

<b>CD Program FY 2017 Application Review</b>	<b>Public Services</b>	<b>Staff Contact: Suzanne Kelley</b>
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**Summary of Public Service Applications**

- 12 Public Service CDBG applications were submitted. Six applications were for Supportive Housing or Shelter services, which also applied for ESG funding. There are two new applicants, Avalon Educational Institute and YWCA of Duluth.
- The HUD regulations allow CDBG funds to be used for a wide range of activities that benefit low income individuals, however only 15% of the CDBG fund may be used for Public Service activities. Last year the allocation would have allowed up to \$331,532 in funds for Public Services.
- There was no coordinated entry application, HUD is requiring COC's to have coordinated entry. Last year \$12,000 in CDBG Public Service funds was allocated to coordinated entry.

**Approach to Application Review**

- Applications were reviewed based the needs, strategies and goals listed in the 2015 Consolidated Plan.

**Applications Received**

Code	Proposal Name	Organization	Amount
2017-10	After School Expansion	Avalon Educational Institute	\$139,445.08
2017-15	Center City Family Supportive Housing	Center City	\$50,000
2017-02	Duluth Hunger Project	CHUM	\$80,000
2017-03	CHUM Emergency Shelter	CHUM	\$40,000
2017-19	Life House Drop-In Youth Center	Life House	\$30,000
2017-17	MACV Shelter Operation	MACV	\$9,150
2017-13	JET Food Program	Neighborhood Youth Service	\$25,000
2017-30	Tenant Landlord Connection	One Roof Community Housing	\$30,000
2017-13	Safe Haven Shelter for Battered Women	Safe Haven	\$7,800
2017-08	Salvation Army Family Housing	Salvation Army	\$5,250
2017-16	YWCA-Early Childhood Support	YWCA of Duluth	\$20,000
2017-33	AICHO Supportive Housing-Gimaajii	AICHO	\$18,252

**Total: \$454,897.08**

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**Consolidated Plan Goals**

**Consolidated Plan Goal #6: Public Services**

- Support programs that fulfill basic needs (food and shelter) for people who are low-income and/or homeless.
- Support health and dental services for Duluth residents who are uninsured.
- Support programs that help abused and neglected youth who are homeless or at risk of homelessness become stably housed.
- Provide tenant/landlord mediation services to prevent evictions.
- Support Permanent Housing.

**Consolidated Plan Goal #9: Homelessness**

- Support the implementation and operation of coordinate access entry sites for families, youth, and singles.
- Support housing stabilization initiatives for homeless populations with special needs.
- Support the operation of emergency shelter facilities that help homeless families, youth, and individuals rapidly access housing and becoming stably housed.
- Provide shelter and stabilization services for women and children experiencing domestic violence and/or sex trafficking.
- Create additional permanent supportive housing units for chronically homeless people or for persons with special needs.
- Support the creation or renovation of shelter facility for homeless youth.

**APPLICATION #2017-10: Avalon After School Expansion**

Brief Description of Application (including activities and target clientele):

- CDBG funds will be used for highly structured, fully supervised, after school program where low-income youth and their families can actively learn success mechanisms like leadership and teamwork through multi-cultural physical arts, music, art, and an open tutoring center. The target clientele low-income children and families.

Application goals/outcomes and relation to Consolidated Plan:

- The Avalon Institute expects to serve 300+ low income children and families that currently cannot afford to attend and have no other access to activities.
- The 2015 Consolidated Plan does not list a Public Service Goal that this program intends to meet (it does not fulfill a basic need, it does not provide a health or dental service, it does not provide services to youth who are about to become homeless; it does not prevent evictions, and it does not support permanent housing).

Budget and Project Readiness:

- The Avalon Institute is a new applicant and has not received funding in the past.

