

CITY OF BOSTON

**CONSOLIDATED ANNUAL PERFORMANCE
AND EVALUATION REPORT (CAPER)
FOR PROGRAM YEAR ONE/PY2008
(JULY 1, 2008 TO JUNE 30, 2009)**



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**City of Boston Program Year One/HUD PY2008
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Introduction

Each jurisdiction that receives funds from the U.S. Department of Housing and Urban Development under the Community Development Block Grant Program (CDBG), the HOME Investment Partnerships Program (HOME), the American Dream Downpayment Initiative (ADDI), the Housing Opportunities for Persons With AIDS Program (HOPWA), or the Emergency Shelter Grants Program (ESG) is required to annually review and report, in a form prescribed by HUD, on the progress it has made in carrying out its three-to-five year strategic plan and its one year action plan. The Program Year 2008 Consolidated Annual Performance and Evaluation Report (CAPER) summarizes the activities the City of Boston carried out with its HUD resources during Program Year One of its current five-year Consolidated Plan (HUD Program Year 2008/City FY2009 program year (July 1, 2008 - June 30, 2009)).

The one-year Action Plan for Program Year One/HUD PY2008 outlined the activities the City proposed to carry out to implement the strategies and objectives contained in the City's current HUD-approved Consolidated Plan during the first year of Boston's current five-year Consolidated Plan. This Year One/PY2008 CAPER reports on the City's progress in carrying out the activities outlined in the PY08 Action Plan.

The CAPER narratives are primarily based on and summarize data from HUD's Integrated Disbursement and Information System (IDIS) regarding CDBG, HOME, ADDI, ESG and HOPWA funds, as well as additional data from DND's internal tracking systems and other sources. Unfortunately, during the period when this CAPER was being prepared, HUD was in the process of transitioning IDIS to a new web-based "IDIS Online" system. IDIS was offline for a significant period of time and we were unable to run up-to-date reports in time for the CAPER. As a result, the CAPER does not include complete year-end performance data. However, we are issuing this preliminary CAPER report at this time in order to comply with the September 30, 2009, CAPER submission deadline. We will issue an amended PY2008 CAPER report as soon as possible after the IDIS glitches have been resolved and we are able to run final reports.

Summary of Citizen Participation Process

The draft Program Year 2008 CAPER was issued for the required 15-day comment period beginning on Monday, September 14th and ending on Monday, September 28th. A notice and request for comments was published in the Boston Herald on September 11th. A mailing of the same notice was sent to 480 organizations and individuals on a mailing list maintained for this purpose. The draft CAPER was made available on the City's website at: www.cityofboston.gov/dnd. Paper copies were also made available at the Department of Neighborhood Development. One comment was received and is summarized in the appendix, tab 15.

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1. RESOURCES

The table below summarizes the resources that the City anticipated would be available for its FY08 Action Plan and the resources that the City actually received or was able to make available for commitment during this program year.

Funding Source	Planned Amount	Actual Amount
Community Development Block Grant FY08 allocation	\$19,766,060	\$19,766,060
CDBG Program Income	\$3,000,000	\$2,250,024
HOME Investment Partnerships FY08 allocation	\$7,663,530	\$7,553,530
HOME Program Income	\$300,000	\$293,417
HOME/American Dream Downpayment Initiative	\$46,514	\$46,514
Housing Opportunities for Persons with AIDS	\$1,747,000	\$1,747,000
Emergency Shelter Grant	\$880,962	\$880,962
Supportive Housing Program	\$11,730,578	\$11,730,578
Shelter Plus Care	\$6,360,324	\$6,360,324
Lead Paint Hazard Control	\$2,200,000	\$1,954,701
Lead Paint Hazard Reduction Demonstration Grants (2)	\$900,000	\$900,000
EDI (Empowerment Zone)	\$2,856,789	\$2,856,789
Section 108 (Empowerment Zone)	\$2,576,474	\$2,576,474
Brownfields EDI	\$1,750,000	\$1,750,000
Section 108 Brownfields	\$5,050,000	\$5,050,000
Hotel Development Loan Fund	\$15,000,000	\$0
Section 108 Small Business Loan Fund	\$15,000,000	\$0
EDI Special Projects (Main Streets)	\$0	\$19,952
EDI Housing	\$447,075	\$447,075
City of Boston Operating Fund	\$3,733,367	\$3,733,367
Neighborhood Development Fund	\$925,322	\$925,322
Leading the Way	\$7,218,000	\$7,218,000
Inclusionary Development Fund	\$500,000	\$250,000
Green Affordable Housing (MTC)	\$1,190,000	\$1,500,000
Home Preservation Fund	\$173,640	\$173,640
DHCD/DOB Foreclosure Counseling	\$0	\$267,913
Mass Development	\$2,000,000	\$0
EPA Brownfields	\$200,000	\$703,500
Boston Invests in Growth Section 108 Loan Pool	\$0	\$69.7 million (pending)
Neighborhood Stabilization Program –NSP 1	\$0	\$4,230,191
Homelessness Prevention and Rapid Re-Housing (HPRP)	\$0	\$8,200,000
CDBG-Recovery	\$0	\$5,366,011

There were a few significant differences between the planned amounts and the amounts made available this year:

CDBG and HOME: For both programs, the amount of program income received was lower than the expected amounts. This was largely due to the changes in the real estate market resulting in fewer borrowers refinancing or paying off their loans. The program income for CDBG was 25% lower than planned and 2% lower for HOME.

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Section 108 & EDI (Empowerment Zone): The remaining amounts awarded to the City for the Empowerment Zone have been earmarked for a small loan pool that has been delayed and will be implemented in Program Year 2009.

Section 108 Hotel Development Loan Fund: the final project planned to be funded under this loan pool opted out and received private financing instead. The loan pool has been closed.

Section 108 Small Business Loan Pool: this program was replaced with the ***Boston Invests in Growth*** Loan Pool. In January 2009, ***Boston Invests in Growth*** was originally proposed as a substantial amendment to the FY08 Action plan and a \$40 million application was submitted to HUD in March of 2009. A second substantial amendment was included in the FY2009 Action Plan and the amount was subsequently increased by \$29.7 million in May 2009 for a new total of \$69.7 million. HUD approved our application August 21, 2009.

Neighborhood Stabilization Program –NSP 1: As a result of the Housing and Economic Recovery Act (HERA) of 2008, the City received an unanticipated formula grant allocation of \$4.2 million in NSP funds. The City submitted an application (substantial amendment to the 2008 Action Plan) to HUD in December of 2008 and received the grant agreement in March of 2009. Implementation of the NSP program will begin during the next (2009) Program Year.

Homelessness Prevention and Rapid Re-Housing Program - HPRP: As a result of the American Recovery and Reinvestment Act (ARRA) of 2009, the City received an unanticipated formula grant allocation of \$8.2 million in HPRP funds. Implementation of the HPRP program will begin during the next (2009) Program Year.

CDBG-Recovery (CDBG-R): As a result of the American Recovery and Reinvestment Act (ARRA) of 2009, the City received an unanticipated formula grant allocation of \$5.4 million in HPRP funds. Implementation of the CDBG-R program will begin during the next (2009) Program Year.

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Competitive Grants: In addition to the resources listed on the previous page, the City applied for or supported applications to HUD and other Federal Agencies by the City of Boston and other entities under various competitive programs. The following table summarizes the PY08 awards. These applications directly support or are consistent with the City's Consolidated Plan and PY08 Action Plan.

HUD FY08 Competitive Awards		
Funding Source	Applicant	Award
HUD Continuum of Care Homeless Grants Shelter Plus Care Program Supportive Housing Program	City of Boston/DND	\$20,668,036
Housing Opportunities for Persons with AIDS (competitive)	No Boston Applicants	\$0
HUD Lead Hazard Control Grant	City of Boston/DND (funded in FY06 – not eligible to apply in FY08)	\$0
HUD Lead Hazard Reduction Demonstration Grant	City of Boston/DND (funded in FY06 – not eligible to apply in FY08)	\$0
Healthy Homes Technical Studies	No Boston Applicants	\$0
HUD Section 202 Supportive Housing for the Elderly	Community Builders Nuestra Comunidad Development Corp. Central Boston Elder Services Rogerson Communities ETC Development Corp. Hearth at Olmstead Green	\$6,063,200 (40 units) \$4,291,900 (30 units) \$0 (0 units) \$0 (0 units) \$0 (0 units) \$0 (0 units)
HUD Section 202 Supportive Housing for the Elderly – Demo Planning Grants	ETC Development Corporation	\$400,000
HUD Section 811 Supportive Housing for Persons With Disabilities	No Boston Applicants	\$0 (0 units)
Family Self Sufficiency (voucher holders)	Boston Housing Authority	\$189,972
ROSS Service Coordinators	Commonwealth Tenants Association Boston Housing Authority Old Colony Tenants Association MissionWorks	\$240,000 \$0 \$0 \$0
HUD Fair Housing Initiatives Program	Fair Housing Center of Greater Boston	\$274,750
HUD Housing Counseling Program - Comprehensive Counseling	Housing Partnership Network (national)	\$1,749,625
HUD Housing Counseling Program - Comprehensive Counseling	Citizens Housing and Planning Association (New England)	\$1,132,900
HUD Housing Counseling Program - Comprehensive Counseling	Neighborhood Assistance Corporation of America (NACA) (Regional)	\$1,119,353
HUD Housing Counseling Program - Comprehensive Counseling	Greater Boston Legal Services	\$33,478
Hispanic-Serving Institutions Assisting Communities Program	Urban College of Boston	\$0

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LEVERAGING RESOURCES

Affordable Housing Development & Preservation

During Program Year 2008, City of Boston's Department of Neighborhood Development (DND) completed 16 housing projects with a total of 555 units of housing. DND provided \$15.2 million in funding to these projects, including CDBG and HOME funds, and leveraged nearly \$157 million in additional private, state, and other Federal financing to assist the development of these 555 units. We leveraged \$12.00 in additional financing for every dollar in assistance the City provided. In fact, HUD's most recent HOME Program Performance Snapshot (6/30/09) ranks Boston's HOME program in the 100th percentile nationally on leveraging.

A key element in our ability to successfully leverage additional funding is careful planning of the City's funding competitions to coordinate with the state's HOME and Low Income Tax Credit funding rounds. The City issues its HOME/CDBG funding competitions several months before each state funding round so that we are able to select and prepare the strongest proposals for submission for additional assistance under the state's funding rounds. The City and the State use a jointly developed "One-Stop" funding application.

Two of the City's homeowner rehabilitation programs – HomeWorks and the Residential Development program - leverage two dollars in additional funding from the owner or from private lenders for every dollar the City contributes.

The City's ADDI-funded homebuyer financial assistance programs leverage substantial amounts of private mortgage financing with its small down payment and closing cost assistance. On average, the City provided each buyer with an average of \$5,083 in assistance to purchase a home with an average purchase price of \$222,376. Every \$1 of assistance provided by the City leveraged an additional \$43.75 in private (bank) financing. In PY08, ADDI funds assisted 27 households to purchase their first home, resulting in a total investment of \$4.7 million.

Economic Development and Small Business Assistance

DND's Office of Business Development (OBD) provides entrepreneurs and existing businesses with access to financial and technical resources. OBD also supports the nationally recognized Boston Main Streets program, designed to promote the continued revitalization of the City's neighborhood commercial districts through public/private partnerships. Listed below is a sampling of the OBD programs that provided private investment resources in PY08.

Neighborhood Restaurant Initiative - Designed to provide restaurants with a variety of targeted resources ranging from business development, to licensing and permitting assistance, to marketing and design. In PY08, DND provided assistance to 10 new restaurants committing \$660,000 in

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funds which leveraged \$2,665,000, or \$4 dollars for every \$1 the City invested.

The City's Main Streets **ReStore Boston** program - designed to assist neighborhood business and property owners with storefront improvements with professional design services, signage, security measures, and general repairs - leveraged approximately \$2,000,000 in private financing last year, achieving a leveraging ratio of \$7 in private financing for every \$1 in public funding. The funds assisted over 112 new signage projects for local businesses in 15 Boston neighborhoods.

Partners with Nonprofits – This program provides matching grants up to \$25,000 to help nonprofit organizations enhance the infrastructure of facilities that serve the immediate community. In PY08, the City provided \$675,000 to assist 40 organizations for projects with a total development cost of \$1,611,381 leveraging \$936,381 in other funding.

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2. INVESTMENTS

The following chart summarizes the overall amounts of Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME) and American Dream Downpayment Initiative (ADDI), Housing Opportunities for Persons With AIDS (HOPWA) and Emergency Shelter Grant (ESG) funds the City invested (commitments and expenditures) during the PY08 Program Year (July 1, 2008 – June 30, 2009). The commitments shown here are only PY08 funds committed (set up on Integrated Disbursement and Information System - IDIS) during the program year and, in the case of CDBG and HOME, include program income received during the program year. We are required to draw program income before drawing new grant funds.

Actual commitment levels for HOME/ADDI are significantly higher than shown here. IDIS commitments do not include projects for which funds have been budgeted but that have not yet been set up on IDIS. This is often the case for larger scale housing development projects for which the City has made a funding reservation to support a pending competitive application from another source such as the state Department of Housing and Community Development or a HUD funding competition.

The expenditure amounts (amounts drawn) shown here are based on a preliminary IDIS PR06 report run on August 3, 2009. They understate the amount that was actually spent in PY08. They only include those PY08 commitments against which expenditures were drawn prior to the end of the reporting period on 7/1/09. Due to the IDIS conversion, we were not able to run an updated IDIS PR06 report that included final PY2008 program commitments and expenditures.

PROGRAM	PROJECT ESTIMATE	COMMITTED AMOUNT	AMOUNT DRAWN	AMOUNT	AMOUNT DRAWN
			THRU REPORT YEAR	AVAILABLE TO DRAW	IN REPORT YEAR
TOTAL	\$40,569,135.00	\$33,118,908.71	\$19,379,596.08	\$13,739,312.63	\$18,722,499.29
CDBG	\$27,984,145.00	\$24,653,358.01	\$15,514,252.45	\$9,139,105.56	\$14,860,155.66
HOME/ADDI	\$9,992,766.00	\$6,085,051.83	\$2,846,788.43	\$3,238,263.40	\$2,843,788.43
HOPWA	\$1,690,000.00	\$1,458,864.00	\$323,338.18	\$1,135,525.82	\$323,338.18
ESG	\$902,224.00	\$921,634.87	\$695,217.02	\$226,417.85	\$695,217.02

Generally, the overall amount of CPD Formula Grant Program funds allocated for each individual program corresponds very closely with the planned overall allocation amount as set forth in the FY08 Action Plan. In a case where a program receives funds from two or more of the four funding sources, there may be a discrepancy between the planned and actual amounts committed for specific funding source (CDBG or HOME), but the overall amount of funds committed will generally be consistent with the planned total amount originally budgeted for that program.

