

HUMAN AFFAIRS COMMITTEE

FEBRUARY 8, 2021

7:00 PM

To Join Zoom meeting: <https://us02web.zoom.us/j/87467163998?pwd=UzdhY3Nzdy9MRkZRMzFqL3NRQmlZUT09>

Meeting ID: 874 6716 3998 Passcode: 980166

To Join by Telephone: 1-929-205-6099 Meeting ID: 874 6716 3998 Passcode: 980166

If there is a problem with the audio, please dial 603-821-2049 to advise.

PUBLIC HEARING

AMENDING HUD ACTION PLAN TO ACCEPT CARES ACT FUNDS

(Under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), the U.S. Department of Housing and Urban Development awarded Community Development Block Grant-Coronavirus (CDBG-CV) funds in three rounds to prevent, prepare for, and respond to coronavirus. The City has been awarded \$482,813, under the third and final round, and is proposing to allocate the funds to the City's COVID-19 Impact Fund to assist in the stabilization of existing small businesses within the City that have had significant disruption due to the impact of COVID-19.)

ROLL CALL

TESTIMONY

REGULAR MEETING

ROLL CALL

PUBLIC COMMENT

PRESENTATION

COMMUNICATIONS

From: Carrie Schena, Urban Programs Manager
Re: FY2022 HUD Annual Action Plan

From: Carrie Schena, Urban Programs Manager
Re: Citizens Advisory Commission Updates

From: Carrie Schena, Urban Programs Manager
Re: R-21-112; Public Hearing-CDBG-CV funding

UNFINISHED BUSINESS

NEW BUSINESS – RESOLUTIONS

R-21-112

Endorsers: Mayor Jim Donchess
Alderwoman-at-Large Shoshanna Kelly
Alderman Thomas Lopez
Alderman Richard A. Dowd
Alderman Skip Cleaver
Alderman Linda Harriott-Gathright
Alderwoman Elizabeth Lu
Alderman Jan Schmidt
Alderman-at-Large Michael B. O'Brien, Sr.
Alderman Patricia Klee
Alderman June M. Caron
Alderman-at-Large Brandon Michael Laws
Alderman-at-Large Lori Wilshire

**RELATIVE TO AMENDING THE FY2020 HUD ANNUAL ACTION PLAN TO ACCEPT ROUND 3
CDBG-CV FUNDING UNDER THE 2020 CARES ACT**

NEW BUSINESS – ORDINANCES

TABLED IN COMMITTEE

GENERAL DISCUSSION

PUBLIC COMMENT

REMARKS BY THE ALDERMEN

POSSIBLE NON-PUBLIC SESSION

ADJOURNMENT



City of Nashua
Community Development Division
City Hall, 229 Main Street, PO Box 2019
Nashua, New Hampshire 03061-2019

Community Development 589-3095
Planning and Zoning 589-3090
Building Safety 589-3080
Code Enforcement 589-3100
Urban Programs 589-3085
Economic Development 589-3070
Conservation Commission 589-3105
FAX 589-3398
www.gonashua.com

To: Human Affairs Committee
cc: Mayor Jim Donchess; Cheryl Lindner, Chief of Staff
From: Carrie Schena, UPD Manager
Date: February 1, 2021
Re: FY2022 HUD Annual Action Plan

It is time to develop the City's FY22 Annual Action Plan for our Entitlement HUD funding, year two of the five-year Consolidated Plan. As we begin the process, we will be working with estimated budgets until HUD announces annual allocations. The estimates provided are based on level funding for both CDBG and HOME in the federal budget. Please note that these are formula grants, and fluctuations in the data that comprises the formula may result in our awards being higher or lower.

The Urban Programs Department (UPD) recently solicited request for proposals to assist in carrying out our FY22 CDBG goals. Applications were submitted electronically and the link to access the proposals will be posted on the UPD webpage. All proposals submitted contain eligible activities and no major areas of concern. The Nashua Center for the Multiply Handicapped is reducing the amount requested, based on an updated quote, from \$75,000 to \$70,000. A breakdown of the proposals is enclosed.

