

Council Business Meeting

April 21, 2020

Agenda Item	Public Hearing on the 2020 Community Development Block Grant Award and CDBG Action Plan Development	
From	Linda Reid	Housing Program Specialist
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SUMMARY

The City of Ashland received three proposals for the award of Community Development Block Grant funds for the 2020 program year. The Housing and Human Services Commission reviewed the proposals on March 26, 2020 and have forwarded recommendations for the Council's consideration.

Community Development Block Grant Funds: The City of Ashland has \$432,363 in Community Development Block Grant funds available for award in our HUD line of credit. Of this amount, \$176,927 has been allocated to Ashland for the 2020 program year. The remaining amount of \$255,436 is un-allocated carryover from prior years. The award of CDBG funds to public services is limited to 15 percent of each year's annual allocation. For the 2020 program year, the City can award up to \$26,583 to social service activities. The City has received three applications totaling \$60,305. One application for capital improvement totaling \$10,305 and two applications for public service funding totaling \$50,000.

The City of Ashland Housing and Human Services Commission held a virtual public hearing on March 26, 2020 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 21, 2020. Staff's eligibility assessment of each of the proposals received, and recommendations regarding the allocation of the 2020 CDBG funds are provided on the following pages.

Proposals Received: The City of Ashland has received three applications for the competitive 2020 CDBG funds. The applications received are attached and include the following:

- [Options For Helping Residents of Ashland \(OHRA\)](#) - **\$25,000** requested to fund emergency rent, security deposit assistance, and case management for qualified low income households in an effort to prevent homelessness. (Public Service Activity)
- [Maslow Project](#) - **\$25,000** requested for outreach and case management for homeless youth enrolled in the Ashland school district. (Public Service Activity)
- [Ashland Food Angels](#) - **\$10,305** requested to complete needed renovations to a food storage facility to prevent spoilage of perishable food items and accommodate volunteers. (Capital Improvement Activity)

CDBG funds will be available upon HUD's approval of the 2020 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.

The Housing and Human Services Commission reviewed the CDBG applications at its regular meeting on March 26th. 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

[2015-2019 Consolidated Plan for Use of CDBG funds](#)

Tier 1: Higher Priority

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: Only 15 percent of the overall allocation is available for public service activities, as only \$26,583 in funding is available, both projects cannot be fully funded with the limited CDBG public service funding. Consequently, staff is proposing an equal division of funds. In examining the two applications for public service funding staff found all to be needed activities within the Ashland community that would benefit CDBG eligible populations.

Capital Projects: The City received one capital project proposal, Food Angels-Food Storage Facility upgrade. 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 expend some of the capital funds. 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. Some of the activities identified in the proposal would not be eligible for CDBG funding, therefore staff has removed those line items from the final recommended funding amount resulting in a reduced funding recommendation.

The City Council is to evaluate the three proposals requesting CDBG funds. 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 percent 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 2020 annual award cycle, or may be used to support eligible activities as directed by the City Council over the coming year.

STAFF AND COMMISSION RECOMMENDATION

Staff recommends award of the 2020 CDBG funds as follows:

- \$5,525 to Ashland Food Angels for the repairs to their food storage and processing facility, conditioned upon meeting the above stated requirements.

- \$13,291 to Options for Helping Residents or Ashland Housing Match Program
- \$13,291 to Maslow Project School Based Services

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 2020 CDBG funds as follows:

- \$5,525 to Ashland Food Angels for the repairs to their food storage and processing facility
- \$13,291 to Options for Helping Residents or Ashland Housing Match Program
- \$13,291 to Maslow Project School Based Services

ACTIONS, OPTIONS & POTENTIAL MOTIONS

I move to direct staff to draft the 2020 Annual Action Plan for the use of Community Development Block Grant funds reflecting the award of CDBG funding for the 2020 Program year as follows:

- \$5,525 to Ashland Food Angels for the repairs to their food storage and processing facility
- \$13,291 to Options for Helping Residents or Ashland Housing Match Program
- \$13,291 to Maslow Project School Based Services

REFERENCES & ATTACHMENTS

Attachment 1: Staff evaluation March 26, 2020

[Maslow Project Proposal](#)

[Options for Helping Residents of Ashland](#)

[Ashland Food Angels Proposal](#)

[Housing and Human Services Commission Meeting Minutes, March 26, 2020](#)

Staff Evaluation

To: Ashland Housing and Human Services Commission
Title: Community Development Block Grant (CDBG) 2020 RFP
Date: April 21, 2020
Submitted by: Linda Reid, Housing Program Specialist

The City of Ashland has \$432,363 in Community Development Block Grant funds available for award in our HUD line of credit. Of this amount, \$176,927 has been allocated to Ashland for the 2020 program year. The remaining amount of \$255,436 is un-allocated carryover from prior years. The award of CDBG funds to public services is limited to 15% of each year’s annual allocation. For the 2020 program year the City can award up to \$26,583 to social service activities. The City has received three applications totaling \$60,305. One application for capital improvement totaling \$10,305 and two applications for public service funding totaling \$50,000.

