

South Portland City Council
Position Paper of the City Manager

Subject:

ORDER #125-13/14 - Authorizing the City Manager to submit the FY 2014/2015 Community Development Block Grant Annual Action Plan to the Cumberland County Community Development Program. Passage requires majority vote.

Position:

Entering into its eighth year as part of the Cumberland County Community Development Block Grant Program, the South Portland Community Development Block Grant Program (CDBG) continues to receive a set-aside allocation of Community Development Block Grant funds from the U.S. Dept. of Housing and Urban Development (HUD). This set-aside equals 23% of the funding the City of Portland receives in CDBG funds each year. For FY 2014-15, South Portland's grant will be \$417,583. In order for the funding to be approved, the City must submit and adopt the Annual Action Plan (annual budget) showing how funds will be allocated. The attached reflects plans for the next fiscal year.

On November 26, 2013, applications were made available to the public and City Departments through the City's Community Development Office. The application period closed on January 17, 2014, and on March 13, 2014 the Community Development Advisory Committee (CDAC) held a public hearing to provide a forum for applicants to address the Committee and further explain their requests. On March 20, 2014, the CDAC reviewed the applications and made their recommendations.

The public service portion of the City's program is highly competitive, and the 2014/15 requests from applicants far exceeded the available 15% cap space. The County program will also be using its entire public service cap, so the City is therefore limited to a total of \$62,637 for this portion of the program. The balance of the CDBG Program budget has been allocated to public infrastructure and facilities improvements, emergency housing rehabilitation, and program administration. The Plan outlines the services and projects to be funded. Once adopted by the South Portland City Council, Cumberland County will be responsible for submitting the City's Plan as part of the County's Annual Plan by May 15, 2014.

Requested Action:

Council passage of ORDER #125-13/14.



City Manager



CITY OF SOUTH PORTLAND

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Mayor

JAMES H. GAILEY
City Manager

SUSAN M. MOONEY
City Clerk

SALLY J. DAGGETT
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District Four
LINDA C. COHEN

District Five
GERARD A. JALBERT

At Large
MAXINE R. BEECHER

At Large
THOMAS E. BLAKE

IN CITY COUNCIL

ORDER #125-13/14

ORDERED, that the City Manager be and hereby is authorized to submit the South Portland Community Development Block Grant Annual Action Plan for FY 2014/15 to the County of Cumberland as authorized and submitted by the Community Development Advisory Committee.

Fiscal Note: \$417,583 Revenue

Dated: April 7, 2014

CITY OF SOUTH PORTLAND
ANNUAL ACTION PLAN
JULY 1, 2014 THROUGH JUNE 30, 2015

SUMMARY OF ACTION PLAN DEVELOPMENT AND CITIZEN PARTICIPATION

The planning process for the FY 2014-2015 Action Plan started with scheduling activities and deadlines for completing the process for submission to the Cumberland County CDBG Program, which submits its Annual Action Plan to the Department of Housing and Urban Development (HUD) on or before May 15, 2014.

- On November 26, 2013, the City of South Portland released the applications for FY 2014-15 funding. All applications were due at the Community Development Office on January 17, 2014.
- On March 13, 2014, the Community Development Advisory Committee (CDAC) held a public hearing for all potential applicants to present their proposals to the CDAC. This provided a forum for discussion between the applicants and the CDAC concerning the former's proposals.
- On March 20, 2014, the CDAC reviewed all applications and developed funding recommendations.
- On April 7, 2014, the South Portland City Council will conduct a public hearing on the proposed FY 2014-15 budget, and authorize the CDBG Program Manager to submit the FY 2014-15 Annual Action Plan to the Cumberland County Commissioners for their review and approval, and eventual submittal to HUD in May 2014.
- All meetings were open to the public.

PRIORITY FOR ALLOCATING INVESTMENT GEOGRAPHICALLY

FY 2014-15 will be the City's eighth year of funding under the Cumberland County CDBG Program. The applications for 2014-15 program funds received are directed towards projects that provide a broad range of services and programs in the community, and are located in the City's income-eligible Census Block areas. The City will be investing funds heavily in locations known as "target areas," where at least 51%¹ of the households in the Census Block are at or below the area median income, based on household size. Of the \$417,583 (minus administration costs)

¹ A variance was granted from HUD in 2005 to allow the City to service 2 additional Census Block groups with greater than 43% LMI populations.

awarded this year to the City, most public infrastructure and facilities funds will be spent directly in these “target areas,” and all public service programs will serve at least 51% low/moderate income (LMI) beneficiaries.

