



**CITY OF PORTLAND**  
**Executive Department**  
**Jon P. Jennings, City Manager**

April 10, 2020

Members of the Portland City Council:

I am pleased to submit to you my recommendations for the Community Development Block Grant (CDBG) Program for the fiscal year beginning July 1, 2020 to June 30, 2021.

I would like to commend the CDBG Allocation Committee on their hard work and dedication to the City's Community Development Program. I have reviewed the Allocation Committee's recommendations and I acknowledge the difficult scoring decisions that were made by the Committee. This year, I reviewed all of the applications, carefully considered the Allocation Committee's recommendations before forming my recommendations [*City Manager's Recommendations A1*].

As you will see from my recommendations, I have made changes to the Allocation Committee's recommendations that I feel align with the goals and needs of the City. It is my understanding that the U.S. Department of Housing and Urban Development does not want to have the same organizations receive CDBG grant funds on an ongoing basis. I am concerned the same organizations continue to receive funds over multiple years per guidance received in previous years by HUD. I have asked staff in the Housing and Community Development Division to identify program guidelines that closely mirror the requirements by HUD for future allocations. The recommendations below reflect the allocation of the Cotton Street lot proceeds and TIF proceeds that are set aside for allocation by the City Manager.

1) *Social Services*. This year we had a wide array of competitive social service applications. As in past years, there are more deserving applicants than funds available. The City would need more than a half a million dollars in additional funding to fund all of these programs.

I feel strongly that the Portland CDBG Child Care Voucher Collaboration is a vital program that should receive funding. In order to partially fund this program, I reduced funding by ten (10%) percent on all programs except Community Policing, the Wayside Foods Direct Service Program and the Preble Street Food Program, freeing up \$40,600 for the child care voucher program. Fully funding the food programs is consistent with my recommendation from previous years that food security is a basic necessity and integral to services provided to the homeless population. In addition, there is \$20,000 available from the proceeds of the sale of the Cotton Street Lot. It is my recommendation that the City Council allocate \$20,000 of the Cotton Street proceeds to Furniture Friends (total project funding \$22,500) which frees up an additional \$8,279 in CDBG funding for the Portland CDBG Child Care Voucher Collaboration (total project funding \$48,879).

2) *Development Activities*. I was delighted to see that the number of development activity applications almost doubled this year from 11 to 21. These funds play a critical role in the physical infrastructure and the economic development of our city. Again, I reiterate my disappointment that several organizations continue to receive funding

over multiple years for the same programs. I hope more organizations continue to take advantage of this funding opportunity in the future.

TIF funding has very specific allowable uses. By allocating \$90,000 in TIF funding to the DPW Bayside Area Sidewalk project, I am able to utilize CDBG money to help fund \$30,300 for Catherine Morrill's Life Safety Repairs project, \$15,000 for the Maine Irish Heritage Center (MIHC) Upper Sanctuary Accessibility project, \$17,000 for the MIHC Front Stairway Restoration project and \$27,700 in additional funding for the Economic Development Department's Business Assistance Program. Also, I've reduced the total funding to the DPW Bayside Area Sidewalk project by \$50,000 in order to partially fund the First Parish Church accessibility project.

3) *Administration and Planning.* The Planning and Urban Development Department is required to submit a non-competitive application to the Allocation Committee. The Planning and Urban Development Department submitted a request of \$389,184 with the understanding that no more than the HUD imposed administration cap of 20% could be recommended for funding. These funds are used to both administer the program as well as fund long range planning work for the department. The staff have adjusted their budget to \$395,196 to meet the estimated FY20-21 cap; therefore, I am recommending full funding to administer the program.

I thank you for the opportunity to share my recommendations. As I have stated earlier, all of the programs requesting funds are worthy, unfortunately, there is not enough funds to support all of their efforts. I hope you accept my recommendations and join me in commending all of the good work being done in our city.

Sincerely,



Jon P. Jennings  
City Manager