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# CDBG Study-City of Toledo

## Department of Economic and Community Development Executive Summary

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## **Introduction and Background**

### **Introduction**

Initially, the purpose of this project was to recommend a long-term process for CDBG funding allocation and to evaluate the Department of Neighborhoods but before this project began, the Department of Neighborhoods merged with the Department of Economic and Community Development. With the changes to this study suggested by the Department of Economic and Community Development, the UAC was able to expand its original mission. The UAC, with this report and its attachments, makes suggestions about the original process as well as addresses vital program issues that require immediate attention. This increase in scope also enables the Mayor and City Council, neighborhood leaders, and other groups to deal with short-term issues as they work to achieve the long-term goals of the Department of Economic and Community Development.

All of the UAC's recommendations highlight the importance of increasing program and sub-recipient capacity and the accountability of participants so that the over the long-term development of Toledo's neighborhoods and services to Toledo's residents can continue to improve. The UAC's recommendations, which prioritize community capacity building and planning processes, are discussed in this report.

### **Background**

#### **The Department of Economic and Community Development**

To eliminate redundancy by combining similar and/or overlapping functions, the City of Toledo has recently reorganized and merged two departments: the Department of Neighborhoods and the Department of Economic Development. The new department is called the Department of Economic and Community Development.

The reorganized department has the following objectives:

- Deliver high-quality programs and customer service to the citizens of the City of Toledo.
- Use the skills, experience, and insight of employees effectively and encourage them to craft and implement creative solutions to challenging problems.

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- Develop and use effective communication, teamwork, and collaboration within the department, the administration, the community, and the region.

The new department, the Department of Economic and Community Development, includes functions that were missing from organizational charts and/or work assignments. Work or action teams, under the reorganization, can be formed to implement economic and community development strategies in a more holistic, comprehensive, and collaborative way.

Although the merger has been officially announced and the new department has been created, the organizational structure within each of the new divisions is being defined through a newly created, permanent labor management process called "the Steering Committee."

### **Scope of Study**

As public and private resources become scarce and the needs of the Toledo community increase, performance efficiency and accountability issues arise. The Department of Economic and Community Development, local Community Development Corporations (CDC), local public service agencies, and other related City departments must operate at the highest levels of efficiency and effectiveness. To do this, agencies and departments must identify new resources and learn how to maximize existing resources and results by working in a more collaborative and coordinated way. Toward this goal, this study addresses the following:

- The City's mission for community and economic development.
- Community and neighborhood development programming.
- Community and neighborhood development staff organization and operations.
- Community Development Block Grants (CDBG) application and allocation process.
- The relationships and interactions with CDBG sub-recipients.
- The expectations and accountability of CDBG sub-recipients.
- The expectations and community accountability of the Division of Neighborhoods and Community Development and the City of Toledo.


It is beyond the scope of this study to:

- Implement recommendations.

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- Perform a systematic evaluation of each job description and function of the Department of Economic and Community Development.
  - Perform a detailed analysis of each program and service within the Department of Economic and Community Development.
  - Evaluate the effectiveness and efficiency of the Department of Economic and Community Development.

### **Methodology**

To develop an understanding of the program and its needs, UAC did extensive outreach, data collection, and analysis. To do its work, the UAC used a three-person team of experienced staff and consultants and a 20-member Community Advisory Team (CAT). Extensive interviews were conducted with some people interviewed several times. Interviewees included representatives from the CDC community, social service agencies, foundations, city government, and members of the community at large. The team reviewed planning documents and meeting minutes; program monitoring and site visit reports; and other reports and data dealing with various aspects of the program.



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## Executive Summary--Conclusions and Recommendations

### Conclusions

The CDBG program, as well as other funding used by the Department of Economic and Community Development, has accomplished a great deal in its 30-year history. Many program staff and neighborhood leaders deserve credit and appreciation for their dedicated and well-executed work. The results of this work should and must be used as a springboard for the future. The focus of this section is not on the strengths and successes of the program but, rather, on the tough issues that must be addressed to strengthen the program for the future.

