

CPB 1-12-73



**PROJECT
DEVELOPMENT
MANUAL**

PORTLAND MODEL CITIES

portland model cities

December 28, 1972

TO: PORTLAND MODEL CITIES STAFF

Since most of us participate daily in detail work of the CDA, I think it is important to remind ourselves occasionally of the overall goals of the Model Cities program.

Briefly, Model Cities is designed to demonstrate that the quality of life for those who live in urban cores can be improved and that the cities themselves can be revitalized. This demonstration involves:

- 1) Encouraging widespread citizen participation in all phases of program development and implementation.
- 2) Insuring that the local problem-solving process remains accessible and responsive to the citizenry.
- 3) Initiating a comprehensive, coordinated approach to the variety of problems and needs that exist in the Model Neighborhood.
- 4) Introducing innovative programs to meet unique needs.
- 5) Institutionalizing positive changes realized through the program in order to assure their continuance.

Here in Portland, the response to the Model Cities demonstration has been significant. Many Model Cities concepts and mechanisms are being shared and accepted throughout the metropolitan area.

This Project Development Manual has been prepared to further clarify the Portland Model Cities process and to upgrade our documentation of that process. Toward those ends, I hope it proves useful to our mutual efforts.

Sincerely,


ANDREW RAUBESON
ACTING DIRECTOR



**PROJECT
DEVELOPMENT
MANUAL**

JANUARY 1973

PORTLAND MODEL CITIES

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INTRODUCTION

This manual is designed to clarify the process of Portland Model Cities project development from inception through implementation. It includes general funding policies of the City Demonstration Agency (CDA), as well as guidelines and examples to be used when writing or typing proposals. The final section outlines activities and milestone dates in the development of the Action Plan for the following year.

Although operating agencies and other citizens or groups may be interested in the information presented herein, this manual is directed primarily to CDA staff members. It will be revised periodically to incorporate policy or procedural changes and suggestions offered by the staff to improve its usefulness.

I. GENERAL FUNDING POLICIES

CDA funding policies are dependent to a great extent on overall Model Cities policies as administered by the U. S. Department of Housing and Urban Development (HUD).

In general, these policies require that Model Cities funds be used to "supplement" rather than substitute for local effort, to extend previously unavailable services to the Model Neighborhood Area (MNA), or to demonstrate the effectiveness of a unique service or delivery system. Adequate yearly provision for relocation, resident employment, citizen participation and evaluation is also required.

Two constraints placed on Portland Model Cities funding are important:

1. The Model Cities program has a specified 5-year term. In Portland, this term will close with the end of the 1974-75 Action Year. The current or potential use by any project of other funding sources, which will ensure its continuance after supplemental funds are no longer available, is therefore a primary consideration.
2. The Portland Model Cities yearly grant from HUD is \$3.745 million, from which all projects must be funded. Projects which meet a high citizen priority need or have an effective impact on priority problems, as well as those which demonstrate a high level of administrative and fiscal responsibility, will be considered accordingly by the Working Committees and the Citizens Planning Board (CPB).

II. PROJECT DEVELOPMENT

Project development is a continuing process of planning, implementation, evaluation and planning. For projects funded by Portland Model Cities, this process is shown in Exhibit 1 and described step-by-step in the following paragraphs. Paragraph numbers are correlated to Exhibit 1 box numbers.

1. Project ideas come from a variety of sources: community residents, existing or proposed agencies, members of working committees or neighborhood organizations, and CDA staff members.
2. The originator presents his idea to the CDA Director, who discusses it with the CPB Executive Committee. If accepted, the idea is referred to the appropriate working committee for further development; in either case, the originator is notified.

All nine working committees are described in Exhibit 2, which also lists the regular time and place for meetings, the chairman of each committee and his phone number.

- 3,4. After initial review by the working committee, the CDA planning staff and the originator work to develop the idea to a point a formal proposal can be written. (See Section III of this manual for proposal guidelines.)
- 5,6. The CDA evaluation staff reviews the proposal and suggests "output measures" by which the project can be assessed. The CDA administrative management staff then advises on its fiscal soundness and budget detail.
7. When all staff reviews are completed, the proposal is submitted to the working committee which accepted it. At this point, the committee may recommend revising the proposal. If so, it is returned to staff and the originator for rework and resubmittal until the committee is satisfied and approves it for submittal to the CPB Executive Committee.

Several months before the start of a new Action Year, each working committee meets to consider the proposals it has approved up to that date. These proposals are then ranked in descending order of priority, highest to lowest, and the CPB Executive Committee is notified in writing of the ranking. (After this ranking action but before approval of the entire Action Plan by the CPB, a revised priority list may be submitted to the Executive Committee.)

- 8,9. The CPB Executive Committee reviews each proposal as it is submitted, then refers it to the Evaluation Committee for analysis and assessment. CDA evaluation staff assists the committee as requested. Findings are reviewed by the Executive Committee, which then makes its recommendation to the full CPB. Membership lists of the CPB and its committees are presented in Exhibit 3.

When priority lists from the working committee are received,

(This space intentionally left blank)

10. At one of its regularly scheduled meetings (first and third Tuesdays of each month), the CPB discusses the project, requests staff opinion, receives the Executive Committee recommendation and votes to approve, table or disapprove the project. When approved, the complete project proposal is forwarded to the Portland City Commissioner-in-Charge of Model Cities.
- 11,12. If the Commissioner decides to sponsor the project after studying it, he first requests the City Attorney's Office to review the proposal and prepare supporting documentation: a legal opinion, a draft ordinance and a draft contract.
13. The Commissioner then presents the project proposal and other documents to the City Council for review and action. If a majority of members (three of five) approves, an ordinance is enacted that establishes an official City budget, designates the authorized operating agency and specifies a contract term. All documentation, including the ordinance, is forwarded to the City Auditor's Office.
14. When the CDA administrative management staff is notified of Council approval, they complete a "pre-certification cycle" with the operating agency to obtain confirmation of:
 - a) fidelity bonding
 - b) general and/or liability insurance
 - c) designation of bank depository for grant funds
 - d) bank signature authorization
 - e) certification of accounting procedures.
- 15,16. The City Auditor's Office finalizes the contract based on the ordinance and forwards it to the operating agency for signature. The operating agency returns the signed contract and all pre-certification documentation to the Auditor's Office, where it is filed after the City Attorney's and Mayor's signatures are obtained.

