

CITY OF BOSTON

Substantial Amendment #1 To Program Year 2013 Action Plan

Issued for Public Comment on May 12, 2014



City of Boston
Martin J. Walsh, Mayor

Department of Neighborhood Development
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DEPARTMENT OF NEIGHBORHOOD DEVELOPMENT
26 Court Street, Boston, MA 02108

Substantial Amendment #1

Program Year 2013 Action Plan

The Department of Neighborhood Development (DND) is proposing to make a substantial amendment to its Program Year 2013 Action Plan, covering the period July 1, 2013 to June 30, 2014. This change affects both the US Department of Housing and Urban Development's (HUD) Community Development Block Grant (CDBG) and the HOME Investment Partnership Initiative (HOME) funds allocated to DND's Rental Housing Production and Rental Housing Preservation programs. The changes result in an increase of 113 additional units in the commitment stage.

Summary of Citizen Participation Process: The substantial amendment was prepared and submitted in accordance with the City of Boston's citizen participation plan and issued for the required 30-day comment period on May 12th. A mailing of the notice was sent to 200 organizations and emailed to 362 individuals on mailing lists maintained for this purpose. A Legal Notice of the draft PY13 Substantial Amendment was advertised in the Boston Globe Metro section of the newspaper on May 12th and made available on the Department's website at http://www.cityofboston.gov/dnd/pdr/HUD_Plans_Reports.asp and paper copies were also made available at the Department of Neighborhood Development.

Summary of Public Comments: One comment expressing support for the Amendment was received from Lyndia Downie, President and Executive Director of the Pine Street Inn. No comments were received opposing the Amendment.

Specifically, the changes included in this amendment:

1. Decrease the overall budget of the Rental Housing Preservation Program by **-\$291,370**. The net decrease is a result of adding an additional \$1,000,000 in unexpected CDBG program income less the \$1,291,370 in HOME funds moved to Production. The estimated unit production increased from 331 to 374 because of the additional CDBG dollars.

2. Increase the budget of the Rental Housing Production Program by **\$1,533,136**. The source of the additional funding is HOME: \$1,291,370 moved from Preservation plus \$241,766 in unexpected program income. The estimated unit production is increased from 220 to 290.

The source of additional funding is the repayment of loans (program income) that HUD requires is spent before drawing on new grant funds. The original estimate of program income at the beginning of the program year (7/1/13) was \$2 million. And, the change of program activity is a result of more housing production projects, and fewer housing preservation projects, ready for commitment than originally estimated at the beginning of the program year on July 1, 2013. See table below for details of the budget changes.

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Budget Changes			
Rental Housing Preservation	HUD Funds		TOTAL
	CDBG	HOME	
Original Budget	\$603,322	\$1,602,293	\$2,205,975
Revised Budget (Amendment #1)	\$1,603,322	\$310,923	\$1,914,245
\$ Change	\$1,000,000	-\$1,291,370	-\$291,370
% Change	166%	-81%	-13%
Rental Housing Production	HUD Funds		TOTAL
	CDBG	HOME	
Original Budget	\$845,308	\$3,585,249	\$4,433,557
Revised Budget (Amendment #1)	\$845,308	\$5,118,385	\$5,966,693
\$ Change	\$0	\$1,533,136	\$1,533,136
% Change	0%	30%	35%