

CITY OF NEWTON

IN BOARD OF ALDERMEN

FINANCE COMMITTEE REPORT

MONDAY, APRIL 13, 2009

Present: Ald. Coletti (Chair), Lennon, Freedman, Salvucci, Schnipper, Parker and Gentile

Absent: Ald. Johnson

City Staff: Sandy Pooler (Chief Admin. Officer), Susan Burstein (Chief Budget Officer), James Reardon (Treasurer/Collector), Dave Wilkinson (Comptroller), Mike Kruse (Director of Planning and Development) and Josh Morse (HVAC Technologist Public Buildings Department)

#97-09 HIS HONOR THE MAYOR requesting authorization to accept and expend an additional six hundred three thousand five hundred thirteen dollars (\$603,513) in FY09 Community Development Block Grant funds and a grant of nine hundred twenty three thousand nine dollars (\$923,339) from the U.S. Department of Housing and Urban Development to fund the Homelessness Prevention and Rapid Re-housing Program made available through the American Recovery and Reinvestment Act of 2009. [03/31/09 @ 6:11 PM]

ACTION: **APPROVED 7-0**

NOTE: Mike Kruse, Director Planning and Development joined the Committee for discussion on this item.

Mr. Kruse provided Committee members with “Homelessness Prevention and Rapid Re-Housing Program (HPRP)” and Community Development Block Grant Eligibility Maximum Income Limits, both are attached to this report.

Ald. Salvucci made the motion for approval and the Committee voted in favor by a vote of 7-0.

REFERRED TO PUBLIC FACILITIES AND FINANCE COMMITTEES

#469-08 HIS HONOR THE MAYOR requesting to appropriate five hundred seventy five thousand dollars (\$575,000) from Free Cash to the School Department for the costs related to the conversion of the boilers at nine school buildings. The School Committee agreed to spend this amount from the school utility budget with the understanding that it would be restored once free cash became available. Including this sum, it is estimated that the school department will require a smaller supplemental appropriation to cover of heating this winter than would have been necessary without this conversion. [11-25-08 @ 4:58 PM]

PUBLIC FACILITIES APPROVED 7-0 on 12-17-08

ACTION: **APPROVED 7-0**

NOTE: Josh Morse, HVAC Technologist Public Buildings Department, joined the Committee for discussion on this item.

Mr. Morse stated all work involving the co-burners have been completed by National Grid at the nine school buildings including the installation of gas lines. The dual fuel burner will still allow the ability to use oil for heat. He indicated that the Public Buildings Department has to complete the training.

A cost breakdown for the gas conversion for nine school buildings had been provided, as an attachment to the agenda.

Mr. Morse stated this winter was 8% colder than last year. Compared to last year's consumption the schools estimated they would spend 3.8 million dollars. As it stands now they have spent approximately 2.8 million dollars with a savings of approximately one million dollars.

Ald. Freedman made the motion for approval and the Committee voted in favor f 7-0.

#353-08 ALD. COLETTI requesting monthly report by Executive Office before Post Audit and Oversight Committee on snow and salt expenditure from November 2008 through April 2009. [09-30-08 @ 1:54 PM]

ACTION: **NO ACTION NECESSARY 7-0**

NOTE: Mr. Turocy, Deputy Commissioner of Public Works, had provided the Committee with a monthly update report for snow and ice expenditures through April 10, 2009 (attachment to the agenda). Mr. Turocy's report shows an amount of \$3,670,035 spent through April 10, 2009. The breakdown of what has been spent is as follows: Plow Contractors \$1,092,372.00, Salt/Sand \$1,607,922.00 and Labor/Parts/Etc. \$969,741.00.

With no additional snow since the last update dated March 10, 2009, the City of Newton "final" snow fall totals for FY 2009 were 68.3" of snow through 17 weather events.

There remains a balance of \$156,905 in the Snow and Ice Budget. There are no remaining outstanding bills for plowing contractors or sand/salt. The Department of Public Works will continue to have some modest spending in this account. This will be primarily for equipment repairs that came as a result of plowing and/or sanding operations, as well as private property repairs for snowplow damage. No significant bills are anticipated and any remaining funds at the end of the year will revert to the General Fund.

