



February 26, 2018

STAR Fund Board Members  
c/o Michele Swanson  
*Neighborhood STAR Program*  
Planning and Economic Development  
1400 City Hall Annex, 25 West Fourth Street  
Saint Paul, MN 55102

RE: Request for associated scope of work change for 2017-19, \$45,000 STAR Fund Award

Dear Michele and Members of the STAR Fund Board,

We are grateful to have been awarded the above to help renovate our two shelter roofs in Lowertown. To meet the matching gift requirements of our roof project in our STAR Fund application, we also sent out a Summer Appeal in 2017 for matching funds to be able to complete the roof project, even as we hoped to also renovate two original bathrooms in the same Bethel shelter building in 2018. Eventually, restricted donations (some \$194,300) came in to cover Bethel roof-only improvements, including tearing off the old roof underlayments and installing cost-effective, sustainable protection layers for each facility that will last for an estimated 20 years to come.

Would it be possible to re-allocate \$45,000 in reimbursed invoices from the STAR Fund awards from what will be a \$103,000 Bethel building's public bathroom project instead? Especially noting that we were able to raise twice the amount in matching funds than we estimated in our application for Bethel improvements?

A bathroom for men and a bathroom for women on the upper ground floor level of the Bethel building are used by over 1,000 men and women each month. These original facilities from 1980 have had tremendous wear and tear, as you can imagine. They also need to be completely re-configured to accommodate many more people than the building was intended for. Some 52 men sleep on cots every night in the adjoining large chapel area, for example, and share just one bathroom. Sturdier fixtures (including sinks, toilets, countertops, urinals, hand dryers, mirrors) and easier-to-clean walls and tiled floors will give our homeless residents access to basic services that truly become part of their recovery process.

The Mission is committed to serving homeless and addicted people for the long term here in St. Paul. We deeply appreciate your support for capital improvements, even as we continue to feed, clothe and house those seeking help, and educate and empower them to live independently, find employment and learn how to give back to the diverse culture and economic vitality of our city.

Sincerely,



Korwin Schmidt, Controller  
Union Gospel Mission





Powered by ZoomGrants™

City of Saint Paul

2017 Neighborhood STAR
3/22/2017 deadline

Union Gospel Mission Assoc of St Paul
Bethel Men's Homeless Shelter -- Roof Renovation

\$ 45,000.00 Requested

Submitted: 3/21/2017 2:09:52 PM (Pacific)

Project Contact

Barb Martenson
bmartenson@ugmtc.org
Tel: 651-789-7553

Additional Contacts
none entered

Union Gospel Mission Assoc of St Paul

77 9th St E
Saint Paul, MN 55101

CEO
Charles Morgan
cmorgan@ugmtc.org

Telephone 651-228-1800
Fax 651-222-7968
Web www.ugmtc.org

Application Questions

1. STAR Funding Request:

Total request is automatically calculated and can be seen by clicking on the Print Preview button above. \$ only.

45,000 Grant request Please note: a for-profit entity must include a pay-back loan component equal to or greater than the requested grant amount (STAR Guidelines, page 2)
Loan request
45,000.00 TOTAL

2. Total Match

\$
97,000 Amount of Match
97,000.00 TOTAL

3. 7 If your request is for a Loan, what is your requested interest rate and term:

If Grant, type N/A
N/A

4. Organization type(s):

- Select one
Public
For Profit
Non-Profit

5. Project Location Address:

Number, Street, City, State, Zip
435 University Ave E., Saint Paul, MN 55130

6. Ward

To find the Ward(s) your proposal is located in, please copy and paste the following link into a new browser: https://www.stpaul.gov/departments/city-council/saint-paul-district-council

- Ward 1
Ward 2
Ward 3
Ward 4
Ward 5
Ward 6

**7. Planning District Please check all that apply**

To find the Planning District(s) your proposal is located in, please copy and paste the following link into a new browser:

<https://www.stpaul.gov/departments/city-council/saint-paul-district-council>

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17

**I. PROPOSAL INFORMATION:****8. Please provide a description of your project or program**

The Mission's outreach to homeless and addicted men is housed in two downtown buildings at 435 University Ave E (at Lafayette). Both facilities were built in 1980 and have had the original roofing continually patched until this year. The addiction recovery building roof has been replaced as Part I of this project (both roof replacements will cost almost \$200,000 when completed). This application for funding will help us cover the over \$121,000 in costs to replace our men's shelter roof. This multi-purpose building has 67,000 sq ft of space outfitted for short term housing beds, emergency bunkbed dorms, a chapel (converted nightly into another dorm with 52 cots), a free dental clinic (serving over 2,600 patients each year), a commercial laundry, commercial kitchen, social worker and other offices. As we serve the homeless and addicted in St. Paul, we hope the Council will help us with this cost, for a facility and program that impacts literally thousands of lives each year.

Technology has improved so much that the roofing solution we want to use will last for at least another 20 years. The projected expenses cover not only prepping the roof for the new overlay, but elevating all connections to existing heating and cooling systems so that the TPO overlay can be installed underneath and around these units. Initial prep includes removing all pea gravel and other debris from the roof's surface. All existing metal flashings must also be removed (and later replaced). The Thermoplastic Polyolefin roofing material will then be installed on 20,028 sq ft of surface, providing an effective barrier against the elements for the next 20 years.

Since the building was constructed in 1980, renovations are long overdue. With Bethel's existing tar, paper and pea gravel type roof, leaks can be difficult to find. Once the water leaks in, the actual crack, crevice or hole can be several yards away from where the water actually collects. We hope to complete the Bethel Hotel roof project in the autumn of 2017, so that we can allocate maintenance staffing and resources to other buildings at our 6 locations.

The roofing project will involve about 10 men at any one time, with the possibility of various sized crews performing tasks throughout the duration of the re-roofing process. We tested this type of roofing on a much smaller building, and would like to order the medium grade 40mil material. It is overspec for what we actually need -- but will help to ensure a much longer roof life for our primary men's shelter for literally hundreds of men each night.

**9. Using 150 words or less, please summarize, in quantifiable terms, your project/program.**

*(i.e. A façade improvement to include 6 new windows, 2 exterior doors and 3 security lights)*

Renovation of the Mission's men's homeless shelter and admin building roof will provide tough, sustainable protection for at least 20 years. This cost effective and sustainable project will help secure the shelter and services needed by over 2,600 men each year. The building contains a total of 67,000 sq feet and the roof area to be renovated is 20,628 sq feet.

**10. Please explain the public benefit of your project and how it will further the city's racial equity goals: (Saint Paul will be a city where race does not predetermine opportunities in education, employment, housing, health and safety)**

Our Bethel homeless shelter welcomes men from every social and ethnic background. Our Bethel Hotel Director is an African American and we have African American (and other ethnic background) case managers, chaplains and social workers directing Mission programming. Our goal is to help the whole person become all they can be, through culturally sensitive and effective individual counseling, substance abuse recovery services, basic education and job readiness classes, and even an internship vocational training program. The Mission has always opened its doors to people of all races and backgrounds since its founding in 1902. This project will help ensure the viability of our main men's homeless shelter for the next 20 years (at least), so that not only our fixed beds, but 52 extra cots setup every night, can be filled with those individuals who need our services the most.

The CEO of the Union Gospel Mission is Dr. Charles P. Morgan, an African American who directed programming at the Los Angeles Mission. Since his arrival in Minnesota (his wife is from Minnesota) he has been in demand as a speaker, not only about racial reconciliation but about the deepest needs

of hurting, homeless, hungry and addicted people. We are thrilled with his leadership, his many connections to leaders in the community (already) and his listening heart. As a licensed psychotherapist, as well as a skilled, visionary leader, he has brought a deeper emphasis not only on emergency but long term recovery.

**II. NEIGHBORHOOD PLANNING/COMMUNITY SUPPORT: Community involvement is a critical part of the STAR program. In this section you are being asked to identify the participation of neighborhood and community groups in your proposal.**

**11. Will your project be coordinated or partnered with any other project, program?**

*If yes, please describe. If no, type No.*

NA. This is a renovation of an existing structure's roof.

