



City of Racine, Wisconsin Agenda Briefing Memorandum

AGENDA DATE:

June 12, 2023 – CDBG Advisory Committee
July 17, 2023 – Common Council

SUBJECT:

Communication sponsored by Mayor Mason requesting an allocation of up to \$1,540,812 of 2023 CDBG funds and \$264,437.22 of CDBG CV funds for Administration, Public Services, Code Enforcement, and Public-Facilities/Infrastructure.

PREPARED BY: Brittany Brown, Compliance Specialist & Brendan Saunders, Program Specialist

REVIEWED BY: Cathy Anderson, Manager of Economic Development and Housing

BACKGROUND & ANALYSIS:

On February 27, 2023 the U.S. Department of Housing and Urban Development (HUD) published the FY2023 grant allocation. For the 2023 funding year the City of Racine received \$1,808,710 in Community Development Block Grant (CDBG) funds that are available for Administration, Public Services (Homeownership Services and Economic Mobility), Public Facilities and Infrastructure, and Code Enforcement. The City's 2023 Annual Action Plan which was passed April 17, 2023 (Res 0324-23) and amended May 16, 2023 (Res 0472-23) granted the following amounts to each category:

- Administration: \$361,742
- Public Services: \$135,653 for Homeownership
- Public Services: \$135,653 for Economic Mobility
- Public Facilities and Infrastructure: \$783,774
- Code Enforcement: \$195,943
- Economic Development: \$195,945

A Notice of Funding Availability (NOFA) for CDBG funding was released on May 1, 2023 for the following categories: Public service, Public Facilities & Infrastructure and Code Enforcement with a deadline of May 26, 2023 for all application materials due to the Department of City Development by close of business. CDBG funding is competitive and open to all qualified organizations.

City Development staff received a total of fifteen (15) applications, including seven (7) applications for public services funding and seven (7) applications for public facilities/Infrastructure funding and one (1) application for code enforcement. The Department of City Development staff have also reviewed the proposed allocation to ensure the funding is in compliance with HUD's CDBG regulations.

Administration: (\$361,742)

2020-2024 Consolidated Plan Priority: Effective and compliant administration of CDBG programs.

Public Services – Homeownership Services: (\$135,653)

2020-2024 Consolidated Plan Priority: funding will be used to support organizations that foster the creation of homeownership opportunities in the City of Racine, or financial empowerment for the purpose of homeownership.

Housing Resources, Inc. (HRI) submitted the only application that appropriately met the Homeownership Services category as identified in the Consolidated Plan. Having requested the full amount available.

Please see the attached spreadsheet with allocations and staff recommendations for funding.

Public Services – Economic Mobility (\$63,700)

2020-2024 Consolidated Plan Priority: Funding will be used to support organization that provide training for City of Racine residents to move into living wage employment, or programs that minimize barriers to access training.

Public Infrastructure and Facilities: (\$783,774 2023 & \$264,437.22 CDBG CV)

2020-2024 Consolidated Plan Priority: Funding will be prioritized for capital improvements at community centers and physical work necessary to expand the provision of healthcare services to low-/moderate-income households in the City. Other potential uses include neighborhood infrastructure such as park equipment, public art, or transit improvements.

Code Enforcement: (\$195,943)

2020-2024 Consolidated Plan Priority: Pay the wages and benefits of inspectors and relates staff working in selected LMI Area Benefit block groups within the Neighborhood Stabilization and Enhancement District

Please see the attached spreadsheet with allocations and staff recommendations for funding.

BUDGETARY IMPACT:

There are sufficient CDBG funds to cover the allocation listed above.

RECOMMENDED ACTION:

That the CDBG Advisory Board recommends approval of the attached staff recommendation