

2012 Community Development Block Grant Priorities Task Force

Task Force Report
Date: August 17, 2012

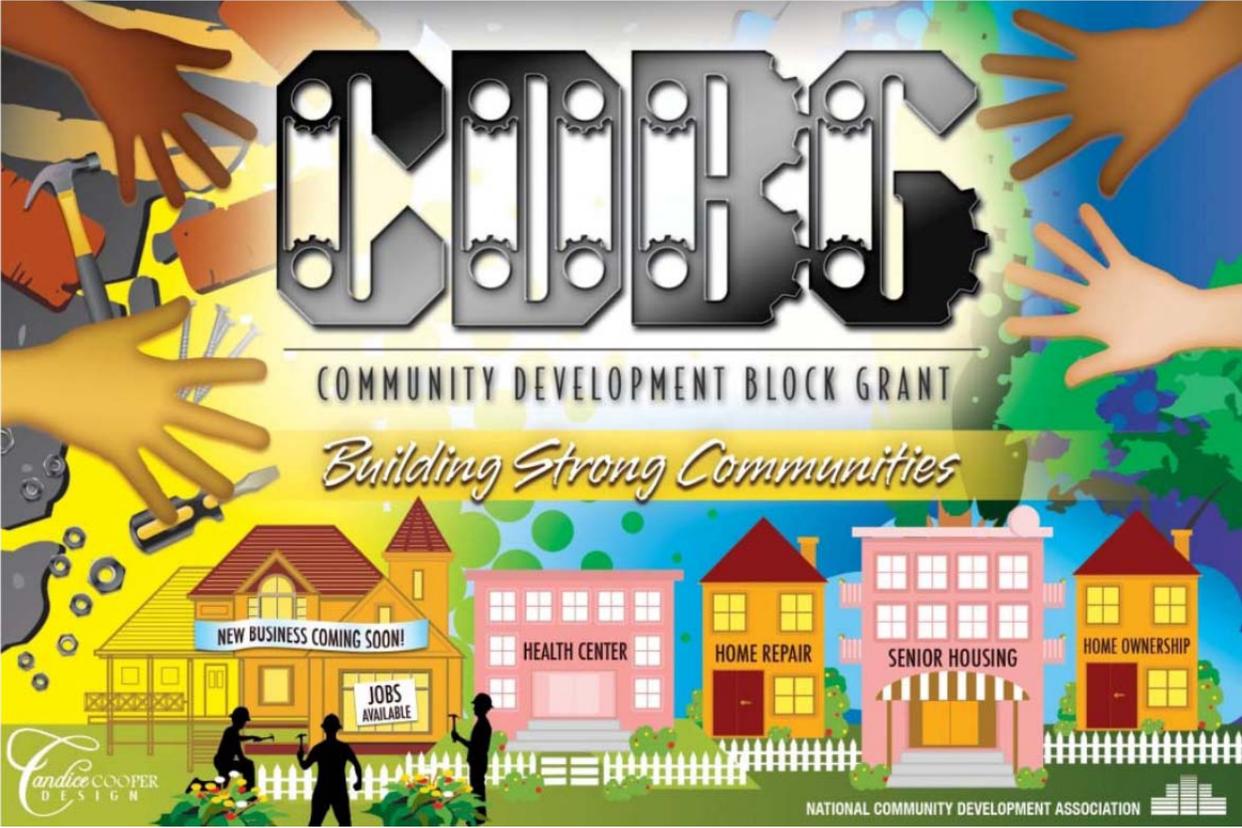


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EXECUTIVE SUMMARY

Faced with a growing demand for resources and a dwindling stream of funding, the City of Portland must redefine how federal Community Development Block Grant (CDBG) dollars are allocated to emphasize, to the greatest extent possible, successful and measurable outcomes.

With this in mind, the members of the 2012 CDBG Priorities Task Force agreed that CDBG funding should be focused on: Sustainable Workforce Development that moves Portland residents out of poverty into sustained employment. Toward that end, the 2012 Priorities Task Force makes the following set of recommendations with respect to how CDBG funds should be allocated and spent in the coming years. To maximize impact, the Task Force is also recommending increased communication with other funding sources within the City government and outside in the community to focus on similar outcomes and achievements.

RECOMMENDATIONS

Create Sustainable Workforce Development Programs that combine resources and build partnerships between public and private entities with a goal of moving Portland residents out of poverty into sustainable employment and financial stability, by 1) investing in Portland businesses to expand and create jobs and 2) engaging Portland's residents in a continuum of services to increase their professional capacity, financial stability, and ability to maintain employment. Program participants will then be placed and supported in the newly created jobs in the partnering Portland businesses.

