

**CDBG Priority Task Force**  
**Meeting 5: Tuesday July 22, 2008**  
**6:30-9:00pm State of Maine Room, 2<sup>nd</sup> Floor City Hall**

Attendance: Anna Priluck, Co-Chair, Kyra Walker, Shalom Odokara, Rhonda Juneau, Jon Bradley, Rachael Weyand, Wendy Harmon.

Staff: Penny Littel, Planning Director, Rachel Talbot Ross, Diversity Director, Amy Grommes Pulaski, HCD Program Manager.

Guests: Aaron Shapiro of Cumberland County and Jon Shoos of United Way of Greater Portland

**Introduction**

Anna thanks everyone for coming. She gives a brief overview of the last meeting, including the groups' decision making process. The focus today is to listen to very important information from United Way, Cumberland County, and from Amy.

Anna moves to adopt minutes, seconded by Rhonda, voted unanimously by all.

**How We Got to Where We Are**

Amy thanks everyone for coming and introduces Aaron Shapiro. She reviews the packet that everyone has before them.

The first document is a CDBG quick guide that Anna found on the web. It is a convenient and quick reference guide in regards to CDBG requirements. Amy explained this may be helpful to the task force from time to time as our work continues.

The second handout is a document entitled "Technical Analysis and Recommendations" This document, together with the third handout, "Attachment B: Current Table 2B from the City of Portland's Consolidated Plan" and fourth handout Attachment A: Sample Table 2B - Required Priority Needs Reporting Format", was attached to the Final Draft Task Force Report, September 10, 2007, which the group was asked to review for today's meeting.

Amy explained that the document "Technical Analysis and Recommendations", together with "Current Table 2B" and "Sample Table 2B" were initially part of the Shapiro-Boxer memo to Joe Gray, City Manager, dated June 15, 2006. The memo served to summarize the dilemmas and challenges with the CDBG process, especially in the aftermath of what occurred within the city in 2006.

The sixth document is HUD's outcome performance measurement system overview, a summary from the document sent by email. The seventh document is an excerpt from the Boston RFP. The eighth document is the revised schedule and the final document is the email everyone received from Tae Chong. Amy explains that she knows that it is a lot of information, but it summarizes the information sent to them over the last two weeks.

She asks everyone to take out the HCD Task Force Report that was sent out last week. She explains the TF was created as a result of the memo and to refer to the memo, or Appendix A. The first page of the memo addresses timing. This refers to a few reasons why it is a good time to review the CDBG program. Beginning with the fact the federal government has been cutting CDBG funds for since 2001. As a result HUD is requesting outcome measures from the agencies that receive funding and the Office of Management and Budget has been scrutinizing the

program to cut further funding. Also there was a break down at the City Council approval of the 2006 CDBG budget. Amy explains that there was a cut in federal funding that year, and the CMPAC committee recommended decreased funding for some agency programs while funding some new programs. Due to the decrease in funds the City Manager and City Council decided not to fund any new programs, and to fund everyone who received funding the previous year a small amount less. CMPAC was upset because their three months of work was essentially ignored. There are other reasons revamping the program was a good idea. Agencies would ask why some programs were funded at one level and other at another. They also questioned why some programs were cut and other weren't. The challenge for CMPAC was that they did not have a tool to use to evaluate the proposals or a more succinct priority list to guide their decisions, therefore it was sometimes difficult to answer the question- why.

Amy explained that the document "Technical Analysis and Recommendations" is a portion of the Shapiro-Boxer memo that the task force can focus on today. She read through various portions of the three page document. The document notes the discrepancy between the Current Table 2B, which the city turns into the Housing & Urban Development Administration and the Sample HUD Table 2B, which the city does not fill out. So far, the HUD has accepted the form submitted by the city. The task force may find it helpful to see the difference. The Current Table 2B includes almost any area that could be a priority and all are noted as a priority. In contrast, the Sample HUD Table 2B asks for a specific level of priority need (high, medium, low, no such need) and includes community development needs not enumerated on the Current Table 2B. This is the discrepancy that was noted by the Shapiro-Boxer memo.

Amy also explained that the Shapiro-Boxer memo (including the Technical Analysis and Recommendations portion) noted that without clear measurable goals to target, the CDBG program encounters various challenges, such as a lack of policy framework, clear guidance for organizations, and a lack of focus upon outcomes. Amy explained that the Shapiro-Boxer memo recognized an increased focus within HUD upon objective outcomes, which the current CDBG program is slowly working to achieve. She explained that part of what the task force can grapple with is the notion of objectives and how to approach that.

