allow for the creation of generational wealth and in turn, will allow families who invest in this neighborhood, to use real estate to improve their own lives and the lives of their descendants.



The image above is a rendering of the view from Dr. Martin Luther King Jr. Drive and Hamilton Street, looking south after the full buildout of this vision and plan is created.

Currently, the City of Racine is working with Habitat for Humanity (Habitat) to construct the first three homes of this project at 1111 West Street; this parcel was donated from Racine County to Habitat. In 2018, the City of Racine demolished three dilapidated dwelling structures on this lot and the lot; in 2023, the lot was foreclosed on. The property will be subdivided into three lots which will then have homes with garages built; upon completion, Habitat will sell them to qualifying individuals and they will be owner-occupied.

Conclusion: The 15 parcels requested by the CDA are within the bounds of the redevelopment plan and a similar process to that of 1111 West Street would occur. We will demolish, remediate, redevelop, and sell dwelling units to owner-occupants within the plan area. The City of Racine has investments in the parcels as well, in the form of demolition costs, board-up costs, investigative costs related to the issuance of orders for building and property maintenance codes, as well as other City services leading up to their foreclosure.

The requested lots will be redeveloped as new owner-occupied dwelling units, or if a structure is present and can be retained, it will be renovated; in either scenario, the improvements will be sold to an owner-occupant as part of the objectives of the redevelopment plan. We are confident this strategy will stabilize the area, improve the condition of the housing stock, increase owner occupants, and improve property values. In turn, this will help residents of this neighborhood build generational wealth through homeownership given we plan to sell a variety of housing types, at a variety of price points.

We would appreciate your consideration to donate these parcels for the project, as there will be benefit in redevelopment for both the City and County. As mentioned, we each carry costs associated with these parcels leading up to and after foreclosure occurred. The NIFGP the City has ensures the redevelopment of the parcels and their return to productive economic use.

Thank you for your consideration, walte 7 williams

Walter Williams, MBA, EDFP Executive Director of the CDA