



Spring Conference
May 11, 2023
College of the Holy Cross – Worcester, MA

Welcoming New Members & Opening Remarks

Tyler Fairbairn

Chair – NCDA Region 1

Eric Batista

City Manager, City of Worcester, MA

NCDA Update

Vicki Watson

Executive Director - NCDA



Washington Report

NCDAA Region 1 2023 Spring Conference

Vicki Watson, Executive Director

FY23 Funding Recap

- ♦ \$1.7 trillion omnibus spending bill enacted in late December
- ♦ \$72.143 billion for HUD programs - \$6.5 billion increase from FY22
 - ♦ Nearly \$3 billion for Congressional earmarks
- ♦ Robust funding for CPD programs

FY23 HUD CPD Funding

Community Development

- ♦ \$3.3 billion for CDBG formula grants (level funding)
- ♦ \$2.98 billion for local EDI projects (congressional earmarks)
 - ♦ \$1.47 billion increase from FY22
- ♦ \$85 million new YIMBY grant program
 - ♦ Competitive grant program focused on improving local zoning and land use policies that increase the supply of affordable housing.
 - ♦ Eligible applicants: States and local governments, metropolitan planning organizations, and multijurisdictional entities
- ♦ \$300 million for Section 108 Loan Guarantees
 - ♦ \$60 million for competitive economic development grants in House bill excluded

FY23 HUD CPD Funding

Affordable Housing

- ♦ \$1.5 billion for the HOME program formula grants (level funding)
- ♦ \$225 million for a new competitive grant program – Preservation and Reinvestment Initiative for Community Enhancement (PRICE)
 - ♦ Competitive grants to revitalize and preserve manufactured housing
 - ♦ Eligible applicants: States, local governments, non-profits, resident-owned manufactured housing communities
- ♦ \$499 million for the HOPWA program (\$49 million increase)

FY23 HUD CPD Funding

Homeless Assistance

\$3.63 billion for Homeless Assistance grants (\$420 million increase)

- ♦ \$290 million (level funding) for the ESG program
- ♦ \$3.2 billion for the Continuum of Care program
 - ♦ Not less than \$52 million for new rapid re-housing and services for domestic violence, stalking, sexual assault, dating violence victims
- ♦ \$75 million for new construction, acquisition, or rehab of new permanent supportive housing
- ♦ \$107 million for youth homelessness assistance

FY24 Proposed Funding – President's Budget

- ♦ President's FY24 budget released on March 9
- ♦ HUD - \$1.1 billion increase
- ♦ CDBG - \$3.3 billion (level funding)
- ♦ YIMBY - \$85 million competition (level funding)
- ♦ State/local land-use/zoning reform - \$10 billion (mandatory funding)
- ♦ HOME - \$1.8 billion (\$300 million increase)
 - ♦ \$100 million set-aside for state-administered homeownership program

FY24 Proposed Funding – President's Budget

- \$10 billion downpayment assistance program (mandatory funding)
- \$3.7 billion Homeless Assistance Grants (\$116 million increase)
 - \$116 million increase directed towards youth homeless youth and survivors of domestic violence

FY24 Appropriations Process

- ◆ Kicks off with the release of the President's budget
- ◆ Congressional hearings on President's budget request
 - ◆ THUD subcommittee oversees HUD program funding
 - ◆ Hearings on HUD funding have been held
 - ◆ House subcommittee mark-ups next week
 - ◆ Congress is under no obligation to fund the President's budget requests

Appropriations Timeline

- ♦ March/April: Congressional appropriations subcommittees (THUD, et al) hold hearings on President's budget request
- ♦ May/June: Subcommittee markups
- ♦ June/July: Full committee mark-ups
- ♦ July/September – House/Senate passage of spending bills
- ♦ September: Spending bills reconciled
 - ♦ Differences between the House and Senate spending bills are resolved in behind-the-scenes negotiations
- ♦ October 1 – start of new federal fiscal year – if bills are not enacted by this date, then CR or government shutdown

Advocacy – What Can You Do?

- ◆ Meet with your Congressional members in their district office
- ◆ Plan a site visit – very important

NCDA Program Priorities

Community Development

Support increased funding for the Community Development Block Grant (CDBG) Program.

Work with Congress and HUD to ensure: (1) Local governments are notified of Congressional earmarks in their locality; (2) affordable housing and community development earmarks are consistent with the local Con Plan priorities; and (3) HUD is responsible for conducting the environmental reviews for the Congressional earmarks.

Continue to work with Congress on re-authorization of the CDBG program to advance the following program reforms: (1) increase the authorized CDBG funding level to \$12 billion; (2) broaden CDBG's impact by making eligible construction of new housing; and (3) increase the public services cap to at least 20%.

NCDA Program Priorities

Housing/Homelessness

Support increased funding for the HOME Investments Partnerships Program.

HOME program modernization: Support reauthorization of the HOME program to include the following changes:

- ♦ Increase in the program administrative cap from 10% to at least 15%
- ♦ Elimination of the 15% CHDO set-aside or expansion to include all nonprofits
- ♦ Elimination of the 24-month commitment deadline.

Support increased funding for HUD's Homeless Assistance Grants: Emergency Solutions Grants (ESG) and the Continuum of Care (CoC).

NCDA Program Priorities

Economic Development

Support an increased guaranteed loan volume for the Section 108 Loan Guarantee Program. The current guaranteed loan volume is \$300 million.

Work with Congress to extend the Section 108 loan term from 20 years to 30 years to provide more flexible financing terms for local grantees.

Work with Congress to provide grant funds (like BEDI or some other initiative) to local governments to enhance Section 108 loans to further stimulate economic development.

Work with Congress to raise the Davis-Bacon threshold for non-residential construction from \$2,000 to reflect inflationary costs.

NCDA Events/Activities

- ♦ John Sasso Community Development Week Award Submissions: **Due May 19**
- ♦ 2023 NCDA Annual Conference – **June 13-15** – Orlando, FL
- ♦ Upcoming Training
 - ♦ Consolidated Planning Primer – **July 11-13** - online
 - ♦ Advanced CDBG + Underwriting – **July 17-19** – Santa Cruz, CA
 - ♦ CDBG Basics – August
 - ♦ Subrecipient Management – September
 - ♦ New Training: CDBG Rehab Course
- ♦ NCDA Leadership Institute Update

Questions?

