

CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA



Agenda Date:	May 4, 2020
Action Required:	Appropriation and Approval
Presenter:	Erin Atak, Grants Coordinator
Staff Contacts:	Erin Atak, Grants Coordinator
Title:	Approval and Appropriation of CDBG & HOME Budget Allocations for FY 2020-2021

Background:

This agenda item includes project recommendations, action plan approval, and appropriations for the Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) funds to be received by the City of Charlottesville from the U.S. Department of Housing and Urban Development (HUD).

Discussion:

In Fall 2019, the City of Charlottesville advertised a Request for Proposals (RFP) based on the priorities set by Council on September 16, 2019. The priorities were for affordable housing (priority for persons who are 0-50 percent AMI, including but not limited to low income housing redevelopment), support for the homelessness and those at risk of homelessness, workforce development (including but not limited to efforts to bolster section 3 training opportunities and partnerships with the City's GO programs, support for programs that aid in self-sufficiency, including but not limited to quality childcare), microenterprise assistance, and mental health and substance abuse services. The City received two applications totaling \$143,000 for HOME housing projects; one application totaling \$45,500 for CDBG housing projects, three applications totaling \$109,000 for public service projects; and three applications totaling \$69,140 for economic development projects. A summary of applications received is included in this packet.

In February 2020 and March 2020, the CDBG/HOME Task Force reviewed and recommended housing and public service projects for funding and the Strategic Action Team reviewed and recommended economic development projects for funding.

CDBG and HOME Project Recommendations for FY 2020-2021:

The CDBG program total has an estimated \$419,367 for the 2020-2021 program year. The CDBG grand total reflects the \$419,367 Entitlement (EN) Grant, \$13,324 in Reprogramming, and \$0 in previous years' entitlement available after program income has been applied. The HOME total

consists of an estimated \$80,594 which is the City's portion of the Consortium's appropriation, in addition to \$20,148.50 for the City's 25% required match, \$0 in Reprogramming and \$26,468.06 in program income. Minutes from the meetings are attached which outline the recommendations made. It is important to note that all projects went through an extensive review by the CDBG/HOME Task Force as a result of an RFP process.

Priority Neighborhood – The FY 2020-2021 Priority Neighborhood is Ridge Street (for the first cycle), however, staff recommends to Council to designate Ridge as the Priority Neighborhood for FY 21-22, and 22-23 Priority Neighborhood (for the second and third continuous year) to prevent phasing the project over two to three years, which will increase the cost of the project. The Taskforce for the Ridge Street Priority Neighborhood will recommend improvement projects to be carried out with CDBG funds. Staff will request that Council identify how the funds will be allocated to Ridge Street Priority Neighborhood upon review of the Priority Neighborhood Taskforce recommendations.

Economic Development – Council set aside FY 20-21 CDBG funding for Economic Development Activities. Members of the Strategic Action Team reviewed applications for Economic Development and made a recommendation.

Funds are proposed to be used to provide scholarships to assist 15-20 entrepreneurs launch their own micro-enterprises and develop financial management habits through technical assistance.

Public Service Programs – The CDBG/HOME Task Force has recommended several public service programs. Programs were evaluated based on Council's priorities for affordable housing (including but not limited to low income housing redevelopment, priority for households at 0-50% of the area median income) support for the homelessness and those at risk of homelessness, workforce development (including but not limited to efforts to bolster section 3 training opportunities and partnerships with the City's GO programs, support for programs that aid in self-sufficiency, including but not limited to quality childcare), microenterprise assistance, and mental health and substance abuse services. Programs were also evaluated based upon metrics included in the RFP evaluation scoring rubric. Funding will enable the organizations to provide increased levels of service to the community.

Estimated benefits include housing rehabilitation for 10 beneficiaries of the Ridge Street target area; and increased capacity of a coordinated entry system for homeless services which will benefit 41 homeless persons.

Administration and Planning: To pay for the costs of staff working with CDBG projects, citizen participation, and other costs directly related to CDBG funds, \$83,873.40 is budgeted.

HOME Funds: The CDBG/HOME Task Force recommended funding to programs that support homeowner rehabilitation. Estimated benefits includes ten homeowner rehabilitations within the Ridge Street target area and down payment assistance to 14 low-income homeowners of 0-50% AMI.

Program Income/Reprogramming: For FY 2020-2021, the City has \$0 in previous CDBG EN that has been made available through the application of received Program Income (PI) to be circulated back into the CDBG budget. The City has \$26,468.06 in HOME available after PI was applied to

be circulated back into the HOME budget. There are also completed projects that have remaining funds to be reprogrammed amounting to \$13,324 CDBG and \$0 HOME. These are outlined in the attached materials.

Adjusting for Actual Entitlement Amount: Because actual entitlement amounts are not confirmed at this time, it is recommended that all recommendations are increased/reduced at the same pro-rated percentage of actual entitlement to be estimated. Should the total actual amount of entitlement received differ from the appropriated amount, all appropriated amounts may be administratively increased/reduced at the same pro-rated percentage of change between the estimated entitlement and the actual entitlement. The total appropriated amount will not exceed 2.5% total change, nor will any agency or program increase more than their initial funding request, without further action from City Council.

Community Engagement:

A request for proposals was held for housing, economic development, public facilities, and public service programs. Applications received were reviewed by the CDBG Task Force or SAT. Priority Neighborhood recommendations will be made by members who serve on the Priority Neighborhood Task Force.

