




**CITY OF SOMERVILLE, MASSACHUSETTS**  
**OFFICE OF STRATEGIC PLANNING & COMMUNITY DEVELOPMENT**  
**JOSEPH A. CURTATONE**  
**MAYOR**

*OFFICE OF THE EXECUTIVE DIRECTOR*

**MEMORANDUM**

**TO:** Mayor Joseph A. Curtatone

**FROM:** Monica R. Lamboy, Executive Director 

**DATE:** January 27, 2011

**SUBJECT:** Request to accept a Sustainable Community Challenge Grant in the amount of \$1.8 million from the Department of Housing & Urban Development (HUD)

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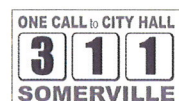
The Office of Strategic Planning and Community Development (OSPCD) respectfully requests that you forward to the Board of Aldermen a request to accept the \$1,800,000 Sustainable Community Challenge Grant awarded by the Department of Housing and Urban Development (HUD). HUD and the U.S. Department of Transportation (DOT) jointly awarded a total of \$68 million to help stimulate a new generation of sustainable and livable communities that connect housing, employment and economic development with transportation and other infrastructure improvements. Out of 583 applications, the City of Somerville was one of only 62 communities awarded funds. In addition, the City's grant was one of the highest awarded.

**BACKGROUND**

The Sustainable Community Challenge Grant is a new grant opportunity that involves a unique collaboration between three federal agencies – HUD, DOT and EPA – which are joining efforts to improve sustainability at the local level. These grants are designed to foster reform and reduce barriers to achieving affordable, economically vital and sustainable communities. The awarded funds are to be used by recipients to address local challenges to integrating transportation and housing. Allowable activities include amending or updating local master plans, zoning codes, and building codes to support private sector investment in mixed-use development, affordable housing and the re-use of older buildings. Other local efforts may include preserving affordable housing and local businesses near new transit stations and creating a land bank for affordable housing.



CITY HALL • 93 HIGHLAND AVENUE • SOMERVILLE, MASSACHUSETTS 02143  
(617) 625-6600 EXT. 2500 • TTY: (617) 666-0001 • FAX: (617) 625-0722  
[www.somervillema.gov](http://www.somervillema.gov)



## PREPARING FOR TRANSIT IN THE 21ST CENTURY

Somerville has had the good fortune to be awarded \$1,800,000 for its Preparing for Transit in the 21st Century application. In its application, Somerville described how the city was initially developed around rail transit and how, when that transit was removed, the fortunes of businesses and residents in Somerville declined. The application also described the City's ambitious undertakings preparing for the Green Line Extension and the Orange Line Station at Assembly Square - six transit stations that will be built in the city by 2015 - and requested funding to support several critical efforts. The five major initiatives authorized in the Sustainable Community Challenge Grant include:

Completing a citywide Comprehensive Plan – staff in collaboration with many community members have been working for more than one year to prepare a citywide Comprehensive Plan. This plan will fully comply with Massachusetts state law and will have elements including but not limited to housing, economic development, land use, and transportation. Pursuant to state law, the City's Planning Board is required to adopt the plan; however, given the transformative nature of this plan and the importance of plan priorities, adoption by the Board of Aldermen (BOA), will be sought to ensure its success. In preparation for review by the Board of Aldermen and hopefully its adoption, grant resources may be used to enhance public participation, prepare high quality promotional materials, perform any needed technical analysis, and make available additional copies of the draft plan sufficient to garner additional community support for the plan;

Completing station area planning and implementation – while the citywide Comprehensive Plan will address preferred land uses around future transit stations, such a plan is only a small component of the effort needed to produce compatible, sustainable development around each station. With Sustainable Community Challenge Grant resources, Somerville will hire a full-time Senior Planner for 36 months to engage in detailed planning around stations including, but not limited to, contributing to the citywide rezoning effort as it relates to the station areas, managing infrastructure studies and engineering design, securing grant resources for infrastructure and environmental remediation, and facilitating development;

