

City of Cambridge



Consolidated Annual Performance Evaluation Report for Fiscal Year 2009



City of Cambridge



Consolidated Annual Performance and Evaluation Report (CAPER)
Fiscal Year 2009

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The CPMP

City of Cambridge



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Consolidated Annual Performance and Evaluation Report includes Narrative Responses to CAPER questions that CDBG, HOME, HOPWA, and ESG grantees must respond to each year in order to be compliant with the Consolidated Planning Regulations. The Executive Summary narratives are optional.

The grantee must submit an updated Financial Summary Report (PR26).

Executive Summary

This module is optional but encouraged. If you choose to complete it, provide a brief overview that includes major initiatives and highlights that were proposed and executed throughout the year.

Program Year Four CAPER Executive Summary response:

Community Development Block Grant Narrative Introduction

The City of Cambridge has successfully completed the fourth year of the City's Five-Year Consolidated Plan. Activities undertaken during this period reflect the goals and objectives as stated in the City's Five-Year Consolidated Plan for Fiscal Years 2006 to 2010 and the FY 2009 One-Year Action Plan. What follows below is a broad overview of how each receiving Division within the City utilized CDBG funds in relation to the One-Year Action Plan, and how these activities contributed to the fulfillment of objectives as stated in the City's Five-Year Consolidated Plan. Please refer to each Division's separate Narrative for details not elucidated here.

The City is pleased to report solid performance across all Divisions and objectives in FY 2009. Where one program or objective experienced lower performance than expected a different program would over-perform. This exemplifies the broad array of programs offered and evidences the City's continuing efforts to be effective stewards of federal funds in the service of its residents.

Overview of CDBG Funded Activities	Housing	Economic Devmnt	Community Planning	Public Services	Public Facilities
Accomplishments - FY 2006 - 2010	Units	Clientele	People Assisted & Deliverables	People Served	CDBG Funded Parks
Anticipated	1,050	627	6,095	21,575	5
Actual through Year Four	645	521	7,381	33,127	10
% Complete Compared to Five-Year Plan	61%	83%	121%	154%	200%
Expenditures - FY 2006 - 2010					
Actual for Year Four	\$1,954,381	\$99,966	\$308,436	\$768,691	\$100,359
Total for FY2006-2010	\$8,971,584	\$849,520	\$1,077,168	\$2,512,330	\$777,486

Housing

The Housing Division has continued to be successful in providing and expanding affordable housing opportunities for Cambridge residents while also facing a very challenging real estate market. High land and construction costs, condominium conversions, a great demand to live in Cambridge, and intense competition from private housing developers have all contributed to the difficulty of creating and maintaining affordable units. Despite these challenges, the Housing Division still created, preserved or assisted in the rehab of **110** affordable ownership or rental units. Funds from HUD were essential in the achievements of the Housing Division and leveraged **\$18,732,269** from other public and private sources for all closed and completed cases for FY2009, as well as many millions more in activities currently underway.

The Housing Division works chiefly with local non-profit housing organizations, including Homeowner's Rehab, Inc. (HRI), Just-A-Start Corporation (JAS), Cascap, Inc., Cambridge Neighborhood Apartment Housing Services (CNAHS) and the Cambridge Housing Authority (CHA), to advance the following affordable housing programs:

- Affordable Housing Development: Through the Affordable Housing Development Program, HRI, JAS, CASCAP and the CHA develop affordable rental and homeownership units through acquisition, rehab and/or new construction of property in Cambridge.
- Home Improvement Program (HIP): Both JAS and HRI administer home improvement programs for the Housing Division. This program provides technical and financial assistance to low-, moderate- and middle-income Cambridge homeowners, and help stabilize owner-occupants in their homes while assisting them with needed home repairs.
- Privately-owned Multi-family Rehab: CNAHS works to improve the condition of multi-family rental housing in Cambridge while preserving and creating affordable housing without displacing existing tenants. CNAHS offers low-interest financing to multi-family owners who agree to rent their units to low- and moderate-income tenants at affordable rents.
- Rehab Assistance Program (RAP): Through RAP, JAS coordinates a unique program offering underserved Cambridge youth employment and skills training while engaging them in the rehab and development of affordable housing. In FY2009 **127** youth residents of Cambridge Housing Authority units participated in the program, assisting in the rehabilitation and development of **19** affordable units.

In the HIP and Multi-family Rehab programs, JAS, HRI and CNAHS derive Program Income through the re-payment of principal and interest to their respective Revolving Loan Funds from owners or assisted property. Program income is reported as required by HUD. Regarding other HUD requirements, Housing Division staff follow the Uniform Relocation and Real Property Acquisition Policies Act (URA), Section 104(d) of the Housing and Community Development Act and all HOME and CDBG requirements.

In addition to these programs, Housing Division staff oversee the Inclusionary Housing Program, which requires that private owners developing new or converted residential developments with ten or more units to provide 15 percent of the units as affordable housing. The units are affordable for the life of the building.

The City assisted **23** extremely low-income households, or households earning 30% less of the Area Median Income and **16** low-income households earning between 30% and 50% of area median income, through the affordable housing development programs, the HIP programs and CNAHS.

Housing Division’s FY 2009 production numbers were impacted by a difference in how the City and HUD each account for completed projects. The City considers a project “complete” when the financing is finalized. HUD, however, does not consider a project “complete” until all obligations of the City are paid in full and drawn-down from the HUD system and the individual unit that is being assisted (ownership or rental) is fully occupied with an eligible resident. This difference in accounting often times creates a lag in anticipated and actual accomplishment. For example, FY2007 saw the completion of the Trolley Square affordable housing development, and while the City’s investment and the construction was completed in FY2007, the balance of the units were marketed, sold and rented by eligible residents, therefore the project was complete by HUD standards in FY2008. The result is that the Trolley Square project will span two reporting cycles. For this reason it is important to look at the whole picture instead of focusing too closely on year-by-year accomplishments as they relate to anticipated results.

Housing Accomplishments FY 2009	5 Year Goal (units)	Years 1 - 3	Year 4 Anticipated	Year 4 Actual	Five-Year Goal Completion Percentage	Total Accomplishments: FY06 to FY10	Year 4 Total Spend
Affordable Housing Development	550	321	30	54	68.18%	375	\$795,534
CNAHS	250	58	15	10	27.20%	68	\$98,404
Home Improvement Program	250	162	50	40	80.80%	202	\$824,346
Division Total	1050	541	95	104	61.43%	645	\$1,718,284

Economic Development

FY 2009 demonstrated the continuing effectiveness of several on-going programs in both job training and small business assistance, and also demonstrated positive results in the reorganization of the Financial Literacy and Small Business Assistance programs.

The two primary objectives of the Economic Development Division are to “Cultivate a supportive environment for local business and entrepreneurship with particular emphasis on micro-enterprises” and to “Support efforts to sustain a diverse array of employment opportunities accessible to Cambridge workers including support for training of low and low-moderate income Cambridge residents for jobs in the bio-medical and healthcare industries.”

The Division’s Bio-Med job training program continues to perform well in an ever-important task of providing upward mobility for unskilled workers. The Cambridge Health Alliance jobs program experienced continuing underperformance due to circumstances largely out of the City’s control and will not be offered going forward. The Best Retail Practices program is

experiencing continued success and high demand among Cambridge’s small retailers. The program has also served as a model for other municipalities at HUD’s request.

Economic Development Accomplishments FY 2009	5 Year Goal (businesses served)	Total for Years 1 - 3	Year 4 Anticipated	Year 4 Actual	Five-Year Goal Completion Percentage	Total Accomplishments: FY06 to FY10	Year 4 Total Spend
Financial Literacy & Small Business Assistance	450	213	35	100	70%	313	\$50,072
Retail Best-Practices	120	72	29	54	105%	126	\$43,244
Job Training	57	70	9	12	144%	82	\$305,599
<i>Division Total</i>	627	355	73	166	83%	521	\$398,915

Neighborhood Revitalization Strategy

The City re-submitted its Neighborhood Revitalization Strategy (NRS) for its Five-Year Plan for FY 2006 to FY 2010 and was approved by HUD staff to continue programs that had a proven track record. Following HUD mandated guidelines the City identified the portion of Cambridge most in need of targeted funds and programs. These programs are aimed primarily at the stabilization of neighborhoods through assistance to middle-income homeowners and economic empowerment for low-mod-income residents through job and financial awareness training and small business assistance. The City has two (2) NRS areas, one in the eastern part of the City that runs from the Charles River across Central Square to the Somerville line and another that incorporates much of northern Massachusetts Avenue, as well as the Rindge housing towers.

Fiscal year 2009 saw the continued success of the Just-A-Start Bio-Med training program, Best Retail Practice assistance program and the continued expansion of the Home Improvement Program (HIP) in the inclusion of middle-income residents.

The Cambridge Health Alliance program underperformed expectations as more candidates than expected did not progress on the track outlined for them. CHA and City staff have been very responsive to the programs underperformance and have determined that given conditions at the CHA and the expectation for success the City has for its projects the program will be discontinued.

Community Planning

Cambridge’s Community Planning Division plays an integral part in the City’s development, and how that development is designed and enacted with public awareness and interaction. Community Planning provides high quality technical assistance to staff members, the City and residents for all department operations and provides information to the public on various planning and zoning initiatives. The Department also staffs and assists the Planning Board,

working with various interested parties, both public and private, in developing, reviewing and implementing various urban design improvements.

The Community Planning Division continued its strong performance in FY2009, meeting and exceeding nearly every goal. This performance typifies the Division's overall performance for the five-year period covered by the previous Consolidated Plan, where they produced more than 50% above what was expected.

Community Planning Accomplishments FY 2009	5 Year Goal	Years 1 - 3	Year 4 Anticipated	Year 4 Actual	Five-Year Goal Unit Completion Percentage	Total Accomplishments: FY06 - FY10	Year 4 Total Spend
Technical Assistance to Staff Members	60	45	15	15	100%	60	n/a
Provide Information on Planning and Zoning	4,000	5100	800	2,441	189%	7,541	n/a
Outreach for Urban Design Plans & Proposed Development	600	300	120	114	69%	414	n/a
Develop, Implement & Review Urban Design Improvements and Master Plan	120	84	24	41	104%	125	n/a
Staff & Assist Planning Board	120	78	24	21	83%	99	n/a
Parks & Playgrounds:		0				0	
<i>Renovations</i>	25	10	5	6	64%	16	n/a
<i>Technical Assistance</i>	30	17	6	11	93%	28	n/a
Total Parks & Playgrounds	55	27	11	17	80%	44	n/a
Increase Quality & Availability of Planning-Related Information:		0				0	
<i>GIS Maps</i>	600	600	120	252	142%	852	n/a
<i>Presentations</i>	500	300	100	90	78%	390	n/a
<i>Project & Program Materials</i>	20	12	4	4	80%	16	n/a
<i>Major Department Initiatives</i>	20	21	4	9	150%	30	n/a
Total Deliverables	1140	933	228	355	113%	1,288	n/a
Division Totals	6,095	6,567	1,222	3,004	157%	9,571	

Public Services

The City of Cambridge provides a comprehensive array of Public Services and programs for its residents through the Department of Human Services. The Department's mission is to improve the quality of life for Cambridge's youths, seniors and all residents by creating and coordinating public services. The scope of the work the Department of Human Services undertakes is impressive and its effectiveness in executing its objectives is seen in the number of Cambridge residents assisted each year through its programs.

The Department delivered these services through programs aimed at: Training and counseling for gainful employment; Legal services for at-risk families and individuals; services for Battered and Abused spouses; Child Care services; counseling and support initiatives for at-risk Youths and their families; programs for the City's Seniors and various General services which do not fit easily into a HUD specified category. The Department of Human Services also administers the City's Continuum of Care and ESG programs, which provide comprehensive services to homeless and at-risk individuals and families throughout Cambridge.

Cambridge’s Public Service initiatives serve a Limited Clientele {24CFR 570.208(a)(2)(i)(A)(B)} of low and moderate-income individuals and families. The City’s Public Service non-profit subcontractors undertake Income Verification and maintain such records for all applicable programs and persons. The only portion of the Limited Clientele “assumed” to be low or moderate income is the homeless, who are served through the Emergency Shelter Grant.

Fiscal Year 2009 presented certain challenges to the Public Services Department to deliver its services as nearly all of its sub-recipients continued to digest reductions in funding due to the overall economic slowdown. As state and private funding resources reduced their contributions, services were necessarily scaled back in order to maintain safe and effective operations. Compounding this problem is the increase in unemployment, which leads to a higher homeless and at risk population. Heightened administrative requirements that were not accompanied by an increase in funds to offset the burden also presented a challenge to nearly all service providers.

Despite these challenges, the Department of Human Service Providers and their partners were able to serve 90% of the clients it anticipated. This performance was exemplary of the work the Division has performed over the previous five-year period, an accomplishment most impressive given the increasingly difficult economic situation the providers face.

Public Services Accomplishments FY 2009	5 Year Goal	Year 1 - 3	Year 4 Anticipated	Year 4 Actual	Five-Year Goal Completion	Total Accomplishments: FY06 - FY10	Year 4 Total Spend
General	16,000	12,477	2,000	3,198	97.97%	15,675	\$272,041
Battered & Abused Spouses	1,250	3,021	75	70	247.28%	3,091	\$20,000
Employment Services	810	3,222	250	119	412.47%	3,341	\$38,500
Legal Services	325	3,198	60	89	1011.38%	3,287	\$35,000
Senior Services	1,500	3,738	300	383	274.73%	4,121	\$30,160
Youth Services	1,810	3,435	200	177	199.56%	3,612	\$35,000
Program Total	21,695	29,091	2,885	4,036	152.69%	33,127	\$430,701

EnergyStar

The City of Cambridge requires that all new-construction affordable rental and home-ownership units meet EnergyStar efficiency standards. As energy costs continue to increase the cost of heating and cooling a home becomes more of a burden on low and moderate-income families. In FY2009 the City created **13** EnergyStar compliant units, all of which were new-construction rental and homeownership units.

The American Recovery and Reinvestment Act

The American Recovery and Reinvestment Act of 2009 (Recovery Act) appropriated \$1 billion to the U.S. Department of Housing and Urban Development (HUD) in Community Development Block Grant (CDBG) funds for states and local governments to carry out activities eligible under the CDBG program in an expedited manner. \$980 million is being distributed to existing CDBG

recipients based on the formula by which they receive regular CDBG funding, with \$10 million being allocated to HUD for administrative expenses and \$10 million allocated to the Indian CDBG program. The funds were allocated based on the same formula employed for the allocation of standard CDBG funds, with all Recovery Act projects being treated as a substantial amendment to their current year's Plan and are referred to as CDBG-R funds. The City of Cambridge will receive \$851, 070 in CDBG-R funds.

Certain ARRA funds were set aside to combat homelessness. The City also received \$1,302,128 in Homeless Prevention and Rapid Re-Housing (HPRP) funds. As described in the City's Consolidated Plan, there are many possible contributing factors and many paths that lead to homelessness. Without the kind of countervailing resources made available through ARRA, the economic downturn could precipitate the homelessness of people from a broad swath of the economic spectrum, ranging from previously stable households that have lost heretofore reliable employment income, to households in which economic stresses have led to domestic violence, to tenuously employed households whose limited education or employability make them prime targets for early layoffs and poor candidates for re-employment, to chronically vulnerable households facing multiple and often inter-related challenges including low income, clinical or medical issues, and/or less-than-adequate independent living skills.

The infusion of HPRP resources adds more capacity to an already-constituted infrastructure of prevention and re-housing-related programs and services which is described and endorsed by our Consolidated Plan.

Re-allocations

Typically, if a jurisdiction does not submit an Annual Action Plan on a timely basis and/or if HUD determines a jurisdiction's Plan to be inadequate the award amount is recaptured by HUD and reallocated in the next fiscal year's allocation. To expedite the utilization of Recovery Act funds, however, any sums that are to be reallocated based on a jurisdiction's inability to produce a satisfactory substantial amendment to their Annual Plan by the dates required will be re-allocated based on a set of performance criteria to be determined by HUD's Secretary.

Requirements and Regulations

The CDBG-R grant is a supplemental appropriation. As such, HUD is treating the City's use of CDBG-R funds as a substantial amendment to its current approved FY2009 One Year Action plan. Treating the CDBG-R as a substantial amendment will expedite the utilization of Recovery Act funds while ensuring citizen participation on the use of the funds.

The City, in its substantial amendment, must provide a description of how the distribution and uses of the grantee's CDBG-R funds will meet the requirements of Title XII of Division A and Section 1602 of the Recovery Act: that, in selecting projects to be funded, recipients shall give priority to projects that can award contracts based on bids within 120 calendar days from the date the funds are made available to the recipients; and that for CDBG-R funds being used for infrastructure investments, recipients shall give preference to activities that can be started and completed expeditiously, including a goal of using at least 50 percent of the funds for activities that can be initiated not later than 120 calendar days after February 17, 2009.

The City is naturally in its annual project bidding phase at the time of this report, with most new contracts being awarded from the beginning of summer through late fall. This will allow the City to expeditiously utilize its CDBG-R allocation for its infrastructure improvement projects, however it is unlikely that the City will meet the goal of using at least 50% of the award by 120 calendar days from February 17, 2009 due to the late arrival of official guidance from HUD. However, the City fully anticipates committing all CDBG-R funds within 120 calendar days of the actual grant award.

The Best Retail Practices Program is currently in the initial of three phases, with grants being awarded to those micro-enterprises which complete the first two phases. This will allow the City to utilize the CDBG-R funds to enhance the total number of grants being awarded immediately.

The Bio-Med training program has been run by the City for several years and runs on a cycle that begins in September, again providing for the timely utilization of CDBG-R funds.

Location

The locations of all activities undertaken in FY 2009 are located in the IDIS report C04PR03, found in the FY 2009 CAPER IDIS Reports. A description of who may apply for assistance, the process for selection of who will receive the assistance and how much and under what terms the assistance will be provided can be found under the section entitled Affordable Housing Objectives and Economic Development Objectives in the City's FY 2009 One-Year Action Plan and the Five-Year Consolidated Plan for FY 2006 to 2010.

Activities By Geographic Area

Cambridge attempted to concentrate resources that benefit existing residents in the CDBG-eligible areas where the highest concentration of low and moderate-income households live. For affordable rental and homeownership projects and public services programs, we will support projects in all parts of the City. Cambridge supports the even distribution of CDBG, HOME and ESG funded activities throughout the neighborhoods of the City that demonstrate need and where opportunities to increase the affordable housing stock exist.

Basis For Assigning Priority Needs

For a complete and thorough description of the process and criteria employed in determining the priority assigned to each Priority Need please see each division's individual narrative and the City's FY 2009 One-Year Action Plan and Five –Year Consolidated Plan for FY2006 to 2010.

Activities that are assigned as a “High” priority are those which are slated to receive HUD funds through the Community Development Department and Department of Human Service Providers as stated within the Plan, those that are assigned a “Medium” priority are those that the City

intends to fund, but do not involve federal entitlement grant funds. Activities that are assigned a “Low” priority are activities that are not receiving community development funds as stated within this Plan, but may receive funding from other City departments or sources, and as such may be a higher prioritized need than this Plan’s scope. Certain other priorities receiving a “Low” priority rating are not currently slated for funding by any City funding sources or programs.

Obstacles to Meeting Underserved Needs

The primary obstacle to meeting the underserved needs in the City of Cambridge is a lack of available funding to the City and to the various non-profit agencies the City partners with in serving the low and moderate-income residents of Cambridge. As entitlement grants shrink or remain level-funded the cost of delivering services and completing projects increases, creating, in the recent past and present, an ever-widening spread of cost and available funds. Mirroring this trend is the increasing difficulty in leveraging funds through state and private resources, also decreasing or stagnant in recent times. Cambridge is fortunate in regards to its robust tax-base, but despite this local trend the overall availability of funds from both federal, state and other private resources continues to decline as inflation, and therefore costs, rise.

Mortgage Foreclosure Crisis

The City of Cambridge has taken several steps to address foreclosure issues. Fortunately, due to consistently high property values, sub-prime lending and foreclosure have not been significant issues in the City. The Community Development Department, through the Housing Division, offers several classes to prepare first-time homebuyers and to work with owners post-purchase. These classes include information on how to avoid sub-prime and other risky mortgage products. The City has also published a list of foreclosure resources, available on the Community Development Department website.

Additionally, Housing Division staff members are always available to work with owners facing foreclosure issues. The City also sponsors the Home Improvement Program, administered by two local non-profits, providing both technical and financial assistance to homeowners who need to refinance to reduce their foreclosure risk.

The City also offers resources to small businesses in Cambridge that might feel the broader impacts of the current economic downturn; whether it is their own personal situation or a decrease in profitability due to slower sales. These resources include an array of Financial Literacy courses geared to help individuals and business owners better understand and manage their financial situation, whether it be growth or contraction. In FY2009 the City offered *Managing In Hard Times*, a workshop that provides current business owners and start-ups with information on how to reduce and conserve costs, improve efficiencies and continue to grow the business during an economic recession. Additionally, the City added a *Business Literacy* program in FY 2009 that addresses the issues that impact small business owners in difficult economic times.

The City's Best Retail Practices program also gives business owners an opportunity to enhance their business to remain as competitive as possible in difficult times, both through expert counseling and matching grants. A focus on marketing strategies in an economic downturn was added for FY 2009.

Understanding and awareness are ultimately the greatest tools any individual or business can employ in mitigating the effects of a broad economic downturn. The City has this principle at the root of its programs in both Housing and Economic Development. We view our relationship with the residents as a partnership and feel the best route to success is to have partners that are well-informed and prepared to face broad challenges.

FY 2009 LEVERAGED FUNDS	
FEDERAL SOURCES: (Non-CDBG or HOME)	
AmeriCorps - Corporation for National Service (Fed)	\$212,383.00
Cambridge Office of Workforce Development (CDBG)	\$13,500.00
Employment Resources Inc. (ERI) WIA (Fed)	\$140,700.00
HUD Youthbuild	\$268,023.00
Neighborhood Reinvestment	\$78,195.00
US Dept of Labor (ETA) YouthBuild	\$603,792.00
HUD SHP	\$16,605.00
Total Federal	\$1,333,198.00
STATE SOURCES:	
DHCD - Housing Stabilization Funds III	\$1,030,788.00
DHCD - CATNHP	\$674,702.00
Mass Housing: Delead	\$57,290.00
AmeriCorps - Mass Service Alliance (State)	\$6,084.00
State Department of Education (State Youthbuild)	\$189,356.00
Green Affordable Housing Initiative (GAHI)	\$422,698.00
Mass Affordable Housing Trust	\$1,000,000.00
MA DPH and DTA	\$822,196.00
Total State	\$4,203,114.00
LOCAL/CITY SOURCES:	
Cambridge Historic Commission	\$192,675.00
Cambridge Affordable Housing Trust	\$10,173,182.00
Leadsafe Cambridge	\$43,510.00
City Tax Revenues (Fair Hsg & Non-profits)	\$1,317,742.00
Cambridge Mayor's Program	\$19,700.00
Camb CPA construction loan	\$850,000.00
City of Somerville	\$10,000.00
Total Local / City	\$12,606,809.00
PRIVATE & NON-PROFIT EQUITY SOURCES:	
Owner Contribution	\$103,786.00
Associate Grant Makers (AGM)	\$19,800.00
Cambridge Housing Authority (CHA)	\$10,804.00
Cambridge Harvard 20/20	\$1,500,000.00
JAS	\$6,762.00
LISC	\$2,500.00
CEDAC	\$200,000.00
Cambridge Trust Company	\$16,790.00
East Cambridge Savings Bank	\$78,978.00
Cambridge Savings Bank	\$90,966.00
HRI Project Reserves	\$13,500.00
Insurance Proceeds	\$834,889.00
YB USA/WalMart Foundation	\$32,972.00
Enterprise Green Grant	\$5,000.00
Menotomy	\$17,289.00
Other Private	\$241,901.00
CWE	\$62,282.00
Total Private & Non-Profit	\$3,238,219.00
TOTAL FUNDING SOURCES	\$21,381,340.00

ESG Match Report for FY 2009 Agency	09 Grant	Private Leverage	State Leverage	Federal Leverage	Total Leverage
Heading Home / Womens Day Drop-In Center	\$28,000	\$28,000			\$28,000
Heading Home / Shelter + Care	\$20,000	\$32,379			\$32,379
CASPAR	\$18,000		\$759,996		\$759,996
Eliot CHS / Bread & Jams	\$10,000	\$10,000			\$10,000
Salvation Army	\$10,000	\$10,000			\$10,000
Transition House	\$9,000		\$25,000		\$25,000
Catholic Charities	\$6,500	\$10,000			\$10,000
Phillips Brooks / St. James Summer Shelter	\$2,500	\$3,600			\$3,600
Phillips Brooks / Harvard Square Shelter	\$3,500	\$46,267			\$46,267
HomeStart	\$6,000			\$16,605	\$16,605
YWCA	\$5,000		\$5,000		\$5,000
C.C.A.A. Youth on Fire	\$12,000			\$32,200	\$32,200
Total	\$130,500	\$140,246	\$789,996	\$48,805	\$979,047

Resources

The following section describes federal, state, local and private funding and program sources that the City of Cambridge utilized in conjunction with HUD appropriated funds in all programs in FY2009.

FEDERAL RESOURCES

AmeriCorps

AmeriCorps funding supports the Just-A-Start Youthbuild program, a dynamic program providing workforce development to unemployed youths, ages 17-24 who dropped out of high school. During the program year, participants attend classes and spend a portion of their time working on supervised housing rehabilitation crews. The crews provide carpentry, renovation and beautification services to Cambridge's non-profit housing development organizations as they renovate and develop affordable housing units for low- and moderate-income households. In addition to attending courses to attain their high school diploma, participants are also involved in community service and attend leadership trainings. Upon graduation from the YouthBuild Program, they are equipped to achieve gainful employment, pursue a college degree, or attend trade school to advance their technical skills. To help in the transition, supportive counseling services are provided for at least one year after graduation.

Cambridge Health Alliance

The Cambridge Health Alliance administers Cambridge Health Care for the Homeless, a program operating in-shelter health care clinics for homeless individuals drawing on Federal Health Care for the Homeless grants.

The Alliance also conducts employee training and advancement for residents of Cambridge's Neighborhood Revitalization Strategy area.

The Cambridge Health Alliance is a regional health care system comprised of three hospitals, more than 20 primary care sites, the Cambridge Public Health Department and Network Health, a statewide managed Medicaid health plan.

Cambridge-Somerville Healthy Homes

The existing program managed by the Cambridge Public Health Department, actively serves families of children with asthma or other respiratory difficulties. Receiving referrals primarily from pediatric medical providers, the referred clients are then provided with a thorough home inspection to look for asthma triggers, asthma education, medical case management, and items to reduce exposure to asthma triggers and follow-ups. The program will work closely with Lead

Safe Cambridge and anticipates contracting with local non-profit housing rehabilitation specialists to remediate structural housing concerns. The Cambridge Public Health Department is submitting an application to HUD's Office of Healthy Homes and Lead Hazard Control.

Community Development Block Grant Program

The City of Cambridge is an entitlement City that annually receives a direct allocation of CDBG funds, which is used to support a variety of programs and activities, including economic development, design and construction oversight of parks, playground renovations, housing services, and housing development. A majority of the City's CDBG funds are used for housing development activities and services, such as acquisition, rehabilitation, and new construction of affordable housing units by non-profit housing development agencies in Cambridge. In addition to leveraging funds for housing development, CDBG funds supports a variety of housing services and activities, such as the Youthbuild program, tenant and landlord mediation services, homelessness prevention and other services for the homeless. The City's appropriation of CDBG funds among its programs reflects its strong commitment to providing decent and affordable housing, good community services, and a healthy economic base.

Conventional Public Housing Operating Subsidy

Federal operating subsidies are used by the Cambridge Housing Authority to make up the difference between the federally-determined allowable cost of managing and maintaining the family and elderly public housing stock and the amount of rent received.

Emergency Shelter Grant - HUD

The Massachusetts Executive Office of Health and Human Services has transferred responsibility to entitlement cities for Emergency Shelter Grant funds that the Commonwealth receives. The cities will now be able to allocate these funds along with the ESG monies they receive directly from HUD, provided the community has a Continuum of Care in place for homelessness programs.

HUD requires that each local government Grantee must match dollar-for-dollar the ESG funding provided by HUD with funds from other public and/or private sources. A grantee may comply with this requirement by:

- Providing matching funds itself, or
- Through matching funds or voluntary efforts provided by any recipient or project sponsor.

The City may use any of the following in calculating the amount of matching funds provided:

- Cash,
- The value or fair rental value of any donated material or building,
- The value of any lease on a building,

- Any salary paid to staff to carry out the program of the recipient; and
- The value of the time and services contributed by volunteers to carry out the program of the recipient at a current rate of \$5 per hour.

Federal Emergency Management Agency (FEMA) Funds

The Federal Emergency Management Administration makes grant funding available on an annual basis to food pantries and meal programs. FEMA also awards an annual grant to Catholic Charities, enabling the agency to issue payments to landlords to prevent eviction of low-income persons living in a larger region, which also includes Cambridge. Finally, FEMA also awards funding to the City of Cambridge Fuel Assistance Program, enabling the agency to issue payments to utility and oil companies to prevent or address shutoffs which would place a Cambridge or Somerville resident at risk of freezing.

Federal Mental Health and Substance Abuse Block Grant

These block grants are awarded to the State by the federal Department of Health and Human Services and fund a range of services including some of the treatment services utilized by homeless persons.

Federal PACE Grants

The Federal PACE grants provides funding for mental health outreach services for homeless persons. This grants, received by Tri-City Mental Health, a regional provider of mental health services, help fund shelter-based and street-based mental health services.

HOME Entitlement Grant

The City of Cambridge is a participating jurisdiction that receives HOME entitlement funds that assist in carrying out the City's housing strategies. These housing strategies include providing deferred loans to support the acquisition, new construction, and rehabilitation of affordable rental and homeownership housing units for low and moderate-income households.. HOME funds have also leveraged other public and private funds to help make new projects feasible. HOME funds are also used to assist with downpayment and closing costs for first-time homebuyers.

HOME Match Contribution

The HOME program requires that the City, as a Participating Jurisdiction, match expenditures under the HOME program. The match contributions must total not less than 25 percent of the funds drawn from the PJ's HOME Investment Trust Fund Treasury account in the fiscal year, excluding any expenditures that are not required to be matched, such as administrative and

planning costs and CHDO reserves. Non-HOME state funds and Cambridge Affordable Housing Trust funds are examples of funds used for the HOME Match.

Leadsafe Cambridge Program

Since 1994, a series of four concurrent HUD grants (“Lead-Based Paint Hazard Control”) totaling \$10.2 million dollars have supported the work of the Lead-Safe Cambridge (LSC) program. LSC strives to achieve two major policy goals: increasing access to affordable lead-safe housing for low income families, and preventing the lead poisoning of Cambridge children. To this end, as of March 2004, the program has deleaded over 560 units of affordable housing, and over 150 yards have been made lead safe through the intervention of the Safer Soil program. LSC has been the recipient of several prestigious awards an American Society of Landscape Architects (ASLA) Merit Award in 1999; the “2000 HUD Best Practices Award of Excellence” award; and in 2003, LSC was the proud recipient of the eighth “Innovations in Fair Housing Award” from the Cambridge Human Rights Commission.

