

# CITY OF BOSTON

## Substantial Amendment #1 To Program Year 2015 Action Plan

Issued for Public Comment: March 25, 2016



**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 to Program Year 2015 Action Plan

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The Department of Neighborhood Development (DND) is making a substantial amendment to its Program Year 2015 Action Plan, covering the period July 1, 2015 to June 30, 2016. This change affects the US Department of Housing and Urban Development’s (HUD) Community Development Block Grant (CDBG) budget.

**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 public comment period on March 25<sup>th</sup>. The Substantial Amendment was summarized at a citywide hearing on March 23<sup>rd</sup> attended by forty-two individuals. An email notice was sent to 342 individuals subscribed to DND’s Policy News updates. A Legal Notice of the proposed Amendment was advertised in two newspapers – The Metro on March 18<sup>th</sup> and the Bay State Banner on March 17<sup>th</sup>. The Amendment was available on the Department’s website: <http://dnd.cityofboston.gov/#page/hearings>. Paper copies were also made available at the Department of Neighborhood Development.

### 1. CDBG budget change

In preparing our HUD budget for each new program year that starts July 1, we estimate the amount of funds that will remain from the current year plus the amount of repayments that we expect to receive during the coming year. These estimates are made as of May 15, the due date for submitting our Action Plan. The actual amount of funds remaining from Program Year 14 and the actual amount of program income received to date in Program Year 15 were higher than originally estimated last May 15<sup>th</sup> so we must amend our Program Year 15 Action Plan to recognize and allocate these additional CDBG resources. Additional revenue: We are increasing the CDBG revenue for the program year by \$8 million dollars, bringing the overall CDBG total for the program year to \$32,166,250. The source of the additional \$8 million in funds is a combination of higher than anticipated program income from loan repayments and grant funds remaining from Program Year 14.

CDBG Year 2015 Budget (Revenue)			
	Original Budget	Change	Revised Budget
Allocation	\$16,101,121	\$0	\$16,101,121
Program Income	\$3,500,000	\$6,000,000	\$9,500,000
Prior Year Funds	\$4,565,129	\$2,000,000	\$6,565,129
<b>Total</b>	<b>\$24,166,250</b>	<b>\$8,000,000</b>	<b>\$32,166,250</b>

We will budget the additional \$8 million for the following activities:

- ❖ \$6.74 million to establish a new **Acquisition Loan Fund** to be administered by DND’s Neighborhood Housing Development division. The fund will assist community based organizations to acquire land, industrial property or vacant residential property for redevelopment to low or moderate income housing. The first project identified for the Fund is Parcel 25, vacant land formerly owned by the Massachusetts Bay Transportation Authority (MBTA) and located across from the Roxbury Crossing MBTA Station. Mission Hill Neighborhood Housing Services (MHNHS) will construct a five story, mixed use building that will create 40 units of affordable housing along with community-focused commercial space on the first floor and a new home for Metropolitan Boston Housing Partnership (MBHP) on the second level. DND will commit \$2.75 million in CDBG funds for the acquisition of the land. Details about the development are available here: <http://courbanize.com/dnd-parcel-25-phase-1a/>.
- ❖ \$580,000 to enable DND’s Supportive Housing Division to create a streamlined information system to fund housing and appropriate support services to the homeless and to increase funding for the Emergency Housing Assistance Program (EHAP). EHAP is a program that assists tenants (both individuals and families) in crisis situations to secure temporary or permanent affordable housing.
- ❖ \$25,000 to expand DND’s Tenants- At-Risk program and support the launch of DND’s new Office of Housing Stability to help people stay in their communities. The new office will develop resources for tenants, incentives for landlords who do the right thing, and partnerships with developers to keep more of our housing stock affordable.
- ❖ \$660,000 to DND’s Brownfields Environmental Abatement Program to assess and remediate contamination at two city-owned parcels at 206 West Broadway in South Boston. The parcels will be redeveloped into a four-story building with 16 units of affordable rentals located two blocks from a transit station.

<b>Proposed 2015 CDBG Program Budget Changes (Expenditures)</b>			
	<b>Original Budget</b>	<b>Change</b>	<b>Revised Budget</b>
Housing Production	\$1,136,556	\$6,735,000	\$7,871,556
Homeless & Supportive Housing	\$672,700	\$580,000	\$1,252,700
Tenants at Risk / Office of Housing Stability	\$166,651	\$25,000	\$191,651
Brownfields Environmental	\$556,737	\$660,000	\$1,216,737
<b>Total</b>	<b>\$2,532,644</b>	<b>\$8,000,000</b>	<b>\$10,532,644</b>