Re-writing the Somerville Zoning Ordinance – Grant funding has been provided to hire one full time Senior Planner for 24 months to draft and oversee adoption of a new zoning ordinance in collaboration with a community steering committee and other City staff. As part of this effort, the City will evaluate whether form-based codes or other modern zoning tools will be useful in either the existing neighborhoods or opportunity areas, or both. Funding has also been made available to secure outside legal services and technical services to evaluate the draft ordinance, and ensure it is internally consistent and in compliance with applicable state and federal laws;

Streamlining the permitting process – In alignment with the recently completed organizational study of the Inspectional Services Division (ISD), funding has been provided to hire an ISD Operations Manager for 6 months. Responsibilities will include overseeing implementation of the MUNIS electronic permitting system, establishing and documenting permitting procedures, identifying staff training needs and securing services, preparing public information materials,



updating the division website, among other activities; and,

Creating a land bank for affordable housing – the single largest activity funded under the Sustainable Community Challenge Grant is to create a \$1.3 million fund for land acquisition for affordable housing and sustainable development. The City will use the grant funding to create a revolving fund that can assist in the creation of affordable housing in potentially multiple ways. The land bank funds could be leveraged with funds available to the City such as Community Development Block Grants (CDBG), HOME Program, and/or Affordable Housing Trust funds. Under the approved grant, the City could acquire property itself or loan funds to eligible non-profits for the purpose of purchasing property. The City will use other grant funds from the EPA to help fund due diligence for properties it considers acquiring itself.

Collectively, these efforts will prepare Somerville for the return of the type of rail access the city was originally built on. Everything Somerville is doing through its own means and as proposed through the Sustainable Community Challenge Grant aligns with the Six Livability Principles outlined by DOT, HUD and the EPA: provide more transportation choices, promote equitable, affordable housing, enhance economic competitiveness, support existing communities, coordinate policies and leverage investment, and value communities and neighborhoods.

## BUDGET

HUD has approved the following budget:

Comprehensive Plan Outreach	\$20,000
Planning around New Transit Stations	\$215,000
Preparation of New Citywide Zoning Ordinance	\$185,000
Permit Streamlining	\$43,000
Creation of Land Bank for Affordable Housing	\$1,327,000
Project Evaluation	\$10,000
Total	\$1,800,000

The Sustainable Community Challenge Grant requires a 20% match of funding (\$360,000) which will be provided by City staff time and operating funds related to the Sustainable Community Challenge Grant initiatives over the three years of the grant program. Resources committed include portions of time from approximately 12 staff members who work in economic development, transportation and infrastructure, planning and zoning, and the OSPCD director's office, as well as the Health Department, Office of Sustainability and the Environment, and the Law Office.

Success of the proposed initiatives is contingent upon participation of a network of community partners, both private and public, both local and regional, which will increase the effectiveness and implementation of our project activities. Commitment letters were received from 12 partner organizations, including the Somerville Community Corporation, Somerville Transportation Equity Partnership, Somerville Chamber of Commerce, and Metropolitan Area Planning



Council. The partners' commitment includes in-kind contributions of staff or member time, services and resources.

## **TIMELINE**

The Sustainable Community Challenge Grant period extends for three years, which for Somerville's purposes, is very well aligned with the impending Green Line Extension. In year one of the Sustainable Community Challenge Grant timeline, the City will undertake the following activities: hire the two planner positions and operations manager position, as outlined above; seek approval for the Comprehensive Plan by the Planning Board and Board of Aldermen; prepare the station-area studies; implement new permitting procedures; and, evaluate potential acquisition parcels for affordable housing. In year two of the program, the City will: establish a tracking system for monitoring Comprehensive Plan deliverables; finalize station-area studies and formulate action plans; initiate the public participation component of preparation of a new zoning ordinance; secure legal and technical services to evaluate the draft ordinance; and, initiate clean-up efforts of property acquired for affordable housing. In year three of the Sustainable Community Challenge Grant timeline, the City will: implement the station-area plans; submit the draft zoning ordinance for review by the Planning Board and Board of Aldermen review; select development proposals for affordable housing projects; resell or transfer acquisition parcels to affordable housing developers; and, perform an overall programmatic evaluation of the Sustainable Community Challenge Grant project.

## **RECOMMENDATION**

It is recommended that the Board of Aldermen accept the \$1,800,000 Sustainable Community Challenge Grant awarded by the Department of Housing and Urban Development (HUD).