The City of South Portland is a participating community in the Cumberland County HOME Consortium, which is administered by the City of Portland. The HOME Consortium is a housing partnership between the City of Portland and the communities of Cumberland County. The Consortium’s focus is to provide decent, safe and affordable housing for low and moderate income residents across Cumberland County. The HOME Consortium offers housing programs to assist Cumberland County homeowners to renovate their homes and apartments, and assist developers, both non-profit and for-profit, to build new affordable rental housing in Cumberland County.

As a result of the City’s participation in the HOME Consortium, LMI South Portland residents can now apply for a greater level of housing rehabilitation than could be done with only City CDBG funds. The HOME Consortium also provides funding opportunities for new construction, which is an activity not eligible for CDBG funding. Access to these HOME funds allows the City CDBG program to focus and target the limited amount of available funds for housing activities on the most urgent cases in the City, which are typically those seeking emergency housing rehabilitation such as emergency furnace repair or replacement.

BASIS FOR ASSIGNING PRIORITY

The City of South Portland CDBG program initially established City-specific community development priorities through the planning process for the 2004-2007 Consolidated Plan for HUD. After rescinding its status as an entitlement jurisdiction and becoming a set-aside in the Cumberland County program, the City participated in the development of the County’s 2007-2011 and 2012-2016 Consolidated Plans. As part of this most recent Consolidated Planning process, the City identified current and ongoing needs, priorities, and goals for the community. The County Consolidated Plan also identified regional and County-wide priorities.

The City of South Portland CDBG program, with the invaluable guidance of the Community Development Advisory Committee (CDAC), has developed a yearly Annual Action Plan, which outlines CDBG program year activities and how these activities will meet the City program’s short and long-term goals. This Annual Action Plan outlines the projects to be funded in 2014-15, all of which meet specific goals identified by the City in the 2012-2016 Cumberland County Consolidated Plan.

Recent cuts at the State and Federal level were a driving force behind many of the funding recommendations made in this particular Annual Action Plan for FY 2014-15, as was the funding of services which address the basic, unmet needs of people in poverty, such as food and fuel.

The City's Fuel Assistance program has seen an increase in the amount of assistance requested in recent years, but has lost resources due to Federal and state cuts to heating assistance programs, particularly the Low Income Heating Application Program (LIHEAP). Recognizing this, the CDAC chose to consider heating assistance funding a high priority in 2014-15. Cuts to food stamp programs and compelling reports from applicants on area hunger also motivated the CDAC to fund the South Portland Food Cupboard and Meals-on-Wheels programs, which both provide food to hundreds of South Portland residents a year.

This program year, the CDAC again identified activities with a great deal of positive momentum in the community—particularly those which have had success for the LMI in the struggling Redbank neighborhood—as high priority for continued or increased funding.

SOURCE OF FUNDS

The City of South Portland relinquished its entitlement status on July 1st, 2008, in order for Cumberland County to become an entitlement under HUD's CDBG program. The move continues to be successful for both parties, with South Portland receiving approximately 23% of the value of the total allocation to the City of Portland per agreement with Cumberland County. South Portland's allocation is taken out of Cumberland County's entitlement funding and is subject to the required caps of the CDBG program.

The funding decisions made in FY 2014-15 have been greatly impacted by Federal funding reductions. The City's final HUD allocation reflected a 2% decrease in funding, which made the decisions of the CDAC even more difficult than in prior years. The final FY 2014-15 allocation was \$417,583.

**** FY 2014-15 CDBG Funds from Cumberland County: \$ 417,583****

STATEMENT OF SPECIFIC ANNUAL OBJECTIVES

Staff developed the Annual Action Plan FY 2014-15 with the assistance of the Community Development Advisory Committee (CDAC). Over the process of developing the Plan, staff and the CDAC conducted public hearings providing for citizen, non-profit and business input. The City's Annual Action Plan is the result of this ongoing public process, and describes the priorities the CDAC used to allocate funds to activities. The Annual Action Plan also provides descriptions of goals, priorities, strategies, and proposed accomplishments.