Alignment with City Council's Vision and Strategic Plan:

Approval of this agenda item aligns directly with Council's vision for Charlottesville to have **Economic Sustainability, A Center for Lifelong Learning, Quality Housing Opportunities for All, and A Connected Community**. It contributes to variety of Strategic Plan Goals and Objectives including: Goal 1: Inclusive, Self-sufficient Community; Goal 3: Beautiful Environment; Goal 4: Strong, Diversified Economy; and Goal 5: Responsive Organization.

Budgetary Impact:

Proposed CDBG projects will be carried out using only the funds to be received by the City of Charlottesville from the U.S. Department of Housing and Urban Development (HUD) for the City's CDBG program. The HOME program requires the City to provide a 25% match (HOME match equals ¼ of the EN amount). The sum necessary to meet the FY 2020-2021 match is \$20,148.50, which will need to be appropriated out of the Charlottesville Housing Fund (CP-0084) at a future date.

Recommendation:

Staff recommends approval of the CDBG and HOME projects as well as the reprogramming of funds. Staff approval of the proposed budget with any percent changes to the estimated amounts being applied equally to all programs and approval of the appropriations. Funds included in this budget will not be spent until after July 1, 2020.

Alternatives:

No alternatives are proposed.

Attachments:

2020-2021 Proposed CDBG and HOME Budget

Appropriation Resolution for CDBG funds

Appropriation Resolution for HOME funds

Appropriation Resolution for CDBG & HOME reprogrammed funds

Summary of RFPs submitted

Minutes from CDBG Task Force meetings

**2020-2021 CDBG and HOME BUDGET ALLOCATIONS
RECOMMENDED BY CDBG/HOME TASK FORCE and SAT: 3/4/2020, 3/5/2020
APPROVED BY CITY COUNCIL:**

A. PRIORITY NEIGHBORHOOD		
A. Ridge Street Priority Neighborhood		\$201,912.90*
B. ECONOMIC DEVELOPMENT PROJECTS		
A. Community Investment Collaborative – Entrepreneur Scholarships		\$15,000
		ECONOMIC DEVELOPMENT TOTAL: \$15,000
C. PUBLIC SERVICE PROJECTS		
A. TJACH - Coordinated Entry System		\$53,354.58
	SOCIAL PROGRAMS TOTAL:	\$53,354.58 (15% EN)
D. HOUSING PROJECTS		
A. AHIP – Homeowner Rehab		\$78,550.12
	HOUSING PROGRAMS TOTAL:	\$78,550.12
E. ADMINISTRATION AND PLANNING:		
A. Admin and Planning		\$83,873.40 (20% EN)
	GRAND TOTAL:	\$432,691
	ESTIMATED NEW ENTITLEMENT AMOUNT:	\$419,367
	ESTIMATED EN AVAILABLE AFTER PI APPLIED:	\$0.00
	REPROGRAMMING:	\$13,324

* Funding includes reprogrammed funds

2020-2021 HOME BUDGET ALLOCATIONS

A. AHIP – Homeowner Rehab		\$33,507.84*
B. Habitat for Humanity – Down Payment Assistance		\$47,086.16*
	TOTAL:	\$127,210.56
	ENTITLEMENT AMOUNT:	\$80,594
	ESTIMATED EN AVAILABLE AFTER PI APPLIED:	\$107,062.06
	PROGRAM INCOME:	\$26,468.06
	REPROGRAMMING:	\$0.00
	LOCAL MATCH:	\$20,148.50

* Includes estimated EN available after program income applied

**APPROPRIATION OF FUNDS FOR
THE CITY OF CHARLOTTESVILLE'S 2020-2021
COMMUNITY DEVELOPMENT BLOCK GRANT - \$419,367**

WHEREAS, the City of Charlottesville has been advised of the approval by the U.S. Department of Housing and Urban Development of a Community Development Block Grant (CDBG) for the 2020-2021 fiscal year in the total amount of **\$432,691** that includes new entitlement from HUD amounting to \$419,367, and previous entitlement made available through reprogramming of \$13,324.

WHEREAS, City Council has received recommendations for the expenditure of funds from the CDBG/HOME Task Force, the SAT; and has conducted a public hearing thereon as provided by law; now, therefore;

BE IT RESOLVED by the City Council of Charlottesville, Virginia, that the sums hereinafter set forth are hereby appropriated from funds received from the aforesaid grant to the following individual expenditure accounts in the Community Development Block Grant Fund for the respective purposes set forth; provided, however, that the City Manager is hereby authorized to transfer funds between and among such individual accounts as circumstances may require, to the extent permitted by applicable federal grant regulations.

PRIORITY NEIGHBORHOOD

Ridge Street Priority Neighborhood	\$201,912.90
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ECONOMIC DEVELOPMENT

Community Investment Collaborative Scholarships	\$15,000
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PUBLIC SERVICE PROGRAMS

TJACH – Coordinated Entry System	\$53,345.58
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HOUSING PROJECTS

AHIP – Homeowner Rehab	\$78,550.12
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ADMINISTRATION AND PLANNING:

Admin and Planning	\$83,873.40
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TOTAL

\$432,691

BE IT FURTHER RESOLVED that this appropriation is conditioned upon the receipt of \$419,367 from the Department of Housing and Urban Development. Should the total actual amount of entitlement received differ from the appropriated amount, all appropriated amounts may be administratively increased/reduced at the same pro-rated percentage of change between the estimated entitlement and the actual entitlement. The total appropriated amount will not to exceed 2.5% total change, nor will any agency or program increase more than their initial funding request, without further action from City Council.