McKinney–Vento Supported Housing Program (SHP)

The SHP program is a federally funded competitive grant program annually re-authorized by Congress and administered by HUD which contributes upwards of \$1 million per year to fund a range of homeless programs, including permanent supported housing for persons with disabilities, transitional housing, and supportive services, including housing search, drop-in services, street outreach, etc.

McKinney–Vento Shelter Plus Care (S+C)

The S+C program, also funded out of the Mc-Kinney Vento Process, provides housing subsidies for disabled persons who have transitioned out of homelessness, and whose tenancies depend upon the ongoing receipt of supportive services. Services offered to S+C tenants are not funded through the S+C grants, which only pay for the housing subsidies.

Moderate Rehabilitation Single Room Occupancy Program

Through the McKinney and Shelter Plus Care programs, Mod Rehab SROs provide housing subsidies to support the moderate rehab of existing single room occupancy (SROs) buildings. In the past, the Cambridge Housing Authority has used this program to support a variety of projects.

Non-Public Housing Development

Through the flexibility provided under the Moving To Work Deregulation Demonstration Program, the Cambridge Housing Authority (CHA) and its non-profit affiliate, Cambridge Affordable Housing Corporation (CAHC) will develop new non-public housing development for low-income households as opportunities arise. Through acquisition and planned rehabilitation, the CHA has also expanded the housing options for low-income seniors, and since completing its last project, Neville Place Assisted Living, has significantly increased the number of assisted living units in the City.

Public Housing Capital Grants

The program provides a predictable flow of funds to the Cambridge Housing Authority for capital improvements and modernization of federally-funded public housing. CHA will continue to vigorously pursue any opportunities for funding for public housing development.

Safe Havens for Homeless Individuals

This program provides financial assistance to local governments to support the acquisition, rehabilitation, and operating costs of low-cost, semi-private lodging for homeless persons with severe mental illness. Counseling to encourage residents' participation in treatment programs is a component of this program. The organization, On the Rise, operates a "Safe Haven Day Drop-In" for homeless women, as well as street outreach, but there is no resident component at this time.

Section 8 Certificates and Vouchers (Local Leased Housing Program)

The Section 8 Program was developed to offer low-income households a chance to obtain units in privately owned buildings. This establishes more diversity among income groups and provides an alternative to large-scale affordable housing developments and public housing. The program, under the aegis of the Cambridge Housing Authority (CHA), is successful at placing residents in units, however the waiting lists are long. The success of the program in Cambridge has in large part depended on the regulatory flexibility granted to CHA as a result of its participation in the national MTW deregulation demonstration to respond to the City's escalating rental market. To facilitate its continued success, the CHA continues to use rent levels that are competitive in the Cambridge rental market. In FY 2007, the CHA purged and re-opened the Section 8 waiting list. By the end of FY 2007 there were 4,770 households on the CHA's Housing Choice Voucher (Section 8) program waiting list. CHA works closely with non-profits in the City to preserve and create rental housing with long-term affordability in a market in which rents can increase rapidly. Section 8 certificates and vouchers are often a critical part of this process..

Shelter Plus Care Program

The Shelter Plus Care Program provides subsidies for housing that provides service programs for homeless people with disabilities, primarily those with serious mental illness, chronic problems with alcohol and/or drugs, AIDS, and other related diseases. The Cambridge Housing Authority (CHA) continues to subsidize 18 scattered site units in this program.

Supportive Housing for Persons with Disabilities (Section 811)

This program supports nonprofits in developing supportive housing with appropriate services for persons with disabilities. To the extent that appropriate sites are available, Cambridge will support applications under this program that are consistent with the Consolidated Plan.

Supportive Housing Program

This program provides grants to defray the cost of acquiring or rehabilitating buildings to house homeless persons. Operating subsidies and service funding are also eligible. The Department of Human Service Programs (DHSP) currently administers Supportive Housing Program subcontracts with 20 service providers, totaling approximately \$3.6 million annually. Annually, DHSP will pursue funding through the HUD SuperNOFA for renewal of the Housing Resource Team, Housing Search and Post Placement Stabilization Program administered by HomeStart. They will also apply for funding for new programs to support stabilization for homeless families that have been placed into permanent housing; the 'Youth on Fire' clinical and case management services for homeless youth; and a homeless management information system that will be administered by UMASS. DHSP is in the process of assembling its application for HUD's SuperNOFA.

Program Income

Program income, defined as loan repayments, or net cash reserves produced by any project funded in whole or part by Community Development Block Grant (CDBG), Housing for Persons With Aids (HOPWA), Emergency Shelter Grant (ESG), or the HOME Investment Partnership (HOME) will be expended on projects/programs before new funds are drawn down from the U.S. Treasury.

Workforce Investment Act

The Workforce Investment Act (WIA) is funded through the Department of Labor and is the primary funding source for Just A Start's (JAS) Summer Youth Program. Each year, the Summer Youth Program enrolls approximately 65 young teens, predominantly ages 14-16 in a Work Experience/Academic Enrichment Program for 6-7 weeks in July and August. They spend half their time on supervised crews, which provide repair, and beautification services on CDBG eligible properties and on Cambridge Housing Authority developments. The other half of their

time is spent on academic enrichment activities to develop literacy and math skills, and on career development activities to help them develop work skills and career goals.

YouthBuild

YouthBuild is a HUD training program and funding source that enables youths who have dropped out of high school to pursue a GED, while gaining technical skills in the workforce. Administered by Just A Start Corporation (JAS), participants who ages range from 17-24, attend classes to earn a GED certificate, and also spend a portion of their time working on supervised housing rehabilitation crews. The crews provide carpentry, renovation and beautification services to Cambridge's non-profit housing development organizations as they renovate and develop affordable housing units for low- and moderate-income households. Participants are also involved in community service and attend leadership trainings. Upon graduation from the JAS YouthBuild Program, participants are equipped to achieve gainful employment, pursue a college degree, or attend trade school to advance their technical skills. To help in the transition, supportive counseling service is provided for at least one year after graduation.

STATE RESOURCES

Cambridge Housing Assistance Program

The City of Cambridge and the State of Massachusetts fund the Cambridge Housing Assistance Program (HAP). This program prevents homelessness through tenant and landlord counseling and mediation. It also provides housing search and stabilization services. The Department of Human Service Programs receives funds as a subcontractor of CAPIC in Chelsea who receives and regionally distributes the HUD funds.

Community Preservation Act: State & Locally Raised Funds

The Community Preservation Act (CPA) is a local option that enables communities to establish a municipal Community Preservation Fund by local referendum. These Community Preservation Funds support open space preservation, historical preservation and support affordable housing. Monies for this fund are generated through a surcharge of 3 percent on local property taxes and then matched by the state. A CPA Committee decides how to allocate the funds between the three purposes, with a minimum of 10 percent of the funds going to each purpose. In Cambridge, the CPA Committee has consistently allocated the maximum amount to affordable housing and these funds are managed through the Cambridge Affordable Housing Trust. In FY08, the total CPA commitment towards affordable housing was \$10,080,000, which enabled the City to maintain its affordable housing production program and raise funds from other sources including federal, additional state, local, and private sources.

Housing Stabilization Funds

The Housing Stabilization Program, funded through the Department of Housing and Community Development (DHCD), has been used to support neighborhood restoration and affordable housing rehabilitation. The City will support non-profit applications for Housing Stabilization Funds as appropriate.

Massachusetts Affordable Housing Trust Fund (AHTF)

The Massachusetts Affordable Housing Trust Fund (AHTF) was created with the enactment of Section 227 of Chapter 159 of the Acts of 2000, now know as Chapter 121D of the Massachusetts General Laws (the Statute). The AHTF is designed to provide resources to create or preserve affordable housing throughout the state for households whose incomes are not more than 110% of the area median income, as determined by the U.S. Department of Housing and Urban Development (HUD).

Soft Second Loan Program

The Soft Second Loan Program is a mortgage product that reduces a borrower's monthly mortgage costs. Cambridge requests a commitment from the Department of Housing and Community Development (DHCD) to fund interest rate subsidy and loan loss reserve components of this program. These funds are used in conjunction with reduced rate first mortgage funds provided by area lenders for low-income buyers. In 2008 58 low to moderate-income families purchased units with Soft Second loans totaling \$3,032,193.

State-Assisted Public Housing

The Commonwealth of Massachusetts assists 794 units of conventional public housing in Cambridge, with a total estimated operating subsidy of \$1,017,619. It also provides rental vouchers, including 28 Alternative Housing Vouchers for the disabled and 131 Massachusetts Rental Voucher Program certificates, the majority of which are project-based. The CHA has been in discussion with the state and others on the significant capital needs of its state-assisted housing stock. Modernizations strategies will continue to be contemplated as the CHA works to ensure that its state stock is funded at levels that allow CHA to ensure the long-term viability of this important housing.

State's Department of Public Health

The State's Department of Public Health provides Emergency Assistance payments for shelter services. As part of its role in administering the TANF (Temporary Assistance for Needy Families) program, the State's Department of Transitional Assistance (DTA) funds the cost of emergency shelter to income eligible and otherwise qualified homeless families. The DTA also contracts with shelters on a per-person per-day basis to provide reimbursement for shelter services furnished to individuals.

State Emergency Assistance

State Department of Transitional Assistance (DTA) funds the cost of emergency shelter to income eligible and otherwise qualified homeless families. DTA also provides reimbursement for shelter services furnished to individuals.

State HOME Allocations

The Massachusetts Department of Housing and Community Development (DHCD) allocates its HOME appropriation through competitive funding rounds. The City of Cambridge will support applications for State HOME funds submitted by Cambridge nonprofits in the coming year. State HOME funds will leverage federal, other state, city and private sources to make the projects feasible.

State Taxes

Tax revenues to fund substance abuse treatment services, including detoxification, halfway housing and outpatient services. The DPH also uses State resources to fund CASPAR Emergency Shelter Center.

LOCAL RESOURCES

Cambridge Affordable Housing Trust

The Cambridge Affordable Housing Trust was established in 1988 and has a mission of creating and preserving affordable housing opportunities for low- and moderate-income residents. The Trust is composed of a nine-member independent City board that includes experts in housing policy, real estate finance, development, planning and design. The Trust provides funding to assist non-profit housing organization and the Cambridge Housing Authority in creating and preserving affordable housing, to rehabilitate multi-family housing and to offers financial assistance to first-time homebuyers.

The Cambridge Affordable Housing Trust receives significant financial support through the Community Preservation Act (CPA). Adopted by the Cambridge City Council and Cambridge voters in 2001, the CPA is a financing tool for Massachusetts communities to leverage funds to preserve open space, protect historic sites, and expand the supply of affordable housing. Municipalities vote to place an additional surcharge on local property taxes for these three purposes. The state, in turn, matches the generated tax revenue providing an even greater incentive for municipalities to pass the CPA. In 2009 alone, the City Council appropriated \$8,720,000 generated from the CPA to the Trust to support affordable housing development.

The Incentive Zoning Ordinance, adopted in 1988, generates funding for the Trust by requiring non-residential developers with large-scale projects to mitigate the impact of their development through a contribution to the Affordable Housing Trust. The current contribution is \$4.38 per square foot.

In late 1999, Harvard University launched the Harvard 20/20/2000 program, under which the University committed \$20 million of low-interest financing to support affordable housing development in Cambridge and Boston. The Cambridge Affordable Housing Trust one of the three housing intermediaries selected by Harvard to manage these funds.

In addition to these sources, donations by individuals (often anonymous) are also made to support the Trust's efforts to expand affordable housing in Cambridge.

Cambridge Fund for Housing the Homeless

This fund, comprised of private donations, is administered through the Cambridge Department of Human Service. It is used to prevent homelessness by funding security deposits, first or last month's rent, realtor's fees, and other placement-related expenses.

Cambridge Historic Commission

The Cambridge Historical Commission is a municipal agency concerned with the history of Cambridge and the preservation of significant older structures in the city. To aid in the preservation and rehabilitation of these older buildings, the Commission administers various federal, state, and local programs. Grant funds may be used to restore exterior features that contribute to the original appearance of the building. Such work includes the repair or restoration of original ornamental trim, porches, columns, railings, windows, and chimneys. The grant may also be used to restore original siding such as clapboards or shingles. It may also be applied toward structural repairs that are essential to the integrity of original features. The Cambridge Historic Commission works closely with non-profit housing developers in the City and provides funding for historic preservation undertaken as part of many non-profit sponsored rehab projects.

Cambridge Housing Assistance Program

The City of Cambridge partially funds the Cambridge Housing Assistance Program, a program that prevents homelessness through tenant and landlord counseling and mediation, and housing search services.

Cambridge Multi-Service Center

The Department of Human Service Programs operates the Multi-Service Center, which provides services to prevent homelessness and to serving residents who have become homeless. The state-funded Housing Assistance Program at the Multi-Service Center receives referrals from the Massachusetts Department of Transitional Assistance of families at high risk of losing their housing for a variety of reasons. Staff provide case management, negotiate with landlords, refer tenants to City-funded legal services as appropriate, provide emergency funds for rental arrearages and other tenancy-threatening emergencies and counsel clients about their rights, responsibilities and options.

Cambridge Neighborhood Apartment Housing Services (CNAHS)

Established in 1983 as a Subsidiary of Homeowner's Rehab Inc., CNAHS is a private nonprofit corporation that gives landlords an interest free loan of \$15,000 maximum per studio or one-bed room and \$20,000 maximum for units with 2 or more bedrooms. Funds are loaned to owners to rehabilitate their properties on the condition that the renovated apartments be maintained as affordable housing for at least 20 years. All former rent controlled properties are eligible for this program provided that at least 51% of the residents are of low-or moderate-income. Priority is given to properties with higher populations of lower-income residents and family-size units. Funds from CNAHS is used to make up the difference between conventional financing and project costs.

Expiring Use ~ Low-Income Housing Preservation Program

One of the Community Development Department's (CDD) housing strategies is to preserve units with expiring use restrictions. To this end, CDD provides technical assistance to owners and non-profit organizations; and works with tenants and other concerned parties to address the long-term concerns of housing developments at risk of losing their affordability. It also provides funds to a local non-profit, the Cambridge Economic Opportunity Committee (CEOC), who hires a Tenant Organizer to work directly with households living in buildings whose affordability restrictions are coming to term. For the five-year period ending 2010, the City will continue to identify buildings at risk of being converted to market units, and work to preserve their long-term affordability.

Inclusionary Zoning Program

In March 1998, the Cambridge City Council passed an Inclusionary Zoning Ordinance that requires the developer of any new or converted residential development with ten (10) or more units to provide fifteen percent (15%) of the total number of units to the City as affordable units. The Community Development Department monitors compliance with this ordinance. Housing staff works with private developers to design and implement the marketing, and sale or leasing of units to low-income Cambridge residents. The City has secured 453 affordable ownership and rental units to date. Production in the Inclusionary Zoning program is subject to private developer activity throughout the City.

Property Tax Revenues

Local real estate taxes levied on residential and business help to cover the costs of all the programs in the Plan either through project delivery costs or actual "bricks and mortar" costs. It also provides matching funds for the City's Community Preservation Act (CPA) award from the State.

PRIVATE RESOURCES

Families to Families Funds (FFF)

The FFF is a charitable fund, awarded by a small foundation to the City's Multi-Service Center for the Homeless, which uses the Fund to help pay family arrearages to prevent eviction or to help cover up-front moving costs to prevent/end individual or family homelessness.

Non-Profit & Owner Equity

The City's non-profit affordable housing developers include Just A Start, Homeowner's Rehab, Inc., Cambridge Housing Authority, CNAHS, and CASCAP Reality Inc.

Private Lenders

Cambridge local private lenders, provide acquisition, rehabilitation, and construction loans to Cambridge affordable housing projects.

FY2009 Housing Loan Information

The City, through its housing non-profit partners, provides housing loans for many purposes. Through the Home Improvement Program (HIP) these loans are used for rehabilitation; the terms of which being either payback loans of 0.5 to 3% interest, or deferred loans to be paid back upon transfer of the property. The other loans are through Affordable Housing Development programs for the development of new units, and these loans are all deferred / forgiven contingent upon the unit remaining affordable for periods ranging from 20 years to perpetuity. Deed restrictions are placed on the affordable home-ownership units to ensure long-term affordability.

FY 2009 Loan Portfolio

<i>Deferred HIP loans:</i>	<i>140 loans totaling \$1,986,001</i>
<i>Scheduled Payback HIP loans:</i>	<i>104 loans totaling \$2,760,817</i>
<i>Affordable Housing Development loans:</i>	<i>26 loans totaling \$6,576,628</i>

Financial Information

IDIS Financial Reports:

- **HUD Grants and Program Income – C04PR01**
- **Summary of Consolidated Plan Projects for Program Year 2008 – C04PR06**
- **CDBG Financial Summary for Program Year 2008 – C04PR26**
- **Status of CHDO Funds by Fiscal Year – C04PR25**
- **Status of HOME Grants C04PR27**

General Questions

1. Assessment of the one-year goals and objectives:
 - a. Describe the accomplishments in attaining the goals and objectives for the reporting period.
 - b. Provide a breakdown of the CPD formula grant funds spent on grant activities for each goal and objective.
 - c. If applicable, explain why progress was not made towards meeting the goals and objectives.

See: The Executive Summary and each Division's Narrative

2. Describe the manner in which the recipient would change its program as a result of its experiences.
3. Affirmatively Furthering Fair Housing:
 - a. Provide a summary of impediments to fair housing choice.
 - b. Identify actions taken to overcome effects of impediments identified.
4. Describe Other Actions in Strategic Plan or Action Plan taken to address obstacles to meeting underserved needs.

The City continually evaluates the effectiveness and efficiency of its programs, as well as the needs of its residents. Input is continually sought from residents, resident groups and partner non-profits to identify areas of need and opportunity, and therefore the City is always prepared to account for whatever circumstances arise. Technical Assistance is provided where the City feels improved performance is reasonably expected and program flexibility is maintained as conditions within the City change.

Any substantial changes, should they occur, in the CDBG, HOME and ESG programs are enacted with HUD mandated citizen participation outreach, as well as counseling from HUD staff and a thorough internal assessment and discussion of events and expectations. The City also seeks HUD approval before enacting any substantial changes to the Five-Year Consolidated Plan for FY2006-FY2010.

Affirmatively Furthering Fair Housing

Addressing Impediments to Fair Housing

The City of Cambridge continued developing a new Fair Housing Plan in FY 2009. As part of its Fair Housing Plan in 1999, the City completed its Analysis of Impediments (AI) to Fair Housing Choice. HUD does not require an Analysis of Impediments study to be submitted annually for review. However, the City is required, as part of the Consolidated Plan Performance Evaluation Report (CAPERS), to provide HUD with a summary of the AI identified and the jurisdiction's accomplishments in addressing them for the current reporting year. Below are activities the City participated in this year to address impediments to fair housing.

The City strategically collaborates with private and non-profit developers and various funding sources to increase the supply of affordable rental and homeownership housing units for low- and moderate-income households. The City housing services are provided in a manner that reaches across cultures in the ethnically diverse City of Cambridge. This includes offering translation services for first time homebuyer classes and housing literature in several languages

including Creole and Spanish. The City continues to implement programs it has created over the years to create new units and to utilize resources provided by the State of Massachusetts and the Federal government as it faces high development costs in a built-out City. Several strategies to address impediments to fair housing in Cambridge are listed below.

Subsidize High Cost of Land and Real Estate Development

The high cost of land continues to make Cambridge a very challenging real estate market to create and preserve affordable housing. Consequently, the City has implemented programs to facilitate the development and preservation of affordable housing. The programs include Non-profit Sponsored Rental and Homeownership Development, the Inclusionary Housing Program, the Expiring Use Program, the Cambridge Neighborhood Apartment Housing Service (CNAHS) Multifamily Rehabilitation Program and the Home Improvement Program (*See Objectives 1-4 for additional details and accomplishments on these programs*). In addition, recent citywide rezoning initiatives continue to foster the development of new housing opportunities throughout the City.

Promote Zoning Favorable to Affordable Housing Development

The Cambridge Community Development Department (CDD) has worked for many years to promote the development of affordable housing through amendments or additions to its zoning code. While the City made some minor changes to its Zoning Ordinance in FY 2005 which were favorable to the development of new affordable housing, the most significant recent changes made to support the creation of new affordable housing are the Inclusionary Zoning Ordinance, the Incentive Zoning Ordinance, and the City-wide Rezoning Initiative.

- *Inclusionary Zoning Ordinance*

In 1998 the City adopted an Inclusionary Zoning Ordinance that requires developers of any new or converted residential development with 10 or more units to provide 15 percent of the total number of units as affordable housing. In return, the developer receives up to a 30 percent increase in density. CDD monitors compliance with this ordinance. CDD staff work with the private developers to design and implement the marketing and sale or leasing of units to low and moderate-income Cambridge residents. In FY 2009, 3 units were secured through deed restrictions ensuring their permanent affordability. To date, 453 units have been created through the Inclusionary Housing Program. Discussions to secure additional inclusionary units over the next few years are underway with developers.

- *Incentive Zoning Ordinance*

The Cambridge Incentive Zoning Ordinance was adopted in 1988. It requires that non-residential developers with projects over 30,000 square feet that require a Special Permit to authorize an increase in the permissible density or intensity of a particular use, mitigate the impact of their development through a contribution to the Affordable Housing Trust. These funds are used to sponsor the development of affordable rental and homeownership units. The current contribution is \$4.38 per square foot. There are several developments underway

which will be required to make Incentive Zoning contributions prior to completion in the coming years.

- *Citywide Rezoning Initiative*

The Cambridge City Council passed a citywide rezoning initiative in 2001 to increase the City's housing stock by allowing housing in all districts, by rezoning numerous districts for housing, by facilitating the conversion of industrial buildings by streamlining the permitting process, and by reducing the commercial floor area ratios (FARs), thereby increasing a developer's incentive to build housing.

Each of these have resulted in new opportunities for local affordable housing developers and produced more affordable units through the Inclusionary Zoning Ordinance. It is estimated that there are more than 3,000 new units under development around the City.

Buffering the Effects of the Ongoing Shortage of Affordable Housing

In 1995, Massachusetts eliminated rent control through a statewide ballot initiative. While the direct effects of the end of rent control was displacement of many low- and moderate-income households, the lasting effects of the loss of rent control can still be seen. Dramatic increases in rent were followed in recent years by widespread condominium conversion as condo prices of the city soared. Condominium conversions continue to occur disrupting many lower income long-term tenants. Many of whom cannot afford to remain in the City. Currently, a household needs to earn \$193,754 per year to afford the median-priced single-family home or \$110,995 per year to afford the median-priced condo. To rent a market-rate two-bedroom unit, a household must have an annual income of \$100,000.

Since 1995, Cambridge has made significant contributions to increasing affordable housing through the Cambridge Affordable Housing Trust. The Trust provides funding for housing development, preservation, and improvement. Cambridge is one of the few municipalities nationwide that spends significant local funds on affordable housing efforts. To date, the Trust has received over \$60 million in Trust funds to finance the development of new units, including \$8 million in FY 2009.

Leveraging Available Public & Private Funds

The Community Preservation Act (CPA) is a financing tool for communities to leverage funds to preserve open space, historic sites, and affordable housing which was adopted by the Cambridge City Council and Cambridge voters in 2001. The CPA places three percent surcharge on local property taxes to be used for the open space, historic preservation and affordable housing. The state, in turn, matches the generated tax revenue, providing an even greater incentive for municipalities to pass the CPA. Cambridge voters passed the CPA, which has provided a significant source of funds for affordable housing. These funds also have helped to leverage other funds for housing programs.

High acquisition and construction costs, low vacancy rates, and a strong economic sector have had a tremendous impact on the cost of housing in the Cambridge market. Continued escalation of the cost of housing has resulted in fewer units created with federal, state, and local dollars. In FY 2009, the CPA committee appointed by the City Manager, held its annual public hearing on needs and priorities of residents. Affordable housing was the most important issue for the majority of residents who testified before the committee and the committee voted to appropriate 80% of available CPA funds, 10% for open space, and 10% for historic preservation. A total of \$10 million was appropriated to the Cambridge Affordable Housing Trust for housing development in FY 2009.

Addressing Competing Concerns of Neighborhood Residents

There are competing demands among residents in Cambridge. Several of the primary conflicts exist between the desire for more housing in general, but limited tolerance for increased housing density and the corresponding impacts on parking, traffic, and open space associated with many proposed developments. The City has considered several strategies to address and remove existing barriers. The strategies include: public education; using prior successful affordable housing developments as examples of good development with minimal impact on the neighborhood; and intensive work with neighborhood residents to identify and address concerns to develop support for proposed projects. However, with Cambridge being a densely populated City, the difficult issue of competing uses and appropriate density for any remaining undeveloped sites will likely continue to be a challenge.

Strategies for Affirmatively Furthering Fair Housing

The following section addresses the City's efforts to further fair housing for all Cambridge residents.

Fair Housing Committee and Homeless Steering Committee: The City established committees and programs to address fair housing needs, including a Fair Housing Committee and Homeless Steering Committee that are active in initiating educational and outreach programs to further fair housing. Housing division staff serve as active members on these committees.

With the Federal Government's dissolution of the Community Housing Resources Board Program (CCHRB), the City of Cambridge established a Fair Housing Committee in 1994 to continue some of the CCHRB activities as well as initiate new educational and outreach programs to further Fair Housing in Cambridge. The Fair Housing Committee is composed of over thirty representatives of housing users and providers, minority and disabled agencies, and other appropriate groups. It is chaired by the Executive Director of the Cambridge Human Rights Commission.

City's Human Rights Commission: The Commission investigates allegations of discrimination and continues its commitment to ensure compliance with Title VIII of the Civil Rights Law of 1968 and the 1988 Amendments that expanded the existing legislation to prohibit housing discrimination against disabled individuals and families. The City's Human Rights Commission receives HUD funds and City funds, for mediation, public hearings, and awarding of damages for cases under fair housing laws.

Public Education and Community Outreach: The Community Development Department hosted and attended community meetings and housing events throughout the City to inform residents of services, projects and programs active in the City. Many of the events are held annually. Some of the outreach events include National Night Out, Danehy Park Family Day, Hoops and Health, and the Cambridge River Fest. Housing staff use outreach opportunities to disseminate information on City's housing services and speak with residents about available resources. The City also hosts public meetings to engage the community and identify current needs through the Consolidated Plan preparation process, and the annual Community Preservation Act appropriation process. The following are descriptions of several community outreach efforts by the City.

Referral Services ~ The Community Development Department provides referral services to Cambridge residents directing them to organizations in the City which can assist with various housing and social service issues, as well as individual counseling on housing and homebuyer issues. In FY2009, Housing staff responded to over 4,384 inquiries concerning housing services and entered 714 new households in the housing database. Households are notified when affordable rental and homeownership units are available. The housing staff also continued to distribute a housing brochure in English as well as Creole and Spanish. The brochure describes the housing services and programs available in the City of Cambridge and includes contact information for accessing the housing services.

Loan Program Sessions ~ Housing Staff attend loan program sessions held by local banks to introduce new products available for assisting low and moderate income households. Program information is then shared with the City's First Time Homebuyer participants through the first time homebuyer classes and individual counseling.

Application Help Sessions ~ When affordable housing units are being made available by the City, Housing Staff conduct informational sessions to help potential applicants understand the eligibility guidelines, the application process, and the affordability requirements of each unit. These sessions are conducted for both rental or homeownership units marketed by the Housing Division.

Cambridge Fair Housing Month Conference ~ April is Fair Housing Month in Cambridge. The City annually hosts the Cambridge Fair Housing Forum. This program is presented by the Cambridge Human Rights Commission/Fair Housing Committee, the Commission for Persons with Disabilities, Lead Safe Cambridge, the Cambridge Community Development Department and the Cambridge Multi-Service Center. The objective of the conference is to highlight Cambridge's Affordable and Fair Housing Initiatives, address current and anticipated housing issues, and communicate strategies to prevent discriminatory and unfair housing practices. It provides a forum to dialog with representatives of Cambridge's Housing Advocates, City Departments and Fair Housing Agencies. The Cambridge Human Rights Commission also hosted a Fair Housing Month Celebration.

Creation of Proactive Zoning Policies: In 2001, the City Council passed a citywide rezoning initiative. The new zoning made housing an allowable use in all districts, rezoned numerous districts to housing, facilitated the conversion of industrial buildings by streamlining the permitting process, and reduced commercial floor area ratios (FARs), thereby increasing a developer's incentive to build housing. Each initiative fosters new opportunities for local affordable housing developers. Another change came with the adoption of the Inclusionary Zoning Ordinance, which requires developers of any new or converted residential development with ten or more units or more than 10,000 square feet to make 15 percent of the units affordable to households earning no more than 80 percent of the area median income.

Tenant and Landlord Support and Mediation Services: The Community Development Department supports programs and services administered by local agencies to further fair housing. With funding from the City, Just-A-Start Corporation administers a tenant and landlord Mediation Services Program, which provides a resource both for tenants and landlords and in FY08 served more than 133 clients.

City of Cambridge Multi-Service Center: This center provides housing search services, referrals to shelters, and limited emergency funds.

Cambridge and Somerville Legal Services (CASLS): CASLS provides free legal services for low-income residents.

Tenant Organizing for Expiring Use Buildings: With support from the City, the Cambridge Economic Opportunity Corporation (CEOC) employs a full-time Tenant Organizer whose

responsibility it is to organize and mobilize tenants at risk of being displaced from federally-assisted buildings when its affordability restriction expire.

CEOC Lead Neighborhood Work-groups: Funded and supported by the City, the Cambridge Economic Opportunity Council (CEOC), coordinates participant-driven workgroups that address housing issues. These workgroups include the Cambridge Expiring Use Tenant Committee, the Public Housing Tenant Work-Group, LBJ Association, Fresh Pond Tenant Association, and Haitians in Action at CEOC. CEOC's staff provide support to tenant associations and work with groups in a range of ways including tracking state and federal legislation which may affect the management, rents, and leases at properties where they reside; the production of informational flyers; translation services; assistance in agenda preparation; and meeting facilitation.

OTHER ACTIONS

In the Five-Year Consolidated Plan written in 2005 as well as in preparing the FY2008 Action Plan, the City identified impediments to developing affordable housing for the City's low-income residents and continues to address those needs in various ways (see the discussion on Affirmatively Marketing Fair Housing). In addition, the City has identified other key strategies to the successful delivery of affordable housing programs and services. These strategies include continued collaboration among key federal, state and local agencies, which has helped to improve public housing policies, resident initiatives, and ensure the availability of de-lead units.

Institutional Structure & Enhanced Coordination

In FY 2009, the City continued to collaborate with and further develop its relationships with federal, state and local agencies, policy makers, funding sources, tenant groups, and service providers through formal and informal networks

Federal

Cambridge continues to work with the U.S. Department of Housing and Urban Development (HUD) on policy, program, monitoring, and funding.

