July 3, 2019

Honorable Cory Mason, Mayor

Honorable Members of the Common Council

Honorable Members of the Redevelopment Authority

Honorable Members of the Finance and Personnel Committee

City of Racine

730 Washington Avenue,

Racine, WI 53403

Re: Tax Incremental District No. 19

Dear Mayor Mason, Members of the Racine Common Council, Members of the City of Racine Redevelopment Authority and Members of the City of Racine Finance and Personnel Committee:

We are writing regarding Tax Incremental District No. 19 funding, of which a portion was allocated to the Racine Revitalization Partnership, Inc. (RRP). The Partnership is just beyond its second year of existence, and we are pleased to report that the foundation created, with the support of Intergovernmental Funding, has proven to be a solid one. As we move forward through 2019 and into 2020, we ask once again for the assistance of funding through Intergovernmental funds with the eventual repayment by TID 19, utilizing future increment that the RRP helps to create. We believe that upon your review of the attached reports, you will see significant progress has been made.

It is the access to the IG funding that will allow RRP to continue its mission and assist the City in its Property Reactivation Program. We are hopeful that the three single family units and one duplex unit, requested by RRP will be added to our workload for the next year.

The Partnership's mission "Building on a foundation of diversity, the Racine Revitalization Partnership will provide social and economic opportunities by uniting the community through work, housing, and commerce that supports healthy and vibrant neighborhoods" is being realized. A collaborative partnership between Great Lakes Community Conservation Corps, YMCA First Choice Pre -Apprenticeship Training and the Friendship Clubhouse we are engaging our neighbors in rebuilding quality housing and stabilizing challenged neighborhoods. As the only CBDO and CHDO in Racine, we look forward to continuing to utilize the HUD funding that is set aside specifically for use by such organizations.

The funding that has been allocated in the Capital Improvements Budget for 2019 will enable "The Partnership" to continue operations by assisting in the partial funding of the full-time Executive Director position and our part-time Program Assistant. Also, these funds may cover a portion of overhead expenses to include professional services for accounting and audit as well as the promotion of the uptown area. We have historically spent nearly one-third of the Intergovernmental allocation for predevelopment expenses. These expenditures allow RRP the ability to perform its necessary due diligence when assessing development.

Attached to this document, you will find the Scope of Services for the 2018 funds labeled Attachment A. That plan laid out eight criteria for the RRP. We feel that the criteria as presented have been substantially met. We have also attached a summary of outcomes as they directly relate to the Scope of Services. The summary includes Fundraising Goals and Outcomes, Development Report, Outside Development Capital/Public Meetings, and Partnerships.

If you have any questions, concerns or comments, please do not hesitate to contact me at 262-456-2340 or our Board President, Joe Heck, at 262-752-1348 or 262-880-8053.

We wish to thank you in advance for your attention to this matter of the continuance of your support. We look forward to meeting with you to discuss any questions you may have.



July 3, 2019

Ms. Tara Coolidge City of Racine 730 Washington Avenue Racine, WI 53403

Dear Ms. Tara Coolidge:

On behalf of the Racine Revitalization Partnership, Inc., I am requesting that the attached request with attachments be referred to the Redevelopment Authority and the Finance and Personnel Committee for Review and recommendation. A copy will be forwarded by email to Mayor Mason, members of the Common Council, and Ms. Amy Connolly.

If you have any questions, please feel free to contact either me at 262-456-2340 or Joe Heck at 262-752-1348 or 262-880-8053.

Sincerely,

Edward R. Miller Executive Director

Appendix A

SCOPE OF SERVICES

RRP will, within the Time of Performance:

- 1. Annually complete targeted property acquisition and rehabilitation, and/or property acquisition and new construction, of a minimum of <u>5 single-family houses</u> for sale to owner-occupants within the Greater Uptown Area as defined in the HUD-approved Greater Uptown Neighborhood Revitalization Strategy Area ("NRSA").
- Coordinate/host no less than two public meetings during each calendar year to communicate housing efforts to area residents with any of: Uptown Business Improvement District (BID), YMCA Bray Center, Knapp Community School, Salvation Army, or any other community organization within the Greater Uptown NRSA.
- 3. Maintain the legal structure, organizational structure, and capacity/experience of paid staff members as required of Community Housing Development Organizations (CHDOs) as defined by 24 CFR § 92.2.
- 4. Engage in capacity-building training for development and/or partnership with another CHDO for at least one housing project. Capacity-building training should include paid RRP staff and be conducted by Community Development Corporation or housing development organizations such as Local Initiatives Support Corporation (LISC), Enterprise Community Partners, National Development Council, or NeighborWorks America.
- 5. Development of an annual fundraising plan (capital campaign).
- 6. Development of plan for access to development capital.
- 7. As part of strategic planning or capital planning process, utilize a "logic model" or "theory of change" that illustrates how RRP activities affect measurable outcomes.
- 8. Match funds in Agreement on a 1:1 basis. Matching funds may be in the form of:
 - a. Private cash on hand
 - b. Developer fees
 - c. Deferred developer fees
 - d. Donations
 - e. In-kind administrative donations (e.g. Legal services, finance, rent, etc)
 - f. In-kind development donations from private commercial, non-profit, or individual contractor sources. (e.g. Materials, construction labor, land, real estate services, architectural services, accounting, etc)

Racine Revitalization Partnership

Public Meeting and Partnership Documentation

2019

Landlord Education Seminar

February 16, 2019

Racine Revitalization Partnership, Inc. sponsored a free Landlord Education Seminar on Saturday, February 16, 2019 at Gateway Technical College's Racine Campus in the Superior Room #102. The seminar was sold out at 52 attendees.

52 resource guides/binders were supplied by RRP to all attendees. Lunch was also provided. An open discussion followed the seminar with presenters available for a question and answer session. RRP received 43 completed surveys.

Presenting partners at the seminar:

- Physical Building and Structural Issues: Dan Kirchenberg, City of Racine, Residential Building Inspector
- Maintaining a Healthy Rental Property: Joel Matt, City of Racine, Sanitarian
- Fair Housing: Brendan Saunders, City of Racine, Neighborhood Services Division, Community Development Compliance Specialist
- Fair Housing Application Process: Jon Frickensmith, President, SWLA Written Criteria Background Checks • Rental Agreements • Move in/Move out checklist
- Crime Prevention and Working with the Police: Jacob Mauer, Racine Police Department
- Routine Maintenance and Inspections: Jon Frickensmith, President, SWLA
- Landlord and Tenant Law: (current and with changes) Jennifer Hayden, Attorney at Law, Petrie & Pettit
- Property Tax Laws: Jane Nikolai, Racine County Treasurer
- Evictions: Jennifer Hayden, Attorney at Law, Petrie & Pettit
- Open Communication: Charlie French, Racine Neighborhood Watch, Executive Director
- Rent Assistance and Other Services: Gai Lorenzen, Racine County Continuum of Care

This seminar continues to be very popular with local landlords and those who are seeking to become landlords in the future.



Neighbor Works Seminar

April 19, 2019

Racine Revitalization Partnership hosted a seminar on Affordable Housing for community stakeholders in the Racine NRSA community on April 19, 2019 at the Racine Annex Building, 800 Center Street. 26 people attended the event. Noel Halvorsen, President/CEO Neighbor Works Green Bay was the featured speaker. Noel has held positions of responsibility in community planning and development in the Greater Green Bay area. The event included staff from Racine United Way, Habitat for Humanity, City Development, WHEDA, Racine Community Foundation, Neighborhood Watch, local business leaders, Board members and concerned citizens. Noel presented the history of the Neighbor Works program, how it built the organization to be self-sufficient, and current programs related to housing and financial stability. The seminar was an opportunity to educate participants about the goals of the organization and efforts to provide affordable housing to the NRSA community. This was a successful Lunch and Learn event that RRP will adopt and continue in future endeavors to provide community outreach and education.



