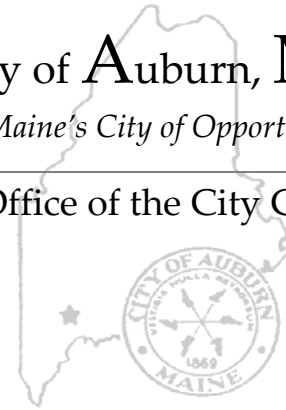


City of Auburn, Maine

"Maine's City of Opportunity"

Office of the City Clerk



Council Workshop Agenda Packet

March 10, 2008

This packet contains the City Council Workshop Agenda and supporting documents. The items in this packet are bookmarked in Adobe Acrobat .pdf format. You may need to click on the Bookmark tab on the left to open the Bookmark window. If you do not see a Bookmark tab on the left, you may need to select the Show/Hide Navigation Pane button in your icon toolbar above or update your version of the Adobe Reader. You can download the free Adobe Reader application at www.adobe.com.



**City Council Workshop
March 10, 2008**

**Agenda
5:30 p.m.**

5:00 p.m. – Dinner

5:30 p.m. – Workshop

- 1. Review of Community Development Block Grant Budget**
- 2. Discussion of Tax Increment Finance Districts
Re: Disbursement of Funds**

Executives Sessions: On occasion, the City Council discusses matters which are required or allowed by State law to be considered in executive session. Executive sessions are not open to the public. The matters that are discussed in executive session are required to be kept confidential until they become a matter of public discussion. In order to go into executive session, a Councilor must make a motion in public. The motion must be recorded, and 3/5 of the members of the Council must vote to go into executive session. An executive session is not required to be scheduled in advance as an agenda item, although when it is known at the time that the agenda is finalized, it will be listed on the agenda.

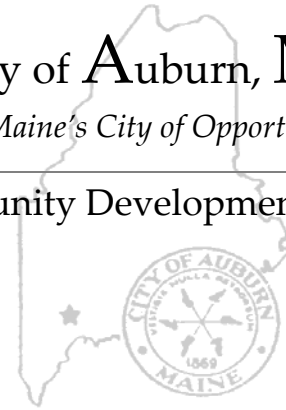
The only topics which may be discussed in executive session are those that fall within one of the categories set forth in Title 1 M.R.S.A. Section 405. Those applicable to municipal government are:

1. Discussion of personnel issues
2. Discussion or consideration of the condition, acquisition, or the use of real or personal property or economic development if premature disclosure of the information would prejudice the competitive or bargaining position of the body or agency.
3. Discussion of labor contracts and proposals and meetings between a public agency and its negotiators.
4. Consultations between a body or agency and its attorney
5. Discussion of information contained in records made, maintained or received by a body or agency when access by the general public to those records is prohibited by statute.
6. Discussion or approval of the content of examinations administered by a body or agency for licensing, permitting or employment purposes
7. Consultations between municipal officers and a code enforcement officer relating to enforcement matter pending in District Court.

City of Auburn, Maine

"Maine's City of Opportunity"

Community Development Program



TO: Laurie Smith, Interim City Manager

FROM: Roland Miller, Director of Economic and Community Development
Reine Mynahan, Community Development Administrator

RE: City Council/Staff Workshop – March 10, 2008
2007 Action Plan of the Community Development Program

DATE: March 6, 2008

Work is underway for adoption of the 2008 Action Plan of the Community Development Program. This is Auburn's 34th year of receiving Community Development Block Grant funds and the 7th year for the HOME consortium whereby the HOME Investment Partnerships Program grant is shared with the City of Lewiston.

Community Development staff is prepared to discuss with the Mayor and City Councilors potential projects that can be undertaken with Community Development and HOME funds at the March 10th workshop. The City Council will then determine the types of activities and funding levels for the 2008 program year.

The budget binder is organized as follows:

- Program Initiatives/Objectives;
- Summary of anticipated funding resources including program income, carryovers, and new grant for Community Development Block Grant Program;
- Detailed list of projected carryover and reprogrammed funds (current year funds);
- Summary of 2007 budget and proposed 2008 budget for allocating Community Development funds;
- Budget descriptions of CDBG activities and proposals, if any;
- Summary of anticipated funding resources including program income, carryovers, and new grant for HOME Investment Partnerships Program;
- Detailed list of projected carryovers and reprogrammed funds (current year funds);
- Summary of 2007 budget and proposed 2008 budget for allocating HOME funds;
- and
- Budget descriptions of HOME activities and proposals, if any.

ANTICIPATED RESOURCES: The first sheet of each section provides a summary of the resources available in each program—CDBG and HOME.

Program Income CDBG—As you can see, the amount of program income in the CDBG program has dropped from \$380,000 to \$301,200. This drop is due to a significant number of Rehab Program pre-payments in the past few years. As people have sold or refinanced their homes, loans that were producing monthly income are now paid in full. This has resulted in a high level of program income over the last few years, but for the future a significant reduction. **HOME**—There is a slight increase in program income for HOME. This is a relatively new program; consequently, the number of the loans in the HOME portfolio are now starting to produce a small stream of income.

Carryovers: CDBG— There is a dramatic reduction in carryovers and reprogrammed funds from prior years in the CDBG program. This is a healthy sign since it reflects that fact that budgeted projects are being completed. **HOME**—The carryovers in the HOME program are as expected. There will be a small amount left in both the Homebuyer and Homeowner Rehab Programs which means we have budgeted these funds appropriately based on demand. The significant amount of carryover in rental housing represents a commitment to projects that are much more complex to undertake and require multi-year funding. Our contribution to rental housing projects is only a portion of the financing needed to carry out a project. Developers are required to apply for other competitive funds, and success often comes after several tries. The federal requirements accommodate this lengthy process by giving communities 5 years to complete projects.

New Grant: Comparing the CDBG and HOME grants in 2007 and 2008 you will notice a drop in funding. **CDBG**—The greatest amount of grant we received was in 1980—\$802,000. From that point until 1993 the amount decreased each year. From 1993 until 2001 the grant increased each year. Since 2001 the grant has dropped from \$757,000 to the current amount, \$641,648. **HOME**—Our first HOME grant was in 2002. The highest level of HOME funding was \$642,992 in 2003. The funding level has been dropping each year since 2003 to the current amount, \$574,826.

PROJECTED CARRY OVERS AND REPROGRAMMED FUNDS: The second spreadsheet provides a summary of the financial status that is expected of each activity at the end of the fiscal year. There are two additional columns that demonstrate what will happen to these funds in the 2008 program year. These funds will either remain with that activity (carryover) or will be allocated to other projects (reprogrammed).

CDBG AND HOME FUND BUDGETS: The third spreadsheet for Community Development and HOME display last year's budget, then the proposed budget. The first column represents the 2007 budget, as amended, and the next column is the proposed 2008 budget.

Program income is dedicated to the particular revolving loan program that generates the income--Economic Stimulus, Commercial, Rehabilitation, Homebuyer and Homeowner Rehabilitation. The majority of this income is from the Rehabilitation Program. We propose redirecting the income from Down Payment Assistance to the Good Neighbor Start-up Program.

Funding has been allocated to support all social service requests with the exception of a reduction to the Auburn School Read 180 project at Washburn School.

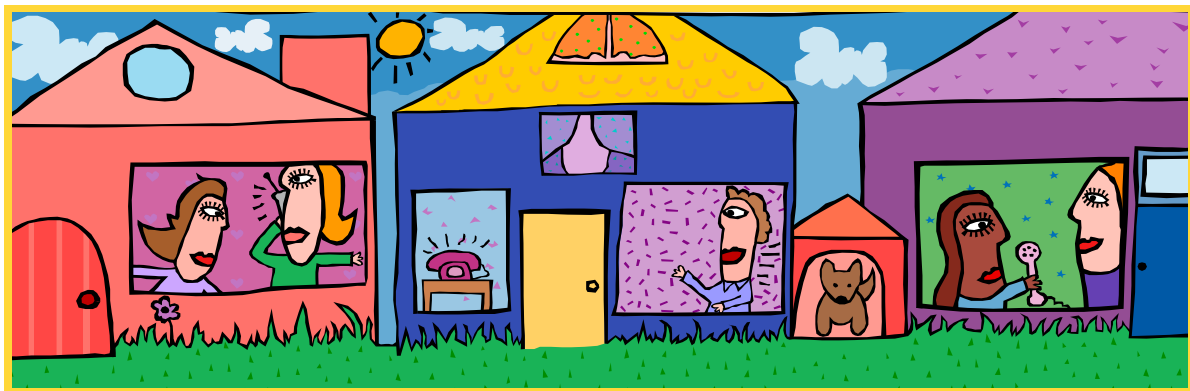
Addressing Poverty: According to the U. S. Census the number of low income people living in Auburn increased from 35% in 1990 to 40% in 2000. We believe the trend will continue. With this belief, we feel it is important to support agencies who address, in some manner, the issue of poverty—eliminating the barriers that prevent people from working or that assist people in gaining skills to make them more employable. We asked public service agencies to identify, in their proposals, how their services would help individuals/families to escape poverty or increase income. The narrative summary of each proposal contains a description of their approach.

Citizen’s Advisory Committee Review: The Citizen’s Advisory will meet on March 19 to review the proposed budget and provide comments. The minutes to the meeting will be submitted to the City Council with the final budget, or prior to that time if changes are proposed by the Committee.

The budget process for the Community Development Program will follow these federally prescribed dates.

<i>Date</i>	<i>Activity</i>
March 31-April 30	Public Comment Period
May 5	Public Hearing/Adoption by City Council
May 15	Submission of Action Plan to Department of Housing and Urban Development

COMMUNITY DEVELOPMENT PROGRAM 2008-09



MISSION

To make Auburn a better place to live by utilizing Community Development and HOME resources in a manner that provides high quality programs and projects to meet the needs of low income residents.

VISION FOR CHANGE

Improve conditions for low-income people, particularly those living in the Downtown, New Auburn and Union Street target areas, by

- improving the physical condition of the housing stock;
- encouraging homeownership;
- improving housing choice for renters;
- encouraging fair housing for all people; and
- promoting regional efforts to address homeless issues.

PROGRAM INITIATIVES

HOUSING

1. HOMEBUYER OBJECTIVE: Improve access to affordable owner-occupied housing

- Increase owner-occupancy in Downtown, New Auburn and Union Street target areas
- Build individual and family financial assets/wealth
- Increase neighborhood stability and individual responsibility
- Improve financial management skills

Approach: Provide loans to purchase a home, homebuyer counseling, encourage savings, and assist with re-establishment cost for new homebuyers

Proposed Accomplishments: 10 households

2. REHABILITATION OBJECTIVE: Improve the physical quality of housing

- Eliminate substandard housing conditions
- Improve or update long-term maintenance
- Make homes lead safe
- Decrease consumption of energy resources

Approach: Provide loans to rehabilitate owner-occupied and rental housing

Proposed Accomplishments: 60 units (15 of which will be energy improvements)

