

CARES Act Funding – Community Development Block Grant (CDBG-CV)

The Federal Coronavirus Aid, Relief, and Economic Security Act (CARES Act), signed on March 27, 2020, made direct allocations to the City of Boston through three grant programs: Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG) and Housing Options for Persons With AIDS (HOPWA) programs. These funds, totaling **\$49 million**, are to be used to prevent, prepare for, and respond to the coronavirus pandemic.

The **\$20,039,341 in Community Development Block Grant (CDBG)** funds are primarily targeted to the preservation and production of affordable housing. We have revised the budget as shown in the table below with complete details on the pages following.

CDBG-CV Plans		
Date	Title	Purpose
November 2022	CDBG-CV #4	Budget change of the remaining funds in the emergency rental program to preservation and production of affordable housing.
June 2021	CDBG-CV #3	Budget transfer from emergency rental payments to preservation and production of affordable housing.
April 2021	CDBG-CV #2	Budget transfer from emergency rental payments to preservation and production of affordable housing.
November 2020	CDBG-CV	Initial funding award by HUD, established the budget.

CITY OF BOSTON

**Amendment #4
To CARES Act Funding: CDBG- CV**

November 2, 2022



Michelle Wu, Mayor

**Sheila A. Dillon, Chief of Housing and Director,
Department of Neighborhood Development**

The Mayor’s Office of Housing (MOH) previously amended the Program Year 2019 Action Plan, to program and expend a total of **\$20,039,341** in special **Community Development Block Grant (CDBG-CV)** program funds from the Department of Housing and Urban Development (HUD). The CDBG-CV funds are authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and are to be used to prevent, prepare for, and respond to the coronavirus pandemic.

At this time, we are amending the budget as shown in the table below.

CDBG - CV BUDGET (October 2022)				
Program	Use	Existing CDBG-CV	Change	New Total CDBG-CV
Housing Stability + Homeless Prevention	Emergency Rental Payments	\$7,150,000	(\$7,150,000)	\$0
Preservation + Production of Affordable Housing	Acquisition, Rehabilitation and Production of Affordable Housing	\$10,850,000	\$6,900,000	\$17,750,000
Mayor’s Office of Economic Opportunity & Inclusion	Neighborhood Business Access Loan	\$0	\$250,000	\$250,000
Management of Program & Administration of Grant Funds		\$2,039,341	\$0	\$2,039,341
TOTAL		\$20,039,341	\$0	\$20,039,341

Housing Stability & Homeless Prevention: We are transferring all of the remaining CDBG-CV funds from the Rental Relief Fund (RRF) program to the preservation and production of affordable housing programs. The RRF will continue to serve households as the program is supported by **\$59 million** in Federal Coronavirus Relief Fund (CRF) and Emergency Rental Assistance Program (ERAP) revenue. The CDBG-CV requirements limit the number of

rental months a household can be assisted, requiring MOH to use another funding source for rental assistance.

Preservation & Production of Affordable Housing: We are adding \$6.9 million in CDBG-CV funds to our Housing Production and Housing Preservation programs to increase the supply of affordable rental housing to income eligible households. One project we propose funding is the purchase of 114 units of rental housing in 36 buildings in the East Boston neighborhood by the East Boston Community Development Corporation. All of the units will be income-restricted.

Neighborhood Business Access Loan: We propose to commit \$250,000 in CDBG-CV funds to the Dorchester Community Food Cooperative to open a new grocery store on Bowdoin Street in Dorchester. The grocery store estimates creating at least 12 new full-time jobs.

Citizen Participation Process: This fourth Substantial Amendment was prepared in accordance with the HUD waiver granted to expedite actions to respond to COVID-19. Specifically, the Citizen Participation Public Comment Period is 5-days rather than the standard 30-days. The Amendment was posted on the Department's web page with email instructions to submit comments. <https://www.boston.gov/departments/housing/hearings-and-public-comment>

General Notifications: DND emailed approximately 340 Policy News subscribers, individuals and organizations, on a list maintained for this purpose.

Comments: During the comment period on this Amendment, MOH received a comment that did not address the amendment directly, but did provide feedback to MOH on a number of issues including income and asset certifications, preferences for affordable housing, construction fees, and vacancy taxes. MOH is taking these comments into consideration as it updates its policies and procedures.

CITY OF BOSTON

Substantial Amendment III To CARES Act Funding: CDBG- CV

**Posted 6/24/21
for Public Comment**



Kim Janey, Mayor

**Sheila A. Dillon, Chief of Housing and Director,
Department of Neighborhood Development**

The Department of Neighborhood Development (DND) previously amended the Program Year 2019 Action Plan, to program and expend a total of **\$20,039,341** in special **Community Development Block Grant (CDBG-CV)** program funds from the Department of Housing and Urban Development (HUD). The CDBG-CV funds are authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and are to be used to prevent, prepare for, and respond to the coronavirus pandemic.

