



**City of Racine, Wisconsin**  
**AGENDA BRIEFING MEMORADUM**

**AGENDA DATE:** August 8, 2019

**SUBJECT:**  
 Communication from Mayor Mason requesting allocation of \$1,202,984 for the 2019 Community Development Block Grant (CDBG) Public Services, Economic Development, and Public Infrastructure funding.

**PREPARED BY:**  
 Matthew Rejc, Manager of Neighborhood Services

**EXECUTIVE SUMMARY:**  
 Department of City Development – Division of Housing and Community Development requests that the Community Development Committee review 2019 CDBG applications and funding recommendations.

**BACKGROUND & ANALYSIS:**  
 CDBG funds are available for Public Services, Public Facilities and Infrastructure, Economic Development, and Community-Based Development Organization (CBDO) Job Training activities. The 2019 Annual Action Plan was approved by the Common Council for the City of Racine on June 4, 2019 and was approved by HUD on July 18, 2019.

A Notice of Funding Availability (NOFA) for CDBG funds was released on June 12th, 2019 and application materials were due to the Department of City Development on July 9th, 2019. CDBG funding is competitive and open to all qualified organizations.

City Development staff have received a total of 18 applications, including eleven (11) applications for Public Services funding, five (5) applications for public facilities funding, one (1) application for Economic Development, and one (1) application for CBDO Job Training Activities. Department of City Development Staff have also reviewed the proposed allocation to ensure the funding is in compliance with HUD’s CDBG regulations. Per Community Development Committee practice, all applicant organizations have been invited to speak for up to three minutes and distribute written materials to committee members at the beginning of the meeting and before the allocation vote.

**Public Services – Safety and Crime Prevention**

Organization	Program	Funds Available	2019 Request	Staff Recommendation
Neighborhood Watch	Neighborhood Watch programs	\$85,387	\$42,694	\$42,693
Housing Resources, Inc.	Housing Counseling		\$42,694	\$42,694
<b>Totals</b>			<b>\$85,388</b>	<b>\$85,387</b>

Housing Resources, Inc. and Neighborhood Watch have both identified eligible projects that will fulfill HUD requirements and play key roles in the City’s neighborhoods as specified by the Consolidated Plan. Staff is recommending funding for both agencies as specified in the associated table.

**Public Services – Job Skills/Training**

**2019 Annual Action Plan Priority:** Funding will be prioritized toward employment readiness programs and employment programs that demonstrate consistent or increasing outcomes within the priorities established by the 2015-2019 Consolidated Plan. Employment readiness and employment programs include programs that promote industry specific job training in preparation for living wage employment.

Organization	Program	Funds Available	2019 Request	Staff Recommendation
Racine Literacy Council	Adult Tutoring, ESL	\$113,849	\$50,000	\$43,849
Racine Vocational Ministry	Community Re-entry programs		\$93,000	\$40,000
Legal Action of Wisconsin	Removal of Barriers to Employment		\$50,000	\$30,000
Higher Expectations	Support Services for HSED programs		\$40,000	\$0
<b>Totals</b>				<b>\$233,000</b>

The Racine Literacy Council and Racine Vocational Ministry programs play critical roles in meeting the 2019 Annual Action Plan priority of support for employment readiness and employment programs. Legal Action of Wisconsin is a previously ESG-funded applicant that has presented a program to assist with expungement of criminal records, which is a service that would positively impact the ability of potential job applicants to access employment. Higher Expectations' program involves support services for High School Equivalency Diploma (HSED) activities, including those supported by Racine Literacy Council. Although the outcome is positive, staff recommends that funds be allocated directly to high school education service providers with a stronger history of working with Federal funds.

