

CITY OF BURLINGTON
COMMUNITY DEVELOPMENT BLOCK GRANT - 2019 APPLICATION

*Application must be no more than 9 total pages (including cover page) with 12 point font.
Refer to NOFA for required information for each question.*

Project Name: Old North End Community Center

Project Location / Address: 20 Allen Street

Applicant Organization / Agency: Champlain Housing Trust

Mailing Address: 88 King Street, Burlington, Vermont 05401

Physical Address: 88 King Street

Contact: Chris Donnelly Title: Director of Community Relations Phone #: 862-6244

Web Address: www.getahome.org E-mail: chris@champlainhousingtrust.org

EIN #: 22-2536446 DUNS #: 868151226

CDBG Funding Request: \$227,000

Total Estimated Program/Project Cost: \$7,800,000

Grant Duration: mark one X 1 Year _____ 2 Year

(Only Public Service programs with a focus on Early Childhood Ed/Child Care, or Youth Services are eligible for 2 year grant this year)

Development: mark one _____ Economic Development X Construction

Public Service: _____ Early Childhood Ed/Childcare _____ Youth Services _____ Health _____ Econ Opportunity
Mark one

1. Type of Organization

_____ Local Government

_____ For-Profit Organization

_____ Faith-Based Organization

X Non-Profit Organization (please provide copy of your
IRS 501(c)(3) tax exemption letter)

_____ Institution of Higher Education

Certification

To the best of my knowledge and belief, data in this proposal are true and correct.

I have been duly authorized to apply for this funding on behalf of this agency.

I understand that this grant funding is conditioned upon compliance with federal CDBG regulations.

I further certify that no contracts have been awarded, funds committed or construction begun on the proposed program, and that none will be prior to issuance of a Release of Funds by the Program Administrator. In addition, this project is ready to proceed as of July 1, 2019.


Signature of Authorized Official

Chris Donnelly

Name of Authorized Official

Director of Community Relations

Title

1/14/19

Date

I. Demonstrated Need

1. What is the need/opportunity being addressed by this program/project and how does that contribute to CDBG's national objectives? *

This project will create a lasting, multi-purpose community center for the Old North End, provide security for nonprofits that serve the neighborhood and beyond, and support a hub of activities that will help families and individuals thrive in the City. There is no such facility in the City, and judging upon the tremendous demand and use of the building since our purchase, it fills a gap in need.

The City's priorities, as detailed in its most recent Consolidated Plan, are to restore and rehab existing public facilities over developing new ones, and "to support public and nonprofit facilities where there is identified community support for the project and where there are not other sufficient, more appropriate resources." The Old North End Community Center hits all of these local priorities. There is a dearth of resources for such community buildings and CDBG is one of the few.

On top of this, the Center's tenants provide services that focus on the needs of children, refugees and immigrants, seniors, at risk youth and other vulnerable populations. As a public facility located in a low-income census tract, the project also fits CDBG's national objectives.

By now, this project is likely well known by City staff and residents. It has been funded through this process in the last two years and we are now in the home stretch. The Mayor and CEDO Director have each provided us letters that committed support to the Community Center through a reservation of an additional \$227,000 in CDBG funds. We are quickly moving towards a closing this spring in order to maximize the other sources of support and get under construction.

II. Program/Project Design

1. Give us a short summary (2 sentences) that describe the program/project.

The project began with our agreement to purchase the former St. Joseph School at 20 Allen Street in 2017 and renovate it to serve four primary tenants and the 4,000 people they and their sub-lessees serve each year: Robin's Nest Children's Center, The Family Room, AALV, and the Burlington Parks, Recreation and Waterfront Department. The project has already made the building accessible by creating a new entrance and installing a new elevator, as well as improving parking and adding a commercial kitchen, and the final phase will be to rewire the building and add energy efficient fixtures, install new water systems including sprinklers, new windows that will bring in natural light and save energy, and a new heating and cooling system.

2. Explain why the program activities are the right strategies to use to achieve the intended outcomes. Why is the program designed the way it is? (cite evidence, best practices, or community input)*

The building perfectly situated in the Old North End where the need is greatest for the people that the tenants serve. There is no community space for these services in the Old North End; acquiring land or another property to construct a community center would have been cost prohibitive. The opportunity here is truly once in a generation.

