



Department of City Development
730 Washington Avenue, Racine, Wisconsin 53403
Phone: (262) 636-9151 FAX: (262) 635-5347

MEMORANDUM

FOR MEETING DATE: June 8, 2017

TO: Community Development Committee

FROM: Laura Detert, Manager of Housing and Community Development

SUBJECT: HOME Funding Request: Mount Pleasant Manor

On May 19th National Church Residences submitted an application for HOME funds for their property Mount Pleasant Manor located at 2250 Layard Avenue in Racine. The application was in response to a general HOME Notice of Funding Availability (NOFA) issued in April, 2017.

Mount Pleasant Manor is a multifamily rental property built in 1974 under the HUD Section 236 program that serves exclusively senior and disabled individuals. 65 of the units have now converted to project-based funding through the Racine County Housing Authority under the Rental Assistance Demonstration (RAD) preservation program.

National Church Residences plans a rehabilitation of 78 units in Mount Pleasant Manor in 2018 including critical repairs (roof replacement, windows, boilers, water heaters, plumbing, elevator, and fire alarm system) and cosmetic updates (flooring, painting, lighting, security cameras, and modern common areas). Accessibility will also be addressed; four units will be made fully ADA accessible, sixteen units will receive roll-in showers, and eight units will receive step-in showers. They also plan to add a new resident lounge on the third floor and wire the building to provide Wi-Fi internet to residents.

In addition to residential management, Mount Pleasant Manor has a part-time service coordinator to assess residents' care needs and act as a community resource guide. The service coordinator also coordinates homecare/ home healthcare to help residents age in place.

National Church Residences is a non-profit organization based in Upper Arlington, Ohio, and currently manages 305 senior housing communities in the United States including six other developments in Wisconsin. The group specializes in senior housing and other permanent supportive housing.

Staff recommends approval of a \$400,000 loan to Mount Pleasant Manor for construction costs. The loan will be paid back over 35 years with 0% interest with no prepayment penalty. The loan would be secured with a mortgage, HOME contract, promissory note, and land use restriction agreement (deed restriction).