Amy further explained that the Shapiro-Boxer memo noted a need for greater public participation. Before the memo, participation was such that the public meetings focused upon various group needs and it was not possible to have a big-picture discussion about the CDBG program and overall priorities or objectives. She explained that post Shapiro-Boxer memo, as the HCD Task force adopted some of those recommendations and eventually City Council did same, there has been a further effort to reach out to neighborhood organizations and focus on the overall CDBG structure, process, and objectives.

Amy explains that many of these recommendations are currently underway. The result of these recommendations created the HCD Task Force. She asks everyone to refer to the HCD Ten Point Plan, which she handed out in today's packet. She goes over each recommendation because some of the recommendations are process; some of them have an underlying priority recommendation embedded within.

Recommendation 1) *All proposals will meet or exceed HUD and City requirements, be outcome driven and reflect the priorities identified in the City of Portland's HUD Consolidated Plan... priorities will be developed every three years through a Priority Setting Process.* Amy explained that the current plan is for 2005\_-2010 and that this task force's priorities will be part of the next consolidated plan.

Anna asked for a clarification as to whether our task force is setting priorities for the next three years, with another task force scheduled to re-do the work again in 3 years or whether we are setting priorities for a longer time period (since our priorities will be part of the consolidated plan through 2010).

Aaron Shapiro explained that there was some disagreement within the HCD Task Force in regards to time periods and that perhaps Wendy could speak to this a bit more. Both Wendy and Aaron were on the HCD Task Force. Wendy explained that this priorities task force could set priorities and then, if necessary, another task force could be appointed in 3-5 years. But, the idea was to give some flexibility so that if need be, another task force could come into formation if necessary.

Recommendation 2) *Priority will be given to proposals providing direct benefit to low and moderate income persons and proposals contributing to a comprehensive revitalization of targeted neighborhoods...* The HCD TF intended this to mean prioritizing low-moderate income benefit over say- historic preservation etc. This is something the CDBG PTF will have to decide how to address.

Recommendation 3) *Staff will enhance community and planning with neighborhoods and community members throughout the year...* Amy explains that this has already begun. This past year HCD staff met with the eligible neighborhoods to discuss specifically CDBG. They will continue to work with neighborhoods and neighborhood organizations.

Rachel Talbot Ross stated that it was important for the task force to note that neighborhood organizations do not always represent the communities they serve, tend to have their own political agenda, and the leadership of those organizations oftentimes lacks minority representation.

Kyra Walker noted that neighborhood organizations made a good effort to reach out to the community and explained how when she moved to Libby Town, she received a post card in regards to a neighborhood organization meeting, which she attended. She explained it was a helpful meeting.

Rachel Talbot Ross said that while neighborhood organizations make an effort to reach out to community members, we ought to be cognizant of the need to reach out further into the community, in less informal ways. For example, CDBG information could be presented to churches, synagogues, and mosque leadership and communities. Amy asked Rachel to discuss this further within the parameters of City staff work.

Recommendation 4) *Restructure CMPAC to form to council appointed committees: A Priority Setting Task Force and a Annual Scoring Committee.* The Priority setting task force is comprised of a diverse and relevant populations and expertise. The Annual Scoring Committee must be free of conflict-of- interest, meaning no one who applies for funding can be on the scoring committee.

Recommendation 9) *The Priority Setting Task Force will set a minimum grant amount to ensure a measurable outcome can be tracked. The current \$5,000 minimum grant allotment would remain for FY 08-09.* Amy explains that the HCD TF wanted that limit to be \$10,000, but several agencies in the community protested saying \$5,000 is important for smaller or start up programs.

Amy moves on to give a brief overview of the other documents in the package. She gives a brief overview of the HUD's CPD (Community Planning and Development) Outcome Performance Measurement System. She explains that every program or project funded with CDBG must fall into one of three objectives: Creating Suitable Living Environments, Providing Decent Housing and Creating Economic Opportunities. The majority of projects/programs funded falls into the first category- Creating Suitable Living Environments. We spend little CDBG funds on housing or economic development.

Additionally once an objective is chosen, outcomes must also be chosen- including availability/accessibility, affordability or sustainability of the program/ project. Keep these in mind as you discuss the priorities.