The purchase was also made viable when the BPRW Department agreed to take one-third of the space. Based on data from peer cities, Burlington has roughly 63% of the amount of indoor multi-

purpose space it should for a community of its size, facing a 22,340 SF deficit. This building will provide them with roughly 17,000 square feet.

Beyond simply providing community building opportunities (which has value in and of itself) multi-purpose community space should be a priority for the City in trying to address issues of obesity, health, crime and needs of youth, refugees, low-income families, early childhood education, new learning programs, arts, culture and much more. The building is a foundation for addressing various current and even unknown future needs

We engaged public officials and community members prior to our purchase, including hosting a public meeting attended by over 100 people. We also met with several other nonprofits in the City and two neighborhood school principals and were encouraged to move forward.

3. How will this program/project contribute to the City's anti-poverty strategy?

All of the programs that will use the public facility serve low-income households and support their ability to move out of poverty. These activities include access to child care and preschool education which puts kids on the right path in their early years while allowing parents to work. They also include support and training for New Americans, and connection to needed services or supports such as health care and housing. The availability of indoor space for both youth and seniors is critical to their well-being. The Family Room's programs have been vital to hundreds of low-income households over the years.

All of this – and more – is facilitated by the affordable rents provided and the functioning of this community resource.

4. How do you use community and/or participant input in planning the program design and activities?*

The existing tenants approached CHT to purchase the building when they thought they might lose their long-term homes. CHT then turned to the BPRW Department to see whether additional indoor space was in their strategic planning, and it had been identified as a need for the Old North End. The central hardwood floored gymnasium with a full stage is of specific appeal to BPRW as was the stage to the Very Merry Theatre. A third party will manage the ground floor community space, and a commercial kitchen has been installed to support those (and other) uses. In this way, CHT is relying on the nonprofit's and government agency's programs to respond to the community's needs, we are focusing on the acquisition and rehabilitation of the property, and then simply being an owner, manager and landlord. A community meeting in November, 2016 was attended by over 100 people who offered input on design and uses of the building.

III. Proposed Outcomes

1. What are the intended outcomes for this project/program? How are people meant to be better off as a result of participating?

The intended outcome for this project is a fully-functional, sustainable community center in the Old North End that serves the people of the neighborhood, as well as other Burlington and Chittenden County residents. Construction will begin this Spring on the second phase to include improvements to the building and its systems. Already, we've stabilized rents and provided security of tenure for the tenants and their program participants through five year, renewable leases with below market rents.

Since the nonprofits and the City's PRW Department design their own programs – and have already found was to bring in new partners and build collaborations for new services – it is very difficult for CHT to measure or take responsibility for program level outcomes. But we do know, for example, simply having access to affordable childcare enables employment or education/work training. Likewise, the afterschool program developed by AALV and the BPRW Department provides mentoring and a safe place for youth; such programs are known to prevent encounters with law enforcement or substance use.

What we can take responsibility for are such items as accessibility improvements (we've added an elevator and new entrance), safety (the building being occupied with lighting and cameras should improve neighborhood safety), and the systems in the building. We've also worked to alleviate traffic safety issues on Allen Street by expanding the parking lot in the back of the building.

CHT will make investments in energy efficiencies by replacing two large old boilers with new ones, and we will improve the comfort of people working in or accessing services in the building by adding a cooling system (the building is sweltering in the summer, and often windows get opened in the winter). Similarly, energy efficient lighting and new wiring will benefit the tenants and public who access the services there.

2. List your goals/objectives, activities to implement and expected outcomes (# of units, # of individuals, etc.)

The building is very solid and has been a cornerstone in the neighborhood since it was built almost one hundred years ago. That said, it is in need of substantial modernization and repairs, including becoming accessible (we just created a new street level entrance and installed an elevator), new efficient heating and cooling systems, and new windows, and new wiring and technology upgrades, among other improvements including some site work and expanding parking.

Construction will occur with tenants' programs continuing their operations. We expect that all of the work will be complete by the end of 2019.

IV. Impact / Evaluation

1. How do you assess whether/how program participants are better off? Describe how you assess project/program outcomes; your description should include: what type of data, the method/tool for collecting the data, from whom you collect data, and when it is collected. *

As mentioned above, we will improve the physical structure of the building and make it accessible and operational for the tenants. Any assessment of impact on individuals or households will be done by the agencies renting space as part of their missions. Multiple data points are used by the various tenants to measure the success of their varied programs.