FY 2014-15 ANNUAL ACTION PLAN

South Portland will receive a total set-aside grant allocation of \$417,583 from the Community Development Block Grant program. The City also anticipates utilizing an additional \$116,267 of unallocated funds. The total City FY 2014-15 budget is therefore **\$533,850**.

As in past years, the FY 2014-15 CDBG Program calls for an emphasis on public improvement programs. Target areas will experience public infrastructure and facilities improvements—a large-scale sidewalk project is slated for Waterman Drive, and additional “target area sidewalks” will be improved on Broadway and in the Redbank neighborhood. ADA-accessibility projects will also be completed in Thomas Knight Park, and at the South Portland Recreation Center. The final phase of improvements at Mill Creek Park will also occur.

The City CDBG Program continued to see a large, competitive applicant pool come from the public service sector for FY 2014-15. There were two “new” applicants from public service this year, one of which has been recommended for partial funding. All 2014-15 public service allocations made will allow for the expansion and improvement of local public service activities.

Housing Strategies -

The following housing priorities for the City have been developed through multiple strategic planning processes. While the funding and project implementation of most 2014-15 housing projects will be through the HOME program, these strategies still remain. In addition, the South Portland Housing Authority will continue to be in contact with the City regarding the completion of a 2009 housing program funded with a Neighborhood Stabilization Program (NSP) grant.

The priority housing needs identified in the planning process for the 2012-2016 Consolidated Plan are:

- Housing rehabilitation;
- Housing weatherization and energy efficiency;

- Heating system replacements;
- Emergency repairs; and
- Infrastructure to support affordable housing.

Public Service Strategies –

The following priorities were identified through the 2012 South Portland Community Needs Assessment study and 2012-2016 Consolidated Planning process.

High priorities are:

- Promotion of senior outreach and increased senior services;
- Increased transportation services;
- Affordable childcare;
- Affordable inoculation/dental/eyewear services;
- Domestic violence prevention programs and services for battered/abused spouses; and
- Subsidized City/non-profit recreation programming for after-school and summer.

Medium priorities are:

- Support services that provide independent living/literacy/financial capability and security;
- Transition homes and shelters; and
- Increased services to the handicapped.

Economic Opportunities Strategies –

High economic opportunity priorities are:

- Loans/deferred loans/grants to small businesses retaining or creating new jobs;
- Youth training programs; and
- Support of employment training and technical assistance.

Medium economic opportunity priorities are:

- Assist businesses to expand or relocate to South Portland;
- Building façade improvements;
- Assist business expansion within the City; and
- Infrastructure development.

Public Infrastructure/Facilities –

High public facilities and infrastructure priorities are:

- Sidewalk rehabilitation;
- Streetscape improvements;
- Playgrounds and recreational open space;
- Acquisition of water access; and
- Transportation enhancements.

FEDERAL CAPS ON PROGRAMS

HUD requires a 15% cap on the Public Services category. Administrative and Planning expenses of the Program are lumped together under a 20% cap of the total allocation. The City strives to reduce administrative expenditures in an effort to allocate as much of the total CDBG budget to meaningful projects as possible.

BENEFITS TO LOW AND MODERATE INCOME (LMI) HOUSEHOLDS

All of the projects selected for funding this fiscal year will target and benefit LMI households or clients. Public infrastructure projects for FY 2014-15 are located in target areas, which are predominately LMI, or benefit HUD target populations (such as the disabled). Public service projects funded in FY 2014-15 serve at least 51% LMI individuals or households, and many service “presumed benefit” groups, such as the elderly and battered spouses, which are groups assumed by HUD to all be low, very low, or extremely low income. The funded public service activities will provide new and improved access to important services for the LMI. The public improvement projects funded in 2014-15 will increase pedestrian safety and accessibility in LMI neighborhoods and at public facilities, and enhance recreation opportunities.

COORDINATION OF ANNUAL PLAN

South Portland will be the primary coordinator for a majority of the strategies identified. The Community Development Block Grant Program staff is committed to establishing and maintaining relationships with organizations that provide the services. Due to the size of South Portland’s 2014-15 allocation, South Portland will continue to look for collaborations with local governments, non-profits, and housing agencies to further stretch the funding.