Contact Information:

vwatson@ncdaonline.org

Congressional Update

Jon Niedzielski

District Director - Office of Congressman James McGovern (MA-02)

HUD CPD Update

Robert Shumeyko

Director of Community Planning & Development - HUD Boston Office

Phillip McKeough

Director of Community Planning & Development - HUD Hartford Office



HUD Update

Bob Shumeyko, Director, Boston CPD
Phillip McKeogh, Director, Hartford CPD

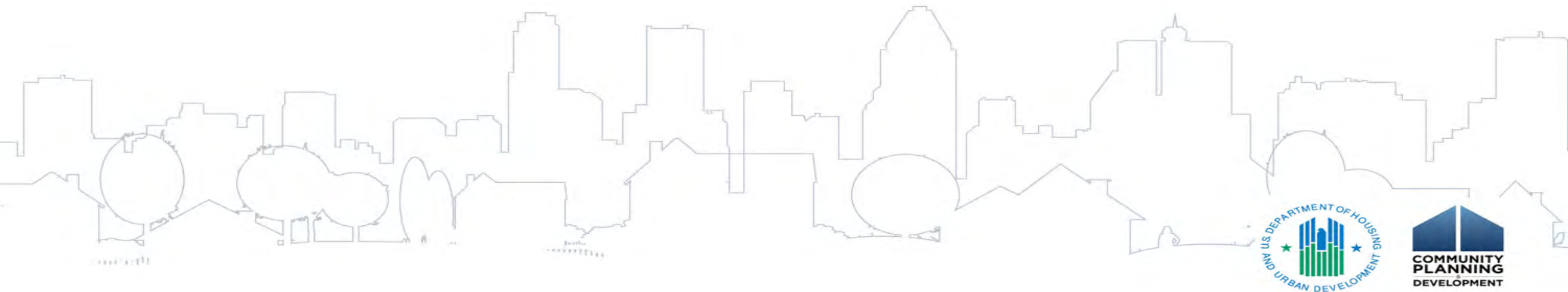
5.11.2023



Overview

- FY 2023 Monitoring Process
- Action Plan/ Consolidated Plan Submittals
- HOME ARP Allocation Plan Review
- Buy America Build America
- Timely Spending
- Random Reminders
- New HUD Staff
- Q & A

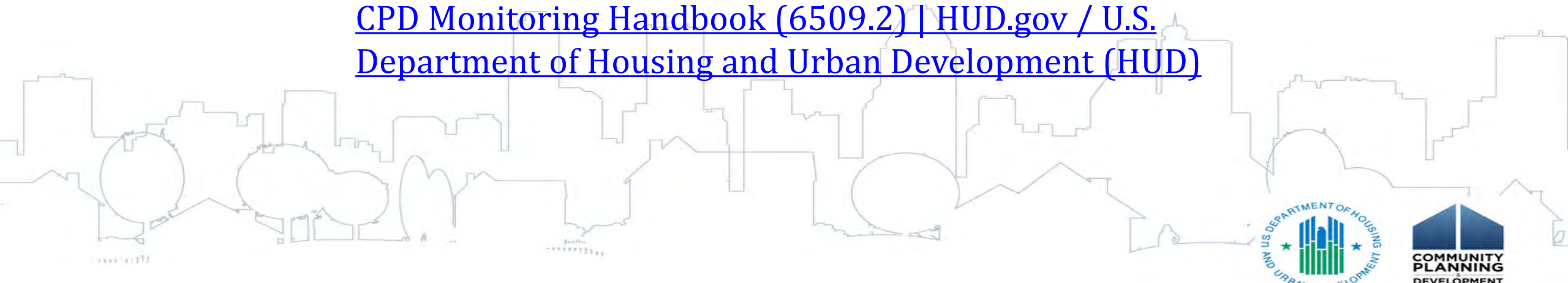
2023 Monitoring Process



FY23 Monitoring Process

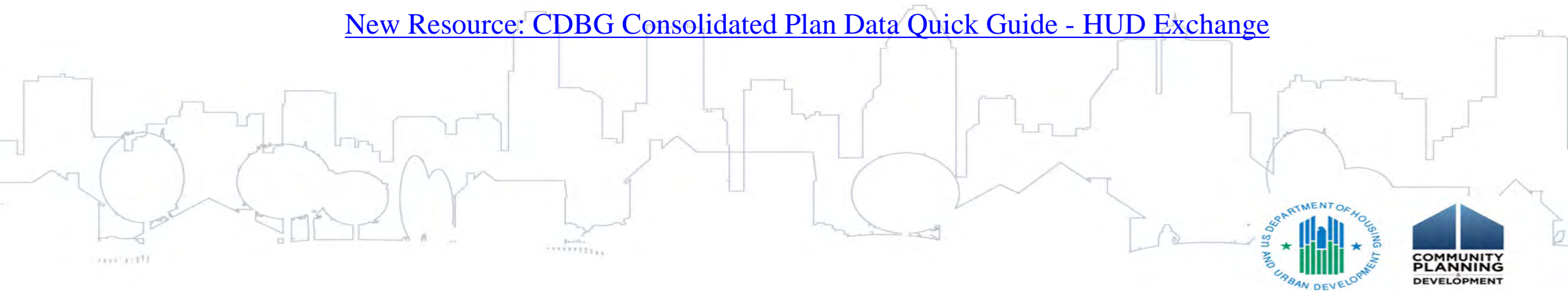
- We again have the ability to monitor on-site, hybrid or fully remote.
- The most important thing a grantee to can do to ensure a smooth monitoring is to be prepared and review the selected monitoring exhibits:

[CPD Monitoring Handbook \(6509.2\) | HUD.gov / U.S. Department of Housing and Urban Development \(HUD\)](#)



Action Plan/Consolidated Plan Submittal

[New Resource: CDBG Consolidated Plan Data Quick Guide - HUD Exchange](#)



Action Plan/Con Plan

- Consolidated Appropriations Act of 2023 was signed on December 29, 2022.
- Consolidated and Annual Action Plan submission guidance is available at <https://www.hud.gov/sites/dfiles/OCHCO/documents/2023-01cpdn.pdf>
 - The waiver that allowed for grantees to hold only virtual public hearings as part of the Citizen Participation Plan, has expired. As such, grantees must return to offering an in-person option for public hearings. But good news, a hybrid option can be done and presents a great way to expand public engagement.