Goal: *Create Sustainable Workforce Development Program(s) that move Portland residents out of poverty into sustained employment and financial stability.*

Beneficiaries: *All Program Participants will be Portland residents, of which two –thirds (66%) qualify as low to moderate income by HUD standards.*

Objectives: *1) Invest in businesses with Portland locations to enable them to expand and create jobs, as eligible by HUD regulations.*

2) Provide a continuum of services to increase a Program Participant's professional capacity, financial stability, and ability to maintain employment, through:

- *Career Advancement Services to increase an individual's professional capacity; examples include education, job training, GED attainment, ESL, etc.*
- *Financial Stability Services to improve an individual's financial literacy and long term stability; examples include budgeting, financial planning, taxes etc.*
- *Job Retention Support Services that help persons maintain employment; examples include childcare, housing counseling, transportation, etc.*

Outcomes: *Place Program Participant's in newly created sustainable Portland-based jobs.*

Partnerships: *Create partnerships among all levels of government and the private sector, including for-profit and non-profit organizations, with goals, objectives, responsibilities and financial distribution of resources outlined in a Memorandum of Understanding.*

Time frame: *Applicants will have three years to achieve their goals and expend the funds.*

Grant Amount: *A minimum grant request (amount to be determined) to span the three year grant period, possibly combining social services and development funds.*

Implementation: *1) No changes for Program Year 2013-2014, but fully implemented in 2014-2015.
2) Create a Working Group to further define and implement the proposed changes.
3) Offer workshops to help educate potential applicants and assist them in applying.
4) Convene the next CDBG Priority Task Force in 2017.*

PARTICIPANTS

April 2012-August 2012

Task Force Members

| | |
|------------------------|--|
| Frank Gallagher, Chair | 2008 CDBG Priority Task Force member, Former CDBG Allocation Committee member, Taxpayer |
| Jon Bradley | 2008 CDBG Priority Task Force member, Preble Street |
| Tae Chong | Former CMPAC Member, Community Volunteer |
| Anna Collins | 2008 CDBG Priority Task Force Chair, Attorney |
| Sean Dundon | CDBG Allocation Committee, Affordable Housing Consultant |
| Nell-Garwood Garvey | Attorney |
| Wendy Harmon | CDBG Allocation Committee, 2008 CDBG Priority Task Force member, Southern Maine Landlord Association |
| Karma O'Connor | CDBG Allocation Committee, Grants Consultant |
| Claude Rwaganje | CDBG Allocation Committee, Community Financial Literacy Program |
| Victoria Szatkowski | CDBG Allocation Committee, Community Volunteer |

Supportive Staff Members

| | |
|---------------------|-----------------------|
| Mary Davis | HNS Division Director |
| Amy Grommes Pulaski | HCD Program Manager |

Public Forum Meetings Participants: June 5, 2012

There were about 13 interested citizens who participated in the community public forum, representing 14 organizations, including: Committee to Restore the Abyssinian, Healthcare for the Homeless, Frannie Peabody Center, Preble Street, Portland Police, Opportunity Alliance, Southern Maine Agency on Aging, Amistad, Maine Irish Heritage Center, Youth and Family Outreach, The Iris Network, CCSM, Homeless Voices for Justice, Learning Works. Plus four individuals wrote letters to the committee representing Munjoy Hill, HomeHealth Visiting Nurses, and Greater Portland Landmarks.

Additional Opportunities for Community Input

The Recommendations from the CDBG Priority Task Force of 2012 will be presented to the Housing and Community Development Committee on August 22, 2012. Once reviewed, the HCD Committee will make their recommendations to the City Council for additional input, discussion and final approval.

PREAMBLE

The Community Development Block Grant (CDBG) is a federal program that distributes funding based on allocations from Congress to its entitlement communities, comprising over 1,200 cities and counties throughout the country. For the past ten years this funding has decreased. The goal of the CDBG Priority Task Force of 2008 was to focus CDBG resources in a complementary way to create a comprehensive community impact and make a visible difference in the eligible neighborhoods.

Over the past few years there has been increased scrutiny of the Department of Housing and Urban Development and the CDBG program nationally. Congress has delivered a 25% cut in the last two years which has significantly impacted the CDBG Program and the funding recipients. With further depleting resources and the heightened need to justify the allocation of funds to the CDBG program nationally, the need for focus, impact and accountability is greater than ever before.

INTRODUCTION

The City of Portland receives approximately \$2 million in CDBG funds annually of federal funding from the Department of Housing and Urban Development (HUD) in CDBG. Resetting priorities for the CDBG Program was identified as a priority by the Portland City Council for 2012.

Goal A: Development. Portland's future development should enhance and balance the city's needs for adequate and affordable housing, a diversified tax base by promoting commercial and industrial development and being the home for a large array of educational, recreational, cultural and artistic institutions. A5. Review and improve CDBG Consolidated Plan and Use of funds as required by Federal Regulations every three years.

[Note: HUD requirement is every five years.]

~Portland City Council Goals and Objectives for 2012

Discussion at the February 18 meeting of the Housing and Community Development Committee indicated there was consensus in re-establishing the CDBG Priority Task Force to review the priorities for the CDBG program. The intent was that this would be accomplished before the next CDBG Application was released. Due to the short time frame, the direction from the HCD Committee was to use members of past CDBG Committees and Task Forces so they could dive directly into the discussion, rather than spending significant time in educating new members on the rules and history of CDBG. Ten individuals were appointed at the April 11 meeting. A list of Task Force members is included in this report.

