



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

MEMORANDUM

FOR MEETING DATE: October 27, 2016

TO: Community Development Committee

FROM: City Development Staff

SUBJECT: Housing Department HOME Grant Request
1437 Owen Avenue

The Housing Department, a division of the Department of City Development, is requesting \$250,000 to build a 1526 sq ft. , 3 bedroom, two bathroom home with a two car attached garage for sale to an income eligible homeowner at **1437 Owen Avenue** (parcel ID: 09296000) . It is anticipated that the new home will sell for \$ 95,000.

The City of Racine acquired the lot at *1437 Owen Avenue* from the County of Racine through foreclosure actions in 2011. Derelict structures were raised by the City Building Department and the lot is currently empty (Photos A and B). This property is located in Uptown, a targeted impact neighborhood.

The single-family house the Housing Department intends to build will use the same floor plan and design of 931 Center and 1721 Villa (Photo C). These were built using the Neighborhood Stabilization Program with general contractor “hard” costs of approximately \$232,000 each. The Housing Department’s application includes \$18,000 of construction contingency. Unused contingency funds will be returned to the Department of City Development HOME fund for future projects.

Staff recommends that the Community Development Committee move to recommend that the Mayor, City Clerk, and Director of City Development be authorized to execute a written agreement with the Housing Department consistent with its application and federal regulations for \$250,000 of HOME funds for the purpose of building a single-family house for-sale to an eligible homeowner.

Fiscal Note: There are sufficient HOME funds available to meet this request.

PHOTO A:



PHOTO B:



PHOTO C:

