

# Staff Evaluation

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**To:** Ashland Housing and Human Services Commission  
**Title:** Community Development Block Grant (CDBG) 2018 RFP  
**Date:** April 17, 2018  
**Submitted by:** Linda Reid, Housing Program Specialist

The City offered a total of \$294,413 in Community Development Block Grant (CDBG) funds for award to eligible applicants. The total amount of CDBG funds available to award to capital improvement projects in Program year 2017 is \$294,413. \$23,808, is available for award to Public Service activities (which is 15% of the anticipated 2018 Program Year allocation). The City has received three applications totaling \$81,653, one application for capital improvement requesting \$49,653 and two applications for public service funding totaling \$32,000

The anticipated CDBG allocation to the City of Ashland for the 2018 Program Year is \$158,726. Of this amount 20% is reserved for program administration (\$31,745), leaving \$126,981 in funds available for to award to eligible activities. The City also had \$167,432 in funds from prior program years unspent funding that may also be awarded to eligible projects benefiting Ashland’s low-income population.

The City of Ashland Housing and Human Services Commission held a public hearing on March 22, 2018 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 17, 2018. Staff’s eligibility assessment of each of the proposals received, and recommendations regarding the allocation of the 2018 CDBG funds are provided on the following pages.

## Proposals Received

Organization	Proposed Project	CDBG Funds Requested	Goal	Consolidated Plan Goal and Rank*	Council Goal
St. Vincent De Paul	Assist low income and at risk Households with emergency funding to prevent homelessness. <b>*Public Service</b>	\$20,000	With CDBG funds provide <b>38-45</b> low income individuals with emergency rent and security deposit assistance to avoid homelessness)	Support services for Homelessness outreach, prevention and Transition- <b>High</b>	<b>3.3</b> Support non-profit and cultural entities in our community <b>5.2</b> Support and promote, through policy, programs that make the City affordable to live in. <b>5.3</b> Leverage partnerships with non-profit and private entities to build social equity programming.



Maslow Project	Encourage stability, self-sufficiency and school achievement for homeless youth. <b>*Public Service</b>	\$12,000	Provide access to basic needs, information and referral. Provide case management to improve stability to approximately <b>85-90</b> identified homeless youth ages 0-21.	Support services for Homelessness outreach, prevention and Transition- <b>High</b>	3.3 Support non-profit and cultural entities in our community. <b>5.2</b> Support and promote, through policy, programs that make the City affordable to live in. <b>5.3</b> Leverage partnerships with non-profit and private entities to build social equity programming.
Ashland Housing Opportunities, Inc.	Funding for roof replacement and exterior paint to insure the longevity and affordability of the project. <b>*Capital Project</b>	\$49,653	Make repairs to an existing building to maintain affordable housing stock that serves 11 low-income households experiencing mental health issues.	Creation and Maintain Affordable Housing Units/Units Occupied by low-moderate income and/or presumed benefit populations- <b>High</b>	3.3 Support non-profit and cultural entities in our community. <b>5.2</b> Support and promote, through policy, programs that make the City affordable to live in. <b>5.3</b> Leverage partnerships with non-profit and private entities to build social equity programming.

### Funding Requested/Available

A total of approximately \$294,413 in CDBG funds is expected to be available to distribute to eligible recipients for projects meeting the CDBG national objectives, and which are consistent with the City of Ashland 2015-2019 Consolidated Plan. The maximum allocation allowable to be used to support public services is limited to approximately \$23,808.

These funds will be available upon approval of the 2018 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 insure 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.



## **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 2015-2019 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 2015-2019 Consolidated Plan.

Priorities within the City of Ashland’s 2015-2019 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 project(s) that are ranked the highest will be funded.

## **Public Service Proposal Evaluation**

### **St. Vincent De Paul-Home Visitation Program**

Staff has reviewed the St. Vincent de Paul (SVDP) program proposal to determine whether it meets the Federal CDBG regulations, and if the proposal addresses the priorities within the City of Ashland 2015-2019 Consolidated plan. St. Vincent’s has requested \$20,000 to assist homeless and at-risk populations in obtaining and maintaining housing.