The City's establishment of the CDBG Priority Task Force of 2012 stemmed from the City's commitment to re-evaluate the priorities to the CDBG Program identified by the CDBG Priority Task Force of 2008 every three to five years. This continues a process which began with the Housing and Community Development (HCD) Ten Point Plan, approved by the City on October 1, 2007. The HCD Ten Point Plan, a product of the HCD Task Force, required the creation of the CDBG Priority Task Force, followed by the Annual Allocation Committee.

GOAL OF THE 2012 CDBG PRIORITY TASK FORCE

The 2012 CDBG Priorities Task Force was asked to re-evaluate the current CDBG priorities. Their goal is to focus the funds, target desired outcomes, and continue to support a process that is both objective and transparent in an environment of diminishing funding. The current economic challenges require collaboration and integration through providing a mechanism for the private sector, government, non-profit organizations, and the community to work toward a common goal.

PROCESS

The CDBG Priorities Task Force of 2012 began meeting May 8, 2012. The Task Force is comprised of individuals who have participated in CDBG Committee's or Task Force's in the past and therefore have a basic understanding of the program, the process and the impact of CDBG in the City of Portland. These individuals were chosen based on their knowledge, expertise, and their ability to dive directly into the process. There were nine (9) meetings scheduled throughout the summer of 2012, beginning on May 8. A public forum was held on June 5. The public meeting was advertised in local papers, on the City website and an email was sent to individuals, organizations and businesses that applied or received funding over the past three years. Thirteen individuals attended representing fourteen organizations. The Task Force continued meeting throughout the month of June, July, and August to discuss their task and focus their recommendations. This final report was written and with preliminary approval on July 31, 2012 final approval on August 14, 2012. The report and recommendations will be presented to the Housing and Community Development Committee on August 22, 2012.

HISTORY

In order to understand the recommendations of this Task Force, it is important to review what it is that these recommendations are meant to address. To do so, one must step back in time and summarize not only the expectations of the CDBG Priority Task Force of 2008, the HCD Task Force of 2007 but the Shapiro-Boxer Memo to the City Manager in June of 2006. This memo made vital observations about the program and recommendations which ultimately led to the creation of the HCD Task Force, and eventually the CDBG Priority Task Forces

The Shapiro-Boxer Memo identified the following challenges to the program:

The program lacks a clear, defined process to make fair funding distribution choices.

[This]... *scattershot approach to funding public services means that:*

- *Meaningful, measurable outcomes are difficult to quantify*
- *Selection process funds favored agencies, not desired outcomes...*

- Shapiro and Boxer-Macomber. *Housing and Community Development 2006 Program Review*, June 15, 2006

HCD TASK FORCE

In the spring of 2007 the Portland City Council created the Housing and Community Development (HCD) Task Force with the goal of providing recommendations to Council regarding process, priorities and public participation for the HCD Program. The HCD Task Force was also to solicit public input to encourage civic discourse aimed at enhancing broad public acceptance of the revised process, priorities and public participation.

The HCD Task Force was driven by a collective desire to improve the process and its accountability. The expectation is to have enhanced objectivity and transparency in both the priority setting process and annual allocation of resources.

- Introduction, HCD Task Force Report, 9/10/07

Through months of discussions, key informant presentation, and public forums, the HCD Task Force created and recommended to Council a Ten Point Plan. The Plan had several recommendations regarding process and public participation. The HCD Task Force did not feel that they had adequate time or experience to fully research and recommend a full set of priorities. However they did make the following recommendations in that regard:

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. These priorities will be developed every three years through a Priority Setting Process.
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 identified in the HUD Consolidated Plan...
4. Restructure CMPAC to create two Council appointed committees:
 - a. Priority Setting Task Force to establish priorities for the HCD Program Funds.
 - b. Annual Scoring Committee to rate, rank, score and make recommendations for the allocation of HCD resources
9. The Priority Setting Task Force will set a minimum grant amount to ensure a measurable outcome can be tracked. ...

- City of Portland's HCD Ten Point Plan, HCD Task Force Final Report, 9/10/07

CDBG PRIORITY TASK FORCE OF 2008

Implementing the fourth recommendation of the HCD Task Force, a CDBG Priority Task Force was created in 2008. This Priority Task Force recommended:

*... a **Holistic Approach** that is multi-dimensional, coordinated, collaborative, and targeted to specific locations in neighborhoods. Vibrant neighborhoods are multi-dimensional -- they include opportunities for housing, work, shop, mobility, social and retail services, open space, social interaction – all within a safe environment. A holistic approach supporting the multi-dimensional nature of neighborhoods is essential for revitalization. This type of approach to revitalization is more likely to produce long term impacts and stretch CDBG dollars for maximum impact. Preference would be given to collaboration or partnerships between entities, multi-category initiatives, entities that provide multiple complimentary services, and proposals that impact identified needs.*

To help define this model further the Task Force has recommended goals, principles, priority impact initiatives and structural changes.

