



City of Racine, Wisconsin

AGENDA BRIEFING MEMORADUM

AGENDA DATE: July 12, 2021

SUBJECT:

Communication from Mayor Mason requesting an allocation of \$500,000 in American Rescue Plan Act (ARPA) funding for eviction and foreclosure prevention activities.

PREPARED BY:

Matthew Rejc, Assistant Director, Dept. of City Development

EXECUTIVE SUMMARY:

Mayor Mason requests that the Finance and Personnel Committee recommend approval of the use of \$500,000 for eviction and foreclosure prevention activities.

BACKGROUND & ANALYSIS:

On June 29, 2021, the Federal Centers for Disease Control and Prevention (CDC) Director Dr. Rochelle Walensky signed an extension to the pre-existing eviction moratorium to prevent the eviction of tenants who are unable to make rental payments. The moratorium was scheduled to expire on June 30, 2021 and is now extended through July 31, 2021. The CDC intends this to be the final extension of the moratorium.

To meet what is expected to be a large demand for rental assistance due to the upcoming expiration of the moratorium, staff recommends setting aside \$500,000 in ARPA funding to provide rent assistance to prevent evictions in the City of Racine. Although mortgage assistance is not expected to be in as high demand as rent assistance in the immediate term, the ARPA funding is able to assist homeowners as well, and allowing the flexibility to use these funds to provide mortgage assistance as well could help to keep as many City of Racine homeowners housed as possible.

BUDGETARY IMPACT:

Total ARPA funding not to exceed \$500,000. The ARPA funds are currently uncommitted and require no City match.

RECOMMENDED ACTION:

Staff recommends that the Finance and Personnel Committee forward the request for the use of \$500,000 for eviction and foreclosure prevention activities to the Common Council with a recommendation for approval.