The last handout to go over is the Boston RFP. Amy provided a summarized version of the RFP in the handout with the most important parts. Boston was in a similar situation where they funded hundreds of social service programs (they receive considerably more CDBG funds than Portland) and reduced federal funding. *For the first time, the RFP sets an overall goal for all programs, which should be used by all applicants as they develop their objectives and outcomes.* There long term goal is: *to enable low incomer residents of Boston to be able to continue living in the city by helping them begin to move out of poverty.* Boston emphasized two categories under "Youth" programs- 1) *help young people succeed in school or return to school and/or 2) avoid violence which increasing threatens the welfare of youth in our city.* All programs need to have a link with the schools or anti-violence programs. Under "Adult" category, there was a *stronger emphases on services which can be shown to help individuals and families stabilize their lives, increase their earning potential and begin to move out of poverty. ... applicants will need to demonstrate and document the effectiveness of their intervention.* "Child care" was no longer a separate category but could apply under the youth category- if it was a preparatory program, or under the adult category if it linked to adult education, training or related services. Boston also highlighted the importance of a *stronger emphasis on concrete measurable outcomes.* Amy opens it to questions or comments.

Jon Bradley points out Boston also specified a funding range of \$25,000 to \$50,000, which works for them. It might be different for Portland.

RTR points out that there can be seed money for smaller non-profits and larger grants.

Anna comments there is a limit to one application per agency. Also in a Vermont RFP they had a requirement that previous year recipients have to wait a year before re-applying. This gets away from grandfathering.

Jon Bradley suggests doing multiple year funding. It wrecks havoc in agency budgets to fund programs one year and not another.

Anna responds that perhaps an alternative is to have agencies apply every few years rather than year-after-year. In other words, rather than skipping a year, agencies could apply each year for three years, and then skip a year.

### **Presentation from CDBG Cumberland County**

Aaron has been working in CDBG for 23 years. He is a professional government bureaucrat, and has worked for the State CDBG, City housing program manager (which has since been eliminated), director of HNS, and now at Cumberland County. He wrote the memo to kick this off and sat on the HCD Task Force. He has a lot of ideas and thoughts.

Many of the issues identified in the memo are being addressed or implemented, which he thinks is good. The Cumberland County program is in year two and had the benefit of starting fresh. It is \$1.5 million dollar program, where the City of Portland is about \$2.1 million. The County CDBG program is three programs in one. There is a general program for 21 communities in Cumberland County and a set aside program for the South Portland who receives \$500,000 and the town of Bridgeton who receive \$200,000. Each town receives the same number of representatives in a committee who determined who is funded. The county commissioners are the governing body that makes the final decisions.

South Portland was an entitlement for three years, before joining with Cumberland County, which gave the county the numbers and income levels needed to qualify. South Portland runs their own application process and sets their own priorities. Their interest is public infrastructure in their low income areas- parks, sidewalks, handicap access, streets, and this year a bus shelter. They are capped at 15%, this year totaling \$75,000 for social services and fund about 6-8 each year, including english as a second language programs. Programs include bus passes, energy conservation program, and a language interpretation program. There's also outside programs- Boy and Girls Club etc. They have \$5,000-\$15,000 grant and there is no grandfathering.

Bridgeton has a different approach. They have only one priority- their sewer system. Each year they are going spend their entire allotment each year for five years on this project. In total it will be \$1,000,000.

The County spends the rest of the funds \$600,000 among the other 21 communities. The RFP is open to public service and public infrastructure and facilities, economic development, housing. Planning applications are separate. They didn't separate into the different funding caps; however they did restrict who could apply. You have to be sponsored by a town or by the county. He gives an example in the town of Gorham.

The County had to decide who it would sponsor for applicants. The applications that addressed one of the four categories were favored: homeless services, housing rehab, handicap access and transit. There were a few things that the Cumberland County committee set certain values in reviewing applications. 1) Share the wealth, this means sitting out a year. 2) Significant community commitment in the form of money- could be match or leverage. They have a structure to value in-kind contributions. 3) Readiness. 4) Finally demonstrated need. The committee was very concerned with conflict of interest. Review committee consists of towns not applying for funds that year, members from the council of government, a county staff person, and one county commissioner.

