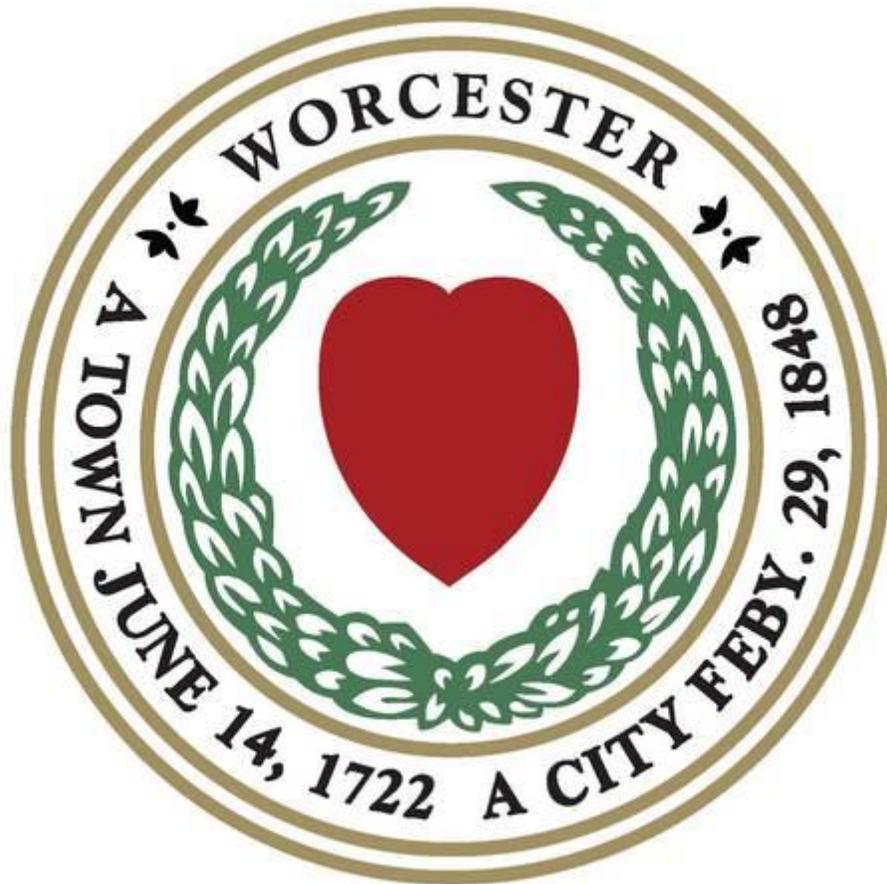


**CITY OF WORCESTER
COMMUNITY DEVELOPMENT BLOCK GRANT
FIRST YEAR ACTION PLAN / PROGRAM YEAR 41
SUBSTANTIAL AMENDMENT
July 1, 2015 – June 30, 2016**

DRAFT



October 7, 2015

The City of Worcester is proposing to substantially amend its Consolidated Submission for Community Planning & Development (2015-2020), First Year Action Plan, July 1st, 2015 – June 30th, 2016 to fund:

1. Worcester Fire Department - Fire Truck (\$500,000)
2. Worcester Department of Public Works – Castle Park Renovation (\$980,000)
3. Worcester Department of Public Works – Crompton Park Renovation (\$750,000)
4. City of Worcester – Stearns Tavern Relocation / Historic Preservation (\$150,000)
5. Friendly House – 87 Elm Street Heating System (\$80,000)
6. South Worcester Neighborhood Center – Green Island Heating System Conversion (\$80,000)
7. Pernet Family Health Center – Public Facility Improvements (\$40,000)
8. Family Health Center – Dental Operator Chairs (\$80,000)
9. City of Worcester – ADA Improvements City Hall Elevators (\$110,000)

Please Note: The allocation amounts provided above are based upon estimates and are subject to change once formal bids are received. Final allocation amounts will be subject to 2 CFR 200.00 et. seq. (entitled “Uniform Administrative Requirements for Federal Awards”) for requirements formerly set forth in O.M.B. Circular A-122 and satisfaction of additional Community Development Block Grant (CDBG) program eligibility criteria.

