

Council Business Meeting

April 19, 2022

Agenda Item	Public Hearing on the 2022 Community Development Block Grant Award, Community Development Block Grant-CARES Act Award and CDBG Action Plan Development	
From	Linda Reid	Housing Program Specialist
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SUMMARY

The City of Ashland received two proposals for the award of Community Development Block Grant funds for the 2022 Program year, and two proposals for the award of the remaining balance of Community Development Block Grant-CARES act funding. The Housing and Human Services Commission reviewed the proposals on March 24, 2022 and have forwarded recommendations for the Council's consideration.

The City of Ashland is anticipating an award of approximately \$191,582 in Community Development Block Grants (CDBG) for the 2022 Program Year. The City of Ashland may not receive final notification of the annual CDBG award amount from the Department of Housing and Urban Development until after awards have been made. Of that amount received the City will reserve 20% or approximately \$38,316 for administrative costs. The City will reserve the right to award more or less than this estimate dependent on the final entitlement amount authorized by Congress and the Department of Housing and Urban. The award of CDBG funds to public services is limited to 15% of each year's annual allocation. For the 2022 program year the City can award up to \$28,737 to public service activities. The City also has a balance of \$81,347 in CDBG-CARES act funding to address issues related to the Coronavirus pandemic.

The City of Ashland Housing and Human Services Commission held a virtual public hearing on March 24, 2022 to review the grant requests and make a recommendation to forward to the City Council for consideration. The Council will make the final award selections at a public hearing scheduled for April 19, 2022. Staff's eligibility assessment of each of the proposals received, and recommendations regarding the allocation of the 2022 CDBG funds are provided on the following pages.

Regular CDBG Program Proposals Received: The City of Ashland has received two applications for the competitive 2022 CDBG funds. The applications received are attached and include the following:

- **Options For Helping Residents of Ashland (OHRA) - \$162,419** requested to assist in the installation of an elevator in an existing hotel to be used as an emergency shelter and the new home of the resource center to serve homeless and at-risk populations in obtaining and maintaining housing.
- **Maslow Project - \$25,000** requested to continue to provide case management in the elementary, middle and high schools, providing outreach to high risk homeless youth and providing resources for immediate needs, case management to keep youth engaged in school and to promote stability and self-sufficiency for the homeless youth and their families, as well as to provide temporary housing to homeless youth and families engaged in services or impacted by wildfires. (Public Service Activity)

The funds will be available upon HUD’s approval of the 2022 Action Plan, and upon the completion of any regulatory requirements including but not limited to environmental review clearance. Upon completion of the Action Plan a public hearing for review and approval will be held by the Housing and Human Services Commission to ensure consistency with the awards designated by the City Council. HUD must review the annual Action Plan submitted by the City to ensure the activities funded are consistent with federal requirements, and with Ashland’s Consolidated Plan for use of CDBG funds.

CDBG-CARES Act Funding Proposals Received: The City of Ashland has received two applications for the competitive 2022 CDBG funds. The applications received are attached and include the following:

- **Options For Helping Residents of Ashland (OHRA) - \$81,347** requested to provide emergency shelter, and access to basic hygiene services to homeless individuals.
- **Rogue Retreat-Ashland Shelter Community - \$81,347** requested to continue to provide emergency shelter and case management to homeless individuals

The Housing and Human Services Commission reviewed the CDBG applications at its regular meeting on March 24th. Both the staff and the Housing and Human Services Commission recommendations are provided in the recommendations section below. Staff’s evaluation criteria are detailed more fully in the attached evaluation.

POLICIES, PLANS & GOALS SUPPORTED

[2020-2024 Consolidated Plan for Use of CDBG funds](#)

Tier 1: Higher Priority

- Emergency Preparedness
- Address Climate Change

Tier 2: Moderate Priority

- Economic Development
- Housing Needs
- Homeless Services
- All-Age Friendly Community

PREVIOUS COUNCIL ACTION

Not Applicable

BACKGROUND AND ADDITIONAL INFORMATION

The City of Ashland is an entitlement jurisdiction and receives a direct allocation of Community Development Block Grant (CDBG) funds from the Department of Housing and Urban Development (HUD). The City of Ashland provides Community Development Block Grant funds to eligible affordable housing providers and non-profit organizations for capital improvement and public service projects within the City of Ashland.

