



City of Racine, Wisconsin

AGENDA BRIEFING MEMORADUM

AGENDA DATE:

September 19, 2019

SUBJECT:

A request sponsored by Alder Shakoor for an amendment to a 2017 HOME contract with Racine Revitalization Partnership (RRP) to extend the expiration date until May 31, 2020.

PREPARED BY:

Matthew Rejc, Manager of Neighborhood Services

EXECUTIVE SUMMARY:

Racine Revitalization Partnership requests extension of its 2017 HOME contract for the rehabilitation of two affordable rental units at 1418 Washington Avenue.

BACKGROUND & ANALYSIS:

The contract between the City of Racine and Racine Revitalization Partnership (RRP) for a rental rehabilitation activity at 1418 Washington Avenue states that construction must be completed on two affordable rental units at the project site within 18 months of RRP receiving title to the property. This would require RRP to complete the construction by October 4, 2019.

Based on unanticipated cost increases and the need to assemble additional financing for the project, delays were incurred over the past year. However, RRP has secured sufficient financing from Forward Community Investments to close its financial gap on the property and complete rehabilitation of the two second floor apartments and two ground floor commercial storefronts. RRP has also identified Sawfish General Contracting as the general contractor for the rehabilitation work on the entire property. Based on the information provided by RRP and the contractor, construction work is likely to be completed by May 31, 2020.

BUDGETARY IMPACT:

The total FY 2017 HOME budget for the RRP rental rehabilitation activity at 1418 Washington Avenue will remain \$235,957.

RECOMMENDED ACTION:

Approve an extension of the RRP contract deadline for construction completion until May 31, 2020.