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Geographic Distribution and Location of Investments: Most of the City's housing and community development programs are available city-wide, except for programs such as Main Streets, which serves designated neighborhood business districts, Supportive Housing for Persons with AIDS program which is available throughout a wider three-county service area (Suffolk, Plymouth and Norfolk Counties) and Neighborhood Stabilization Program funds that are restricted to areas of high foreclosure and abandonment. Also, some programs have additional resources that are earmarked by law or regulation for certain areas or for specific projects. For example, significant amounts of the Section 108 and Economic Development Initiative funding for the Commercial Real Estate Development Program must be earmarked for projects located in the City's Empowerment Zone. All of the HUD programs are either targeted directly to low and moderate-income persons or to geographic areas with a majority of low and moderate-income persons.

The maps at the end of this tab show the geographic distribution and locations of the projects assisted under each of our major housing and community development programs during HUD PY08/City FY09.

- Map 1: Existing Homeowner Rehabilitation & Lead Paint Abatement
- Map 2: Homebuyers Financial Assistance
- Map 3: Affordable Housing Production and Preservation
- Map 4: Economic Development Programs
- Map 5: Public Facilities
- Map 6: Nonprofit Service to Homeless

Some projects completed during the reporting period may not appear on the map due to confidential locations (domestic violence shelters, etc.) or because of geocoding problems. For reference, each map includes neighborhood boundaries and the commuter rail and subway lines. By design, most of our housing and community development projects are located within walking distance of a rapid transit stop and nearly all are within a convenient walking distance of a bus stop. Due to the scale of the maps, it was not possible to show all of the thousands of bus stops and hundreds of bus routes.

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3. SUMMARY OF ACCOMPLISHMENTS

The chart on the next page summarizes the accomplishments during the Program Year 2008 reporting period compared with the proposed accomplishments as listed in the Action Plan for PY08. The “proposed accomplishments” represent the number of units of output (housing units, jobs, etc.) expected to result from funding commitments made during the reporting period. These proposed accomplishments may include projects or programs assisted with CDBG, HOME, ADDI, HOPWA, ESG or other funding sources. Many projects are funded with more than one funding source, so it is generally not meaningful to report accomplishments separately for each funding source.

The chart on the following page shows the City’s progress towards meeting the 5-year goals outlined in the Action Plan. In general, the benchmark for PY 2008 would be to achieve 20% of the 5-year goal. The 5-year goals are rough estimates of what we think we can achieve in 5 years based on current funding levels and market conditions. They will need to be adjusted as conditions and funding changes. Also, some programs operate on two or three year funding cycles and may change priorities and goals significantly with each funding cycle. These changes and adjustments will be outlined in each successive Action Plan.

Additional detail on the accomplishments of each program is provided in the program narratives in the next section of the CAPER.

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Priority Need Category #1 – Housing		
Housing Programs	Accomplishments – PY08 (Year 1)	
	Proposed	Actual
Rental Housing Development – Production	450	454
Rental Housing Development – Preservation	170 units	416
Homeownership Development	50 units	107
Existing Homeowner Rehabilitation	1,099 units rehab/repair	1,489 units rehab/repair
Lead Paint Abatement	165 units	151 units
Homebuyer Financial Assistance	176 homebuyers	102 homebuyers
Homebuyer Technical Assistance	138 courses/3045 participants	141 courses/3216 participants
CHDO Operating Assistance	14 CHDOs	11 CHDOs
Tenants at Risk	30 organizations	31 organizations
Housing Counseling/Rental Housing Resource Ctr	600 referrals	477referrals
Boston Fair Housing Commission (Metrolist)	500 people	900
Priority Need Category #2 – Homeless & HIV/AIDS		
Homeless & Supportive Housing Programs	Accomplishments – PY08 (Year 1)	
	Proposed	Actual
Homeless & Supportive Housing Services	2940 households	2885
Supportive Housing for Persons With AIDS	736 households	557
Priority Need Category #3 – Economic Development		
Economic Development Programs	Accomplishments – PY08 (Year 1)	
	Proposed	Actual
Commercial Real Estate Development	200 businesses/150 jobs	8 businesses/157 jobs
RESTORE	90 storefronts	112 storefronts
Main Streets	60 businesses/300 jobs	134 businesses/636 jobs
Business Technical Assistance	300 businesses	1629 *
Business Assistance Team/Boston Emp. Ctr.	1250 referrals	
Priority Need Category #4 – Public Services		
Public Service Programs	Accomplishments – PY08 (Year 1)	
	Proposed	Actual
Human Services	15, 806 people	15,662 people
Priority Need Category #5 – Public Facilities		
Public Facility Programs	Accomplishments – PY08 (Year 1)	
	Proposed	Actual
Partners With Non-Profits	35 organizations	40 organizations
Property Management (units of activities)	1740	2473
Property Disposition (buildings & land)	132	78
Grassroots	8 open space projects	8 open space projects
Environmental Testing & Abatement	80 parcels	81 parcels
Demolition	2 buildings	1 building
Priority Need Category #6 – Anti-Crime Programs		
Anti-Crime Programs	Accomplishments – PY08 (Year 1)	
	Proposed	Actual
Project Pride	60 properties	82 properties

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Priority Need Category #1 – Housing			
Housing Programs	5-Year Target Goal	Accomplished to Date (Year 1)	Accomplished (as % of 5-Year Target)
Rental Housing Development – Production	2500	454	18.2%
Rental Housing Development – Preservation	1050	416	39.6%
Homeownership Development	750	107	14.3%
Existing Homeowner Rehabilitation	3750	1489	39.7%
Lead Paint Abatement	500	151	30.2%
Homebuyer Financial Assistance	650	102	15.7%
Homebuyer Technical Assistance	875 courses/ 22,500 participants	141 courses/ 3216 participants	16.1% courses / 14.3% participants
CHDO Operating Assistance	14 CHDOs	11 CHDOs	Not Applicable
Tenants at Risk	30 organizations	31 organizations	Not Applicable
Housing Counseling/Rental Housing Resource Ctr	3000	477	15.9%
Boston Fair Housing Commission (Metrolist)	2500	900	36.0%
Priority Need Category #2 – Homeless & HIV/AIDS			
Homeless & Supportive Housing Programs	5-Year Target Goal	Accomplished to Date (Year 1)	Accomplished (as % of 5-Year Target)
Homeless & Supportive Housing Services	11,250	2885	25.6%
Supportive Housing for Persons With AIDS	4000	557	13.9%
Priority Need Category #3 – Economic Development			
Economic Development Programs	5-Year Target Goal	Accomplished to Date (Year 1)	Accomplished (as % of 5-Year Target)
Commercial Real Estate Development	1,000 businesses/ 2,365 jobs	27 businesses/ 205 jobs	2.7% businesses / 8.7% jobs
ReStore	300	112	37.3%
Main Streets	520 businesses/ 2,000 jobs	134 businesses/ 636 jobs	25.8% businesses / 31.8% jobs
Business Technical Assistance	7875	1629	21%
Business Assistance Team (BBAC)			
Priority Need Category #4 – Public Services			
Public Service Programs	5-Year Target Goal	Accomplished to Date (Year 1)	Accomplished (as % of 5-Year Target)
Human Services	81,225	15,662	19.3%
Priority Need Category #5 – Public Facilities			
Public Facility Programs	5-Year Target Goal	Accomplished to Date (Year 1)	Accomplished (as % of 5-Year Target)
Partners With Non-Profits	230	40	17%
Property Management	3,200	2473	77.3%
Property Disposition	340	78	22.9%
Grassroots	20	8	40.0%
Environmental Testing & Abatement	1,000	81	8.1%
Demolition	10	1	10.0%
Priority Need Category #6 – Anti-Crime Programs			
Anti-Crime Programs	5-Year Target Goal	Accomplished to Date (Year 1)	Accomplished (as % of 5-Year Target)
Project Pride	300	82	27.3%

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HOUSING PROGRAMS AND ACTIVITIES

Leading the Way III: Boston's Housing Strategy 2009 - 2012

In October 2000, Mayor Thomas M. Menino announced the implementation of the first of three comprehensive housing strategies that would be issued under the name ***Leading the Way***.

The first two comprehensive housing strategies - ***Leading the Way and Leading the Way II*** – shared similar goals of alleviating the pressure put on the housing market by the housing bubble, and the attendant sharp rise in sales and rental prices, by meeting the pent-up demand for new housing stock. To achieve these goals, the strategies adopted comparable objectives, primarily the production of new market-rate and affordable housing, and the preservation of existing affordable housing. Over the course of the seven years that ***Leading the Way and Leading the Way II*** were implemented, more than 18,000 new units of housing, including 5,000 affordable¹ units, were built. And, nearly 9,500 affordable units have been preserved. In total, over this period, Boston has benefited from upwards of \$5 billion in private and public investment.

Leading the Way III: Mayor Menino unveiled the City's third comprehensive campaign designed to meet Boston's evolving housing needs. ***Leading the Way III*** strategy approaches Boston's changing housing needs in four key areas from January 1, 2009 to December 31, 2012:

1. Addressing the Foreclosure Crisis through targeted initiatives focusing on foreclosure intervention and stabilization of those hardest hit neighborhoods.

2012 Target:

- 15,000 homebuyers and homeowners complete financial education training or foreclosed property acquisition training.
 - Save 1,000 homeowners from foreclosure
 - Reclaim and reoccupy 500 units of bank-owned foreclosed housing with city assistance.
 - Stabilize all FIT designated areas.
2. Reversing the Rise in Homelessness through a targeted approach of prevention, placement, and production of permanent housing designed to reduce long-term and family homelessness by 50% by 2012.

2012 Target:

- Reduce Boston family homelessness by 50%.
- End long-term homelessness for Bostonians that are in the shelter system or on the streets.

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3. Preserving & Stabilizing Boston's Rental Housing by preventing the loss of publically assisted affordable housing and helping stabilize tenancies in the open market.

2012 Target:

- Preserve 5,000 privately-owned affordable units.
- Lose no more than 15% of the Federal/State units scheduled to expire between 2009 and 2012.
- City-owned Rental Housing: repair, renovate or redevelop up to 5,000 units of public housing.

4. Housing Boston's Workforce by meeting the diverse housing needs of the City's workforce; from the highly paid professional to the minimum wage worker.

2012 Target:

- 3,000 new market-rate units
- Complete construction of 2,000 units previously permitted
- Increase the rate of assistance to homebuyers by 50% and create 1500 new homebuyers
- Create 1,000 new affordable rental units

A complete copy of the ***Leading the Way*** policy is available on the City's web site at: www.cityofboston.gov.

Foreclosure Prevention, Intervention & Neighborhood Stabilization Initiatives

As part of DND's regular tracking of housing market conditions, DND's Policy Development and Research Division has been keeping tabs on foreclosure activity in the City. Since foreclosures began to accelerate in 2006, there have been 2,179 home foreclosures in Boston (through 6/30/09).

With the increase in foreclosures, the City has responded with expanded foreclosure prevention and intervention services. We continue to expand our ***Foreclosure Prevention Counseling Network*** (a program housed in the Boston Home Center Division) with the addition of new counseling agencies reaching new geographic and immigrant populations allowing us to assist additional homeowners. In PY08, we contracted with seven counseling agencies and budgeted \$500,000 (a combination of CDBG and State funds) for the program.

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Boston has had some success in limiting the number of foreclosures. Since the inception of the foreclosure prevention initiative in May of 2006 through PY08, the City has counseled 1,981 homeowners. Of the 1,279 cases closed to date, we have been able to help 643 or 50% of those counseled to avoid foreclosure. Of those avoiding foreclosure, 70% were able to negotiate a workout with their current lender, 11% filed for bankruptcy, 10% sold their homes, 8% were able to refinance and 2% were litigated.

The Foreclosure Hotline call center at the Boston Home Center triages clients and the in-house foreclosure counselors maintain these cases or, according to need/urgency, routes clients to the most appropriate contracted counseling partner. A networked client tracking and information system is in place that enables the Boston Home Center to keep track of all of its referrals as they progress through the foreclosure intervention process.

The Foreclosure Team is constantly seeking new education and outreach efforts. Recent efforts have included:

- A doorknocker campaign in neighborhoods with high foreclosure rates
- Weekly outreach visits by a DND staff to businesses, churches, civic and community groups, etc. in hardest hit neighborhoods
- Annual Homeowner Foreclosure Prevention Workshop to connect homeowners with mortgage services to prevent foreclosures.
- Servicer Days at which our network of foreclosure counselors presents their client cases directly to loan servicers in an effort to expedite decisions on loan modifications or other workout options.

Counseling tenants renting in properties at risk of foreclosure is a function of the Rental Housing Resource Center (RHRC) staff. In FY09, the staff of RHRC assisted 155 people with foreclosure issues. The staff advises tenants and landlords in foreclosed properties of their foreclosure rights and makes referrals. Outreach includes visiting low-income neighborhoods that have been hard hit by foreclosures, speaking to neighborhood groups, mailing postcards to advise tenants and landlords in low-income neighborhoods of their foreclosure rights and disseminating a 12-point bulletin entitled ***“What Tenants in Foreclosed Buildings Should Know”***. In addition, two RHRC staff members are part of the Foreclosure Intervention Team (FIT).

The key innovation of the Foreclosure Initiative is its' comprehensiveness, combining research to provide early warning and early action, prevention strategies to keep the problem in check before it happens and intervention strategies to mitigate the problem once it does happen. The initiative is also comprehensive in its involvement of key stakeholders (City, non-profits, lenders, Fannie Mae, Freddie Mac and State government).