MONITORING

The Community Development Office will be responsible for the on-going progress made by CDBG activities towards implementing Consolidated Plan strategies and reaching proposed accomplishments.

The Consolidated Annual Performance and Evaluation Report (CAPER) will be used to evaluate the program's annual progress. Each year, the CAPER will compare the specific accomplishments of each project to the accomplishments initially proposed. In addition, the City will work with the County CDBG program to ensure successful program implementation and compliance with all federal regulations.

TIMELINESS

While functioning independently as a "set-aside" community, the City of South Portland falls under the Cumberland County Entitlement Program requirements. However, although South Portland has to do its part to ensure funding is spent down appropriately and in a timely manner, the County has the ultimate responsibility of meeting the timeliness requirement program-wide.

FAIR HOUSING

During FY 2005-2006, South Portland developed an Analysis of Impediments to Fair Housing report which examined fair housing issues within the City. The Cumberland County Community Development Office created a new Analysis of Impediments to Fair Housing Choice study in 2010, which examined fair housing choice issues in all 25 participating Cumberland County towns and included the issues specifically identified by South Portland. Fair housing issues in the City continue to be monitored with the assistance of the South Portland Housing Authority.

PROPOSED CDBG BUDGET 2014-15

CDBG GRANT APPLICATIONS	<u>2013-14 Funded</u>	<u>2014-15 Requested</u>	<u>2014-15 CDAC Recommended</u>	<u>Recommended to City Council</u>
<u>PUBLIC SERVICE – 15% Cap</u>				
Community Counseling Center--TIP	\$4,900	\$5,000	\$0	\$0
Family Crisis Services--EPIC	\$4,900	\$10,000	\$5,000	\$5,000
Skillin Elementary School PTA	\$4,900	\$5,412	\$5,037	\$5,037
Redbank Hub - Personnel	\$15,000	\$16,156	\$15,000	\$15,000
Fuel Assistance (S. P. GA)	\$13,000	\$18,000	\$10,500	\$10,500
Recreation Scholarships	\$9,900	\$10,000	\$6,000	\$6,000
S. Portland Bus Pass Program	\$4,100	\$6,000	\$3,600	\$3,600
S. Me. Agency on Aging	\$9,000	\$12,000	\$7,500	\$7,500
SPSD 21 Club Program	-	\$11,850	\$0	\$0
S. Portland Food Cupboard	-	<u>\$25,000</u>	<u>\$10,000</u>	<u>\$10,000</u>
SUB-TOTAL:	\$65,700	\$119,418	\$62,637	\$62,637
<u>HOUSING</u>				
Emergency Housing Rehabilitation	\$16,000	\$20,000	\$20,000	\$20,000
<u>PUBLIC IMPROVE/FACILITY</u>				
Mill Creek Park Phase IV	-	\$125,000	\$125,000	\$125,000
Target Area Streetscapes	\$210,179	\$117,966	\$236,213	\$236,213
Recreation Center ADA Lift	-	\$10,000	\$10,000	\$10,000
Thomas Knight Park ADA Access	-	<u>\$15,000</u>	<u>\$15,000</u>	<u>\$15,000</u>
SUB-TOTAL:	-	\$287,966	\$406,213	\$406,213
<u>PLANNING & ADMIN. – 20% Cap</u>				
Salary (Full & Part Time)	\$48,598	\$55,000	\$55,000	\$55,000
Administration	<u>\$10,050</u>	<u>\$10,000</u>	<u>\$10,000</u>	<u>\$10,000</u>
SUB-TOTAL:	\$58,648	\$65,000	\$65,000	\$65,000
PROGRAM YEAR TOTAL:	\$557,915	\$415,603	\$533,850	\$533,850

DESCRIPTION OF PROJECTS

The following is a description of how FY 2014-15 funds will be allocated to address the goals of the City of South Portland Community Development Program.

HOUSING

The City of South Portland CDBG Program has developed a housing program to provide heating system repair/replacement and single-family rehabilitation for income-qualified households in emergency situations. The City has \$20,000 in available funding to provide for this part of the program.

South Portland Emergency Housing Rehabilitation

This program will offer heating system repair/replacement and single-family home rehabilitation to low-income residents in immediate need. This program is designed to support 3 to 4 low-income households who might be facing a no-heat emergency or malfunctioning heating system.