SUBSTANTIAL AMENDMENT TO THE FISCAL YEAR 2015-2016 ACTION PLAN:

CDBG REPROGRAMMING

INTRODUCTION

The City of Worcester Fiscal Year 2015-16 Annual Action Plan was submitted to the U.S. Department of Housing and Urban Development (HUD) on June 27, 2015 and received preliminary approval on August 18, 2015. HUD Region I recommended the City begin its substantial amendment process prior to Congressional Release (CR) as the program year started on July 1, 2015. The proposed amendment stems from the City's resolution and official closeout of its Office of Inspector General (OIG) audit, which began in October of 2012.

The original audit figures identified ineligible / unsupported activities totaled \$6,490,212.00. Due to the efforts of EOED staff, local organizations that received funding over the three year period of the audit, and the HUD Offices, the City was able to reduce the financial exposure by \$3,509,020.00, leaving a final OIG audit exposure of \$2,981,192.00. However, during the audit resolution period, EOED staff and HUD identified additional activities in the amount of \$436,975.00 that were deemed as non-compliant and would require a future repayment. Due to the identification of these additional items, the City elected to include the additional financial exposure amount into the overall repayment. The final repayment figure agreed upon by the City, HUD Region I, and the OIG is \$3,418,167.00. The City has repaid HUD and closed the audit officially, and Treasury has returned the full amount of the audit repayment to the City of Worcester's line of credit, which means the city has an additional \$3,418,167.00 in CDBG funding to reallocate. The City respectfully submits this substantial amendment for your review and consideration.

Title 24 Section 91.505 of the Code of Federal Regulations stipulates that participating jurisdictions shall amend their approved plans whenever they make one of the following decisions:

1. To make a change in its allocation priorities or a change in the method of distribution of funds;
2. To carry out an activity, using funds from any program covered by the Consolidated Plan (including program income) not previously described in the action plan; or
3. To change the purpose, scope, location, or beneficiaries of an activity.

The Regulation (CFR 91.505) further requires that jurisdictions identify in their citizen participation plans the criteria they will use for determining what constitutes a substantial amendment. Consistent with these requirements, the Citizen Participation Plan adopted by the City of Worcester as a component of its 2015 – 2020 Consolidated Five Year Plan identifies three criteria that will require a substantial amendment:

The Executive Office of Economic Development (EOED) will amend the City of Worcester Five-Year Consolidated Submission for Community Planning and Development whenever it makes one of the following changes:

1. To make a change in its allocation priorities or a change in the method of distribution of funds;

2. To carry out an activity, using funds from any program covered by the consolidated plan (including program income), not previously described in the action plan; or
3. To change the purpose, scope, location, or beneficiaries of an activity.

CITIZEN PARTICIPATION

In accordance with 24 CFR 91.105(c)(3) for local governments, the draft, proposed substantial amendment items were included in a Public Notice for the use of CDBG funds that was released for citizen review and comments on September 6, 2015 in the Worcester Telegram & Gazette. During the 30-day public comment period from September 7, 2015 through October 6, 2015 a Draft Substantial Amendment document, herein included, is also made available during regular business hours between 8:30 a.m. and 5:00 p.m., Monday through Friday at one or more of the following locations:

1. Neighborhood Development Division, 455 Main Street, 4th Floor, City Hall, Worcester, MA 01608.
2. The City of Worcester website, Neighborhood Development Division documents page

The City of Worcester Executive Office of Economic Development (EOED) – Neighborhood Development Division will hold a public hearing on Wednesday, September 23, 2015, at 5:30 p.m., in the Levi Lincoln Conference Room, 455 Main Street 3rd Floor, Worcester, MA 01608.

A description of the proposed activities and projects and their proposed allocation dollar amounts is included below and in Attachment 1.

PROPOSED ACTIVITY AMENDMENTS

The proposed amendments will allow the city to fund nine (9) CDBG eligible activities utilizing repayment funds resulting from the Office of Inspector General (OIG) audit.

1. Worcester Fire Department – This activity will allow the Worcester Fire Department to purchase a new fire truck that will be used to protect and serve all the neighborhoods of the city and its residents. The latest U.S. Census data shows that 58.4% of the southern section of the City of Worcester to be largely served by the fire truck is comprised of low- to moderate income residents and 56% of the entire city, which will also be serviced by the truck, consists of low- to moderate income residents.

