



CDBG Advisory Board | City of Racine, Wisconsin

Agenda Briefing Memorandum

AGENDA DATE:

CDBG Advisory Board – August 12, 2024
Common Council – August 20, 2024

PREPARED BY: Katheryn Knoff, Contracts and Grants Coordinator

REVIEWED BY: Cathy Anderson, Economic Development and Housing Manager

SUBJECT: Communication sponsored by Mayor Mason, requesting an allocation of up to \$1,283,791 of 2024 CDBG funds for Public Facilities, Special Assessments, and Privately-Owned Utilities; Other Real Property Improvements; Financial Management; and Lead-Based Paint.

BACKGROUND & ANALYSIS:

The regulations governing the Community Development Block Grant (CDBG) Program are outlined in 24 CFR Part 570. The CDBG Program provides grantees with considerable flexibility to select program activities that best address the needs of their communities, while ensuring compliance with the program's national objectives and other requirements.

During the Board meeting on July 8, 2024, several allocations were discussed without specifying the exact allocation of funds. More specifically, the categories of Public Facilities, Special Assessments, and Privately-Owned Utilities; Other Real Property Improvements; Financial Management; and Lead-Based Paint Remediation. Additionally, the Housing Activities (Chapter 4) funds remain unallocated and will be determined later.

Other Real Property Improvements (Chapter 5): \$739,000

Funds will be used for HUD-eligible activities such as code enforcement, lead-based paint hazard evaluation and reduction, and other eligible activities for the benefit of low-moderate-income (LMI) area(s).

Recommend allocations:

- \$195,000 Code Enforcement
- \$530,000 Clearance (the 30% max was taken)
- \$14,000 Lead-based paint

Public Facilities, Special Assessments, and Privately-Owned Utilities (Chapter 6): \$140,466

Funds will be used for HUD-eligible activities such as acquisition, construction, reconstruction, rehabilitation, or installation of public facilities and improvements for the benefit of low-moderate-income (LMI) area(s).

- \$140,466 Parks, Recreation & Cultural Services Department

Financial Management (Chapter 11): \$354,325 (20% - HUD maximum)

Funds will be used for HUD-eligible activities such as internal administration and planning of the overall program.

- \$354,325 Administrative Costs

Lead-Based Paint (Chapter 17): \$50,000.

Funds will be used for HUD-eligible activities such as renovations, repairs, and painting in the presence of lead-based paint.

The Economic Development & Housing Department, a division of the Department of City Development, is requesting up to \$50,000 for the purpose of temporary housing relocation assistance for program participants in the Lead Hazard Reduction Demonstration Grant administered by the City of Racine Public Health Department. All assistance recipients must be City of Racine residents. The match will be for a new 4-year Housing and Urban Development (HUD) grant.

The application for this grant is a collaborative effort between the City of Racine Public Health Department, Racine County Health Department, and the Kenosha County Division of Health. This application is a continuation of an existing program, the Kenosha Racine Lead Free Communities Partnership, which is currently funded until November of 2024. The Kenosha Racine Lead Free Communities Partnership is applying for another HUD Lead Hazard Reduction Demonstration Grant in the amount of \$5,000,000. Applications are due August 15, 2024.

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

BUDGETARY IMPACT:

There are sufficient CDBG funds available to meet this request.

RECOMMENDED ACTION:

That the CDBG Advisory Board recommends approval of the allocation of up to \$1,283,791 of 2024 CDBG funds for Public Facilities, Special Assessments, and Privately-Owned Utilities; Other Real Property Improvements; Financial Management; and Lead-Based Paint.