

### Quarterly Report for Choice Neighborhoods Implementation Grants

<b>Grantee Name:</b>	<b>City of Boston Department of Neighborhood Development</b>
<b>Co-Grantee name:</b>	<b>Dorchester Bay Economic Development Corporation</b>
<b>Date of Report:</b>	<b>January 13, 2012 (activity from 8/30/11 to 12/31/11)</b>

1. Confirm the implementation is on schedule (according to your preliminary Project Schedule) and progress is being made timely on all key first-quarter activities. If not, explain why and the plan to get back on or revise the schedule. Also, please indicate key activities you will be undertaking in the upcoming (second) quarter.

Activity (per Schedule) August 30, 2011-March 31, 2012	Due Date per Program Schedule	Status/Progress	Comments and/or Explanation of how you will get back on track or revise Schedule, if applicable
<p>The grant agreement was just executed on 1/12/2012, much later than expected. We are in the process of preparing a revised budget and timeline which we will submit within 45 days (by February 26<sup>th</sup>). The following is based on the attached interim timeline which is an update of the timeline originally submitted with the Round 2 application December of 2010.</p>			
1. Finalize Quincy heights commitments	Q4 2011	Project financing is behind schedule due to issues regarding the request for deferment of the existing Flexible Subsidy and approval of the final Risk Share financing application by Mass Housing. Closing is anticipated in at the end of Q2 2012.	Schedule will be revised and submitted with revised budget
2. Quincy Heights Construction Start	Q1 2012	Construction is expected to start immediately following closing	Schedule will be revised and submitted with revised budget

3. Uphams West construction start	Q4 2011	This project experienced last minute delays that prohibited its financial closing in 2011. Construction is expected to begin in Q1 2012	Schedule will be revised
4. Quincy Commons construction start	Q4 2011	Project financing issues have delayed closing on the Section 202 funding and the start of construction. It is now expected to close financing in early in Q1 2012 and begin construction by the end of Q1 2012.	Schedule will be revised
5. Supportive Services Begin	Q3 2011	Dorchester Bay and Quincy-Geneva HDC continue to provide resident service coordination. Relocation and enhanced services have not begun due to lack of executed grant agreement.	Relocation is not expected to begin until spring. Services to be provided by partner agencies will begin as soon as contracts are in place. Additional services to be provided by other vendors will begin following completion of procurement process.
6. Critical Community Improvements Begin	Q3 2011	Projects have not yet been selected. Potential projects have been solicited and are currently being vetted for community support, impact and financial viability.	Expect to have project selections completed and reviewed by HUD in time to begin construction in the spring.

2. Provide a narrative to be shared with other Choice Grantees describing your progress to date, successes and lessons learned in implementing your Transformation Plan, including:

a. Additional resources secured to support implementation

We have applied for a \$400,000 Public Safety Enhancement Grant from HUD. The application is currently under review.

We applied to HUD for a \$3 million Community Challenge Planning Grant for the Fairmount Transit Corridor which includes the Choice Neighborhoods target area. We were awarded \$1.86 million and are currently negotiating a revised budget with HUD.

The FY12 HUD/CPD formula grant allocations have not yet been issued. However, preliminary estimates provided by HUD indicate that we will receive an 8.8% reduction of to our Community Development Block Grant Allocation and a 46% reduction to our HOME Investment Partnership Program allocation. Together, these cuts will result in a funding reduction of over \$5 million for the next fiscal year and may force the City to scale back some of the proposed Choice Neighborhoods activities or extend the timeline for accomplishing these activities.

b. Detail on leverage secured and spent to date

Source of Leverage	Intended Use	Dollar Amount Secured	Dollar Amount Spent to Date
<b>Financing Sources Committed for Redevelopment of Quincy Heights Housing Development Project (partial list)</b>			
Mass Housing	First mortgage	\$16,015,000	\$0
City of Boston HOME or NHT	Subordinate debt	\$1,500,000	\$0
LIHTC 4% Tax Credit Equity	equity	\$17,242,482 (estimated)	\$0
Mass Dept of Housing & Community Development	Subordinate debt	\$1,500,000	\$0
Federal Home Loan Bank of Boston	Subordinate debt	\$400,000	\$0