The findings reveal a complex, multi-layered program with much to commend, but also many problems to resolve if it is to reach its potential. Many significant challenges are ahead. The Department must build on strengths and find more innovative ways to use its dwindling resources to produce more results and better outcomes.

The number of department staff is substantially decreased from earlier levels, which reduces the scope of programs and assistance it can provide. Currently, the Department finds it difficult to maintain a bare maintenance effort. In some key areas where vacancies have gone unfilled for long periods of time or where jobs have been eliminated, service has dipped below minimally acceptable levels or is non-existent.

The staff's primary objective is to be sure that program funding is spent without any controversies or rule violations. The small monitoring staff, assigned to more responsibilities than it should be expected to handle, performs at an acceptable level, given an historically limited commitment to staff development.

For the most part, the program staff must find ways to balance the heavy demands and needs of the community with the difficult and often time-consuming bureaucratic requirements of monitoring, disbursements, and project implementation. While rules and procedures are plentiful, no overall strategic plan or assessment of what is or isn't working is available to guide the efforts of staff members. Staff leadership is not able to focus on making these assessments and improvements.

These and other issues of staff reorganization, operations, and decision-making have had big impact on how the program and services function. In addition, there is much dissatisfaction and open hostility toward the city and the department.

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In order to move forward the department must improve its working relationship within the city itself and with community stakeholders. This is the only way to identify community issues and problems and set community priorities and then...to begin to work together in a partnership to move the community forward.

## **Recommendations**

The following questions guided the development of the study recommendations. To assure the validity, relevance, and importance of each recommendation, team members asked:

1. Do the recommendations support and/or take into account the consensus of views expressed by the stakeholders interviewed?
2. Do the recommendations help actualize a vision for the Department of Economic and Community Development's future and that of the community?
3. Do the recommendations, if implemented, substantially increase the chances that the Department's programs will be strengthened?
4. Do the recommendations, if implemented, ensure that the neighborhoods are involved determining their own futures?
5. Do the recommendations have the practical value of strengthening the current strategies of the City of Toledo's Administration and its partners and sub recipients?
6. Do the recommendations build on the best practices used throughout the city and the country while filling gaps, overcoming obstacles, and maximizing the future potential?
7. Do the recommendations meet the contractual requirements?
8. Are the recommendations pragmatic and helpful? Do they, if implemented, efficiently use limited resources and respect other important commitments of those currently involved?

Recommendations are organized under the following headings:

- Mission for Department of Economic and Community Development

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- ❑ Economic and Community Development Programming
  - ❑ Department's Organizational Chart and Overall Operating Policy
  - ❑ Expectations of the Department and CDBG Sub Recipients
  - ❑ CDBG Application/Allocation Process
  - ❑ Other Recommendations

## **1. Mission for Department of Economic and Community Development**

### **Recommendation 1 A**

#### **Draft and Adopt New Vision and Mission Statement**

The Department of Economic and Community Development should appoint a committee made up of staff (management and union—preferably from the established Labor Management Steering Committee), CRC members, Representatives of sub recipients and other stakeholders, City Council (leadership from relevant Council Committees), and department administrators to update the vision and mission statement for the Department. This statement must take into account the internal and external needs and expectations of the department and the community.

## **2. Economic and Community Development Programming<sup>1</sup>**

### **Recommendation 2 A**

#### **Update the Consolidated Plan<sup>2</sup>.**

After careful consideration of its findings, the UAC believes that the City must focus immediately, with the highest priority, on updating the Consolidated Plan. The Consolidated Plan must be developed through an authentic community-based process that produces goals, objectives, and priorities that have the confidence and support of residents, the Mayor,

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<sup>1</sup> This study was not intended to evaluate or examine Department's economic development activities or programs, but rather focused on what is traditionally referred to as Community Development. Community Development in this case refers to the parts of the department that deal with housing, public/social services, program monitoring and contract compliance, etc.