Goal

- *The primary goal of the program is to build strong, self-sustaining neighborhoods.*

Guiding Principles

- *Consistent and Coordinated. All projects and programs will be reviewed with respect to HUD requirements, city objectives, plans, goals, and other CDBG, and or HOME investments. Proposals should be coordinated with all relevant city departments and be directly connected to these objects and plans.*
- *Measurable Community Impact. Applicants will be evaluated based on how well they create a significant and measurable community impact.*
- *Location. Projects and programs should focus on targeted locations within the eligible neighborhoods, for example: neighborhood commerce districts, proximity to new affordable housing development and identified troubled areas in the neighborhood.*
- *Diversity and Inclusiveness. 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.*

- Priority to Lower Incomes. Priority will be given to projects and programs that serve the lowest income persons.
- Leveraged Funding. CDBG cannot be the only source of funding for a program or project, leveraging other funds is essential.
- Sustainability. Projects and programs must determine whether they are good for the environment, economically sound (financially feasible), and supportive of the community. In addition, energy efficiency will be rewarded.

Priority Impact Initiatives

- Housing. Maintaining persons living in their homes or creating places for persons to live in town.
- Work and Shop. Create or support places for people to work and shop within their neighborhoods.
- Mobility and Accessibility. Create the connection between home, work, shop, education and services.
- Safe Neighborhoods. Create safe and livable neighborhoods.

Set - Asides

- Basic Needs set aside for up to 10% of the total grant.
- Capacity Building set aside to be determined.

Structural Changes

- A minimum grant award of \$20,000 is recommended.
- Two year grant awards are recommended, contingent on performance and HUD allocation.

IMPLEMENTATION OF CHANGES TO DATE

As suggested in the Shapiro and Boxer-Macomber in the *Housing and Community Development 2006 Program Review Memo of 2006* the goal has been “Transition not Transformation.” For that reason the recommendations from the HCD Task Force and the CDBG Priority Task Force were incorporated into the program through a phased approach. The recommendations from both Task Forces were fully implemented by 2010. Afterwards the Staff, the CDBG Scoring Committee and/ or Council Committees made recommendations for minor improvements that were eventually approved by the City Council and implemented into Portland’s CDBG Program. A summary of the implementation of the changes by year is listed below.

In 2008 the following steps were implemented:

Council Order 70-7/08 (HCD Task Force Ten Point Plan)

- Creation of the CDBG Priority Task Force
- Creation of the CDBG Annual Scoring Committee
- Funded projects are to be completed within two years of award

In 2009 the following steps were implemented:

Council Order 70-7/08 (HCD Task Force Ten Point Plan)

- CDBG Application process is to comply with the City’s Purchasing Ordinance

Council Order 91-08/09 (CDBG Priority Task Force Recommendations)

- Application and scoring reflect the goal of building strong, self sustaining neighborhoods by having applications address the priority impact areas and guiding principles.

In 2010 the final recommendations by the CDBG Priority Task Force were implemented, including:

Council Order 91-08/09 (CDBG Priority Task Force Recommendations)

- \$20,000 minimum request.
- Small grants in the amount of \$7,500 are available to social services for capacity building and to small businesses micro-enterprises for technical assistance
- Social service basic needs set aside for up to 10% of the HUD allocated CDBG grant
- Social service multi-year initiatives requests guidelines defined and encouraged
- Economic development job creation request guidelines defined
- The administration and planning request would be presented to and reviewed by the Committee, but would not be voted upon in a competitive environment

In 2011, the Council further reviewed the program and the implementation of all of the recommendations. Based on this review, the City Council implemented the following changes:

- *Eliminate* the small grants award of \$7,500 made available to social services for capacity building and to small businesses micro-enterprises for technical assistance
- *Eliminate* the social service basic needs set aside, previously set to be up to 10% of the HUD CDBG allocation
- *Lower* the minimum grant request from \$20,000 to \$10,000
- *Create* a maximum grant request per applicant:
 - \$150,000 for Social Service applicants
 - \$250,000 for Development Activities applicants
- *Create* a Maximum Cumulative Grant Allocation for City Applications
 - 45% of funding available for Social Services
 - 85% of funding available for Development Activities
- *Create* an economic development set aside/ cap for job creation for \$100,000
- *Create* a Priority Focus for Program Year 2011-2012:
 - For Social Services additional points can be allocated for applications meeting the Work and Shop priority criteria
 - For Development Activities additional points can be allocated for projects located in Libbytown, Census Tract 20.02

For 2012 minor adjustments were made to improve the program and process.

- Based on pressure and direction from HUD we will be paying our grantees based on a cost per unit of service. Each applicant has provided a cost per unit of service. Funded applicants will be submitting funding requisitions and be paid based on the number of units provided and persons served. This does not apply to construction projects.
- Staff will be administering bonus and penalty points on the applications.
- Priority for Social Service applications is child care. Priorities for Development Activities are job creation and projects located in Libbytown or Census Tract 20.02.

For 2013 the Housing and Community Development Committee has created the CDBG Priority Task Force of 2012 to review all of the recommendations and changes that have been made to date and make recommendations to reset priorities for the future.