3. RENTAL OBJECTIVE: Increase the supply of affordable rental housing

- Increase the number of accessible rental units
- Expand inventory of rental units
- Increase housing choices for tenants
- Create rental units that meet current construction standard

Approach: Provide deferred loans to non-profit and for-profit developers that will encourage development of affordable rental housing

Proposed Accomplishments: 17 units

4. HOMELESS OBJECTIVE: Increase access to rental housing for homeless population

Approach: Offer security deposit assistance to place homeless people in housing as quickly as possible

Proposed Accomplishments: 28 households (combined Auburn and Lewiston)

Approach: Work with Lewiston-Auburn Alliance for Services to the Homeless to 1) identify strengths and weaknesses in the homeless service delivery system, 2) to define priorities, 3) to establish short-term and long-term strategies, goals and measurable benchmarks that will address homeless issues, and to establish a process for monitoring progress

Proposed Accomplishment: Develop a written plan to end homelessness

Approach: Provide deferred loans to non-profit and for-profit developers to encourage development of supportive housing

Proposed Accomplishments: 6 units

5. LEAD OBJECTIVE: Promote lead awareness and eliminate lead hazards

Approach: Increase understanding of the hazards of lead paint

Proposed Accomplishments: Provide educational materials to all tenants, contractors, and landlords who are involved in Community Development programs

Approach: Increase funding resources to address lead paint issues
Proposed Accomplishments: Apply for Lead Hazard Reduction grant to reduce lead hazards in residential buildings and Maine Lead Poisoning Prevention Fund grant to undertake education and awareness activities

6. AFFORDABLE HOUSING OBJECTIVE: Reduce barriers that impede the development of affordable housing

Approach: Work with Planning Department to encourage zoning that offers density bonuses for development of affordable housing
Proposed Accomplishment: Attend meetings to ensure that affordable housing is addressed in the City's Comprehensive Plan

Approach: Work with the Planning Department to identify areas within the building code that would provide flexible standards for the repair or rehabilitation of existing structures
Proposed Accomplishment: Investigate the adoption of a rehabilitation standard

LIVING ENVIRONMENT

1. PUBLIC FACILITIES/INFRASTRUCTURE OBJECTIVE: Improve quality of public improvements

Approach: Improve pedestrian travel routes.
Proposed Accomplishment: Rehabilitate 1 sidewalk

Approach: Encourage new development in target areas
Proposed Accomplishment: Create 93 additional parking spaces in the Downtown (Academy Street)

2. SOCIAL SERVICES OBJECTIVE: Increase access to public services

Approach: Offer grants to non-profit entities who provide services to Auburn's to improve the economic status of low-income residents

STAFF INITIATIVES

COLLABORATIVE EFFORTS: Establish and maintain relationships with organizations to broaden and strengthen the institutional

structure for Community Development efforts. This includes working with

- Lewiston Community Development Department issues that affect both cities including fair housing, homeless, and HOME Consortium initiatives
- Citizen's Advisory Committee to establish priorities and review progress
- Lewiston-Auburn Alliance for Services to the Homeless to better coordinate and advocate for services needed by the homeless
- Auburn Housing Development Corporation, the City's partner in implementing the City's Lease-Purchase Program
- Auburn Health & Welfare to deliver a comprehensive lead awareness education and screening program

CROSS TRAINING: Create an opportunity for each Community Development staff to learn more about one of the tasks or job functions performed by another team member.

HOMEBUYER EDUCATION: Create a post-purchase counseling program that will provide support for people assisted through our homebuyer program

PROGRAM GUIDELINES: Conduct evaluation of program guidelines to determine adequacy and appropriateness of guidelines

LEAD TRAINING: Attend training for Rehabilitation Coordinator to become a lead inspector

CREDIT COUNSELING DAY: Investigate partnership with local lender and other non-profits to create a one-day event to offer free credit reports and credit counseling to tenants in publicly assisted housing

**2008 FISCAL YEAR ANTICIPATED
RESOURCES
COMMUNITY DEVELOPMENT
PROGRAM**

Program Income	2007 BUDGET	2008 BUDGET
Economic Stimulus	\$7,000	\$6,700
Commercial	\$46,000	\$40,000
Rehabilitation	\$278,000	\$215,000
Downpayment Assistance		\$2,500
Miscellaneous	\$49,000	\$37,000
Subtotal Program Income	\$380,000	\$301,200
Reprogrammed Funds	\$385,514	\$91,457
Carry Forward	\$468,664	\$65,561
CDBG Grant	\$641,648	\$624,963
Subtotal Grant Funds	\$1,495,826	\$781,981
TOTAL FUNDS AVAILABLE	\$1,875,826	\$1,083,181

**COMMUNITY DEVELOPMENT PROJECTED CARRY OVERS AND
REPROGRAMMED FUNDS**

BUDGET 2008

<u>ACTIVITY</u>	2007 FUNDS PROJECTED YEAR END BALANCE	CARRY OVER TO 2008	UNEMCUMBERED/ REPROGRAMMED TO 2008
Economic Stimulus Loan Program	\$87,354	\$43,300	\$44,054
Commercial Loan Program	\$15,972	\$10,000	\$5,972
New Auburn Adapt	\$0	\$0	\$0
Rehabilitation Loan Program	\$0	\$0	\$0
Downpayment Assistance Loan Program	\$5,388	\$0	\$5,388