Reclamation As of July 1, 2009, there were 908 bank-owned foreclosed properties in Boston. Nearly a third of these properties are in troubled or abandoned condition. Returning them to productive use is critical to stabilizing neighborhood-housing markets and stemming the tide of further foreclosures. Boston's strategy to reclaim these

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properties will cover a diverse range of options, and routing of these properties will be largely dependent upon the condition of the foreclosed property itself. The strategies will also take into account the densities of foreclosures in specific micro neighborhoods, and attempt wherever possible to create economies of scale. Some of the strategies that have been decided upon include: 1) Bulk Acquisitions of properties from foreclosing banks at discounted prices via a BRA/DND partnership. Depending upon their condition at purchase, properties will be sold to homebuyers or to qualified contractors and developers for renovation and reoccupancy; 2) Direct Downpayment and Rehabilitation Assistance to homebuyers acquiring foreclosed properties in the open market; 3) Turnkey Homeownership where contractors and professional developers receive funding to acquire and renovate foreclosed properties for eventual sale to a homebuyer, and; 4) Rental Development where developers or non-profits acquire and rehabilitate foreclosed properties for use as long-term affordable rental housing, including housing for homeless families. Our 4-year target is to reclaim and reoccupy 500 units of bank-owned foreclosed housing with City assistance.

Stabilization In February 2008, Mayor Menino created the Foreclosure Intervention Team (FIT), as a response to the high number of foreclosures in the Hendry Street area of Dorchester, one of the Boston neighborhoods hardest hit by the expanding crisis. The FIT represents a comprehensive interagency effort to undo the damage that results from a high concentration of foreclosed and abandoned homes. The effort focuses not just on acquisition and renovation of bank-owned foreclosed properties, but also on identifying and intervening at troubled properties before they become foreclosed and abandoned. This intervention may take the form of code enforcement or police involvement to reduce or prevent criminal activities (which often occur in areas with high concentrations of abandoned properties), or targeted public investment including improvements to street surfaces, lighting and public spaces, as well as graffiti removal. In addition, support for existing homeowners wanting to repair their properties, as well as outreach to tenants living in troubled, abandoned or foreclosed properties is also made available. Outreach efforts range from door-to-door direct intervention to partnerships with local non-profits, community meetings, and ensuring that all City workers responding to a FIT area have programmatic information to make available to inquiring residents. As the foreclosure crisis expanded, two additional FIT areas in Dorchester and Roxbury were designated in mid-2008. Foreclosure activity and patterns will continue to be closely monitored, so that if necessary, intervention will occur as early as possible. Our 4-year target is to stabilize all identified FIT areas.

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Affordable Housing Development - Production and Preservation

PY08 marks the completion of the first year of our five-year Consolidated Plan and the beginning of *Leading the Way III*. It will take several years for all of the housing units permitted under *Leading the Way II* to begin construction and be completed. Here is a snapshot of the affordable housing units that were completed or in construction in Program Year 2008 through the Department of Neighborhood Development. These figures include new units, rehabilitation and preservation.

Units Completed in PY2008: In the Program Year 2008, the City of Boston's Department of Neighborhood Development (DND) completed 16 housing projects in 5 neighborhoods with a total of 555 units of housing, of which 553 or 100% (all but 2 units) are affordable to low and moderate-income households. These 16 projects include 506 rental units and 49 homeownership and cooperative units. DND provided over \$15 million in funding to these projects, including CDBG and HOME funds, and leveraged \$156.9 million in additional private, state, and other Federal financing to assist the development of the 555 units.

Units Under Construction: In addition to these 16 completed projects, there are another 16 projects under construction in 6 different neighborhoods. These projects will provide an additional 422 units of housing, including another 407 affordable units, as these projects are completed over the next few years. These 16 projects include 287 rental units and 135 homeownership and cooperative units.

Affordable Housing Projects Completed in Program Year One (7/1/08 - 6/30/09)							
Neighborhood	# Projects	Total Units	Rental Units	Ownership Units *	Affordable Units	DND Funding	Total Dev. Cost
Allston/Brighton	1	33	33	0	33	\$2,351,871	\$12,365,246
Dorchester	4	96	89	7	96	\$3,267,500	\$31,765,017
Jamaica Plain	1	16	16	0	16	\$625,000	\$1,694,852
Mattapan	3	169	169	0	169	\$4,000,000	\$56,320,886
Roxbury	7	241	199	42	239	\$4,921,888	\$54,732,668
TOTAL	16	555	506	49	553	\$15,166,259	\$156,878,669
Affordable Housing Projects In Construction in Program Year One (7/1/08 - 6/30/09)							
Neighborhood	# Projects	Total Units	Rental Units	Ownership Units *	Affordable Units	DND Funding	Total Dev. Cost
Dorchester	2	128	128	0	128	\$972,656	\$37,603,031
Jamaica Plain	2	52	0	52	52	\$1,662,382	\$21,584,211
Mattapan	2	52	50	2	52	\$1,220,000	\$16,974,820
Roslindale	1	13	0	13	13	\$147,000	\$4,416,002
Roxbury	8	149	81	68	135	\$3,194,543	\$37,445,860
South End	1	28	28	0	27	\$1,065,000	\$6,330,165
TOTAL	16	422	287	135	407	\$8,261,581	\$124,354,089

* Ownership Units includes both fee simple units and cooperatives.

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Additional detail on these projects is provided at the end of this section (see Neighborhood Housing Development Production Report (7/1/2008 – 6/30/2009)).

Homebuyer Financial Assistance

Owning a home of one’s own remains the dream of most American families. For many, that dream remains out of reach. The Department of Neighborhood Development’s Boston Home Center Division provides technical assistance and financial assistance to help make homeownership a reality for many Boston households who would otherwise be priced out of the market.

This year the City used CDBG, ADDI and other funds to provide direct homeownership assistance (downpayment, closing costs, interest and/or principal subsidies) to 102 families to enable them to buy their first home. Of these, approximately 40% were low/mod income households (incomes under 80% of Boston area median family) and 88% were racial or ethnic minorities.

Homebuyers by Income Level		
Low/Mod Income (≤ 80% of MFI)	41	40%
Over 80% of MFI	61	60%
TOTAL	102	100%
Homebuyers by Race/Ethnicity		
White, Non-Hispanic		17%
“Minority” Homebuyers		83%
TOTAL		100%

Our Homebuyer Assistance program fell short of its target goal (102 of 176 buyers or 58%) this program year. This shortfall is a result of the economic downturn and tighter lending restrictions resulting in fewer eligible buyers. The average amount of financial assistance to first-time homebuyers in PY08 was \$6,198, an increase from PY07.

To give qualified homebuyers the support they need and to address Boston’s growing inventory of lender-foreclosed properties (a **Leading the Way III** priority), DND’s Boston Home Center in February 2009 announced three enhanced home buying programs made possible by the **Neighborhood Stabilization Program** funding:

Cash-to-Close LIMITED – A program designed to offer qualified homebuyers of foreclosed properties up to \$25,000 in financial assistance.

Cash-to-Fix – A program that provides rehab funding of up to \$50,000 to eligible homebuyers for assistance with needed repairs of 1- to 3-family foreclosed homes and 1- to 6-family foreclosed condominium properties.

Cash-to-Fix SALES – A program that allows eligible homebuyers to purchase a City-acquired foreclosed home at an affordable price for which they can also receive

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financial and technical rehab assistance from the Boston Home Center to cover needed renovations before they move in.

We anticipate implementing NSP funds in the current program year due to delays in receiving the funds and changes to the program's guidelines.

Homebuyer Education and Counseling

In addition to financial assistance to purchase a home, the Boston Home Center offers a variety of homebuyer/homeowner education and counseling classes using CDBG and state funds. This year the City conducted 141 homebuyer/homeowner education and counseling/seminar courses attended by 3,216 prospective homebuyers and current homeowners.

One-to-one counseling by Boston Home Center staff is available to anyone who graduates from our Home buying 101 to learn about mortgage products, affordable housing opportunities and financial assistance available through the City of Boston as well as to discuss their individual financial situation and any issues that could impact their ability to purchase.

The Boston Home Center added new seminar programs to assist homebuyers and homeowners supporting the **Leading the Way III** target goal to reduce the number of lender-owned properties and mitigate the number of foreclosures. These include **"Living Within Your Means"** – a two hour seminar to help participants evaluate their financial situation and learn how to adjust their finances; **"How to Buy A Home that Needs Work"** – a seminar to learn about mortgages and other resources available to help you fix up you home and **"Purchasing Foreclosed Property"** - a seminar to learn everything there is to know about the process: finding the right foreclosed property for you and understanding the sales process involved, important legal issues, choosing the right mortgage, and home repair resources. A total of 702 people attended a seminar program in PY08.

In addition to education programs, 3,700 people attended more than 25 community events hosted during the FY08 program year by DND's Boston Home Center Division. Of these 25 events, 2 Homebuyer Fairs, designed to compliment our NSP home buying initiatives mentioned above, brought together potential homebuyers, lenders, nonprofit housing counselors and realtors with REO inventories, were particularly well attended and successful by all accounts.

Homeowner Rehabilitation

In Program Year 2008 the City provided grants or loans with CDBG and HOME funds to assist homeowners make repairs to or rehabilitate 1,489 housing units exceeding our target goal (1,099) by 35%. Two programs in particular performed better than expected – the Minor Repair Program for Senior Homeowners and a new initiative added in September 2008 – **HeatWorks Plus** – targeting income-eligible families with children under age six for heat equipment repairs.

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Lead Paint Hazard Control

The City of Boston has a three-pronged strategy for addressing childhood lead paint poisoning:

Strategy 1. Outreach and Education: Our *Lead Safe Boston (LSB)* program is a long-term participant in the Massachusetts Strategic Plan to End Lead Poisoning by 2010. This participation has resulted in collaborative agreement between LSB and state and city public health agencies, enforcement agencies, community-based organizations, faith-based groups, representatives from the EPA and regional lead coalitions that are committed to ending childhood lead poisoning. This network expands Lead Safe Boston's capacity, which, as HUD's partner, has been directly responsible for the abatement of over 2000 housing units in the City Boston since 1994.

One of the key organizational partnerships with Lead Safe Boston is the City's Public Health Commission, which is responsible for the Boston Childhood Lead Poisoning Prevention Program (BCLPPP). BCLPPP Education and Outreach staff serves families with children (under age 6) providing home assessments, nutritional assessments and health education information. These education efforts average more than 100 events per year, reaching over 30,000 residents of Boston, and are documented and compiled on a quarterly basis for inclusion in LSB quarterly reports to HUD.

Other key partners are the Lead Action Collaborative (LAC) a partnership of non-profit organizations, foundations, and government agencies that have been working to substantially reduce the incidence of childhood lead poisoning in Boston's highest risk neighborhoods since 1993. And, the Black Ministerial Alliance (BMA), an organization of 50 churches and some 80 faith-based groups with more than 20,000 participants. BMA hosts quarterly workshops and/or community forums featuring Lead Safe Boston and distributes LSB materials through their network.

Strategy 2. Lead Hazard Abatement: The Department of Neighborhood Development's Home Center Division administers *Lead Safe Boston*, a program that provides grants and loans to property owners to abate lead paint hazards. The program receives its primary funding from HUD's Lead-Based Paint Hazard Control (LHC) and Lead Hazard Reduction Demonstration (LHRD) programs rather than from the CDBG or HOME programs. Output goals for Lead Safe Boston are established by HUD in the work plan for each Lead Paint Hazard Control grant.

The output goal for the first Program Year (PY08) of the current 5-year Consolidated Plan is simply derived from the aggregation of the quarterly completion benchmarks for both of the active and overlapping grants the City has received under these competitive funding allocations.

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Grant	Amount	Unit Target	Units to Date	Timeline & status	HUD Performance Rating
FY06 Lead Hazard Demonstration	\$1,545,966	142	113	Quarter 11 of 12	100 out of 100
FY06 Lead Hazard Control	\$3,000,000	270	234	Quarter 11 of 12	100 out of 100
FY09 Lead Hazard Control	Pending HUD review				
Total	\$4,545,966	412	347		

We are pleased to be able to say that the City has achieved a 100% overall performance rating from HUD for both of its active Lead Paint Abatement grants. During this 1-year reporting period, the Lead Safe Boston program abated lead hazards in 151 units. As of the June 30, 2009, reporting period, LSB accomplished 84% of output goals in their HUD grant work plans. We have a pending request to HUD for a no cost time extension (6 months, through March 31, 2010 for Lead Hazard Demo; and 9 months, through July 31, 2010 for Lead Hazard Control) to bring the current project pipeline to successful completion. We have received verbal approval of these time extension requests and are awaiting formal written approval.

On July 20, 2009, DND applied for \$3.07 million of FY09 funding from HUD's Lead-Based Paint Hazard Control grant program to continue the Lead Safe Boston program for another 3 years. Our applicant is currently under review.

Strategy 3. Producing New Lead Safe Housing: The City's efforts to educate homeowners, tenants and landlords about the dangers of lead paint, combined with its ongoing lead hazard control programs and the development of new lead safe housing units, have had a marked impact on the number of new cases of children under 6 with elevated blood lead levels (EBLLs). Over the past 14 years, the number of new cases of children with EBLLs has dropped by 92.6%, from 4,124 cases in 1995 to just 294 cases in 2008. Similarly, the prevalence of EBLLs has also declined, from 13.5% of the children tested in 1995 to just 1.2% of the 23,678 children tested in 2008.

Despite having made significant progress over the past 14 years, much remains to be done. For the past 7 years, three Boston neighborhoods, among Boston's 16 neighborhoods citywide, have consistently had a prevalence of EBLLs on average at least 20% above the citywide rate: Mattapan, North Dorchester and South Dorchester (see table below). In calendar year 2008, these three neighborhoods combined had a total of 142 children with EBLLs, 49% of the citywide total.

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Neighborhood	2002	2003	2004	2005	2006	2007	2008	#EBLLs 2008
Mattapan	5.2%	4.1%	2.8%	2.7%	2.5%	2.0%	1.3%	16
No. Dorchester	6.2%	4.8%	4.4%	3.2%	3.8%	2.8%	2.2%	73
So. Dorchester	6.2%	4.5%	3.8%	3.3%	2.5%	1.8%	1.6%	53
CITYWIDE %	4.0%	3.2%	2.7%	2.2%	2.0%	1.6%	1.2%	294

In recognition of the higher incidence rate and the large absolute number of cases in these neighborhoods, the City has been targeting outreach for its HUD Lead Hazard Control grants and its education and enforcement efforts to these high prevalence areas for several years.

