

Grantee: Springfield, MA

Grant: B-13-MS-25-0001

January 1, 2014 thru March 31, 2014 Performance Report



Grant Number:

B-13-MS-25-0001

Obligation Date:**Award Date:****Grantee Name:**

Springfield, MA

Contract End Date:**Review by HUD:**

Reviewed and Approved

LOCCS Authorized Amount:

\$13,906,000.00

Grant Status:

Active

QPR Contact:

Cathy Kelly Buono

Estimated P/RL Funds:**Total Budget:**

\$13,906,000.00

Disasters:

Declaration Number

FEMA-1959-MA

Narratives

Disaster Damage:

The City of Springfield was dramatically impacted by multiple Presidentially-Declared Disasters in 2011, the most severe of which was a June 1, 2011 F3 tornado. The tornado ripped through the downtown areas of Springfield and cut a mile swath through several neighborhoods, finally exiting the City limits through the East Forest Park and Sixteen Acres Neighborhoods. Current estimates of damage from this disaster exceed \$170 million.

In addition to the tornado, in 2011 the City endured two disastrous snow storms, the worst of which was a surprise October Nor’easter that caused approximately \$30 million in damages and recovery costs. In addition, the City also received another Presidential Disaster Declaration for damages caused by Hurricane Irene.

While the tornado’s path encompassed portions of eight neighborhoods, the vast majority of residential damage took place in just five: South End, Six Corners, Old Hill, East Forest Park, and Sixteen Acres. Following the tornado, the City grouped the tornado-impacted neighborhoods into three districts, each of which has different characteristics and needs. District 1 is Metro Center and the South End, District 2 is Six Corners, Old Hill, Upper Hill, and Forest Park, and the third District is East Forest Park and Sixteen Acres.

District 1: Metro Center and South End

The Metro Center and South End neighborhoods include a combination of commercial and residential uses, and over 90% of housing units are renter-occupied. In the South End and Metro Center, 30 structures with 242 housing units were condemned following the tornado. Ninety-nine housing units were destroyed. The building housing the South End Community Center and the Zanetti School building were badly damaged. A major mixed-use property at 979 Main Street was destroyed and a number of retail buildings along Main Street also suffered extensive damage. Severely damaged commercial property included the administrative offices and a child care site for Square One, an early childhood learning center.

District 2: Six Corners, Old Hill, Upper Hill and Forest Park

The majority of tornado damage in District 2 took place in the Six Corners and Old Hill neighborhoods. The primary location of damage in the Upper Hill neighborhood was located on the campus of Springfield College, where a dormitory was severely damaged and mature trees were toppled. A small number of homes and businesses on the edge of Forest Park were also damaged.

District 3: East Forest Park and Sixteen Acres

In the East Forest Park and Sixteen Acres neighborhoods, 146 single-family homes were condemned following the tornado. Fifty-six were destroyed. East Forest Park also experienced extensive damage to the Mary Dryden Elementary School and Cathedral High School, a local parochial school. The neighborhood, which includes areas of natural resources, lost extensive amounts of trees and sustained damages to parks and open space.

Recovery Needs:

At two years post-tornado, the City has witnessed the uneven recovery that has taken place: middle-class homeowner neighborhoods have been substantially rebuilt with homeowners insurance payments, while neighborhoods that were in distress prior to the tornado have experienced further abandonment and delay in recovery. The City intends to use CDBG-DR funds not only to address lingering individual disaster recovery needs, but also to revitalize the distressed neighborhoods that are slow to recover.

The City estimates the total amount of housing damage is \$70,755,000. The total amount of insurance claims plus SBA loans paid out is estimated to be \$27,146,708. The remaining total unmet housing need is \$43,608,292

Springfield businesses sustained an estimated \$40,781,633 in total commercial loss and interrupted business operations. In total, \$20,614,503 of recovery funds has been disbursed, including SBA loans of \$2,755,500 and commercial insurance of \$17,859,003. This leaves \$20,167,130 in current unmet need.



The amount of Infrastructure unmet need is \$59,055,679.

Springfield's recovery effort must focus not only on economic recovery, but also neighborhood and economic revitalization, which is not captured in the above analysis. CDBG-DR funds must begin to address these unmet needs as well. Although Springfield has an estimated \$122,831,101 in unmet building, infrastructure and community facility needs, there is an urgent need to revitalize extremely poor neighborhoods hit by the June 2011 tornado, and to stimulate economic activity.