IDA Program	\$22,000	\$0	\$22,000
Good Neighbor Start-Up	\$6,906	\$6,906	\$0
Lead Testing & Clearance	\$5,355	\$5,355	\$0
Great Falls Elevator	\$0	\$0	\$0
High Street Lease/Buy Subsidy	\$0	\$0	\$0
Downtown Sidewalks	\$0	\$0	\$0
Union Street Basketball	\$0	\$0	\$0
Little Andy Park	\$0	\$0	\$0
Riverpark Site Improvements	\$0	\$0	\$0
Drummond Street Playground	\$3,237	\$0	\$3,237
Academy Street Design Services	\$0	\$0	\$0
Demolition of Public Buildings	\$500	\$0	\$500
Recreation Scholarships	\$0	\$0	\$0
Androscoggin Head Start & Child Care	\$0	\$0	\$0
Boys & Girls Club	\$0	\$0	\$0
Advocates for Children	\$0	\$0	\$0
Literacy Volunteers	\$0	\$0	\$0
CCI Home Buyer Education	\$0	\$0	\$0
Community Artisans Guild	\$4,250	\$0	\$4,250
LATC Buses	\$0	\$0	\$0
Auburn School Read 180	\$0	\$0	\$0
Abused Women's Advocacy Project	\$0	\$0	\$0
Fair Housing	\$2,500	\$0	\$2,500
Contingency	\$3,556		\$3,556
TOTAL	\$157,018	\$65,561	\$91,457

COMMUNITY DEVELOPMENT PROGRAM

BUDGET 2007 AND 2008

	2007	2008
PLANNING AND ADMNISTRATION		
PROGRAM ADMINISTRATION	160,000	141,000
HOUSING ADMINISTRATION	46,000	74,100
GOODS AND SERVICES	44,000	34,000
10-YEAR PLAN TO END HOMELESSNESS	0	10,000
ECONOMIC DEVELOPMENT		
ECONOMIC STIMULUS LOAN PROGRAM	137,763	50,000
COMMERCIAL LOAN PROGRAM *	138,394	50,000

AFFORDABLE HOUSING		
REHABILITATION LOAN PROGRAM *	453,000	290,000
DOWNPAYMENT ASSISTANCE **	0	0
LEAD TESTING/CLEARANCE/TRAINING	12,000	5,355
GOOD NEIGHBOR/HOME OWNER START-UP	10,507	13,406
SPECIAL PROJECTS/PROGRAMS		
DEMOLITION OF PUBLIC BUILDINGS	15,000	0
DEMOLITION LOAN PROGRAM	25,000	0
PUBLIC IMPROVEMENTS		
NEW AUBURN DOWNTOWN PLANNING	30,000	0
ACADEMY STREET PARKING LOT CONSTRUCTION	0	200,000
SIDEWALK IMPROVEMENTS	480,500	45,000
UNION STREET GULLY BASKETBALL COURT	97,000	0
DRUMMOND STREET PLAYGROUND	25,000	0
LITTLE ANDY PARK	0	0
CAPITAL/EQUIPMENT PURCHASES		
LATC/BUS REPLACEMENT	0	45,000
PUBLIC SERVICES		
ANDROSCOGGIN HEAD START/FAMILY ADVOCACY	8,445	8,698
AUBURN RECREATION DEPARTMENT/RECREATION SCHOLARSHIPS	42,000	21,000
LITERACY VOLUNTEERS OF ANDROSCOGGIN COUNTY/ADULT LITERACY	8,547	8,685
BOYS & GIRLS CLUB	15,000	20,000
COMMUNITY CONCEPTS, INC./HOME BUYER EDUCATION	5,000	5,000
ABUSED WOMEN'S ADVOCACY PROJECT/SOCIAL SERVICES	10,000	10,000
ADVOCATES FOR CHILDREN/WASHBURN RESOURCE CENTER	7,500	7,500
AUBURN SCHOOL	37,360	25,510
COMMUNITY ARTISANS GUILD/LEARNING/VOCATIONAL CENTER	10,000	0
IDA ACCOUNTS	22,000	0
FAIR HOUSING ACTIVITIES	4,000	0
CONTINGENCY	21,810	18,927
TOTAL BUDGET	1,865,826	1,083,181

* BUDGET INCLUDES RELOCATION

** Funds reprogrammed to Rehabilitation Program

COMMUNITY DEVELOPMENT BLOCK GRANT

2008 BUDGET

ACTIVITY: Program Administration

PROPOSED BUDGET: CDBG \$141,000

DESCRIPTION: *Salaries and Fringe Benefits*

Funds are used for administering and general oversight of Community Development Program. This includes all program activities that are not housing related.

ACTIVITY: Housing Administration

PROPOSED BUDGET: \$74,100

DESCRIPTION: *Salaries and Fringe Benefits*

Funds are used for administering the Rehabilitation and Good Neighbor Programs.

ACTIVITY: Goods and Services

PROPOSED BUDGET: \$34,000

DESCRIPTION: *Goods and Services to administer Community Development Program.*

The goods and services budget includes funds for training, travel, subscriptions, dues, advertisements, office supplies, special services, postage and mailings, computer and printer, audit, copying and printing, and accounting services.

ACTIVITY: 10-Year Plan to End Homelessness

PROPOSED BUDGET \$10,000

DESCRIPTION: *Funds will be used to cover the cost of professional services to assist with development of a plan to end homelessness.*

Committed to the belief that no one in our community should have to go without a place to call home, the cities of Auburn and Lewiston adopted a five-year Consolidated Plan which included several homeless strategies. One of these homeless strategies was to work on a plan to end homeless. This strategy is in recognition that to move beyond providing crisis-based services to the homeless, we need a long range vision and plan.