RECOMMENDATIONS AND RATIONALE

In the current era of falling revenue from HUD, more collaboration, leverage, and focus is needed to stretch CBDG dollars and create maximum impact. To that end, the CBDG Task Force of 2012 challenges applicant's to:

Create Sustainable Workforce Development Programs that combine resources and build partnerships between public and private entities with a goal of moving Portland residents out of poverty into sustainable employment and financial stability, by 1) investing in Portland businesses to expand and create jobs and 2) engaging Portland's residents in a continuum of services to increase their professional capacity, financial stability, and ability to maintain employment. Program participants will then be placed and supported in the newly created jobs in the partnering Portland businesses.

Goal: *Create Sustainable Workforce Development Program(s) that move Portland resident's out of poverty into sustained employment and financial stability.*

Beneficiaries: *All Program Participants will be Portland residents, of which two-thirds (66%) qualify as low to moderate income by HUD standards.*

The Task Force decided to focus on a targeted population instead of creating a geographic focus, as has been done in the past. HUD requires that 51% of persons assisted with CDBG in any given program be low to moderate income Portland residents. The Task Force has made the requirement narrower, requiring that all, or 100%, of the Program Participants be Portland residents and two-thirds, or 66%, qualify as low to moderate income by HUD standards. The Task Force decided not to identify specific sub-population. Instead applicants will be asked to identify the population they intend to serve and the challenges that population faces in gaining and maintaining sustainable employment.

Objectives: *1) Invest in Portland businesses to enable them to expand and create jobs, as defined by HUD regulations.*

2) Provide a continuum of services to increase a Program Participant's professional capacity, financial stability, and ability to maintain employment, through:

- *Career Advancement Services to increase an individual's professional capacity; examples include education, job training, GED attainment, ESL, etc.*
- *Financial Stability Services to improve an individual's financial literacy and long term stability; examples include budgeting, financial planning, taxes etc.*
- *Job Retention Support Services that help persons maintain employment; examples include childcare, housing counseling, transportation, etc.*

The Task Force wants to connect the disjointed investment of Development Activity projects and Social Service programs. They envisioned funding a program that assisted each person in moving them out of poverty by improving their professional capacity through education or job training which would eventually lead to sustainable employment. Once employed services can continue to be provided to assist individuals to maintain jobs. Possible examples could be subsidizing childcare, housing counselors to help individuals stay in their home, or providing transportation to the workplace.

As a result, applicant requests would need to span the two primary CDBG funding categories: Development Activities (approximately 47% of the Portland's CDBG Allocation) and Social Services

(limited to 33%). Development Activity funds can only be used to achieve the first objective: *Invest in Portland businesses to allow them to expand to create jobs, as defined by HUD regulations.* While Social Service funds can only be used to achieve the second objective: *Provide a continuum of services to increase [Program Participant's] professional capacity, financial stability, and ability to maintain employment.* By combining both funding categories applicants can create a true continuum of services for its Program Participants to move them out of poverty into sustained employment and financial stability.

Outcomes: *Place Program Participant's in newly created sustainable Portland-based jobs.*

Portland businesses would be a partner for the Workforce Development Program. Each business would determine what investments are needed for their business in order to expand and create net new jobs. Job training programs would be designed to help meet the needs of the businesses. Program Participants would be groomed for the new positions and once training is complete, hired.

Applicants will be required to describe how a Program Participant will navigate the proposed Program from beginning to final job placement, including: provide a specific timeline with measurable benchmarks; identify units of service and costs for services; execute a clearly defined MOU with partnering entities; and complete the program, reach the proposed outcomes, and expend the funds within three years.

Partnerships: *Create partnerships among all levels of government and the private sector, including for-profit and non-profit organizations, with goals, objectives, responsibilities and financial distribution of resources outlined in a Memorandum of Understanding.*

The Task Force agreed that more collaboration among past, present, and future applicants would elicit better outcomes for the funding received over the next four years. Applicants are encouraged to collaborate among non-profit organizations, for-profit businesses, the City and other entities across the funding categories of Social Service and Development Activities while in compliance with HUD Guidelines and Regulations for CDBG. In general, the goal of aligning education and training with workforce and labor market demands and asking applicants to collaborate and create a chain that is path to stable employment for a given target population as identified by the applicants is key.

Time frame: *Applicants will have three years to achieve their goals and expend the funds.*

Three years allows applicants sufficient time to invest both in the businesses and the Program Participants.

Grant Amount: *A Minimum grant request (amount to be determined) to span the three year grant period, possibly combining social services and development funds.*

Due to the ability of applicants to request both Development and Social Service Funds, the Task Force would like the grant request to be sufficient to accomplish the goal. The specific amount will be determined by the working group. The Allocation Committee will have the ability to negotiate specific recommended award amounts.

EXAMPLE PROPOSAL

To illustrate the scope of the changes to the existing process the 2012 CDBG Priorities Task Force has included the following example. *Please note: this is a hypothetical example to exemplify the spirit of the recommendations. The specific requirements for applicants have not yet been defined.*

Sample Proposal for Sustainable Employment Project

Submitted by Women, Work and Community

Target Population: Single Low to Moderate Income Mothers in Greater Portland

Women, Work and Community has worked with this population for the past 40 years, addressing issues of education and employment for women either entering the job field for the first time or returning to the job field. WWC also helps women learn to manage their finances and start businesses. WWC is very familiar with the barriers these women face in trying to attain sustainable employment. WWC also realizes that in order for these women to achieve their goals, they need to be connected to a far wider array of programs and services than just WWC. This is why we propose to address the barriers of sustainable employment through partnering with the appropriate programs and/or agencies.

