



February 13, 2018

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 44 of the Community Development Block Grant (CDBG).

*On a national level, HUD has not released the 2018-2019 allocations, but we are hopeful that the funding will remain level with the previous year's funding.

CDBG ALLOCATION	*Year 44 FY 18-19
Planning and Administration Cap	\$364,093
Social Service Cap	\$606,954
Development Activities	\$879,418
TOTAL	\$1,850,465

As in past years, the need for CDBG funding continues to exceed the amount of funds available. The total funds requested are \$2,897,980 resulting in a gap of \$1,047,515 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 ten 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 review 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 2, 2017. The mandatory applicant's meeting was held on October 3, 2017 at 5:30pm in Room 24 of City Hall. All applications were due on Monday, November 13, 2017 by 2:00pm.

We received six (6) Development Activities applications and twenty-four (24) Social Service Applications, along with an Administration and Planning application, for a total of \$2,897,980 in funding requests through our annual request process. There was a total of \$991,304 in Development Activity requests with \$879,418 available, and \$1,542,583 in Social Service requests with \$606,954 available.

The Allocation Committee Review and Funding Methods

Our Committee first met for this funding year on December 4, 2017. 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 \$396,093 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 364,093.

Development Activities Funding

The Committee received six (6) Development Activities applications including construction and economic development, requesting a total of \$991,304 and only \$879,418 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.
COP Economic Development Department	Business Assistance Program for Job Creation	\$145,000	88.56	\$145,000
Coastal Enterprises, Inc.	Portland Microenterprise Assistance	\$48,000	87.56	\$48,000
Portland Housing Authority	Front Street Re-Development Phase 1	\$250,000	84.22	\$237,915
Public Infrastructure Set-Aside				
City of Portland Parks, Recreation and Facilities Department (Public Infrastructure Set-aside)	North Woods Adventure Playground at Dougherty Field	\$137,000	84.11	\$137,000
City of Portland Public Works (Public Infrastructure Set-aside)	Preble Street Corridor Sidewalk Project	\$398,800	80.00	\$311,503

This year the Committee was surprised to see the small number of development applications. Consequently, all but one of this year’s pool of applicants was recommended. The committee would like to call attention to the Port Resources’ Four Hot Water Heater Replacement application which requested \$12,504. The committee generally finds the low score for this application may have been negatively impacted by the small scale of the project and small number of clients being served. The CDBG Allocation Committee feels strongly that despite the application’s score, they would still like the project funded from any of the other applications (aside from the City job creation project, and CEI’s Microenterprise Assistance project).

Social Service Funding

The Committee received twenty (24) Social Service applications, including a \$150,000 request from Community Policing which will be funded through a set-aside. A total of \$1,542,583 in Social Service requests were received with only with \$606,954 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/ Project	Request	Points	Comm. Recomm.
Police Department	Community Policing	\$150,000	Set-aside	\$150,000
Wayside Food Programs	Direct Service Program	\$34,000	91.56	\$34,000
Preble Street	Joe Kreisler Teen Shelter	\$26,140	91.56	\$26,140
Catherine Morrill Day Nursery	Portland CDBG Childcare Voucher Collaborative	\$81,176	90.44	\$81,176
COP- Health & Human Services	After Hours Emergency Assistance Program	\$51,383	90.22	\$51,383
COP- Public Health Division	Mobile Medical Outreach Project	\$50,000	89.89	\$50,000
Preble Street	Food Programs	\$43,568	89.89	\$43,568
Amistad & Portland Downtown	Peer Outreach Worker (POW) Program	\$80,000	89.67	\$80,000
Catholic Charities & ILAP	Immigrant Legal Services	\$91,542	89.44	\$90,687

Due to the continued decrease in funding, as well as the high number of deserving applicants, the CDBG Allocation Committee found it challenging to prioritize which projects would have the greatest impact. The committee was very focused on understanding the level of need within each community group seeking services. Though many applications contained strong anecdotal evidence of immediate needs, the committee took a close look at specific data, underlying causes, trends, and demand for services.