Each day there are families, single adults, and youth who have never experienced homelessness that lose their housing and find themselves in a shelter or on the streets. Factors contributing to homelessness are:

1. inadequate income to pay for rent;
2. certain adverse experiences during childhood or adolescence which increase the probability someone will experience homelessness; and
3. mental illness and/or substance abuse issues.

The homeless service delivery system is frequently in a reactive mode—trying to manage the crisis. This approach is not cost effective and does not prevent homelessness.

The Public Policy Committee of the Lewiston-Auburn Alliance for Services to the Homeless (LAASH) has been working on this strategy for the last six months. The Committee recognizes that in order for this planning effort to go forward, consulting services will be necessary. The Public Policy Committee of LAASH has requested \$10,000 from both Auburn and Lewiston to assist in conducting research, gathering data, conducting interviews, facilitating meetings, soliciting feedback from the communities, developing long-term and short-term strategies that address identified gaps in services, and writing a plan with measurable benchmarks.

ACTIVITY: Economic Stimulus Loan Program
Lewiston-Auburn Economic Growth Council

PROPOSED BUDGET: \$50,000

\$6,700	2008 Program Income
43,300	2007 Uncommitted Funds

DESCRIPTION: *Income from loan repayments is dedicated to the Economic Stimulus Loan Program.*

The objective of this program is to create new jobs in the community, primarily for low- income persons.

Funds that have been spent in past years provide an indication of demand for new resources. The loans under this program were as follows:

<u>Program Year</u>	<u>Amount of Loans</u>	<u># of Loans</u>
2003-04	0	0
2004-05	0	0
2005-06	0	0
2006-07	0	0
2007 to date	1	50,000

There are currently no applications in process.

ACTIVITY: Commercial Loan Program

PROPOSED BUDGET: \$50,000

\$40,000	2008 Program Income
10,000	2007 Uncommitted Funds

DESCRIPTION: *Income from unexpended balance and loan repayments will be used to re-capitalize the Commercial Loan Program.*

The objective of this program is to create new jobs in the community, primarily for low- and moderate-income persons, and eliminating blighting influences in target areas by providing businesses with a source of low interest financing to encourage commercial development.

Funds that have been spent in past years provide an indication of demand for new resources. The loans under this program were as follows:

<u>Program Year</u>	<u>Amount of Loans</u>	<u># of Loans</u>
2003-04	525,000	1
2004-05	15,000	1
2005-06	0	0
2006-07	0	0
2007 to date	1	5,500

There is one application in process for which \$100,000 has been reserved, and is expected to close in the current fiscal year.

ACTIVITY: Rehabilitation Loan Program

PROPOSED BUDGET: \$290,000

215,000 2008 Program Income
75,000 2007 Reprogrammed Funds

DESCRIPTION: *Income from loan repayments and reprogrammed funds will be used to re-capitalize the Rehabilitation Loan Program.*

The Rehabilitation Program is credited with maintaining and upgrading the quality of housing, particularly in targeted areas and assisting low-income property owners address their housing problems. The program also helps to increase or stabilize the tax base, provides an economic stimulus for contractors and suppliers, and prevents properties in the more densely populated areas from becoming a deteriorating influence in neighborhoods.

Funds that have been spent in the past provide an indication of demand for resources. Loans made were as follows:

Program Year	CDBG Commitments	# of units
2002-03	\$234,402	78
2003-04	\$751,649	148
2004-05	\$504,816	66
2005-06	\$226,965	45
2006-07	\$240,731	35
2007 to date	\$282,263	42

The Consolidated Plan goal is 40 units per year utilizing Community Development funds.

ACTIVITY: Lead Testing and Clearance

PROPOSED BUDGET: \$5,355

DESCRIPTION: *To provide funds to cover the costs of performing risk assessments and lead clearance costs for rehabilitation projects.*

All rehabilitation projects must now comply with strict Lead requirements to reduce the hazards caused by lead-based paint. One of the requirements imposed by Title X is that there must be an assessment of lead conditions and clearance testing of properties being rehabilitated with federal funds. A risk assessor must be a certified industrial hygienist, professional engineer, registered architect, or related scientific field, or have two years experience as a lead inspector. This work is currently subcontracted to Community Concepts. Recently, our Rehabilitation Coordinator, Hal Barter, became certified to perform clearances. The amount that we will need to be done by a consultant will be substantially lower next year.

ACTIVITY: Good Neighbor Start-up

PROPOSED BUDGET: \$13,406

\$6,906 2007 Uncommitted Funds
2,500 2007 Reprogrammed Funds (Downpayment Assistance)
4,000 2008 Allocation

DESCRIPTION: *To provide funds for assisting low-income households with housing start-up costs.*

In the summer of 2000, Auburn purchased several properties for \$1 from the U. S. Department of Housing and Urban Development under their Good Neighbor Program. In order to become eligible to purchase these dollar homes, Auburn was required to develop a plan for redevelopment of these homes and how proceeds would be used. The City Council adopted the Good Neighbor Policy whereby any income from the sales of these homes is dedicated to the Good Neighbor Program to assist low-income households who purchase a home in Auburn. The City purchased several properties, sold two and derived income of \$51,500.

The Good Neighbor Program offers \$1,000 grants to low-income households to cover start-up costs involved in getting established in a home. We expect the program funds will run out this year. The 2008 budget includes an additional \$6,500 from Community Development funds.

ACTIVITY: Academy Street Parking Lot Construction

PROPOSED BUDGET: \$200,000

DESCRIPTION: *Funds will be used to pay for materials for improvements to the 15 Academy Street property. Work is to be undertaken by the Public Works Department.*

The Academy Street parking lot will provide 93 parking spaces for the neighborhood, 4 of which will be handicap spaces. The construction estimate, if completed by a contractor, is \$288,000. The Public Works Department believes this will be a good project for their crew. By using the Public Works crew, the savings will be \$88,000. Construction is anticipated for the Fall 2008.

