

City of Cambridge

Consolidated Action Plan for Fiscal Year 2011





First Program Year Action Plan

The CPMP

First Annual Action Plan includes the [SF 424](#) and Narrative Responses to Action Plan 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.

Narrative Responses

GENERAL

Executive Summary

The Executive Summary is required. Include the objectives and outcomes identified in the plan and an evaluation of past performance.

The City of Cambridge's FY2011 One-Year Action Plan covers the time period from July 1, 2010 to June 30, 2011. The Plan describes the City's initiatives to:

- Create a Suitable Living Environment for its residents,
- Provide Decent Housing for its residents, and
- Create Economic Opportunities for its residents.

These initiatives are carried out by the City's Community Development Department (CDD), the City's Department of Human Service Providers (DHSP) and various other local agencies these Departments work with as needed. These initiatives are consistent with guidelines set-forth by the U.S. Department of Housing and Urban Development (HUD) in accordance with the regulations governing the utilization of federal funds and are based upon the needs that the City has determined exist through its own assessment and the on-going input of Cambridge residents.

The actual level of funding Cambridge receives from HUD is based upon a formula that all entitlement communities are subject to, in relation to HUD's overall annual budget, and is determined annually. For FY2011, Year One of the Five-Year Plan, Cambridge will receive **\$3,387,835** in FY2011 in Community Development Block Grant (CDBG) funds, **\$1,152,896** in Home Investment Partnership Act (HOME) funds and **\$139,577** in Emergency Shelter Grant (ESG) funds. These amounts represent increases of 5.8% in CDBG funds and a decrease of less than 1% in HOME funds, with ESG being roughly level funded. Because the actual funding level is governed by HUD's annual budget it is impossible to accurately project future funding levels.

Economic Stimulus Package Impact and Future Funding

In February of 2009 President Obama signed the America Recovery and Reinvestment Act (ARRA) in an effort to stem a protracted and widespread recession in economic growth. The two key components of the ARRA package is Community Development Block Grant-Recovery (CDBG-R) and Homeless Prevention and Rapid Re-Housing Program (HPRP) grants. These funds were a one-time disbursement were **not** a part of the FY2010 Action Plan. The City received **\$851,070** in CDBG-R funds and **\$1,302,128** million in HPRP funds to be incorporated into the City's FY2009 Action Plan as a substantial amendment, all of the CDBG-R funds have been committed to projects that will likely be completed during FY2011. The HPRP funds are subject to a three-year requirement for utilization and are on schedule to be spent within that timeframe. Additionally, the Department of Energy (DOE) has established the Energy Efficiency and Conservation Block Grant (EECBG), a new entitlement program, for activities focused on energy efficiency conservation. The initial award of \$1,139,400 was funded through the ARRA stimulus package, with future award amounts to be determined by annual budget amounts. The EECBG program is modeled on the CDBG program and will be managed by Cambridge's Community Development Department but does not have low and moderate income resident mandate.

The City utilized the ARRA funds as follows:

Street and Sidewalk Improvements:

The City expended \$674,070 on four (4) street and sidewalk improvement projects. The City typically does not use federal funds on these projects, but as they were reasonably "shovel ready" and have service areas that predominantly low and moderate income the City feels that these projects served the clientele HUD funds are aimed at and in an expeditious manner that the ARRA intended.

Bio-Medical Training

The City expended \$162,000 on its long-running and highly successful Bio-Medical Careers Training Program (Objective #2 in the *Economic Development* section of this document). The ARRA funds were for 18 individuals to complete the training, representing a doubling of the typical accomplishment of nine (9).

Best Retail Practices Program

The City expended \$15,000 on its Best Retail Practices Program. Like the Bio-Med Training Program, the Best Retail Practices Program is a long-running and successful Economic Development program (Objective #3 in the *Economic Development* section). The City assisted an additional seven (7) micro-enterprises with consultations and grants to improve their businesses.

The City utilized its HPRP funds as follows:

Financial Assistance: \$860,128
Housing Re-location and Stabilization Services: \$350,000
Data Collection and Evaluation: \$30,000
Administration: \$62,000

The HPRP funds were utilized to augment the on-going efforts of the City to provide homeless and at-risk of being homeless individuals with the crucial services described in the *Homeless, Community Planning and Emergency Shelter Grant* sections of this document.

That the ARRA does use existing programs like CDBG to stimulate economic activity in broad sectors of the economy is widely viewed as an endorsement from the administration of these HUD programs. Any suggestions of increased funding for the future, however, should be tempered by the uncertainty of the U.S. economy and how that might affect future federal budgets. The volatility of our own and foreign economies combined with a heightened focus on our mounting national debt in the face of increased domestic spending programs make it impossible to determine federal and HUD budgets year in and year out, and as such greatly hinder the City's ability to predict available resources. Because the CDBG, HOME and ESG programs are intended to run efficiently there is a great emphasis on spending annual allotments expediently, which decreases the City's ability to mitigate future shortfalls easily.

Performance Measurement System

HUD has, through a collaborative effort with several Housing and Community Development organizations (as well as several governmental departments) established a standardized performance evaluation measurement system. The City has employed a similar version of this system over the last several years, incorporating the work-in-progress iterations HUD had developed. The new system seeks to standardize the language used in gauging the success of the CDBG, HOME and ESG programs, as well as to provide standardized metrics of what those successes are. This new system has been phased into the City's management of funds in FY2008 and will be fully represented in the evaluation of FY2010's performance.

Results for FY2011 could be adversely impacted by the broader economic downturn as potential homebuyers and business owners avoid investment and the accumulation of debt.

The Primary Activities, Objectives and Goals for FY2011:

Affordable Housing

The primary objective of Cambridge's Housing Division as it relates to the CDBG program is to preserve and expand the City's stock of affordable rental and home-ownership units. As Cambridge is a built-out City with little developable land, the primary methods employed to achieve this goal are the acquisition and conversion of units to affordability, the rehabilitation of existing units owned by low and moderate-income individuals and re-financing expiring use properties and inclusionary zoning policies.

The primary challenges to achieving this objective are Cambridge's highly competitive real-estate market, Cambridge's small size and lack of undeveloped land, and the decreasing availability of federal funding through the Section 8 program.

The Primary Objectives are as follows:

- Create new affordable rental units that are targeted for extremely low, low and moderate-income families and individuals.
- Increase affordable homeownership opportunities for first-time low and moderate-income buyers.
- Preserve affordable rental housing opportunities, and enhance access for extremely low, low and moderate-income renters.
- Continue to stabilize owner-occupied one to four family buildings owned by extremely low, low and moderate-income households.

The City shifted a portion of their Affordable Housing Development contract obligations from CDBG funding to the City's Affordable Housing Trust in FY2007 in order to mitigate the reduction in federal funds. This continued in FY 2008 through FY2010 and will continue in FY2011 as a permanent method to allow the City to more effectively manage declining resources while still delivering the services residents require.

The goals for FY2011 are to create **40** new affordable rental units through Inclusionary Zoning policies (10) and non-profit development projects (30); add **30** affordable homeownership units to the City's stock through Inclusionary Zoning (10), non-profit development (8), First-Time Home Buyer (FTHB) down-payment assistance (4) FTHB re-sale (8); preserve the affordability of **158** rental units, and to stabilize **35** units through rehabilitation.

The City will continue efforts to provide housing options for "extremely low-income" households who earn less than 30% of area median income. All City-assisted affordable rental units are available to extremely low-income households who have rental housing vouchers from the Cambridge Housing Authority or other subsidizing agency. City-assisted affordable units include units developed with CDBG, HOME, or City funds, and units developed under the City's inclusionary housing program, many of which are occupied by households with rental subsidies.

Community Planning

Cambridge's Community Planning Division plays an integral part in shaping the City's development and how that development is designed and enacted. Policies are formed through public awareness and community interaction. Community Planning also provides high quality technical assistance to City staff and residents 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 development proposals.

The Primary Objectives are as follows:

- Preserve and strengthen Cambridge's residential neighborhoods and their diverse population,
- Enhance the quality of the City's living environment by working with citizens, other city departments and state agencies to design, develop, maintain, program and preserve the City's open space resources.
- Strengthen the City's fiscal base by envisioning plans, implementing zoning changes, and monitoring the continued redevelopment of former industrial districts, and review infill development throughout the city.

The goals for FY2011 are to provide technical assistance to **6** staff members, create **60** GIS maps, **50** presentations, produce materials for **2** major projects and **2** planning initiatives, provide **700** residents and interested parties with technical assistance on planning and zoning, conduct **45** meetings with residents, neighborhood groups and interested parties, review **10** urban design and master plans, and assist in **24** meetings of the Planning Board, provide technical assistance for **5** projects

Economic Development

The Economic Development Division is responsible for a wide range of economic development activities designed to meet the City's need for a diversified and thriving economy. The Division offers programs aimed at revitalizing commercial districts, supporting entrepreneurship, promoting a dynamic business climate and preserving a strong employment base. The Economic Development Division offers individual business development assistance as well as numerous programs designed to enhance the vitality of local businesses, including micro-enterprises and to encourage business growth within the City. An initiative the City began in FY2010 is to provide funding for "Green Jobs" training for the City's low-income residents.

The Primary Objectives are as follows:

- Cultivate a supportive environment for business, with particular emphasis on small, women and minority-owned businesses.
- Promote thriving retail and commercial districts.
- Support efforts to sustain a diverse array of employment opportunities accessible to Cambridge workers, including support for training of low and low-moderate Cambridge residents for jobs in the bio-medical and “Green” industries.

The goals for FY2011 are to graduate **9** residents from the Just-A-Start Biomedical Degree program, graduate **16** residents in the new Green Jobs Initiative, provide counseling and technical assistance to **55** income-eligible micro-enterprise and potential micro-enterprises and assist **24** income-eligible retailers, **10** of which will receive grants through the Best Retail Practices program, and provide an additional **40** retailers and restaurateurs with advanced consultations.

Public Services

The City of Cambridge provides a comprehensive array of Public Services and programs for its residents through the Department of Human Service Providers. 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 delivers 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.

The Primary Objectives are as follows:

- To create or support a broad array of services and opportunities for families and youth,
- To create or support services for senior citizens and persons with disabilities residing in Cambridge,
- To offer legal support and services to public & private housing tenants in eviction cases.
- To offer age-appropriate services to disadvantaged and underserved youths.
- To create or support domestic violence and abuse prevention and treatment for adults and youth,
- To provide after-school and year-round employment programs; including life skills and academic support to youths and young adults.

- To assist in providing a wide array of child-care services that benefits the children, the parents and the providers.

...And the Objectives for the Emergency Shelter Grant (ESG):

- Provide quality Emergency Shelter services to homeless women and children and people with disabilities in Cambridge.
- Provide quality day drop-in services to homeless youth in Cambridge,
- Provide quality Emergency Shelter services to homeless men in Cambridge

The goals for FY2011 are: provide vital support services to approximately **2,100** low and low-moderate income individuals, provide vital support services to approximately **330** elders and individuals with disabilities, provide vital legal and tenant support services to approximately **70** low-moderate income individuals, families and their children, provide vital support services to approximately **220** low and low-moderate income youths, provide domestic violence-related services to approximately **85** low-moderate income adults and children, provide essential employment programs to approximately **250** youth and young adults – all through a variety of Public Service grants and programs.

For the ESG program the goals for FY2011 are: to provide funding to homeless shelters that will specifically serve approximately **995** individuals from the target population of single homeless women and homeless children and families and people with disabilities, provide funding to homeless services provider(s) that will serve over **150** homeless youths and to fund homeless shelters that will serve a target of **2,120** homeless men.

Additional Activities

Neighborhood Revitalization Strategy

The City created two Neighborhood Revitalization Strategy (NRS) areas in conjunction with its FY2011-2015 Five-Year Consolidated Plan. Each NRS will be in place for five (5) years, with FY2011 being the first year in that term. The City, using 2000 census data, established two areas that represent the highest concentration of low and moderate-income individuals and families in order to target resources for housing rehabilitation and economic empowerment.

The City has previously attempted to utilize the flexibility afforded by designated NRS areas to provide rehabilitation assistance to residents who earn up to 120% of area median income. Despite outreach efforts by the City and its non-profit partners demand for this program did not materialize. In light of this the City has decided to focus its NRS efforts on the Economic Development programs which have demonstrated high-demand and successful results.

The goals for FY2011 are to assist **40** micro-enterprises with courses intended to improve their business acumen, provide **15** residents with financial literacy training, provide **10**

matching grants for micro-enterprise businesses, and provide **22** job training and career advancement opportunities.

Evaluation of Past Performance

The City is proud of its record of accomplishment in meeting and exceeding its objectives in the utilization of CDBG, HOME and ESG funds. The City more than exceeded all of its goals in its previous Five-Year Consolidated Action Plan (FY 2001 to FY 2005):

Overview of CDBG Funded Activities	Housing	Economic Development	Community Planning	Public Services
Accomplishments - FY 2001 - 2005	(Units)	(Clientele)	(People Assisted)	(People Served)
Anticipated	1,914	335	6,095	25,613
Actual	2,960	359	9,419	26,569
<i>% Complete Compared to FY00 Con Plan</i>	155%	107%	155%	104%
Expenditures - FY 2001 - 2005				
Actual	\$12,563,321	\$1,028,082	\$3,189,608	\$2,858,046
Five Year Consolidated Plan	\$11,700,000	\$635,000	\$4,000,000	\$3,000,000

At the time of this report the City has completed the analysis of its performance for the first four (4) years in its current Five-Year Consolidated Action plan (FY 2006 to FY 2010), once again demonstrating that the City is well on its way to again meet and exceed its objectives:

Overview of CDBG Funded Activities	Housing	Economic Devmnt	Community Planning	Public Services	Public Facilities
Accomplishments - FY 2006 - 2010	Units	Clientele	People Assisted & Deliverables	Pe ople Served	CDBG Funde d Parks
Anticipated	1,050	627	6,095	21,575	5
Actual through Year Four	645	521	7,381	33,127	10
<i>% Complete Compared to Five-Year Plan</i>	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

RESOURCES

The following section describes federal, state, local and private funding and program resources, that the City of Cambridge anticipates utilizing with HUD appropriated funds, in all programs for the fiscal year ending June 30, 2011.

FEDERAL RESOURCES

AmeriCorps

This dynamic program provides 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 JAS 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 CHA 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.

CHA 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, including case management, 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 ("CHA") to make up the difference between the federally-determined allowable cost of managing and maintaining the agency's family and elderly public housing stock, and the amount of rent received. Operating subsidies have been significantly less in recent years than what is actually needed to operate the Agency's federal public housing developments. The CHA will continue working with industry groups and the Cambridge Congressional delegation to seek adequate funding for operating its federally subsidized public housing developments.

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.

Fair Housing Initiatives

The local Human Rights Commission receives an annual allocation of Fair Housing Assistance Program (FHAP) funds from HUD in support of their fair housing investigation and enforcement activities. The FHAP grants are allocated to local Fair Housing Agencies, on an as-needed basis, for their education and outreach work through the formula grant proposal system used. The amount of FHAP grant awarded is based on the number of housing complaints resolved in that particular fiscal year.

Family/Youth Services Bureau

Federal funding for street outreach to youth and young adults. This grant pays for the street outreach and related services furnished by Boston-based Bridge Over Trouble Water, which maintains a daily health van and street outreach presence in Cambridge's Harvard Square and operates pre- transitional and transitional housing programs serving homeless young adults ready to leave the streets.

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 loans to support the acquisition, new construction, and rehabilitation of affordable rental and homeownership housing units for low- and moderate-income households. These funds have also leveraged other public and private funds to help make new projects feasible.

HOME Match Contribution

Section 220 of the HOME Statute requires each that as a Participating Jurisdiction, the City is required to make match contributions on a Federal fiscal year basis. 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 that fiscal year, excluding certain expenditures that are not required to be matched. These include administrative/planning costs; CHDO operating expenses; CHDO capacity building; CHDO site control, technical assistance and seed money loans for projects that do not go forward; and amounts provided from sources other than State HOME funds to make up the shortfall between a local PJ's allocation and the threshold amount.

Each Field Office must use IDIS to determine the fiscal year match liability of each of its PJs. This data is contained in report number CO4PR33, which displays a PJ's total fiscal year disbursements, those disbursements requiring matching funds, and the match liability amount. In turn each PJ must submit a HOME match report (form HUD-40107-A) as part of its Consolidated Annual Performance and Evaluation Report (CAPER). Field Offices must determine compliance with the matching requirements as part of the CAPER review. The City of Cambridge produces a Match Report annually with the CAPERS Report.

HOPE Programs (HOPE I, HOPE IV, HOPE VI)

The HOPE VI program was developed as a result of recommendations by the National Commission on Severely Distressed Public Housing, which was charged with proposing a National Action Plan to eradicate severely distressed public housing. The Commission recommended revitalization in three general areas: physical improvements, management improvements, and social and community services to address resident needs. The activities funded by HOPE VI Revitalization grants include the capital costs of major rehabilitation, new construction, and other physical improvements; demolition of severely distressed public housing; management improvements; planning and technical assistance; and community and supportive services programs for residents.

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.

Low-income Housing Tax Credits

The Low-income Housing Tax Credit Program (LIHTC) provides financial support for the acquisition and rehabilitation or development of eligible rental projects for low and moderate-income households. As the types of projects funded with Low-income Housing Tax Credits are consistent with Cambridge housing goals, the City intends to support housing developers in their applications for credits in the coming year.

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 (MTW), the CHA and its non-profit affiliates, will continue developing new affordable housing units for low-income households whenever development and acquisition opportunities arise. Through acquisition and planned rehabilitation, the CHA has added over three hundred units of affordable housing to the City's housing stock. CHA's non-profits develop high quality buildings and scattered site condominiums serving some of the community's most vulnerable elders, individuals with disabilities and low-income families.

Public Housing Capital Funds

Federal capital funds provide a predictable flow of funds to the CHA for capital improvements at the Agency's public housing developments. Federal funding of public housing capital projects has been significantly reduced in recent years, requiring the CHA to delay, in some cases indefinitely, capital projects throughout the Agency's federal public housing portfolio. CHA will vigorously pursue any additional opportunities for funding for public housing development over the next five years to make up for diminished federal capital funds.

Public Housing Capital Grant

The program provides a predictable flow of funds to the Cambridge Housing Authority for capital and management improvements and for associated administrative costs

Public Housing Development

CHA will vigorously pursue any opportunities for funding for public housing development over the next five years, although none have been funded by Congress.

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 108 Loan Grantee Program Funds

Section 108 loan guarantees are used for activities that meet national CDBG objectives, which include (1) benefit low- and moderate-income families; (2) prevent or eliminate slums or blight; or (3) meet other urgent community development needs. Eligible activities include property acquisition; rehabilitation of publicly owned property; housing rehabilitation; economic development activities; acquisition, construction, reconstruction, etc. to preserve and create affordable housing for special populations.

Housing Choice Voucher Program (Local Leased Housing Program)

The HCVP ("Section 8") Program was developed to offer low-income households a chance to obtain units in privately owned buildings. Theoretically, the program's mobility promotes poverty deconcentration in urban neighborhoods and provides a desirable alternative to public housing developments. The program, under the aegis of the CHA, provides participants subsidies to rent private units throughout the City. The success of the program in Cambridge is in large part due to the regulatory flexibility granted CHA through its participation in the MTW program. MTW allows CHA to quickly adjust subsidy levels in response to fluctuations in the City's rental market in order to maximize the number of households accessing housing subsidies through the voucher program.

Currently, CHA's MTW participation allows it to exceed HUD's regulatory caps on a number of policies, including FMR levels, the percentage of any given building that can be project-based, and the total percentage of income a program participant can contribute towards housing. In very limited circumstances, the CHA has exceeded the FMR upset cap and/or allowed residents to contribute a higher percentage of their income than program rules would regularly allow. In aggressive pursuit of Project-Based units, the

CHA has been very successful in ensuring longer-term affordability of units in the City, determining on a case-by-case basis the number of units in any given development that should or can be project-based. At the end of the Demonstration, currently set at March 31, 2009, the CHA will need regulatory changes to continue this important work.

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.

Interest Reduction Payment (IRP)

Projects originally assisted under Section 236 of the National Housing Act, received a monthly Interest Reduction Payment (IRP) subsidy to reduce the effective mortgage interest rate. When these projects receive new financing the IRP payments can be severed from the original Section 236 mortgage and applied to the new financing. This can be done when preserving expiring use projects.

Condo Acquisition Program

The Cambridge Housing Authority (CHA) operates a condo acquisition program. Under this program, condominiums are purchased by the CHA and used as scattered-site affordable rental units for low-income tenants.

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.

Capital Improvement and Preservation Fund (CIPF)

DHCD administers this state-funded program that provides funds for the preservation of expiring use properties or for properties with expiring project-based rental assistance contracts. CIPF is a potential source of funds to preserve the affordability of the expiring use properties in Cambridge.

Commercial Area Transit Node Housing Program (CATNHP)

CATNHP is a state-funded bond program available to municipalities, non-profit and for-profit sponsors to support acquisition, rehabilitation and/or new construction of affordable first-time homebuyer and rental housing occurring within neighborhood commercial areas and in proximity to public transit nodes. Given the numerous public transit stations and bus stops in Cambridge, this is a potential source of funds for the development of affordable housing in the City.

Community Based Housing (CBH)

DHCD administers this program which provides funding for the development of integrated housing for people with disabilities, including elders, with priority for individuals who are in institutions or nursing facilities or at risk of institutionalization. CBH is a potential source of funding for new affordable units serving these populations in Cambridge.

Community Preservation Act: State & Locally Raised Funds

The Community Preservation Act is a new tool for communities to preserve open space, historic sites, and affordable housing. Signed into legislation by Governor Cellucci on September 14, 2000, the Community Preservation Act (CPA) is a local option that enables communities to establish a municipal Community Preservation Fund by local referendum. Monies collected for this fund are raised from a surcharge of up to 3% on

local property taxes. Cambridge adopted the Act at the 3% surcharge level in fall 2001 and is now eligible for state matching funds. The City's Affordable Housing Trust seeks to be increased through the Community Preservation Act (CPA) to approximately \$7.2 million annually. This will enable the City to maintain its production and ability to raise funds from other sources including federal, additional state, local, and private sources. The City's Affordable Housing Trust will utilize its CPA funds to create and preserve affordable housing.

Housing Innovation Fund (HIF)

Administered by the Department of Housing and Community Development, the HIF is a state funded program for non-profit developers to create and preserve affordable rental housing for special needs populations. HIF is a potential source of funds for the affordable units created in Cambridge for special needs populations.

Housing Stabilization Funds

The Housing Stabilization Fund (HSF) supports comprehensive neighborhood redevelopment efforts, and assists developers and municipalities acquire, preserve and rehabilitate affordable housing. With the HSF, the Massachusetts Legislature placed a special emphasis on using the HSF on redeveloping foreclosed and distressed properties and on creating affordable homeownership opportunities. HSF also includes a set aside for a SoftSecond Loan program, which creates homeownership opportunities for first-time homebuyers by subsidizing mortgages, or providing down payment or closing cost assistance. HSF is a potential source of funds for the City's affordable housing developments.

Massachusetts Affordable Housing Trust Fund (AHTF)

The Massachusetts Affordable Housing Trust Fund (AHTF) is designed to provide resources to create or preserve affordable housing throughout the state for households with incomes not more than 110% of the area median income, as determined by the U.S. Department of Housing and Urban Development (HUD). The AHTF is sited within the state's Department of Housing and Community Development and is managed by the Massachusetts Housing Finance Agency (MassHousing) with guidance and assistance from a 15-member Advisory Committee comprised of local officials, housing advocates, lenders and developers. The AHTF is a potential source of funds for the City's affordable housing developments.

Mass Housing Get the Lead Out Program

Through a partnership with the Departments of Public Health and Housing and Community Development, MassHousing provides an affordable way for income-eligible households to remove hazardous lead paint from their home.

Menotomy Weatherization Program

Funded through the State and a local utility company, this program replaces heating systems for low-income families.

Soft Second Loan Program

The Soft Second Loan Program is a mortgage product that reduces a borrower's monthly mortgage costs. Cambridge will request 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 will be used in conjunction with reduced rate first mortgage funds provided by area lenders for low-income buyers. The City anticipates that 10 low to moderate-income families will purchase units with Soft Second loans totaling approximately \$1,500,000.

State-Assisted Public Housing

The Commonwealth of Massachusetts assists 637 units of conventional public housing in Cambridge, with a total operating subsidy in fiscal year 2007 of \$1,446,755. Cambridge Housing Authority received approximately \$500,000 in funds for capital work at the Agency's state public housing developments. Unfortunately, neither the operating nor capital funds provided by the state were sufficient to cover the Agency's actual costs, forcing the Agency to use scarce federal subsidies to maintain its state public housing program.

The Cambridge Housing Authority also administers the Commonwealth's two rental voucher programs, providing subsidy for 175 households through the Alternative Housing Vouchers program (for disabled individuals) and the Massachusetts Rental Voucher Program. The Commonwealth provided the Cambridge Housing Authority with \$1,239,261 for its voucher programs. As in the public housing program, state support for its voucher programs did not cover actual costs and the Cambridge Housing Authority was forced to bolster the value of some state vouchers with federal subsidy.

While the recent past has seen a significant disinvestment by the state in its affordable housing programs, the Patrick administration's budget proposal for FY 2008 provides significant increases in funding for some of the state's housing programs. The CHA is

encouraged that state appear committed to increasing their commitment to the Commonwealth's long-neglected affordable housing programs.

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.

TOD Infrastructure and Housing Support Program (TOD Bond Program)

This program is intended to help create more compact, mixed-use, walkable development close to transit stations. To help accomplish this, this program will provide financing for housing projects, bicycle facilities, pedestrian improvements and parking facilities within a quarter mile of a commuter rail station, subway station, bus station, or ferry terminal. The TOD Bond Program is a new fund and, given the numerous public transit stations in Cambridge, is a potential source of funds for housing in Cambridge.

LOCAL RESOURCES

Affordable Rental and Homeownership Services

The City's Community Development Department (CDD) maintains a database of low and moderate-income households interested in affordable housing opportunities, and provides referrals regarding available housing units. In addition to marketing affordable units created through the City's First-time Homebuyers Program, CDD also assists nonprofit and for-profit developers with locating low-income buyers and renters for their affordable units. Free homebuyer classes and counseling are also offered to Cambridge residents.

