



## City of Racine, Wisconsin Agenda Briefing Memorandum

**AGENDA DATE:**

September 26, 2022

**SUBJECT:**

Communication sponsored by Mayor Mason requesting an allocation up to \$1,689,082 for Community Development Block Grant (CDBG) Public Services (Homeownership Services), Code Enforcement, and Public-Facilities/Infrastructure.

**PREPARED BY:**

Brendan Saunders, Manager of Housing and Community Development

**EXECUTIVE SUMMARY:**

Department of City Development – Division of Neighborhood Services requests that the CDBG Advisory Board review applications and funding recommendations.

**BACKGROUND & ANALYSIS:**

CDBG funds are available for Public Services, Public Facilities and Infrastructure, and Code Enforcement. The 2020-2024 Consolidated Plan was approved by the Common Council for the City of Racine on December 15, 2020 and was approved by the U.S. Department of Housing and Urban Development (HUD) to guide the use of both CDBG and ESG funding sources. The 2022 Annual Action Plan was passed on July 19, 2022 (Res 0512-22), this plan included \$443,751 in program income (\$105,603 was allocated to Racine Revitalization Partnership for housing development, the remaining \$338,148 was allocated to the Public Infrastructure and Facilities category).

A Notice of Funding Availability (NOFA) for CDBG and ESG funds was released on July 29, 2022 and application materials were due to the Department of City Development on August 29, 2022. CDBG funding is competitive and open to all qualified organizations.

City Development staff received a total of fifteen (15) applications, including nine (9) applications for public services funding, four (4) applications for public facilities/Infrastructure funding, one (1) application for code enforcement, and one (1) collaborative application for Emergency Solutions Grant funding. Department of City Development staff have also reviewed the proposed allocation to ensure the funding is in compliance with HUD's CDBG and ESG regulations. Per historic practice, all applicant organizations have been invited to speak for up to three minutes at the beginning of the meeting and before the allocation vote.

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

**Administration**

**2020-2024 Consolidated Plan Priority:** *Effective and compliant administration of CDBG programs.*



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### **Public Services – Homeownership Services**

**2020-2024 Consolidated Plan Priority:** *funding will be used to support organizations that foster the creation of homeownership opportunities in the City of Racine, or financial empowerment for the purpose of homeownership.*

Housing Resources, Inc. (HRI) submitted the only application that appropriately met the Homeownership Services category as identified in the Consolidated Plan. Having requested the full amount available.

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

### **Public Infrastructure and Facilities:**

**2020-2024 Consolidated Plan Priority:** *Funding will be prioritized for capital improvements at community centers and physical work necessary to expand the provision of healthcare services to low-/moderate-income households in the City. Other potential uses include neighborhood infrastructure such as park equipment, public art, or transit improvements.*

Staff received four applications related to Public Infrastructure and Facilities NOFA totaling \$1,074,121.

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

### **Code Enforcement:**

**2020-2024 Consolidated Plan Priority:** *Pay the wages and benefits of inspectors and relates staff working in selected LMI Area Benefit block groups within the Neighborhood Stabilization and Enhancement District*

Staff received one application from the City of Racine – Code Enforcement Neighborhood Enhancement District. Funds cover salaries and fringe benefits of the Neighborhood Enhancement Division in the Neighborhood Stabilization Enhancement District area.

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

### **BUDGETARY IMPACT:**

There are sufficient CDBG funds to fund the staff recommendation.

### **RECOMMENDED ACTION:**

That the CDBG Advisory Board recommends approval and adoption of up to \$1,689,082 in FY 2022 CDBG.