ACTIVITY: Sidewalk Improvement Project

PROPOSED BUDGET: \$45,000

JUSTIFICATION: *Funds will be used to upgrade the sidewalk on a portion of Roak Street beginning at Second Street.*

**ACTIVITY: Lewiston-Auburn Transit Committee
Bus Replacement**

PROPOSED BUDGET: \$45,000

JUSTIFICATION: *Funds will be used to purchase two buses for public transportation.*

LATC is requesting \$45,000 to replace two buses to ensure reliable public transportation. The majority of the riders of public transportation are of low income with 78% of the riders having income less than \$20,000, and 47% having less than \$10,000.

These funds will be matched with \$45,000 from the City of Lewiston, \$90,000 from Maine Department of Transportation, and \$720,000 from the Federal Transit Administration.

Addressing Poverty: *The availability of public transit provides low income families with an affordable means to get to and from employment, education and training opportunities. The cost to ride public transit is considerably less than taking a taxi or owning your own automobile.*

**ACTIVITY: Family Advocacy Services
Androscoggin Head Start and Child Care**

REQUEST: \$8,698

PROPOSED BUDGET: \$8,698

DESCRIPTION: *Funds will be used to provide a Social Service Advocate for families in the head start and child care programs.*

Services will be available to 159 economically disadvantaged children whose parents are working or in job training. The objectives of the social services are to assist families in meeting their basic needs, provide parent training, provide information and referrals, develop a strategy to maintain or attain economic independence, and provide crisis intervention.

In Program year 2006-07, they served 145 children and their families.

Addressing Poverty: *Androscoggin Head Start and Childcare provides both subsidized childcare and the social services to assist families in developing strategies to attain or maintain economic independence from State assistance. It is a "one-two punch" in the fight against poverty in our community.*

**ACTIVITY: Recreation Scholarships
Auburn Recreation Department**

REQUEST: \$21,000

PROPOSED BUDGET: \$21,000

DESCRIPTION: *Funds will be used to provide scholarships to extremely low and very low income households who participate in Auburn's recreation programs.*

The Recreation Department initiated registration fees to supplement the cost of programming. They maintain a policy that allows any child to participate regardless of their family's economic status. They have received an increasing number of requests for scholarship assistance. Their goal is to assist 75 children to participate in recreation programming.

Scholarships will be limited to pre-school children through secondary school level whose household income is less than 50% of Area Median Income.

The Recreation Department proposes a subsidy structure that requires a minor contribution, depending on income. Below is the proposed funding level based on three income levels:

% of Median Income	Proposed Funding Level
0-30% of Median Income	95% Funding
31-40% of Median Income	80% Funding
41-50% of Median Income	60% Funding

The proposed funding level requires a minimum contribution, 5% of the cost, for households whose income is less than 30% of median income. The objective is for the parents of participants to reflect upon whether or not their children will attend since the cost will no longer be free. The subsidy levels for households between 31-50% of Median Income will be greater under the proposed funding level.

In Program year 2006-07, they provided 55 scholarships to Auburn children.

Addressing Poverty: *By providing the opportunity for low to moderate-income children to participate in programs at very little cost, families are able to provide healthy recreation opportunities for their children with little impact on their budgets. With the physical and mental benefits of program participation, the families may not see an increase in income, but the health and well being of the children will most likely be improved. The benefits go beyond merely financial impacts, but address health and possibly medical issues for the family as well.*

ACTIVITY: Adult Literacy
Literacy Volunteers of America/Lewiston-Auburn

REQUEST: \$8,685

PROPOSED BUDGET: \$8,685

DESCRIPTION: *Funds will be used to cover operating costs for the Literacy Volunteers-Androscoggin.*

The Adult Literacy Program provides one-on-one tutoring for reading and writing. The program's purpose is to increase adult and family literacy by reducing the barriers to education. Literacy Volunteers prepares an educational plan which is linked to practical goals such as employment and parenting to help them use their skills to improve their lives. They utilize a "learner centered" approach to meet the unique needs of the adults who struggle with reading and writing. The program assists adults with developmental disabilities and individuals from other countries who have English literacy needs on a variety of levels.

In program year 2006-07, they served 194 persons, 90 whom where from Auburn.

Addressing Poverty: *Our specific purpose for this year's project will be to provide literacy instruction as it applies to helping low-literacy adults and immigrants gain the skills they need to obtain and keep a job, or to qualify for a better job.*

**ACTIVITY: Waterproofing and Exterior Masonry Improvements
Boys & Girls Club**

REQUEST: \$20,000

PROPOSED REQUEST: \$20,000

DESCRIPTION: Funds will be used to waterproof a portion of the exterior of the building at 43 Second Street. The Boys & Girls Club will contribute an amount not to exceed a project budget of \$40,000.

In Program year 2006-07, the Boys & Girls Club registered 305 individual members.

Addressing Poverty: *Not addressed in proposal.*

**ACTIVITY: Home Buyer Education and Financial Family Literacy Training
Community Concepts Inc.**

REQUEST: \$5,000

PROPOSED BUDGET: \$5,000

DESCRIPTION: *Funds will be used to provide home buyer education for persons who wish to purchase a home.*

Each customer who participates in Auburn's home ownership program is required to participate in homebuyer education. Community Concepts, Inc. offers a homebuyer education and financial literacy training program. The seminars educate potential home buyers on the advantages of home ownership, money management skills, preparing for home ownership, shopping for a home, obtaining a mortgage, home inspection services, hazards of lead-based paint, applying for a loan, understanding settlement statements, figuring mortgage capabilities, and understanding home owners insurance. Community Concepts offers two-day seminars running during all 12 months of the year.