Ald. Coletti made the motion for No Action Necessary and the Committee voted in favor by a vote of 7-0.

#352-08 ALD. COLETTI requesting discussion monthly reports from the Chief Budget Officer and Comptroller on the status of the Health Insurance Trust Fund. [09-30-08 @ 1:54 PM]

ACTION: **HELD 7-0**

NOTE: Susan Burstein, Chief Budget Officer, joined the Committee for discussion on this item.

Mr. Wilkinson, Comptroller had provided the Committee with a monthly update as of March 31, 2009, dated April 6, 2009 as an attachment to the agenda.

Ms. Burstein reviewed Mr. Wilkinson's update with Committee members. She indicated the following on the two health plans.

Tufts Health Plan ended the third quarter of the City's current fiscal year with a fund balance of 9.1 million dollars, 1.1 million less than the fund balance at the start of the current fiscal year. However, \$123,788.00 ahead of the fund balance at December 31, 2008.

Harvard-Pilgrim Health Plan ended March with a fund balance of \$649,815.00, \$803,195.00 less than the plans fund balance at the start of the current fiscal year and almost unchanged from December 31, 2008 fund balance.

Ms. Burstein indicated both funds paid higher claims than last fiscal year and she anticipates the health insurance rates rising next year by 11-13%.

Ald. Freedman made the motion to hold and the Committee voted in favor by a vote of 7-0.

REFERRED TO PROG & SERV AND FINANCE COMMITTEES

#98-09

HIS HONOR THE MAYOR requesting authorization to appropriate and expend twenty one thousand seven hundred thirty two dollars (\$21,732) from Free Cash for the purpose of funding payments to the East Middlesex Mosquito Control Project (EMMCP) to conduct mosquito larva control in catch basins to control the spread of West Nile Virus. [03/31/09 @ 6:11 PM]

ACTION: APPROVED 7-0

NOTE: Ald. Coletti and Committee members reviewed the Comptrollers "First Call Report" for this item dated April 13, 2009 (attached to the agenda) asking to appropriate \$21,732.00 for the annual mosquito control in catch basins.

Ald. Coletti made the motion for approval and the Committee voted in favor 7-0.

At approximately, 9:45 pm Ald. Lennon moved for adjournment, which was approved 7-0.

Respectfully Submitted,

Paul E. Coletti, Chairman

“Homelessness Prevention and Rapid Re-Housing Program (HPRP)”

[Title XII of the American Recovery and Reinvestment Act of 2009]

I. Eligible Program Participants

The funds under this program are intended to target two populations of persons facing housing instability. First, those **individuals and families who are currently in housing but are at risk of becoming homeless and need temporary rent or utility assistance to prevent them from becoming homeless or assistance to move to another unit.** This is the prevention aspect of the program. Second, those **individuals and families who are experiencing homelessness—for example, those residing in emergency or transitional shelters or on the street—and need temporary assistance in order to obtain housing and retain it.** This is the rapid re-housing aspect of the program.

The household of every individual or family served through HPRP must be at or below 50% of Area Median Income.

II. Eligible Activities

A. Financial Assistance

The most common types of *financial assistance* under the HPRP include the following: **short-term rental assistance** [up to three months]; **medium-term rental assistance** [from four to eighteen months]; **security deposits**; **utility deposits**; **utility payments**; **moving cost assistance**; and **motel and hotel vouchers**.

No individual or family may receive more than eighteen months of assistance under HPRP. *If individuals or families need more than three months of rental assistance, they must be evaluated for eligibility to receive up to fifteen months of additional rental assistance.* HUD requires that grantees certify no less than every three months the eligibility of individuals or families receiving rental assistance. Case management services should also be provided.