The purchase of a new engine company will result in a critical improvement of the Fire Department's existing engine fleet. The apparatus to be replaced is Engine 15. This is a 1993 KME engine with over 101,000 miles and a considerable amount of wear throughout the apparatus, including major engine work completed two years ago. This engine averages over 1,600 calls per year, consisting of fire, ems and other emergency responses. It serves an area of the city made up of low and medium income households, including a large apartment complex of federally-subsidized housing. Also in the neighborhood are a large amount of three-decker's and other wood frame-type structures.

The new engine will be a 2015 E-1 Cyclone 2 model, custom built pumper with a 450 horse power Cummins ISX12 engine and EVS4000 transmission. It will be equipped with a Hale Qmax 1000-2500 GPM (gallons per minute) single stage pump (rating of 1500 GPM). The truck will be equipped with a 500 gallon water tank and a 30 gallon integral foam tank. It will also be equipped with hose, ground ladders, and other essential tools commonly found on fire engines in the City.

2. Worcester DPW / Parks - Castle Park - The City of Worcester will use CDBG funds for the improvement of Castle Park in the Main South neighborhood of Worcester. Funding will result in the renovation of existing basketball and tennis courts into full-court basketball courts, the installation of an ADA accessible walkway and access way, new sports lighting and pedestrian lighting, landscaping and fencing, new seating areas, renovation of the street entrance, upgrading electrical service, and other site amenities. The project will help reinvigorate Castle Park by providing safe active and passive recreation areas, preserving and enhancing the site's natural features, and creating a positive neighborhood identity.
3. Worcester DPW / Parks – Crompton Park - The City of Worcester will use CDBG funds to renovate Crompton Park in accordance with the Crompton Park Master Plan. The project is designed to meet the recreational needs of the surrounding Green Island neighborhood, Worcester residents at large, and a variety of other community organizations. Funding will result in the installation of new tennis courts and handball courts, a new parking area, lighting system upgrades, storm drainage systems and other utility system improvements, site entrance improvements, new park pathways and pavement areas surrounding the Community Center, new park furnishings and landscaping, and other related park improvements.
4. The City of Worcester – Stearns Tavern Historic Preservation – The City of Worcester in cooperation with Preservation Worcester and other partners has been preparing a strategy for re-use of a building built in the very early 1800's and is listed on the National Historic Register. Our objective is to be a model throughout the state of Massachusetts and even New England by

addressing the needs of an underserved handicapped population, while also preserving a historic structure. The city has applied for a grant that would develop a state-of-the-art Multi-Generational Park and Universally Accessible Playground around the shores of Coes Reservoir at the site of the former Coes Knife Factory- now a city-owned park. To enhance the park and playground, the City is working to re-locate the historic Stearns Tavern and contract with the Seven Hills Foundation, a local organization with a mission to provide programming on a year-round basis for people with any type of disability enabling these citizens to interact and learn alongside able bodied populations in an enjoyable, learning environment. The collective goal is to separate an addition that was built in 1974 from the historic portion of the building and move it to the new site at 72 Coes St. The intention is to bid the actual move of the building following the regulations detailed in an approval letter to the city from the Mass Historical Commission in concert with Preservation Worcester. Other organizations are providing us site drawings and the construction of a new foundation at no cost to the city. CDBG funds will be used to cover all expenses associated with the relocation, minus a new foundation, which is being donated.

