

### Racine County Fourplexes, Racine County, WI

This case study illustrates one repositioning option from public housing to a Section 8 platform.



<b>Property Name</b>	Racine County Fourplexes
<b>Units</b>	8
<b>Age Restriction</b>	Elderly/Non-elderly disabled
<b>Local PHA</b>	Racine County Housing Authority
<b>Repositioning Option</b>	Section 18: Small PHA/50 and Under
<b>Does PHA administer HCVs?</b>	Yes
<b>Proposed Rehab</b>	None; Disposition/sale of 8 units & closeout of Section 9 program

#### PROPERTY DESCRIPTION & BACKGROUND

The Racine County Housing Authority (RCHA) in Wisconsin repositioned their last eight public housing units: six 1-bedroom units and two 2-bedroom units in two buildings with four units each restricted to elderly/disabled residents. Each building appraised at \$134,000. RCHA demonstrated that it could use federal funds more effectively by using the sale proceeds to improve the rural units at its Section 8 Levi Barnes development instead of continuing to maintain the Racine County Fourplexes as public housing. At the time of application only one unit was occupied, and a second unit had been occupied during the previous 24 months.

#### REPOSITIONING PROCESS

RCHA started this process by working with their local Field Office to complete Section 18 and PIC removal applications for this property. The applications required the PHA to update their PHA Plan through an amendment, consult with their residents and local government, and pass a Board Resolution. RCHA also had to get environmental reviews completed by their Responsible Entity. Once the Section 18 application was approved, the PHA received approval from HUD for two TPVs. RCHA used one to relocate the family residing at the property and issued the other voucher to the next available family on its HCV waitlist. RCHA continues to receive Asset Repositioning Fees (ARF) and Demolition or Disposition Transitional Funding (DDTF) funds to support their closeout.

#### CONCLUSION

Given RCHA sought to dispose of its last remaining units without replacements and wanted to closeout its public housing program, the **Section 18 Demolition or Disposition 50 and Under option** pursuant to 24 CFR 970.17(c) was the best fit. The PHA is now free to use the proceeds from the sale of the Fourplex property to rehabilitate a different Section 8 assisted property.

RCHA also streamlined its operations: with no Public Housing program, it now only manages a Section 8 program. A Section 18 50 and Under application does not require a justification for more efficient and effective operations, even though this was a result of RCHA's repositioning effort at this property.