Public Service Projects: 15% of the overall annual allocation is available for public service activities. One applicant, Maslow Project, has applied for an amount less than is available under the current allocation. Consequently, both staff and the Housing and Human Services Commission is recommending funding the Maslow Project application at the requested level.

Capital Projects: The City received one capital project proposal, OHRA Project Turnkey Remodel. The proposed remodel activities qualify as eligible uses of CDBG funds, the project is ready to proceed and

would be able to expend the funds in a timely manner thereby allowing the City to expend some of the capital funds quickly. Both the timeline for completion and the budget for the activity is well thought out and achievable. Matching funds have been identified and secured, and the project serves an eligible population with a documented and prioritized need.

CDBG-CARES Act Funding: The City of Ashland was fortunate to receive a special allocation of Community Development Block Grant funds to be used to prevent, prepare for, and respond to the coronavirus (COVID-19). This allocation was authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136, which was signed by President Trump on March 27, 2020, to respond to the growing effects of this historic public health crisis. The CARES Act provided an additional allocation of CDBG funding to the City totaling \$293,820 in Community Development Block Grant-Coronavirus (CDBG-CV) funding to allocate to activities that address COVID-19 related community needs over two separate disbursements. The first disbursement was awarded in March of 2020 and was \$104,079. The second disbursement was \$189,741 and was awarded in September 2020. The CDBG Coronavirus Aid, Relief, and Economic Security Act (CARES act) funding, also referred to as CDBG-CV funding, allowed the City to quickly support several activities throughout the course of the pandemic to address public health and safety issues as they arose. Some examples of the types of activities that the City supported include, support for the dispersed meal delivery program offered by Peace House, non-congregate sheltering in hotels, and continuation of shower services for the homeless offered by Options for Helping Residents of Ashland (OHRA), just to name a few.

A Substantial Amendment to the FY 2019 Annual Action Plan is required for any newly funded activities, and usually a thirty (30) day public comment period is required however, the U. S. Department of Housing and Urban Development (HUD) has waived this requirement provided that no less than five (5) days are provided for public comments on each substantial amendment. In addition, and for the purpose of an expedited use of the CDBG-CV funding, the bill eliminates the cap on the amount of funds a grantee can spend on public services, removes the requirement to hold in-person public hearings in order to comply with national and local social gather requirements, and allows grantees to be reimbursed for COVID-19 response activities regardless of the date the costs were incurred. The bill also allowed grantees to apply the waiver of statutory regulations to 2019 and 2020 CDBG allocations.

The City Council is to evaluate the two proposals requesting regular CDBG program funds and two proposals for CDBG-CARES act funding. Upon review of the proposals, and after taking public testimony at a public hearing, the Council shall award funding to the selected applicant(s).

FISCAL IMPACTS

The CDBG program is funded by Federal grants through HUD and no City of Ashland funds will be used for CDBG activities. In addition, 20% of the annual grant award will be made available to cover administrative costs associated with carrying out grant administration and CDBG program requirements.

Any Community Development Block Grants that are not awarded at this time would remain available for distribution through the 2022 annual award cycle, or may be used to support eligible actives as directed by the City Council over the coming year.

STAFF AND COMMISSION RECOMMENDATION

Staff recommends award of the 2022 Regular CDBG funding as follows:

- \$128,266 to Options for Helping Residents of Ashland
- \$25,000 to Maslow Project School Based Services

Staff recommends award of the remaining balance of CDBG CARES act funding as follows:

- \$40,673 to Options for Helping Residents of Ashland
- \$40,674 to Rogue Retreat Ashland Community Shelter

Staff's recommendations are based on evaluation of CDBG eligibility, the City's five-year Consolidated Plan Goals, agency experience and capacity, and readiness to proceed.