Following is a summary of the top needs & priorities identified in the current Consolidated Plan:

Affordable housing: Affordable housing is by far the top priority; rehab of existing units (owner-occupied & rental properties); housing that is affordable to very-low income households. Note, nearly 46% of all renters are paying more than 30% of their income toward housing costs. In the lowest income Census Tracts, the majority of residents are paying 50% or more of their income toward housing costs.

Economic development: This area was ranked high through citizen participation, with a strong focus on expanding transportation options. Transportation was identified across all sectors, as key to linking low-income individuals to employment, services and everyday needs. Expanded economic opportunities, including access to higher paying jobs with benefits.

Public Services: Expanding availability and increasing access to needed services; Public input identified services for youth as a top need, targeting high risk youth & increasing affordable childcare programs and subsidies. Seniors were also identified as a group with high needs, including transportation.

Creating livable communities: Improvements to facilities that serve the public and infrastructure, including improved lighting, sidewalks and parks.

Homelessness: Long-term permanent affordable housing and supportive transitional/permanent housing for the at-risk sub-populations. CDBG funding may be used toward supportive efforts under the public service cap, while HOME funds may be used to increase the supply of permanent affordable housing.

The Urban Programs Department is responsible for overseeing the development of and submitting the Plans. We welcome any feedback and urge interested parties to participate in the process. We are also available to answer any questions related to the process.

FY2022 CDBG/HOME Funding & Requests

CDBG Sources		Notes
Entitlement Award (estimated)	\$664,000.00	
Estimated program income	\$45,000.00	
Available for reprogramming (\$34,524.77):		
FY18 Salem St tot lot	\$547.00	Project completed, unexpended balance
FY20 Nashua Children's Home	\$25.00	Project completed, unexpended balance
FY20 PAL	\$20,000.00	Another grant covered the work
FY20 Opp. Networks	\$4,100.00	Bid lower than award amount
FY20 ALC tuition subsidy	\$7,142.34	COVID impacted attendance
FY20 Construction Mgmt.	\$2,710.43	Project completed, unexpended balance
Total Available	\$743,524.77	
Requests:		
Public Services estimated (15% cap)	\$99,600.00	
UPD Project Delivery	\$125,000.00	
UPD, Administration (20% cap)	\$141,800.00	
Owner Occupied Housing Improvement	\$50,000.00	
Rental Improvement Program	\$125,000.00	
Rail Trail East – NHDOT match	\$68,307.00	
PLUS Company - ADA bath & HVAC	\$69,800.00	
Girls Inc - roof	\$29,685.00	
Marguerite's Place - boiler	\$59,400.00	
Nashua Children's Home - roof	\$35,000.00	
PAL - fire escape related	\$11,370.00	
NSKS - Spring Street	\$425,000.00	
Area Agency/Gateways - fencing	\$21,270.00	
Nashua Center - HVAC	\$70,000.00	
Opportunity Networks - plumbing/water heater	\$45,000.00	
Contingency	TBD	
Subtotal Requests	\$1,376,232.00	
HOME Grant (estimated)	\$427,000.00	
Administration (10% cap)	\$42,700.00	
CHDO (req'd 15% set-aside)	\$64,050.00	
Home Buyer Assistance	\$55,000.00	
Affordable Housing Development	\$265,250.00	



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To: Human Affairs Committee
cc: Mayor Jim Donchess; Cheryl Lindner, Chief of Staff
From: Carrie Schena, UPD Manager
Date: January 28, 2021
Re: Citizens Advisory Commission updates

The Citizens Advisory Commission for Community Grants (CAC) is in the process of reviewing a total of 37 grant proposals for the upcoming FY2022. For the third year, the application was hosted through, Jot Form, a third party cloud-based software company. Although there are always some technical difficulties, the process has been fairly smooth. This year's application contained minor revisions from last year, mostly related to formatting or clarification of content. There were no significant changes.

