

## Department of City Development

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December 22, 2010

Mayor John Dickert  
Racine City Council  
730 Washington Avenue  
Racine, WI 53403

Honorable Mayor and Members of the Council:

The Wisconsin Department of Commerce has begun soliciting applications for use of Neighborhood Stabilization Program-3 (NSP-3) funds as authorized by the federal Wall Street Reform and Consumer Protection Act of 2010. Wisconsin's share of NSP-3 funds is \$5,000,000, which is to be allocated to communities and neighborhoods with the greatest need as determined by an index developed by the U.S. Department of Housing and Urban Development (HUD).

The NSP-3 program requires that funding be focused locally on no more than two qualifying census tracts and that a sufficient number of properties be acquired and rehabilitated or redeveloped to have an impact in those tracts. In Racine, Census Tracts Two and Three, comprising the south side Towerview neighborhood have been selected as the initial target area. (Please refer to the attached map.)

The City Development Department proposes applying for \$1,625,400, which will permit the acquisition and rehabilitation or redevelopment of 13 dwelling units including three duplexes. One of the duplexes would be rehabilitated and sold to an owner-occupant who would be able to lease the other unit to a qualified tenant. The other duplexes would be rehabilitated and leased to the Homeless Assistance Leadership Organization (HALO) for their Supportive Housing Program, which provides transitional housing and case management services to families leaving emergency shelter. Two dilapidated properties would be acquired, cleared, and land-banked for future development. A summary spreadsheet is attached.

Please refer this matter (Grant Control Number 2010-040) to the Finance and Personnel Committee for review and recommendation.

Sincerely,

A handwritten signature in blue ink, which appears to read "Brian F. O'Connell", is written over the typed name and title.

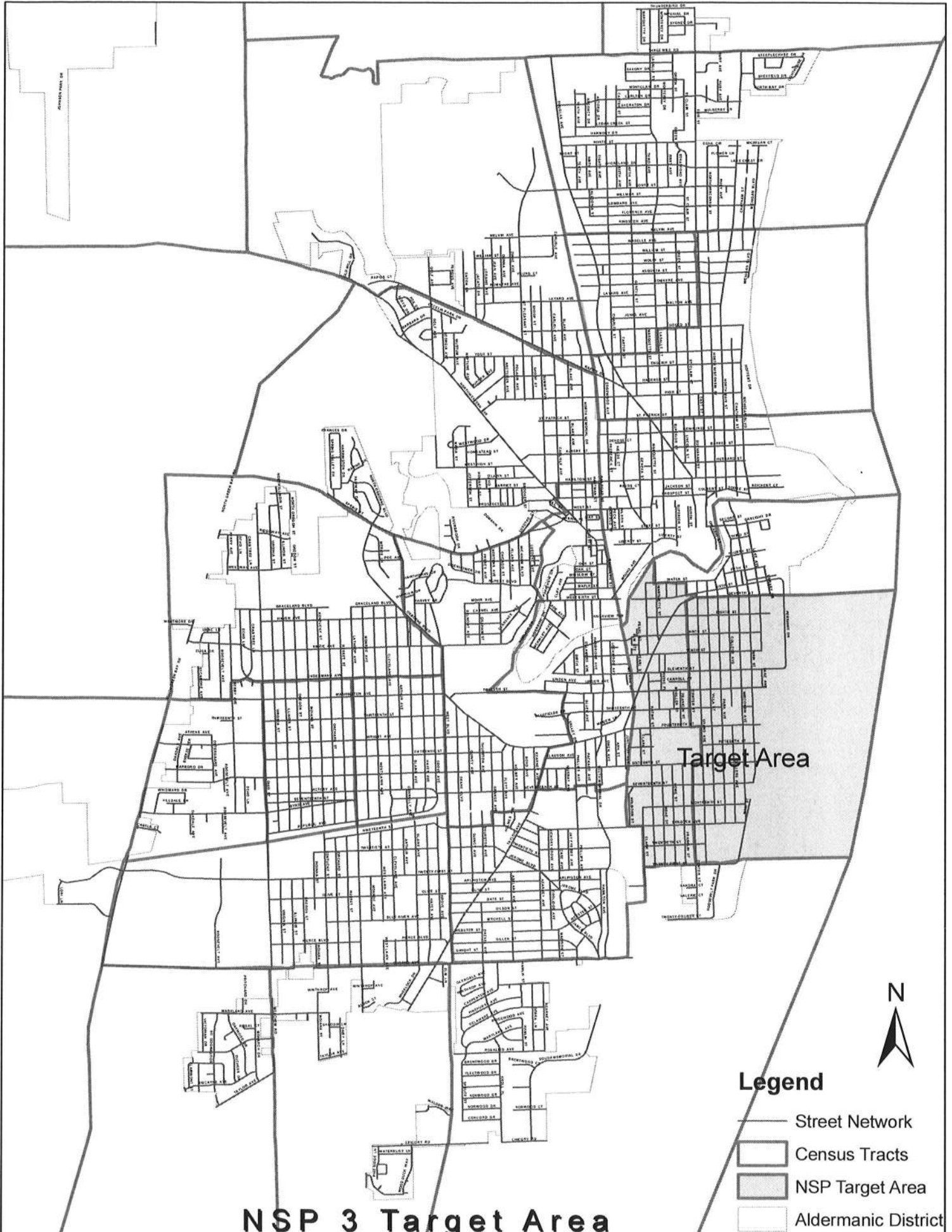
Brian F. O'Connell  
Director of City Development

Attachments

BFO/JH/bh



Neighborhood Stabilization Program-3  
Racine, Wisconsin

Activity	# Housing Units	\$ Amount
Acquisition-Rehabilitation-Resale to Owner-Occupants	4	\$550,000
Acquisition-Rehabilitation-Resale of Duplex to Owner-Occupant	2	\$150,000
Acquisition-Rehabilitation-Rental of Duplex to HALO	4	\$300,000
Acquisition-Demolition-Redevelopment for Owner-Occupant	1	\$262,000
Acquisition-Demolition-Landbanking-Redevelopment for Owner-Occupant	2	\$250,000
Program Administration		\$113,400
TOTAL	13	\$1,625,400



**NSP 3 Target Area**

**Legend**

-  Street Network
-  Census Tracts
-  NSP Target Area
-  Aldermanic District