16,17. Although planning for the project can be carried out, no funds can be spent by the operating agency until the contract is signed. After project implementation begins, the CDA staff monitors its operation, evaluates its progress and assists in planning modifications. The Working Committee advises and reviews as necessary.

To receive funding in subsequent Action Years, the project must be resubmitted in its entirety to the Working Committee and the development process repeated.

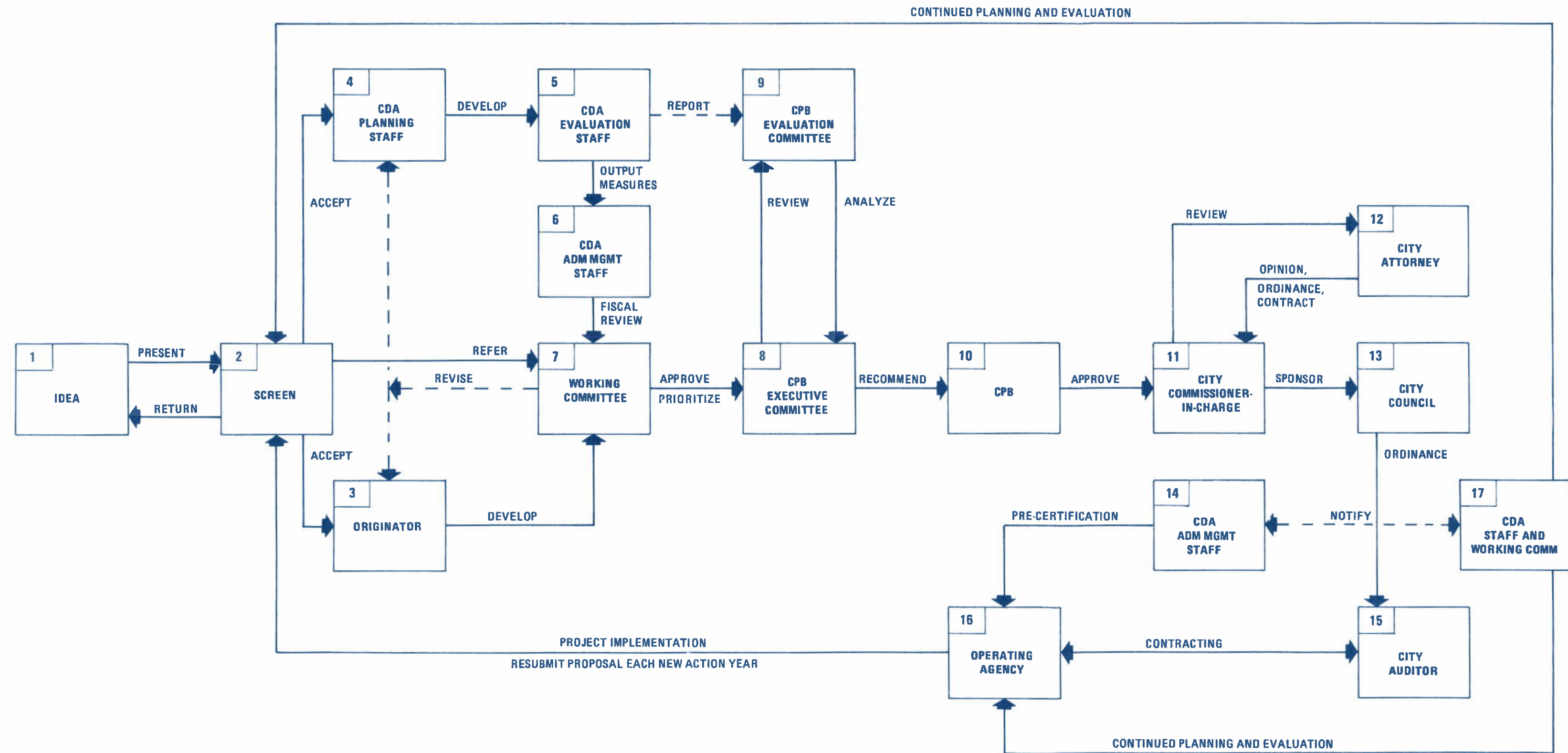


EXHIBIT 2. WORKING COMMITTEES

Name and Concern	Chairman	Meeting	
		Time	Place
<u>Citizens Participation</u> - Widespread and active citizen involvement at all levels of program decision-making	Mr. Fred Ehelebe 287-9726	2 & 4 Wed. 7:30 pm	MC* Rm. 218
<u>Economic Development and Transportation</u> - All aspects of business, trade, and transportation	Mr. Jesse Hudson	2 & 4 Mon. 7:30 pm	MC Rm. 226
<u>Education</u> - All educational development activities	Mr. Harold Williams 287-6607	2 & 4 Thur. 7:30 pm	NDO #2 3605 NE 15th
<u>Employment</u> - All manpower development activities	Mr. Brozie Lathan 287-7219	1 & 3 Wed. 7:30 pm	MC Rm. 226
<u>Health</u> - All health planning and delivery systems	Mr. Joseph Reuben 287-2981	4th Thur. 7:30 pm	MC Rm. 226
<u>Law and Justice</u> - All crime prevention, citizen protection and legal activities	Mr. Peter Wolmut 284-7248	2 & 4 Mon. 7:30 pm	NDO #1 5630 NE Union
<u>Recreation and Culture</u> - All related activities	Mr. Clifton David	1 & 3 Thur. 7:30 pm	MC Rm. 226
<u>Physical Environment and Housing</u> - All residential and community development activities, including re-location	Ms. Rosadelle Parker 281-5433	1 & 3 Mon. 7:30 pm	MC Rm. 226
<u>Social Services</u> - All child and youth care, consumer protection, and other social service activities	Mr. Dick Celsi 284-3512	2 & 4 Tues. 7:30 pm	MC Rm. 226

*5329 NE Union, 2nd floor.