<sup>2</sup> The HUD required long-term plan for the use of CDBG, HOME, and ESG funds. The Consolidated Plan is a five-year (sometimes a three-year) plan that identifies community need, establishes goals, objectives, priorities, and strategies for meeting those needs. HUD requires that the Consolidated Plan be developed through a community planning process. The City of Toledo is approaching the final year of its Five Year Consolidated Plan. All stakeholders interviewed expressed a strong opinion that the Toledo Con Plan is outdated and has always been inadequate—mainly because of its lack of detail and its lack of priorities. The Con Plan is supposed to provide a framework and guidance for CDBG funding decisions but all involved in the CDBG funding processes felt that the Con Plan was of no help of value to their efforts.

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City Council, neighborhoods, service providers, funders and resource providers, and other stakeholders. An updated and improved Consolidated Plan will help the City position itself to compete, successfully, for additional public and private dollars and for other grants and resources. At a minimum, the new Consolidated Plan must do the following:

1. Identify and quantify the community development needs and challenges facing Toledo's low-income residents and neighborhoods.
2. Establish prioritized goals and objectives to address those needs and challenges.
3. Identify strategies to accomplish the high priority goals and objectives. Strategies should include and incorporate elements of model programs and best practices (from Toledo and elsewhere).
4. Identify the City's CDBG Service Delivery model/philosophy. This would be a clear articulation of the City's philosophy and approach to delivering CDBG funded services. This should include the City's philosophy/approach with regards to contracting with sub recipients for delivery of CDBG eligible services and programs identified in the Consolidated Plan along with the anticipated level of annual financial commitment for services provided by sub-recipients (this determination should be related to Consolidated Plan priorities).
5. Identify the roles and expectations of all of Toledo's community development partners (the City, corporate community, non-profit community, other public/private sector stakeholders, CDCs, the County, and other community stakeholders)
6. Identify strategies for promoting the emergence, support, and development of community/neighborhood initiatives and leaders.
7. Identify ongoing strategies for the identification of community issues/needs, which would serve as the basis for the development of new programs or the refinement of existing programs/strategies to meet those needs.
8. Identify the City's CDBG funding application and allocation process.
9. Establish clear priorities to guide CDBG application process and funding decisions. this would include an open discussion about how much of the City's annual CDBG allocation will be dedicated to sub recipients and how will that be divided between CDCs and public service agencies.

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10. Establish a framework for measuring and evaluating both departmental and sub recipient accountability and effectiveness. Which should be used annually to refine and improve programs, processes, and performance.

### **Recommendation 2 B**

#### **Attract/Raise Additional Resources to Support Community and Economic Development Activities.**

In an era diminishing resources available for community and neighborhood economic development activities and social and public service activities (programs and operating support) the City must lead an effort, in collaboration with its partners and other stakeholders to increase the amount of resources that are available for these activities. This may include:

1. Working with United Way and other social service funders to identify additional and alternative sources of support for public and social service activities. These that have been traditionally funded, in part, out of the City's CDBG allocation thus identifying other sources of funding for them would free up CDBG funds for community and economic development activities;
2. Looking to the Port Levy as a source of dedicated funds for Toledo/Urban economic development projects support;
3. Examining the Counties process for allocating HHS Community Service Block Grant funds. The City should partner with local non-profit collaborative efforts, such as the CDC Alliance and the Alliance to End Homelessness, to initiate a capital campaign for community support.

### **Recommendation 2 C**

#### **The City Should Explore the Potential Benefits of Applying for CDBG Funds as an Urban County.**

While the Administration has legitimate concerns about the possible loss of control and resources for Toledo's CDBG eligible residents and neighborhoods, there is a sense within the community that the City may be able to receive a substantial increase in CDBG funds if it were to collaborate the Lucas County and apply for CDBG funds as an "urban county". The Administration should work with Congresswoman Kaptur's office and HUD to determine whether there would be substantial gains in CDBG funding for the CITY. If such gains were possible, what steps, conditions, and binding agreements could be entered into with the

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County to ensure that the City realized those benefits and retained complete control over its CDBG funding. In addition, it should be ascertained whether or not the City could, in future years, withdraw its support for an “urban County” application if it was determined that it was no longer in the city’s interest.