**12. Is this proposal identified as part of an adopted city, neighborhood, or business plan?**

*If yes, please describe. If no, type No. Neighborhood plans can be found by copying the following link and pasting it into a new browser:*

[www.stpaul.gov/index.aspx?NID=3446](http://www.stpaul.gov/index.aspx?NID=3446)

NA. This is a renovation of an existing structure's roof.

**13. Have you discussed your plans with the neighborhood's District Council? Please explain:**

NA. This is a renovation of an existing structure's roof.

**III. FIVE YEAR JOB CREATION / RETENTION PROJECTIONS:**

**14. Please provide the number of new permanent jobs that will be created and retained over the next five years along with an average salary.**

*If no jobs will be created, please type N/A*

None. UGM maintenance personnel will oversee the roof's needs.

**15. Please list the number of temporary/construction jobs you plan to create over the next 5-year period.**

*If no temporary jobs will be created, please type N/A*

10

**IV. STAR PROJECT / PROGRAM ACTIVITIES:**

**16. Before Commercial or Residential Development/Redevelopment Projects may proceed, you must have control of the property. Please indicate the type of site control you have:**

*Select one.*

- Deeded Title
- Purchase Agreement
- Purchase Option
- Existing Lease
- Lease Agreement
- N/A

**17. Please choose the type of development:**

*Select one.*

- New Construction
- Rehabilitation/Expansion
- N/A

**18. Describe the current use and proposed use of the space. If the space will be leased, please provide the square footage, rent per square foot and status of the individual leases;**

*If not applicable, type N/A*

N/A.

**19. Please identify your developer, architect, general contractor, and/or leasing and management firm;**

*If none selected, type N/A*

All Elements Roofing (initial bid).

**20. Please list City department(s) and person(s) with whom you have discussed your proposal;**

*If not applicable, type N/A*

Will contact at permit process, as needed.

**21. PUBLIC/PRIVATE OPEN-SPACE IMPROVEMENT PROJECTS: Describe components included in your proposal, locations, how your project will be maintained over the life of the improvement and if businesses/homeowners have been approached regarding assessments.**

*If not applicable, please type N/A*

N/A

**22. SUB-LOAN/SUB-GRANT PROGRAMS: Please upload a copy of your Sub-Loan/Sub-Grant Program Guidelines (in the documents tab**

above) and provide the number of houses or businesses to be assisted in the boxes below.

If not applicable, please enter N/A for each category

Number of Houses

Number of Businesses

TOTAL

**23. SUB-LOAN/SUB-GRANT PROGRAMS: How are program participants selected?**

If not applicable, please type N/A

N/A

**24. SUB-LOAN/SUB-GRANT PROGRAMS: Will this program be coordinated with other city programs?**

If Yes, please explain. If no or not applicable, type N/A.

N/A

**25. SUB-LOAN/SUB-GRANT PROGRAMS: Please explain the terms or conditions required of the borrower/grantee and your loan underwriting criteria.**

If not applicable, type N/A.

N/A

**V. APPLICANT INFORMATION: This section provides the STAR Board, elected officials, and staff with basic information about your organization, and its abilities to carry out a STAR project.**

**26. Please Describe Your Organization:**

The Mission has a long history of providing emergency food, shelter and other human services to poor, homeless and addicted people from around the Greater Metro and beyond. Governed by an unpaid Board of Directors, staff oversee a men's campus for homeless and addicted men (Bethel Hotel, Christ Recovery Center, Central Services Clothing Depot and LifeNet training program), a children's camp at Snail Lake, the Ober Community Center in Frogtown, a Child Development Center in downtown St. Paul, an after-school education and family services program for Hmong youth and families on the Eastside of St. Paul, WorkNet & SuccessNet job preparedness and career follow-up classes for men and women, and the Naomi Family Residence for homeless women or mothers with up to four children each. Our free community Dental Clinic is the largest such facility in the Upper Midwest, with over 400 volunteers helping to treat over 2,600 patients each year. The Mission has over 150 full and part time staff. Last year, over 2,800 volunteers helped with everything from driving buses to mentoring LifeNet clients to distributing food to 18 highrises as well as onsite, and to veterans' families at Thanksgiving. Another 16,000 meals are served monthly through our men's campus cafeteria - to those who obtain a bed or not. The Bethel Hotel (the focus of this grant request) provides over 300 beds per day to men each day, but serving over 2,700 unique individuals each year. Social workers referrals and more in-depth case management were given to 562 of these men.

