

Order 91-15/16

Passage: Passage: 7-0 (Marshall recused, Duson absent) on 10/19/2015 Effective 10/29/2015

MICHAEL F. BRENNAN (MAYOR)
KEVIN J. DONOGHUE (1)
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CITY OF PORTLAND
IN THE CITY COUNCIL

DAVID H. BRENERMAN (5)
JILL C. DUSON (A/L)
JON HINCK (A/L)
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**ORDER APPROVING COMMUNITY DEVELOPMENT POLICY GOALS FOR THE
2016-2020 HOUSING AND URBAN DEVELOPMENT FIVE-YEAR CONSOLIDATED
PLAN AND REVISIONS IN THE COMMUNITY DEVELOPMENT BLOCK GRANT
ALLOCATION PROCESS**

ORDERED, that the City's Community Development policy goals for the Housing and Urban Development 2015-2020 Consolidated Five-Year Plan are hereby approved in substantially the form attached hereto; and

BE IT FURTHER ORDERED, that revisions in the Community Development Block Grant process containing the following elements are hereby approved:

1. Allocation of points for High Priority and Priority activities, as specified in the attached chart;
2. Targeted neighborhood investment strategy beginning with the Bayside Neighborhood;
3. Public infrastructure set-aside of up to 60% of the funding available to City programs; and
4. Childcare voucher set-aside of \$90,000.

FIVE-YEAR HUD CONSOLIDATED PLAN

During the 2016 budget recommendation process, then Acting City Manager Sheila Hill-Christian explained that all resources, regardless of their source, should be used when making strategic decisions regarding the City's service priorities. For this reason, the City of Portland's HUD Consolidated Plan has identified needs and goals that align with the 2014 City Council Common Goals and Objectives. These Common Goals were designed to guide the City Council in their policy decisions and City Departments in their goals and operations. Eight goals were identified including: Promote Housing Availability, Increase Transportation Initiatives, Economic Development, Prevent and End Homelessness, Advance an Environmental Program, Improve City Services, Implement TIF Program, and Intergovernmental Collaboration. The priorities that will be incorporated in the HUD Consolidated Plan will address the first five of the Council Common Goals.

The Five-Year HUD Consolidated Plan defines four areas of need with a corresponding goal. These goals are designed to address the funding priorities for the CDBG, HOME and ESG Programs for the next five years.

NEEDS and GOALS

Based on analysis of available data, reports, studies, including City Council goals, and after two community meetings to solicit feedback from residents and service providers, the staff created four Community Development Policy Goals and Priorities which are described below. Each goal includes two categories of priority for eligible activities: "High Priority" and "Priority". Examples of the types of activities that would be included under each priority are noted on the attached chart.

- **NEED:** Neighborhood Investment and Infrastructure

Description: Public infrastructure, safety and mobility are key components to improving the livelihood of Portland neighborhoods. There is significant need throughout the target neighborhoods to build sidewalks where none exist, improve accessibility through ADA compliance, increase the use of bicycles as a mode of transportation, and redevelop streetscapes to create shared streets for cars, bikes, and pedestrians that integrates with the fabric of the neighborhood.

Basis for Relative priority: In 2014 the Portland City Council identified two goals that identified this need. 1) Develop a transportation system that advances healthy living, minimizes environmental impacts, and promotes the local economy by advancing opportunities for mass transit, bicycle use and walking. 2) Advance environmental program that safeguards our natural resources, promotes a healthy lifestyle and supports a sustainable economy.

- **GOAL:** Create strong, safe, accessible and vibrant neighborhoods

Description: Invest in infrastructure to improve neighborhood assets and build strong, safe, accessible and vibrant neighborhoods. Improve accessibility through ADA compliance, build sidewalks and trails to improve connectivity, increase the use of bicycles as a mode of transportation, and redevelop streetscapes to create shared streets for cars, bikes, and pedestrians that integrate with the fabric of the neighborhood. Support programs that increase safety in neighborhoods for residents and visitors.

This proposal includes a specific neighborhood focus for CDBG investment and prioritizes the Bayside Neighborhood as the first CDBG Targeted Neighborhood.

- **NEED:** Housing Availability

Description: In 2014 Portland contracted with the Greater Portland Council of Governments to complete a study entitled *2030 Workforce Housing Demand Study*. The report, released in January 2015, found that current housing production is not meeting the housing needs of Portland. The City Council has made a goal to promote housing availability in all segments of the housing market while insuring a suitable balance of housing opportunities among those sectors.