Barriers and Objective 2: Barriers to attaining sustainable employment and services to be provided.

Child Care – this is the number one barrier for women making any progressive change in their lives. They need to have reliable – this means, safe, quality, dependable and not too far away – child care so that they will not be worrying all day about their child. No mother can devote the attention needed to education or job skill training if she is worried about her child! In order for a single mother to engage in further pursuits, this need must be met. We will be partnering with Children’s Co-op and the Family Workshop so that our clients have preferential slots in their programs.

Transportation – this is the second greatest need for single mothers. In order to get to appointments, classes or a job on time, a single mother needs to have a reliable form of transportation, not their sister’s boyfriend’s nephew’s uninspected junker. We will be partnering with Portland Metro to have reduced or free bus passes for single mothers in this program, as well as the South Portland bus service if the mothers will be taking classes at SMCC. We have also established a relationship with the Lee car dealership, so that our clients will have preferential treatment and access to low cost cars and car loans. We have another relationship with Cumberland Ave. Garage so that our clients can get their cars checked out for a much lower cost – or free!

Housing – perhaps not the third greatest, might be the first, but it is all of a piece. No person can move on unless they have stable housing. To this end we have partnered with Avesta Housing, Portland Housing and several private land lords so that our clients will receive consideration for housing.

WWC understands that in order to address the issue of sustainable employment for this population, many areas of the clients’ lives must be strengthened. These are the areas that we see as critical to the overall success of the goal of sustainable employment:

Educational Attainment – Some of our clients may need a GED or high school diploma, others are able to work on higher educational goals. We work with counselors from various education programs now in order to find the right fit – and support – for our clients. Portland Adult Education is one of our strongest partners and we will continue to work with them so that our clients are enrolled, and supported, in the appropriate classes for them. Through our MOU with PAE, our clients get preferential treatment in terms of class choice, time with support staff and other advantages that PAE students enjoy. We also partner with USM, SMCC and other area institutions of higher learning so that our clients have preferential treatment and financial aid counseling and preference.

Financial Literacy – WWC has found that financial knowledge is key for any successful person. Our clients are struggling many times because of lack of understanding about how to budget or where to find help. WWC partners with Community Financial Literacy because they offer classes in the areas our clients live, making their services very accessible. We also work with our clients on this issue and offer on-going support for our clients even after they have left our program.

Job Skills and Support – Some of our clients may only need this part of the program. Attaining a degree does not insure job skills! This is a large part of our program – getting women ready for the work force by practicing interviewing, correct manners and dress and just as importantly, networking. We partner with many businesses and agencies and have several job fair/ networking events throughout the year. We also offer on-going job support skills after our client has secured a job, so that they know how to keep a job and perform well on the job site. This is essential for women who may have never worked, or had any one in their family hold a steady job. Some of our business partners include UNUM, IDEXX, Goodwill, LL Bean, Hannaford and Target. Our clients receive preference for job offers and interviews, as we offer continual support for our clients for two years after securing a job at these businesses.

Objective 2 and Outcomes: Business Investment and Job Placement

Our business partners are applying for CDBG monies in order to create new positions. CDBG monies will allow these businesses to expand their operations in Portland, thereby increasing the tax base in Portland. The job training and education provided on the Social Service side of this project will dovetail with the positions these businesses plan to create, such as customer service and hospitality training, accounting and retail management. Businesses have to make a commitment that the jobs created will not be short term, temporary positions, but actual full time equivalent jobs that are necessary to their continued operations. WWC will support the participants of this program so they will successfully retain their jobs.

Objective 1: Additional services once Employed

As our clients make progress, new issues arise after the basic barriers have been addressed. These new issues can also hinder the progress being made if not adequately addressed. To this end, we partner with Opportunity Alliance for case management services, Community Counseling and Portland Community Health for mental health issues and Catholic Charities for recovery issues. Through a robust case management effort, women can begin to build back their self-confidence and self-esteem, so that they stay on track towards their goal of sustained employment. Years of research indicates that when the mother of the family attains education and job skills, the impact on her entire family is multiplied many times over. An educated mother passes on the value of education to her children and sets an example for the rest of her community.

IMPLEMENTATION

1) No major changes for Program Year 2013-2014, but phased implementation beginning in 2014-2015.

Recognizing that the changes outlined above represent an evolution in how Portland allocates CDBG funding, the Priorities Task Force recommends that none of these changes be implemented in the next funding cycle, 2013-2014, but are fully operational for use the following year, for the 2014-2015 funding cycle.

2) Create a Working Group to further define and implement the proposed changes.

In the interim, the Task Force recommends that Portland's policymakers create a CDBG Working Group to further define and implement the proposed changes. The Working Group will further define the details of the recommendations, the minimum grant amount, implementation strategies, and research and identify other funding resources within City Hall and out in the community that could complement this focus and priority. Once other funding sources are identified the Working Group can reach out to these entities to discuss collaboration of resources and focused priorities.

