



# City of Racine, Wisconsin AGENDA BRIEFING MEMORADUM

<b>AGENDA DATE:</b>	November 30, 2017
<b>SUBJECT:</b>	Request by Racine Revitalization Partnership for Funds to Rehabilitate Two Single-Family Houses
<b>PREPARED BY:</b>	Laura Detert, Manager of Housing and Community Development

**EXECUTIVE SUMMARY:**

Department of City Development - Division of Housing and Community Development requests that the Community Development Committee approve a resolution authorizing \$200,000 of CDBG funds to Racine Revitalization Partnership (RRP) for rehabilitation of single-family houses at 1315 Grand Avenue and 1632 Murray Avenue. Program income as defined by HUD will be returned to the city.

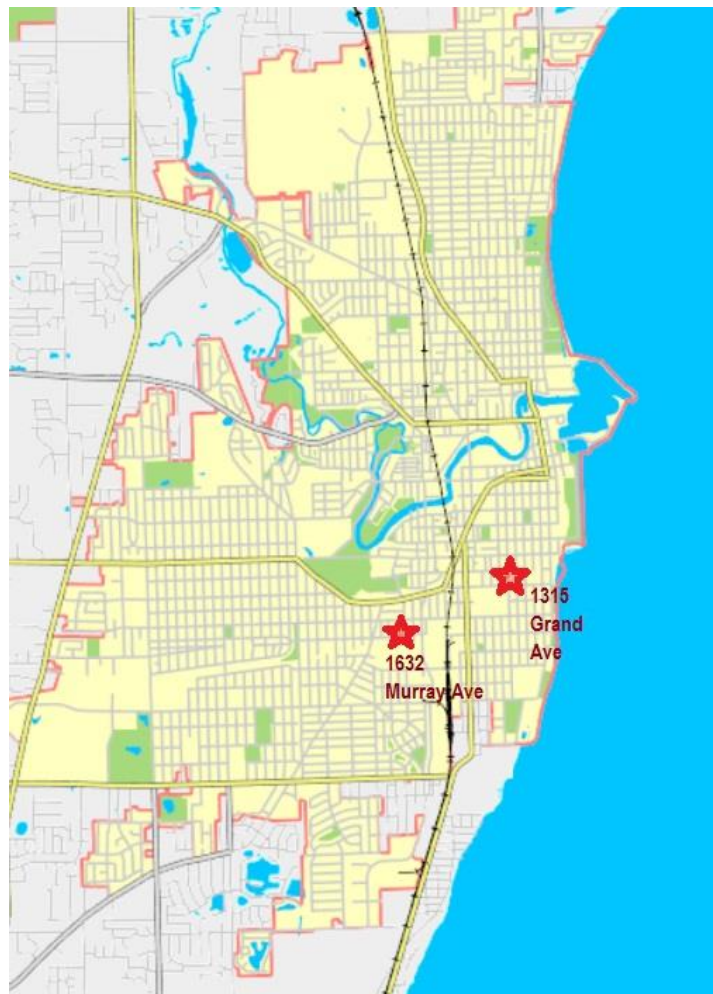
**BACKGROUND & ANALYSIS:**

Racine Revitalization Partnership (“RRP”) plans to rehabilitate two single family houses within the Greater Uptown Neighborhood Revitalization Strategy Area: 1315 Grand Avenue and 1632 Murray Avenue.

RRP requested an \$85,850 HOME grant and a \$78,350 loan to complete both projects.

Both houses would be sold to income-eligible homeowners at project completion.

1315 Grand Avenue and 1632 Murray Avenue are currently vacant and need substantial rehabilitation to meet City health and building codes.



### **Project Details: 1315 Grand Avenue**

- 1315 Grand Avenue is a 2,115 square foot single-family home constructed in 1909.
- The house has five-bedrooms and 1.5 baths.
- Rehabilitation plans include replacing the roof and gutters and replacing all windows.
- The existing boiler will be replaced and all electrical rewired to meet City code.
- Existing wood flooring will be refinished where possible.
- If enough funding granted, a shower will be added to the first floor bathroom, stacking laundry added, and current aluminum siding replaced.



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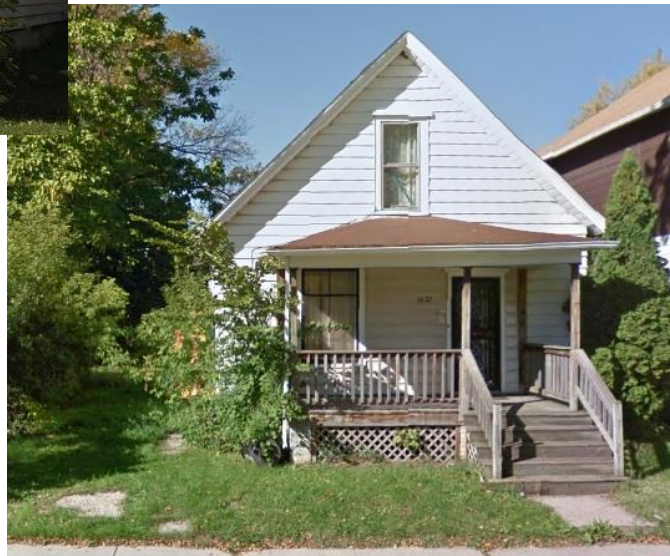
### **Project Details: 1632 Murray Avenue**



1,074 square-foot, three-bedroom house built in 1900.

A new 2-car garage will be built.

- Windows will be replaced and new glass blocks installed at the foundation.
- Electrical will be upgraded to meet City code.
- Plumbing fixtures will be replaced including new power vented water heater.
- The porch, gutters, flooring, and insulation will be repaired or replaced where needed.



- If enough funding granted, the existing aluminum siding will be replaced, windows/eaves re-wrapped, and stacking laundry added to the home.

**Staff Recommendation**

- Based on underwriting and program requirements, staff recommends \$200,000 of CDBG funding for rehabilitation of single-family houses at 1315 Grand Avenue and 1632 Murray Avenue by Racine Revitalization Partnership (RRP).
- Program income as defined by HUD will be returned to the city after sale of the house to an income-eligible buyer.
- CDBG funds may be used for all CDBG-eligible expenses.
- Stacking laundry will be added to both houses.
- Durable siding will be required on both houses using fiber cement or engineered wood siding.
- The house will be required to be sold to a low-to-moderate income homebuyer. No affordability period or deed restriction will be required.

**BUDGETARY IMPACT:**

There are sufficient CDBG funds for the staff recommendation. The funds were allocated to homeowner housing rehabilitation projects in the 2016 and 2017 City of Racine Annual Plans.

**RECOMMENDED ACTION:**

Staff recommends that the Community Development Committee approve a resolution authorizing \$200,000 of CDBG funds to Racine Revitalization Partnership for rehabilitation of single-family houses at 1315 Grand Avenue and 1632 Murray Avenue. Program income as defined by HUD will be returned to the city.

Further, that the Mayor and City Clerk be directed to enter into CDBG agreements with Racine Revitalization Partnership consistent with its application and all applicable federal regulations.