12/72

EXHIBIT 3. CITIZENS
PLANNING BOARD

Mr. Lawrence Alberti
Mr. Burnett Austin
Mrs. Bessie Bagley
*Mr. Ben Bernhard
*Mrs. Jan Childs
Mr. Jack Deyampert
*Mr. Charles Ford
Mrs. Ella Mae Gay
Mr. Marcus Glenn
*Mr. James Loving
Mrs. Debby Norman
*Mr. LeRoy Patton**
*Mrs. Clara Peoples
Mr. Walter Ready
*Mr. Robert Rogers
Mr. Herb Simpson**
*Mrs. Opal Strong
Mr. Harry Ward**
Mrs. Martha Warren
*Mr. Gregg Watson

Appointment expires 12-72:
Mr. Fred Flowers (resigned)
Mr. John Gustafson**
Rev. John Jackson
Mr. Chalmers Jones
Mr. Lee Kell (resigned)
Mr. Bill Newborne**
Mr. Josiah Nunn

* Member Executive Committee

** Member Evaluation Committee

The CPB meets the first and third Tuesdays of each month, 7:30 pm, in the Student Union at PCC-Cascade, 5606 N. Borthwick, Portland.

III. PROPOSAL GUIDELINES

The guidelines presented in this section are based on HUD requirements for Model Cities funding, revised to include any additional information needed by the CDA in fulfilling its obligations to the City of Portland and to HUD.

In writing a proposal for the CDA, keep in mind that the guidelines request only the basic kinds and quantity of information needed to assess the project's potential. If more extensive narrative is required to justify or explain the project, include it. If a significant study or survey has bearing on the project, reference it and attach a copy. If the project is continuing from a previous action year, focus on the changes that have taken place and are proposed.

It is expected that proposals for continuing projects will display a greater degree of sophistication each year, both conceptually and descriptively. Nevertheless, all proposals should be comprehensive and clearly understandable. If some details haven't been worked out yet, say so and describe what is being done to complete project plans and when all details will be firm. Use language that is direct and concise.

A fictional proposal for a new project is included with the guidelines as an example. Check the sample against the guidelines to see how various questions were answered and how the answers might be improved in each new proposal.

Form CDA-165 is available as proposal worksheets. When ready for typing, refer to style guide presented elsewhere in this manual. Use CDA-165 (page 1 of 6) as page 1 of the proposal. Number the remainder of the pages consecutively, including the attachments and budget forms.

Form CDA-166, the proposal approval sheet (Exhibit 4) should be circulated with a review copy of the proposal to obtain signatures required. After CPB approval, remove and file with other project documentation.



EXHIBIT 4
PROPOSAL APPROVAL

PROJECT TITLE _____ **PROJECT NO.** _____

My signature below indicates that the attached proposal has been reviewed and approved by me or the committee/board I represent for incorporation into the _____ Action Year Plan of Portland Model Cities. The date shown is the date formal approval was granted.

CDA	<input type="checkbox"/> SOCIAL <input type="checkbox"/> PHYSICAL	Planning Staff:	Date	Planner
			Date	Coordinator
		CDA Evaluation Staff:	Date	Evaluator
			Date	Supervisor
		CDA Administrative Management Staff:	Date	Specialist
			Date	Coordinator
		CDA Director:	Date	Director
Working Committee:			Date	Chairman
		CPB Committees:	Date	Evaluation Chairman
			Date	Executive Chairman
			Date	
		CPB Full Membership:	Date	Chairman

PROPOSAL GUIDELINES

Date Submitted Today's date
Date Approved Add later

A. PROJECT INFORMATION. *Fill in as completely as possible. If you have no answer for an item, leave blank. All items must be complete before contract is prepared.*

1. Project title. *Short and descriptive.*
2. Project category. *HUD asks us to group our projects in eleven categories which are listed in Exhibit 5 attached to these guidelines. Select the one that best describes the project.*
3. Project status. *Place an "X" in the appropriate box. If project is continuing, specify date the first contract began.*
4. Current and previous project numbers. *If your project is operating and has been assigned a number by the administrative management staff, fill it in. If not, leave blank until project is approved, then add. If project operated previously with another number, add that.*
5. Contract term. *The Model Cities Action Year (contract term) starts June 16, when new funds are available from HUD, and closes June 15, the following year. Indicate date this project can start; all project contracts will end June 15 with the Action Year. If project is a "one-time" activity, like a construction project, say so.*

(There is a possibility that the Action Year will be changed starting in 1973 to coincide with the City fiscal year, which is July 1 to June 30. This change would be for administrative convenience and would not affect proposed project activities.)

6. Operating Agency (O/A). *Name, address, and phone number of the organization which will administer the project; name of its director. Indicate legal status by placing an "X" in appropriate box; if answer is "other," specify.*

Indicate who is authorized to sign legal documents for the O/A; attach a letter to this proposal showing their signatures.

7. Project office. *If the project will operate from a different location than the operating agency, add this information. Otherwise, state "same as O/A."*
8. Funding recap. *Obtain previous years' funding information from the Adm. Mgmt. Coordinator and insert. Add proposed Action Year funding when proposal has been finalized and approved.*
9. Model Cities responsibilities. *The category of project proposed (item 2 above) determines these assignments. Select proper committee and planning component from Exhibit 5.*

Formal staff assignments will be made by Planning Coordinator and Evaluation Supervisor when the project is approved. Add these names when assigned. General planning staff assignments listed in Exhibit 1. Evaluation staff are assigned on an individual project basis, not by category.

