

**Scott R. Letteney**  
City Attorney

**Nicole F. Larsen**  
Deputy City Attorney

**Stacey Salvo**  
Paralegal

**Office of the  
City Attorney**



City of Racine, Wisconsin

**Nhu H. Tran**  
Assistant City Attorney

**Marisa L. Kasriel**  
Assistant City Attorney

**Colette A. Broadway**  
Paralegal

---

**VIA E-MAIL**

May 17, 2017

Ms. Tracy Smith, Paralegal  
Wisconsin Department of Administration  
Division of Legal Services  
P.O. Box 7864  
Madison, Wisconsin 53707-7864

Re: Patrick Fagan complaint  
615 Marquette Street

Dear Ms. Smith,

I write on behalf of the Redevelopment Authority of the City of Racine ("RDA") in response to your inquiry to the RDA following the Complaint of Patrick Fagan for relocation benefits related to an alleged occupancy at 615 Marquette Street, Racine, Wisconsin. Thank you for agreeing to give me additional time to respond.

You had asked specifically about the purpose for acquiring the property. The RDA purchased 615 Marquette Street via an arm's length transaction from the prior owner, Marquette Distribution Center, LLC ("MDC"). Richard Olson is the sole member of MDC. In 2015, Olson had agreed to sell his properties located at 800 Water Street and 920 Water Street to a private developer, FDP MR, LLC ("FDP"). FDP was going to develop the Machinery Row project, a 20-acre project of mixed-use commercial and residential spaces. Olson desired to sell all of his properties in the area, but 615 Marquette was not part of the Machinery Row project area. The RDA felt that the 615 Marquette site had good potential for future development, and so it purchased it. I've attached a map of the Machinery Row project area. Because it is not part of the project area, 615 Marquette Street is not shown on this map. It would be located in the lower left hand of the illustration, south of Lot 1, across Water Street.

The RDA purchased 615 Marquette Street in December, 2015 with the intent of holding it to eventually convey to a developer for redevelopment, as the RDA does not itself develop projects. At the time that it purchased 615 Marquette, the RDA did not have a developer or project in mind. In October 2016, the RDA authorized the issuance of a request for qualifications seeking a developer for the property and in March, 2017, the RDA and a private developer executed an option and predevelopment agreement.

City Hall  
730 Washington Avenue, Room 201  
Racine, Wisconsin 53403  
262-636-9115  
262-636-9570 FAX

You had also asked about the source of the funds for the purchase of 615 Marquette. The funds came from the City of Racine's Intergovernmental Revenue Sharing Fund (the "IG fund"). IG funds are received by the City from the wastewater commission pursuant to an intergovernmental agreement the City has with surrounding municipalities. No other funds were used for this purchase.

I do not want to assume, but I think the question you are ultimately asking is whether this acquisition was a "public project" under Wis. Adm. § 92.01(33), and I do not believe it is, as it does not meet either of the two prongs required by the Administrative Code. Wis. Adm. § 92.01(33) defines "public project" as "...in addition to a project being carried out directly by a public entity, an activity or program directly receiving public financial assistance including a grant, loan or contribution." The RDA, as the public entity, had no project or plans to carry out any project affecting 615 Marquette Street. Moreover, no activity or program directly receiving public financial assistance has occurred on the property. The RDA incurred some pre-development costs in 2017 as part of the agreement with the private developer; however, this project-or even the idea for the project-did not exist in 2015.

Mr. Fagan's complaint requests 25,000 square feet of warehouse space, with docks. I read this as an assertion that he was a commercial tenant of 615 Marquette Street and wants the RDA to find him comparable space and amenities. Additionally, I think I recall you mentioning that Mr. Fagan stated he ran a carpentry business on the premises. I checked with the City's Chief Building Inspector, who found no records of any occupancy permits issued to Mr. Fagan or to any carpentry business there. Additionally, businesses must pay personal property taxes to the City, and the City has no record of any business linked to him paying personal property taxes for a business at that location. If he is asserting that he resided there, I note that the parcel is zoned I2, or General Industrial District. Dwelling units and lodging rooms are not permitted. I speculate that any dealings he may have had with occupying and/or vacating the premises would have been with Richard Olson, as the building was vacant when it was conveyed to the RDA.

I hope this information helps to answer your questions. If you need anything else, please do not hesitate to contact me.

Very truly yours,



Nicole F. Larsen

cc: Amy Connolly, Executive Director, RDA