



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
Boys and Girls Club Penacook Facility

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 \$750,000 of Community Development Block Grants from the NH Community Development Finance Authority on behalf of the Boys and Girls Club of Central New Hampshire.
3. Set the attached resolution readopting the City's Anti-Displacement and Relocation Policy in support of the City's Community Development Block Grant application behalf of the Boys and Girls Club of Central New Hampshire for public hearing on July 11, 2022.

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.

Each year, the NHCDFFA holds two CDBG application rounds, typically in January and July, to support housing and public facility projects that primarily benefit low- and moderate-income individuals and households. Types of CDBG grants available are as follows:

- **Housing:** This type of CDBG provides funding for the preservation and construction of affordable housing. Counties and non-entitlement communities, such as Concord, are eligible to apply for up to \$500,000 annually.
- **Public Facilities:** This type of CDBG provides funding for the construction of public facilities, such as water and sewer infrastructure, as well as other types of facilities including daycares, homeless shelters, and soup kitchens. Counties and non-entitlement communities, such as Concord, are eligible to apply for up to \$500,000 annually.

In addition to housing and public facilities, the NHCDFR also offers other types of Community Development Block Grants, as follows:

- Emergency Grants: These funds are available for projects to address emergencies and unanticipated events that have a serious and immediate threat to public health and safety, which primarily benefit low- and moderate-income people. Counties and non-entitlement communities, such as Concord, are eligible to apply for up to \$500,000 annually. Applications are accepted on a first-come, first-served basis throughout the calendar year.
- Feasibility/Planning Grants: These funds are available to conduct needs assessments, income surveys, preliminary architectural and engineering designs, cost estimates, and market analyses for potential CDBG projects, which primarily benefit low- and moderate-income individuals. Counties and non-entitlement communities, such as Concord, are eligible to apply for up to \$25,000 annually.
- Economic Development Grants: The City is also eligible to apply for up to \$500,000 in a calendar year to support economic development projects, which benefit low / moderate income persons. Such projects may include business loans, real estate development, infrastructure improvements, job training and similar activities. Applications are accepted on a first-come, first-served basis throughout the calendar year.

In addition to these funding opportunities, the NHCDFR has also implemented a temporary CDBG program to respond to the Covid-19 Pandemic. Under this program, applicants may seek up to \$750,000 of funding for qualified projects. The City intends to pursue this subset of CDBG funds to support the proposed Boys and Girls Club project. However, if Covid-19 CDBG funds are not viable, or otherwise unavailable, the City shall apply for a regular “public facilities” CDBG in the amount of up to \$500,000.

When applying for Community Development Block Grants, the City must, per CDBG rules, must hold a public hearing prior to submitting its application.

In addition, to be eligible for CDBG funds, the City must also adopt:

- 1) An Anti-Displacement and Relocation Policy, which establishes procedures the City – or its subgrantees – must adhere to when expending CDBG funds to support projects which may involve temporary or permanent displacement of residents or businesses. This document must be readopted by the City Council for each individual CDBG application.

No displacement or relocation of persons or businesses is anticipated as part of this project. Relative to the Boys and Girls Club’s activities at the subject properties, said operations were previously relocated to other Boys and Girls Club facilities pending completion of this project.

- 2) A Housing and Community Development Plan. The purpose of this document, which is separate from the City’s Master Plan, is to affirm that the City’s goals relative to housing, economic development, and community development align with various NHCDFR and USHUD requirements associated with the CDBG program. This plan must be readopted every three years. The City last adopted this plan via Resolution #9264, which was approved on January 13, 2020. Therefore, no action is required by the City Council at this time.

The City has successfully applied for and received more than \$22.5 million in CDBG funds since the program's inception in 1974.

Discussion:

On April 19, 2022, City Administration, on behalf of the Community Development Advisory Committee (CDAC), issued a Request for Proposals (RFP) to solicit potential CDBG eligible projects from CDBG eligible entities. Approximately three dozen organizations received the City's RFP. Proposals were due on May 13, 2022. A total of two responses were received. The Boys and Girls Club was one of the respondents.

The Boys & Girls Clubs of Central New Hampshire and Penacook Community Center (PCC) recently merged and plan to build a new 8,900+/- square foot facility to replace the PCC's current structures at located at 76 Community Drive. Currently, the total cost of the project is estimated at \$4.3 million. Construction is scheduled to begin in spring 2023.

The new facility will house an early learning center and after school program, as well as designated space for community meetings small gatherings of residents. Subject to ongoing negotiations with the City, the community room may also host part-time library services vis-à-vis the current model used for part-time library services for the Heights at the City-wide Community Center at 14 Canterbury Road. Prior to the Covid-19 Pandemic, the Penacook Branch Library served 3,000 patrons annually.

The PCC's infant, toddler and preschool classrooms will hold 46 children. The after school/summer camp program space will accommodate an additional 45 youth.

The Boys and Girls Club anticipates serving 135-145 Penacook children and youth each year in our various programs. Per recent income surveys, approximately 55% of families served by the Boys and Girls Club are low to moderate income (i.e. earning less than 80% of the area median income)

A copy of the Boys and Girls Club's proposal is attached.

The City's Community Development Advisory Committee (CDAC) met on May 25, 2022 to review the Boys and Girls Club proposal and unanimously recommended that the City Council authorize the City Manager to apply for the maximum amount of CDBG funds available to support this project.