Cambridge Affordable Housing Trust

The City established the Cambridge Affordable Housing Trust in 1989 to promote, preserve and create affordable housing. Since 1995, Cambridge has made significant contributions to increasing affordable housing by providing City funds in combination with matching funds under the Community Preservation Act. In FY2007, the Trust received \$10 million through the Community Preservation Act. The Trust lends these funds to local nonprofit housing development organizations to develop affordable housing. The Trust funds the Financial Assistance Program, a comprehensive first-time homebuyer program that provides direct financial assistance to eligible homebuyers. The Trust administers the Harvard 20/20/2000 Loan Fund in Cambridge. Under this Harvard University initiative, the Trust manages a \$6 million low-interest loan fund to provide low-interest loans for construction and permanent financing for the development of affordable housing. Commercial developers are also required to contribute to the Trust through the Incentive Zoning Ordinance. Passed by the City Council in 1988, the ordinance requires large commercial developers seeking a Special Permit to make a contribution of to the Cambridge Affordable Housing Trust Fund in the amount of \$4.25 per square foot.

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.

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)

CNAHS, an affiliate of Homeowner's Rehab, Inc., is a private non-profit corporation that is a partnership of property owners, tenants, lending institutions, and city officials. Its goal is to improve the condition of multi-family rental housing in Cambridge, without causing the displacement of existing tenants. In order to meet this goal, CNAHS provides technical and financial assistance to owners who wish to renovate their multi-family property and keep their units affordable.

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 work with tenants and owners of two expiring use properties and will continue to identify buildings at risk of being converted to market units, and work to preserve their long-term affordability.

Harvard Loan 20/20/2000 Initiative

In the fall of 1999, Harvard University announced the 20/20/2000 program. Through this initiative, Harvard provided \$10 million to the City for affordable housing development. Of these funds, \$6 million have been disbursed to the Affordable Housing Trust and \$4 million will be channeled through two non-profit groups to fund affordable housing projects in Cambridge. Currently, the Trust is using the funds to provide low-interest loans for construction and permanent financing for the development of affordable housing units.

Incentive Zoning Program

The Incentive Zoning Ordinance, passed by the City Council in 1988, requires commercial developers, who are seeking a Special Permit, to make a contribution to the Cambridge Affordable Housing Trust Fund. The housing contribution amount was increased to \$4.25 per square-foot in 2006.

Inclusionary Zoning Program

The City of Cambridge has an Inclusionary Zoning ordinance that requires any new or converted residential development with ten or more units to set-aside 15% of the total number of units as affordable units. The Community Development Department implements the program and monitors compliance with this ordinance. 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. Since the Ordinance was passed in 1998, more than 400 affordable units have been permitted in all areas of the City. Long-term affordability of these units is ensured by a permanent deed restriction.

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.

State Low Income Housing Tax Credits

The Massachusetts Legislature created the state Low Income Housing Tax Credit program in 1999 to supplement the federal program, since the demand for federal credits far exceeds the amount allocated to the state. State credits are limited to developments receiving federal low income housing tax credits and placed in service on or after January 1, 2001 and must remain affordable for at least 45 years. Developers apply for state credit allocations when they apply for federal tax credits and state credits are allocated using the same criteria as for federal.

Massachusetts Rental Voucher Program (MRVP)

MRVP is a state-funded rental assistance program that provides funds to low income households to help them bridge the gap between market rents for non-luxury apartments and what they can afford at 30-40% of their income. Because MRVP makes existing private units affordable, there is broad consensus among housing advocates that it is the best tool available to help homeless families and individuals to move from shelters to stable housing.

Massachusetts Historic Rehabilitation Tax Credit

Under the Massachusetts Historic Rehabilitation Tax Credit a certified rehabilitation project on an income-producing property is eligible to receive up to 20% of the cost of certified rehabilitation expenditures in state tax credits. There is an annual cap, so there are selection criteria that ensure the funds are distributed to the projects that provide the most public benefit. The Massachusetts Historical Commission certifies the projects and allocates available credits.

Community Economic Development Assistance Corporation (CEDAC)

CEDAC is a public-private, community development finance institution created by the Commonwealth of Massachusetts. CEDAC provides technical assistance, pre-development lending, and consulting services to non-profit organizations involved in housing development, workforce development, neighborhood economic development, and capital improvements to child care facilities. These organizations may include community or neighborhood development corporations, non-profit developers, and tenants' associations.

PRIVATE RESOURCES

Bank of America Foundation (B of A)

B of A is a private charitable foundation managed by the Bank of America. It accepts applications for funding from organizations to support activities consistent with its mission and interests.

Second Chance Program

Administered through Just-A-Start, this program offers low interest rates for refinancing of existing mortgages and rehab for income-eligible households that have credit history problems and own a one- to four-unit owner-occupied residential property in Cambridge.

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.

Federal Home Loan Bank Programs

The Federal Home Loan Bank (FHLB) manages a number of programs that support the acquisition and development of affordable housing projects. Cambridge nonprofits have been successful at receiving these funds in the past, and if suitable projects are under development, will apply for additional FHLB funds in annually.

Harvard Emergency Loan Program

The Harvard Emergency Loan Program is a revolving loan that provides funds to rehabilitate distressed multifamily properties, and has provided funds for the rehabilitation and acquisition of units developed by local non-profits. As part of the pilot negotiations with the City, Harvard is considering extending and recapitalizing this program.

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.

Anticipated Leveraged Resources for FY2011

FEDERAL SOURCES: (Non CDBG or HOME)	
AmeriCorps - Corporation for National Service (Fed)	\$271,753
Employment Resources Inc. (ERI) WIA (Fed)	\$140,700
YouthBuild USA & HUD	\$25,000
U.S. DOL YouthBuild	\$2,000
Commonwealth Corporation (ARRA)	\$100,000
HUD/Interest Reduction Program	\$1,250,534
subtotal Federal	\$1,789,987
STATE SOURCES:	
LIHTC(Tax Credits)	\$8,483,677
State HOME	\$1,000,000
DHCD	\$2,040,828
DHCD - Housing Stabilization Funds	\$419,172
State Department of Education - YouthBuild - State	\$147,336
Mass Housing	\$14,000,000
Mass Housing: Delead, etc.	\$60,000
Energy Funds (State)	\$300,000
subtotal State	\$26,451,013
LOCAL/CITY SOURCES:	
Cambridge Affordable Housing Trust	\$12,683,308
Cambridge Harvard 20/20	\$1,000,000
Cambridge Mayor's Program	\$15,000
Historical Commission	\$250,000
Historical CPA	\$90,000
RLF/Non Federal	\$80,000
Cambridge Hsg. Authority	\$15,000
Weatherization/Energy Star Programs	\$146,000
subtotal Local/City	\$14,279,308
NON PROFIT /OWNER EQUITY	
Owner Equity	\$350,000
Project Reserves	\$480,000
CNAHS	\$404,000
Revolving Loan Funds (RLF)	\$100,000
Fundraising	\$210,000
subtotal Profit / Owner Equity	\$1,544,000
PRIVATE FOUNDATIONS	
Associated Grant Makers (AGM)	\$19,800
Menotomy/Weatherization	\$50,000
Other	\$119,000
subtotal private	\$188,800
LENDING INSTITUTIONS	
Cambridge Savings Bank	\$4,113,722
subtotal Private Lenders	\$4,113,722
TOTALS	\$48,366,830

ESG MATCHING FUNDS

Agency	Program	FY2011 Grant	Total Leverage
Heading Home Inc.	Women's Drop In	\$ 14,000	\$ 73,366
Heading Home Inc.	Shelter Plus Care	\$ 20,000	\$ 32,725
CASPAR	Wet Shelter	\$ 18,000	\$ 113,500
Hildebrand	Family Shelter	\$ 9,000	\$ 12,000
Eliot Community Human Services	Bread & Jams Drop In Shelter	\$ 10,000	\$ 10,000
Salvacion Army	Shelter	\$ 0,000	\$ 07,000
Transition House	Battered Women Shelter	\$ 9,262	\$ 44,104
Catholic Charities	St. Patrick Women's Shelter	\$ 6,500	\$ 6,500
Phillips Brooks/UNILU	Harvard Square Shelter	\$ 3,500	\$ 59,384
Phillips Brooks House	St. James Summer Shelter	\$ 2,500	\$ 2,500
HomeStart	Cambridge Homeless to Housing	\$ 9,037	\$ 10,000
YWCA	Residence/ Shelter	\$ 5,000	\$ 5,000
Cambridge Cares about AIDS	Youth on Fire day drop in	\$ 10,000	\$ 54,876
City of Cambridge DHSP	MSC Family Housing Search & Stabilizat	\$ 7,000	
DHSP	Administration @ 5%	\$ 6,978	
Total		\$ 109,577	\$ 510,955

General Questions

1. *Describe the geographic areas of the jurisdiction (including areas of low income families and/or racial/minority concentration) in which assistance will be directed during the next year. Where appropriate, the jurisdiction should estimate the percentage of funds the jurisdiction plans to dedicate to target areas.*
 2. *Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA) (91.215(a)(1)) during the next year and the rationale for assigning the priorities.*
 3. *Describe actions that will take place during the next year to address obstacles to meeting underserved needs.*
-

Location

The Community Development Department at this time does not know specific locations for allocating funds for loans and/or grants through its Home Improvement Program (HIP) and Affordable Housing Development (AHD) projects as these funds are expended as eligible projects are identified citywide.

Economic Development programs target residents in Cambridge's two Neighborhood Revitalization Strategy (NRS) areas. 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.

Activities By Geographic Area

Cambridge intends to concentrate resources that benefit existing residents in the CDBG-eligible areas where the highest concentration of low and moderate-income households reside. 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. The following maps will show the specific areas of the City that will benefit from the various programs and services to be undertaken over the next year.

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.

In FY2011 the City will increase its efforts to seek additional grants and funding sources as the cost of performance outpaces the funding outlook.

Managing the Process

1. *Identify the lead agency, entity, and agencies responsible for administering programs covered by the consolidated plan.*
 2. *Identify the significant aspects of the process by which the plan was developed, and the agencies, groups, organizations, and others who participated in the process.*
 3. *Describe actions that will take place during the next year to enhance coordination between public and private housing, health, and social service agencies.*
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Lead Agency

The City's Community Development Department (CDD) has been designated the lead agency responsible for the development of the FY2011 One-Year Action 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 and other programs.

Significant Aspects of Developing the Plan

Development of the Plan involved working closely throughout the year with the Department of Human Service Providers (DHSP) and the Cambridge Housing Authority (CHA). 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.

Enhance Coordination

Cambridge will continue working to enhance coordination between public and assisted housing providers as well as private and governmental health, mental health and service agencies. This will be accomplished using both formal and informal networks that bring together public, private and nonprofit housing and service providers. These include groups such as the Cambridge Neighborhood Apartment Housing Services Board, which includes representatives from the Cambridge Housing Authority, non-profit agencies, and the City.

One approach to coordinating services is through contracts for program delivery. Cambridge Community Development has approximately \$2 million in annual contracts with nonprofit housing agencies for the operation of housing programs. This contractual

relationship, involving contact on a nearly daily basis, means that the nonprofits both operate programs on an ongoing basis, and are available to assist with policy and program development.

Cambridge has a number of successful groups and committees that currently work together to provide an effective delivery system for affordable housing production and services throughout the City. A variety of organizations, including the Housing Authority, Community Development Department, the Cambridge Department of Human Service Programs and nonprofit agencies, routinely collaborate on projects and participate in network meetings.

Since 1995, the Affordable Housing Development Working Group has been meeting monthly to coordinate affordable housing development projects throughout the City. This group is made up of staff from the Community Development Department, the Cambridge Housing Authority, Just A Start Corporation, Homeowner's Rehab, Inc. and CASCAP.

The Cambridge Affordable Housing Trust is a nine-member independent City board. Their responsibilities range from approving funding requests for housing development projects to assisting the City and the Community Development Department in developing new housing programs and policies. The City Manager who acts as managing trustee appoints its members. The board is made up of community members who are experts in the fields of real estate finance and development, affordable housing policy and design, and banking.

The Homeless Services Planning Committee comprise of social service providers in Cambridge. They meet each month to discuss social service needs in the City, and to facilitate coordination among social service providers. Members of this committee also include housing staff from the Community Development Department.

Cambridge is active in furthering fair housing in the city. The Cambridge Human Rights Commission investigates complaints of discrimination that occur in Cambridge -- in housing, employment, education and public accommodations, and works with HUD to enforce the Federal Fair Housing Act. The Commission also aids the City of Cambridge by educating both businesses and residents, and providing community outreach. As required by HUD, the Community Development Department has a Fair Housing Plan, which includes an Analysis of Impediments. The plan was developed in conjunction with many departments of the city, along with Cambridge Housing Authority. In addition, input was gathered from many of the nonprofit organizations in the city, including Just A Start Corporation, Homeowner's Rehab, Inc. and Cascap.

Citizen Participation

1. *Provide a summary of the citizen participation process.*
 2. *Provide a summary of citizen comments or views on the plan.*
 3. *Provide a summary of efforts made to broaden public participation in the development of the consolidated plan, including outreach to minorities and non-English speaking persons, as well as persons with disabilities.*
 4. *Provide a written explanation of comments not accepted and the reasons why these comments were not accepted.*
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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 in an on-going capacity with key non-profit organizations in encouraging the participation of the citizens they work with directly, including many of the low and moderate-income residents who are the primary targets of its 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. Advertisements for the availability of draft and final Plans will run one week prior to that event. 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.

City Council's Goals and Objectives

The City adheres to the overall goals established by the City Council in conjunction with extensive resident collaboration. The goals are the product of an in-depth bi-annual process that the City Council has followed since 1996. The Government Operations and Rules Committee is charged with overseeing the goal setting process for the Council.

Since 2000, the process has included a statistically valid telephone survey of the opinion of Cambridge residents with regard to city services and city government. The process also includes an opportunity for Cambridge citizens to gather together to voice their concerns and opinions about what the City Council should focus on in setting its goals. Beginning in 2010, the Government Operations and Rules Committee hosted a “World Café” – an interactive conversational format that allowed diverse and creative points of view about Cambridge’s needs to emerge as the public comment opportunity. A cross section of Cambridge residents spent the evening in a series of facilitated dialogues on the topic of “What is it important to focus on to improve life in Cambridge?”

The City Council used the information from the survey and the World Café in a two-session facilitated discussion hosted by the Government Operations Committee. This year the City Council focused on ensuring that for each of the Council’s broad, highly visionary and multiyear objectives, the Council delineated S.M.A.R.T. shorter term goals

(Specific, Measurable, Attainable, Results-Oriented and Time-Bound). Particularly in this time of economic uncertainty and a continuing decline in state and federal financial support, the City Council must ensure that Cambridge's resources go to support goals that are results-oriented with outcomes that can be seen and measured. The Council goals were adopted by the City Council on February 2, 2009. These objectives and goals will guide the annual budget planning process.

Comments Received

On Wednesday, February 3, 2010 the City held a Public Hearing to receive comments from the public and interested parties in the utilization of CDBG, HOME and ESG funds. The meeting was held in the City's planning offices and representatives of the CDBG management and Economic Development offices were present. Additionally, a Draft version of the FY2011 One Year Action Plan was made available to the public on March 17, 2010 to review. The Draft version of the Plan was available at the City's planning offices, the Central Square branch of the Cambridge Public Library and was posted online. A second Public Hearing was held on Wednesday, March 31, 2010 to solicit feedback from the public on the Draft version of the One-Year and Five-Year Plans. The Public was given until April 16, 2009 to comment on the Draft. The Public Hearing and Draft availability were advertised in the Cambridge Chronicle, Cambridge TAB and on the City's website. No comments were received.

Institutional Structure

1. *Describe actions that will take place during the next year to develop institutional structure.*
-

Actions to Further Develop Institutional Structure

Cambridge will continue its efforts in FY2011 to further develop the City's institutional structure to support its ongoing commitment to affordable housing, community services and a healthy economic base.

As property prices continue to appreciate 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 gap in resources 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 through the annual Consolidated Plan process.

Please also see the Cambridge Housing Authority "Moving to Work" Annual Plan in the Appendix of this document.

Enhance Coordination

Cambridge will work to enhance coordination between public and assisted housing providers as well as private and governmental health, mental health and service agencies. This will be accomplished using both formal and informal networks that bring together public, private and nonprofit housing and service providers. These include groups such as the Cambridge Neighborhood Apartment Housing Services Board, which includes representatives from the Cambridge Housing Authority, non-profit agencies, and the City.

One approach to coordinating services is through contracts for program delivery. Cambridge Community Development has approximately \$2 million in annual contracts with nonprofit housing agencies for the operation of housing programs. This contractual relationship, involving contact on a nearly daily basis, means that the nonprofits both operate programs on an ongoing basis, and are available to assist with policy and program development.

Cambridge has a number of successful groups and committees that currently work together to provide an effective delivery system for affordable housing production and services throughout the City. A variety of organizations, including the Housing Authority, Community Development Department, the Cambridge Department of Human Service Programs and nonprofit agencies, routinely collaborate on projects and participate in network meetings.

Since 1995, the Affordable Housing Development Working Group has been meeting monthly to coordinate affordable housing development projects throughout the City. This group is made up of staff from the Community Development Department, the Cambridge Housing Authority, Just A Start Corporation, Homeowner's Rehab, Inc. and CASCAP.

Monitoring

1. *Describe actions that will take place during the next year to monitor its housing and community development projects and ensure long-term compliance with program requirements and comprehensive planning requirements.*
-

Housing

The City of Cambridge achieves its affordable housing production and service goals by offering housing programs and by supporting non-profit housing agencies. These agencies operate homeowner and rental unit rehab programs for income-eligible households and develop affordable ownership and rental housing. The City supports these programs of the local agencies through annual contracts and through direct project funding. The City monitors housing rehabilitation, new construction activity and all other community development activity carried out by the agencies in a variety of ways to ensure strict compliance with applicable HUD regulations and program guidelines.

On a monthly basis, the City reviews sub-grantee operating expenses by examining bills and supporting documentation for monthly program expenditures, including administrative and construction costs.

Quarterly, the agencies report on housing activities undertaken with City funds. The homeownership and rental rehab programs submit progress, financial, and case activity reports each quarter. This reporting allows the City to monitor both the agency performance and the rehab or construction activity. It also assists the City in reporting the performance measurements at the end of the year.

Throughout the year, the City and the agencies work together to identify and evaluate buildings and sites for the development of affordable housing. The City reviews project feasibility in addition to considering all available funds against the needs of the existing projects in the pipeline. At this time, the City discusses with the agency the requirements a project must follow if CDBG or HOME funds are used in a project.

Annually, the City conducts regular site visits to monitor the programs and the rental affordable housing developments supported by HUD funds. Programmatic monitoring includes the review of an agency's financial management systems and their files and records of projects supported with HOME funds completed in the past year. Rental developments are monitored through the review of tenant files to ensure that income eligibility requirements are satisfied and through property inspections to ensure Housing Quality Standards are met. This system of monitoring is built into the City's asset management system, and is conducted as prescribed by HUD. Each year the Housing Division conducts property inspections on 10% to 15% of the units in its affordable housing stock using the schedule below:

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 City plans to conduct an on-site monitoring assessment of the program activities of the sub-recipient on a set, periodic basis (once a year) in order to ensure strict compliance with economic development program guidelines. The program assessment will look at the sub-recipient's progress in meeting goals and objectives, reporting compliance concerning timeliness, accuracy and supporting documentation, and meeting all requirements set forth in the sub-recipient agreement between the City and the sub-recipient.

On an annual basis, the City will receive and review a full copy of the sub-recipient's annual audit with management letter, if performed.

On an ongoing basis, the City will review the schedule of planned and completed programs for the contract cycle and copies of staff time sheets and expenditure reports (where applicable), for each Block Grant funded program

Prior to the commencement of programs or workshops, the City will review copies of marketing materials for all programs and activities, distribution lists, and progress reports on pre-development outreach activities. Depending on the program, the City will assist with advertising and marketing to eligible Cambridge participants. At least one week prior to the commencement of a program or workshop, the City will review pertinent qualification records including a list of eligible NRS participants' addresses, and signed family income certification forms, both from micro-enterprises and individuals.

After the completion of a workshop or other program activity, the City will review all sub-recipient personnel and non-personnel operating expenses by examining invoices and supporting documentation for program expenditures, outreach, and general and administrative expenditures, as well as program income, if any. The City will ensure that invoices agree with contract terms and are accompanied by program summary reports, when applicable.

For programs in which the City actively engages in the distribution of services, the City will initiate and conduct workshops, including hiring consultants when necessary, conducting outreach activities, reviewing, accepting, and filing original applications (family income certification forms), scheduling and attending individual consultations, and monitoring the number of program participants receiving consultant services. The City will also monitor the receipt of post-consultation written reports from the consultants to the participants, making sure that they are received in accordance with a pre-set

schedule outlined in the contract. The City will distribute the reports to program participants.

Public Services

The Federal Grants Management Division conducts a thorough monitoring process of all CDBG recipients during the course of each contract year. This process includes several approaches and is outlined below.

Site visits of CDBG recipients are conducted by the Federal Grants Management Division on a yearly basis and involve the following:

- Meeting with CDBG recipient on site to review contract compliance, program and agency management;
- Reviewing clients' files to ensure recipient's compliance with HUD income eligibility requirements;
- Reviewing recipient's capacity in collecting and reporting "client's demographic data" as mandated per HUD guidelines; and providing technical assistance as needed;
- Reviewing the "proposed" number of unduplicated clients to be served by the program against the "actual" number reported by recipients; and discussing the need to reassess these figures where discrepancies and/or inconsistencies are identified;
- Reviewing recipient's progress in meeting its "outcome and performance measures" as identified on its Workplan/Scope of Services; and providing technical assistance with this process where needed;
- Discussing new trends with clients' needs as identified by recipients;
- Reviewing recipient's need for ongoing CDBG funding and identifying impacts upon the program if funding were to be reduced or eliminated;
- Identifying and addressing areas of concerns in order to ensure recipient's compliance with all of HUD mandated rules/regulations and with the Department's requirements; and
- Observing programs such as summer camps, life-skills workshops, math literacy workshops, food pantries, shelters; and visiting the facilities.

The Federal Grants Management Division prepares a final monitoring report that synthesizes the information gathered during the site visit; and forward a copy of the report to each CDBG recipient. The report includes a "Monitors' Result/Summary" section that summarizes the monitor's assessment of the site visit and identifies any issues/concerns to be addressed by each recipient, with the assistance of the monitor if necessary.

Financial monitoring of CDBG recipients occurs as follows:

- Reviewing CDBG recipient's monthly/quarterly invoices and supporting documentation to ensure that all costs correspond to project services as outlined in

- recipient's contract budget; and conducting random review of invoices during site visits where applicable;
- Collecting and reviewing data on program income and the supporting documentation provided by recipient that collects clients' fees for services supported with CDBG funds;
- Collecting and reviewing the following recipient's documentation: its most recent audited financial statements, together with Management Letters, Corrective Action Plan; as well as a copy of its Single Audit 133 if recipient receives revenues over \$500,000 in Federal funds annually; and
- Collecting and reviewing a board-approved Organizational Budget from recipient with revenues of \$99,999 or less that are not required to complete and audit or account review.

Ongoing review by Federal Grants Management Division of quarterly and semi annual reports submitted by CDBG recipients:

- Quarterly Reports: at the end of each quarter, CDBG recipients submit a report with the following information: the "total number of unduplicated clients served" during this period by their CDBG-supported programs; all corresponding data on clients' demographic including residential, income, and race/ethnicity as mandated per HUD guidelines; updated data on Units of Services provided during this quarter and as identified on recipients' contract agreement; and where applicable, data on clients serviced who are also residents of areas identified as Neighborhood Revitalization Strategy (NRS) in the City of Cambridge;
- Semi-Annual Reports: every six months, CDBG recipients submit an expanded version of the Quarterly Report that includes the following additional information: recipients' update in meeting their goals and objectives as outlined on their contracts' Scope of Services/Workplans; recipients progress in reaching their outcomes as outlined on their contracts' Scope of Services/Workplans; an update in recipients' outreach and fundraising efforts; current statistics on program staffing; and other administrative information; and
- Follow-up: upon review of the reports, the Federal Grants Management Division proceeds to contact recipients to clarify any discrepancies and/or incomplete client data identified on their reports where applicable.

At the end of the contract year, the Federal Grants Management Division compiles all client demographic data reported by the CDBG recipients on their quarterly and semi-monthly reports and prepares a comprehensive clients' statistical report that becomes part of CAPERS (a mandated yearly HUD report).

The monitoring process is further enhanced by regular contact between the CDBG grants manager and the CDBG recipients as follows:

- Ongoing communication with CDBG recipients maintained via phone, electronic mails, written correspondence, and meetings as needed; and
- Ongoing provision of technical assistance to ensure recipients' compliance with HUD mandated rules/guidelines and Department's regulations.

Emergency Shelter Grant

As part of its on-going monitoring of ESG recipients, the City's ESG grants manager uses a three-pronged approach including a mix of regular phone contact, monthly financial record review, and as needed, on-site monitoring visits.

Financial monitoring of recipients occurs monthly when bills are submitted. Invoices and billing statements are checked to ensure that spending is only occurring on eligible activities and importantly, funding limits on essential services, operations costs, homeless prevention activities, and administrative costs are all in compliance with HUD mandated rules.

Grant recipients must both submit their most recent audit and be in the process of implementing the HMIS data collection required by HUD for McKinney-Vento funding. Further contact with ESG funded agencies occurs at the monthly Cambridge Continuum of Care Homeless Services Providers meetings held at the City's Multi-Service Center for the Homeless. Annually, the ESG grants manager attends consumer forums to hear the view point of clients receiving services from ESG funded programs. If any concerns are raised during these forums, the City will follow up with the agency to ensure any issues are resolved.

On a quarterly basis, all ESG funded agencies must submit the number of new clients coming into their programs. If the number of beneficiaries served is well under or over target for the period, agencies are contacted for further information. At the end of the grant year, recipients of awards must complete and sign a two page monitoring form, which is used to assess the performance of the program for that year and then is fed into the CAPERS report.

Fiscal

On an ongoing basis the Fiscal Office receives, reviews and processes invoices for charges of sub-recipients. The review ensures that invoicing is done in accordance with the terms of the Agreement, applicable law, rules and regulations.

Monthly "desk audit" monitoring of programs is performed to track the timeliness of expenditures.

