

CITY OF CAMBRIDGE
COMMUNITY DEVELOPMENT DEPARTMENT
City Hall Annex - Inman & Broadway - Cambridge, Mass. 02139

498-9034

TO: Block Grant Advisory Committee

FROM: Kathy A. Spiegelman, Assistant City Manager for
Community Development

SUBJECT: First-Draft Allocation of Block Grant Year #9 Funds

DATE: January 13, 1983

The U. S. Department of Housing and Urban Development has advised us that Cambridge will receive \$3,249,000 for its Year #9 (FY '83-'84) Block Grant Program. This is a reduction of \$98,000 from the current year grant.

The City Manager's first draft allocation of the Year #9 funds among eligible activities is presented on the last page of this memorandum. A public hearing on the draft allocations will be held on Wednesday, January 19th, at 7:30 p.m., in the Community Development Department's conference room (57 Inman Street - Third Floor).

A summary of key points about each of the 11 categories of allocation shown on the last page of this memorandum is presented below.

1. HOUSING REHABILITATION AND DEVELOPMENT: Allocations within this category are essentially unchanged from Year #8 (current year) allocations, except in two instances. First, Just-A-Start's Rehab Assistance Program has been raised from \$160,000 to \$226,000 in order to provide critically-needed support for this program. Second, private housing development funds have been reduced from the Year #8 level in order to expand our Multi-Family Rehab Assistance Program (i.e. to residential buildings of four units or more). A key innovation in this program will be the rehab work of the newly-established Cambridge Neighborhood Apartment Housing Services, Inc. (NAHS). This locally-based non-profit organization was set up with the help of the Neighborhood Reinvestment Corporation, a federally-chartered non-profit housing assistance organization. The NAHS objective is to help develop a new rental rehabilitation program, using a partnership approach with tenants, owners, lenders, non-profit community organizations and City agencies--i.e. all groups having a stake in the rehabilitation of deteriorating rental properties that provide housing for low- and moderate-income persons in Cambridge. The Year #9 allocation for the NAHS program, in the amount of \$250,000, will be used as follows: \$200,000 as a rehab revolving loan fund, to be supplemented from private sources; \$50,000 for NAHS operations--to be supplemented by an additional \$80,000 from private sources.

2. OPEN SPACE ACQUISITION AND DEVELOPMENT: This program will continue to work with already allocated Block Grant and other Federal funds to complete design and to proceed into the construction phase of the Neighborhood Four Parks Project. \$10,000 from Year #9 funds has been added to existing funds--as this will be needed to pay for engineering supervision of the construction work.
3. OPEN SPACE RENOVATION: We have allocated \$20,000 to the Cambridge Arts Council's program for constructing permanent art improvements in Block Grant neighborhoods, which will meet the Block Grant Program's FY '84 requirement under the "One Per Cent for Art" City Council Order. Ten Thousand Dollars has been allocated for FY '84 engineering supervision of open space renovation projects (e.g. Sennott Park), and an additional \$20,000 for construction contingency in the North Cambridge or Sennott Park projects.
4. STREET/SIDEWALKS/TREES PROGRAM: The standard annual \$300,000 allocation for streets/sidewalks/trees now produces only about one-half as much as in the first year of the Block Grant Program, due to constantly rising costs. Specifically, these rising costs have now brought us to the point where the \$270,000 annual allocation for streets and/or sidewalks reconstruction can only cover a 7000-foot length of a typical Cambridge concrete sidewalk (i.e. on both sides of a street. The Year #9 streets-and-sidewalks \$270,000 allocation is presently targeted for Cambridgeport, North Cambridge, and Neighborhood Four--and the specific streets and/or sidewalks within these neighborhoods will be taken from the Priority List established after the Streets and Sidewalks public hearing of March 16, 1977. (It is our intent that neighborhood groups and all other interested parties work together again, beginning this fall, to update this Priority List). As regards the \$30,000 tree planting part of the Streets/Sidewalks/Trees Program, the priorities will continue to be plantings on residential streets and along sidewalks we reconstruct. Additional funds available, if any, will be used for trees requested by residents of Block Grant Neighborhoods. A typical street tree cost, including one year of maintenance, now stands at about \$370--so \$30,000 will buy only about 80 trees.
5. SPECIAL NEIGHBORHOOD STABILIZATION FUND: An allocation of \$250,000 for both the North Cambridge Stabilization Committee and the East Cambridge Stabilization Committee has been made in draft form, even though there is no longer a commitment for Block Grant funds under the terms of the City Council Order that established the East Cambridge Stabilization Committee. As set up by the Council, the East Cambridge Stabilization Committee was to receive four years of \$250,000/year CDBG funding (now completed)--to be followed by 10 years of funding, at the same \$ level, from property tax revenues. However, the effects of Proposition 2½ have at least temporarily