Uptown Chow Down

June 22, 2019

The Uptown Chow Down event was designed to bring residents of the NRSA together to complete a survey on affordable housing and neighborhood satisfaction. The event site was provided by 1501 The Branch at no cost to the organization. RRP invited local organizations to participate at the event and provide information and resources for the NRSA community. Neighborhood Watch, Racine Friendship Clubhouse, Great Lakes Community Conservation Corps, Giving to the Nations, Housing Resources, and Community State Bank all participated during the event. Family Power Music provided entertainment. A total of 10 volunteers were on hand to help with surveys or hand deliver flyers for the event the week prior. RRP counted approximately 175 people at the event. Residents were required to show ID to be eligible to receive a \$5.00 food voucher for one of the food trucks on site. 30 surveys were completed, and RRP will continue conducting the survey at National Night Out on August 6, 2019 at the Salvation Army campus. Sponsors included Festival Foods, Walmart, Community State Bank, Ambassador Title Corporation and RAMAC Young Professionals S.O.U.P. grant.



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House Proud Ongoing 2019

Work has begun on homes located in the Neighborhood Revitalization Strategic Area (NRSA) through the House-Proud Program of Racine Revitalization Partnership. AmeriCorps National Civilian Community Corps (NCCC) members can be seen painting homes during the first half of June between the 1200 and 1500 blocks of Grand Avenue. The House-Proud Program offers homeowners in the NRSA minor home repair and improvement services. The work is made possible by a grant from Johnson Bank and private donors. Sherwin Williams has also donated paint and supplies for this project, and RRP partners such as Great Lakes Community Conservation Corps (GLCCC) are helping with lead training for the NCCC members and supervision on site.



AmeriCorps National Civilian Community Corps (NCCC) and its FEMA Corps unit engages up to 2,200 young Americans in a full-time, 10-month commitment to service each year. AmeriCorps NCCC members address critical needs related to natural and other disasters, infrastructure improvement, environmental stewardship and conservation, and urban and rural development. The programs are administered by the Corporation for National and Community Service, a federal agency that engages millions of Americans in service through its AmeriCorps and Senior Corps programs and leads the nation's volunteering and service efforts.





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Offsite meetings Attended and/or Hosted by Racine Revitalization Partnership Partial Listing-2019

Ed Miller, Executive Director

January 3, 2019 Uptown BID January 14, 2019 Racine Neighborhood Watch January 15, 2019 Common Council Meeting, City Hall January 16, 2019 Community Collaboration-Bryant Community Center-Lakeside Legacy Kickoff January 18, 2019 CoC Meeting February 6, 2019 VGR Revitalization Meeting February 11, 2019 Racine Neighborhood Watch February 14, 2019 Uptown BID February 16, 2019 Landlord Education Event (Presenter-Sponsor) February 21, 2019 Community Development Meeting City Hall March 6, 2019 VGR Revitalization Meeting March 15. 2019 CoC Meeting (Housing and Homeless Alliance) March 11, 2019 Racine Neighborhood Watch (Presentation-Development) March 18, 2019 Racine Neighborhood Watch (Presentation-Development) March 21, 2019 Racine Neighborhood Watch Presentation-Development) March 28, 2019 Community Development Meeting City Hall April 3, 2019 VGR Revitalization Meeting April 4, 2019 Uptown BID April 8, 2019 Racine Neighborhood Watch April 19, 2019 Neighbor Works Lunch and Learn Annex Building (Presenter-Sponsor) April 23, 2019 Lakeside Legacy Collaboration -Community COP House Mead Street April 27, 2019 Uptown Clean up event. April 23, 2019 Eviction Prevention Stakeholders Coalition MKE- YWCA Southeast Wisconsin April 25, 2019 S.O.U.P Presentation Young Professionals UnCorkt' (Presenter-Grantee) May 1, 2019 Regional Economic Forum – Delta Hotels May 1, 2019 VGR Revitalization Meeting May 2, 2019 Uptown BID May 9, 2019 VGR Revitalization Meeting May 13, 2019 Racine Neighborhood Watch May 28, 2019 Lakeside Legacy Collaboration May 31-June 14, 2019 House Proud Neighborhood Revitalization AmeriCorps June 4, 2019 1315 Grand HRI open House-NeighborWorks (Presenter) June 5, 2019 VGR Revitalization Meeting June 6, 2019 Uptown BID June 10, 2019 Racine Neighborhood Watch June 12, 2019 TV 58 Recording Real Racine June 15, 2019 Uptown Chow Down Volunteer Event Distribution of Flyers NRSA June 20, 2019 AmeriCorps Thank you party. The Dish June 22, 2019 Uptown Chow Down- 1501 The Branch June 25, 2019 Asset Builders – Racine United Way June 25, 2019 Lakeside Legacy Collaboration June 25, 2019 WRJN-Interview