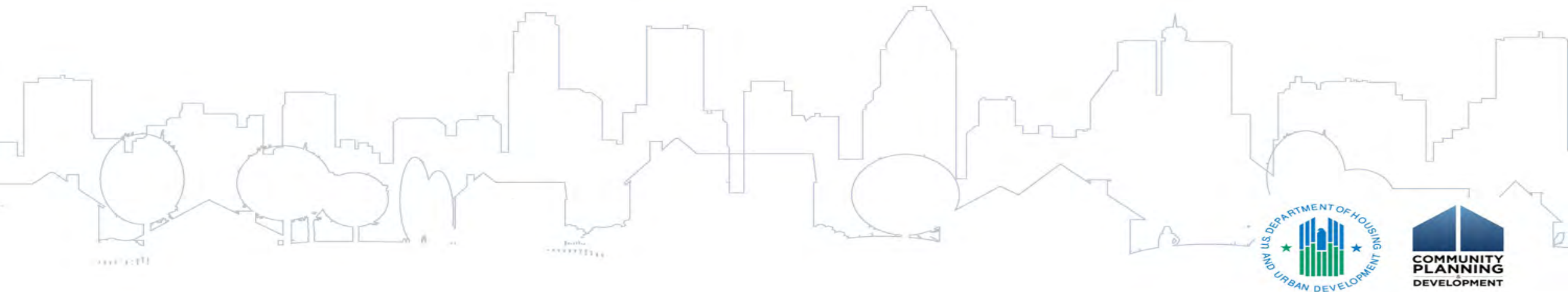


Action Plan/Con Plan

- Allocation amounts released in February 27, 2023.
- Grantee submits its AP/ConPlan at least 45 days before the start of the grantee's program year. **Failure to submit by August 16th will result in loss of FY23 funding. This is statutory.**
- Feel free to share your draft plan with your CPD Representative. This can reduce the amount of time that's needed to complete the review of the submitted plan.
- SF424s and certifications must be submitted in IDIS. Do not mail the SF424 or anything else to our office.
 - <https://www.grants.gov/forms/sf-424-family.html>
 - <https://www.hudexchange.info/resource/2396/consolidated-plan-certifications-state-and-non-state/>



HOME-ARP

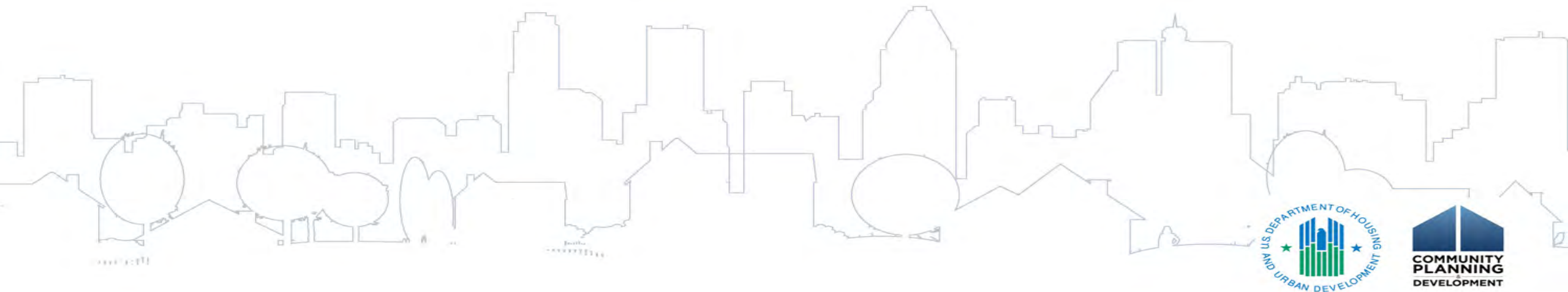


HOME-ARP

- CPD Notice 22-13 established March 31, 2023, submission deadline for all HOME-ARP allocation plans
- All HOME-ARP allocation plans in Region I were submitted by the due date
- Plans are currently under review for approval (24 approved out of 32).
- Several IDIS Fact Sheets are available to help PJs with implementation and more guidance is forthcoming: [HOME-ARP Fact Sheets - HUD Exchange](#)



Buy America Build America Act



Buy America Build America Act

What HUD Has Done:

- Identified Impacted HUD Programs
- Identified Difficult to Acquire Items: Submitted information to OMB
- FY23 Grant Agreements will include BABA language.
- Finalized HUD general waivers: general waivers apply to all HUD programs.
- Questions should be submitted to: cpdbaba@hud.gov



BABA General Waivers

Phased Implementation

- Waiver published March 15, 2023, establishes a phased implementation schedule for application of the BAP to HUD programs.

Exigent Circumstances

- BAP may be waived if projects must be completed immediately to protect life, ensure safety, or prevent the destruction of property
- Currently effective until November 23, 2028

De Minimis, Small Grants, and Minor Components

- BAP waived for projects with federal financial assistance of \$250,000 or less
- BAP waived for a *de minimis* portion that comprises no more than 5 percent of the total cost of covered materials used in a project, up to \$1 million
- Currently effective until November 23, 2028