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 and CDBG management division receives and reviews reports of sub-recipients concerning the activity of revolving loan funds for which they have the charge to administer.

Every other year 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-based Paint

1. *Describe the actions that will take place during the next year to evaluate and reduce the number of housing units containing lead-based paint hazards in order to increase the inventory of lead-safe housing available to extremely low-income, low-income, and moderate-income families, and how the plan for the reduction of lead-based hazards is related to the extent of lead poisoning and hazards.*
-

FY2010 marked the end of Cambridge's LeadSafe Division at the Community Development Department. The Division was previously funded through HUD's Healthy Homes and Lead Hazard Control NOFA, and as their grant application was denied in 2009 the City determined that phasing out LeadSafe as a Community Department Division was necessary.

De-leading efforts continue, however, through the ***MassHousing Get the Lead Out Program***. As part of the standard rehabilitation work done on low and moderate-income residential units the City's non-profit partners utilize this program in conjunction with their CDBG funds. ***Get the Lead Out*** is run as a partnership with the Massachusetts Departments of Public Health and Housing and Community Development.

HOUSING

Specific Housing Objectives

**Please also refer to the Housing Needs Table in the Needs.xls workbook.*

1. Describe the priorities and specific objectives the jurisdiction hopes to achieve during the next year.
 2. Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by this Action Plan.
-

Objective #1:

Create new affordable rental units that are targeted for extremely low, low and moderate-income families and individuals.

Analysis

The City of Cambridge supports the creation of new affordable rental units throughout the city. New affordable rental housing may be created through: new construction, the acquisition and conversion of non-residential structures to affordable housing, the acquisition and conversion of market-rate rental housing to affordable housing, and through the City's Inclusionary Housing Program. Due to the high levels of public investment required for acquisition and development of new affordable units, non-profit ownership is a key part of this strategy as is the use of long-term deed restrictions to ensure affordability.

According to 2000 Census data, small and large families comprise 25% of extremely low-income rental households in Cambridge. Of these, 70% are paying more than thirty percent of their incomes for rent and over half (55%) are paying more than fifty percent of their incomes. Of low-income renters, small and large families make up 38% of rental households. For this group, 59% are paying more than thirty percent for housing and 21% are paying more than fifty percent. As rents have risen steadily during the previous five years and have remained well beyond the reach of families earning at or below 80% of AMI (\$1,700 for a two-bedroom unit in 2004 to \$2,470 in 2009 according to Community Development Department estimates), a key goal of the City remains ensuring access to affordable units where low and moderate-income households, particularly families with children, can remain in the community paying rents that are affordable to them.

Number of Households to be Served

During fiscal year FY2011 the City of Cambridge will work to create **40** new affordable rental units. New units will be created through new non-profit development of affordable units, and creation of units required under the Inclusionary Zoning Ordinance. Although the CDBG and HOME programs allow assistance to households with annual incomes up

to 80% of area median income, a substantial proportion of rental units assisted will be rented to tenants with incomes at or below 60% of area median. The availability of additional rental assistance such as Housing Choice (Section 8) Vouchers will be essential in working toward this goal. With high acquisition, construction, and development costs, and continuing uncertainty in the equity yields through the Low-Income Housing Tax Credit program, the most important funding mechanism for the production of new affordable rental housing, it is extremely difficult to create new housing in this housing market and ensure that it be affordable to low and moderate-income households without this assistance. (Note: these goals are based on Community Development Department's annual production goals)

Expected Resources:

Federal Funds

Community Development Block Grant Program
HOME Program
Low Income Housing Tax Credits
Section 108 Loan Guarantee
Housing Choice (Section 8) Vouchers

State Funds

Mass. Department of Housing and Community Development (State-Funded Affordable Housing Production Programs)
MassHousing (previously Massachusetts Housing Finance Agency)

Local Funds

Cambridge Affordable Housing Trust
Incentive Zoning Ordinance
Cambridge Historical Commission
Private Lenders

Resources and Strategies:

Community Development Block Grant Program: The Community Development Block Grant Program (CDBG) is used for the acquisition and rehab of existing rental properties by the network of local non-profit housing organizations. CDBG funds can be used when a minimum of 51% of the existing tenants are low or moderate-income, or if the property is located in a predominantly low-income neighborhood. Sponsored programs:
Affordable Housing Development Delivery/Sub-recipients

HOME Program: The HOME Program is used to fund the acquisition and rehabilitation of rental properties through the City's Community Housing Development Organizations (CHDO) and other non-profit housing groups. The funds are used primarily in properties

that are owned and managed by non-profit sponsors. Sponsored programs: Affordable Housing Development and Community Housing Development Organizations.

Inclusionary Housing: The City of Cambridge has an Inclusionary Zoning Ordinance that requires any new or converted residential development with ten or more units to set aside 15% of the total number of units as affordable units. The Community Development Department implements the program and monitors compliance with this ordinance. The 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. Since the Ordinance was passed in 1998, more than 459 units have been permitted in all areas of the City. Long-term affordability of these units is ensured by a permanent deed restriction.

Low Income Housing Tax Credits: The Low Income Housing Tax Credit Program (LIHTC) targets construction or acquisition and substantial rehabilitation of low-income rental housing, as well as special needs housing and low-income housing preservation. This federal program, which is operated by the Massachusetts Department of Housing and Community Development (DHCD), awards federal tax credits to investors in low-income housing raising equity for projects. The LIHTC program has been a critical resource to assist in meeting the City's affordable rental housing goals.

Section 108 Loan Guarantee Program: The City is able to borrow up to five times the amount of its annual CDBG grant under the provisions of CDBG's Section 108 Loan Guarantee Program. The loan proceeds can be used for housing and economic development related subset of CDBG eligible activities.

Housing Choice Voucher (Section 8) Rental Assistance: Project-Based Housing Choice Vouchers are intended to provide subsidy tied to a specific apartment that needs rehabilitation. In exchange for the long-term commitment of rental subsidy, the owner agrees to lease these units to extremely low and low-income households. The City's non-profit housing development organizations and the Cambridge Housing Authority work closely to create Project-Based units that are affordable to extremely low and low-income households. The availability of funds for new rental assistance is essential to meet the goals of this Consolidated Plan. Without it, the goals would be very difficult, if not impossible, to attain.

State Affordable Housing Production Programs: Administered through the Massachusetts Department of Housing and Community Development (DHCD), the Housing Innovations Fund (HIF), the Housing Stabilization Fund Program (HSF), and the Commercial Area Transit Node Housing Program (CATNHP) support acquisition, construction and/or rehabilitation of affordable housing development. HIF is a state funded program for non-profit developers to create and preserve affordable rental housing for special needs populations. The HSF program has been used successfully to support rental housing production in the City. CATNHP is a state-funded bond program available to municipalities, non-profit and for-profit sponsors to support first-time homebuyer housing, rental housing production, or rehabilitation occurring within neighborhood commercial areas in proximity to public transit nodes. DHCD also

administers State HOME funds, which the City's non-profit housing providers use for the acquisition, rehabilitation, and new construction of affordable rental units. The Transit Oriented Development Infrastructure and Housing Support program, another potential source of funds, supports housing development in transit nodes.

MassHousing: The state's affordable housing bank, MassHousing lends money at rates below the conventional market to support affordable rental and home ownership opportunities for low- and moderate-income residents of Massachusetts. MassHousing relies on private non-profit and for-profit developers and management companies to build and operate the rental housing that they finance.

Cambridge Affordable Housing Trust: The City established the Cambridge Affordable Housing Trust in 1989 to promote, preserve and create affordable housing. In FY2010, the Trust was allocated more than \$7 million in Community Preservation Act (CPA) funds. The CPA funds are a result of Cambridge property tax surcharge that is matched by state funds. The Trust lends these funds to local non-profit housing development organizations to develop affordable housing. The Trust also funds comprehensive first-time homebuyer programs operated by the City. The Trust supports housing production in several ways, including non-profit acquisition of multifamily buildings and incentives for private owners. The Trust also administers the Harvard University 20/20/2000 Loan Fund, a \$6 million low-interest loan fund available affordable housing development. With these funds, the Trust makes low-interest loans for construction and permanent financing for the development of affordable housing.

The Incentive Zoning Ordinance: The Incentive Zoning Ordinance, passed by the City Council in 1988, requires commercial developers, who are seeking a Special Permit, to make a contribution to the Cambridge Affordable Housing Trust Fund. The housing contribution amount was increased to \$4.38 per square-foot in 2008.

Non-Profit Affordable Housing Acquisition and Development: With financial support from the Trust, the City's non-profit housing organizations and the Cambridge Housing Authority create new affordable rental housing that is protected through long term deed restrictions. This housing is created through a variety of mechanisms, including acquisition of existing multi-family buildings, such as formerly rent-controlled properties; new construction; acquisition of individual condominium units and the conversion of non-residential structures to housing.

Condo Acquisition Program: The Cambridge Housing Authority (CHA) operates a condo acquisition program. Under this program, condominiums are purchased by the CHA and used as scattered-site affordable rental units for low-income tenants.

City-owned Land and Adaptive Reuse: The City of Cambridge supports both the use of City-owned land and the adaptive re-use of non-residential buildings for new affordable housing units. These opportunities are limited by several factors. Cambridge is a densely built-up city with few vacant sites and the available vacant buildable sites are very expensive. The City owns very little unused land and there are not many obsolete

institutional or commercial buildings. However, as development opportunities become available, Cambridge is committed to providing financial support and/or technical assistance to facilitate their conversion to affordable rental and ownership units.

Cambridge Historical 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. The commission also makes grants for rehab of affordable housing in historic buildings.

Objective #2:

Increase affordable homeownership opportunities for first-time low and moderate-income buyers.

Analysis

While the real estate market has stabilized in recent years after dramatic increases in the early 2000's, condominium unit prices remain out of the reach of low- and moderate-income first-time homebuyers in Cambridge. Condominiums present the lowest-priced ownership opportunities in the city, however are out of reach for many. Currently, a household annual income of \$101,212 is needed to support the \$415,000 median price of a condominium in the City. Prices have not dropped significantly in Cambridge as they have in other communities due to the continuing high demand to live in Cambridge among market buyers.

Although there are few, if any, options in the market for low and moderate-income homebuyers in Cambridge, the City has had success assisting more than 260 low, moderate, and middle-income buyers purchase City-assisted affordable homes in the last five years. Historically low mortgage rates have helped many long-term renters become homeowners, fixing their housing costs and allowing them to achieve modest returns on equity in deed restricted units. All buyers are required to participate in the City's first-time homebuyer education and counseling program, and work with City staff as they obtain mortgage commitments and purchase their homes. Many buyers move into homeownership from affordable rental units which are then available to serve new households from rental waiting lists.

City support for first-time homebuyer programs includes homebuyer education and counseling services, the First-time Homebuyer Financial Assistance program, HOME and CDBG funding for downpayment and closing cost assistance, assistance with accessing low cost mortgages (for example, the Soft Second Loan Program). The City also allocates substantial resources to the non-profit development of limited equity condominium units for first time buyers, and assists owners of deed restricted homeownership units sell to eligible new buyers.

The pool of potential low and moderate-income first-time homebuyers in Cambridge continues to be strong. Many applicants are now facing another challenge with banks using stricter lending standards in response to the credit crisis and recession. While housing prices have decreased and the City has offered an unprecedented number of homeownership units to first-time homebuyers in recent years, only those with the best credit scores have access to mortgage financing. Access to responsible mortgage financing will remain an issue for many buyers with past credit issues.

Number of Households to be Served

During FY2011, the City of Cambridge will work to assist **30** homebuyers in purchasing affordable homeownership units. New buyers will be served by units created by new non-profit development of affordable units, creation of units required under the Inclusionary Zoning Ordinance, the City's Financial Assistance Program, and resale of affordable limited equity units to new homebuyers. The majority of first-time homebuyers assisted will have annual incomes between 50-80% of area median income. Although there is no restriction on assisting buyers with lower incomes, it is more difficult for those households to obtain mortgage financing. The City will continue to offer assistance to middle-income homebuyers with non-federal funding. (Note: these goals are based on Community Development Department's annual production goals)

Expected Resources:

Federal Funds

Community Development Block Grant
HOME Program

State Funds

Mass. Department of Housing and Community Development (State-Funded Affordable Housing Production Programs)
MassHousing (previously Massachusetts Housing Finance Agency)
Massachusetts Housing Partnership Fund (Soft Second Loan Program)

Local Funds

Cambridge Affordable Housing Trust
Private Lenders

Strategies and Resources:

Community Development Block Grant Program: CDBG funds can be used for the acquisition and rehab of homeownership units. Sponsored programs: Affordable Housing Development Delivery/Sub-recipients

HOME: The HOME Program has been used successfully to reduce the acquisition cost of Cambridge properties to ensure their affordability to low and moderate income first time homebuyers. HOME funds may also be used to write down the price of ownership units to make them affordable for low-income households.

State Affordable Housing Production Programs: Administered by the Massachusetts Department of Housing and Community Development (DHCD), the Housing Stabilization Fund Program (HSF) and the Commercial Area Transit Node Housing Program (CATNHP) support acquisition, construction and/or rehabilitation of affordable

housing development. The HSF program has been used successfully to support housing production in the City. CATNHP is a state funded bond program available to municipalities, non-profit and for-profit sponsors to support first-time homebuyer housing rental housing production or rehabilitation occurring within neighborhood commercial areas and in proximity to public transit nodes. DHCD also administers federal HOME funds, which the City's non-profit housing providers use for the acquisition, rehabilitation, and new construction of affordable units. The Transit Oriented Development Infrastructure and Housing Support program, another potential source of funds, supports housing development in transit nodes.

Soft Second Program: The Soft Second Program, administered by Massachusetts Housing Partnership (MHP), offers a second mortgage to low- and moderate-income first-time homebuyers, to reduce their first mortgage amounts and to lower their initial monthly costs. The borrower pays the entire principal and interest on the first mortgage. The principal payments on the second mortgage are deferred for 10 years and a portion of the interest costs for eligible borrowers is paid by public funds.

Non-Profit Affordable Housing Development: With financial support from the Trust, the City's non-profit housing organizations create new affordable homeownership housing that is protected through long-term deed restrictions. This housing is created through a variety of mechanisms, including acquisition of existing multi-family buildings; new construction; acquisition of individual condominium units and the conversion of non-residential structures to housing.

Cambridge Affordable Housing Trust: The City established the Cambridge Affordable Housing Trust in 1989 to promote, preserve and create affordable housing. In FY2010, the Trust received more than \$7 million through the Community Preservation Act. The CPA funds are a result of Cambridge property tax surcharge that is matched by state funds. The Trust lends these funds to local non-profit housing development organizations to develop affordable housing. The Trust funds the Financial Assistance Program, through which direct financial assistance of up to \$130,000 is provided to eligible homebuyers. The Trust also administers Harvard University's 20/20/2000 Loan Fund, a \$6 million low-interest loan fund to provide low-interest loans for the development of affordable housing.

Homebuyer Classes and Counseling: The City offers free homebuyer classes ten times a year. Potential buyers attend four two-hour sessions covering issues such as credit, finding a home, qualifying for a mortgage and the purchase process. Class graduates are eligible for individual counseling to help them tailor a plan for achieving homeownership. Mortgage products for first-time homebuyer and City affordable housing programs require individuals to complete the first-time homebuyer course in order to receive assistance.

Inclusionary Housing: The City of Cambridge has an Inclusionary Zoning Ordinance that requires any new or converted residential development with ten or more units to set aside 15% of the total number of units as affordable units. The Community Development

Department implements the program and monitors compliance with this ordinance. The staff works with private developers to design and implement the marketing and sale of units to low and moderate-income Cambridge residents. Since the Ordinance was passed in 1998, more than 459 affordable units have been permitted in all areas of the City. Long-term affordability of these units is ensured by a permanent deed restriction.

Financial Assistance Program for First-time Homebuyers: The City provides financing of up to \$130,000 to eligible first-time homebuyers who purchase homes in Cambridge. This assistance is available to residents earning up to 100% of the area median income who have graduated from the City's First-time Homebuyer class, and is combined with individual homebuyer counseling from City staff to help families become homeowners. Units remain affordable under the terms of a permanent deed restriction held by the City.

Downpayment and Closing Cost Assistance: The City offers downpayment and closing cost assistance to income-eligible first-time homebuyers purchasing a home in Cambridge. Qualified buyers are eligible for assistance in an amount of up to 6% of the purchase price, or \$10,000, whichever is greater. This assistance is in the form of a forgivable loan, with 20 percent of the grant forgiven each year over a five-year period provided the buyer uses the home as their primary residence.

Limited Equity Unit Resales: When existing limited equity units become available for resale by the existing owner, the Community Development Department and local non-profit agencies make these units available to eligible new homebuyers. The resale of affordable owner-occupied units is controlled through deed restrictions that limit the price and target the availability of these units to income-eligible buyers. On average, ten to twelve units get resold each year.

Local Banks: Many small local banks have excellent programs for first-time homebuyers. The City and non-profit housing agencies have successfully partnered with these lending institutions for many years to help low and moderate-income residents become homebuyers.

Objective #3:

Preserve affordable rental housing opportunities, and enhance access for extremely low, low and moderate-income renters.

Analysis

Cambridge is a dense, built-up city with relatively little vacant land and limited redevelopment opportunities. As a consequence, many of the most cost-effective opportunities for promoting affordable housing are in the existing stock. Supporting the rehabilitation of public, privately owned and non-profit owned units, is a large part of Cambridge's effort to preserve existing affordable units.

Cambridge has an older housing stock and consists of a high percentage of rental units. Even though the 2000 Census shows that only a small percentage of housing units in the city are unsuitable for rehabilitation, a need to improve the condition of the rental housing and preserve its affordability still exists. Of the rental units, 52% have extremely low, low and moderate-income households. According to the 2000 Census, 63% of all extremely low, low and moderate-income renters in Cambridge are paying more than 30% of their household income for rent, while 35% are paying more than 50%.

A combination of continuous demand and a relatively fixed supply of affordably-priced housing units have led, over the years, to significantly increased rental costs in Cambridge. Although condominium conversions have slowed recently after a long period of high number of conversions that began with the end of rent control, they are continuing and add to the loss of rental units in the city. As a result the housing costs in Cambridge remain beyond the reach of many of the City's residents, especially low income residents and those who have been displaced as a result of condo conversion in recent years.

Maintaining the stock of affordable rental housing in the city is a key goal of the City. Existing affordable units may be at risk due to expiring affordability restrictions, changes in available subsidies for operating support, or need for capital reinvestment to ensure continued viability of buildings. The City will work closely with the Cambridge Housing Authority, non-profit and private owners to ensure affordable housing units remain viable and available. The City will also work closely and support the CHA as endeavors to preserve the viability of its underfunded state-funded public housing through a variety of innovative strategies.

The City supports the preservation of privately-owned affordable rental housing through both working directly with private owners and by supporting non-profit organizations that purchase rental properties to preserve affordability. Given Cambridge's desirability, buildings with expiring use restrictions may be at-risk for conversion to market-rate housing without City and non-profit intervention. The City remains committed to

working with owners and stakeholders to preserve affordability wherever possible, including providing City assistance to ensure long-term affordability..

Number of Households to be Served:

During FY2011, the City of Cambridge will work to preserve the affordability and viability of **158** affordable rental units. This goal will be accomplished through a combination of activities including non-profit acquisition of existing affordable units, revitalization of affordable housing in need of reinvestment, preservation of affordability of housing with expiring use restrictions, and rehab assistance for owners of small multi-family properties. The City will also work to purchase existing rental housing that, while not subject to regulatory agreements, has historically been an affordable resource for lower-income families to ensure its continued affordability. These units are often lost as rental housing when converted to condominiums. (Note: these goals are based on Community Development Department's annual production goals)

Although the CDBG and HOME programs allow assistance to households with annual incomes up to 80% of area median income, a substantial proportion of rental units assisted will be rented to tenants with incomes at or below 60% of area median income.

The availability of rental assistance will be essential in working in achieving this goal. With the current barriers to affordable housing production and preservation, including continued high acquisition and rehab costs, and continued uncertainty in the equity yields through the Low-Income Housing Tax Credit program, it is extremely difficult to preserve housing in this market and ensure that it be affordable to low and moderate-income households without this rental assistance.

Expected Resources:

Federal Funds

Community Development Block Grant Program
HOME Program
Low Income Housing Tax Credits
Section 108 Loan Guarantee Program
Housing Choice Voucher (Section 8) assistance

State Funds

Mass. Department of Housing and Community Development (State-Funded Affordable Housing Production Programs)
MassHousing (previously Massachusetts Housing Finance Agency)
CEDAC

Local Funds

Cambridge Affordable Housing Trust

Cambridge Neighborhood Apartment Housing Services (CNAHS)
Private Lenders

Strategies and Resources:

Community Development Block Grant Program: The Community Development Block Grant Program (CDBG) is used for the acquisition and rehab of existing rental properties by the network of local non-profit housing organizations. CDBG funds can be used when a minimum of 51% of the existing tenants are low or moderate-income, or if the property is located in a predominantly low-income neighborhood. Sponsored program: Cambridge Neighborhood Apartment Services

HOME Program: The HOME Program is used to fund the acquisition and rehabilitation of rental properties through the City's Community Housing Development Organizations (CHDO) and other non-profit housing groups. The funds are used primarily in properties that are owned and managed by non-profit sponsors. Private owners of rental properties have been reluctant to make use of HOME funds due to the extensive program regulations and monitoring requirements.

Low Income Housing Tax Credits: The Low Income Housing Tax Credit Program (LIHTC) targets construction or acquisition and substantial rehabilitation of low-income rental housing, as well as special needs housing and low-income housing preservation. This federal program, which is operated by the Massachusetts Department of Housing and Community Development (DHCD), awards federal tax credits to investors in low-income housing. The LIHTC program is been a critical resource to assist in meeting the City's affordable rental housing goals.

Section 108 Loan Guarantee Program: The City is able to borrow up to five times the amount of its annual CDBG grant under the provisions of CDBG's Section 108 Loan Guarantee Program. The loan proceeds can be used for housing and economic development related subset of CDBG eligible activities.

Housing Choice Voucher (Section 8) Rental Assistance: Section 8 Project-Based Certificates are intended to provide a subsidy tied to a specific apartment that needs rehabilitation. In exchange for the long-term commitment of a rental subsidy, the owner agrees to lease these units to extremely low and low-income households. The City's non-profit housing development organizations and the Cambridge Housing Authority work closely to create Project-Based Section 8 units that are affordable to extremely low and low-income households. The availability of new Section 8 assistance is essential to meet the goals of this Consolidated Plan, without it the goals will be very difficult if not impossible to attain.

Multi-Family Rehab Program: Cambridge Neighborhood Apartment Housing Services (CNAHS), and affiliate of Homeowner's Rehab administers the Multi-family Rehab Program. CNAHS, an affiliate of Homeowner's Rehab, Inc., is a private non-profit

corporation that is a partnership of property owners, tenants, lending institutions, and city officials. The Multi-family Rehab Program supports moderate levels of rehabilitation for owners of properties with 5 to 12 units who wish to renovate their property and keep their units affordable. The program gives owners technical assistance and loans from a reduced interest rate loan pool that has been capitalized by the City with CDBG and Affordable Housing Trust funds, and a consortium of local banks. The loans are forgiven over a 20 year period as long as the units are kept affordable and leased to tenants at or below 80% of AMI.

State Affordable Housing Programs: The Capital Improvement and Preservation Fund (CIPF) program, administered through the Massachusetts Department of Housing and Community Development (DHCD), supports rehab and long term preservation of units with expiring use restrictions. The Housing Innovations Fund (HIF) and Housing Stabilization Fund Program (HSF) support acquisition and rehabilitation of affordable rental properties. The HSF program has been used successfully to support rental housing production in the City. State HOME funds have also been used for the acquisition, rehabilitation, and new construction of affordable rental units through the City's non-profit housing providers. The Massachusetts Affordable Housing Trust Fund (AHTF), funded through MassHousing provides resources to create or preserve affordable rental housing throughout the state.

MassHousing: MassHousing holds regulatory restrictions on many large privately owned affordable rental developments in the City and offers a variety of programs for owners who commit to continuing affordability.

CEDAC: CEDAC is a quasi-public agency which works closely with other state agencies to promote preservation policies and offer financial and technical assistance to ensure continued affordability of unit facing expiring use restrictions.

Cambridge Affordable Housing Trust: The City established the Cambridge Affordable Housing Trust in 1989 to promote, preserve and create affordable housing. Since 1995, Cambridge has made significant contributions to increasing affordable housing by providing City funds in combination with matching funds under the Community Preservation Act. In FY2010, the Trust received more than \$7 million through the Community Preservation Act. The Trust lends these funds to local non-profit housing development organizations to develop affordable housing. The Trust funds the Financial Assistance Program, a comprehensive first-time homebuyer program that provides direct financial assistance to eligible homebuyers. The Trust administers the Harvard 20/20/2000 Loan Fund in Cambridge. Under this Harvard University initiative, the Trust manages a \$6 million low-interest loan fund to provide low-interest loans for construction and permanent financing for the development of affordable housing. Commercial developers are also required to contribute to the Trust through the Incentive Zoning Ordinance. Passed by the City Council in 1988, the ordinance requires large commercial developers seeking a Special Permit to make a contribution of to the Cambridge Affordable Housing Trust Fund in the amount of \$4.38 per square foot.

Preservation Activities: The Community Development Department (CDD) actively works with tenants, owners and other concerned parties to address the long-term needs of these housing developments. CDD provides technical assistance to help tenant groups to organize, to preserve affordability, and, in certain cases, to work with a local non-profit organization to acquire their buildings. The City funds a tenant organizer to work with tenants at these housing developments to participate in the preservation of this housing.

Non-profit Acquisition of Rental Buildings: The City will continue to provide financial support and technical assistance for the acquisition of existing rental buildings by non-profit organizations. These organizations will operate buildings as affordable housing under long-term deed restrictions.

Objective #4:

Stabilize owner-occupied one to four-family buildings owned by extremely low, low and moderate-income households.

