



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 “Public Facilities”
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 \$69,740 in supplemental “public facilities” 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 “public facilities” CDBG funds to support renovation of facilities located at 40 Pleasant Street, 42 Pleasant Street, and 10 West Street, which provide out-patient mental health services to 3,132 people, of which at least 76% are of low- and moderate-income.

Proposed improvements include fire protection system repairs, HVAC improvements (including boiler replacements), as well as security improvements, window replacement, and lighting system updates.

On April 21, 2021, the NHCDFE awarded \$348,700 in “public facilities” Community Development Block Grant funds for these purposes.

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

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

Discussion:

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

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

As such, staff recommends 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 to augment the original project budget so the project may move forward as originally planned. Construction is scheduled to begin in late summer 2022 and will take approximately 1 year to complete.