Next Event: August 6, 2019 - National Night Out Salvation Army Center

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Racine Revitalization Partnership Fundraising/Development Plan 2019-2020

Racine Revitalization Partnership mission and vision statement adopted June 2019:

Building on a foundation of diversity, the Racine Revitalization Partnership will provide social and economic opportunities by uniting the community through work, housing, and commerce that supports healthy and vibrant neighborhoods.

Fundraising and Recruitment:

- The Fund and Development committee will seek to add at least one (1) new committee member in 2019/2020.
- Racine Revitalization Partnership has adopted a Donor Database to track all donations to the organization. The database is currently aggregated to include private foundations, government grants, individual donors, volunteers, event sponsors, and in-kind donations.
- The Donor Data base includes contact information of all donors and will be updated to include specific donor information that will help identify each donors' interests.
- The Executive Director will meet one on one with at least one prospective mid to high level donor each month. (12 donors per year minimum).
- The data base will be able to categorize each individual donor/group and assign a staff or board member to that donor.
- Board members will be asked to develop a personal list of five (5) new contacts per year
- RRP will set specific donor levels to recognize donors/partners. Fund/Development committee members are committed to the following fundraising goals to reach \$120,000.00
 - o 20 donors at the 500.00 level
 - 5-donors at the 1,000.00 level
 - 3-Donors at the 10,000.00 level
 - 2-Donors at the 20,000.00 level
 - 1-donor at the 35,000.00 level

Fundraising and Community Events:

• Board members/staff will host an Open House event at 1418 Washington Avenue in 2019 to engage possible donors and volunteers. This event will be held in partnership with Racine Area Manufacturers and Commerce. Date to be determined.

- At least one (1) community event will be held each year to engage the NRSA in building community and insight into issues facing residents. RRP will adapt its programming to the changing needs of the community and will seek fiscal and volunteer support from the community.
- RRP will continue to partner with housing resource organizations to educate community members through landlord and tenant training seminars, neighborhood revitalization seminars and affordable housing. RRP will use these events to solicit active donor participation.

Correspondence:

- A community-based newsletter has been adopted and will be digitally delivered to a minimum of 300 subscribers quarterly.
- RRP's goal is to increase subscribers at a rate of 15 new subscribers per issue.
- Opportunities will be posted in the newsletter for volunteering, in-kind donations, cash donations and event participation.
- An annual giving campaign will be incorporated into the Winter issue of the newsletter. Goals for the campaign to be determined by the Fund/Development committee.

Social Media Campaigns:

- RRP will utilize social media such as, but not limited to Facebook, Instagram, Twitter, and LinkedIn to increase visibility and awareness.
- With limited budget available, most social outreach by RRP has been conducted organically. Small investments (\$30-\$50 per event) through Facebook ad or other social media ad buys will be used to promote events and will increase exposure to RRP and its mission.
- Through staff and Board member efforts, RRP's social media goal is to increase page likes/followers by 20% each quarter.

Cost of Fundraising guidelines:

https://www.solutionlinkims.com/nonprofit-fundraising-roi-whats-a-reasonable-cost-to-raise-a-dollar/

- Major gifts \$.05 to \$.10 per dollar raised
- Grant writing \$.20 per dollar raised
- Direct mail renewal \$.20 per dollar raised
- Direct mail acquisition \$ 1.00 to \$ 1.25 per dollar raised (not cost effective)
- Special events \$.50 of gross proceeds (not including indirect costs of time/labor)

Racine Revitalization Partnership 2019-2020 Property Acquisition-Rehabilitation-New Construction

1418 Washington Avenue Rehab-mixed use 2-affordable residential rental units and 2commercial units: Sawfish General Contracting was awarded the project and has completed the roof and skylight replacement. New windows have been approved and ordered — White Box and Facade grants, scheduled for review in July. Final financing of an approximate \$45,000.00 gap through BLP (RCEDC) is contingent on a tenant for the second commercial space. We are actively pursuing tenants and a lease commitment. RRP will occupy one of the spaces as its office.

