



# Council Business Meeting

April 18, 2023

<b>Agenda Item</b>	Community Development Block Grant Award and Public Hearing		
<b>From</b>	Lind Reid	Housing Program Manager	
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<b>Item Type</b>	Requested by Council <input type="checkbox"/> Update <input type="checkbox"/> Request for Direction <input checked="" type="checkbox"/> Presentation <input type="checkbox"/>		

## **SUMMARY**

The City of Ashland received three proposals for the award of Community Development Block Grant funds for the 2023 Program year. The Housing and Human Services Advisory Committee reviewed the proposals on March 23, 2023, and has forwarded recommendations for the Council’s consideration.

The City of Ashland has a total of **\$168,171** in Community Development Block Grant (CDBG) funding to award to eligible activities. This amount includes \$143,660 in newly available funds and the balance of \$22,228 in reprogrammed funding from a prior activity that failed to expend the full award as well as \$2,283 in unallocated funds from a prior year. The City of Ashland will be receiving an annual allocation of \$179,575 CDBG for the 2023 Program Year. Of that amount the City will reserve 20%, or \$35,915, for administrative costs and \$143,660 is available for eligible projects as noted above. The award of CDBG funds to public service activities is limited to 15% of each year’s annual allocation, therefore the City can award up to **\$26,936** to public service activities for the 2023 program year.

The City of Ashland Housing and Human Services Advisory Committee held a public hearing on March 23, 2023, 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 18, 2023. Staff’s eligibility assessment of each of the proposals received, and recommendations regarding the allocation of the 2023 CDBG funds are provided on the following pages.

**Proposals Received:** The City of Ashland has received three applications for the competitive 2023 CDBG funds. The applications received are attached and include the following:

- **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)
- **Options For Helping Residents of Ashland (OHRA) - \$27,884** requested to provide navigation services and resources to unhoused and those at risk of losing their housing.
- **Options For Helping Residents of Ashland (OHRA) - \$170,947** requested to install a commercial kitchen to provide meals for residents of the shelter.





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The funds will be available upon HUD's approval of the 2023 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 Advisory Committee 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 Advisory Committee reviewed the CDBG applications at its regular meeting on March 23rd. Both the staff and the Housing and Human Services Advisory Committee 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](#)

## **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 Advisory Committee 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.

The City Council is to evaluate the three proposals requesting regular CDBG program 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% of the annual grant award will be made available to cover administrative costs associated with carrying out grant administration and CDBG program requirements.



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Any Community Development Block Grants that are not awarded at this time would remain available for distribution through the 2023 annual award cycle or may be used to support eligible activities as directed by the City Council over the coming year.

## **DISCUSSION QUESTIONS**

[Provide somewhat of an outline of the progression of the questions that will assist Council in stepping through the issue. This could include “if/then” format, or other groupings depending on the topic]

## **SUGGESTED NEXT STEPS**

Staff recommends award of the 2023 Regular CDBG funding as follows:

- Public Service Activities: Staff is equally amenable to fully funding one project or partially funding both projects by either splitting the funding equally, or any division of funding between the two organizations utilizing the full amount of public services funding available.
- Capital Projects: City staff would recommend funding the OHRA Commercial Kitchen project with conditions.

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 Advisory Committee Recommendation:

The Housing and Human Services Commission’s recommendation is consistent with the staff’s recommendation. The Housing and Human Services Advisory Committee recommends award of the 2023 CDBG funds as follows:

- \$15,000 to Maslow Project School Based Services
- \$11,936 to Options for Helping Residents of Ashland Navigation Services
- \$141,235 to Options for Helping Residents of Ashland Commercial Kitchen Project

## **ACTIONS, OPTIONS & POTENTIAL MOTIONS**

I move to direct staff to draft the 2023 Annual Action Plan for the use of Community Development Block Grant funds reflecting the award of CDBG funding for the 2023 Program year as follows:

- \$\_\_\_\_\_ to Maslow Project School Based Services
- \$\_\_\_\_\_ to Options for Helping Residents of Ashland Navigation Services
- \$\_\_\_\_\_ to Options for Helping Residents of Ashland Commercial Kitchen Project

## **REFERENCES & ATTACHMENTS**

Atch1-Staff evaluation March 23, 2023

Atch2-[Maslow-School Based Services Proposal](#)

Atch3-[Options for Helping Residents of Ashland-Navigation Services Proposal](#)

Atch4-[Options for Helping Residents of Ashland-Commercial Kitchen Proposal](#)

[Housing and Human Services Commission Meeting Minutes, March 23, 2023](#)



# Staff Evaluation

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**To:** Ashland Housing and Human Services Advisory Committee  
**Title:** Community Development Block Grant (CDBG) 2023 RFP  
**Date:** March 23, 2023  
**Submitted by:** Linda Reid, Housing Program Specialist

The City of Ashland has a total of **\$168,171** in CDBG funding to award to eligible activities. This amount includes \$143,660 in newly available funds and the balance of \$22,228 in reprogrammed funding from a prior activity that failed to expend the full award as well as \$2,283 in unallocated funds from a prior year. The City of Ashland will be receiving an annual allocation of \$179,575 in Community Development Block Grants (CDBG) for the 2023 Program Year. Of that amount the City will reserve 20%, or \$35,915, for administrative costs and \$143,660 is available for eligible projects as noted above. The award of CDBG funds to public service activities is limited to 15% of each year’s annual allocation, therefore the City can award up to **\$26,936** to public service activities for the 2023 program year.

