

CDBG Priority Task Force
Meeting 14: Wednesday October 1, 2008
7:00-9:30pm State of Maine Room, 2nd Floor City Hall

Attendance: Anna T. Collins, Denis Lachman, Co-Chairs, Rhonda Juneau, Kyra Walker, Frank Gallagher, Larry Gross, Jeannemarie Celentano, Wendy Harmon, Jon Bradley, Rachael Weyand.

Staff: T.J. Martzial, Amy Grommes Pulaski, HCD Program Manager.

Meeting Minutes

Larry makes a motion to adopt the meeting notes from August 26, September 11 and September 23. The motion is seconded by Denis. All vote in favor.

Review of Meeting with City Manager and Councilors

Denis describes the meeting with Joe Gray, City Manager. He comments that Joe raised some insightful questions. Denis was impressed that Joe got it right away and naturally asked how it relates to this year's funding cycle. We talked about the options: 1) delay all the ideas to next year or 2) phase in some of the changes. Joe was also concerned what is not going to get funded. Denis made the point that this model does not leave anyone out, but allows everyone to play if they are willing to follow the new rules. Anna adds that it is important to convey those two points to council and the community.

Anna said that she and Denis met with three Councilors from districts 1, 2 and at large: Councilors Donoghue, Marshall and Anton. Other City Councilors either did not return calls, or they ran out of time to contact them. The presentations were the same and their responses were similar. They all stressed the importance of public input, the community needs to be part of this process. They discussed idea is the coordination of Main Street and the low and moderate income areas. The second notion is where this is happening in the poorer neighborhoods. On the planning pieces, one of the focus groups for development activities was the idea of a Board of Directors. One of the councilors expressed concern that this may not work, because it will burden staff. HNS staff has expertise, and we don't need an extra layer of bureaucracy. The other thing is there is an equal split of funding throughout districts for physical improvements. The councilors feared that the community will not get behind an arbitrary rotation of investment, for example one year here, second year here.. These are the red flags that came up. However, these were two of the three eligible districts and only three councilors.

Jon says rotating the money defeats the purpose of the priority setting model we've designed. Anna says we could have a focus of low and moderate income overlays on business districts.

Denis opens the floor to questions. There are no questions about the meetings with Councilors or the City Manager. Frank comments that it goes above and beyond what they were called to do, good work. Anna says it was helpful because the presentation to both was the same and was good. It was good for all councilors to know that we will know about their process.

Denis says that he was impressed that the councilors and city manager both got it right away. Everyone is appreciative of the work that has been done.

Anna and the group discusses making recommendation outside their scope of work. One of those recommendations could be about brick sidewalks. They agree that it could be an addendum.

Recommendations for Adoption

Frank makes a motion to adopt the goal and is seconded by Jon. There are no Comments. All 10 vote in favor of adopting the goal: "To build strong, self-sustaining neighborhoods."

Denis introduces the ranking slide and collaboration impact mode. This is the big picture. Anna says we want to be sure everyone agrees with this model before we move on.

Picture 1

Priorities + Guiding Principles = Ranking

Weaving It All Together

				Coordination & Admin 20% \$\$					
				Priorities					
				Housing	Work & Shop	Transportation	Safe Neighborhoods	Basic Needs	Ranking
<u>Example Proposals</u>	<u>Coordinated with Vision & Plans?</u>	<u>In Target Area?</u>							
# 1 a. Housing rehab	yes	no	●						very low
# 2 a. Housing rehab	yes	yes	●						low
# 3 a. 2 social service agencies collaborate & co-locate	yes	yes				●●			medium
# 4 a. Housing upper floors b. Supportive Services at ground floor	yes	yes	●			●			medium
			65% \$\$\$\$				15% \$		