The amounts so appropriated as grants to other public agencies and private non-profit, charitable organizations (sub-recipients) are for the sole purpose stated. The City Manager is authorized to enter into agreements with those agencies and organizations as he may deem advisable to ensure that the grants are expended for the intended purposes, and in accordance with applicable federal and state laws and regulations; and

**APPROPRIATION OF FUNDS FOR
THE CITY OF CHARLOTTESVILLE'S 2020-2021
HOME FUNDS \$127,210.56**

WHEREAS, the City of Charlottesville has been advised of the approval by the U.S. Department of Housing and Urban Development of HOME Investment Partnerships (HOME) funding for the 2020-2021 fiscal year;

WHEREAS, the region is receiving an award for HOME funds for fiscal year 20-21 of which the City will receive \$80,594 to be expended on affordable housing initiatives such as homeowner rehab and downpayment assistance.

WHEREAS, it is a requirement of this grant that projects funded with HOME initiatives money be matched with local funding in varying degrees;

BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that the local match for the above listed programs will be covered by the a surplus of match from previous appropriations from the Charlottesville Housing Fund (account CP-0084 in SAP system) in the amount of \$20,148.50. Project totals also include previous entitlement made available through program income of \$26,468.06. The total of the HUD money, program income, and the local match, equals \$127,210.56 and will be distributed as shown below.

PROJECTS	HOME EN	PI	MATCH	TOTAL
AHIP-Homeowner Rehab	\$33,507.84	\$13,234.03	\$10,074.25	\$56,816.12
Habitat for Humanity-DPA	\$47,086.16	\$13,234.03	\$10,074.25	\$70,394.44
Total	\$80,594	\$26,468.06	\$20,148.50	\$127,210.56

* includes Program Income which does not require local match.

BE IT FURTHER RESOLVED that this appropriation is conditioned upon the receipt of \$80,594 from the Department of Housing and Urban Development. Should the total actual amount of entitlement received differ from the appropriated amount, all appropriated amounts may be administratively increased/reduced at the same pro-rated percentage of change between the estimated entitlement and the actual entitlement. The total appropriated amount will not to exceed 2.5% total change, nor will any agency or program increase more than their initial funding request, without further action from City Council.

The amounts so appropriated as grants to other public agencies and private non-profit, charitable organizations (subrecipients) are for the sole purpose stated. The City Manager is authorized to enter into agreements with those agencies and organizations as he may deem advisable to ensure that the grants are expended for the intended purposes, and in accordance with applicable federal and state laws and regulations; and

The City Manager, the Directors of Finance or Neighborhood Development Services, and staff are authorized to establish administrative procedures and provide for mutual assistance in the execution of the programs.

The City Manager, the Directors of Finance or Neighborhood Development Services, and staff are authorized to establish administrative procedures and provide for mutual assistance in the execution of the programs.

**APPROPRIATION
AMENDMENT TO COMMUNITY DEVELOPMENT BLOCK GRANT ACCOUNT
Reprogramming of Funds for FY 20-21**

WHEREAS, Council has previously approved the appropriation of certain sums of federal grant receipts to specific accounts in the Community Development Block Grant (CDBG) funds; and

WHEREAS, it now appears that these funds have not been spent and need to be reprogrammed, and therefore,

BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that appropriations made to the following expenditure accounts in the CDBG fund are hereby reduced or increased by the respective amounts shown, and the balance accumulated in the Fund as a result of these adjustments is hereby re-appropriated to the respective accounts shown as follows:

Program Year	Account Code	Purpose	Proposed Revised Reduction	Proposed Revised Addition	Proposed Revised Appropriation
19-20	1900330	OED GO Utilities	\$13,324		
20-21		Priority Neighborhood		\$13,324	\$13,324
		TOTALS:	\$13,324	\$13,324	\$13,324

CDBG/HOME FY20/21 RFP Submissions

CDBG: Public Services	Organization, Program Title	Project Contact	Program Description	Funding Requested
	United Way of Greater Charlottesville	Ingrid Chalita	Early Learners Scholarship Program	\$25,000
	Thomas Jefferson Area Coalition for the Homeless (TJACH)	Anthony Haro	Coordinated Entry System	\$50,000
	Charlottesville Public Housing Association of Residents (PHAR)	Brandon Collins	Resident Involved Redevelopment	\$34,000
	Total Amount of Request			\$109,000
	Total Projected Budget			\$58,950
	Request Overage			\$50,050
CDBG: Econ	Organization, Program Title	Project Contact	Program Description	Funding Requested
	Office of Economic Development (OED)	Hollie Lee	GO Catering	\$18,000
	Community Investment Collaborative (CIC)	Stephen Davis	Entrepreneurship Program	\$15,000
	Piedmont Housing Alliance (PHA)	Erica Johnson	Section 3 Coordination	\$36,140
	Total Amount of Request			\$69,140
	Total Projected Budget			\$45,000
Request Overage			\$24,140	
CDBG: Housing	Organization, Program Title	Project Contact	Program Description	Funding Requested
	Albemarle Housing Improvement Program (AHIP)	Jen Jacobs	Block by Block Charlottesville - Ridge Street	\$45,500
	Total Amount of Request			\$45,500
	Total Projected Budget			\$45,500
Request Overage			0	
HOME	Organization, Program Title	Project Contact	Program Description	Funding Requested
	Habitat for Humanity of Greater Charlottesville	Ruth Stone	Habitat Down Payment Assistance	\$70,000
	Albemarle Housing Improvement Program (AHIP)	Jen Jacobs	Block by Block Charlottesville - Ridge Street	\$73,000
	Total Amount of Request			\$143,000
	Total Projected Budget			\$73,600
Request Overage			\$69,400	



CDBG/HOME Taskforce

Tuesday, February 18, 2020

4-5PM

Neighborhood Development Services (NDS) Conference Room
City Hall, 605 E. Main Street

AGENDA

1. Introductions/Housekeeping/Minutes
2. CDBG/HOME Basic Introduction
3. Application Scoring
 - a. Next meeting date:
4. Other Business
5. Public Comment

