



City of Racine, Wisconsin
AGENDA BRIEFING MEMORADUM

AGENDA DATE:	September 14, 2017
SUBJECT:	Item #898-17 Releasing CDBG Multifamily NOFA for \$700,000
PREPARED BY:	Laura Detert, Manager of Housing and Community Development
EXECUTIVE SUMMARY:	<p>Department of City Development - Division of Housing and Community Development requests the release of a CDBG Multifamily Loan Program "Notice of Funding Availability" for \$700,000 on September 22nd, 2017.</p>
BACKGROUND & ANALYSIS:	<p>The CDBG Multifamily Loan Program was approved by the Loan Board of review and Common Council in March, 2017. On April 7, 2017, the first NOFA for this program was released with \$700,000 available with an application closing date of May, 19, 2017.</p> <p>General Capital applied for \$700,000 for a proposed rehabilitation of 615 Marquette Street. This funding is still under consideration but cost estimates and other funds have not been secured to underwrite the project at this time. If General Capital proceeds with the project as presented in their application, the application will be considered for underwriting and presentation to the Loan Board for approval.</p> <p>Housing staff recommend a second 2017 NOFA in the fall/winter for additional CDBG Multifamily Loan applications. Staff recommends the fall timing to coincide with the winter/spring WHEDA LIHTC application period and the passage of historic tax credits in the 2018 Wisconsin state budget. If released on September 22nd, 2017, applications would be due November 10th, 2017.</p>
BUDGETARY IMPACT:	<p>If General Capital does not proceed with the 615 Marquette project, \$700,000 of CDBG Multifamily funding allocated in 2017 will be available.</p> <p>If General Capital proceeds with the 615 Marquette project and the Loan Board grants the loan, the additional \$700,000 released in fall 2017 will be considered part of the 2018 allocation.</p>
RECOMMENDED ACTION:	<p>Staff recommends that the Loan Board of Review approve a resolution for the release of a CDBG Multifamily Loan Program "Notice of Funding Availability" (NOFA) for \$700,000 on September 22nd, 2017.</p>