Applicant Request:	\$ 20,000
Staff Recommended:	\$ 20,000
CDAC Recommended:	\$ 20,000

Matrix: 14A

Citation: 507.202

Benefit: 10 Households

ECONOMIC DEVELOPMENT

No applications were received under this category. The City of South Portland currently operates a municipal revolving loan fund directed to small business development and growth, which is funded predominately with Tax Increment Financing revenue and other non-CDBG sources.

PUBLIC SERVICES

The Public Service program provides funding to local public service activities that directly benefit citizens of South Portland. The funding provides for operating expenses, equipment and program materials. Programs funded in the past include adult/child recreation scholarships, after-school programs, handicap programs, and senior services.

The Department of Housing and Urban Development (HUD) caps public service programs to 15% of the County's entitlement funding. The City of South Portland shares this cap with the other communities in the Cumberland County program. The City is permitted to allocate \$62,637 for FY 2014-15 public services.

Family Crisis Services (EPIC)

Since October of 2009, Family Crisis Services (FCS) has been involved in a collaborative effort known as the Enhanced Police Intervention Collaboration (EPIC) with local police departments in South Portland, Portland, and Westbrook. As part of the EPIC program, FCS staffers accompany police on follow-up calls to victims of domestic abuse and help victims secure advocacy services and emergency shelter. FCS intends to serve 175 South Portland residents in 2014-15. Advocacy anticipated for individuals includes home visits, crisis hotline and sheltering cases, and assistance with court protection orders.

Applicant Request:	\$ 10,000
Staff Recommended:	\$ 5,000
CDAC Recommended:	\$ 5,000

Matrix: 05G

Citation: 570.201(e)

Benefit: 01 People

Skillin Elementary School PTA: Backpack Program

The Skillin Elementary School Backpack program will provide free food and snacks for children who participate in the free/reduced lunch program. This is a program that is designed by the PTA to supply food insecure children with healthy food and snacks in a discrete manner to ensure they are fed properly over the weekend and school breaks. The Skillin School guidance counselor keeps data on the number of students accessing the service. At the school, 51% of the student population currently qualifies for the free/reduced lunch program, which is an indicator of need for the program. This activity will provide weekend food for 22 families during the 2014-15 school year.

Applicant Request:	\$ 5,412
Staff Recommended:	\$ 5,000
CDAC Recommended:	\$ 5,037

Matrix: 05W

Citation: 570.201(e)

Benefit: 01 People

South Portland Food Cupboard

The South Portland Food Cupboard has provided nutritious food to up to 700 people per month in the City for over seventeen years. The Food Cupboard currently serves residents with incomes under 150% of Federal poverty guidelines. The Food Cupboard requested \$25,000 in CDBG to cover a portion of their operating costs, which have greatly increased due to an unexpected move. This activity will provide food for 300 households during the 2014-15 program year.

Applicant Request:	\$ 25,000
Staff Recommended:	\$ 12,000
CDAC Recommended:	\$ 10,000

Matrix: 05W

Citation: 570.201(e)

Benefit: 01 People

Redbank Neighborhood Resource Hub – Hub Personnel

This request provides partial funding for the staffing of the Resource Hub in the Redbank Neighborhood, with additional funding coming from Department of Health and Human Services. The Redbank neighborhood has one of the highest percentages of low/moderate income households in South Portland. The Hub director has created a number of new opportunities for neighborhood and community engagement in one of the most pressed neighborhoods in the city. The funding is for one staff person.

Applicant Request:	\$ 16,156
Staff Recommended:	\$ 15,000
CDAC Recommended:	\$ 15,000

Matrix: 05

Citation: 570.201(e)

Benefit: 01 People

South Portland General Assistance Dept: Fuel/Heating Assistance

The City of South Portland's heating assistance program has been administered since 2006. The program is considered an emergency relief program providing a resource to low-income residents in need of heating assistance. This program is designed to support low-income households that are normally able to meet their needs, but are in need of emergency assistance due to unexpected circumstance(s). The FY 2014-15 program is projected to provide at least 30 clients with one-time heating assistance.