Aaron explains the homeless prevention program, the one of the only social service program the county funded. The program was to provide services to people who are at the edge of being homelessness, to keep individuals and families from entering Portland's shelter system and allow them to remain housed in their own communities. The program was funded \$108,000 the first year, and \$115,000 the second year. He comments that no social service program in the City's CDBG program is funded at this level. They figured since we are funding one social service program- we decided to help the most vulnerable. The concept was to reduce the funding for this program so they will not continue to get funded indefinitely.

Aaron is not a fan of small grants. He is a fan of things that last, focused activities and programs, and things that you can say this changed the neighborhood and or a person. It is community

development with emphasis on development. It is in the department of housing and urban development, not health and human services.

John Shoos walks in and Amy introduces him to the group.

Anna questions at the beginning we had some “gut” priorities- does they resonate with you? Aaron reviews each category. He says there is some correlation with transportation. The County funded a commuter bus up route 302. It hasn’t started yet, but the question is when people arrive in Monument Square and Portland is a city with only a marginal transportation system- where do they go.

For affordable/sustainable housing- a HOME consortium has been created. There is now a link between the city and the county addressing this issue.

Energy efficiency and fuel assistance is a big issue everywhere.

Food security is an issue; we could do an economic development activity that expands farms in county towns.

Crime prevention, but one of the motivations for selecting the homeless project was to alleviate some of the issues of the jail. The drug and substance abuse issue is also connected.

Aaron describes his handouts.

Anna asks about transition not transformation. Aaron explains how you have to implement things gradually. Aaron says that perhaps some changes can take place over time. For example, if agencies funds are decreased, perhaps the decrease happens over time.

Jon Bradley comments that each thing you change will have impact- minimum grants, more collaboration, skip a year, multiple year grants. Etc.

Wendy describes how CMPAC gave wayside a larger grant this year. If we re-did their heating system then we could reduce their operation costs and therefore in the future spend more money on the services or food not on operation. She talks about putting solar panels on the roof and reducing heating costs.

Aaron suggests that is a good example of physical improvement that changes the landscape of social service sector.

John Shoos says the flip side of that is for Wayside they are getting double digit increases. So if you say that you will stop funding wayside in 2010 and they have increased need, how do you address that need.

Anna asks Aaron to explain his statement of development. Aaron responds- communities are always evolving. There are always factors and forces affecting this. He explains the intent of the HUD CDBG program which resulted from the riots of the 1960s. They federal government said what can we do to save the cities? The cities by-passed the state and received funds directly from the federal government to invest in the community. This evolved from public improvements of the area. In Portland it has taken a more social service program. How it evolved was community development changing the physical and economic layout. But what they realized is that to create jobs you have to provide child care. To invest in business and neighborhoods you have a safe- so here is the prevention of crime.

John Shoos says that an investment in people is an investment in the community. Investing in the community is an investment in people.

Anna says that we are not filling out Table 2B and compliance standards and the 15% cap. Is this something the task force should address? It's a hard thing to talk about. It's difficult to talk about cutting food and putting it to something else.

Jon says that we don't have to go back to the 15% cap unless HUD requires it. He asks which is a better investment in community – food kitchens, solar panels? They are not mutually exclusive. He refers to Aaron's homelessness prevention program for the county. It was a GA question of assistance and how can we address this issue on a comprehensive manner. But there are ways to make a bigger impact than the way CDBG is being used now. We can craft something that has two options- the service piece is critical. But we can move toward bigger grants, and collaborative efforts.

Anna says that we have to be conscious of the cap at 15%, but do not have to go back to that. She emphasizes transition rather than transformation. Table 2B has infrastructure and social services and others. Jon and Wendy are right that we can combine efforts and create partnership.

Jon says it's about challenging agencies and organizations. We don't have to make the minute decisions; we just have to set the table.

Anna says we can create suggestions in our recommendations. She explains the Green Job Corp. RTR we have to ensure that all populations have to access to the services provided.

Aaron says the example of *Stone Soup*. So many things have been done here. Jon explains a bit.

Wendy asks about job training. Jon says that there are some job training organizations. Some of that goes on now: Training Resource Center, Adult Education Programs. Jon Bradley explains some of the challenges to this.

Rachael says social services are important and explains that funding non-profits that can be used as an economic development tool. However, sometimes we need to track and note attached to the money to see how it feeds back into the system.

### **Overview of Social Service Funding**

Skipped, previously reviewed.