PROPOSAL GUIDELINES

- B. PROJECT DEVELOPMENT. *Be brief but complete. This section should be limited to about one page.*
1. Statement of concern. *What conditions and specific problems in the MNA does the project focus on? Verify that a need exists, with documentation if possible. Check previous Model Cities Action Year Plan for background data.*
 2. Purpose and objectives. *What is the project intended to accomplish; what changes in existing MNA conditions are desired? State a general purpose and specific objective(s) which can be measured in numbers of people, acres of parks, percentage of employment, etc. List objectives in order of priority.*
 3. Strategy. *How will desired changes be achieved? Describe general approach and justify this approach based on what has or has not worked in the past. How does strategy relate to overall Model Cities strategy and priorities discussed elsewhere in this manual?*
 4. Beneficiaries. *Who will the project benefit directly? How many, what groups, what ages, etc.? How will they be selected? Be as specific as possible.*

PROPOSAL GUIDELINES

- C. PROJECT DESCRIPTION. *Be brief but complete. Explain so that anyone can read this section and understand the project. Limit to about three pages of narrative.*
1. Content. *What major activities will be performed? What are the key steps involved? Use outline form with narrative as needed. Check to make sure budget will allow all stated activities. If project is continuing, note any new activities that have been added or previous activities that have been dropped.*
 2. Operation. *How will services be provided? When, where, how often, how long, and by whom? State how many staff members will be required, how they will be selected, and what plan will be used for their development. Attach an organization chart and a short description (25 words or so) of each staff position.*
 3. Timetable. *When will space be acquired, when will staff be hired, when will the project start, how soon will direct services start, what is schedule of specific activities? Use Form CDA-047, attached as Exhibit 6, to plot timetable. Add narrative to indicate when activity will peak/valley and why.*
 4. Funding. *Indicate estimated total cost of project and where all funds will come from. Indicate status of any other funding applications. Since Model Cities funds will not be available after the 1974-75 contract year, an increasingly large share of project funding will have to come from other sources. Describe the plan to fund this project in future years.*
 5. Administration. *What are the qualifications of the O/A for administering this type of project? What commitments have been made by O/A to Model Cities priorities? Will O/A perform any support services for project? If O/A is newly formed, state why an existing organization is not used. List any other Model Cities projects administered by the O/A and their directors. Describe the functions of the Board of Directors as related to the project staff.*
 6. Resident Employment. *What employment opportunities will MNA residents have at all levels of the project? Describe recruiting and screening procedures. Estimate the number of MNA residents that will be employed in the project. Attach a roster of current project employees that gives name, address, title, salary, date hired, Social Security number, age, sex, race, and MNA or non-MNA residence.*
 7. Citizen Participation. *Briefly, whose idea is the project? Which citizen groups have been involved in planning? Which groups will participate in or influence project administration and evaluation? What volunteer time and activities do you expect? Attached a list of current O/A Board of Directors, their addresses, how they were appointed or elected, what organizations they represent, who the officers are, and MNA or non-MNA residence for each member.*

PROPOSAL GUIDELINES

8. Coordination. How is this project related to other activities and agencies of a similar nature? Which services or resources of other agencies will this project use? Describe the O/A's part in developing a network of agencies and services that will best serve MNA residents. State who will be responsible for this activity.
- *9. Evaluation and Monitoring. Refer back to project objectives and then list the results by which the project's success can be determined. These output measures form the basis for evaluation. In the O/A, how will progress be monitored and who will be responsible for this function? How will the results of O/A self-evaluation and CDA evaluation be incorporated in project operation?
10. Continued Planning. What process will be used to improve the project throughout its life? If project is continuing, what improvements have been achieved during this Action Year? What expansion possibilities are foreseen for the project? State any additional action or technical assistance required before project planning can be completed.

- D. PROJECT SUMMARY. Provide a project summary description of 50-100 words. This summary will be used for some approval processes the CDA must undergo, so be brief and concise.
- E. ATTACHMENTS. Number attachments consecutively, starting with the signature letter as Attachment 1, and list them here.
- F. BUDGET. After the project has received initial acceptance by the appropriate Working Committee, a thorough budget must be planned.
 1. Previous Application. State whether or not formal application of funds for this project has been filed previously. If answer is "Yes" state when, which agency, and what decision was reached.
 2. Maintenance of Effort. Make a statement that shows this project is in addition to, and not a substitution for, local effort.

*Planners will describe O/A responsibilities; evaluators will describe CDA responsibilities, including approximate date project will be evaluated, and will update or write output measures for the project.

PROPOSAL GUIDELINES

3. Budget Forms. Use forms CDA-091A (or 138A if project has more than one component), 092A and 093A. These forms are attached as Exhibits 7 through 10 and include further instructions. A description of each budget category is presented in Exhibit 11.

Each budget form should bear the date it is written, not the date it is approved. When a page is revised, change the date to reflect the revision.

Always "round" all figures to the nearest whole dollars. Make sure, however, that rounded figures add to the correct totals. Dollar signs (\$) are not necessary in total columns. Use commas between thousands and hundreds of dollars.

EXHIBIT 5. PROJECT
GROUPS AND RESPONSIBILITIES

(Item A.2)	(Item A.9)	(Item A.9)	(Item A.9)	(Item A.9)
HUD Project Category	Citizens Working Committee	Staff Planning Component	Staff Planning Coordinator	Staff Planner
Education	Education	Social Environment	Faye LyDay	LeRoy Albert
Manpower and Job Development	Employment			Walt Kuust
Health	Health			Sol Peck
Crime and Delinquency	Law and Justice			Beth Hoover
Recreation and Culture	Recreation and Culture			Diana Davis
Social Services	Social Services			Don Morris
Economic and Business Development	Economic Development and Transportation			Physical Environment
Transportation and Communication	Physical Environment and Housing	Mike Lyons		
Environmental Protection and Development				
Housing				
Relocation				



EXHIBIT 6
TIME TABLE

DATE Today's date

ACTIVITY	1973 JUNE	JULY	AUG	SEP	OCT	NOV	DEC	1974- JAN	FEB	MAR	APR	MAY	JUNE
<i>List activities here</i>	<i>Plot times of activities here. Add narrative to each activity line indicating when and why activity will peak/valley.</i>												

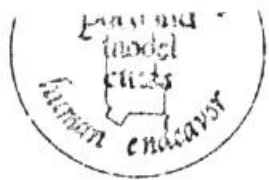


EXHIBIT 7
BUDGET SUMMARY

DATE Today's date

PROJECT NO. Same as Item A.4

PROJECT TITLE Same as Item A.1

CATEGORY CODE	CATEGORY TITLE *	TOTAL BUDGET	MODEL CITIES SHARE
10	SALARIES (INCLUDING FRINGE BENEFITS)	<i>Transfer totals from each category on justification</i>	<i>If the MC share is the same as the total budget, repeat all figures here.</i>
20	CONTRACTED SERVICES (INCLUDING AUDITING)		
30	TRAVEL, LOCAL		
35	TRAVEL, OUT OF TOWN	<i>pages to this column. These figures include</i>	<i>If the MC share is an even percentage (for all categories) of total budget, show those dollar figures here.</i>
40	CONSUMABLE SUPPLIES		
50	SPACE (INCLUDING RENOVATION)		
55	UTILITIES (INCLUDING TELEPHONE)		
60	FURNITURE & EQUIPMENT (RENTAL)	<i>all proposed expenditures, regardless of funding source.</i>	<i>If the MC share is more complex and percentages differ among categories or items, add a separate sheet accounting in detail for the MC share.</i>
65	FURNITURE & EQUIPMENT (PURCHASE)		
70	INSURANCE		
71	MAINTENANCE OF EQUIPMENT		
79	MISC. EXPENSES		
TOTALS			