In particular, the Committee was interested in organizations partnering to maximize the impact of their programs. The Committee observed that partnerships reduce duplicative services and provide a positive indicator to ensure a project’s outcome. Also, the committee believes organizations working together are more likely to launch successful programs.

In addition, the Committee found that some of the scoring categories were open to interpretation. For example, the committee found the ‘capacity to deliver’ category challenging to assess, especially when considering the importance of leveraged funding, and determining an organization’s need based on resources available. In April, the Committee hopes to discuss updating the scoring framework for next year’s applications. Specifically, the Committee noticed the scoring system seemed 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 services for New Americans. The Committee acknowledges that any change to the scoring framework would require approval from the City Council.

With regard to the Partnership/Collaboration/Outreach scoring category, the Committee felt that the content of the proposed collaboration was important, versus applications in which organizations simply obtained a general pledge of support from another organization. For example, although a Memorandum of Agreement might be provided, it may not demonstrate a level of collaboration or partnership that the Committee would score as highly as an application that clearly demonstrates a strong partnership with specific benefits or skills to be provided from the supportive organization, particularly when the proposed initiative is a new one.

Overall, the committee believes the Social Service scores reflect a balanced approach to addressing the range of community needs reflected by the applications.

Lastly, the Committee is aware that the City Council can authorize an allocation of \$20,000 from the Cotton Street parking lot sales proceeds towards CDBG Social Service Activities. In its advisory capacity, the CDBG Allocation Committee recommends applying \$855 of that amount towards the Immigrant Legal Services project that was not fully funded, and allocating the remaining sum of \$19,145 to the Florence House Women's Shelter program.

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 26th and hearing your response.

Sincerely,

The CDBG Annual Allocation Committee for Program Year 2018-2019

Lucinda Pyne, Chair
Melanie Cahill, Vice Chair
Maxwell Chikuta
Reverend Kenneth Lewis
D. Kelley Young
Amy Gallant
Shima Kabirigi
John Ochira
Matthew Purington

Attachments: CDBG Allocation Committee Funding Recommendations 2018-2019 (spreadsheet)

CDBG Recommendations 2018-2019

Administration and Planning

Type	Priority	Organization	Program/ Project	Request	Priority Impact/ Goal	Guiding Principles	Capacity to Deliver	Partner/ Collabor	Total	Committee Recommendation	City Manager Recommendation	Council Allocation	
					33 pts	30 pts	25 pts	12 pts					
1	AP	All	Planning & Urban Dev Dept.	CDBG Admin and Planning	\$364,093					\$364,093			
				<i>Total Admin & Planning Available</i>	\$364,093					Subtotal:	\$364,093	\$0	\$0

Development, Economic Development and Construction

Type	Priority	Organization	Program/ Project	Request	33 pts	30 pts	25 pts	12 pts					
3	SET	NI	COP Parks, Recreation and Facilities Department	North Woods Adventure Playground at Dougherty Field	\$137,000	26.78	27.44	21.56	8.33	84.11	\$137,000		
2	SET	NI	COP Public Works	Preble Street Corridor Sidewalk Project	\$398,800	26.44	25.89	19.67	8.00	80.00	\$311,503		
7	ED	EO	COP Economic Development Department	Business Assistance Program for Job Creation	\$145,000	30.44	25.89	21.56	10.67	88.56	\$145,000		
6	ED	EO	Coastal Enterprises, Inc.	Portland Microenterprise Assistance	\$48,000	29.44	25.44	22.44	10.22	87.56	\$48,000		
5	CON	NI	Portland Housing Authority	Front Street Re-Development Phase 1	\$250,000	31.00	25.33	19.67	8.22	84.22	\$237,915		
4	CON	NI	Port Resources	Four Hot Water Heater Replacements	\$12,504	26.56	26.56	20.78	8.00	81.89			
				<i>Total Development, Econ Dev. & Construction Requests</i>	\$991,304					Subtotal:	\$879,418		
				<i>Total HUD Allocated Development Funds Available</i>	\$789,418					Subtotal:		\$0	\$0
				Total Funds Available to City Manager and Council (HUD Funds + Program Income)	\$879,418					Subtotal:		\$0	\$0

