

Maine Office of Community Development  
2012  
Community Development Block Grant Program Rules  
Response to Comments

Comments were received from the following:

Tony Levesque, Town of Fort Fairfield  
Jennifer Peters, Sunrise County Economic Council  
Roxanne Jobe, Eastern Maine Development Corporation  
Judy East, Washington County Council of Governments  
Amy Landry, Androscoggin Valley Council of Governments  
Steve Levesque, Executive Director, Midcoast Regional Redevelopment Authority  
James Baillargeon, ACAP Senior Manager  
Michael D. Baran, Former Director, Office of Community Development

**Tony Levesque: Comment:** Regarding set asides, if you're going to continue to have them there are two that I point out. One is for the Alpha One Program, or the Critical Access Ramp Program which is considered successful and underfunded. They go through their money way too fast and you propose to take \$100,000 from them.

**Response:** The OCD had to plan for expected cuts to the 2012 Federal CDBG budget and plans to revisit this amount if additional funds become available.

**Comment:** One that is not successful because the funds have been removed from the Maine State Housing Authority is the Home Repair Network (HRN). Even the ACAP Director up here said it would be very unmanageable. You propose to increase HRN \$300,000 from last year. So you propose to take away money from a program that is successful and increase funding to a program that is floundering.

**Response:** The OCD strongly disagrees that the HRN is not successful. It is successful but underfunded as evidenced by the large numbers of people on waiting lists for these funds. Because MSHA did reduce funding for this program the OCD feels it is even more important to support the HRN with CDBG funds.

**Comment:** You've cut the Housing Assistance program severely. Everyone who participates in the workshops and MCDA come out in support of leaving housing alone because it's one of the only tools that we have at a local level to apply for.

**Response:** The OCD had to plan for expected cuts to the 2012 Federal CDBG budget and plans to revisit this amount if additional funds become available. The total funds for Housing were only reduced by \$300,000. Community Residents can access the HRN through the Community Action Agencies even though their community did not apply for or receive an HA award.

**Comment:** I'm not in support of removing the wage requirement in your economic programs. I think we have to at least have some threshold to create worthwhile jobs. If it is going to be used to break a tie, that's fine.

**Response:** The OCD feels that the Economic Development Program has been underutilized in part because of the existing wage requirements. The OCD has received strong support for this change.

**Jen Peters: Comment:** regarding the NPDG not being funded. There was Legislation passed this past year giving Maine Development Authorities the opportunity to act as a local development corporation for towns this program funding could actually be very helpful in different areas throughout the State.

**Response:** The OCD had to plan for expected cuts to the 2012 Federal CDBG budget and plans to revisit this amount if additional funds become available

**Roxanne Jobe: Comment:** I am pleased with the upcoming Development Program changes. The removal of the per capita income requirement is great. \$30,000 per job is great. My only question, if the max is \$200,000 and per job is \$30,000, you have to hire 7 people correct? So if the max was \$210,000 it would make the jobs and per job amount match up.

**Response:** The OCD agrees and will make the adjustment.

**Judy East: Comment:** Having no funding for Community Planning Grants is putting many LMI communities who need to update their comprehensive plans at a significant disadvantage in terms of getting their comp plans updated in order to be eligible for future CDBG funds. I would really like to see at least \$100,000 put into that program so that there can be some planning grants this year.

**Response:** The OCD had to plan for expected cuts to the 2012 Federal CDBG budget so it was necessary to prioritize programs that were deemed more critical. A community does not have to have an adopted consistent plan in order to be eligible to apply for CDBG funds in all circumstances.

**Amy Landry: Comment:** on the possibility of putting money back into the CPG program as it does help communities plan for future projects.

**Response:** The OCD had to plan for expected cuts to the 2012 Federal CDBG budget so it was necessary to prioritize programs that were deemed more critical.

**Steve Levesque: Comment:** We have reviewed the 2012 Proposed Statement for the State of Maine Community Development Block Grant Program and want to compliment the Department on developing a program that better balances the economic and community development needs of the communities and businesses in the State. Furthermore, we believe that the modifications to the economic development programs, including the application processes and timelines, will greatly enhance the ability of the Department and communities to react to economic development projects.

One modification we would recommend is for the Department to consider making direct economic development grants to State chartered base redevelopment agencies like Loring, Cutler, and MRRA. They would greatly enhance our collective ability to respond to business development proposals and help expedite the redevelopment process.

**Response: The State CDBG funds can only be awarded directly to Units of General Local Government. At this time HUD does not define State chartered base redevelopment agencies as Units of General Local Government.**

**James Baillargeon: Comment:** Aroostook County Action Program (ACAP) is pleased to see that DECD is committed to the Home Repair Network (HRN). It is critical that funding for this program remain at its highest level where other funding streams for home repair have diminished.

