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Deborah Johnson
Director, Office of Community Development
Maine Dept. of Economic and Community Development
Augusta Maine

Oct 29, 2015

Dear Ms. Johnson,

I am writing to address one component of the Draft 2016 CDBG Program Statement. I am writing both for GrowSmart Maine and in my role as a member of the Advisory Council of the Maine Downtown Center and chair of its advocacy committee. The Advisory Council's role is to support the work of the Maine Downtown Center, which is closely connected to the mission of GrowSmart Maine; creating lasting prosperity without sacrificing the quality of life that defines Maine.

GrowSmart Maine and the Maine Downtown Center Advisory Council are opposed to the elimination of funding for downtown revitalization from the 2016 CDBG plan. This includes both the \$400K available for community grants and the \$100K for the Maine Downtown Center.

Our opposition is based on the success these programs have demonstrated in past years to achieve the objectives of the CDBG program, which align perfectly with the work of the Maine Downtown Center:

A. CDBG OBJECTIVES

All CDBG funded activities must meet one of three National Objectives of the program. These objectives are:

- Benefit to low and moderate income persons;*
- Prevention and/or elimination of slum and blight conditions; and*
- Meeting community development needs having a particular urgency.*

The Maine CDBG Program serves as a catalyst for local governments to implement programs which meet one of the three National Objectives, and:

- Are part of a long-range community strategy;*
- Improve deteriorated residential and business districts and local economic conditions;*
- Provide the conditions and incentives for further public and private investments;*

- *Foster partnerships between groups of municipalities, state and federal entities, multi-jurisdictional organizations, and the private sector to address common community and economic development problems; and*
- *Minimize development sprawl consistent with the State of Maine Growth Management Act and support the revitalization of downtown areas.*

In addition, it is noteworthy that downtown revitalization is included in the Maine Consolidated Plan for 2015-2019. The reliability provided by this multi-year plan is essential for communities and associated organizations to plan their own work, ensuring a consistency vital to the individuals and businesses benefitting from these efforts. To eliminate programs included in the current consolidated plan takes us away from the long-range community strategy without improving services to Maine communities, businesses and low to moderate income individuals.

It is my understanding that the funds will be redirected to The Safe Neighborhood Program (SN), to provide resources in support of new or expanded local law enforcement and crime prevention programming in designated neighborhoods which will benefit low/moderate income (LMI) persons. These funds are intended to help alleviate illegal drug activity and crime.

Though we don't disagree with the intended outcome of this new program, it is shortsighted to fund a new program by completely eliminating funding for a program with proven successes across Maine. In fact, downtown revitalization stimulates the economic activity on Main Streets thereby benefitting residents as well as creating places where illegal activity is less likely to occur because of the additional legitimate activity, people out and about on the streets and in the buildings there.

I would suggest consideration of other funding methods to create the new Safe Neighborhoods Program, and to keep downtown revitalization as a key component of Maine's CDBG plan. Perhaps taking a small percentage from all CDBG programs would be one way to do so, ensuring that proven programs continue while new efforts are created.

One final suggestion as the administration considers this program, is to keep intact the bonus points for applicants for other funding within CDBG for communities with Maine Downtown Center Designation. In this way, there is some acknowledgement of the value of the work of the Maine Downtown Center.

I am attaching to this letter a map that shows Maine Downtown Center's reach as well as a document outlining the impact of the program. I ask that the CDBG funding for downtown revitalization be restored to the 2016 CDBG Program.

Sincerely,



Nancy E Smith
Executive Director



Set in Statute by the Maine Legislature, the Maine Downtown Center (MDC) has been working in communities since 1999 to “encourage downtown revitalization in the state of Maine”.

The Maine Downtown Center (MDC) is the “the center” to provide information to all Maine communities asking for technical assistance and showing the willingness to revitalize their downtown area.

MDC works systematically in 10 locally staffed communities and 20 Network communities that are doing revitalization on a smaller scale. MDC is sought after by communities requesting assistance, we currently have 15 on a waiting list that we are engaged with. We have provided technical assistance to 65 additional communities.

With one dedicated MDF staff person, the MDC program operates very efficiently.

Using the National Trust for Historic Preservation’s, Four Point Approach®, MDC supports programs in 30 communities that involve their 377,704 residents as well as economic development leaders, businesses (all sectors) and the municipality. The Four Point Approach® involves building leaders and capacity, employing best practice economic development strategies, a tool box including organizational structure, financial capacity, opportunity for grants and a long term strategy. Trained Main Street organizations assist directly with the local businesses to mentor, coach, promote growth and jobs. This approach results in economic development, new businesses growth and business expansions, continued job creation, and housing revitalization our downtowns.

Maine Reinvestment Statistics (2002-2014, 10 Main Street Maine communities reporting):

Jobs & Business Growth

- Net Gain Part time Jobs: 313
- Net Gain Full Time Jobs: 1038
- Net New Businesses: 325

Leveraging Local Volunteerism:

- Downtown Volunteer Hours: 264,257

Capital Investment:

- New Construction Projects: 21
- New Housing Units: 368
- Building Rehabilitations: 832
- Total Reinvestment of \$224.5M (including Private reinvestment \$172,241,053 (77%))
- **Reinvestment Ratio: \$24.10 for every \$1 spent by the local communities**