Basis for Relative priority: In 2014 the Portland City Council identified the following goal to address this need: provide increased availability in all segments of the housing market while insuring that there is suitable balance of housing opportunities among those sectors.

- **GOAL:** Increase housing availability & affordability

Description: Increase housing availability and affordability to all Portland residents regardless of income, race, ethnicity, and family size. Encourage housing development by removing barriers to traditional urban housing types while ensuring the inclusion of workforce housing in significant development projects.

- **NEED:** Economic Opportunity

Description: Portland has a well-developed employment support system with many established providers. However, the system is fragmented, providers work in silos, there is insufficient funding to cover needs of potential workers, and career planning and financial stability are often prioritized less than job placement. Employment retention support is scarce and turnover results in economic uncertainty for employees and higher costs for employers.

Basis for Relative priority: In 2014 the Portland City Council identified the following goal: Promote Economic Development in the City in a manner that provides for increased property values, diversification across industry sectors and high paying jobs. Specifically, as it relates to

HUD programming and objectives the Council further identified the need to advance work on the “Minority and Women-owned Business Development Initiative” and secure City Council approval to invest CDBG funds in workforce development.

- **GOAL:** Create economic opportunities to transition people out of poverty

Description: Invest in Portland businesses to enable them to expand to create jobs. Invest in persons wanting to create microenterprises. Engage job seekers in a continuum of services to increase their professional capacity, financial stability, and ability to maintain employment. Focus on difficult to employ populations including homeless, new Americans and single parent head of households. Combine resources and build partnerships between public and private entities to provide opportunities to transition Portland residents out of poverty to sustainable employment and financial stability.

- **NEED:** Address the Needs for Growing Homeless Population

Description: The shelter system in Portland is beyond capacity. Staff and local organizations struggle to deal with overflow strategies to meet increasing need. Data suggests most persons who are homeless stay at the shelter less than three weeks. Homeless Prevention and Rapid Rehousing are key components to help reduce shelter usage and homelessness. Additionally increased case management is needed for those who have mental illness and substance abuse issues to help them navigate the service delivery system.

Additionally the State of Maine will be reducing funding support and increase documentation and requirements for those staying at the shelter, making it more difficult to serve those in the most need.

Basis for Relative priority: In 2014 the Portland City Council identified the goal to: Prevent and end homelessness in the city of Portland by continuing to implement the recommendations of the Homelessness Task Force, including retooling the emergency shelter system to create centralized intake process and evaluate steps to improve efficiency, prevent homelessness and rapidly rehouse those who become homeless to avoid long term stays in the shelters, and increase case management for persons with mental illness and substance abuse to help navigate the service delivery system.

GOAL: Prevent and reduce homelessness

Description: Prevent individuals and families from becoming homeless and entering into the shelter system. Rapidly rehouse those who enter the shelter system. Provide necessary resources to assist vulnerable population’s transition out of homelessness, including housing opportunities for chronically homeless or long-term stayers.

GEOGRAPHIC DISTRIBUTION OF FUNDS

The City of Portland's priority in allocating federal resources has always been to focus on the areas of the jurisdiction with the most need and the goal has been to direct the majority of resources into these areas. Traditionally, these areas have been known as "CDBG eligible areas". Staff would like to begin to use the term "CDBG targeted areas". The term "CDBG targeted areas" will identify areas in which CDBG investment would be focused or targeted. This recommended approach would not eliminate projects in other areas of the City but would encourage the focus in the areas of Portland with the most need. Projects in other areas would have to be determined eligible, based on a review of the American Community Survey income data for the service area of the project. As noted above, the Bayside Neighborhood is proposed as the first area of focus. This neighborhood is outlined on the attached map.

The HCD office is also considering the benefits of creating a HUD Neighborhood Revitalization Strategy Area (NRSA) to help increase investment in the neighborhoods with the most need.

ALLOCATION PROCESS

Staff will review CDBG applications to determine if a program or activity qualifies as a "High Priority" or "Priority". Staff will then assign 11 points for "High Priority" activities and 7 points for "Priority" activities. This will give the "High Priority" activities a 4 point advantage in the allocation process. The CDBG application scoring matrix will be revised as noted below to allow for the assignment of points for "High Priority" or "Priority" activities in the Goal, Priorities & Community Need category.

