



CITY OF CONCORD

REPORT TO MAYOR AND THE CITY COUNCIL

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

DATE: November 18, 2016

SUBJECT: YMCA Community Development Block Grant Application

Recommendation

- Accept this report;
- Set the attached resolution for public hearing on January 9, 2017 authorizing the City Manager to 1) submit an application seeking up to \$500,000 in Community Development Block Grant funds to the NH Community Development Finance Authority on behalf of the YMCA, and 2) accept and appropriate such funds if awarded; and,
- Set the attached resolution re-adopting the City's Housing and Community Development Plan for public hearing on January 9, 2017.
- Set the attached resolution adopting the City's Anti-Displacement and Relocation Policy Statement and Procedures for public hearing on January 9, 2017.

Background

The New Hampshire Community Development Finance Authority (NHCDFA) is the state agency responsible for administering the US Department of Housing and Urban Development's (US HUD) Community Development Block Grant (CDBG) Program in New Hampshire.

Each year, the NHCDFA holds two "regular" CDBG application rounds, typically in January and July, to support housing and public facility projects that primarily benefit low income individuals and households. The maximum grant amount is \$500,000 for these "regular" grant rounds. In addition, emergency grants are available on a year-round basis, as funds allow, on a "first come - first served" basis in an amount up to \$500,000 per municipality annually. The NH CDFA also offers CDBG Feasibility / Planning Grants in an amount up to \$12,000 per municipality annually. Only "non-entitlement" municipalities and counties may apply for CDBG funds; however these political subdivisions may sub-grant CDBG funds to not-for-profit organizations.

On August 29, 2016 the City's Community Development Advisory Committee ("CDAC"), issued a request to proposals package to approximately 30 non-profit entities based in Concord for the purpose of seeking a partner with which to pursue a viable Community Development Block Grant application for the upcoming January funding round. Proposals were received on

September 16th. The City is eligible to seek up to \$500,000 in CDBG funds during the upcoming grant round, which closes on January 30, 2017.

CDBG funds are awarded on a competitive basis using a “points” system. Given recent cuts to the CDBG Program by the Federal Government, the CDBG Program has become extremely competitive during the last few years.

The NH Community Development Finance Authority reports that approximately \$2.5 Million in funds will be available for the upcoming round.

Discussion

The City’s Community Development Advisory Committee (“CDAC”) received four responses to its RFP, as follows:

- Concord YMCA submitted a proposal seeking \$500,000 to partially finance a \$700,000+/- renovation of its daycare facility located on Warren Street. Proposed renovations would include, but not be limited to, conversion of its heating system from Concord Steam to an internal gas fired steam boiler system (\$125,000), elevator repairs (\$60,000), as well as extensive flooring, lighting, and other improvements to rejuvenate the facility. Based upon information provided by the YMCA, 57% of their clientele meet CDBG income requirements (a minimum of 51% is required). The YMCA also plans to provide a significant amount of matching funds to finance the project. Both circumstances help make the project eligible and competitive for CDBG funding.
- Crisis Center for New Hampshire submitted a proposal seeking \$220,000 to renovate its emergency shelter. Renovations would include bathroom and kitchen refurbishments, flooring, window repair / replacement, and new siding. While a worthy project, upon review, only 46% of their clientele meet CDBG income requirements (a minimum of 51% is required to apply). Also, it was unclear whether they would be able to provide a significant amount of matching funds to help finance the project. Without significant funding, the project would not be competitive within the context of CDBG scoring criteria.
- Concord Coalition to End Homelessness provided a letter stating that it might have interest in CDBG funding to support future development of a permanent cold weather shelter over the coming year or so. However, the Coalition stated that this project is not currently ready to move forward for CDBG funds in the upcoming round, and that it would be questionable whether they would be ready for the July 2017 round as well. Lastly, the Coalition stated that other non-CDBG funding sources, such as Community Development Investment Program Tax Credits, might be better suited for their needs. Because it was unclear when the shelter project might be ready to move forward, or whether it would require CDBG funding, the Committee felt that not pursuing CDBG funds for other projects at this time would not be in the best interests of the community.
- Community Bridges’ proposal involved job training for direct support professionals who work, typically in a home setting, to support individuals with disabilities, as well as paid internships for those in the human services field. This initiative would cost approximately \$536,000, of which \$436,000 would be supported with CDBG funds. Upon review, it was determined that this proposal would not be eligible for the current

CDBG Housing and Public Facilities grant round. However, it might be eligible for CDBG Economic Development funding.

CDAC reviewed YMCA's application on October 26th and November 3rd, and voted unanimously to recommend that the City Council move forward with a CDBG application on behalf of the YMCA. The Committee believed that the YMCA project was the best suited to move forward with at this time because 1) the project is ready to proceed, 2) 57% of its clientele meet CDBG income requirements and 2) the project will also be supported by a meaningful amount of matching funds.

In accordance with State and Federal regulations for the CDBG program, the City is required to create and periodically re-adopt two documents: a Housing and Community Development Plan, as well as an Anti-Displacement and Relocation Policy Statement and Procedures.

The Housing and Community Development Plan must be re-adopted every three years. The plan was last re-adopted by Resolution #8672 on June 10, 2013, and therefore must be re-adopted. A copy of the plan is attached. No changes are being recommended in conjunction with its re-adoption.

The Anti-Displacement and Relocation Plan must be readopted annually. This plan sets forth procedures the City shall adhere with in the event a CDBG funded project necessitates temporary or permanent relocation of residents or businesses. A copy of the plan is attached. No changes are being recommended in conjunction with its adoption.

Award decisions for the upcoming grant round will likely be announced in April.