



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-7000

OFFICE OF THE ASSISTANT SECRETARY FOR
COMMUNITY PLANNING AND DEVELOPMENT

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February 16, 2016

Mr. Kevin Greeley
Chairperson of Arlington
730 Massachusetts Ave
Arlington, MA 02476-4908

Dear Chairperson Greeley:

I am pleased to inform you of your jurisdiction's Fiscal Year (FY) 2016 allocations for the Office of Community Planning and Development's (CPD) formula programs, which provide funding for housing, community and economic development activities, and assistance for low and moderate-income persons and special populations across the country. President Obama signed Public Law 114-113 on December 18, 2015, which includes FY 2016 funding for these programs. Your jurisdiction's FY 2016 available amounts are:

Community Development Block Grant (CDBG)	\$1,033,162
HOME Investment Partnerships (HOME)	\$ 0
Housing Opportunities for Persons with AIDS (HOPWA)	\$ 0
Emergency Solutions Grants (ESG)	\$ 0

This letter highlights several important points related to these programs. First, Secretary Julián Castro is committed to making HUD the "Department of Opportunity" and has established a number of initiatives intended to achieve that goal. In 2015, we celebrated the 50th anniversary of the Department's establishment, and these initiatives build on HUD's mission to promote homeownership, support community development, and increase access to affordable housing free from discrimination. The Department is working hard with grantees on these key goals and urges you to review the entire plan at: <http://portal.hud.gov/hudportal/HUD?src=/hudvision>. In an era when the nation's severe shortage of affordable rental housing creates substantial housing instability—contributing to homelessness, family mobility and unequal educational attainment—I am particularly interested in working with grantees to increase affordable housing production through our CPD formula programs.

Second, HUD recommends that grantees effectively plan and implement programs that leverage these critical Federal financial resources to achieve the greatest possible return for the communities and individuals they are intended to assist.

- HUD urges grantees to consider using CDBG funds, to the extent possible, to support investments in predevelopment activities for infrastructure and public facilities activities that can provide multiple benefits for communities.
- HUD has created a Renewable Energy Toolkit specifically tailored to CPD grantees. To the extent that grantees are interested in using funds for renewable energy projects, please feel free to access that toolkit online at www.hudexchange.info.
- If you would like assistance from CPD in redesigning, prioritizing or targeting your programs,

either you or the head of the agency that administers your program may request assistance through your local CPD Director.

Third, CPD is asking grantees to renew their focus on administration and management of these programs as part of an effort to ensure effective use of the funds. Throughout 2016, CPD and HUD's Office of the Inspector General expect to issue a range of guidance that will highlight particular areas where grantees commonly stumble. I urge grantees to actively review their policies and procedures governing these programs and to strengthen management practices, particularly with regard to recordkeeping, in order to avoid problems and risk this vital funding. This focus on administration is particularly critical because the Integrated Disbursement and Information System (IDIS), which is HUD's financial and data system for managing these formula programs, will no longer commit and disburse grant funds on a first-in first-out (FIFO) basis beginning with the FY 2015 grants. All FY 2015 and future grants will be committed and disbursed on a grant specific basis.

The Office of Community Planning and Development is looking forward to working with you to promote simple steps that will enhance the viability and performance of these critical programs and successfully meet the challenges that our communities face. Please contact your local CPD office if you or your staff has any questions or comments.

Sincerely,

A handwritten signature in black ink, appearing to read "Harriet Tregoning", with a stylized flourish at the end.

Harriet Tregoning
Principal Deputy Assistant Secretary