Cambridge non-profits and CHDOs created affordable housing and provided services through contracts funded with CDBG and HOME. Federal funds also support the administration of the Rehab Assistance and Home Improvement Programs administered by Just-A-Start Corporation, and the CNAHS and HIP programs administered by Homeowners' Rehab. The City's nonprofits are invited to contribute to the development of the City's policies and programs to serve housing needs of low- and moderate-income households. Federal funding is a critical component to the ongoing health and stability of these agencies.

State

The City has a strong working relationship with the Massachusetts Department of Housing and Community Development (DHCD) and other state agencies that provide support to the City's affordable housing initiatives. While availability of state funds for the creation of new affordable units has become more difficult to rely on in recent years, local non-profits successfully secured funds in very competitive funding competitions from DHCD and other state funding sources in FY 2009.

Local

Cambridge has a number of Non-Profit Housing Organizations that collaborate to provide an effective delivery system for affordable housing production and social services. The City provides over \$1 million in annual contracts with non-profit housing agencies for the operation of housing programs and the development of affordable rental and homeownership units.

The Cambridge Housing Authority (CHA) is one of the highest performing authorities in the country. The CHA works collaboratively with local non-profit housing developers to use project-based Section 8 certificates to help finance new affordable rental developments, significantly increasing the financial feasibility of these projects. They assist in making Inclusionary Housing Program units available to very low-income households with Section 8 Certificates and in supporting the City's housing initiatives by attending and participating in public outreach events. HUD Entitlement Funds and Cambridge Affordable Housing Trust Funds have enabled the City to support the CHA's efforts to develop more affordable housing.

The Cambridge Multi-Service Center offers a wide range of services including homelessness prevention, emergency shelters, transitional housing, and emergency funds. Both the Community Development Department and Human Service Department communicate and collaborate regularly to serve as wide a range of persons as possible throughout the City.

The Cambridge Affordable Housing Development Working Group has met regularly since 1995, the year rental control was terminated in Massachusetts, to coordinate affordable housing development efforts and to share ideas, expertise and progress in the housing development process. This group is made up of staff from the Community Development Department's Housing Division, the Cambridge Housing Authority, Just-A-Start Corporation, Homeowner's Rehab, Inc. and CASCAP, Inc.

The Cambridge Affordable Housing Trust is a nine-member independent City board comprised of experts in the fields of affordable housing, real estate finance, development, and housing policy and planning. The Trust serves as both a policy advisory board and a loan committee for new development projects. In FY 2009, the City Council appropriated more than \$10 million in City funds from the Community Preservation Act to the Trust to support affordable housing development. The Trust meets monthly and considers funding requests from housing developers proposing projects which preserve or create affordable housing in the City.

The Cambridge Fair Housing Committee and the Homeless Steering Committee are active in initiating educational and outreach programs to further fair housing. The Community Development Department monitors progress on implementing measures to combat impediments to fair housing, and will continue work on an updated Fair Housing Plan in FY 2009. The Fair Housing Plan will consist of an analysis of impediments to fair housing, an action plan to address impediments that were identified, and a plan for maintaining records and fulfilling report requirements. Cambridge completed its last Fair Housing Plan in 1999, in collaboration with various City departments including the Human Rights Commission; the Cambridge Commission for Persons with Disabilities; the City Assessor's Office; the City's Affirmative Action Office; the Department of Human Services Programs and the Cambridge Housing Authority. Non-profit groups such as Homeowner's Rehab, Inc., Just-A-Start Corporation, CASCAP Realty Inc., and CASPAR also contributed.

The City maintains strong working relationships with neighborhood groups and housing advocates that support affordable housing development in the City. Local support for housing has been one of the central factors contributing to the success of housing developers and service providers.

Managing the Process

1. Describe actions taken during the last year to ensure compliance with program and comprehensive planning requirements.

Program Year Four CAPER Managing the Process response:

Lead Agency

The City's Community Development Department (CDD) has been designated the lead agency responsible for the development of the Consolidated Plan and oversight of all aspects of the process. CDD has the responsibility of ensuring that the goals of the City Manager and the City Council are met through the various program and projects in the Consolidated Plan. The CDD is also responsible for the administration of the Community Development Block Grant and the HOME funds. CDD works closely with the Department of Human Services, which manages 15% of the CDBG funds and 100% of the Emergency Shelter Grant. A major portion of the CDBG and HOME funds are awarded to two nonprofits, Just A Start and Homeowners' Rehab. Inc. The nonprofits partner with CDD in the development of Affordable Housing units and the stabilization of neighborhoods through housing rehabilitation.

Significant Aspects of Developing the Plan

Development of the Plan involved working closely throughout the year with the Department of Human Services. CDD developed the Plan within the guidelines established by the City Council's goals and the City's annual budget process. CDD, Human Services, City Manager and the City Council worked all year long establishing goals and priorities for the city by collaborating with residents, various neighborhood groups and business leaders.

Consultations

Working within the goals set by the City Council and the City Manager, CDD worked closely with neighborhood groups and residents developing goals, initiatives and strategies that are pertinent to each neighborhood. (See neighborhood studies). The Department of Human Services establishes their goals by consulting the public services providers who have direct contact with the clientele being served.

Collaboration & Outreach

The Community Development Department has worked closely with the Department of Human Services in the development of the One-Year Action Plan and the Consolidated Plan. Collaboration also included consultation with the City Manager's Office, the Cambridge Housing Authority, the Cambridge Historical Commission, the Cambridge Commission for Persons with Disabilities, the Cambridge Human Rights Commission, the Human Service Commission, the Cambridge Public Health Commission, Cambridge and Somerville Cooperative Apartment Program, Just A Start Corporation, Homeowner's Rehab, Inc., AIDS Housing Corporation and homeless and special needs providers.

Citizen Participation

1. Provide a summary of citizen comments.
2. In addition, the performance report provided to citizens must identify the Federal funds made available for furthering the objectives of the Consolidated Plan. For each formula grant program, the grantee shall identify the total amount of funds available (including estimated program income), the total amount of funds committed during the reporting period, the total amount expended during the reporting period, and the geographic distribution and location of expenditures. Jurisdictions are encouraged to include maps in describing the geographic distribution and location of investment (including areas of minority concentration). The geographic distribution and expenditure requirement may also be satisfied by specifying the census tracts where expenditures were concentrated.

Program Year Four CAPER Citizen Participation response:

Citizen Participation Plan

The City of Cambridge has a thorough and extensive community process that is employed for all projects. The City consistently seeks to include the input of Cambridge residents in all phases and aspects of its Community Development initiatives, from the initial planning, to project and program implementation to the reporting and assessment of accomplishments. The effectiveness of this process is key in delivering the proper services and programs to the City's residents, while ensuring that the overall direction of the Community Development Department's work is consistent with residents' expectations and is responsive to neighborhood concerns. A more detailed assessment of this processes elements is as follows:

Participation

The City encourages citizen participation in all stages of the planning process. From the drafting of the Consolidated Plan to the filing of the annual Performance Evaluation Report the City hosts Public Meetings, provides draft copies of the Plan before submission, accepts and incorporates citizen input and feedback, and holds special hearings whenever any substantial amendments are made.

The City also works with key non-profit organizations in encouraging the participation of the citizens they work directly with, including many of the low and moderate-income residents who are the primary targets of our HUD funded programs. Bi-lingual services are available for those who request them.

Additionally, the City works very closely with Cambridge's well-organized neighborhood groups in matters that have a particular interest and/or impact on a particular area or neighborhood. This relationship ensures maximum availability of City staff to the residents and ensures transparency of City policies and initiatives.

Public Meetings

The core of Cambridge's Citizen Participation Plan is the Public Meeting. The Community Development Department hosts a Public Meeting during each phase of the funding cycle, one in preparation for the Consolidated Plan and its annual update through the One-Year Action Plan, and one in conjunction with the City's preparation of the Consolidated Annual Performance

Evaluation Report. These meetings give the residents an opportunity to comment on all aspects of the CDBG program's administration, as well as all substantial activities undertaken by the City. A Public Meeting is also held when any substantial amendments are made to the Consolidated Plan.

Public Meetings also play a central role in the work that is performed by the Housing, Community Planning and Economic Development Divisions. From the rehabilitation of parks, playgrounds and open spaces to the acquisition and creation of affordable housing, the City involves the residents during each substantial phase of the project.

Meetings are well publicized and are held at centrally located facilities that are safe and fully accessible. The locations are also accessible by public transportation and are held on mutually convenient days and times.

Public Meetings for CDBG, HOME & ESG Funding

For all Public Meetings concerning CDBG, HOME & ESG federal funding, the City runs two advertisements in two local newspapers, the Cambridge Chronicle and the Cambridge edition of TAB. These advertisements run two weeks prior to the meeting. The City's website also gives advance notice of all Public Meetings two weeks prior to the meetings' occurrence. Additional attempts are also made to include core beneficiaries of City programs and services and those residents who might be more acutely affected by the Meeting's topic and purpose.

Access to Information

The City has all Consolidated Plan, Annual Action Plan and Consolidated Annual Reports available on its website in a manner convenient for on-line viewing, downloading and printing. Draft versions of all Plans are made available before they are submitted for citizens, public agencies and other interested parties to view and comment upon. Copies of final and draft Reports are available for no fee at the City's planning office. Additionally, information that applies to these reports and the City's work in general is available. Requests for access to specific information must be made in advance and coordinated with City personnel.

The City's staff also makes themselves available to persons or interested parties who require technical assistance in understanding the Plan, the preparation of comments and the preparation for requests of funding. This availability and responsiveness is also employed in handling and responding to whatever reasonable complaints are made concerning the Plan and its undertakings.

Anti-displacement

The City makes all efforts to avoid the displacement of any residents and has succeeded in that goal. If such an instance should occur in the future the City would utilize their existing housing capacity and infrastructure in conjunction with the key non-profit housing organizations to solve any extant issue immediately. The City successfully conducts temporary relocation in certain cases and therefore has a method in place and experience in similar activities.

Substantial Amendments

Should any substantial change to the stated Objectives of the Consolidated Plan become imminent, the City will involve the residents through its above described methods and practices. Such substantial changes would be understood as being new activities the City would undertake within a reporting cycle and does not include expected and actual changes to Goals as they relate to external factors and unexpected changes in available resources.

Citizen Comments on the FY2009 CAPER

The City made a draft version of the FY 2009 CAPER available for review by the public on Friday, September 4th. Versions of the Plan were made available at the City's planning offices, the main branch of the Cambridge Public Library and on the City's website. The Plan's availability was advertised in the Cambridge Chronicle and the Cambridge TAB.

Additionally, the City advertised that all comments from the public on the draft version of the Plan would be accepted until September 21st and would be included in the final version of the Plan to be submitted to HUD. No Comments were received.

A copy of the advertisement is included

Institutional Structure

1. Describe actions taken during the last year to overcome gaps in institutional structures and enhance coordination.

Program Year Four CAPER Institutional Structure response:

Institutional Structure In Cambridge

The housing delivery structure in Cambridge is complex, involving public, private and nonprofit participants at the local, state, and federal levels.

Public Institutions

The public portion of the housing delivery system in Cambridge involves both state and local government. The Massachusetts Department of Housing and Community Development (DHCD) manages a number of housing programs, including the state HOME program, the Housing Stabilization Fund, State Affordable Housing Trust, the Soft Second Program, the Housing Innovations Fund, and the administration of the federal Low-income Tax Credit program. DHCD also manages programs that support the development, maintenance, and operations of public housing.

The Massachusetts Housing Finance Agency (MHFA) provides loans to first-time homebuyers and has been an important source of housing assistance to low and moderate-income homebuyers in Cambridge. Due to the high cost of real estate in the City and the strength of market demand, however, even this program has often required additional subsidies to make prices affordable to low and moderate-income buyers.

Two other state-chartered nonprofit agencies, the Community Economic Development Assistance Corporation (CEDAC) and the Massachusetts Housing Partnership Fund (MHP), are important to the delivery service of affordable housing in Cambridge. CEDAC provides resources and technical assistance to community-based nonprofit housing agencies for the development of affordable housing, and has been an important resource for Cambridge's nonprofit housing organizations. MHP is a public agency that provides technical assistance and financing for the development of affordable housing. MHP's Permanent Rental Financing Program provides long-term, fixed-rate financing for multifamily and single room occupancy rental properties of five units or more. Units financed through the program must be rented to income eligible residents at affordable rent levels.

At the local level, the public institutions involved in the housing delivery system are the Cambridge Housing Authority and the City of Cambridge. The Cambridge Housing Authority (CHA) is a stable and efficient public housing authority, with a national reputation for excellence in its management and services for public housing tenants. By statute, it has the right of eminent domain and the ability to bond. The CHA operates a full range of federal and state housing programs, conventional and leased, for low-income elderly and disabled families and individuals. In addition to basic programs such as family and elderly public housing and Section 8 existing certificates and vouchers, the CHA administers a variety of special and innovative housing initiatives. These include a tenant homeownership program, several elderly congregate units linked with state service funding, several special needs residences owned by the CHA and

managed by local service providers, a single room occupancy program and a tenant services program that has won national awards and recognition for effectiveness in working with youth, children and adults.

The CHA's conventional and special needs programs house approximately 2,700 households made up of 5,400 persons. Another 2,100 households with 4,800 persons live in leased housing units. CHA-owned units plus leased housing certificates make up approximately 10% of the City's total rental stock. The preservation and modernization of public housing are key elements of Cambridge's affordability strategy.

Despite the strengths of the Cambridge Housing Authority, diminishing HUD and State funding threaten to undermine the progress that has been made in serving the housing needs of low and moderate income households currently living in Cambridge. If federal responsibility for these programs is abrogated, or if programs are eliminated or funded at unworkably low levels, no amount of local commitment can avoid widespread hardship and a certain degree of actual suffering.

The City of Cambridge is involved in the housing delivery system through its Community Development Department, its Department of Human Service Programs, and the Cambridge Affordable Housing Trust. Nearly 60% of the City's Community Development Block Grant (CDBG) allocation is spent on housing, administered through the Community Development Department (CDD). Along with supplying administrative support and program funds to the local nonprofit housing development agencies, CDD also provides multi-family rehabilitation funds, first-time homebuyer assistance, development funds and technical assistance for substantial rehabilitation and new construction for the benefit of extremely low, low and moderate-income households through the HOME program.

CDD acts as staff to the Cambridge Affordable Housing Trust, which was established in 1988 by the City Council and approved through the State of Massachusetts' Home Rule Petition in 1989 to develop and sustain affordable housing. The City Manager is the managing trustee for a nine-member board made up of community members who are experts in the fields of real-estate financing and development, affordable housing policy and design, and banking. The Affordable Housing Trust plays an important role in leveraging other financing for affordable housing projects. Since 1995, Cambridge has made significant contributions to increasing affordable housing through its funding and the Affordable Housing Trust which to date has received over \$80 million in City and Community Preservation Act funds. The Trust lends these funds to local nonprofit housing development organizations to develop affordable housing.

The City's Department of Human Service Programs (DHSP) manages a number of programs. These include the Cambridge Multi-service Center for the Homeless, which works with an average of 700 homeless individuals and families annually, helping them to secure housing and gain access to other support services. DHSP helps coordinate shelter providers and groups seeking to develop supportive housing for the homeless, as well as providing financial assistance to shelters for services, operating and capital expenses through the McKinney Funds, Emergency Shelter Grant and CDBG funds.

Nonprofit Organizations

A key role in the Cambridge housing delivery system is played by the local nonprofit housing development agencies. Cambridge is fortunate to have several stable and experienced agencies, which have been integrally involved in the delivery of housing for many years. Cambridge and Somerville Cooperative Apartment Program (CASCAP) concentrates on the delivery of housing to single individual households as well as the mentally disabled population. CASCAP has strengths in both the rehabilitation and development of properties and in the management of group homes and single room occupancy dwellings with a social service component. Three other agencies, Just A Start Corporation (JAS), Homeowner's Rehab, Inc. (HRI), and the Cambridge Neighborhood Apartment Housing Services (CNAHS), have extensive experience in all levels of rehabilitation, new construction and also in the management of multi-family properties. Another nonprofit, the Cambridge Affordable Housing Corporation (CAHC), which is the non-profit subsidiary of the CHA, augments the Authority's effort to provide affordable housing.

Nonprofit agencies also play a major role in the provision of shelter to the homeless population. These include CASPAR, Shelter, Inc., Hildebrand Family Self-Help Center, First Church Shelter, Shelter Inc., Harvard Square Shelter, the YWCA, the Salvation Army, Cambridge/Somerville Catholic Charities, and Transition House. There are also organizations providing transitional housing for people moving out of shelters, such as the YWCA, the YMCA, Cambridge Family and Children's Service, and Second Home's Cornerstone Community. In addition, the local community action program agency, Cambridge Economic Opportunity Committee (CEOC), provides tenant advocacy services to assist in the prevention of homelessness. Another local nonprofit, the Cambridge Dispute Resolution Center, provides mediation services, and landlord counseling is provided by Just A Start Corporation.

A coalition of Cambridge-based religious organizations and concerned citizens, the Laity and Clergy for Affordable Housing, was developed recently to help promote and create affordable housing for low and moderate-income Cambridge households. The group operates under the nonprofit umbrella of Interfaith Action, Inc., and combines an innovative housing development approach with an emphasis on volunteerism.

Cambridge churches are also involved in the provision of shelter and services to homeless persons, such as meals and furniture for new residences. Three local churches provide shelter and one provides transitional housing for homeless people and is actively considering the potential for developing housing on church-owned land.

Private Organizations

The housing delivery system in Cambridge also involves several private entities, including lenders, developers, and private educational institutions. Local Cambridge banks have been significantly involved in the financing of affordable housing in Cambridge. A consortium of banks has created a fund earmarked for loans to small property owners of multi-family properties. One of these banks is a member of the Federal Home Loan Bank Board and has successfully submitted applications for funding for Cambridge affordable housing projects. In addition, several area lenders participate in the "Soft Second" loan program by offering reduced

rate first mortgage funds for first-time buyers through the City's Cambridge Homebuyer Initiative program (CHBI).

Harvard University, one of the City's largest property owners of multi-family rental properties, has played a role in the delivery system for affordable housing. In 1997, Harvard sold 100 rental units in nine buildings to the City in exchange for tax relief. Also, as part of the settlement of a lawsuit, Harvard has established a revolving loan fund of low-interest financing for rehabilitation of the multi-family properties.

In the fall of 1999, Harvard University announced the 20/20/2000 Initiative, which provides \$10 million to the City for affordable housing development over the next three years. Of these funds, \$6 million have been loaned to the Affordable Housing Trust and \$4 million is being channeled through two non-profit groups to fund affordable housing projects in Cambridge. The Trust issues low-interest loans for construction and permanent financing for the development of affordable housing units as well as low-interest loans for homebuyers earning up to 120% of the area median income.

Local developers have been involved in the affordable housing delivery system through the Incentive Zoning Ordinance, which requires payments by developers to the Affordable Housing Trust for commercial development over 30,000 square feet requiring special permits. In March 1998, the Cambridge City Council passed an Inclusionary Zoning ordinance that requires any new or converted residential development with ten or more units to provide 15% of the total number of units as affordable units. In return, the developer receives up to a 30% increase in density. CDD monitors compliance with this ordinance. Staff works with the private developers to design and implement the marketing and sale or leasing of units to low-income Cambridge residents.

Actions to Further Develop Institutional Structure

Cambridge will continue its efforts in the coming years to further develop the City's institutional structure to support its ongoing commitment to affordable housing, community services and a healthy economic base. The following actions will be taken in FY2006 - 2011:

As property prices continue to escalate in Cambridge, the gap is widening between available resources and outstanding need. There is an increased need for federal funds for housing activities of all types including affordable rental, homeownership, and housing for special needs populations.

Cambridge will work to reduce the resource gap by aggressively seeking out additional federal, state, and private resources to support its affordable housing priorities. The City will work to eliminate any regulatory gaps by working with federal and other agencies to identify problems and, where appropriate, to seek refinements or waivers of regulations that impedes efficient affordable housing production.

Cambridge will continue its outreach to residents, businesses, and organizations through community meetings and various public forums during the production of its Annual One Year Action Plans.

Monitoring

1. Describe how and the frequency with which you monitored your activities.
2. Describe the results of your monitoring including any improvements.
3. Self Evaluation
 - a. Describe the effect programs have in solving neighborhood and community problems.
 - b. Describe progress in meeting priority needs and specific objectives and help make community's vision of the future a reality.
 - c. Describe how you provided decent housing and a suitable living environment and expanded economic opportunity principally for low and moderate-income persons.
 - d. Indicate any activities falling behind schedule.
 - e. Describe how activities and strategies made an impact on identified needs.
 - f. Identify indicators that would best describe the results.
 - g. Identify barriers that had a negative impact on fulfilling the strategies and overall vision.
 - h. Identify whether major goals are on target and discuss reasons for those that are not on target.
 - i. Identify any adjustments or improvements to strategies and activities that might meet your needs more effectively.

Program Year Four CAPER Monitoring response:

See also: Each Division's Narrative

Housing

The City's Community Development Department (CDD) uses HUD funds to support the following goals:

- **Create New Affordable Rental Units;**
- **Create Affordable Homeownership Units;**
- **Preserve Affordable Existing Affordable Housing; and**
- **Stabilize and Renovate Owner-Occupied Units.**

To monitor the programs that support reaching these goals, CDD performs assessments throughout the life of all projects and programs. Every year, CDD reviews on an ongoing basis applications for specific project funding, reviewing all available funds against the needs of projects in the pipeline. Projects are considered using the following criteria: their financial feasibility, the creation of preservation of long-term affordability; emphasis on the creation of housing for families; creation of both rental and homeownership housing to serve a mix of incomes; design quality and use of energy-efficient materials; and the use of City funds to leverage other public and private financing. Projects are also reviewed for their ability to comply with the funding requirements for all funding sources.

In addition to the review of future projects, CDD staff also provides technical assistance and monitors the progress of projects under construction. This involves the monthly review of all project expenses by examining bills and supporting documentation for monthly program expenditures, including administrative and construction costs. CDD staff also monitors all sites under construction and regularly meets the construction managers of each project.

Quarterly, each program reports on their annual performance goals, which are required by the City as well as the CDBG and HOME programs. This reporting enables CDD to have a consistent understanding of the performance and product of each program.

Annually, the City conducts regular ongoing site visits as well as tenant file monitoring of all affordable housing developments to ensure compliance with program goals and federal regulations. Site visits include property inspections, which are part of our service delivery system and are conducted as prescribed by HUD (see chart below). Each year the Housing Division conducts property inspections on approximately 10% to 15% of the units in its affordable housing stock. This year, 1402 affordable units were monitored.

Property Inspection Schedule:

- Every 3 years for projects with 1-4 units
- Every 2 years for projects with 5-25 units
- Annually for projects with 26 or more units

Economic Development

The policy of the Economic Development Division is to monitor all sub-recipient performances against performance measures and standards, including compliance with all HUD regulations, and in accordance with the fully executed Agreements between the two parties. The program assessments look at the sub-recipients' progress in meeting objectives, meeting set goals, its reporting compliance with regard to timeliness and accuracy and whether required documentation is on file and all requirements set forth in the sub-recipient agreement between the City and the sub-recipient are met.

In FY 2009, the Economic Development Division staff continued to hold face-to-face meetings on a regular basis with all sub-recipients. The Division retains a long-time relationship with the sub-recipients. Staff checked for compliance with the sub-recipient Agreement terms in the different programs and with HUD regulations. On-site monitoring of the activities of all the sub-recipients under contract with the city in FY2008 were held. All sub-recipients were found to be in compliance with their Agreement terms and HUD regulations. There were no findings.

In FY 2009, on a monthly basis, EDD staff reviewed all sub-recipients' personnel and non-personnel operating expenses by examining invoices and supporting documentation for monthly program expenditures, outreach and general and administrative expenditures, as well as program income, if any, and approved same.

In addition, all the sub-recipients received performance assessments in accordance with their individual Agreements and annual schedules:

Cambridge Bio-Medical Careers Program: The Program was evaluated by the sub-recipient quarterly and the results reported to the city in the Quarterly Report Form, as required in the Agreement. EDD staff reviewed all reports and found the sub-recipient met all required performance standards and measurements. The sub-recipient met the Program's objective to create economic opportunities through job accessibility for the residents who were students in the Program. As of June 2009, one year after graduation, 8 of the 9 students supported by the Program in the Class of 2007-2008 have obtained full-time positions in the biotech/biomedical field.

Best Retail Practices Program: The City actively participates with the sub-recipient in the distribution of services provided to the clients of this Program. In FY 2009, EDD staff advertised and marketed the Program to eligible Cambridge businesses, participated in the workshop presentation as an outreach activity, reviewed, accepted and keep on file the original applications (family income certification forms), set up and accompanied the consultant on the individual consultations and monitored the number of clients to whom the sub-recipient consultant provided services.

EDD staff monitored the receipt of, reviewed and distributed requisite post-consultation written reports from the consultants to the clients, making sure that they are received and distributed in accordance with a pre-set schedule outlined in the contract. EDD staff also worked with the sub-recipient, reviewing and then implementing consultant recommendations for client improvements under the Grant Program. The sub-recipient met all performance standards and measurements required for FY 2009.

Center for Women & Enterprise

In addition to ongoing performance monitoring, EDD met with the City's service provider, Center for Women & Enterprise (CWE), several times during FY 2009 for overall program evaluations. The first meeting took place in [October 2008](#) and subsequent meetings took place during [January 2009](#), [April 2009](#) and [June 2009](#).

The first overall program evaluation concluded that CWE performed well in delivering programs and serving clients but fell below expectations in budgeting and preparing program reports. To help CWE better meet expectations, EDD provided them technical assistance, including reviewing budget line items and providing examples of acceptable program reports. CWE adopted necessary improvements for workshops conducted after this evaluation.

For FY 2009, the business development program plans include a combination of outreach sessions, group workshops, individual business consulting, and entrepreneurial training. EDD expects that this combination of services will provide more targeted help to clients and produce more long-term results concerning business starts and business growth.

Public Services

In addition to reviewing written quarterly performance reports submitted by each subrecipient, City staff made an annual site visit to each of the 15 subrecipient agencies, as well as the three programs operated by the Department of Human Service Programs (Multi-Service Center, Haitian Services, Council on Aging Grandet an Aksyon program). Each program was furnished with a copy of the monitoring guide in advance of the visit, and received a written report of the site visit afterwards.

There were no findings on any of our monitoring visits to subrecipients in FY2009. The City remains in close contact with subrecipients throughout the year, and works with them on resolving any difficulties early on, which avoids findings at the time of monitoring.

Public Services programs, which provide services to individuals and families and are not oriented toward economic, neighborhood or community change *per se*, have much different metrics of success than other CDBG funded activities. In most categories of service, category total goals were met or exceeded for the year.

Emergency Shelter Grant (ESG) Program

Over the passed program year, all twelve Cambridge-funded ESG programs were monitored on a regular basis using the three-pronged approach of:

1. Distance monitoring, using telephone, fax and email correspondence with each agency's program and fiscal personnel;
2. Reviewing program reports, bills and back up; and
3. Conducting site visits where deemed necessary-

In addition to ensuring that each funded program was in compliance with both HUD and regulations and City ordinances, monitoring was used as a tool to help improve some of the weaker programs by offering technical assistance.

City personnel performed on-site monitoring visits to the following ESG programs during the FY 2009 program year:

- Shelter Inc.'s Women's Drop-In Shelter and their Shelter Plus Care Program;
- HomeStart's Cambridge Rental Assistance Program;
- CASPAR's Emergency Service Shelter;
- Phillips Brooks House's Harvard student volunteer led program, St. James' Summer Shelter;
- The YWCA of Cambridge's family shelter; and
- Cambridge Cares about AIDS' Youth on Fire Drop-In shelter.

All programs visited were found to be in compliance with HUD regulations and were deemed to be performing their services and achieving their goals as contractually agreed with the City.

Fiscal Department

Desktop monitoring occurs on an ongoing basis. The Fiscal Office receives, reviews and processes invoices for charges of sub-recipients. Invoice details are reviewed in accordance with the budget and terms of the Agreement; applicable law, rules and regulations. This review process enables the Department to identify problems requiring immediate attention.

On an ongoing basis, the CDBG Manager will be notified of any program income. This notification will consist of the amount of the income and the project the income was derived from.

Quarterly, the Fiscal Office receives and reviews reports of sub-recipients concerning the activity of revolving loan funds for which they have the charge to administer.

Biennially, the Fiscal Office conducts a monitoring of a sample of the sub-recipients fiscal administration of programs conducted under their agreements with the City of Cambridge, Community Development Dept. This is done to determine compliance with applicable regulations including but not limited to 24CFR570, OMB Circulars A-87; A-122 and A-133 all of which are incorporated into the Agreements by reference. The monitoring includes a review of the sub-recipients financial management systems and systems for internal control, insurance coverage, procurement procedures and equipment and real property management.

Lead-Safe Cambridge

The Lead-Safe Cambridge (LSC) financing mechanism involves a five-year deferred forgivable loan, set forth in a Note and Mortgage agreement with the owner. Monitoring of owners and tenants is done to verify owners' compliance with the Affordable Housing Covenant, as specified in the Note and Mortgage (rents and tenant income levels based on HUD guidelines), for a five-year period of time following deleading. While income levels are verified as an element of the enrollment process, income qualification of new tenants is required again only when a new tenant moves into a deleaded unit within the five-year compliance period, or when an owner sells the property and transfers the deferred loan to a new owner. It is the responsibility of each owner to notify LSC of changes in unit occupancy, and to have new occupants complete the LSC Intake Packet and income qualification process. HUD Policy Guidance 2005 requires verification of the past 12 months of income.

Five-Year Monitoring

As stated above, income verification is required at enrollment and is not required again unless a new tenant occupies a rental unit, or an owner sells the property and transfers the deferred loan to a new owner (Assumption of Mortgage). Monitoring of units is done on a bi-monthly basis, on the anniversary of the Letter of Compliance, beginning in Year 2 and continuing through Year 5, when the loan is fully discharged. Monitoring activities focus on four categories of owners and tenants:

- Owners
- Tenants

- Owner-occupants
- Non-profit owned properties

Owners: LSC sends each owner a letter and a Certification Form requesting the following information: 1) name of current tenant; 2) if tenant is new, whether they have completed the LSC Intake Packet; and 3) amount of rent charged.

Tenants: Upon receipt of the owner’s reply (within two weeks) LSC sends the current tenant a letter and Certification Form asking them to document their tenancy and to provide the amount of monthly rent paid. New tenants are required to complete and submit an LSC Intake Packet (which includes documentation of tenants’ very-low or low income status) prior to their tenancy.

Owner-occupants: LSC sends each owner-occupant a letter requesting verification that they are continuing to reside in the unit.

Non-profit owned properties: Non-profit housing rehab organizations document the occupancy, income, and affordable rent of their tenants via letter.

For each of the monitoring categories, responses are tracked and documented; follow-up letters and phone calls may be required. Non-compliance is rare, but when it occurs, the owner receives a letter stating that they have breached the agreement and repayment of the loan with interest will become due and payable in accordance with the terms of the Note and Mortgage.

