



February 3, 2017

Jon P. Jennings, City Manager
 City Hall
 389 Congress Street
 Portland, Maine 04101

Dear Mr. Jennings,

We are pleased to submit the CDBG Annual Allocation Committee's recommended budget allocations for Year 43 of the Community Development Block Grant (CDBG).

*On a national level, HUD has not released the 2017-2018 allocations, but we are hopeful that the funding will remain level with the previous year's funding.

CDBG ALLOCATION	*Year 43 FY 17-18
Planning and Administration Cap	\$405,290
Social Service Cap	\$626,625
Development Activities	\$806,533
TOTAL	\$1,838,448

As in past years, the need for CDBG funding continues to exceed the amount of funds available. The total funds requested are \$3,897,332 resulting in a gap of \$2,058,884 between CDBG funds available and project requests. As in prior years, we were faced with difficult choices in this year's recommendation process and struggled with which applications to recommend for funding. The Committee stayed focused on the scoring criteria and the information provided in each application 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 past several 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 nine years, the CDBG program has undergone significant review. This review resulted in many changes to the allocation process. In 2008 the City Council established the CDBG Allocation Committee and a CDBG Priority Task Force. The Priority Task Force was asked to create a Ten Point Plan for improving the CDBG process. Over the next few years, a CDBG Working Group helped to implement the goals outlined in the Ten Point Plan. Additionally, the CDBG Working Group, CDBG

Allocation Committee, and City Staff continued to reviewed and update the CDBG process in order to continue the evolution of the CDBG Program. Some ideas, such as the creation of bonus points, grants for small businesses, set asides for basic needs, economic development, and childcare were introduced and then later removed. Other ideas, such as aligning with the City's purchasing ordinance, minimum and maximum grant requests for City projects as well as non-profits, and set-asides for community policing and public infrastructure have been effective and therefore remain in place. Though the Priority Task Force and CDBG Working Group have completed their tasks and no longer meet, the CDBG Allocation Committee, along with City Staff are continually looking for ways to improve the reach and efficiency of the CDBG program. A full list of program changes along dates and council order references are available on the City's CDBG website.

THE PROCESS AND REVIEW

CDBG Applications were made available on October 10, 2016. The mandatory applicant's meeting was held on October 11, 2016 at 5:30pm in the Merrill Auditorium Rehearsal Hall. All applications were due on Thursday, November 16, 2016 by 2:00pm.

We received seventeen (17) Development Activities applications and twenty (20) Social Service Applications, along with an Administration and Planning application, for a total of \$3,897,332 in funding requests through our annual request process. There was a total of \$2,278,961 in Development Activity requests with \$806,533 available, and \$1,173,800 in Social Service requests with \$626,625 available.

The Allocation Committee Review and Funding Methods

Our Committee first met for this funding year on December 1, 2016. The Committee met seven (7) times to discuss Administration and Planning, Development Activities, and Social Service applications.

The Committee read each application individually prior to the meeting. At the meeting, the Committee would discuss each proposal. If questions arose, staff documented the questions and forwarded them to the applicant to answer. The answers were then shared with the Committee.

Applications were organized by score from the highest to the lowest within each category. The City Council has directed the Committee to recommend full funding based on request for all applications; therefore each applicant was awarded full funding, 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 of \$444,571 with an understanding that the Committee can only recommend up to 20% of the entire CDBG budget be used for Administration and Planning. This year, we are anticipating the 20% cap to be \$405,290.

Development Activities Funding

The Committee received seventeen (17) Development Activities applications including construction and economic development, requesting a total of \$2,278,961 and only \$806,533 is available. The City Council's *85% Rule for Development Activities* is still in place, which specifies that a maximum of 85% of the Development Activity funding can go to fund City applicants, the remaining 15% must go to outside requests. In addition to the *85% rule* a public infrastructure set aside was introduced last year and remains in effect. The Public Infrastructure set aside is up to 60% of the City's maximum 85% request. The Committee's recommendations fall within these guidelines. The following table outlines the highest scoring applications, their requests and the recommended allocation from the Committee.

