



Community Development Authority (CDA) AGENDA BRIEFING MEMORANDUM

AGENDA DATE: March 17, 2021

SUBJECT:

City of Racine TID 22 Funding Allocation Plan

PREPARED BY:

Matthew Rejc, Manager of Neighborhood Services

EXECUTIVE SUMMARY:

Department of City Development - Division of Neighborhood Services has prepared a proposed allocation for the \$320,000 in tax increment revenue generated by TID 22 for the purposes of neighborhood stabilization.

PROJECT BACKGROUND AND ANALYSIS:

The preliminary project plan for TID 22 was approved by Common Council through Resolution No. 1082-19 on September 30, 2019. The TID runs roughly from Lake Michigan to the City boundary in the west as shown in the map below. The CDA voted on January 7, 2021 to authorize the City Development Director or designee to implement the program, but to collect applications during a designated application window, then present the applications to the CDA.

In keeping with that recommendation, City Development staff propose releasing applications no earlier than April 1, 2021 for the programs listed below:

- **Homeowner Repair Program:** This program largely replicates TID 8 Rebuild Racine program, allows up to \$10,000 per household to be used for repair of code violations. Given the realities of COVID-19, priority will be placed on homeowners with existing exterior code violations and repair orders (28% or \$90,000 total for 2021).
- **Property Enhancement Program:** This product is designed to facilitate existing homeowner investment into permanent assets on their property via a 1:1 match of private dollars up to \$10,000 per property. All eligible expenses must relate to activities that will increase the assessed value of the property in question based on the sole opinion of the City Assessor (28% or \$90,000 total for 2021).

Each individual applicant for these products will be vetted by City staff from the Neighborhood Services Division for eligibility, and presented to the CDA for final consideration as part of a competitive process, as determined at the January 7, 2021 CDA meeting. The draft application information for these products will be presented to CDA Commissioners for discussion and review.

Specifically, staff is requesting approval of the application components to ensure that they capture sufficient information to allow the CDA to strategically deploy the funds in question during the upcoming building season.

BUDGETARY IMPACT:

TID 22 generated around \$320,000 in increment during 2020, and is expected to generate similar amounts in subsequent years. This program is expected to be retained, and modified if necessary, throughout the life of the TID.

RECOMMENDED ACTION:

Staff recommends that the Community Development Authority of the City of Racine receive and file this presentation.