Staff Contact:

Erin Atak, Grants Coordinator (atake@charlottesville.org), (434) 970-3093

CDBG/HOME Taskforce
 Minutes – February 18, 2020
 4PM – 5PM

ATTENDANCE:

Taskforce Member	Present	Absent
James Bryant		X
Taneaia Dowell	X	
Howard Evergreen	X	
Olivia Gabbay	X	
Nancy Carpenter	X	
Emily Cone-Miller	X	
Matthew Gillikin	X	
Kem Lea Spaulding		X
Helen Kimble	X	
Erin Atak	X	

AGENDA

1. Introductions/Housekeeping/Minutes

The meeting began at 4:00 PM. Taskforce went around the Neighborhood Development Services (NDS) Conference Room and gave introductions. Sign-in sheet was passed around, along with the agenda packet.

2. CDBG/HOME Basic Introduction

Erin Atak (EA), City Staff, went over the CDBG/HOME Technical Assistance Packet within the agenda materials. EA alerted the Taskforce that all applicants did receive the CDBG/HOME Technical Assistance Packet and did have a mandatory technical assistance meeting covering CDBG/HOME program basics prior to applying.

EA reviewed with the Taskforce the CDBG/HOME introduction. CDBG has the national objective component that all activities are required to meet. HOME has similar requirements with the goal of funding a wide range of activities (i.e., down payment assistance, housing rehabilitations, etc.). EA went over examples of eligible activities for CDBG/HOME and passed around a matrix sheet outlining additional activities covered in the program.

EA mentioned that all applicants were instructed to include the following withing the application. The first was to include goals from within the City’s Consolidated Plan. The second, was to make sure the proposed activity related to one of the City Council FY19-20 Priorities. Finally, to make sure the proposed activity meets the program requirements of CDBG/HOME.

EA discussed that HUD does not release the official award amounts to the City until the summer, but assumptions from previous year’s funding can help us guesstimate what next

year's funding should look like. EA went over the Federal and local requirements that subrecipients are required to follow once they are chosen for the award (subrecipient contract, reporting, monitoring, CDBG timeliness requirements, and additional requirements like the environmental review record).

Howard Evergreen (HE): Were any of the applicants that were submitted this year have trouble meeting their timeliness requirements? Because if so, that can affect our scoring

EA: I can provide an update on how applicants have met their timeliness goal in the past.

EA: All CDBG/HOME applications were submitted online through the City Website. All applications were time-stamped upon submission. No late applications were received this year.

3. Application Scoring

Discussion opened on how scoring shall proceed.

HE: With the previous Taskforce, we came to the decision to fully fund the applications that we thought were good and scored well through the grading process. It did not make sense to disperse the funds to every single applicant when we are already dealing with a small amount of funds to begin with.

Taneaia Dowell (TD): (Agreed with HE's statement). Additionally, what I would like to see is additional information on how funds/budgets are being expended from each applicant. Not all were clear with how funds are going to be used within their program. For example, AHIP's budget was clearer, they outlined the labor/materials... the budget gave substance. Meanwhile TJACH's budget did not give much outline.

Olivia Gabbay (OG): I also had frustration with reading these applications. While reading through them, I noticed the answers were too general. The City is here to help fund these programs, but I would like to see more detail on what the potential program is that we may be selecting to fund.

Helen Kimble (HK): In my past reviewing grant applications, we would focus on looking at the outcomes of the program. I was searching for the outcomes within the applications and noticed that they were vague.

HE: CDBG/HOME does have the federal requirements attached to the when reviewing the applications. We need to look at whether they meet the criteria.

HK: It would be also helpful to focus in on what the projected outcomes are of these applications.

EA: Moving forward, would it be helpful to get some clarification from the applicants before creating the proposed budget?

HE: Can we get questions to you?

EA: Yes that can work. I can have the applicants give responses ASAP.

HK: Should we email them to you separately or in the group email?

EA: Lets submit questions in the group email. This can eliminate any repeat questions.

HE: This can also spark up new ideas when looking at an application, seeing everyone's questions on hand.

The Taskforce agrees on a schedule moving forward:

Follow up questions to applicants submitted to EA by: February 25

Question Response Deadline for Taskforce: March 2nd

Scores due to EA: March 3rd.

TD: It is also important to score off the information you have based on what is in the packet. Regardless of what you know about an organization personally, you need to go off of what is in the application at-hand.

Matthew Gillikin (MG): It is also important to note whether the applicants made improvements from previous applications.

HE: This year's applications had improved.

TD: Agreed.

EA: During the 1-on-1 technical assistance meetings, I did provide feedback on what the previous Taskforce comments were about the applications to the applicants.

- a. **Next meeting date:** In person will be March 5th, NDS Conference Room at 3PM.

4. Other Business

N/A

5. Public Comment

No public was in attendance. Meeting adjourned 4:45PM.



CDBG/HOME Taskforce

Thursday, March 5th, 2020

3-4:30PM

Neighborhood Development Services (NDS) Conference Room
City Hall, 605 E. Main Street

AGENDA

1. Introductions/Housekeeping/Minutes
2. Review Application Scores & Create proposal budget.
3. Other Business
4. Public Comment

Staff Contact:

Erin Atak, Grants Coordinator (atake@charlottesville.org), (434) 970-3093

CDBG/HOME Taskforce
Minutes – March 5, 2020
3PM – 4:30PM

ATTENDANCE:

Taskforce Member	Present	Absent
James Bryant		X
Taneaia Dowell	X	
Howard Evergreen	X	
Olivia Gabbay		X
Nancy Carpenter	X	
Emily Cone-Miller	X	
Matthew Gillikin	X	
Kem Lea Spaulding		X
Helen Kimble	X	
Erin Atak	X	

AGENDA

1. Introductions/Housekeeping/Minutes

The meeting began at 3:00PM.