## **Recommendation 2D**

### **The City Should Measure CDBG sub recipient Performance and Success Based on Comprehensive Impact on the Neighborhood or Community.**

Most of the stakeholders interviewed for this study expressed a desire to have the City measure sub recipient effectiveness and impact in a more holistic way, rather than focusing exclusively on units developed or units of service delivered. They thought that the overall impact on a neighborhood or a population served should be measured and evaluated. With assistance from a University based researcher, the Department should work with a committee made up of sub recipients and other stakeholders and resource people to develop criteria, standards, and a methodology for using those standards too evaluate the effectiveness and impact of CDBG funded activities and programs on the neighborhoods and populations they serve<sup>3</sup>. The resulting criteria and process would then be used to evaluate effectiveness and impact of CDBG funded work undertaken by the city and its sub recipients and help provide guidance for future program planning.

## **Recommendation 2 E**

### **CDBG Program Planning and Evaluation.**

Based upon the goals and priorities of the Consolidated Plan, the City should work with sub recipients, CRC, and other stakeholders to develop and implement an ongoing process for evaluating the effectiveness current programs and activities. This would include all CDBG funded activities, whether executed internally by the City or through sub recipients. The reason for doing this is to ensure that CDBG funded services and programs are effective, responsive, and accountable. In order to accomplish this the City should secure high quality technical assistance where necessary. This could be done in conjunction with or as a complement to Recommendation 2 C.

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<sup>3</sup> The local LISC office has identified LISC supported efforts (in St. Louis) to measure the impact of CDC work on the neighborhoods they serve. This effort along with others could be evaluated for its effectiveness and possible be used as a model for a Toledo approach.

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## **Recommendation 2 F**

### **Work With the County and other Housing Stakeholders to Develop a City/County Wide Housing Strategy/Policy**

The City, Lucas County, the Port Authority, The Regional Growth Partnership, The University of Toledo and others are undertaking an economic development system evaluation and the development of an economic development plan that employs a targeted industry strategy. The City and the County would benefit from a similar assessment of Housing Development Systems and the development of a Countywide (perhaps even regional) Housing Plan and Policy. Such an undertaking should address housing for all income levels and markets and should have participation and support by the City, the County, and other housing stakeholders.

## **3. Department's Organization Chart and Overall Operating Policy**

### **Recommendation 3 A**

#### **CRC-The Citizens' Review Committee Should be a Permanent Committee that Provides Ongoing Guidance and Direction to the Department on CDBG Related Programs and Activities.**

The CRC's role should be expanded to include: 1) a formal advisory role to the Consolidated Planning process, 2) advisory role in the preparation of annual one year action plans, 3) advisory role on each years CDBG application and selection process, and 4) participation and leadership on special Departmental committees that address specific CDBG related program and/or process issues. The CRC should be made up of up enough members to accommodate its expanded role and membership should include those with experience serving on past CRCs as well as those with other relevant experience (organizational development, program administration/development, financial expertise, etc.). The CRC could include sub recipients and direct CDBG stakeholders in order to provide valuable insight and guidance, however the CRC members directly involved in CDBG funding processes should not be directly associated with a CDBG sub recipients or applicant. (See appendix for 29th year CRC materials).

### **Recommendation 3 B**

#### **Sub Recipient Organizational Problem Identification and Assistance.**

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While sub recipients are independent organizations and are accountable to their boards and in most cases a variety of private and public funders, the City has a real obligation to ensure that the HUD funds it allocates are expended legally, effectively, and responsibly. In addition, it is felt by some within the City that there is an obligation to ensure that sub recipients conduct all their programs, whether CDBG funded or not, effectively and ethically. Of course, the city cannot, independently, take on the expensive and onerous task of auditing and monitoring all of the financial and organizational activities of all of its sub recipients. However, in order to avoid public embarrassment and more importantly the appropriation of scarce CDBG resources on ineffective or incompetent organizations, the City should work with United Way, local foundations, and other funding stakeholders to develop a standard financial management practices and evaluation criteria that is relatively easy to use and can be used with confidence by local funders as they evaluate their grant applicants and grantees. The objectives would be to develop set of acceptable standards and an easy to use checklist or process for the evaluation of applicant/sub recipients' financial records.