Analysis

Cambridge strives to stabilize one- to four-family buildings owned by extremely low, low- and moderate-income households, encourage investment in the existing housing stock, and preserve the many traditionally affordable rental units in two-, three-, and four-unit buildings. In Cambridge, many low-income owners, particularly the elderly and single person households, are unable to make significant and necessary repairs in their units because they lack access to the capital or the skills to oversee rehabilitation. The Home Improvement Program offers affordable loans and technical assistance to existing owners of one- to four-unit properties, which encourages stability and reinvestment at a relatively low cost. Home Improvement Program staff also provide a resource to homeowners who may be at risk of foreclosure and can assist owners with analyzing refinancing options and available resources to assist in stabilizing the costs of homeownership.

Almost half of the City's 44,725 housing units are in one- to four-family buildings. Of the owner-occupants in Cambridge, 24% are cost burdened, paying more than 30% of their income for housing. Among low and moderate-income homeowners, 60% are cost burdened, paying more than 30% of their income for housing, and 40% are paying more than 50% of their income. With high housing payments, many low- and moderate income owners are not able to pay for or finance necessary improvements to their homes. Many owner-occupied units, especially those occupied by low- and moderate-income owners, are substandard having health and safety code violations to address after years of deferred maintenance. Of these, most are suitable for rehabilitation. This group has also seen a great increase in its housing costs over the past five years. As property values have increased, so have taxes, insurance and other costs.

Number of Households to be Served

During FY2011, the City of Cambridge will work to preserve and stabilize occupancy for **35** units through the rehabilitation of one to four family owner-occupied buildings. The majority of the households assisted will have annual incomes between 50-80% of area median income. (Note: these goals are based on Community Development Department's annual production goals)

Expected Resources:

Federal Funds

Community Development Block Grant
AmeriCorps and Youthbuild

State Funds

MassHousing Get the Lead Out Program

Local Funds

Cambridge Historical Commission
Associate Grantmakers
Bank of America Foundation
Cambridge Housing Authority
Menotomy Weatherization Program
Second Chance Program
Private Lenders

Resources and Strategies:

Community Development Block Grant Program: The Community Development Block Grant Program (CDBG) is used for the acquisition and rehab of existing properties by the network of local non-profit housing organizations. CDBG funds can be used when a minimum of 51% of the existing tenants are low or moderate-income. Programs funded with CDBG include the Home Improvement Program and the Rehabilitation Assistance Program.

AmeriCorps and Youthbuild: AmeriCorps provides funding for the Just-A-Start YouthBuild Program, a dynamic program providing workforce development to unemployed youths, ages 17-24, while also helping them work towards a high school degree. During the program year, participants attend classes to attain their high school diploma 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.

Rehab Assistance Program: The Rehab Assistance Program (RAP) is funded via CDBG and private sources. The program provides training and education for youth working on housing rehab projects. This program provides some labor for the Home Improvement Program participants.

Employment Resources, Inc. (ERI): ERI is a private non-profit organization established by the city of Cambridge. It operates two local One Stop Career Centers. As the Title 1 administrative entity for the Metro North Region, ERI administers and distributes,

through an RFP process, US Department of Labor Workforce Investment Act (WIA) Title 1 funds for training programs for at risk youth.

Mass Housing Get the Lead Out Program: Through a partnership with the Departments of Public Health and Housing and Community Development, MassHousing provides an affordable way for income-eligible households to remove hazardous lead paint from their home.

Home Improvement Program: Cambridge's Home Improvement Program (HIP) provides technical assistance and reduced interest rate loans to low- and moderate income owners of one to four family buildings. Funded primarily through the CDBG program and revolving loan pools, the program is operated by two local agencies, Just A Start Corporation and Homeowner's Rehab Inc., under contract with the Community Development Department.

Cambridge Historical 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.

Bank of America Foundation (B of A): B of A is a private charitable foundation managed by the Bank of America. It accepts applications for funding from organizations to support activities consistent with its mission and interests.

Cambridge Housing Authority: The mission of the Cambridge Housing Authority is to develop and manage safe, good quality, affordable housing for low-income individuals and families in a manner which promotes citizenship, community and self-reliance.

Menotomy Weatherization Program – Funded through the State and a local utility company, this program replaces heating systems for low-income families.

Second Chance Program: Administered through Just-A-Start, this program offers low interest rates for refinancing of existing mortgages and rehab for income-eligible households that have credit history problems and own a one- to four-unit owner-occupied residential property in Cambridge.

Private Loans: Just-A-Start and Homeowner's Rehab assist income-eligible owner occupants of one- to four-unit residential properties obtain favorable private mortgage financing through a variety of lenders, including local banks, to assist in needed repairs and rehab.

Needs of Public Housing

1. *Describe the manner in which the plan of the jurisdiction will help address the needs of public housing and activities it will undertake during the next year to encourage public housing residents to become more involved in management and participate in homeownership.*
 2. *If the public housing agency is designated as "troubled" by HUD or otherwise is performing poorly, the jurisdiction shall describe the manner in which it will provide financial or other assistance in improving its operations to remove such designation during the next year.*
-

The Cambridge Housing Authority operates a full range of federal and state housing programs, conventional and leased, for low-income family, elderly and disabled households. In addition to basic programs such as family and elderly public housing and the Housing Choice (Section 8) Voucher program, the CHA administers a variety of special and innovative housing programs. These include congregate units linked with state services funding; special needs residences owned by the CHA and managed by local service providers; a single room occupancy program; a sponsor based voucher program with local nonprofit service providers; programs for veterans; programs for individuals with disabilities; a ten year self-sufficiency program for formerly homeless families operated in cooperation with a local service provider, the state's Community College system and other nonprofit partners; and an award winning, nationally recognized resident services program to name a few.

The CHA's family, elderly and disabled public housing developments house over 2,500 low-income Cambridge households. In addition, almost 2,900 households receive rental subsidies through CHA's housing voucher programs. In total, CHA assists over 10,000 Cambridge residents, or almost 10% of the City's total population. CHA's properties range in size from single unit condominiums to a 301-unit development and are scattered throughout the city's neighborhoods. CHA's property profiles run the gambit from 1950s style brick developments to historically significant turn of the century residences.

While there has been modest growth in CHA's federal voucher programs over the past years, including a number of population-specific "boutique" programs created with the flexibility provided CHA by its participation in the U.S. Department of Housing and Urban Development's (HUD) Moving to Work Program (MTW), adding new "hard" units to the public housing stock continues to be extraordinarily difficult. Federal funds for public housing capital work have decreased steadily over the past eight years, making significant expansion of the public housing inventory nearly impossible.

Despite the discouraging funding trends, CHA has been able to use the flexibility provided by its participation in the Moving to Work program to acquire and redevelop over 325 affordable, scattered site units since entering the MTW program in 2000. This increase in affordable housing opportunities is a significant accomplishment given the funding challenges Housing Authorities face. However the paucity of federal funds for new development continues to manifest in the ever-lengthening wait list for affordable housing and consistent numbers of homeless in Cambridge. As the Agency enters its eleventh year under the MTW program, the waiting list for its affordable housing

programs is now over 13,500 applicants, with the waiting lists for the voucher and family public housing programs projected to remain closed well into the foreseeable future.

Creating additional housing, especially for very-low income households, as well as the preservation and modernization of existing affordable housing in Cambridge remains an essential component of the City's affordable housing strategy. As part of its commitment to increasing and improving the quantity and quality of the City's affordable housing stock, CHA initiated the Cambridge Public Housing Preservation Program (CPHPP) in 2007. CPHPP is a ten-year capital plan to redevelop and modernize the Agency's entire public housing portfolio at an estimated cost of \$228 million (in 2006 dollars).

Thanks to the award of three competitive and one formula grant through the American Recovery and Reinvestment Act (ARRA), CHA is able to move ahead with significant redevelopment and modernization of its stock in the coming years. In September 2009, CHA was awarded almost \$30 million in ARRA funding. This amount exceeds seven times the federal capital program funding CHA receives in a typical year. Additionally, ARRA permitted CHA to apply to HUD for the federalization of most of the Agency's state supported public housing developments. The so-called "federalization" of CHA's state portfolio will provide CHA significantly higher operating subsidy (federal operating support is nearly double that provided by the state on a per unit, per month basis) and capital funding for the properties transitioning from the state to the federal program. Additionally, once in the federal portfolio, the federalized properties will be eligible for federal energy improvement and other grants that state properties cannot receive.

In 2010 and beyond, CHA will be moving forward with the comprehensive modernization of Jackson Gardens apartments in Mid-Cambridge and the demolition and reconstruction of Lincoln Way apartments in West Cambridge. Once completed, the new Lincoln Way will include up to ten more units than are currently included in the development's portfolio. In addition, CHA will begin energy-related modernization efforts at LBJ and Truman Apartments. All of these efforts will result in a higher quality of life for CHA residents and reduced operating costs in the form of energy savings for CHA.

In 2010, CHA will continue to creatively leverage ARRA and MTW Block Grant funds to generate the investment necessary to move aggressively ahead with its long-term goal to rehabilitate or redevelop the entire public housing stock by 2017.

Management and Operation

At the core of CHA's mission lies the Agency's responsibility to maintain and manage its public housing developments. The day-to-day operation of the properties is among the Agency's highest priorities. A high-performing housing authority for over a decade, CHA was one of the nation's first to be admitted into HUD's MTW program. In addition to using MTW fungibility to acquire additional affordable units, CHA leverages MTW

regulatory flexibility to design innovative programmatic reforms, particularly in the areas of rent determination, program eligibility and continued occupancy.

MTW allows CHA to customize almost every aspect of its business in order to meet the community's specific affordable housing needs. Under MTW CHA is able to focus its administrative and design energies on program reform and simplification rather than ensuring compliance with HUD's proscriptive program and regulatory requirements. To that end, CHA will continue to reform and revise its management practices and procedures with the dual goals of streamlining administrative functions and making the relationship between staff and residents one of minimal intrusiveness and mutual respect.

Living Environment

The Cambridge Housing Authority continues to seek opportunities for improving residents' living environment. CHA takes a holistic approach to this assessment, emphasizing elements of the built environment but also exploring opportunities for improving residents' lives through improved security, resident capacity building, self-sufficiency and a nationally acclaimed array of vocational and educational programs for residents of all ages. Whether a resident is a school aged child, a disabled adult, or a frail elder, CHA offers a host of services, often through creative partnerships with other organizations, designed to address each resident's physical, intellectual and economic goals.

As part of the CPHPP discussed earlier, CHA's renovation plans take into account the benefit to residents of well designed community space, sustainable and accessible open space and the use of non-invasive, native plants to enliven properties', often limited, green spaces.

Public Housing Resident Initiatives

The ability to explore new policy and development ideas requires CHA to actively engage residents around proposed policy, procedural and administrative initiatives. This is achieved through public meetings, focus groups and a strong culture of community outreach.

Each year resident involvement in public housing management and policy issues is taking on greater significance. Beginning in the 1960s most CHA developments had Resident Councils serving as residents' representatives to CHA management. The five-person Housing Authority Board of Commissioners includes a CHA resident.

In recent years CHA has helped residents reinvigorate the Resident Councils with an eye on an expanded and more formal role for tenant leaders in the years ahead. In 2008 CHA entered into a contract with the Massachusetts Union of Public Housing Tenants to provide intensive training and support to resident leadership and Resident Council

members. The Alliance of Cambridge Tenants (ACT) was born of these efforts. ACT's Board, which operates independently from the Resident Councils, is made-up by equal numbers of public housing residents and voucher holders. With its mix of voucher holders and public housing residents, ACT is the first tenant organization of its type in the nation. In 2010 CHA will formalize its relationship with ACT with the execution of a Memorandum of Understanding.

CHA expects that as the Resident Councils continue growing and with the formalization of ACT's role in Agency matters, households served by CHA will play an important role in CHA's administrative and programmatic choices.

Homeownership

Unfortunately, the high cost of ownership in Cambridge continues to make a Section 8 Homeownership program infeasible in Cambridge. The cost of acquiring and servicing debt on residential units well exceeds CHA's voucher subsidies, and barring significant, long-term financing, a homeownership program remains out of reach. CHA encourages, wherever possible, home ownership opportunities for its residents. Unfortunately the Agency cannot provide participants assistance in this area.

Housing Choice (Section 8) Voucher Program

The Housing Choice Voucher Program, with its mobility and flexibility is widely recognized as one of the nation's most successful affordable housing programs. CHA's MTW participation allows the Agency to quickly increase or decrease payments standards as needed to keep pace with the City's rental market. Unfortunately attrition rates are very low in the program, so demand for vouchers continues to significantly outpace supply. Following is the breakdown of Housing Choice Vouchers in use:

VOUCHERS IN USE BY PROGRAM	
MTW Tenant Based	1481
MTW Project Based	524
MTW Sponsor Based	56
MRVP (state program)	135
AHVP (state program)	54
Other state assisted	135
TOTAL	2,899

Family and Elderly/Disabled Public Housing

Despite years of insufficient operating and capital funding, CHA maintains its bricks and mortar legacy to the highest possible standards. As described earlier, most of CHA’s state public housing portfolio will be transferred to the federal program, which will guarantee increased operating and capital funds for these long underfunded properties.

In conjunction with local non-profits and service coordinators the CHA offers needs assessment, provide case management and make medical and social service referrals for nearly six hundred elderly and/or disabled resident’s in four of CHA’s federal developments/

OCCUPIED PUBLIC HOUSING UNITS	
Development Type	Number of Households
Federal	1,901
State	663
TOTAL	2,564

Demand for Affordable Housing in Cambridge

As evidenced by the waitlist data below, demand for affordable housing in Cambridge remains strong and constant.

Distinct Applicants	# of Applications by Program		# of Applications by Site	
13,502	Federal Family	7,022	Federal Family	6,782
	Federal Elderly	1,819	Federal Elderly	1,149
	State Family	6,892	1st Available Family	4,607
	State Elderly	1,733	1st Available Elderly	993
	HCV	6,749	State Family	2,593
			State Elderly	825
			1st Available Family	5,572
			1st Available Elderly	1,213
	Total by Program	24,215	Total by Site	23,734

*Applicants may be in one or more program or

Barriers to Affordable Housing

1. *Describe the actions that will take place during the next year to remove barriers to affordable housing.*
-

Maintaining diversity by preserving and creating affordable housing opportunities is a central policy objective of the City of Cambridge. As a result, public policies tend to facilitate, rather than obstruct, the creation and preservation of affordable housing. However, even within the framework of a regulatory structure that supports affordable housing, some provisions and procedures can exist that create barriers to affordable housing, and external considerations greatly impact the success of the City's housing objectives. In order to further its ongoing commitment to the provision of affordable housing, the City of Cambridge will continue efforts to remove barriers and encourage support for public policies and funding designed to house its extremely low, low and moderate-income residents.

Barrier 1: High Costs of Housing, Land and other Real Estate

The City of Cambridge continues to assess its housing policies in light of housing costs that continue to be unaffordable for low and moderate-income households. In the years after the end of rent control housing costs escalated dramatically to levels well out of reach for low and moderate-income households. While the real estate market has stabilized in recent years, housing costs have still remained out of reach for many Cambridge residents.

With Cambridge's close proximity to Boston, the mix of work and leisure opportunities, the access to public transportation, and the strong presence of several large universities and research firms, Cambridge is a very desirable place to live. The City faces strong competition from the private market as it attempts to buy land and buildings with local non-profit housing providers. A combination of steady demand for housing, a limited supply of developable land, and the conversion of many existing rental buildings to condominiums has led, over the years, to dramatically increased housing costs in Cambridge. The cost of what little land is available for development and for existing buildings is extremely high. Notwithstanding changes in the national housing market in the last year, these prices have been sustained in Cambridge due to the desirability of the City and strong local economy.

The cost of rental housing in Cambridge has soared to a point beyond the reach of low and moderate-income households. Although the rents have dropped in the last year from their peak highs, they are still far above the reach. In 1995, the median rent for a one-bedroom apartment was \$927 a month and in 2010 the median rent was \$1,725. One factor is the number of rental units that are converted to condominiums. Although the rate of condominium conversion has slowed considerably from its peak a few years ago, new conversions continue to remove rental units from the housing market.

Homeownership opportunities are even further out of the reach for low- and moderate income first-time homebuyers. With the current median price for a single-family home in Cambridge at \$685,000, an annual income of more than \$156,549 is required to purchase a home. The condominium market also remains unaffordable for most, with the median price of a condo is \$415,000 requiring an annual income of more than \$101,212.

Strategy

The City created the Cambridge Affordable Housing Trust in 1988 in response to escalating housing prices and a shortage of affordable housing for many extremely low, low- and moderate-income households. Since 1995, this commitment has resulted in the preservation or creation of more than 2,900 affordable units. The City's goal remains preventing further displacement of low- and moderate income households, and working to preserve the socio-economic diversity of the city.

Cambridge is one of the few localities nationwide that spends significant local funds on affordable housing. With local funds generated through the Community Preservation Act, the Incentive Zoning Ordinance and low-interest loan funds from Harvard University, the Cambridge Affordable Housing Trust works to overcome this barrier by providing funding to create new affordable housing, preserve the affordability of existing housing, rehabilitate multi-family housing, and provide direct financial assistance to low and moderate-income homebuyers. The Trust works closely with non-profit housing organizations and the Cambridge Housing Authority to preserve and create affordable housing, and units created with the support of the Trust are protected by long-term deed restrictions which preserve their affordability. The City also considers the use of City owned land, whenever possible, for development as affordable housing. The Trust and the City will continue to work in this manner to offer options for those who cannot afford the high cost of housing in Cambridge.

In recent years, the City has responded to the high property prices by expanding its first time homebuyer programs, increasing the amount of financial assistance it makes available to eligible homebuyers through its First-time Homebuyer Financial Assistance Program, securing funds for low cost mortgages (for example, the Soft Second Loan Program), and exploring new programs to help expand homeownership opportunities. The City will continue to promote and improve these programs.

Barrier 2: Availability of Funding

The effectiveness of any strategy to meet critical housing needs in an expensive real estate market depends in large part on the availability and targeting of federal resources. With continued high housing prices in Cambridge, the gap remains between available resources and outstanding need. There is an increased need for federal, state, and private funds for the success of housing activities of all types including affordable rental,

homeownership, and housing for special needs populations. The City will continue to assess all housing activities in the context of available funding.

Recent funding for the Section 8 program and public housing has not been sufficient to maintain the existing stock of public housing and address the continued need for rental housing. Due to the lack of new rental assistance, more than 6,700 low-income households are currently on the Cambridge Housing Authority's Housing Choice Voucher program waiting list for leased housing which is now closed to new applicants.

Funds raised through the Low-Income Housing Tax Credit program have been significantly affected by the economic crisis and are not the stable resource they have been for many years. The LIHTC program is the most important funding mechanism for the production of affordable rental housing. Challenges facing tax credit developments include declining yields on credits which reduce equity investments and a shrinking pool of investors which further impacts the value of the credits. Ensuring that tax credits remain the critical resource they have been is essential to achieve the City's goals in the production and preservation of rental housing.

State resources are also a critical component to achieving the City's housing goals. While housing has become a higher priority for the state, the state's is facing significant budget shortfalls and program cuts. The state's full commitment to housing will be critical in achieving any of the housing goals stated in this plan.

The commitment of other funders will also impact the success of the City's objectives. Private lenders will be playing a significant role in the success of the first-time homebuyer program as their credit standards will determine who is able to obtain a mortgage. Likewise the availability of funds from other grant and subsidy providers will have a significant impact on the City's housing objectives.

Strategy

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 impede efficient affordable housing production and preservation. The City will also look to identify new sources of funding for housing efforts.

In the coming years, the City of Cambridge will continue to assess all of its housing activities to take advantage of opportunities for preserving and expanding the affordable housing stock in a changing market, while working to minimize the impact on its most vulnerable residents.

The Cambridge City Council and the Cambridge voters adopted the Community Preservation Act (CPA) in 2001. The CPA is a financing tool for Massachusetts

communities to expand the supply of affordable housing, protect historic preservation, and preserve open space. Under the CPA, local funds that are dedicated to these uses are eligible for matching funds from the state. The CPA fund has been a critical local resource which has enabled the City to continue the preservation and development of affordable housing during times when acquisition and construction costs continue to rise and state and federal resources are less available. State matching funds for the CPA have been reduced significantly in FY2010 and will be further reduced in FY 2011. Continued availability of CPA funds will be essential in the success of the City's housing efforts and reductions in matching funds will make achieving the City's housing goals more difficult.

Barrier 3: Zoning

Many types of zoning ordinances and subdivision controls, which present significant barriers to affordable housing in many localities, are not significant problems in Cambridge because Cambridge is a very built-up city with very little vacant land available for development. Notwithstanding this, new development in Cambridge is difficult and challenging. Much is required of developers of new residential units in the City, making new housing developments in Cambridge very costly.

Strategy

The Cambridge Community Development Department (CDD) has worked for many years to support zoning policies that would promote incentives to encourage developers to provide affordable housing. In 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 staff monitors compliance with this ordinance and works with the private developers to design and implement the marketing and sale or leasing of units to low-income Cambridge residents. The Inclusionary Zoning Ordinance has resulted in the creation of more than 459 units to date.

Cambridge also has an Incentive Zoning Ordinance for commercial development over 30,000 square feet requiring special permits. This ordinance provides for payments to the Affordable Housing Trust to be used to create and preserve affordable housing.

In addition, a city-wide rezoning effort in 2001 made housing a by-right use in all zoning districts, streamlined the process of converting industrial buildings to residential buildings and reduced the commercial floor area ratios (FARs) to encourage and promote the development of new housing around the City.

Barrier 4: Competing Concerns of Neighborhood Residents

The scarcity of developable land has led to a competition for available vacant land among worthy uses such as open space and affordable housing. There is often pressure to convert vacant land to open space or, if it is developed, for it to be developed at a low density, often well below what might be permitted under the Zoning Ordinance, to mitigate potential traffic and parking concerns.

Strategy

The strategies to address this barrier include public education, using prior successful affordable housing developments as examples, integrating other uses such as open space into housing developments, and working with neighborhood residents in planning for new housing proposals. Speaking with residents and abutters early in the development process has proven successful in building support for affordable housing development. It is important to recognize that in a very dense city, there will always be the difficult issue of competing uses for any remaining undeveloped land or sites that are slated for redevelopment..

Barrier 5: Impacts from Changes to the Economy

The credit crisis that began more than a year ago has resulted in significant changes in the mortgage industry that continue to affect housing in Cambridge. The crisis resulted in both an increase in foreclosures and a tightening of underwriting standards for new loans impacting both current owners and potential homebuyers. While the increase in the number of foreclosures has been less dramatic in Cambridge compared to other communities, it is a significant issue for those facing or at-risk of foreclosure. Many homeowners facing or at-risk of foreclosure are low and moderate-income, and may be eligible for assistance or counseling.

The changes in loan qualifying standards have continued to impact homebuyers in the City, including those looking for a standard 30-year fixed-rate mortgage and those looking to refinance to stabilize their housing costs. Changing standards may have an adverse impact on low and moderate-income buyers who may no longer be able to meet tightened lending standards for responsible loans. Purchasing a home may be more difficult even for sound and ready buyers.

Strategy

The City will continue to monitor the changes in the mortgage industry. Efforts will be made to ensure that homeowners facing or at-risk of foreclosure are connected with available resources, counseling and assistance. Staff from the City's homebuyer programs

and non-profit organizations will be available to work with eligible homeowners to provide assistance in understanding and accessing available assistance.

The City, through its homebuyer education programs, will also continue to educate homebuyers and homeowners about the dangers of predatory lending and risks of subprime and adjustable rate mortgage products. City staff will also offer workshops on credit to help residents understand and improve their credit to become better candidates for housing. The City will also continue to provide individual counseling to homebuyers assessing mortgage options to assist in their accessing financing with reasonable underwriting standards, rates, and terms.

HOME/ American Dream Down payment Initiative (ADDI)

1. Describe other forms of investment not described in § 92.205(b).
 2. If the participating jurisdiction (PJ) will use HOME or ADDI funds for homebuyers, it must state the guidelines for resale or recapture, as required in § 92.254 of the HOME rule.
 3. If the PJ will use HOME funds to refinance existing debt secured by multifamily housing that is that is being rehabilitated with HOME funds, it must state its refinancing guidelines required under § 92.206(b). The guidelines shall describe the conditions under which the PJ will refinance existing debt. At a minimum these guidelines must:
 - a. Demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing.
 - b. Require a review of management practices to demonstrate that disinvestments in the property has not occurred; that the long-term needs of the project can be met; and that the feasibility of serving the targeted population over an extended affordability period can be demonstrated.
 - c. State whether the new investment is being made to maintain current affordable units, create additional affordable units, or both.
 - d. Specify the required period of affordability, whether it is the minimum 15 years or longer.
 - e. Specify whether the investment of HOME funds may be jurisdiction-wide or limited to a specific geographic area, such as a neighborhood identified in a neighborhood revitalization strategy under 24 CFR 91.215(e)(2) or a Federally designated Empowerment Zone or Enterprise Community.
 - f. State that HOME funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG.
 4. If the PJ is going to receive American Dream Down payment Initiative (ADDI) funds, please complete the following narratives:
 - a. Describe the planned use of the ADDI funds.
 - b. Describe the PJ's plan for conducting targeted outreach to residents and tenants of public housing and manufactured housing and to other families assisted by public housing agencies, for the purposes of ensuring that the ADDI funds are used to provide down payment assistance for such residents, tenants, and families.
 - c. Describe the actions to be taken to ensure the suitability of families receiving ADDI funds to undertake and maintain homeownership, such as provision of housing counseling to homebuyers.
-

ADDI & HOME Funds Recapture Policy

Affordable homeownership units that are funded with HOME funds are subject to primary residency requirements and long-term restrictions limiting the future resale price of the property. The resale price is based on the original affordable purchase price plus an annual return on the owner's equity plus the cost of eligible capital improvements. These limited equity homeownership units are permanently affordable and must be resold to an eligible household for no more than the affordable resale price.

Affirmative Marketing

The City of Cambridge has an Affirmative Marketing Agreement and Statement (see below) that is included in all HOME written agreements. Furthermore, the City requires a written tenant selection plan from the developers of both ownership and rental properties as part of the HOME agreement. The City must approve this plan.

Statement in HOME Contracts Supporting Affordable Units

The City of Cambridge has adopted affirmative marketing procedures for housing, containing 5 or more units, that is assisted with HOME Project funds. The Agency is required to carry out the procedures and requirements as follows:

The Agency will comply with the City's Affirmative Marketing Policy and Procedures Statement and participate in the City's Fair Housing efforts.

The Agency will notify the Department and appropriate agencies when there are vacant units available.