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- This project will start following the approval of funds for the construction of a new classroom space (see Public Facilities request).
- \$32,740 in revenue funds have been secured along with \$92,570.09 in volunteer time.
- The application is requesting \$139,445.08 through CDBG funds, which would make this project mostly reliant on grant funds, a ratio of <1:1.
- Avalon’s budget has items that appear to not be eligible for Public Service funding (videography, recognition, and art supplies).
- The application states a goal is to create 8 jobs, job creation for non-profits is a non-eligible activity for Public Service.
- The application states (page 246), that Avalon currently serves “50 low-income students, many of which are adults.” This statement is confusing and needs clarification. In addition, the application does not state how it was determined that there is a need to serve an additional 250 youth. The application does not clearly establish a need for this service.

Applicant:

- The Avalon Institute is located at 404 W Superior Street, Duluth, MN 55802. The Avalon Institute is a non-profit agency and a new applicant this year. They have not received CDBG funds in the past, it is unclear if Avalon has administered federal funds.

Staff Recommendation:

- Staff recommends does not recommend funding Avalon’s After School Expansion because
  - it does not relate to the 2015 Consolidated Plan Goals,
  - has a high leverage request,
  - does not establish a need for this service
  - has items that are ineligible for CDBG dollars.

**APPLICATION #2017-15 Center City Family Supportive Housing**

Brief Description of Application (including activities and target clientele):

- Funding would pay for three staff positions at Center City: a case manager, supportive services manager and an intake worker.
- Target clientele includes homeless families and individuals.

Application goals/outcomes and relation to Consolidated Plan:

- Applicant will serve 91 people as a part of their public service goal.
- This activity would meet the listed 2015 Consolidate Plan, #9: Homelessness “Support the operation of emergency shelter facilities that help homeless families, youth, and individuals rapidly access housing and becoming stably housed.”
- This activity would meet the listed 2015 Consolidate Plan, #6: Public Services: programs that fulfill basic needs (food and shelter) for people who are low-income and/or homeless.

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Budget and Project Readiness:

- Center City has secured over \$400,000 of their \$512,000 budget from federal and private donors. Center City is requesting \$50,000 in CDBG funds. Center City has a leverage rate of >3:1 ratio.

Applicant – Center City Housing

- Center City is located at 105 ½ West 1<sup>st</sup> Street, Duluth MN 55802. Center City has a history of positivity administering CDBG, ESG, and other federal funds.

Staff Recommendation:

- Staff recommends funding the application because the activity is listed in the 2015 Consolidated Plan.

**APPLICATION #2017-02: CHUM Duluth Hunger Project**

Brief Description of Application (including activities and target clientele):

- The Duluth Hunger Project is a collaboration of CHUM, the Salvation Army, and the Damiano Center to operate food shelves and provide hot meals to prevent hunger and malnutrition to Duluth’s residents with the lowest incomes. The project provides at least 150,000 hot meals and 8,500 five-day emergency food packages. The target is to assist 14,000 unduplicated low income individuals during the program year, which would be an increase of 2,000 people from last year.

Application goals/outcomes and relation to Consolidated Plan:

- The Consolidated Plan Goal #6, for Public Services, states, “Support programs that fulfill basic needs (food and shelter) for people who are low-income and/or homeless.” This application meets this goal.
- The application states this project would serve 14,000 unduplicated individuals.

Budget and Project Readiness:

- CHUM has received CDBG funds in the past and has been able to appropriate spend the funds in a timely manner.
- Since this will be a continuance of an existing service, CHUM will be able to provide this service at the beginning of the 2017 program year.
- \$168,282 funds have been secured, \$1,022,583 are anticipated, for a funding leverage 2-1:1 ratio and a total budget of \$1,190,865.
- At the full budget, the per capita cost is \$85.06 per person.
- CHUM’s budget and project readiness appears appropriate.

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Applicant:

- CHUM (Churches Unity in Ministry) located at 102 W. Second Street, Duluth MN 55802. CHUM is a nonprofit agency that has provided shelter services in Duluth for many years. CHUM also has received federal funds in the past.