No changes or additions were made to the minutes from February 18, 2020. The Taskforce approved the minutes as is.

2. Review Application Scores & Create proposal budget.

Erin Atak (EA), City Staff, asks the Taskforce whether they had a chance to review the applicant timeliness spreadsheet prior to submitting scores. The timeliness spreadsheet covers the audits on applicant performance from the previous program year. The audit goes over grant timeliness, program performance, spending, and financial management through the scope of what HUD is looking for in a CDBG/HOME program.

Howard Evergreen (HE) said that the spreadsheet looked good.

Helen Kimble (HK) asked for a point of clarification: looking over the rubric, she through the spreadsheet was in relation to the organizational capacity from staff,

EA replied saying yes.

EA also mentioned that the SAT committee also preferred having the audit information beforehand before submitting scores. Moving forward, an audit will be performed before scoring. The SAT committee reviews applications applying for CDBG economic development funds.

Taskforce agreed.

Scoring

EA: All scores were submitted except for 3 people. We will have to keep moving forward at this point of the timeline without their scores.

Taneaia Dowell (TD): Is the average that you are reporting including your organizational capacity score?

EA: Just the scores that were provided by the Taskforce.

Points out of 42:

AHIP average: 23.94

United Way: 19.89

PHAR: 19.89

TJACH: 21.39

Habitat: 21.61

HE: These are low scores.

Matthew Gillikin (MG): We do not have great Grant writers

TD: Agreed, and I was about to say United Way's application did not even have a timeline, so how can you give points when there is nothing there.

MG: Several the applicants did not mention Ridge Street.

HE: Well if the program is city wide, they will not be able to get points for providing a service to everyone.

MG: You could at least explain how with this money, residents from Ridge Street can benefit from this program, etc. There is a criterion for data collection, I am sure all the applicants have data on people who have connections to Ridge Street.

Emily Cone Miller (ECM): It was not clear to me where in the application they would have given that information, because it was not explicitly asked.

TD: It was a question

HE: Yes under the prioritizing section and priority neighborhood.

TD: We had one applicant refer to the SIA.

HE: Next year, please help the applicants answer the questions more directly. Well we got the points.

MG: AHIP had the best score.

EA: During my audit visit, my concern with AHIP and Habitat was that they did not have any of the required federal documents on hand. If HUD were to come down for a random audit site visit, that would be a finding. United wad was fine in all aspects, but wad missing one invoice. That was noted as a concern, not a finding. A concern can lead to a finding. Habitat was missing the Environmental Review (finding), PHAR had a lot of staff turnover which is cause for concern, and their applications from previous years did not meet up to Taskforce standards. TJACH had everything up to standards, a couple of policies and procedures manuals were missing (concern). The SAT group funded the CIC application fully.

Econ scores

OED 22.1

CIC 27.3

PHA 14.5

HE: What happens to the leftover funds from the econ category?

EA: A couple things can happening depending on how today's allocation goes.

HE: It could shift to a different category?

EA: Yes - to CDBG Housing and priority neighborhood. It depends. The SAT agreed with the CDBG Taskforce with fully funding on the applications that had the high scores and performed well.

MG: Is part of the rational only funding the projects that we know are going to be successful because otherwise we can run into issues that result into reduced funding in the future?

EA: Yes

Nancy Carpenter (NC): Makes sense.

HE: I would like to say that I was worried both about PHAR's application and about TJACH's application, because I worry about an organization where all the money is going towards staffing, versus providing services to somebody. Both applications showed that they would be hiring the main person in charge of supervising the program with the CDBG funds. TJACH for example, the

person oversees coordinated entry services. In my mind, we gave the funds last year to help get the program started, but this is a bad way to run a program every year from my perspective. Having to come back and hope that the money arrives in a timely way, is not a sustainable model. I am not sure whether I would want to support that. The same goes for PHAR. I like the model where the money goes to help a family or person directly – which is why United Way has been funded by us in the past because funds go directly to a family for direct needed services.

ECM: I do not have any experience in the non-profit world at all, which makes me an interesting person to have at the table. As an outsider, I think to counter this position, I would say that organizing people is very labor-intensive and important. All these things, to me, seem like very worthwhile enterprises. I am less interested in giving money to well established organizations like United Way and Habitat where the money gets transferred over to another entity because I presume, that they can make up the loss of the money by other means if they do not get money from the City. PHAR probably has very limited means for raising funds and the work they do will not show results as it is much harder to demonstrate impact when you are talking about funding organizers. Giving people a mortgage is easier to demonstrate or that a child went to preschool – both which are worthwhile expenses. But as I was reading the proposals, I noticed that some organizations are going to have a much harder time showing how to demonstrate impact than others and that we should take that into account. They may not have other sources of funding. You cannot quantify the impact of organizing. I was more interested in funding the things that seemed harder to pull off than the ones that seemed easier to pull off.

NCM: I can speak a little to Coordinated Entry, that is where I started. The way that we get grants from HUD and other agencies is through our data entry through Homeless Management Information Systems (HMIS), and so by having good quality data to go with the grants or the NOFA's, we can better create monies that go to direct services. Everything is data drive, and someone must do it. I was critical of Anthony, and that person does maintain data for other service providers. Hopefully, other service providers will be brought in and will conduct outreach. It was hard to evaluate these organizations.

HE: My criticism was not of the importance, but if they are going to every year come back to CDBG to try to fund this position, it's like on thin ice all the time. It is not a great way to run an organization. We did fund it last year.