The Agency will adopt procedures to inform and solicit applications from individuals not likely to apply for housing without special outreach.

The Agency will keep records describing efforts to affirmatively market units as well as records assessing the results of these efforts.

Guidelines for the Resale of HOME Units

The City of Cambridge has had considerable experience designing, administering, and enforcing limited equity agreements for the original buyer of an affordable unit and resale agreements for subsequent buyers. Cambridge will work to continue to refine equity agreements to ensure that units remain affordable for the longest possible time.

For HOME-funded homeownership projects, the City of Cambridge will enforce resale restrictions for, at a minimum, the following terms:

For projects with less than \$15,000 of HOME funds: 5 years

For project with \$15,000 - \$40,000 of HOME funds: 10 years

For projects with more than \$40,000 of HOME funds: 15 years

It is a requirement of the HOME program that units remain affordable on turnover to households earning 80% or less of the area median income. The City of Cambridge will ensure that, upon resale, these conditions are met. This will be done through deed restrictions on original and subsequent owners of HOME-supported units. Resale restrictions on owners are structured so that, the owner receives their downpayment plus all principal payments together with annual interest based on the interest of bond obligations of the U.S. Treasury. In addition, owners will receive the cost of any City-approved home improvements. The City is prepared to support additional write-downs of the sales price when required.

Minority / Women's Business Outreach

The City of Cambridge requires an MBE/WBE report form for each project as part of the HOME agreement. The City will continue to make every effort to encourage the inclusion of minority and women's business enterprises concerning future HOME-funded activities, consistent with 24 CFR 92.350.

The Economic Development Division of the City's Community Development Department publishes the Cambridge Minority Business Directory and the Cambridge Women's Business Directory and updates these publications bi-annually. These publications grew out of the City of Cambridge's efforts to understand and support these important and thriving business sectors of our economy. Firms are solicited from advertisements placed in local newspapers, listings from the Chamber of Commerce, and referrals from throughout the business community. The directory lists firms providing a wide range of products and services. For example, in its pages you can locate a lawyer, a construction firm, an architectural firm, an engineer, and an environmental services firm. The publication of this directory responds to requests for a directory that will enable minority-owned and women-owned firms to network among and purchase from each other, and also provides a resource for non-minority owned companies wanting to do business with minority firms.

These publications are sent to the, purchasing departments of Cambridge's largest firms and institutions, banks and quasi-public financial institutions, public officials, and organizations providing services to minority-owned and women-owned businesses. It is also available to the public free of charge. The directory was updated and distributed in winter 2003.

Site and Neighborhood Standards

HUD amended the HOME rules in October 2002 to add a new Recordkeeping requirement, 92.508(a)(3)(xiii). This addition to the HOME regulations requires that a "Site and Neighborhood Standards Report" is to be completed for all new construction rental development. The specific regulation reads as follows:

§ 92.508(a)(3)(xiii) Recordkeeping.

Records demonstrating that a site and neighborhood standards review was conducted for each project which includes new construction of rental housing assisted under this part to determine that the site meets the requirements of 24 CFR 983.6(b), in accordance with § 92.202 (Site and Neighborhood Standards).

HOMELESS

Specific Homeless Prevention Elements

**Please also refer to the Homeless Needs Table in the Needs.xls workbook.*

1. *Sources of Funds—Identify the private and public resources that the jurisdiction expects to receive during the next year to address homeless needs and to prevent homelessness. These include the McKinney-Vento Homeless Assistance Act programs, other special federal, state and local and private funds targeted to homeless individuals and families with children, especially the chronically homeless, the HUD formula programs, and any publicly-owned land or property. Please describe, briefly, the jurisdiction's plan for the investment and use of funds directed toward homelessness.*
2. *Homelessness—In a narrative, describe how the action plan will address the specific objectives of the Strategic Plan and, ultimately, the priority needs identified. Please also identify potential obstacles to completing these action steps.*
3. *Chronic homelessness—The jurisdiction must describe the specific planned action steps it will take over the next year aimed at eliminating chronic homelessness by 2012. Again, please identify barriers to achieving this.*
4. *Homelessness Prevention—The jurisdiction must describe its planned action steps over the next year to address the individual and families with children at imminent risk of becoming homeless.*
5. *Discharge Coordination Policy—Explain planned activities to implement a cohesive, community-wide Discharge Coordination Policy, and how, in the coming year, the community will move toward such a policy.*

Nature and Extent of Homelessness

In its January 27-28, 2010 overnight program and street census, the Cambridge Continuum of Care counted 263 individual homeless persons and 65 homeless families, consisting of 64 women, 8 men, and 95 children within the City of Cambridge. Included in the count were 38 homeless families from Metro Boston who were being temporarily sheltered in the Cambridge Gateway Inn, in the absence of available beds in family shelter programs. The count of individuals included 167 men and 26 women in Cambridge shelters and 33 men, 7 women, and 21 persons of undetermined gender on the street or in other unsheltered situations. Also counted as part of the census were an additional 6 homeless men and 3 homeless women in inpatient beds in Cambridge Health Alliance facilities, who were presumed to be part of the unsheltered population. Table 1-A provides more detailed information about the populations and sub-populations. Table 1-A also contains the Housing Inventory Chart (HIC) that provides basic information about the shelters whose occupants were counted in this census. (The HIC also describes the Continuum's inventory of transitional and permanent supported housing.) The following summary, from the most recently submitted AHAR (10/1/2008-9/30/2009) describes the sheltered and transitionally housed population by gender, race, and ethnicity.

	Emergency Shelter for Individuals	Transitional Housing for Individuals	Emergency Shelter for Families (not including DV shelters or motels)	Transitional Housing for Families (THF)
Gender (no data missing)				
Female Adults	254 (15.5%)	168 (51%)	74 (85%)	19 (56%)
Male Adults	1381 (84.5%)	161 (49%)	13 (15%)	15 (44%)

Female Children			59 (54.6%)	18 (82%)
Male Children			49 (45.4%)	4 (18%)
Ethnicity				
Non-Hispanic/non-Latino	1486 (90%)	294 (89%)	130 (67%)	48 (86%)
Hispanic/Latino	148 (10%)	35 (11%)	65 (33%)	8 (14%)
Missing this information	1	0	0	0
Race				
White	1070 (70%)	215 (65.5%)	77 (40%)	12 (21.5%)
Black or African-American	375 (25%)	90 (27.5%)	85 (44%)	31 (55.5%)
Other	78 (5%)	23 (7%)	31 (16%)	13 (23%)
Missing this information	112 (7% error rate)	1	2	0
Age				
Under 1			25 (13%)	5 (9%)
1 to 5			38 (20%)	10 (18%)
6 to 12			24 (13%)	14 (25%)
13 to 17			18 (9%)	5 (9%)
18 to 30	243 (16%)	77 (24%)	47 (24%)	15 (27%)
31 to 50	872 (57%)	203 (62%)	37 (19%)	7 (13%)
51 to 61	306 (20%)	40 (12%)	3 (2%)	0
62 or older	117 (8%)	7 (2%)	0	0
Missing this information	97 (6% error rate)	2	0	0

Trends

Cambridge is part of the Metro Boston region, and homelessness in Cambridge is part of the larger problem of homelessness in Metro Boston. Homeless individuals routinely cross municipal boundaries to visit friends or family or to access services. Individuals and families from one community may receive services in multiple other communities and may obtain placement housing in still another community. Shelters, transitional housing, and permanent housing thus act as regional resources; when a vacancy arises, the person or family that fills that vacancy may have "come from" anywhere in that region. As long as individuals and families continue to become homeless somewhere in the region -- or manage to find their way to metro Boston after they become homeless -- shelter utilization will remain consistently high, and as one person/family gains housing, another homeless person/family will fill their shelter slot.

Ordinarily, in a bad economy, the numbers of individuals and families losing their housing will increase. We are fortunate that the impact of this current recession has been mitigated by federal Stimulus funding, and in particular, implementation of a new category of HUD assistance known as HPRP (Homelessness Prevention and Rapid Re-Housing). In the first 7+ months of operation, the City of Cambridge HPRP program has helped nearly 200 eligible individual and family households hold on to their at-risk housing.

Aside from "loss of housing," discharge from a system of care -- prison, substance abuse or mental health treatment, foster care, etc. -- is known to be one of the most important contributing factors to individual homelessness. The Massachusetts Five-Year Plan to

End Homelessness, released in January 2008, suggested that statewide, at any point in time, 40% (9,600 of 24,000) of homeless individuals were ex-offenders or persons who have exited from stays in substance abuse or mental health treatment or foster care. Presumably, given the annual release of some 20,000 inmates and the exits of thousands of patients from residential treatment, the cumulative (vs. point-in-time) prevalence of such persons within the homeless population is even higher.

[A 2009 analysis of intake assessments in the Cambridge HMIS (homeless management information system) found that over 26% of individual homeless persons had spent at least 90 days in a government-funded system of care during the prior two years, primarily a prison/jail or substance abuse treatment. (Approximately half of these individuals reported coming directly from incarceration/treatment to their homeless situation.) More often than not, the path to homelessness is indirect, perhaps involving one or more stays on the couches of friends or family members. And even when it is more direct, shelter staff and other Continuum providers are not always informed by their clients about such stays. So the migration from systems of care into homelessness is likely to be undercounted in the HMIS.]

Shelters have been described as the default "housing program" for these systems of care, providing food and a place to sleep for ex-offenders who can't support themselves after release from prison, or who can't find housing because of their prison record; for addicts and alcoholics who complete halfway house treatment, but can't afford to support themselves in mainstream housing (and can't get a lease because of their track record of eviction); for substance abuse treatment drop-outs, and for the people who complete detox but can't find a residential treatment program; for mental health patients who can't access community housing because there aren't enough slots; and for young adults who simply aren't ready to support themselves when they age out of foster care.

HUD has long known about the importance of "closing the front door" to shelters, and has appropriately required state and local jurisdictions to certify that they will not discharge inmates/patients/clients into homelessness. While the administrators of these systems of care presumably follow the letter of their commitment, they are under-resourced to provide the step-down housing their exiting clients need. So when patients/inmates talk about moving in with a friend, or drop out of treatment, or "wrap" their sentence and escape the oversight of the corrections system, there are no community-based housing alternatives to offer them. And in hard economic times, when the friends or family members they might have relied upon are having their own troubles holding on to housing, the trajectory from incarceration/treatment to homelessness is probably that much shorter.

Given the regional nature of homelessness and the still-open "front door", it is not surprising that, as described in the following chart, Cambridge Point in Time counts of homeless individuals from 2006 through 2010 show a relatively stable level of shelter utilization (with the exception of 2009) and a slow, steady increase in the numbers of unsheltered individuals (again, with the exception of 2009). While horrendous weather conditions can explain the drop in unsheltered persons counted in 2009, there is no

obvious explanation for the drop in the shelter population in 2009. If homelessness in Cambridge were a closed system, rather than part of the larger problem described above, then as increasing numbers of homeless persons transitioned to permanent supported housing (PSH), one would expect the counts of homeless, and especially chronically homeless persons in shelter and on the street to decrease. In fact, as shown in the following chart, the capacity and utilization of PSH has increased rather substantially over the 2006 - 2010 time frame, but that increase has not been reflected in any decrease in the count of homeless individuals suggesting that, indeed, the problem of homelessness/chronic homelessness is regional in nature, and not directly responsive to the efforts of our single jurisdiction.

Individuals	2006 Census	2007 Census	2008 Census	2009 Census	2010 Census
Street Homelessness	36 +8 inpatients in CHAlliance facilities	54 + 2 inpatients in CHAlliance facilities	60 +2 inpatients in CHAlliance facilities	40 + 3 inpatients in CHAlliance facilities	61 + 9 inpatients in CHAlliance facilities
Shelter Homelessness (See Note #1)	200 individuals (104+ "chronically homeless")	191 individuals (144 "chronically homeless")	193 individuals (120 "chronically homeless")	179 individuals (112 "chronically homeless")	193 individuals (124 "chronically homeless")
Total HUD Census of "Homeless"	244 individuals (148+ "chronically homeless")	247 individuals (200 "chronically homeless")	255 individuals (182 "chronically homeless")	222 individuals (155 "chronically homeless")	263 individuals (194 "chronically homeless")
Transitional Housing (See Note #1)	115 individuals (40 "chronically homeless")	99 individuals (37 "chronically homeless")	104 individuals (24 "chronically homeless")	81 individuals (24 "chronically homeless")	77 individuals (33 "chronically homeless")
PSH Capacity	133 individuals	140 individuals	147 individuals	177 individuals	182 individuals
PSH Utilization	134 individuals (65 "chronically homeless")	147 individuals (73 "chronically homeless")	170 individuals (102 "chronically homeless")	200 individuals (119 "chronically homeless")	202 individuals (126 "chronically homeless")

Note#1: As of 2007 the capacity of Cambridge shelters for individuals decreased by virtue of the State's no longer funding overflow capacity at the Salvation Army and First Church. The capacity of Cambridge transitional housing programs for individuals has decreased from 118 beds to 85 beds for a variety of reasons over the past five years, including re-purposing as permanent supported housing.

The meaning of yearly changes in the count of chronically homeless persons is likewise hard to decipher. On the one hand, decreases in 2008 and 2009 in the count of chronically homeless persons in shelter and on the street *could* be tied to increases in placements in permanent supported housing ... if the Cambridge CoC were a closed system. However, the count of sheltered and unsheltered chronically homeless persons increased in 2010 even though utilization rates of PSH by chronically homeless persons continued its steady increase. In fact, the fluctuation in the numbers of chronically homeless persons is probably also impacted by two additional factors: (1) the ongoing movement of homeless (and chronically homeless) persons across municipal boundaries within the metro Boston region, and (2) year-to-year and site-to-site inconsistencies in the way that chronic homelessness is assessed by shelter providers, as described elsewhere in this document.

The regional nature of family homelessness is even more graphically illustrated by a review of the Cambridge Point in Time counts of homeless families from 2006 through 2010. From year to year, the Cambridge CoC's capacity to shelter families has fluctuated

by 1-3 families as our local DV shelter has shifted its use of program beds to serve fewer individuals and more families (or vice versa), or as happened in 2007, when a large family at the Hildebrand occupied rooms that might have been used to shelter two smaller families. In FY 2010, the Hildebrand's capacity decreased by 5 families due to a State funding decision. In the meantime, however, as the State ran out of capacity in its family shelter system, it began sheltering homeless families in motel rooms. At the time of the 2008 P.I.T. count, there were five (5) such families in Cambridge-based motel units. At the time of the 2009 count, there were 73 such families in Cambridge-based motel units. And, at the time of the most recent (2010) count, in the aftermath of HPRP-assisted efforts to rapidly transition motel-based families to housing, there were "only" 38 such families in Cambridge-based motel units. Few if any of the families sheltered in Cambridge are originally from Cambridge; our shelters and motel rooms are a regional resource utilized to address a regional problem. [Note that the supply and utilization of permanent supported housing for families has been more stable over the period 2006-2010.]

Families	2006 Census	2007 Census	2008 Census	2009 Census	2010 Census
Shelter Homelessness (See Note #2)	31 sheltered families + 0 families in motels	28 sheltered families + 0 families in motels	31 sheltered families + 5 families in motels	32 sheltered families + 73 families in motels	27 sheltered families + 38 families in motels
Total HUD Census of "Homeless"	31 families	28 families	36 families	105 families	65 families
Transitional Housing	7 families	5 families	15 families	24 families	18 families
PSH Capacity	11 families	12 families	12 families	12 families	12 families
PSH Utilization	12 families	13 families	13 families	12 families	13 families

Needs of the Homeless - Narrative

These basic statistics and estimates only begin to describe the needs of the homeless population. Individuals and families may become homeless for one or more of a multitude of reasons, including, but not limited to: (a) loss of income or other inability to maintain payments for existing housing and inability to find alternate affordable housing; (b) eviction (for cause or because a landlord has other designs on the unit); (c) relationship failure (e.g., domestic violence, divorce, separation, family disagreement, termination of support for a sibling, etc.); (d) loss or departure of a bread-winner; (e) substance abuse; (f) mental illness; (g) gambling problems; (h) inability to find or sustain housing following discharge from prison/jail, foster care, or participation in a residential treatment program; (i) inability to find or sustain housing following discharge from military service; and/or (j) inability to find or sustain housing upon arrival from another community, state, or country.

A homeless person's inability to regain housing could be exacerbated by a poor housing history, a criminal record, poor credit or significant unpaid debt (especially debt owed to utility companies or a prior landlord), and, most often, lack of adequate income in the absence of a mobile housing subsidy or available subsidized apartment.

The needs of homeless persons, in addition to the obvious need for affordable housing, therefore include some combination of (a) food, clothing, and shelter; (b) income from benefits or employment; (c) treatment for substance abuse, mental illness, health- or disability-related problems; (d) housing search assistance; (e) assistance accessing work or the prerequisites for gainful employment; (f) money management, credit or debt repair, and/or assistance addressing legal issues; (g) support for strengthening independent living skills; (h) assistance overcoming a criminal history or poor housing history; and (i) assistance connecting with mainstream services that can support retention of housing once it is obtained. In the Cambridge Continuum, some of these needs are addressed by case managers; other needs are addressed by more specialized supportive services staff.

In a very real sense, the service delivery paradigm has defined the way all Continuums of Care, including the Cambridge CoC, have viewed the needs of homeless individuals and families.

- In the traditional model used by Cambridge and other Continuums in the 1990s, providers first seek to “stabilize” the homeless person/family in shelter or transitional housing; then, based on a needs assessment completed by a case manager, implement a service plan that addresses the causes of homelessness (e.g., mental illness, substance abuse, lack of benefits or employment income, etc.) and the obstacles to successfully competing for housing (e.g., bad credit, problematic housing history, unresolved legal issues, etc.), help the person/family find and secure housing (e.g., housing search, help with move-in costs, etc.), and offer follow-up stabilization services to support housing retention.

This model worked well for some homeless individuals and families, particularly those who benefited from the discipline of a highly structured residential program. This model did not work for other homeless individuals/families -- including many chronically homeless persons -- who resist the strictures of program rules or whose behaviors or housing/credit/criminal histories were "too severe" to be repaired or mitigated within a time frame that would sustain the client's hope for gaining housing. This model worked decreasingly well for chronically homeless persons (and other homeless individuals/families with multiple housing barriers) as competition for subsidized housing and mainstream subsidies intensified (i.e., as increases in demand outpaced the expansion of supply nationally) and as more and more landlords gained electronic access to data -- about past evictions, past arrests and incarcerations, and past credit problems -- that could be used to screen out "risky" or "undesirable" tenants.

- Over the last 10 years, recognition of the limitations of this incremental approach to ending homelessness -- and a belief that many of the concomitant needs and challenges facing homeless individuals and families (e.g., addiction, mental illness, trauma recovery, education or employment deficits, parenting challenges, children's education and socialization, etc.) can be better addressed in the context of stable

housing than in the stressful context of homelessness -- prompted the development of a "housing first" model.

Not surprisingly, the promise of relatively fast placement in permanent housing has proven a more attractive incentive for chronically homeless persons to engage with the Continuum, than has the more traditional, lengthy process of outreach, shelter, transitional housing, self-improvement and "profile repair", and "help" finding housing.

Appreciation for the housing first model has only increased as studies across the country -- including studies of the Mass. Housing and Shelter Alliance's Home and Healthy for Good program -- have shown that on average, it is cheaper to place and maintain long-time chronically homeless individuals in permanent supported housing than to pay the costs associated with their higher utilization of emergency resources -- hospital and psych emergency rooms, detox, police and ambulance departments, jails, courts, etc. -- while they remain on the street or in shelter. And, of course, for the many families whose homelessness is largely economic, it is clear that the cost of a housing subsidy is far cheaper than the cost of shelter, not to mention the added cost of "digging out" of homelessness.

For these and other reasons, the "housing first" or "rapid re-housing" approach to addressing homelessness has become the dominant paradigm. As described in the previous charts, over the past five years, the Cambridge Continuum has increased its "funded capacity" to provide permanent supported housing (PSH) for homeless individuals by 37%, has increased the number of occupied units of PSH funded with McKinney funds by 50%, and has almost doubled the number of chronically homeless individuals in such housing.

In framing a gaps analysis, the underlying assumptions about whether a homeless individual or family is best served by shelter, transitional housing, permanent housing without supports, or permanent supported housing determine the mix of housing resources needed to address that homelessness. In the following analysis:

- shelter is viewed as the least desirable housing choice, providing an emergency place to stay for individuals who are not committed to ending their homelessness, and a short-term place to stay for families who haven't yet transitioned back to permanent housing;
- permanent housing -- with or without supports, depending upon the needs of the individual or family -- is seen as the most desirable housing resource;
- transitional housing is understood as a niche resource, best serving homeless persons who need more structure and discipline than a permanent housing-based program can provide.

Theoretically, with the right mix of supportive services, accelerated placement into PSH could work for any homeless individual or family with housing barriers. Experience has shown, however, that the type and setting of the housing and the mix and intensity of services are important determinants of the success of a placement: some clients are able

to do well in integrated housing with very limited supportive services, and some clients -- for example, persons who have not yet stabilized their mental illness or substance abuse problems, and whose behaviors may, from time to time, pose a risk to themselves, their neighbors, and or the property in which they are housed -- require more intensive services, and are better suited to placement in a somewhat segregated apartment building, possibly owned or managed by a non-profit or faith-based provider that is more tolerant of disruptive or destructive behaviors.

Unfortunately, in Cambridge, which has some of the highest housing prices in the nation, there are few, if any, available properties that can be affordably purchased and converted into the kind of congregate PSH that might house “unruly” homeless persons. Converting smaller properties is very expensive, costing \$200,000 to \$250,000 per unit, and such projects are very difficult to site (and typically require commitments to the neighbors that tenant selection protocols will exclude persons with potentially problematic behaviors).

As described in the Housing Inventory Chart, the Cambridge Continuum has used a variety of models to provide permanent supported housing; however, the gaps analysis treats permanent supported housing as an undifferentiated housing resource. That is, in asking shelter and transitional housing providers to designate the most appropriate housing resource for their guests, we directed them to base their decision about suitability for PSH on the assumption that the type of housing and the mix and intensity of services would fit the needs of the client.

Needs of the Homeless - 2010 Gaps Analysis Chart

Starting with P.I.T. Count data on sheltered and unsheltered homeless individuals and families, the Cambridge CoC uses a modified version of TAC's methodology to compare point-in-time need for shelter, transitional housing (TH), permanent supported housing (PSH), and permanent housing without supports (PH) to the available supply of such housing (and housing under development) in our Continuum. The methodology assesses need for the **most appropriate source of housing** as opposed to the **actual source of emergency housing** being utilized by the persons counted. That is, although shelter beds may be fully occupied on the night of the count, if most of the occupants of those shelter beds would be better served in TH or PSH or PH, then the methodology indicates a low need for shelter and a higher need for these other kinds of housing. Note that in calculating the "Need Totals", the methodology assumes that if a person in shelter (or TH) would be best served by placement in unsupported permanent housing (PH), that person "needs" their current shelter (or TH) bed, while they work to obtain such housing.

Chart Using TAC's Methodology for Assessing Need for Various Levels of Emergency Housing

	Point-inTime Survey Count	Best Served by Shelter	Best Served by TH	Best Served by PSH	Ready for PH*
Currently Sheltered Individuals	193	88	40	48	17
Individuals Currently in TH	77		29	25	23
Currently Unsheltered Individuals (counted on the street, in hospital)	61+9	55	1	14	
Need Totals (Individuals)		88 + 55 + 17 = 160	40 + 30 + 23 = 93	48 + 25 + 14 = 87	
Current Available Capacity + Capacity Under Dev't		Shelter: 202	TH: 85	PSH: 7 + 6 = 13*	
Currently Sheltered Families***	27 + 38 in motels	24	17	10	14
Families Currently in TH	18		8	4	6
Currently Unsheltered Families	Unknown	Unknown	Unknown	Unknown	Unknown
Need Totals (Known Families)		24 + 14 = 38	19 + 8 + 6 = 33	14	
Current Available Capacity + Capacity Under Dev't		Shelter: 27 + motels	TH: 21	PSH: 0	

* Available capacity for PSH for individuals comes from 4 under-enrolled programs, with a combined 7 available beds + capacity-under-development (Heading Home's Solid Ground project (6 beds)). For families, there are no available PSH beds and there is no capacity under development.

As explained in the foregoing chart and as summarized in Table 1-A, relative to individuals, the Modified TAC Gaps Analysis finds:

- An over-supply of shelter beds (160 needed vs. 202 available),
- A shortage of 74 units of PSH (87 needed vs. 13 available), and
- A misleading shortage of 8 units of TH (93 needed vs. 85 available). The calculated "need" for TH reflects the fact that although they are ready to relocate to unsupported PH, 23 current TH clients "need" their program beds until they can find such PH. Rather than expanding the supply of TH, a better approach to addressing this "shortage" of TH would be to create the affordable permanent housing these 23 TH participants really need.

In fact, as is discussed elsewhere in this document, as long as Cambridge shelters and streets serve as a regional resource, and as long as thousands of men and women continue to transition from incarceration/treatment to homelessness every year, and as long as a percentage of those persons remain homeless for a year or more and become "chronically homeless", the need for (transitional and) permanent supported housing will continue to exceed available units, even as new units are brought on line. As stated earlier, these realities are at odds with the notion that a local jurisdiction like Cambridge can, by implementing a Plan to End (Chronic) Homelessness, empty shelter beds and put an end to street homelessness within its municipal boundaries. By the same token, creating 74 units of PSH will only satisfy the need for permanent supported housing among the clients currently sheltered or transitionally housed as of January 2010; as those clients

move on -- and as some gain housing -- they will be replaced in shelter or TH beds by other homeless persons who need permanent supported housing.

