



City of Portland Remote CDBG Priority Task Force

ZOOM MEETING INSTRUCTIONS:

The CDBG Priority Task Force will hold a remote meeting on Monday, June 8, 2020 at 5:00 pm. This meeting will take place remotely using Zoom.

Virtual meetings are allowed using emergency legislation approved by LD 2167; 1 M.R.S. §403-A, that authorizes cities and towns to conduct meetings online.

Allow your computer to install the free Zoom app to get the best meeting experience.

Please click the link to join the webinar: <https://us02web.zoom.us/j/83613203813>

For public comment, you will need to use the “raise your hand” feature. To raise your hand via the telephone, please hit *9. You will be unmuted by the host when it is time for public comment.

To join via Telephone dial US: +1 312 626 6799 or +1 929 205 6099 or +1 253 215 8782 or +1 301 715 8592 or +1 346 248 7799 or +1 669 900 6833

Or one-tap for mobile: US: +13126266799,,940614580# or +19292056099,,940614580#

Webinar ID: 836 1320 3813

1. Introduction of meeting to Zoom attendees
2. Review and Accept Minutes of CDBG Priority Task Force meeting held on May 28, 2020.
 - a. Minutes from May 28, 2020 Meeting
3. Review Detailed work plan/Q&A regarding work plan with Staff
 - a. Detailed Work Plan
4. City of Portland Social Service Cap - ACTION REQUIRED
 - a. Discuss and take action on the City of Portland 45% funding cap in social services
5. Bonus Points and Penalty Points - ACTION REQUIRED
 - a. Discuss history and use of bonus points and penalty points

- b. Brainstorm potential changes
 - c. Decide on additional information need, if necessary
6. Next Meeting
- a. June 25, 2020 5:00-7:00. location to be determined
 - b. Discuss guiding principles
 - i) Guidance in application
 - ii) How they relate to scoring

Community Development Priority Setting Task Force

MEETING MINUTES

May 28th, 2020 5:00-7:00pm via Zoom

In attendance: Jim Hall, Don Harden, Julia Sheridan, Mark Adelson, Matt Dubel, Ben Strick, Sam Heck, Lucas Bloom, Andrew Oullette, Chase Hewitt, Mary-Beth Twomey

Missing members: Adam Cohen

Staff in attendance: Mary Davis, Amanda Methot, Kelley Walsh

MINUTES:

1) Introduction of meeting to Zoom attendees:

No attendees present, introductions not needed. Staff provided an update to the task force, informing them three members have resigned from the committee due to personal circumstances.

2) Review and accept Minutes of CDBG Task Force from the May 11th, 2020 meeting:

Motion to pass minutes with amendments passed. Minutes will be amended to reflect a spelling error in members name as well as a bullet point with missing information.

3) Review detailed work plan/ Q&A regarding work plan with staff:

Staff provided an overview of the task force work plan and actions that can be taken. Staff highlighted what the work plan for this meeting and what items need to have action taken.

Member had a question on the data collection for the consolidated plan. Staff provided an update on the number of survey results, as well what list serves the survey has been sent too. Staff will be continuing to use social media to send out the consolidated plan website and surveys.

Task force member provided an update that an Op-Ed was submitted to the Portland Press Herald with the consolidated plan website and survey information. Copy of the op-ed will be attached to these minutes.

4) Set- asides/ maximum and minimum:

Staff provided an update on what actions have been voted on by the committee thus far, this includes: minimum application requests

Motion made to keep the 10,000 minimum on social service applications; motion seconded pending discussion;

Discussion: member noted that this has worked in the past and seem to continue to be working. Members agreed this was an appropriate amount.

Member asked if it was possible for projects to be funded fully by CDBG. Staff clarified, while it is possible, the allocation committee does look at leverage funding as a scoring category.

Motion passed 14-0.

Member suggested revisiting the vote on the maximum amount requested, there was no other interest in reviewing this.

Members brought up the Community Policing set aside, noting there was good discussion on this item made, but no formal vote was conducted.

Staff clarified the Community Policing set aside is set at 150,000. Staff reviewed the construction set-aside is up to 60% of construction funds can be set-aside for City infrastructure projects.