With buildings in 6 locations, staff have extensive experience both in maintaining, renovating and constructing new facilities. We work with City of St Paul-vetted vendors to obtain a broad range of bids. This project does not require architectural plans, but our many projects have moved from the visualization stage with architect input to building permits to completion stage for a wide variety of construction and/or renovation needs.

The roof project has been approved by our Board of Directors as a necessary capital renovation project, which allows us to apply for funding. We will also reach out to individual donors for support, to highlight the basic need the Mission has to update facilities as part of the ongoing cost of providing basic social and human services to those who need them most in our community.

**27. What is your status as a legal entity?**

(i.e. corporation, partnership, non-profit, sole proprietorship, etc.)

501C3 Nonprofit

**28. Who will be your designated Project Manager? (name). Please describe their background, skills, and experience in managing similar-type projects/programs.**

Greg Verley, Facilities Director. Greg has overseen many construction and renovation projects at 7 sites owned by the Union Gospel Mission in downtown St. Paul and in Shoreview, Minnesota, where our camp is located. He has experience managing general and sub-contractors, making numerous bids to obtain the best technology and price/value to our buildings and the homeless people we serve. In the past ten years, this has included everything from floor remediation to elevator upgrades, balcony and complete basement level renovations, security upgrades to all sites, asphalt and concrete parking lot upgrades, additions, new buildings, major air conditioning upgrades, completely new laundry facilities (with structural, cement, electrical and plumbing issues), gym renovations, new heating systems, bathroom remodels, roof replacements (most recently to our men's recovery building roof) and other projects.

**29. Do you have an adopted/official conflict-of-interest policy?**

If yes, upload copy of policy in the Documents tab above.

Yes

No

**30. If you have received City funds within the past five years, please type a list; including the year and amount below.**

(e.g. 2013 Neighborhood STAR: \$12,500; 2015 Neighborhood STAR: \$5,000) If none, type N/A.

2013 - \$46,534.20

**VI. ORGANIZATION MANAGEMENT:**

**31. Please provide names, titles, addresses and percentage owned of proprietors, partners, officers, directors, governors and all stock holders.**

(100% of ownership must be shown.) If not applicable, type N/A

N/A

**32. If you have affiliate and/or subsidiary firms (20% or more ownership in other entities), please provide a list of the entities below.**

In the Documents tab, please upload the last fiscal year-end financial statements for these firms. If none, type N/A

N/A.

**33. Is your business a franchise?**

If yes, upload a copy of the franchise agreement and the franchiser's FTC disclosure statement in the Documents tab (above).

Yes

No

**VII. FINANCIAL INFORMATION:**

**34. Please confirm you have provided the following in your proposal.**

Check if uploaded in the Documents tab and/or submitted the application fee. Additional information may be requested by city staff during the review of your proposal.

- A current balance sheet and operating statement. (Last business quarter)
- Aging of accounts receivable/accounts payable as of the date of the current balance sheet
- A year-ended balance sheet and profit and loss statement for the previous three years, with accountant's letter, notes and supporting schedules
- Detailed cash flow projections for 12 months of operation or a projected annualized income statement with assumptions
- A copy of existing or proposed purchase agreement or lease agreement (provide appraisal, if available)
- Please attach an itemized budget and/or contractors estimates
- If purchasing fixed assets, please include purchase agreements or vendor quotes
- If a corporation, please provide articles of incorporation and bylaws
- If a partnership, please provide partnership agreement
- If LLC, please provide articles of organization
- Current personal financial statements and addresses for partner, officer, owner, and each stockholder with 20% or greater ownership
- Resumes of principals and key management
- If the project includes bank or other financial participation, please provide a letter of commitment
- A list of all existing business debt including the creditor's name, original date of the loan, amount, present balance, interest rate, maturity date, monthly payment, secured assets, and loan status
- If this request is for a new business start-up, please attach your business plan.
- If this request is for a Sub-Loan/Sub-Grant Program please attach your Guidelines
- Mailed/delivered the application fee in the form of a check payable to the City of Saint Paul in the amount of \$75 for applications between \$5,000 - \$25,000 and \$125 for proposal over \$25,000 to Planning & Economic Development, 25 W. 4th Street, Suite 1400, St. Paul, MN 55102