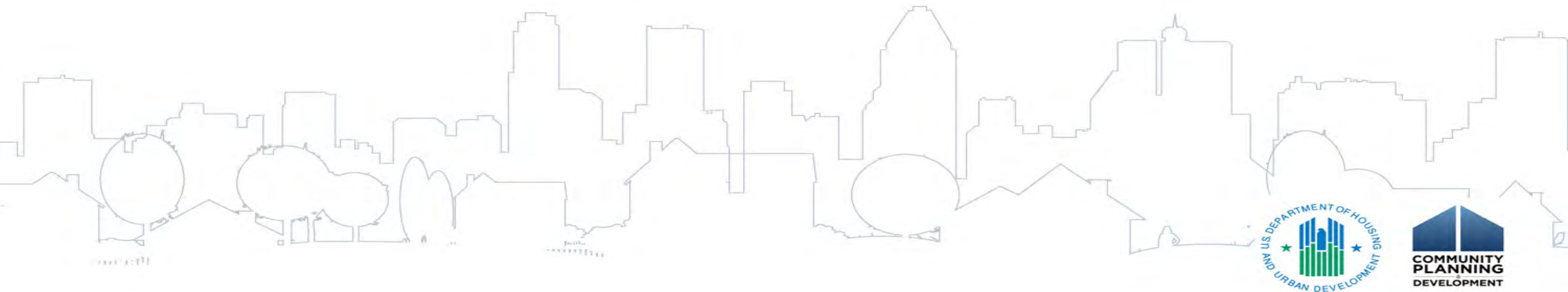


Buy America Build America Act

- **CPD Programs for which BAP now applies**
 - CDBG (including Sec. 108) funds obligated on or after November 15, 2022, used for iron or steel
- **CPD Programs/Funds for which BAP will not apply:**
 - CDBG-DR
 - CDBG-MIT
 - CDBG-CV
 - ESG-CV
 - HOPWA-CV
 - Community Compass
- **CPD Programs currently under phased implementation waiver (*partial list*)**
 - HOME/HOME-ARP
 - Housing Trust Fund (HTF)
 - Recovery Housing Program (RHP)
 - Emergency Solutions Grants (ESG)
 - Continuum of Care (CoC)
 - Housing Opportunities for Persons with AIDS (HOPWA)



Timely Expenditures



2015 HOME Expiring Funds

- Any HOME funds appropriated in federal fiscal year (FY) 2015 will not be available for HOME Participating Jurisdictions (PJs) to expend after September 30, 2023.
- HOME funds remaining in the PJ's FY 2015 grant on this date will be recaptured by the United States Treasury, per the National Defense Authorization Act.
- HOME Expiring Funds Report available at HUD Exchange:
<https://www.hudexchange.info/programs/home/home-expiring-funds-reports/>
- Funds need to be expended by the deadline. Please contact your CPD Representative if you need assistance locating these funds in IDIS.



2016 CDBG Expiring Funds

- Under the National Defense Authorization Act of 1991, a CDBG grant account will cancel at the end of the eighth Federal fiscal year. CDBG grant funds not disbursed from the grantee's line of credit at the end of the eighth Federal fiscal year will be recaptured by the U.S. Treasury.
- Accordingly, FY 2016 CDBG grant funds will be returned to the U.S. Department of Treasury if those funds are not disbursed before September 27, 2023.
- A grantee can check its most current CDBG FY 2016 grant balance on the IDIS Search Grant screen, see Figure 1 below. In the results, the "IDIS Grant Balance" represents the total set to expire in September 2023. Additionally, a grantee may generate reports such as the PR01 which reflect the annual grant balances.
- You should have received guidance on expending FY2016 grant balances prior to cancellation. Please contact your CPD Representative if you need assistance.



CDBG Timeliness

- [CDBG Timeliness Transition Policy 10-21-21](#) granted flexibilities for 2019 and 2020 grants – in effect through September 30, 2023.
- Boston Regional Office:
 - 28 of 55 CDBG grantees were untimely as of May 1, 2023
 - 1st time untimely – 11; 2nd time untimely – 16; 3rd time untimely – 1
- Hartford Field Office:
 - 7 of 22 CDBG grantees were untimely
 - 1st time untimely – 6; 2nd time untimely - 1
- Corrective Actions:
 - 1st time untimely – sent a warning letter
 - 2nd time untimely – required to submit a workout plan
 - 3rd time untimely – invited to an informal consultation



CV Expenditures

CDBG-CV

- April 18, 2023 Federal Register Notice suspended the CDBG-CV 3-year 80% expenditure deadline. The six-year 100% expenditure deadline remains in place. (from date of HUD's signature of CV1 grant agreement).

ESG-CV

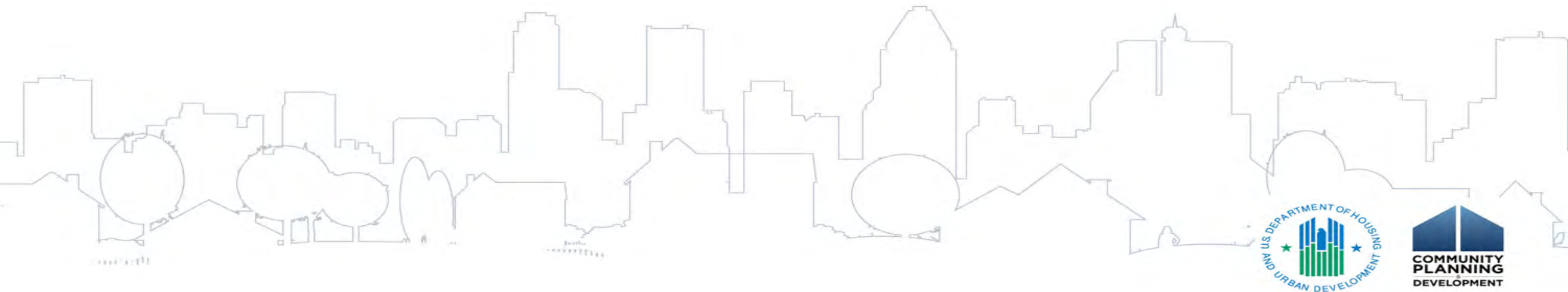
- Recipients must expend all ESG-CV (1st and 2nd allocations) funds by September 30, 2023, except for administration and HMIS funds necessary for ESG-CV closeout, which must be expended by December 31, 2023.
- Deadline for expenditure of reallocated funds is June 30, 2024.

HOPWA-CV

- HOPWA-CV grants, like all HOPWA grants, have three-year period of performance beginning on the date that the grant agreement with HUD is signed by the grantee. The period of performance cannot be extended for CV grants.