Staff Recommendation:

- Staff recommends funding the application because the activity is listed in the 2015 Consolidated Plan.

**APPLICATION #2017-03: CHUM Emergency Shelter**

Brief Description of Application (including activities and target clientele):

- CDBG funds will be used to provide Emergency Shelter and Stabilization Services to at least 950 unduplicated individuals, including at least 50 families with children. CDBG funds will be used for direct service staff time, including intake, assessment, housing search, advocacy with potential landlords, and transitional assistance (helping people move from shelter to housing).

Application goals/outcomes and relation to Consolidated Plan:

- This is a listed goal in the 2015 Consolidate Plan, #9: Homelessness “Support the operation of emergency shelter facilities that help homeless families, youth, and individuals rapidly access housing and becoming stably housed.”
- The application states this project would serve 950 unduplicated individuals who are experiencing homelessness.

Budget and Project Readiness:

- CHUM has received CDBG funds in the past and has been able to appropriate spend the funds in a timely manner.
- Since this will be a continuance of an existing service, CHUM will be able to provide this service at the beginning of the 2017 program year.
- \$240,165 funds have been secured, \$261,250 are anticipated, for a funding leverage 2-1:1 ratio and a total budget of \$501,415.
- At the full budget, the per capita cost is \$527.81 per person.
- CHUM’s budget and project readiness appears appropriate.

Applicant:

- CHUM (Churches Unity in Ministry) located at 102 W. Second Street, Duluth MN 55802. CHUM is a nonprofit agency that has provided shelter services in Duluth for many years. CHUM also has received federal funds in the past. CHUM is active with the COC.

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Staff Recommendation:

- Staff recommends funding the application because the activity is listed in the 2015 Consolidated Plan.

**APPLICATION #2017-19: Life House Drop-In Youth Center**

Brief Description of Application (including activities and target clientele):

- This project will fund Life House staff to assist 625 youth (ages 14-24) experiencing homelessness to address basic needs and access crisis services, emergency shelter, and stable housing.

Application goals/outcomes and relation to Consolidated Plan:

- Goal 6: Public Services: Support programs that help abused and neglected youth who are homeless or at risk of homelessness become stably housed.
- Goal 9: Homelessness: Provide shelter and stabilization services for women and children experiencing domestic violence and/or sex trafficking.

Budget and Project Readiness:

- The budget appears reasonable and the requested CDBG money will fund staff time.
- Life House youth services are ongoing and will be able to continue if funded in fiscal year 2017.
- \$126,000 has been secured and \$117,225 is anticipated for a 2-1:1 funding leverage ratio.

Applicant:

- Life House is located at 102 W 1 Street, Duluth MN 5802 and has a history of administering CDBG, ESG, and other federal funds.

Staff Recommendation:

- Staff recommends funding the application because the activity is listed in the 2015 Consolidated Plan.

**APPLICATION #2017-17: MACV Rapid Rehousing**

Brief Description of Application (including activities and target clientele):

- Public service funds will be used to support a staff position with benefits. This position is in charge of support services and oversees client intakes.
- The target clientele is homeless veterans.

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Application goals/outcomes and relation to Consolidated Plan:

- MACV served 86 clients as a part of the 2016 public service grant agreement. Their goal was to serve 80 clients.

Budget and Project Readiness

- MACV has secured over \$140,000 from public and private funding sources for their budget of \$150,000. The leverage rate is >3:1 ratio.

Applicant

- Minnesota Assistance Council for Veterans, (MACV) located at 360 Robert Street N. Suite 306 St. Paul, MN is a nonprofit agency that has provided shelter services in Duluth for many years. MACV also has received federal funds in the past. MACV is active with the COC. MACV is an office in Duluth located at 5209 Ramsey St, Duluth, MN 55807.