O/A APPROVAL As indicated in Item A.6
SIGNATURE & TITLE

Date signed
DATE

CDA APPROVAL _____
SIGNATURE & TITLE Director

Date signed
DATE

*A description of each category is provided in Exhibit 11.



EXHIBIT 8

COMPONENT BUDGET SUMMARY

PROJECT NO. Same as Item A.4

DATE Today's date

PROJECT TITLE Same as Item A.1

CAT. CODE	CATEGORY TITLE	C O M P O N E N T S						TOTAL BUDGET	MODEL CITIES SHARE
		Component No. 1	Component No. 2	Component No. 4	etc.	etc.			
10	SALARIES							Total of all components by category	If too complex, attach separate sheet
20	CONTRACT SERVICES								
30	TRAVEL, LOCAL								
35	TRAVEL, OUT OF TOWN								
40	CONSUMABLE SUPPLIES								
50	SPACE								
55	UTILITIES								
60	FURN. & EQUIP.(RENT)								
65	FURN. & EQUIP.(PURCHASE)								
70	INSURANCE								
71	MAINT. OF EQUIP.								
79	MISC. EXPENSES								
SUB TOTAL									

19

FUNDING SOURCES

CDA								
CAT..								
CAT...								
OTHER								
TOTAL.....								

QA APPROVAL As indicated in Item A.6
SIGNATURE & TITLE

DATE Date signed

CDA APPROVAL _____
SIGNATURE & TITLE Director

DATE Date signed



EXHIBIT 9

BUDGET JUSTIFICATION
(CATEGORY 10, PERSONNEL)

DATE Today's date

PROJECT NO. Same as Item A.4

PROJECT TITLE Same as Item A.1

(A) NUMBER OF PERSONS	(B) POSITION OR TITLE	(C) MONTHLY SALARY RATE (FULL TIME)	(D) PERCENT OF TIME ON PROJECT	(E) NO. OF MONTHS ON PROJECT	(F) COST (A x C x D x E)
How many	Name of	Full-time	May	May	Cost
of each	Position	salary	vary	vary	for
position		rate	from	from	each
			1% to	1 to 12	position
			100%	months	in dollars
			among	among	
			different	different	
			employees	employees	
SUB TOTAL, PERSONNEL					Dollar amt.
* % FRINGE BENEFITS					Dollar amt.
TOTAL, PERSONNEL					Dollar amt.

*Indicate fringe benefits as a percentage of "Subtotal, Personnel"



EXHIBIT 10

BUDGET JUSTIFICATION
(CATEGORIES 20 THROUGH 79)

DATE Today's date

PROJECT NO. Same as Item A.4

PROJECT TITLE Same as Item A.1

To extent possible, use format indicated below

CATEGORY CODE	DESCRIPTION OF ITEM AND BASIS FOR VALUATION	ITEM TOTAL	CATEGORY TOTAL
--	<i>Name and description of item quantity x dollar value x time units</i> <i>Name and description of item quantity x dollar value x time units</i>	---- ----	----
<i>Separate each category with a horizontal line across page</i>			
--	<i>Name and description of item quantity x dollar value x time units</i> <i>Name and description of item quantity x dollar value x time units</i>	---- ----	----

Do not split categories from one page to another unless unavoidable.

EXHIBIT 11. DESCRIPTION OF
BUDGET CATEGORIES

- 10 SALARIES - Gross amount of employee salaries and wages, plus employer-paid fringe benefits, for full-time, part-time and temporary employees.
Include: Fringe benefits as follows -
Social security (FICA)
Federal unemployment (FUCA)
State unemployment insurance
Employer group insurance
Workmen's compensation
Others, such as retirement
Do not include: Contracted services (place in category 20).
- 20 CONTRACTED SERVICES - Professional and technical services, including consultants, arranged through formal or informal contract.
Include: Educational, legal counsel, medical, bookkeeping and staff training services.
Do not include: Janitorial services (place in category 50).
- 30 TRAVEL, LOCAL - All normal travel costs required for the operation of the project, in the general area of the project office.
Include: Auto mileage, bus fare and parking fees.
Do not include: Overnight accommodations (place in category 35);
direct insurance costs (place in category 70);
auto gas and maintenance (place in category 71).
- 35 TRAVEL, OUT OF TOWN - All business-related travel expenses incurred by authorized employees or non-employees en route or staying in other communities.
Include: Auto mileage, air or train or bus fare, per diem (meals, lodging, miscellaneous), registration or related fees.
Do not include: Membership fees, which are not a valid expense.
- 40 CONSUMABLE SUPPLIES - All office and program supplies used in the operation of the project.
Include: Office supplies - stationery, forms, printed matter, reproduction supplies and miscellaneous.
Minor office accessories - desk trays, wastebaskets, staplers, etc.
Program supplies - educational, recreational, medical, photographic and food supplies (appropriate to program content).
Minor program equipment - lettering sets, basketballs, etc.
Maintenance supplies - sanitary and janitorial supplies.
Other supplies - public information, recruitment (e.g., testing forms), photographic, small tools, miscellaneous.
Do not include: Postage (place in category 79); equipment with a life expectancy of more than one year or costing more than \$25 (place in category 65).