At this time, we are making a budget transfer of \$10 million in CDBG-CV funds between two programs. Because the budget change is more than 10% of all of the CDBG-CV funds received, we provided notice to citizens and other interested parties of this change and provided an opportunity to comment.

CDBG - CV BUDGET (June 2021)				
Program	Use	Existing CDBG-CV	Change	New Total CDBG-CV
Housing Stability + Homeless Prevention	Emergency Rental Payments	\$17,150,000	(\$10,000,000)	\$7,150,000
Production of Affordable Housing	Acquisition, Rehabilitation and Production of Affordable Housing	\$850,000	\$10,000,000	\$10,850,000
Management of Program & Administration of Grant Funds		\$2,039,341	\$0	\$2,039,341
TOTAL		\$20,039,341	\$0	\$20,039,341

Production of Affordable Housing: We are adding \$10 million in CDBG-CV funds to our Housing Production program to increase the supply of affordable rental housing to income eligible households.

Affordable units are restricted to households with a maximum household income at or below 80% of the CDBG income limit as set by HUD. For a 3-person household, the income is capped at \$90,950. At least 51% of the

units in a proposed property must meet this 80% threshold. In addition, at least 40% of units must be restricted to households with a maximum household income at or below 60% of the Area Median Income (AMI). For a 3-person household, the income at 60% AMI is capped at \$72,480.

CDBG-CV funding will be targeted to the acquisition and rehabilitation of property to create affordable housing for homeless and at-risk households to reduce the number of people living in an emergency shelter or on the street to prevent the spread of COVID-19.

Project Name	Housing Production
Goals Supported	Acquisition and/or Acquisition with Rehabilitation of Property (01, 14G); Rehabilitation (14B, 14D); Construction of Housing (12)
Needs Addressed	Permanent Affordable Rental Housing
Funding	CDBG-CV \$10,850,000
Description	Creation of affordable rental housing
Estimate of the number of households assisted	250 units of affordable rental housing

Housing Stability & Homeless Prevention: We are transferring \$10 million in CDBG-CV from the Rental Relief Fund (RRF) to the Housing Production Program. The RRF helps income-eligible tenants achieve housing stability by providing direct financial relief to assist with rental payments. In addition to CDBG-CV dollars, the RRF is supported by **\$59 million** in Federal Coronavirus Relief Fund (CRF) and Emergency Rental Assistance Program (ERAP) revenue. As of 6/8/21, over 2,800 households have received assistance through the RRF from these non CDBG-CV sources.

The RRF is managed by DND’s Office of Housing Stability and three nonprofit partners, Metro Housing|Boston, Neighborhood of Affordable Housing (NOAH) and Project Hope. Complete information on the RRF is posted here: <https://www.boston.gov/departments/neighborhood-development/office-housing-stability/rental-relief-fund>.

Project Name	Rental Relief Fund
Goals Supported	Public Services (05Q)
Needs Addressed	Housing Stability, Homelessness Prevention
Funding	CDBG-CV \$7,150,000.
Description + Number Served	Provide direct financial relief to assist with rental payments to households.
Estimate of the number of households assisted	Approximately 1,500 households.

Citizen Participation Process: This third Substantial Amendment was prepared in accordance with the HUD waiver granted to expedite actions to respond to COVID-19. Specifically, the Citizen Participation Public Comment Period is 5-days rather than the standard 30-days. The Amendment was posted on the Department’s web page with email instructions to submit comments. <https://www.boston.gov/departments/neighborhood-development/hearings-and-public-comment>).

General Notifications: DND emailed approximately 340 Policy News subscribers, individuals and organizations, on a list maintained for this purpose.

Comments: One comment was received from Pine Street Inn in support of the Amendment.

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CITY OF BOSTON

Substantial Amendment II To CARES Act Funding: CDBG- CV

**Posted 4/14/21
for Public Comment**



Kim Janey, Mayor

**Sheila A. Dillon, Chief of Housing and Director,
Department of Neighborhood Development**

The Department of Neighborhood Development (DND) previously amended the Program Year 2019 Action Plan, to program and expend a total of **\$20,039,341** in special **Community Development Block Grant (CDBG-CV)** program funds from the Department of Housing and Urban Development (HUD). The CDBG-CV funds are authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and are to be used to prevent, prepare for, and respond to the coronavirus pandemic.

At this time, we are adding another use to how we program these funds as shown below in the budget table.

