Dr. Martin Luther King Jr. Community Center and Health Center

August 12 Presentation to Finance and Personnel Committee
• Cassie Goodwin and Coty Sandberg – SmithGroup
• Ryan Lent – Concord Group
• Kimberly Payne – Payne Consulting
• Jake Pepper – Pepper Construction
MORE ROOM TO PLAY

EXISTING KING CENTER COURT - 6,600 SF
EXISTENTE CANCHA DEL KING CENTER - 6,600 SF

PROPOSED NEW KING CENTER COURTS - 9,720 SF
NUEVA CANCHA PROPUESTA DEL KING CENTER - 9,720 SF
BILINGUAL AND INCLUSIVE

- The Lincoln-King neighborhood reflects Racine’s cultural diversity with many Latino and African American residents.

- The King Center will have signage in English and Spanish.

- City officials will seek bilingual individuals to work in the center and ensure programs are accessible to all.
RACINE’S SHORTAGE OF HEALTH PROFESSIONALS

Primary Care Shortage

2022 Data

5,644 Patients : 1 Provider

(Data from Wisconsin Dept. of Health Services)

Goal Ratio

<2,000 Patients : 1 Provider

City of Racine Statistics

- Medicaid Coverage Rate: 31%
  - 18% statewide
- Infant Mortality Rate: 2nd highest in WI from 1990 - 2022
  - That is 2.8x higher for African Americans than Whites.
- Opioid Overdose Death Rate: 37.9 deaths per 100,000 residents
  - Higher than Racine County and State of WI
- Top Causes of Death in 2023:
  1. Cancer
  2. Heart disease
  3. Accidental deaths
AFFORDABLE, ACCESSIBLE CARE

23,500
Medicaid Eligible Racine Residents
KING CENTER LOCATION’S BENEFITS

• High visibility and accessibility within the Lincoln-King neighborhood, one of the most distressed areas in Racine and the State of Wisconsin.
• The Lincoln-King neighborhood is the most racially and ethnically diverse in the City of Racine.
• The neighborhood has higher rates of unemployment and poverty, lower rates of homeownership, and a lower median household income than surrounding areas.
• The location offers opportunities for intensive partnerships among:
  • PillarHealth of Racine
  • Racine Unified School District, including the Julian Thomas Elementary School
  • Public Health Department
  • Parks, Recreation and Cultural Services Department
• Enhances community well-being through multifaceted support and services.
PillarHealth is a Federally Qualified Health Center (FQHC) providing integrated medical, dental, and behavioral health services in a team health home model across southeastern WI. The parent company is the Kenosha Community Health Center, currently serving over 1,000 Racine residents.

- PillarHealth’s model places patients and families at the center of care to address individualized health and social needs.
- Adult and pediatric care.
- Committed to providing affordable health care without discrimination based on patients’ ability to pay.
- Accepts Medicaid, Medicare, and many private commercial and Marketplace insurance plans.
- Sliding Fee Discount Program available for those without insurance to receive care from a provider for as little as $30.
- Bilingual staff to better serve the Hispanic community.
FEDERALLY QUALIFIED HEALTH CENTER

PUBLIC HEALTH DEPT

KING CENTER
RACINE’S FIRST NET ZERO BUILDING

- PARKING PV CANOPY, PERMEABLE PAVEMENT, UNDERGROUND DETENTION, & GEOTHERMAL SYSTEM
- ROOFTOP PVs AND RAINWATER HARVESTING
- BIO-RETENTION
TRUE PEACE IS NOT MERELY THE ABSENCE OF TENSION; IT IS THE PRESENCE OF JUSTICE.
We asked: How can Dr. Martin Luther King, Jr. be honored at the new King Center?

YOU TOLD US... NOS DICES...
HISTORY WALL PARED HISTÓRICO
MONUMENT MONUMENTO
BRONZE PLAQUES MEDALLAS DE BRONCE
WALL AND BASKETBALL COURT MURALS MURALES EN LAS PAREDES Y CANCHAS
PICTURES CONNECTING PAST & FUTURE FOTOS CONECTANDO PASADO Y FUTURO

WE LISTENED...
THE DESIGN WILL PROMINENTLY FEATURE DR. MARTIN LUTHER KING JR. AND HIS LEGACY THROUGHOUT THE BUILDING WITH ELEMENTS INCLUDING A LEGACY WALL, PICTURES, STORIES AND MEMORABILIA.

El diseño promoverá la figura del Dr. Martin Luther King Jr. y su legado en diferentes partes del edificio, con elementos como un mural que recuerda su legado, fotografías, historias y diferentes objetos de interés.

We asked: What is important to include in the new King Center and the health clinic?

YOU TOLD US... NOS DICES...
NATURAL LIGHT LUZ NATURAL
OUTDOOR MEETING SPACE ESPACIOS DE ENCUENTRO AL AIRE LIBRE
COMMUNITY KITCHEN COCINA COMUNITARIA
WELCOMING ENVIRONMENT AMBIENTE ACOGedor
MORE PARKING MÁS ESTACIONAMIENTO
BASKETBALL COURTS & ESPORTS GAME ROOM CANCHAS DE BÁSICBÁSQUET Y SALA DE JUEGOS PARA ESPORTS

WE LISTENED...
LARGE WINDOWS THROUGH THE BUILDING SO EVERY ROOM GETS DAYLIGHT AND VIEWS TO THE OUTDOORS. EXHIBIT AMLHED BY ART AND SCULPTURE WILL BE CREATIVE AND TEXTURED.

Espacios abiertos con vistas al exterior. El espacio será creativo y texturado.

GREEN SPACE FOR EVENTS, OUTDOOR BASKETBALL COURT, AND A TERRACE WITH OUTDOOR SEATING.