EXHIBIT 11(Continued)

- 50 SPACE - Rent, repair, renovation or leasehold improvements of office and/or program activity space.
Include: Maintenance services, such as janitorial and trash collection; building security; any utilities included in cost of rental (specify).
- 55 UTILITIES - All utilities not included in rental cost of space.
Include: Electricity, water, heat, telephone (including installation and long distance).
- 60 FURNITURE & EQUIPMENT (RENTAL) - Any rental or lease payments for project furniture, machinery, equipment or vehicles.
Include: Office reproduction equipment lease.
- 65 FURNITURE & EQUIPMENT (PURCHASE) - Outright purchase costs of all non-expendable equipment and furniture. (The CDA prefers purchase to rental except for short-term use. All purchased property becomes City of Portland property for inventory control purposes.)
Do not include: Any furniture or equipment with a life expectancy of less than one year or costing less than \$25 (place in category 40).
- 70 INSURANCE - All costs of any insurance required to operate the project.
Include: General, liability, auto and fidelity bonding.
Do not include: Payroll insurance costs (place in category 10).
- 71 MAINTENANCE OF EQUIPMENT - All costs for maintenance and repair of rental or purchased equipment, machinery or vehicles.
Include: Agency vehicle gas and oil, as well as repair costs; all maintenance contracts.
- 72 MISCELLANEOUS EXPENSES - Expenses that cannot be classified in any other category. Describe each item fully.
Include: Printing, postage, paid-space advertising, tuition and fees or subsistence allowance for project beneficiaries, freight charges, reimbursement or stipends for Board members.
Do not include: "Unforeseen" or "contingent" costs, which are not valid expenses.

A. PROJECT INFORMATION

1. Project title Housing Repair Loans
2. Project category Housing
3. Project status New Substantially revised
 Continuing Date first funded _____
4. Project no. _____ Previous project no. _____
5. Contract term June 16, 1972 to June 15, 1973
6. Operating Agency (O/A) Financial Alliance, Inc.
 Address 1424 N.E. Johnson, Portland, Oregon 97211
 Director Howard James Telephone 287-5427
 Legal status City Dept. Other public agency
 Private (nonprofit) Private (for profit)
 Other Consortium
 Authorized signature(s) Howard James
 (Attachment 1) Joseph H. Kittleman

7. Project office (if different from operating agency)
 Address Same as above
 Director _____ Telephone _____

8. Funding recap

AY	Model Cities Supplemental	Categorical	Other	Total
1				
2				
3				
4				
5				

9. Model Cities responsibilities

- Working Committee Physical Environment and Housing
 Staff Planning Component Physical Environment
 Staff Planner Mike Lyons
 Staff Evaluator _____

PROPOSAL SAMPLE

B. PROJECT DEVELOPMENT

1. Statement of concern. According to the Portland City Planning Commission's Comprehensive Development Plan for the Model Cities program, the percentage of substandard housing in the MNA increased from 33% in 1960 to almost 50% in 1970. In the past two years, another 3% increase was substantiated by the Portland Development Commission. Much of this decline is due to lack of rehabilitation capital available through loan or grant programs to MNA residents. In many cases, their income exceeds eligibility requirements but they do not meet standard credit risk requirements. Mostly, funds are simply too limited to meet demands.

Housing Rehabilitation Programs, MNA

1971-72	Dollars Utilized	Requests Approved	Requests Denied			
			Income	No Funds	Credit Risk	Other
Federal Grants	511,000	170	38	98	--	9
Model Cities grants	207,000	200	50	12	--	17
Federal loans	633,000	131	--	67	72	10
Commercial loans*	114,750	52	--	--	270	24

*Figures based on telephone survey of 25 organizations serving MNA.

2. Purpose and objectives. The purpose of the Housing Repair Loan program is to improve housing conditions in the MNA by encouraging the rehabilitation of owner-occupied housing units. Specifically, the project objective is to reduce the rate of increase in MNA substandard housing by 2% per year until equilibrium is achieved; reduce the percentage of substandard housing by 1% per year thereafter. (City Planning Commission, Portland Development Commission, or other reliable statistics will be acceptable.
3. Strategy. To attain this objective, it is apparent that a substantial effort must be initiated by local financial organizations to furnish low-interest loan capital. Financial Alliance, Inc. has been formed (see articles of incorporation, Attachment 2) for this purpose. Consortium members will arrange rehabilitation loans at a maximum interest rate of 5% on a revolving basis. Supplemental funds will be used to establish and staff the project office and to underwrite the loans until sufficient capital is generated to perpetuate the guarantee. It should be noted that the rate of default for federal loan programs is only about 3%.

The project conforms to Model Cities overall priorities and strategy by focusing on housing, which has the highest priority of all concerns, and by using supplemental funds as "seed money" to stimulate local agencies and capital.

4. Beneficiaries. The project will directly benefit at least 200 MNA homeowners who will receive loans in the first year of operation. In addition, the 4 people who staff the project will benefit. Homeowners will be selected on the basis of the eligibility requirements attached and served in the order of their application date.

C. PROJECT DESCRIPTION

1. Content. The five major activities and sets of tasks to be performed in the Housing Repair Loan project are outlined below:

Activity 1. Start up project office

- Step 1-1. Hire staff
- 1-2. Lease and furnish space
- 1-3. Publicize project throughout MNA.

Activity 2. Administer the loan application and screening process

- Step 2-1. Advise potential applicants of eligibility requirements and loan procedures
- 2-2. Assist applicants in completing necessary documentation
- 2-3. Screen applications to ensure eligibility.

Activity 3. Arrange at least 200 loans, with a maximum of \$5000 per loan, at interest rates not to exceed 5%

- Step 3-1. Refer applications to FAI members on a rotating basis
- 3-2. Negotiate for lowest interest rate possible (see sliding scale, Attachment 3)
- 3-3. Prepare and execute all necessary documentation.

Activity 4. When requested, assist homeowners to plan and implement their rehabilitation programs

- Step 4-1. Provide information and referral service to MNA contractors
- 4-2. Provide contract review service.

Activity 5. Act as citizen advocate in Portland and other financial communities to demonstrate project effectiveness.

2. Operation. The project office will be open from 8 am to 5 pm weekdays and by appointment on Saturdays; field work will take place as necessary. During the first year of operation, 4 staff members will be required: a project director, a loan officer, a contractor liaison officer, and a secretary. Staff will be selected by competitive examination and interview with preference given to MNA residents. Staff will be allowed time off without penalty up to 4 hours per week for formal educational development. Some on-the-job training will take place at FAI member organizations. Organization chart and staff descriptions are Attachments 4 and 5.