MG: Was that the first year it (TJACH) had been funded?

HE: First year it had been funded by CDBG. It may have been funded by other ways in the past, I think it was. Federal funds are going to come and go, there are going to be all kinds of crazy time schedules. To me it is a really important position.

ECM: Yeah, agreed.

HE: But to fund it through this mechanism; even the answer to the question I asked. I do not know, it would worry me if I was a board member of that organization.

HK: The department for aging and rehab services pulls down CDBG money to have help fund their TANF case manager, and every year of course have a lot of turn-over in that position because people were nervous. "Is it going to be funded next year"? Even though for the past 20-30 years the position was funded, and they finally let the position go, but that was after 30 years of running it that way. So, I do not think that it is just small non-profits that are saying that they will want to draw-down this money.

HE: No, it's a different pool of CDBG money.

HK: It is a different pool, but I am speaking more to your argument about how that is not sustainable ongoing because a lot of people fund parts of their programs that way.

HE: But not funding the entire position.

HK: Well it was 50%, but without that money the position would not exist.

TD: I thought this was for the second Coordinated Entry position? I misread that.

HE, NC: No, it's just got the one.

TD: Right, but isn't this for an additional one? Don't they already have one?

HE, NC: This is to keep the position going.

TD: Okay. I do not know why I was thinking it was for a second position. Maybe because we funded it last year. Sorry about that.

HK: Actually, I will admit too, I thought that this was funding the second half of one position. I thought that maybe it was making a part time position a full-time positions.

ECM: I think he said that if they did not get the funds, then it would become a part-time position.

HK: I see

HE: Yeah, that was the answer to the question.

TD: I guess I was thinking two positions because I was under the impression that the need for a second person was mentioned because of the wait time. So, they would try to reduce the wait time of people trying to see the Coordinated Entry person to increase the level of services.

HK: Well if you are only there 20 hours a week, you must schedule your appointments twice as far in advance.

ECM: They may not be helpful, and we don't have to talk about it, but what is a sustainable model?

HE: Every nonprofit must figure out their own method of how they are going to function over a 5, 10-year plan. I know for example, I was on the housing authority board for a while. And we finally after many years got the City to provide support to the housing authority, but that was one way of getting more money. In this case, it may be the City has to step up more. It may be that churches, who say they care about homelessness, must provide more support. There are a variety of ways to do it, but this is a pretty challenging way to do it. I cannot come up with a direct solution. It is the thing that all nonprofits must deal with.

HK: It is sort of hard to write up a proposal because what you are trying to do is reduce homelessness. So if you see it as a crisis, you know here is something that we are dealing with that is crisis driven, then you write a proposal: “20 years from now it will be growing even bigger because there will be even more homeless”, you know what I am trying to say. One thing you are growing like a child care program, the other you are trying to reduce the need in the community. So you wouldn’t necessarily put as much of an emphasis on long term viability of the project.

MG: How significant is it to these types of grants of how this fit into their funding model. It probably ties into the funding capacity of these funds somehow. How much should we weight that? It’s not like this is the 15th time they have come back asking for CDBG funds, this is the 2nd or 3rd time right? Maybe that is some feedback we can give them for next year?

HE: This has been going on for 10 years. It is not a new thing; it has been building. I am not even saying not to fund them, it is just worrisome to me that they see this to continue funding this position. And this is an essential piece to what they do.

TD: Here is what is interesting to me though, they had the highest average score. And so, if we are going based on our rubric, don’t you think we should go based on the score? Not that I do not love our conversation, but we are not going to get through. At some point we have to say “hey, what are we going to do? Who are we going to fund”? Because typically what we have done is we have taken the average scores, and whoever got the top averages, typically were funded. And even though we do see some holes and flaws in this application which – to me – a lot of them were flawed in different ways. Even with the flaws, they got the highest average score. We have roughly 58 thousand we can distribute.

EA: Yes

ECM: And we potentially have \$30,000 that can be moved around?

EA: Yes

MG: You (EA) had mentioned AHIP’s capacity to, I think they only did 4?

EA: Yes that was one concern I had. This year, AHIP’s projected goal was to rehab 4 homes, but have only invoiced me for 1. Next year they are projecting to do 10 home rehabs.

HK: What are your scores for the organizational capacity category? Are those built into the scoring rubric?

EA: Based on the spreadsheet created by the previous Grants Coordinator, the Staff organizational capacity scores were not included. However, my score for AHIP would be 0.

ECM: That is helpful to know.

HE: Did you ask why AHIP was so far behind on projects?

EA: I did

HE: What did they say?

EA: The current FY budget is because of the delay in Environmental Review Work. Home rehabs done in the historic district take longer to get approval for. And last year's audit, AHIP was missing their Environmental Review Records for each project which is contractually required. They were given 30 days to find them.

HE: Right, I see. So, they are so far behind on projects because the Environmental Reviews are not done. So, they cannot go ahead.

EA: Right. So, they are trying to get those done right now.

ECM: For our benefit, can you (EA) give your scores for the other applicants? We don't need to do all the averaging, but it would be helpful to know. For me, this is a crazy system. As an outsider, I find this process really upsetting. The money is just sitting there.

TD: I am just going to say personally, if my kid was going to a school that was not educating them, I would not pump money into that school. I probably would switch my kid out.

ECM: But that is how problem schools arise. If you are a city or an entity that is running the school, then you need to give that school more resources.

HE: But you need to look at why the school is not doing well.

ECM: Yes. It is hard, for me, to interpret, what the cause of the problem is, based on the grant application. If they have more funding would the program work better or would the same problem still exist?