Organization	Program	Request	Points	Comm. Recomm.
Coastal Enterprises Inc.	Portland Microenterprises Assistance Program	\$45,000	89.25	\$45,000
City of Portland - Economic Development Department	Business Assistance Program for Job Creation	\$111,000	88.13	\$111,000
YMCA of Southern Maine	Boiler Replacement for Men's Dormitory	\$74,991	87.25	\$74,991
Youth and Family Outreach	Life and Safety Upgrades	\$204,182	82.75	\$164,210
Public Infrastructure Set-Aside				
City of Portland Public Works (Public Infrastructure Set-aside)	Oxford Street/ Bayside Sidewalk Improvements	\$210,000	81.00	\$210,000
City of Portland Public Works (Public Infrastructure Set-aside)	Marginal Way Master Plan Streetscape Phase 2	\$330,000	74.00	\$201,332

Though the CDBG Allocation Committee strongly supports the use of CDBG funds for public infrastructure improvements, the Committee feels that all development activity applications should be scored equally and funded according to their score, regardless of the public infrastructure set-aside. For example, the Oxford Street Sidewalk Improvements application was able to demonstrate a strong community need and scored high enough to be funded regardless of the set-aside, on the other hand, the Marginal Way Streetscape application did not score well and would not be funded without the set-aside.

The CDBG Allocation Committee would like to recommend that all development activity funding, including any additional funds from program income and the contingency fund be allocated to the applications receiving the highest scores. Given that most development activity applications request large dollar amounts, the Committee would like to recommend any remaining funds be given to the Bayside Neighborhood Association's Community Garden project; the request of this project is small, yet it creates a sustainable community impact.

Social Service Funding

The Committee received twenty (20) Social Service applications, including a \$150,000 request from Community Policing which will be funded through a set-aside. A total of \$1,173,800 in Social Service requests were received with only \$626,625 available. The City Council’s *45% Rule for Social Services* is still in place, which specifies that a maximum of 45% of the Social Service funding can go to fund City applicants, the remaining 65% must go to outside requests. This rule did not affect the Committee’s recommendations this year. The following table outlines the highest scoring applications, their requests and the recommend allocation from the Committee.

Organization	Program	Request	Points	Comm. Recomm
Police Department	Community Policing	\$150,000	Set-aside	\$150,000
Wayside Food Programs	Direct Service Programs	\$30,000	94.88	\$30,000
Preble Street	Florence House Women’s Shelter	\$30,000	94.13	\$30,000
Preble Street	Food Programs	\$50,000	93.63	\$50,000
Preble Street	Resource Center	\$45,000	93.25	\$45,000
Preble Street	Joe Kreisler Teen Shelter	\$30,000	91.75	\$30,000
Catherine Morrill Day Nursery	Portland CDBG Childcare Voucher Collaborative	\$88,711	90.25	\$88,711
City of Portland Social Services Department	Family Shelter- After Hours Program	\$49,224	90.25	\$49,224
Milestone Foundation	HOME Team and Medical Outreach	\$130,000	90.25	\$130,000
City of Portland Social Services Department	Portland Opportunity Crew	\$18,931	86.38	\$18,931
Amistad Inc.	Peer Coaching Initiative	\$60,000	86.25	\$4,759

The Committee feels that every application received this year is worthy of CDBG funding, but given the limited funds available, the committee dedicated a lot of time and thought to discussing and scoring of each application. In reviewing this year’s scores, as well as the scores from last year, the Committee noticed a trend that the priority categories seem to lean toward services such as food and shelter which service a population that is chronically in need, rather than other types of services such as pilot programs and services for New Americans, or the striving population of the City. Given that there were four applications serving New Americans and none scored high enough to receive funding, the Committee would like to recommend that if funding is reallocated to include one of these programs, that LearningWorks receive that funding. The Committee plans to explore ways to adjust the scoring convention in future years to address this trend.

Funding Caps

In past years, the funding caps were set at \$150,000 for social service applicants and \$250,000 for development activities. This year, the funding caps remain the same, with the exception of public infrastructure projects.

SUMMARY

All projects that requested funding would be beneficial to our City, however due to limited dollars, not all were recommended for funding through this program. This is a competitive process; each applicant competed against all other applicants. The projects that are not being recommended for funding scored lower in each of the evaluation categories, and therefore in total points. A spread sheet is attached which provides all scores for each application.

