



City of Racine, Wisconsin

COMMON COUNCIL

AGENDA BRIEFING MEMORADUM (ABM)

COMMITTEE: Finance Committee

LEGISLATION ITEM #:0639-21

AGENDA DATE: August 9, 2021 Finance and Personnel

August 17, 2021 Common Council

ABM Prepared by: City Administrator Paul Vornholt

Reviewed by: Chief of Staff Shannon Powell

Approved by: City Administrator Paul Vornholt

SUBJECT:

Communication from Mayor Mason requesting allocation of \$6,625,000 in American Rescue Plan Act (ARPA) funding for Limited Term Employees, contracted compliance and grant support services, developing policies and programs for Vaccination, Housing and Home Ownership, and Employee Recruitment.

BACKGROUND AND ANALYSIS

The City has been allocated \$46,246,465.00 from the federal government in the American Rescue Plan Act. The purpose of these funds is to help local governments recover, stabilize and restart the local economy and city budget that has been negatively affected by the COVID-19 pandemic. Furthermore, it is also recommended that these funds be targeted to address distressed communities disproportionately affected by the pandemic. The funding also aligns with the City's goal to address equity and inclusion. To position the City to address the areas listed above and be prepared to apply for current and future funding opportunities Mayor Mason requests the following allocations for 2021. It is the intent of this request to provide startup funds to start planning and implementation in 2021. Additional capacity and uses will be part of the 2022 Budget deliberations

31 **EXECUTIVE SUMMARY:**

32 **Housing Total: \$4,400,000**

33 Land Bank \$1,500,000: Rehabilitation of City housing stock to provide safe, decent, and affordable
34 homeownership opportunities

35 Homeownership Total \$2,500,000

- 36 • \$1,000,000 (\$10,000 forgivable loans over seven years) incentives for City Employees
- 37 • \$1,000,000 First time Home buyer (\$10,000 forgivable loans over seven years) incentives for city
38 residents that are first time home buyers (participants in Racine Works, YWCA GED program,
39 graduates of HRI that qualify as home buyers will be given priority in the program for the first 60
40 days; after 60 days can be blended with the match program below)
- 41 • \$500,000 (\$5000 matching forgivable loan with area employers who will match \$5,000 to the
42 City grant for their employees to buy a house in the City).
- 43 • Administration: \$400,000 will be needed to close properties, review applications, and
44 administer these programs. The housing funds would be allocated to the CDA to award grants
45 and identify properties for the land bank.

46 Request: Alder Peterson requested that homeownership incentive not apply to City elected officials –
47 City Development is supportive of that position and has said that was their intention as well

48 **Recruitment Total: \$50,000**

49 Signing bonuses (CDL's & Public Health Nurse) \$50,000

- 50 • Recruiting in these two classifications is critically important and will require resources to
51 compete in the market.

52 **Vaccine & Outreach Total: \$600,000**

53 This would create community vaccine incentive for up to 6000 city residents. The program will utilize a
54 gift card incentive of \$50 per dose for Pfizer or Moderna or \$100 per dose of Johnson & Johnson. Those
55 eligible to be vaccinated would qualify. Additionally those who are already vaccinated, who bring
56 another eligible city resident to be vaccinated, would be eligible for the same incentive as the
57 unvaccinated resident. Proof of vaccination does need to be provided to receive the incentive. For
58 reporting purposes, everyone eligible to receive the incentive will need to fill out an entry form. There is
59 no limit on number of gift cards a person eligible under the program can receive. Eligible vaccination
60 sites will include those established by City of Racine and its partners including the AMI Health vaccine
61 clinic at Regency Mall and their related pop-up clinics.

62 Request: Alder Peterson has requested that this incentive be available to all City staff, regardless of
63 residency and City staff support that request.

64 **Administration & Support**

65 4 Year Limited Term Employee or Professional Service Contracts for following positions:

- Finance Compliance Specialist: \$500,000 State and Federal dollars are robust to help cities like Racine mitigate COVID and its economic toll. However, there is significant accounting and compliance with the influx of additional resources, some with very complex and often cumbersome reporting requirements. Additionally, the federal government has warned that misuse of ARPA dollars in our first allocation will lead to a reduction of funding in our second allocation.
- Outreach Manager \$500,000 Making sure there is someone dedicated to reaching out to the Community to share what resources are available to the community will be critical to our recovery. This position would help raise awareness around the city's resources, along with state, federal, and private resources available to residents to Build Back Better.
- ARPA & Grants Manager \$500,000 There are large numbers of state and federal grants available. Many of them require the important but time-consuming work of tracking, applying, and advocating for positive results. This position could net millions for the City and our Community partners.

TOTAL INVESTMENT: \$6,625,000 (14.3% of allocation)

RECOMMENDED ACTION:

Move to approve Mayor Mason's request to allocate \$6,625,000 in American Rescue Plan Act (ARPA) funding for Limited Term Employees, contracted compliance and grant support services, developing policies and programs for Vaccination, Housing and Home Ownership, and Employee Recruitment.
