

Council Workshop - ARPA

Tuesday August 22, 2023

1. Updated ARPA Funding Status

2. Update on Items from Prior Meetings

- Mental Health
 - Big Brothers Big Sisters of Mid Mainer
- Substance Use Disorder
 - Fresh Start Inc
- Homelessness
 - Penobscot Community Health Center

Upcoming Agenda Items:

- a. Together Place Housing (Housing)
- b. Health Equity Alliance (Substance Use Disorder) Wabanaki Public Health & Wellness (Other)
- c. Penquis CAP (Childcare)
- d. Bangor Children's Home (Childcare)
- e. St. Andre Home (Mental Health)
- f. Literacy Volunteers of Bangor (Workforce Development)
- g. Food and Medicine (Workforce Development)
- h. United Way (Workforce Development)

**(ARPA)
FOR DISCUSSION PURPOSES ONLY**

| | (A) Committed/ Awarded To Date | (B) Applications TBD Muni/School | (A)+(B) Subtotal | Suggested Allocation for Planning Purposes |
|---|---|---|---------------------|---|
| Public Health | 1,509,200 | 2,207,710 | 3,716,910 | 3,000,000 |
| Mental Health | | 310,000 | | |
| 8/7/2023 Christine B Foundation | 100,000 | | | |
| Substance Use Disorder Prevention Treatment | | 1,897,710 | | |
| 7/18/2023 Wellspring | 597,500 | | | |
| Recovery | | | | |
| 12/28/2022 Fresh Start | 396,100 | | | |
| 7/10/2023 BARN | 415,600 | | | |
| Affordable Broadband* | | 2,600,000 | 2,600,000 | 2,600,000 |
| Negative Economic Impact | 500,000 | 311,342 | 811,342 | 1,750,000 |
| Job Training Assistance | | 311,342 | | |
| Aid to Non Profits (targeted) | | | | |
| 12/28/2022 Maine Discovery Museum | 500,000 | | | |
| Disproportionately Impacted Communities | 6,491,271 | 5,100,628 | 11,591,899 | 8,150,000 |
| Housing | 3,890,000 | 375,000 | 4,265,000 | 5,000,000 |
| 12/28/2022 Penquis | 540,000 | | | |
| Housing Position | 350,000 | | | |
| 7/25/2023 Bangor Housing Develop | 2,000,000 | | | |
| 8/7/2023 Habitat for Humanity | 1,000,000 | | | |
| Homelessness | 601,271 | 2,774,880 | 3,376,151 | |
| 12/28/2022 Bangor Public Library | 241,271 | | | |
| Homelessness Position | 350,000 | | | |
| 7/11/2023 BAHS - Diversion | 10,000 | | | |
| Childcare | 2,000,000 | 1,950,748 | 3,950,748 | |
| 1/30/2023 Bangor YMCA | 2,000,000 | | | |
| | | | | 3,150,000 |
| Other | 1,057,465 | 2,130,000 | 3,187,465 | 5,400,000 |
| Other | | 2,050,000 | | |
| 7/11/2023 Eastern Area Agency Aging | 67,000 | | | |
| 7/25/2023 Bangor Symphony | 40,000 | | | |
| 7/25/2023 Food & Medicine - Garden | 75,000 | | | |
| 8/7/2023 Maine Multicultural Center | 70,700 | | | |
| 8/14/2023 Together Place | 154,765 | | | |
| Public Bathroom* | | 80,000 | | |
| 7/10/2023 Grant Writer | 150,000 | | | |
| 8/7/2023 School Health Clinics | 500,000 | | | |
| Totals | 9,557,936 | 12,349,680 | 21,907,616 | 20,900,000 |
| * Planning estimates only | | | | (1,007,616) |
| Award Amount | 20,478,297 | | | |
| Interest Earned | 554,714 | | | |
| Unallocated/Uncommitted Balance | 11,475,075 | | | |

Big Brothers Big Sisters of Mid Maine

What is a mentoring hub and how is it different than the Bangor School Department mentoring program?