As always, the Committee will continue to look for ways to improve the efficiency, effectiveness and transparency of the program. We welcome comments, suggestions, and feedback both from the Council and the public.

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

We are especially grateful for our appointments to the Annual 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 February 23rd and hearing your response.

Sincerely,

The CDBG Annual Allocation Committee for Program Year 2017-2018

Annette Rogers, Chair
Matthew Purington, Vice Chair
Maxwell Chikuta
Reverend Kenneth Lewis
Lucinda Pyne
D. Kelley Young
Amy Regan
Shima Kabirigi

Attachments: CDBG Allocation Committee Funding Recommendations 2017-2018 (spreadsheet)

CDBG Recommendations 2017-2018

Administration and Planning

Type	Priority	Organization	Program/ Project	Request	Priority Impact/ Goal 33 pts	Guiding Principles 30 pts	Capacity to Deliver 25 pts	Partner/ Collaborator 12 pts	Total	Committee Recomm	City Manager Recomm	Council Allocation	
1	AP	All	Planning & Urban Dev Dept	CDBG Admin and Planning	\$444,571						\$405,290		
				<i>Total Admin & Planning Available</i>	\$405,290					Subtotal:	\$405,290	\$0	\$0

Development, Economic Development and Construction

Type	Priority	Organization	Program/ Project	Request	33 pts	30 pts	25 pts	12 pts	Total	Committee Recomm	City Manager Recomm	Council Allocation	
4	SET	NI	COP Public Works	Oxford St/ Bayside Sidewalk Improvements	\$210,000	29.75	25.88	18.13	7.25	81.00	\$210,000	\$0	
3	SET	NI	COP Public Works	Marginal Way Master Plan Streetscape Phase 2	\$330,000	27.50	21.75	20.50	4.25	74.00	\$201,332	\$0	
2	SET	NI	COP Public Works	High Street Sidewalk Improvements	\$250,000	23.00	20.13	17.63	3.38	64.13		\$0	
18	ED	EO	Coastal Enterprises Inc. (CEI)	Portland Microenterprises Assistance Program	\$45,000	30.13	26.75	22.00	10.38	89.25	\$45,000	\$0	
17	ED	EO	COP Economic Dev. Dept.	Business Assistance Program for Job Creation	\$111,000	29.25	26.25	22.25	10.38	88.13	\$111,000	\$0	
15	CON	NI	YMCA of Southern Maine	Boiler Replacement for the Men's Dormitory	\$74,991	26.50	27.13	22.88	10.75	87.25	\$74,991	\$0	
16	CON	NI	Youth and Family Outreach	Life and Safety Upgrades	\$204,182	26.25	26.00	19.63	10.88	82.75	\$164,210	\$0	
7	CON	NI	Catholic Charities	Engery Efficiency Upgrades - Support and Recovery Services	\$47,145	24.71	24.29	21.29	10.14	80.43		\$0	
6	CON	EO	Catherine Morrill Day Nursery	Toddler Classroom Expansion Project	\$235,156	25.63	25.00	19.00	10.38	80.00		\$0	
14	CON	NI	Preble Street	Resource Center Rehabilitation Project	\$125,103	24.25	26.13	18.63	10.50	79.50		\$0	
8	CON	NI	The Iris Network	Dormitory Accessibility for the Blind	\$157,500	23.38	21.63	22.00	10.88	77.88		\$0	
5	CON	NI	Bayside Neighborhood Assoc.	Bayside: A Livable Neighborhood Community Garden	\$12,800	25.25	23.75	20.00	8.00	77.00		\$0	
9	CON	EO	Learning Works	Renovation of Historic 181 Bracket Phase 2	\$73,759	23.63	23.00	19.38	10.50	76.50		\$0	
12	CON	NI	COP Parks, Rec, and Facilities	East Bayside Soccer Field Fencing and Futsal Court	\$152,700	26.75	25.13	17.38	5.13	74.38		\$0	
13	CON	NI	Port Resources	70/72 Emery Street Bathrooms and Roof Renvoations	\$79,350	23.13	21.88	18.13	7.38	70.50		\$0	
10	CON	NI	Mayo Street Arts	ADA Accessibility for Mayo Street Arts	\$113,075	21.63	22.75	18.13	3.63	66.13		\$0	
11	CON	NI	COP Parks, Rec, and Facilities	Cliff Island School Playground	\$57,200	19.50	15.75	16.63	6.50	58.38		\$0	
				<i>Total Development, Econ Dev. & Construction Requests</i>	\$2,278,961					Subtotal:	\$806,533	\$0	\$0
				<i>Total Development, Econ Dev. & Construction Available</i>	\$806,533								