Picture 2

Priorities + Guiding Principles = Ranking

Weaving It All Together

				Coordination & Admin 20% \$\$					
				Priorities					
				Housing	Work & Shop	Transportation	Safe Neighborhoods	Basic Needs	Ranking
<u>Example Proposals</u>	<u>Coordinated with Vision & Plans?</u>	<u>In Target Area?</u>							
# 5 a. Housing rehab upper flrs b. Grnd flr shop w/training c. Adjacent streetscape & bus shelters	yes	yes	●	●	●				high
# 6 a. Housing rehab upper flrs b. Grnd flr shop w/training c. Adjacent streetscape & bus shelters d. Supportive services	yes	yes	●	●	●	●			very high
			65% \$\$\$\$				15% \$		

Wendy is struggling with basic needs and housing. Anna says the question we are asking is do we want to rank those that collaborate higher and those who do not lower. Wendy says that it's same to what we did last year but in a different model, she suggests that the change wasn't enough.

Frank expresses concern over the word "collaboration." He says that if one organization can submit things in three categories and they would not be collaborating, but they would be hitting more than one category. He says it is actually more of a comprehensive model than collaboration. They talk about the words.

Anna would like the group to accept a comprehensive/collaborative model with basic needs as a stand alone, while the other are ranked based on comprehensive/collaboration/coordination. The impact areas need to be location based. They decide that the word collaboration may be adjusted.

Larry says that when they talked with city departments they found that things were being done, but they weren't being coordinated. The point we are making is that people should work together.

Frank makes a motion to endorse this model where proposals that respond to needs for more than one category rank higher than those who hit only one category, with basic services as a stand alone. This motion is seconded by Denis, all 10 members vote in favor.

Anna switches the topic to planning and coordination. This is number 4 on the agenda under *Gaps or Unanswered Questions*. She argues that it should be higher than a principle, and should be part of our model. Some plans need to be coordinated with HNS staff. The first principle is requiring all projects to be reflective of City plans or coordinated with HCD staff.

Larry says that the proposals would state that they are reflective of city plans. Denis returns to the model, and points to the part of the model that says "Coordinated with Vision and Plans". Frank says that it should remain part of the principles.

Anna makes a motion that all proposals must be reflective of adopted city plans and all city proposals must be coordinated through HCD staff in partnership with planning staff. This motion is seconded by Denis, all 10 members vote in favor.

Anna makes a motion to adopt the four impact initiatives: housing, work and shop, mobility and accessibility, and safe neighborhoods, with a separate set aside of basic needs. The motion is seconded by Jon. All 10 vote in favor.

Frank comments that these four priority categories includes everything, he questions what would be left out. Jon responds that everyone can get funded, but those who can create a measurable impact, to address more than one impact area will score higher. Denis comments that no one is left out, but those who follow the new rules will score better. Amy points out that this will be a question they will need to answer both to the Council and the public. It is good to have a clear response.

The group discusses the principles. They agree to review the principles and adopt them in concept, acknowledging that they may be word-smithed and better defined.

Anna makes a motion to adopt the first principle: All projects will be reviewed with respect to HUD requirements, city objectives, plans, goals and other CDBG and/or HOME investments. Proposals will be coordinated with all relevant city departments and be directly connected to these objectives and plans. The motion is seconded by Larry, all 10 vote members in favor.

Frank makes a motion to adopt a revised version of the second principle: Applicants will be evaluated based on how well they create a significant and measurable community impact. The motion is seconded by Denis, all 10 vote members in favor.

Larry makes a motion to adopt a revised version of the third principle: Projects and programs should focus on targeted locations within eligible neighborhoods, for example: neighborhood commerce districts, identified troubled areas in the neighborhood, or proximity to new affordable housing development. The motion is seconded by Jeannemarie, all 10 vote members in favor.

Larry makes a motion to adopt a revised version of the fourth principle: We live in a community full of unique talents, beliefs, backgrounds and capabilities, therefore projects and programs should address our diversity and be inclusive to engage differences and create a culture of belonging. The motion is seconded by Anna, all 10 vote members in favor.