Closeouts



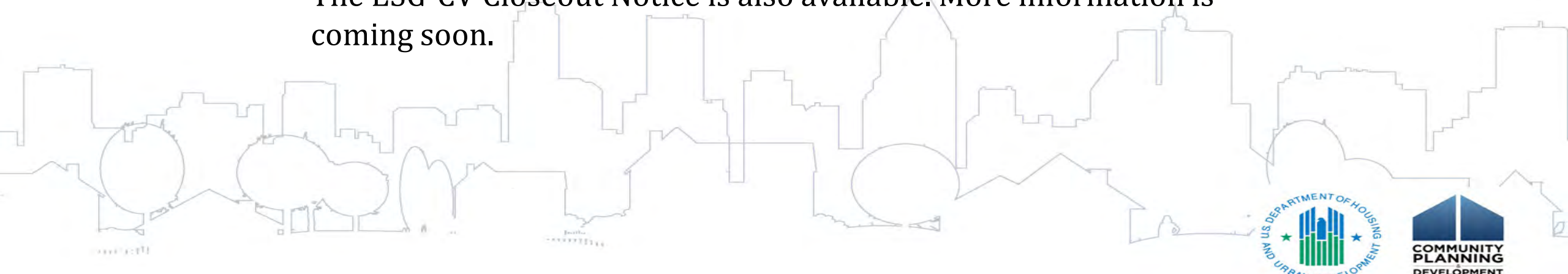
Preparing for CDBG Closeout

- CDBG [Notice CPD 22-14](#) (replaced 14-02) has been issued.
- Criteria for closeout:
 - Grant must have a \$0 balance (or grantee is willing to deobligate any remaining balance);
 - all activities were eligible, met a national objective and have been completed in IDIS;
 - grantee must be ready to complete a Federal Financial Report (SF-425) that indicates all appropriate caps were met; and
 - there are no open monitoring or audit findings.
- HUD will be provide additional guidance. What can you do in the meantime?
 - Run PR02 and PR03 BOSMAC reports in IDIS. Look for activities that are still open, but that are ready to be completed in IDIS. Additionally, grantees should double check program caps for each year to ensure the caps have not been exceeded.



HOPWA and ESG-CV Closeout

- The [HOPWA Closeout Notice \(Notice: CPD-23-04\)](#) is available.
 - It includes a closeout checklist for FO staff to complete, as well as a Closeout Certification.
 - Take note that the SF-425 and final CAPER are required for grant closeout. This is the *final* CAPER that contains grant activity info with outputs/outcomes connected to the last draw on the grant, *not* just the most recently due/submitted CAPER at the time the grant reached a zero balance.
- The ESG-CV Closeout Notice is also available. More information is coming soon.



Random Reminders

Prior-year flag

- Don't forget to use the prior year flag when creating vouchers in IDIS for expenses incurred between the end of your grant year until 90 days thereafter. Confirm IDIS (PR26) reconciles with General Ledger before submitting CAPER.

2 CFR Part 200

- Update your subrecipient agreements – we're seeing a lot of agreements that still have references to Part 85 and not 2 CFR 200. Also, agreements must now include the federal award information at § 200.332 Requirements for pass-through entities. § 200.332. A sample subrecipient agreement is available here : [Managing CDBG Guidebook for CDBG Grantees on Subrecipient Oversight](#).



Random Reminders cont.

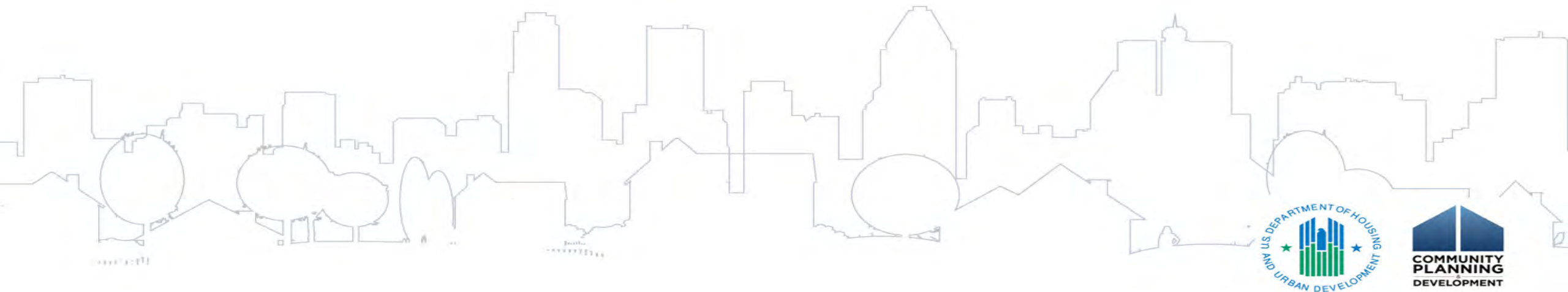
Single Audits – 2 CFR 200 Subpart F

- New to HUD-Integrated Audit Management tracking system-ARCATS Single Audit Solution Module
 - The Data Collection Template is a new tool to gather Single Audit Act data on HUD auditees in a standardized format across the Department, on a recurring basis.
- Reminders:
 - Audit required. A non-Federal entity that expends \$750,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single or program-specific audit conducted for that year.
 - Audit Due Date. The audit package and the data collection form shall be submitted in the Federal Audit Clearinghouse (FAC) 30 days after receipt of the auditor's report(s), or 9 months after the end of the fiscal year —whichever comes first.
 - How can a grantee request an extension on the due date? Federal agencies no longer grant extensions for Single Audit submissions. If the auditee or auditor wishes to inform the Federal agency they will be late, he or she may do so by contacting the [Federal Oversight or Cognizant Agency](#) for the audit.
 - Be proactive. Notify your CPD Representative if the audit will be late or if your program has a finding.



New Hartford Field Office Staff

- Phillip McKeough, CPD Director
- Joseph S. Linhart, Program Manager



WHEN? WHERE? WHO? WHAT? WHEN? WHERE? WHAT? When? HOW? WHERE? WHO? WHERE? HOW? WHEN? What? Where? When? WHERE? WHAT? WHERE? What? When? HOW? WHEN? What? When? Why? WHEN? When? What? HOW? WHAT? WHERE? When? Why? HOW? HOW? WHEN? Why? WHERE? When? HOW? HOW? When? Why?

ANY QUESTIONS?