Springfield is focusing neighborhood recovery on the South End, Six Corners and Old Hill, neighborhoods which are made up predominantly of persons of color (each neighborhood is less than 25% white), and which have median household incomes of under \$25,000. The City will affirmatively further fair housing by targeting workforce training opportunities to residents of these neighborhoods and by improving conditions in these neighborhoods. Improvements include development of new housing for homeownership, roadway and sidewalk replacement, demolition of distressed housing, home repair, and purchase of buildings to meet neighborhood educational needs. The expectation is that the focused nature of these improvements will improve property values and spur further privately-funded improvements.

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$5,650,000.00
Total Budget	\$5,650,000.00	\$5,650,000.00
Total Obligated	\$4,200,000.00	\$4,200,000.00
Total Funds Drawdown	\$2,665,435.47	\$2,665,435.47
Program Funds Drawdown	\$2,665,435.47	\$2,665,435.47
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$2,665,435.47	\$2,665,435.47
Match Contributed	\$0.00	\$0.00

Progress Toward Required Numeric Targets

Requirement	Required	To Date
Overall Benefit Percentage (Projected)		100.00%
Overall Benefit Percentage (Actual)		100.00%
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$2,085,900.00	\$0.00
Limit on Admin/Planning	\$2,781,200.00	\$63,435.47
Limit on State Admin	\$0.00	\$63,435.47

Progress Toward Activity Type Targets

Progress Toward National Objective Targets

National Objective	Target	Actual
Low/Mod	\$6,953,000.00	\$5,150,000.00

Overall Progress Narrative:

The CDBG-DR Partial Action Plan A for \$13,906,000.00 was approved for spending by HUD on December 13, 2013. During the first quarter of 2014 the City of Springfield posted three positions for the new Disaster Recovery Division to oversee the CDBG-DR grant. All three employees were hired and started during the second quarter of the fiscal year.

The approved Partial Action Plan A contains ten activities. The City received authorization to expend in two of the



ten activities as well as administration, and will be submitting additional request for authorization during the next quarter.

Activity 1: Acquisition and Development for Homeownership. The City issued two RFPs for developers during the first quarter of 2014. For the first RFP, the City sought developers with proposals to develop four City-owned vacant lots in the Old Hill and Six Corners tornado path area, to build single-family homes, which will be sold to homeowners at or below 120% area median income. The second RFP sought developers with site control of land in the Six Corners tornado-impact area who are interested in building one- or two-family homes for homeownership by households at or below 120% area median income. For both RFPs, projects must be ready to proceed and all new construction and expenditure of funds must be completed no later than September 2015. The City expects to award contracts to developers during the next quarter.

Activity 2: Removal of Blight. The City has identified 12 structures to be demolished in Districts 1 and 2 and has begun environmental reviews during this quarter. The City will issue bids for the first set of demolition projects in the next quarter, and expects demolition work to begin in the quarter that follows.

Activity 3: Housing Repair. This activity is in the planning stages. The City anticipates completing an application and duplication of benefits policy in the next quarter.

Activity 4: Replacement of Multi-family Housing. The City has committed \$100,000 to the Mental Health Association for the Magazine Street project, which will replace affordable housing units on Union Street that were destroyed by the June 2011 tornado. This project is fully funded and expected to begin construction in August 2014. The City expects to fund two other projects: Hill Homes replacement units and Springfield Housing Authority (SHA) replacement units. Both entities are still completing redevelopment plans. Hill Homes, a tenant-owned rental cooperative, has hired its development team and is negotiating for purchase of a replacement development site. SHA is nearing completing regarding negotiation of settlement of FEMA funds that were awarded to the state of Massachusetts for public housing authorities.

Activity 5: Workforce Training. The City anticipates issuing an RFP during the next quarter to service providers for workforce training. Employment training will be made available to residents in the effected neighborhoods of the disaster.

Activity 6: Business Recovery Loan Program. The application and program guidelines should be completed in the next quarter with applications being available during the third quarter of 2014.

Activity 7: Redevelopment. In late 2013 the city welcomed a national panel from the International Economic Development Council (IEDC) to do an economic and redevelopment analysis focused on Watershops District. The study brought experts from various fields to Springfield to interview neighborhood stakeholders and examine key properties in and around the district. IEDC has been finalizing its plan of recommendations which will be released in the next quarter. The plan will provide informed decisions regarding the need for urban renewal activities in the district.