Anna makes a motion to adopt a revised version of the fifth principle: Priority will be given to projects and programs that serve the lowest income people. The motion is seconded by Larry, all 10 vote members in favor.

Denis makes the motion to adopt the sixth principle: CDBG cannot be the only source of funding for a program or project, leveraging other funds is essential.

The group discusses principle seven: Sustainability is the balance among community, economics, and the environment. They argue that the wording is not right, but do not agree on a new definition. Rachael argues not to drop it because it is an important principle. They decide to table it until later.

Gaps or Unanswered Questions

Denis introduces the slide with four squares.

Anna says we have been asked to address the lack of coordination and lack of impact of the program. In the past projects have been funded in an unfocused, scatter shot approach. She refers to the model and that these four pieces focus on the four areas.

Jon says we can't have four there and seven on the sheet. He suggests calling them thresholds. The group discusses that all seven principles are important and this chart in addition to the previous chart would cause confusion.

The group likes the slide shown previously, over the four square chart. The group agrees that the original chart shows them what they need to see. Frank says that in the presentation to council we can lay out the slide, explain the principles and priorities, and how they all fit together. It should all be part of it.

The group wants to toss the four square and keep the previous slide.

Denis says all principles are on equal ground. Rachael says it is the sum of all of them that makes the point.

They move onto the questions listed on the agenda.

Question: Do we want to identify locations? Or have staff decide?

Jon says it should be the applications to make the case.

Denis recommends that this group does not identify locations. There are two ways locations could be identified 1) applicants can make the case (market taking the lead) or 2) the city could identify and focus on certain areas (municipality taking the lead). They are both equally valid and we should have space for both.

Wendy says that she felt that it is our task was to be more specific with our recommendations and if location is one of our priorities, that we should specify what that location is. That is what we were tasked to do.

Jon disagrees and says that we should not define the location, allow the proposals or city staffs identify the location of those areas.

Frank asks if what they are discussing is doable. TJ explains that HNS can indicated the areas that HOME assisted affordable housing projects will be built and projects in those areas would receive higher points. Planning would also have an idea of where development is going. This can work.

The group decides not to vote on location. They decide to keep the principle they have already adopted as their answer.

Question: Do we want to recommend a different model than the current model of distributing the physical improvement funds evenly through the eligible districts.

They do not think it should be a recommendation. They mention that it's somewhat tacky. However *they agree to the principle that rather than splitting the money equally it will fund the best projects wins. All present agree.*

Question: Do we want to prioritize within the priorities? The question is do we want to prioritize within the priorities.

Frank says we may not need to prioritize within all categories, but he feels strongly that we should prioritize energy.

Denis says we have no sub-priorities to all sub-priorities. He asks if the allocation committee can determine what the priority is for that year. Maybe this year it is the energy, but another year it's something else. If two projects score equally the allocation committee would have that tie breaker.

TJ says that instead of prioritizing within category, do you want to prioritize these five categories. He says the set aside basic needs basically indicate that basic needs are a priority.

Denis argues that we do not want to prioritize the four categories. *He makes a motion that basic needs are a set aside and we do not prioritize the four categories. The motion is seconded by Anna, all ten vote in favor to not to prioritize the categories.*

Jon suggests that if energy is an issue- what if we make it a principle. He asks can we define sustainability in the terms of energy.

Anna makes a motion to adopt energy and energy efficiency as a principle. This is seconded by Frank, all 10 members vote in favor.

Question: Do we want to make a recommendation about the 33% cap for social services?

Anna turns to another handout, a memo written to the City Council for the workshop. Within the memo there is a paragraph addressing the 33%.

Because the CDBG program in Portland as a whole has in the past been associated in the minds of many community members as a funder of social service agencies and programs, it is important to address the impact of these recommendations on Social Services. While most cities and counties receiving CDBG funding around the country are regulated to 15% for Social Services, the City of Portland received an exemption in 1982 to allow 33% of our funding to go to this category.

