



City of Racine, Wisconsin
AGENDA BRIEFING MEMORADUM

AGENDA DATE: October 11, 2021

SUBJECT:

Request sponsored by Mayor Mason for an allocation of \$433,018 for Community Development Block Grant (CDBG) Public Services and Public Infrastructure activities.

PREPARED BY:

Matthew Rejc, Assistant Director of City Development

EXECUTIVE SUMMARY:

Department of City Development – Division of Neighborhood Services requests that the CDBG Advisory Board review applications and funding recommendations.

BACKGROUND & ANALYSIS:

CDBG funds were made available for certain Public Services activities as well as Public Facilities and Infrastructure activities. The 2021 Annual Action Plan allocates \$285,592 toward public services activities, and \$475,987 toward Public Facilities and Infrastructure activities. An additional \$53,357 is recommended to be reallocated to public services activities from unexpended FY 2020 code enforcement funds, which can be moved to public services that prevent, prepare for, and respond to COVID-19.

A Notice of Funding Availability (NOFA) for Public Infrastructure activities was released on October 4th, 2021 and application materials were due to the Department of City Development on October 8, 2021.

The U.S. Department of Housing and Urban Development (HUD) requires that grantees such as the City of Racine have no more than 1.5 times their most recent annual grant allocation in their line of credit 60 days before the end of grantees' fiscal years. This action proposed here and discussed below will assist the City in meeting this goal and maintaining compliance with the timely expenditure of funds requirement mandated by HUD.

All public services agencies that applied for FY 2020 funds and were considered at the CDBG Advisory Board on April 12, 2021, but were not awarded funding during the previous allocation of FY 2020 funds, were longstanding community organizations that had previously funded compliant CDBG programs. However, at the time, the agencies in question did not score highly enough against their competition in light of relatively new homeownership and economic mobility goals.

The allocation recommendation below fully funds all agencies that requested funding in the FY 2020 allocation cycle, as well as provides up to \$150,000 to the United Way of Racine County to offer mental health services and winter clothing to eligible students and their families at Knapp, Mitchell, and Julian Thomas schools. A pilot program to use up to \$20,000 in CDBG public services funds to extend the hours at eligible community centers is also proposed. Both the United Way and Parks Dept. activities necessitate a minor amendment to the City's FY 2021 Annual Action Plan for funding activities not associated with the previously stated goals.

Public Services – Economic Mobility and Emergency Needs

Organization	Program	Funds Available	Request	Staff Recommendation
Racine Literacy Council (RLC)	Adult Tutoring, ESL	\$338,949	\$63,000	\$63,000
Racine Vocational Ministry (RVM)	Community Re-entry programs		\$70,000	\$70,000
Great Lakes Community Conservation Corps (GLCCC)	Support Services for HSED programs		\$37,977	\$37,977
United Way of Racine County	Mental Health and Winter Clothes		\$147,972	\$147,972
City of Racine Parks Department	Community Center Extended Hours		\$20,000	\$20,000
Totals			\$338,949	\$338,949

Public Infrastructure and Facilities

2020-2024 Consolidated Plan Priority: Funding will be prioritized for capital improvements at community centers and physical work necessary to expand the provision of healthcare services to low-/moderate-income households in the City. Other potential uses include neighborhood infrastructure such as: park equipment, public art, or transit improvements

Organization	Program	Funds Available	Request	Staff Recommendation
City of Racine Parks Department	Parks Equipment at Hamilton and Island Park	\$475,987	\$44,069	\$44,069
City Development Department - Building Division	Clearance/Demolition of Residential Blight		\$50,000	\$50,000
Totals			\$94,069	\$94,069

Staff received two applications for funding related to the Public Infrastructure and Facilities NOFA. The first concerns the acquisition of new playground equipment at Island and Hamilton Parks, which is an increase of \$44,069 on top of the \$115,821 previously allocated to the Parks Dept. in FY 19 to accommodate these costs, while the second concerns clearance of blighted conditions. Staff recommends full funding of both requests. Installation of the parks equipment can be paid for using local Parks Dept. capital funds.

BUDGETARY IMPACT:

This action allocates \$433,018 of Community Development Block Grant funds in accordance with the 2020-2024 Consolidated Plan and amendments to it. Sufficient funding exists to incur the budgeted expenses.

RECOMMENDED ACTION:

To allocate CDBG funds to organizations as indicated by staff, and that the Mayor and City Clerk be authorized to enter into contracts with the organizations pursuant to the funding allocation and federal regulations. Further, that the City be authorized to purchase the parks equipment procured through Sourcewell per the estimates provided.