



PORTLAND MAINE

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March 1, 2013

Mark H. Rees
City Hall
389 Congress Street
Portland, Maine 04101

Dear Mr. Rees:

We are pleased to submit the CDBG Annual Allocation Committee's recommended budget allocations for Year 39 of the Community Development Block Grant (CDBG).

Nationally, the fate of the federal budget and programs including the Department of Housing and Urban Development, CDBG, HOME, ESG and others, is yet unclear. The budget represented below reflects the impact sequestration will have on the CDBG budget. Should Congress reach a final budget number, the allocation and the programs and projects recommended for funding are subject to change. The budget listed below reflects the HUD CDBG allocation to the City of Portland including any program income from Year 38 (2012-2013) that can count toward this year's budget.

CDBG ALLOCATION	Year 38 FY 12-13	Year 39 FY 13-14	Difference in Dollars
Planning and Administration Cap	359,720	333,953	(25,767)
Social Service Cap	581,631	540,019	(41,612)
Development Activities	857,247	795,794	(61,453)
TOTAL Allocation	1,798,598	1,669,766	(128,832)

As expected, the amount of funding requests far outweighs the amount of CDBG funding projected to be available this year. The total dollars requested is \$3,873,687, resulting in a gap of \$2,203,921 between available funding and requests. As in prior years, we were faced with difficult choices in the recommendation process and struggled with determining which applications to recommend for funding. The Committee stayed focused on the scoring criteria in order to be fair to all applicants.

The following sections of this letter outline our funding recommendations. The first section explains the history and progress Portland's CDBG Program has undergone over the last four years. The second section provides a description of this year's process, how the applications were reviewed and scored, and finally our recommendations for funding.

HISTORY AND CURRENT STATUS OF THE CDBG PROGRAM

Over the last four years, the CDBG program has undergone significant review. This review resulted in changes to the allocation process as summarized below.

In 2008 the following steps were implemented:

Council Order 70-7/08 (HCD Task Force Ten Point Plan)

- Creation of the CDBG Priority Task Force
- Creation of the CDBG Annual Allocation Committee
- Funded projects are to be completed within two years of award

In 2009 the following steps were implemented:

Council Order 70-7/08 (HCD Task Force Ten Point Plan)

- CDBG Application process is to comply with the City's Purchasing Ordinance

Council Order 91-08/09 (CDBG Priority Task Force Recommendations)

- Application and scoring reflect the goal of building strong, self sustaining neighborhoods by having applications address the priority impact areas and guiding principles.

In 2010 the final recommendations by the CDBG Priority Task Force were implemented, including:

Council Order 91-08/09 (CDBG Priority Task Force Recommendations)

- \$20,000 minimum request.
- Small grants in the amount of \$7,500 are available to social services for capacity building and to small businesses micro-enterprises for technical assistance
- Social service basic needs set aside for up to 10% of the HUD allocated CDBG grant
- Social service multi-year initiatives requests guidelines defined and encouraged
- Economic development job creation request guidelines defined
- The administration and planning request would be presented to and reviewed by the Committee, but would not be voted upon in a competitive environment

In 2011, the Council further reviewed the program and the implementation of all of the recommendations. Based on this review, the City Council implemented the following changes:

- *Eliminate* the small grants award of \$7,500 made available to social services for capacity building and to small businesses micro-enterprises for technical assistance
- *Eliminate* the social service basic needs set aside, previously set to be up to 10% of the HUD CDBG allocation
- *Lower* the minimum grant request from \$20,000 to \$10,000
- *Create* a maximum grant request per applicant:
 - \$150,000 for Social Service applicants
 - \$250,000 for Development Activities applicants
- *Create* a Maximum Cumulative Grant Allocation for City Applications
 - 45% of funding available for Social Services

- 85% of funding available for Development Activities
- *Create* an economic development set aside/ cap for job creation for \$100,000
- *Create* a Priority Focus for Program Year 2011-2012:
 - For Social Services additional points can be allocated for applications meeting the Work and Shop priority criteria
 - For Development Activities additional points can be allocated for projects located in Libbytown, Census Tract 20.02