The outcome goal for this program, in conjunction with the outreach and education efforts of the City's Childhood Lead Poisoning Prevention Program, is to eliminate childhood lead paint poisoning as a significant public health hazard in Boston by 2010. We have estimated the reduction in the number of EBLL cases needed each year in order to reach that goal, starting with 4,124 EBL cases in 1995 as the base year. A quick glance at the table on the next page shows that Boston has made major strides towards achieving that goal. In the past 14 years, the number of EBLL cases has been reduced by nearly 93%, from 4,124 cases in 1995 to just 294 new cases in 2008. In addition, the City has met its annual benchmark for every year of this 14-year period but five: 1999, 2001, 2006, 2007 and 2008. In 1999 the numbers actually increased by 12% rather than decreased. In 2001 and 2007 the City fell a little short of its goal. This past year, the reduction was only 68 cases (58% of the goal) instead of the planned reduction of 121 cases. The goals for 2009 and 2010 will be adjusted each year based on each of the prior year's actual EBLL cases. The shortfall this year has required a more aggressive but reachable target for 2009 and 2010.

Year	Actual # EBL Cases	Target # EBL Cases	Reduction Needed	Actual Reduction	Target Achieved?	% of Target Achieved
1995	4,124					
1996	3,221	3,849	-275	-903	Yes	328%
1997	2,351	2,991	-230	-870	Yes	378%
1998	1,543	2,170	-181	-808	Yes	447%
1999	1,725	1,414	-129	182	No	-142%
2000	1,350	1,568	-157	-375	Yes	239%
2001	1,232	1,215	-135	-118	No	87%
2002	964	1,095	-137	-268	Yes	196%
2003	774	844	-121	-190	Yes	158%
2004	647	663	-111	-127	Yes	115%
2005	497	539	-108	-150	Yes	139%
2006	460	398	-99	-37	No	37%
2007	362	345	-115	-98	No	85%
2008	294	241	-121	-68	No	56%
2009		147	-147			
2010		0	-147			

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CHDO Operating Assistance

DND awarded HOME funded 2-year contracts to 15 Community Housing Development Organizations (CHDOs) in PY07 engaged in the development of HOME-assisted or HOME-eligible housing. These awards total \$644,550 - \$299,650 for PY07 and \$344,900 for PY08. This operating assistance enabled Boston CHDOs to undertake 12 housing projects producing a total of 399 units. The 12 projects are:

PROJECT	Number of HOME Units
Blessed Sacrament	52
Hyde Blakemore	13
1460 House	43
Long Glen Housing	33
302 Eustis	14
Franklin Field South III	20
Columbia Wood	49
Brunswick Holborn	49
Dudley Village North	24
Dudley Village South	26
35 West Newton	28
Kasanof Bakery	48

Housing Counseling - Rental Housing Resource Center

The City of Boston's Rental Housing Resource Center (RHRC), an agency under the direction of DND, provides advice, information, and assistance to Boston landlords and tenants who have problems or questions about rental housing issues. Key to providing this assistance is the Housing Counseling Program contracts RHRC issues to local non-profit agencies. Counselors assist tenants in their efforts to remain in their current apartments or in their search for new housing in specific neighborhoods

The current Housing Counseling 2-year contracts are effective July 1, 2008 to June 30, 2010. The total amount of funding over 2 years is \$356,118 in CDBG dollars, \$178,059 in CDBG during PY08.

The participating agencies and the amounts each agency receives are listed below:

ABCD	\$62,320
Allston/Brighton CDC	\$53,418
NOAH	\$62,320
Nuestra	\$89,030
City Life / Vida Urbana	\$89,030

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In PY08 we exceeded the service level projection of 600 tenants by more than 25% serving a total of 763 tenants. The number of tenants placed or preserved is 477 for the current program year. RHRC also works with tenants living in buildings threatened with foreclosure.

Tenants-at-Risk

This program is CDBG funded (\$225,000 in PY08) and administered through the Community Economic Development Assistance Corporation (CEDAC) and has two components: 1) technical assistance to residents of HUD-financed multifamily rental housing to enable them to preserve housing at risk due to expiring use restrictions, Section 8 opt-outs, etc., and 2) the Boston Tenant Organizing Project which provides low income tenants with technical assistance and organizing tools to negotiate with landlords regarding conditions and rent levels. The table below lists CEDAC's 16 current preservation projects in Boston.

PROJECT	HOUSING UNITS
Methunion Manor	6
Tai Tung Village	209
Charlesview Apartments	200
Kilmarnock Street	22
High Point Village	540
Wilshire Apartments	29
Nuestra / West Newton	33
Mount Pleasant Home	44
Greater Boston Chinese / Hong Lok House	28
Community Builders / Woodbourne Apts	74
Jamaica Plain Scattered Site Coop	19
Schoolhouse 77 Apartments	128
Florence and Forestvale Apartments	138
Nuestra / BAC-YOU Properties	4
Nuestra / Daly House	20
NOAH / Trinity House	16

Affirmatively Furthering Fair Housing (Boston Fair Housing Commission)

The Boston Fair Housing Commission (BFHC) is CDBG funded (\$597,000 in PY08) and is responsible for overseeing the implementation of the City of Boston's Fair Housing Plan, which is based on the Analysis of Impediments completed in 1997. The Plan recommends actions to address barriers to fair housing in the areas of prejudice and bias, federally-assisted housing, state-assisted housing, private housing, lending, insurance, and housing for persons with disabilities. Further, the Plan serves as a blueprint for affirmatively furthering fair housing in Boston and the surrounding metropolitan area. In the fall of 2008, BFHC issued a Request for Proposals, selected a respondent, and executed a contract for consultants to assist with development of a new Analysis of Impediments to Fair Housing Choice (AI). In 2009, a Fair Housing Advisory Panel was established, and convened to begin the process of identifying

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impediments. The AI will be completed in 2010, and will cover the time period from July 1, 2010 through June 30, 2013 - the final three years of the current Consolidated Plan.

During the period from July 1, 2008 through June 30, 2009, actions taken to fulfill and to support the requirements of the Fair Housing Plan included, but were not limited to, the following:

Investigations and Enforcement

In Program Year 2008, the Investigation and Enforcement (I and E) unit:

1. Filed and investigated thirty-seven (37) complaints of housing discrimination;
2. Responded to ninety (90) inquiries related to fair housing;
3. Issued eight (8) Probable Cause Determinations;
4. Transferred five (5) cases to the Office of the Attorney General at the election of the parties;
5. Settled nine (9) complaints before the Determination phase; and

All of the complaints resulting in Settlement Agreements contained public interest provisions that furthered the goal of eliminating housing discrimination.

Metropolitan Boston Housing Opportunity Clearing Center (Metrolist)

The Commission continued to operate Metrolist, which facilitates access to housing throughout the metropolitan area. Metrolist provides low and moderate-income households with housing counseling and comprehensive information about government-assisted housing and housing on the private market.

Select Metrolist accomplishments in PY08:

- Counseled over 900 households on a walk-in basis. Each counseling session included housing search education and an explanation of fair housing rights and responsibilities.
- Responded to over 1000 phone calls from persons seeking housing; landlords seeking tenants; and persons requesting general housing information.
- Conducted Annual Survey of State and federally assisted housing. Received over 450 responses, which provided current information on affordable housing developments and their waiting lists.
- In the fall of 2008, worked in partnership with the Boston Housing Authority in the major undertaking of re-opening its Section 8 Waiting List.

Select Affirmative Marketing Accomplishments in PY08:

- The Commission continued to administer the Affirmative Marketing Program, which fosters equal access to government-assisted housing, and inclusionary developments, by providing technical assistance to developers/managers in the

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preparation of affirmative marketing and tenant/buyer selection plans; and by monitoring the implementation of plans approved by the Commission.

- Thirty affirmative marketing plans were reviewed and approved. Fourteen of these were for privately funded inclusionary development projects; and sixteen plans were for housing involving city, state, or federal resources.
- The Affirmative Marketing (AM) Specialist oversaw twenty-seven housing lotteries plus four re-sale lotteries; and monitored the implementation of thirty-five affirmative marketing plans. This is in addition to standard monitoring of plans that were approved and implemented in prior years.
- Conducted Annual Housing Occupancy Survey during January-March 2009. This resulted in obtaining current tenant occupancy statistics for over 200 occupied housing developments that received federal, State, or local resources (funds or land).

Select Education and Outreach Accomplishments in PY08:

- The BFHC entered into a Memorandum of Understanding (MOU), by which the Lead Action Collaborative (LAC) and the Metropolitan Boston Housing Partnership (MBHP) in consideration of occasional monetary grants from the BFHC, distributes BFHC materials and provides individuals with information on fair housing rights and BFHC services.
- Made fair housing presentations during the year to a variety of audiences at the League of Community Health Centers; Boston's Office of Neighborhood Services, Homestart agency housing counselors, Boston Public Schools, Office of Family Services, Haitian Multi-Cultural Service Center; Bowdoin/Geneva Main Streets; and Boston Center for Independent Living.

Eliminating Barriers to Affordable Housing

One of the primary barriers to affordable housing development in Boston is lack of land for new housing development. The City has made good use of its limited stock of buildable vacant land, acquired by tax title foreclosure, to assist the development of affordable housing. The City often sells the land for a nominal price to support the development of affordable housing.

The City also has taken a number of steps to improve the regulatory climate for affordable housing development. These are detailed in the City's response to HUD's "Questionnaire for HUD's Initiative on Removal of Regulatory Barriers" (Tab 17 of this CAPER), which was required for many of HUD's FY2008 competitive funding applications.

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Beneficiaries of Housing Activities

Data for PY08 was not available in time for the CAPER due to HUD's conversion of IDIS (mentioned earlier in Tab 1 Resources). However, the percentages of beneficiaries by income and by race and ethnicity vary little from year to year as HOME and CDBG funds are restricted to low-moderate income households. We will amend and update the tables when the IDIS information is available.

Beneficiaries by Income

The following table shows the beneficiaries of our HOME and CDBG-funded housing activities completed in PY07 by income level. The beneficiaries of HOME activities are counted based on housing units. The beneficiaries of CDBG housing activities are counted by households and include a wider range of housing activities, including homebuyer assistance and homeowner rehabilitation.

Beneficiaries of PY07 HOME & CDBG Housing Activities by Income				
Income Level	HOME		CDBG	
	Units	%	Households	%
0-30% of MFI	70	30.0%	125	3.2%
31-50% of MFI	43	18.5%	582	14.7%
Subtotal 0-50 of MFI	113	48.5%	707	17.9%
51-60% of MFI	70	30.0%		
61-80% of MFI	50	21.5%		
Subtotal 50-80% of MFI	120	51.5%	3,211	81.3%
Subtotal 0-80% of MFI	233	100.0%	3,918	99.2%
Over 80% of MFI	0	0.0%	23	0.8%
TOTAL	233	100.0%	3,951	100.0%

Both HOME and CDBG-funded housing activities provide significant benefits to the lowest income levels. The HOME program reaches a lower-income population because the program is primarily used for development of new housing in conjunction with Low Income Housing Tax Credits and Section 8 subsidies. Although the percentage of very low income households under CDBG is lower than under HOME, the absolute number of very low income households benefited is higher than HOME due to the larger size of the program. CDBG funds are also used for homeowner rehabilitation and homebuyer programs, most of who tend to be in the 50% to 80% of median income range.

Beneficiaries by Race and Ethnicity

As the following table shows, the beneficiaries of our HOME and CDBG-funded housing activities reflect the diversity of the City with 54.5% of beneficiary households are minorities (2,139 households out of 3,925 total). The large number of persons selecting the "Other Multi-Racial" category is noteworthy. It accounts for 8.4% of the total households this year.

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Beneficiaries of PY07 CDBG and HOME Housing Activities by Race & Ethnicity			
Race/Ethnicity	Hispanic HH	Total HH	%
White	69	1,855	47.3%
Black/African American	20	1,618	41.2%
Asian	0	106	2.7%
American Indian/Alaskan Native	0	3	0.1%
Native Hawaiian/other Pacific Islander	0	6	0.2%
American Indian/Alaskan Native & White	0	1	0.1%
Asian & White	0	2	0.1%
Black/African American & White	0	4	0.1%
American Indian/Alaskan Native & Black/African American	0	0	0.0%
Other Multi-Racial	33	330	8.4%
TOTAL	122	3,925	100.0%
TOTAL "Minority" HH	122	2,139	54.5%

Public Housing and Resident Initiatives

Primary responsibility for public housing and resident initiatives rests with the Boston Housing Authority (BHA) and is reported separately in the BHA's annual report to HUD. In addition, the City provides support to selected programs serving public housing residents through its CDBG-funded human service programs. The City's Department of Neighborhood Development has also supported applications to HUD for funding under the HOPE-VI, Public Housing Drug Elimination Program, Resident Opportunity Self Sufficiency (ROSS), Public Housing Family Self Sufficiency and other programs targeted to serving public housing residents.

Of note in PY08, the City of Boston committed \$33.3 million in American Recovery and Reinvestment Act (AARA) funds to a number of construction projects at BHA housing developments. Selected projects include:

- Redevelopment of Washington Beech: \$10 million will be used in concert with private investment by the BHA and its procured developer to complete Phase 1 of the project which will include the construction of 100 affordable rental units using green principles and technology, site remediation and site improvements.
- Bathroom and Plumbing upgrades: \$10 million will be used to upgrade and modernize over 600 bathrooms
- HVAC and Heating Upgrades: \$3.5 million

DND committed \$500,000 of HOME funds in PY08 to the redevelopment of the Franklin Hill housing development in Dorchester that will provide 266 affordable housing opportunities.

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Energy Star

One of HUD's and the City's priorities is to improve the energy efficiency of the housing produced through our housing development and housing rehabilitation programs. The City requires that all City-assisted new construction and gut rehabilitation housing development projects be Energy Star certified, to the extent feasible. There currently is no Energy Star standard for certifying buildings with more than 3 stories and many of our projects fall into that category.

The following table shows the Energy Star accomplishments for the 7 projects certified during this program year. Of the 325 total units in these projects, 235 (72%) were Energy Star certified.