With respect to families, this analysis finds:

- A more or less match between the units of shelter needed (nominally 38) and the supply (27 plus a flexible number of motel units). (With the exception of DV shelter units) the State periodically determines the number of units of family shelter needed, and then designates homeless families to fill those units. The statewide explosion of family homelessness peaked last Autumn (2009), filling 100% of the State's supply of family shelter beds and another 1,100 units in motels. With the help of HPRP Rapid Re-Housing resources, the count of families sheltered in motels is down to approximately 850 (as of mid-March 2010), although family shelters remain full.
- A shortage of 6-12 units of TH (33 needed vs. 21 available). The calculated "need" for TH reflects the fact that although they are ready to transition to unsupported PH, 6 current transitionally housed families "need" their program beds until they can find such PH. Rather than using resources to meet the full 12 units of "need" for TH, it would be better to create 6 units of TH and another 6 units of affordable permanent housing for the six transitionally housed families that are ready for it.
- A shortage of 14 units of PSH (14 needed vs. 0 available)

In the same way that the Cambridge CoC's shelters and TH for individuals serve as a regional resource to a homeless population that is continually "refreshed", so, its shelters and TH for families serve as a regional resource to a constantly evolving population of homeless families. And, as was the case for homeless individuals, filling the identified "gaps" in TH, PH, and PSH will only satisfy the housing needs of the families currently sheltered or transitionally housed in Cambridge as of January 2010; as those clients move on -- and as some gain housing -- they will be replaced in shelter or TH beds by other homeless families who have similar needs, thereby maintaining a comparable gap between housing need and supply in the CoC.

The City of Cambridge will continue to devote considerable resources to the development of affordable housing, and through its Continuum of Care, to preventing and addressing homelessness. Any sustained reduction in the numbers of homeless individuals and families in our shelters and transitional housing or in the number of unsheltered (chronically) homeless persons will hinge upon the success of collaborative regional and State-supported efforts to close the "front" door and to sharply limit the number of new instances of homelessness.

Characteristics and Needs of Low-Income Individuals and Children, (Especially Extremely Low-Income) Who Are Currently Housed But at Imminent Risk of Homelessness.

The underlying needs of precariously housed and at-risk individuals and families with children are not dramatically different from the needs of their counterparts who have

become homeless. (See, for example, Bassuk, et. al., “The characteristics and needs of sheltered homeless and low-income housed mothers” in the Journal of American Medical Association (1996) 276, 640-646): affordable housing, stable income, and assistance in addressing any additional circumstances that render them at risk: substance abuse, mental illness, HIV/AIDS, lack of education or skills to obtain and hold gainful employment, criminal histories or histories of credit problems that stand in the way of both housing and employment, domestic violence or other sources of trauma, poor money management skills, etc.

Many households are only a few paychecks away from a crisis. Households living on the economic margins are typically closer to that edge, because they have fewer reserves to cope with, for example, an increase in rent, the loss of a partner sharing in housing costs, loss of work due to an injury or illness or the need to provide caregiving (especially if the employee has no sick time benefit), reduction in work hours or wages, extraordinary health care or utility bills, or simply because their limited incomes cannot keep pace with the cost of living. The availability of informal supports (e.g., a family member who can offer financial assistance or a place to stay) is often the difference between becoming homeless and avoiding homelessness.

An analysis of HMIS prevention data from the first six month of implementation of the City of Cambridge's Homelessness Prevention and Rapid Re-Housing Program (HPRP) yielded the following information about the individual and family households at risk of losing their housing. (Note that statistics describe the characteristics of Heads of Households and Single Adults, and do not include information about children or other adults in family households.)

Factors Contributing to Risk of Homelessness (where reported)*	
Job Loss / Wage Drop	60.0%
Increased Housing Costs	16.8%
Increase in Non-Housing Costs	10.5%
Spending on Other Priorities	21.1%
Departure of Person(s) Sharing Cost	7.4%
Divorce	4.2%
Relocation from Another State	2.1%
Immigration from Another Country	2.1%
Eviction for reason unrelated to rent	2.1%

*According to HMIS data for prevention cases, 12.3% of female heads of household and 21.5% of individual female clients reported recent histories of domestic violence. In 73% of the cases, the DV occurred at least one year prior to program intake. In 23.1% of the cases, the DV occurred 6-12 months prior to intake. In one case, the DV occurred within the prior three months.

Sources of Household Income (some households have multiple sources of income)	
Employment	51.4%
Unemployment	11.8%
Disability Income (SSI, SSDI, EAEDC, Private Disability Pension) (51% of single adult clients reported that they had a disability, whereas 16.7% of Heads of Households reported a disability.)	27.4%
TAFDC	8.2%
Other	6.6%

Highest Level of Education	
Post-Secondary	34.1%
High School Diploma	38.5%
GED	7.8%
Less than High School Diploma / GED	19.6%

Specific Homeless Objectives

Objective #1:

Prevention: To strengthen and enhance prevention-related programs and services, so as to minimize the number of Cambridge individuals and families who become homeless.

Using a mix of federal, State, municipal, and private resources, the City of Cambridge through its Multi-Service Center will provide case management, advocacy, and/or flexible assistance to hundreds of at-risk individuals and family households, and, where needed, will assist those households in obtaining and transitioning to alternate permanent housing.

Expected Resources

Federal Funds

- Community Development Block Grant Program
- Section 8 Certificates and Vouchers
- HPRP grant funds and, eventually, HPRP-like resources from the Emergency Solutions Grant

State Funds

- RAFT funds, subject to appropriation
- DHCD "ToolBox" funds, subject to appropriation
- State funded Legal Assistance

Local Funds

- City of Cambridge Tax Dollars (funding staff at the Multi-Service Center, and funding Rental Assistance to at-risk households and homeless households transitioning to housing)
- Cambridge Housing Assistance Fund (privately fundraised)
- Cambridge Fund for Housing (privately fundraised)

Prevention Strategies

Homelessness/Eviction Prevention: Continue prevention services (e.g., prevention-focused case management; free legal assistance, advocacy, and mediation support to prevent eviction; and targeted financial assistance to address arrearages and prevent eviction or to support transition to alternate, more affordable housing). The City of Cambridge contributes some \$420,000/year in municipal tax dollars towards addressing

and preventing homelessness at its Multi-Service Center. A \$50,000 City contract with Cambridge and Somerville Legal Services (supplementing State IOLTA funding for legal services), the full amount of a \$20,000 CDBG grant for eviction prevention services to the Community Legal Services and Counseling Center, the full amount of a \$5,000 CDBG grant to Houseworks for eviction prevention services (addressing hoarding and other apartment maintenance issues which threaten a tenancy), and about half of \$62,000 in CDBG funding for Multi-Service Center staff time are all devoted to prevention.

The City is close to completing its first year of participation in the HPRP program, and plans to use resources remaining from the \$1.3 million grant to continue providing prevention services to individuals and families at imminent risk of homelessness, and re-housing assistance to households that have become homeless. We look forward to working with HUD on implementation of prevention resources in the new Emergency Solutions Grant over the coming years.

A significant portion of the \$100,000-plus in privately raised funds (Cambridge Housing Assistance Fund, Cambridge Fund for Housing the Homeless, Bridge Loan Fund, etc.) is annually used to cover emergency payments to landlords to prevent homelessness. A privately (grant and foundation) funded Boston-based Prevention Program operated by HomeStart, Inc. makes assistance available to low income metro-Boston households (including Cambridge households) at risk of loss of housing.

Discharge Planning: City planning staff and Continuum partners are active members of a Discharge Committee of the Mass Housing and Shelter Alliance, a statewide organization dedicated to ending homelessness; at least one CoC partner is also a member of a Discharge Committee of the State's Interagency Council on Housing and Homelessness. These parallel efforts are working to promote more effective discharge planning by State-administered and/or State-funded mental health, corrections, and protective services agencies; and to reduce the number of cases in which apparently "appropriate" discharges deteriorate into homelessness, and to address discharges the consequences of discharges by entities outside the purview of those agencies.

Employment Assistance: Maintain and enhance access to employment services (e.g., free assistance at the Cambridge Employment Program and LIFT Cambridge (formerly the Cambridge office of the National Student Partnership), to prevent the impoverishment that leads to homelessness. Most notably, the City -- with funding support from the Cambridge Housing Authority -- provides in excess of \$600,000 in municipal funding to support the Cambridge Employment Program (CEP) and a short-term supported work program (Cambridge Works). (About 10% of the CEP caseload is homeless.) In addition, a portion of WIA funding administered by Employment Resources Inc. through its contract with the local Career Center pays for employment services offered to at-risk persons.

Housing Assistance: Continue and expand efforts to increase the supply of affordable housing in Cambridge (see other sections of this Plan), sustain efforts to prevent the loss of affordable housing due to "expiring use" provisions, and maximize utilization of Section 8 subsidies to enable tenants to remain in existing housing. With the additional help of

supplemental grant awards, the CHA has been able to expand the number of vouchers, has made new project-based subsidies available to affordable housing developers, and has entered into contracts with supportive services providers to make sponsor-based subsidies available to house persons whose housing or CORI or credit histories might otherwise preclude access to rental assistance.

Objective #2:

Access: To maintain and expand access by 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, a place to get off the street during the daytime (when shelters are typically closed), and necessary health care.

Expected Resources

Using a mix of federal, State, municipal, and private resources, the City of Cambridge through its Multi-Service Center, a network of eight shelters, a network of two dozen food pantries and/or meal programs, a half dozen clothing programs, a range of drop-in programs serving homeless and non-homeless persons, a mobile Health Care for the Homeless program and a back-up network of hospitals and neighborhood health centers will work to ensure that homeless persons have a safe place to sleep, food, clothing, and necessary health care.

Federal Funds

- Community Development Block Grant Program
- Emergency Shelter Grant Program
- McKinney-Vento Supported Housing Program for various services
- Federal Funding for Health Care for the Homeless services
- Federal PATH funding for mental health services for the homeless
- Federal Mental Health and Substance Abuse Block Grant

State Funds

- State (and federally matched) Emergency Assistance payments for shelter services
- State (and federally matched) Medicaid Services and reimbursement for other uninsured services
- State (and federally matched) payments for battered women's shelter services
- State payments for residential substance abuse treatment services and shelter

Local Funds

- City of Cambridge Tax Dollars (paying for Multi-Service Center staff and food pantry services)
- Cambridge Health Alliance funding for shelter-based services
- Foundation, corporate, and donor grants and contributions that support shelters, food programs, clothing programs, etc.

Strategies

Shelter Services: A network of five shelters for individual adults (four “dry” shelters and one “wet” shelter for active substance abusers), two family shelters, and one shelter for battered women provide emergency shelter for homeless persons (funded by a combination of approximately \$3 million of State and federally matched resources, as listed above, as well as tens of thousands of privately raised dollars). ESG grants provide approximately \$60,000 in support of shelter operations/repairs, including support for St. Patrick’s Shelter, located just across the border in Somerville, which shelters the majority of homeless women who receive services in Cambridge, and which uses the Cambridge Multi-Service Center as its primary pickup point each evening.

Food and Meal Programs: A network of 12 food pantries sponsored by churches, a community action agency, the City, two historic settlement houses, and the Cambridge Health Alliance use government funds (including an annual \$103,000 City grant), private grants, and charitable donations) to make emergency food available to those in need; three of these pantries serve significant numbers of homeless persons. Eight Churches or Church-sponsored organizations and the City’s Council on Aging sponsor daily lunch programs and suppers six nights a week, serving a mix of homeless and low income persons. All homeless families and some homeless individuals access federal Food Stamps and eligible homeless families access WIC coupons. Homeless individuals are assisted by case management staff in obtaining Food Stamps based on income eligibility. All shelters for individuals provide dinner and breakfast for guests funded by a combination of government and private dollars. All family shelters provide cooking facilities for guests. \$20,000 in CDBG funding helps support an emergency food recovery and distribution program which supplies food to nearly all of the aforementioned pantry, shelter, and meal programs.

Clothing Services: All shelters for individuals receive and distribute clothing for guests. These efforts are supplemented by clothing distribution programs serving guests at five drop-in programs, and a retail second hand clothing store operated as a transitional employment program for homeless persons by CASPAR in neighboring Somerville. A network of other charitable programs -- including Solutions at Work, the American Friends Service Committee, and Somerville-based Second Chances -- collect and distribute donated clothing for both homeless and low income persons.

Health Care and Related Services: Local hospitals and the network of neighborhood health centers affiliated with the Cambridge Hospital (the Cambridge Health Alliance) all accept and enroll patients in the Medicaid (locally known as Mass Health), Commonwealth Care, and other health safety net programs. (All homeless families whose shelter services are funded under the Emergency Assistance program are automatically eligible for and enrolled in Medicaid; eligibility for homeless individuals is based on income, age, disability, and/or access to other coverage.) In addition, health care is available at shelter-based clinics operated by the federally funded (\$50,000-plus) Health Care for the Homeless program, at the Youth on Fire drop-in (provided by the Sidney Borum Health Center), and

in Harvard Square via a van-based health care program sponsored by Bridge Over Troubled Waters for homeless and street youth and young adults.

A \$14,000/year McKinney Vento grant matched by the Cambridge Health Alliance helps fund shelter-based health care case management services for homeless families and residents in the City's DV shelter and transitional housing. The federal Mental Health and Substance Abuse Block Grant helps fund non-Medicaid-reimbursable substance abuse services (though, with State cutbacks, there are fewer places to access services in the Cambridge/Somerville region) and community-based emergency mental health services.

A \$131,000/year McKinney-Vento grant matched by agency-fundraised dollars supports CASPAR's street outreach program serving 200-plus unsheltered persons; a \$49,000/year McKinney-Vento grant matched by Eliot Community Human Services funds a Mental Health clinician who partners with the aforementioned street outreach team. An \$18,600/year McKinney-Vento grant matched by cash contributions and State reimbursement for services to covered clients funds a North Charles relapse prevention program serving transitionally housed homeless men in substance abuse recovery. Approximately \$90,000 in federal PATH grants fund shelter-based mental health services operated by Eliot Community Human Services.

Low Threshold Drop-In Programs: A network of ten programs offer a site-specific mix of daytime drop-in programming for homeless and/or at-risk persons, drawing funding support from a mix of government and private sources. A \$14,000 ESG grant matched by Heading Home funds a drop-in for homeless women. A \$57,800/year McKinney Vento grant, a \$10,000 ESG grant, and matching funds raised by Eliot Community Human Services' fund the Bread & Jams' drop-in program serving unsheltered and marginally sheltered homeless adults. A mix of federal (SAMHSA), State, ESG (\$10,000), and private funding helps support Youth on Fire, Cambridge Cares About AIDS' drop-in program for homeless and runaway youth and young adults. With the help of specially earmarked funding, CASPAR has been able to open its wet shelter during the day to provide more intensive services to medically at-risk chronic substance abusers. State and privately fundraised monies support On the Rise's street outreach and drop-in program serving a caseload of unsheltered and marginally sheltered homeless women. Both On the Rise and Youth on Fire received McKinney Vento grant funding during their start-up years, but decided to forego that funding, having determined that the collection of data required for compliance with the HMIS mandate, even on a voluntary basis, would have posed a potential barrier to access to the disengaged homeless clients targeted by the programs. Private funding also enables the Salvation Army to operate its drop-in programming for the homeless. CASPAR's Phoenix Center in neighboring Somerville offers Somerville Continuum-sponsored SHP-funded drop-in support and access to daily meetings for men and women in substance abuse recovery. Although State budget cuts forced the closure of one of the two local "social clubs" providing drop-in support to persons with histories of mental illness, the other program -- located just over the Cambridge Somerville border in Union Square Somerville -- continues to offer that critically needed support. A Women's Center provides drop-in services for women, with the help of privately fundraised resources.

Objective #3:

Housing: 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.

Using a mix of federal, State, municipal, and private resources, the City of Cambridge through its Multi-Service Center, HomeStart through its case management and housing placement programs, the Cambridge Housing Authority through its subsidy and SRO programs, and a mix of Continuum partners through their ever-expanding mix of permanent supported housing (PSH) programs help homeless and chronically homeless individuals and homeless families transition to housing and retain that housing. As of the most recent point in time count (the overnight between January 27-28, 2010), PSH programs counted in the Cambridge Continuum's Housing Inventory Chart housed 202 formerly homeless individuals (including 128 chronically homeless persons) and 13 formerly homeless families. Pursuant to HUD-funded training provided by TAC, Inc., City of Cambridge staff are working with the Cambridge Housing Authority and relevant provider partners (S-C Management, VinFen, Victory Programs, Childrens' Services of Roxbury) to integrate information about utilization of the 89 non-Shelter Plus Care SRO housing developed during the 1990s using Section 8 Mod Rehab grants.

Expected Resources

Federal Funds

- Community Development Block Grant Program
- HOME Program
- Low Income Housing Tax Credits
- Section 108 Loan Guarantee Program
- Section 8 Certificates and Vouchers
- Section 811 Grants to Develop Housing for persons with mental illness
- Emergency Shelter Grant Program (funding stabilization services for a Shelter Plus Care program)
- McKinney-Vento Shelter Plus Care (funding two programs operated by the City and one program operated by the Cambridge Housing Authority)
- McKinney-Vento Supported Housing Program (funding case management, housing placement, fiduciary services, legal services, transitional housing, and 134 units of permanent supported housing ... which actually housed 168 individuals and 13 families at the time of the PIT count)
- HPRP Funding

State Funds

- Housing Innovations Fund (HIF) and Housing Stabilization Fund (HSF)

- State Low Income Housing Tax Credits
- RAFT funds, subject to appropriation (covering costs related to transition of EA-eligible families from homelessness to housing)
- "ToolBox" funds, subject to appropriation (covering transition-related costs and providing shallow subsidies for EA-eligible families from homelessness to housing)

Local Funds

- City of Cambridge Tax Dollars (supporting affordable housing development, and funding a municipal Rental Assistance Fund managed by the City's Multi-Service Center)
- Foundation, corporate, and donor grants and contributions (providing matching funds to some of the SHP grant programs, and helping to fund the Cambridge Housing Assistance Fund and the Cambridge Fund for Housing, which help clients with the cost of transitions from homelessness to housing)
- Cambridge Affordable Housing Trust Fund (funded by a combination of tax dollars, "Inclusionary Zoning" payments by housing developers, and "Linkage" fees contributed by commercial property developers)

Strategies

Permanent Supportive Housing: Three Shelter Plus Care (S+C) grants (approx. \$534,000) fund subsidies for 39 individuals with disabilities and 7 families with HIV/AIDS, and leverage supportive services including intensive case management services for 15 clients of the Mass. Department of Mental Health, case management for 15 clients of Cambridge Cares About AIDS under contract with the Mass. Department of Public Health, case management by Heading Home under ESG contract with the City, and case management by Cambridge Cares About AIDS, with the help of federal Ryan White funding. Because program clients are able to contribute a portion of their income to housing costs, the S+C grants are able to support subsidies to 45 individuals and 8 families, that is, 15% above projected capacity.

In addition to the aforementioned S+C units, the Mass. Department of Mental Health funds supportive services for over 160 units of permanent supportive housing for persons with mental illness (approximately 75% of which are occupied by formerly homeless persons, including three CASCAP units on Cambridge Street and five scattered condominiums purchased by the Essex Street Development Corp that were developed with McKinney resources).

Twelve (12) ongoing McKinney-Vento SHP grants providing more than \$1.7 million in annual funding help sustain another 127-plus units of permanent supported housing for formerly homeless persons with disabilities, most of whom were chronically homeless, and five (5) units of PSH for families with disabilities who were rendered homeless through victimization by domestic violence. McKinney-funded project sponsors include HomeStart (71 units, plus 6 units under development), Heading Home (38 units),

Transition House (7 units for individuals and families rendered homeless by domestic violence), the Cambridge Housing Authority (8 units), and New Communities (8 units). At the time of the PIT count, these programs were operating at 106% of capacity, housing 135 individuals and 5 families, as compared to their targeted capacities of 127 individuals and 5 families. Heading Home also operates 14 units of PSH (Duley House) that were developed with a mix of federal HOME funds, State HIF and other funds, and local resources. Services are paid for through the fundraising of the sponsor.

Permanent Housing: In addition to 30 of the Shelter Plus Care units previously mentioned, the City of Cambridge is home to 89 units of SRO housing for the formerly homeless developed with Section 8 Mod Rehab grants from the 1990s. 35 units at the YMCA and 29 units at the YWCA are operated by S-C Management; 10 units for formerly homeless persons with mental illness at 205 Green St. are operated by VinFen, which receives funding for services from the State's Department of Mental Health ; 8 units at 30 Pearl St. are operated by Children's Services of Roxbury (which operates another 2 units that did not receive McKinney funding, but which house formerly homeless persons) at the same address; and 7 units for women with HIV/AIDS are operated by Victory Programs which provides HOPWA-funded services.

For additional information about the City's efforts to develop and sustain affordable housing, please see other sections of the One Year Plan

Transitional Housing: Homeless persons are served in Cambridge by ten (10) transitional housing programs. (Several of the programs counted in this section of previous year's Plans have been converted from transitional to permanent supported housing.) State-originated grant funding of approximately \$42,000 managed by the Mass Housing and Shelter Alliance helps pay for housing and staffing for a nine unit women's transitional housing program operated by Heading Home at the Cambridge YWCA. A \$20,000 CDBG grant pays for a transitional program for men and women in early substance abuse recovery at CASPAR's Emergency Service Center. A 22-unit men's transitional housing program at the YMCA (operated by the City's Multi-Service Center) is funded by an \$89,000 grant from MHSA, which covers staff and related costs, and payments from MHSA totaling \$132,000 to cover the annual rent for the 22 rooms.

Five (5) transitional housing programs are funded, in part by McKinney-Vento SHP grants, as follows: a North Charles Inc. program for five men in recovery (\$42,600/year plus matching funds), a CASPAR program for seven women in recovery (\$57,000/year plus matching funds), a Cambridge Cares About AIDS (CCAA) program for five men with HIV/AIDS (\$27,000/year for leasing plus leveraged funding for staffing), a CCAA program for five women with HIV/AIDS (\$31,000/year for leasing plus leveraged funding for staffing), and Transition House's Transitional Living Program for five families and four women rendered homeless because of domestic violence (\$57,000/year plus matching funds). The Salvation Army draws upon private funding to operate an in-house transitional housing program for shelter residents who have demonstrated commitment to ending their homelessness, and CASPAR uses State and Federal

Substance Abuse Block Grant funds and other resources to operate a recovery-oriented transitional housing program for newly sober women.

Case Management and Other Supportive Services: In addition to other supportive services mentioned in the previous section (e.g., street outreach, health-related programming, and drop-in programming), the Cambridge Continuum includes a variety of McKinney-Vento-funded supportive services programs to assist homeless persons address their income, employment, money-management, legal, housing, and other related needs, so that they can obtain and retain housing. In each case, HUD SHP funding is matched on a 1:4 basis (at least one dollar of match for every four dollars of federal funding) by locally fundraised money. Specifically, the Continuum includes

- \$222,000/year in SHP funds for two HomeStart housing search/case management programs serving approximately 100 persons; a combination of State and privately-fundraised pools of money (Cambridge Housing Assistance Fund, Cambridge Fund for Housing the Homeless, etc.) help homeless individuals pay the up-front cost of obtaining rental housing;
- \$32,000/year in SHP funds for CASCAP's fiduciary (money management / representative payee) program, intensively serving over 44 persons at any point in time;
- \$60,000/year in SHP funds for Heading Home's specialized legal assistance program, serving an average caseload of 30 persons;
- \$35,000 in SHP funds for Transition House's stabilization program (formerly operated by the Hildebrand) providing support to eight family households and three individuals who have been placed from homelessness to housing. Starting in July 2009, funding for this program will be reduced by 50%, and the caseload will likewise be reduced (to four families and two individuals).

Approximately \$215,000 of the \$1.3 million HPRP grant operated by the City is targeted for re-housing of homeless individuals and families. 100% of those funds are targeted for financial assistance (e.g., rental assistance, utilities, security deposit, etc.), as the City program requires that clients either be capable of independent living or have identified sources of case management from among the various providers in the community.

The City has a performance-based contract with the State's Department of Housing and Community Development to fund housing search and post-placement stabilization services for homeless families staying in State-funded units of family shelter.

As noted elsewhere in this document, the City of Cambridge contributes some \$420,000/year in municipal tax dollars towards addressing and preventing homelessness at its Multi-Service Center. Approximately \$246,000 of that funding goes towards case management, housing search, and supervision. A little more than \$62,000 in CDBG funding for Multi-Service Center staff is devoted to case management, housing search, and supervision.

Approximately 10% of the people on the caseload of the Cambridge Employment Program (CEP) are homeless. As noted elsewhere, municipal and LHA funding of the CEP and a City-sponsored supported work program exceeds \$600,000/year.

COMMUNITY DEVELOPMENT

Community Development

**Please also refer to the Community Development Table in the Needs.xls workbook.*

1. Identify the jurisdiction's priority non-housing community development needs eligible for assistance by CDBG eligibility category specified in the Community Development Needs Table (formerly Table 2B), public facilities, public improvements, public services and economic development.
2. Identify specific long-term and short-term community development objectives (including economic development activities that create jobs), developed in accordance with the statutory goals described in section 24 CFR 91.1 and the primary objective of the CDBG program to provide decent housing and a suitable living environment and expand economic opportunities, principally for low- and moderate-income persons.

**Note: Each specific objective developed to address a priority need, must be identified by number and contain proposed accomplishments, the time period (i.e., one, two, three, or more years), and annual program year numeric goals the jurisdiction hopes to achieve in quantitative terms, or in other measurable terms as identified and defined by the jurisdiction.*

COMMUNITY PLANNING OBJECTIVES

Overall Planning Goals and Projects

Over the 5 year period from 2006 – 2010, the City, through the Community Planning Division of the Community Development Department has continued to refine and revise the long term overall goals and policies of its Master Planning policy document “Toward a Sustainable Future”, implement these policies through the corresponding zoning regulations which were developed during the Citywide Rezoning in 2000. Also included in the implementation of the long term implementation is the rezoning developed during the major planning policy initiatives of the Eastern Cambridge Rezoning of 2001 and the Concord Alewife Planning Study, which after a year long public committee led process of resulted in zoning changes adopted in 2006. These projects all share the same overall goals and policies of both “Towards a Sustainable Future” and the updated set of goals, which shaped the Citywide Rezoning. These Goals and Objectives are:

- Encourage a mix of uses to enhance vitality
- Promote transit-oriented development
- Facilitate residential use and affordable housing
- Encourage appropriate retail uses
- Work for the creation of new open space
- Lower allowed density and bulk for non-residential uses across the city
- Reduce traffic growth and traffic impacts
- Urge institutions to house their graduate students, develop in core campuses, and control parking
- Require design review and public input for large projects

The public planning process for each of the these planning initiatives share similar framework of a committee process working intensively with staff and planning consultants on long term planning in the areas of traffic and transportation, land use and

zoning, open space and urban design. Public input is solicited at public meetings throughout the process, supplemented by frequent mailings of newsletters and bulletins. In the past few years, this information has also been shared over the internet, and, in the case of the Citywide Rezoning, allowing for online prioritization of goals and objectives to supplement public meeting input.

