



Commonwealth of Massachusetts
**DEPARTMENT OF HOUSING &
 COMMUNITY DEVELOPMENT**

Charles D. Baker, Governor ♦ Karyn E. Polito, Lt. Governor ♦ Janelle Chan, Undersecretary

**CDBG One-Year Action Plan
 FY 2020 Proposed Changes**

The Department of Housing and Community Development (DHCD) is contemplating the following changes to the MA CDBG program for FY 2020.

COMMUNITY BASED PLANNING REQUIREMENT:

For FY 2020, communities will be expected to discuss how community based planning helped determine the need for particular projects when responding to competitive questions.

ALLOCATION OF CDBG FUNDS: DHCD proposes the following allocation of funds based on level funding from 2019.

MA CDBG PROGRAM COMPONENT	FY 2020 ALLOCATION
Community Development Fund	\$22,352,557
Mini-Entitlement Program	\$ 9,075,000
-Section 108 Loan Guarantee*	\$ 10,000,000
Reserves	\$ 250,000
Section 108 Loan Repayments** (No. Adams, Everett)	\$ 336,622
Administration and Technical Assistance	\$ 1,091,676
TOTAL AVAILABLE (includes \$29,757,361 allocation plus up to \$50,000 in program income)	\$33,105,855
*Section 108 Loan Program allocation does not impact the FY 2018 Allocation **Section 108 Loan Repayments are budgeted but not necessarily required. This is an "up to" amount. Amounts not required for repayment to HUD will be reallocated to other components.	

Other proposed changes:

- All communities that did not apply during the FY 2017 or 2018 or 2019 application round must comply with Section D. Threshold II, ADA Self Evaluation and Transition Plan. Those who applied in 2017 to 2019 have already satisfied the requirement.

<i>J. CDBG PROGRAM COMPONENTS</i>

2. MINI-ENTITLEMENT PROGRAM

DHCD recalculated the Mini Entitlement Program for FY 2019.

Municipalities were selected to be Mini-Entitlement communities if they met the three following criteria: (1) The percentage of low and moderate income residents is 40% or greater; (2) a poverty rate higher than the state average of 8.0% and (3) population over 12,000. The following 11 communities will be Mini-Entitlement communities for FY 2019.

Amherst	North Adams
Chelsea	Palmer
Everett	Southbridge
Gardner	Wareham
Greenfield	Webster
	West Springfield

Grant Award Amounts and Requirements

Mini Entitlement communities are eligible for an award of up to \$825,000 based upon prior performance including effective implementation of activities, timely expenditure of funds and performance as indicated in monitoring reports, along with, the community's ability to identify eligible, feasible activities that can be completed in a timely manner. Mini-Entitlement applications will contain an 18-month implementation plan. Mini-entitlement grantees must comply with standards for timely expenditure and available program income (see Applicant/Project Thresholds above and 3 below). **FY 2020 Mini-entitlement awards to Grantees that do not meet the required standards will be reduced by an amount necessary to bring the grantee into compliance.**

FY 2019 Mini Entitlement communities will receive an annual commitment of funds for a three year period (through 2021) subject to federal funding and HUD's approval of the Commonwealth's One Year Plan. After FY 2021, DHCD will rerun the Mini Entitlement formula to determine the municipalities that qualify for the program.

Mini Entitlement Communities will submit a list of proposed activities to DHCD within one month after the application has been made available. Applicants will provide the name of the activity, a brief description, proposed accomplishments and proposed budget.

Mini Entitlement Communities may not request more than three activities in addition to public social service activities.

Evaluation and Award Criteria

The following requirements apply to the Mini-Entitlement Program:

1. In accordance with the Massachusetts CDBG Priorities listed in Section A, DHCD seeks to fund projects identified through meaningful community-based planning and priority setting processes as described in SECTION D. 6.
2. Activity packets must be completed and will be scored to ensure that activities are feasible and ready to proceed at the time of award. Activities will be scored in accordance with the project feasibility question of the application as detailed above in the CDF section. Activity packets must receive a minimum 50% score of each item in the feasibility question. All FY 2020 Mini-Entitlement applications must describe how CDBG funds will be allocated; include goals and performance measures for each activity; demonstrate compliance with a federal national objective and all federal/state requirements; and provide a management plan. The project packets will be reviewed for compliance with these evaluation criteria.
3. Mini Entitlement applicants that exceed the timely expenditure threshold as described above will have a 2020 award reduced by the amount over the threshold.
4. All activities that are eligible under Section 105(a) of Title I of the Housing and Community Development Act of 1974, as amended, will be considered for funding with the exception of organizational activities of downtown partnerships.
5. Mini-Entitlement communities may not join with other communities as joint applicants.