**Public Services – Youth Services**

**2019 Annual Action Plan Priority:** Funding will be prioritized toward youth-focused employment readiness programs and employment programs that demonstrate consistent or increasing outcomes within the priorities established by the 2015-2019 Consolidated Plan

Organization	Program	Funds Available	2019 Request	Staff Recommendation
Racine Creative Center	IT Workshops	\$85,387	\$30,500	\$20,000
Racine Unified School District	Mentoring Program		\$29,700	\$0
Racine Parks Dept.	Main Gallery		\$38,309	\$28,000
Great Lakes CCC	Racine Builds		\$66,000	\$37,387
Racine Zoo	Conservation Education		\$53,955	\$0
<b>Totals</b>				<b>\$218,464</b>

Both the Great Lakes Community Conservation Corps and Main Gallery programs serve youth and provide employment-readiness skills in their respective fields. The Racine Creative Center is a new applicant that has put forth an application for funds that would support field trips for RUSD students to the Creative Center, where they could bolster their technology and computer skills. The application from the Racine Unified School District indirectly supports job readiness of youth through a mentorship program, and the fostering of soft skills is important, but staff recommends allocating resources to programs that provide more immediate impacts on employment readiness. The Racine Zoo's proposed program also provides general benefits to youth in the community through education services, but staff is again recommending that funds instead be disbursed to programs that have a more direct impact on employability. Although not through Federal funds, the City does provide substantial support to the Racine Zoo on an annual basis. As part of the 2019 City Budget, the City allocated \$609,479 to support professional services, utility payment, and building/grounds maintenance at the Racine Zoo.

**Public Facilities and Infrastructure**

**2019 Annual Action Plan Priority:** Public infrastructure improvements, with a particular emphasis on improvements related to park infrastructure, public transit improvements, alleys, and streetscape improvements.

Organization	Program	Funds Available	2019 Request	Staff Recommendation
City of Racine Department of Public Works	Street Improvements	\$500,912	\$500,912	\$0
City of Racine Parks Dept.	Forestry Division Tree Planting		\$53,000	\$53,000
City of Racine Department of Public Works	Transit Center Improvements		\$287,500	\$287,500
City of Racine Parks Dept.	Park and Community Center Improvements		\$370,000	\$115,821
City of Racine City Development Department	Building Demolition		\$51,000	\$44,591
<b>Totals</b>				<b>\$1,262,412</b>

The Department of Public Works' street improvement activities have been effective in supporting roadway infrastructure in low-/moderate-income Census tracts in the City for many years, but as 82% (\$1,781,433) of the infrastructure funds previously allocated during the 2015-2019 Consolidated Plan have gone to the Department of Public Works for street improvements, staff is not recommending funds for that program this year. This recommendation is in line with the priority established in the 2019 Annual Action Plan.

The City of Racine Parks Department has submitted two applications for qualifying projects, and staff recommends funding the Forestry Division's tree planting activities within the Neighborhood Revitalization Strategy Area (NRSA), as well as a partial award for improvements to select parks and

community centers within qualified Census block groups. Staff recommends awarding funds to these projects in keeping with the priorities established in the 2019 Annual Action Plan. Staff judged the most urgent need for Public Infrastructure funds to be the restoration of the Transit Center, which is facing an immediate structural integrity threat stemming from the infiltration of water under the wall footing at the northeast end of the Transit Center. This infiltration has already damaged a stairwell and could further threaten the stability of the structure. Staff recommends that funds formally allocated to the NRSA be directed to this project, as 60% of the transit lines originating from the Transit Center serve residential neighborhoods in the NRSA and provide critical transportation services to residents.

**Economic Development**

Organization	Program	Funds Available	2019 Request	Staff Recommendation
WWBIC	MAP	\$417,449.00	\$166,980	\$166,980
City Development	Assist Businesses		\$125,234	\$125,234
City Development	Microenterprise Assistance		\$62,617	\$62,617
Racine Revitalization Partnership	NRSA: CBDO Special Economic Development Activities		\$62,617	\$62,617
<b>Totals</b>			<b>\$417,449</b>	<b>\$417,449</b>

The CDBG Economic Development funding category has one potential activity per category. Staff recommends funding for the WWBIC Microenterprise Assistance Program, as well as for Racine Revitalization Partnership for the use of CBDO job training funds within the NRSA. Both agencies have provided tangible benefits to the community through these programs, and their use of CDBG funds is critical to maintaining their positive impact.

**BUDGETARY IMPACT:**

This action allocates \$1,202,984 of Community Development Block Grant funds per the 2019 Annual Action Plan. Sufficient funding exists to incur the budgeted expenses.

**RECOMMENDED ACTION:**

To allocate CDBG funds to organizations as indicated by staff, and that the Mayor and City Clerk be authorized to enter into contracts with the organizations pursuant to the funding allocation and federal regulations.