There were minor adjustments instituted in 2012, including the following changes:

- Based on pressure and direction from HUD we will be paying our grantees based on a cost per unit of service. Each applicant has provided a cost per unit of service. Funded applicants will be submitting funding requisitions and be paid based on the number of units provided and persons served. This does not apply to construction projects.
- Staff will be administering bonus and penalty points on the applications.
- Priority for Social Service applications is child care. Priorities for Development Activities are job creation and projects located in Libbytown or Census Tract 20.02.

Additional adjustments were made in 2013, including:

- Applicants must address one of two program goals in their responses:
 - Build strong, self-sustaining neighborhoods.
 - Transition individuals and families out of poverty into self-sufficiency, to stability, to productivity and beyond, so each member of our community can reach their full potential and contribute to community life.
- Priority for Social Services is child care, to receive an additional 3 bonus points.
- Priority for Development Activities is job creation, which has a \$100,000 set aside.
- Partnerships, Collaboration or Outreach points are allocated on a tiered basis:
 - Partnership with a Memorandum of Agreement (MOA), that includes specific details concerning the allocation of funds, shared goals, objectives, space, employees, and/or other resources; *maximum 15 possible points*
 - Collaboration of Service Providers including (a) letter of support(s); *maximum 12 possible points*
 - Outreach to the community, including dates and times for community meetings, etc.; *maximum 9 possible points*
- Penalty Points were redefined, allocated by staff.
- Applicants were asked to submit a list of their Board of Directors

THE PROCESS AND REVIEW

CDBG Applications were available on October 1, 2012. The mandatory applicant's meeting was held on Wednesday October 17, 2012. All applications were due on Monday November 18 at 10:00 in the morning.

We received twenty-four (24) Development Activities applications, which included four (4) economic development requests, and twenty-three (23) Social Service Applications, including the second of a two year Multi-Year request, for a total of \$3,873,687 of requests. Four of the applications requested \$202,000 for economic development/ job creation, with \$100,000 available as the set-aside. \$695,794 is available for all other Development Activity applications. Of the twenty-three (23) Social Service applications, including the multi-year request awarded last year, there is \$1,102,859 requested for \$540,019 available.

The Allocation Committee Review and Funding Methods

Our Committee first met for this funding year on November 29, 2012. On December 6, 2012 the Committee discussed the Administration and Planning budget and received the Development Activity Applications. The Committee began reviewing the Social Service Applications on January 10, 2013.

The Committee read each application individually prior to the meetings. At the meetings the Committee then discussed each proposal and created a list of questions or clarifications on each application as needed. Staff compiled the Committee’s questions and contacted each applicant to request a written response by email. Applicants were given approximately one week to respond. A summary of the answers from each applicant was provided to the Committee in writing at the next meeting.

Development Activity scores were submitted January 4, 2013 and Social Service scores were submitted February 25, 2013. Applications were organized by score from the highest to the lowest within each category. Each applicant was awarded full funding, based on their request, until the funding was exhausted.

RECOMMENDATIONS

Administration and Planning Funding

The Committee reviews information regarding Administration and Planning, but does not score the application competitively. Administration funding is essential for operating the CDBG program and reporting to HUD. The Planning & Urban Development Department submitted a budget for \$333,953, and based on the expected decreased budget the Committee is recommending \$333,953 to fund Administration and Planning. This is subject to change should the allocation be more than expected.

Organization	Program	Request	Points	Comm. Recomm.
Planning & Urban Development Department	Administration	333,953	NA	333,953

Development Activities Funding

The Committee received twenty-four (24) Development Activities applications, requesting a total of \$2,436,875. There is \$100,000 available for job creation and \$695,794 available for all other Development Activity requests.