The City of Ashland Housing and Human Services Commission held a virtual public hearing on March 26, 2020 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 21, 2020. Staff’s eligibility assessment of each of the proposals received, and recommendations regarding the allocation of the 2020 CDBG funds are provided on the following pages.

Proposals Received

Organization	Proposed Project	CDBG Funds Requested	Goal	Consolidated Plan Goal and Rank*	Council 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 85-90 identified homeless youth ages 0-21.	Support services for Homelessness outreach, prevention and Transition- High	3.3 Support non-profit and cultural entities in our community. 5.2 Support and promote, through policy, programs that make the City affordable to live in. 5.3 Leverage partnerships with non-profit and private entities to build social equity programming.



Options For Helping Residents of Ashland	Assist low income and at-risk Households with emergency funding to prevent homelessness and case management to remove barriers to obtain and maintain housing. *Public Service	\$25,000	With CDBG funds provide 200-230 low income individuals with emergency rent, security deposit assistance, and case management to avoid homelessness)	Support services for Homelessness outreach, prevention and Transition- High	3.3 Support non-profit and cultural entities in our community 5.2 Support and promote, through policy, programs that make the City affordable to live in. 5.3 Leverage partnerships with non-profit and private entities to build social equity programming.
Food Angels	Renovations to food storage and distribution center. *Capital Improvement	\$10,305	Renovations to food storage facility to prevent spoilage of perishable food items.	Support services for Homelessness outreach, prevention and Transition- High	3.3 Support non-profit and cultural entities in our community. 5.2 Support and promote, through policy, programs that make the City affordable to live in. 5.3 Leverage partnerships with non-profit and private entities to build social equity programming.

Funding Requested/Available

A total of approximately \$432,363 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 5-year Consolidated Plan. The maximum allocation allowable to be used to support public services is limited to approximately \$26,583.

These funds will be available upon approval of the 2020 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.



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 2015-2019 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.

- 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 seventh 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.

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.

Options for Helping Residents of Ashland Housing Match Program

Staff has reviewed the Options for Helping Residents of Ashland's (OHRA) Housing Match program 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 \$25,000 to assist homeless and at-risk populations in obtaining and maintaining housing, and also provides case management and resources to remove barriers to employment and 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.
- Case management is an eligible public service activity.
- OHRA expects to assist 200-230 individuals obtain or maintain housing.
- Staff finds that OHRA's proposal would merit a priority of high on the priority ranking identified within 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.

Capital Improvement Proposals

Ashland Food Angels

Staff has reviewed the Ashland Food Angels 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. Food Angels have requested \$10,305 in grant funds to complete needed upgrades to an existing building serving as a food gleaning, holding, and processing facility.



- 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.
- Food Angels has previously administered CDBG funding within the City of Ashland.
- Staff finds that the Food Angels proposal is consistent with priority goals identified in the City of Ashland's 2015-2019 Consolidated Plan.

Staff sees that Food Angel's proposal lists mostly eligible uses 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's recommendation differs from the applicant's request, because some of the proposed repairs are not eligible for funding. In order to award funds to improve the garage the City will need to confirm all proposed improvements meet building and zoning codes, the use of the site for this activity is consistent with Home Occupation Permit standards, and that the improvements meet all environmental review and lead based paint requirements. Any award of CDBG funding for this activity should be conditioned upon meeting these requirements.

STAFF RECOMMENDATIONS

Staff recommends award of the 2020 CDBG funds as follows:

- \$5,525 to Ashland Food Angels for the repairs to their food storage and processing facility, conditioned upon meeting the above stated requirements.
- \$13,291 to Options for Helping Residents or Ashland Housing Match Program
- \$13,291 to Maslow Project School Based Services

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 \$26,583 in funding is available, both projects cannot be fully funded with the limited CDBG public service funding. Consequently, staff is proposing an equal division of funds. In examining the two applications for public service funding staff found all to be needed activities within the Ashland community that would benefit CDBG eligible populations. Both the OHRA and the Maslow Project have successful track records of providing counseling services, resource referrals and, in the case of the OHRA partnering with SVDP Home Visitation program to provide 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. In evaluating each proposal in relation to the others submitted it is clear that both Maslow and OHRA have the experience and capacity to administer CDBG grant funds and both Maslow and OHRA have exceeded the matching requirements of the grant.

Capital Projects: The City received one capital project proposal, Food Angels-Food Storage Facility upgrade. 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 expend some of the capital funds. 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. Some of the activities proposed would not be eligible for CDBG funding, therefore staff has removed those line items from the final recommended funding amount.

