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**DATE:** September 11, 2018

**TO:** Assembly Human Resources Committee

**FROM:** Laurel Bruggeman, Planner   
Community Development Department

**SUBJECT:** FFY 2018 Community Development Block Grant Project Proposal Recommendation

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## **INTRODUCTION**

This memorandum contains the staff recommendation for a co-applicant for the FFY 2018 Community Development Block Grant (CDBG).

Project proposals were solicited from the community for funds through the Federal Community Development Block Grant program (CDBG). Through this program, a project may be eligible for a grant, up to \$850,000, through the City and Borough of Juneau (CBJ) and the Division of Community and Regional Affairs, Department of Commerce, Community, and Economic Development (DCCED).

Grant applications must be sponsored by a local government and sent to DCCED by December 7, 2018. A local government may choose to generate its own project ideas or chose a community organization as a co-applicant for these funds. In the past, CBJ has chosen to partner with a community organization and has been successful in obtaining CDBG funds using this method.

## **PROCESS**

The Community Development Department (CDD) uses a standardized process for soliciting project proposals, review, selection, and timelines. This process was developed by CDD staff and has been endorsed by the Human Resources Committee. The purpose of this standardized process is to create an equal opportunity for all co-applicant proposals and ensure that similar types and amounts of information are submitted in a proposal. This process also helps staff gather grant application materials early on, which makes the grant writing process more efficient.

An informational meeting was held on July 31, 2018 to discuss CDBG guidelines, as well as CDD's standardized process. This meeting was advertised in the "Your Municipality" section of the Juneau Empire four (4) days prior, and was also promoted by Information Officer Lisa Phu on social media and Newsroom. Additionally, letters of invitation were sent to social service agencies throughout the community. Approximately thirteen (13) people attended the informational meeting. The deadline to submit project proposals was August 24, 2018; three (3) were submitted for review.

A staff review committee was made up of three (3) CDD staff and two (2) staff from the CBJ Housing Program. Staff individually reviewed the three (3) project proposals and determined what additional information was required from each project proposal applicant. Additional information was requested from each applicant. The staff review committee met on September 5, 2018, reviewed the additional information provided, and discussed each proposal; then, decided which proposal to recommend be chosen as a co-applicant for CDBG funds.

## **BACKGROUND**

All eligible municipal governments in Alaska (except Anchorage) are allowed to apply for the Community Development Block Grant. In a typical year, application packets are distributed to municipalities in the fall and awards are made the following spring. Federal regulations require that at least fifty-one (51%) of the persons who benefit from a funded project be low to moderate income individuals as defined by the federal Department of Housing and Urban Development (HUD).

The goals of the CDBG Program are to:

- Ensure that the CDBG funds will be used to principally benefit low and moderate income persons;
- Provide financial resources to address public facility problems which encourage community self-sufficiency, increase health and safety of local residents, and reduce the costs of essential community services, and;
- Provide capital to assist in the creation or retention of jobs that primarily benefit low and moderate income persons.

The following objectives guide the distribution and use of CDBG Funds:

- To support activities which provide a substantial or direct benefit to low and moderate income persons;
- To support activities which eliminate clear and imminent threats to public health and safety;
- To support local efforts toward solving public facility problems by constructing, upgrading, or reducing operational/maintenance costs of essential community facilities;
- To support activities which demonstrate the potential for long-term positive impact;
- To support activities which encourage local community efforts to combine and coordinate CDBG funds with other available private and public resources whenever possible, and;
- To support activities which will result in business development and job creation or retention that principally benefits low and moderate income persons.

Past successful projects that CBJ has funded through the CDBG program include the Catholic Community Services Juneau Adult Daycare Center, St. Vincent de Paul's family oriented homeless shelter, and renovations and energy improvements for AWARE St. Vincent de Paul, Glory Hole, and Gastineau Human Services. The most recent funded project was the AWARE shelter, however; the grant funds were returned due to unexpected and prohibitive project costs.

We are requesting that the HRC make a recommendation to the Assembly on which project CBJ will sponsor from one of the proposals discussed below. Completed grant applications, printed with original signatures, must be received in Fairbanks by 5:00 p.m. on December 7, 2018.

### **PROJECT PROPOSALS**

This year, the Community Development Department received three proposals; 1) Bartlett Regional Hospital, 2) Juneau Housing First Collaborative, and 3) St. Vincent de Paul. The maximum funding available for a single project from CDBG for FY 2018 is \$850,000.

