



City of Racine, Wisconsin

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**James M. Palenick**  
City Administrator

## MEMORANDUM

**TO: Mayor & Common Council**

**FROM: Jim Palenick, City Administrator**

**DATE: May 16, 2017**

**RE: Possible Funding for "Summer Youth Camp" – Racine Neighborhood Watch**

At its recent May 11th Meeting, the Racine Redevelopment Authority (RDA) entertained a presentation and request from the Executive Director of Racine Neighborhood Watch, Inc., for \$40,000 in operational funding to conduct the 2017 "Summer Work Camp". The RDA determined that it had no available funding within its Budget, but did note that the Neighborhood Watch Agency could approach the Common Council with the request for such operational funding.

Apparently, for many years (prior to 2015) the City provided this funding from its yearly allocation of Federal CDBG (Community Development Block Grant) entitlement funding, but following an Audit by the Department of Housing and Urban Development (HUD), it was determined that the City had been deficient in fully complying with Federal requirements for certification of expenditures by Sub-grantees. That is, specifically, the Sub-grantee in this case (Neighborhood Watch) needed to fully certify that all the home-owners receiving benefit from the funded activity met specific income guidelines for low-moderate income, according to the process and documentation requirements established by HUD which can be quite significant and complex.

To that end, Neighborhood Watch was required in 2015 to fully meet the HUD certification guidelines and found the process to be very difficult, cumbersome, and time-consuming for their un-trained volunteers. As such, beginning in 2016, they chose to no longer pursue the CDBG Funding. In that year, the RDA chose to utilize a portion of the SC Johnson "Uptown Grant" to provide one-time funding of \$20,000, with the understanding that Neighborhood Watch needed to find a new source of funding going forward.

At this point, however, City development staff have been advised by SC Johnson representatives that the SC Johnson "Uptown Grant" is only to be utilized for physical improvements in the business corridor, and not for further operational funding of the Neighborhood Watch Youth camp program activities for 2017. There is also no funds available within the RDA Budget for this activity.

CDBG Funding would have been available if the proposal had been made in advance, and approved within the CDBG Action Plan and Budget, and if the Sub-Grantee agreed to (and then followed) the HUD certification

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guidelines as it relates to the home-owners and/or residents benefitting from the funded activity. So too, the Sub-grantee could have hired local, low-to-moderate income youth to complete the work and, if certified, could have met Federal guidelines. However, that too wasn't applied for, budgeted and approved.

So, here we are at a very late point in the process with really no funding alternatives from the City short of the full Common Council either amending the adopted and approved FY2017 General Fund Budget to decrease an as-yet-unidentified line-item in order to then fund this request by an equal amount. Or, to agree to take funding from its contingent fund (which is funded from otherwise-unallocated Fund Balance).

To approve such funding request from any one group or agency (no matter how well-meaning, noble or valuable in its mission) would set a very significant precedent in that you would then likely have a long line of similar requests from equally well-meaning and noble agencies (equally strapped for funding) who didn't get vetted and balanced against the normal yearly budget process of priority-setting.

This is without question a fine program with significant value, but it is best funded from one or more of the following sources:

County Funding: (Counties are the primary funder of human services and social welfare programming)

Foundations, Non-profits, Fund-raising:

Faith-based groups:

Corporate or private sponsorships:

CDBG Funding: (When approved in advance and when federal certification and documentation requirements are fully followed).

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## MEMORANDUM

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**TO:** James Palenick, City Administrator

**FROM:** Amy Connolly, Executive Director, RDA/Director of City Development

**DATE:** May 15, 2017

**RE:** Funding for Summer Work Camp – Racine Neighborhood Watch

At the May 11, 2017 meeting of the Redevelopment Authority (RDA), the RDA received and filed a presentation from Racine Neighborhood Watch regarding funding of the 2017 Summer Work Camps. The RDA noted that funding was not available from the RDA's current limited budget and it was suggested by RDA members that the Neighborhood Watch approach the Common Council with their funding request.

### BACKGROUND

The summer work camp programs have been underway in Racine for many years. The program involves inviting religious youth groups from across the United States to work on houses (painting, porch repair, landscaping) in predetermined neighborhoods for a week. The students stay at a local school and the community pitches in to feed and entertain the youth groups.