Motion made to keep the Community Policing set aside at 150,000;
No additional discussion. **Motion passed 12-1-1**

Member discussed the idea of a set-aside for social service programs that could have a negative community impact? (*Review video recording for more info*). Staff clarified that a set-aside would not be the right avenue to address this concern.

Member discussed the idea of addressing this issue in the MOU point section.

Member brought up the bayside area and the struggles in that neighborhood. Member provided an update that Portland Police Department has received a new grant to address this concerns.

Member discussed the humanity in serving people with very high needs and the barriers they face daily.

a) Discuss and take action on construction maximum and minimums:

Member discussed the complications in the development percentage thresholds. Staff clarified this is not a HUD requirement, and could be changed. Staff clarified the 250k max on development activities is a two part calculation, the max for development is actually 30% of the previous year allocation OR 250,000, whichever is larger. Historically it has been 250,000. Member requested input from staff on how this working. Staff pointed to the agenda packet that includes the average application request. Staff discussed that in recent years there has been an uptick in housing applications, which generally have a much larger ask than other smaller development projects. Staff clarified on what housing activities can be funded with CDBG. CDBG funds cannot be used on actual construction of new housing, but can be used on a variety of other activities included in housing projects.

Member requested clarification on what projects generally get funded. Staff clarified in development there is a larger pot of money and generally a low number of applicants, which allows most applicants to get funded. In social services, there is a

small pot of money and is more competitive given the current social service landscape in Portland. Staff reviewed the average asks and awards. Staff discussed the uptick in development projects this year, noting that this likely that word got out, and facility improvements are a big need for social service organizations, and this funding can assist with that, there was also an increase in staff outreach. Staff also referenced the directive from the City Manager, who has encouraged new organizations to apply for this funding.

Member presented transportation scenario, wondering if that would be eligible. Staff clarified public infrastructure is parks, streets, sidewalks, public buildings, etc.

Staff reviewed the min is 10k and max is 250k, that can go up or down. The 60% infrastructure can stay or go. The 85% development set aside for city infrastructure can stay or go, or go or down.

Member made the proposal to decrease the max to 200k and the minimum to 200k; other members discussed keeping the minimum to 10k.

Staff clarified that the City manager has the ability to allocate an additional 90k in TIF funding to City development projects. This year, that funding was applied to the Bayside Area Sidewalk project, which freed up additional CDBG funds to fund three other additional projects.

Member discussed that there are a number of philanthropic grants available that are targeted towards projects with lower financial requests.

Member requested clarification on lowering the minimum; other members discussed that this could allow other agencies, who historically have not applied for CDBG, to do so.

Member requested insight from staff regarding the percentage vs numerical.

Motion to change the construction maximum from \$250,000 to \$200,000 and strike the language of using the 30%.

Motion passed 14-0

Staff clarified the task force has passed a motion to keep social service application minimums.

Members discussed the construction minimum of \$10,000

Motion to keep the construction minimum at \$10,000. **Motion passed 14-0.**

b) Discuss and take action on up to 60% set aside for public infrastructure:

Member mentioned removing the 60% set-aside all together

There was additional discussion and clarification on the 60% set aside for public infrastructure is within the 85% City cap.

Member stated that sidewalks need to be done regardless of the funding, but did not want to assume that there was a better use for those funds if there isn't competition for those funds.

- Staff provided feedback that the sidewalks that are getting done are projects that did not get funded through the CIP budget.

Member asked for clarification on how close DPW is coming to using that 60% cap

- Staff stated that the average is well below 60%

Member brought up the new homeless services center and that a portion of the public infrastructure funds may be used to build that new shelter, and changes we make could impact that.

Members discussed the need for City projects, and how the 60% cap affects each City department. Members discussed the idea using point's distribution to address economic development programs. Members also suggested creating a set-aside specifically for economic development.

Discussion around the 60% cap for infrastructure isn't actually serving a function since the cap is not used, in favor of removing the cap

Members had questions regarding economic development applications

- Staff provided information on the typical applicants for economic development and the history of those projects getting funding

Member stated they would be in support of an economic development set aside

Staff offered a summary of the current caps on city funding and discussed the changes that can be made

Member stated they would support keeping the 85% cap for City funding and removing the 60% cap on infrastructure

Motion to eliminate the 60% cap and lower the City amount from 85% to 80%.