### **Presentation from United Way**

John Shoos passes out a handout. United Way of Greater Portland focuses on greater Portland, including Cumberland County and Brunswick. UW has re-examined their process of funding agencies. We focus on two areas 1) Essential Programs and Services, i.e. social services, and 2) impact initiatives- whose goal is to change the conditions in the community. Some of these are Let's Go- getting kids more active and eating better to combat obesity. One and three kids in kindergarten are overweight. Impact initiatives are United Way partnering with other organizations to address issues in the community.

In the Essential Programs and Services area, UW funds 40 agencies, 100 programs around Cumberland County. We break these programs into four categories- Strengthening Children, Youth and Family; Promoting Health and Wellness; Building Safe and Strong Communities; and Meeting Basic Needs and Building Self Sufficiency.

UW has recently gone to multi-year funding. Each program is reviewed every three years, and follows a three year funding cycles. Every three years we do a thorough budget review, agency review, program review and these results in an internal report that impacts future funding.

UW has a Community Care Fund, all un-designated donations: this year it is \$4,212,087. The criteria for evaluating the programs are: quality of service, community need, governance, fiscal soundness, cost efficiency, and financial need. Each of these has a relevant tool for evaluation.

John Shoos discusses the goal setting and prioritization process. The purpose was to establish goals and target areas to guide UW work. There are 13 goal areas (there used to be more than 18). There are two tiers: Tier 1, is likely to get an increase, Tier 2 is not likely to get an increase. Tier 2 is still important to fund, but limited funding limits the amount of increased funding a program can receive.

John also gives a summary of the areas that were decided not to fund. One of the areas that were de-funded was affordable housing. The UW impact was not that big and others could have bigger impact. So they decided to dis-invest in this area due to limited funds. Another area of disinvestment was health education and understanding.

There are four initiative programs: Language Access for New Americans; CA\$H, Creating Assets, Savings and Hope; Let's Go; and 2-1-1. There are also three other initiatives including: diversity and inclusion; helping at-risk youth succeed, and preparing children for kindergarten.

He discusses one program, CA\$H, Creating Assets Savings and Hope. This is a program UWGP and the coalition is working with City of Portland to help people get the earned income tax credits and help them get taxes done for free.

John passes out pie chart of UW invested spending. They fund \$15,000 for some programs, and \$200,000 for others. The range is large. They also fund multiple programs within agencies. We focus on program funding not agency funding. This results as specific outcomes. They have been working with outcome measurements for about 10 years. Over the years we have been applying more criteria to outcome measurements. UW is now asking for data from the agencies and programs. We are not just funding agencies but partnering with agencies.

Wendy asks about a maximum grant amount, John says no maximum. She asks what supportive environments are- John explains that category is for youth, like the Boys and Girls Club. Preparing Children and Youth is mostly child care.

Anna asks about how ancestry issue. There are short and long term projects. John says they do have a mix. It represents a full investment in the community. Some helps your most vulnerable populations get housing, get food etc. Others help people move upstream. Some are basic needs and others are for longer term development. The mix is good. UW only funds health and human services. Other UW fund education or housing or environmental issues, but our board has decided to focus on health and human services. He continues to say, you are probably also asking how you bring in new programs. We cover this by our initiatives, such as the diversity and inclusion issues. These tend to go to smaller, less established or newer organizations.

Rachael asks if many of the programs UW funds receive CDBG funds. John says about half.

Rhonda asks about the subcategory of the investment team. Jon explains the multiple year funding strategy. Agencies are reviewed every three years. If they do not meet the criteria how does that impact their funding? Jon explains that they work with the program, and sometimes

that impacts their future funding. That's difficult because sometimes there is not a replacement of the program. He talks about the special review team who works with the agency.

Amy thanks John for his presentation. It is now 9:00 and the committee wraps up a few outstanding issues.

### **Housekeeping**

Anna suggests having the meeting on Tuesday with the seven people who can address social services. She would like to continue this discussion, there was a great deal of information presented today and we need to dive deeper into the discussion. The next meeting will be about brainstorming about the social service outreach and what we want to address. We will be looking for some volunteers to head up this effort.

Jon mentions a memo he wrote to assist with outreach. It summarizes his thoughts- minimums, multi year grants, etc. He says he will send a copy to Amy so that it can be discussed at the next meeting.

Meeting adjourned 9:10pm.