HK: Few of these organizations showed budgets that are significant. Shifting one decimal over from the operating funds would yield the funding request.

ECM: To me that is meaningful. Why is that not part of the rubric? Because that seems to be so important. The difference between Habitat, PHAR, and United Way – I assume – is vast.

EA: We can definitely add that into the application. Okay the following staff's organizational capacity score:

AHIP: 0

United Way: 3

TJACH: 2

PHAR: 0

Habitat: 1

OED: 1

CIC: 3

PHA: 0

ECM: I mean I totally understand the concern about future funding being threatened by people not complying. That seems like a real concern since we don't want to reduce our funding in the future for other projects.

EA: We can add that into the application next year.

HE: It is interesting because of the discussion we have here penalizes the organizations that are doing well and are relatively wealthy. And in some ways, are helping more people. United Way has a formula for how much they put into their daycare programs (for example). If we can help those extra 10 families, it may be a big deal for those 10 families.

HK: It's a very tangible/measurable thought effect. Mentoring residents (PHAR), trying to bring someone to change processes and interphase between residents and housing,

HE: This person is not mentoring the residents. They are managing the program

HK: ...Making it possible for that program to happen.

HE: If they had asked for money to pay the mentors to go in, I would feel different. They were very clear that they had money to do that, but they did not have the money to go pay the person who was going to supervise the operation.

ECM: I did not get that impression...

HK: I feel like we are arguing about whether the grant proposal is very meticulous and has numbers, how are you going to create that if you do not have that person who is keeping track of that data for the organization?

TD: I still go back to the rubric. Why fill this out if we are not going to look at this

Everyone laughs

HK: I was looking at the 90 proposals document that came out for the Vibrant Communities fund. I thought that this why we were talking about the rubrics. Whether to fully fund, fund partially, is that what you were thinking?

TD: Yes, I will be honest, I though the scoring portion was going to happen last time because we got the notebooks in November. So, for me today it was “we already submitted the scores, we take the highest averaging scores, and decide whether we fully fund, not fully fund”. Typically, we have said that we want to fully fund programs so that they can fully be able to do what they want to do. I want us to move forward. We could go on for days with our conversation. We need this coordinated entry person because we have a housing crisis on our hands and homelessness is part of that housing crisis. If we do not have this person and we cannot get these people to the resources they need, are we making any progress on assisting the housing crisis? That is my opinion.

HK: I respect that, but what surprised me was how close these scores were to each other. It seemed like one random change could have ruined scores. I was expecting much different results based on my reading.

HE: That is why we have this diverse group.

ECM: There is not a huge difference

HE: I am going to make a quick suggestion so that we can maybe go ahead. This is a funding suggestion; and that is to fund AHIP under the HOME program. Not fund Habitat. AHIP had a higher score than Habitat did. To take that \$45,000 from CDBG Housing into the public services section, which will increase that amount of money to almost fund everyone fully. And then figure out how to adjust the finding slightly for those three public services activities.

ECM: I don't think the averages are right for the scores”

EA: The scores are being totaled over an average of 9 people. Anyone who did not submit their application scores in, the scores were imputed as zero.

HE: Oh, I see.

ECM: Can you give us the scores based on the average of people who only submitted the scores?

EA: Yes. But it will not change the score differences.

HE: Right, they are going to still have the same spread.

EA: The following are the new averages:

OED, CIC, and PHA stays the same
AHIP 35.91
United Way 29.83
TJACH 32.08
PHAR 29.83
Habitat 32.41

TD: Makes us feel better

Everyone laughs

ECM: Then it looks like we don't fund PHAR or United Way. I would say let's fund PHAR.

HE: I think we should fund all three public service activities

MG: Are we in agreement that TJACH gets the full amount?

ECM: Tentatively yes.

Everyone else nods yes

NC: We are still doing the HOME AHIP at full?

ECM: Tentatively yes, there needs to be a discussion.

ECM: So we can move the CDBG money around, but not the HOME money. Is that correct?

HE: Yes

HK: I guess I am confused about why we are moving money between funding pots?

EA: It may be better to look at the individual sections first.

MG: In the Public services section, If we fund TJACH fully, that leaves \$8,950. So should we split the remaining proportionally for PHAR and United Way?

TD: Here is the thing though, would they be able to accomplish their program objectives with roughly \$4,000?

MG: Right, but there is the extra \$30,000 from econ. I mean it is a good point because PHAR it seems like you fund a position, or nothing happens whereas in United Way you reach fewer.

ECM: yeah you reach fewer beneficiaries. With PHAR it is either program or no program, meanwhile in United Way, we reach fewer people.

HE: When these categories were broken up, was it by formula?

EA: Yes, CDBG is broken down federally into categories by percentages.

HE: But they can be reconfigured?

EA: Yes, but the public services activity can not exceed more than 15% of the HUD entitlement amount.

HE: Oh, so we cannot move that around them. What does 15% mean?

EA: Based on my projections, it becomes the \$58,000.

NC: The reason I like PHAR is that United Way is only talking about 10 people, not necessarily from the Ridge Street neighborhood. PHAR is talking about their ongoing redevelopment going house to house to house to house, touching all residents at various times. They are continuing to build resilience, connect with each other, to have a neighborhood rely on. I support fully funding them if there is money available.

ECM: I feel like with United Way maybe if we don't give them the money those people don't go to school, but they can get the money from somewhere else. It also seems more indirectly related to the City council priorities. Like its true, its related to professional development, but it is going to help kids for going to school to help parents professionally. I wish we had more funds to help everyone.

MG: Sounds like we want to fund PHAR, we need to give the full amount.