1315 Grand Avenue Rehab-Single family affordable home with five bedrooms and two baths: RRP acquired this property in November 2017, and it is currently being rehabbed using Community Development Block Grant (CDBG) funds allocated in June 2018. The home is in the final stages of completion, and RRP has awarded a contract to the listing agent through an RFP. RRP and its agent will begin actively marketing the property beginning July 15, 2019. Partnering with HRI, Inc., the RRP conducted an open house on June 4, 2019, from 4:30 p.m.-6:30 p.m. Two potential buyers with strong credentials came forward, the broker noted the parties' interest.

1624 Phillips Avenue: One of two single-family detached new construction affordable homes that will be completed this year. The Phillips Avenue home will be built by Double "D" construction and completion is anticipated in November. The surveyor is scheduled to stake out these homes on July 11, 2019 excavation.

1516 Owen Avenue: One of two single-family detached new construction affordable homes that will be completed this year. The Owen Avenue home will be built by Roundtable Construction and completion is anticipated by years end. The surveyor is scheduled to stake out these homes on July 11, 2019, for excavation.

1204 Highland Avenue and 1107 Twelfth Street Townhomes: Three zero lot line affordable homes, each with an attached two car garage will be built on these two sites. Pending the transfer of a small 7 square foot parcel of land from Racine County to the City of Racine, RRP will then aggregate the lots and apportion them as three parcels. Zoning approvals have been granted, financing has been approved by Forward Community Investments, and Common Council Review for funding is secured. Architectural drawings are in process. The final transfer of land will hopefully be in July or August of 2019. The anticipated start date for the project is October 2019.

Throughout 2019 and into 2020 the RRP hopes to acquire 4-additional residential properties from the "Property Reactivation Program" to restore them to productive use. One of the properties is a duplex; the other three are single family residences.

Racine Revitalization Partnership Outside Development Capital

Early in its existence, RRP engaged a consultant through the Wisconsin Partnership for Housing Development, Kathy Kamp. Kathy has a long-held relationship with Forward Community Investments (FCI), a Community Development Financial Institution, located in Madison, Wisconsin. FCI's mission includes providing development capital to nonprofits.

Starting in 2017, RRP also engaged with Eduardo Herrera at Associated Bank, Frank Sterbin at Town Bank, Karla Krehbiel and Bob Reinders at Johnson Financial. Relationships formed with the representatives of these institutions. It was through these relationships that the RRP provided the background that supported our need for external funding and support for Racine's affordable housing market. RRP is now very fortunate to have on its board Frank Sterbin (Town Bank), Bob Reinders (Johnson Financial) and Terrance Fitch (Associated Bank).

Seeing the need for funds to support the mission of RRP, other nonprofits and private developers, FCI began the process of aggregating funds specifically for the development of affordable housing in the NRSA area. The above three banks have committed to the loan pool established and partially funded by FCI. Nearly two million dollars were aggregated for loans at or below market interest rates.

RRP is the first participant in this loan pool with its single-family detached homes at 1516 Owen Ave., and 1624 Phillips Avenue. Both of RRP's single-family home loans were approved as well as the townhome loan for an aggregate total of over half a million dollars.

It is RRP's privilege and pleasure to work with committed financial institutions by assisting them in recognizing the need and facilitating collaborative partnerships that needed to be in place for this program to succeed, and finally being able to utilize the collaboratively developed resources.