5. Public Facility Energy Efficiency Upgrades - Friendly House, Inc. - 87 Elm Street, Worcester was originally a large single family Victorian era home, now owned and operated by Friendly House, Inc. as a transitional housing facility for Worcester families experiencing a temporary homeless situation. Some of the homeless families aren't eligible for state supported shelter and the facility serves as a safety net for families that otherwise would be living in their cars or on the streets. The property has 13 bedrooms occupied by up to 13 families, which may be as many as 50 individuals, at any point in time. The current heating system is over 30 years old and the boiler is anticipated to fail. CDBG financial support will cover the replacement of the entire heating system with a new high energy efficient gas fired boiler and forced hot water baseboard. To guarantee compliance with 2 CFR 200.00 et. seq. (entitled "Uniform Administrative Requirements for Federal Awards") for requirements formerly set forth in O.M.B. Circular A-122, each prospective Subrecipient will be required to obtain a professionally developed, detailed scope of work.
6. Public Facility Energy Efficiency Upgrades – South Worcester Neighborhood Corporation (SWNIC) - The City of Worcester will work with SWNIC to make energy efficiency improvements to their facility. The facility at Green Island is a neighborhood center operating within an extremely low-mod area. The agency receives public service funding, and a number of their programs operate within this facility. Improvements will involve the replacement of the existing heating system with a new energy efficient heating system. To guarantee compliance with 2 CFR 200.00 et. seq. (entitled "Uniform Administrative Requirements for Federal Awards") for requirements formerly set forth in O.M.B. Circular A-122, each prospective Subrecipient will be required to obtain a professionally developed, detailed scope of work.
7. Pernet Family Health Service of Worcester, Inc., which provides community health services to the low-mod population of the City, will use CDBG funds to improve the safety of its facilities at 237 and 243 Millbury Street, Worcester MA. Proposed improvements include installation of new fencing around its property, installing an exterior video security system with an interior monitoring system, installation of new key or card entry locks on the second and third floor doorways, repair of a failing porch roof and exterior painting.

8. The Family Health Center of Worcester (FHCW) will use CDBG funds for the purchase & installation of four (4) Dental Operatory Chairs at their dental facility located within the FHCW at 26 Queen Street, Worcester, MA. Each operatory chair is a complete ensemble, state of the art model that meets all health care requirements (including being able to lift patients of up to 500 lbs.) and must be installed by trained specialist technicians. The ensembles include delivery system, lights, stools, cuspidor, ultrasonic scaler, wireless curing light, intraoral camera, x-ray imager, power drills, connections for water and electronics.

In calendar year 2015, FHCW's dental department provided comprehensive family dental care for approximately 6,500 local, low- and moderate-income residents (20,600 dental visits).

Emergency dental services have increased 25% since 2011. These are individuals in pain, often suffering from multiple infections and other serious conditions that require immediate treatment. Among patients with complex medical needs who require access to dental care are more than 1,900 patients with diabetes, 600 pregnant women, 200 persons living with HIV/AIDS, 453 homeless individuals, 355 individuals with heart disease, and 3,281 patients with hypertension.

The FHCW is committed to serve low- and moderate-income patients who cannot afford the costs of private dental services using a federal sliding fee scale through which individuals living under 100% of poverty are not required to pay, and those of between 100%-200% of poverty receive services on a reduced fee scale. More than 97.5% of FHCW's dental patients live at or below 100% of federal poverty. All patients receive treatment at FHCW regardless of ability to pay. Private dental care is unaffordable for low-income and Medicaid patients who have turned to health centers and hospital clinics for low-cost care.

9. City of Worcester – City Hall Elevator (ADA Compliance) – This project will involve a complete upgrade of all elevator components except for the cab itself: motors, controls, drive, etc. The project will also involve installation of a sensor as part of the controls that will help prevent those in wheelchairs from getting stuck between closing doors. This activity will allow City Hall to be in full compliance with ADA / mobility barrier removal requirements and was the justification for allowing CDBG funds to be spent within a “*building or portions thereof, used for the general conduct of government*”.

Contracts will be executed once formal scopes of work have been reviewed and determined to be cost reasonable per 2 CFR 200.00 et. seq. (entitled “Uniform Administrative Requirements for Federal Awards”) for requirements formerly set forth in O.M.B. Circular A-122 and satisfaction of additional Community Development Block Grant (CDBG) program eligibility criteria and appropriate Environmental Reviews have been completed per 24 CFR Part 58.

Attachment 1: Proposed CDBG Program Funding Reallocation

2015 – 2016 CDBG Program Funding Reallocation

2014-2015 Project Name	Original Year 41 Funding Allocation	New Allocation
Worcester Fire Department - Fire Truck	\$0	\$500,000.00
Worcester DPW – Castle Park	\$0	\$980,000.00
Worcester DPW – Crompton Park	\$0	\$750,000.00
Family Health Center – Dental Chairs	\$0	\$80,000.00
SWNIC – GI Heating System	\$0	\$80,000.00
Friendly House – Heating System	\$0	\$80,000.00
Stearns Tavern Relocation	\$0	\$150,000.00
City Hall Elevator – ADA	\$0	\$110,000.00
Pernet Family Health – PF Rehab	\$0	\$40,000.00