Economic Development/ Job Creation Set Aside /Cap

This is the third year this process has incorporated an Economic Development/ Job Creation set aside/cap as part of the Development Activity funding category. The amount of funding available for job creation is \$100,000, and four applicants submitted proposals for that funding. The COP Economic Development Department's Portland Business Assistance Program is the second request for this program. It is currently being offered to Portland businesses. Coastal Enterprise's Portland Microenterprise Assistance Program is a program that supports the creation of small independent businesses. Both Salvage Barbecue and New England Interpreter Service are for-profit businesses requesting funds to expand and create jobs.

Organization	Program	Request	Points	Comm. Recomm.
COP – Economic Development Division and Downtown Portland Corporation	Portland Business Assistance Program	100,000	92.9	100,000
Coastal Enterprises	Portland Microenterprise Assistance Program	42,000	89.3	0
Salvage Barbecue	Salvage Barbecue Job Creation	45,000	83.8	0
New England Interpreter Service	Job Creation and Interpreter Training	15,000	75.3	0

The Committee fully supported funding the Portland Business Assistance Program; however they were frustrated that the program utilized all of the available Economic Development Funds. They would have also liked to fund the Coastal Enterprises Portland Microenterprise Assistance Program.

Development Activities Funding Conclusion

The City Council has directed the Committee to recommend full funding based on request for all applications. The following table outlines the highest scoring applications, their requests and the recommended allocation from the Committee. Twenty one applicants competed for the remaining \$695,794 of funding.

Organization	Program	Request	Points	Comm. Recomm.
Portland Housing Authority	Sagamore Village Playground	45,750	95.3	45,750
Youth and Family Outreach	Program Expansion	71,520	93.8	71,520
COP Economic Development Department	Façade Improvement Program	100,000	92.0	100,000

Organization	Program	Request	Points	Comm. Recomm.
COP Public Services Department	Anderson Street Neighborhood Byway	245,608	89.7	245,608
COP Public Services Department	Big Belly Solar Waste Compactor Deployment	48,828	88.7	48,828
Iris Network	Build Up! Phase III HVAC System	99,000	88.3	99,000
COP Public Services Department	ADA Curb Ramps	51,100	88.2	51,100
COP Public Services Department	CDBG Tree Planting Program	15,000	87.4	15,000
Remaining Development Activity Balance				18,988*

** The Committee did not feel comfortable partially funding the next project at \$18,988. The committee has voted to recommend that the \$18,988 be applied toward partial funding to Coastal Enterprises Portland Microenterprise Assistance Program.*

Social Service Funding

The Committee received twenty-three (23) Social Service applications, including a multi-year request awarded to Milestone Foundation last year for \$75,000 to implement the program: Homeless Outreach and Mobile Engagement (HOME) Team. There is \$1,102,859 in social service requests for \$540,019 available.

Based on direction from the City Council the Committee is recommending full funding to Social Service applications based on their request. The following table outlines the highest scoring applications, their requests and the recommended allocation from the Committee.

Organization	Program	Request	Points	Comm. Recomm
Milestone Foundation	Homeless Outreach and Mobile Engagement Team	\$75,000	MULTI-YEAR	\$75,000
Catherine Morrill Day Nursery	CDBG Child Care Assistance Program	\$89,444	98.4	\$89,444
Maine Center on Deafness	Community Rehab Provider Program for Deaf...	\$59,732	94.8	\$59,732
COP Police Department	Community Policing	\$150,000	93.4	\$150,000
COP Health & Human Services Department	After Hours Emergency Assistance Program	\$34,000	92.4	\$34,000
Preble Street	Florence House	\$30,000	92.3	\$30,000
Amistad	Peer Support and Recovery Center	\$26,000	92.3	\$26,000

Organization	Program	Request	Points	Comm. Recomm
Preble Street	Resource Center	\$40,000	92.2	\$40,000
Opportunity Alliance	Parkside Neighborhood Center	\$32,194	91.9	\$32,194
Remaining Social Service Funds				\$3,649**