Motion passed 14-0.

Motion to adjourn. Meeting adjourned 7:01pm

TIME DID NOT ALLOW FOR THESE AGENDA ITEM; ITEMS WILL BE ADDED TO THE NEXT MEETING AGENDA

c) Discuss and take action on City allocation caps:

5) Bonus Points and Penalty Points:

a) Discuss history and use of bonus points and penalty points:

- b) Brainstorm potential changes:**
- c) Decide on additional information needed if any**

Next Meeting:

June 8th 5:00-7:00, location to be determined

- Take action on bonus points and penalty points
- Discuss guiding principles
 - i) Guidance in application
 - ii) How they relate to scoring

STRUCTURAL CHANGES (4/30 & 5/11 MEETINGS)

The structural changes that are being decided on apply to all applicants regardless of what need category or activity they fall in to, therefore an analysis of the community needs is not a factor.

Maximums/Minimums

Maximums and minimums are applied based on the pot of money you are applying for and do not change based on the applicants specific program.

- \$10,000 minimum across the board
- \$250,000 maximum for construction projects regardless of what need category they fit in to
- \$150,000 maximum for social service projects regardless of what need category they fit in to

ACTION: The group can adjust these up or down, and should not take specific applicants or programs in to consideration. In addition, the group can choose to apply the maximum and minimums to the program or the organization applying.

Set-Asides

Set- Asides have mostly been used to keep Community Policing funded and allow for 60% of the construction funding to go towards public infrastructure

- \$150,000 for community policing
- Up to a 60% set aside for public infrastructure

ACTION: The group can choose to:

- Keep these as is
- Remove all set-asides
- Create new set-asides based on broad categories, NOT specific programs or activities
- Or a combination of any of those options.
- Examples
 - o Setting aside a percentage of the allocation for new programs that score above 85.
 - o Set aside a certain percentage for homeless service programs.

Additional Caps on Funding

The City is limited to 45% of the total funding in social services and 85% in development activities. The 60% cap for public infrastructure is part of the 85% cap in development; this essentially overrides the \$250,000 maximum for public infrastructure projects. Lastly, the maximum for development activities is 30% of the pervious year's allocation amount or \$250,000 whichever is LARGER. HCD staff does the calculation each year and the \$250,000 maximum has historically been the greater of the two numbers.

ACTION: The group can choose to increase, decrease, or take no action on the City funding caps in both social service and development activities

ADMINISTRATIVE CHANGES (5/28 & 6/8 MEETINGS)

Bonus/Penalty Points

Bonus and penalty points are applied regardless of who the applicant is or what priority activity they are engaging in. Currently, bonus points are applied based on high priority and priority activities. The group will have the opportunity to change the activities in each category, but for now, they should determine the point difference for a high priority activity vs. a priority activity.

- High priority receives 11 points
- Priority receives 7 points

ACTION: The group can change the point spread between the two categories

Penalty points are applied to all applications regardless of need category and activity.

- Missing sections = 1 point
- Failing to follow submission guidelines = .25 point for each instance
- Errors in budget calculations = .25 points for each instance

ACTION: The group can choose to remove penalty points or change their values up or down.

GUIDING PRINCIPLES AND PRIORITIES (6/25, 7/13, & 7/30 MEETINGS)

Guiding Principles

Guiding principles are found in the narrative of the application. They also make up the categories on the scorecard. The taskforce will focus on reviewing the application language describing each guiding principle. The guiding principle categories will not be changed. These guiding principles are applied to all applications regardless of organization or activity.

ACTION: The group can make edits to the language to make it clearer; the group should use feedback from the allocation committee as well as staff in regards to issues on collecting the right information in each of these sections.

Priority Activities

In each of the four need categories there are priority activities assigned to the need. Within the priority activities, they are labeled as high priority and priority. As discussed earlier, high priority activities receive more points than priority activities. The group will use the data collected from the Consolidated Plan survey to re-arrange the activities within each of the four needs group. The taskforce should use the survey data to inform their decision.

ACTION: The group can make changes to how activities are labeled therefore giving certain activities a point advantage over others. The changes need to be in line with the survey data as part of the citizen participation requirement.