CDBG - CV BUDGET (April 2021)				
Program	Use	Existing CDBG-CV	Change	Total CDBG-CV
Housing Stability + Homeless Prevention	Emergency Rental Payments	\$18,000,000	(\$850,000)	\$17,150,000
Housing Production	Creation of Permanent Housing for the Homeless	\$0	\$850,000	\$850,000
Management of Program & Administration of Grant Funds		\$2,039,341	\$0	\$2,039,341
TOTAL		\$20,039,341	\$850,000	\$20,039,341

Housing Production: We are using \$850,000 of CDBG-CV funds to support the renovation of 41 New Chardon Street to add four units to the existing 16 units to serve women experiencing homeless. Specifically, the CDBG-CV funds will be used for a fire suppression system and upgrades to the fire alarm system allowing for these 20 units to be converted to permanent supportive housing. A fire suppression system is required for multi-unit properties per Boston building code regulations. The property is owned by the City of Boston and leased to Pine Street Inn, who will manage the property and provide services to the residents.

Project Name	Housing Production
Goals Supported	Rehabilitation: Other Publicly Owned Residential Buildings (14D)
Needs Addressed	Permanent Supportive Housing for the Homeless
Funding	CDBG-CV \$850,000
Description	Creation of permanent supportive housing
Estimate of the number of households assisted	20 units of permanent housing

Housing Stability & Homeless Prevention: The CDBG-CV funds are currently dedicated to supporting housing stability and homeless prevention activities through the **Rental Relief Fund (RRF)** launched in April 2020. The RRF helps income-eligible tenants achieve housing stability by providing direct financial relief to assist with rental payments. In addition to CDBG-CV, the RRF is supported by federal Coronavirus Relief Fund and Emergency Rental Assistance Program revenue. As of 3/31/21, 1,940 households have received assistance through the RRF. CDBG-CV funds have helped 250 of those households achieve housing stability. The RRF is managed by DND’s Office of Housing Stability and three nonprofit partners, Metro Housing|Boston, Neighborhood of Affordable Housing (NOAH) and Project Hope. Complete information on the RRF is posted here: <https://www.boston.gov/departments/neighborhood-development/office-housing-stability/rental-relief-fund>.

Project Name	Rental Relief Fund
Goals Supported	Public Services (05Q)
Needs Addressed	Housing Stability, Homelessness Prevention
Funding	CDBG-CV \$17,150,000
Description + Number Served	Provide direct financial relief to assist with rental payments to households.
Estimate of the number of households assisted	Approximately 2450 households.

Citizen Participation Process: This second Substantial Amendment was prepared in accordance with the HUD waiver granted to expedite actions to respond to COVID-19. Specifically, the Citizen Participation Public Comment Period is 5-days rather than the standard 30-days. The Amendment was posted on the Department's web page with email and telephone instructions to submit comments. <https://www.boston.gov/departments/neighborhood-development/hearings-and-public-comment>).

General Notifications: DND emailed approximately 340 Policy News subscribers, individuals and organizations, on a list maintained for this purpose; and, notified 10,000 followers on the Department's Twitter and Facebook feeds.

Comments: One comment was received from Pine Street Inn in support of the Amendment.

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CITY OF BOSTON

**Substantial Amendment
To Program Year 2019 Action Plan**

CARES Act Funding: CDBG- CV

Posted 11/30/20 for Public Comment



Martin J. Walsh, Mayor

**Sheila A. Dillon, Chief of Housing and Director,
Department of Neighborhood Development**

The Department of Neighborhood Development (DND) is amending the Program Year 2019 Action Plan, to expend a total of **\$20,039,341** in special **Community Development Block Grant (CDBG-CV)** program funds from the Department of Housing and Urban Development (HUD). The CDBG-CV funds are authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and are to be used to prevent, prepare for, and respond to the coronavirus pandemic. We are programming the funds for emergency rental assistance and program administration as shown in the budget table below.

To clarify the budget table, the CDBG-CV funds were awarded by HUD to Boston in two funding rounds. The first round of \$10.3 million was earmarked for two activities - emergency rental assistance and small business help. Subsequently, the City of Boston identified another funding source for the small business help, thereby allowing us to dedicate ninety percent (90%) of these funds to assist vulnerable renters. The approximately \$2 million (10%) remaining will be used for program management, reporting and administration of the grant.