**** The Committee did not feel comfortable partially funding the next project at \$3,649. The committee has voted to recommend that the \$3,649 be applied toward partial funding to Coastal Enterprises Portland Microenterprise Assistance Program.**

SUMMARY

Since 2010 CDBG funds have been cut by over 33%. These federal cuts have resulted in approximately *\$775,000 less to the City of Portland CDBG program*, considerably impacting the number of programs and projects that are able to be funded locally. All projects that requested funding would be beneficial to our City, however due to limited dollars not all of them can be recommended for funding through this program. The projects that are not being recommended for funding scored lower in the evaluation categories, and therefore in total points. Attached is a spreadsheet that provides all scores for each application. Please refer to this sheet for more information.

As always, the Committee will continue to look for ways to improve the efficiency, effectiveness and transparency of the CDBG program. We welcome comments, suggestions, and feedback, both from the Council and the public. The CDBG Working Group is currently working on a set of recommendations to refocus priorities toward workforce development, which aligns with HUD's goal of moving people out of poverty.

We thank you for your commitment to this program and your patience through its transition. We hope you are satisfied with the results.

We are especially grateful for our appointments to the CDBG Allocation Committee, providing us with the opportunity to participate in this program, and offer our recommendations for your consideration. We look forward to seeing you on March 25 and April 8 and hearing your response.

Sincerely,

The CDBG Annual Allocation Committee for Program Year 2013-2014

Sean Dundon, Chair

Karma O'Connor, Vice Chair

Maxwell Chikuta

Jeremy Gabrielson

Wendy Harmon

Kristina Minister

Claude Rwaganje

Jeff Schwartz

Attachments: CDBG Allocation Committee Funding Recommendations 2013-2014 (spreadsheet)