Project Name	New/Rehab	Type: Ownership or Rental	Total # Units	# Energy Star Units	Energy Star Cert.
1460 House	New	Rental	43	33	Y
Blue Hill Commons	New	Combination	8	8	Y
Barnes School	Rehab	Rental	74	74	Y
Imani House	Rehab	Rental	9	9	Y
Howard Dacia Homes	New	Owner (coop)	26	26	Y
MLK/Washington Commons	New	Ownership	49	11	Y
Ashmont "T"	New	Combination	116	74	Y

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HOMELESS AND NON-HOMELESS SPECIAL NEEDS PROGRAMS

HOMELESS CONTINUUM OF CARE

According to the City of Boston's Point-In-Time Survey conducted on December 15, 2008, approximately 7,681 people, or about 1.3% of the City's population, are homeless on any given day. Two key findings of the survey are the number of people homeless increased 11% (+751 people) between the 2007 and 2008 census; and, the number of homeless families increased 22% (+ 679) between 2007 and 2008. These increases may be attributed to the struggling economy and the loss of homes to foreclosure. Most of Boston's homeless population is sheltered, only 5.6% were unsheltered

To access the survey: <http://www.cityofboston.gov/shelter/census/pdfs/2008%20-%202009.pdf>

Performance data for this section of the CAPER is derived from the City's annual Continuum of Care (COC) application. Since HUD has not yet issued the notice of funding availability for the FY2009 COC program, the 2008 COC accomplishments report has not yet been completed. We are therefore providing data from the most recent (2008) COC, reporting on accomplishments for 2007. We expect that PY08 accomplishments will be substantially similar to PY07 since most of the COC programs are renewals:

PY07 Highlights:

- Placing 359 permanent housing beds for the chronically homeless in service
- 386 homeless program participants were moved from transitional housing to permanent housing
- 660 homeless placed in permanent housing have remained in permanent housing.

See also Tab 15 of this CAPER for information on the City's Emergency Shelter Program.

See also the next section of this CAPER - Human Service Programs (Office Of Jobs and Community Services) - with eight (8) Shelter/Homeless programs that are CDBG funded.

The City submits separate Annual Performance Reports (APRs) for each of its 50+ Shelter Plus Care and Supportive Housing Programs. In addition the City submits data on the programs participating as part of HUD's Annual Homeless Assessment Report (AHAR) and provides extensive data to HUD on the utilization of homeless services by homeless individuals and families through the new Homeless Management Information System (HMIS).

We will update this section of the CAPER when the PY09 COC application is completed.

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Non-Homeless Special Needs

Persons With AIDS:

On behalf of the Boston metropolitan area, the City of Boston administers a successful Housing Opportunities for Persons With AIDS (HOPWA) program that provides rental housing assistance and supportive services for persons with AIDS throughout the metropolitan area. Additional details on the HOPWA program are provided in the program specific narratives section of this report (Tab 16).

Persons with Physical or Mental Disabilities

Two of the most important housing resources for non-homeless persons with physical or mental disabilities are the HUD Section 202 Supportive Housing Program for the Elderly and the Section 811 Supportive Housing Program for Persons with Disabilities. Unfortunately, the City is not eligible to apply directly for funding under these programs – only non-profit project sponsors are eligible to apply. No applications were submitted from Boston under the PY08 Section 811 Housing for Persons With Disabilities funding competition. Six applications were submitted for Section 202 funding and two were selected for funding – Community Builders was awarded \$6.06 million to assist the development of 40 units of housing for low-income seniors and Nuestra Comunidad was awarded \$5.3 million to assist the development of 35 units of housing for low-income seniors. We expect that all of the unsuccessful applications will be resubmitted under the next (FFY09) Section 202 funding round.

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HUMAN SERVICE PROGRAMS AND ANTI-POVERTY STRATEGY

Human Service Programs (Office Of Jobs and Community Services)

The City of Boston provided approximately \$3.8 million in CDBG funds to assist a wide range of human service programs. The program is administered by the City's Office of Jobs and Community Services. Funds are awarded by Request for Proposals (RFP) every two years. Program Year 2008 is the first year of the current two-year cycle. The following is a list of the programs funded and the amounts awarded.

ADULT PROGRAMS

Counseling & Support

Agency	Program	Neighborhood	PY2009 Budget
ABCD South Side Head Start	Case Management	Hyde Park	\$ 31,500
Asian American Civic Association (AACA)	Family Literacy	Chinatown	\$ 40,000
Bay Cove Human Services	Eviction Prevention	Boston	\$ 27,500
Crittenton Women's Union	Counseling	Brighton	\$ 36,190
DEAF, Inc.	Disabled adults	Allston	\$ 40,000
DotWell	Financial Management	Dorchester	\$ 25,000
Fenway CDC	Employment Services	Fenway	\$ 25,000
Fenway Community Health Center	Counseling	Fenway	\$ 25,000
Greater Boston Legal Services	Eviction Prevention	Boston	\$ 43,500
Home SPACE / Aid to Incarcerated Mothers	Counseling	South End	\$ 40,000
International Institute of Boston	Counseling & Referral	Boston	\$ 34,500
Irish Immigration Center	Citizenship Services	Boston	\$ 30,000
Jamaica Plain NDC	Employment Services	Jamaica Plain	\$ 40,000
Jewish Vocational Service	Employment Services	Boston	\$ 43,500
Mass. Alliance of Portuguese Speakers	Social Services	Allston	\$ 40,000
Maverick Tenants' Organization	Counseling	East Boston	\$ 34,500

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Agency	Program	Neighborhood	PY2009 Budget
Morgan Memorial Goodwill Industries	Employment Services	Roxbury	\$ 40,000
Mujeres Unidas en Accion	Childcare for ABE Prog.	Dorchester	\$ 25,000
New England Shelter for Homeless Veterans	Employment Services	Boston	\$ 30,000
Notre Dame Education Center	Case Management	South Boston	\$ 43,500
Somali Development Center	Counseling & Referral	Jamaica Plain	\$ 31,000
STEP, Inc.	Substance Abuse Services	Boston	\$ 45,000
Upham's Corner Health Center	Case Management	Dorchester	\$ 25,000
Urban League of Eastern Massachusetts	Employment Services	Roxbury	\$ 25,000
Veterans Benefits Clearinghouse	Counseling	Roxbury	\$ 45,000
Vietnamese American Civic Association	Social Services	Dorchester	\$ 32,000
Viet-AID	Employment Services	Dorchester	\$ 25,000
Vocational Advancement Center	Vocational Services	Brighton	\$ 25,000
Subtotal			\$ 947,690

Shelter/Homeless

Asian Task Force Against Domestic Violence	Counseling	Chinatown	\$ 43,500
Boston Rescue Mission	Homeless Services	Boston	\$ 25,000
Casa Myrna Vazquez	Economic Development	South End	\$ 45,000
City Mission Society	Homeless Services	Boston	\$ 25,000
Crossroads Family Shelter	Homeless Services	East Boston	\$ 25,000
Elizabeth Stone House	Financial Counseling	Jamaica Plain	\$ 25,000
hopeFound Inc.	Employment Services	Jamaica Plain	\$ 25,000
Project Place	Homeless Services	South End	\$ 27,500
Travelers Aid Family Services	Homeless Services	Boston	\$ 25,000
Subtotal			\$ 266,000

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Senior Services

Agency	Program	Neighborhood	PY2009 Budget
Catholic Charities / Haitian Multi-Service Center	Social Services to Elders	Dorchester	\$ 25,000
Eldercare Alliance / Ethos	Financial Management	Jamaica Plain	\$ 25,000
Greater Boston Chinese Golden Age Center	Elder Social Services	Chinatown	\$ 25,000
La Alianza Hispana	Elder Social Services	Roxbury	\$ 44,000
Mass. Assoc. for the Blind	Elders (Vision-impaired)		\$ 25,000
Orhenberger Community Center	Elder Recreation	West Roxbury	\$ 25,000
Veronica B. Smith Multi-Service Senior Center	Elder Social Services	Brighton	\$ 30,000

Subtotal \$ 199,000

YOUTH PROGRAMS

Agency	Program	Neighborhood	PY2009 Budget
ACEDONE	After-School	Roxbury	\$ 25,000
Agassiz Community Center	After-School	Jamaica Plain	\$ 25,000
All Dorchester Sports League	After-School	Dorchester	\$ 25,000
Alliance for Inclusion and Prevention	After-School	Roslindale	\$ 27,500
Allston/Brighton APAC	After-School	Brighton	\$ 25,000
Artists for Humanity	Youth Arts	South Boston	\$ 25,000
Blackstone Community Center	After-School	South End	\$ 25,000
Boston Asian: Youth Essential Service	Violence Prevention	Chinatown	\$ 25,000
Boston Chinatown Neighborhood Center	Pre-School / After-School	Chinatown	\$ 45,000
Boston Higher Education Resource Center	Mentoring	South End	\$ 25,000
Brookview House	Homeless Youth	Dorchester	\$ 25,000
Castle Square Tenants Organization	After-School	Chinatown	\$ 25,000
Catholic Charities / Labourer Center	Youth Counseling	South Boston	\$ 30,500

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Agency	Program	Neighborhood	PY2009 Budget
Center for Teen Empowerment	Youth Organizing	South End	\$ 25,000
Colonel Daniel Marr Boys & Girls Club	After-School	Dorchester	\$ 25,000
Commonwealth Tenants Association	After-School	Brighton	\$ 25,000
Community Providers of Adolescent Services	After-School	Dorchester	\$ 25,000
Comprehensive School-Age Parenting Program	Teen Parenting	Jamaica Plain	\$ 45,000
Crispus Attucks Children's Center	Pre-School	Dorchester	\$ 45,000
East Boston Harborside Community School	After-School	East Boston	\$ 25,000
East Boston Social Centers	After-School	East Boston	\$ 43,500
Ecumenical Social Action Committee	Counseling	Roxbury	\$ 34,500
Federated Dorchester Neighborhood Houses	After-School	Dorchester	\$ 30,000
Haitian American Public Health Initiative	After-School	Mattapan	\$ 34,500
Hawthorne Youth & Community Center	After-School	Roxbury	\$ 25,000
Hispanic Office of Planning and Evaluation (HOPE)	After-School	Jamaica Plain	\$ 25,000
Hyde Park Municipal Building Community Center	After-School	Hyde Park	\$ 30,000
Hyde Square Task Force	After-School	Jamaica Plain	\$ 25,000
Inquilinos Boricuas en Accion (IBA)	After-School	South End	\$ 25,000
Jackson/Mann Community School and Council	After-School	Allston	\$ 45,000
Maritime Apprentice Program	After-School	South Boston	\$ 34,500
Mattapan Community Centers	After-School	Mattapan	\$ 25,000
Nazzaro Center	After-School	North End	\$ 25,000
New England Scores	After-School	Dorchester	\$ 27,500
Partners for Youth with Disabilities	Career Development	Charlestown	\$ 43,500
Roslindale Community Center Council	After-School	Roslindale	\$ 25,000
Sociedad Latina	After-School	Roxbury	\$ 25,000

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South Boston Boys & Girls Club	Summer Camp	South Boston	\$ 25,000
South Boston Neighborhood House	After-School	South Boston	\$ 30,000
Tynan Community Center	After-School	South Boston	\$ 25,000
United South End Settlements	Pre-School / After-School	South End	\$ 45,000
Upham's Corner Community Center	After-School	Dorchester	\$ 41,500
West End House Boys & Girls Club	After-School	Allston	\$ 40,000
Zumix, Inc.	Youth Arts	East Boston	\$ 25,000

Youth Total \$ 1,322,500

ADULT EDUCATION

Agency	Program	Neighborhood	PY2009 Budget
ABCD - Citywide	GED, EDP	Boston	\$ 50,000
ABCD - Mattapan	ESL	Mattapan	\$ 50,000
Charlestown Community Center	GED, EDP	Charlestown	\$ 50,000
Dimock Community Health Center	ABE	Roxbury	\$ 50,000
East Boston Harborside Community Center	ABE, GED, ESL,, EDP	East Boston	\$ 50,000
Haitian Multi-Service Center	ESL, GED, EDP	Dorchester	\$ 50,000
Jamiaca Plain Community Center	ABE, GED, ESL, EDP	Jamaica Plain	\$ 50,000
Notre Dame Education Center	ABE, EDP	South Boston	\$ 50,000
Perlins Community Center	ESL	Dorchester	\$ 50,000
United South End Settlements	ABE, GED, EDP	South End	\$ 50,000

Subtotal \$ 500,000

Grand Total - Program Budget	\$ 3,235,190
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Admin \$ \$ 584,473

TOTAL \$ 3,819,663

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Anti-Poverty Strategy: Actions to Reduce the Number of Families In Poverty

Action for Boston Community Development (ABCD) was incorporated in 1962, and, with the passage of the Economic Opportunity Act in 1964, was designated Boston’s official antipoverty agency. ABCD receives about \$95 million annually in federal, state and local funding to carry out its anti-poverty programs, including about \$5 million from the City of Boston. ABCD is the largest, non-profit human service agency in New England, assisting over 100,000 low-income individuals and families annually. ABCD programs and affiliates agencies include: Head Start, Child Care Services, Child Care Choices of Boston, Foster Grandparents, Family Friends, Youth Programs including an Alternative High School (University High) in cooperation with the Boston Public Schools, SUMMERWORKS which provides career-oriented work experience for low-income teenagers each summer, Urban College of Boston: a Two-Year College, Career Development including the LearningWorks Center with significant welfare-to-work initiatives, the CLUB, Health Services/Family Planning, Housing and Homeless Services, Community Services, Elder Services, Intergenerational Programs, Fuel Assistance, Weatherization, consumer services and advocacy. Additional information on ABCD and its anti-poverty programs is available on their web site at:

<http://www.bostonabcd.org/>

In addition to supporting ABCD’s programs, the City of Boston provides extensive funding for anti-poverty activities such as literacy and job training initiatives through its Office of Jobs and Community Services, a division of the Boston Redevelopment Authority/Economic Development Industrial Corporation. Every winter the City also runs a volunteer-staffed program to assist low-income families take advantage of the Earned Income Tax Credit (EITC). Finally, many of the programs carried out by Boston Connects, Inc. are designed to empower and improve the economic self-sufficiency of the residents of Boston’s Empowerment Zone, a high-poverty target area designated in 1995.

Despite the best efforts of ABCD and the City, the number of Boston families in poverty continues to rise. According to the 2000 Census, Boston has 17,892 or 15.3% of its families living in poverty. This is an increase of about 300 families or 1.7% compared with 1990. However, the percentage growth in family poverty is less than that experienced nationally (+2.1%), statewide (+2.8%) or within the Boston Primary Metropolitan Statistical Area (+16.7%).