3. Timetable. Timetable is Attachment 6.

PROPOSAL SAMPLE

4. <u>Funding</u>	Estimated total budget	<u>\$130,000</u>
	Model Cities share	<u>110,000</u>
	Other share	20,000

The source of "other" funds is a contribution from FAI members, committed Feb. 15, 1973 by letter (Attachment 7). This contribution will be used as a portion of the risk guarantee capital required. Risk guarantee capital (\$50,000) will be managed by a financial consultant with the consent of FAI representatives. All interest earned will be used to help support the project. If the project proves successful, FAI members are expected to support an increasing share of its costs until it is wholly maintained as a desirable and necessary satellite office.

5. Administration. Since FAI is composed of banks and other financial organizations, it has great individual expertise available and committed to this project and its staff. FAI representatives will sit on an advisory Board of Directors for the project. Collectively, FAI is a new organization, but no existing organization is prepared to assume its unique function.

6. <u>Resident Employment</u>	<u>MNA</u>	<u>Non-MNA</u>	<u>Subtotal</u>
Professional	2	1	3
Clerical	1	0	1
Total	<u>3</u>	<u>1</u>	<u>4</u>

All levels of the project are open to MNA residents. Notice of job openings will be circulated in the MNA, with the assistance of the CDA Citizens Participation Department, for one week prior to city-wide circulation. Preference in hiring will be given to MNA residents.

7. Citizens Participation. The neighborhood organizations in the King-Vernon-Sabin area have been instrumental in lobbying for and planning this project. The Working Committee for Housing and Physical Environment will participate in the future project development through a planning and review process. The operation of the project will be subject to the approval of the CPB Evaluation Committee. Five community residents will be elected to the Board of Directors from Working Committee nominations. Attachment 8 is a list of current Board members.
8. Coordination. This is one of several agencies which work to improve MNA housing conditions; it is unique, however, because it bridges the gap between governmental agencies which have limited tax-based dollars at their disposal and commercial lending institutions which seek to maximize profits. The project director will attempt to ensure that the bridge is permanent by working closely with the following agencies: Housing Authority, Planning Commission, Portland Development Commission, Bureau of Building Codes, Multnomah County Health Dept., Albina Contractors Assn., Oregon Assn. of Credit Management, American Institute of Banking, Oregon Bankers Assn. The director's main efforts will be to demonstrate the effectiveness of project strategy and to publicize project results throughout the loan industry.

9. Evaluation and Monitoring. The project director will be responsible for monitoring and evaluating FAI, in addition to the independent monitoring and evaluation carried out by the CDA. Output measures will include:

- a. Rate of housing deterioration, before and after project operation
- b. Adherence to timetable
- c. Number of applications accepted and screened
- d. Number of loans made
- e. Number of loan defaults
- f. Number of requests for information and assistance
- g. Kinds of assistance given
- h. Management and fiscal accountability to CDA and FAI members
- i. Results of homeowner survey - applicants and receivers of loans
- j. Visibility of project - presentations, media coverage
- k. New members attracted to FAI or other similar projects

Project management will be revised on the basis of evaluation results, and these revisions will be reviewed with the CDA planning and evaluating staff, as well as with FAI representatives.

10. Continued Planning. The evaluation process will be one planning mechanism. Others will include FAI, representatives' monitoring and suggestions, discussion with and input from financial interests, and citizen input through committee structures. If the project strategy proves effective, not only could this project be expanded to meet Portland MNA need, but also it could be used as a demonstration model for other communities.

D. PROJECT SUMMARY

The Housing Repair Loan program will improve housing conditions in the MNA by making low-interest rehabilitation loans available to MNA homeowners through a consortium mechanism, underwriting the risk incurred, and following through each loan with technical assistance as requested.

E. ATTACHMENTS

- 1 - Signature letter
- 2 - Sliding interest scale
- 3 - FAI Articles of Incorporation
- 4 - Organization chart
- 5 - Staff descriptions
- 6 - Timetable
- 7 - FAI funding letter
- 8 - FAI Board of Directors



ATTACHMENT 6
TIME TABLE

DATE February 20, 1973

ACTIVITY	1973 JUNE	JULY	AUG	SEP	OCT	NOV	DEC	1974 JAN	FEB	MAR	APR	MAY	JUNE
Activity 1													
Step 1-1	<u>All staff will be hired by August 1. Replacements will be hired if and when needed.</u>												
Step 1-2	<u>Office will be ready for operation by July 15. Supplies will be ordered quarterly.</u>												
Step 1-3	<u>Publicity will be an on-going project, particularly stressed in June and July. February and March to precede periods of good weather.</u>												
Activity 2													
Step 2-1	<u>Loan application process will begin mid-July and continue until funds are potentially exhausted. Peaks expected in July and August, February and March.</u>												
Step 2-2	<u>Same as Step 2-1.</u>												
Step 2-3	<u>Screening will begin as soon as first application is complete and continue throughout the year until all funds have been allocated.</u>												
Activity 3													
Step 3-1	<u>Referral and negotiation will begin as soon as applications are screened and approved. Peaks expected September and April after peak application months.</u>												
Step 3-2	<u>Same as Step 3-1.</u>												
Step 3-3	<u>Documentation will begin with first application and continue throughout year.</u>												
Activity 4													
Step 4-1	<u>Referral service will begin at time of application for loan and continue throughout year. Peaks expected August and March, just prior to money being available.</u>												
Step 4-2	<u>Contract review will begin as soon as repairs are negotiated with contractors, before contract is signed. Peaks expected September and April.</u>												
Activity 5	<u>Although this activity will be on-going, it can be stressed when other activities are at low points, probably November through January.</u>												