Staff Recommendation:

- Staff recommends funding the application because the activity is listed in the 2015 Consolidated Plan

#### **APPLICATION #2017-13: NYS: JET FOOD PROGRAM**

##### **Brief Description of Application (including activities and target clientele):**

The Neighborhood Youth Services (NYS) JET Food Project is designed to provide daily meals and snacks to a target clientele that includes youth in the Central Hillside and surrounding Duluth neighborhoods who are high risk and low to very low-income, including ethnic minorities. The project also provides job training skills in the food service industry for teens, which is aligned with the ServSafe Food Handler Certification program. The proposed service goal is 500 youth, with an LMI service goal of 100%.

##### **Application goals/outcomes and relation to Consolidated Plan:**

- The JET Food Program meets the following objective of Public Service Goal #6: "Support programs that fulfill basic needs (food and shelter) for people who are low-income and/or homeless."

##### **Budget and Project Readiness:**

- Requested amount: \$25,000 (approx. 25% of the cost of the JET Food Project, specifically supporting 1 staff position, the Food Service Worker).
- Total budget: \$95,720; Secured: \$35,600
- Leverage Ratio: 1:1.42
- Project readiness: Daily food service and job training are already underway. The additional CDBG funds will be used to ensure consistent program continuation and employment of a Food Service Worker.

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**Applicant:**

- Woodland Hills-Neighborhood Youth Services (NYS) has their main office at 4321 Allendale Avenue, Duluth MN 55804. The applicant has received CDBG funds and other federal funds in prior years and is familiar with HUD requirements.

**Staff Recommendation:**

- Staff recommends funding the application because the activity is listed in the 2015 Consolidated Plan

**APPLICATION #2017-30: Tenant Landlord Connection**

Brief Description of Application (including activities and target clientele):

- The Tenant Landlord Connection (TLC) will provide education to existing and potential landlords and tenants regarding rights and responsibilities as well as mediating disputes to reduce the number of evictions in Duluth. Specifically, the TLC will provide 26 Ready to Rent classes for tenants, 3 to 5 landlord trainings, and provide one-on-one Rights and Responsibilities education for tenants and landlords, as well as provide mediation services.

Application goals/outcomes and relation to Consolidated Plan:

- This is a listed goal in the 2015 Consolidated Plan, #6: Public Services, states “Provide tenant/landlord mediation services to prevent evictions.”
- The TLC’s proposed service goal is 500 households.

Budget and Project Readiness:

- The 2016 program year was the first year that the TLC received CDBG funding, but due to a delay at HUD, the funds have not been distributed in a timely manner (they received \$27,368). In 2015, the City of Duluth allocated \$ 40,000 in general fund dollars, and those funds were spent in a timely manner.
- Since this will be a continuance of an existing service, it appears the TLC will be able provide service at the beginning of the 2017 program year.
- At this time, none of the fund for the program have been secured. The total budget of the program is \$150,000, of which \$30,000 would be from CDBG funds, therefore the leverage amount would be >3:1 ratio.
- At the full budget, the per capita cost is \$300/per household.
- TLC’s budget and project readiness appears appropriate.

Applicant

- The TLC is a program that would be operated by the One Roof Community Housing, which is located at 12 East 4<sup>th</sup> Street, Duluth, MN 55805. One Roof Community Housing is a nonprofit

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agency that has provided housing services in Duluth. One Roof Community Housing has administered CDGB and HOME funds for housing development projects in Duluth.

Staff Recommendation:

- Staff recommends funding the application because the activity is listed in the 2015 Consolidated Plan.

**APPLICATION #2017-04: DV Shelter Operations**

Brief Description of Application (including activities and target clientele):

- Safe Haven’s target clientele is domestic abuse victims and their families.
- This application is requesting funding for a staff person, and their benefits who works with clients during and after their intake process.

Application goals/outcomes and relation to Consolidated Plan:

- The proposed goal of Safe Haven is to provide support to 500 individuals.

Budget and Project Readiness:

- The CDBG request is for \$7,800 with the exception of the ESG funds, the remaining funding has been secured. The leverage ratio is >3:1 ratio.