Score Card

The scorecard has four large point categories with smaller sub categories within them. The taskforce can move point allotments in the large categories as well as the small categories. The large category allotments will be decided first with subcategory distribution coming second. These changes should be informed by the Allocation Committee recommendations as well as the point analysis that was conducted this year by an Allocation Committee member.

ACTION:

- Change point allotment in the 4 major scoring categories (Goal/priority impact/community need, Guiding Principles, Capacity to Deliver, and Partnership/Collaboration)
- Distribute points in each major category to the subcategories

WRITE REPORT (8/10 & 8/27 MEETINGS)

ACTION ITEMS WITH SAMPLE MOTIONS

Note these are sample motions and are not proposed changes, the samples are to help the group craft motions at future meetings as well as to provide a guideline as to the scope of changes.

Structural Changes

- o Construction/ Development
 - Change or take no action on \$10,000 minimum
 - Change or take no action on \$250,000 maximum
 - Change or take no action on up to 60% cap on public infrastructure projects
- o Construction/ Development sample motions
 - Motion to increase minimum to \$15,000
 - Motion to decrease maximum to \$200,000
 - Motion to reduce the 60% public infrastructure cap to 45%
- o Social Services
 - Change or take no action on \$10,000 minimum
 - Change or take no action on \$150,000 maximum
 - Remove, change, or take no action on Community Policing set-aside
 - Create additional set-asides based on broad applicant categories
- o Social Service sample motions
 - Motion to decrease maximum to \$125,000
 - Motion to make maximums based on organization and not individual programs
 - Motion to create a 20% set-aside for new programs that score higher than 85 points
 - Motion to create a 15% homeless services set-aside for programs that provide direct service to the City's homeless population
- o City Funding Caps
 - Change or take no action on the 45% cap for City funding in social services
 - Change or take no action on the 85% cap for City funding in Construction/Development
- o City Funding Caps sample Motions
 - Motion to decrease Funding cap in social services from 45% to 40%

Administrative Changes

- o Bonus Points
 - Change or take no action on the point difference between high priority and priority activities
- o Bonus Points sample motions
 - Motion to reduce the point difference to 2 points
 - Motion to increase the point difference to 6 points
- o Penalty Points
 - Change, remove, or take no action on missing sections penalty point
 - Change, remove, or take no action on submission guideline penalty point
 - Change, remove, or take no action on error in budget calculation penalty point
- o Penalty Points sample motions
 - Motion to remove penalty points
 - Motion to increase submission guidelines and error in budget calculations to 1 point each

Guiding Principles and Priorities

- o Guiding Principles
 - Edit or take no action on application language to make the guidelines more clear
- o Guiding Principles sample motions
 - Motion to add clarifying language to the community need description in social service application
- o Priority Activities
 - Change or take no action on the level of priority for neighborhood investment activities
 - Change or take no action on the level of priority for affordable housing activities
 - Change or take no action on the level of priority for economic development activities
 - Change or take no action on the level of priority for addressing the needs of the growing homeless population activities
- o Priority Activities sample motion
 - Motion to move Microenterprise assistance from high priority to priority in the economic development category
 - Motion to keep priorities the same for addressing the needs of the growing homeless population activities
- o Score Cards
 - Change or take no action to the 4 major scoring categories
 - Change or take no action on the distribution of points in the sub categories
 - NOTE: if scoring is changed in the major categories they will NEED to be adjusted in the sub categories
- o Score Cards sample motions
 - Motion to increase goal/priority impact community need to 35 points and reduce capacity to deliver to 23 points
 - Motion to redistribute 23 capacity to deliver points as follows, 5 for financial need, 7 for leveraged funds, 4 for experience providing service, 4 for readiness to proceed, and 3 for financial stability.

MEMORANDUM

TO: CDBG Priority Setting Task Force

FROM: Amanda Methot, HCD Compliance Officer

DATE: May 26, 2020

RE: Bonus points and penalty points

HISTORY OF BONUS POINTS AND PENALTY POINTS

2011: Council Adds Bonus Points

In 2011, the City Council reviewed the CDBG allocation program and implementation, through that review 3 bonus points were added to social service applications that met the work and shop priority category (*see below*), for development activities, priority points were given to projects located in Libbytown. These changes were made based off Staff, Allocation Committee, and Subrecipient feedback.