	Families in Poverty 1990		Families in Poverty 2000		Change 1990-2000	
	# families in poverty	% of families	# families in poverty	% of families	^ # families in poverty	% change
U.S.A.	6,487,515	10.0%	6,620,945	9.2%	+133,430	2.1%
State of MA	102,748	6.7%	105,619	6.7%	+2,871	2.8%
Boston PMSA	41,322	5.9%	48,228	5.8%	+6,906	16.7%
City of Boston	17,598	15.0%	17,892	15.3%	+294	1.7%

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The large increase in the number of families in poverty in the Boston PMSA reflects the overall increase in the number of families in the Boston PMSA. The Boston PMSA added 128,661 families since 1990, an increase of 18.3%. At least part of this growth is due to OMB's changed definition of the Boston metro area and some is also probably due to migration to the Boston metro area from other areas in the state, including the migration of some Boston families to Boston's metro area suburbs. Boston experienced a decrease of about 1,000 families from 1990 to 2000.

Unfortunately, the large fluctuations in the estimated number of family households from year to year casts doubts on the accuracy of the ACS data. It is unlikely that Boston gained 5,387 family households from 2001 to 2002 and then lost 7,802 families from 2002 to 2003. This means that we will have to wait until the 2010 Census before we will be able to make any meaningful statements about trends in the number of families living in poverty in Boston.

Until recently, data on poverty at the place level were not available except every 10 years through the Decennial Census. Beginning in 2000, annual updates to the Census data have become available at the place level for many jurisdictions through the Census Bureau's American Community Survey (ACS). The following chart shows the ACS data on the number of families and the number and percent of families in poverty from 2000 through 2007.

Year	# Families	# Families in Poverty	% of Families in Poverty
2000	108,014	12,217	11.3%
2001	109,541	14,395	13.1%
2002	114,928	19,478	16.9%
2003	107,126	15,971	14.9%
2004	108,144	17,855	16.5%
2005	112,656	20,086	17.8%
2006	109,091	16,983	15.6%
2007	107,938	18,672	17.3%

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ECONOMIC DEVELOPMENT PROGRAMS

During the 2008 Program Year DND provided financial and technical support for a wide range of economic development projects and activities. Some of these activities were supported to create new jobs or retain existing jobs for low and moderate-income persons. Others were supported to provide services for a low and moderate-income area or to prevent or eliminate a blighting condition. HUD's IDIS system under counts the number of jobs because jobs are only captured for those projects for which the eligible activity is creation or retention of jobs. Jobs are not captured if the eligible activity were low mod area benefit (such as a grocery store).

Commercial Real Estate Development

FY 2009/PY08 has been a challenging year for the small business sector of the City of Boston. In an effort to respond to this challenge, DND's Office of Business Development developed the **Neighborhood Restaurant Initiative** as a way to utilize a portion of our CDBG allocation to facilitate the development of a number of full service restaurants in the City's neighborhood commercial districts. The initiative provides a menu of resources ranging from technical assistance, licensing and permitting support, marketing and design services, and loan commitments including an option for a façade improvement grant through the **ReStore** program. This program has helped develop stronger commercial districts during these difficult times and created opportunities for entrepreneurs and residents through the creation of new jobs and enhanced retail services across the City.

In FY 2009/PY08, the Restaurant Initiative was able to provide assistance to 10 new restaurants in districts that had been underserved relative to the number and variety of sit-down, family restaurants owned and operated by local entrepreneurs. These new businesses combined have created over 200 new jobs for primarily low and moderate-income residents of the City of Boston. The Office of Business development was able to commit a total of \$660,000 in CDBG funding for these 10 Restaurant Initiative projects, leveraging private investment in the projects in the amount of \$2,665,000.

HUD 108/EDI loan Programs:

During PY08 DND submitted an application to create the \$69 Million **Boston Invests** in growth loan fund; that application was approved August 21, 2009. The City has been actively soliciting applications for this loan pool and expects to close on the first loan (s) by the end of the calendar year. This loan pool has the potential for creating a significant number of new jobs within the City of Boston.

DND continues to work with Boston Connects Inc., Boston's Empowerment Zone, to utilize the remaining 108 and EDI funds under its control. The funds are currently being targeted to facilitate Job Creation and Energy Conservation. It is expected that these funds will be fully expended by the end of the fiscal year.

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ReStore Boston (Façade improvements)

The City's **ReStore Boston** program, CDBG funded, - designed to assist neighborhood business and property owners with storefront improvements with professional design services, signage, security measures, and general repairs - completed 112 storefronts projects across the City. Significant projects were completed along main thoroughfares such as Dorchester Ave, in Uphams Corner and in the Morton Street area of Mattapan. Projects were funded in 15 neighborhoods in the city and design assistance was provided to more than 150 projects. The **ReStore** program leveraged in excess of \$2 million in private financing.

Main Streets

Boston's Main Streets, just completing its 13th year, provides financial assistance to support the revitalization of 19 designated Main Streets neighborhood business districts. Sixteen of the 19 districts are located in low and moderate-income areas and are assisted with CDBG funds. The remaining 3 districts are funded with non-Federal resources.

The 16 CDBG-eligible Main Streets Districts are:

Allston Village	Bowdoin/Geneva	Brighton	Chinatown
Dudley Square	East Boston	Egleston Square	Fields Corner
Four Corners	Grove Hall	Hyde Park	Hyde/Jackson Sq.
Mission Hill	St. Mark's	Upham's Corner	Washington Gateway

Each of these districts receives funding for part of the salary of a manager for the business district and for storefront improvements in the business district. The goals of the program are to recruit new businesses and encourage the expansion of existing businesses, create new jobs for area residents and to leverage private investment to make needed physical improvements to revitalize the business districts. The table below summarizes the accomplishments in the 2008 Program Year.

Accomplishments	Program Year 2008
Number of operating Main Street Districts	19
Businesses opened with technical or financial assistance	134
Businesses opened with technical or financial assistance since inception of program	2132
New jobs created in PY08	636

(Note – program totals include non-CDBG-funded districts)

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Below are some selected examples of the Main Street program accomplishments and the small businesses assisted with our CDBG funds:

Chinatown Main Streets had 8 new businesses open in PY08, resulting in the creation of 64 jobs. Through the hard work and extensive time donated by their volunteers the Chinatown Main Street district held 3 events, two of which were outdoor festivals that attracted thousands of attendees. Most recently, as part of the 2010 Chinatown Master Plan, CMS developed a series of business questions for the Chinatown Businesses. These questions and answers were based on live interviews with 100 business owners and managers.

Dudley Square Main Streets is one of Boston's oldest Main Streets districts. It is a transportation hub that sees over 30,000 people per day pass through it, yet it struggles with vagrancy, shabby storefronts and a poor mix of businesses. The organization continues to hold district events to promote the positive changes that are happening and held 11 events throughout the year ranging from quarterly networking breakfasts to a small business forum that included the Mayor of Boston as well as the Governor of Massachusetts. Eight new businesses opened in the district that created 27 jobs. The events organized relied on 1,562 hours of volunteer time to promote the district.

East Boston Gateway Main Streets is a multi-cultural district, including large Italian and El Salvadorian populations, which have come together for 13 events and community improvement activities in PY08 that attracted more than 12,000 attendees from within and outside the district. In addition, the hard work of the staff and volunteers, whose commitment resulted in 2,872 volunteer hours, netted 7 new businesses opening in the district and the creation of 23 new jobs.

Fields Corner Main Streets had 15 new businesses open in PY08, resulting in the creation of 35 jobs. The FCMS program also assisted six local businesses and one building owner with storefront renovation, as well as initiated exterior renovation and handicapped accessibility of the Fields Corner Post Office. Through the hard work and extensive time donated by their volunteers (1,118 hours), the district held 7 events that attracted more than 700 attendees. The district also was selected by Historic Boston Incorporated to participate in the Historic Neighborhood Centers program.

Hyde Park Main Streets had 11 new businesses open in PY08, resulting in the creation of 26 jobs. HPMS engaged the staff and volunteers for numerous activities (1054 volunteer hours), including monthly Business Networking Breakfasts. HPMS has recently completed a Retail Market Study of Cleary & Logan Squares with the BRA that has given them a road map for the district. This was a three-month project that entailed a survey administered by HPMS, business inventory, advisory group meetings and focus groups that culminated in a 70- page document.

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Hyde Jackson Square distributed 25,000 map/directories through local newspapers, at colleges, and special events, has created visibility outside the district and expanded their web presence by creating a promotional website www.bostonlatinquarter.com. They are in the process of starting a “Passport Program” where customers visiting 10 stores get their passport stamped and are eligible for a \$500 shopping spree at the ten participating stores. They co-sponsored 3 merchant networking breakfasts that featured the participation of 40 businesses and hold regular workshops for merchants through their Small Business Assistance Program. They have leveraged over 480 volunteer business hours and helped open 4 new businesses, creating 19 new jobs.

St. Mark’s Area Main Streets had 15 new businesses open in PY08, resulting in the creation of 59 jobs. Through the hard work and extensive time donated by their volunteers (1368 hours) the St. Mark’s Area Main Street district held many events, including the Ashmont/Peabody Square Farmers' Market that attracted thousands of attendees. This was all accomplished while also co-sponsoring the youth outreach program with Neponset Health Center; participating in the Dot Day Parade, and completing 4 storefront projects.

Upham’s Corner Main Streets has focused on the Strand reopening in the first half of 2009 with a weekend of Ain’t Misbehavin’. UCMS invited businesses to create special promotions at their businesses and connected the businesses to the producers of the show so that they could be promoted through other avenues. UCMS provided individual based direct technical assistance to over 50 businesses by helping them design ads to market themselves as a part of the UCMS’ fundraising event, Urban Safari 2009 and has conducted 3 community meetings for the St. Kevin’s Area Planning which resulted in a draft of a community vision for the 2.5 acre site. Upham’s Corner has leveraged over 1500 volunteer hour and helped 8 new businesses open, creating 94 new jobs in the district.

West Roxbury Main Streets hired a new Director this year while utilizing 515 volunteer hours to hold 3 events that attracted hundreds of attendees. WRMS opened 9 new businesses that created 57 new jobs. Most recently they offered a social media initiative for the WR businesses. They held two seminars with local expert speakers that educated businesses on how to cost-effectively market their business in today’s world by using social media templates.

Business Technical Assistance / Business Assistance Team (BBAC)

The referral services of the Business Assistance Team program were combined with the Business Technical Assistance programs in the OBD Division. During the year OBD assisted businesses with all types of technical assistance ranging from very basic business education to highly complex assistance with permitting, zoning and building code issues. In total over 1600 businesses were provided with some form of technical assistance; the program is CDBG funded.

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PUBLIC FACILITIES PROGRAMS

Grassroots – Open Space Development

The program supports the development of community gardens and other non-profit owned and maintained open space providing grants, technical assistance and vacant land with CDBG funds. Four projects were completed in PY08 and another four projects are under construction. The Grassroots program was honored this year with a Garden Design Award from the American Horticultural Therapy Associations for the William E. Carter School Sensory Garden Outdoor Classroom in Boston's South End neighborhood.

Partners with Non-Profits

In PY08, Partners with Non-Profit grants totaling \$675,000 of CDBG funds were awarded to 40 nonprofit organizations. The grants focused on safety and energy conservation issues and were utilized for capital improvements ranging from new HVAC systems, carpentry, painting, new roofing, kitchens to handicap accessible issues. The 40 organizations assisted served in excess of 92,000 clients during the year. A list of the PY2008 Partners and their funding awards is provided on the next page.

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Partners with Non-Profits Awards PY2008	
Non-Profit Name	Amount
Asian Task Force Against Domestic Violence	\$10,000
Azusa Christian Community	\$25,000
Boys & Girls Clubs of Boston - Charlestown	\$15,000
Boys & Girls Clubs of Boston - Yawkey Roxbury	\$15,000
Boys & Girls Club of Dorchester - Daniel Marr	\$25,000
Boston Hamilton House	\$16,000
Charlestown Coop Nursery School	\$20,000
Charlestown Working Theater	\$20,000
Community Servings Inc.	\$20,000
Crittenton Women's Union	\$20,000
Dudley Economic Empowerment Partners (DEEP)	\$20,000
Edgar P. Benjamin Health Center/emergency	\$10,000
Elizabeth Stone House	\$20,000
Federated Dorchester Neighborhood House	\$25,000
Gavin Foundation - Gavin House	\$20,000
Haley House, Inc.	\$25,000
Inquilinos Boricuas en Accion (IBA)	\$20,000
Interim House, Inc.	\$10,000
Italian Home for Children	\$20,000
John F. Kennedy Family Service Center	\$10,000
Kit Clark Senior Services	\$15,000
Morgan Memorial Goodwill Industries	\$20,000
Mujeres Unidas en Accion (MUA)	\$19,000
Neponset Healthcare Center	\$10,000
Paraclete Center, Inc.	\$20,000
Riverside Theatre Works	\$12,000
South Boston Neigh. House	\$20,000
South West Boston CDC - Hyde Park Art Association	\$20,000
Spontaneous Celebrations	\$15,000
St. Francis House	\$20,000
United South End Settlements emergency funds	\$9,000
Victory Programs, Inc.	\$15,000
Vozzella Engineering & Design	\$10,000
Wesley Child Care Center, Inc.	\$15,000
Women's Service Club/emergency	\$3,000
Work Inc.	\$20,000
Youth Enrichment Services (YES)	\$15,000
YMCA of Greater Boston - Chinatown Branch	\$15,000
YMCA of Greater Boston - Dorchester Branch	\$26,000
YMCA of Greater Boston - East Boston Branch	\$10,000
TOTAL	\$675,000

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OTHER PROGRAMS AND ACTIVITIES

Property Management

This program makes needed emergency repairs such as boarding to prevent illegal entry on city-owned properties acquired through tax title foreclosure. Repairs are done to ensure the safety of the occupants or abutters until permanent repairs, disposition or redevelopment of the property can be completed. CDBG funds are used for properties that are in low/mod areas or that will be part of a project providing a benefit to low-mod persons. City operating funds are used for properties that are not eligible for CDBG funding. The program exceeded by 42% its projected service level of 1740 activities accomplishing 2473 over the year. The increased demand for these services was due to an increase in vegetation growth and snowfall.