#### *Bartlett Regional Hospital Crisis Stabilization Center*

Bartlett Regional Hospital (BRH) proposes to use CDBG funds to design and secure cost estimates to construct a crisis stabilization center for adolescents (ages 10-17) and adults (ages 18+). The center would provide psychiatric services, medication administration, and crisis intervention and stabilization services. BRH is requesting the full \$850,000 for the design of a 4,400 square foot building, which will offer new and expanded services, and allow patients to stay in Juneau to receive treatment. The current facility is roughly half this size and offers fewer services.

#### *Juneau Housing First Collaborative Phase II of the Housing First Facility*

The Juneau Housing First Collaborative proposes to use CDBG funds for the second phase of the construction of the Housing First facility. The project would consist of thirty-two (32) units of permanent supportive housing for chronically homeless adults. JHFC is requesting \$550,000 in CDBG funds, to double the capacity of the services at the existing facility.

#### *St. Vincent de Paul Dan Austin Transitional Support Services Center*

St. Vincent de Paul (SVDP) proposes to use CDBG funds to renovate their existing facility and expand transitional support services for low income individuals, especially those experiencing homelessness and/or extreme disability. The services that will be offered at the facility include transitional planning and support; service agency exam, counselling, meeting and conference rooms; a thrift store exclusively for those in transition; a food pantry; laundry, locker room, and shower facilities; and meeting, training and event rooms. SVDP is requesting the full \$850,000 to renovate an existing facility to accommodate these services.

### **EVALUATION OF PROJECT PROPOSALS**

The Community Development Department has created an evaluation matrix for the review of project proposals. The evaluation matrix aims to answer these questions:

1. Will the proposal compete well at the state level?
2. Does the project meet local needs and concerns?
3. How much matching contribution will be provided by the project sponsors? Is the match reliable?

#### **Bartlett Regional Hospital**

- Has the potential to impact a broad range of individuals.
- BRH has experience administering federal grants.
- Has site control.
- The applicant has made the need clear in the proposal.
- Benefits to those of low/moderate income will have to be documented for the grant application.
- Has the administrative capability.
- Cash match – will need to be documented for a complete application.
- The total project is estimated to cost \$1,137,880.00;
  - \$850,000 is requested from CDBG
  - \$287,880 will come from In-kind Contributions.
  - Cash match will be provided “as needed”

#### **Juneau Housing First Collaborative**

- The project is eligible under CDBG as a Community Development Project.
- Benefits an identified special population, so low/moderate income will not need to be documented.
- Has site control.
- Project is ready to go.
- Cash match – will need to be document for a complete application.
- The total project is estimated to cost \$5,990,00.00
  - \$550,000 is requested from CDBG
  - The rest of the funding will come from “a variety of local and state sources”

#### **St. Vincent de Paul**

- The project is eligible under CDBG as a Community Development project.
- Has site control.
- The project is ready to go.
- Benefits an identified special population.
- LMI may need to be documented if services are more than just for identified special populations.
- Provides a broad range of services.
- Has documented community support.
- Will use land as In-Kind Contribution.
- The total project is estimated to cost \$1,530,528.00
  - \$850,000 is requested from CDBG funds
  - \$680,528 will come from in-kind contributions from SVDP in the form of land and building.

## **RECOMMENDATION**

The staff review committee, based on the information provided, the above evaluation, and for reasons given below, recommended that the HRC recommended to the full Assembly that the City and Borough of Juneau co-apply with St. Vincent de Paul for a FFY 2018 Community Development Block Grant.

- The SVDP project is ready to go.
- The SVDP proposal has documented community support in the form of letters from community organizations.
- The SVDP proposal is consistent with CDBG goals and objectives.
- The SVDP proposal provides a broad range of services that will be beneficial to the community.
- The SVDP has the potential to serve a large number of clients.

While these decisions are not easy, the staff review committee believes that St. Vincent de Paul provided the most complete project proposal and will be the most likely project to receive CDBG funding from the DCCED.

## **ATTACHMENTS**

Attachment A:	List of eligible activities from the DCCED Rating Criteria in Detail (from the 2018 CDBG Grant Application Handbook)
Attachment B:	Bartlett Regional Hospital Proposal
Attachment C:	Juneau Housing First Collaborative Proposal
Attachment D:	St. Vincent de Paul Proposal