HE: You know there is a reason why she (EA) gave PHAR a zero, and it has been pretty consistent from over the years. They lack the ability to manage. Just giving them money does not solve the issue that they are not able to handle it.

NC: I want to counter that argument with the South First Street women who came together on their own with no funding to decide how they want their neighborhood to look like. To me that is managing neighbors and coming up with a program to show the City and CRHA. That would be cool to see how this funding could help change PHAR.

TD: Well, the women of South first street were completely in it. Like how many rooms/units, how the entry way should look. They did a great way and should be an example of how citizens should be involved in public housing. They designed the parkway, where they wanted to community center, access, and lighting. Citizen involvement should be incorporated going forward.

NC: the details were impressive. They were not developers.

EA: The one issue I had with their application was, correct me if I am wrong, but they were going to measure feelings? I am not entirely sure how that is done on this scale.

HK: Asking whether they felt served, heard, etc. Feelings can be subjective. It is hard for me to look at the overall budget of United Way and see how they are not able to make up the funding for the program.

ECM: I strongly concur with the view of the United Way program

MG: To bring it back to the numbers, what should we do with the \$30,000?

EA: I would select from each category first, before moving money around.

ECM: It sounds like we are fulling funding TJACH, leaving about \$9,000.

EA: Okay, and then for CDBG Housing, it sounds like we are not funding AHIP?

HE: That was my suggestion, and to fund them in the HOME section since they have been falling behind. The same argument for United Way can apply for Habitat. The way that they do their moneys, they don't have to do down payment assistance they way normal people do it, and can stretch it out. I do not think they need extra HOME funds. Whereas AHIP will only fix homes with the awarded funds.

TD: So, are we funding AHIP in Housing?

HE: In HOME but not CDBG?

HK: So 100% AHIP funding under HOME, none for Habitat, and none for AHIP under CDBG.

HE: Yes.

TD: So, if I understand you correctly, we are not funding Habitat?

HE: Yes.

EA: Keep in mine the 15% cap on the HUD entitlement for public services projects.

TD: Then I would say I don't think we need to the direct door knocking in the neighborhoods, but the \$8,950 will not be enough for PHAR. Versus, United Way, may be able to serve 2-3 families.

ECM: Why don't we take some of the funding back from TJACH?

TD: Why should they get penalized for having the better application?

ECM: They are still getting more money than other people.

TD: I would move that we fully fund TJACH and give United Way the remaining funds. Because I do not think PHAR will be able to do much with that little funding.

ECM: I would still give it to PHAR.

MG: How about splitting between the two?

TD: I do not think if an organization is asking for \$34,000 that 8,950 will be enough to sustain their operation.

HE, MG: Right that is reasonable.

HE: You (TD) feel strongly that the highest point total should get the funding.

TD: I do because this is my 3rd or 4th year doing this and this is what we have the rubric for.

HK: I am still struggling with how close the scores are with one another. I think we are trying to find the best was to make sure CDBG dollars best serve the community.

ECM: The rubric is not the same as a stopwatch.

TD: The rubric helps us gauge how an organization will perform. If you do not complete the application efficiently then one will get penalized.

ECM: The rubric is going to always be an imperfect mechanism for gauging merit.

HE: What about giving thirds to the public service applicants? Or \$20,000, \$20,000, and \$8,950? As a committee, we need to fully come to a consensus.

TD: As a taskforce in the past, we have met to discuss the validity of the rubric and whether or not to fully fund an organization. We also took into assessment the Staff's take on organizational capacity. If we do not fully score TJACH, are they able to fully conduct their service?

HE: They will move it to part time.

MG: TJACH scored the highest, we should fund them fully. PHAR and United Way creates a tangible benefit on both ends. Ultimately this is turning into a discussion which organization do we like the best.

NC: Right.

MG: Let's split the funding.

NC: I could agree with that.

HE: 25, for TJACH, 17 for PHAR, and the balance would go to United Way.

EA: Is this what the CDBG/HOME Taskforce is recommending?

TD: I do not totally agree. Now when she (EA) goes back to the applicants, they were under the impression that they were going to be fully funded if scored well.

EA: They were told that the highest scoring applicant would be funded.

NC: I see well we need to adjust.

ECM: Agreed.

TD: This is what is frustrating because this process has been decided last year.

HK: I think when we have new people come in, there is going to be a learning curve.

HE: There is a term limit with serving on the CDBG/HOME Taskforce.

ECM: So, lets give TJACH full funding. I would advocate for giving the remainder to PHAR.

EA: Both United Way and PHAR fit council and CDBG priorities. For me it comes down to who is filing the HUD paperwork correctly. Based on the last audit from PHAR in 2011, the HUD paperwork was not there. Each year PHAR's application scored poorly. United Way's HUD paperwork was there in their last 2018 paperwork.

HK: Why are we disbursing all the funds for the Public Services pot?

EA: We do have the option to not allocate all the funding since we do not know exactly what the HUD funding will be.

HE: So, the same would be true then for AHIP under CDBG Housing and HOME. We should fund them

MG: What about shifting the \$30,000? Could we shift that into the housing and then award Habitat HOME funds?

ECM: Oh yeah divide HOME between AHIP and Habitat, and then award AHIP the extra from CDBG. But then would we give them equal funding in HOME?

MG: No, we give AHIP \$43,000; and Habitat gets the remaining balance. Then move the \$30,000 to CDBG Housing.

HE: I agree to that.

Everyone nods.

EA: So we are all in agreement to fully fund TJACH for public services, give AHIP the \$30,000 for CDBG Housing, and to split the HOME funding between AHIP and Habitat.

Everyone Agrees.

3. Other Business

None

4. Public Comment

No members of the public were present. Meeting dismissed 4:30 PM.