Due to the pandemic, we did not hold a technical assistance work shop; however the Urban Programs staff were available as needed to assist. We are continually trying to improve the process and take feedback into consideration each year.

I also want to highlight three award modification requests the CAC received and approved during the past year. Each of these requests were due to the impacts of COVID and were included in the agenda/minutes posted to the City's website:

- J Greater Nashua Mental Health received FY20 funds toward the operation of parenting group for parents with substance use disorder. Due to COVID the program was temporarily suspended and the agency requested permission to carry the unexpended balance forward to FY21. Approved 10/15/2020.
- J Greater Nashua Dental Connections requested to reallocate their FY21 award from the purchase of equipment toward the creation of a new operatory. Approved 9/17/2020.
- J The Nashua Senior Center: Due to the temporary closure related to the State's Stay-at Home Order, they were unable to use the funds toward a new Outreach Coordinator position, as originally planned. They requested to reallocate the \$11,169 award to general operations (an eligible cost). Approved 6/30/2020.

In closing, I would like to recognize and thank the volunteers who comprise the Commission. The proposals received are all worthy and critical to our community. The Commissioners dedicate many hours to the City and are tasked with evaluating these proposals to make very difficult funding recommendations each year.



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Urban Programs 589-3085
Transportation Department 880-0100
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Memo

To: Human Affairs Committee
cc: Mayor Jim Donchess; Cheryl Lindner, Chief of Staff
Tim Cummings, Economic Development Director; Sarah Marchant, Community Development Director
From: Carrie Schena, Urban Programs Manager
Date: February 3, 2021
Re: R-21-112; Public Hearing – CDBG-CV funding

The City has been awarded additional Community Development Block Grant funds in the amount of \$482,813 (referred to as CDBG-CV) to be used to prevent, prepare for, and respond to the coronavirus. This allocation was authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and distributed by HUD. Nashua previously received \$390,913 (see R-20-029). The City used the initial award to create the COVID-19 Impact Fund Program and wishes to allocate this new CDBG award to the Fund.

The Impact Fund Program will assist in the stabilization of existing small businesses within the City that have had significant direct disruption due to the impact of COVID-19. We hope to launch applications at the end of February and will use the same model created under R-20-029, except that this round will focus exclusively on businesses, giving priority to small disadvantaged business concerns (i.e. minority/woman owned, low-moderate income owners). The Urban Programs Department will partner with the Economic Development Division, who will pool approximately \$700,000 of Revolving Loan Funds. The updated guidelines are attached.

Accepting & allocating the CDBG-CV funds triggers a Substantial Amendment to the City's FY2020 Action Plan. The public participation process was previously amended and expedited under provisions provided by the CARES Act. Expedited procedures must include notice and reasonable opportunity to comment of no less than five (5) days. The Public Hearing was advertised in the Nashua Telegraph on 01/31/2021 as well as included in the Human Affairs Committee agenda posted to the City's website.

The Urban Programs Department will accept comments on this Substantial Amendment to the FY2020 Action Plan until 5:00 pm February 16, 2021. Submit comments to UrbanPrograms@nashuanh.gov. Individuals who are unable to submit comments via email may call 603-589-3087 and leave their comment in a voicemail. All comments, questions and responses will be posted to the Urban Programs Department webpage.

CITY OF NASHUA COVID-19 IMPACT GRANT FUND PROGRAM ROUND 2

INTRODUCTION:

The City of Nashua established the COVID-19 Impact Fund to assist in the stabilization of existing small businesses and non-profits within the City that have had significant disruption due to the impact of COVID-19. This Round 2 funding cycle will focus on the business sector. Applications will be available approximately February 25, 2021 for a two-week period. The link to apply will be posted to the City's website.

The Program will distribute grants and loans to assist in the stabilization of existing small businesses within the City that have had significant direct disruption due to the impact of COVID-19. Eligible businesses and costs are described below.

