



TO: Mayor Shaun Sipma
Members of the City Council

FROM: John R. Zakian, DR Grant Program Manager & Chief Resilience Officer

DATE: July 26, 2021

SUBJECT: **Approve Sub-recipient Agreements with YWCA Minot DBA Project BEE**

I. RECOMMENDED ACTION

City Council approve two sub-recipient agreements with YWCA Minot dba Project BEE to take over the role completing the project known as Broadway Circle for both the Family Homeless Shelter and 17 Unit LMI Apartment Rental Building

II. DEPARTMENT CONTACT PERSONS

John R. Zakian, DR Program Manager & Chief Resilience Officer, 420-4528

III. DESCRIPTION

A. Background

The City of Minot reached out to the three non-profit organizations which had previously expressed interest in taking over Broadway Circle with the demise of Lutheran Social Services North Dakota and its subsidiaries. Upon taking ownership of the land that had been acquired for Broadway Circle by Lutheran Social Services, the City reached out to the three non-profits to ascertain their continued interest. No response was received from one non-profit. The second non-profit, Beyond Shelter, responded that it would not do the project as a sub-recipient and would not assume the role of managing the shelter. Only the third non-profit responded affirmatively that they would assume the role as a sub-recipient per the terms the City had arranged with Lutheran Social Services which is the YWCA Minot doing business as Project BEE. Sufficient information and commitment was demonstrated by the non-profit to determine it had necessary capabilities and capacity to complete Broadway Circle.

B. Proposed Project

The scope and elements of the two projects which comprise Broadway Circle remain the same as was approved with Lutheran Social Services. Funding available for the two projects is reduced commensurate with expenses incurred by Lutheran Social Services and primarily paid through CDBG-NDR. However, since the costs incurred by Lutheran Social Services were consistent with the original projects' budgets and met necessary and reasonable standards, sufficient funds remain allocated for both the shelter and LMI housing to complete both projects. Timelines in both agreements have been adjusted from the ones in place with Lutheran Social Services to acknowledge the 7 months which have been lost because of Lutheran Social Services North Dakota closing down but both projects remain scheduled for completion to meet September 30, 2023 close out requirements of CDBG-DR. It should be noted that while the organization may be referred as Project BEE it will legally remain YWCA Minot for HUD and CDBG-DR compliance purposes both because it remains the legal incorporation status and its clean record as required by federal rules under

Sam.gov is through YWCA Minot. It should be noted that an attachment to this memorandum is an assessment of the option of selling the current site for this project and seeking an alternative site. As can be seen in the memorandum, for multiple reasons it is not feasible or practical to pursue such an option and the recommendation which is included in the sub-recipient agreements is to continue with the current site.

IV. IMPACT:

A. Strategic Impact:

YWCA Minot has agreed to carry out both projects as originally envisioned which means City will be back on track to meet a key commitment in its Action Plan

B. Service/Delivery Impact:

No change in site or scope of the two projects gives the City the ability to have the two projects completed in a timeframe that assures compliance with the September 30, 2023 deadline

C. Fiscal Impact:

Funds for the two projects remain available and allocated through CDBG-NDR

V. ALTERNATIVES

N/A

VI. TIME CONSTRAINTS

NA

VII. LIST OF ATTACHMENT

- i. Sub-recipient Agreement for Family Homeless Shelter
- ii. Sub-recipient Agreement for 17 Unit LMI rental housing
- iii. Memorandum Assessing Impact/Options for seeking an alternative site to current one