- This project proposal qualifies under the Low-Moderate Income (LMI) benefit national objective.
- Generally, income payments (payments to an individual or family, which are used to provide basic services such as food, shelter (including payment for rent, mortgage, and/or utilities) are ineligible public service activities when such payments are provided as a grant. However, such expenditures are eligible if; the income payments do not exceed three consecutive months; and



the payments are made directly to the provider of services on behalf of an individual or family. This project meets those criteria.

- St. Vincent has a proven capacity to administer CDBG grant funding, this would be SVDP's sixth year of undertaking this activity in Ashland.
- SVDP expects to assist 38-45 individuals attain or maintain housing.
- Staff finds that SVDP's proposal would merit a priority of high on the priority ranking identified within the City of Ashland's 2015-2019 Consolidated Plan.

Staff sees that St. Vincent'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 providing 10 times the requested grant funds leveraging additional funding from other sources. The St. Vincent De Paul Home Visitation Program has successfully administered Community Development Block grant funds for the past seven years.

### **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 2015-2019 Consolidated Plan. Maslow Project requested \$10,000 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.

- 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 to 85-90 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 fifth 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 2015-2019 Consolidated Plan.

In evaluating the proposal, it is evident that the proposed project has a priority ranking of High.

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

### **Ashland Housing Opportunities, Inc. (AHO)/Options for Southern Oregon - Star Thistle Complex Repairs**

Staff has reviewed the Ashland Housing Opportunities (AHO) proposal to determine whether it meets the Federal CDBG regulations, and if the proposal addresses the priorities within the City of Ashland's 2015-2019 Consolidated plan. AHO has requested \$49,653 in grant funds to complete needed repairs to an existing affordable housing complex serving 11 special needs low-income qualified households.

- This project proposal qualifies under the Low-Moderate Income (LMI) and Presumed benefit national objective.
- Rehabilitation and upgrades are eligible uses of CDBG Capital Improvement funds.
- AHO has not previously administered CDBG funding within the City of Ashland.
- Staff finds that the AHO proposal is consistent with priority goals identified in the City of Ashland's 2015-2019 Consolidated Plan.

Staff sees that Family Solution's proposal is an eligible use of the CDBG funds and is consistent with the City of Ashland Strategies as outlined in the 5-year Consolidated Plan. This activity meets the 10% leverage requirement of the City of Ashland's CDBG program.

### **STAFF RECOMMENDATIONS**

Staff recommends award of the 2017-2018 CDBG funds as follows:

- \$49,653 to Ashland Housing Opportunities for the repairs to the Star Thistle Facility
- \$16,665 to St. Vincent De Paul Home Visitation Program
- \$7,143 to Maslow Project School Based Services
- The City would like to direct \$100,000 in prior year's unallocated CDBG funds, to Columbia Care to purchase land on which to build affordable housing.
- The City would also like to direct \$50,000 in 2018 CDBG funding to Habitat for Humanity for the purchase of 5 lots, pending environmental review and planning approval.

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:** Only 15% of the overall allocation is available for public service activities, as only \$23,808 in funding is available, both projects cannot be fully funded with CDBG. Consequently, staff is proposing a 70%/30% proportional allocation of the funding which is consistent with prior years' allocations. In examining the two applications for public service funding staff found both to be needed activities within the Ashland community that would benefit CDBG eligible populations. Both the SVDP program and the Maslow Project have successful track records of administering federal grant funds, providing counseling services, resource referrals and, in the case of the SVDP Home Visitation program, direct financial assistance to the homeless 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.



**Capital Projects:** The City received one capital project proposals; Ashland Housing Opportunities, Inc. 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 thereby allowing the City to meet its timeliness cap. While Affordable Housing Solutions has not previously administered a CDBG grant in the City of Ashland, AHS and Options has the administrative capacity to undertake the proposed activity with is a relatively simple and straightforward activity as well as years of relevant experience administering other HUD funded programs and activities. Both the timeline for completion and the budget for the activity is well thought out and achievable. Matching funds have been identified and secured, the project serves an eligible population.

Staff is also recommending directing funding to supporting two activities which requested funding from Affordable Housing Trust fund rather than from the CDBG program. These activities are both eligible uses of CDBG funding, and one proposal, the Columbia Care proposal, is ready to proceed and can expend the funds quickly, which will help the City to comply with HUD's preference for the timely expenditure of funds. Staff has spoken with representatives from both Columbia Care and Habitat for Humanity. Both organizations would be happy to accept CDBG grant funding from the City to support proposed activities.