The Working Group should be convened using the same mechanism by which the current iteration of the CDBG Priorities Task Force was created: by reaching out to individuals who have indicated a deep and abiding interest in the city's CDBG process. Potential participants may include: current or past members of the CDBG Priorities Task Forces or CDBG Allocation Committees, interested citizens, businesses, stakeholders, and affected agencies. The CDBG Priority Task Force will create a list of recommended seats and possible names prior to going to the City Council.

The CDBG Working Group would be expected to make their final recommendations by mid-winter.

3) Offer workshops to help educate potential applicants and assist them in applying.

In addition the Task Force recommends *educational workshops for the potential applicants* prior to the 2014-2015 allocation to illustrate examples of successful applicant collaborations in other setting and to solicit more applicants and potential collaborative partnerships.

4) Convene the next CDBG Priority Task Force in 2017.

Finally, the Priorities Task Force recommends that the city reconvene the next CDBG Priorities Task Force in 2017 to evaluate the outcomes created by the implementation of the changes recommended by the 2012 Priorities Task Force.

IMPACT

Through re-structuring the priorities and funding protocols for CDBG monies toward collaborations and larger awards, the Task Force anticipates the impact of the funding to be sustainable by creating lasting networks. The Task Force believes that many qualified applicants within Portland are already well positioned to identify vulnerable populations and design programs to help remove the barriers preventing those populations from achieving economic security. By providing a strong, clear vision for the outcomes expected to emerge from the allocation of CDBG funds, potential applicants will have the tools they need to deliver successful results.

The Task Force believes that refocusing diminishing CDBG monies is essential at this juncture if the goal is to build sustainable programs as funding continues to be cut. To that end, collaboration and multi-year awards are a key to building programs to serve LMI Portlanders in the long-term and creating a community dialogue on how to best serve LMI populations, remove barriers, and attain living wage employment through partnership.

CONCLUSION

The *Sustainable Workforce Development* focus must be a strategic alliance of business, government and education with the goal of reducing poverty among low to moderate income families in Portland. The most important feature of the Workforce Development focus for CDBG funds is that it was created in response to an identified need by the community at large. A focus on workforce development is expected to result in a lifelong resource to all job seekers, both present and future, and a means to help businesses meet their short- and long-term workforce development needs.

APPENDIX A: HCD TEN POINT PLAN

Order 70-07/08

Amended & Passage: 10/1/07 9-0

NICHOLAS M. MAVODONES (MAYOR)
KEVIN J. DONOGHUE (1)
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IN THE CITY COUNCIL

JAMES I. COHEN (5)
JAMES F. CLOUTEIR (A/L)
JILL C. DUSON (A/L)
EDWARD J. SUSLOVIC (A/L)

**ORDER ADOPTING HOUSING & COMMUNITY DEVELOPMENT
TEN POINT PLAN RE: CDBG FUNDING**

ORDERED, that the City of Portland Housing and Community Development Ten Point Plan for Allocation of the Community Development Block Grant funding, as recommended by the HCD Task Force, is hereby approved as provided in the Attachment A.

CITY OF PORTLAND HCD TEN POINT PLAN

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. These priorities will be developed every three to five years through a Priority Setting Process.
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 neighborhood identified in the HUD Consolidated Plan.
3. Staff will enhance communication and planning with neighborhood and community members throughout the year. HCD public participation should be a year long process of open communication discussing needs and coordination of projects. Modes for engaging public input can include but are not limited to meetings, studies, focus group discussions, and surveys. This ongoing communication replaces the traditional, annual, once –a-year HCD Meetings.
4. Restructure CMPAC to create two Council appointed committees:
 - a. Priority Setting Task Force to establish priorities for the HCD Program Funds. Priorities will be set in all three funding categories: planning/ administration, public services, and other public improvement projects. Recommended priorities will be reviewed by a Council Committee prior to City Council review and adoption. This group should consist of 9-16 Portland residents representing diverse and eligible populations and expertise.
 - b. Annual Scoring Committee to rate, rank, score and make recommendations for the allocation of HCD resources. This group should consist of 7-10 Portland residents, who will serve staggered three year terms. Conflict of interest should be minimized; no staff, board members, contractors or anyone receiving financial gain from an applicant's proposal can participate on this committee. HNS staff will conduct a threshold review of applications and forward all that comply with HUD guidelines to the appointing authority. The Mayor shall appoint the initial Annual Scoring Committee for the FY 2008 HCD budget (City FY 2009 budget) and thereafter the appointments will be made through the normal Council appointment process, following threshold review by HNS staff.