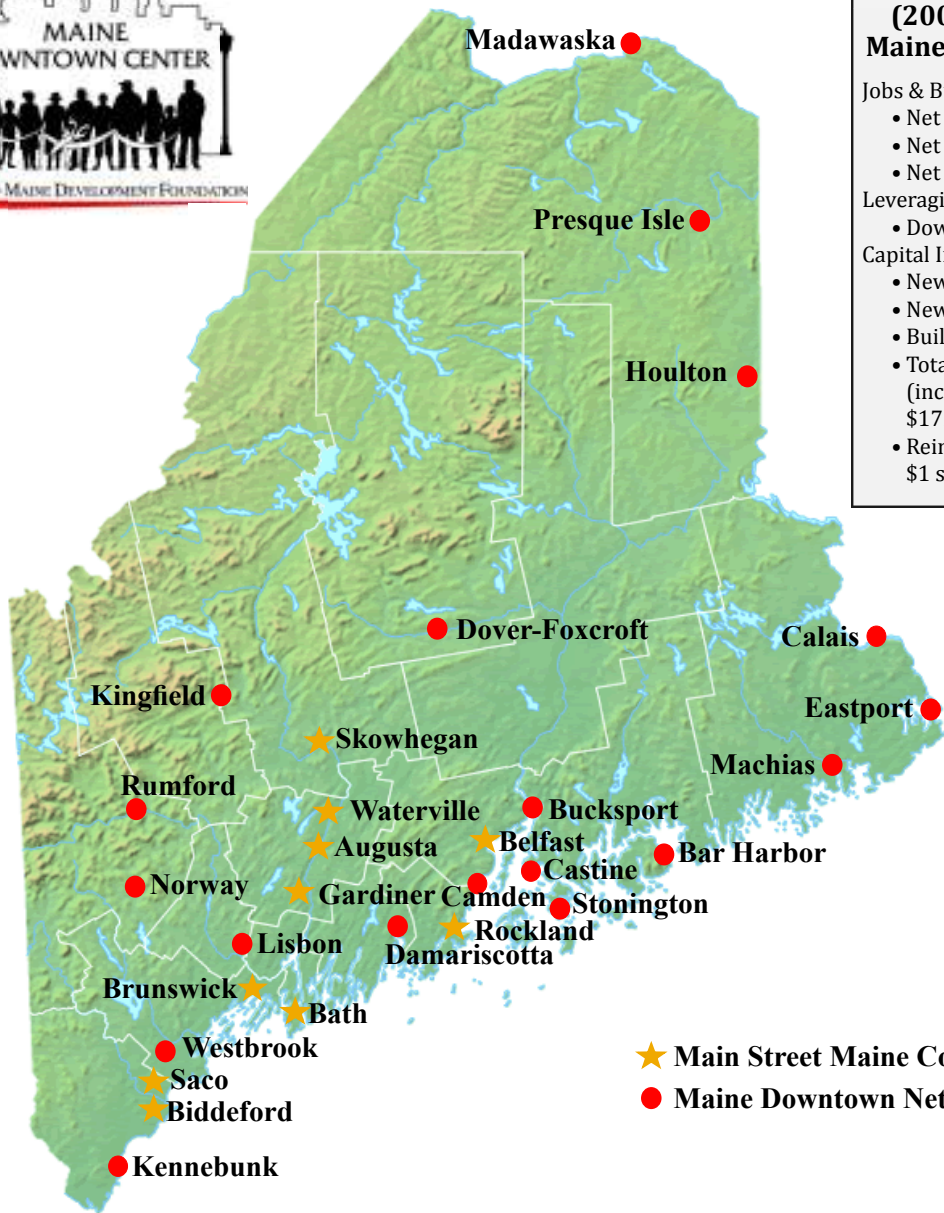
Program Support from CDBG funds was leveraged nearly 5X by MDC in other grants into our communities:

2011 – 2015 \$676,000 in CDBG support leveraged \$3,232,000 in grants:

CDC - Community Transformation Grants:	\$1,600,000
Elmina B. Sewall Foundation:	\$250,000
Betterment Foundation:	\$7,000
USDA:	\$175,000
Maine Community Foundation, Grants to Green:	\$1,200,000

In addition, MDC leverages the general operating support and infrastructure provided by more than 270 MDF business members.

Maine Downtown Center educates, advocates, connects and promotes Maine’s historic downtowns to revitalize and invigorate their community, cultural and commercial assets



**Maine Reinvestment Statistics
(2002-2014, 10 Main Street
Maine communities reporting):**

- Jobs & Business Growth**
- Net Gain Part time Jobs: **313**
 - Net Gain Full Time Jobs: **1038**
 - Net New Businesses: **325**
- Leveraging Local Volunteerism:**
- Downtown Volunteer Hours: **264,257**
- Capital Investment:**
- New Construction Projects: **21**
 - New Housing Units: **368**
 - Building Rehabilitations: **832**
 - Total Reinvestment of **\$224.5M**
(including Private reinvestment
\$172,241,053 (77%))
 - Reinvestment Ratio: **\$24.10** for every
\$1 spent by the local communities

- ★ Main Street Maine Communities
- Maine Downtown Network Communities

The Maine Development Foundation’s Downtown Center serves as the state coordinator for the National Main Street Center. We utilize the Main Street Four-Point Approach® which has earned a reputation as one of the most powerful economic development tools in the nation for vibrant, healthy downtowns.

The Center’s mission is to advance preservation-based economic development in downtowns across Maine, resulting in business growth, job creation, building rehabilitation, cultural enhancement and organizational leadership. The Center and its Advisors serve as a resource for all Maine communities interested in undertaking downtown revitalization projects and developing sustainable programs. We are proud to work with 10 Main Street Maine and 19 Maine Downtown Network communities statewide.

The Maine Downtown Center Oversees and Manages the:

- Main Street Maine program – locally staffed programs in 10 Maine communities
- Maine Downtown Network – for communities exploring downtown revitalization options
- Green Downtowns, Healthy Maine Streets, Grants to Green Maine
- Annual Conference and Downtown Institute trainings