The Housing and Human Services Commission Recommendation:

The Housing and Human Services Commission's recommendation is consistent with the staff's recommendation. The Housing and Human Services Commission recommends award of the 2022 CDBG funds as follows:

- \$128,266 to Options for Helping Residents of Ashland
- \$25,000 to Maslow Project School Based Services

The Housing and Human Services Commission recommends award of the remaining balance of CDBG CARES act funding as follows:

- \$40,673 to Options for Helping Residents of Ashland
- \$40,674 to Rogue Retreat Ashland Community Shelter

ACTIONS, OPTIONS & POTENTIAL MOTIONS

I move to direct staff to draft the 2022 Annual Action Plan for the use of Community Development Block Grant funds reflecting the award of CDBG funding for the 2022 Program year as follows:

- \$128,266 to Options for Helping Residents of Ashland
- \$25,000 to Maslow Project School Based Services

And the award of the remaining balance of CDBG CARES act funding as follows:

- \$40,673 to Options for Helping Residents of Ashland
- \$40,674 to Rogue Retreat Ashland Community Shelter

REFERENCES & ATTACHMENTS

Staff evaluation March 24, 2022

[Maslow Project Proposal](#)

[Options for Helping Residents of Ashland-CDBG](#)

[Options for Helping Residents of Ashland-CDBG-CARES Act](#)

[Rogue Retreat-CDBG-CARES Act](#)

[Housing and Human Services Commission Meeting Minutes, March 24, 2022](#)

Staff Evaluation

To: Ashland Housing and Human Services Commission
Title: Community Development Block Grant (CDBG) 202 RFP
Date: March 24, 2022
Submitted by: Linda Reid, Housing Program Specialist

The City of Ashland estimates receiving **\$191,582** in Community Development Block Grants (CDBG) for the 2022 Program Year. The City of Ashland may not receive final notification of the annual CDBG award amount from the Department of Housing and Urban Development until after awards have been made. Of that amount the City will reserve 20% or approximately \$38,316 for administrative costs. The estimate is included to provide guidance to applicants regarding the expected amount of available funds. The City will reserve the right to award more or less than this estimate dependent on the final entitlement amount authorized by Congress and the Department of Housing and Urban. The award of CDBG funds to public services is limited to 15% of each year’s annual allocation. For the 2022 program year the City can award up to \$28,737 to public service activities. The City also has a balance of **\$81,347** in CDBG-CARES act funding to address issues related to the Coronavirus pandemic.

The City of Ashland has received one application for capital funding (the entire amount of funding is eligible for capital projects). The city received one application for public service funding. The city also received two applications for the available CDBG CARES act funding.

The City of Ashland Housing and Human Services Commission will hold a virtual public hearing on March 24, 2022 to review the grant requests and make a recommendation to forward to the City Council for consideration. The Council will make the final award selections at a public hearing scheduled for April 19, 2022. Staff’s eligibility assessment of each of the proposals received, and recommendations regarding the allocation of the 2022 CDBG funds are provided on the following pages.

Proposals Received

Organization	Proposed Project	CDBG Funds Requested	Goal	Consolidated Plan Goal
Maslow Project	Encourage stability, self-sufficiency and school achievement for homeless youth. *Public Service	\$25,000	Provide access to basic needs, information and referral. Provide case management to improve stability to approximately 50 identified homeless youth ages 0-24.	Public service activities other than Low/Moderate Income Housing Benefit: 100 Persons Assisted Public service activities for Low/Moderate Income Housing Benefit: 50 Households Assisted



Options For Helping Residents of Ashland	Modification of existing hotel to serve as an emergency shelter and resource center. *Capital Improvement	\$162,419	With CDBG funds provide modifications to a facility to be used as an emergency shelter for up to 157 homeless and displaced individuals and a resource center serving up to 1,237 individuals a year.	Homeless Person Overnight Shelter: 50 Persons Assisted Overnight/Emergency Shelter/Transitional Housing Beds added: 50 Beds
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CDBG CARES Act Proposals Received

