



CDBG Advisory Board | City of Racine, Wisconsin

Agenda Briefing Memorandum

AGENDA DATE:

CDBG Advisory Board – July 28, 2025

Common Council – August 5, 2025

PREPARED BY: Brittany Brown, Compliance Specialist

REVIEWED BY: Veronica Seymour, Housing Manager

SUBJECT: Communication sponsored by Mayor Mason to authorize the Community Development Authority to use up to \$68,211.22 in FY23 CDBG funds and up to \$515,000 in HOME funds for the acquisition, demolition, and redevelopment of 1644 Packard Avenue.

BACKGROUND & ANALYSIS:**Property Overview:**

1644 Packard Avenue is currently a multi-unit, rooming house located within the City of Racine's R-3 residential zoning district. Historically licensed as a single-room occupancy (SRO) facility, this property has housed multiple unrelated individuals in shared accommodations. Though compliant with past zoning allowances, the current structure no longer aligns with the City's long-term neighborhood development goals.

City Redevelopment Intent:

The City of Racine, through its Community Development Authority (CDA), is actively exploring the opportunity to acquire, demolish, and redevelop 1644 Packard into a single-family home. This initiative supports Racine's broader goals of stabilizing neighborhoods, reducing density where appropriate, and promoting safe, family-friendly housing stock. Converting this parcel into a single-family residence would help align it with adjacent uses and promote responsible homeownership.

Safety & Quality of Life Concerns:

1644 Packard has been a consistent source of neighborhood concern due to frequent police activity. The property has been the subject of numerous service calls over the past few years, including responses for disturbances, trespassing, and emergency welfare checks. While not all calls result in citations or arrests, the volume of complaints reflects a pattern of ongoing behavioral and safety issues that negatively impact surrounding residents.

Moreover, the rooming house configuration poses significant safety concerns, especially in regard to:

- Fire safety and egress issues due to compartmentalized living spaces
- Shared facilities that often do not meet modern sanitary and accessibility standards
- Overcrowding risks associated with transient occupancy

These conditions place strain on municipal services, discourage neighboring investment, and hinder neighborhood revitalization efforts.

Strategic Opportunity:

Transitioning 1644 Packard from a high-density SRO to a code-compliant, energy-efficient single-family home represents a proactive investment in the long-term health of the neighborhood. The site is a strong candidate for redevelopment by the CDA using HOME and other affordable housing funds, particularly given the city's goal to reduce blight, address substandard housing, and improve community safety.

Funding Source:

This project will utilize up to \$68,211.22 of FY23 CDBG Other Real Property Improvements funds for Clearance activities. In addition, up to \$515,000 in HOME Investment Partnerships Program (HOME) funds will be committed to support redevelopment costs associated with the project.

The eventual sale of the redeveloped property will generate HOME program income, which will be recycled to support future affordable housing activities in the City of Racine.

BUDGETARY IMPACT:

The city will utilize current CDBG funding along with current and future HOME funding to support the project.

RECOMMENDED ACTION:

That the CDBG Advisory Board recommend approval of the use of up to \$68,211.22 in FY23 CDBG Other Real Property Improvements funds and up to \$515,000 in HOME funds by the Community Development Authority for the acquisition, demolition, and redevelopment of 1644 Packard Avenue.