



CITY OF CONCORD
New Hampshire's Main Street™
Community Development Department

REPORT TO MAYOR AND CITY COUNCIL

From: Timothy J. Thompson, AICP, Assistant Director of Community Development
Date: January 12, 2024
Subject: **Community Development Block Grants – Status Report Public Hearing**

Recommendation:

1. Accept this report; and
2. Conduct a public hearing on March 11, 2024 concerning status reports on the following Community Development Block Grant (CDBG) projects:
 - a. Penacook Boys & Girls Club: \$750,000
 - b. Crisis Center of Central NH: \$500,000
 - c. Concord Coalition to End Homelessness: \$500,000

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 (HUD) Community Development Block Grant (CDBG) program in New Hampshire.

NHCDFA rules require grant recipients to conduct a public hearing during the course of a CDBG project for the purpose of updating the community about CDBG funded projects.

Discussion:

Penacook Boys & Girls Club: The Boys and Girls Club of Central New Hampshire merged with the Penacook Community Center in 2022. Following the merger, the Boys and Girls Club embarked on a project to replace the former Penacook Community Center located at 76 Community Drive.

Construction of the new facility at 76 Dolphin Street began in July 2023. The project is scheduled for completion in spring of 2024. The majority of beneficiaries will be of low and moderate income. Construction is approximately 50% complete. Total project cost is approximately \$5 million. Of the total \$750,000 in Community Development Block Grant funds secured by the City for this project, \$725,000 are being applied toward construction and \$25,000 are being retained by the City for administrative costs.

The project also new City branch library and community center, which is being developed via a public-private partnership between the City and the Boys and Girls Club. Specifically, the City's new facility is being developed by the Boys and Girls Club and will be acquired by the City upon completion of construction as well as a condominium subdivision which will establish separate units for the Boys and Girls Club and City Library facilities. The City's budget for the new Library and Community Center is \$1.3 million. None of the CDBG funds are being applied towards the City's new facilities.

Crisis Center of Central New Hampshire: The Crisis Center acquired 27 Warren Street in June 2023 to serve as its new headquarters and primary support facility for its clientele, the majority being low and moderate income. The total project cost was \$930,000+/-, of which \$500,000 was funded by CDBG secured by the City. The renovations were completed and CCCNH began operating out of the facility in November 2023. The project is complete.

Of the total \$500,000 in Community Development Block grants secured by the City, \$475,000 were applied to the purchase price of \$600,000. The City retained the remaining \$25,000 of grant funds for administrative costs.

It is worth noting that 27 Warren Street was previously owned and occupied by Warrenstreet Architects, whom recently vacated the property and opened a new office 4 Crescent Street, Penacook. The Penacook property was once part of the former Allied Leather Tannery site, which was redeveloped by the City in partnership with DEW Construction of Williston in 2011. DEW developed the property into a multitenant office building. In addition to Warrenstreet, the property is also occupied by Concord Hospital's Penacook Family Physicians practice. The portion of the facility recently acquired and occupied by Warrenstreet Architects had been vacant since the property was redeveloped in 2011.

Concord Center to End Homelessness: The Coalition, or a related entity to be determined, is purchasing 6 South State Street and renovating it into 8 one-bedroom apartments for persons exiting homelessness. The total project cost is approximately \$2.5 million (or \$312,500 / unit), of which \$500,000 will be funded by Community Development Block Grant funds secured by the City.

Property acquisition is expected in the Spring of 2024. Renovations will take approximately 1 year to complete. Of the total \$500,000 in Community Development Block Grants secured by the City, \$475,000 to be applied to the purchase price of \$610,000. The City retained the remaining \$25,000 of grant funds for administrative costs.