CDBG - CV BUDGET: November 2020 Update					
Program	Use	CDBG-CV, Round 1 Previous Amendment	CDBG-CV, Round 1 Revised Thru this Amendment	CDBG-CV Round 2	Total CDBG- CV
Housing Stability + Homeless Prevention (90%)	Emergency Rental Payments	\$5,000,000	\$10,000,000	\$8,000,000	\$18,000,000
Small Business Help + Job Retention	Operating Expenses	\$5,000,000	\$0	\$0	\$0
Management of Program & Administration of Grant Funds		\$257,948	\$257,948	\$1,781,393	\$2,039,341
TOTAL		\$10,257,948	\$10,257,948	\$9,781,393	\$20,039,341

Housing Stability & Homeless Prevention: We are allocating 90% of the CDBG-CV funding for housing stability and homeless prevention activities through the **Rental Relief Fund (RRF)** launched in April 2020. The RRF helps income-eligible tenants achieve housing stability by providing direct financial relief to assist with rental payments. As of 12/1/20, 1262 households have received assistance. The RRF is managed by DND’s Office of Housing Stability and three nonprofit partners, Metro Housing | Boston, Neighborhood of Affordable Housing (NOAH) and Project Hope. Complete information on the RRF is posted here: <https://www.boston.gov/departments/neighborhood-development/office-housing-stability/rental-relief-fund>.

Project Name	Rental Relief Fund
Goals Supported	Public Services (05Q)
Needs Addressed	Housing Stability, Homelessness Prevention
Funding	CDBG-CV \$18,000,000
Description	Provide direct financial relief to assist with rental payments.
Estimate of the number of households assisted	Approximately 2600 households.

Citizen Participation Process: The Substantial Amendment was prepared and submitted in accordance with the HUD waiver granted to expedite actions to respond to COVID-19. Specifically, the Citizen Participation Public Comment Period was 5-days rather than the standard 30-days. The Amendment was posted on the Department’s web page with email and telephone instructions to submit comments. <https://www.boston.gov/departments/neighborhood-development/hearings-and-public-comment>).

General Notifications: DND emailed approximately 340 Policy News subscribers, individuals and organizations, on a list maintained for this

purpose; and, notified 10,000 followers on the Department’s Twitter and Facebook feeds.

DND’s Office of Housing Stability (OHS) extensively promoted the Rental Relief Fund (RRF) through a range of actions. A brief summary:

Starting on April 3rd, the Department of Neighborhood Development shared notification of the fund to 7,699 followers on the Department's Twitter feed and by email to property managers at DND and BPDA monitored developments. The fund was covered by 14 different news outlets. The Office of Housing Stability team also shared information about the fund during a weekly webinar hosted by the Mayor’s Office of Immigrant Advancement that was accessible online via computer or dialed in by telephone. The webinar was attended by staff from non-profit organizations who work with immigrant communities in Boston. A working session with the Boston City Council Housing Committee and OHS regarding the RRF was also held. During the week of April 6th the link to the Rental Relief Fund webpage was sent out via text to households who signed up for COVID alerts with the City of Boston.

There is strong support for the **RRF** from attendees of the webinar, the working session with the City Council Housing Committee and written comments.

Rental Relief Fund (RRF)	
Comments – December 2020	
Councilor Flynn wrote in support of the RRF and commended the City efforts to offer the fund in multiple languages.	Thank you.
R. Gehret wrote in support of increased funding to the RRF highlighting the great need for tenant assistance due to the expiration of the eviction moratoriums.	Thank you
Comments - May 2020	City’s Response
Issue: Prioritize all of the CDBG-CV funding for rental payments and not small business assistance.	
B. Bruner/CEDAC wrote in support of	Thank you. We acknowledge

<p>using CDGB-CV funds for the RRF over the SBRF because of the greater need due to high job losses and businesses can apply to the Small Business Administration for help. Also, the grant amounts offered by the SBRF are unlikely to have much of a positive impact.</p> <p>L. Song, GBLS and organizational members urged Boston to use all CARES Act funds, not otherwise restricted, for housing payment assistance as a safe home to shelter in is the appropriate response to the COVID-19 public health crisis.</p>	<p>that the CDBG-CV awarded to Boston will not meet all the needs for both renters and small business owners. We continue to monitor all sources of funding (federal, state and local) that can be secured to assist in our response to the pandemic.</p>
<p>R. Gehret (resident) supports both uses of CDBG-CV funds and urges the City to consider using other federal resources (CDBG and HOME) to continue supporting the RRF as laid off low-income tenants will have difficulty finding full-time employment.</p>	<p>Thank you. We will monitor and evaluate the demands for rental relief and other eviction prevention efforts.</p>
<p>L. Song, GBLS and organizational members urge Boston to maintain the existing Citizen Participation Process as much as possible to afford Boston residents reasonable opportunities to comment and respond to proposals involving federal funds.</p>	<p>Thank you. We strive to balance urgent needs with good judgement when utilizing the HUD granted waivers.</p>

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