Such a system should be designed to ensure that most problems are identified and "red-flagged" in a timely way which would enable funders and appropriate technical assistance providers to anticipate and solve problems before they become severe. In addition, this system should be able to identify organizations with problems that are so severe that they should not be funded.<sup>4</sup>

### **Recommendation 3 C**

#### **Make Improvements to CDBG Contract Administration and Monitoring Functions.**

The City should strengthen its contract administration and monitoring function. The City's program monitoring staff are charged with monitoring and evaluating contract compliance and effectiveness in meeting HUD rules and guidelines for CDBG funded activities undertaken by the City and its sub recipients. The administration has expressed a desire to expand the functions of the monitoring staff to include whole organization monitoring and organizational development beyond CDBG contract compliance. While this is laudable, there may be other more efficient and effective ways to address the problems facing the administration. Recommendation 3-B (above) should help address some of those concerns. There are some other ways that the Program Monitoring and Contract Compliance

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<sup>4</sup> The Ohio Association of Non Profit Organizations may have the framework for financial management standards and evaluation criteria.

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functions could be improved. Since program monitors perform a regulatory function they should not be relied on to provide organizational, project, or program assistance. This would compromise their ability to serve as auditors or evaluators. They should, however, have the ability to identify problems that require further assistance.

While program monitors may not have the capacity to conduct full evaluations/audits to uncover all aspects of a financial problem, they should be trained<sup>5</sup> to recognize problem areas or “red-flags” and then be able to refer those to other designated departmental staff with the training and capacity to conduct further investigation and/or undertake action to address or solve the problem.

Other ways to improve CDBG Contract Compliance and Program Monitoring include:

1. Developing a standard list (and checklist) of documents and material that must be on file for all sub recipients—this could eliminate the need for providing the same documentation repeatedly for each sub recipient. Of course time sensitive documents would need to be updated as required.
2. Allowing for sub recipients to update the goals and objectives in their work plans at the six-month mark. During the course of a planning period projects change and opportunities arise. This would allow sub recipients to fine-tune and adjust their work plans to reflect the reality of their situations. Of course care must be taken to prohibit sub recipients from setting unrealistic or unattainable goals in order to get a positive funding decision—the emphasis should be on fine-tuning existing goals and substituting appropriate eligible activities where necessary.
3. Program monitors must be aware of and on-board with changes made to the CDBG process and sub recipient expectations so that their expectations and evaluations accurately reflect those of the official process.
4. Monitors should submit draft monitoring reports to sub recipients for to allow for corrections, clarifications, and appeals prior to the reports being released or formally filed.

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<sup>5</sup> If monitors receive training that significantly raises their capacity there may be a need to raise their job classification and pay to reflect the upgrades.

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### **Recommendation 3 D**

#### **Improve Departmental Responsiveness and Upgrade Customer Service.**

As noted, the department's Labor Management Steering Committee is undertaking an extensive division-by-division, function-by-function, job-by-job analysis and evaluation. This information will be used identify service/operational gaps and overlaps and upgrade and improve the Department's systems and operations. This would include the Department's responsiveness and internal and external customer service and relations. It is our recommendation that this effort be supported and continued and that it secure input from stakeholders from outside the department and outside the city as necessary. Specific recommendations from stakeholders interviewed for this study include:

1. Identification of a single "go-to-person" for every program, activity, and event. They suggested that everyone who answers the phone have access to this information.<sup>6</sup>
2. Members of the department and the sub recipients find ways to communicate more regularly and build improve their ability to work together in a type of partnership. Full participation in a Consolidated Planning process should help meet this end.