In the past, Community Development Block Grants (CDBG) provided the summer work camps funding. In 2015, CDBG required additional administrative duties to comply with federal regulations and this affected Neighborhood Watch. In particular, certification of the recipients of the work camps as low to moderate income was required to comply with federal guidelines. Neighborhood Watch was offered training on certification meeting funding guidelines. However, the Neighborhood Watch volunteers found that program recipients were unwilling to fill out the paperwork and it took too long for volunteer staff to certify participants. Neighborhood Watch determined that CDBG funding would not help the organization meet its mission.

To assist Neighborhood Watch, the RDA offered funding (\$20,000) in spring 2016 from the SCJ Uptown Grant for a one-time, one-year grant to assist the group for one last year. At the time, staff and the RDA reiterated that this funding would be for one year only.

### 2017 FUNDING REQUEST

In September 2016, my office was approached by Charlie French at Neighborhood Watch regarding funding for the 2017 Work Camps in the amount of \$40,000. Staff met with Charlie in our offices in September. We wanted to be open to Neighborhood Watch's needs and tentatively scheduled their appearance at the November RDA meeting, but we did not receive information from Neighborhood Watch in time for the November agenda. We scheduled a presentation with Mr. French and Neighborhood Watch for the December 2016 RDA meeting. However, Neighborhood Watch did not show up for the meeting to make a presentation. I spoke with Tom Friedel, City administrator, several times during the fall of 2016 and Tom advised me to try to find a way to find funding, but understood that the RDA budget was not available.

Also in October, 2016, Matt Sadowski, on my behalf, reached out to Logan Martin at SCJ regarding the use of the Uptown Grant monies to fund Neighborhood Watch in 2017. I received a call in January, 2017 from Mr. Martin advising me that SCJ wanted their Uptown grant to be funded toward physical improvements in the business corridor and they wanted Neighborhood Watch to avail themselves of private SCJ funding.

Between November 2016 and May of this year, there was no communication between Neighborhood Watch and the RDA or City Development staff.

On May 2, 2017, I received an email from Mr. French noting that he would like to approach the RDA for funding. I said that we could arrange for a meeting. I immediately scheduled an opportunity for Neighborhood Watch on the May RDA agenda. I did send an email to Mr. French noting that the RDA budget would likely not allow funding and that SCJ had directed us not to use their Uptown Grant for Workcamp purposes.

## **CONCLUSION**

At the May 11, 2017 RDA meeting, there was discussion about approaching Common Council for funding. I noted to the audience that we could direct correspondence from the RDA to the Finance and Personnel Committee to review funding opportunities at their May 23<sup>rd</sup> meeting.

This memo summarizes the Department of City Development's interactions with Neighborhood Watch. The City Development Department will stand available to serve as a funding intermediary for any funding that Common Council wishes to provide Neighborhood Watch.

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October 14, 2016

Amy Connolly, AICP  
Director, City Development  
730 Washington Avenue, Room 102  
Racine, WI 53403

Dear Ms. Connolly,

Racine Neighborhood Watch is requesting \$40,000 of Redevelopment Authority (RDA) funds to be used for Group Workcamp 2017. Maintenance of the City's housing stock has a direct bearing on property values and the economic health of the greater Racine community. To date, 944 Racine homes have benefited from the efforts of Group Workcamp, the one-week summer program; June 18-24, 2017 marks our 19<sup>th</sup> annual Workcamp and will likely push us over the 1,000-home mark!

For eighteen years, a partnership between Racine Neighborhood Watch, Group Mission Trips, the City of Racine, S C Johnson, and Racine Unified School District has resulted in a creative, cost-effective way to assist income-eligible home owners with needed home repairs and improvements. The number of projects is correlated with the expected number of volunteers, estimated this year to be 400-450 youth and their leaders according to *Group Mission Trips*, the non-profit organization based in Loveland, Colorado which recruits young people from across the country to give back to their communities through community service work.

Typical repairs that can be completed during the one-week Workcamp include: fence installation, interior and exterior painting, building or repairing porches and wheelchair ramps, building or repairing steps, and other minor home repairs. No plumbing, electrical or roofing work is done.

Funds requested (\$40,000) would be used to cover administrative costs to notify owner occupants who are potential participants; conduct personal on-site interviews to determine eligibility based on income, physical limitations, and feasibility of work being completed by volunteers; write job specifications; arrange housing and meals for volunteers; coordinate with local vendors for project supplies; arrange for loan of any needed equipment; and perform other related duties to ensure the successful completion of the project. RDA funds would be utilized in coordinating projects within the Uptown area and the half-mile buffer (TID 19), with an emphasis on the central core of TID 19.

Thank you, in advance, for your careful consideration of this request.

Warm regards,

Charles M. French  
Executive Director

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