SCORING MATRIX	POSSIBLE POINTS
Guiding Principles: measurable community impact, diversity and inclusiveness, priority to lower incomes, consistent with city goals, plans, or initiatives	30 points
Capacity to deliver, including financial need, leveraged funding, experience providing service, readiness to proceed, and financial stability	25 points
Goal, Priorities & Community Need	33 points
Partnership/Collaboration, points distributed based on highest submitted documentation (MOA, LOS or Outreach) <ul style="list-style-type: none">• Memorandum of Agreement (MOA)• Letter of Support (LOS)• Demonstrated Outreach	MOA maximum of 12 points LOS maximum of 9 points Outreach maximum of 6 points

ALLOCATION RESTRICTIONS

Currently, the CDBG allocation process includes the following funding restrictions:

Social Services

Minimum Grant Request: \$10,000

Maximum Grant Request: \$150,000

Maximum Cumulative City Request: 45% of funding available for Social Services can go to the City Programs

Social Services Set-aside: Community Policing \$150,000

Development Activities

Minimum Grant Request: \$10,000

Maximum Grant Request: No more than 30% of the previous year's allocation amount or \$250,000, whichever is less.

Maximum Cumulative City Request: 85% of funding available for Development Activities can go to City Programs.

Within the maximum cumulative City requests in the Development Activity category, staff is proposing a set-aside that would allow for up to 60% of the funding available to City programs, be designated for public infrastructure improvements in targeted neighborhoods, beginning with the Bayside Neighborhood.

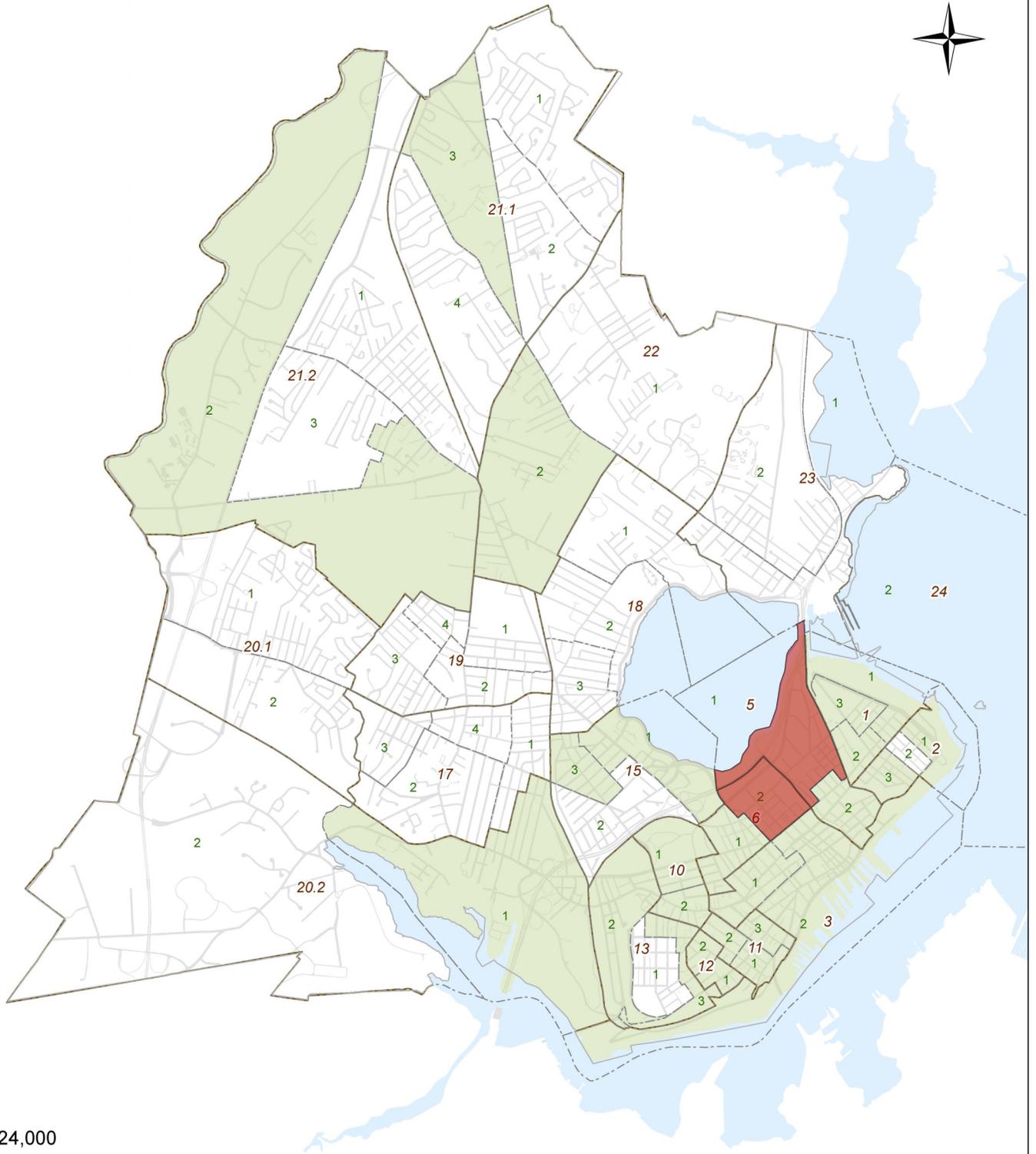
At the September 30, 2015 HCDC meeting, the Committee voted 3-0 to add a childcare voucher set-aside in the amount of \$90,000.