Applicant Request:	\$ 18,000
Staff Recommended:	\$ 10,000
CDAC Recommended:	\$ 10,500

Matrix: 05Q

Citation: 570.201(e)

Benefit: 01 People

Recreation Scholarships

This program provides funding for recreation scholarships to benefit South Portland children, adults, and seniors who want to participate in a recreation program but may not have the means to do so. In FY 2012-2013, 15 full or partial recreation scholarships were awarded to income-qualified children for \$5,000.

Applicant Request:	\$ 10,000
Staff Recommended:	\$ 5,000
CDAC Recommended:	\$ 6,000

Matrix: 05D

Citation: 570.201(e)

Benefit: 01 People

South Portland Transportation Department – Bus Passes

The South Portland Bus Service requested funding of \$6,000 to provide free 10-ride bus passes to help low income residents needing transportation to work, medical appointments, and school and shopping. In 2012, a linkage with the METRO system was established so that additional passes can be provided to ensure residents' access to services, employment, and educational opportunities outside the City's transit system. Over 300 10-ride tickets are expected to be distributed to low- and moderate-income residents through this program in FY 2014-15.

Applicant Request: \$ 6,000
Staff Recommended: \$ 3,600
CDAC Recommended: \$ 3,600

Matrix: 05E

Citation: 570.201(e)

Benefit: 01 People

Southern Maine Agency on Aging

The Southern Maine Agency on Aging is requesting funding to provide for the delivery of meals (“Meals on Wheels”) to approximately 120 homebound elderly residents of South Portland, with approximately 13,000 anticipated to be served.

Applicant Request: \$ 12,000
Staff Recommended: \$ 7,000
CDAC Recommended: \$ 7,500

Matrix: 05A

Citation: 570.201(e)

Benefit: 01 People

PUBLIC INFRASTRUCTURE/IMPROVEMENTS

A main focus of the CDAC has been the promotion of the CDBG Program through the use of public infrastructure and facilities improvements; particularly, for projects to be funded that would be visible and impact a wide percentage of the population. The CDBG program also allows the City to better afford these public improvements by using CDBG funds to expand and match state and local funds.

Target Area Streetscapes (Waterman Drive)

This project will consist of rehabilitation, reconstruction, and reconfiguration of damaged sidewalks and parking areas along Waterman Drive, which stretches through eligible Census Block 32-3. The sidewalk rehabilitation is to fix broken and damaged sidewalks, as well as the provision of handicapped accessible “tip downs” which are needed at a number of intersections. Additional sidewalk replacement will occur in other low-income target areas if funds allow.

Applicant Request: \$ 117,966
Staff Recommended: \$ 236,213
CDAC Recommended: \$ 236,213

Matrix: 03L

Citation: 570.201(c)

Benefit: 01 People

Mill Creek Park Improvements, Phase IV

The South Portland Parks and Recreation Department has commissioned a redevelopment and rehabilitation project for a vacant lot adjacent to the Redbank Community Center, which serves the residents of Mill Creek and Knightville. The proposed improvements, which consist of electrical improvements, pond wall reconstruction, and landscaping, will help create an aesthetically-pleasing and pedestrian friendly recreational space for the residents of the area.

Applicant Request:	\$ 125,000
Staff Recommended:	\$ 125,000
CDAC Recommended:	\$ 125,000

Matrix: 03F

Citation: 570.201(c)

Benefit: 11 Public Facilities

Thomas Knight Park ADA Path

The South Portland Parks and Recreation Department will resurface an existing pathway in Thomas Knight Park, which currently serves the residents of Census Tract/Block # 32-3. The proposed improvements, which involve leveling and paving the path and connecting it to existing sidewalks, will help create a recreation area for all disabled residents of South Portland by removing architectural barriers in the park.

Applicant Request:	\$ 15,000
Staff Recommended:	\$ 15,000
CDAC Recommended:	\$ 15,000

Matrix: 03

Citation: 570.201(k)

Benefit: 11 Facilities

Community Center ADA Pool Lift

The South Portland Parks and Recreation Department has requested funding for the purchase and installation of a Hoyer Pool Lift, which is necessary to allow the disabled to safely access the pool and hot tub facilities at the South Portland Community Center and to maintain ADA compliance by removing architectural barriers.