Community Concepts expects to assist 40 Auburn residents with Homebuyer Education. In Program year 2006-07, they served 179 households.

Addressing Poverty: *Homebuyer education will help individuals and families to escape poverty or increase their income by giving them the tools they need to better manage their money. Homebuyer education and one-on-one financial literacy counseling helps families to budget their money, save money and to plan ahead for emergencies. These tools make a positive impact on low-income individuals and families, especially those who have fallen prey to credit cards, rent to own companies and sub prime lenders.*

**ACTIVITY: Neighborhood Resource Center at Washburn Elementary School
Advocates for Children**

REQUEST: \$7,500

PROPOSED BUDGET: \$7,500

DESCRIPTION: *Funds will be used to pay for salary and fringe benefit costs to operate a program which provides support and links to community resources for families attending Washburn Elementary School.*

The Neighborhood Resource Center is offered by Advocates for Children to families attending Washburn Elementary School. The program increases access to services, promotes effective parenting, and helps with increased use of available community links to resources. Through the school network they have assisted families with housing, clothing, parenting education, transportation, child care, employment opportunities, GED and post secondary education, summer camp opportunities for children, and assistance with medical needs.

Their goals are to have

- 30 parents attend support groups and/or educational opportunities
- 25 parents to access support services
- 35 children to receive assistance to attend summer camps

In Program year 2006-07, they served 71 families.

Addressing Poverty: *One of the ways that NRC supports families to increase income is by linking families*

with training to enhance parent skills in obtaining employment. This is done in part, through collaboration with the Career Center to provide on-site access to training to build employment skills.

**ACTIVITY: READ 180/Washburn Elementary School
Auburn School Department**

REQUEST: \$30,500

PROPOSED BUDGET: \$25,510

DESCRIPTION: *Funds will be used to purchase intervention programming materials to support struggling readers develop grade level skills at Washburn Elementary School.*

READ 180 is a research-based, intensive reading intervention program designed for students in grades four and above who are reading below the proficient level. The program directly supports individual needs through adaptive and instructional software, high-interest, leveled literature, and direct instruction in reading. The READ 180 is now being used at Sherwood Heights, Park Avenue, Auburn Middle, and Walton Schools.

The Maine Educational Assessment tests administered to Washburn Elementary School students in the spring of 2006 demonstrated the need: 39% of the 4th, 66% of 5th, and 42% of 6th grade students who were tested did not meet or partially meets grade level standards. The School Department anticipates that 75% of the students involved in the program will raise their Maine Education Assessment scores by 5 points, will increase 20 points on the Scholastic Reading Inventory each trimester, and will exit the program at the end of year 2.

Funds will be used to purchase materials materials software, paperbacks, audio books, placement tests, teacher's guides and resource books, reading strategies, computerized book quizzes, videos, software manual for 30 children.

The amount that has been deleted from the proposal is for staff development, \$4,990, represents two days of installation, literacy and technology support training and follow-up for teachers, principals, technology coordinator. With several other schools having mastered the use of the Read 180 program, staff development, installation, and support should be readily available within the Auburn school system.

Addressing Poverty: *Low levels of academic achievement are often linked to poverty. Students living in economically disadvantages homes often come from an environment that does not promote literacy due to lack of stability, interest, resources and/or minimal involvement with the school. In order to escape poverty, students must acquire literacy and computer skills needed in today's workforce. The Read 180 program will significantly increase reading proficiency and narrow the gap between students who have access to technology and those who do not.*

ACTIVITY: Contingency

PROPOSED BUDGET: \$18,927

DESCRIPTION: *This provides funds to cover change orders for construction projects and unanticipated expenses of funded activities.*

**2008 FISCAL YEAR ANTICIPATED
HOME INVESTMENT**

Program Income	2007 BUDGET	2008 BUDGET
Homebuyer	5,000	5,000
Homeowner Rehab	8,000	10,500
Subtotal Program	13,000	15,500
	494,622	
Carry	494,622	466,810
HOME Grant	298,909	288,786
TOTAL FUNDS	1,301,153	771,096

**HOME INVESTMENT PARTNERSHIPS PROGRAM PROJECTED CARRY OVERS AND
REPROGRAMMED FUNDS**

BUDGET 2008

Security Deposits		\$0		\$0
TOTAL		\$466,810	\$466,810	\$0

1) Rental Housing Committed to Chateau Vincent and Tedford Housing

HOME INVESTMENT PARTNERSHIPS PROGRAM

BUDGET 2007 AND 2008

AUBURN HOME PROGRAM

	2007	2008
	BUDGET	BUDGET
SALARIES		
PROGRAM ADMINISTRATION	34,000.00	33,000.00
HOUSING PROJECTS ADMINISTRATION	24,000.00	26,400.00
GOODS AND SERVICES	6,000.00	7,500.00
AFFORDABLE HOUSING		
HOMEBUYER ASSISTANCE *	217,020.52	138,851.00
HOMEOWNER REHABILITATION *	119,911.00	115,345.00
RENTAL HOUSING DEVELOPMENT *	400,000.00	440,000.00
TENANT BASED RENTAL ASSISTANCE/SECURITY DEPOSIT	5,600.00	10,000.00
TOTAL EXPENDITURES	806,531.52	771,096.00

*BUDGET INCLUDES PROJECT DELIVERY COSTS INCLUDING RELOCATION, LEAD TESTING AND CLEARANCE.