NCDA Region 1 Tributes and Recognitions

Conference Dedication in Memory of Edward “Ned” Handy

Tribute by Patrick Sullivan, former Director of Housing & Community Dev., New Bedford, MA



NCDA Region 1 Tributes and Recognitions

Lifetime Achievement Award to Alanna Kabel

Presentation by Tyler Fairbairn



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Breakout Sessions

Section 108 – in Room 328 (past the check-in table)

Roundtables – in Ballroom

- *Section 3/BABA*
- *Timeliness*
- *Public Participation*
- *Professional Management*
- *Miscellaneous CPD Issues*

National Community Development Association Region 1 Conference

Leveraging your CDBG funds through HUD's Section 108





HUD'S SECTION 108 LOAN GUARANTEE PROGRAM

Flexible, Low-Cost Community and Economic Development Financing through the Community Development Block Grant (CDBG) Program



Since 1978,
HUD has issued
2,000 approvals



\$10 Billion
in total approvals



for over 630 communities



Types of projects include economic development, infrastructure, public facilities, and affordable housing

Hazleton, PA was the
1st approval



Springfield, MA was the
2,000th approval



More than
120,000 Jobs
created

More than
250 public works and infrastructure projects
and **240 housing projects** supported



Those who leveraged other funding sources (private, federal, state, and local) with Section 108 funds, on average,
secured \$4.62 of additional funds for every \$1.00 of Section 108 funding.

Section 108 Loan Guarantee Program Brief Introduction

- ▶ Jorge L. Morales, Lead Loan Finance Specialist
Loan Origination Team
- ▶ Liney Marcela Vargas-Mata, CPD Specialist
CDBG-DR Grant Management



<https://www.hudexchange.info/programs/section-108/>

Section 108 Loan Guarantee Program

- ▶ Housing and Community Development Act in 1974
- ▶ Communities leveraged their CDBG grant allocations into federally guaranteed loans for:
 - ▶ projects addressing economic development,
 - ▶ affordable housing,
 - ▶ infrastructure, and
 - ▶ public facilities challenges.

Section 108 Loan Guarantee Program

- ▶ Since 1978, Section 108 Loans have assisted over:
 - ▶ 600 community and state economic development and affordable housing rehab projects
 - ▶ The creation of over 120,000 jobs.
 - ▶ Has helped fund more than 250 public works and infrastructure projects and 240 housing projects. .

Section 108 Loan Guarantee Program

- ▶ Section 108 grantees who leveraged other funding sources (federal, state, local, and private) secured, on average:

\$4.62 of additional funds for every \$1 of Section 108 funding

Section 108 Loan Guarantee Program

Borrowing Capacity

Annual CDBG Allocation		\$3,000,000
Max available borrowing capacity	x 5	= \$15,000,000
Outstanding 108 commitments	-	\$800,000
Outstanding 108 loan balance	-	\$2,000,000
Available borrowing capacity		= \$12,200,000

Or you can just look on our website here:

<https://www.hudexchange.info/resource/5197/current-availability-of-section-108-financing-cdbg-entitlement-and-state-grantees/>

Section 108 Loan Guarantee Program

- ▶ Funding under Section 108 can be used to provide the necessary gap financing to enable:
 - ▶ Large-scale development,
 - ▶ New Market Tax Credit, and
 - ▶ Low-Income Housing Tax Credit projects,
- ▶ Jurisdictions can take full advantage of federal public-private partnership incentives.
- ▶ Section 108 also provides inducement to catalyze investment from private lenders.

Combining Section 108 with Other Federal Financing



➤ New Market Tax Credits



➤ EDA Public Works & Economic Adjustment Assistance



➤ Historic Tax Credits



➤ 7(a) Loans
➤ 504 Loans



➤ BUILD Grants
➤ TIFIA



➤ Low-Income Housing Tax Credits
➤ Opportunity Zones



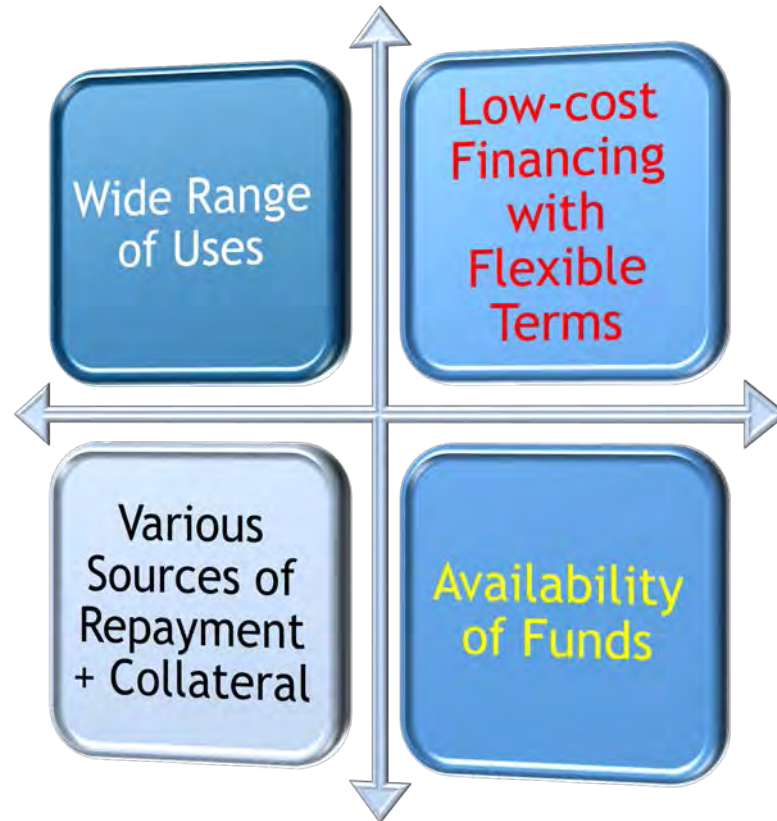
➤ Revolving Loan Funds
➤ Brownfields Remediation Financing
➤ WIFIA

Section 108 Loan Guarantee Program

- ▶ Provides loan guarantees, not grants
- ▶ Employs the framework of the CDBG Program
- ▶ Offers recipients a means of accessing lower interest rates
- ▶ Low-cost, non-competitive money available on a rolling basis
- ▶ Managed by the Financial Management Division at HUD HQ
(Paul Webster, Director)

Section 108 Loan Guarantee Program

What makes Section 108 an attractive financing tool??



What types of Section 108 projects?