ACAP appreciates the continued support provided to housing repair and assistance through the Housing Assistance Grants and the Home Repair Network Program. The Home Repair Network helps to ensure support for households that are not fortunate to be one of the four communities funded through the annual competition. Many low income homeowners and an increasing elderly fixed income population rely on programs for assistance in completing home repairs they cannot afford. Given the decline in Maine Housing funding to support home repairs and the continued distress of housing, DECD's approach ensures a reliable level of support from which Community Action Agency's well trained staff can provide this valuable service on a regional basis. It is unfortunate that we are in a time where resources are becoming scarce when the needs continue to grow. Our repair waiting list of needy families continues to be a dismal reminder of need and diminishing funding support. Funding of this program by DECD ensures that the capacity to repair homes is in place to help meet this challenging task.

**Response: The OCD agrees with the comment.**

**Comment:** We acknowledge the limited funds and the need to set priorities, but appreciate that Community Planning Grants will receive funding should the allocation be sufficient. The program's track record of successful accomplishments year over year are proof of the mission and the flexibility needed to reach the objectives.

**Response: The OCD has not made the decision to fund the CPG program only to leave it as an eligible program. That decision will be made after the 2012 budget has been finalized.**

**Michael D. Baran: Comment:** I strongly oppose decreasing the Critical Access Ramp Program funding from \$300,000 to \$200,000 and would hope that additional funds will become available to augment this critical fund as these funds are targeted to very low-income, disabled and mostly elderly persons who represent the most vulnerable portion of our population.

**Response: The OCD agrees with the comment and will increase the funding for this program if additional funds become available.**

**Comment:** Given the uncertainty with funding for the 2012 CDBG program, I reluctantly support the other changes as set forth in this proposed budget. I also believe that unused funds from the Economic Development Program be allocated to community programs as the 2012 unfolds.

**Response: The OCD will have to reallocate any unused funds in all programs by the obligation deadline of 18 months from the date of the Grant Agreement with HUD.**

**Comment:** I support the new \$30,000 per job amount.

**Response: The OCD agrees with the comment.**

**Comment:** I strongly oppose removing the per capita income wage requirement and urge OCD to use the new wage requirements which were completed at the request of OCD in the spring of 2011 by Planning Decisions. These proposed rates were widely distributed to Regional Councils, development organizations and communities and received widespread support. These rates represent a fair wage for Maine workers and mark a significant improvement over the previous rates. Many Maine workers are struggling to make ends meet, often working two or more low-paying jobs and it is poor public policy not to have a fair benchmark in place which calls for a minimum wage for jobs being created using CDBG funds. The removal of the per capita income wage requirement is simply not good for low-income Mainers.

**Response:** The OCD feels that the Economic Development Program has been underutilized in part because of the existing wage requirements which meant that a limited amount of jobs were created for LMI persons. The OCD has received strong support for this change.

**Comment:** I strongly urge OCD drop the term "by invitation only" as the method by which Economic Development Programs will be accepted. There are no given criteria for this "invitation" process and OCD should instead use the same language set forth in the Letter of Intent sections of all other applicable CDBG programs.

**Response:** The Economic Development Program (EDP) does have a Letter of Intent requirement. Letters of Intent under EDP are due the 1<sup>st</sup> Friday of every month. Provided the Letter of Intent meets the program's threshold criteria the applicant would be invited to submit an application by a specified date outlined in their invitation letter.

**The Development Fund Program (DF) is not done "by invitation only". The DF program does not require the submission of a Letter of Intent but does require that a full application be submitted by the first Friday of each month in order to be considered for funding.**

**Comment:** I oppose removing the numerical analysis from the Economic Development Program Scoring Process. By leaving the scoring to be determined by the review team only as proposed there is no method of underwriting remaining. What will the OCD Legal Council have for review? I see absolutely nothing in the Proposed Statement which addresses this and as such, none can appear in the EDP application package. This process is weak.

**Response:** OCD will continue to utilize Maine Legal Associates, LLC, through a special services contract, to perform all underwriting for the Economic Development Program. The underwriter does not score EDP applications. The removal of the numerical analysis pertains to eliminating areas where a majority of the applications point total (55%) was based on information that the applicant had no control over. OCD felt the scoring of EDP applications should be aligned more similarly to other CDBG programs where the applicant's project is scored on its own merits. EDP applicants would have a possible 100 point total and the final application score would be a result of how the Review Team scored the application on its responses to the specific scoring criteria outlined in the application.