The COVID-19 Impact Fund Program must contribute to the business' ability to remain open, retain employees, and/or provide critical services during this public health crisis. **Funds may not be used for expansion or capital improvements.**

This Program is funded through multiple sources, including federal Community Development Block Grant (CDBG) and Economic Development Administration (EDA) funds.

CDBG awards will be capped at \$25,000; EDA loans will vary depending on the applicant's needs. All awards will be determined by need, on a case-by case basis. All applicants must demonstrate a financial impact resulting from COVID-19. Please note funding sources will not be pooled; an entity will be eligible under only one funding source.

The COVID-19 Impact fund program committee will determine which source is appropriate and notify the applicant of the associated reporting requirements.

Funds may be applied toward the following costs:

1. Overhead: mortgage/rent, utilities, accounts payable, etc.
2. Employee wages
3. Resources to establish entity online (for example, a business needed to revamp website to make e-commerce or delivery available to customers)
4. Perishable inventory that was lost due to an interruption of business
5. Increased costs to directly address COVID-19 (such as purchasing PPE, installation of barriers, distancing mechanisms, etc.)

Applicants must certify the award will not duplicate other funding available for the same purpose and shall be used as a gap filler/last resort. The City further expects that all entities who receive an award will exist through and after the health crisis. Follow-up reporting is required to ensure funds were applied appropriately.

TYPE OF AWARDS:

All awards will require an agreement and some form of reporting. Awards will be in the form of grants or loans as follows:

CDBG Grants:

-) Business with 5 or fewer employees (including the owner) where the owner's household is low-moderate income; or jobs are retained for low-moderate income workers
-) Other business types that are creating/retaining jobs for low-moderate income workers (the worker meets the HUD income limits or lives in a predominately low-income Census Tract)
-) Businesses that serve a low-moderate income area (i.e. a local corner market)

Economic Development Administration Revolving Loan Fund:

Through the Economic Development Administration ("EDA") a Revolving Loan Fund ("RLF") is available as a source of capital. At the discretion of the Impact Fund Committee low interest loans may be provided to eligible businesses.

ELIGIBLE APPLICANTS:

-) Business has a physical establishment within the City of Nashua
-) Business employs no more than 10 employees
-) Have experienced a loss of revenue of 50% or more due to COVID-19 from a similar time frame last year.
-) Have less than \$3,000,000 in gross annual receipts
-) Have no outstanding tax liens or legal judgements

Business preference criteria:

-) Top Priority: Small disadvantaged businesses/micro enterprises. (Defined as -individuals that have 51% ownership and control management; African Americans, Hispanics, Native Americans, Asian-Pacific and Subcontinent Asian Americans, and women are presumed to be socially and economically disadvantaged.)
-) Brick and mortar, local, for-profit retail, restaurant, personal services (e.g. hair salon) business that is normally open & available to the public. Maximum preference will be given to businesses that have had to temporarily close.
-) Private childcare centers
-) Loss of employees
-) Business is located in an Opportunity Zone (Census Tracts 107 & 108)

REQUIRED BUSINESS SUBMISSIONS:

Completed application form

Copies of most recent business and personal tax returns for all owners/principals with a 20% or greater ownership interest in the business; if business has not yet filed business taxes because they are a new, personal tax returns will be sufficient

Demonstrate that the COVID-19 outbreak has caused at least a 50% decrease in revenue from the same time last year (Documentation could include bank statements, profit & loss statements, etc.)

Completed City of Nashua Substitute IRS W-9 form

If requesting funds for the following, include applicable copies: lease/mortgage/tax bill; four (4) weeks of pay roll; accounts payable bills (lost inventory, increased purchases, utilities, etc.)

Disclosure of other grants, loans and other assistance

INELIGIBLE APPLICANTS:

Ineligible applicants include, but are not limited to independent contractors, check-cashing agencies, gun shops, pawn shops, liquor stores, adult entertainment businesses, dollar stores, franchises of national or regional chain businesses, national affiliations. The City reserves the right to reject any application that, in its sole opinion, is incomplete or does not meet the Program requirements. In addition, the City may decide on a case-by-case basis to reject any application that does not meet or advance the goals of this Program.