Economic
Development

Central Business
District Support

Retail/Office and
Manufacturing

Small Business
Financing

Business Retention

Housing



Loan Funds for
Third Party
Developers

Adaptive Reuse

Mixed-Use

Rehab of private
housing stock and
public housing

Public
Facilities



Community
Centers

Park Upgrades

Hospitals

Public Bldgs
serving Residents

Infrastructure



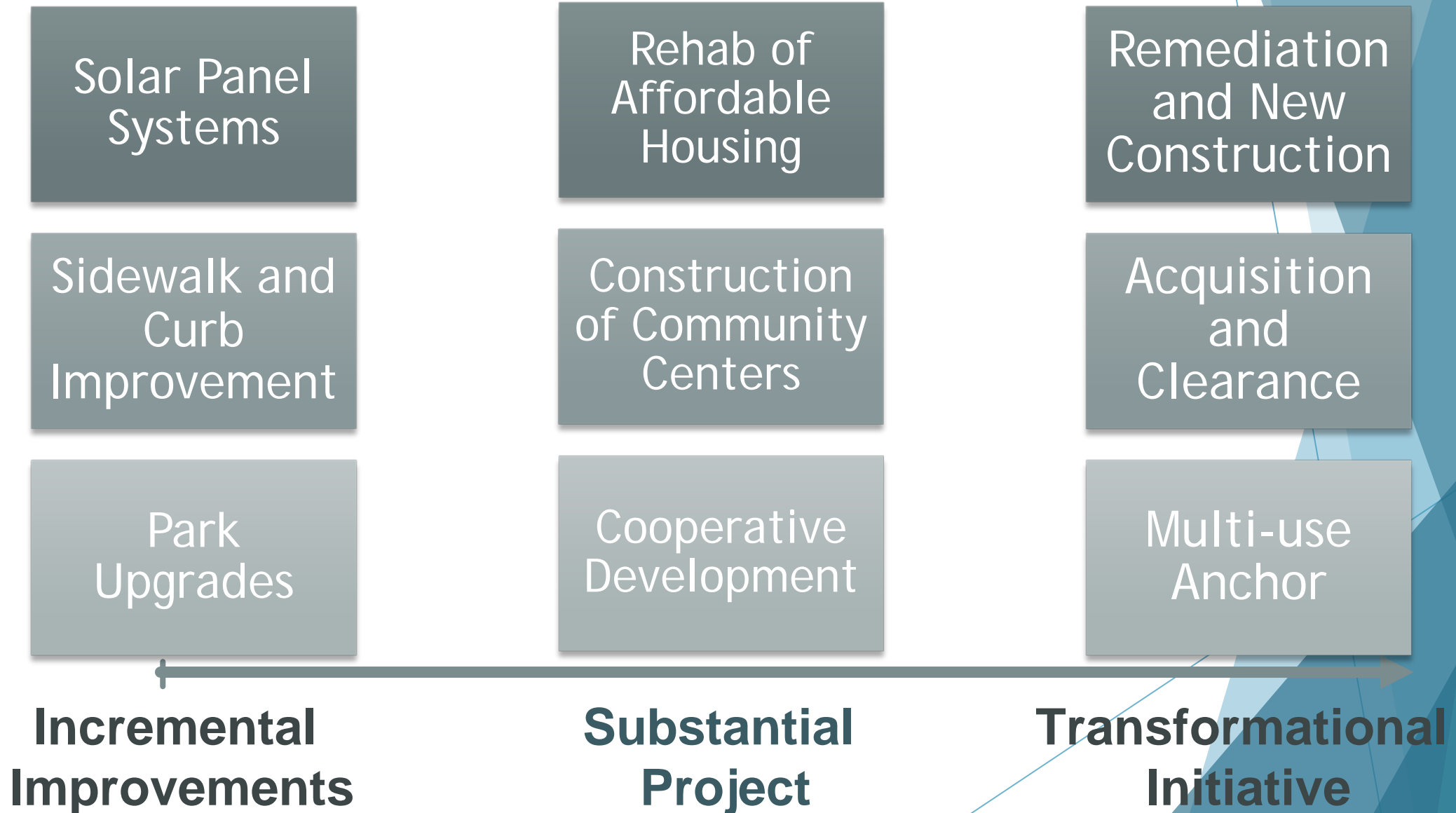
Water & Sanitation

Streets, Curbs and
Gutter
Improvements

Broadband Line
Extensions

Devastated
Landscapes

What is the scope of Section 108 projects?