Results of FY 2009 Monitoring - LeadSafe

Category	Number monitored
Owners	84
Tenants	82
Owner-occupants	43
Non-profits	26
TOTAL	267

Lead-based Paint

1. Describe actions taken during the last year to evaluate and reduce lead-based paint hazards.

Program Year Four CAPER Lead-based Paint response:

The Lead-Safe Cambridge Program

Since 1994, a series of concurrent HUD grants (“Lead-Based Paint Hazard Control”) totaling \$14 million dollars have supported the work of the Lead-Safe Cambridge (LSC) program. In October 2007, LSC was awarded a sixth round of funding, which will enable the program to operate through December 2009. The program plans to submit a new proposal to HUD in July 2009 for a seventh round of funding.

LSC provides assistance to property owners who rent to very low and low-income families by arranging lead paint inspections and abatement, relocating families during de-leading, providing referral for testing and medical follow-up of children under six, and by assuming the full cost of inspections and up to \$10,000 per unit for lead hazard control. An additional grant up to \$2,500 is available to mitigate lead in soil.

During the 2009 fiscal year, LSC assisted property owners in de-leading 26 housing units occupied by low and moderate income households, provided landscaping services to treat leaded soil in 18 homes, monitored 235 enrolled units for compliance with the affordable housing covenant, and participated in 54 community events to prevent childhood lead poisoning by raising awareness, changing behavior, and connecting people with resources.

Through its long-standing partnerships with local public health, code enforcement, and non-profit rehabilitation agencies, LSC strives to achieve two major policy goals: preventing the lead poisoning of Cambridge children and increasing access to affordable lead-safe housing for low income families. As of June 2009, the program has deleaded 790 units of affordable housing and over 250 yards have been made lead safe through the intervention of the Safer Soil program. More importantly, since the inception of the LSC program, the percentage of Cambridge children under age six with elevated blood lead levels has dropped from 10% to less than 1%.

LSC has been the recipient of several prestigious awards. In 1999, the Safer Soil project was recognized for its innovative approach to addressing an environmental problem through landscape design by receiving an American Society of Landscape Architects (ASLA) Merit Award. In 2000, LSC received the “2000 HUD Best Practices Award of Excellence” for its work in creating affordable lead-safe housing and reducing lead poisoning rates in Cambridge. In 2003, LSC was the proud recipient of the eighth “Innovations in Fair Housing Award” from the Cambridge Human Rights Commission, and in 2004, the program was recognized by the Cambridge Housing Authority, for its contribution to creating and maintaining affordable housing.

HOUSING

Housing Needs

1. Describe Actions taken during the last year to foster and maintain affordable housing.

Specific Housing Objectives

1. Evaluate progress in meeting specific objective of providing affordable housing, including the number of extremely low-income, low-income, and moderate-income renter and owner households comparing actual accomplishments with proposed goals during the reporting period.
2. Evaluate progress in providing affordable housing that meets the Section 215 definition of affordable housing for rental and owner households comparing actual accomplishments with proposed goals during the reporting period. Describe efforts to address “worst-case” housing needs and housing needs of persons with disabilities.

Public Housing Strategy

1. Describe actions taken during the last year to improve public housing and resident initiatives.

Barriers to Affordable Housing

1. Describe actions taken during the last year to eliminate barriers to affordable housing.

HOME/ American Dream Down Payment Initiative (ADDI)

1. Assessment of Relationship of HOME Funds to Goals and Objectives
 - a. Evaluate progress made toward meeting goals for providing affordable housing using HOME funds, including the number and types of households served.
2. HOME Match Report
 - a. Use HOME Match Report HUD-40107-A to report on match contributions for the period covered by the Consolidated Plan program year.
3. HOME MBE and WBE Report
 - a. Use Part III of HUD Form 40107 to report contracts and subcontracts with Minority Business Enterprises (MBEs) and Women’s Business Enterprises (WBEs).
4. Assessments
 - a. Detail results of on-site inspections of rental housing.
 - b. Describe the HOME jurisdiction’s affirmative marketing actions.
 - c. Describe outreach to minority and women owned businesses.

Housing Division

Introduction

Through its commitment to create and preserve affordable housing for low- and moderate-income residents in Cambridge, the City's Community Development Department Housing Division identified four definitive objectives to meet its goal. The objectives are:

- Create New Affordable Rental Units;
- Create New Affordable Homeownership Units;
- Preserve Affordable Rental Units; and
- Stabilize and Renovate Owner-Occupied 1-4 Unit Buildings.

In the Five-Year Consolidated Plan, completed in May 2005, the City projected goals to be achieved over five years, and embarked on plans to strategically meet its objectives by partnering with non-profit housing developers, private developers, the Cambridge Affordable Housing Trust, and the Cambridge Housing Authority (CHA). With funds received from the U.S. Department of Housing and Urban Development (HUD), the City continues to successfully leverage financial support from other federal, state, local and private sources to meet development and housing service objectives. The following narrative is an overview of the City's housing activities completed in fiscal year 2009, and its progress in meeting housing goals stated in its Five-Year Consolidated Plan.

Objective #1: To create new affordable rental units targeted to extremely low, low- and moderate-income families and individuals.

Non-profit Affordable Housing Development Program - Rental

Affordable rental units are developed through the City's Non-profit Affordable Housing Development program. Local non-profit housing agencies include designated Community Housing Development Organizations (CHDOs) Homeowner's Rehab Inc. (HRI) and Just-A-Start Corporation (JAS) in addition to CASCAP Inc., the Cambridge Housing Authority (CHA), and two subsidiaries of the CHA: Essex Street Management, Inc. (ESMI) and the Cambridge Affordable Housing Corporation (CAHC). Each received financial assistance, technical support, or both this year. These organizations acquire and rehabilitate existing buildings or build new housing, to add new rental units to the City's affordable housing stock. The housing is affordable under terms of the City's Affordable Housing Agreement, a long-term deed restriction which requires an affordability period of fifty years or more. Whenever possible the City considers the use of City-owned land for development of affordable housing to reduce development costs.

In addition to funds used to finance these developments, salaries of the City's Community Development Department Housing staff were funded in part with CDBG and HOME funds to deliver these projects. Staff worked with non-profit organizations to identify potential opportunities; assess the overall feasibility of the project; identify funding sources; advance the project through acquisition and development; and monitor units during rehab/construction and after completion to ensure compliance with program requirements.

Accomplishments: CDBG, HOME and Cambridge Affordable Housing Trust funds supported the development of affordable rental units and leveraged several million dollars from public and private sources. These units are currently in various stages of development and will be occupied by extremely low, low- and moderate-income residents when completed. In FY 2009, the City continued work on affordable rental units around the City. Projects with affordable rental units that secured and closed on their financing during this fiscal year include:

- The acquisition of an existing building at 95 -97 Pine Street which will be renovated to create 12 affordable rental units.
- The acquisition of an existing building on Porter Road which will be converted to affordable rental housing;
- The acquisition of property at 625 Putnam Street where new construction of 40 affordable rental units has been proposed.

Work on other projects by the City and the non-profit agencies include:

- The rehab of an existing lodging house at 35 Harvey Street to create 16 affordable SRO units;
- The completion of the rehab of 22 Lopez Street, an eight-unit building for seven chronically homeless individuals with one on-site manager;
- The completion of the rehab of a 16 unit building on Marcella Street.

Challenges: Specific challenges to producing new affordable rental opportunities in Cambridge are high acquisition and construction costs. Being a largely built-out City, opportunities for development of new housing units are limited. Competition from developers of market-rate housing makes obtaining sites for development of new units difficult. Whenever possible the City considers the use of City-owned land for development of affordable housing to reduce development costs.

Additional challenges in creating new affordable rental housing stem from continued uncertainty in the market for low-income housing tax credits and reductions in funding available for Section 8 rental subsidies which are critical to the feasibility of developing new rental units. Rental developments are much more difficult to finance with uncertainty regarding the Section 8 program funding levels and tax credit equity yields. Questions about continued Section 8 commitments and concerns about the market demand for and price of tax credits make financing rental housing challenging.

Inclusionary Housing Program - Rental

Through the Inclusionary Housing Program, private owners developing new or converted residential developments with ten or more units are required to provide 15 percent of the units as affordable housing. The units are affordable for the life of the building.

Amidst rising land costs and housing prices, the Inclusionary Housing Program has been a very successful and cost effective vehicle for securing affordable units in mixed-income

developments in the City. Since its inception in 1998, 453 affordable rental and ownership units have been created under the program.

Salaries of Community Development Department Housing staff who administer the Inclusionary Zoning Program are funded with CDBG funds. Project delivery activities for Inclusionary Housing projects include technical assistance to developers, reviewing plans and specifications to ensure that the appropriate number and type of units are designated as affordable, ensuring that the units are comparable in size and amenities to market-rate units, and assisting the developer in marketing the units to eligible renters or buyers.

Accomplishments: In FY 2009, 8 affordable rental units were created through the Inclusionary Zoning Program. In addition to these new units that will be marketed in the coming year, 59 units that were completed in previous years were marketed by CDD in FY 2009.

Objective #2: To increase affordable homeownership opportunities for first-time low- and moderate-income buyers.

Non-profit Affordable Housing Development Program - Homeownership

The City finances the acquisition and rehabilitation of affordable homeownership units through non-profit sponsored development of homeownership units. The City also supports the creation of homeownership opportunities for low- and moderate-income families through the Inclusionary Housing Program and the City's Financial Assistance Program, which provides deferred loans to first-time buyers. In addition, the City assists with the resale of deed-restricted affordable units to eligible households.

Affordable homeowner units are developed through the City's Non-profit Affordable Housing Development program. Local non-profit housing agencies include designated Community Housing Development Organizations (CHDOs) Homeowner's Rehab Inc. (HRI) and Just-A-Start Corporation (JAS), and Cascap. These organizations acquire and develop property to create new homeownership units which become part of the City's affordable housing stock. Units remain affordable through the City's Affordable Housing Agreement, a long-term deed restriction. Whenever possible the City considers the use of City-owned land for development of affordable housing to reduce development costs.

In addition to funds used to finance these developments, salaries of the City's Community Development Department Housing staff were funded in part with CDBG and HOME funds to deliver these projects. Staff worked with non-profit organizations to identify potential opportunities; assess the overall feasibility of the project; identify funding sources; advance the project through acquisition and development; and monitor units during rehab/construction and after completion to ensure compliance with program requirements.

Accomplishments: CDBG, HOME and Cambridge Affordable Housing Trust funds supported the development of affordable homeownership units and leveraged several million dollars from public and private sources. These units are currently in various stages of development and will be occupied by income-eligible residents when completed. In FY 2009, the City continued work on affordable homeownership units around the City. Projects with affordable homeownership units underway this fiscal year include:

- Construction of 24 new units at 125 Harvard Street began in FY2009 and will be completed in FY2010;
- Construction of 10 new units at 823 Main Street that will be completed in FY2010.

Challenges: Being a largely built-out City, Cambridge faces several challenges in producing new affordable homeownership opportunities, such as high acquisition costs and escalating construction costs. Nevertheless, the City continues to be proactive in creating and implementing housing programs to aid low- and moderate-income buyers through initiatives such as non-profit housing development and Inclusionary Housing Programs. The City also utilizes state and federal programs and funds as they become available to assist low- and moderate-income families in becoming homeowners.

City of Cambridge First-time Homebuyer Programs

The City offers funding to first-time homebuyers, offering up to \$130,000 is available to income-eligible buyers who participate. Funds are made available as a deferred loan which requires no repayment, and the unit remains affordable upon resale under the terms of the City's Affordable Housing Agreement, a long-term deed restriction.

The City also administers the resale of deed-restricted homeownership units by assisting homeowners in selling units and offering another way in which income-eligible buyers can become homeowners. As the affordable homeownership program has matured, resale units have become an important resource for income-eligible homebuyers.

The City also provides services to support first time homebuyers as they begin the process of buying a home through homebuyer education workshops, individual counseling, and post-purchase classes. Class graduates are often eligible for downpayment and closing cost assistance supported with HOME funds, special mortgage products from Mass Housing, and/or Soft Second Loans. These funds are used in conjunction with reduced-rate first mortgage funds provided by area lenders and partners.

Accomplishments: in FY2009, with CDBG, HOME and Cambridge Affordable Housing Trust funds, supported the following:

- Assisted 47 low and moderate income households purchase units in Cambridge;
- Conducted ten First Time Homebuyer (FTHB) classes;
- Provided individual counseling to 120 homebuyers;
- Provided a credit workshop;
- Hosted 2 post purchase workshops for new homeowners;
- Served more than 781 people through the City's FTHB program.

Inclusionary Housing Program – Homeownership

Through the Inclusionary Housing Program, private owners developing new or converted residential developments with ten or more units are required to provide 15 percent of the units as affordable housing. The units are affordable for the life of the building.

Amidst rising land costs and housing prices, the Inclusionary Housing Program has been a very successful and cost effective vehicle for securing affordable units in mixed-income developments in the City. Since its inception in 1998, 453 affordable rental and ownership units have been created under the program.

Salaries of Community Development Department Housing staff who administer the Inclusionary Zoning Program are funded with CDBG funds. Project delivery activities for Inclusionary Housing projects include technical assistance to developers, reviewing plans and specifications to ensure that the appropriate number and type of units are designated as affordable, ensuring

that the units are comparable in size and amenities to market-rate units, and assisting the developer in marketing the units to eligible renters or buyers.

Accomplishments: In FY 2009, 53 inclusionary units that were completed in previous years were marketed by the City.

Objective #3: To preserve affordable rental housing and enhance access for extremely low, low- and moderate-income households.

This housing objective is accomplished through the City's Expiring Use Preservation Program. Through this program, the City provides technical and financial assistance to tenants, owners, non-profit organizations, and other concerned parties as they collaborate to address the long-term needs of housing developments at risk of losing their affordability due to expiring use restrictions and/or viability due to need for capital reinvestment.

Through the Cambridge Economic Opportunity Committee (CEOC), the City funds a Tenant Organizer who works directly with tenants living in expiring use buildings that may be at-risk of being converted to market-rate housing. The City's housing preservation strategy also includes enforcing local use restrictions resulting from zoning or tax agreements.

Accomplishments: In FY 2009, JAS continued renovations at Linwood Court under terms of a funding commitment from the Cambridge Affordable Housing Trust to finance renovations in return for a long-term affordability extension. Under this agreement, Linwood Court units will remain affordable resources for low- and moderate-income households.

Challenges: The strong real estate market in Cambridge continues to be the primary challenge in preserving buildings with expiring affordability restrictions. While the City has had success in preserving or extending the affordability of many such properties, owners of federally funded developments and cooperatively owned buildings need significant financial incentives to decide not to convert units to market-rate rental or condominium housing, as tremendous financial gains can be made by doing so.

Cambridge Neighborhood Apartment Housing Services

The Cambridge Neighborhood Apartment Housing Services, Inc. (CNAHS) provides low-interest rehabilitation financing to private owners of multifamily properties in return for a set-aside of units for low-and moderate-income tenants. Units assisted by CNAHS have historically been affordable resources in the community.

Accomplishments: In FY2009, CNAHS provided financing to one project, adding two affordable rental units to the City's affordable housing stock. CNAHS also continued with outreach to private multifamily owners who may benefit from participating in the program. Through relationships developed with participating private property owners, CNAHS has also been successful in purchasing buildings from owners who have participated in the CNAHS rehab program, ensuring that these affordable rental units are preserved for the long term.

Challenges: The primary challenges to creating new affordable rental opportunities in Cambridge are high acquisition and construction costs. High market rents make it more challenging for owners to commit to long-term rent restrictions on units.

Objective #4: To stabilize and renovate owner-occupied one-to-four family buildings owned by the very low, low- and moderate-income households.

Home Improvement Program

The Home Improvement Program (HIP) is a low-interest rehabilitation loan program for low- and moderate-income owner/occupants of one to four unit buildings. HUD approved the City's Neighborhood Revitalization Strategy (NRS), which expands the program to serve households with incomes up to 120 percent of area median income living in low-income census tract areas. Through the HIP program, owners use funds to renovate one-to-four family homes to meet HUD, State and City building code requirements. The HIP program is successful in helping owners rehab their homes, stabilize their housing costs, and helping to eliminate blighted properties. Homeowners Rehab, Inc. and Just-A-Start manage the program with oversight from the City's Housing Division. Between the rehabilitation efforts of both non-profits, HIP Program services are available in all 13 Cambridge neighborhoods.

Accomplishments: In FY 2009, Just-A-Start and Homeowner's Rehab worked with homeowners to complete 22 cases providing technical and financial assistance to rehabilitate and stabilize **34** units under the HIP program. The Community Development Department (CDD) funds a contract with each agency to support both staff time and loan funds for this program. In addition, the program leverages outside funds from a variety of other public and private sources to undertake necessary renovations to revitalize the housing stock in low-income communities and stabilize the occupancy of low- and moderate-income homeowners in their homes.

Challenges: Escalating construction costs and the need for increased subsidies are a challenge to HIP program administrators in their work to seek new owners to participate in the program. In addition, Title X continues to pose a challenge to owners looking to rehab using federal funds because it requires owners to de-lead units receiving \$5,000 or more in CDBG funds. Many owners without young children do not want to have their unit delead and have elected not to participate in the program since this regulation was enacted, thus, reducing the number of units that might have been served by the program.

Also, the increase in condominium conversion of the older stock of two-, three- and four-family homes across the City has also impacted the program. With more two- and three-family buildings now converted to condominiums, condo conversion has affected the number of units served by the program as the two agencies, Just-A-Start and HRI, have been increasingly serving individual condo owners as opposed to the owners of two-, three-, or four-unit properties.

Rehabilitation Assistance Program

Through the Rehabilitation Assistance Program (RAP) program, youth crews received hands-on rehabilitation experience by working on non-profit sponsored housing projects and the Cambridge Housing Authority's public housing sites. Just-A-Start administers the program with financial support from the City through the CDBG program. In FY 2009, **127** youths participated in the program receiving on-the-job technical training as they rehabilitated housing units around the City.

Affordable Housing

As described throughout this report, the City of Cambridge has adopted a multi-faceted approach in its commitment to creating and maintaining the City's affordable housing stock, and to assisting low- and moderate-income households. To this end, the City offers a wide range of programs and services.

RENTAL HOUSING PRODUCTION PROGRAMS: Non-Profit Acquisition and Development Program and Inclusionary Housing Program:

In FY 2009, **90** rental units were created under these programs. Through the City's acquisition and development program, non-profit organizations in Cambridge and the Cambridge Housing Authority acquire and rehab existing buildings and/or develop new housing to provide affordable units. Under the City's Inclusionary Housing Program, private developers are required to include affordable units in all new housing developments of more than 10 units. Housing units created by the City under these programs remain affordable under the terms of a long-term deed restriction held by the City.

FIRST-TIME HOMEBUYER (FTHB) PROGRAMS: Non-Profit Acquisition and Development Program; City FTHB Financial Assistance Program & Inclusionary Housing Program

In FY2009, **2** affordable homeownership units were created and 47 households were assisted with purchasing affordable units through the FTHB program. Housing staff hosted ten First Time Homebuyer classes, for persons interested in purchasing multi-family buildings, a Credit 101 class to assist individuals with improving their credit, and two post purchase classes for home owners that have recently purchased a new home. Approximately 614 people participated in these classes. Housing staff provided one-on-one counseling to 120 individuals or households. The City's housing staff also assisted households to access special mortgage products, financial assistance/down payment and closing cost assistance through the HOME program, the Soft Second Loan Program, and the Municipal Mortgage Program or with affordable unit re-sales.

EXPIRING USE PROPERTY PRESERVATION PROGRAM: In FY2009, the City continued work with JAS to preserve the affordability of **45** units at Linwood Court. In order to preserve federally assisted rental housing and other developments with expiring restrictions, the program provides technical and financial assistance to tenants, owners, and non-profit developers working with these properties.

MULTIFAMILY RENTAL HOUSING REHAB LOAN PROGRAM: In FY2009, Cambridge Neighborhood Apartment Housing Service (CNAHS) assisted in financing the renovation of rental units through the Multifamily Rehabilitation Program adding 2 rental units to the City's affordable housing stock. CNAHS, with funding from the City, provides low-interest rehabilitation financing to private owners of multifamily properties in return for a set-aside of affordable units.

HOME IMPROVEMENT PROGRAM (HIP): HIP is a low-interest rehabilitation loan program for low- and moderate-income owner/occupants of one to four-unit buildings. In

FY2009 34 units were assisted through this program. The City, in collaboration with Homeowners Rehab Inc. and Just-A-Start Corporation, provides technical and financial assistance in the form of low-interest and deferred financing to owners of one-to-four family homes to renovate properties to meet HUD, State and City building code requirements.

INCLUSIONARY HOUSING PROGRAM: Through the Inclusionary Housing Program, private owners developing new or converted residential developments with ten or more units are required to provide 15 percent of the units as affordable housing. The units are affordable for the life of the building. In FY2009, a total of **8** affordable rental and homeownership units were created through this program. The City is also responsible for the marketing and filling of all affordable units created through this program. During FY2009, the City marketed **112** units.

INCENTIVE ZONING PROGRAM: The Incentive Zoning Ordinance requires non-residential developers needing a Special Permit to mitigate the impact of their development through a contribution to the Cambridge Affordable Housing Trust.

Through these innovative programs and policies, the City provides new affordable housing opportunities in mixed-income developments and leverages funds from non-residential developers in Cambridge to further housing production.

OTHER CITY-SPONSERED SERVICES

Tenant/Landlord Mediation Services: With funding from the City, Just-A-Start Corporation administers a tenant/landlord mediation program, Mediation For Results. The Agency receives funds from the City annually to administer, develop, and implement this program.

Tenant Organizing for Expiring Use Buildings: With support from the City, the Cambridge Economic Opportunity Corporation (CEOC) employs a full-time Tenant Organizer whose responsibility it is to organize and mobilize tenants at risk of being displaced from federally-assisted buildings when their affordability restrictions expire. CEOC receives funds annually from the City for this program.

City of Cambridge Multi-Service Center: This center provides housing search services, referrals to shelters, and limited emergency funds.

Cambridge and Somerville Legal Services (CASLS): CASLS provides free legal services for low-income residents.

Housing for Individuals with Disabilities

The City ensures that its non-profit sponsored developments comply with the American with Disabilities Act to provide handicap accessible units. In addition, the City seeks to ensure that it secures handicapped accessible units as part of the Inclusionary Housing Program. Housing staff work closely with the Commission on Persons with Disabilities to market units to appropriate households.

Worst Case Needs

The City of Cambridge requires that affordable housing developers submit a tenant marketing and selection plan. The City addresses households with worst-case needs through a "priority point system" established by the City that reflects HUD's guidelines. Priority is given first to households with children under six to ensure they are living in spaces that are properly deledaded and priority is next given to households with children under eighteen. For rental units, first priority is also given to the following households: those living in an emergency situation such as those living in an overcrowded or unsafe home; households paying more than fifty percent of their income in rent; households who are being involuntarily displaced, or those who are homeless.

HOME Narrative

Overview of HOME Program in Cambridge

The City of Cambridge receives entitlement funds under a grant agreement with the United States Department of Housing and Urban Development (HUD) for the HOME Program. Since the program's inception in 1993, the City has received \$15,447,038 in HOME funds, including \$1,037,286 received in FY 2009.

With the HOME funds received from HUD, the City provides loans to support the acquisition, new construction, and rehabilitation of eligible affordable rental and homeownership residential units. HOME funds are also used for first-time homebuyer closing cost and downpayment assistance. As required by HUD, a minimum of 15 percent of the City's HOME funds are used specifically to support local Community Housing Development Organizations (CHDOs), to create affordable rental and homeownership units.

City staff work with development project managers within the CHDOs and other community non-profits to apply federal regulations to HOME funded programs and development projects; ensure that approvals needed from HUD are acquired; ensure that required record keeping is maintained for projects; and monitor HOME funded projects throughout the construction process and the project's affordability period. The latter involves property inspections and tenant and program file reviews, which are conducted each year in compliance with HOME program requirements. Projects with 1-4 units are monitored every three years, projects with 5-25 units are monitored every two years, and projects with twenty-six or more units are monitored annually. In FY 2009, the City monitored 1,402 units, a total which includes affordable units supported with HOME funds.

HOME DEVELOPMENT PROJECTS FOR FY2009

1-3 Marcella Street: Sponsor, Homeowner's Rehab, Inc.

Homeowner's Rehab completed rehabbing this 16-unit building on Marcella Street in the Wellington-Harrington neighborhood. The building consists of 9 two-bedroom units, 3 three-bedroom units, and 4 studio apartments for households earning no more than 80 percent of the area median income.

22 Lopez Avenue: Sponsor, Essex Street Management, Inc.

Essex Street Management, Inc.'s (ESMI), a non-profit subsidiary of the Cambridge Housing Authority, completed rehabbing this eight-unit building in East Cambridge to provide housing for homeless individuals. Recently rehabbed, the building needed only minor work after ESMI's acquisition and will house seven chronically homeless individuals plus one on-site manager.

823 Main Street: Sponsor, Just-A-Start, Corp.

Just-A-Start Corporation (JAS) continued construction on Main Street, where ten affordable homeownership units (2 one-bedroom, 2 two-bedroom, 6 three-bedroom) are nearing completion and will be sold to households earning no more than 80 percent of the Area Median

Income. The redevelopment of 823 Main Street will contribute to the ongoing revitalization of the neighborhood in addition to providing new residents access to the nearby services and amenities.

125-127 Harvard St: Sponsor, Cascap

Cascap began construction of a parcel on the corner of Davis and Harvard Streets in Neighborhood Four. The existing Print Shop was demolished and 24 affordable homeownership units (10 one-bedroom, 8 two-bedroom, 6 three-bedroom) are being built and will be sold to households earning no more than 80 percent of Area Medium Income. The building will use renewable technology, including solar panels and a green roof. Construction will be completed in FY2010.

HOME Match Report

Cambridge is a Participating Jurisdiction (PJ) and is therefore required to match 25 percent of the amount drawn down in HOME funds in each fiscal year. HOME funds that do not require a match include funds used for administrative costs, CHDO operating expenses, CHDO capacity building, and seed money or technical assistance loans where the project did not go forward. In FY2009, the City of Cambridge disbursed **\$1,426,676** in HOME funds, **\$1,323,743** of which required a HOME match. This resulted in a HOME match liability of **\$330,936**. HOME projects leveraged **\$7,846,273** in HOME match-eligible funds in FY2009 from other public and private sources, exceeding the required match for the current fiscal year. Match funds can be carried over from one fiscal year to the next. As of the end of FY2009, the City's total excess HOME match from all fiscal years is **\$88,693,857**. The completed HOME Match Report form HUD 40107-A is included in the FY2009 CAPER report.

MWBE Report: Minority and Women's Business Enterprise

As stipulated by the HOME program, the City includes in its contract agreements requirements that developers make a good faith effort to involve minority and women owned businesses as contractors and subcontractors when working on federally funded projects. During annual monitoring and at the close of a project, documentation must be provided to demonstrate that efforts were made to include minorities and women in the bidding process. In FY2009, all HOME Projects completed in the past year were monitored to ensure that agencies completed MWBE Reports, in addition to other required documents. The completed HOME Annual Performance Report is included the FY2009 CAPER report.

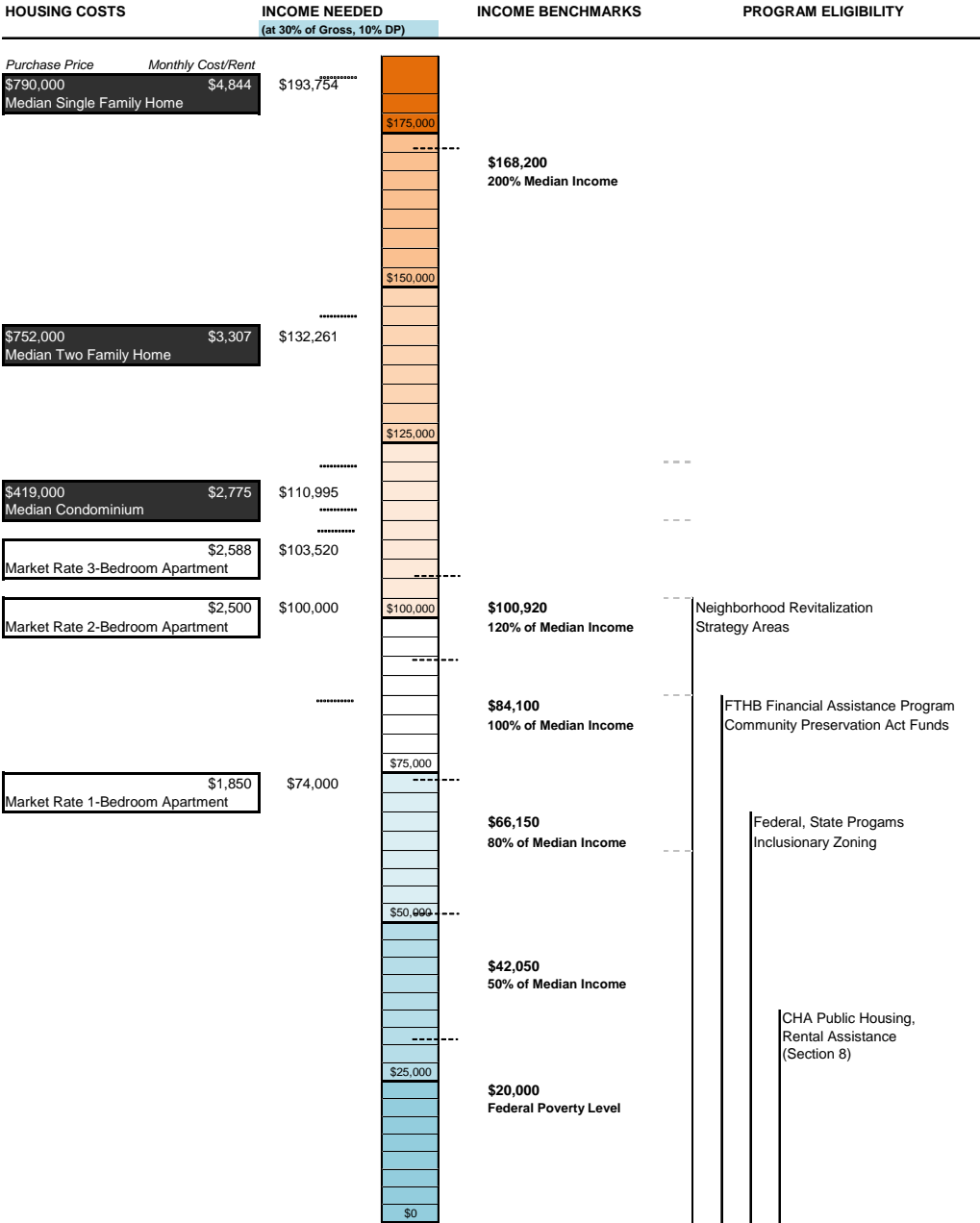
Due the methodology the City uses in considering the completion status of housing activities, several HOME funded activities were completed in the prior year (FY2008) and reported as such. By HUD's definition these same activities we deemed complete in FY2009. Therefore, because these activities have been reported in HOME Performance Reports from previous years they will not appear in the current report.

