



City of Racine, Wisconsin
AGENDA BRIEFING MEMORADUM

AGENDA DATE:	January 29, 2018
SUBJECT:	Amendment to Request by Racine Revitalization Partnership for Funds to Rehabilitate Two Single-Family Houses
PREPARED BY:	Laura Detert, Manager of Housing and Community Development
EXECUTIVE SUMMARY:	<p>A request that the Community Development Committee approve a resolution amending Res.0412-17.</p> <p>Updated request: To authorize \$115,000 of CDBG funds to Racine Revitalization Partnership (RRP) for rehabilitation of a single-family house at 1315 Grand Avenue. Res.0412-17, as approved, included an additional \$85,000 for rehabilitation of 1632 Murray Avenue.</p>
BACKGROUND & ANALYSIS:	<p>On December 5, 2017 \$200,000 of Community Development Block Grant (CDBG) funds were authorized by the Common Council via Res.0412-17 for rehabilitation of single-family houses at 1315 Grand Avenue and 1632 Murray Avenue by Racine Revitalization Partnership (“RRP”).</p> <p>Unfortunately, the owners of 1632 Murray Avenue subsequently did not agree to close on the property under the terms of their signed offer to purchase and RRP was unable to obtain the property.</p> <p>RRP still intends to rehabilitate 1315 Grand Avenue as specified in their application and in the December 5th staff memo to the Common Council.</p> <p><u>Staff Recommendation</u></p> <ul style="list-style-type: none">• Based on underwriting and program requirements, staff recommends amending Res.0412-17 to authorize \$115,000 of CDBG funding for rehabilitation of a single-family house at 1315 Grand Avenue.• Program income as defined by HUD will be returned to the city after sale of the house to an income-eligible buyer.• CDBG funds may be used for all CDBG-eligible expenses.• Stacking laundry will be added to the house.• Fiber cement or engineered wood siding will be required.• The house will be required to be sold to a low-to-moderate income homebuyer. No affordability period or deed restriction will be required.
BUDGETARY IMPACT:	

There are sufficient CDBG funds for the staff recommendation. Program income as defined by HUD will be returned to the city.

RECOMMENDED ACTION:

Staff recommends that the Community Development Committee amend Resolution 0412-17 and authorize \$115,000 of CDBG funds to Racine Revitalization Partnership for rehabilitation of a single-family house at 1315 Grand Avenue.

Further, that the Mayor and City Clerk be directed to enter into a CDBG agreement with Racine Revitalization Partnership consistent with its application and all applicable federal regulations.