Section 108 Loan Guarantee Program

Stages for Section 108 Deployment

Preparation/ Pre-development

Acquisition

Demolition

Site prep & remediation

Relocation costs

Implementation

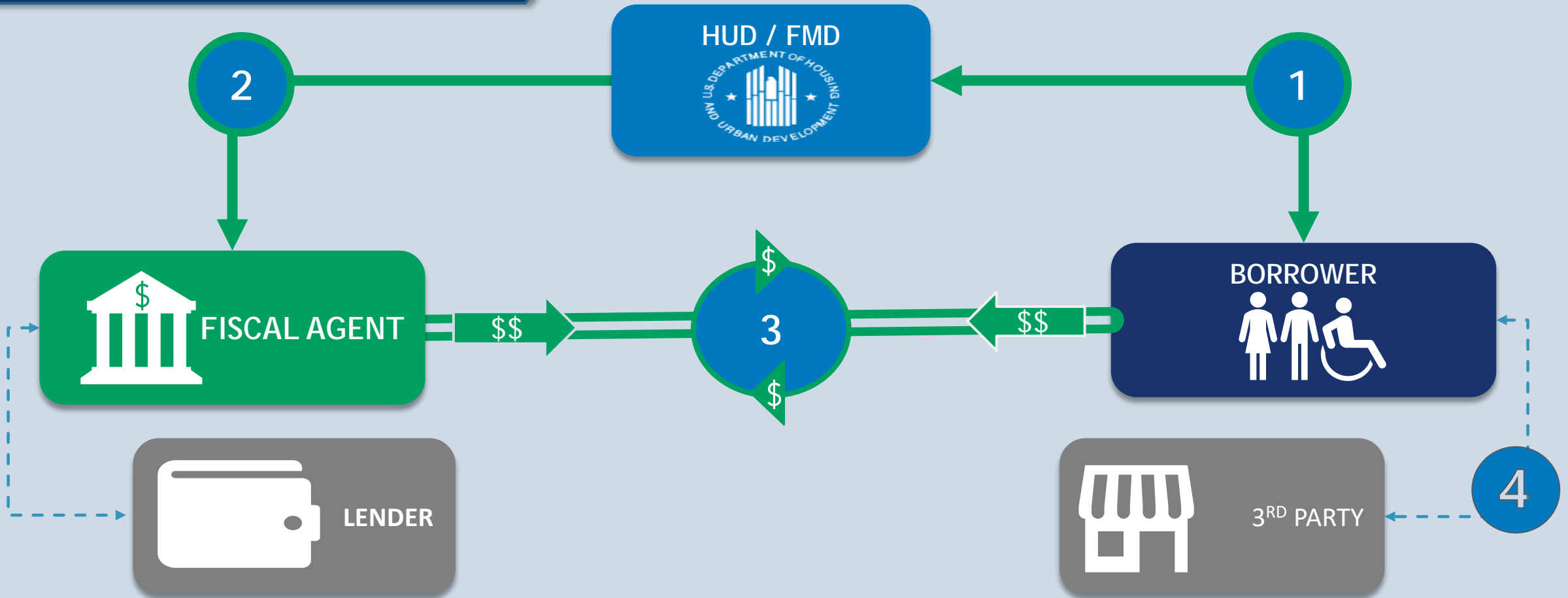
Construction

Machinery & equipment

Working capital

**Infrastructure +
improvements**

Financing Process



Section 108 Loan Guarantee Program

Want more information?

Jorge L. Morales: Jorge.L.Morales@hud.gov

Liney Marcela Vargas-Mata: Liney.M.Vargas-Mata@hud.gov

General Inquiries: Section108@hud.gov

Section 108 Program:

<https://www.hudexchange.info/programs/section-108/>

https://www.hud.gov/program_offices/comm_planning/section108



WOERD AVENUE LANDFILL & PARK

REGIONAL CONTEXT



PROJECT TEAM

CITY OF WALTHAM, MA

Jeanette McCarthy – Mayor
 James LaCrosse – Assistant Planning Director
 Robert Waters – Housing Supervisor

TIGHE & BOND

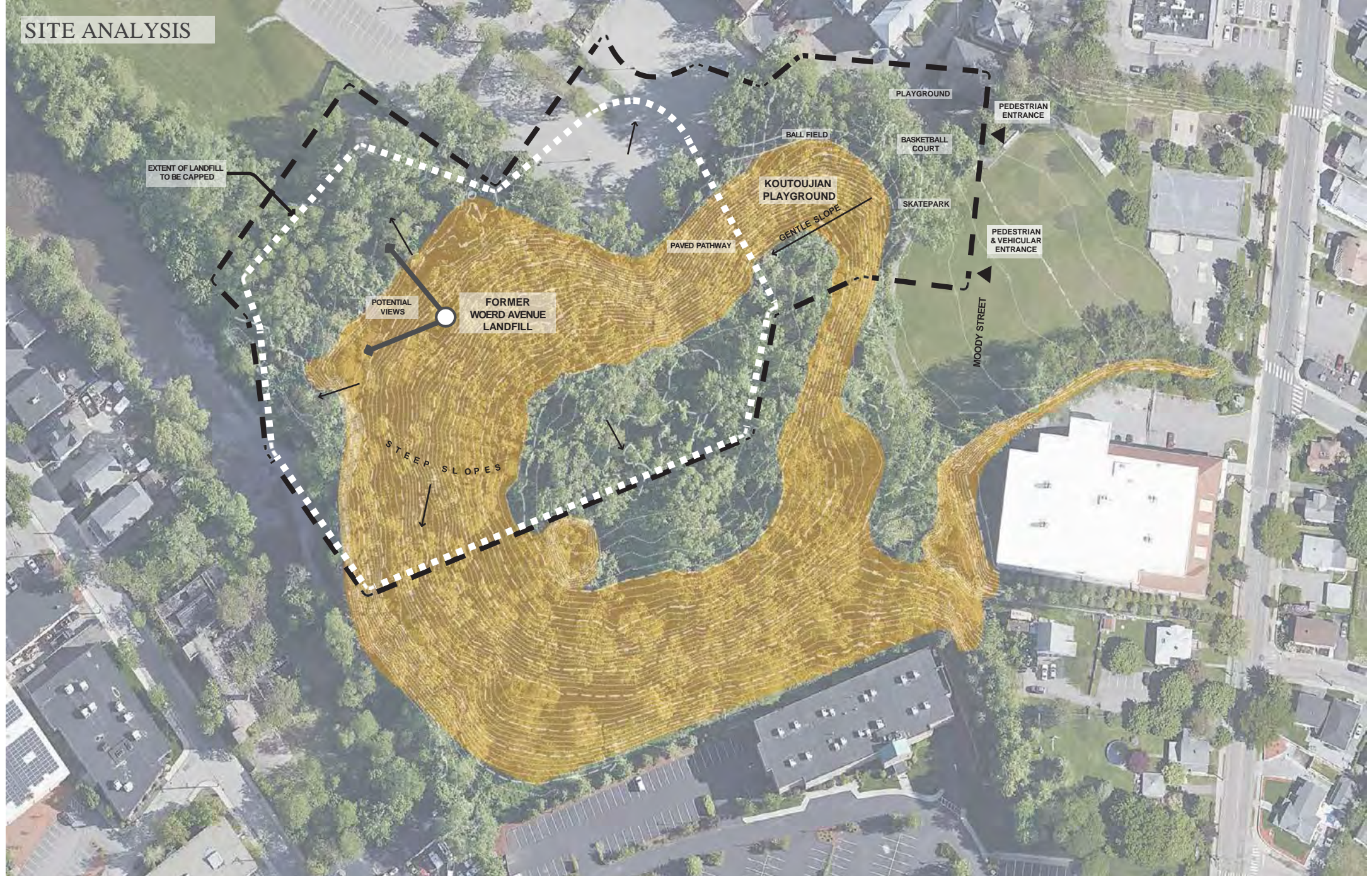
David Murphy – Project Director
 Michael Martin – Project Civil Engineer

HALVORSON TIGHE & BOND STUDIO

Richard Houghton – Project Landscape Architect
 Iris Lin – Project Landscape Architect



SITE ANALYSIS



EXISTING CONDITION SITE PHOTOS



EXISTING CONDITION SITE PHOTOS



SITE PLAN



VIEW FROM NORTHEAST



LANDFILL AREA PRECEDENT IMAGES





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