

2022 CDBG AAP RFP Public Hearing

Minutes

- Date: 12/15/2021, 6 PM EST
- Location: Hybrid. Online via Zoom and In-person at City Hall Hearing Office, 210 Main St, Second Floor, Northampton, MA
- Planning and Sustainability Office Staff Attending: Wayne Feiden, Nathan Chung
- Members of the public attending: Eight nonprofit and government employees
- Minutes recorder: Nathan Chung
- Context: First of two CDBG public hearings. This meeting is an overview of CDBG and RFP. The second meeting will be on reviewing the draft AAP.
- Main Contact: (On medical leave as of 12/15/2021) Keith Benoit, community development planner, kbenoit@northamptonma.gov, 413-587-1288
- Secondary Contact: Nathan Chung, grants administrator, nchung@northamptonma.gov, 413-587-1262
- Director of Planning and Sustainability: Wayne Feiden, wfeiden@northamptonma.gov, 413-587-1265

Summary

Wayne Feiden, the director of Planning and Sustainability Office presented the slides on the CDBG overview and RFP due to Keith Benoit, the community planner who normally does the presentation, being out on medical leave. All members of the public attending were from nonprofits and government agencies, and their proposed activities would fall under the CDBG Public Services category. The presentation was about 30 minutes followed by a Q&A session with members of the public attending. Wayne presented an overview of the CDBG program, eligibility, examples of Northampton CDBG projects, and what the City is looking for from applications.

Some key points are:

1. The CDBG main page is here: <https://www.northamptonma.gov/2083/CDBG-funding> and the application page is here: <https://www.northamptonma.gov/2384/Apply-for-CDBG-Funding>. Applications are due on 1/14/2022.
2. Public services applications have to be done through the Neighborly online portal at <https://portal.neighborlysoftware.com/northamptonma/participant>. Application should be as clean and complete as possible. The Planning Office can provide support. Other categories allow for other methods such as email and contacting the Planning and Sustainability Office during the middle of the years.
3. The estimated total CDBG entitlement from July 2022 to June 2023 would be \$683,764 based on the 2021 entitlement. Public services have a 15% cap, which would be \$102,565.
4. Applying for CDBG Public Service funding for 2022 would be more competitive due to losing the 15% cap waiver and additional COVID-19 funding to mitigate the effects of COVID-19. To reduce administrative overhead on the Planning Office's part, it is looking for bigger applications for Public Services, with a minimum request of \$5,000 and a maximum of \$15,000.

5. The Planning Office is open to a new vendor for Housing Rehabilitation who has a lower overhead than the current vendor and can more effectively find eligible low-income individuals.

Minutes Begin: Presentation Part

Wayne: We are starting at 6 rather than wait to reward those who are on time. It will be pretty informal. 20 min of presentation and then rest of the time for comments. We will get your testimony. We have a new mayor coming in on Jan 3rd, but CDBG program will not greatly change most likely despite some different priorities.

I am Wayne Feiden, the director. Nathan is the grants admin who does details. Keith is the community planner who does the overall planning. Put your name and organization and let us know how you found out to make sure you are in the email list. If more people show up, we will be more formal and raise hands.

Quick background. Every year is the action plan. Every five years is the consolidated plan for big picture vision. The five year plan is on the website. We reach out to different commissions, individuals, and advisory groups. Our job is to listen to everybody and present to the mayor elect who will decide on the final program.

Last year, 2020 was the consolidated plan. Last couple years have been a bit strange because of COVID and the CARES act. Each year, we get block grants. Larger cities get money automatically [from HUD], and then small cities get it from the state. We are a small entitlement community exception [that gets money automatically from HUD]. The action plan is written out, but there is some flexibility with changing circumstances. One example is COVID. But the big picture process does not change.

We have three national objectives. Vast majority of funding is on benefitting low income people whose AMI [Area median income] is 80% or below. It also includes improving low income areas. HUD assumes population with disability are low income even if they are not, so we do not need to do income assessments. Removing slums and blight is not a big deal in Northampton. We tore down a few structures and removed pipes. We almost never spend money on the final objective, urgent need. COVID changed that.

Projects need to meet the objective. Only some projects are eligible. Public facilities only are eligible if they are not general government needs. Senior center is an eligible example. We are working on the resilient hub with \$440k. Infrastructure includes sidewalks, waterline, etc for low-income neighborhoods. We can do curb cuts for wheelchairs anywhere because of the disability eligibility. Infrastructure for affordable housing project is eligible such as parks near low income housing.

Affordable housing by the federal definition is ones for people who earn 80% of AMI. It can be new, rehab, or acquisition. Spending federal money requires construction projects to pay the prevailing wage according to Davis Bacon. So we often limit ourselves to acquisitions.