made impractical the carrying out of the Council Order. Both Stabilization Committees have clearly been doing an excellent job, based on continuing hard and conscientious work, and the City Manager regrets that Proposition 2½ plus the year-by-year loss of Block Grant funding (down over one-half million dollars since the first year in which the two Committees were funded together) is already forcing cutbacks in support, as well as threatening future cutbacks in the level of funding. Specifically, as to Year #9 it will no longer be possible to provide as high a level of technical and administrative support for the Stabilization Committees as in the current or past years. However, a coordinator within the Community Development Department will be assigned to arrange appropriate meetings between the Committees and our staff Lead Persons in functional areas such as housing, open space, etc., as in the past.

6. HUMAN SERVICES. As in the current year, an allocation of 10 per cent of the total CDBG budget for Year #9 has been made to Human Services. This produces \$325,000, a cut of \$10,000 from the current year figure. The allocation of this \$325,000 to specific projects, including staff support (e.g. human services planning and project-execution work) is to be made by the Human Services Department after holding its own public hearing for that purpose.
7. PROGRAM MANAGEMENT; PROJECT EXECUTION; COMPREHENSIVE PLANNING: The
8. overall work load in these three functional areas has increased sub-
9. stantially over the past year. In part, this increase is a necessary response to the Reagan Administration's new approach to Federal management of the Block Grant Program--a tightening with which we have no quarrel. In spite of both the heavier work load and possible cost-of-living increases for FY '83 and FY '84, we will try to engineer a Year #9 staffing program in these three areas that holds overall increase to six per cent. A lower funding goal could probably not be met, as staff cuts of almost 50 per cent over the past two years make impractical the further reduction of staff strength. To the extent that the proposed funding were found not sufficient to accomplish the scheduled tasks, the additional funds required would have to be taken from Contingency.
10. INDIRECT COST CHARGES: The \$98,000 loss of overall Block Grant funding for Year #9 results in a decision against City charges to the CDBG program for staff major medical coverage. The CDBG Program, on the other hand, is already paying all its telephone costs (both equipment and monthly charges)--a cost that was previously carried by the City.
11. CONTINGENCY: We are setting the Contingency Fund at \$144,000 -- less than 5 per cent of the Year #9 CDBG budget--the lowest level at which it has been set to date. Nonetheless, we anticipate that a substantial part of this fund will survive draws for

overruns (the basic service of a contingency fund) and will be available, in the latter part of Year #9, for programming into new projects. For this purpose, the City will look closely at the requests made by the Cambridge Community Economic Development Corporation and the Cambridge Boys & Girls Club, with special emphasis on development needs, rather than on support of general staff costs. Consideration will also be given to new open space development and open space renovation projects.

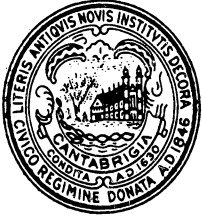
copy: Robert W. Healy
City Manager

CITY MANAGER'S FIRST DRAFT RECOMMENDATIONS
CAMBRIDGE BLOCK GRANT PROGRAM - YEAR NINE (FY '83-'84) APPLICATION

Note to Block Grant Advisory Committee: The City Manager's first-draft recommendations presented below are discussed in the Assistant City Manager for Community Development's memorandum of January 13, 1983 to the Block Grant Advisory Committee. As noted in the memorandum, Cambridge will receive \$3,249,000 for the FY '83-'84 Block Grant Program--a reduction of \$98,000 from our current year grant.