Applicant

- Safe Haven is a Shelter for Battered Women and is located in Duluth. Safe Haven also has received federal funds in the past. Safe Haven is active with the COC

Staff Recommendation:

- Staff recommends funding the application because the activity is listed in the 2015 Consolidated Plan

**APPLICATION #2017-16: YWCA Early Childhood Support**

Brief Description of Application (including activities and target clientele):

- This project will provide subsidized childcare and transportation to 150 families. The project will help families keep their children enrolled in childcare/Early Childhood Education Center programs when they encounter unexpected events that limit their ability to pay for these programs. Transportation subsidies will also be provided to families to get their children to and from childcare and to enable parents/caregivers to get to work or school and seek employment.

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Application goals/outcomes and relation to Consolidated Plan:

- Goal 6: Public Services: Support programs that fulfill basic needs (food and shelter) for people who are low-income and/or homeless.

Budget and Project Readiness:

- The budget appears reasonable for the program described, but the applicant did not provide a full program budget. The CDBG money will fund transportation costs, staff time, meals for children, and childcare scholarships.
- The YWCA has been operating the Early Childhood Education Center since 1973.
- No funds have been secured and \$20,000 is anticipated for a <1:1 funding leverage ratio.

Applicant:

- YWCA is located at 32 West 1<sup>st</sup> Duluth, MN 55802. The applicant has administered federal funds.

Staff Recommendation:

- Staff recommends funding the application because the activity is listed in the 2015 Consolidated Plan

#### **APPLICATION #2017-08: Salvation Army Supportive Transitional Housing**

Brief Description of Application (including activities and target clientele):

- Salvation Army's target clientele is homeless families and individuals.
- This grant would fund a partial amount of staff salaries who work with clients.

Application goals/outcomes and relation to Consolidated Plan:

- Salvation Army has a goal of serving 100 individuals as a part of this program.
- This activity would meet the activity listed in in the 2015 Consolidate Plan Homeless Goal 9 "Support housing stabilization initiatives for homeless populations with special needs."
- This is a listed goal in the 2015 Consolidate Plan, #9: Homelessness "Support the operation of emergency shelter facilities that help homeless families, youth, and individuals rapidly access housing and becoming stably housed."

Budget and Project Readiness:

- Of the \$202,302 budget, Salvation Army has secured over \$191,000 from federal and private funding.
- The ESG request is for \$5,250 with the exception of the CDBG funds, the remaining funding has been secured. The leverage ratio is >3:1 ratio.

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Applicant:

- Salvation Army is located 215 South 27<sup>th</sup> Ave West, Duluth MN. Salvation Army also has received federal funds in the past. Salvation Army is active with the COC

Staff Recommendation:

- Staff recommends funding the application because the activity is listed in the 2015 Consolidated Plan.

**APPLICATION #2017-33: Gimaajii Permanent Supportive Hsg**

Brief Description of Application (including activities and target clientele):

- The proposed project is permanent supportive housing for 29 families/households experiencing homelessness.

Application goals/outcomes and relation to Consolidated Plan:

- Goal 6: Public Services: Support Permanent Housing.
- Goal 9: Homelessness: Support housing stabilization initiatives for homeless populations with special needs.

Budget and Project Readiness:

- The applicant left the “Program Uses” and “Funding Needs” sections of the application blank, but lists the CDBG funds under “Wages” on the Budget Spreadsheet.
- Gimaajii Permanent Supportive Housing is already in operation and can continue operating if funded.
- \$251,809 has been secured and \$313,068 is anticipated for a 2-1:1 funding leverage ratio.

Applicant:

- AICHO, American Indian Community Housing Organization, is located at 202 West 2<sup>nd</sup> Street, Duluth MN 55802, provides culturally specific programming for the American Indian community. AICHO has administered federal funds, including CDGB and ESG.

Staff Recommendation:

- Staff recommends funding the application because the activity is listed in the 2015 Consolidated Plan.