The Bangor School Department mentoring program provides mentoring services to any student who wishes the opportunity to enroll. The mentoring relationship is tailored to meet the student's need (general or topic specific – i.e. drivers' education, or a particular course). Last year, the Bangor Schools had 720 mentors comprised of high school students, teachers and community members who worked with 1,104 students.

Big Brothers Big Sisters of Mid Maine currently operates an existing program at the Boys and Girls Club. Where littles are paired with Husson College students as Bigs. The application was to provide surge funding to expand their capacity by funding the staff time and resources required to build relationships with a variety of businesses and organizations, and recruit, screen and train mentors. Under the current model, they are able to provide mentors to 20 students, their goal is to increase that number by 100.

How would the positions be sustained beyond one-time funding?

They have recently hired a development director with a significant track record of fundraising. If the project is funded, they intend to add a grant writing specialist to further enhance their services. Funding for both positions are/would be raised through special events and donor contributions, whereas program locations are funded by grants. A dedicated grant writer would allow them to apply to more funders to support the Hub. To date, they have been awarded \$10,000 by Heart of Maine United Way to do some preparatory work for a Bangor Hub, and have identified several foundations to apply to for future funding of this project.

Fresh Start Sober Living

Where is SaVida Health currently located and is this an additional location?

While their website lists their location as Bangor, SaVida Health is currently located in Brewer and will relocate to this location.

Fresh Start Sober Living is a for-profit entity, are there protections to ensure the properties remain available for the intended purpose?

Our operation has expanded beyond what was envisioned when it first began. As we've grown, it has become clear that we will need to address the structure of the organization to ensure the long-term sustainability beyond any one individual. To that end, earlier this summer, Fresh Start Sober Living began work to identify the most appropriate structure to ensure the mission remains viable for the future.

With the level of funding received to date, the emphasis on the type of housing improvements to date, the fact that some of the space will be used for non-residential purposes, can the project move forward with partial funding?

Fresh Start Sober Living has a purchase and sale agreement in place to acquire the improved property for \$1.177 million. We will be applying \$180K of Penobscot County ARPA funding towards the acquisition price.

This location will serve multiple purposes; it will provide 5 one-bedroom apartments that will operate in a similar manner as other Fresh Start Sober Living residences, which is the entire second story; it will accommodate the medically assisted treatment services on-site through a lease with SaVida Health (20% of first floor space), it will provide office and meeting spaces in support of Fresh Start Sober Living (30% of first floor space) and it will provide 2 2-bedroom units that can accommodate social detox, with on-site staffing by Fresh Start Sober Living.

An ARPA allocation of at least \$500,000 would allow for this project to move forward and ensure the ongoing financial sustainability of this particular location.

Penobscot Community Health Center

Can you share what additional funds may be or were made available to homelessness service providers via the Legislative action (one-time funds) and any impact from the \$100M for housing?

PCHC's share of the \$5 million-dollar Legislative one-time funding is expected to be approx. \$332,000 paid in two installments over the next year, likely half in 2023 and half in 2024. As is the intention of the funding, we will be allocating it to cover the steeply rising costs of operational expenses. We do not have all the details about the \$100m for housing, but our understanding is that the \$5 million in one-time funding for shelter operations is included in this \$100 million. This \$5 million will not recur in future State budgets unless new legislation is passed in the next legislative session. Much work is being done to advocate, but whether this funding will continue is unknown. The remaining \$100 million are being used for various housing initiatives unrelated to shelter operations or capital improvements.

This project has been in the planning phase for several years, how did you anticipate funding it prior to the availability of ARPA Funding?