2011: CDBG Update from HCD Staff

HCD Staff gave an update to Council prior to the 2011-2012 application release. The 2010-2011 application cycle was the first year penalty points were applied. Based on feedback from applicants, the 2011-2012 application specified what would result in point deductions, including, but not limited to: errors, missing documents, and incomplete sections. Point deductions will be administered by staff prior to distributing the applications to the CDBG Allocation Committee.

2014-2015 Changes to Bonus Points

In 2014-2015 bonus points included basic need (*see below*) and childcare activities, job creation was removed.

- Priority Categories

Work and Shop Priority. Create or support places for people to work and shop within their neighborhoods as well as the means to gain and maintain employment. *Including but not limited to: creating a community and economic development plan; creating jobs; attracting/ retaining businesses, retail and service jobs; creating or supporting business incubators; small business start up loans; education; job training; child care.*

Basic Needs Priority *Programs that respond to an acute need where no other options exist and such a response is temporary in nature.* Examples include but are not limited to: *short term shelter; emergency food services; emergency heat assistance; other emergency services.*

Removal of Bonus Points

The Allocation Committee writes a letter to the City Manager each year outlining their recommendations based on scoring. In addition, the Committee will often provide insight in to what made the process difficult from year to year. The 2014-2015 Allocation Committee recommended that bonus points be removed from Social Service applications and that location

determine bonus points for development activities. Excerpts from the letter are highlighted below.

- **Allocation Committee Letter**

BONUS POINTS

Social Services

The Committee discussed the bonus points that were awarded this year to both Childcare and Basic Needs. According to the application Basic Needs is defined as “programs that respond to an acute need where no other options exist and such a response is temporary in nature.” The Committee feels that this definition is so broad that it removes the Committee’s discretion to effectively score applications. Nine (9) of the fourteen (14) social service applications qualified to receive an additional three (3) bonus points (8 for basic needs and 1 for childcare). Three bonus points makes a significant impact on the resulting scores when the difference between receiving funding and not receiving funding falls to a tenth or one-hundredth of a point. If Basic Needs, or any Priority Impact Area, receives three (3) additional bonus points it effectively ensures that those applications have a high likelihood of being funded, while other highly needed applications are at a significant disadvantage. Seven (7) of the eight (8) applications being recommended for funding by the committee (based on score) received Basic Needs or Childcare bonus points. Only one applicant who received the bonus points did not receive a recommendation for funding.

The Committee recommends that there be NO bonus points for social service applications for next year.

Development Activities

This is the first year that Development Activity applications received the same bonus points as Social Service applicants, for Basic Needs and Childcare. Five applicants received additional bonus points. The Committee feels strongly that these types of bonus points should not apply to Development Activity applications.

The Committee recommends limiting bonus points to location only for Development Activity applications, where the location compliments a larger City initiative.

The City Manager responded to the Allocation Committee and ultimately left the bonus points in place.

The issue of bonus points were raised again to the City Council in October of 2015, prior to the release of the 2015-2016 application. The Housing Committee recommended to the council remove bonus points due to the issues raised by the Allocation Committee in their 2014 letter to the City Manager. The Council approved the removal of bonus points.

Current use of Points

Currently, the application states activities that are priority and high priority under each City goal. If an application is performing a high priority activity they will receive 11 points in the priority impact category on the scorecard, priority activities will receive 7 points in the priority impact category on the scorecard. *(Sample scorecards are on the next page)*

SAMPLE SCORE CARDS

SOCIAL SERVICE SAMPLE	Organization Name		Program Name	Funding Request
Category	<i>Suggested Distribution</i>		Score	Scorer Comments
Goal/ Priority Impact/ Community Need (total = 33 possible points)	<i>Goal</i>	12		
	<i>Priority Impact Level (11 or 7)</i>	<i>Set at 11 or 7</i>	11	
	<i>Community Need</i>	10		
	<i>Subtotal</i>		11	
Guiding Principles (total = 30 points)	<i>Measurable Comm Impact</i>	11		
	<i>Diversity & Inclusiveness</i>	9		
	<i>Priority to lower incomes</i>	9		
	<i>Consistent w City Goals</i>	1		
	<i>Subtotal</i>		0	
Capacity to Deliver (total = 25 points)	<i>Financial Need</i>	6		
	<i>Leveraged Funds</i>	8		
	<i>Exp. Providing Service</i>	4		
	<i>Readiness to Proceed</i>	4		
	<i>Financial Stability</i>	3		
<i>Subtotal</i>		0		
Partnership/ Collaboration/ Outreach				
	<i>No letter of support of MOU</i>	<i>max 0</i>	0	
	<i>Subtotal</i>		0	
TOTAL			11	