#### **4. Expectations of CDBG Sub-Recipients and the City's Department of Economic and Community Development**

As recipients of HUD CDBG and other public funds, the City is obligated to expend those funds in a responsible and productive manner that ensures the maximum benefit to Toledo's low and moderate-income residents and neighborhoods. As public and private resources become scarce and the needs of the community increase, issues related to levels of performance and accountability become even more important.

Working with sub-recipients and service delivery partners is an effective way for the City to ensure that more resources and expertise is leveraged to address Toledo's community and economic development needs. In order to serve the needs of the community, to which both the City and its sub recipients are

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<sup>6</sup> This sort of thing would be beneficial citywide and could be incorporated into both the City's and the Department's website.

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accountable, each must operate at the highest levels of efficiency and effectiveness while being responsive to the needs of the community they serve.

The City's relationship with sub-recipients is that of a funder. The City has a responsibility to hold its contracted sub recipients to a high level of accountability. However, the relationship is more complicated than that. Sub recipients are partners in meeting public need and they bring capacity and resources to the table. In addition, because of diminishing resources available for program and operating support, sub recipients are often dependent on some reliable level of CDBG funding to ensure their ability to leverage additional funding. It is in the City's interest to ensure that the capacity and performance of sub recipients is such that they are able serve as productive and effective partners in the delivery of necessary services that the city is not equipped to deliver. Thus the City must value and support its sub-recipients as partners and each should expect of the other—the highest standards of performance.

#### **Recommendation 4 A**

##### **Training and Capacity Building.**

Most sub-recipients and city staff have demonstrated substantial capacity to carry out their work. In order to ensure high performance by CDCs, other CDBG sub-recipients, as well as city staff, the City must develop a consistent and ongoing commitment to training and capacity building for its staff and its sub recipients. The city should work with LISC and other TA and training resources to develop long-term capacity building, organizational development, and targeted TA and training programs. It is absolutely in the City's interest to financially support these activities to ensure high performance from its own staff as well as its partners.

## **5. CDBG Application, Process, and One Year Action Plan/Priorities**

#### **Recommendation 5 A**

##### **Build Upon the Successes of the New 29<sup>th</sup> Year Application Allocation Process.**

The 29<sup>th</sup> year CDBG application and allocation process was substantially different from that of past years. The application was completely changes and a point system was added. The goal was to introduce objective evaluation and remove subjectivity and politics insofar as possible. Most agree that while the new application was a challenge to complete it was a substantial improvement over past applications. The process was shorter and focused on building support and consensus among CDBG decision makers. Experienced members of the CRC were pleased with the changes to the process and the application. They were especially pleased with the

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changes in the Department's attitude and approach to the work of the CRC. They felt more respected and supported and less manipulated. They along with other stakeholders (including applicants) had the following suggestions for improvements to make next year's process even better.

## **6. Application**

Changes were made to the 29<sup>th</sup> Year CDBG application. The purpose of those changes was to introduce an objective rating system that took into account each agency's capacity, performance, and track record. In addition the rating system rewarded collaboration, leverage, and improved efficiencies. It is thought that those changes produced a generally good result and that the 30<sup>th</sup> year application be similar but contain the following corrections or modifications:

1. Use one application with separate instructions for Public Service Applicants and CDCs. Or consider two separate applications for Public Service Applicants and CDCs.
2. Include a checklist that indicates which supporting documents are on file in the department and which need to be provided by each specific applicant. New applicants will of course have to provide all required supporting documentation. Checklist will be prepared by program monitors and be made available to applicants when the 30<sup>th</sup> Year CDBG Application is released.
3. Simplify the language in the actual application and place the detail in the instructions
4. Continue to use rating criteria but clarify and simplify language that describes each factor. Add checklists wherever possible.
5. Simplify leveraging budget forms and formulas, consider using United Way's budgets and leveraging formulas.
6. Convert application form to one that can be filled out as and electronic form.
7. Reduce maximum allowable word count for narrative sections.
8. Develop policy for addressing substantial fund balances held by organizations. This could include requiring explanation and justification for fund balances over a certain figure and or requiring organizations to budget some or their entire fund balances. This is relevant to documenting agency need.