NEED	GOAL	PRIORITY IMPACT LEVEL
<p>Neighborhood Investment & Infrastructure:</p> <p><i>Description:</i> Public safety and mobility are key components to improving the livelihood of Portland neighborhoods. There is a significant need throughout the targeted neighborhoods to build sidewalks where none exist, improve accessibility through ADA compliance, increase the use of bicycles as a mode of transportation, and redevelop streetscapes to create shared streets for cars, bikes, and pedestrians that integrates with the fabric of the neighborhood.</p> <p><i>Basis for Relative priority:</i> In 2014 the Portland City Council identified two goals that identified this need: 1) Develop a transportation system that advances healthy living, minimizes environmental impacts, and promotes the local economy by advancing opportunities for mass transit, bicycle use and walking; and 2) Advance environmental programs that safeguard our natural resources, promote a healthy lifestyle and support a sustainable economy.</p> <p>Resource: City of Portland <i>Capital Improvement Plan Sustainable Portland Report</i></p>	<p>Create strong, safe, accessible and vibrant neighborhoods:</p> <p><i>Description:</i> Invest in infrastructure to improve neighborhood assets and build strong, safe, accessible and vibrant neighborhoods. Improve accessibility and livability through age-friendly designs and ADA compliance. Build sidewalks and trails to improve connectivity, increase the use of bicycles as a mode of transportation, and redevelop streetscapes to create shared streets for cars, bikes, and pedestrians that integrate with the fabric of the neighborhood. Support programs that increase safety in neighborhoods for residents and visitors.</p>	<p>Including but not limited to:</p> <p>HIGH PRIORITY</p> <ul style="list-style-type: none"> • Community policing • Public infrastructure in targeted neighborhoods (CDBG targeted neighborhood beginning with the Bayside Neighborhood) • Accessibility/ADA compliance • Alternative modes of transportation <p>PRIORITY</p> <ul style="list-style-type: none"> • Park and recreation facilities • Tree planting • Non-profit rehab • Community centers • Historic preservation

NEED	GOAL	PRIORITY IMPACT LEVEL
<p>Housing Availability:</p> <p><i>Description:</i> In 2014 Portland contracted with the Greater Portland Council of Governments to complete a study entitled <i>2030 Workforce Housing Demand Study</i>. The report, released in January 2015, found that current housing production is not meeting the housing needs of Portland. The City Council has made a goal to promote housing availability in all segments of the housing market while insuring a suitable balance of housing opportunities among those sectors.</p> <p><i>Basis for Relative priority:</i> In 2014 the Portland City Council identified the following goal to address this need: provide increased availability in all segments of the housing market while insuring that there is suitable balance of housing opportunities among those sectors.</p> <p>Resources: <i>2030 Workforce Housing Demand Study</i> 2002 Housing Plan <i>Report of the Task Force to Develop a Strategic Plan to Prevent & End Homelessness in Portland, Nov. 2012</i></p>	<p>Increase housing availability & affordability:</p> <p><i>Description:</i> Increase housing availability and affordability to all Portland residents regardless of income, race, ethnicity, and family size. Encourage housing development by removing barriers to traditional urban housing types while ensuring the inclusion of workforce and age-friendly housing in significant development projects.</p>	<p>Including but not limited to:</p> <p>HIGH PRIORITY</p> <ul style="list-style-type: none"> • Construction of new housing • Adaptive reuse for housing • Rehabilitation of existing housing • Housing Retention <p>PRIORITY</p> <ul style="list-style-type: none"> • Rental assistance • Environmental testing and remediation • Energy efficiency/weatherization • Fair housing activities • Heating and fuel assistance • Tenant landlord counseling services • Legal services