Organization	Proposed Project	CDBG-CV Funds Requested	Goal	Consolidated Plan Goal
Rogue Retreat	Operating Costs for non-congregate and congregate Covid safe sheltering facility in Ashland homeless households.	\$81,347	Provide emergency shelter and case management to approximately 100 homeless individuals	Public service activities for Low/Moderate Income Housing Benefit: 100 Households Assisted
Options For Helping Residents of Ashland	Operating costs for non-congregate Covid safe sheltering facility and the Laundry/shower trailer.	\$81,347	Provide emergency shelter, and access to basic hygiene services to shelter approximately 200 people per year and approximately 480 showers per year.	Public service activities other than Low/Moderate Income Housing Benefit: 480 Persons Assisted Public service activities for Low/Moderate Income Housing Benefit: 200 Households Assisted

Funding Requested/Available

A total of \$153,266 in regular CDBG funding is available to distribute to eligible recipients for projects meeting the CDBG national objectives, and which are consistent with the City of Ashland 5-year Consolidated Plan. A total of \$81,347 in CDBG-CARES act funding is available to distribute to eligible recipients for projects meeting the CARES act requirements to prevent, prepare and respond to issues related to the Coronavirus pandemic.

These CDBG funds from the regular cycle will be available upon approval of the 2022 Action Plan, and upon the completion of any regulatory requirements including but not limited to environmental review clearance. Upon completion of the Action Plan a public hearing for review and approval will be held before the Housing and Human Services Commission to ensure consistency with the awards designated by the City Council. The U.S. Department of Housing and Urban Development (HUD) must review the annual Action Plan submitted by the City to ensure the activities funded are consistent with federal



requirements, and with the local Consolidated Plan. The City will reserve the right to award more or less than this estimate dependent on the final entitlement amount authorized by Congress and the Department of Housing and Urban Development.

The CDBG CARES act funding will be available upon award from the City Council and after a five-day public comment period closes.

Assessment Criteria

Staff has assessed the proposals to determine whether they meet the Federal CDBG regulations and address the priorities identified within the City of Ashland 5-year Consolidated Plan.

Three areas are evaluated for each proposal regarding compliance with federal regulations.

- Projects must meet the National Objective of the Community Development Block Grant Program.
- All CDBG funded projects must be an “eligible” use under the Community Development Block Grant Program.
- If a project meets all federal requirements and is selected for award, then federal regulations must be met throughout the course of the project.

Some examples of federal regulations which pertain to Community Development Block Grant funded projects are; all projects funded in whole or in part, with CDBG dollars require an environmental review in accordance with the National Environmental Policy Act (NEPA). Certain construction projects must use federal Davis-Bacon wage rates. Housing involving structures built prior to 1978 must be tested for the presence of Lead Based Paint and if found steps to mitigate Lead Based Paint must be taken. Any project involving the displacement of residents or businesses as a result of the federally funded project are entitled to assistance under the Uniform Relocation Act. Most importantly the beneficiaries from the application of CDBG funds must qualify as eligible populations under the Federal requirements for the CDBG program. Areas of concern are described for each proposal received. The Housing and Human Services Commission and the City Council can only award CDBG funds to projects that can meet all federal requirements and meets an objective as outlined in the City’s 5-year Consolidated Plan.

Priorities within the City of Ashland’s 5-year Consolidated Plan are given a priority ranking of High, Medium, or Low. The rankings are intended to assist in directing CDBG funds to the greatest needs. In cases where there are competing projects for limited funds, the projects(s) that are ranked the highest will be funded.

Public Service Proposal Evaluation

Maslow Project-School Based Services for Ashland Homeless Youth

Staff has reviewed the Maslow Project, School Based Services for Ashland Homeless Youth Proposal to determine whether it meets the Federal CDBG regulations, and if the proposal addresses the priorities within the City of Ashland 2020-2024 Consolidated Plan. Maslow Project requested \$25,000 in Public Service Grant funds to continue to support a case manager in the elementary, middle and high schools, providing outreach to high risk homeless youth and providing them with immediate needs, case management to keep youth engaged in school and promote stability and self-sufficiency for the



homeless youth and their families, and to provide temporary housing to homeless youth and families engaged in services.