We will speak with the tenants about doing a survey to gather information directly from people using the building. This likely would not happen until the renovations are complete and the programs have some time under their belt operating in the building together.

2. How successful has the project/program been during the most recent reporting year for your CDBG project? Report the number of beneficiaries you intended to serve with which activities (as noted in your last Attachment A) and your final outcomes (as noted on your Attachment C) from June 2018 (or June 2017). For non-CDBG participants – report on your achievements from the previous year.

As a project that serves an area as opposed to a project or service, we do not track the number of beneficiaries as other projects do (though in section VI, we did fill out the chart to give the community a sense of the scope of the use of the building through the tenants' programs).

We have spent funds already on expanding the parking lot and doing site work to enable The Family Room to create outdoor play space that is also available to the public. Previous work that was completed included improving accessibility by adding a new ground level door and elevator, new gender neutral bathrooms and a commercial kitchen to support the event hall. The building is teeming with activity every day.

V. Experience / Organizational Capacity

1. What is your agency's mission, and how do the proposed activities fit with your mission?

The Champlain Housing Trust is a Community Land Trust that supports the people of Northwest Vermont and strengthens their communities through the development and stewardship of permanently affordable homes. Over the years, as part of our mission to "strengthen communities," we have engaged in targeted community development as well, including the development of several buildings that are homes to nonprofits such as the Chittenden Emergency Food Shelf, the original Community Health Center, Vermont Legal Aid, the Children's Space, Outright Vermont, a building on South Winooski that serves as both a home to Turning Point and a seasonal Warming Shelter, and the original Good News Garage, now the Old Spokes Home.

2. Explain how your agency has the capacity to carry out the proposed activity (i.e. staff qualifications, years of experience related to this type of activity, etc.)*

Our real estate developer, Amy Demetrowitz, has 25 years of experience in real estate development including permitting, hiring contractors, securing financing, and adherence to regulatory and environmental requirements. She's leading the construction coordination with the tenants along with contractor JA Morrissey. CHT's executive team – CEO Brenda Torpy and COO/CFO Michael Monte – both have long histories in development and assembling the funding needed for such a project.

3. What steps has your organization/board taken in the past year to become more culturally competent internally?

On the first day of work, each staff member receives Fair Housing training. Each year our full staff receives cultural competency training. Managers receive additional training. CHT's Human Resources Director recently participated in a year-long national program with housing executives called Race, Equity, Diversity and Inclusion and is bringing that experience to our internal operations. We are about to embark on developing a new three year strategic plan, and will recommit formally to these staff training goals and explore new ones from ideas and feedback collected both internally from staff and board and through interviews of community leaders.

4. Have you received Federal or State grant funds in the past three years? X Yes ___No

5. Were the activities funded by these sources successfully completed? X Yes ___No ___N/A
If No, please explain.

VI. Proposed Low & Moderate Income Beneficiaries / Commitment to Diversity

1. Will the program solely serve a specific group of people? If so, check **ONE** below: N/A

☐ Abused Children ☐ Elderly (62 years +) ☐ People with AIDS
☐ Battered Spouses ☐ Homeless Persons ☐ Illiterate Adults
☐ People with Severe Disabilities

2. a. For your proposed project, please estimate how the **Burlington residents** will break out into the following income categories during the total grant period. Use the Income Table at <https://www.burlingtonvt.gov/CEDO/2018-HUD-Income-Limits>

Service / Activity *	Unduplicated Total # of Burlington HH / Persons to be Served	# Extremely Low-Income	# Low-Income	# Moderate-Income	# Above Moderate-Income
Robin's Nest	23 HH/50 persons	5	4	10	4
AALV	507 HH/1,500 persons	50	405	52	0
The Family Room	414 HH/1,000 persons	83	310	21	0
BPRW	475 HH/1,450 persons	80	225	130	40

* NOTE: as a facility providing an area wide benefit, this data collection isn't required. We've provided this information for background purposes only.

b. All CDBG grantees serving limited clientele will be required to use CEDO's **CDBG Beneficiary Self-Certification** form to collect beneficiary data including race, ethnicity, annual income, and family size. Is your organization willing and prepared to add this documentation to the intake process for your CDBG funded program by July 1, 2019?