NEED	GOAL	PRIORITY IMPACT LEVEL
<p>Economic Opportunity:</p> <p><i>Description:</i> Portland has a well-developed employment support system with many established providers. However, the system is fragmented, providers work in silos, there is insufficient funding to cover needs of potential workers, and career planning and financial stability are often prioritized less than job placement. Employment retention support is scarce and turnover results in economic uncertainty for employees and higher costs for employers.</p> <p><i>Basis for Relative priority:</i> In 2014, the Portland City Council identified the following goal: Promote Economic Development in the City in a manner that provides for increased property values, diversification across industry sectors and high paying jobs. Specifically, as it relates to HUD programming and objectives, the Council further identified the need to advance work on the “Minority and Women-owned Business Development Initiative” and secure City Council approval to invest CDBG funds in workforce development.</p> <p>Resources: <i>Portland Economic Development Vision and Plan</i> Portland Community Chamber of Commerce: <i>Portland’s Economic Scorecard 2014-2015</i> Muskie School of Public Service: <i>The State of Infant Pre-K Childcare in Portland, Maine 2015</i> GPCOG <i>2014-2018 Economic Development Action Plan</i></p>	<p>Create economic opportunities to transition people out of poverty:</p> <p><i>Description:</i> Invest in Portland businesses to enable them to expand to create jobs. Invest in persons wanting to create microenterprises. Engage job seekers in a continuum of services to increase their professional capacity, financial stability, and ability to maintain employment. Focus on difficult to employ populations including homeless, new Americans and single parent head of households. Combine resources and build partnerships between public and private entities to provide opportunities to transition Portland residents out of poverty to sustainable employment and financial stability.</p>	<p>Including but not limited to:</p> <p>HIGH PRIORITY</p> <ul style="list-style-type: none"> • Job creation • Microenterprise assistance • Career advancement services <ul style="list-style-type: none"> • Education • Job training • GED attainment • ESL • Job retention support services <ul style="list-style-type: none"> • Childcare vouchers • Housing counseling • Transportation assistance <p>PRIORITY</p> <ul style="list-style-type: none"> • Façade improvements • Financial stability services <ul style="list-style-type: none"> • Budgeting • Financial planning • Tax preparation

NEED	GOAL	PRIORITY IMPACT LEVEL
<p>Address the Needs for Growing Homeless Population:</p> <p><i>Description:</i> The shelter system in Portland is beyond capacity. Staff and local organizations struggle to deal with overflow strategies to meet increasing need. Data suggests most persons who are homeless stay at the shelter less than three weeks. Homeless Prevention and Rapid Rehousing are key components to help reduce shelter usage and homelessness. Additionally increased case management is needed for those who have mental illness and substance abuse issues to help them navigate the service delivery system. Additionally, the State of Maine will be reducing funding support and increase documentation requirements for those staying at the shelter, making it more difficult to serve those most in need.</p> <p><i>Basis for Relative priority:</i> In 2014 the Portland City Council identified the goal: Prevent and end homelessness in the city of Portland by continuing to implement the recommendations of the Homelessness Task Force, including retooling the emergency shelter system to create centralized intake process and evaluate steps to improve efficiency, prevent homelessness and rapidly rehouse those who become homeless to avoid long term stays in the shelters, and increase case management for persons with mental illness and substance abuse to help navigate the service delivery system.</p> <p>Resource: <i>Report of the Task Force to Develop a Strategic Plan to Prevent & End Homelessness in Portland, Nov. 2012.</i></p>	<p>Prevent and Reduce Homelessness:</p> <p><i>Description:</i> Prevent individuals and families from becoming homeless and entering into the shelter system. Rapidly rehouse those who enter the shelter system. Provide necessary resources to assist vulnerable population’s transition out of homelessness, including housing opportunities for chronically homeless or long-term stayers at homeless shelters.</p>	<p>Including but not limited to:</p> <p>HIGH PRIORITY</p> <ul style="list-style-type: none"> • Food assistance • Shelter services • Child care vouchers • Mental health services <p>PRIORITY</p> <ul style="list-style-type: none"> • Housing for long-term shelter consumers • Rental assistance • Substance abuse services • At risk youth services



1:24,000

-  2010 Block Groups
-  2010 Census Tracts
-  Block Groups > 51% Low Income
-  Bayside Neighborhood

City of Portland

Block Groups > 51% Low Income

Target Area: Bayside Neighborhood