



Select Board CDBG Subcommittee

Date: February 24, 2021

Time: 8:00 a.m. to 8:55 a.m.

Location: Virtual Meeting Held Via Zoom

Minutes

Present: Adam Chapdelaine, Select Board Member John Hurd, Sarah Lee, Christopher Potter, Jenny Raitt, Toni Sacco, Mallory Sullivan.

1. Review PY47 CDBG Funding Requests

Ms. Sullivan provided a reminder of the status of the Program Year 47 reviews, noting that during the February 17th meeting, a roll call vote was taken and approved of the funding level for the Public Services category. Mr. Chapdelaine commented to confirm that the Somerville Homeless Coalition's request would be funded in full by the General Fund, and that there would not be a funding gap.

Ms. Sullivan provided an update regarding the Housing Corporation of Arlington's application. The HCA withdrew its application for the Chaglassian Apartments Acquisition and made a new request for a contract award to be used as a down payment on an affordable housing development. Ms. Raitt noted that funds cannot be awarded to a speculative development project. Ms. Raitt noted that if the Subcommittee was in favor of funding HCA, the Department of Planning and Community Development could speak with HCA regarding future pre-development costs, in keeping with CDBG parameters and goals to support affordable housing goals. Ms. Raitt noted that some pre-development costs include legal costs, appraisals, and surveying. Ms. Lee asked if a new application would need to be solicited. Ms. Raitt noted that HCA would need to provide a clear memo outlining the new request and use of CDBG funds for this purpose.

Ms. Raitt noted that the change to the HCA request (from \$400,000 to an undetermined lower amount), means that the overall requested funds are substantially decreased. Ms. Raitt noted that the Subcommittee needs to be aware of fully completing this round of funding in the annual action plan.

Mr. Hurd inquired if the now-unallocated funds would need to be dedicated to housing or if they could go to another category. Ms. Raitt commented that the funds are not tied to housing, and could be allocated to another category as long as statutory limits are not exceeded.

Mr. Hurd noted that the Arlington Housing Authority may have needs that could be addressed with CDBG.

Ms. Raitt noted that AHA could be funded for capital needs if an appropriate application was submitted; it would need to be tracked closely to stay on budget. A past AHA project had timeliness issues and would need to be allocated and spent accordingly.

Ms. Raitt suggested that there are other opportunities to work with existing and previous applicants to achieve the housing priorities found in the CDBG Consolidated Plan. The Subcommittee agreed that DPCD staff should, in addition to working with HCA, reach out to Caritas Communities and the Arlington Housing Authority to see if additional capital improvement projects exist.

Ms. Lee noted that the Subcommittee would not get to a full recommendation at this meeting. Ms. Raitt noted that she would not recommend that a full budget recommendation is made today given the status of HCA's application, which would prohibit the full entitlement award from being allocated.

Ms. Sacco inquired about the process for acquiring new applications and supported the direction of applications to housing activities. Ms. Raitt noted that DPCD would communicate with the applicants. Existing applicants would need to submit a memo for new requests related closely to the existing application, or submit a new application if the new request is unrelated to the existing application. HCA would need to submit a new application or a memo providing appropriate updates.

Ms. Sacco inquired about the approximate pre-development costs that HCA may request. Ms. Raitt responded that in the past, approximately \$50,000 of CDBG funds have been reserved for pre-development cost activities. She would recommend allocating approximately \$50,000 to HCA.

Mr. Chapdelaine requested clarification on the total expected award and total requests for funding. Ms. Raitt and Ms. Sullivan clarified that the current total requests for funding amount to \$1,187,656; without the HCA application, the total requests for funding would be lower than the total expected entitlement allocation of approximately \$1.1 million. Program income and unprogrammed funds are available in addition to the entitlement allocation, meaning a total of approximately \$1.4 million is available.

Ms. Raitt suggested that if the Subcommittee intends to keep the budget categories approximate with the preliminary drafted recommendations, DPCD could initiate communications with three housing agencies in the following manner: 1) Work with HCA so understanding of eligible pre-development costs is clear, and to submit a memo of up to \$50,000; 2) Inquire with Caritas Communities regarding other capital improvement costs; 3) Contact AHA regarding capital improvements and interest in submitting an application.

Ms. Sacco, Ms. Lee, and Mr. Potter all responded affirmatively regarding pursuing the three steps Ms. Raitt noted. Ms. Sullivan and Ms. Raitt noted that they would pursue the three steps and report back.

Ms. Sullivan then requested the Subcommittee considers the remaining categories. She noted that the public facilities and improvements category has a far lower requested budget than in past years, due to fewer projects and some multi-year projects having been completed in the past year. She asked if there was any dialogue regarding the two projects – ADA compliant curb

ramps and Food Link facility – or if Subcommittee Members wished to fund at the requested amounts. Ms. Lee, Mr. Potter, and Ms. Sacco all indicated approval of funding at the requested amount.

Ms. Sullivan then moved to the Economic Development category and noted that the sole request is for technical assistance for small businesses, at \$50,000. Ms. Lee inquired if economic development is another category that could be expanded this year due to ongoing small business community needs during the pandemic. Ms. Raitt agreed that this is an ongoing need that could be expanded upon to utilize unappropriated entitlement funds.

Ms. Sacco voiced support for an additional rental assistance program for tenants and for small business support. Ms. Raitt noted that either such program would be organized by DPCD, as was the case with the CARES Act-funded programs. Mr. Potter indicated support for the plan to consider both rental assistance and small business assistance programs.

Ms. Sullivan asked if any Subcommittee Members had recommendation for allocated amounts for each of the suggested new programs. Mr. Hurd suggested that the DPCD should make a recommendation to the Subcommittee based on its research. Ms. Sacco, Ms. Lee, and Mr. Potter agreed.

Ms. Sullivan noted that the final categories, Planning and Administration, have been funded relatively level with past years. Ms. Lee voiced support for fully funding. Ms. Sacco recommended funding up to the funding cap. Mr. Potter agreed. Ms. Raitt noted that the Planning category is slightly below the cap at present.

Ms. Sullivan noted the following next steps: 1) DPCD staff would will reach out to HCA, Caritas Communities, and AHA regarding applications; 2) DPCD would also look at the need for tenant assistance and small business support and return to the subcommittee with findings and recommendations at the next meeting. 3) An additional Subcommittee meeting would need to be scheduled to review findings and make final recommendations.

Ms. Sacco inquired whether a program to assist homeowners with tax payments and other expenses was eligible under CDBG through the CARES Act. Ms. Raitt noted that this is not an eligible CDBG activity.

Agenda Item 2: Review and approve meeting minutes from October 14, 2020.

Mr. Hurd made a motion to approve. Ms. Lee seconded. A roll call vote was taken and all voted affirmatively, except Ms. Sacco, who abstained due to absence from 10/14 meeting. The minutes were approved.

The Subcommittee made a plan to hold its next meeting on March 10, 2021 at 8:15 a.m.

No further business. Meeting adjourned at 8:55 a.m.