



Town of Arlington Community Development Block Grant
Overview of Substantial Amendment of Program Year 45
July 1, 2019 – June 30, 2020

Town of Arlington Department of Planning and Community Development
April 29, 2020

Program Year 45 Substantial Amendment

The Town of Arlington is amending its 2019-2020 Annual Action Plan, covering the period July 1, 2019 to June 30, 2020, (Program Year 45) to program the CDBG-CV funds and to reprogram Affordable Housing Rehabilitation funds. This Executive Summary provides an explanation of the Substantial Amendment.

The full Substantial Amendment can be reviewed at this link:

<https://www.arlingtonma.gov/Home/ShowDocument?id=51060>.

On March 27, 2020, Congress passed the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). As part of the Act, CDBG entitlement communities were awarded an additional allocation of funding known as CDBG-CV. Arlington was awarded \$659,903 to be used in response to the coronavirus pandemic. Funding will be available following Arlington's receipt of the grant contract expected in early May.

The Town of Arlington is also undertaking this Substantial Amendment of the 2019-2020 Annual Action Plan to reprogram \$150,000 that were allocated to Affordable Housing Rehabilitation, specifically, the Housing Corporation of Arlington's (HCA) project to add solar panels to the buildings located at 258-260 Massachusetts Avenue.

CDBG-CV Funds

In the current environment where many businesses have had to close and many employees have been laid off or furloughed due to social distancing and stay-at-home orders, the CDBG-CV funds will be programmed as follows and discussed in detail below:

Department of Planning and Community Development	2019-2020 CDBG Program Budget	Substantial Amendment	Final 2019-2020 CDBG Program Budget	Goal Outcomes
Small Business COVID-19 Grant Program	\$0	\$200,000	\$200,000	20 New Low/Mod Clients Supported
Tenant Assistance Program	\$0	\$400,000	\$400,000	66 New Low/Mod Clients Supported
Public Services	\$182,322	\$59,903	\$242,225	400 Additional Low/Mod Clients Supported
Totals	\$182,322	\$659,903	\$842,225	

The Small Business COVID-19 Grant Program is a new program that will be deployed by the Arlington Department of Planning and Community Development. This Grant Program will provide financial stabilization support for microenterprises businesses. A microenterprise is defined as a commercial business with five or fewer employees, one which owns the business. The Small Business COVID-19 Grant Program meets the national objective of Low/Mod Limited Clientele (LMC) as the financial assistance will benefit microenterprise owners who are low- to moderate-income. The Small Business COVID-19 Grant Program will assist at least 20 microenterprises utilizing up to \$200,000 in total CDBG-CV funds as shown in the table above. The assistance to each microenterprise will not exceed \$10,000 and the terms will be a grant.

The COVID-19 Emergency Tenant Assistance Program is a new program that will provide rental assistance to low- to moderate-income households in Arlington. The rental assistance will be available

for up to three (3) consecutive months and the payments will go directly to the landlord. The Tenant Assistance Program meets the national objective of Low/Mod Limited Clientele as the assistance will benefit low- to moderate-income clients. The Tenant Assistance Program will assist at least 66 households utilizing up to \$400,000 in CDBG-CV funds as shown in the table above. The assistance to each client will not exceed \$2,000 per month for three (3) months for a total of \$6,000, and the assistance will be paid directly to the landlord.

With the remaining \$59,903 of CDBG-CV funds as shown in the table above, the local public service agencies that are providing support to those affected by the pandemic will be supported. Support services that relate to basic needs, other than housing, including other household expenses, food security, mental health counseling, child care, transportation, and senior support will be funded. This meet the public service national objective and it is expected to support 400 low- to moderate-income clients. This is in addition to the 1,236 Low/Moderate Households already supported during this Program Year.

Reprogramming \$150,000 of 2019-2020 CDBG Funds

The Town of Arlington is also reprogramming \$150,000 of CDBG funds from the current Program Year (July 1, 2019 – June 30, 2020) as follows:

Housing Corporation of Arlington as Subrecipient	2019-2020 CDBG Program Budget	Substantial Amendment	Final 2019-2020 CDBG Program Budget	Goal Outcomes
Affordable Housing Rehabilitation (Solar Panel Installation Project)	\$150,000	\$0	\$0	Loss of 32 Low/Mod Income Housing Benefit
Affordable Housing Rehabilitation (Capital Improvement Program)	\$200,000	\$50,000	\$250,000	2 New Low/Mod Income Housing Benefit
Housing Corporation of Arlington's Tenant Assistance Program (Homelessness Prevention Program)	\$0	\$100,000	\$100,000	20 New Low/Mod Clients Supported
Totals	\$350,000	\$150,000	\$350,000	

The Executive Director of the Housing Corporation of Arlington (HCA) requested that the \$150,000 of Affordable Housing Rehabilitation project that was allocated to the Solar Panel Installation Project be reprogrammed to further support HCA's Capital Improvement Program and their Homelessness Prevention Program. The installation of solar panels on the roof of these Massachusetts Avenue buildings has become a complex issue regarding who will maintain the ownership of the panels and HCA has been unable to negotiate a satisfactory contract between the Partnership and HCA. As noted above, HCA's Capital improvement Program was funded at \$200,000 for the current program year.

The Capital Improvement Program meets the national objective of Low/Mod Households, and will support two (2) households in addition to the 25 households assisted. The Homelessness Prevention Program meets the national objective of Low/Mod Limited Clientele as the assistance will benefit low- to moderate-income clients. It is anticipated that 20 households will be assisted.

Review Process

The Town of Arlington will undertake an expedited review process in order to ensure that the CDBG-CV funds can be programmed as soon as possible. The CARES Act loosened certain procedural requirements by providing a waiver of the standard 30 day comment period. The waiver allows a comment period of no less than 5 days in order to program the funding quickly and efficiently.

The 5-day comment period will begin on April 30, 2020 and end at 4 PM on May 6, 2020. Public comments may be submitted to Erin Zwirko, Interim Community Development Program Manager, at ezwirko@town.arlington.ma.us. All comments received will be included in the substantial amendment that is submitted to the U.S. Department of Housing and Urban Development. The Select Board will consider endorsing the Substantial Amendment on May 4, 2020. Following the completion of these steps, the Substantial Amendment will be submitted to HUD.