**Budget**

Sources and Uses	STAR Loan Request	STAR Grant Request	Matching Funds	Non-Matching Funds	TOTAL
Acquisition (up to 20% of STAR funds)					\$ 0.00
Rehabilitation: Residential		\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Rehabilitation: Commercial		\$ 45,000.00	\$ 97,000.00		\$ 142,000.00
New Construction: Residential					\$ 0.00
New Construction: Commercial					\$ 0.00
Public Improvements					\$ 0.00
Private Open Space Improvements					\$ 0.00
Direct Project Costs (up to 20% of STAR funds)					\$ 0.00
<b>Total</b>	<b>\$ 0.00</b>	<b>\$ 45,000.00</b>	<b>\$ 97,000.00</b>	<b>\$ 0.00</b>	<b>\$ 142,000.00</b>
<b>Additional Sources not qualifying as Match</b>	<b>Other Funds</b>				
-none-	<b>\$ 0.00</b>				

**Tables**

**Source of Matching Funds**

Matching Funds	Amount	Date Available (MM/DD/YY)	Match Firm?
<b>A. Estimated volunteer labor/sweat equity*:</b>			

	\$ 0		┌
<b>B. Estimated in-kind service*:</b>			
	\$ 0		┌
	\$		┌
	\$		┌
<b>C. Amount and source of private equity:</b>			
Indiv Donor Appeals	\$ 97,000	09/15/2017	┌
	\$		┌
	\$		┌
<b>D. Name and amount of anticipated foundation grants:</b>			
	\$ 0		┌
	\$		┌
	\$		┌
<b>E. Amount of loan(s) and name of lender:</b>			
	\$ 0		┌
	\$		┌
	\$		┌
<b>TOTAL VALUE OF MATCHING FUNDS</b>			
<b>Total</b>	<b>\$ 97,000</b>	<b>0</b>	

**Documents**

**Documents Requested \***

Required?

**Attached Documents \***

Current balance sheet and operating statement (Last business quarter)

UGM Balance Sheet 02-2017

Aging of accounts receivable/accounts payable as of the date of the current balance sheet

A year-ended balance sheet and profit and loss statement for the previous three years, with accountant's letter, notes and supporting schedules

Detailed cash flow projections for 12 months of operation or a projected annualized income statement with assumptions

A copy of existing or proposed purchase agreement or lease agreement (provide appraisal, if available)

Please attach an itemized budget and/or contractors estimates

Itemized Roof Project Budget Projections

If purchasing fixed assets, please include purchase agreements or vendor quotes

If a corporation, please provide articles of incorporation and bylaws

If LLC, please provide articles of organization

Current personal financial statements and addresses for partner, officer, owner, and each stockholder with 20% or greater ownership

Resumes of principals and key management

Key Project Personnel Bios

If the project includes bank or other financial participation, please provide a letter of commitment

A list of all existing business debt including the creditor's name, original date of the loan, amount, present balance, interest rate, maturity date, monthly payment, secured assets, and loan status

If this request is for a new business start-up, please attach your business plan.

Question 30. If your business is a franchise, upload a copy of the franchise agreement and the franchiser's FTC disclosure statement

Question 26. Conflict of Interest policy

Union Gospel Mission Conflict of Interest Policy

Question 29. If you have affiliate and/or subsidiary firms (20% or more ownership in other entities), please upload the last fiscal year-end financial statements for these firms