Property Disposition

The program makes available city-owned vacant land and buildings for redevelopment. Properties are sold through Requests For Proposals. Vacant properties are a blight in the neighborhood and lost revenue for the City. The program met its target of 7 buildings sold but fell short of the land parcels completing 71 out of a projected 125 parcels. Similar to the challenges faced in our first-time homebuyer programs, land sales decreased due to the economic downturn and tighter lending restrictions. CDBG funds are used to assist the disposition of properties used for a community development project.

Environmental Testing & Abatement (Brownfields)

This program investigates, tests, analyzes and removes environmental hazards on foreclosed and surplus buildings and land in order to protect the public health and safety and to facilitate the redevelopment of these parcels. The program met its goal addressing 81 parcels. Funding comes from both the CDBG program and the EPA brownfields program.

Demolition

This program demolishes key blighted properties that pose a threat to the public safety. The buildings to be demolished will be vacant and must be deemed infeasible for rehabilitation. One building was demolished this year with CDBG funds.

Project Pride

This program combats illegal drug activity on city-owned and privately owned abandoned property by boarding and securing drug-related buildings citywide and cleaning and fencing vacant lots in designated drug control areas. Suffolk County House of Corrections inmates perform the work and the program provides the materials.

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A total of 82 properties were secured in PY08. The materials are paid for with CDBG funds.

Overcoming Gaps in Institutional Structure

Unlike many other cities, Boston is fortunate to have a well-developed institutional infrastructure for affordable housing development. Some of the nation's strongest and most experienced community development corporations (CDCs) are based here in Boston. The City of Boston provides financial support for this network by using 5% of its HOME funds to provide operating assistance to 11 CDCs and other Community Housing Development Organizations (CHDOs). The operating assistance is administered through the Department of Neighborhood Development.

Compliance and Monitoring

The Department of Neighborhood Development has a long and successful track record in administering HUD-funded housing and community development programs. The Compliance Unit in DND's Administration and Finance Division has the primary responsibility for ensuring that projects and programs are in compliance with program eligibility and has established review procedures to ensure that all statutory and regulatory requirements are met, and that the information submitted is complete and accurate. In addition, sub-recipients are monitored through a combination of periodic reporting and site visits.

The Compliance Unit in DND's Administration and Finance Division also has the primary responsibility for monitoring adherence to all federal requirements relating to meeting the national objective standards for creating and/or retaining permanent jobs in the CDBG, Section 108 and Economic Development Initiative (EDI) programs. The Boston Empowerment Center staff is responsible for monitoring all additional EZ-related job requirements for the Section 108 and EDI programs. DND has adopted and is following a Jobs Monitoring Plan.

Over the past few years, DND has taken steps to improve its procedures and staff capacity for ensuring compliance with Uniform Relocation Act (URA) requirements. DND's Policy Development and Research Division has hired a staff person whose job responsibilities include managing URA compliance for the department. The division also has a consultant under contract to provide additional technical assistance on complicated relocation issues, as needed.

DND has also developed procedures to ensure that the annual re-certification of rents, incomes and housing quality standard required under the HOME program are conducted in a timely manner and to carry out the ongoing monitoring of affordability and occupancy restrictions in our rental and homeownership projects. DND and the Boston Redevelopment Authority have adopted and are following a jointly developed Housing Affordability Monitoring Plan. An 8-person Housing Affordability Advisory Committee meets every two weeks to ensure the ongoing implementation of the plan and address any issues or problems that may arise.

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Until recently, the City of Boston had a separate Minority Owned and Women-Owned Enterprise (MBE/WBE) office which reviewed all projects to ensure compliance with the City's jobs ordinances and with the requirements of Section 3, Davis-Bacon and other employment related requirements. With recent court action forcing a retreat from the City's legal ability to enforce its goals for Boston resident jobs and M/WBE goals, this office has been reorganized as the Small and Local Business Enterprise Office (S/LBE) <http://www.cityofboston.gov/slbe>. The S/LBE works to create economic opportunities for certified small business enterprises, minority-owned and woman-owned businesses in Boston. In addition, there is a Boston Residents Jobs Policy Office working closely with Boston Building Trades, local unions and community organizations to identify employment opportunities for Boston residents, workers of color and women in construction.

The City's Fair Housing Commission reviews affirmative marketing plans to ensure compliance with Fair Housing requirements and with the terms of the Consent Decree, see Tab 6 for further details.

HUD is in the process of converting the Integrated Disbursement and Information System (IDIS) to a web-based platform that should enable us to generate reports more easily and thereby to monitor the completeness and accuracy of IDIS data. That conversion was not completed in advance of the PY08 CAPER deadline

Distressed, Abandoned & Foreclosed Property

Every year since 1997, the City's Department of Neighborhood Development conducts a survey of distressed property (formerly identified as abandoned) in Boston's neighborhoods. Since 1997, the total number of distressed properties has decreased by 70%, from 1,068 properties in 1997 to just 318 this year. A copy of the City's 2007 Distressed (Abandoned) Property Survey is available on DND's website: www.cityofboston.gov/dnd. The 2008 report is not yet complete, but will be available shortly and posted on DND's webpage.

As established in ***Leading the Way III*** housing strategy, the City's 4-year goal (2009-2012) is to stabilize all neighborhoods experiencing high foreclosures and abandonment levels (Please see Tab 4 of this CAPER for a full description of ***Leading the Way III***.) through a comprehensive interagency effort. The effort focuses not just on acquisition and renovation of bank-owned foreclosed properties, but also on identifying and intervening at troubled properties before they become foreclosed and abandoned. This intervention may take the form of code enforcement or police involvement to reduce or prevent criminal activities (which often occur in areas with high concentrations of abandoned properties), or targeted public investment including improvements to street surfaces, lighting and public spaces, as well as graffiti removal. Foreclosure activity and patterns will continue to be closely monitored, so that if necessary, intervention will occur as early as possible.

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Neighborhood Revitalization/Empowerment Zone

Boston has one HUD-approved Neighborhood Revitalization Strategy Area; Boston's Empowerment Zone (EZ). The EZ is administered through an independent non-profit corporation, Boston Connects, Inc. The Empowerment Zone has its own multi-year strategy that outlines its goals and objectives. Progress towards meeting these goals is reported to HUD on an annual basis through a separate report. Additional information is available on the BCI's website at:

<http://www.bostonredevelopmentauthority.org/bostonez/index.html>

The EZ's strategic plan is available at :

<http://www.bostonez.org/TourtheZone/StrategicPlan>

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COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

Assessment of the relationship of the use of CDBG funds to the priorities, needs, goals, and specific objectives identified in the Consolidated Plan.

Tab 3 provides a table that shows how each of our programs relates to one of the priorities, goals and objectives in the Consolidated Plan. The primary uses of the CDBG funds were affordable housing development and rehabilitation, public services, economic development and public facilities.

The overall low-mod benefit for the CDBG program for PY08 is 92.38% as shown in Part III of the CDBG Financial Summary for Program Year 2008 at the end of this section.

Changes in program objectives

There were no significant changes in program objectives this year.

Grantee efforts to pursue available resources and support other HUD applications.

The City of Boston actively pursued all of the resources it planned to obtain as identified in its FY08 Action Plan. The scope and success of the City's resource development efforts are described at length elsewhere in this document (Tab 1, Resources). That section also identifies the applications submitted by the City or other entities under other HUD programs for which the City provided Certifications of Consistency with our Consolidated Plan.

Use of funds for national objectives,

All funds were used for either low-mod benefit activities or slums and blight. At 92.38% low-mod benefit, we have exceeded the overall 70% low-mod benefit requirement as shown in Part III of the CDBG Financial Summary for Program Year 2008 at the end of this section.

Steps taken to minimize displacement

In order to ensure compliance with the requirements of the Uniform Relocation Act, the Department of Neighborhood Development (DND) has a staff person whose primary responsibilities include monitoring all DND projects that trigger URA and Section 104(d) mandated relocation assistance, as well as the requirements of Massachusetts state law Chapter 79A. Projects are reviewed at each phase of the development from initial application to final occupancy to ensure sufficient documentation of compliance with URA and Section 104(d) requirements and to minimize the displacement of residential and non-residential occupants in affected properties.

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DND has developed a package of URA/Section 104(d) guidelines that describes all of the planning, notification and assistance requirements for all occupied multi-family housing projects that receive federal funds. Additionally, the revised guidelines include uniform temporary relocation policies in order to minimize displacement and reduce the risk of non-compliance, and policies to protect non-residential tenants in mixed-use or adaptive reuse projects. NHD continues to distribute the documents on CD-ROM or electronically by email including the HUD Guide form notices, a master tenant list spreadsheet template, other tenant assistance and project tracking tools and HUD's relocation brochures. At the beginning of each competitive application round, the required notices, forms and NHD policy "Greenbook" are given to applicants developing URA-triggering projects when they attend a mandatory URA/Section 104(d) -bidder's conference. Comparable technical support is also provided to applicants whose projects are funded outside of the competitive-round cycle.

To assess each project applicant's compliance capacity, DND requires applicants to submit a relocation plan, a statement of qualifications, a master tenant list and evidence of General Information Notice delivery at the time of proposal submission or when applicable. During initial application review, the relocation plan is reviewed along with all other aspects of the proposal. Technical support is provided to project managers and evaluation teams during the application review process. Award conditions are recommended as needed, including phased rehabilitation, rehabilitation of vacant rather than occupied structures and evaluation of vacancy duration prior to acquisition and application if it appears that a building may have been recently emptied in anticipation of an application for federal assistance.

During the 2007 Program Year, DND's URA/104(d) projects were monitored for compliance by HUD. Errors were found in the calculation of moving expenses and relocation payments for a small number of tenants at two projects: Centre-Wise Lamartine in Jamaica Plain and the Long-Glen Rental project in Allston-Brighton. DND staff worked with the project sponsors and HUD, took corrective measure and HUD has closed their findings in April 2009 (PY08).

Economic Development/Job Creation

During the 2008 Program Year the City of Boston provided financial and technical support for a wide range of economic development projects and activities. Some of these activities were supported to create new jobs or retain existing jobs for low and moderate-income persons. Others were supported to provide services for a low and moderate-income area or to prevent or eliminate a blighting condition. HUD's IDIS system under counts the number of jobs because jobs are only captured for those projects for which the eligible activity is creation or retention of jobs. Jobs are not captured if the eligible activity were low mod area benefit (such as a grocery store).

Hotel Development Loan Pool: This program was closed at the end of calendar year 2008. The City requested a Section 108 Loan Guarantee authorization of \$40 million to jump start up to 4 hotel development projects that had already completed their Chapter 80 Large Project Zoning review process, but had found their projects difficult to finance due to the post-9/11/2001 financial markets. Three projects applied and were selected for funding but two of the projects ultimately withdrew after successfully obtaining

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private financing. Although no longer funded under the Section 108 program, the City's willingness to commit the Section 108 funding contributed to the private sector's willingness to finance the three projects, including the two that withdrew their Section 108 requests.

These three hotel projects are now complete having created 1245 needed additional hotel rooms, 1194 new jobs of which 982 or 82% are expected to be available to low and moderate income persons. In addition, the projects will contribute over \$6.2 million in "Linkage" payments to the City's Neighborhood Housing and Jobs Trusts and some additional program income for the City's CDBG program.

Project	Section 108 Amount	# Hotel Rooms	Total Jobs	Low/Mod Jobs	% Low/Mod Jobs	Status
Convention Center Hotel	\$15,000,000	795	479	412	86%	Complete
Charles Street Jail/Liberty Hotel	\$0	300	260	183	70%	Complete
Battery Wharf Hotel	\$0	150	455	387	85%	Complete
Total	\$15,000,000	1245	1194	982	82%	

Limited-Clientele Activities

During the FY08 Program Year the City of Boston did not undertake any activities serving a limited clientele that did not fall within one of the categories of presumed limited-clientele low and moderate-income benefit.

Program Income Narrative

The City currently does not have any Float Loans. Total program income received, including Program Year 2008, by the Revolving Loan Funds, was \$2,219,852. This program income is not allocated to any one project or program activity. As required by Federal Regulations, program income is spent prior to drawing any new grant funds from HUD. Program income is used to fund any open warrant that can be for any program. Additional details are provided in the Financial Summary at the end of this section.

The City of Boston has two Revolving Loan Funds that were originally funded with CDBG funds many years ago. Neither has received any additional CDBG funds for many years. The programs ended and we are in the process of closing out both Revolving Loan Funds..

Rehabilitation Projects Completed

The City undertakes a wide number of rehabilitation projects through several different programs. These programs and their proposed and actual accomplishments are listed in Tab 3 of this CAPER and the maps in Tab 2 show the locations of the projects the

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City has completed over this first year of our five year Consolidated Plan. Programs that include rehabilitation are:

- Rental Housing Development - Production (projects may be either new construction or substantial rehabilitation).
- Rental Housing Development – Preservation (projects generally involve moderate rehabilitation)
- Homeownership Development (may be new construction or substantial rehabilitation)
- Public Housing Vacant Units (substantial rehabilitation of vacant public housing units)
- Existing Homeowner Rehabilitation
- Lead Paint Abatement
- Commercial Real Estate Development (may be new construction or substantial rehabilitation)
- ReStore – façade improvements of neighborhood commercial facilities
- Main Streets - – part of the funds are used for façade improvements of neighborhood commercial facilities
- Partners With Non-Profits – small-scale improvements to non-profit public facilities.

Neighborhood Revitalization Strategies

Boston has one HUD-approved Neighborhood Revitalization Strategy Area (NRSA), Boston's Empowerment Zone (EZ). The EZ is administered through an independent non-profit corporation, Boston Connects, Inc. The Empowerment Zone has its own 10-year strategic plan strategy that outlines its goals and objectives. Progress towards meeting these goals is reported to HUD on an annual basis through a separate report. The Empowerment Zone designation expires at the end of 2009. However, HUD has agreed to continue the area's designation as a NRSA under the CDBG program until the end of the current five-year Consolidated plan (6/30/2013).

The CAPER will report on the Empowerment Zone NRSA beginning with Program Year 2009. Included for PY08 is IDIS report PR14 detailing activities in the NRSA (see financial summary at the end of this section).