Implementation and Refinement

Over the year the Community Planning Division will work to ensure that the overall planning and zoning for the City is consistent with these overall policies, making adjustments to the zoning to ensure that they are both operating and implemented in a way that the results of specific projects are as consistent as possible with the overall citywide goals and objectives. This involves careful work on a project by project basis, working with project proponents and the Planning Board as it takes public testimony, discusses specific issues, and deliberates on the project, and also may involve adjustments to the zoning from time to time. Such adjustments may require a range of staff resources, from formal planning studies to small research projects – each with the focus on achieving outcomes on the ground from projects, which when responding to the zoning and associated design guidelines, result in projects which most consistently reflect the goals and objectives of not only the overall citywide objectives but the more finely grained area policies as well.

Planning For Aging

Over the past number of years there has been developing a growing interest group of older Cambridge residents who are advocating for city policies that would promote a safe, healthy and more independent life in their own homes in the future as they age. The Community Planning Division will work with city staff and the public on physical planning issues in light of both research and practice that have grown out of the last thirty years of planning for habitability across the human life cycle – a recognition that habitability requirements change over time and that there is no one static or single set of appropriate physical settings for people as they age. Issues of lifestyle, age, cultural appropriateness and health all interact with the physical environment and influence how it evolves. Planning for this set of issues has involved elements of research, public discussion, and formulation of recommendations so that Cambridge more fully serves its entire population. The expected outcomes may include recommendations concerning: zoning, including ; mix of uses, housing types, density, specialized services and uses; Development Guidelines, including project review and building materials and forms; Open Space, including design of parks/plazas, streets and sidewalks; transportation, and public process and communication. This study will also include an assessment of existing housing choices and housing preferences, and may include recommendations for further action, based on the results of this research.

Neighborhood Study Program

The Community Planning Division, through its Neighborhood Study program, seeks to preserve the character of the City's 13 neighborhoods by undertaking comprehensive planning efforts aimed at appropriate growth management – This program, through a year long committee process (a Neighborhood Study) or a series of public meetings (a Neighborhood Study Update) also seeks to strengthen communication among and between the City, its residents and the business community, improve the public's knowledge of critical planning issues, and provide a forum for the discussion of issues and suggestions for improvement.

Objective #1

Provide Suitable Living Environment: Preserve and strengthen the Cambridge residential neighborhoods and their diverse population.

During FY2011, the City of Cambridge through the Community Planning Division of the Community Development Department will provide information to the public on planning and zoning, provide staff support to the Planning Board as it considers Special Permit applications and zoning petitions. Will continue to work with neighborhood groups, residents, property owners, developers and other City departments and state agencies on urban design plans and proposed developments

The goals for FY2011 are to provide technical assistance to **6** staff members, create **60** GIS maps, **50** presentations, produce materials for **2** major projects and **2** planning initiatives, provide **700** residents and interested parties with technical assistance on planning and zoning, conduct **45** meetings with residents, neighborhood groups and interested parties, review **10** urban design and master plans, and assist in **24** meetings of the Planning Board.

Expected Resources:

- *Federal Funds:*
Community Development Block Grant
- *Local Funds:*
Property Taxes

Strategies:

Combination of Community Development Block Grant and Property Taxes

These funds will be used to cover the costs associated with staff, overhead and any consultant needed to prepare the following studies.

Neighborhood Study Updates

Continue updates on implementation of neighborhood studies working with residents, business representatives and property owners, to update past recommendations addressing land use, zoning, urban design, open space, transportation, housing and economic development. Continue 4 year cycle of updates to neighborhood studies, working with residents, business representatives and property owners to maintain current public input on current planning activities and future planned actions for workplan.

Objective #2

Provide Suitable Living Environment: Enhance the quality of the City's parks, playgrounds and recreational environments.

During FY2011, the City of Cambridge through the Community Planning Division of the Community Development Department plans to provide design and construction oversight in the development and updating of the parks, playgrounds and recreational sites.

The goals for FY2011 are to provide technical assistance for **5** projects.

Expected Resources:

- ***Federal Funds:***
Community Development Block Grant
- ***Local Funds:***
Property Taxes

Strategies:

Combination of Community Development Block Grant and Property Taxes

These funds will be used to cover the costs associated with staff, overhead and any consultant needed to achieve the following.

Open Space/Playground Renovations

Complete construction on parks designated as priority parks working in the City's Open Space Committee with other City departments. Completed construction on the new Riverside Park, Sennott Park pocket park, Clement Morgan Park and Pine Street Playground.. Completed design for new community gardens at Riverside Press Park. Initiate public process and design for renovation Alberico Playground, Old Morse Park and Fulmore Park. Continue development of design for Glacken Field

Objective #3

Create Economic Opportunities: Preserve and strengthen the City's fiscal base

During Fiscal Year 2009, the City of Cambridge through the Community Planning Division of the Community Development Department plans to provide high quality technical assistance to increase the quality and availability of planning-related information to staff members, the City, residents, property owners, business owners and developers.

The goals for FY2011 are to provide technical assistance to **6** staff members, create **60** GIS maps, **50** presentations, produce materials for **2** major projects and **2** planning initiatives, provide **700** residents and interested parties with technical assistance on planning and zoning, conduct **45** meetings with residents, neighborhood groups and interested parties, review **10** urban design and master plans, and assist in **24** meetings of the Planning Board.

Expected Resources:

- ***Federal Funds:***
Community Development Block Grant
- ***Local Funds:***
Property Taxes

Strategy:

Property Taxes

These funds will be used to cover the costs associated with staff, overhead and any consultant needed to perform the following.

Planning Board

Continue to staff and assist the Planning Board in its review of Special Permits for significant projects throughout the city. Research and develop appropriate amendments to the zoning ordinance. Continue to work with Planning Board, developers and residents on the implementation of zoning changes resulting from recent and anticipated planning efforts, including Citywide Rezoning, Eastern Cambridge Planning Study and Concord Alewife Planning Study, Prospect Street Planning Study, Binney Street Corridor Study.

ECONOMIC DEVELOPMENT

Introduction & Overview

The Economic Development Division (EDD) of the Community Development Department is responsible for a wide range of economic development activities designed to meet the City's need for a diversified and thriving economy. The Division offers programs and initiatives aimed at revitalizing commercial districts, supporting entrepreneurship, promoting a dynamic business climate and preserving a strong employment base. EDD offers individual business development assistance as well as numerous programs designed to enhance the vitality of local businesses, including micro-enterprises, encourage business retention and growth and promote economic empowerment for residents and business owners alike.

Public Process

In an effort to encourage participation from the community in developing economic policy, CDD/EDD works with various stakeholders, including residents, small business owners, neighborhood associations, public and private agencies, community development corporations and business organizations to gain input concerning the direction of current and future economic development programs. Specifically, EDD participates in forums including: neighborhood planning meetings with residents and businesses of the 12 Cambridge neighborhoods; conducts intercept surveys of residents and holds charrettes to discuss retail mix and social issues and concerns in commercial squares; collects data and develops commercial profiles of all commercial districts; directly interacts with Cambridge's 7 business associations by participating at regular meetings; and collects evaluations from participants of the economic development programs. All stakeholders are asked for input on the benefits of existing economic development programs to businesses and residents and asked to evaluate the need for new policy initiatives and programs based on current economic development trends. Policy and program initiatives are developed based on the data collected and the feedback from forums and evaluations.

Policy Goals

The Cambridge Economic Development Policy states the objectives and policy goals for economic development in the City grouped under various policy themes with recommendations. These themes include Commercial District Revitalization, Small Business Development, Real Estate, Marketing Cambridge, Workforce Development and Business Climate. The recommendations provide the framework for EDD activities and programs that are included in the city's annual budget.

Objective #1:

To cultivate a supportive environment for income-eligible, micro-enterprise businesses and residents with a particular emphasis on small, women and minority-owned businesses.

Small Business Development

EDD will continue to support the City's small businesses, especially women and minority-owned businesses, by assisting them with marketing, e-commerce, networking, business management, loan packaging and exposure to a broader range of resources. The Division will continue to partner with non-profit organizations and other contractors to provide pre-business and business development educational services for low and low-moderate income micro businesses, residents and business owners in the NRS areas. Services will include business to business networking events, workshops, seminars, class series and in-store consultations. EDD will also continue financial literacy classes for NRS residents.

The goal for FY2011 is to provide **15** NRS residents with Financial Literacy training and **40** income-eligible micro-enterprises and entrepreneurs training on running a successful business.

Expected Resources:

Federal Funds:

Community Development Block Grant

Leveraged Funds:

Financial Institutions

Foundations

US Small Business Administration

Local Funds:

Property Taxes

Other

Combination of Community Development Block Grant and Property Taxes

These funds will be used to cover the costs associated with staff, overhead and any consultant needed to achieve the following:

Strategies:

One-on-One Counseling: Assistance will continue to be available to income-eligible micro-enterprises, start ups, residents and businesses in the NRS areas for help with

writing business plans, preparing marketing and expansion proposals, doing feasibility analyses and site assessments, marketing, business management and obtaining referrals to sources of capital.

Educational Workshops

EDD provides several workshops aimed at Cambridge's low and low-moderate income community. These workshops are specifically geared toward helping individuals and micro-enterprises start a new business, learn new business management tools, enhance an existing business or save for an economically empowering objective such as starting a business. As in the past, residents and businesses in the NRS areas and low and low-moderate income micro-enterprises will be targeted for enrollment in these workshops.

Business-to-Business Networking Forums

EDD will continue to provide networking forums to encourage large Cambridge businesses and institutions to purchase goods and services from small businesses in the city. Many of the targeted small businesses are microenterprises with low and low-moderate income or are located in the NRS areas of Cambridge.

NRS Marketing Initiatives

EDD provides support to independent businesses and business associations by providing technical assistance for marketing and other initiatives in order to attract and retain businesses in the city. EDD is exploring the idea of targeting NRS businesses and business associations with marketing campaigns to encourage more business-to-business, business-to-resident and resident-to-business activity to improve business sales, promote local shopping practices and spur local job growth.

Objective #2:

Promote thriving commercial districts.

Commercial District Revitalization

The City is composed of six commercial districts: Kendall Square/East Cambridge, Central Square, Cambridge Street/Inman Square, Harvard Square, Porter Square, and Fresh Pond. While each has its own character and appeal, all districts share common desirable elements: convenient shopping with a variety of desired goods and services for neighborhood residents, students and workers. The commercial districts each provide employment in retail establishments and office buildings.

EDD will continue its support of Cambridge retail businesses, especially income-eligible micro-enterprises and those located in the two Neighborhood Revitalization Strategy (NRS) areas by offering programs such as the Best Retail Practices Program and the Façade and Signage and Lighting Improvement Programs and by supporting businesses associations in commercial districts.

The goal for FY2011 is to provide **10** additional retailers with matching grants to improve and enhance their business, with approximately 10-12% hiring new employees as a result.

Expected Resources:

Federal Funds:

Community Development Block Grant

Leveraged Funds:

State Funding

Private Funding

Non-profit Foundations

Local Funds:

Property Taxes

Other

Strategies:

Best Retail Practices: This program reaches out to Cambridge retailers and restaurant owners seeking to improve their establishments interior design , marketing, advertising and operations. The goal of the program is to assist owners with technical and financial assistance to build a stronger customer base and boost sales. It offers a three part program for first time participants that includes a free workshop geared to a larger group

of retailers, individual in-store consultations and a matching grant program that funds pre-approved store improvements or marketing costs.

The program also offers advanced workshops for retailers who have completed the first time program. These workshops are geared toward specific retail sectors such as restaurants or contain advanced subject matter such as new marketing strategies. This program will continue to be offered to income-eligible micro-enterprises and those retailers located within, and serving residents of, the NRS areas. The program has a track record of helping participants increase sales by an average of 9%, which EDD strives to maintain.

Façade, Signage, and Lighting Improvement Program: This program provides technical and financial assistance to Cambridge businesses interested in improving their commercial storefronts. Property and business owners can apply for matching grants for pre-approved façade improvements. Matching grants are also available for pre-approved signage and lighting improvements. This program is currently supported by tax dollars. Over the next 5 years it is anticipated that at least 50 additional businesses will improve their storefronts. Since fiscal year 2003, this program has provided design services to 143 business and property owners and helped finance 104 façade, signage and lighting improvement projects throughout the City.

Cambridge Healthy Retail Initiative: EDD is exploring launching a new program for local food retailers to purchase and sell healthy food products. The program is anticipated to provide technical assistance and business development resources in underserved areas of the City, including NRS areas, and will address a community need for better access to healthy foods. The Program encourages new entrepreneurs and existing retailers to adopt healthy product lines that may not be available in the market area.

Objective #3:

Support efforts to sustain a diverse array of employment opportunities accessible to Cambridge NRS residents for jobs in existing and emerging industries.

Workforce Development Assistance

The Economic Development Department will continue to support a broad range of job preparedness and economic empowerment programs for Cambridge residents. These programs will be targeted specifically to residents of the NRS areas.

The goal for FY2011 is to provide **12** NRS residents with Bio-Medical career training and **9** NRS residents with Green Jobs training.

Expected Resources:

Federal Funds:

Community Development Block Grant

Leveraged Funds:

State Funding

Private Funding

In-Kind (Bunker Hill Community College classroom/lab space)

Non-profit Foundations

Individual Training Accounts (ITA's)

Local Funds:

Property Taxes

Strategies:

Just-A-Start Biomedical Career Program: This free nine-month certificate program provides academic and lab instruction to income-eligible Cambridge residents to prepare them for entry-level biotech jobs at local life science companies, universities, research institutions, clinical laboratories and hospitals. Upon completion, participants receive assistance in resume writing and job placement

Cambridge Green Jobs Program: The program provides Cambridge residents academic and on-the-job training to gain entry-level jobs in the green technology field, especially in green building maintenance and energy efficiency sectors. Upon completion, participants receive job-readiness assistance and job placement. It is anticipated that some participants will start their own businesses, such as weatherization.

PUBLIC SERVICE OBJECTIVES

The City of Cambridge Department of Human Services was notified that CDBG public services will be increased by \$20,000 for FY2011. Currently, the Department is conducting an Application for Renewal Funding for the FY2011 CDBG grant cycle, whereby existing recipients are invited to re-apply. We will have a mini RFP for this additional \$20,000 and whether the City chooses GBLS or CLSACC legal services is the recipient of the \$10,000 award it envisioned they will work with Cambridge domestic violence providers and their clients. The exact result of this process will not be available until late May early June.

- Food for Free will receive an additional \$10,000 for food delivery services; and
- Either CLSACC or GBLS will receive an extra \$10,000 for work with Cambridge Domestic Violence programs.

The narrative below takes into account both this ongoing renewal process and the city's ongoing working relationship with various community providers that have been CDBG recipients over the years.

OVERALL GOAL: TO IMPROVE THE OVERALL QUALITY OF LIFE FOR CAMBRIDGE RESIDENTS BY CREATING AND COORDINATING PUBLIC SERVICES.

Objective #1:

To create or support a broad array of services and opportunities for families and youth.

Number of Households to be Served:

With continuing funding from HUD in FY2011, the City of Cambridge anticipates providing services to over **2,100** low and low-moderate income individuals through its 17 CDBG-funded public service grants. Based on the FY2011 Renewal Applications to be submitted by community organizations, the following providers will seek funding to support programs targeting the low-moderate income population:

- The Margaret Fuller Neighborhood House and the East End House will continue to enhance the quality of lives of residents in Area IV and East Cambridge by providing essential community services such as: emergency food, senior services, school-age programs, and various social and educational opportunities.
- CASPAR will continue to work with homeless adults in recovery from substance abuse in securing alternative housing.
- Multi-linguistic Cambridge residents will continue to access mainstream community resources with the support of community providers such as:

- Massachusetts Alliance of Portuguese Speakers, Centro Latino, and the Ethiopian Community Mutual Assistance Association.
- Homebound elders and individuals with disabilities will continue to receive food delivered by the home-delivery programs of the organizations Food For Free and the East End House.

Expected Resources

Community Development Block Grants:

Local Property Taxes:

Services:

Through a combination of Community Development Block Grants and Property Taxes, the Department of Human Service Programs anticipates contracting with local non-profit community organizations to provide the following services to individuals, families, and multi-linguistic residents:

- Develop/enhance new and existing social and educational programs, based on community needs;
- Provide information/referral, crisis intervention/prevention and counseling and other support services to the Latino, Portuguese-speaking, and Ethiopian populations;
- Provide interpretation and translation services to the Latino, Ethiopian, and Portuguese-speaking population to promote access to community services;
- Operate emergency food pantries, which also deliver food to homebound individuals, and provide infant food/necessities to single mothers with infants;
- Coordinate a farmer's market program on sites at senior housing developments to facilitate access to food to isolated and frail elders;
- Deliver over 700,000 tons of fresh produce and canned goods to over 30 food assistance programs such as food pantries, meal programs, youth programs, and shelters;
- Develop and implement individualized treatment plans;
- Provide ongoing case management and adjust treatment plans as needed;
- Conduct individual and group counseling sessions;
- Identify and support participants ready to transition into a more stable sober environment, such as independent living housing, halfway housing, and/or sober shelters; and
- Recruit, train, and provide ongoing supervision and support to agency volunteers.

Objective #2:

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

Number of Households to be Served:

With continuing funding from HUD in FY2011, the City of Cambridge anticipates providing supportive services to approximately **330** elders and individuals with disabilities through a variety of public service grants. Based on the FY2011 Renewal Applications to be submitted by community organizations, the following providers will be seeking funding to support programs targeting the low-moderate income population:

- SCM Community Transportation will provide transportation services to elders and persons with disabilities.
- HouseWorks will keep senior citizens and persons with disabilities from being evicted or displaced by providing in-home heavy chore services.

Expected Resources

Community Development Block Grants:

Local Property Taxes:

Services:

Through a combination of Community Development Block Grants and Property Taxes, the Department of Human Service Programs anticipates contracting with local non-profit community providers who work with senior citizens and persons with disabilities to provide the following:

- Medical transportation and nutritional shopping trips to seniors and persons with disabilities to promote access to essential community services; and
- Eviction prevention and displacement of elders and persons with disabilities by providing extensive cleaning services and reorganization of their homes; and provide intervention support services to reduce resistance and interference from clients with the provision of these services.

Objective #3:

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

Number of Households to be Served:

During FY2011, the City of Cambridge anticipates providing vital support services to approximately **70** low-moderate income individuals, families and their children through a variety of public service grants. With continuing funding from HUD, low-moderate income Cambridge residents, at risk of becoming homeless, will continue to access these essential community services. Based on the FY2011 Renewal Applications to be submitted by community organizations, the following provider will seek funding to support a program to target low-income population facing eviction proceedings:

- Community Legal Services & Counseling Center will continue to provide legal advice and representation services to prevent homelessness and involuntary dislocation of individuals and families with children.

Expected Resources

Community Development Block Grants:

Local Property Taxes:

Services:

Through a combination of a Community Development Block Grant and Property Taxes, the Department of Human Service Programs anticipates contracting with the Community Legal Services/Counseling Center to provide the following services to individuals, families, and multi-linguistic residents:

- Legal counsel and representation to public/private housing tenants facing eviction;
- Representation to public and subsidized housing tenants and applicants for housing in administrative appeals;
- Community outreach and consultation to community organizations and advocates on landlord/tenant housing law issues; and
- Recruitment, training, and ongoing supervision of volunteer attorneys on landlord/tenant law, trial/administrative practice, and public/subsidized housing issues.

Objective #4:

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

Number of Households to be Served:

With continuing funding from HUD in FY2011, the City of Cambridge anticipates that it will provide supportive services to approximately **220** low and low-moderate income youths through a variety of public service grants. Based on the FY2011 Renewal Applications to be submitted by community organizations, the following providers will seek funding to support programs targeting low-moderate income youths and their families:

- Youth with emotional/behavioral difficulties will continue to access a summer camp coordinated by the Cambridge Camping Association; and
- The Guidance Center will continue to support youth and their families by providing bilingual/bicultural early intervention services to families with infants.

Expected Resources

Community Development Block Grants:

Local Property Taxes:

Services:

Through a combination of Community Development Block Grants and Property Taxes, the Department of Human Service Programs anticipates contracting with local non-profit community organizations who work with individuals, families, and multi-linguistic residents to provide the following services:

- A summer camp program for children with emotional and behavioral special needs;
- Individual counseling, and information and referral to other supportive services;
- Outreach and support to assist linguistic minority families with infants in accessing early intervention services;
- Comprehensive developmental assessment and specialized therapeutic intervention services provided largely by staff who speak the native language of the family;
- Case management and individual family service planning and weekly home visits;
- Access to related community services such as parent-child groups at community sites and transportation services; and
- Ongoing hiring, training, and supervision of bilingual/bicultural Early Intervention Specialists.

Objective #5:

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

Number of Households to be Served:

With continuing funding from HUD in FY2011, the City of Cambridge anticipates providing domestic violence-related services to approximately **85** low-moderate income adults and children through a variety of public service grants. Based on the FY2011 Renewal Applications to be received from community organizations, the following providers will be seeking funding to support domestic violence-related programs:

- Greater Boston Legal Services/Cambridge & Somerville Legal Services, and Community Legal Services & Counseling Center will continue to provide legal counsel/representation and counseling services to victims of domestic violence.

Expected Resources

Community Development Block Grants:

Local Property Taxes:

Services:

Through a combination of Community Development Block Grants and Property Taxes, the Department of Human Service Programs anticipates contracting with local non-profit community organizations to provide the creation or support of domestic violence and abuse prevention and treatment for adults and youth that include the following:

- Legal counsel and representation in court in cases involving divorce, restraining orders, child support, child custody, paternity, and visitation rights;
- Individual and group counseling to address psychological symptoms associated with domestic violence, such as depression/anxiety/stress;
- Ongoing recruitment, training, and supervision of volunteer attorneys and mental health practitioners working with victims of domestic violence; and
- Citywide collaborative strategies aimed at making Cambridge a Domestic Violence-Free Zone.

Objective #6:

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

Number of Households to be Served:

With continuing funding from HUD in FY2011, the City of Cambridge anticipates providing essential employment programs to approximately **250** low-moderate income Cambridge youth and young adults through a variety of public service grants. Based on the FY2011 Renewal Applications to be received from community organizations, the following providers will seek funding to support programs targeting low-moderate income population:

- Cambridge Housing Authority will continue to provide an after-school literacy, life skills, college preparation, and employment program for youth residing in public housing developments;
- Just-A-Start Corporation will continue to offer job development and employment programs to disadvantaged high school students and out-of-school youth; and
- The Young People's Project will provide training in math literacy and meaningful employment opportunities that enrich high school teens and encourage them to be invested in their communities.

Expected Resources

Community Development Block Grants
Local Property Taxes

Services:

Through a combination of Community Development Block Grants and Property Taxes, the Department of Human Service Programs anticipates contracting with local non-profit community organizations that work with individuals, families, and multi-linguistic residents to provide the following:

- On-site skills training in construction, housing rehabilitation, and energy conservation;
- After-school classroom-based instruction in job readiness and life skills;
- Career awareness, job development, job search training, job placements in private/public sectors, job performance monitoring, and on-the-job-mentorship;
- Case management, counseling, and individual service plans;
- Academic support, high school equivalency/diploma and college preparation, MCAS prep classes, and summer literacy camp;

- Math literacy worker training provided to high school youths, and math literacy workshops presented to elementary students at various community centers;
- Professional development in adolescent literacy and reading comprehension provided to instructional staff; and
- Outreach to the community and to the local private industry to support employment services to youth in Cambridge.

Antipoverty Strategy

1. *Describe the actions that will take place during the next year to reduce the number of poverty level families.*
-

The City of Cambridge will continue its efforts to reduce the number of families and individuals living in poverty in FY2011. The City will focus primarily on supporting programs that raise household incomes and stabilize housing situations. It also supports 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 HOUSING

Non-homeless Special Needs (91.220 (c) and (e))

*Please also refer to the Non-homeless Special Needs Table in the Needs.xls workbook.

1. Describe the priorities and specific objectives the jurisdiction hopes to achieve for the period covered by the Action Plan.
 2. Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by this Action Plan.
-

Please refer to Cambridge Housing Authority's "Moving to Work" Annual Plan for 2011 in Appendix B

Special Populations

The City supports nonprofit and public agencies in their applications for federal and state funds to develop additional housing with appropriate services for low-income persons with special needs. This includes nonprofit applications for commitments from federal programs like Section 811 Supportive Housing for Persons with Disabilities. Cambridge will also consider providing low interest loans and construction loans to fund gaps in the capital costs of developing supportive housing.

Supportive Housing Development Program

In FY2011 in addition to strongly supporting non-profit agencies in their applications for federal and state funds to develop additional housing with appropriate services for low-income persons with special needs, Cambridge will target low-interest loans and construction loans to fund gaps in the capital costs of developing supportive housing.

Support for other entities

Cambridge will support other entities in their applications for resources consistent with this goal. For development projects, Cambridge will offer this support after evaluating these entities, with respect to the capacity of the development and management teams, and the financial feasibility of specific projects. The City will offer technical assistance to nonprofit developers in order to help build this capacity.

Leveraging Plans and Matching Requirements

Cambridge intends to continue its work to leverage state, local and private funds to support activities in this area. Funds leveraged tend to be committed on a site-by-site basis, but generally include the Cambridge Affordable Housing Trust, funds provided by

Cambridge Banks Housing Associates (a consortium of local banks), local lenders and other sources. Some of these funds have matching requirements. For example, the Shelter Plus Care Program requires that federal rental subsidies be matched dollar-for-dollar with state and local service commitments.

Service Delivery and Management

The Cambridge Community Development Department will coordinate service delivery and management associated with this priority area. Cambridge will continue to work with its existing network of nonprofit agencies, and encourage new sponsors, to produce housing for the homeless, in partnership with the Cambridge Housing Authority and the State and Federal Government.

Resources

Please see the Resources section.

Other Narratives

Emergency Shelter Grant (ESG)

Purpose

During FY2011, the City of Cambridge plans to fund the provision of the following services with its allocation of McKinney ESG funding:

- Shelter services to homeless women and children and people with disabilities in Cambridge;
- Day drop-in services to homeless youth in Cambridge; and
- Emergency Shelter services to homeless men in Cambridge.