HOME INVESTMENT PARTNERSHIPS PROGRAM

2008 BUDGET

ACTIVITY: Program Administration

PROPOSED BUDGET: \$33,000

DESCRIPTION: *Salaries and Fringe Benefits*

These funds are for general administration of Auburn's HOME Program, monitoring of Consortium projects (both Auburn and Lewiston), completing financial reporting and fund

draws, program development and marketing, grant request and performance reporting. All work that is involved in administering the HOME Program that is not specifically for the development of a HOME project is covered under this budget,

ACTIVITY: Administration of Programs and Projects

PROPOSED BUDGET: \$26,400

DESCRIPTION: *Salaries and Fringe Benefits*

These funds are for staffing costs to implement programs and projects. These are expenses for the program delivery costs when there is an actual eligible activity. This budget represents staff time while working on accepted homebuyer, homeowner rehab, rental, and security deposit projects.

ACTIVITY: Goods and Services

BUDGET: \$7,500

DESCRIPTION: *Travel, advertisements, office supplies, postage, copying and printing, and other services, particularly legal.*

ACTIVITY: Homebuyer Assistance

PROPOSED BUDGET: \$138,851

\$ 33,851	2007 Uncommitted Funds
5,000	2008 Program Income
100,000	New Allocation

DESCRIPTION: *Funds will be used to provide homebuyer assistance loans according to program guidelines.*

The Homebuyer Loan Program assists low- and moderate-income households to purchase a home especially in our Downtown, New Auburn or Union Street Target Areas. One of the goals of this program is to increase owner-occupancy in these neighborhoods. A reduced amount of loan funds is available to applicants who want to purchase outside of these neighborhoods.

There are three components of this program for the client: subsidy to make the house payment affordable, pre-purchase housing counseling, and a lease option for participants whose credit

prevents them from purchasing through conventional financing. A fourth component of homebuyer assistance that Community Development staff will establish this year is post-housing counseling. This will provide support for the first few difficult years after purchasing a home.

ACTIVITY: Homeowner Rehabilitation

PROPOSED BUDGET: \$115,345

\$32,959 2007 Uncommitted Funds
10,500 2008 Program Income
71,886 New Allocation

DESCRIPTION: *Funds will be used to provide loans to low-income households to rehabilitate their unit.*

Rehabilitation funds are available to income eligible applicants who own a single family home or for the owner's unit in a multi-family building. This new program helps to shift some of the rehabilitation assistance that was previously funded with Community Development dollars.

ACTIVITY: Rental Housing Development Set Aside

PROPOSED BUDGET: \$440,000

\$400,000 2007 Committed Funds
40,0000 New Allocation

DESCRIPTION: *Funds will be used to provide deferred payment loans to for-profit or non-profit developers to build housing for low-income households.*

This budget is a set-aside for the development of rental housing for low-income households. Currently there are two commitments to non-profit developers:

1. \$320,000 to Auburn Housing Development Corporation for the development of 17 housing units at 80 Mill Street. Project development cost will be \$3 million. AHDC's will contribute \$300,000 to the project. Last fall AHDC received \$2.58 million in Low Income Housing Tax Credits valued at 90 percent. They will apply to Federal Home Loan Bank to fill the funding gap. The construction is expected to commence in Fall 2008.
2. \$80,000 to Tedford Housing for the development of a 10-units supportive housing project on Pine Street in Lewiston. Project development cost will be \$1.5 million. Tedford Housing's contribution to the project is \$50,000. Tedford Housing received a grant awarded of \$880,620 from Maine Housing and \$80,000 from the City of Lewiston. They will be applying to Federal Home Loan Bank to fill the funding gap. The project is

expected to commence in April 2009.

We propose an allocation of \$40,000 for a new affordable housing project at the site of Franklin School, 22 Pine Street. We will request an equal amount from the City of Lewiston's HOME funds.

Auburn's Consolidated Plan goal for development of rental housing is based on a maximum of \$20,000 of per unit.

**ACTIVITY: Tenant-Based Rental Assistance
Security Deposit Loan Program**

PROPOSED BUDGET: \$10,000

DESCRIPTION: *Funds will be used to provide loans to low-income households who are homeless or at risk of homelessness to cover security deposits.*

This activity will assist low-income households who are homeless or at risk of homelessness by providing loans to pay for a portion or the entire security deposit. A 7-member committee created a Security Deposit Loan Program (SDLP) as a mechanism to get homeless people housed as quickly as possible.

There are currently only a few resources that help pay for security deposits. These include the City's General Assistance program and the Maine Department of Health and Social Services for eligible families. Many of the homeless are not eligible for these programs.

The Security Deposit Loan Committee applied for and received \$22,069 in grants in addition to HOME funds. To date, the Security Deposit Committee has assisted 62 households providing \$28,606 of loans and grants to families (77 were adults and 76 were children). As loans are repaid, the income is used to provide additional security deposit assistance. Funds are given as interest free loans, repayable at \$25 per month. When required by the granting agency, some funds are given as grants.

The average security deposit assistance is \$432 per household. The goal of the SDLP is to assist 40 households in 2008, half of which will be through the HOME Program funding. The Committee has requested \$6,000 of HOME funds from both Auburn and Lewiston. The HOME regulations require a housing inspection; therefore, HOME funds will be used only when security deposits are for applicants who will also receive a rental voucher from Auburn or Lewiston Housing Authority, and the inspection will be completed by one of these agencies. The Committee has applied for additional grants that will cover the security deposits for those who are not eligible for other rental assistance.