CDBG ALLOCATION COMMITTEE 2013-2014 SCORE CARD SUMMARY

Cat.	Prior Impact	Applicant	Program/Project	Request	Priority	Guiding	Capacity to	Partner/	Focus Area	Penalty	Total	Committee Recomm Funding	
					Impact 20 pts	Principles 40pts	Deliver 25 pts	Collab 15 pts	Bonus 3 pts				
1	AP	ALL	COP Planning & Urban Dev Dept	CDBG Administration and Planning	\$333,953							\$333,953	
Total Administration				\$333,953	Total Administration						\$333,953		
15	DA	SN	Portland Housing Authority	Sagamore Village Playground	\$45,750	18.5	38.2	24.7	14.4		0.50	95.3	\$45,750
19	DA	WS	Youth and Family Outreach	Program Expansion	\$71,520	19.8	38.8	23.5	11.9		0.25	93.8	\$71,520
21	DA	WS	COP Economic Dev Dept	Façade Improvement Program	\$100,000	18.5	37.9	24.1	11.5		0.0	92.0	\$100,000
3	DA	MA	COP Public Services	Anderson Street Neighborhood Byway	\$245,608	18.4	36.4	23.1	11.8		0.00	89.7	\$245,608
10	DA	SN	COP Public Services	Big Belly Solar Waste Compactor Deployment	\$48,828	17.2	37.1	22.8	11.6		0.00	88.7	\$48,828
16	DA	MA	Iris Network	Build Up! Phase III, HVAC System	\$99,000	16.9	35.5	22.8	13.6		0.50	88.3	\$99,000
2	DA	MA	COP Public Services	ADA Curb Ramps	\$51,100	19.1	36.8	24.3	8.0		0.00	88.2	\$51,100
11	DA	SN	COP Public Services	CDBG Tree Planting Program	\$15,000	18.0	37.4	23.7	8.3		0.00	87.4	\$15,000
4	DA	MA	COP Public Services	Cumberland Avenue Sidewalk and Street Lighting	\$233,170	17.4	36.7	23.0	8.1		0.00	85.2	
18	DA	SN	Sacred Heart & St Dominic Parish	Preserving the Parkside Community	\$138,000	16.1	33.6	22.9	11.6		0.00	84.2	
17	DA	SN	Maine Irish Heritage Center	Heating Project	\$50,000	15.4	34.8	22.0	11.4		0.00	83.6	
20	DA	WS	Youth In Action	Peoples Building	\$56,000	16.4	33.0	19.6	13.8		0.00	82.8	
7	DA	MA	COP Public Services	St John/ Valley Street, D St to Danforth/ St John	\$157,307	15.6	31.7	23.7	11.4		0.00	82.4	
9	DA	MA	COP Public Services	City Hall Plaza and ADA Accessibility Project	\$123,170	16.8	34.4	23.4	7.8		0.00	82.4	
6	DA	MA	COP Public Services	Portland Streetscape, Forest to Brattle	\$250,000	17.5	35.6	24.0	7.9		3.50	81.5	
12	DA	SN	COP Public Services	Congress Street Lighting	\$250,000	16.2	32.6	23.5	7.6		0.05	79.9	
14	DA	SN	COP Planning & Urban Dev Dept	Bramhall Square Park Renovations	\$50,000	14.3	30.4	21.2	12.9		0.25	78.6	
8	DA	MA	COP Public Services	State Street/ Irish Heritage Center Sidewalk	\$73,262	14.8	29.8	22.8	7.4		0.00	74.8	
5	DA	MA	COP Public Services	Federal Street Sidewalk, Hancock & Monfort	\$77,160	14.3	30.0	22.8	7.5		2.50	72.1	
13	DA	SN	COP Public Services	Fort Sumner Park Improvements	\$100,000	4.1	8.1	5.5	1.0		Incomp	18.7	
Total Development Requests				\$2,234,875	Total Allocated Development						\$676,806		
Total Available Development				\$695,794	Remaining Development Funds						\$18,988		
23	JC	WS	COP Economic Dev Dept	Business Assistance Program for Job Creation	\$100,000	19.3	36.3	24.3	13.1		0.25	92.8	\$100,000
22	JC	WS	Coastal Enterprise	PMAP Portland Microenterprise Assistance Prgm	\$42,000	18.9	38.0	23.8	8.4		0.00	89.1	
25	JC	WS	Salvage Barbecue	Salvage Barbecue Job Creation	\$45,000	16.5	34.5	22.4	10.4		0.00	83.8	
24	JC	WS	New England Interpreter Service	Job Creation and Interpreter Training	\$15,000	15.6	32.2	20.9	6.8		0.25	75.3	
Total Econ Dev/ Job Creation Requests				\$202,000	Total Allocated Econ Dev						\$100,000		
Total Econ Dev/ Job Creation Available				\$100,000	Total Allocated Develop. & ED						\$776,806		
Total Development and Econ Dev Req				\$2,436,875	Total Allocated Develop. & ED						\$776,806		
Total Available Development + Econ Dev				\$795,793	Total Allocated Develop. & ED						\$776,806		