- c. Breakdown of progress against the three core CN goals—People, Housing, and Neighborhoods—in addition to a general process update. Please provide, at a minimum, information about the following:

<p><b>Housing:</b></p> <ul style="list-style-type: none"> <li>Planned relocation start;</li> <li>Planned demolition start (if applicable);</li> <li>Anticipated closing or construction start for first phase of development</li> </ul>	<p><b>Quincy Heights Project</b></p> <ul style="list-style-type: none"> <li>Relocation has not yet begun. It is anticipated to begin 30 days before construction start (May of 2012)</li> <li>Demolition of non-residential structures on replacement housing sites are expected to begin once removal of grant conditions is complete. Utilities have been cut and capped in anticipation of demolition later this winter.</li> <li>Closing and construction start are anticipated for the end of Q2 of 2012</li> </ul>
<p><b>People:</b></p> <ul style="list-style-type: none"> <li>Service coordination and case management start</li> </ul>	<ul style="list-style-type: none"> <li>Dorchester Bay and Quincy Geneva are continuing to providing ongoing service coordination to development residents. Relocation and related case management have not yet begun. Relocation is anticipated to begin in May.</li> </ul>
<p><b>Neighborhood:</b></p> <ul style="list-style-type: none"> <li>Land acquisition for critical community improvements (if applicable)</li> </ul>	<ul style="list-style-type: none"> <li>No land acquisition for critical community improvements is planned or anticipated.</li> <li>City committed \$25,000 through the Grassroots program to develop a construction plan for the Leland Street Community Garden.</li> <li>City committed approximately \$70,000 for improvements at the Julian, Judson, Dean Community Garden.</li> </ul>
<p><b>General/Process:</b></p> <ul style="list-style-type: none"> <li>Resident and community engagement;</li> <li>Collection and use of data</li> </ul>	<ul style="list-style-type: none"> <li>Dorchester Bay and Quincy-Geneva have held many meetings with the residents of the development and the immediate neighborhood over the past two years, including meetings focused on the Choice Neighborhoods application. With the approval of the grant, more intensive meetings will be held with the residents during the next three months to explain the project, the relocation process, and the services and other resources that will be made available to them.</li> <li>Collection of baseline data on conditions in the neighborhood (crime, foreclosures, housing costs, property values, physical</li> </ul>

	<p>improvements, etc.) has begun. Collection of client level data on the residents has not begun. We are currently exploring client data management systems and will seek technical assistance from HUD on this.</p> <ul style="list-style-type: none"> <li>• We have prepared the Tier 1 Environmental Assessment for the non-housing portions of the grant.</li> <li>• We have prepared the Environmental Review for DND’s HOME funding committed to the Quincy Heights project</li> <li>• We have worked with the Developer and Boston Landmark’s Commission to get the Article 85 Demolition approval for 193-195A Magnolia, 219 Quincy Street, and 229-237 Quincy.</li> <li>• We are prepared to advertise the two Environmental Reviews ’s as soon as we have a signed grant agreement.</li> </ul>
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d. Any challenges being faced, including any with which HUD or other Grantees may be able to provide assistance

<p>The grant agreement was only executed very recently which has delayed contracting for and beginning services and certain pre-development activities.</p> <p>Lack of clarity regarding the status of the requested Section 8 housing voucher assistance has delayed initiation of discussions with residents about their temporary and permanent relocation options and opportunities and establishment of the relocation budget for the project.</p> <p>Cuts to CDBG and HOME funding will have a significant impact on the anticipated leveraging resources and may force a scaling back or delaying of planned activities in the Choice Neighborhoods target area as well as to staffing to support the initiative.</p>
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e. Any recent press coverage, web content, research, planning information or other materials that you have found helpful and would like to share with others.

None at this time
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