Public services, or social services, is capped at 15% of the total. It was waived during COVID but no longer the case. Every mayor wants the full cap. We want to spend more but the cap is the legal limit. This year will be more competitive than last year because we lost the COVID money and the cap waiver.

Economic development is only for low income people. The job test is complicated so we focus on micro-enterprises [Businesses with five employees or less, including the owners]. There is a long-term micro-

enterprise program by Valley CDC we fund. We have been doing recovery planning for downtown. One major interest is in incubator spaces with low rent and support services. The portion of the incubator space that is aimed at LMI is eligible for CDBG.

As for planning and admin, we almost use the 20% cap. We have two full-time staff members. We occasionally use a portion of the money to buy affordable housing. A few times we have torn down structures under the slum and blight category.

In the consolidated plan program goals, including affordable housing goals, are spelled out in detail. I won't go into the details. There is first-time homebuyer counseling. We got CPA [community preservation act] money for housing so we are trying to combine it with CDBG. We love PVPC but want to open up housing rehab to other vendors. We almost always use CDGB and CPA money for new projects. As for economic development, we are exploring the role of resilience hub. It's about breaking cycles of poverty. Public services include reducing homelessness.

To give you a quick sense of what we are doing, we will share some projects. One is wheelchair curb cuts. We fixed bad wheelchair curb cuts in Florence. Put Extensive ramps for the Arts Trust. Cahill Apartments ramps will go up in the spring. Housing rehab program with PVPC. We love the quality of the work by PVPC but wondering if another vendor can find clients effectively with a lower overhead. CPA is \$50,000 per person for only four people. Village Hill North is virtually complete and will be done in the next few months. Microbusiness assistance from Valley CDC, which I mentioned before. A lot of program examples to get you thinking about possible new programs.

Public services funding is fixed, which is unfortunate. We had to kick out some organizations. CDBG has a large overhead, so we are looking into finding ways to give out a few larger grants. This year, the minimum is \$5000 and the maximum is \$15,000. Strong focus on people with the biggest challenges – homeless and youth. We also don't want to just focus on only the biggest crisis. Look at the Literacy Project and Big Brothers Big Sisters, for example. We look all the way from most challenged to those with lesser needs. We understand there is always a need. Don't take it personally if we don't accept you.

Public services applications have to be done through the online portal. Other categories allow for other methods such as email and contacting us during the middle of the years.

We don't have multi-year contracts. We like to get a non-legally binding pledge it will be for multiple years. We expect you won't be doing a full solicitation every year.

Our projected funding amount is \$683,000. Take 20% for admin cost. And 15% of it is for public service.

Reviewing the key dates. The RFP [Request for proposals] is open now. The public service review committee is advisory only. They will be interviewing public service people in January. And then we come back in March with our draft action plan. How would public services look with the resilience hub? We moved the deadline a little earlier than last year so committee can interview everyone and then follow up. A month after the public hearing for the draft plan, which is April, we close the public comments. HUD approval usually comes early July and we can't do award letters until then. The schedule you see on the slide is a little optimistic. Now we are open for questions and comments.

Q&A Part

Becky Himlin, CAPV: What are the loan limits for housing and what needs are the most prevalent?

Wayne: It's not worth doing a small project due to the high admin overhead. We are open to proposals. The focus is on code corrections such as lead paint and heating systems and roof. It has to be durable. Substandard housing and code-related issues are eligible. We gave PVPC \$100k and they were not able to spend all the money. HUD requires us to spend the money timely.

Judith Roberts, the Literacy Project: I have a comment. The block grant has helped us greatly by going to students and school supplies. We provide access to education which is a road out of poverty. What we probably have in common in this room is we all had post-secondary education. I am sorry that the CDBG has such a high overhead. The small amounts we get for small agencies like us is invaluable to us. Important for survival and for our students. Some of us here are running small agencies, so the CDBG funding makes a big difference.

Wayne: We had many debates about this over the years in terms of staff costs. Pretty certain that will be the new mayor's topic.

Sarah Valley, Valley CDC: What did you say the min and max amounts were?

Wayne: Min of \$5,000 and max of \$15,000. It doesn't mean an organization can't ask for multiple projects. We are trying to find the fine line of not being too big and not being too small (grant distribution) to help our smaller organizations.

Lisa Downing, Forbes Library: I am from the Forbes Library. Do we have room to correct after submission?

Wayne: Suggestion is to be as clean as possible before submitting. You can contact Nathan or Keith. Your project likely won't be too complicated because it is about helping disabled people.

Nathan: We are here to help you, so please contact us if needed.

Wayne: If there are no more questions, please follow up with us.

Minutes End