



# CITY OF CONCORD

## REPORT TO MAYOR AND CITY COUNCIL

FROM: Matthew R. Walsh, Director of Redevelopment, Downtown Services and Special Projects

DATE: June 13, 2022

SUBJECT: Community Development Block Grant Application  
Riverbend Community Mental Health, Inc. – Supplemental “Housing” CDBG Funds

### **Recommendation:**

1. Accept this report.
2. Set the attached resolution for public hearing on July 11, 2022 authorizing the City to apply for, accept, and appropriate up to \$77,248 in supplemental “housing” Community Development Block Grant funds on behalf of Riverbend Community Mental Health, Inc.
3. Conduct a “status report” public hearing on July 11, 2022 for this grant in accordance with New Hampshire Community Development Finance Authority (NHCDFFA) Community Development Block Grant rules.

### **Background:**

The New Hampshire Community Development Finance Authority (NHCDFFA) is the state agency responsible for administering the US Department of Housing and Urban Development’s (USHUD) Community Development Block Grant (CDBG) program in New Hampshire.

In January 2021, the City submitted a grant application to the NHCDFFA for “housing” CDBG funds to support renovation of Twitchell House (111 Pleasant Street) and Fayette House (4-6 Fayette Street). Both properties are operated by Riverbend Community Mental Health, Inc. to provide residential based mental health treatment to patients.

On April 21, 2021, the NHCDFFA awarded \$386,242 in “housing” Community Development Block Grant funds for these purposes.

On June 10, 2021, a grant agreement between the City and the State of New Hampshire was executed.

In December 2021, a subrecipient agreement between the City and Riverbend was executed.

The Fayette House features nine rooms for residents, as well as a shared living area, dining area, and kitchens. Improvements include paint, lighting and new flooring, kitchen renovations to improve the energy efficiency and functionality, as well as bathroom renovations to improve handicap accessibility. Renovations are currently scheduled to be completed in August 2022.

Twitchell House is a group residence for 15 clients. It features a shared living room, dining room and kitchen. Renovations are similar in scope of work for the Fayette House, and are currently scheduled to be completed in October 2022.

**Discussion:**

Inflation stemming from supply chain challenges associated with the Covid-19 Pandemic, as well as other macro-economic factors, have resulted in significantly inflated construction costs.

In recognition of these challenges, the NHCDEA has made supplemental CDBG funds available to support projects in the amount of up to 20% of the original grant award.

As such, it is recommended that the City Council approve the attached resolution authorizing the City Manager to apply for, accept, and appropriate supplemental CDBG funds for this project.

If awarded, supplemental funds will be used for increased costs associated with the scopes of work noted above.