FY2009 Accomplishments - Self Evaluation

<u>Housing Objectives</u>	<u>FY 2009 Production</u>	<u>Comments for Current Year's #s</u>
Obj 1: Creation of new rental units: Implemented to increase supply of affordable rental units for low- and moderate-income households, stabilize communities, and remove blight	88 Units	<ul style="list-style-type: none"> ▪ 80 units created through the Non-Profit Affordable Housing Development Program ▪ 8 created through the Inclusionary Housing Program
Obj 2: Creation of New Homeownership Units: Implemented to increase supply of affordable units for low- and moderate-income households, stabilize communities, and remove blight	2 Units	<ul style="list-style-type: none"> ▪ 2 created through the City Financial Assistance Program
Obj 3: Preserve existing affordable units: Implemented to preserve existing affordable rental units	2 Units	<ul style="list-style-type: none"> ▪ 2 created through the CNAHS Program
Obj 4: Stabilize 1-4 unit owner occupied Buildings: Implemented to stabilize low- and moderate-income owner occupants, rehab, existing housing stock, reduce blight, increase affordable rental units, and increase property values and neighborhood tax base	34 Units	<ul style="list-style-type: none"> ▪ Provided financial or technical assistance for 34 units through the Home Improvement Program (HIP)
<u>Other Housing Services</u> Public Outreach & Resident Inquiries Fielded: Implemented to educate residents and inform them of available city housing programs, services and affordable units services to improve their quality of life	4,384 Persons 7 Events 714 Added to Database	<ul style="list-style-type: none"> ▪ 4384 Requests for information & referrals ▪ 7 Outreach and information events across Cambridge ▪ 714 Households added to housing database

<p>First-Time Home Buyer Classes & Counseling: Implemented to stabilize neighborhoods through education and increase the percentage of ownership units in neighborhoods</p>	<p>781 Households Assisted</p> <p>13 Housing Courses or Workshops held</p>	<ul style="list-style-type: none"> ▪ 528 participants in FTHB courses ▪ 86 participants in courses addressing specific housing topic (i.e. Credit 101) ▪ 120 Cambridge residents receiving individual counseling ▪ 47 households assisted with purchase of units in Cambridge ▪ 10 four-session FTHB classes ▪ 2 post-purchase workshops for homeowners ▪ 1 workshop to assist individuals with improving their credit
<p>Rehabilitation Assistance Program (RAP): Implemented to improve neighborhood stability by renovating both new and existing affordable units</p>	<p>127 Youths</p>	<ul style="list-style-type: none"> ▪ 127 Youths Participated and trained
<p>Tenant and Landlord Mediation: Implemented to stabilize communities by empowering tenants to reduce displacement and improve quality of life</p>	<p>450 Clients</p>	<ul style="list-style-type: none"> ▪ Number of clients assisted through landlord and tenant counseling and mediation service under Housing Services Program

Cambridge Housing Affordability Ladder



Purchase:	ASSUMPTIONS:	
	Interest Rate:	6.00%
	Tax Rate:	\$7.56 per \$1,000
Rental:	Condo Fee:	\$250 per month
	Insurance:	\$1,000 per yr for Single Fam
	Insurance:	\$1,500 per yr for 2-Family
	75% Rental Inc:	\$1,350 per mo for 2-Family
	Downpayment	10%

- NOTES:**
1. Mortgage Financing with 30 year term, 10% downpayment
 2. Median sales prices from Banker & Tradesman 2008 data (3/09)
 3. Rental Rates based on Jan 2009 CDD survey
 4. AMI based on 4 person Boston HUD Metro FMR Area (HMFA) 2008 Income Limits

	SINGLE FAMILY	TWO FAMILY	CONDO
PRICE	\$790,000	\$752,000	\$419,000
MORTGAGE	\$711,000	\$676,800	\$377,100
P&I	\$4,262.80	\$4,057.76	\$2,260.91
Insur/Fee	\$83.33	\$125.00	\$250.00
Taxes	\$497.70	\$473.76	\$263.97
Rent		-\$1,350	
Mthly Cost	\$4,843.84	\$3,306.52	\$2,774.88
Inc needed	\$193,754	\$132,260.72	\$110,995.00

CAMBRIDGE HOUSING AUTHORITY

In this past Fiscal Year 2009 the Cambridge Housing Authority (CHA) celebrated its ninth year as part of the Moving to Work (MTW) Deregulation Demonstration and executed a Restated and Amended Agreement with HUD to continue in the program for another ten years.

Thanks to the regulatory flexibility that the MTW program offers, CHA continued preserving and increasing the number of affordable housing opportunities for low-income households in one of the nation's most challenging rental markets.

Public and Affiliate Housing

The efficient and equitable management of CHA's public housing and affiliate non-profit housing stock is the foundation of CHA's day-to-day and long-term planning. The Operations Department is responsible for CHA's day-to-day property and asset management functions. FY 2009 was a banner year for CHA in terms of operational streamlining and increased efficiency.

Public Housing Management:

In FY 2009, CHA continued to meet or exceed industry standards for housing management.

Rent Collection

In FY 2009 rent collections were 99.64% in the Federal Public Housing sites. This number excludes repayment agreements.

Occupancy/Vacancy Rates: CHA's occupancy percentage (adjusted for modernization work) for its conventional public housing was 98.4%.

Work Orders

CHA's work order turnaround time continued to be outstanding in FY 2009. All emergency work orders were abated, in their totality, within 24 hours. Non-Emergency work orders were completed on average, within 3.7 days in CHA's Federal Public Housing sites. This is a 27.4% decrease from FY 2008.

Inspections

Excluding units off-line for modernization, CHA inspected 100% of its conventional housing inventory in FY 2009. CHA utilized a private company to assist in its Annual Unit Inspections. Inspectors from the outside firm accompanied CHA staff for each unit inspection for quality control purposes, as well as to ensure accurate and thorough inspections and to provide additional training for CHA staff.

Households Served: Federal Public Housing by Bedroom Size, Race, Ethnicity and Income

In FY 2009, CHA housed 1,789 households in conventional federal public housing units. This represents 147 more households from the number of households CHA planned to serve at the beginning of FY 2009.

Household Information	Federal Public Housing				Federal PH Total	
	Family		Elderly		FY 09 Plan	FY09 Actual
	FY 09 Plan	FY09 Actual	FY 09 Plan	FY09 Actual		
# of Bedrooms						
Studio	5	0	343	453	348	453
1 Bedroom	143	149	239	246	382	395
2 Bedroom	452	460	3	3	455	463
3 Bedroom	362	380	0	0	362	380
4+ Bedroom	95	98	0	0	95	98
Total Households	1,057	1,087	585	702	1,642	1,789
Race						
Black	682	693	132	175	814	868
Asian	35	39	12	18	47	57
White	329	343	437	504	766	847
American Indian	11	12	4	5	15	17
Other	0	0	0	0	0	0
Total Households	1,057	1,087	585	702	1,642	1,789
Ethnicity						
Hispanic	114	131	20	36	134	167
Non-Hispanic	943	956	565	666	1,508	1,622
Total Households	1,057	1,087	585	702	1,642	1,789
Income						
< 30% AMI	589	656	482	579	1,071	1,235
30%-50% AMI	286	273	84	92	370	365
50%-80% AMI	141	101	17	30	158	131
> 80% AMI	41	57	2	1	43	58
Total Households	1,057	1,087	585	702	1,642	1,789

Note: Data displayed under FY09 Plan represents the number of households served at the time of the FY09 Plan publication. Numbers given under FY09 Actual reflect the current number of households served at the end of the fiscal year 2009.

Waiting List: Public Housing Bedroom size, Race, Ethnicity and Income

Compared with the previous fiscal year (FY2008), there was a 35.4% increase in the total number of applicants by bedroom size. A 41% increase in the applicant pool for family developments and 16.6% increase in the elderly developments waiting list, respectively. Demand continued to be greatest for studio (18%), one bedroom (39%) and two bedroom (29%) units. The vast majority of applicants (87%) continue to be extremely low-income households (<30% Area median Income).

Applicants Information	Public Housing		
	Family	Elderly	FY 09 Total
# of Bedrooms*			
Studio	98	1,384	1,482
1 Bedroom	3,083	220	3,303
2 Bedroom	2,357	81	2,438
3 Bedroom	970	3	973
4+ Bedroom	170	1	171
Total Households	6,678	1,689	8,367
Race			
Black	3,247	511	3,758
Asian	322	60	382
White	2,963	1,023	3,986
American Indian	62	26	88
Other	66	38	104
Total Households	6,660	1,658	8,318
Ethnicity			
Hispanic	1,481	179	1,660
Non-Hispanic	5,179	1,479	6,658
Total Households	6,660	1,658	8,318
Income**			
< 30% AMI	5,707	1,502	7,209
30%-50% AMI	772	110	882
50%-80% AMI	124	23	147
> 80% AMI	58	11	69
Total Households	6,661	1,646	8,307

Safety and Security

In FY 2009 CHA continued strengthening its working relationship with all of the divisions of the Cambridge Police Department (CPD). The open communication between CHA and CPD has provided the Authority with a more concentrated deployment of foot and bike patrols in our family developments. In addition, CHA managers met with the Cambridge Police on a monthly basis. This regular contact gave managers the opportunity to discuss hot spots at their developments, which resulted in daily and nightly directed CPD patrols.

Security and Safety surveys were completed at all CHA sites and all deficiencies were rectified. Lighting surveys were completed at all CHA locations. In the interest of the public safety, supplementary lighting was added at some developments in response to survey results.

The camera systems at all developments were re-evaluated with the managers and CHA's new vendor. Systems were repaired where needed and additional cameras installed at some locations. The camera systems at the majority of the developments are now accessible through the WaveReader program at CHA's Central Office. This gives CHA's Public Safety Administrator the ability to observe live action in and around the majority of CHA properties. It also allows for back-tracking footage for up to thirty days, when needed to assist in investigations of criminal activity.

City wide meetings with the police department and the area neighborhood groups were attended on a regular basis in addition to police and fire safety meetings at all of our elderly developments.

Elder Services

CHA leverages partnerships with local service agencies and programs to provide elderly residents the services they need. Elder services CHA offered in FY 2009 included:

- ⊕ The Supportive Living Program offered to two hundred low-income elders at Manning Apartments, a state-assisted senior development. The Supportive Living Program provides elder residents with homemaking services, shopping, meal-preparation, and case-management services for no cost or on an income based sliding fee scale;
- ⊕ Prepared meals were made available to participants seven days a week and staff were available 24 hours a day to them with basic services. These services were available through a partnership with the State of Massachusetts Executive Office of Elder Affairs and Cambridge Somerville Elder Services;
- ⊕ Similar to the Supportive Living program at Manning Apartments, and in collaboration with Somerville Elder Services, case management services and activities were offered to all Millers River residents in FY 2009;
- ⊕ CHA maintained its partnership with the Cambridge Health Alliance Elder Service Plan (a PACE program, "Program for All Inclusive Care for the Elderly") and provided on-site staffing 24/7 in a congregate facility at the Putnam School Apartments. The ESP program at

Putnam School Apartments was so successful that CHA expanded the program to Millers River Apartments and Lyndon B. Johnson Apartments (LBJ).

The program at Millers River came online as FY 2008 drew to a close, with sixteen Elderly Services Program clients. By early FY 2009 LBJ came online with twenty ESP clients. Program services for participating residents included medical care, recreational activities, housekeeping, case management, and meals.

ESP Participants:

Millers River	16 residents + 2
L.B. Johnson	20 residents + 2 offices
Putnam School	9 residents

- ⊕ Through a contract with local non-profit service provider CASCAP, four full-time and one part-time Service Coordinator, conducted needs assessments, provided case management, and made medical and social service referrals for over six hundred elders in four of CHA’s federal elderly developments.
- ⊕ In FY 2009 CHA hired a part-time service coordinator who focused on activities and case management for over seventy elderly and disabled residents living in family public housing who needed supportive services and increased socialization opportunities.
- ⊕ Hot meals were offered daily in developments with community rooms equipped with kitchens. Upon request, the Meals on Wheels program delivered to individual elderly households;
- ⊕ In partnership with the City’s Department of Human Services through the North Cambridge Senior Center, CHA served the recreational needs of its elderly residents at an on-site facility housed at the Russell Elderly development;
- ⊕ Bilingual French Creole speaking staff provided translation services to residents needing assistance with management, maintenance requests and service coordination at LBJ, Millers River and Burns Apartments.
- ⊕ CHA provided English as a Second Language classes at LBJ, Manning and Millers River Apartments in FY 2009.

LOCAL LEASED HOUSING

CHA's MTW Agreement continues to provide flexibility in the administration of the voucher program. This year the CHA was able to exceed its baseline utilization numbers and serve more low-income families than in prior years. By the close of FY 2009 2,567 households were served by CHA's Federal Leased Housing program. CHA is proud that, thanks to MTW, the Leased Housing Department provided housing assistance to one hundred and nineteen more households in FY 2009 than in FY 2008.

Despite the economic challenges, CHA continued to refine its administrative policies and procedures to maximize cost-effectiveness and efficiency.

Fair Market Rents, Rent Reasonableness and Rent Adjustment Factors:

100% of leased units were subject to CHA's MTW Rent Reasonableness determination both at initial lease-up and before any rent increases were granted. As in FY 2008, CHA did not typically agree to any rent increases above the payment standard, adjusted for tenant-supplied utilities.

As in past years, CHA continued using the Operation Cost Adjustment Factor (OCAF) to determine rent increases for Project Based units, when appropriate.

Preservation/Conversion of State MRVP Program

The CHA received state approval to implement changes to the Commonwealth of Massachusetts's Rental Voucher Program (MRVP) in FY 2009. MTW funds were used to augment the state subsidy program, which is otherwise so insufficiently funded as to render it useless in Cambridge's still-pricey rental market.

The MRVP Preservation/Conservation program allows CHA to raise the payment standards in the state program to those in the federal program. Absent this stabilization it would be nearly impossible for participants in the state program to find safe, affordable housing in Cambridge.

CHA stabilized ten MRVP participants' rents in FY 2009 for a total cost of \$52,688, or \$439 per month, per household.

Sponsor-Based Leased Housing Program

The CHA continued to administer the Sponsor-Based Leased Housing Program (described in the FY 2008 MTW Annual Report). This program provided over fifty subsidies in FY 2009. Sponsor based vouchers are provided to "partner" service providers who use the vouchers to rent units throughout the City.

By entering into these partnerships CHA is able to assist "high need" individuals by enabling them to receive affordable shelter while receiving supportive services. CHA partnered with eight different service providers in FY 2009 to support their efforts to provide stable, affordable housing to some of our City's most difficult to house individuals. CHA is very pleased by the ongoing success of this innovative voucher program.

Project-Based Leased Housing Program

CHA, the City of Cambridge and several local nonprofit organizations, developed a new request for proposals (RFP) and fifty-four vouchers were awarded. CHA set aside \$1.8 million for a three-year period for the City Partner Program. The City Partner Project-Based Program is a cost effective way for the CHA to help produce additional affordable housing stock for the City. In addition the CHA will look long term at other innovative ways to preserve affordable housing in Cambridge.

CHA continued using its MTW authority in the Project Based Assistance (PBA) program as approved in previous Plan years:

- ⊕ No minimum rehabilitation expenditure thresholds;
- ⊕ 15-year leases, subject to annual appropriations;
- ⊕ predevelopment commitment letters to qualified owners to assist their efforts to leverage additional funding;
- ⊕ no restrictions on the percentage of leased units in a single building or project (unless eliminating the restriction would adversely affect the surrounding neighborhood or run contrary to CHA’s affordable housing strategies or mission);
- ⊕ tenant based program participants living in units converting to PBAs are given the option to move from the unit and receive a tenant-based voucher, when one becomes available; and
- ⊕ the requirement that applicants submit a previous participation certificate remained suspended in FY 2009.

New Inspection Protocols:

CHA continued using its revised inspection protocol in FY 2009. The protocol was described at length in the Leased Housing Chapter of CHA’s FY 2008 MTW Annual Report. Below are the results for FY 2009.

	Total Units	Selected	% Selected	Failed	% of selected units failed	Passed	Pending/due to participant non compliance
Group I	610	102	17%	13	13%	87	3
Group II	1167	393	34%	62	16%	316	15
PBA's	519	60	12%	2	3%	57	1

Leased Housing Households Served by Bedroom Size, Race, Ethnicity and Income

Over 2,000 households participated in the Leased Housing Program in FY 2009. This accounts for an increase of 4.4% from the previous Fiscal Year (2008) in terms of total MTW vouchers. The table below compares the FY 2009 Plan and the FY 2009 actual numbers. CHA exceeded its expectations for total households served in FY 2009.

Household Information	Federal MTW Leased Housing				Leased Housing Total	
	Family		Elderly		FY 09 Plan	FY09 Actual
	FY 09 Plan	FY09 Actual	FY 09 Plan	FY09 Actual		
# of Bedrooms						
Studio	66	64	37	43	103	107
1 Bedroom	386	483	286	306	672	789
2 Bedroom	554	589	120	134	674	723
3 Bedroom	323	339	23	29	346	368
4+ Bedroom	49	48	2	4	51	52
Total Households	1,378	1,523	468	516	1,846	2,039
Race						
Black	-	777	-	155	845	932
Asian	-	30	-	11	34	41
White	-	704	-	347	949	1,051
American Indian	-	10	-	3	13	13
Other	-	2	-	0	2	2
Total Households	-	1,523	-	516	1,843	2,039
Ethnicity						
Hispanic	-	188	-	34	178	222
Non-Hispanic	-	1335	-	482	1,665	1,817
Total Households	-	1,523	-	516	1,843	2,039
Income						
< 30% AMI	-	1,041	-	388	1,225	1,429
30%-50% AMI	-	344	-	100	443	444
50%-80% AMI	-	121	-	27	167	148
> 80% AMI	-	17	-	1	11	18
Total Households	-	1,523	-	516	1,846	2,039

Note: 1. Data displayed under

FY09 Plan represents the number of households served at the time of the FY09 Plan publication. Numbers given under FY09 Actual reflect the current number of households served at the end of the fiscal year 2009. 2. Data

reported in the FY09 Plan did not distinguish HCV Households between Family or Elderly households for Race, Ethnicity and Income. Thus only totals are compared.

Leased Housing Waiting List by Bedroom Size, Race, Ethnicity and Income

The Leased Housing Waiting list for FY 2009 illustrates that the local demand for units continue to increase dramatically from large, three and four bedrooms, to smaller one bedroom units. These numbers are an approximation based on family composition of the pre-application submitted by applicant households.

There has been an increase of 16.1% since FY 2008 in the total number of applicants for the Leased Housing Program. This relative low increase is due to the closing of the waiting list during FY 2009.

Applicants Information	Leased Housing	
		FY 09 Total
# of Bedrooms*		
Studio		1,264
1 Bedroom	CHA does not keep a Leased Housing waiting list by Elderly/Disables or Family	2,121
2 Bedroom		2,172
3 Bedroom		1,085
4+ Bedroom		130
Total Households		6,772
Race		
Black		3,439
Asian		217
White		2,915
American Indian		77
Other		124
Total Households		6,772
Ethnicity		
Hispanic		1,466
Non-Hispanic		5,306
Total Households		6,772
Income**		
< 30% AMI		5,865
30%-50% AMI		756
50%-80% AMI		100
> 80% AMI		50
Total Households		6,771

*The total number of applicant households for FY 2009 by Bedroom Size differs from the total number given under Race and Ethnicity due to households applying for more than one bedroom size.

**This data was collected over a 48hr period, therefore the total number of applicant households for FY 2009 by Income Range differs slightly from the total number given under Race, Ethnicity and Bedroom Size.

CAPITAL IMPROVEMENTS

Development and Redevelopment

FY 2009 was a noteworthy year for the CHA and its efforts to develop a long-term capital improvement strategy that will eventually result in the redevelopment of the Agency's entire housing portfolio.

Meetings spanning over three months were held with resident and community leaders to further plan for CHA's Cambridge Public Housing Preservation Program (CPHPP). It was at these meetings that the modernization needs and funding options for each development were outlined. A key component of the CHA's Program is envisioned to be the issuance of tax-exempt debt by the CHA which will trigger 4% low income housing tax credits. The coordinated use of the bonds and tax credits will result in a very effective and efficient legal and financial deal structure and allow for multiple projects to be redeveloped within a single "umbrella" structure. The CPHPP recently received a substantial boost with the allocation to CHA of \$27 million in tax-exempt bonds by the Commonwealth of Massachusetts' Department of Housing and Community Development.

However, given the moribund global economy and frozen credit markets, this significant accomplishment is tempered by an environment, which has seen low-income housing tax credits become less valuable and more difficult to secure. While cautiously proceeding with the CPHPP, CHA must continue identifying and evaluating additional options for funding as they arise, and be prepared to modify and adjust its plans as needed to move the modernization and redevelopment plans forward.

Until the long-term capital improvement strategy is finalized, CHA is using its limited capital dollars to first stabilize properties by funding work items related to building integrity and safety, proceeding with comprehensive modernization only at smaller properties, and implementing energy and utility savings capital work. The CHA expended \$4.3 million in construction costs for capital improvements in FY 2009. CHA has under construction contract an additional \$5.0 million for work that started in FY 2009 and will continue into FY 2010.

Cambridge Public Housing Preservation Program

During FY 2009, the CHA has been working to establish its Public Housing Preservation Program so it may move forward with the much-needed renovations of the CHA's state and federal public housing inventory. The program, based upon the use of tax-exempt bonds and low-income housing tax credits, seeks to complete these renovations with the most effective and efficient legal and financial deal structure. It would allow the use of tax exempt debt and low income housing tax credits in a coordinated manner, and allow multiple projects to be redeveloped within a single "umbrella" deal structure. It also would reduce, to the greatest extent possible, the number of entities regulating the development of the redevelopment properties.

CHA is now proceeding with the first phase of the program. This phase will involve the renovation of 120 units at three locations as follows:

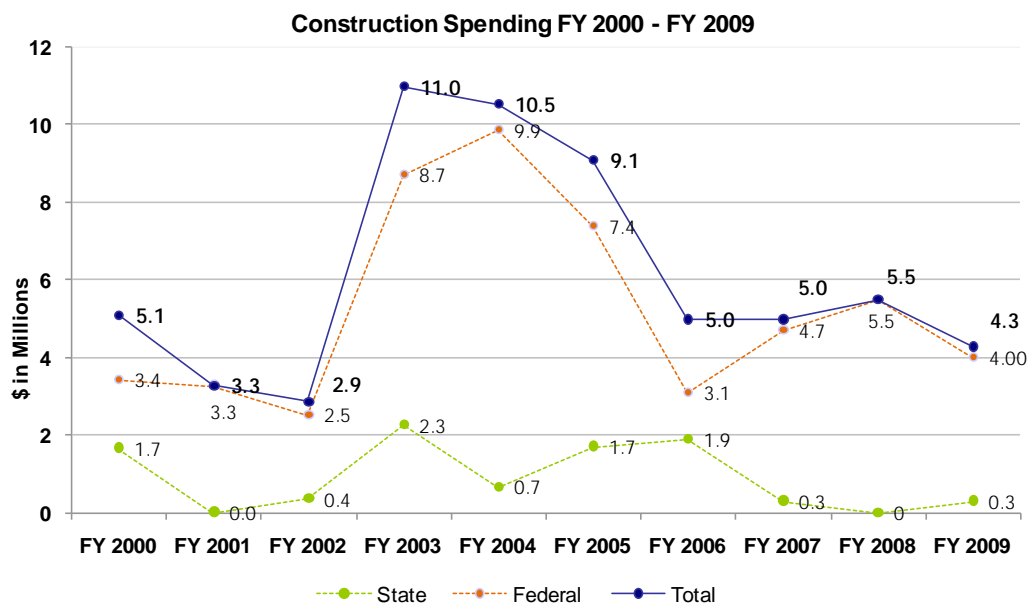
- ⊕ Substantial renovation of Willow Street Homes, a fifteen (15) unit development located in East Cambridge;
- ⊕ Demolition and reconstruction of Lincoln Way, a sixty (60) unit development located in North Cambridge; and
- ⊕ A substantial, comprehensive modernization of Jackson Gardens, a forty-five (45) unit development located in mid-Cambridge.

Renovation work at Willow Street Homes started in early March 2009, and it is anticipated that work at Lincoln Way and Jackson Gardens will begin in late 2009.

Total development cost for the Phase 1 program is estimated at \$57.6 million. Funding sources for the work include possibly federal funding through either MTW, Capital Fund (CFP), or American Recovery and Reinvestment (ARRA) programs, private activity tax-exempt bond financing with associated 4% tax credits issued by the Cambridge Housing Authority, substantial contributions from the Commonwealth of Massachusetts and the City of Cambridge, private financing through a conventional mortgage, energy savings program, and an acquisition loan from CHA.

Spending

The following chart details capital expenditures from FY 2000 through FY 2009. Thanks to MTW CHA is able to expend more on capital improvement activities, in both state and federal developments. MTW fungibility has enabled CHA to direct program funds to capital projects. However, the CHA's ability to allocate funds where they will be most beneficial continues to be restricted by funding reductions in federal capital for public housing and housing choice vouchers that were available in the early 2000s.



The following developments underwent construction or modernization during FY 2009:

Federal Public Housing

Washington Elms

All windows were replaced at Washington Elms and the project was fully completed in FY 2009. This included 2700 windows at this 175 unit development.

Total Cost: \$2,523,000

FY 2009 Expenditures: \$1,981,718

Newtown Court, Washington Elms and Jefferson Park

A construction contract was awarded for masonry work at the three sites. Work started in FY 2009 and will continue into FY 2010. A scope for additional needed repair is being developed with a bid date in Summer 2009.

Total Cost: \$432,000

FY 2009 Expenditures: \$395,509

Millers River Apartments

Elevator repairs were made to increase efficiency and improve operational reliability. Repairs to the elevators will be finished in Spring 2009.

Total Cost: \$566,070

FY 2009 Expenditures: \$519,590

Emergency Generators at L.B. Johnson and D. F. Burns Apartments

The construction contract involving these two federal properties as well as three state properties was awarded in April 2007. Work on installation began in August 2007. There were delays in manufacturing and installing the generators. The CHA anticipates work to be complete in Fall 2009.

Total Estimated Cost, Federal Properties: \$625,000

FY 2009 Expenditures: \$294,652

Daniel F. Burns and L.B. Johnson Apartments

A construction contract to repair elevators at Daniel F. Burns and L.B. Johnson Apartments was awarded in January 2007. Work proceeded through FY 2008 and into FY 2009, and the work was substantially complete in December 2008. A small portion of the total budget will be carried over into FY 2010 to be paid once close-out activities are complete.

Total Cost: \$824,423

FY 2009 Expenditures: \$163,500

Harry S. Truman Apartments

A construction contract was awarded for masonry repairs at Harry S. Truman Apartments in October 2007. Work was completed last fall, and the contract is in the process of being closed out. The project scope was reduced to eliminate use of a penetration sealer on the building as further testing found the brick was impervious.

Total Cost: \$237,843

FY 2009 Expenditures: \$150,069

Jefferson Park

Extensive masonry deterioration persists at Jefferson Park. Approximately 1/3 of the repairs were complete in FY 2009 with the remaining work to continue in Spring 2009.

Total Cost: \$412,000

FY 2009 Expenditures: \$163,324

Corcoran Park

A construction contract to replace all windows in this 153 unit development was awarded in August 2008. A sample window installation was fabricated, installed, and approved, and the fabrication of all windows is presently occurring. Actual installation will begin in Spring 2009.

Total estimated Cost: \$1,787,500

FY 2009 Expenditures: \$47,500

Millers River and L.B. Johnson Apartments

An additional 26 units at Millers River and L.B. Johnson were identified for selective modernization. A construction contract was awarded in November 2008, with work beginning in late FY 2009 and carrying over to FY 2010.

Total Cost: \$359,628

FY 2009 Expenditures: \$151,899

Millers Rivers River Apartments

The Assisted Living floor at Millers River was complete in February 2008. The remainder of the contract was paid in FY 2009 upon project close out.

Total Cost: \$190,357

FY 2009 Expenditures: \$10,100

L.B. Johnson Apartments

The Assisted Living floor at L.B. Johnson was also completed and the final payment of the contract was made in FY2009.

Total Cost: \$312,953

FY 2009 Expenditures: \$51,350

The selective modernization of 71 units was completed and the final payment was made in FY 2009.

Total Cost: \$832,614

FY 2009 Expenditures: \$2,250

State Public Housing

Emergency Generators at Putnam School, 116 Norfolk Street, and Manning Apartments

The construction contract which also included two federally assisted sites was awarded in April 2007. Work on installation began in August 2007. There were delays in manufacturing and installing the generators. The CHA anticipates work to be complete in Fall 2009.

Total Cost, State Properties: \$625,000

FY 2009 Expenditures: \$279,883

Estimated Willow Street Comprehensive Modernization

Funds are available to move ahead with the comprehensive modernization of Willow Street Homes, a fifteen-unit development. These units require substantial upgrades to address building and system deficiencies. A construction contract was awarded in December 2008, and a notice to proceed was issued to the contractor in early March 2009.

Total estimated Cost: \$2,857,797.

FY 2009 Expenditures: \$0

Russell Apartments Fire Panel Upgrade

Work to replace the fire panel at Russell Apartments was completed in May 2008.

Total Cost: \$9,800

FY 2009 Expenditures: \$9,800

Jackson Gardens and Lincoln Way Revitalization

The first phase of CHA's Public Housing Preservation Program will be the revitalization of Jackson Gardens and Lincoln Way. An A&E firm was hired in December 2008, and is currently in schematic design phase. CHA recently received a \$27 million allocation of tax-exempt bonds from the Commonwealth of Massachusetts which it can issue and generate 4% tax credits. While the economic times are very challenging, CHA is moving forward with its efforts to obtain the necessary funds to allow this project to go forward into construction at some point in FY 2010.

Jefferson Park Revitalization

A comprehensive investigation and master study evaluation of Jefferson Park continued throughout FY 2009 and will wrap up in early FY 2010. The findings of the plan will be used to move forward with the much needed revitalization of Jefferson Park. Towards that end, the CHA award an A&E contract to Abacus Architects in February 2009 for the implementation phase of this effort. Currently the project is funded through the schematics phase.

Manning Apartments Revitalization

The revitalization of Manning apartments will include upgrades to all building systems, a new energy-efficient building envelope as well as substantial energy-related improvements. CHA was awarded a \$25,000 planning grant from the Massachusetts Housing Partnership in November 2008 to jumpstart this effort. An A&E firm was selected in February 2009.

Energy

Washington Elms Solar Panel Installation

During FY 2009 CHA was proud to receive the installation of a 92 KW solar photovoltaic system on six rooftops at the Washington Elms Federal Family development. Through a partnership with Boston Community Capital, this installation

was financed via a combination of subsidy programs, tax credits and power purchase, with no capital costs to the CHA. This installation provides thirty percent of the electrical power for the development and reduces the annual carbon dioxide emissions by approximately 79 tons – the equivalent of removing 16 cars from area roadways. The long-term power purchase improves the bottom line by assuring stable, below market electricity pricing for the next twenty years. CHA looks forward to implementing more renewable and conservation projects in FY 2010 and beyond.