All Donations

Campaign	Pledge Date	Description	Contributor	Event	Owner	Amount	Paid	Payment Date	Payment Metho	Comment
Uptown Chow Down										
	5/20/2019	YPR Soup Grant	Anna Clementi			\$526.00	✓		Check	Thank You sent 5- 20-19
	5/3/2019	Festival Foods Cash donation	Samantha Petersen		Trudy Coombs	\$300.00	✓	6/24/2019	Check	Send invoice 6/1/2019
	5/13/2019	Ambassador Title Donation Uptown Chow down	Rebecca Leffler		_	\$100.00	✓			Thank you sent 5- 20-19
						\$926.00				
In Kind Donations										
	6/25/2018	Vista Project #18120	Debra Karp		Ed Miller	\$3,500.00	✓	6/25/2018	Other	Vista Project #18120
	7/31/2018	July bookkeeping 2018	Julie Craig		Ed Miller	\$180.66		7/31/2018		
	8/31/2018	August Bookkeeping Service	Julie Craig		Ed Miller	\$95.34	✓	8/31/2018	Other	August 2018 Bookkeeping
	10/31/2018	September/October Bookkeeping Services	Julie Craig		Ed Miller	\$131.10		10/31/2018	Other	September and October Bookkeeping Services
	11/30/2018	November Bookkeeping Services	Julie Craig		Ed Miller	\$54.44	✓	11/30/2018	Other	November Bookkeeping Services 2018
	12/31/2018	December Bookkeeping Services 2018	Julie Craig		Ed Miller	\$61.64	✓	12/31/2018	Other	December 2018 Bookkeeping Services
	1/31/2019	January Bookeeping and 1099 filing	Julie Craig		Ed Miller	\$115.75	✓	1/31/2019	Other	January and Year End bookkeeping
	2/28/2019	February 2019 Bookkeeping Services and year end 1099	Julie Craig		Ed Miller	\$101.68	✓	2/28/2019	Other	February 2019 Bookkeeping Services and year end 1099
	4/10/2019	March 2019 Payroll services and bookkeeping	Julie Craig		Ed Miller	\$57.52	✓	4/10/2019	Other	March 2019 Payroll services and bookkeeping
	7/1/2018	608 Volunteer Hours X \$24.69 Summer 2018	Alana Svensen Hults		Ed Miller	\$15,011.52	✓	7/1/2018	Other	608 Volunteer Hours X \$24.69

Campaign	Pledge Date	Description	Contributor	Event	Owner	Amount	Paid	Payment Date	Payment Metho	Comment
	11/9/2018	Draft Package/Phillips Design	Jim Wozniak		Ed Miller	\$374.00	✓	11/9/2018	Other	Draft Package/Phillips Design
	6/3/2019	Food Donation for Uptown ChowDown	Samantha Petersen		Ed Miller	\$117.87	✓			
	5/31/2019	April May 2019 Services	Julie Craig		Ed Miller	\$162.28	✓	6/20/2019	Other	
	7/1/2019	House Proud NCCC 2019	Alana Svensen Hults		Ed Miller	\$15,801.00	✓		Other	NCCC 2019 House Proud
	9/10/2018	Meeting/Draft/#86371	Robert Henzl		Ed Miller	\$250.00	✓	9/10/2018	Other	Meeting/Draft/#86 371
					-	\$36,014.80	-			
Corporate Donations										
	12/20/2018	Racine Community Foundation Grant	Liz Powell		Ed Miller	\$20,000.00	✓	12/20/2018	Check	
	10/3/2018	Town Bank Donation	Frank Sterbin		Ed Miller	\$750.00	✓	10/3/2018	Check	
	2/4/2019	Associated Bank Grant Donation	Terrence Fitch		Ed Miller	\$5,000.00	✓	2/4/2019	Check	
	7/1/2018	2018 Donation	Liz Powell		Ed Miller	\$21,000.00	✓	7/1/2018	Check	Ck # 119705 and 119687 dated in Dec 2017
	8/24/2018	Johnson Bank Grant	Bob Reinders		Ed Miller	\$10,000.00	✓	8/24/2018	Check	Johnson Bank Grant
	5/1/2019	House Proud Grant	Bob Reinders		Ed Miller	\$18,000.00		7/31/2019	Check	
	5/17/2019	Community Giving Grant Walmart	Angela Louzenski			\$1,000.00	✓	5/17/2019	Check	Thank you sent 5- 20-19
						\$75,750.00				
Developer Fees										
	4/1/2019	Developer Fees 1315 Grand Ave	Ed Miller		Ed Miller	\$1,888.00	✓	4/30/2019	Other	1315 Grand Ave
	12/1/2018	Developer Fees 1315 Grand	Ed Miller		Ed Miller	\$4,612.00	✓	12/31/2018	Check	
						\$6,500.00				