- This project proposal qualifies under the Low-Moderate Income (LMI) benefit national objective; homeless populations are a presumed benefit population under the CDBG program.
- Services to homeless and at-risk populations are an eligible use of CDBG funds.
- Maslow's proposal expects to provide services and housing to 90-100 identified homeless school children currently enrolled in the Ashland School District.
- Maslow Project has proven capacity to administer CDBG grant funds-this would be Maslow's eighth year of undertaking this activity in Ashland.
- Staff finds that Maslow Project's proposal is consistent with goals identified in the City of Ashland's 5-year Consolidated Plan.

Staff sees that Maslow Project's proposal is an eligible use of CDBG funds and is consistent with the City of Ashland Strategies as outlined in the 5-year Consolidated Plan. This activity assists in the prevention of homelessness for low-income households. Maslow has successfully administered this program within the Ashland School District for the past five years. Furthermore, this project meets and exceeds the 10% leverage requirement of the City of Ashland's CDBG program and leveraging funding from other sources.

Capital Improvement Proposals

Options for Helping Residents of Ashland-Project Turnkey Remodel Part 2

Staff has reviewed the Options for Helping Residents of Ashland's (OHRA) Super 8 Motel Conversion proposal to determine whether it meets the Federal CDBG regulations, and if the proposal addresses the priorities within the City of Ashland 5-year Consolidated plan. OHRA has requested \$162,419 to assist in the conversion of an existing hotel to be used as an emergency shelter and the new home of the resource center to serve homeless and at-risk populations in obtaining and maintaining housing, and also will provide case management and resources to remove barriers to employment and housing.

- This project proposal qualifies under the Low-Moderate Income (LMI) benefit national objective.
- Modifications to a facility to convert it into a homeless shelter and resource center is an eligible capital improvement activity.
- OHRA expects to assist at least 98 individuals a year through the provision of emergency shelter.
- OHRA expects to assist approximately 759 individuals a year through the resource center in this new location.
- Staff finds that OHRA's proposal is consistent with the goals identified in the City of Ashland's 5-year Consolidated Plan.

Staff sees that OHRA's proposal is an eligible use of CDBG funds and is consistent with the City of Ashland Strategies as outlined in the 5-year Consolidated Plan. This activity assists in the prevention of homelessness for low-income and special needs households. Further this project meets and exceeds the 10% leverage requirement of the City of Ashland's CDBG program.

STAFF RECOMMENDATIONS

Staff recommends award of the 2022 Regular CDBG funding as follows:



- \$128,266 to Options for Helping Residents of Ashland
- \$25,000 to Maslow Project School Based Services

Staff recommends award of the remaining balance of CDBG CARES act funding as follows:

- \$40,673 to Options for Helping Residents of Ashland
- \$40,674 to Rogue Retreat Ashland Community Shelter

Staff's recommendations are based on evaluation of CDBG eligibility, the City's five-year Consolidated Plan Goals, agency experience and capacity, and readiness to proceed.

Public Service Projects: The City received one public service project proposal. Maslow Project has a successful track records of providing resource referrals and, case management to homeless youth and families and those at risk of homelessness. The Maslow project's proposed activity would continue to benefit homeless populations as well but with an emphasis on homeless children enrolled in Ashland schools. It is clear that Maslow has the experience and capacity to administer CDBG grant funds and has exceeded the matching requirements of the grant.

Capital Projects: The City received one capital project proposal, OHRA's Super 8 Motel Conversion project. The project qualifies as eligible uses of CDBG funds, the project is ready to proceed and would be able to expend the funds in a timely manner. Both the timeline for completion and the budget for the activity is well thought out and achievable. Matching funds have been identified and secured, and the project serves an eligible population.

CDBG CARES Act Funding: The City received two applications for the balance of the CDBG CARES act funding the City received in 2019 and 2020 to address issues related to the Coronavirus pandemic. The two applications the City received are for substantially similar activities, which serve the same population. Similarly, the applicants coordinate on case management of the client population as well as with resource referrals in the community. Consequently, City staff is recommending that the applicants split the funding as both program are offering equally needed and valuable services in the community.