The City of Ashland has received one application for capital funding (the entire amount of funding is eligible for capital projects). The city received two applications for public service funding (which can be 15% of the total allocation).

The City of Ashland Housing and Human Services Commission will hold a public hearing on March 23, 2023, 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 18, 2023. Staff’s eligibility assessment of each of the proposals received, and recommendations regarding the allocation of the 2023 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	\$25,000	Homeless Goals: Provide access to basic needs, information, and referral. Provide case	Public service activities other than Low/Moderate Income Housing Benefit: 100 Persons Assisted



	achievement for homeless youth. <b>*Public Service</b>		management and housing to improve stability to approximately <b>100</b> identified homeless youth ages 0-24.	Public service activities for Low/Moderate Income Housing Benefit: 50 Households Assisted
Options For Helping Residents of Ashland	Provide navigation services and resources to unhoused and those at risk of losing their housing.	\$27,884	Homeless Goals: Provide housing assistance and resources to 50 households to move them from homelessness into housing, provide services to 50 housing threatened households to assist them to remain housed.	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

### **CDBG Capital Proposals Received**

<b>Organization</b>	<b>Proposed Project</b>	<b>CDBG Funds Requested</b>	<b>Goal</b>	<b>Consolidated Plan Goal</b>
Options For Helping Residents of Ashland	Purchase of a self-contained commercial kitchen to provide meals for residents of the shelter.	\$170,947	Public Infrastructure: Provide resources to support homeless populations residing in shelter, by providing 60 meals a day to the estimated 180 residents served annually at the OHRA Shelter	Public Facility or infrastructure activities other than Low-Mod Housing benefit: 100 Persons Assisted

### **Funding Requested/Available**

A total of \$168,171 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.

These CDBG funds from the regular cycle will be available upon approval of the 2023 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 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 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.

### **Options for Helping Residents of Ashland-Navigation Services**

Staff has reviewed the OHRA Navigation Services 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. OHRA requested \$27,884 in Public Service Grant funds to continue to support case management and navigation services for homeless populations, and those at risk of becoming homeless by providing them with case management and resources to obtain and maintain housing.

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.
- OHRA’s proposal expects to provide services and housing to 100 homeless and at-risk households over the course of the program year.
- OHRA has proven capacity to administer CDBG grant funds.
- Staff finds that OHRA’s proposal is consistent with goals identified in the City of Ashland’s 5-year Consolidated Plan.

### **Capital Improvement Proposals**

#### **Options for Helping Residents of Ashland-Commercial Kitchen addition.**

Staff has reviewed the Options for Helping Residents of Ashland’s (OHRA) Commercial Kitchen addition 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 \$170,947 to purchase a self-contained commercial kitchen to be placed at the OHRA center to serve homeless populations residing at the shelter.

- This project proposal qualifies under the Low-Moderate Income (LMI) (presumed) (presumed) benefit national objective.
- Modifications to a facility to support a homeless shelter and resource center is an eligible capital improvement activity.
- OHRA expects to be able to provide 60 meals per day to approximately 180 residents each year with the addition of a commercial kitchen.



- 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 an eligible population in serving homelessness residents of the shelter. Further this project meets and exceeds the 10% leverage requirement of the City of Ashland’s CDBG program.

## STAFF RECOMMENDATIONS

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 two public service project proposals. Both organizations, Maslow Project and OHRA have successful track records of providing resource referrals and, case management to homeless populations and those at risk of homelessness. Both OHRA and the Maslow Project’s proposed activities would continue to provide needed services to alleviate and prevent homelessness. Both OHRA and Maslow Project have the experience and capacity to administer CDBG grant funds and have exceeded the matching requirements of the grant. Staff understands that both projects are needed and are effective strategies for addressing and preventing homelessness, and that both organizations provide needed and valuable service to the community. Staff is equally amenable to fully funding one project or partially funding both projects by either splitting the funding equally, or any division of funding between the two organizations utilizing the full amount of public services funding available.

**Capital Projects:** The City received one capital project proposal, OHRA’s Kitchen Addition project. The project qualifies as eligible uses of CDBG funds, the project easy to implement and would be able to expend the funds in a timely manner. City staff would recommend funding the project contingent upon several items:

- A more detailed budget the breaks out estimated cost for the self-contained kitchen unit, costs for site preparation, delivery, and installation costs as well as an estimate of the SDC credits mentioned in the budget attached to the application.
- The inclusion of a site map showing that the location of the improvement is outside of physically constrained lands including floodplains, wetlands, and water resource protection areas, extension of the utilities and other site improvements as needed.
- Agreement that OHRA will make available use of the commercial kitchen to the City in instances of a community wide emergency declaration, the terms of such use would be incorporated into the grant agreement for a reasonable period, not longer than the terms of the CDBG program requirements.
- Provided OHRA is able to apply for building permits before the expiration of HB 2006, on July 1, 2023. Until that date, emergency shelters and ancillary uses are not subject to land use requirements.