☐ Yes ☐ NO ☒ Not Serving Limited Clientele (public facilities only)

3. Who is the project/program designed to benefit? Describe the project/program's target population, citing (if relevant) specific age, gender, income, community/location or other characteristic of the people this program is intended to serve. How do you select and reach your target population?

The program is designed to benefit all residents of Burlington and surrounding communities, though residents of the Old North End will likely using the center much more than others. New Americans will be served by AALV. Seniors will be served by BPRW. Many youth will be active with their offerings as well as adults. A diverse number of community and spiritual organizations will also benefit from the new community center's space. Children and families will be served by Robin's Nest and The Family Room.

4. Describe the steps you take to make the project/program accessible, inclusive and culturally appropriate for the target population. *

We installed a new elevator, created a new ground-level door and curb cut to improve accessibility. On the first floor we installed several gender neutral bathrooms (a couple with changing tables). Further renovations will improve access to lighting and the facility more broadly. A foot wash basin is planned on the second floor where the Vermont Hindu Temple is located and host their community events. Different tenants have incorporated signage in languages to assist their clients.

In general, aside from event space on the first floor, the programs that are offered are controlled by the tenants (the event space is controlled by CHT and managed/leased under a partnership through the North End Studios). If we learn of insensitivity, we will address any problems directly.

VII. Budget / Financial Feasibility

1. Budget Narrative: Provide a clear description of what you will do with CDBG's investment in the project/program. How will you spend the money? Give specific details.

The CDBG funds to date has been invested in making the property accessible and expanding the parking lot to help the public access the services as well as for the people working in the building. These additional funds will support the redevelopment costs in the building including electrical work, heating and cooling, replacing windows, and new water systems and fixtures. The City's CEDO director forwarded committed (pending City approval and access to CDBG funds) this remaining amount to allow us to leverage other sources and close our final funding gap.

The budget of funding sources below detail the project's development income. The agency budgets detail CHT's overall operating income, which does not include any of the capital expenses of this project or other construction costs of housing development.

2. If you plan to pay for staff with CDBG funding, describe what they do in relation to the specific service(s) / activity(ies) in your Project/Program Design.

a. No staff will be paid with CDBG funding.

b. All CDBG grantees that use CDBG funds for salaries must submit timesheets that capture total time and effort of staff members funded with CDBG. These timesheets must record CDBG hours worked, other hours worked, all funding sources, and a narrative for all CDBG and non-CDBG funded activities, and they must be signed by the employee and supervisor. Does your organization have the ability to implement a timekeeping system for CDBG funded staff that meets these requirements by July 1, 2019? ☐ Yes ☐ No ☒ Not funding salaries

3. Program/Project Budget

Line Item	CDBG Funds	Other	Total
Acquisition (including title search/insurance and survey)		\$2,170,000	\$2,170,000
Rehab (includes site work, construction, architects, and carrying costs)	477,000	4,333,000	4,810,000
Soft Costs (includes development fee, financing and campaign costs, legal and permits)		500,000	500,000
Start-Up (operating reserve and working capital)		320,000	320,000
Total	\$477,000	7,323,000	\$7,800,000

4. Funding Sources

	Project		Agency	
	Current	Projected	Current	Projected
CDBG	\$250,000	\$477,000	\$130,000	\$130,000
State VHCB VCDP	100,000	100,000	100,000	106,000
Federal NeighborWorks New Market Tax Credits	200,000	200,000 2,450,000	140,000	150,000
United Way			0	0

Private				
Social Impact Investment Debt	2,000,000	2,000,000		
Contributions	1,529,000	2,200,000	205,000	250,000
Program Income			10,815,837	13,187,234
Other				
Burlington Housing Trust Fund			44,781	46,500
Capacity grants			607,219	722,000
Energy grants		150,000		
Total	\$4,079,000	\$7,800,000	\$12,042,837	\$14,591,734

5. Of the total project cost, what percentage will be financed with CDBG?

$$\frac{\$477,000}{\text{CDBG Funding}} \div \frac{\$7,800,000}{\text{Total Program/Project Costs}} = 6.1\% \text{ Percentage}$$