Activity 8: Roadways and Sidewalks. The City through its Department of Public Works has undertaken three specific roadway designs and a fourth project, a construction contract, consisting of repaving streets and replacement of sidewalks in tornado-impacted neighborhoods. DPW has entered into contracts for the design of the realignment of Central Street, the extension of Marble Street and the redesign of the Six Corners intersection. The DPW also selected streets and sidewalks to be reconstructed which met the selection criteria of CDBG eligible and are within a one-mile buffer zone of the 2011 tornado path.

Activity 9: Parks. The City through its Parks and Recreational Management Department has issued a contract for the design of Nathan Bill Park. The Park Department anticipates bidding the project during the next quarter, with the construction set to begin in July of 2014.

Activity 10: Schools. During the first quarter the City acquired the first of two properties. The property located at 36 Margaret Street was acquired for continued use as the South End Middle School. This was one of two critical educational facilities located in District 1 and considered an anchor institution for revitalization. The City took the property by eminent domain with approval by the City Council and the Mayor on March 6, 2014. The total purchase price was \$2,643,373.00. The fair market value of the property based on an appraisal and a review appraisal was \$2,600,000.00. The City used CDBG-DR funding for the purchase of the real estate, \$2,600,000.00 and \$43,373.00 of City of Springfield funding was used to purchase personal property, classroom furniture, and equipment at the premises.

An appraisal and a review appraisal were completed for the second property located at 91 School Street. The City anticipates the second acquisition to be completed by the end of the next quarter.

Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
Rd1-01, Administration	\$63,435.47	\$500,000.00	\$63,435.47
Rd1-02, Housing	\$0.00	\$2,850,000.00	\$0.00
Rd1-04, Infrastructure	\$2,602,000.00	\$9,306,000.00	\$2,602,000.00



Activities

Grantee Activity Number:	Rd1-01-LMH
Activity Title:	Acquisition and Development of Homeownership

Activity Category:

Rehabilitation/reconstruction of residential structures

Project Number:

Rd1-02

Projected Start Date:

12/13/2013

Benefit Type:

Direct (HouseHold)

National Objective:

Low/Mod

Activity Status:

Under Way

Project Title:

Housing

Projected End Date:

12/12/2015

Completed Activity Actual End Date:

Responsible Organization:

City of Springfield2

Overall	Jan 1 thru Mar 31, 2014	To Date
Total Projected Budget from All Sources	N/A	\$1,450,000.00
Total Budget	\$1,450,000.00	\$1,450,000.00
Total Obligated	\$0.00	\$0.00
Total Funds Drawdown	\$0.00	\$0.00
Program Funds Drawdown	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$0.00
City of Springfield2	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00

Activity Description:

The City will provide funds to qualified developers to acquire vacant lots and develop single-family homes on the lots. Request for proposals will be issued and will evaluate: Proposer History and Capacity; Project Feasibility; Achievement of Public Policy Goals; Readiness to Proceed; Direct Financial Benefit to the City; and Ability to Comply with CDBG-DR Requirements and Timelines.

Waiver: The City notes that the March 5, 2013 Federal Register notice (FR-5696-N-01) section VI paragraph 28 provides a waiver of the requirements of 42 U.S.C. § 5305(a) as necessary to allow: homeownership assistance with up to 120 percent of area median income; and new housing construction. The City intends to make use of this waiver to carry out this activity.

Location Description:

Districts 1 and District 2 - Development will take place on vacant residential lots within the tornado-impacted neighborhoods of Six Corners, Old Hill, and the South End.

Activity Progress Narrative:

The City issued two RFPs for developers during the first quarter of 2014. For the first RFP, the City sought developers with proposals to develop four City-owned vacant lots in the Old Hill and Six Corners tornado path area, to build single-family homes, which will be sold to homeowners at or below 120% area median income. The second RFP sought developers with site control of land in the Six Corners tornado-impact area who are interested in building one- or two-family homes for



homeownership by households at or below 120% area median income. For both RFPs, projects must be ready to proceed and all new construction and expenditure of funds must be completed no later than September 2015. The City expects to award contracts to developers during the next quarter. No funds were expended or drawn during this quarter.