Applicant Request: \$ 10,000

Staff Recommended: \$ 10,000

CDAC Recommended: \$ 10,000

Matrix: 03

Citation: 570.201(k)

Benefit: 11 Facilities

ADMINISTRATION & PLANNING (Limited to 20% Cap):

PLANNING GRANTS

There are no proposed planning projects or grant requests pending for FY 2014-15.

GENERAL ADMINISTRATION

The general administration of the CDBG Program includes all expenses that are associated with running a program of this size. The CDBG Program budgets for telephone, utilities, supplies, travel, advertising, technology, and part-time/full-time positions. Each year, staff attempts to reduce overhead expenses. Excess funds that are not expended on administration costs are then reallocated to other eligible projects at a later date. The 2014-15 unused cap space for administration and planning has been allocated to other projects.

Staff Request: \$ 65,000

CDAC Recommended: \$ 65,000

Matrix: 21A

Citation: 570.206

Benefit: N/A

TIME PERIOD

South Portland continues to be included under the Cumberland County Consolidated Plan process. The Cumberland County Community Development Program has developed a five-year Consolidated Plan for 2012-2016. South Portland developed a City-specific plan for inclusion, which was adopted into the County's Plan process. The 2012-2016 Cumberland County Consolidated Plan is current through June 30, 2016. This FY 2014-15 Annual Action Plan addresses the budget for the CDBG program year beginning on July 1, 2014, and ending on June 30, 2015.

STRUCTURE TO CARRY OUT CONSOLIDATED PLAN

South Portland's Program works closely with the Cumberland County staff during the County's Consolidated Planning Process. The South Portland Community Development Program will be coordinated through the City's Executive Office. The Community Development staff is continuing to establish relationships with local agencies and organizations that provide services the CDBG Program can build upon. Collaboration is a necessity for the CDBG Program since there are limited funds for numerous services and activities. One of the primary goals of the CDBG Office is to build on existing programs and not duplicate services.

OBSTACLES TO MEETING UNDER-SERVED NEEDS

The obstacles the City faces to meeting under-served needs are purely financial. This proposed Annual Action Plan reflects almost \$120,000 in public service requests, which far exceeds the \$62,637 available for award. In the past, the South Portland City Council allocated funding to social service agencies in the Greater Portland area. This funding ended approximately seven years ago due to municipal budget constraints. The CDBG Program has attempted to fill this funding gap, and provide the public service sub-recipients a resource that would allow them to enhance or develop their programs. The agencies in Greater Portland all do an excellent job in servicing their clientele and have highly trained staff; but the problem of addressing under-served needs comes down to the amount of funding versus demand. With substantial cuts in State and Federal dollars and the greater reliance on CDBG, funding gaps are forming, with no large funding mechanism to close the gaps.

The CDBG Program is limited to only a 15% yearly allocation for public services. The small amount of available funds and the administration burden associated with CDBG has become a deterrent to applying for some public service agencies. Recognizing this, the City CDBG Staff

has worked to streamline the process, and Cumberland County has pursued avenues for lobbying for more funds in order to be able to keep funding necessary public services in the area.

Once an entitlement community and now under the County's entitlement program, the City is no longer allowed to apply for economic development funds through the State of Maine's CDBG Program. This results in loss of access to hundreds of thousands of dollars of funds that could go to a local business for expansion purposes. Though the larger business may not seek the CDBG funds, smaller businesses may not be so intimidated due to the local control of the CDBG Program. However, the majority of small business assistance is paid for from the City budget, freeing up space in the CDBG budget for other critical programs.

Staff time available to undertake CDBG Programs is also limited. The majority of the program implementation is handled by a part-time staff member in order to minimize Program Administration costs. By successfully minimizing administrative costs, the City program is able to reallocate funds to much-needed projects in current or future program years.

CONTINUUM OF CARE

There is currently no Continuum of Care plan or services in the City of South Portland. The City of Portland, a regional service center for Southern Maine, receives Emergency Solutions Grant funds (ESG) from HUD, and provides necessary services and resources to the area homeless population.

The City of South Portland, by establishing prioritized objectives, has identified a number of services that could be funded in hopes that the area homeless population decreases or experiences improved services. Since the year 2000, the City has worked with a private developer to develop upwards of 280 new affordable units in the Redbank neighborhood (Brick Hill Development) in order to increase the amount of affordable units available for rent or purchase by the LMI within the City. South Portland Housing Authority (SPHA) also provides low-cost housing to the LMI, elderly, and mentally ill within the City. The Cumberland County program, recognizing that the migration of the homeless to Portland is a County-wide issue, has also historically provided significant grants to The Opportunity Alliance, (a local community action non-profit), to provide regional homeless services.