Burns Apartment Energy Savings Agreement

CHA completed negotiations with Ameresco, Inc. to extend the term of its Energy Saving Agreement at Burns Apartments from twelve years to twenty years. The extension will allow the CHA and Ameresco to proceed with over \$1 million of energy savings measures to improve the efficiency and operations at Burns Apartments. Plans are being finalized for these improvements which will be implemented in FY 2010.

Energy Conservation

CHA has continued to work with our partners in the low income weatherization programs to deliver energy efficiency upgrades through the portfolio. The lighting pilot program initiated at the Lyndon B Johnson (LBJ) Apartments in FY 2008 continues to exceed the anticipated energy savings while also meeting with approval from residents. Informed by the lessons learned at LBJ, CHA and Menotomy Conservation launched a more comprehensive effort at the Millers River Apartments. The hallways, stairwells and common area light fixtures have been replaced with new dual bulb ultrasonic light fixtures. These fixtures provide constant lighting, increasing the intensity of illumination when triggered by motion sensors. More traditional lighting efficiency upgrades were also completed at the Jefferson Park Federal Family Development, where over 300 exterior and unit light fixtures were replaced using funds from the conservation program. In total, CHA was the recipient of over \$250,000 in lighting efficiency funds during FY 09.

As this report goes to press, CHA is partnering again with Menotomy Conservation and Boston ABCD to replace ageing and inefficient gas heating equipment at thirteen smaller, scattered site locations through the portfolio. CHA is also optimistic about the potential of partnering with Boston ABCD for more heating and HVAC upgrades during FY 10.

Energy Reporting

In concert with professors and students from Boston University, CHA has developed an energy database that allows for monthly reporting and analysis of energy use across the portfolio. This tool also allows us to immediately note energy outliers and respond in a much timelier manner to potential problems at the developments. This reporting also allows CHA to identify and target the best opportunities for energy conservation, data that we will integrate with capital and comprehensive modernization efforts.

Multi-Family Acquisition Program

Through the multi-family acquisition program, CHA acquires buildings, units within larger buildings, or buildable sites. During FY 2009 the CHA pursued four efforts, as summarized below:

22 Lopez Avenue: Essex Street Management Inc. (ESMI), an affiliate of the CHA, acquired this property in September 2006 for conversion to permanent affordable housing for homeless individuals. During FY 2009, CHA completed the tasks necessary to close on the permanent financing as well as begin planning for a modest exterior rehabilitation project to be completed in FY 2010. The building has been fully operational since July 2007.

195-203 Prospect Street: Cambridge Affordable Housing Corporation (CAHC), an affiliate of CHA, acquired these two properties for conversion to affordable housing. In October 2008 CAHC submitted a “One Stop” funding application to DHCD for permanent financing for the 20-unit building at 195 Prospect Street. CHA also started work with Just-a-Start Corporation to convert the single-family home at 203 Prospect Street into an affordable homeownership opportunity. Both efforts will continue into FY 2010.

YWCA Pool Site: CAHC has an option for a 99-year ground lease for the YWCA Pool Site located in Central Square to develop 42 units of affordable housing. A Comprehensive Permit approving the development plan was granted in July 2008 but an abutter appealed the decision causing significant delay. A court case is scheduled for October, 2009.

78-80 Porter Road: CAHC has acquired this 26 unit property for conversion to affordable housing. 78-80 Porter Road is an attractive acquisition for the CAHC as the location is very convenient to public transit as well as being in an area with few affordable housing options available to the community. The acquisition with its favorable mix of one and two bedroom units is an exceptional opportunity especially since it does not require any funding or voucher commitment from the CHA.

Resident Services and Economic Development

Despite ever-decreasing funding for social services for public housing residents and voucher holders, CHA remained deeply committed to providing the households it serves with a robust menu of educational, health and economic development programs in FY 2009.

In recent years, as federal support for social services for subsidized households continued declining, CHA has relied on strategic partnerships with local service organizations to realize its goals for this important element of CHA's mission. By partnering with other organizations CHA was able to minimize cost, avoid duplication of services and enhance leveraging in order to foster successful outcomes for the hundreds of households that enjoy a better standard of living, and happier lives because of the programs they access through their association with CHA.

In FY 2009, CHA continued offering a diverse set of programs and recourses to both its family and elderly/disabled residents.

Resident Advisory Board

Utilizing MTW Block Grant funds, the CHA hired a new Tenant Liaison in May 2008 who worked with residents throughout FY 2009 to develop a Resident Advisory Board. A Resident Planning Committee, consisting of residents of both public and leased housing, was formed during the spring of calendar year 2008 and the group worked with both the Tenant Liaison and the Massachusetts Union of Public Housing Tenants (MUPHT) to develop a plan for developing the Resident Advisory Board. On June 24, 2008 the Resident Planning Committee entered into a Memorandum of Understanding with CHA and the MUPHT under which CHA provided \$20,000 to support the development of by-laws and an election plan.

A By-Laws Committee developed a set of by-laws to guide the operations of the organization, including how the leased housing program will be represented. A Technical Assistance Committee was formed to work with CHA and monitor its implementation of regulatory and programmatic changes, modernization plans and other aspects of CHA's operations which impact residents' lives. Additionally, an Elections Committee was formed and worked to develop an Election Plan for a city-wide election, which was held on April 3, 2009, following a candidates' night on March 3, 2009.

During this process, the group re-named itself ACT, the Alliance of Cambridge Tenants, which it has adopted as its official name. On February 11, 2009, the CHA Board of Commissioners accepted the ACT Election Plan and authorized the expenditure of an additional \$30,000 to cover the costs of advertising and holding the election for Board membership, as well as the costs attendant to the first organizational meeting of the newly-formed ACT Board of Directors and the negotiation of a new MOU with CHA. That MOU will guide the relationship between ACT and CHA going forward and will include a budget to help the organization get underway. It is anticipated that this will be

utilized by ACT as seed money to leverage additional funds from non-CHA sources, thus helping to ensure an appropriate level of autonomy.

Expansion of The Work Force Program

In operation for twenty-five years in 2009, The Work Force is the CHA's highly successful youth development program serving more than one hundred and twenty 8th – 12th grade students annually. Over the past decade, 99% of Work Force graduates have successfully completed high school and over 85% have matriculated in 2- or 4-year colleges. During FY 2009, as a component of the MTW effort and utilizing MTW Block Grant funding, CHA planned to explore the potential of expanding The Work Force in three ways.

The first entails supporting program alumni to help them succeed in college. A recent third-party study of The Work Force alumni indicated that while 94% of respondents had matriculated in post-secondary institutions, only 36% had completed their 2- or 4-year degrees, with the majority pursuing their education in fits and starts. Barriers to graduation were spelled out in bold relief: nearly 50% reported that financial and/or family challenges significantly impacted their studies, citing the lack of continued support in dealing with these impediments to achieving their educational goals. In response to these trends, the College Success Initiative is working to: 1) bolster students' self-advocacy skills and their connections with college or community-based resources that can offer them needed supports; 2) create sustained support networks among alumni; and 3) develop connections between alumni and current program participants to increase their college readiness. That effort has begun and CHA staff is seeking philanthropic support of the initiative.

The second mode of expansion of The Work Force would be to open a fourth program site at the local public high school. After lengthy discussions with the high school principal and Superintendent's office, CHA was notified in February 2009 that space will be made available for The Work Force to expand into the public high school. The high school is currently undergoing renovations and accommodations for The Work Force will be incorporated into that process. The anticipated completion date for renovations is September, 2011. Between now and then, the CHA will seek funding to support operation of a fourth site at the high school.

The third potential expansion would entail development of a pre-Work Force program for 5th – 7th grade students, as this is an underserved population which is generally too old for after-school childcare, too young for The Work Force and is, with most living in households with working parents, too often unsupervised during after-school hours. This is the most ambitious expansion option, one CHA anticipated pursuing when staff thought opening a fourth program site was unrealistic. With the fourth site now a real possibility, expansion into the middle school years may need to be delayed. The school district is currently assessing after-school options for middle school students, however, and CHA is represented on the committee which is undertaking that assessment. Should that committee recommend the establishment of additional programming, and should

funding be identified, CHA will be well-positioned to propose expansion of The Work Force as an element in that programming.

Childcare and healthcare services for families

The CHA's youth programs are designed to meet specific needs within each segment of the youth population, from infants and toddlers through the start of young adulthood at college. The following on-going programs continued in FY 2009:

- ⊕ WIC (Women, Infants & Children) Nutrition Programs were hosted at several developments to improve the health of the youngest residents and their primary caregivers;
- ⊕ Daycare centers operated in selected developments, including "wrap-around" Head Start Daycare at Jefferson Park, Roosevelt Towers and Washington Elms/Newtowne Court. These centers accept toddlers and assist families with childcare through school age;
- ⊕ Head Start programs at Jefferson Park, Roosevelt Towers and Washington Elms/Newtowne Court allowed families access to this well-established formative and educational program, either on-site or near their homes;
- ⊕ A youth recreation and educational program at Corcoran Park continued to be offered to young residents through the West Cambridge Youth Center; and
- ⊕ The Recreational Activities Program at the Washington Elms/Newtowne Court Windsor Street Community Building, an after-school and summer activity program now known simply as the Boys' and Girls' Club, continued operations through a contract with the Middlesex County Boy's and Girl's Clubs.

On-site outpatient healthcare services continued to be available to residents at two centrally located health clinics in FY 2009, although the operator of the clinics, the Cambridge Health Alliance, has announced its intention to close the Jefferson Park clinic in FY 2010 due to funding constraints. The health clinics are located at:

- ⊕ Windsor Street, serving the area around and including Washington Elms/Newtowne Court; and
- ⊕ Jefferson Park, serving both public housing residents and the broader North Cambridge community.

Youth Development Services – The Work Force

The core services of The Work Force, the CHA's award-winning 5-year-long youth development program for public housing adolescents, continued over the past fiscal year. The Work Force offers the following services:

- ⊕ after-school life skills classes (decision-making, conflict resolution, problem-solving, critical thinking skills, employability skills, etc.);
- ⊕ "try-out" jobs with forty-five local private & public employers. The employers serve as the students' worksite mentor/supervisors;
- ⊕ tracking of school attendance/performance;
- ⊕ staffed, computer-equipped homework help centers and tutoring services;

- ⊕ a youth literacy initiative consisting of literacy-building activities embedded in the five-year life skills curriculum, a summer literacy camp, MCAS (Massachusetts Comprehensive Assessment System) English and Math preparation courses, SAT Prep classes and creation of onsite reading libraries and reading program;
- ⊕ college prep activities (college tours, SAT prep, guidance on application process and financial aid options, etc.); and
- ⊕ a scholarship program -- every participant matriculating at 2- or 4-year college received a modest Work Force scholarship. Students can also compete for larger scholarships for outstanding achievement and community service.

As the chart below indicates, The Work Force exceeded its projected performance in every key area in FY09.

Outcomes	Projected	Actual	Comments
Enrollments	120	144	
Program Retention	80%	98%	Completed one year of program and re-enrolled for next
Workshop Attendance	80%	86%	
Summer/Fall/Spring Job Placements	35 / 40 / 40	35 / 51 / 44	
Job Retention	90%	91%	Successfully completed job placement
Mastery of Work-Based Competencies	75%	90%	Overall ratings of Competent or Accomplished on employer assessments of specific competencies
H.S. Diploma Attainment	85%	100%	The advent of the MCAS test has meant that some students who have met academic requirements for graduation may still not graduate
Post-Program Outcome: College/Employment/ Not working, not in school	70%/20% 10%	85%/10%/5%	Represents outcomes 3 mos after graduation from high school

Adult Employment and Education Initiatives

In addition to the programs listed above, CHA continued operating several on-going initiatives that help adults gain the educational and vocational skills they need for individual economic development, including the following:

- ⊕ **CHA/Cambridge Employment Program:** Operated in partnership with the Cambridge Office of Workforce Development, this program continued to provide vocational case management, career counseling, job preparation, career skills development, job placement and follow-up assistance to adult CHA residents. The program served 128 CHA adults, more than doubling its goal of 50. It also placed 36 residents in jobs, exceeding its goal of 22.
- ⊕ **Cambridge Housing Authority Resident Training (CHART) Program:** Outlined in the FY 08 plan, and implemented in January, 2007, with \$25,000 from the City of Cambridge Community Development Department, \$15,000 from the Jacobs Foundation, \$10,000 from the Whittaker Foundation and \$50,000 in MTW Block Grant funds, the CHART program provides scholarships of up to \$5,000 to adults to support their participation in job training in high-demand industries. The program is operated in collaboration with the Cambridge Employment Program and the Metro North Regional Employment Board. To date, eight scholarships have been awarded.
- ⊕ **Gateways Adult Literacy:** This CHA program continued to provide English language instruction and language-enhancing computer literacy to adult speakers of other languages who seek English proficiency (ESOL) and language-enhanced computer literacy, serving 137 residents over the past year, exceeding its goal of serving 65 residents.
- ⊕ **Community Computer Centers:** These two resource/training centers bracketing the city continued to provide: 1) introductory and intermediate computer instruction in the form of both group instruction and open lab time; 2) ESOL literacy instruction; and 3) after-school Homework Help for teens enrolled in The Work Force. The centers served a total of 298 residents, exceeding its goal of 200. While funded with HUD Neighborhood Networks grants initially, these centers were then supported with funding from the Massachusetts Department of Housing and Community Development. Because of rescissions in that funding during FY 2009, the CHA utilized MTW block grant funding to maintain the centers.
- ⊕ **Bridge-to-College Program:** Operated in partnership with the Cambridge Community Learning Center, the Bridge-to-College program continued providing classroom instruction and individual counseling to high school graduates and GED-holders who were not academically ready for community college courses. As a result of the commitment of a private foundation that funds scholarships for The Work Force Program graduates, CHA developed a scholarship program to assist (mostly working) adults to complete the Bridge program, to make the difficult transition to college and continue their college education despite the financial and logistical difficulties inherent in doing so. Two scholarships were awarded to Bridge graduates upon matriculation at a two- or four-year college and one was awarded to a Bridge graduate who is an on-going college student.

HOMELESS

Homeless Needs

1. Identify actions taken to address needs of homeless persons.
2. Identify actions to help homeless persons make the transition to permanent housing and independent living.
3. Identify new Federal resources obtained from Homeless SuperNOFA.

Program Year Four CAPER Homeless Needs response:

Specific Homeless Prevention Elements

1. Identify actions taken to prevent homelessness.

Program Year Four CAPER Specific Housing Prevention Elements response:

Emergency Shelter Grants (ESG)

1. Identify actions to address emergency shelter and transitional housing needs of homeless individuals and families (including significant subpopulations such as those living on the streets).
2. Assessment of Relationship of ESG Funds to Goals and Objectives
 - a. Evaluate progress made in using ESG funds to address homeless and homeless prevention needs, goals, and specific objectives established in the Consolidated Plan.
 - b. Detail how ESG projects are related to implementation of comprehensive homeless planning strategy, including the number and types of individuals and persons in households served with ESG funds.
3. Matching Resources
 - a. Provide specific sources and amounts of new funding used to meet match as required by 42 USC 11375(a)(1), including cash resources, grants, and staff salaries, as well as in-kind contributions such as the value of a building or lease, donated materials, or volunteer time.
4. State Method of Distribution
 - a. States must describe their method of distribution and how it rated and selected its local government agencies and private nonprofit organizations acting as subrecipients.
5. Activity and Beneficiary Data
 - a. Completion of attached Emergency Shelter Grant Program Performance Chart or other reports showing ESGP expenditures by type of activity. Also describe any problems in collecting, reporting, and evaluating the reliability of this information.
 - b. Homeless Discharge Coordination
 - i. As part of the government developing and implementing a homeless discharge coordination policy, ESG homeless prevention funds may be used to assist very-low income individuals and families at risk of becoming homeless after being released from publicly funded institutions such as health care facilities, foster care or other youth facilities, or corrections institutions or programs.
 - c. Explain how your government is instituting a homeless discharge coordination policy, and how ESG homeless prevention funds are being used in this effort.

Program Year Four CAPER ESG response:

Continuum of Care Narrative

Homelessness Objectives

- Provide a variety of housing options, with services, for homeless individuals and families. Support the development of housing at appropriate sites, at a scale that ensures neighborhood compatibility. Ensure the provision of adequate on site services.
- Prevent extremely low and low-income families and individuals from becoming homeless.

- Address emergency shelter and transitional housing needs of homeless individuals and families with children.
- Help homeless persons, including persons with special needs, make the transition to permanent housing and independent living.

Continuum of Care Objectives

- To sustain and expand efforts to prevent homelessness, so that as few as possible individuals and families become homeless.
- To maintain and expand access of homeless persons to programs and services which can meet their basic human needs, so that to the extent that they are willing to accept such assistance, every homeless individual and family has, at a minimum, a safe place to sleep, food, clothing and necessary health care.
 - To maximize the number of homeless individuals/families who, with the help of resources available through the Cambridge Continuum of Care, are able to obtain housing and develop the necessary skills, resources and self-confidence to sustain that housing and maximize their self-determination.

The Cambridge Continuum of Care continued to be an active planning entity for homeless service planning and coordination. Service providers and consumers attended monthly meetings to identify needs and gaps in available services. The City was the lead agency for the SuperNOFA application and used the monthly meetings to gather input and set priorities.

FY 2009 Funding Sources and Activities

McKinney Supportive Housing Program: These funds were contracted out to local sponsors, which provided for services such as:

- Transitional housing;
- Permanent supported housing;
- Supported employment;
- Housing placement assistance;
- Field-based case management;
- Legal assistance;
- Representative payee services;
- Drop-in services;
- Street outreach; and
- HMIS

Current Continuum of Care:

- 29 active Supportive Housing Program (SHP) contracts where the grantee is the Cambridge Department of Human Service Programs (DHSP);
- Two active Shelter Plus Care (S+C) contracts where the grantee is the Cambridge Department of Human Service Programs (DHSP) (for one of these contracts, the grantee was previously the Cambridge Housing Authority); and
- One Shelter Plus Care (S+C) contracts where the grantee is the Cambridge Housing Authority.

Services in FY 2009 were, in part, funded through contracts awarded pursuant to the 2007 SuperNOFA (those projects whose grant years begin in the months January through June) and, in part, funded through contracts awarded pursuant to the 2008 SuperNOFA (those projects whose grant years begin in the months July through December). In addition to enabling the one-year renewal of three Shelter Plus Care (S+C) grants (totaling approx. \$535,000) funding housing assistance for upwards of 39 formerly homeless individuals and seven (7) formerly homeless

families, the 2008 SuperNOFA resulted in approximately \$2.6 million in Supportive Housing Program (SHP) funding, which helped fund:

- One new permanent supported housing project, providing leasing assistance that enabled six (6) chronically homeless persons with disabilities to transition from homelessness to housing;
- One-year renewal of 28 ongoing homeless-serving programs, including
 - Eleven (11) permanent supported housing (PSH) program (serving at least 110 formerly homeless individuals with disabilities and five formerly homeless families with disabilities and histories of domestic violence),
 - Five (5) transitional housing programs (serving 26 homeless individuals and 5 homeless families).
 - Eleven (11) “supportive services only” programs (street outreach, case management and housing search support, a drop-in center for homeless persons, fiduciary services, specialized legal services, educational services, health care, and substance abuse prevention services); and
 - Expanded implementation of our Continuum-wide HMIS (homeless management information systems), providing an integrated on-line data base for tracking services to homeless persons.

Looking ahead to FY2010, the mix of federal, State, local and privately fundraised resources will support 178 year-round shelter beds for individuals, emergency shelter beds for 25 families, 101 units of transitional housing for individuals and 24 units of transitional housing for families, and at least 177 units of permanent supported housing for individuals and 12 units for families.

According to FY 2009 statistics furnished by the Cambridge Multi-Service Center, Continuum of Care (CoC) providers helped 352 at-risk individuals and 511 at-risk families remain in their housing and avoid homelessness, and facilitated permanent housing placements for at least 193 homeless and at-risk individuals and at least 119 homeless and at-risk families.¹

City of Cambridge Funds: A total of over **\$567,000** in FY2009 City funding for Multi-Service Center activities involving the prevention and remediation of individual and family homelessness, including:

- \$356,000 for personnel for staff at the Multi-Service Center,
- \$75,000 for rental assistance to at-risk and homeless persons,
- \$55,000 for purchased legal services for clients, and
- \$81,000 for other expenses associated with operation of the Multi-Service Center, including for rent, utilities, and other operating costs.

Community Development Block Grant: Approximately **\$78,000** in FY2009 *Community Development Block Grant* (CDBG) funding including:

- Over \$70,000 for salaries & benefits; and
- Over \$8,000 in other operating expenses.

Housing Assistance Program: The Housing Assistance Program wound down during FY 2009, as the *State Department of Transitional Assistance* (DTA) eliminated funding for homelessness

¹ Due to the inability to de-duplicate placement data overlapping with other agencies, the housing placement statistics do not include clients placed in housing by HomeStart, On the Rise, Transition House, and/or Heading Home who did not receive related assistance through the Multi-Service Center.

prevention. Thanks to a legislative earmark for family homelessness prevention awarded to Chelsea-based CAPIC, which subcontracted with the Cambridge Multi-Service Center for \$143,400, we were able to continue prevention activities on a modest basis.

Homeless Family Shelter and Housing Placement/Stabilization Program: The City of Cambridge, in partnership with the Cambridge YWCA won a contract in a competitive process to provide shelter and housing placement/stabilization services for families staying in that shelter, and for placement/stabilization services for a small number of families staying at the Gateway Inn, where homeless families are placed by the State when there is no room in family shelters. Funding for placement/stabilization services is awarded on a performance-based basis; should the MSC achieve a total of 36 placements over the 18 month duration of the contract, and should those placements last at least one year, the Multi-Service Center will receive \$180,000 which will primarily fund staff-related costs.

Massachusetts Housing and Shelter Alliance (MHSA): Approximately **\$89,000** in FY 2009 *MHSA funding* helped cover the cost of staffing for a transitional housing program 22-bed men's transitional housing program operated at the Cambridge Family YMCA by municipal staff based at the City's *Multi-Service Center*.

Homelessness Prevention and Rapid Re-Housing (HPRP): Looking forward to FY 2010-12, the City will be receiving approximately **\$1.3 million** from HUD for staffing, direct client assistance (e.g., rental assistance, including arrearage repayment; utility assistance, including arrearage repayment; assistance with relocation costs) and related contractual services (e.g., case management, legal services) to help prevent the homelessness of families and individuals with incomes under 50% of the AMI, and to rapidly re-house homeless individuals and families. Implementation is expected to start in August 2009.

Metro-Boston Regional Network (MBN): The City of Cambridge has been an active partner in the develop of the Metro-Boston Network, one of 10 State-funded networks intended to support a more seamless and comprehensive approach to homelessness prevention and rapid re-housing services. The City's Multi-Service Center will be receiving approximately **\$25,000** to pay for shallow subsidies for two very low income families at risk of homelessness, and "flexible" assistance (arrearage, relocation, etc.) to assist another 17 very low income families at-risk of homelessness over the next 18-24 months; MBN funds will be used exclusively to fund direct client assistance. Overall, the MBN, which covers a geography including 20-plus communities north and west of Boston, received \$1.2 million to support prevention and Housing First activities. A number of Cambridge-based providers, including the Community Dispute Settlement Center (mediation), Just A Start (Mediation for Results program), HomeStart (housing first for individuals), Heading Home (housing first for families), and Cambridge Somerville Legal Services are active members of the Network.

Emergency Shelter Grant

ESG Funds Awarded by the City of Cambridge in FY 2008 & 2009

Heading Home, Inc.

The women's day drop-in provides daytime support and services to homeless women. While in recent years, the number served daily was steadily rising up to approximately 27 served per day in FY 2008, in FY 2009 the number dropped down to 20. This is a reflection not of the declining demand, but of reduced hours at the shelter. The drop-in is primarily a safe-haven to help this vulnerable population off the streets. Services include:

- Crisis intervention
- One-on-one counseling
- Weekly visits from Health Care for the Homeless
- Lunch, Clothing & Showers
- Referrals for mental health, substance abuse, tertiary health care, job training, legal services, and housing search

The FY 2009 ESG funded operating costs including salaries for the program specialist, food and utilities. This year, the program served **294** homeless women including **96** who were chronically homeless.

ESG	FY 2008	FY 2009	FY 2008	FY 2009
Project	Women's Day Drop-In	Women's Day Drop-In	Shelter + Care	Shelter + Care
Amount	\$28,000	\$28,000	\$20,000	\$20,000

FY 2009 Matching Funds

Women's Day Drop-In: **\$28,000**

- Sources: Private Fundraising & United Way

Shelter + Care: **\$32,379**

- Sources: Private Fundraising

Heading Home's Shelter + Care program provides stabilization services to between **8** and **12** homeless people with disabilities who live in scattered site apartments. Furthermore it helps these individuals transition into their own homes and to successfully live on their own. The FY 2008 & '09 grants paid for part of the salary of the caseworker. In the most recent year, the program served **12** homeless individuals, **7** women and **5** men, **4** of whom were chronically homeless.

CASPAR

CASPAR operates their shelter at 240 Albany St, which is a 24-hour shelter open to men and women in Cambridge who are ineligible for other shelter services because of their

active substance abuse. The shelter has on-site primary health care four times a week, and provides a range of other services including mental health counseling, alcohol and drug programs, HIV/AIDS services and hot meals. Seven years ago, budget cuts caused CASPAR to lower the number of clients it can serve per night down to 75; however, from FY 07 onwards, they were able to secure funding to once more serve **107** adults per night. Demand has surged this program year. During the last year, the program sheltered 137 more homeless individuals than in FY 2008: **849** men and **197** women. **88%** of male clients (750) and **28%** female clients (56) were chronically homeless. Both the FY 2008 and FY 2009 grants were entirely for utilities.

ESG	FY 2008	FY 2009
Project	Wet Shelter	Wet shelter
Amount	\$18,000	\$18,000

FY 2009 Matching Funds

Wet Shelter: **\$759,995.52**

- Sources: MA DPH

Transition House

In 1975, Transition house became the first battered women’s shelter in the US, and since then it has sheltered well over **6,000** women and children. Its mission is to provide refuge, supportive services, education and empowerment skills to enable battered women to achieve financial independence for themselves and their families. The shelter has a **22** bed capacity each night and in the last fiscal year served **8** adult women and **14** children per night, and **95** women and children over the year, and 3 of the adult women were chronically homeless. Both the FY 2008 & ‘09 grants were for basic operating costs and minor maintenance.

ESG	FY 2008	FY 2009
Project	Battered Women’s Shelter	Battered Women’s Shelter
Amount	\$9,000	\$9,000

FY 2009 Matching Funds

Battered Women’s Shelter: **\$25,000**

- Sources: MASS State DTA

Eliot Community Human Services (ECHS)

During the last fiscal year, Bread & Jams, a process oriented non-profit run by the formerly homeless for the homeless, merged with ECHS. So ECHS now runs the Bread & Jams day drop-in shelter for the homeless providing services including daily meals, job and housing search. The merger will improve the financial stability and efficiency of the

shelter. In FY 2009, Bread & Jams served on average **55** adults per day, and **204** homeless men and women over the course of the year. Of those clients **76** were chronically homeless. About 16% of clients were women during the last fiscal year. Funds have been used for the past few years to pay rent.

ESG	FY 2008	FY 2009
Project	Drop-In Shelter	Drop-In Shelter
Amount	\$10,000	\$10,000

FY 2009 Matching Funds

Day Drop-in: **\$10,000**

- Sources: private fundraising

Catholic Charities

The ESG helps to operate St. Patrick’s Shelter, which in FY 2009 provided shelter to **237** individual homeless women, and **170** of whom were chronically homeless. St Patrick’s is the only dry emergency shelter for women in the area outside of Boston and has a **38** bed capacity per night. Both the FY 2008 & ‘08 grants were used for utilities.

ESG	FY 2008	FY 2009
Project	St. Patrick’s Women’s Shelter	St. Patrick’s Women’s Shelter
Amount	\$6,500	\$6,500

FY 2009 Matching Funds

St. Patrick’s Women’s Shelter: **\$10,000**

- Sources: City of Somerville

Phillips Brooks House

Harvard University volunteers run both St James’ Summer Shelter, which is located in St. James’ Episcopal Church in Porter Square, and Harvard Square Homeless Shelter in the University Lutheran Church. Both programs serve homeless men and women. While St James’ operates at night only through the summer months, and provides dinner and breakfast to up to **15** clients a night, Harvard Square Homeless Shelter operates at night the from the Fall through the Spring serving **24** clients per night. The Harvard Square Shelter can accommodate an extra **4** during emergency winter conditions. The FY 2008 grant for the Homeless Shelter covered part of the rent, and for the Summer Shelter, it covered more general operating costs. In FY 2009, funding went to St James’ Shelter for maintenance and food, and to the Harvard Square Shelter for rent and utilities. During FY 2009, Harvard Square Served **205** individuals, **155** of whom were chronically homeless, and St James’, which operates more like a transitional housing program, served **15**, with **10** being chronically homeless.

ESG	FY 2008	FY 2009	FY 2008	FY 2009
Project	Saint James' Summer Shelter	Saint James' Summer Shelter	Harvard Square Shelter	Harvard Square Shelter
Amount	\$2,500	\$2,500	\$2,800	\$3,500

FY 2009 Matching Funds

Saint James' Summer Shelter: **\$3,600**

- Sources: private fundraising, including Harvard University

Harvard Square Shelter: **\$46,267**

- Sources: private fundraising including Harvard University

Cambridge Cares About AIDS (CCAA)

Youth on Fire is CCAA's drop-in shelter for "throw away," run away, homeless youth. This program was developed as a response to an increasing number of homeless youth in Cambridge with HIV who were practicing high-risk behaviors associated with living on the streets. It is the only shelter in Cambridge catering exclusively to youth. The FY 2008 & 09 grants paid for rent at the drop-in. Over **115** youth were served in FY 2009, and **64** of those clients served were chronically homeless.

ESG	FY 2007	FY 2008	FY 2009
Project	Youth on Fire (rent)	Youth on Fire (rent)	Youth on Fire (rent)
Amount	\$9,000	\$9,500	\$12,000

FY 2009 Matching Funds

Youth On Fire: **\$32,200**

- Sources: Federal SAMHSA and State DPH

Salvation Army

The Salvation Army operates a shelter open year round for up to 2,000 homeless from the Cambridge area. This grant for utilities enables the shelter to be a more inviting place for clients as reading lights and, more importantly, the heat could be left on during the day in the winter. During the most recent grant period, **909** homeless men benefited from staying at the shelter, **863** of whom were chronically homeless.

