



City of Cambridge

HUD PY2025/FY2026 CONSOLIDATED ANNUAL PERFORMANCE EVALUATION REPORT

*****DRAFT*****

This document is a **DRAFT** version of the City's Consolidated Annual Performance Evaluation Report (CAPER) that is submitted to the U.S. Department of Housing and Urban Development by October 1, 2026. Comments on the CAPER will be received by the City until September 30, 2026 by contacting:

Robert Keller
Cambridge Community Development Department
344 Broadway, 3rd Floor
Cambridge, MA 02139
~or~
rkeller@cambridgema.gov

Executive Summary

The City of Cambridge has successfully completed the first 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 2026 to 2030 and the FFY2025/FY2026 One-Year Action Plan. What follows below is a broad overview of how each receiving Department and Division within the City utilized its Community Development Block Grant (CDBG), HOME Investment Partnership (HOME) and Emergency Solutions Grant (ESG) entitlement grant funds from the U.S. Department of Housing and Urban Development (HUD) in relation to the goals set forth in 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 described here.

Actual funding amounts are determined annually by the U.S. Congress, with Cambridge's portion established by a formula that considers the City's degree of poverty, age of housing stock and population growth lag. For FY2026, Year One of the FY2026-2030 Five-Year Plan, Cambridge received **\$2,638,641** in Community Development Block Grant (CDBG); **\$648,119** in Home Investment Partnership Act (HOME); **\$226,880** in Emergency Solutions Grant (ESG) and \$2,395,799 in Housing Opportunities for Persons with AIDS (HOPWA) funds. In total, Cambridge received **\$5,909,439 in HUD funds for FY2026.**

ALL FIGURES IN THIS DRAFT ARE INCOMPLETE AND DO NOT REFLECT ACTUAL PRODUCTION FOR FY2025. THIS DOCUMENT DEMONSTRATES THE PROGRAMS UNDERTAKEN BY THE CITY IN FY2026, THE FINAL VERSION OF THIS REPORT WILL CONTAIN ALL FINAL FIGURES.

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 **XXX** affordable ownership or rental units. Funds from HUD were essential in the achievements of the Housing Division and leveraged more than **\$XX million** from other public and private sources for all closed and completed cases for FY2026, 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 FY2025 XX youth residents of Cambridge Housing Authority units participated in the program, assisting in the rehabilitation and development of affordable units.

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 20 percent of the units as affordable housing. The units are affordable for the life of the building.

The City assisted X extremely low-income household earning below 30% of AMI, and X households earning between 30% and 50% of area median income, through the affordable housing development programs.

The Housing Division's annual production numbers are 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 in FY2008, therefore the project was complete by HUD standards in FY2008. The result is that the efforts behind the Trolley Square project spanned two reporting cycles even though the results for the entire project were only "recognized" in one period.

Economic Development

FY2026 demonstrated the continuing effectiveness of several on-going programs in both job training and small business assistance.

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 industry."

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 Small Business Enhancement Program (formerly Best Retail Practices program) is experiencing continued success and high demand among Cambridge's small retailers, with an average post-grant sales increase of **more than 10%** by responding participants. The program has also served as a model for other municipalities at HUD's request. Other small business assistance programs include the Interior Accessibility Program, which provides direct assistance to locally owned business to remove architectural barriers for persons with disabilities.

Additionally, the City offered the Community Classroom Program which is aimed at assisting existing and potential small businesses adapt to the current and emerging trends facing Cambridge

entrepreneurs. The Program has continually sought to deliver specific and targeted programs that provide practical and immediately useful skills in an economic climate that has faced rapidly changing conditions. The scope and breadth of the programs and their popularity with Cambridge residents signifies the value these programs and the Economic Development Division staff provide to the City's residents.

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 victims of Domestic Violence; 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 Solutions Grant.

Reductions across all funding sources continue to present difficulties for all Public Services providers. An increasingly high cost of living continues to exacerbate the challenges that low-income and at-risk residents and youths face in Cambridge. The City and its partners are burdened with increased reporting requirements, continuing budgetary constraints and a high level of demand and need among the targeted populations.

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

HOPWA

Beginning in FY2021, the City of Cambridge assumed management responsibilities of the Housing Opportunities for Persons with AIDS (HOPWA) grant by HUD. HOPWA is the only grant program at HUD dedicated to assisting individuals and their families who are homeless or at risk of becoming homeless with direct housing assistance and supportive services. As the largest city in Middlesex County, Cambridge oversees HOPWA for all of Middlesex and Essex counties. The City partners with the City of Lynn in the management of Essex County programs.

Neighborhood Revitalization Strategy

The City re-submitted its Neighborhood Revitalization Strategy (NRS) for its Five-Year Plan for FY 2026 to FY 2030 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 2026 saw the continued success of the Just-A-Start Bio-Med training program, Community Classrooms, and the Small Business Enhancement Program and Interior Accessibility Program. Additionally, all of the XX HIP stabilized units were in the NRS area.