30



BUDGET SUMMARY

DATE Dec. 15, 1972

PROJECT NO. 16-10

PROJECT TITLE KIDS TRAINING

CATEGORY CODE	CATEGORY TITLE	TOTAL BUDGET	MODEL CITIES SHARE
10	SALARIES (INCLUDING FRINGE BENEFITS)	42,980	21,490
20	CONTRACTED SERVICES (INCLUDING AUDITING)	6,000	3,000
30	TRAVEL, LOCAL	120	60
35	TRAVEL, OUT OF TOWN	560	280
40	CONSUMABLE SUPPLIES	3,725	1,862
50	SPACE (INCLUDING RENOVATION)	4,800	2,400
55	UTILITIES (INCLUDING TELEPHONE)	780	390
60	FURNITURE & EQUIPMENT (RENTAL)	1,580	790
65	FURNITURE & EQUIPMENT (PURCHASE)	7,130	3,565
70	INSURANCE	765	383
71	MAINTENANCE OF EQUIPMENT	720	360
79	MISC. EXPENSES	840	420
TOTALS		70,000	35,000

O/A APPROVAL

Henry Asweling
SIGNATURE & TITLE

Director

12-20-72
DATE

CDA APPROVAL

George McRae
SIGNATURE & TITLE

Director

2-13-73
DATE

-PROPOSAL SAMPLE



BUDGET JUSTIFICATION

(CATEGORY 10, PERSONNEL)

DATE 12-15-72

PROJECT NO. 16-10

PROJECT TITLE KIDS TRAINING

PROPOSAL SAMPLE

(A) NUMBER OF PERSONS	(B) POSITION OR TITLE	(C) MONTHLY SALARY RATE (FULL TIME)	(D) PERCENT OF TIME ON PROJECT	(E) NO. OF MONTHS ON PROJECT	(F) COST (A x C x D x E)
1	Director	1,000	75	12	9,000
1	Adm. Asst.	850	100	12	10,200
2	Project Workers	667	100	12	16,000
1	Summer Worker	400	100	2.5	1,000
3	Part-time Summer Workers	400	50	2.5	1,500
SUB TOTAL, PERSONNEL					37,700
<u>14</u> % FRINGE BENEFITS					5,280
TOTAL, PERSONNEL					42,980



BUDGET JUSTIFICATION
(CATEGORIES 20 THROUGH 79)

DATE 12-20-72

PROJECT NO. 16-10

PROJECT TITLE KIDS TRAINING

PROPOSAL SAMPLE

CATEGORY CODE	DESCRIPTION OF ITEM AND BASIS FOR VALUATION	ITEM TOTAL	CATEGORY TOTAL
40	General office supplies \$50/month x 12 months Office accessories wastebasket 3.50 lamp 10.00 blotter pad 7.00 stapler 2.50 Other 2.00 5 sets x 25.00 Purchase of Govt Printing Office pamphlets 30,000 @ \$0.10 each	600 125 3,000	3,725
50	Rent of project space (includes janitor, heat and water) 1,500 sq. ft. @ \$400/month x 12 months	4,800	4,800
55	Electricity \$20/month x 12 months Telephone 3 lines @ \$15/month each x 12 months	240 540	780

BUDGET JUSTIFICATION
(CATEGORIES 20 THROUGH 79)

DATE 12-15-72

PROJECT NO. 16-10

PROJECT TITLE KIDS TRAINING

PROPOSAL SAMPLE

CATEGORY CODE	DESCRIPTION OF ITEM AND BASIS FOR VALUATION	ITEM TOTAL	CATEGORY TOTAL
60	Xerox rental \$120/month x 12 months 16 mm movie projector \$35/month x 4 months	1,440 140	1,580
65	Office equipment 2 desks @ \$225 2 desks @ \$175 2 chairs @ \$70 2 chairs @ \$50 2 IBM Selectric typewriters @ \$500 1 conference table @ \$400 10 conference chairs @ \$50 2 cadenzas @ \$85 8 side chairs @ \$65 Project vehicle 4-Door Chevrolet Vega, standard model	450 350 140 100 1,000 400 500 170 520 3,500	7,130
70	Insurance Liability Bonding Automobile	290 175 300	765

BUDGET JUSTIFICATION
(CATEGORIES 20 THROUGH 79)

DATE 12-15-72

PROJECT NO. 16-10

PROJECT TITLE KIDS TRAINING

PROPOSAL SAMPLE

CATEGORY CODE	DESCRIPTION OF ITEM AND BASIS FOR VALUATION	ITEM TOTAL	CATEGORY TOTAL
71	Typewriter maintenance contract 2 machines @ \$5/month each x 6 months Auto operations 1,200 gals gas @ \$0.35/gal Oil and lubes, \$20/month x 12 months	60 420 240	720
79	Board member stipends 6 members @ \$10/month x 12 months Postage \$10/month x 12 months	720 120	840

IV. CURRENT ACTION YEAR PLANNING

The development of each successive Portland Model Cities Action Year Plan begins soon after the preceding Action Year contract with HUD is signed.

At the project level, the planning-evaluation-planning cycle is basic to Action Plan development. Active citizen participation at the policy-making level assures widespread community support for the Plan. Organizationally, the CDA is developing an agency/resource network that will ensure the continuance of Model Cities goals and activities.

Each Action Year Plan has four phases of development which are discussed in the following paragraphs.

PHASE I - PLANNING

Organizing and scheduling all activities necessary to Action Plan development take place during this phase. If necessary, the proposal process and the project development manual are revised during this time period.

PHASE II - PREPARATION

Two major activities take place during Phase II: proposal/project development and preparation of yearly reports and plans for all Model Cities activities.

The A-95 process, a system of regional and state coordination of public works and human resources programs, is initiated during Phase II as part of the project development activity.

By the end of Phase II, a draft of the Action Plan is completed.

PHASE III - REVIEW AND APPROVAL

All reviews that are distinct from the planning process are scheduled during this phase. These include reviews by the CPB Executive Committee and full CPB, the local Cooperative Area Manpower Planning System (CAMPS) Committee, City Commissioner staffs, City Administrative Review Committee, and the Columbia Region Association of Governments (CRAG), and the City Council.

After all necessary approvals are secured and an ordinance authorizing the Action Plan is enacted, copies of the proposed Plan are forwarded to HUD and other federal officials for their review.

PHASE IV - CONTRACT EXECUTION

Based on HUD recommendations, the Plan may be adjusted during Phase IV. When negotiations between HUD and the City of Portland are complete, the Action Year contract is executed.

DEVELOPMENT OF 4TH ACTION YEAR PLAN 1973-74

PORTLAND MODEL CITIES