CONSTRUCTION SAMPLE	Organization Name		Project Name	Funding Request
Category	Suggested Distribution		Scorer Comments	
Goal/ Priority Impact/ Community Need (total = 33 possible points)	Goal	12		
	Priority Impact Level (11 or 7)	Set at 11	11	
	Community Need	10		
	Subtotal		11	
Guiding Principles (total = 30 points)	Measurable Comm Impact	10		
	Diversity & Inclusiveness	6		
	Priority to lower incomes	4		
	Consistent w City Goals	1		
	Location	4		
	Sustainability	5		
	Subtotal		0	
Capacity to Deliver (total = 25 points)	Financial Need	3		
	Leveraged Funds	6		
	Exp. Providing Service	5		
	Readiness to Proceed	8		
	Financial Stability	3		
	Subtotal			
Partnership/ Collaboration/ Outreach				
	Letter of Support	max 9		
	Subtotal		0	
TOTAL		11		

APPLICATION SECTIONS

SUBMISSION GUIDELINES

All applications must follow the formatting described below or be subject to penalty points:

- Separate applications for each program requesting funds shall be submitted;
- Applications must be typewritten;
- White 8 ½ x 11" paper; with 1" margins;
- Text must be Times New Roman 12pt for the narrative, single spaced with double spacing between paragraph, the Summary and Worksheet may use Times New Roman 11 pt;
- All sections and narrative questions must be labeled, page numbering is encouraged;

- f. Maps and larger sections must be shrunk to fit onto an 8 ½ x 11” paper;
- g. The check list provided must be completed and submitted with the application;
- h. Page limits listed on the check list must be followed, additional pages may not be forwarded to the Committee for review;
- i. Required and supporting documents shall be labeled and placed in an appendix. Extraneous information will not be considered;
- j. Required documents must be attached:

Non-profit applications: verification of 501(c)3 status; agency organizational chart; most recent agency operating budget; most recent audit or if not available the most recent 990 financial statement.

- k. Supporting Documents (subject to scoring)
 - i. Memorandum of Agreement: describes the relationship between partner entities for this application, including specific details concerning the allocation of funds, shared goals, objectives, space, employees, and other resources. If awarded funds, the MOA will be attached to your contract.
 - a. Memorandum of Agreement: describes the relationship between partner entities for this application, including specific details concerning the allocation of funds, shared goals, objectives, space, employees, and other resources. If awarded funds, the MOA will be attached to your contract.
 - b. Letter of Support: describes relationship between applicant and the entity writing the letter and the reason for support, including impacts the applicant has on the community, strength and benefits of partnerships established with other organizations, etc.
 - c. These documents should be specific about how the organizations service is enhanced through the collaboration. In addition, the document should describe where the service and collaborator fits on the “continuum of care”.
 - ii. Letter of Support: describes relationship between applicant and the entity writing the letter and the reason for support, including impacts the applicant has on the community, strength and benefits of partnerships established with other organizations, etc.
 - iii. Project Timeline: describes when the program will occur with specific dates and times
- l. One (1) original printed version of the application with original signatures **plus** one (1) full electronic version, submitted via email, USB drive, or CD;
- m. All applications shall be complete, approved, and signed by the owner, the Board of Directors, or the Executive Director authorized by the Board.

PENALTY	POINTS DEDUCTED
Missing section/s	1 point deducted per item
Failing to follow Submission Guidelines , section I.C.3 (including but not limited to: application not typed, page limits, max/min request amounts, etc)	0.25 point deducted per instance
Errors (e.g. in budget calculation)	0.25 points deducted per instance

TASK FORCE ACTION

The Task Force can choose to change the point difference between priority and high priority activities, the activities that go into these categories will be decided on next month after the survey closes. In addition, the task force can choose to decrease, increase, or remove penalty points.