	Year #9*	(Year #8)*
1. <u>HOUSING REHABILITATION AND DEVELOPMENT</u> -----	\$1,368	(\$1,344)
A. Housing and Development/Public and Private -----	\$150	(450)
- Public (Cambridge Housing Authority) -----	\$100	(100)
- Private -----	\$ 50	(350)
B. Multi-Family Rehab Assistance -----	\$340	(82)
- Neighborhood Apartment Housing Services -----	\$250	(-0-)
- Program Staffing & Administrative Support -----	\$ 90	(82)
C. Home Improvement Program -----	\$385	(385)
- Homeowners Rehab Inc. -----	\$135	(135)
- Just-A-Start Corporation -----	\$135	(135)
- Riverside/Cambridgeport (RCCC) -----	\$115	(115)
D. Just-A-Start Rehab Assistance -----	\$226	(160)
E. Homeownership Program -----	\$130	(130)
- Homeowners Rehab Work Equity -----	\$ 80	(80)
- RCCC Neighborhood Homeownership -----	\$ 50	(50)
F. RCCC Weatherization -----	\$ 70	(70)
G. Historic Preservation/Home Improvement -----	\$ 40	(40)
H. Just-A-Start Deleading Program -----	\$ 27	(27)
2. <u>OPEN SPACE ACQUISITION AND DEVELOPMENT</u> (\$10,000 -----	\$ 10	(-0-)
for Neighborhood Four Parks Engineering Supervision)		
3. <u>OPEN SPACE RENOVATION</u> (\$20,000-Permanent Arts -----	\$ 50	(150)
Improvements Program; \$10,000-Engineering Super-		
vision; \$20,000-Contingency)		
4. <u>STREETS/SIDEWALKS/TREES PROGRAM</u> (\$270,000-Street -----	\$ 310	(300)
and Sidewalk Reconstruction; \$30,000-Tree Planting;		
\$10,000-Engineering Supervision)		
5. <u>SPECIAL NEIGHBORHOOD STABILIZATION FUND</u> -----	\$ 500	(500)
A. East Cambridge Stabilization Program -----	\$250	(250)
B. North Cambridge Stabilization Program -----	\$250	(250)
6. <u>HUMAN SERVICES</u> -----	\$ 325	(335)
7. <u>PROGRAM MANAGEMENT</u> -----	\$ 273	(258)
8. <u>PROJECT EXECUTION</u> -----	\$ 132	(125)
9. <u>PLANNING</u> -----	\$ 137	(129)
10. <u>INDIRECT-COST CHARGES</u> -----	\$ -0-	(57)
11. <u>CONTINGENCY</u> -----	\$ 144	(149)
YEAR #9 CDBG TOTAL -----	\$3,249	(\$3,347)

*All dollar figures are in \$1,000. Also for comparison purposes, Year #8 figures are given in parentheses.



CITY OF CAMBRIDGE

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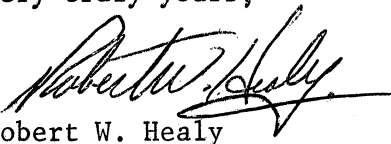
EXECUTIVE DEPARTMENT
ROBERT W. HEALY
City Manager

January 17, 1983

To the Honorable, the City Council:

Enclosed for your information are the recommended allocations for Community Development Block Grant funds for Fiscal Year 1984.

Very truly yours,



Robert W. Healy
City Manager

RWH/mbf
Enc.

Re: first draft allocation of Block Grant
Year Number Nine Funds.

In City Council,

January 17, 1983

- 1/17/1983 -

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