ESG	FY 2008	FY 2009
Project	Shelter for men	Shelter for men
Amount	\$8,000	\$10,000

FY 2009 Matching Funds

Shelter for Men: **\$10,000**

- Sources: *Volunteer labor*

HomeStart

This marked the fifth year the City has funded HomeStart's Cambridge Rental Assistance Program through an ESG grant. On average, during the first 5 years of the program, HomeStart provided rental assistance to **15** different homeless men and women each year. In FY 09, they served **19** homeless individuals. This year, a third of clients were women. Funds helped clients to move into permanent housing by providing additional money to these clients for moving, security deposits and rent.

ESG	FY 2008	FY 2009
Project	Rental Assistance Program	Rental Assistance Program
Amount	\$6,000	\$6,000

FY 2009 Matching Funds

Housing Placement Service: **\$16,605**

- Sources: *Federal HUD SHP funds*

YWCA of Cambridge

In FY 2004, the Cambridge YWCA received for the first time in recent memory ESG funding. This funding was used for utilities for its Residence and Family Shelter for homeless women and female-headed single parent families. The funds for the FY 2006 grant were used to renovate the top floor of the family shelter so more 4 more families could move in at a time. From that point on, the Family Shelter could serve 12 adults and 13 children a night. In FY 2008, the funds were used to purchase beds and supplies, and **23** homeless women and **26** children received services at the Family Shelter, and in '09 the funds were used for operating costs. During the last fiscal year, **26** women and **32** children were served.

ESG	FY 2008	FY 2009
Project	Residence/Family Shelter	Family Shelter
Amount	\$5,000	\$5,000

FY 2009 Matching Funds

Residence / Family Shelter: **\$5,000**

- Sources: *Citizen's Energy & MA DTA*

Discharge Policy from Cambridge Funded Shelters

The City of Cambridge recognizes the need to try to prevent the discharge of low income individuals and families from institutions into homelessness. That said, the City is aware that a client's discharge from a shelter, transitional housing, or permanent supported housing program can be necessary when their breaking -program rules jeopardizes the well-being of other participants, his or her safety, or the safety of program staff. Discharge can also be appropriate when failure to enforce behavioral guidelines undermines the integrity of the program. However, because a discharge to the street places the offending individual at increased risk, the Cambridge Continuum has adopted the following policy, which member shelters and transitional housing programs are strongly encouraged to follow:

When the discharging shelter, transitional housing, or permanent supported program is unable to assist the discharged individual in accessing an alternate placement, then if the discharge will occur during the hours that the First Step Street Outreach team is operating, the discharging shelter or transitional housing program is strongly encouraged to contact the First Step program for such assistance, provided that (a) the individual being discharged consents to such assistance, and (b) the delay inherent in waiting for the arrival of the First Step team will not place the staff or other guests at additional risk. By calling First Step, the shelter, transitional housing, or permanent supported program understands that it is not discharging the client to First Step, but is making every effort to ensure that the client, once discharged, does not end up unsheltered and without access to resources while on the street.

Additionally a planner from the City of Cambridge's Human Services Department is working with other representatives from the Cambridge Continuum of Care (CCOC) to take part in an ongoing series of meetings with officials from the Cambridge Health Alliance. The purpose of these meetings is to strengthen the collaboration between the City's hospitals and CCOC to prevent discharges from medical facilities directly onto the streets. While the dialogue is still nascent, the willingness of both sides to develop a coordinated homeless prevention discharge policy from Cambridge's hospitals is encouraging.

Lastly, the City's planner and members of the CCOC are taking part in a Massachusetts State interagency taskforce on homelessness. Specifically, the Cambridge contingent are focusing on homeless prevention interventions and are planning to liaise with the appropriate State and County corrections facilities to help reduce the rates of discharges into homelessness. As yet no direct ESG funds have been used for these activities, though it could be argued that part of the City's ESG administration funds are used for this work.

COMMUNITY DEVELOPMENT

Community Development

1. Assessment of Relationship of CDBG Funds to Goals and Objectives
 - a. Assess use of CDBG funds in relation to the priorities, needs, goals, and specific objectives in the Consolidated Plan, particularly the highest priority activities.
 - b. Evaluate progress made toward meeting goals for providing affordable housing using CDBG funds, including the number and types of households served.
 - c. Indicate the extent to which CDBG funds were used for activities that benefited extremely low-income, low-income, and moderate-income persons.
2. Changes in Program Objectives
 - a. Identify the nature of and the reasons for any changes in program objectives and how the jurisdiction would change its program as a result of its experiences.
3. Assessment of Efforts in Carrying Out Planned Actions
 - a. Indicate how grantee pursued all resources indicated in the Consolidated Plan.
 - b. Indicate how grantee provided certifications of consistency in a fair and impartial manner.
 - c. Indicate how grantee did not hinder Consolidated Plan implementation by action or willful inaction.
4. For Funds Not Used for National Objectives
 - a. Indicate how use of CDBG funds did not meet national objectives.
 - b. Indicate how did not comply with overall benefit certification.
5. Anti-displacement and Relocation – for activities that involve acquisition, rehabilitation or demolition of occupied real property
 - a. Describe steps actually taken to minimize the amount of displacement resulting from the CDBG-assisted activities.
 - b. Describe steps taken to identify households, businesses, farms or nonprofit organizations who occupied properties subject to the Uniform Relocation Act or Section 104(d) of the Housing and Community Development Act of 1974, as amended, and whether or not they were displaced, and the nature of their needs and preferences.
 - c. Describe steps taken to ensure the timely issuance of information notices to displaced households, businesses, farms, or nonprofit organizations.
6. Low/Mod Job Activities – for economic development activities undertaken where jobs were made available but not taken by low- or moderate-income persons
 - a. Describe actions taken by grantee and businesses to ensure first consideration was or will be given to low/mod persons.
 - b. List by job title of all the permanent jobs created/retained and those that were made available to low/mod persons.
 - c. If any of jobs claimed as being available to low/mod persons require special skill, work experience, or education, provide a description of steps being taken or that will be taken to provide such skills, experience, or education.
7. Low/Mod Limited Clientele Activities – for activities not falling within one of the categories of presumed limited clientele low and moderate income benefit
 - a. Describe how the nature, location, or other information demonstrates the activities benefit a limited clientele at least 51% of whom are low- and moderate-income.
8. Program income received
 - a. Detail the amount of program income reported that was returned to each individual revolving fund, e.g., housing rehabilitation, economic development, or other type of revolving fund.
 - b. Detail the amount repaid on each float-funded activity.
 - c. Detail all other loan repayments broken down by the categories of housing rehabilitation, economic development, or other.
 - d. Detail the amount of income received from the sale of property by parcel.
9. Prior period adjustments – where reimbursement was made this reporting period for expenditures (made in previous reporting periods) that have been disallowed, provide the following information:
 - a. The activity name and number as shown in IDIS;
 - b. The program year(s) in which the expenditure(s) for the disallowed activity(ies) was reported;
 - c. The amount returned to line-of-credit or program account; and
 - d. Total amount to be reimbursed and the time period over which the reimbursement is to be made, if the reimbursement is made with multi-year payments.
10. Loans and other receivables

- a. List the principal balance for each float-funded activity outstanding as of the end of the reporting period and the date(s) by which the funds are expected to be received.
 - b. List the total number of other loans outstanding and the principal balance owed as of the end of the reporting period.
 - c. List separately the total number of outstanding loans that are deferred or forgivable, the principal balance owed as of the end of the reporting period, and the terms of the deferral or forgiveness.
 - d. Detail the total number and amount of loans made with CDBG funds that have gone into default and for which the balance was forgiven or written off during the reporting period.
 - e. Provide a List of the parcels of property owned by the grantee or its subrecipients that have been acquired or improved using CDBG funds and that are available for sale as of the end of the reporting period.
11. Lump sum agreements
- a. Provide the name of the financial institution.
 - b. Provide the date the funds were deposited.
 - c. Provide the date the use of funds commenced.
 - d. Provide the percentage of funds disbursed within 180 days of deposit in the institution.
12. Housing Rehabilitation – for each type of rehabilitation program for which projects/units were reported as completed during the program year
- a. Identify the type of program and number of projects/units completed for each program.
 - b. Provide the total CDBG funds involved in the program.
 - c. Detail other public and private funds involved in the project.
13. Neighborhood Revitalization Strategies – for grantees that have HUD-approved neighborhood revitalization strategies
- a. Describe progress against benchmarks for the program year. For grantees with Federally-designated EZs or ECs that received HUD approval for a neighborhood revitalization strategy, reports that are required as part of the EZ/EC process shall suffice for purposes of reporting progress.

Program Year Four CAPER Community Development response:

Community Planning

Community Planning activities undertaken during this program year addressed certain goals and objectives stated in Cambridge's Five-Year Consolidated Plan (July 1, 2007 to June 30, 2010). These established specific goals and objectives are outlined as follows:

- Provide high quality technical assistance to staff members, the City, and residents. Continue to provide support for all departments operations. Federal, State and Local funds. 5-year goals: 60 staff members receiving assistance, FY 2009 goals: 15 staff members receiving assistance.

Accomplishments for FY 2009: 15 staff members received assistance via the upgrading of computer software and hardware and all necessary training and technical assistance associated with these upgrades.

- Provide public with information on planning and zoning. Federal and Local Funds. 5-year goals: 4,000 people served, *FY 2009 goals: 800 people served.*

Accomplishments for FY 2009: 2,441 people served.

- Work with neighborhood groups, residents, property owners, developers and other City departments and state agencies on urban-design plans and proposed developments. Federal and Local funds. 5-year goals: 600 meetings with interested parties and groups, *FY 2009 goal: 120 meetings.*

Accomplishments for FY09: 114 meetings with interested parties and groups.

- Develop, implement and review urban design improvements and master plans. Federal and Local funds. 5-year goals: 120 projects to be reviewed, *FY 2009 goal: 24 projects to be reviewed.*

Accomplishments for FY09: 41 projects to be reviewed.

- Staff and assist Planning Board. Federal and Local funds. 5-year goals: 120 meetings assisted, *FY 2009 goal: 24 meetings to be assisted.*

Accomplishments for FY09: 21 meetings.

- Provide parks, playgrounds and recreation site with design and construction supervision services. Federal and Local funds. 5-year goals: 25 park renovations, 30 projects receiving technical assistance.

Accomplishments for FY09: 6 park renovations and 11 projects to receive technical assistance.

Park renovations: Completed construction: Costa Lopez Taylor Park; In construction: Cambridge Common Playground, Clement Morgan Playground; in design: Cambridge Common Park, Glacken Field Park, Sennott Pocket Park.

Projects receiving technical assistance: City Hall Annex Planting, Fresh Pond Reservation Slope, Old Graham and Parks School Playground, Granite Recycling with DPW, Cambridge Common, Lechmere Canal, New Riverside Park, Healthy Playground Task Force, Cambridge Cemetery, Pacific Street, Cambridge Street Bocce Court

- To increase the quality and availability of planning-related information to staff, other City departments, residents, property owners, developers, state and federal agencies. Federal and Local funds: 5-year goals: 600 GIS maps, 500 presentations, 20 project and program materials, 20 major department initiatives, *FY 2009 goals: 120 GIS maps, 100 presentations, 4 project and program materials, 4 major department initiatives.*

Accomplishments for FY09: 252 GIS maps, **90** presentations. **4** Project and program materials, **9** major department initiatives.

Community Planning - General

During the 7/1/07 - 6/31/08 CAPER reporting period, the primary activities undertaken from the above list of five-year goals involved providing high quality technical assistance to staff members, the City and residents for all department operations. Providing the

public with information on planning and zoning through phone calls, mailings, brochures, website and office visits. Staff and assist the Planning Board. Activities also included working with neighborhood groups, residents, property owners, developers and other City departments and state agencies on urban design plans and proposed developments and also developing, implementing and reviewing urban design improvements and master plans. Providing parks, playgrounds and recreation sites with design and construction services. Increasing the quality and availability of planning-related information through the Community Planning website.

Charles River

Conducted a staff level planning study focusing on access to and experience of the Charles River, including recommendations for open space, pedestrian access improvements, and guidelines for key sites along the riverfront. The report of this work is currently being compiled to be brought to community groups and then forwarded to the Planning Board.

Open Space/Playground Renovations

Completed park improvements at Costa Lopez Taylor Park. Commenced construction Cambridge Common Playground and Clement Morgan Playground. Completed design for Sennott Park Pocket Park. Continued design for Glacken Field.

Cambridge Common Playground

Cambridge Common Playground design will encourage children to play imaginatively, create and interact with their own play environments and engage in physically challenging and stimulating play in a more natural setting than most playground environments.

Technical Assistance

Funding was provided for Technical Assistance for City Hall Annex planting, Fresh Pond Slope improvements, and New Riverside Park.

Economic Development

Introduction

The Cambridge community's overall quality of life is based, in part, on business growth and stability. The Economic Development Division's (EDD) efforts focus on activities designed to meet the City's need for a diversified and thriving economic base by providing a broad range of services to assist small businesses including supporting entrepreneurship, working to maintain a diversified employment base and revitalizing businesses in the City's commercial districts.

Toward this end, the Division has several programs that are operated internally and others that work with collaborative partnerships. These programs provide assistance to low-income small businesses and individuals to help increase job opportunities for Cambridge residents and to help provide the goods and services they need.

Objective #1: Cultivate a supportive environment for entrepreneurship with particular emphasis on small, women and minority-owned micro-enterprises.

Non-profit Delivered Programs

The Department continued its support of Cambridge small business by contracting with The Center for Women & Enterprise (CWE), a nonprofit organization, to provide a number of educational workshops to residents and business in Cambridge NRS areas and low and low-moderate income micro-enterprises. Workshop and information session offerings included, *Living on a Shoe String – a Financial Literacy Training Program*, *Steps to Starting Your Own Business*, *Financing for Your Business*, *Record Keeping for Small Businesses*, *Pricing Strategies*, *Envisioning Your Business Idea*, *Business Literacy*, *Marketing 101*, *Web Based Business Development*, *Managing a Business in Hard Times* and *One-on-One Business Consulting*.

The workshop, *“Living on a Shoe String – A Financial Literacy Training Program”* was offered in the fall and spring of FY2009. This workshop series consisted of six, 2.5 hour sessions that covered topics such as understanding spending habits, credit standing and repair, banking, budgeting, and developing savings plans for business development, housing and or education. A local bank provided incentives to those who completed the workshop including calculators, free savings accounts and a small initial deposit for each individual. *“Everyday Money Matters”* – a three session workshop was also added in the spring concentrating on credit and budget issues in the spring.

The *“Steps to Starting Your Own Business”* workshop was held in the winter of FY 2009. This workshop series provided pre-business development training to low and low-moderate income aspiring entrepreneurs. The program introduced participants to the fundamentals of launching a business through such topics as business plan development, financing strategies, business lending practices, and marketing.

“Financing For Your Business” was a one-hour session for established businesses and start-up companies. This program was offered two times in FY2009. This session gave participants information on financing terms, business development basics, and what type of loans are offered to a small business and how to acquire a loan.

“Record Keeping for Small Businesses” was offered in the winter of 2009 and covered topics such as what type of business records should be kept, how to set up a bookkeeping system, how to choose a CPA and tax planning and compliance. This workshop emphasized the importance of keeping sound financial records.

“Pricing Strategies” was offered in the spring of 2009 with a goal of teaching pricing techniques and cost analysis based on industry-wide averages for specific businesses.

“Envisioning Your Business Idea” was offered for the first time in the spring 2009 with the goal of assisting entrepreneurs in refining their business idea and determine whether it is viable in today’s market. Topics covered in the workshop include: developing a mission statement, analyzing the strengths and weaknesses of a business idea, creating long and short term business goals and learning the basics of a business plan.

“Business Literacy” was offered for the first time in the fall of FY 2009. This workshop discussed the importance of cash flow and financial management for a small business owner. The workshop covered cash flow management, small business investment and a brief tutorial on the QuickBooks accounting program.

“Marketing 101” was offered for the first time in the spring of FY 2009. This workshop consisted of an introduction to marketing. Covered topics included ways that retailers could better identify, reach, and keep their customers. There was extensive discussion of web-based technologies and ways to measure the effectiveness of different marketing strategies.

“Web Based Business Development” was offered for the first time in March and was intended to help business owners set up an internet-based business or how to expand their current business on the web. Topics covered selecting and registering a domain, what is a web host, how to receive online payments and internet marketing.

“Managing a Business in Hard Times” was held in the fall and in the spring of FY2009. The workshop provided start up and current business owners with ways to develop a more cost effective and efficient business during a slow period in the economy. The participants left the class with recommendations on how to reduce cash payments, how to keep and gain customers and ways to protect assets.

“One-on-One Consulting” was also provided to participants for those needing individual counseling sessions. These sessions were held with industry executives

from the client's specific business or industry and covered topics such as loan counseling, negotiations and legal issues.

Program Marketing: With the assistance of the Economic Development Division, CWE's outreach and marketing activities included meetings with other non-profit organizations that serve low-moderate income clientele for exchange of information on programs, advertising in various newsletters, direct postcard mailings, e-mails to other class participants, flyering to NRS areas, postings on community bulletin boards, notices to community calendars in local and area newspapers, public service announcements on local cable TV, and listings on websites including the City of Cambridge, CWE, Career Source and a local banks.

Leveraged Funds: CWE was compensated a total of \$65,282 in FY 2009 for the financial literacy and business development workshops. Leveraged Funds totaled \$245,905 and were comprised of CWE staff and instructor compensation, program materials, curricula development, marketing and outreach, postage and general administrative costs.

Accomplishments: Overall, EDD assisted a total of **83** clients during the reporting period, FY 2009. The goal was to target **75** NRS businesses and residents for business development services via workshops. Of these **83** clients, **55** were from an NRS area and **26** reported that they were income eligible. **1** client was non-eligible Cambridge participant, and **1** was non-Cambridge participant.

Living on a Shoe String and Everyday Money Matters - Financial Literacy: This workshop series was held in collaboration with a local non-profit agency in the fall and a low-income residential complex in the spring, both of which served the two NRS areas. EDD provided CWE with technical assistance and community contacts to enable a more intensive outreach which helped to increase the number of eligible participants for future financial literacy workshops. In addition to the two, six week series, a three week workshop concentrating on credit and savings issues was held with a local non-profit after EDD and CWE received interest from the local community.

Feedback from the most recent workshop clients indicated that many individuals began to understand the importance of establishing budgets, and how good credit impacts long-range goals. Only a few participants had savings accounts at the beginning of this series. After the workshop, 75% had savings accounts and feedback indicated that 100% of participants had implemented a tracking system for monitoring spending by the end of the series. Additionally, a majority of the clients scheduled individual appointment with a credit specialist to develop detailed debt-reduction plans and took an interest in wanting to invest for the future.

The Financial Literacy workshop targeted number was **15** participants. A total of **16** eligible participants completed both series by attending four or more sessions. **26**

eligible participants attended at least one session in the series of literacy workshops. All were from an NRS area.

Other Program outcomes included:

	Before	After
Have a Savings Account	<i>Minimal</i>	<i>75%</i>
Know where they spend their money	<i>25%</i>	<i>100%</i>
Wanted to decrease debt or become debt free	<i>100%</i>	<i>100%</i>
	<i>wanted to</i>	<i>did</i>

Ethnic Composition: The ethnicity of the eligible clients is as follows: 2 Hispanic; 2 White; 9 African American; 2 Asian; 1 other.

Gender Composition: The gender of the eligible clients is as follows: 12 female, 4 male.

Steps to Starting Your Own Business: In FY2009, the workshops performed satisfactory. The goal was 30 total participants. EDD/CWE cancelled the fall 2009 (FY2010) workshop due to lack of interest. Over the year, a total of **8** participants attended this workshop. Of the total number of participants, **5** were from the NRS areas and **3** identified themselves as being income eligible.

Ethnic Composition: The ethnicity of the eligible clients is as follows: 5 White; 2 African American, 1 Other;

Gender Composition: The gender of the eligible clients is as follows: **5** Female; **3** Male.

Financing For Your Business: In FY2009 one session was held in the fall of 2008 and in the winter of 2009. A total of 3 participants attended the workshops. **1** was from an NRS area and 2 were income eligible. Individuals were not required to identify their ethnicity as this was an information session open to the general public so that they could learn about the various programs being offered. 75% of the participants were women.

Record Keeping for Small Businesses: Participants received reference information on record keeping techniques and tax related matters along with resource information for future questions. This workshop had a total of **10** participants. Of these, **6** were from an NRS area, **3** were income-eligible and **1** was Cambridge non-eligible.

Ethnic Composition: The ethnicity of the eligible clients is as follows: **1** Hispanic; **5** White; **1** African-American and **2** Asian.

Gender Composition: **5** female, **4** male.

Pricing Strategies: This workshop had **14** participants; **10** were from an NRS area and 4 indicated that they were income qualified.

Ethnic Composition: The ethnicity of the participants was as follows: **9** White; **4** African American, **1** Asian; **2** Hispanic.

Gender Composition: **12** female and **2** male.

Envisioning Your Business Idea: This workshop was held for the first time in the spring of 2009. The workshop had **6** participants; 5 were from the NRS area and 1 indicated that they were income qualified.

Ethnic Composition: 5 White; 1 Other.

Gender Composition: 6 female.

Business Literacy: This workshop was offered for the first time in the fall of FY 2009 and discussed the importance of cash flow and financial management for a small business owner. The workshop had 3 participants; 1 from the NRS area and 2 that indicated that they were income qualified.

Ethnic Composition: 2 White, 1 Asian.

Gender Composition: 2 female, 1 male.

Marketing 101: This workshop was offered for the first time in March 2009. This workshop consisted of an introduction to marketing. This workshop had 11 participants; 8 of which were from the NRS area and 3 indicated that they were income qualified.

Ethnic Composition: 2 African American; 8 White; 1 did not disclose.

Gender Composition: 8 female; 3 male.

“Web Based Business Development” was offered for the first time in March and was successful this year. This workshop had a total of 16 participants; 12 of which were from the NRS area and 3 indicated that they were income qualified and 1 was non eligible.

Ethnic Composition: 5 White; 5 African American; 2 Asian; 1 Hispanic and 3 did not disclose.

Gender Composition: 12 female, 4 male.

Managing a Business in Hard Times: This workshop was held once in the fall of 2008 and once in the spring of 2009. The participants left the class with recommendations on how to reduce cash payments, how to keep and gain customers and ways to protect assets. Four participants were from the NRS areas and three were income-eligible.

Ethnic Composition: The ethnicity of the participants was as follows: **5** White; **2** African American, **1** Asian.

Gender Composition: **5** female and **3** male.

“One-on-One Consulting” This program was measured by the number of consulting sessions as individuals may have needed one or more specific consultation sessions to move their businesses forward. Individual sessions ranged from legal issues to accounting, loan packaging and/or other individualized business issues. There were **6** participants in the consulting sessions, with a total of **6** individual consulting sessions provided to our clients and given by industry experts via CWE. Out of the **6** consulting participants, **3** were from NRS areas and **3** identified themselves as income-eligible.

Ethnic Composition: The ethnicity of the participants is as follows: **1** Hispanic; **3** White; **2** African American; and **7** Asian.

Gender Composition: **6** female.

Objective #2: Promote thriving retail districts

Best Retail Practices Program

Best Retail Practices Program is designed to assist Cambridge retailers and restaurateurs improve the interior appearance and design of their establishments, their marketing and the operating efficiency of their businesses. The City hired a retail consulting team, comprised of an architect specializing in retail interiors and a retail marketing specialist (sub-recipient) to provide expert advice to participants about such topics as interior lighting, window display, interior layout, color and signage, as well as management issues, security and marketing.

The Program was offered twice during the reporting period, in the Fall/Winter and in the Winter/Spring. The Program is divided into three parts:

Part I was a Workshop offered to all Cambridge retailers and used as an outreach activity to find income eligible micro-enterprises or businesses located in the NRS to participate in Part II, Individual In-Store Consultations. At the Workshop the City's consultants gave a Power-Point presentation of visual examples of best retail practices and marketing strategies and provided a handout of the presentation and "tips" on marketing and design for participants to take back to their establishments. HUD mandated eligibility requirements were explained by City staff and applications for Part II were taken from eligible applicants.

Part II provided individual in-store consultations to eligible applicants. The consultants and EDD staff visited participant businesses, made recommendations for improvements and sent a detailed written report to the store-owners of the suggested recommendations, including helpful sketches and photographs. After a 4-week period, the businesses received a follow-up visit to address any questions and see if the recommended changes had been implemented. The participant businesses signed *Improvement Commitment Forms* with the City stating the recommended improvements they agreed to make and showing which recommendations would be grant eligible.

Part III, the Grant Program, is a grant assistance program that offered matching grants to participants who had completed Part II of the program. The grants helped participants finance the costs of the recommended improvements to store interiors or marketing. Grants were given on a reimbursement basis for up to 80% of the cost of the improvements, to a maximum of \$5,000

Leveraged Funds: One-half of the Program consultant's (sub-recipient) compensation was funded with City taxes and 20% of the cost of improvements funded through the Grant Program, were paid by grantees.

Accomplishments: In Fiscal Year 2009, a total of **43** businesses participated in the two Part I Workshops of the Best Retail Practice Program. **24** of the **43** participating businesses continued on to Part II, Individual In-store Consultations. **11** businesses

received grants through the Grant Program. Applications for grants were accepted on a rolling basis. In FY09 grants were given for such improvements as new track lighting to a neighborhood beauty salon, furniture and fixtures to a local coffee house and restaurant/pool hall, respectively, direct mail and internet marketing and print advertising to a small package and shipping retailer, and website design and development for on line sales capacity to a local record shop.

Ethnic Composition: The ethnicity of the FY 2009 Part II participants in the Best Retail Practices Program is as follows: **19** White; **5** Black.

- **Façade and Signage & Lighting Improvement Program**

The City provides technical and financial assistance to property owners and tenants Citywide seeking to renovate or restore their commercial building facades. An architectural consultant retained by the City is available to provide assistance to applicants through the conceptual design stage at no cost to the applicants. Applicants hire licensed architects and contractors to refine the conceptual design and to implement the City approved plans.

The Program provides matching grants on a reimbursement basis for up to **50%** of the cost of the property improvements. The objective for the Program is to enhance the physical appearance of storefronts to help build a stronger customer base for individual stores and their retail districts.

Leveraged Funds: Leveraged funds for the Façade and Signage & Lighting Improvement Program are comprised of city taxes and private funds. City taxes were 100% of the total soft costs for design service provided participants in the Program, and 50% of the grant funds. The remaining 50% of the cost of improvements were paid with the private funds of the grantees.

Accomplishments: At FY 2009 end, matching grants were provided for 11 completed projects. A total of 15 applicants received design services during the reporting year. Since 2002, the program has provided design services to 132 business and property owners and helped finance 78 façade or signage and lighting improvement projects throughout the City.

Objective #3: Support bio-medical and healthcare careers training programs

Cambridge Biomedical Careers Training Program: Just A Start

The Cambridge Biomedical Careers Program (CBCP) was offered by a local non-profit, Just A Start Corporation (JAS), with whom the City's Economic Development Division (EDD) contracted in an effort to expand job-training opportunities to **9** residents of the City's *Neighborhood Revitalization Strategy Area* (NRS). Another City of Cambridge department, Office of Workforce Development (OWD), supported **3** additional Cambridge residents. A total of **26** graduated in the Class of 2009. The CBCP provided graduates with the necessary skills for entry-level jobs in the biomedical field with local biotechnology companies. The program is designed especially for people who have not attended college or have been out of school for many years.

CBCP consisted of nine months of academic classes, laboratory training, job-readiness classes and counseling followed by job placement assistance. The program included college level classes, tutoring in biology, chemistry, biochemistry, medical terminology, computers and laboratory techniques. Classes were held at JAS and at Bunker Hill Community College (BHCC), locations close to public transportation and easily accessible to the NRS participants. Graduates received over **700** hours of instruction and laboratory work and completed **18** college credits at BHCC and upon completion of all requirements, received a certificate from JAS and BHCC. The program ran for one calendar year. City EDD funding was **22%** of total Program budget.

JAS tracked the outcome of participants in these trainings. Tracking consisted of maintaining case files on participants with academic and lab skills test scores, career planning activities, tutoring, job placement as well as follow-up phone calls to participants and employers regarding participants' assimilation and job performance after the participant is placed on the job.

Leveraged Funds: 78% of total Program expenses were leveraged funds from the following sources: Commonwealth of Massachusetts, Bunker Hill Community College, Individual Training Accounts, City OWD funds and private funds.

Accomplishments:

There were a total of **26** graduates from the program in May 2009, of which **10** were NRS residents. As of Junr 30, 2009, one NRS resident been placed and retained in full time biomedical/biotechnology jobs. Of the 12 NRS residents who graduated in May 2008, 8 have been placed in life sciences positions in such companies and institutions as Boston University Medical School, Biogen IDEC, Shire, Genzyme Biosurgery.

Ethnic Composition: The ethnic composition of the **12** students from the NRS supported by EDD and OWD in the FY 2009 class was: **6** Blacks or African American, **5** Asian, and **1** White. There were **7** females and **5** males in the group.

Cambridge Healthcare Career Advancement Program: Cambridge Health Alliance

The Cambridge Health Alliance (CHA) is a regional health care system comprised of three hospitals, more than 20 primary care sites, the Cambridge Public Health Department and Network Health, a statewide managed Medicaid health plan.

The Cambridge Healthcare Career Advancement Program (CHCAP) was offered in FY 2009 for a fifth year in a row. The City partnered with CHA, to provide support for educational and training services for incumbent CHA employees who live in the NRS areas of Cambridge and are in low-paying, “dead-end” jobs, and for other NRS community residents not employed at CHA, whom are interested in careers in healthcare. The 2-3 year Program offered pre-college courses and training required for entrance to college level healthcare degree programs to a total of 7 Program participants. The Program helps NRS residents complete pre-requisites for entry to nursing, medical coding, medical imaging and medical interpreting schools to start them on a career path in which they can advance into higher-level jobs earning higher salaries. This reporting year, 6 of the 7 participants continued completing classes toward a goal of graduating from the program. The Program has been eliminated after the first year of the third cohort. Halfway through the third cohort, of the 7 original participants, 1 has graduated and has been accepted to the Bunker Hill nursing program in 2010, 3 participants have done well academically during the past 3 semesters, 2 have met the minimum academic requirements for the past 3 semesters, and 1 dropped out of the Program.

In summary, the goals of the program include education and training for healthcare careers to CHA incumbent workers and other workers residing in the NRS areas, offering enhanced opportunities for job advancement, providing training for medical certificates and degrees which ultimately lead to economic self-sufficiency. Employees currently working at the lowest entry-level jobs are being trained to enter professions in the key shortage areas, at the Alliance and elsewhere, such as laboratory technicians, nursing, medical coding, medical imaging and medical interpreting. Program evaluation takes place twice annually.

Leveraged Funds: Leveraged Funds for CHCAP totaled \$14,198.40 for the Academic and FY 2009 years. They are comprised of \$9,998.40 in Salary from CHA for Program Coordination and \$4,200.00 in Tuition Reimbursement from CHA employees’ benefits.

Accomplishments:

One student graduated from the Program and has been accepted to the Bunker Hill Community College Nursing Program for the 2010 spring semester. Five students plan to continue course work necessary to enter into Radiology or Nursing programs, if financially feasible in FY2010. One student withdrew from classes and the Program.