Accomplishments Performance Measures

No Accomplishments Performance Measures found.

Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
US Department of Housing and Urban Development	\$0.00
Total Other Funding Sources	\$0.00



Grantee Activity Number:	Rd1-10-LMA
Activity Title:	Acquisition - Schools

Activity Category:

Acquisition - general

Project Number:

Rd1-04

Projected Start Date:

12/13/2013

Benefit Type:

Area ()

National Objective:

Low/Mod

Activity Status:

Under Way

Project Title:

Infrastructure

Projected End Date:

06/30/2014

Completed Activity Actual End Date:

Responsible Organization:

City of Springfield2

Overall	Jan 1 thru Mar 31, 2014	To Date
Total Projected Budget from All Sources	N/A	\$3,700,000.00
Total Budget	\$3,700,000.00	\$3,700,000.00
Total Obligated	\$3,700,000.00	\$3,700,000.00
Total Funds Drawdown	\$2,602,000.00	\$2,602,000.00
Program Funds Drawdown	\$2,602,000.00	\$2,602,000.00
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$2,602,000.00	\$2,602,000.00
City of Springfield2	\$2,602,000.00	\$2,602,000.00
Match Contributed	\$0.00	\$0.00

Activity Description:

The City of Springfield will purchase two intact and undamaged school buildings located in the tornado zone, in order to assure the continuation and better functioning of two crucial educational facilities and meet needs for classroom space. This will allow the South End Middle School to remain in District 1 as a crucial anchor institution for revitalization and provide a suitable permanent home in District 2 for The Parent and Community Engagement Center (PACE) and the Parent Academy which brings important educational support resources to the City and by locating in District 2, makes these resources easily accessible to the very low-income residents of this district.

Location Description:

District 1 - South End - 36 Margaret Street Springfield and District 2 - Six Corners and Old Hill - 91 School Street Springfield

Activity Progress Narrative:

During the first quarter the City acquired the first of two properties. The property located at 36 Margaret Street was acquired for continued use as the South End Middle School. This was one of two critical educational facilities located in District 1 and considered an anchor institution for revitalization. The City took the property by eminent domain with approval by the City Council and the Mayor on March 6, 2014. The total purchase price was \$2,643,373.00. The fair market value of the property based on an appraisal and a review appraisal was \$2,600,000.00. The City used CDBG-DR funding for the purchase of the real estate, \$2,600,000.00 and \$43,373.00 of City of Springfield funding was used to purchase personal property, classroom furniture, and equipment at the premises.

An appraisal and a review appraisal were completed for the second property located at 91 School Street. The City anticipates the second acquisition to be completed by the end of the next quarter.

\$2,602,000.00 was expended and drawn. These expenditures were for the acquisition of the property and for the review appraisal.



Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of buildings (non-residential)	1	1/2

Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

Address	City	County	State	Zip	Status / Accept
36 Margaret St	Springfield		Massachusetts	01105-2309	Match / Y

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	



Grantee Activity Number:	Rd1-11-AD
Activity Title:	City of Springfield - Administration

Activity Category:

Administration

Activity Status:

Under Way

Project Number:

Rd1-01

Project Title:

Administration

Projected Start Date:

12/13/2013

Projected End Date:

12/12/2015

Benefit Type:

()

Completed Activity Actual End Date:

National Objective:

N/A

Responsible Organization:

City of Springfield2

Overall	Jan 1 thru Mar 31, 2014	To Date
Total Projected Budget from All Sources	N/A	\$500,000.00
Total Budget	\$500,000.00	\$500,000.00
Total Obligated	\$500,000.00	\$500,000.00
Total Funds Drawdown	\$63,435.47	\$63,435.47
Program Funds Drawdown	\$63,435.47	\$63,435.47
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$63,435.47	\$63,435.47
City of Springfield2	\$63,435.47	\$63,435.47
Match Contributed	\$0.00	\$0.00

Activity Description:

Administrative costs associated with the CDBG-DR Grant. Programmatic and fiscal costs.

Location Description:

Administrative funds - City of Springfield

Activity Progress Narrative:

Expenditures for the administration of the CDBG-DR Grant - both programmatic and fiscal.

Accomplishments Performance Measures

No Accomplishments Performance Measures found.

Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.



Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
US Department of Housing and Urban Development	\$0.00
Total Other Funding Sources	\$0.00