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HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)

Use of HOME funds to Meet Consolidated Plan Goals And Objectives

The City uses its HOME funds to support programs as described in its PY08 Action Plan which are designed to meet the City's affordable housing goals and objectives outlined in the City's current Consolidated Plan. HOME funds are primarily used to support the Rental Housing Development and Preservation Programs, the Homeownership Development program and the CHDO Operating Assistance programs administered by DND's Neighborhood Housing Development Division. In addition, some HOME funds are used for the Existing Homeowner Rehabilitation Program administered by DND's Boston Home Center Division.

Resources: During this first year of the current five-year Consolidated Plan, the City's annual HOME funding allocations were reduced 3.3% from the previous program year's allocation.

Program Year	Boston HOME Allocation	\$ change	% change
PY07	\$7,927,937		
PY08	\$7,663,530	-\$264,407	-3.3%
TOTAL	\$7,663,530	-\$264,407	-3.3%

HOME Program Performance Snapshot

HUD has begun to produce a standardized performance snapshot comparing each local participating jurisdiction's relative performance on a variety of indicators such as funding commitments and expenditures, leveraging ratio, low-income benefit, lease up rate and HOME cost-per unit. The most recent "Snapshot" report for the City of Boston, dated June 30, 2009, is provided at the end of this section. The report is updated quarterly by HUD and is available on HUD's Website at:

<http://www.hud.gov/offices/cpd/affordablehousing/reports>

Accomplishments: The **Snapshot** report shows that the City has made significant accomplishments this program year, increasing the number of HOME- assisted units by 210 units resulting in a total of 2,271 HOME assisted units since the program started in 1992. All of the HOME-assisted housing units benefit households with incomes under 80% of the Boston Area Median Family Income. Most of these units (over 70%) have been rental units. Of these rental units, approximately 80% are occupied by households with very low-incomes (households with incomes under 50% of area median income) and 50% are occupied by households with extremely low incomes (households with incomes under 30% of area median income).

Boston uses its HOME funds to leverage \$11.46 (6/30/09 Snapshot) for every dollar in HOME funds invested, ranking #1 in the state of Massachusetts among HOME participating jurisdictions and in the 100th percentile nationally. These leveraged funds would include bank financing, other Federal financing such as HUD Section 202 grants,

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state funding such as Housing Stabilization Program funds and Low Income Housing Tax Credits.

Program Income

Boston received and expended a total of \$293,417 in HOME program income during the PY08 program year. In accordance with HOME program regulations, program income must be spent prior to drawing new grant funds. We estimated that we would receive approximately \$300,000.

Match Report

The City of Boston's match liability has been reduced by 50% due to its qualification as a distressed jurisdiction under the HUD match guidelines. The City is meeting this year's matching requirement by carrying forward \$21,639,143 in excess matching funds from the previous fiscal year. Form 4107-A is provided at the end of this section.

Housing Quality Standards (HQS) Inspections, Rent & Income Certification

The chart at the end of this section lists the HOME projects for which HQS inspections or rent and income certifications were conducted during the program year. These include a total of 148 HOME projects, representing 926 units, with 48 HQS and 95 rent & income certifications.

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AMERICAN DREAM DOWNPAYMENT INITIATIVE (ADDI)

The ADDI Program was a new and separate component of the HOME Program that began in Program Year 2004 and was terminated in Program Year 2008 and no new funding is expected in the future. Unlike HOME, the uses of the funds are restricted to one eligible activity - providing down payment and closing assistance and limited rehabilitation assistance to low and moderate-income first-time homebuyers. ADDI down payment and closing cost assistance may not exceed the greater of \$10,000 or 6% of the purchase price and the maximum home purchase price is capped at 95% of the median sale price as determined by HUD, currently \$384,434 for a single family or \$594,904 for a 3-family.

From PY 2004 through PY 2008, Boston received a total of approximately \$2 million under the ADDI program.

ADDI Allocations through Program Year 2007		
Fed FY Appropriation	Program Year	Allocation Amount
HUD FY03	PY2004	\$342,873
HUD FY04	PY2004	\$404,600
	Subtotal	\$747,473
HUD FY05	PY2005	\$230,711
HUD FY06	PY2006	\$115,123
HUD FY07	PY2007	\$115,123
HUD FY08	PY2008	\$46,514
	TOTAL	\$2,002,417

As of 6/30/2009, 174 families have received a total of \$884,516 in ADDI assistance to successfully purchase their first homes. The average ADDI subsidy to these 174 families was \$5,083. In Program Year 2008, the City provided a total of \$123,171 in ADDI funds to assist 19 families to purchase their first homes. The average ADDI subsidy for PY08 was \$6,483 or 2.6% of the purchase price. A more detailed report listing the completed ADDI projects through 6/30/2009 is provided on the following pages. Projects completed during Program Year 2008 are shaded.

All of the households assisted with ADDI funds were low and moderate income (household income under 80% of the area median income) and approximately 90.8% were minority households (see **ADDI Accomplishment Report** on the next page)

In addition to the households assisted with ADDI funds, the City has assisted many other first time homebuyers throughout the City using CDBG and other funds. Reference Map 2 in Tab 2 of the CAPER shows the geographic distribution of the 128 homes that were purchased with downpayment and closing assistance from the City during PY08, the first year of the current Consolidated Plan.

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EMERGENCY SHELTER GRANT PROGRAM (ESG)

The City's Emergency Shelter Grant Funds are an integral part of the City's Continuum of Care. The funds are used to provide operating assistance to emergency shelters and transitional housing programs, to provide a wide variety of specialized supportive services and to support homeless prevention activities.

Program Year	Boston ESG Allocation	Difference	% Difference
PY07	\$902,224		
PY08	\$880,962	-\$21,262	-2.4%
TOTAL	\$1,783,186	-\$21,262	-2.4%

In this first year of the current 5-year Consolidated Plan, the City received a total of \$880,962 in ESG funds, 2.4% less than the prior year.

Summary of Funding Allocations: On the following page is a table that provides a breakdown of the PY08 ESG funding allocations by vendor and ESG eligible activity category (operating assistance, essential services, homelessness prevention and rehabilitation). A total of \$402,236 (45.7%) is allocated for emergency shelter operating costs. Another \$209,832 (23.8%) was used to provide supportive services and \$224,846 (25.5%) was used for homeless prevention activities. We do not use ESG funds for rehabilitation of homeless facilities. Funds are available for this purpose through DND's CDBG-funded "Partners With Non-Profits" program.

Accomplishments: Following the funding summary is a table (2-pages) that provides brief descriptions of each funded program and the number of persons served by the program during the program year. The numbers of persons served are not unduplicated counts. Some individuals receive services from more than one vendor or may be counted more than once by the same vendors if they use the services on different days (meal programs, day programs, etc).

ESG Matching Requirements: HUD requires grantees to match each dollar of ESG funding received. The City meets this requirement by requiring the vendors to document a dollar per dollar match for each dollar of ESG funds they receive from the City.

In addition to the ESG providers, the City used CDBG funds in PY08 to support eight (8) Shelter/Homeless programs in the Office Of Jobs and Community Services (see Tab 6 for a program list).

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HUD PY 2008 Emergency Shelter Grants (ESG)

**DND Budget Year
2009**

Vendor	Essential Services	Operational Costs	Homelessness Prevention	Total
ABCD			\$ 38,880	\$ 38,880
Asian Task Force		\$ 10,000		\$ 10,000
Bay Cove			\$ 30,419	\$ 30,419
Boston Medical Center/ELAH		\$ 10,457		\$ 10,457
Boston Public Health/Long Island *		\$ 33,271		\$ 33,271
Boston Rescue Mission		\$ 11,356		\$ 11,356
Brookview House		\$ 14,196		\$ 14,196
Casa Myrna Vasquez		\$ 12,238		\$ 12,238
Casa Nueva Vida		\$ 10,000		\$ 10,000
Crittenton Women's Union		\$ 12,825		\$ 12,825
Elizabeth Stone House		\$ 21,389		\$ 21,389
Finex House		\$ 14,881		\$ 14,881
Greater Boston Legal Service	\$ 21,764		\$ 29,475	\$ 51,239
HEARTH	\$ 10,000			\$ 10,000
Homestart	\$ 64,218		\$ 65,798	\$ 130,016
hopeFound-New	\$ 28,820			\$ 28,820
JRI	\$ 16,636			\$ 16,636
Kit Clark Senior Services	\$ 9,098	\$ 13,717		\$ 22,815
MCHP			\$ 18,537	\$ 18,537
Pine Street Inn		\$ 56,828		\$ 56,828
Project Place	\$ 26,796			\$ 26,796
Project Hope		\$ 11,280	\$ 5,024	\$ 16,304
Roxbury Multi Service Center		\$ 14,562		\$ 14,562
Sojourner House		\$ 15,210		\$ 15,210
Span			\$ 36,713	\$ 36,713
Traveler's Aid Family Services	\$ 32,500	\$ 112,705		\$ 145,205
Vietnam Veterans Workshop		\$ 12,111		\$ 12,111
Women's Lunch Place		\$ 15,210		\$ 15,210
TOTAL	\$ 209,832	\$ 402,236	\$ 224,846	\$ 836,914
% of Available Funds	23.8%	45.7%	25.5%	
AVAILABLE FUNDS	\$ 880,962			
Funding Caps by Category	ES		HP	
	\$ 264,289		\$ 264,289	
DND Administrative Fee 5%	\$ 44,048			

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Program Name	ESG Program Descriptions
ABCD	Homeless Prevention for families and Victims Domestic Violence at risk of homelessness. (Rental assistance, salary & fringe housing counselor)
Asian Task Force ADV	Operating cost for Asian Shelter for Battered Women. (Maintenance, Utilities, and Repairs)
Bay Cove Services	Homeless Prevention services for individuals and families facing eviction . (Salary& fringe for Program Director)
BMC-ELHAP	Essential Service of Elderly at risk of homelessness. (Salary & Fringe 1 program manager)
BMC-Long Island Shelter	Operating Cost for Long Island Shelter for Adult Individuals (Maintenance general upkeep of facilities)
Boston Rescue Mission	Operating cost for Kingston House Shelter for Adults (maintenance, utilities & insurance).
Brookview House	Operating cost for transitional housing for homeless Families. (Maintenance and Utility costs)
Casa Myrna Vasquez	Operating cost for Emergency Shelters for homeless battered women and children. (Utilities & Insurance)
Casa Nueva Vida	Operating cost for Shelter for homeless families. (Maintenance, utilities and Insurance costs)
HEARTH	Homeless prevention which targets elders, 50 years of age or older who are homeless and at risk of homelessness. (Salary & fringe case manger)
Crittenton Hasting House	Operating cost for security services at Hastings House a 62-bed congregate facility for homeless families. (Security Staff salary and Fringe)
Elizabeth Stone	Operating Cost for Emergency Shelter for battered women and children. (Utilities, furnishing and insurance)
Kit Clark	Operating Cost & Essential Services for Drop in shelter for older homeless individual ages 45 years and older. (Heat, utilities, salary & fringe Substance Abuse Counselor)
Finex House	Finex House is a 32 beds shelter that provides supportive services to battered women with disabilities. Funds will be used to pay for the costs of operating the Finex House Emergency Shelter. Costs include rent, insurance, utilities, furnishings, maintenance, repairs and security.

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Program Name	ESG - Program Descriptions
GBLS	Homeless prevention for homeless families needing legal assistance concerning EA shelter rights. And homeless prevention for battered women in need of housing resources to access safe and affordable housing assistance (telephone, salary and fringe Legal Advocates)
Hope Found	Salary and Fringe for Rapid Exit Coordinator
Home Start	Essential service thru Homeless Vacancy Clearing House/House Search and placement for homeless families and individuals. (Salary & fringe for 1 FTE housing search councilor)
Justice Resource Institute	Essential service for homeless Youth and Young Adults providing, Employment and Housing Counseling. (Salary & fringe)
Little Sisters/Project Hope	Operating costs for the family shelter and Homelessness Prevention services to families at risk of homelessness. (Rent, electric, water, gas repairs, Insurance Salary & fringe director of housing services)
Mass Coalition for Homeless	Essential Service to provide Donations Assistance to homeless families and individuals (security, rent & utilities).
Pine Street	Operating cost for drop-in center for homeless individual and homeless prevention thru a Liaison counselor who will provide follow-up services to those moving into permanent housing. (Occupancy cost, travel expense, salary & fringe)
Project Place	Economic Development/Job creation for Homeless Adults. (Salary and Fringe for the Director of Social Enterprises)
Roxbury Multi Service	Operating Cost Emergency Shelter for homeless families (Maintenance).
Sojourner House	Operating cost for Emergency Shelter for families. (Insurance, utilities, maintenance, supplies and furnishing)
Span	Homeless prevention to prevent reintegrating ex-offenders from using homeless Shelter upon release from prison. (Travel, supplies, postage, rent, telephone, salary & fringe FTE housing advocate)
Travelers Aid Family Services	Essential Service and Operating Costs provide emergency shelter and case management for homeless families in hotel and motels. (Shelter expense hotel/motel, Office rent, salary & fringe }
Vietnam Veteran Workshop	Operating funds for homeless veterans shelter. (Utilities)
Women's Lunch Place	Operating funds for drop-in day Shelter for Homeless Women. (Rent)

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HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA)

The HOPWA program has its own performance report. A copy of the **DRAFT** HOPWA CAPER is provided at the end of this section.

Unlike the other programs discussed in this report, the HOPWA program serves areas outside the City of Boston. Beginning in 2004, the service area for the Boston HOPWA grant was redefined by HUD following the Office of Management Budget's new Census area definitions. The area was reduced from the former Boston MA/NH Primary Metropolitan Statistical Area (PMSA) to a smaller area consisting of just Suffolk, Norfolk and Plymouth counties. This is reflecting in a reduction in the HOPWA allocations for the new, smaller service area: This table shows the funding levels for the HOPWA program during the five year period covered by the City's prior Consolidated Plan and this first program year of the current Consolidated Plan.

Program Year	Boston HOPWA Allocation	\$ change	% change
PY07	\$1,690,000		
PY08	\$1,747,000	+\$57,000	+3.4%
TOTAL	\$3,437,000	+\$57,000	-29.5%

The funding levels for the Boston area HOPWA program increased by 3.4% from PY07 to PY08. HOPWA funding allocations are based on an area's relative share of the aggregate number of cases of HIV/AIDS and on the incidence rate compared with the national incidence rate for qualifying metro areas.