



City of Racine, Wisconsin

AGENDA BRIEFING MEMORADUM

AGENDA DATE:

May 24, 2021

SUBJECT:

Budget Amendment, Legal Action of Wisconsin Foreclosure Prevention and Eviction Diversion

PREPARED BY:

Matthew Rejc, Assistant Director of City Development

EXECUTIVE SUMMARY:

A budgetary shift between the Foreclosure Prevention Program and the Eviction Diversion Program

BACKGROUND & ANALYSIS:

CDBG-CV funds were allocated to Legal Action of Wisconsin to provide legal services related to Foreclosure Prevention and Eviction Diversion. The original budget called for \$100,000 to be allocated to the Foreclosure Prevention program and \$50,000 to be allocated to the Eviction Diversion program. LAW has requested to reallocate \$125,000 to Eviction Diversion and \$25,000 to Foreclosure Prevention.

LAW has found that the more pressing need is Eviction Diversion funding. The budgetary shift would all for the hiring of a full time staff attorney dedicated to Eviction Diversion. The CDC Eviction Moratorium is scheduled to end on June 30, 2021 and will lead to a greater filing of evictions in Racine. The shift in funds will help prevent evictions or provide dignified exits for households.

Legal filings for foreclosures have been limited and with other funds to help pay past due mortgages, this has lessened filings. LAW works closely with Housing Resource Inc. to monitor foreclosure cases. Legal services in the foreclosure process are not needed until approximately the 18-month mark of a foreclosure process.

Legal Action of Wisconsin has observed a great need for Eviction Diversion rather than Foreclosure Prevention.

The proposed budgetary shift is attached.

BUDGETARY IMPACT:

Amending the budgets will result in no budgetary impact.

RECOMMENDED ACTION:

Approve a budgetary amendment of the CDBG-CV contract for Foreclosure Prevention and Eviction Diversion programs

LEGAL ACTION OF WI, INC.
City of Racine CDBG - CARES Act
BUDGET
10/20/2021 through 12/31/2021

PERSONNEL		FTE	Hours	888 Eviction	889 Foreclosure	TOTAL GRANT
Supervising Attorney	Lassa, Frannie	4.0%	83	1,241	414	1,654
Supervising Attorney	Held, Robert	11.0%	229	5,873	587	6,460
Project Attorney	Stinebaugh, Elizabeth	68.8%	1,431	46,626	3,697	50,323
Project Paralegal	Calvillo, Gregoria	28.0%	582	12,971	5,189	18,160
Project Paralegal	Carlson, Sarah	27.0%	562	7,943	3,971	11,914
TOTAL SALARIES		138.8%	2,887	74,653	13,858	88,512
HEALTH/DENTAL/LIFE INS				17,267	4,445	21,712
SALARY BASED BENEFITS & TAXES				8,660	1,608	10,267
TOTAL FRINGE BENEFITS				25,927	6,053	31,979
TOTAL PERSONNEL				100,580	19,911	120,491
NON-PERSONNEL (Direct Costs and Direct Allocated Costs)						
Location Allocated Costs	OFFICE RENTAL		6210	5,162	958	6,120
	UTILITIES		6230	1,059	197	1,255
	JANITOR		6250	463	86	549
	OTHER COSTS/REPAIRS		6270	199	37	235
	EQUIPMENT RENTAL/LEASE		6540	66	12	78
	MAINTENANCE		6550	397	74	471
	OFFICE SUPPLIES		6710	529	98	628
	SOFTWARE		6720	463	86	549
	PRINTING: GENERAL		6810	132	25	157
	POSTAGE		6910	199	37	235
	TELEPHONES		7110	2,383	442	2,825
	SHIPPING CHARGES		7240	66	12	78
	LIBRARY UPDATE		7260	1,125	209	1,334
	RECORD STORAGE/RETRIEVE		7290	0	0	0
Firmwide Allocated Costs	PAYROLL SERVICES		5510	0	0	0
	AUDIT (OMB A-133)		5570	32	6	38
	MULTI-PERIL INS PREMIUM		7160	0	0	0
	BOARD LIAB. INS PREMIUM		7180	0	0	0
Direct Expenses	Contract Services		5530	0	0	0
	Training		5710	333	167	500
	Travel		6010	400	200	600
	Outreach/Direct costs		6840	0	0	0
	Minor Equipment		6770	0	0	0
	Bar Dues		7350	0	0	0
	Court Costs/Translation		7330	516	258	774
TOTAL NON-PERSONNEL				13,525	2,904	16,429
INDIRECT (Administrative) Costs						
Indirect Cost Rate (De Minimus)			ICR Basis	108,943	21,856	130,800
TOTAL INDIRECT			Indirect Cost Rate	10%	10,894	2,186
TOTAL COSTS				125,000	25,000	150,000
* Each attorney and paralegal position may be substituted by other staff attorneys or paralegals as emergency or staffing situations arise.						
GRANT AWARDS				888 Eviction	889 Foreclosure	Project Total
TOTAL FUNDING				125,000	25,000	150,000
Difference between BUDGET and FUNDING				(0.00)	(0)	(0)