While the Task Force has not explicitly recommended permanently lowering the Social Services allocation, our recommendations may produce a lower allocation for social services some years. However, a lower allocation one year does not eliminate the City's ability to spend 33% on social services the next year. Most importantly, our recommendations create an opportunity for all applicants, including social service agencies, to continue receiving funding as long as their projects are meeting these priorities. Ultimately, we are restructuring the program by rewarding projects that are best able to achieve the goal and priorities outlined rather than eliminating programs outright through a quota system.

Jeannemarie would like the phrase “Most importantly...” in the second paragraph removed.

Anna reads a recommended revision by Charlie Colgan. The group decides to use the paragraph written by Anna (above) but add the sentence “Under our recommendations social service agencies will compete on an equal footing with other eligible activities for funding each year.”

Anna makes a motion to adopt the paragraph as written with Jeannemarie's edit and the sentence by Charlie Colgan added. The motion is seconded by Jeanemarie, all 10 members favor.

Jon says we should not try to sub-prioritize. The group discusses the pros and cons to sub-prioritizing. Denis makes a motion not to sub-prioritize, Jeannemarie seconds the motion. All 10 members vote in favor of the motion.

Wendy says that she doesn't feel that we are being responsive to the input we received at the community input sessions. Larry disagrees and says that we are still allowing all agencies to come forward. Jon says that none of the issues at the meetings rose incredibly higher than all the others. Wendy expresses concern that the items listed in descriptions of the priorities do not include community policing. Denis says that we can change the word “Including” to “Including but not limited to”. Denis makes a motion that all the priorities replace the word “including” with “Including but not limited to.” The motion is seconded by Anna. All 10 members vote in favor.

Rhonda leaves.

Question: Do we want to set money aside for capacity building?

Rachael expressed concern for small non-profits who may not feel comfortable asking for a large sum of money. Larry suggests we can take that out of planning & coordination.

Anna makes a motion that smaller non-profits can receive training, vouchers or other. We can set aside a small amount, like \$5,000. The group discussed different numbers and whether the money would come from the planning and administration cap or from the rest of the funding. They cannot decide on an amount or where it would come from. Denis suggests that we don't make those decisions but do set aside a small amount of money for capacity building and new things.

Denis makes a motion that a small amount of money is available for capacity building and new things. All remaining 9 members vote in favor.

Rachael leaves.

Question: Do we want to set minimum or maximum grant awards?

Anna motions that we move the minimum to up. The group discusses where that amount should be. They discuss \$10,000 or \$25,000.

Frank makes a motion to recommend a minimum grant award of \$20,000. This is seconded by Jon and all 8 vote in favor.

Jon says that there are other structural changes that we talked about that aren't on this list but were heavily supported in the meetings, one being multi-year funding, grant initiatives and sun-setting. They discuss. The group agrees that multi-year funding would be useful, but to limit it to two year instead of three or more. The group agrees.

Anna makes a motion to adopt two year/ multi-year funding. This is seconded by Jon. All 8 members vote in favor.

Preparation for Council Workshop

Anna asks how we are going to present our recommendations and models to the City Council at the workshop. She says that her and Denis are prepared to present but would like representation from task force members who will be on the allocation committee and also a representative from social services. Jon volunteers. Anna will ask Rhonda to be part of it as well because Frank will be out of town next week.

The group likes the memo, but suggests that under the recommendation section, add the revised goal, guiding principles and priorities that were adopted today.

Four pieces to the presentation: 1) argument we did what you said we should do 2) model 3) goal, principles and priorities, 4) impact on social services.

Things to note, left unresolved. .

- Energy has become a principle and may be part of the definition of sustainability
- When to re-evaluate the priorities
- Capacity building
- Definition of sustainability
- Percentage to basic needs,
- All proposals competing on equal footing, this needs to be defined or explained.
- Developing Goal
- Fine tuning definitions
- Report Writing

The chairs will meet at noon on Friday to plan the presentation for the workshop. If you would like to join them, please RSVP.