5. Recommendations for the HCD Budget from the Annual Scoring Committee will be sent to the City Manager for review. The City Manager will submit his or her budget recommendations, plus a description of budgetary impact on the General Fund. Council can accept the HCD budget as recommended by the scoring committee, adjust them to reflect changes recommended by the City Manager, or develop a Council decision on a recommended budget.
6. All proposals from agencies, organizations, and City Departments requesting funding are required to submit an annual budget and proposed work plan that communicates the outcomes, objectives and deliverables for the year.
7. All physical improvement, public infrastructure, housing, and economic development project proposals should be adequately funded to complete proposed scope of work. Proposed projects are to be completed within two years or funds will be reallocated.
8. All applicants must demonstrate administrative and financial history and capacity to complete the proposed scope of work.
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 FY08-
10. Revamp the HCD Program's Request for Proposals (RFP) process to be in compliance with the Purchasing Ordinance. In a competitive process scoring criteria should be based on the priorities development by the Task Force (and approved by Council) and included in the RFP. Create a pre-application process for public improvement projects, both in-house and outside, to screen for Environmental Review Requirements, specifically Historic Preservation.
11. The process for the HCD Budget in the City FY2008 shall be as currently established and the process established in this plan shall be implemented following the passage of that budget.

APPENDIX B: 2008 CDBG PRIORITY TASK FORCE EXECUTIVE SUMMARY

Order 91-08/09
Passed 10/17/08 9-0
EDWARD J. SUSLOVIC (MAYOR)
KEVIN J. DONOGHUE (1)
DAVID A. MARSHALL (2)
DANIEL S. SKOLNIK (3)
CHERYL A. LEE MAN (4)

CITY OF PORTLAND
IN THE CITY COUNCIL

JAMES I. COHEN (5)
JOHN M. ANTON (A/L)
JILL C. DUSON (A/L)
NICHOLAS M. MAVODONES (A/L)

**ORDER APPROVING CDBG PRIORITY
CDBG PRIORITY TASK FORCE RECOMMENDATIONS**

ORDERED, that the CDBG Priority Task Force Recommendations in Attachment 1 are hereby approved.

CDBG PRIORITY TASK FORCE RECOMMENDATIONS

The recommendations from the CDBG Priority Task Force go beyond the initial goal of identifying priorities. They are recommending a fundamental shift in the program model for the CDBG Program.

The Task Force recommends a **Holistic Approach** that is multi-dimensional, coordinated and collaborative, and targeted to specific locations in neighborhoods. Vibrant neighborhoods are multi-dimensional. They include opportunities for housing, work, shop, mobility, social and retail services, open space, and social interaction for all community members within a safe environment. A coordinated approach based on the multi -dimensional nature of neighborhoods is essential for revitalization. Our intent is to produce **long term impacts** and **stretch CDBG dollars for maximum impact**. Preference would be given to collaboration or partnerships between entities, multi-category initiatives, entities that provide multiple complimentary services, and proposals that impact identified needs.

To help define this model further the Task Force has recommended a goal, principles, priority impact initiatives and structural changes.

GOAL

- The goal of the program is to **build strong, self-sustaining neighborhoods**.

GUIDING PRINCIPLES

- **Consistent and Coordinated.** All projects and programs will be reviewed with respect to HUD requirements, city objectives, plans, goals, and other CDBG, and or HOME investments. Proposals should be coordinated with all relevant city departments and be directly connected to these objectives and plans.
- **Measurable Community Impact.** Applicants will be evaluated based on how well they create a significant and measurable community impact.
- **Location.** Projects and programs should focus on targeted locations within the eligible neighborhoods, for example: neighborhood commerce districts, proximity to new affordable housing development and identified troubled areas in the neighborhood.
- **Diversity and Inclusiveness.** 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.
- **Priority to Lower Incomes.** Priority will be given to projects and programs that serve the lowest income persons.
- **Leveraged Funding.** CDBG cannot be the only source of funding for a program or project, leveraging other funds is essential.
- **Sustainability.** Projects and programs must determine whether they are good for the environment, economically sounds (financially feasible), and supportive of the community. In addition, energy efficiency will be rewarded.

PRIORITY IMPACT INITIATIVES

- **Housing.** Maintaining persons living in their homes or creating places for persons to live in town.
- **Work and Shop.** Create or support places for people to work and shop within their neighborhoods as well as the means to gain and maintain employment.
- **Mobility and Accessibility.** Create the connection between home, work, shop, education and services.
- **Safe Neighborhoods.** Create safe and livable neighborhoods.

SET – ASIDES

- Basic Needs set aside for up to 10% of the total grant.
- Capacity Building set aside to be determined tied to the results of a community needs assessment.

STRUCTURAL CHANGES

- A minimum grant award of \$20,000 is recommended.
- Two year grant awards are recommended, contingent on performance and HUD allocation.

IMPACT

The recommendations herein propose a fundamental shift in the thinking and allocation of resources for the Community Development Block Grant. It will impact the agencies, organizations, and city departments that have utilized this funding in the past. However everyone can participate in this new model.

IMPLEMENTATION

- The Task Force recommends partial incorporation of the new model, goal, principles and priorities into this year's funding cycle. Partial incorporation will include: 1) substituting the current priorities listed in the CDBG Funding Application with the newly adopted principles and priorities, 2) revising the point system that was used in last year's CDBG Application to reflect the new goal, principles, and priorities, and 3) revising the last year's CDBG Application questions to reflect the new goal, principles and priorities.
- The Task Force recommends full implementation of the Council adopted model, goal, principles and priorities for next year, FY 2010.
- After the first year of implementation the Task Force recommends that the City Council reconvene the CDBG Priority Task Force to review the program and adjust as necessary.