Rental assistance may be used to pay up to six months of rental arrears for eligible individuals and families who at-risk of homelessness. Rental arrears may be paid if the payment enables the individual or family to remain in the housing unit for which the arrears are being paid or move to another unit. The payment of rental arrears is to be included in totaling the maximum period of rental assistance (eighteen months). The same limits apply to utility payments. Utility arrearages of up to six months may also be paid, with a maximum of eighteen total months for utility payments.

Organizations providing rental assistance with HPRP funds will be required to conduct initial and periodic inspections of housing units into which an individual or family may be moving to assure the maintenance of habitability standards.

B. Housing Relocation and Stabilization

Some types of *housing relocation and stabilization services* are eligible for reimbursement. One such service is **case management**. *Any individual or family provided with financial assistance through HPRP must have at least an initial consultation with a case manager or other authorized representative who can determine the appropriate type of assistance to meet their needs.* It is strongly recommended that a case manager be involved with every individual or family benefited by this program, as needed, to help transition them to independence and possible permanent housing arrangements. HPRP funds may be used for activities for the arrangement, coordination, monitoring, and delivery of services related to meeting the housing needs

of individuals and families to help them obtain housing stability. HPRP funds may also be used for **housing search**. Housing search includes services and activities designed to assist individuals or families in locating, obtaining, and retaining suitable housing. Eligible **legal services** include legal services to help people stay in their homes, such as services provided by a lawyer or other person, under the supervision of a lawyer, to assist individuals and families with legal advice and representation in administrative or court proceedings related to tenant/landlord matters or other housing issues. Mediation between property owners and tenants who seek to retain rental housing is an eligible activity. Eligible **credit repair** services include services that are targeted to assist individuals and families to learn skills related to household budgeting, money management, seeking a personal credit report, and resolving personal credit issues.

III. Ineligible and Prohibited Activities

HPRP is *not* a mortgage assistance program and these funds may *not* be used to provide services, financial assistance, legal assistance, or other fees associated with homeowners' housing. Moreover, financial assistance or services to pay for expenses that are available through other Recovery Act programs, including child care and employment training are not eligible. Other ineligible activities include payment for construction or rehabilitation; credit card bills or other consumer debt; car repair or other transportation costs; travel costs; food; medical or dental care; medicines; clothing and grooming; home furnishings; pet care; entertainment activities; work or education related materials; certifications, licenses, and general training classes. No cash payments may be made directly to individuals and families and no fees may be charged to them.

The HPRP is not intended to provide long-term assistance for individuals and families, nor will it be able to address all the financial and supportive service needs of households that affect housing stability. The program is not meant for individuals and families whose needs require more than eighteen (18) months of assistance.

HUD will *not* approve rental payments for individuals or families who are occupying units owned by the City or by any grantee organization receiving HPRP funds. This prohibition also applies to properties owned by an organization that is a "parent, subsidiary or affiliated organization" of a grantee.

IV. Basic Reporting Requirements

Agencies receiving funding for services under the HPRP must agree to collect data as required by the Department of Housing and Urban Development. Requirements include entry of data about number of clients served and demographic information into a Homeless Management Information System (HMIS) or comparable database. Quarterly performance reports will include, at minimum, the number of persons served; demographic information; and the estimated number of jobs created or retained.

City of Newton

Housing and Community Development Program

Community Development Block Grant Eligibility Maximum Income Limits

Projects funded by the City of Newton CDBG Program can assist people in Newton whose household income is within the following limits in 2009 and until new limits are issued in early 2010.

In addition, programs that serve only adults with disabilities, survivors of domestic abuse, homeless people, abused children, people with AIDS, people who are illiterate, and elders are *presumed to be eligible for services*.

Number in Family	Low Income (50% of median income)	Moderate Income (80% of median income)
1	\$31,550	\$46,300
2	\$36,100	\$52,950
3	\$40,600	\$59,550
4	\$45,100	\$66,150
5	\$48,700	\$71,450
6	\$52,300	\$76,750
7	\$55,900	\$82,050
8 or more	\$59,550	\$87,350

*Median Area Income for a Family of Four People in this area is \$90,200.
Moderate-Income is 80% of the Median.
Low-Income is 50% of the Median.*

Effective March 2009