These services are described in detail in the three objectives listed below.

Objective #1:

Provide quality Emergency Shelter services to homeless women and children and people with disabilities in Cambridge

Number of Homeless Women and Children and People with Disabilities to be Served: During FY2011, the City of Cambridge envisages awarding funding to homeless shelters that will specifically serve approximately **995** individuals from the target population of single homeless women and homeless children and families and people with disabilities.

Expected Resources

Federal Funds

Community Development Block Grant Program
McKinney ESG Funds
McKinney SHP Funds

State Funds

Department of Public Health Bureau of Substance Abuse Services
Department of Social Services
Department of Transitional Assistance
Massachusetts Shelter & Housing Alliance

Local Funds

City of Cambridge Tax Dollars
Cambridge Housing Assistance Fund (private donors)
Cambridge Fund for Housing (private donors)
Harvard
Private Fundraising
United Way

Strategies

Targeting Compassionate and Effective Organizations Working with Homeless Women & Families and People with Disabilities: A group of stakeholders from the City's Department of Human Service Programs including the coordinator of the Cambridge Continuum of Homeless Service Providers will meet to review proposals and to decide on the needs of the target population. Based on our working relationships with a number of providers, we plan to fund the following organizations and programs:

- Heading Home Inc.'s Day Drop-In, which provides daytime support and services to homeless women. It is primarily a safe-haven to help this vulnerable population come off the streets. Services include:
 - Crisis intervention;
 - Hot meals;
 - One-on-one counseling;
 - Weekly visits from Health Care for the Homeless; and
 - Referrals for mental health, substance abuse, tertiary health care, job, training, legal services, and housing search.

The FY2011 ESG award will fund operating costs including salaries for the drop-in program coordinator and specialist, food and training. We anticipate funding this program at a similar level for the coming five years.

- Heading Home Inc.'s Shelter + Care program provides stabilization services to between 8 and 12 homeless men and women with disabilities per year. The program helps these individuals transition into their own homes and to successfully live independently. An important element of this program is that it allows homeless households whose negative housing histories would have prevented them from receiving Section 8 vouchers to obtain subsidized and supported permanent housing. The FY2009 and '10 grants paid for part of the salary of the caseworker. As with previous recent years, the City hopes to fund this program in the realm of \$20,000 for the next year.
- The Hildebrand's Family Shelter provides emergency shelter for 34 families, 14 of whom are sheltered in Cambridge. Because their 24-hour shelter is so well utilized, it is in need of constant and renovations. Funding for the past few years was used to make repairs to their house on 41-43 Columbia St, which was built in the first decade of the twentieth century and requires constant improvements. The

City anticipates funding the Hildebrand in FY 2011 for renovations to its family shelter. The Family Shelter will be funded at approximately \$9,000 for FY 2011.

- Transition House became the first battered women's shelter in the US, and since then it has sheltered 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. Services include:
 - Post Traumatic Stress support groups;
 - Economic literacy trainings;
 - Parent-support groups; and
 - Self-care education.

In FY2010, ESG funds of \$9,000 were used for general operating costs including utilities, and groceries, funding will remain at around this level for FY 2011.

- Catholic Charities' St. Patrick's Shelter last year provided shelter to over 220 individual homeless women. The shelter is the only large-scale emergency shelter for sober women in the area outside of Boston. In the passed, ESG funds have covered salaries enabling the shelter to remain open 24 hours/day. Keeping the shelter open during the day allowed homeless women to work night shifts so they can sleep during the day, which is especially important in an economic downturn when jobs are scarce. Now, however, their awards tend to fund utilities so the ESG essential services cap is maintained. The City will fund St Patrick's Shelter at around \$6,500 for the next fiscal year.
- HomeStart's Cambridge Rental Assistance Program is an intensive homelessness prevention service for both the homeless and those at risk of being homeless in Cambridge. Over the past five years, the program has served dozens of homeless people and helped both move them into housing and keep them in permanent housing. The majority of clients served by this program are homeless women, who receive assistance with housing relocation costs such as security deposits, first and last month's rent and moving expenses. In FY 2010, HomeStart was able to utilize Federal ARRA funds, specifically, Homelessness Prevention & Rapid Re-housing (HPRP) to provide rental assistance so instead, the agency requested funds for its "Homeless to Housing" day drop-in. See more about this program below.
- HomeStart's Homeless to Housing drop-in homeless services facility provides a range of services to homeless individuals including case management, housing search and connection to mainstream benefits and employment programs. In FY 2010, HomeStart received just over \$9,000, and will be funded at a similar level in FY 2011. Approximately 150 people are served a year, 25% of whom are women.

- CASPAR's Emergency Service shelter is open to both men and women in Cambridge who are ineligible for other shelter services because of their active substance abuse. But due to lack of space, only 15% of clients are women. The shelter offers on-site primary health care four times a week. Due to increased demand, CASPAR has continued to keep the shelter at full capacity, and up to 108 people use the shelter a day. ESG funds are used for operating costs specifically food, maintenance, and utilities. For FY 2011, the City will fund this program approximately \$18,000 and will endeavor to do the same for the next few years.
- Phillips Brooks House, a non-profit organization working with Harvard University students runs two seasonal shelters that serve both women and men. Its student volunteers run St James' Summer Shelter, which is located in St. James' Episcopal Church in Porter Square, Cambridge. It operates at night only through the summer months, and provides dinner and breakfast to up to 15 people during the season. Due to renovations at its long-time location in the basement of St James' Church, the program will be relocated to the University Lutheran church in Harvard Square during the summer of 2010. This is where Harvard Square Homeless Shelter is housed in the winter months. At this shelter, clients can make a lunch to carry to work, receive clean clothing and transportation vouchers. ESG funds pay for salaries, overhead, maintenance and food. Last year the program was funded \$2,500, will maintain this level of funding in FY 2011.
- Phillips Brooks House also administers the Harvard Square Homeless Shelter, which is run by its Harvard University Student volunteers. The entirely volunteer run facility within University Lutheran church provides shelter to 5 women and 19 men each night through the winter months. It is the only such facility in Harvard Square. ESG funds around \$3,500 per year for non-salary operating costs. The City will provide this amount for FY 2011 and hopefully beyond.
- The Cambridge YWCA was founded in 1891 to serve the needs of women and children in Cambridge and surrounding communities. The YWCA provides residence and shelter services for 99 women and 10 families at any given time. While many of its residents were formally homeless, the YWCA also has a specific shelter exclusively available to 9 homeless women and 10 families at any given time. For the last few years, ESG have funds operations costs for their family shelter. In FY 2010 the City provided \$5,000 in ESG funds. The City anticipates funding the YWCA at the same level for their family shelter in FY 2011.

Objective #2:

Provide quality day drop-in services to homeless youth in Cambridge

Number of Homeless Youth to be Served:

During FY2011, the City of Cambridge plans to award ESG funding to a homeless services provider(s) that will serve over **150** homeless youths.

Expected Resources

Federal Funds

McKinney ESG Funds

McKinney SHP Funds

SAMHSA Funds

State Funds

Department of Public Health HIV/AIDS Bureau for
Prevention & Education

Local Funds

Private Fundraising

Harvard-Epworth Church

Strategies

Targeting Youth-Friendly Organizations Working with Homeless Youth: The same RFP will be circulated to homeless services providers in the area, followed by the decision making process described in Objective 1. Based on our working relationships with a number of youth-focused providers, we plan to fund the following organization and program:

- Cambridge Cares About AIDS (CCAA) Youth on Fire is CCAA's drop-in shelter for run away, homeless youth. This program was developed as a response to an increasing number of homeless youth in Cambridge with HIV caused by practicing high-risk behaviors associated with living on the streets. It is the only shelter in Cambridge catering exclusively to youth. The program offers a safe, youth-focused environment open 5 days a week in which youth can access:
 - Hot meals;
 - Clothing, laundry, hygiene products, and showers;
 - Healthcare services;
 - Computers and Voicemail boxes;
 - Job search services;

- Life-skills workshops;
- HIV counseling; and
- General counseling and referral.

Until FY 2009, Youth on Fire had been awarded \$9,000 for operations costs, specifically for their rent. This was subsequently increased to \$12,000 in FY 2009, and then lowered back down to \$10,000 in FY 2010. The City intends to fund them at \$10,000 for FY2011, and hopes to fund them at a similar level in the next year.

Objective #3:

Provide quality Emergency Shelter services to homeless men in Cambridge

Number of homeless men to be served:

During FY2011, the City of Cambridge intends to fund to homeless shelters that will serve a target of **2,120** homeless men.

Expected Resources

Federal Funds

McKinney ESG Funds

McKinney SHP Funds

Local Funds

City of Cambridge Tax Dollars

Private Fundraising

Volunteers

Strategies

Targeting the most Effective Organizations Working with Homeless Men: As mentioned earlier, an RFP will be circulated to homeless services providers in Cambridge. Please refer to Objective 1 for further details. In addition to the programs listed above, the City envisions funding the following organizations and programs:

- Eliot Community Human Services (ECHS) merged with long-time Cambridge ESG grant recipient, Bread & Jams, in FY 2009. While the previous stand-alone Bread & Jams was a process oriented non-profit run by formerly homeless for the homeless that often found itself in a financially precarious position, ECHS is a much larger, financially sound agency focused on quality services and positive outcomes. The Bread & Jams Self-Advocacy Center operates out of the Swedenborg Church in Harvard Square. It operates daily throughout the year (Mon-Fri 8:30 AM to 4:30 PM) as a drop-in center for homeless men and women and provides a variety of services on site. These s services include: two daily meals (breakfast & lunch), case management, clothing, benefits assistance, referrals to outside services including housing assistance, primary care services, mental health and substance abuse treatment, and other supportive services. In the past, Bread & Jams' ESG funding was primarily used to support a van service for homeless individuals taking them to evening meals programs, but for the last six years ESG has been used for their day drop-in shelter, which serves a majority (70%) male homeless population. In FY 10, the City funded Eliot Community

Human Services \$10,000 for this program, and we anticipate continuing to fund the program at around the same level.

- The Salvation Army operates a shelter open year round for up to 940 homeless men from the Cambridge area. The shelter and attached drop-in center is open 7 days a week and 24 hours a day. During the most recent fiscal year, the shelter and drop-in served 98,471 meals and provided overnight stays to 676 unduplicated homeless men. About \$7,500 in ESG funding is for utilities, enabling the shelter to be a more inviting place for clients so reading lights and importantly the heat could be left on during the day in the winter. In FY10, the Salvation Army was funded \$8,000, a \$2,000 decrease from the previous year. The City intends to fund the program at \$8,000 for FY2011..
- CASPAR's Emergency Service Center, as mentioned above, provides services to both homeless women and men who are active substance abusers and are thus ineligible for other shelter services. Approximately, 75% of clients are men. The shelter has on-site primary health care four times a week. Due to increased demand, CASPAR continues operate at full capacity, providing 108 shelter beds a night. Their approximately \$18,000 in ESG funds awarded for FY2010 will be used for non-salary operating costs. The shelter has targeted serving 750 homeless men in the coming year.

NEIGHBORHOOD REVITALIZATION STRATEGY

NRS One– “NRS East”

This Neighborhood Revitalization Strategy (NRS) is the result of amending the area of Cambridge’s existing NRS, updating the boundaries based upon 2000 census data, allowing the City to incorporate previously excluded areas while maintaining the target population. The NRS area the City has selected is consistent with HUD guidelines, and has been approved by HUD staff. The area is centered on the Central Square district, and radiates out to include portions of the Riverside, Cambridgeport, Area Four, East Cambridge and Wellington / Harrington Neighborhoods. The NRS area extends from the Charles River (in the Riverside and Cambridgeport Neighborhoods) to the Somerville border (in the Wellington / Harrington Neighborhoods) and also includes a small portion of soon to be developed land in East Cambridge where Binney Street meets Galileo Way. This area represents predominately residential neighborhoods, and includes the highest populations of low/moderate income and minority residents. Though the area is large and extends beyond several City defined Neighborhoods, it represents a large contiguous area of residents who all face similar challenges. The demographic data used in determining the NRS area is based upon 2000 U.S. Census Block Group data.

The NRS East area was slightly modified to include the Scouting Way affordable housing development on Prospect Street (13 income eligible rental units) and Cambridge Housing Authority’s Jackson Gardens apartment complex at the intersection of Prospect and Harvard Streets (46 income eligible units). The addition of these two locations will increase the number of income-eligible residents in the NRS and will expose more eligible Cambridge residents to the programs offered to NRS residents. The following chart shows all Block Groups included in the NRS area and the relevant demographic data:

**City of Cambridge
Census Data for Neighborhood Revitalization Strategy East**

Census Tract	Block Group	TOTAL Area	RES Area	% RES	TOTAL Pop.	LOW/MOD Pop.	% LOW/MOD
3522	1	1,144,797	655,603	57.3%	1,974	1,236	62.6%
3524	1	895,450	314,297	35.1%	588	255	43.4%
	2	2,132,276	818,211	38.4%	1,432	1,344	93.9%
3525	1	833,375	735,797	88.3%	1,458	866	59.4%
	2	852,153	753,422	88.4%	1,808	884	48.9%
3526	1	1,157,494	608,913	52.6%	1,352	644	47.6%
	2	1,116,143	534,986		1,300	724	55.7%
3527	1	481,189	388,382	80.7%	732	451	61.6%
	2	531,449	402,523	75.7%	885	649	73.3%
	3	345,455	275,135	79.6%	687	416	60.6%
3528	1	643,088	567,880	88.3%	1,302	719	55.2%
	2	739,967	508,439	68.7%	1,179	538	45.6%
3530	3	957,680	473,973	49.5%	1,312	814	62.0%
3531	2	1,414,902	319,893	22.6%	997	752	75.4%
	3	1,424,962	301,369	21.1%	902	413	45.8%
3532	1	2,189,137	758,457	34.6%	1,200	521	43.4%
	2	1,311,598	490,506	37.4%	851	442	51.9%
	3	1,135,180	703,432	62.0%	945	290	30.7%
3533	1	805,084	715,053	88.8%	1,149	567	49.3%
	2	1,093,490	989,179	90.5%	1,390	547	39.4%
3534	1	1,201,183	552,130	46.0%	1,043	490	47.0%
	2	999,472	678,295	67.9%	1,397	821	58.8%
3535	1	1,069,282	947,888	88.6%	1,576	757	48.0%
3539	1	840,745	371,481	44.2%	889	454	51.1%
	2	588,845	181,179	30.8%	1,305	937	71.8%
<i>Jackson Gardens and Scouting Way</i>		68,150	68,150	100.0%	150	150	100.0%
TOTALS		25,972,546	14,114,573	54.3%	29,803	16,681	55.97%

Low/Moderate Income Residents Served: 55.97%

Residential Land Area Served: 54.3%

Overall Goals and Objectives For Cambridge's NRS East:

The City of Cambridge will seek to utilize the benefits afforded by the proposed NRS in Economic Development initiatives. The proposed activities for FY2011 are as follows:

- ◆ **Retail Best Practices Program**
- ◆ **Empowerment Through Financial Literacy**
- ◆ **Bio-Medical Training Program**
- ◆ **Earned Income Tax Credit / Food Stamp awareness initiative through the Human Services Department**

Objective #1:

To cultivate a supportive environment for income-eligible, micro-enterprise businesses and residents with a particular emphasis on small, women and minority-owned businesses.

Small Business Development

EDD will continue to support the City's small businesses, especially women and minority-owned businesses, by assisting them with marketing, e-commerce, networking, business management, loan packaging and exposure to a broader range of resources. The Division will continue to partner with non-profit organizations and other contractors to provide pre-business and business development educational services for low and low-moderate income micro businesses, residents and business owners in the NRS areas. Services will include business to business networking events, workshops, seminars, class series and in-store consultations. EDD will also continue financial literacy classes for NRS residents.

The goal for FY2011 is to provide **15** NRS residents with Financial Literacy training and **40** income-eligible micro-enterprises and entrepreneurs training on running a successful business.

Expected Resources:

Federal Funds:

Community Development Block Grant

Leveraged Funds:

Financial Institutions

Foundations

US Small Business Administration

Local Funds:

Property Taxes

Other

Combination of Community Development Block Grant and Property Taxes

These funds will be used to cover the costs associated with staff, overhead and any consultant needed to achieve the following:

Strategies:

One-on-One Counseling: Assistance will continue to be available to income-eligible micro-enterprises, start ups, residents and businesses in the NRS areas for help with writing business plans, preparing marketing and expansion proposals, doing feasibility analyses and site assessments, marketing, business management and obtaining referrals to sources of capital.

Educational Workshops

EDD provides several workshops aimed at Cambridge's low and low-moderate income community. These workshops are specifically geared toward helping individuals and micro-enterprises start a new business, learn new business management tools, enhance an existing business or save for an economically empowering objective such as starting a business. As in the past, residents and businesses in the NRS areas and low and low-moderate income micro-enterprises will be targeted for enrollment in these workshops.

Business-to-Business Networking Forums

EDD will continue to provide networking forums to encourage large Cambridge businesses and institutions to purchase goods and services from small businesses in the city. Many of the targeted small businesses are microenterprises with low and low-moderate income or are located in the NRS areas of Cambridge.

NRS Marketing Initiatives

EDD provides support to independent businesses and business associations by providing technical assistance for marketing and other initiatives in order to attract and retain businesses in the city. EDD is exploring the idea of targeting NRS businesses and business associations with marketing campaigns to encourage more business-to-business, business-to-resident and resident-to-business activity to improve business sales, promote local shopping practices and spur local job growth.

Objective #2:

Promote thriving commercial districts.

Commercial District Revitalization

The City is composed of six commercial districts: Kendall Square/East Cambridge, Central Square, Cambridge Street/Inman Square, Harvard Square, Porter Square, and Fresh Pond. While each has its own character and appeal, all districts share common desirable elements: convenient shopping with a variety of desired goods and services for neighborhood residents, students and workers. The commercial districts each provide employment in retail establishments and office buildings.

EDD will continue its support of Cambridge retail businesses, especially income-eligible micro-enterprises and those located in the two Neighborhood Revitalization Strategy (NRS) areas by offering programs such as the Best Retail Practices Program and the Façade and Signage and Lighting Improvement Programs and by supporting businesses associations in commercial districts.

The goal for FY2011 is to provide **10** additional retailers with matching grants to improve and enhance their business, with approximately 10-12% hiring new employees as a result, and provide **40** retailers and restaurateurs with advanced consultations.

Expected Resources:

Federal Funds:

Community Development Block Grant

Leveraged Funds:

State Funding

Private Funding

Non-profit Foundations

Local Funds:

Property Taxes

Other

Strategies:

Best Retail Practices: This program reaches out to Cambridge retailers and restaurant owners seeking to improve their establishments interior design , marketing, advertising and operations. The goal of the program is to assist owners with technical and financial assistance to build a stronger customer base and boost sales. It offers a three part program for first time participants that includes a free workshop geared to a larger group

of retailers, individual in-store consultations and a matching grant program that funds pre-approved store improvements or marketing costs. The program has a track record of helping participants increase sales by an average of 9%, which EDD strives to maintain. The program also offers advanced workshops for retailers who have completed the first time program. These workshops are geared toward specific retail sectors such as restaurants or contain advanced subject matter such as new marketing strategies. This program will continue to be offered to income-eligible micro-enterprises and those retailers located within, and serving residents of, the NRS areas.

Façade, Signage, and Lighting Improvement Program: This program provides technical and financial assistance to Cambridge businesses interested in improving their commercial storefronts. Property and business owners can apply for matching grants for pre-approved façade improvements. Matching grants are also available for pre-approved signage and lighting improvements. This program is currently supported by tax dollars. Over the next 5 years it is anticipated that at least 50 additional businesses will improve their storefronts. Since FY2003, this program has provided design services to 143 business and property owners and helped finance 104 façade, signage and lighting improvement projects throughout the City.

Cambridge Healthy Retail Initiative: EDD is exploring launching a new program for local food retailers to purchase and sell healthy food products. The program is anticipated to provide technical assistance and business development resources in underserved areas of the City, including NRS areas, and will address a community need for better access to healthy foods. The Program encourages new entrepreneurs and existing retailers to adopt healthy product lines that may not be available in the market area.

Objective #3:

Support efforts to sustain a diverse array of employment opportunities accessible to Cambridge NRS residents for jobs in existing and emerging industries.

Workforce Development Assistance

The Economic Development Department will continue to support a broad range of job preparedness and economic empowerment programs for Cambridge residents. These programs will be targeted specifically to residents of the NRS areas.

The goal for FY2011 is to provide **12** NRS residents with Bio-Medical career training and **9** NRS residents with Green Jobs training.

Expected Resources:

Federal Funds:

Community Development Block Grant

Leveraged Funds:

State Funding

Private Funding

In-Kind (Bunker Hill Community College classroom/lab space)

Non-profit Foundations

Individual Training Accounts (ITA's)

Local Funds:

Property Taxes

Strategies:

Just-A-Start Biomedical Career Program: This free nine-month certificate program provides academic and lab instruction to income-eligible Cambridge residents to prepare them for entry-level biotech jobs at local life science companies, universities, research institutions, clinical laboratories and hospitals. Upon completion, participants receive assistance in resume writing and job placement

Cambridge Green Jobs Program: The program provides Cambridge residents academic and on-the-job training to gain entry-level jobs in the green technology field, especially in green building maintenance and energy efficiency sectors. Upon completion, participants receive job-readiness assistance and job placement. It is anticipated that some participants will start their own businesses, such as weatherization.

NRS Two – “NRS West”

This NRS area the City has selected is consistent with HUD guidelines, and has been approved by HUD staff. The area focuses on the 402 Rindge Avenue and the Fresh Pond Apartments and extends along Massachusetts Avenue to the Arlington line, incorporating areas in North Cambridge and Neighborhood 9. This area represents predominately residential neighborhoods, and includes the highest populations of low/moderate income and minority residents. Though the area is large and extends beyond several City defined Neighborhoods, it represents a large contiguous area of residents who all face similar challenges. The demographic data used in determining the NRS West area is based upon 2000 U.S. Census Block Group data. The following chart shows all Block Groups included in the NRS West area and the relevant demographic data:

**City of Cambridge
Census Data for Neighborhood Revitalization Strategy Area - West**

Census Tract	Block Group	TOTAL Area	RES Area	% RES	TOTAL Pop.	LOW/MOD Pop.	% LOW/MOD
3546	1	2,019,966	1,413,478	70.0%	2,272	1,317	58.0%
	2	3,834,775	687,741	17.9%	816	378	46.3%
3548	1	1,102,054	823,260	74.7%	940	434	46.2%
3549	1	755,880	728,096	96.3%	729	208	28.5%
	2	2,166,410	1,535,572	70.9%	3,384	2,500	73.9%
3550	1	1,333,921	595,595	44.6%	683	298	43.6%
	2	1,340,612	878,584	65.5%	1,082	544	50.3%
	3	843,373	497,282	59.0%	812	306	37.7%
TOTALS		13,396,991	7,159,608	53.4%	10,718	5,985	55.84%

Low/Moderate Income Residents Served: 55.84%

Residential Land Area Served: 53.4%

Area Businesses

A walking survey was conducted by the City to physically count the number of micro-enterprises located along the main commercial corridor of the proposed NRS –West, Massachusetts Avenue. The survey counted businesses on both sides of the street between Russell Street to the south to the Arlington town line to the north. The total number of micro-enterprises is 56. The surveyors interviewed 10% of these businesses, 2 restaurant owners, a florist, a coffee and donut shop, a grocery and liquor market and a garden center, none of which had participated in the City’s Economic Development programs. The surveyors explained the existing programs offered to micro-enterprises, and all expressed a strong interest in participating in them the future, if the proposed NRS – West is approved.

Low Income Housing Residents

There are three low-income housing residences in the proposed NRS – West, Jefferson Park, 402 Rindge Avenue and the Fresh Pond Apartments and Bristol Arms, housing approximately 994 households. The City contacted Tenant Council members and owners of these housing complexes to introduce them to the existing programs Economic Development offers to NRS residents. All expressed strong interest in the programs for their respective resident populations, especially in the Making Your Money Work, financial literacy program for which they said there is a strong need.

Assessment

The proposed NRS – West is an area of the City that has been somewhat under-served until recently. The businesses and residents, for the most part, have been non-participatory in the economic development programs offered by the City.

The City now has housing and infrastructure plans for the area that will provided leveraged benefits. These include the Mass./Cameron Ave./Trolley Square project for which permits have been granted for 40 units of new residential housing, all of which will be affordable and road improvements to the Mass. Ave. corridor.

Based on the community consultations held in the area with businesses and residents, there is a very strong interest on the part of the business and resident communities in bringing Economic Development programs to the area. All thought that having the area designated as an NRS area would bring benefits to their community that would help grow the businesses and bring job and career opportunities to the residents.

Overall Goals and Objectives For Cambridge's NRS West:

While the City has two NRS areas it runs the same exact programs in both areas and considers the goals and achievements on an aggregate basis, therefore all strategies, resources and expectations listed for the NRS East are the same for the NRS West.

APPENDIX A

On-line Resources

The following websites provide more information on the City of Cambridge, the City's Community Development Department, the CDBG, ESG and HOME programs, the Department of Housing and Urban Development and various organizations that the City partners with in establishing and executing its various programs:

The City of Cambridge

<http://www.cambridgema.gov/index.cfm>

Cambridge's Community Development Department (CDD)

<http://www.cambridgema.gov/~CDD/>

Cambridge's Department of Human Service Programs (DHSP)

<http://www.cambridgema.gov/DHSP2/>

U.S. Department of Housing and Urban Development (HUD)

<http://www.hud.gov/index.html>

Information on The American Recovery and Reinvestment Act of 2009

<http://www.recovery.gov/>

The Commonwealth of Massachusetts

<http://www.mass.gov/>

Cambridge Housing Authority (CHA)

<http://www.cambridge-housing.org/chaweb.nsf>

Just A Start Corporation (JAS)

<http://www.justastart.org/>

Homeowner's Rehab, Inc. (HRI)

<http://www.homeownersrehab.org/>

Cascap, Inc.

<http://www.cascap.org/>

Center for Women & Enterprise

<http://www.cweboston.org/>

APPENDIX B

Cambridge Housing Authority's "Moving to Work" Annual Plan for FY2011 is located at:

<http://www.cambridge-housing.org/About-the-CHA/Moving-to-Work.aspx>