CDBG ALLOCATION COMMITTEE 2013-2014 SCORE CARD SUMMARY

CDBG Allocation Committee Score Card 2013-2014

M	Cat.	Prior Impact	Applicant	Program/Project	Request	Priority	Guiding	Capacity to	Partner/	Focus Area	Penalty	Total	Committee Recomm Funding
						Impact 20 pts	Principles 40pts	Deliver 25 pts	Collab 15 pts	Bonus 3 pts			
	SS	BN/SN	Milestone Foundation	Homeless Outreach and Mobile Engagement Team	\$75,000								\$75,000
40	SS	WS	Catherine Morrill Day Nursery	CDBG Child Care Assistance Program	\$89,444	18.7	37.4	24.8	14.5	3.0	0.00	98.4	\$89,444
44	SS	WS	Maine Center on Deafness	Community Rehab/Provider Program for Deaf, hard of hearing, Late/Deafened and Deaf-Blind	\$59,732	18.8	36.9	24.3	14.8	0.0	0.00	94.8	\$59,732
36	SS	SN	COP Police Dept	Community Policing	\$150,000	18.3	37.1	23.4	14.6	0.0	0.00	93.4	\$150,000
26	SS	BN	COP HHS Social Service Division	After Hours Emergency Assistance Program	\$34,000	19.1	37.4	24.1	11.8	0.0	0.00	92.4	\$34,000
31	SS	BN	Preble Street	Florence House Women's Shelter	\$30,000	18.5	37.6	23.6	14.6	0.0	2.00	92.3	\$30,000
34	SS	SN	Amistad	Amistad Peer Support and Recovery Center	\$26,000	18.8	37.2	24.5	11.8	0.0	0.00	92.3	\$26,000
29	SS	BN	Preble Street	Resource Center	\$40,000	18.8	37.4	23.5	14.5	0.0	2.00	92.2	\$40,000
45	SS	WS	Opportunity Alliance	Parkside Neighborhood Center	\$32,194	17.9	36.9	23.1	14.5	0.0	0.50	91.9	\$32,194
35	SS	SN	COP Healthcare for the Homeless	Behavioral Health Program- Healthcare for the Homeless	\$109,928	18.7	37.1	24.1	11.9	0.0	0.00	91.8	
30	SS	BN	Preble Street	Joe Kreisler Teen Shelter	\$30,000	18.3	36.7	23.2	14.8	0.0	2.00	91.0	
39	SS	SN	Wayside Food Programs	Direct Service Program	\$25,000	18.2	37.1	23.4	11.9	0.0	0.00	90.6	
28	SS	BN	Preble Street	Emergency Food Programs	\$50,000	18.9	38.3	23.5	11.8	0.0	2.25	90.3	
43	SS	WS	Learning Works	Language Ready Job Ready: English Language and Literacy New Americans	\$46,004	18.2	35.0	23.1	14.1	0.0	1.00	89.4	
27	SS	BN	Frannie Peabody Center	Integrated Access to Care: Toward a Stable Stronger Community	\$40,000	16.8	35.4	23.3	14.1	0.0	0.25	89.4	
42	SS-M	WS	Cultivating Community	Growing Access/ Growing Communities	\$58,996	17.4	34.9	22.4	14.0	0.0	0.00	88.7	
41	SS	WS	Cultivating Community	Youth Programs	\$19,525	17.3	36.3	23.1	11.7	0.0	0.00	88.4	
46	SS	WS	Opportunity Alliance	Foster Grandparents and Senior Companions	\$25,000	15.9	35.0	23.5	14.4	0.0	0.75	88.1	
33	SS-M	HS	Southern Maine Agency on Aging	Embedded Social Worker in Geriatric Center	\$28,000	16.4	32.5	24.1	14.3	0.0	0.00	87.3	
32	SS	HS	Southern Maine Agency on Aging	Meals on Wheels	\$35,000	17.1	35.1	23.7	11.5	0.0	0.25	87.2	
37	SS	SN	Root Cellar	Project Destination	\$27,500	15.6	33.8	21.9	10.6	0.0	0.00	81.9	
47	SS	WS	Portland Community Health Center	Pathways to Work: Portland Healthcare Workforce Development Project	\$61,536	15.8	29.8	17.3	13.9	0.0	0.00	76.8	
38	SS	SN	Root Cellar	Portland Youth Film Project	\$10,000	13.5	32.3	19.6	10.9	0.0	0.00	76.3	

Total Social Service Requests \$1,102,859
Total Social Service Available \$540,019

Total Allocated Social Services \$536,370
Remaining Social Service Funds \$3,649

SUMMARY OF REQUESTS

Administration Request	\$333,953
Development Request	\$2,234,875
Economic Dev. Request	\$202,000
Social Service Request	\$1,102,859
TOTAL CDBG REQUEST	\$3,873,687

SUMMARY OF AVAILABLE

Administration	\$333,953
Development	\$695,794
Economic Development *	\$100,000
Social Service	\$540,019
TOTAL AVAILABLE	\$1,669,766

* The Economic Development allocation is part of the HUD Development funding cap, and the \$100,000 is locally imposed.