Espacios verdes para eventos, cancha de baloncesto al aire libre y terraza con asientos al aire libre.

SPACE TO FOSTER CONNECTION, LOCAL FOOD INITIATIVES, AND HEALTHIER LIVING.

Espacios promocionando el desarrollo de relaciones, iniciativas alimentarias locales y vivir de forma más saludable.

SHARED AND SEPARATE ENTRANCES FOR THE KING CENTER AND THE HEALTH CLINIC.

Entradas compartidas y separadas para el centro de King y el centro de salud.

LARGER GYM WITH MULTIPLE BASKETBALL COURTS, AN OUTDOOR BASKETBALL COURT & ESPORTS ROOM.

Estadio multideportivo con diferentes canchas de baloncesto, una cancha al aire libre y una sala para deportes de juegos.
The City wants to give
the community
something new and
improved.

Great effort of
bridging the gap
between community
and residents!

New King Center Project

SENTIMENT ANALYSIS

Resident feelings about
a NEW King Center
(Larger words indicate more frequent mentions)

express positive sentiment
toward the new King Center project

91% believe the new King Center is important for them and their families

87% regularly use the current King Center programs/services

84%
April 7, 2022
Item 0229-22
City accepts $20M from the State of Wisconsin from Healthcare Infrastructure Grant

September 20, 2022
Item 0664-22
Architecture & Engineering Services contract awarded to SmithGroup

September 30, 2022
Item Official Notice #8-2022
Formal Request for Qualifications issued for Construction Manager

March 23, 2023
Entered into Exclusive Negotiating Agreement with Pepper Construction

May 16, 2023
Item 0463-23
Update to Common Council and Authorization of Agreement with Concord Group for Project Management

Today
Bond Authorization and Authorization to Execute Development Agreement
PROJECT BUDGET

Construction: $57,000,000
Furniture & Equipment: $4,000,000
Design and Outreach: $5,000,000
Administrative and Soft Costs: $2,000,000
Total: $68,000,000
Funds Expended

- Environmental, Utilities, Surveys: $61,625
- Design and Outreach: $3,359,862
- Administrative and Soft Costs: $719,253
- State Approvals: $7,398
- Total: $4,148,138
WHAT IS BRIDGE FUNDING?

Bridge funding is a type of short-term financing used to cover expenses until the entity secures longer-term funding. Think of it as a temporary financial "bridge" that helps transition from one financial stage to another.
SOURCES TO COVER BRIDGE FUNDING

Bridge Funding Taxable Bond Funding Plan $21 Million

- Donations & Grants $7 Million
- Federal Congressionally Directed Spending $8 Million
- IRA Direct Pay $2.2 Million
- General Obligation Bonds $3.5 Million
- WE Energies $200 Thousand
- Focus on Energy Rebates $50 Thousand
- Connaughton Courts $250 Thousand
- Ascension $1 Million
- Fund for Lake Michigan $125 Thousand
COMMITMENTS TO REPAY BRIDGE FUNDING

★ ★ ★ = Committed or Post Construction Rebate

Bridge Funding Taxable Bond Funding Plan $21 Million

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- WE Energies $200 Thousand
- Fund for Lake Michigan $125 Thousand
- Connaughton Courts $250 Thousand
- Ascension $1 Million
- Focus on Energy Rebates $50 Thousand
FUNDING SECURED

Established Funding 78%

Future Grants/Donations 8%

New Markets 10%

Post Construction Energy Credits 4%
Private Grants

Potentially $4M from 5 to 10 different donors

State and Federal Grants

State DOA Flexible Facilities Grant: $4.2M

Federal EPA Environmental and Climate Justice Grant: $10M - $15M

Digital Equity Grant: $1.5M
Pepper
Overview

Our mission is to continuously improve people’s quality of life through the built world.

$1 billion
Bonding capacity

$1.85 billion
2023 annual revenue [PCG]

$5.1 billion
Of sustainable projects completed

4th Generation Family owned
Founded 1927
Headquartered in Chicago

Locations IL, IN, OH and WI
## SHOVEL READY

### Preconstruction & Design

<table>
<thead>
<tr>
<th>Description</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction Drawings</td>
<td>Completed</td>
</tr>
<tr>
<td>State Building Permit</td>
<td>Completed</td>
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<tr>
<td>City Approval</td>
<td>August '24</td>
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### Construction Phase

<table>
<thead>
<tr>
<th>Description</th>
<th>Date</th>
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<tbody>
<tr>
<td>Groundbreaking</td>
<td>October '24</td>
</tr>
<tr>
<td>Completion Date</td>
<td>August '26</td>
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<tr>
<td>Building Occupied</td>
<td>3rd Quarter '26</td>
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</tbody>
</table>
CREATING CONSTRUCTION JOBS

100% Union built

319,000 Construction Labor Hours

160 Full-time Equivalent Construction Jobs

20% Participation by City Residents in Racine Works Program
• Construction drawings are done, and we are shovel ready.

• Favorable construction prices are locked in through August 31\textsuperscript{st}, but inflation could increase costs if the project does not proceed.

• Federal ARPA funds will be lost if they are not encumbered by December 31, 2024.

• More grants and donations become available to the city once construction begins.
NEXT STEPS

• RESOLUTION OF OFFICIAL INTENT IN SUPPORT OF THE KING CENTER PROJECT

• AUTHORIZATION TO ENTER INTO A MASTER DEVELOPMENT AGREEMENT WITH LINCOLN KING COMMUNITY CENTER DEVELOPMENT PARTNERS, LLC

• AUTHORIZATION TO REALLOCATE CITY DIRECT ARPA FUNDS IN SUPPORT OF THE LINCOLN KING PROJECT