**2020/2021 CDBG RHP Project Review Sheet**

Submitted **August 2, 2022**

**Applicant: Isaiah House Log No. 21R-001**

#### **County: Washington**

#### **Project Name: Isaiah House Recovery Housing**

**Priority: I**

**Funding Source Amount**

**CDBG $329,553 % of Other Funds to CDBG:** 0 %

**Other Funds:**

**Pathways, Inc. $0 Admin & Planning (CDBG):** $29,660

(9% of CDBG Funds)

**Funds Requested: $424,100**

**Total Project Funds $329,553** **Funds Recommended: $329,553**

**PROJECT DESCRIPTION:**

Isaiah House, Inc. is seeking $329,553 in Recovery Housing Program funding to support affordable housing for rehabilitation clients in central Kentucky. The project will include the renovation of a currently owned and unoccupied property located in Mercer County to provide six additional Recovery Housing Beds as well as to provide rental assistance in approximately 24 properties in Washington and Mercer Counties. The renovation at 528 Ada Drive in Harrodsburg is estimated to cost $30,000. This renovation includes minor interior improvements: new kitchen flooring, kitchen and bathroom upgrades, the addition of one bathroom, and upgrades to improve energy efficiency and safety (windows, electrical plugs). Recovery Housing funding will also be utilized to provide rental assistance for individuals who are newly transitioning to recovery housing units that are located in Washington and Mercer Counties. These individuals will have access to 100 beds (male) in Washington and 14 beds (female) in Mercer County. Weekly rent is based on a sliding scale according to income (no more than 30%) and will follow HOME affordable rent guidelines. The average weekly rent paid is $120 x 52 weeks = $6,240 annually x 57 clients (historically 50% of beds will be filled with new clients during the grant period) = $356,000.

**PROJECT NEED:**

When a person completes a residential treatment program, they are often forced to enter the workforce with few job skills and work experience. Without outside help, it is difficult for most of them to find the resources to pay for rent, much less purchase furnishings and household supplies. Isaiah House recovery housing provides a transitional safe space, with the organization sometimes assisting in rent, utilities, and upkeep regardless of whether the residents have funds to make a regular rental payment or not. This enables most to become settled and pursue secured employment. Unfortunately, Isaiah House forced to turn others away because revenue is not sufficient to support this service. Support from the Recovery Housing Program will provide resources for Isaiah House to increase recovery-housing beds available through the renovation of an unoccupied property, as well as by increasing access through rental assistance for people who qualify as very low to moderate income.

**Isaiah House**

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**NECESSARY AND REASONABLE:**

Most Isaiah House recovery houses were originally single-family homes, converted to serve 4 to 12 residents. This requires renovations to common areas, additional bathrooms, upgraded kitchens, and oftentimes the conversion of spare rooms to bedrooms. The home in this project also requires electrical and energy upgrades to make it safe and efficient for recovery housing. Outside funding to cover renovation expenses is critical to getting these properties ready for occupancy. We are also requesting funding for rental assistance for new residents. Currently, over 85% of Isaiah House clients are Medicaid recipients, meaning that their income does not exceed 138% of the federal poverty level. Monthly income limits for Kentucky Medicaid are $217 - demonstrating the extreme poverty of individuals leaving residential treatment and transferring to recovery housing. Most do not have jobs or other sources of income when transitioning from the residential treatment program to the recovery program.

**EFFECTIVENESS:**

COVID-19 has also made the availability of recovery housing even more critical. According to the CDC, 1,956 Kentucky residents lost their lives to overdose between September 2019 and September 2020. This was a 50% increase over the previous 12 months and the third highest state escalation. In 2020, Isaiah House experienced a 43% increase over 2019 in Kentucky residents who received treatment for substance abuse through one of their residential, outpatient, or transitional living programs. The virus also affected Isaiah House's own staff. The organization had over 120 staff and 61 clients test positive for COVID-19 between April 2020 and June 2021. Isaiah House closed two of their women's centers because of COVID outbreaks.

**STAFF COMMENTS:**

This is a good project and a good organization. The original request was for $537,165. Because of no match and the fact that the Isaiah House just received a large ARC grant, **staff reduced the award to $329,553**. This reduction permitted other deserving RHP applicants (Franklin County, MCHC in Letcher County and Audubon in Owensboro) to receive their full requested amounts.

**Approved:**

 **August 5, 2022**

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Commissioner **Date**