



CDBG Advisory Board | City of Racine, Wisconsin

Agenda Briefing Memorandum

AGENDA DATE:

CDBG Advisory Board – June 8, 2026

Common Council – June 16, 2026

PREPARED BY: Katheryn Knoff, Contract and Grant Coordinator II

REVIEWED BY: Veronica Seymour, Housing Manager

SUBJECT: Communication sponsored by Mayor Mason, to allocate HOME funds for new construction at 1561 Holmes Avenue and a forgivable homeowner rehabilitation loan at 1308 Franklin Street.

BACKGROUND & ANALYSIS:

The City has HOME Investment Partnerships Program (HOME) funds available for eligible housing activities. The proposed allocation would support two housing projects consistent with the priorities identified in the City's 2025-2029 Consolidated Plan and 2026 Annual Action Plan.

The property located at **1561 Holmes Avenue** is currently being acquired by the City for the development of a new single-family housing unit. HOME funds will be used for eligible construction and development costs associated with the creation of affordable homeownership housing. Upon completion, the home will be sold to an income-qualified low- to moderate-income household and will be subject to a 20-year HOME affordability period in accordance with 24 CFR 92.254.

The property located at **1308 Franklin Street** is an owner-occupied residential property requiring substantial rehabilitation improvements. The proposed work includes rehabilitation of the existing structure, including removal and reconstruction of a deteriorated addition within its existing footprint. HOME funds will be provided in the form of a 15-year forgivable loan and affordability period in accordance with 24 CFR 92.254.

Both activities support the preservation and expansion of affordable housing opportunities for low- and moderate-income households and further the City's housing goals by improving housing quality and increasing the supply of affordable homeownership units. Approval of this allocation will allow staff to prepare bid specifications and solicit competitive bids for the projects.

BUDGETARY IMPACT:

The proposed allocation consists of up to \$359,263 in HOME funds for new construction activities at 1561 Holmes Avenue and up to \$290,000 in HOME funds for rehabilitation activities at 1308 Franklin Street. Funding will be provided through available HOME Investment Partnerships Program funds.

RECOMMENDED ACTION:

That the CDBG Advisory Board recommend approval of an allocation of up to \$359,263 in HOME funds for new construction at 1561 Holmes Avenue and up to \$290,000 in HOME funds for rehabilitation activities at 1308 Franklin Street, and authorize staff to prepare bid specifications and solicit bids as necessary to complete the projects.