

2022 CDBG RHP Project Review Sheet

Applicant:	Johnson County	Log No.	23R-001
Project Name:	Johnson County CDBG-RHP	County	Johnson
		Population	
Funding Source	Amount	Priority	
CDBG/RHP	\$723,077	% of Other Funds to CDBG	8%
Other Funds – In-Kind:		LMI (%)	100
Johnson County	60,000		
		Funds Requested	\$723,077
Total Project Funds	\$783,077	Funds Recommended	\$723,077

PROJECT DESCRIPTION:

Johnson County Fiscal Court proposes to purchase the property at 501 Jefferson Avenue, Paintsville, KY to expand the provision of transitional housing support and services to individuals exiting substance use disorder inpatient treatment and to allow the Fiscal Court funding for the current lease for other community needs. Additionally, property ownership will free up the Fiscal Court to seek other funding, including for expansion, in the future. Acquisition of this building, along with the renovation of the elevator, will allow the current services to have greater sustainability and longevity, but will also **allow for the expansion of the services to the second and third floors of the building, providing up to an additional 20 units per floor of transitional, in addition to the 10 units currently available.**

PROJECT NEED:

According to US Census Bureau QuickFacts statistics (Census.gov) for 2022, Johnson County Kentucky has a median household income of \$44,231 compared to the US median household income of \$75,149, resulting in 26.0% of residents living in poverty. The high prevalence of substance use in and around Johnson County has resulted in the area receiving a drug burden risk index score in the second quartile for Kentucky, though the surrounding counties are in all four quartiles. Johnson County itself has an overdose mortality rate of 31.7 deaths per 100,000 population, with an opioid-specific overdose mortality rate of 20.7. Methamphetamine continues to be the primary substance used in this area, though opioids, fentanyl, and methamphetamine are the leading substances causing overdose deaths. Between 2020 and 2021, the KSP Post 9 area experienced an increase in heroin trafficking, possession, ED visits, deaths, and hospitalizations; an increase in opioid deaths and hospitalizations; an increase in methamphetamine deaths; an increase in cocaine-related ED visits and hospitalizations; and an increase in fentanyl trafficking, lab testing submissions, and deaths.

NECESSARY AND REASONABLE:

Johnson County has funding sources and partnerships in place to provide services in a leased space. However, leasing the space does not allow for full site control or continuing renovation and development of the space, which is significantly needed to meet the demands of the community. The current lease allows for half of the yearly lease payments to be applied to the purchase of the building, resulting in a purchase amount of \$508,000. The needed work on the existing elevator to bring it to current code compliance has been quoted at approximately \$150,000 and is necessary for ADA accessibility to both the current transitional housing floor and the additional proposed transitional housing floor.

EFFECTIVENESS:

While access to recovery beds in Eastern Kentucky has increased in recent years, the number of available beds continues to lag-behind need, and the availability of transitional, supportive housing is similarly lacking. A joint study by the University of Kentucky Center of Excellence in Rural Health and the Walsh Center for Rural Health Analysis at NORC has identified Johnson County as second in the state for declines in drug overdoses for the period 2013-2017 compared with 2008-2012. This study underscores the role of Medicaid-covered treatment as part of the success in reducing overdose deaths. However, treatment availability does not address the need for stable, supportive housing as individuals re-enter mainstream society after intensive recovery work. Utilizing RHP funding to acquire the property and renovate the elevator will allow Johnson County to leverage Kentucky Opioid Abatement dollars for renovations, as well as provide ARC with a stable location to invest their dollars into renovations of the facility to provide adequate and appropriate spaces needed for wrap-around services.

STAFF COMMENTS:

Staff recommends this project for funding.

Approved:

A handwritten signature in blue ink that reads "Matt Sawyer". The signature is fluid and cursive, with a long horizontal stroke at the end.

Commissioner

7/15/2024

Date