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## 7. Process

The 29<sup>th</sup> Year Application Review and Selection process was redesigned to include 1) an internal review committee 2) a Citizens Review Committee, 3) A Joint IRC/CRC Decision-making Committee that included participation by City Council and the Administration. The goal was to increase objectivity and remove some of the politics from the decision-making. It is generally thought that this process was successful and should be continued with the following modifications:

1. Document each applications deficiencies in such a way that applicants can be briefed on how to improve future applications
2. Add frequently asked questions section to website and update daily
3. Use the same IRC/CRC selection process, which included a 2-day marathon/retreat session for CRC. Consider same type of session for IRC that is closely timed with the CRC session.
4. Hold two application clinics to provide assistance in completing applications.
  - a. Clinic 1--Initial CDBG Process Announcement and Application Roll-out
    - Timeline, and deadlines
    - Overview of the application and process
    - Highlight changes
    - HUD guidelines and regulations
    - HUD National Objectives
    - Toledo's 30<sup>th</sup> Year CDBG Action Plan.
  - b. Clinic 2:
    - Explanation of Factors and Rating Criteria including explanation of leveraging factor and documentation
    - Workshop on completing budget forms

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## **8. Funding Priorities—One Year Action Plan**

The current Consolidated Plan is dated and does not contain priorities. A new Consolidated Planning Process must be funded and undertaken during the 30th year. In lieu of an updated Consolidated Plan, 30th Year CDBG priorities must be established and included in the 30th Year One Year Action Plan.

1. Establish the One-Year Action Plan and Priorities in consultation with the specific CDBG Programming Committees formed during the 29th Year (Youth, Homeless, and Feeding Kitchen ) as well as with other relevant stakeholder groups or committees. Include consultation with the IRC and CRC in order to ensure that the format and items contained in the One-Year Action Plan clarify priorities and needs in such a way to provide clear guidance to them as they evaluate and prioritize CDBG applications.
2. Hold a public hearing on the One-Year Action Plan.

## **9. Other Recommendations**

1. Explore the possibility of identifying a block of CDBG funds to support specific high priority projects or activities as identified in the new Consolidated Plan and issue a Toledo SuperNOFA to solicit proposals to address those specific high priority items.
  2. The City should consider targeting some CDBG dollars to project-ready activities.
  3. The City should consider establishing a minimum CDBG request amount. Small CDBG awards are inefficient and in fact may cost the city more in monitoring than the cost of the actual award. The department should determine the average cost of CDBG contract monitoring and administration and establish a minimum CDBG request amount that would apply to all CDBG awards (no exceptions).
  4. The City should consider the impact of funding many groups with overlapping missions and programs and/or those with low capacity and results. This is an inefficient investment of the City's declining CDBG resources.
  5. The City must encourage groups, through funding and education, to reduce operational overhead by working more efficiently with and/or developing partnerships and other cost-sharing relationships with other organizations. This will allow the City to invest more CDBG funds in services, programs, and other
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activities and projects that directly impact low- and moderate-income individuals and the quality of life in Toledo's neighborhoods.

6. The CDBG sub-recipients should be able to demonstrate that they are well run and have the capacity, performance history, and ability to leverage maximum resources. (Those resources should not be dependent on CDBG for all or most of their operating and program dollars.) The CDBG sub-recipients must identify best practice techniques of their local peers and support these practices through demonstrations and program redevelopment.
7. While it is in the City's interest to help its CDBG sub-recipients achieve maximum efficiency and effectiveness, the City's main interest and goal regarding the use of CDBG resources must be to achieve concrete results for its citizens. (Basically, the City wants to ensure access and availability of decent, affordable housing, livable neighborhoods, and to create jobs and business opportunities to benefit low- and moderate-income persons.)
8. It is in the City's interest to work with non-profit partners to leverage additional or new resources to support operating subsidies, training costs, and other capacity-building efforts for existing or potential CDBG sub-recipients. It is also in the interest of CDBG sub-recipients to work with the City and others to achieve this objective.

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