Social Service

Type	Priority	Organization	Program/ Project	Request	Priority	Guiding	Capacity	Partner/	Total	Committee	City Manager	Council	
					Impact/ Goal	Principles	to Deliver	Collaborat ion					Recommendation
					33pts	30 pts	25 pts	12pts					
8	SS	NI	Police Department	Community Policing	\$150,000						\$150,000		
30	SS	ANGHP	Wayside Food Programs	Direct Service Program	\$34,000	31.00	27.33	22.00	11.22	91.56	\$34,000		
28	SS	ANGHP	Preble Street	Joe Kreisler Teen Shelter	\$26,140	31.11	27.44	22.33	10.67	91.56	\$26,140		
11	SS	EO	Catherine Morrill Day Nursery	Portland CDBG Childcare Voucher Collaborative	\$81,176	31.00	26.56	22.00	10.89	90.44	\$81,176		
15	SS	ANGHP	COP- Health & Human Services	After Hours Emergency Assistance Program	\$51,383	31.33	27.33	21.44	10.11	90.22	\$51,383		
18	SS	ANGHP	COP- Public Health Division	Mobile Medical Outreach Project	\$50,000	31.22	26.00	21.67	11.00	89.89	\$50,000		
26	SS	ANGHP	Preble Street	Food Programs	\$43,568	31.22	26.67	21.89	10.11	89.89	\$43,568		
10	SS	ANGHP	Amistad & Portland Downtown	Peer Outreach Worker (POW) Program	\$80,000	30.89	26.00	21.33	11.44	89.67	\$80,000		
12	SS	EO	Catholic Charities & ILAP	Immigrant Legal Services	\$91,542	27.44	27.78	23.00	11.22	89.44	\$90,687		
25	SS	ANGHP	Preble Street	Florence House Women's Shelter	\$26,140	31.56	25.33	21.67	10.56	89.11			
31	SS	EO	YMCA of Southern Maine	New American Welcome Center	\$48,151	30.33	26.33	20.33	11.33	88.33			
21	SS	ANGHP	Milestone	HOME Team	\$150,000	30.44	25.78	20.78	11.00	88.00			
20	SS	EO	LearningWorks	English Language & Literacy Program	\$45,000	29.67	26.11	22.11	10.00	87.89			
27	SS	ANGHP	Preble Street	Resource Center	\$39,211	30.22	25.33	21.33	10.33	87.22			
19	SS	ANGHP	Greater Portland Health	Medication Assisted Recovery Program (MARP)	\$150,000	30.78	25.89	20.11	9.89	86.67			
22	SS	ANGHP	Milestone	Emergency Shelter & Housing Navigator	\$75,000	30.56	24.56	21.33	10.00	86.44			
24	SS	EO	Portland Adult Education	New Mainers Resource Center Credential Eval. & Mentor.	\$83,688	29.33	24.22	21.00	10.33	84.89			
16	SS	ANGHP	COP- Health & Human Services	Long Term Stayers Comm. Integration & Landlord Outreach	\$58,966	29.67	24.33	19.78	10.56	84.33			
29	SS	NI	Southern ME Agency on Aging	City of Portland Dementia Response Intervention	\$68,555	25.56	24.33	20.11	10.89	80.89			
14	SS	EO	COP- Health & Human Services	Portland Opportunity Crew	\$99,063	28.56	22.89	18.44	6.56	76.44			
23	SS	ANGHP	Pihcintu	M.A.K.E. ME Better	\$20,000	23.11	23.22	19.67	9.33	75.33			
17	SS	NI	COP- Planning and Urban Dev.	Transit Pass Fare Gap Program	\$10,000	26.89	22.22	13.78	3.00	65.89			
13	SS	EO	Congolese Community of ME	Basic English to Open Job Market	\$25,000	26.44	20.11	12.89	3.89	63.33			
9	SS	EO	African Women and Dev.	Sewing Machine	\$36,000	23.44	20.00	13.33	5.78	62.56			

Total Social Services \$1,542,583 \$0 \$0

Total Social Services Available \$606,954 **Subtotal:** **\$606,954**

ALL CDBG REQUESTS TOTAL \$2,897,980 Allocation Total: **\$1,850,465 \$0 \$0**