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May 13, 2009

**REPORT OF THE COMMITTEES ON HOUSING AND COMMUNITY DEVELOPMENT
AND FINANCE MEETING IN JOINT SESSION**

The Committee on Housing and Community Development and the Committee on Finance met in Joint Session on May 13, 2009 with Chairmen Rebekah Gewirtz and Maryann Heuston presiding and Committee members Aldermen Dennis Sullivan, Bruce Desmond, John Connolly, Walter Pero and William White also present and voting. Also present were Administrative Assistant Jessie Baker, Monica Lamboy, Dan Federico, Rob May and Phil Ercolini from SPCD and interested members of the public.

Ms. Lamboy reviewed the amendments to the HUD 2008-2009 and 2009-2010 Action Plans, explaining that presently, the City of Somerville's SPCD department is operating under two distinct fiscal years. In an effort to make the department's operations easier to manage, the city is moving to a single fiscal year that will coincide with the city's normal fiscal year, i.e., July 1st through June 30th. There will be no cost incurred in making this change and the same projects will be undertaken, but with different starting dates. In order to make the shift, it will be necessary to extend the old FY2008-2009 period by three months, bring it to a close on June 30th. Ms. Lamboy also reviewed the 1-year Action Plans, Neighborhood Revitalization Strategy Areas and HUD funding levels since 2001. HUD requested that the city amend its 2008-2009 Action Plan, retroactively, to encompass the receipt of approximately \$1.9 million in additional HUD funds.

Mr. May reviewed the proposed allocation of CDBG-R (HUD 2008) funds, totaling \$772,044 and spoke about HUD's homeless prevention guidelines and prevention program. Mr. May also told the members that additional funds were available to expand the Retail Best Practices Program. SPCD will work with a consultant to help businesses become more profitable. If a business is CDBG eligible or if it meets other specified criteria, it could take part in the next phase of the program, whereby an improvement plan would be produced. This would be followed by a grant to implement the recommendations received.

Chairman Heuston stated that, due to the economy, people are asking for help and she inquired as to the amount of discretion the city has in allocating funds, i.e., can funds be shifted to provide jobs for those in need? Mr. May assured the members that it is a priority to keep people working, however, only 15% of grant funding can be expended for public service projects. Ms. Lamboy added that the maximum amount allowed has been allocated and said that SPCD would examine other grants to see where available funds might be found. Ms. Lamboy also told the members that RFP's include specific language for jobs for adults, in addition to youths.

Alderman White stated his concern relative to the recent cuts in state aid and said that there are limited funds available for job creation. He is concerned that taxpayers need some financial relief through commercial development and he would like to see a substantial effort made to bring commercial development to the city to provide jobs. Ms. Lamboy replied that meetings will be held in June and July to obtain public input regarding this issue. Alderman White also said that the city should develop a marketing plan to publicize the benefits the city has to offer and noted that with a commitment from the Federal Government to bring an Orange Line stop to Assembly Square, the area becomes more desirable. Chairman Heuston suggested that the city build relationships with its neighboring colleges and universities to expand the commercial base. Mr. May added that the 1st step was to rezone some areas of the city and said that SPCD meets on a regular basis with developers to try to make transactions happen.

The committees discussed matters before it and took action on the following 2 items:

187269: Communication from Mayor - Requesting approval of an amendment to SPCD's 2008 HUD 1-Year Action Plan, to authorize the expenditure of an additional \$1,953,111 in ARRA funding, and to revise the HUD program year to align it with the city fiscal year.

RECOMMENDATION: Should be approved

VOTE: Unanimous, 7 - 0 in favor

187359: Communication from Mayor - Requesting approval of an amendment to SPCD's 2009-2010 HUD 1-Year Action Plan, to authorize the expenditure of additional ARRA funding that is expected, and to revise the HUD program year to align it with the city fiscal year.

RECOMMENDATION: Should be approved

VOTE: Unanimous, 5 - 0 in favor

Alderman Rebekah L. Gewirtz, Chairman
Committee on Housing and Community Development

Alderman Maryann Heuston, Chairman
Committee on Finance