APPLICATION REVIEW:

Applications will be reviewed by the Impact Fund Committee. This Committee is based on the City's existing Revolving Loan Committee with a few additional members added for this Program (* denotes new):

- Tim Cummings, City of Nashua, Economic Development Director
- Debbie Novotny, Enterprise Bank
- David Fredette, City of Nashua, Treasurer
- Janet Graziano, City of Nashua, Sr. Finance Manager
- John Griffin, City of Nashua, CFO
- Nick Shepard, Edwards Jones
- Kyle Schneck, St. Mary's Bank
- Steve Michon, Boston Federal Reserve (Nashua Resident)
- Sarah Marchant, City of Nashua, Director of Community Development*
- Carrie Schena, City of Nashua, Urban Programs Manager*
- Jason Telerski, Fidelity Investments, Chair of Nashua Citizens Advisory Commission*
- Komba Lamina, City of Nashua, Downtown Specialist & OED Program Coordinator*



RESOLUTION

RELATIVE TO AMENDING THE FY2020 HUD ANNUAL ACTION PLAN TO ACCEPT ROUND 3 CDBG-CV FUNDING UNDER THE 2020 CARES ACT

CITY OF NASHUA

In the Year Two Thousand Twenty One

RESOLVED by the Board of Aldermen of the City of Nashua that

WHEREAS the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) included funding to be distributed pursuant to section 106 of the Housing and Community Development Act of 1974 (42 U.S.C. 5306) to grantees that received allocations pursuant to that same formula in federal fiscal year 2020;

WHEREAS the U.S. Department of Housing and Urban Development (HUD) was to award Community Development Block Grant-Coronavirus (CDBG-CV) funds in three rounds to prevent, prepare for, and respond to coronavirus;

WHEREAS R-20-029, passed by the Board of Aldermen on April 28, 2020, authorized the City to accept Round One CDBG-CV funding in the amount of \$390,913 and created the COVID-19 Impact Fund Program;

WHEREAS HUD has awarded the City an additional \$482,813 under Round Three CDBG-CV funding, requiring the City to further substantially amend its FY2020 HUD Annual Action Plan pursuant to HUD guidance; and

WHEREAS this substantial amendment will follow the CARES Act waiver provisions related to virtual public hearings and reduced comment periods, to allow grantees to utilize expedited procedures to prepare, propose, modify, or amend its statement of activities for grants from amounts made available under CARES Act as well as funding under our FY2020 grant as authorized under R-20-029.

NOW THEREFORE, BE IT RESOLVED by the Board of Aldermen of the City of Nashua that the Round Three CDBG-CV CARES Act funding in the amount of \$482,813 shall be applied to the COVID-19 Impact Fund Program to assist in the stabilization of existing small businesses within the City that have had significant disruption due to the impact of COVID-19, consistent with the guidelines for said new Program; and

RESOLUTION

R-21-112

BE IT FURTHER RESOLVED that the Mayor be, and hereby is, authorized to execute all understandings, assurances and agreements as required therein.

LEGISLATIVE YEAR 2021

RESOLUTION:

R-21-112

PURPOSE:

Relative to amending the FY2020 HUD annual action plan to accept Round 3 CDBG-CV funding under the 2020 CARES Act

SPONSOR(S):

**Mayor Jim Donchess
Alderman-at-Large Shoshanna Kelly**

**COMMITTEE
ASSIGNMENT:**

Human Affairs Committee

FISCAL NOTE:

This resolution accepts and appropriates \$482,813 in CDBG Cares Act funding into the COVID-19 Impact Fund.

ANALYSIS

This resolution authorizes the City to accept and expend the CARES Act Round 3 CDBG-CV funding for the COVID-19 Impact Program.

Approved as to account structure, numbers and amount:

Financial Services Division

By: /s/ John Griffin

Approved as to form:

Office of Corporation Counsel

By:

Dorothy Clarke

Date:

21 January 2021