Social Service

Type	Priority	Organization	Program/ Project	Request	Priority	Guiding	Capacity	Partner/	Total	Committee Recomm	City Manager Recomm	Council Allocation	
					Impact/ Goal	Principles	to Deliver	Collaborat ion					
19	SET	NI	Police Department	Community Policing	\$150,000					\$150,000		\$0	
38	SS	ANGHP	Wayside Foods Program	Direct Services Programs	\$30,000	31.75	28.88	23.25	11.00	94.88	\$30,000	\$0	
34	SS	ANGHP	Preble Street	Florence House Women's Shelter	\$30,000	31.75	27.88	23.38	11.13	94.13	\$30,000	\$0	
35	SS	ANGHP	Preble Street	Food Programs	\$50,000	31.50	28.25	23.25	10.63	93.63	\$50,000	\$0	
37	SS	ANGHP	Preble Street	Resource Center	\$45,000	30.75	28.50	23.25	10.75	93.25	\$45,000	\$0	
36	SS	ANGHP	Preble Street	Joe Kreisler Teen Shelter	\$30,000	31.25	26.75	22.88	10.88	91.75	\$30,000	\$0	
24	SS	EO	Catherine Morrill Day Nursery	Portland CDBG Childcare Voucher Collaborative	\$88,711	30.75	26.63	22.13	10.75	90.25	\$88,711	\$0	
27	SS	ANGHP	COP- Social Services Dept.	Family Shelter- After Hours Program	\$49,224	30.50	27.13	21.38	11.25	90.25	\$49,224	\$0	
31	SS	ANGHP	Milestone	HOME Team & Medical Outreach	\$130,000	30.75	26.75	21.88	10.88	90.25	\$130,000	\$0	
29	SS	EO	COP- Social Services Dept.	Portland Opportunity Crew	\$18,931	32.63	27.50	20.75	5.50	86.38	\$18,931	\$0	
21	SS	ANGHP	Amistad Inc.	Peer Coaching Initiative	\$60,000	29.13	24.38	22.00	10.75	86.25	\$4,759	\$0	
22	SS	ANGHP	Amistad Inc.	Peer Support and Recovery Center	\$35,000	28.88	25.50	22.63	8.00	85.00		\$0	
30	SS	EO	LearningWorks	English Language Program	\$60,000	27.88	25.38	21.13	10.50	84.88		\$0	
28	SS	ANGHP	COP- Social Services Dept.	Oxford Shelter- Housing Assistance- Long Term Stayers	\$51,541	26.00	25.50	20.63	11.25	83.38		\$0	
32	SS	ANGHP	The Opportunity Alliance	Homeless Prevention Program (HPP)	\$54,000	29.88	24.88	20.38	8.25	83.38		\$0	
33	SS	EO	Portland Adult Education	New American Skilled Professional Enhanced Services	\$75,379	27.88	23.50	20.13	11.25	82.75		\$0	
25	SS	NI	Catholic Charities	Immigrant Legal Services	\$52,151	24.86	23.14	20.71	7.86	76.57		\$0	
26	SS	NI	Catholic Charities	Independent Living Support Services	\$78,463	24.14	23.86	18.29	7.71	74.00		\$0	
23	SS	NI	Bayside Neighborhood Assoc.	Programming to accompany Community Garden	\$10,400	21.38	21.75	19.75	8.00	70.88		\$0	
20	SS	EO	Alpha One	Indep. Living for Portland New Americans w/ Disabilities	\$75,000	21.13	21.25	17.88	4.25	64.50		\$0	
				Total Social Services	\$1,173,800					Subtotal:	\$626,625	\$0	\$0
				Total Social Services Available	\$626,625								
				ALL CDBG REQUESTS TOTAL	\$3,897,332					Allocation Total:	\$1,838,448	\$0	\$0