The Program participants plan to apply to schools offering degrees in Nursing and Medical Imaging after completing the CHCAP. Graduation from CHCAP is defined as having become eligible to enter an associate's degree program by completing developmental courses (if needed) and the required prerequisites for the healthcare program of the student's choosing.

Ethnic Composition: The ethnic composition of the 7 participants of CHCAP is as follows: **3** Hispanics; **1** Blacks; and **3** White.

Employment Description: The employment composition of the 7 participants of CHCAP is as follows: 5 are employed by CHA, 1 is employed by another healthcare provider, 1 is unemployed. Five participants have full-time employment, one participant has part-time employment, one participant is unemployed.

Department of Human Services

Introduction

The Department of Human Service Programs continued to operate or support many programs that addressed human service needs in the City of Cambridge during the fiscal year 2009. On March 4, 2009 the Cambridge Human Services Commission, a citizens' advisory board, in lieu of its annual public hearing, held an appreciation and celebration of human services in conjunction with the Cambridge Community Foundation at the Senior Center. The appreciation night was attended by staff from over thirty community organizations. The Commission recommended funding just current grantees, and the Department funded all current CDBG grantees at a "flat" level for the fiscal year commencing on July 1, 2009 and ending on June 30, 2010. Funding was allocated to 5 categories of service: Youth and Family (*Youth Services*), Domestic Violence (*Battered/Abused Spouses*), Linguistic Minorities (*Public Services*), Homelessness (*Public Services*), Emergency Food (*Public Services*), and Elderly/Disabled (*Senior Services*).

Community Development Objective

- Improve the quality of Public Services.

Public Service Objective

- Improve the overall quality of life for Cambridge residents by creating and coordinating public services.

Objective #1:

Create or Support a Broad Array of Services and Opportunities for Families and Youth.

This Objective was successfully accomplished through the City's contracting with local non-profit community organizations to provide the broad array of services targeting low and low-moderate income individuals and families residing in Cambridge.

Accomplishments:

In FY 2009, a total of **4469** clients (families and youth) were served by the following programs:

- **General Public Services & Homelessness – 4469** clients served through
 - Multi-Service Center/Homeless (**197**) – Supports staff who perform case management, housing trouble-shooting for families and individuals who are homeless or at the risk of becoming homeless.
 - Multi-Service Center/Haitian Services (**224**) – Supports staff who perform case management, information/referral, support services, and interpretation/translation services for Haitian-speaking residents of Cambridge.

- Margaret Fuller House (**2870**) – Provides social services and a food program to eligible Area IV residents.
- East End House (**620**) – Coordination of senior activities, food program, volunteer and community programming for families and individuals residing in East Cambridge.
- CASPAR Shelter/ACCESS (**198**) – A pre-treatment program which provides counseling, case management, shelter, and housing placement for recently sober homeless individuals.
- Concilio Hispano (**131**) - Information, referral, support services, and translation/interpretation services to Latino residents of Cambridge.
- Ethiopian Community Association (**78**) - Information, referral, and support services for Ethiopian and other African immigrants and refugees.
- Massachusetts Association for Portuguese Speakers (MAPS) (**94**) – Case management services, information, referrals, and interpretation/translation services for Portuguese speaking residents of Cambridge.
- Food for Free (**57**) – Redistribution of over 739,000 pounds of salvaged food to over 40 food pantries, meal programs, shelters and other Cambridge-based food programs throughout the City; and coordination of the delivery of food to the homes of elders and individuals with disabilities.

Objective #2:

To create or support domestic violence and abuse prevention and treatment for adults and youth.

This Objective was successfully accomplished through the City's contracting with local non-profit community organizations to provide domestic abuse support and awareness services targeting low and low-moderate income individuals and youths residing in Cambridge.

Accomplishments:

In FY 2009, a total of **89** clients were served by the following programs:

- **Battered & Abused Spouses Services – 89** clients served through:
 - GBLS/CASLS (**43**) – Legal counsel and representation for victims of domestic abuse.
 - CLSACC/Domestic Violence (**46**) – Legal counsel and representation; and individual/group counseling services for victims of domestic violence.

Objective #3:

To provide after-school and year-round employment programs including life skills and academic support to youths and young adults.

This Objective was successfully accomplished through the City's contracting with Cambridge Housing Authority and Just-A-Start Corporation to utilize after-school/life

skills training program for youth in public housing and job development and employment programs, targeting disadvantaged high school students and out-of-school youth.

Accomplishments:

In FY 2009, a total of **230** clients were served by the following programs:

- **Employment/Life Skills Services - 230** clients served through:
 - Cambridge Housing Authority's Workforce Literacy Initiative (**139**) – Youth development, life skills, employment and training for youth in public housing.
 - Just-A-Start/Teen Work (**72**) – Youth employment program providing job readiness training to income-eligible youths.
 - Just-A-Start/Job Placement (**19**) – On-site skills training for income-eligible youths.

Objective #4:

To offer legal support and services to public & private housing tenants in eviction cases.

This Objective was successfully accomplished through the City's contracting with Community Legal Services & Counseling Center (CLSACC) which provided legal counsel and representation to public/private housing tenants in eviction cases.

Accomplishments:

In FY 2009, a total of **70** clients were served by the following programs:

- **Legal Services - 70** clients served through:
 - CLSACC – Provides free legal counsel and representation to families and individuals threatened with eviction and homelessness.

Objective #5:

To create or support services for senior citizens and persons with disabilities residing in Cambridge.

This Objective was successfully accomplished through the City's contracting with local non-profit community organizations to provide services targeting low and low-moderate income Senior Citizen and Disabled individuals residing in Cambridge.

Accomplishments:

In FY 2009, a total of **343** clients were served by the following programs:

- **Senior Services - 343** clients served through:
 - Council on Aging (**61**) – Weekly support group for isolated Haitian elders.
 - HouseWorks (**16**) – Provision of heavy chore cleaning and reorganization services to elders and persons with disabilities to prevent them from being evicted from their homes.

- SCM (266) – Transportation services, primarily for medical purposes, provided to elders and persons with disabilities.

Objective #6:

To offer age-appropriate services to disadvantaged and underserved youths.

This Objective was successfully accomplished through the City's contracting with local non-profit community organizations to provide services targeting low and low-moderate income youths residing in Cambridge.

Accomplishments:

In FY 2009, a total of **276** clients were served by the following programs:

- **Youth Services - 276** clients served through:
 - Guidance Center/Early Intervention (**235**) – Intervention services for linguistic minorities with infants/toddlers.
 - Cambridge Camping (**17**) – Summer camp for youth 5-11 years of age with emotional and behavioral special needs.
 - Young People's Project (**24**) – After school program providing math literacy training to high school youths, as well as math literacy workshops to elementary students.

Antipoverty Strategy

1. Describe actions taken during the last year to reduce the number of persons living below the poverty level.

Program Year Four CAPER Antipoverty Strategy response:

Anti-Poverty Strategy

The City of Cambridge continued its efforts to reduce the number of families and individuals living in poverty during FY2008. The City focused primarily on supporting programs that raise household incomes and stabilize housing situations. It also supported the McKinney grant for which the Department of Human Service Programs will apply annually, in hopes of receiving the maximum amount available to Cambridge to support the development of affordable housing that help homeless persons make the transition to permanent housing and independent living.

Toward this end, the Department of Human Service Programs (DHSP) uses City tax dollars (and new resources from state, federal and private sources) to provide a number of direct services aimed, directly or indirectly, at increasing household incomes. These include adult education and ESL classes, employment services for youth and adults, and childcare. DHSP provides benefits counseling, daily congregate meals and a food pantry for the elderly.

DHSP also funds a range of community-based programs aimed, directly or indirectly, at increasing household incomes. These include food pantry programs, programs designed to provide immigrant populations with access to social services as well as information and referral. DHSP funds programs to prevent and to alleviate the devastating impact of domestic violence, which often plunge women and their children into poverty. DHSP operates the Summer Nutrition program for children and youth in many locations citywide, and provides nutritious snacks and meals year-round for participants in its enrolled childcare and Youth Center programs.

In addition to the City's commitment to develop and preserve affordable housing and the efforts of the Cambridge Housing Authority, DHSP directs City tax dollars (and new resources from state, federal and private sources) to provide a number of direct services that help homeless families and individuals find and retain transitional and permanent housing and prevent eviction by stabilizing individuals and families in existing housing. An additional strategy employed by DHSP is a fuel assistance program.

DHSP also funds a range of community-based programs that help homeless families find transitional and permanent housing and prevent eviction by stabilizing individuals and families in existing housing. These include a program to provide legal services and support to low and moderate-income families who face eviction or legal barriers to obtaining permanent housing.

The Department of Human Service Programs works closely with the Community Development Department and the Cambridge Housing Authority to maximize the impact of these programs on poverty levels. Taking into consideration the factors over which our jurisdiction has control, we believe that this strategy will significantly improve the lives of low-income working families, elderly on fixed incomes, immigrants, victims of domestic violence, single mothers moving off public assistance and others who struggle with poverty in our City.

Non-homeless Special Needs

1. Identify actions taken to address special needs of persons that are not homeless but require supportive housing, (including persons with HIV/AIDS and their families).

Program Year Four CAPER Non-homeless Special Needs response:

Specific HOPWA Objectives

1. Overall Assessment of Relationship of HOPWA Funds to Goals and Objectives
Grantees should demonstrate through the CAPER and related IDIS reports the progress they are making at accomplishing identified goals and objectives with HOPWA funding. Grantees should demonstrate:
 - a. That progress is being made toward meeting the HOPWA goal for providing affordable housing using HOPWA funds and other resources for persons with HIV/AIDS and their families through a comprehensive community plan;
 - b. That community-wide HIV/AIDS housing strategies are meeting HUD's national goal of increasing the availability of decent, safe, and affordable housing for low-income persons living with HIV/AIDS;
 - c. That community partnerships between State and local governments and community-based non-profits are creating models and innovative strategies to serve the housing and related supportive service needs of persons living with HIV/AIDS and their families;
 - d. That through community-wide strategies Federal, State, local, and other resources are matched with HOPWA funding to create comprehensive housing strategies;
 - e. That community strategies produce and support actual units of housing for persons living with HIV/AIDS; and finally,
 - f. That community strategies identify and supply related supportive services in conjunction with housing to ensure the needs of persons living with HIV/AIDS and their families are met.
2. This should be accomplished by providing an executive summary (1-5 pages) that includes:
 - a. Grantee Narrative
 - i. Grantee and Community Overview
 - (1) A brief description of your organization, the area of service, the name of each project sponsor and a broad overview of the range/type of housing activities and related services
 - (2) How grant management oversight of project sponsor activities is conducted and how project sponsors are selected
 - (3) A description of the local jurisdiction, its need, and the estimated number of persons living with HIV/AIDS
 - (4) A brief description of the planning and public consultations involved in the use of HOPWA funds including reference to any appropriate planning document or advisory body
 - (5) What other resources were used in conjunction with HOPWA funded activities, including cash resources and in-kind contributions, such as the value of services or materials provided by volunteers or by other individuals or organizations
 - (6) Collaborative efforts with related programs including coordination and planning with clients, advocates, Ryan White CARE Act planning bodies, AIDS Drug Assistance Programs, homeless assistance programs, or other efforts that assist persons living with HIV/AIDS and their families.
 - ii. Project Accomplishment Overview
 - (1) A brief summary of all housing activities broken down by three types: emergency or short-term rent, mortgage or utility payments to prevent homelessness; rental assistance; facility based housing, including development cost, operating cost for those facilities and community residences
 - (2) The number of units of housing which have been created through acquisition, rehabilitation, or new construction since 1993 with any HOPWA funds
 - (3) A brief description of any unique supportive service or other service delivery models or efforts
 - (4) Any other accomplishments recognized in your community due to the use of HOPWA funds, including any projects in developmental stages that are not operational.
 - iii. Barriers or Trends Overview
 - (1) Describe any barriers encountered, actions in response to barriers, and recommendations for program improvement
 - (2) Trends you expect your community to face in meeting the needs of persons with HIV/AIDS, and
 - (3) Any other information you feel may be important as you look at providing services to persons with HIV/AIDS in the next 5-10 years

- b. Accomplishment Data
 - i. Completion of CAPER Performance Chart 1 of Actual Performance in the provision of housing (Table II-1 to be submitted with CAPER).
 - ii. Completion of CAPER Performance Chart 2 of Comparison to Planned Housing Actions (Table II-2 to be submitted with CAPER).

Program Year Four CAPER Specific HOPWA Objectives response:

Other Narrative

Include any CAPER information that was not covered by narratives in any other section.

Program Year Four CAPER Other Narrative response:

Neighborhood Revitalization Strategy

Introduction

Through the identification of key need areas within the City, HUD seeks to create communities of opportunity in neighborhoods by stimulating the reinvestment of human and economic capital and economically empowering low-income residents. In response to these objectives the City initiated a Neighborhood Revitalization Strategy (NRS) in late 2001 (FY2002), and has strived to establish a useful and feasible plan that would better serve Cambridge's residents. This process had a slow and deliberate beginning, as programs and details were tailored time and again to meet City expectations and to exist within the City's overall mission. The result, however, is a tangible benefit to the residents of the City's most at-need neighborhoods.

The NRS was extended through the Five-Year Action Plan submitted in FY2006 and a second NRS area, dubbed the NRS West, was added. While there are two distinct NRS areas the programs are identical and therefore the accomplishments are stated in aggregate by the City for this report.

Purpose

The City hopes to promote Economic Empowerment for low/mod-income residents and the Stabilization of its middle-income residents through targeted and specific programs. The NRS plan is intended to mitigate the polarization of Cambridge, where the middle-income residents find little assistance and a cost-of-living that is all too often beyond their reach. HUD has seen this happening in many cities across the nation, as the wealthy acquire properties and the poor remain in subsidized living situations – the middle-income residents have few avenues of support and are often forced out. This “middle class flight” is a detriment to the urban environment and the health of the city. With no middle class there exists no mobility for the poor, as well as a severe drop in the segment of the population that puts great amounts of money back into local businesses and has traditionally had a great pride and interest in the state of their neighborhoods and city. A healthy and thriving middle-class is an essential aspect of any urban community, and as the wealth-gap widens, it has become necessary to direct resources to this traditionally underserved population.

The City is seeking to achieve this through two primary initiatives: The first is the stabilization of neighborhoods through rehabilitation assistance to middle-income homeowners, and the second is the empowerment of low/mod-income residents by providing them with avenues for better, higher paying jobs which allow them to actualize more of their potential.

Location

The City utilized 2000 census data in defining the NRS East and West areas, seeking the largest areas of the City that were both primarily low/mod-income and residential in their make-up, as is consistent with HUD guidelines. In establishing two large footprints, the City is able to extend NRS specific programs to as many residents as possible.

The NRS East area includes the Cambridgeport, Riverside and Area 4 neighborhoods, as well as adjoining sections of Mid-Cambridge, Wellington-Harrington and East Cambridge. The NRS West area includes The northern segment of Massachusetts Avenue from Russell Street to the Arlington line, and extends south to the Rindge Avenue housing towers, which are home to a very large number of low and moderate income residents. These cross-sections of Cambridge include its most densely populated neighborhoods, its poorest neighborhoods and various commercial districts – allowing the City to achieve a greater impact and serve a maximum number of residents. Though the areas are large and extend beyond several City defined Neighborhoods, they represent large and contiguous areas of residents who all face similar challenges.

Objective #1: The **economic empowerment of low/mod-income residents** through job creation, job training and placement and educational programs.

Cambridge Biomedical Careers Training Program: Just A Start

The Cambridge Biomedical Careers Program (CBCP) was offered by a local non-profit, Just A Start Corporation (JAS), with whom the City's Economic Development Division (EDD) contracted in an effort to expand job-training opportunities to **9** residents of the City's *Neighborhood Revitalization Strategy Area* (NRS). Another City of Cambridge department, Office of Workforce Development (OWD), supported **3** additional Cambridge residents. A total of **26** graduated in the Class of 2009. The CBCP provided graduates with the necessary skills for entry-level jobs in the biomedical field with local biotechnology companies. The program is designed especially for people who have not attended college or have been out of school for many years.

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Leveraged Funds: 78% of total Program expenses were leveraged funds from the following sources: Commonwealth of Massachusetts, Bunker Hill Community College, Individual Training Accounts, City OWD funds and private funds.

Accomplishments:

There were a total of **26** graduates from the program in May 2009, of which **10** were NRS residents. As of Junr 30, 2009, one NRS resident been placed and retained in full time biomedical/biotechnology jobs. Of the 12 NRS residents who graduated in May 2008, 8 have been placed in life sciences positions in such companies and institutions as Boston University Medical School, Biogen IDEC, Shire, Genzyme Biosurgery.

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The Program was offered twice during the reporting period, in the Fall/Winter and in the Winter/Spring. The Program is divided into three parts:

Part I was a Workshop offered to all Cambridge retailers and used as an outreach activity to find income eligible micro-enterprises or businesses located in the NRS to participate in Part II, Individual In-Store Consultations. At the Workshop the City's consultants gave a Power-Point presentation of visual examples of best retail practices and marketing strategies and provided a handout of the presentation and "tips" on marketing and design for participants to take back to their establishments. HUD mandated eligibility requirements were explained by City staff and applications for Part II were taken from eligible applicants.

Part II provided individual in-store consultations to eligible applicants. The consultants and EDD staff visited participant businesses, made recommendations for improvements and sent a detailed written report to the store-owners of the suggested recommendations, including helpful sketches and photographs. After a 4-week period, the businesses received a follow-up visit to address any questions and see if the recommended changes had been implemented. The participant businesses signed *Improvement Commitment Forms* with the City stating the recommended improvements they agreed to make and showing which recommendations would be grant eligible.

Part III, the Grant Program, is a grant assistance program that offered matching grants to participants who had completed Part II of the program. The grants helped participants finance the costs of the recommended improvements to store interiors or marketing. Grants were given on a reimbursement basis for up to 80% of the cost of the improvements, to a maximum of \$5,000

Leveraged Funds: One-half of the Program consultant's (sub-recipient) compensation was funded with City taxes and 20% of the cost of improvements funded through the Grant Program, were paid by grantees.

Accomplishments: In Fiscal Year 2009, a total of **43** businesses participated in the two Part I Workshops of the Best Retail Practice Program. **24** of the **43** participating businesses continued on to Part II, Individual In-store Consultations. **11** businesses

received grants through the Grant Program. Applications for grants were accepted on a rolling basis. In FY09 grants were given for such improvements as new track lighting to a neighborhood beauty salon, furniture and fixtures to a local coffee house and restaurant/pool hall, respectively, direct mail and internet marketing and print advertising to a small package and shipping retailer, and website design and development for on line sales capacity to a local record shop.

Ethnic Composition: The ethnicity of the FY 2009 Part II participants in the Best Retail Practices Program is as follows: **19** White; **5** Black.

- **Façade and Signage & Lighting Improvement Program**

The City provides technical and financial assistance to property owners and tenants Citywide seeking to renovate or restore their commercial building facades. An architectural consultant retained by the City is available to provide assistance to applicants through the conceptual design stage at no cost to the applicants. Applicants hire licensed architects and contractors to refine the conceptual design and to implement the City approved plans.

The Program provides matching grants on a reimbursement basis for up to **50%** of the cost of the property improvements. The objective for the Program is to enhance the physical appearance of storefronts to help build a stronger customer base for individual stores and their retail districts.

Leveraged Funds: Leveraged funds for the Façade and Signage & Lighting Improvement Program are comprised of city taxes and private funds. City taxes were 100% of the total soft costs for design service provided participants in the Program, and 50% of the grant funds. The remaining 50% of the cost of improvements were paid with the private funds of the grantees.

Accomplishments: At FY 2009 end, matching grants were provided for 11 completed projects. A total of 15 applicants received design services during the reporting year. Since 2002, the program has provided design services to 132 business and property owners and helped finance 78 façade or signage and lighting improvement projects throughout the City.

Financial Literacy Programs

Non-profit Delivered Programs

The Department continued its support of Cambridge small business by contracting with The Center for Women & Enterprise (CWE), a nonprofit organization, to provide a number of educational workshops to residents and business in Cambridge NRS areas and low and low-moderate income micro-enterprises. Workshop and information session offerings included, *Living on a Shoe String – a Financial Literacy Training Program*, *Steps to Starting Your Own Business*, *Financing for Your Business*, *Record Keeping for Small Businesses*, *Pricing Strategies*, *Envisioning Your Business Idea*, *Business Literacy*, *Marketing 101*, *Web Based Business Development*, *Managing a Business in Hard Times* and *One-on-One Business Consulting*.

The workshop, *“Living on a Shoe String – A Financial Literacy Training Program”* was offered in the fall and spring of FY2009. This workshop series consisted of six, 2.5 hour sessions that covered topics such as understanding spending habits, credit standing and repair, banking, budgeting, and developing savings plans for business development, housing and or education. A local bank provided incentives to those who completed the workshop including calculators, free savings accounts and a small initial deposit for each individual. *“Everyday Money Matters”* – a three session workshop was also added in the spring concentrating on credit and budget issues in the spring.

The *“Steps to Starting Your Own Business”* workshop was held in the winter of FY 2009. This workshop series provided pre-business development training to low and low-moderate income aspiring entrepreneurs. The program introduced participants to the fundamentals of launching a business through such topics as business plan development, financing strategies, business lending practices, and marketing.

“Financing For Your Business” was a one-hour session for established businesses and start-up companies. This program was offered two times in FY2009. This session gave participants information on financing terms, business development basics, and what type of loans are offered to a small business and how to acquire a loan.

“Record Keeping for Small Businesses” was offered in the winter of 2009 and covered topics such as what type of business records should be kept, how to set up a bookkeeping system, how to choose a CPA and tax planning and compliance. This workshop emphasized the importance of keeping sound financial records.

“Pricing Strategies” was offered in the spring of 2009 with a goal of teaching pricing techniques and cost analysis based on industry-wide averages for specific businesses.

“Envisioning Your Business Idea” was offered for the first time in the spring 2009 with the goal of assisting entrepreneurs in refining their business idea and determine

whether it is viable in today's market. Topics covered in the workshop include: developing a mission statement, analyzing the strengths and weaknesses of a business idea, creating long and short term business goals and learning the basics of a business plan.

“Business Literacy” was offered for the first time in the fall of FY 2009. This workshop discussed the importance of cash flow and financial management for a small business owner. The workshop covered cash flow management, small business investment and a brief tutorial on the QuickBooks accounting program.

“Marketing 101” was offered for the first time in the spring of FY 2009. This workshop consisted of an introduction to marketing. Covered topics included ways that retailers could better identify, reach, and keep their customers. There was extensive discussion of web-based technologies and ways to measure the effectiveness of different marketing strategies.

“Web Based Business Development” was offered for the first time in March and was intended to help business owners set up an internet-based business or how to expand their current business on the web. Topics covered selecting and registering a domain, what is a web host, how to receive online payments and internet marketing.

“Managing a Business in Hard Times” was held in the fall and in the spring of FY2009. The workshop provided start up and current business owners with ways to develop a more cost effective and efficient business during a slow period in the economy. The participants left the class with recommendations on how to reduce cash payments, how to keep and gain customers and ways to protect assets.

“One-on-One Consulting” was also provided to participants for those needing individual counseling sessions. These sessions were held with industry executives from the client's specific business or industry and covered topics such as loan counseling, negotiations and legal issues.

Program Marketing: With the assistance of the Economic Development Division, CWE's outreach and marketing activities included meetings with other non-profit organizations that serve low-moderate income clientele for exchange of information on programs, advertising in various newsletters, direct postcard mailings, e-mails to other class participants, flyering to NRS areas, postings on community bulletin boards, notices to community calendars in local and area newspapers, public service announcements on local cable TV, and listings on websites including the City of Cambridge, CWE, Career Source and a local banks.

Leveraged Funds: CWE was compensated a total of \$65,282 in FY 2009 for the financial literacy and business development workshops. Leveraged Funds totaled \$245,905 and were comprised of CWE staff and instructor compensation, program materials, curricula development, marketing and outreach, postage and general administrative costs.

Accomplishments: Overall, EDD assisted a total of **83** clients during the reporting period, FY 2009. The goal was to target **75** NRS businesses and residents for business development services via workshops. Of these **83** clients, **55** were from an NRS area and **26** reported that they were income eligible. **1** client was non-eligible Cambridge participant, and **1** was non-Cambridge participant.

Living on a Shoe String and Everyday Money Matters - Financial Literacy: This workshop series was held in collaboration with a local non-profit agency in the fall and a low-income residential complex in the spring, both of which served the two NRS areas. EDD provided CWE with technical assistance and community contacts to enable a more intensive outreach which helped to increase the number of eligible participants for future financial literacy workshops. In addition to the two, six week series, a three week workshop concentrating on credit and savings issues was held with a local non-profit after EDD and CWE received interest from the local community.

Feedback from the most recent workshop clients indicated that many individuals began to understand the importance of establishing budgets, and how good credit impacts long-range goals. Only a few participants had savings accounts at the beginning of this series. After the workshop, 75% had savings accounts and feedback indicated that 100% of participants had implemented a tracking system for monitoring spending by the end of the series. Additionally, a majority of the clients scheduled individual appointment with a credit specialist to develop detailed debt-reduction plans and took an interest in wanting to invest for the future.

The Financial Literacy workshop targeted number was **15** participants. A total of **16** eligible participants completed both series by attending four or more sessions. **26** eligible participants attended at least one session in the series of literacy workshops. All were from an NRS area.

Other Program outcomes included:

	Before	After
Have a Savings Account	<i>Minimal</i>	<i>75%</i>
Know where they spend their money	<i>25%</i>	<i>100%</i>
Wanted to decrease debt or become debt free	<i>100%</i>	<i>100%</i>
	<i>wanted to</i>	<i>did</i>

Ethnic Composition: The ethnicity of the eligible clients is as follows: 2 Hispanic; 2 White; 9 African American; 2 Asian; 1 other.

Gender Composition: The gender of the eligible clients is as follows: 12 female, 4 male.

Steps to Starting Your Own Business: In FY2009, the workshops performed satisfactory. The goal was 30 total participants. EDD/CWE cancelled the fall 2009 workshop due to lack of interest. Over the year, a total of **8** participants attended this workshop. Of the total number of participants, **5** were from the NRS areas and **3** identified themselves as being income eligible.

Ethnic Composition: The ethnicity of the eligible clients is as follows: 5 White; 2 African American, 1 Other;

Gender Composition: The gender of the eligible clients is as follows: **5** Female; **3** Male.

Financing For Your Business: In FY2009 one session was held in the fall of 2008 and in the winter of 2009. A total of 3 participants attended the workshops. **1** from an NRS area and 2 were income eligible. Individuals were not required to identify their ethnicity as this was an information session open to the general public so that they could learn about the various programs being offered. 75% of the participants were women.

Record Keeping for Small Businesses: Participants received reference information on record keeping techniques and tax related matters along with resource information for future questions. This workshop had a total of **10** participants. Of these, **6** were from an NRS area, **3** were income-eligible and **1** was Cambridge non-eligible.

Ethnic Composition: The ethnicity of the eligible clients is as follows: **1** Hispanic; **5** White; **1** African-American and **2** Asian.

Gender Composition: **5** female, **4** male.

Pricing Strategies: This workshop had **14** participants; **10** were from an NRS area and 4 indicated that they were income qualified.

Ethnic Composition: The ethnicity of the participants was as follows: **9** White; **42** African American, **1** Asian; **2** Hispanic.

Gender Composition: **12** female and **2** male.

Envisioning Your Business Idea: This workshop was held for the first time in the spring of 2009. The workshop had **6** participants; 5 were from the NRS area and 1 indicated that they were income qualified.

Ethnic Composition: 5 White; 1 Other.

Gender Composition: 6 female.

Business Literacy: This workshop was offered for the first time in the fall of FY 2009 and discussed the importance of cash flow and financial management for a

small business owner. The workshop had 3 participants; 1 from the NRS area and 2 that indicated that they were income qualified.

Ethnic Composition: 2 White, 1 Asian.

Gender Composition: 2 female, 1 male.

Marketing 101: This workshop was offered for the first time in March 2009. This workshop consisted of an introduction to marketing. This workshop had 11 participants; 8 of which were from the NRS area and 3 indicated that they were income qualified.

Ethnic Composition: 2 African American; 8 White; 1 did not disclose.

Gender Composition: 8 female; 3 male.

“Web Based Business Development” was offered for the first time in March and was successful this year. This workshop had a total of 16 participants; 12 of which were from the NRS area and 3 indicated that they were income qualified and 1 was non eligible.

Ethnic Composition: 5 White; 5 African American; 2 Asian; 1 Hispanic and 3 did not disclose.

Gender Composition: 12 female, 4 male.

Managing a Business in Hard Times: This workshop was held once in the fall of 2008 and once in the spring of 2009. The participants left the class with recommendations on how to reduce cash payments, how to keep and gain customers and ways to protect assets. Four participants were from the NRS areas and three were income-eligible.

Ethnic Composition: The ethnicity of the participants was as follows: **5** White; **2** African American, **1** Asian.

Gender Composition: **5** female and **3** male.

“One-on-One Consulting” This program was measured by the number of consulting sessions as individuals may have needed one or more specific consultation sessions to move their businesses forward. Individual sessions ranged from legal issues to accounting, loan packaging and/or other individualized business issues. There were **6** participants in the consulting sessions, with a total of **6** individual consulting sessions provided to our clients and given by industry experts via CWE. Out of the **6** consulting participants, **3** were from NRS areas and **3** identified themselves as income-eligible.

Ethnic Composition: The ethnicity of the participants is as follows: **1** Hispanic; **3** White; **2** African American; and **7** Asian.

Gender Composition: **6** female.

Objective #2: The stabilization of neighborhoods through assistance to homeowners earning up to 120% of median area income.

- **Home Improvement Program**
The Home Improvement Program (HIP) is a low-interest rehabilitation loan program for low and moderate-income owners of one to four-unit buildings. HUD recently approved the City's Neighborhood Revitalization Strategy (NRS) which expands the program to serve households with incomes above 80% of area median income living in low-income census tract areas. Through the HIP program owners use funds to renovate their multi or single family homes to meet HUD, State and City building code requirements with the agreement that rents will be kept affordable.
- **Rehabilitation Assistance Program**
Through this program, youth crews received hands-on rehabilitation experience by working on non-profit sponsored housing projects and the Cambridge Housing Authority's public housing sites. Just A Start administers the program with financial support from the City through the CDBG program. The RAP crews participate in activities undertaken by the Affordable Housing Development (AND) and Home Improvement Program (HIP) in the rehabilitation of homes owned by individuals earning up to 120% of area median-income.

Accomplishments: In FY 2009 the City's key non-profits rehabilitated **54** units for NRS residents of which **8** units targeted families whose incomes were 80% - 120% of area median income. Just-A-Start rehabilitated 50 units, 6 of which were residents whose household income was between 80% to 120% and Homeowners Rehab Inc. rehabilitated 4 units, 2 of which were residents whose household income was between 80% to 120%.