HOMELESS AND OTHER SPECIAL POPULATIONS

In the City's 2004-2007 Consolidated Plan, emergency shelters, transition homes, and permanent housing were considered a need in the community. The tabulation was done as a region (Greater Portland) versus wholly within city limits. The City of South Portland currently does not have a homeless shelter within the city limits, as multiple local homeless shelters are located within the City of Portland. Those who find themselves homeless in the region often migrate to Portland in order to obtain the necessary public services (a shelter, soup kitchen, or job bank.)

The City of South Portland recognizes the need for more Greater Portland-region homeless shelters, but finds itself in a quandary due to lack of sufficient funds to provide the minimum services. Also, with the infrequent number of cases documented by the City's General Assistance Department, the need for a separate, fully-staffed shelter within the City has been determined to be low priority.

A wide variety of transitional housing is available in the City, however. The homes are owned and operated by private social service agencies or by foundations. The homes are varied to the type of clients they provide shelter. The CDBG Program continues to work with local agencies and foundations in enhancing the transitional housing within the City.

PUBLIC HOUSING NEEDS

Currently the South Portland Housing Authority (SPHA) owns and/or manages over 600 units of housing in South Portland. Of these 600 units, 346 are public housing for low-income elderly, handicapped, or disabled persons 18 years of age and over, or those that qualify as a family. The SPHA offers 3 main properties with 350 units for the elderly and handicapped or disabled, and 96 units of family housing consisting of two, three, and four-bedroom units located throughout the City.

In addition to the units they own and manage, SPHA also administers 389 Housing Choice Vouchers in the City and surrounding communities, which allows residents flexibility to live in the private market and have their rent subsidized by the Housing Authority. However, the SPHA does have an extensive waiting list for both their available units and for the Section 8 Housing Choice Voucher program. The large majority of those waiting are elderly and/or disabled.

The SPHA reopened their Section 8 waiting list briefly in April 2013, and has since unveiled a new system that allows potential renters of their units to apply online. This new online system allows SPHA to better collaborate with Westbrook Housing Authority and Portland Housing Authority to help local residents find vacant units, and this system may eventually go state-wide.

SPHA also continues to actively pursue new affordable housing developments in the City by applying for Low Income Housing Tax Credits.

Lastly, the SPHA continues to administer the Neighborhood Stabilization Program (NSP), an adjunct program that existed in recent program years. The Program utilized approximately \$800,000 to purchase, rehabilitate, and sell single family residences in South Portland which have been foreclosed upon and abandoned. The 2009 NSP grant has been fully utilized, but the SPHA anticipates continuing the program activities using the program income generated from the sale of the rehabilitated properties.

ANTI-POVERTY STRATEGY

Poverty in the South Portland area persists as a result of the slow economic recovery. With rising prices of fuel, food and material objects, the ever-increasing cost of living is often outpacing income growth for the City's LMI households.

Although the employment picture remains level, many households are still struggling economically. To get out of poverty, household income must increase. South Portland's anti-poverty strategy is to use CDBG funds to assist low-income families by eliminating the barriers that prevent them from working. The South Portland 2004-2007 Strategic Plan expressed the need for the expansion of services provided for job training and technical assistance, (both youth and adult), public transportation, affordable childcare, literacy programs, and the creation of affordable housing in the City. Many of these needs identified have or will be addressed with the strategic application of CDBG funds.

LEAD-BASED PAINT HAZARDS

Lead based paint hazards are primarily addressed through the City of Portland's Lead-Based Hazards Program, and through the Cumberland County HOME Consortium Program. However, any City CDBG-funded housing rehabilitation projects that disturb lead paint are subject to applicable Federal lead paint requirements for remediation. The Federal standards that apply to City CDBG projects vary by the level of hard costs involved. Unless otherwise exempt, all City rehabilitation projects are subject to Lead Safe Work Practices (24 CFR 35.930 (b)), Interim Controls or Standard Practices (24 CFR 35.930 (c)), or Abatement (24 CFR 35.930 (d)) regulations.