6. Of the total project cost, what would be the total cost per person?

$$\frac{\$7,800,000}{\text{Total Program/Project Cost}} \div \frac{4,000}{\# \text{ Total Proposed Beneficiaries}} = \$1,950 \text{ Cost Per Person}$$

$$\frac{\$477,000}{\text{Total Amount of CDBG Funding}} \div \frac{4,000}{\# \text{ Total Proposed Beneficiaries}} = \$119.25 \text{ Cost Per Person CDBG Investment}$$

7. Why should CDBG resources, as opposed to other sources of funding, be used for this project?

The City, with letters both from the CEDO Director and the Mayor, committed to supporting this project with a total of \$477,000 in CDBG funds. We have received \$250,000, leaving a \$227,000 gap in grant funding from the City. We've used this commitment from the City to secure other grants and gifts.

This is a generational opportunity for the City of Burlington. There are very few other public dollars sources available. We've received \$550,000 in public grants and \$1.5 million in charitable gifts or pledges. We are borrowing \$2 million and leveraging federal tax credits. There's no other place to turn.

8. Describe your use of community resources, including volunteers. Include any resources not listed in your budget. Will CDBG be used to leverage other resources?*

We have received a little over \$1.5 million in gifts and pledges from the community and are in discussion with a donor who would like to make a \$500,000 donation and we are confident of this gift (though it is not included in our budget as we have yet to receive a signed pledge form). Our fundraising has been supported by 20 volunteers over the course of two years to raise these funds, including a group of parents that accessed services from Robin's Nest who raised over \$100,000 from their network alone.

VIII. Collaboration/Efficiency

1. Give 1 or 2 examples of key successful collaboration(s) between your program/project and another agency/program/group to address the needs of the people you serve.

One of the exciting parts of this project is the collaboration it has already fostered, and the various community uses that are now working together out of the same building. A few examples include children from Robin's Nest or The Family Room reading with seniors that access the daily

programs; AALV supporting Bhutanese seniors to cook lunch every Wednesday to share with others in the building; the BPRW Department developing a youth center with AALV to support youth at risk; and Very Merry Theatre working with children attending The Family Room programs.

2. Do identical or similar community programs exist? How does this program compliment or collaborate rather than duplicate services? What makes this program unique?

Other buildings that provide space for similar services may exist throughout the City and even components exist in the Old North End. But those are fully-subscribed and aren't able to meet the needs of the neighborhood.

Many services, such as AALV, the Family Room and programming such as the Senior Center and Very Merry Theatre, aren't duplicative either at all or don't operate in the neighborhood. Indoor recreation space is sorely lacking in the Old North End. All leaders of similar types of organizations in the City have been approached and have offered their support for this endeavor.

3. Provide 1 example of how your agency has become more efficient in achieving your outcomes or managing your project/program.

We have multiple needs for databases ranging from very specialized property management platforms, to our financials, to our donor database and homeownership program. Over the past few years we have migrated our property management database to one that can be connected to the finance department, streamlining the payment of bills and allowing for residents to pay online and access their tenant record through an online portal. Similarly, we are in the process of transferring out donor database onto the same data management system that our homeownership center uses. This new Salesforce based platform will save staff time and create back up support for both programs if ever needed.

IX. Sustainability

1. How will this project have a long-term benefit to the City of Burlington? If this program/project ends, how will that benefit continue?

The long term benefit will be the creation of a community center and the long-term sustainability of the programs housed there. This request is for a capital investment to improve the physical infrastructure of the building to support the operations of the tenants and the services their clients access. Once the capital investments are made, we will operate the building charging affordable rents for tenants while being able to service debt and contribute to both operating and capital need reserve funds. In seven years, we will refinance the building and unwind the tax credit partnership.

2. CDBG funding is intended for new or expanded services. If CDBG funding ends, will the project be able to continue?

Without additional CDBG funding we would lose a match of other funds and may not be able to close, or it may delay our closing causing a loss of tax credit equity.

3. How will you prioritize the proposed project activities if you do not receive the full amount requested?

We would likely need to borrow more money, which would increase our operating costs and ultimately raise the rents we would need to charge the tenants. That could result budget challenges for the nonprofits or the BPRW Department.