It has been in the planning phases for several years to assure that we are ready to request funding when funding becomes available. These repairs and expansion described in our application have been necessary for a long time, but we have not had the funding to complete them and we have not to date (until this ARPA funding application opened) been successful in identifying funding sources for this project. Over the years of operating the shelter, we have worked with Maine State Housing Authority (MSHA) and private foundations to fund emergency repairs and renovations, but the funding was only available for shelters intermittently and in small amounts – amounts insufficient to cover the major repairs needed. We have had to make repairs piece-meal when we can, cobbling together multiple funding sources, which is very inefficient administratively due to the varying terms, conditions, regulations, and reporting each different funder requires. For example, MSHA offers a forgivable loan Emergency Shelter Repair program which we have taken advantage of in past years, but it has been limited to \$65,000 max per facility per year, we are obligated to use any reserve funds on hand first, and the application and execution process is burdensome and time consuming. Given the issues presented by our aging facility, the needs of an increasingly acute and complex homeless

population, and the work to reduce the number of unsheltered individuals in our community, operating status quo is no longer viable if we wish to make meaningful progress in moving people through the housing continuum quickly. We began our planning seeking a new shelter, but understanding the many needs in the community and the limited amount of funding likely to be available, we reduced our funding request in a manner that we believe will achieve comparable practical results for the community.

Would the project be able to move forward without 100% City ARPA funding?

No, it will not be able to move forward without close to 100% of the funding. We may be able to move forward with 90-95% ARPA funding, if we are able to secure a MSHA forgivable repair loan. This year, MSHA raised the max amount from \$65,000 to \$200,000, and we can pursue that option to contribute to ARPA funding. Other than that option, PCHC has no other available funding for these renovations. Without this funding, the shelter will remain in a suboptimal operating condition, further threatening the viability of this already vulnerable service. PCHC is committed to this population and our community, we have the expertise to do this work, but we need your help via financial support.

Emergency shelter services in Bangor and across the State have been underfunded for years. In 2010, when PCHC took over Hope House from Acadia Hospital, it was not a profitable operation. We accepted the responsibility of the program because it is a vital need in our community and committed to find ways to improve the service and help it be sustainable. Despite significant increases in costs of operations, PCHC has not received a significant increase in reimbursement for operations from our main funders (State of Maine and Maine State Housing Authority) since taking over the program 13 years ago. As stated above, funds for capital (building renovations) are rarely available and typically insufficient. The combination of high need, limited funding, and underfunding means that PCHC operated at a deficit in this program for most years since 2010. We have subsidized the program all of these years because we are committed to our mission and to filling this important community need.

It is fairly well-known that there is not adequate funding to operate homeless shelters in our State, can you provide HH specific financial statements?

Yes, there is not adequate funding and the attached financial statements from last year and year-to-date reflect that. We continue, however, to invest significant efforts to advocate to the State for ongoing increases, seek fundraising opportunities, and seek funding improvements via other funding streams such as the state's HOME program.

This proposal for ARPA funding from the City is a VITAL part of our long-term sustainability plan. These renovations will improve our operations and sustainability. Bringing the number of beds back to pre-pandemic numbers will allow us to shelter more guests, meaning more revenue since many of our funding streams reimburse us by the number of guests we serve. Improvements to the facility environment (such as working HVAC system for adequate heating and cooling, and more and better bathroom and shower facilities) will attract more individuals to stay in shelter rather than on the street/in encampments, ensuring our beds are filled, and generating additional revenue necessary to sustain the program. Improving our facility space

layout to be more efficient, such as moving from 5 dormitories to 2 and enlarging the dining area, will improve our operational workflow. These improved workflows will enable staff to be more efficient and effective in their support of guests, as well as improve the safety of our guests and staff, reducing the need for police and ambulance visits. The improved workflow and safety will reduce our need for additional staff. A new HVAC system and purchase of vans will eliminate the need for costly repairs which often are paid for out of operating funding. Over the past year we have been happy to dedicate significant staff time to help clear encampments and participated in outreach work with HUD and the City. If we have more beds to accommodate people currently in encampments, we can re-allocate those staff who are doing outreach work back to shelter operations, further reducing our future staffing needs.

Additional Information

Any expansion of the existing facility is predicated on two additional actions by the City; 1) the existing land lease would be amended to include the additional property with no increase of the annual lease fee, which is currently \$1/year, and 2) the City's Code of Ordinance will need to be revised to designate allowable zoning districts for the operation of an emergency shelter (BED September 2023).

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