New Initiatives: DHCD is considering potential new initiatives for 2020 and beyond and seeks input from municipalities

- In an effort to support increasing the stock of quality, affordable housing DHCD may entertain through its Reserves component projects which provide infrastructure improvements in support of the development of affordable housing.
- In order to assist seniors in being able to remain in their homes and communities as long as possible, DHCD will explore allowing for Aging in Community programs that will assist seniors with minor rehabilitation and other actions that maintain the habitability and improve the safety of the seniors home. DHCD may consider allowing grantees to exceed funding limits for adding an Aging in Place element to their housing rehabilitation programs.
- DHCD is seeking thoughts and considerations grantees may have on a program that seeks to return vacant and blighted properties to a viable use, and may consider the use of its Reserves component to support such activities.
- DHCD will encourage activities designed to increase social capital, economic mobility, and civic engagement. Examples include microenterprise assistance, first-time homebuyer assistance, youth services, ESOL, citizenship training, adult literacy, homelessness services, and immigrant and family stabilization services.

- Current program rules limit a single community to \$800,000 in CDBG funds for a single application in the CDF and no more than \$1 million in any one year. Further, the program limits a community to \$1.35 million over a two year period. DHCD proposes a program change that would allow a community to receive up to \$1.35 million in a single application but would not allow them to participate in an application the subsequent year.

AVAILABILITY OF CDBG PROGRAM FUNDS

Application Due Dates for CDBG FY 2020 Program:

Community Development Fund:	March 6, 2020
Mini-Entitlement Program:	March 6, 2020

EXHIBIT 2

MUNICIPAL ELIGIBILITY TO APPLY FOR CDBG PROGRAM FUNDS IN FY 2020

Based on the FY 2019 One Year Action Plan, a single Community Development Fund community may receive no more than \$1.35 million from two successive years. Reserves awards are not subject to the \$1.35 million cap per community.

As a result, FY 2020 award limits apply to the following FY 2019 grantees, in the following amounts:

Adams - \$550,000	Orange - \$800,000
Amesbury - \$550,000	Otis - \$931,000
Athol - \$883,559	Russell - \$0
Bellingham - \$550,000	Salisbury - \$550,000
Buckland - \$550,000	Sandisfield - \$\$916,667
Dennis - \$550,000	Sheffield - \$931,000
Easthampton - \$800,000	Shelburne - \$867,067
Edgartown - \$850,000	Shutesbury - \$800,000
Egremont - \$916,667	South Hadley - \$800,000
Fairhaven - \$772,819	Southwick - \$800,000
Hardwick - \$800,000	Spencer - \$550,000
Huntington - \$654,248	Templeton - \$550,000
Methuen - \$550,000	Tisbury - \$850,000
Montague - \$737,935	Ware - \$800,000
Monterey - \$\$916,667	Warren - \$500,000
New Marlborough - \$931,000	Wendell - \$800,000
North Brookfield - \$750,000	West Tisbury - \$850,000
Oak Bluffs - \$850,000	

DHCD will hold public sessions and a hearing to receive comments on the proposed FY 2020 One-Year Action Plan prior to its submission to the US Department of Housing and Urban Development (HUD). See below for times and locations information. Interested parties are encouraged to submit comments, in writing or via email, in advance of the public sessions and by November 2, 2019. Comments will continue to be accepted directly to DHCD any time prior to, or at the scheduled hearing. Comments may be directed to: Mark Southard, Community Development Manager, DHCD, 100 Cambridge St, Suite 300, Boston, MA 02114 or mark.southard@mass.gov.

Tuesday October 29, 2019 10:00 a.m. to 12:00 p.m. Springfield, MA

Wednesday October 30, 2018 10:30 a.m. to 12:30 p.m. Boston, MA