



City of Cambridge

Executive Department

YI-AN HUANG
City Manager

CMA 2025 #135
IN CITY COUNCIL
June 2, 2025

To the Honorable, the City Council:

I am hereby requesting the establishment of a Federal Grant Stabilization Fund.

Every year, the City relies on millions of dollars in federal funding, through various grants, to help support organizations, staffing, and resources focused on programs and services for the most vulnerable members of our community, particularly in the areas of homelessness and housing stabilization; food insecurity; heating fuel assistance; and mental health services.

In recent months, there has been an unprecedented level of uncertainty regarding current and future federal funding which directly impacts many programs in these areas.

There is growing concern that some of the conditions that may be placed on current and future federal funding will be dramatically inconsistent with City policies and values and therefore inhibit the City's ability to move forward with funding agreements.

In addition, the upcoming federal budget, which is still being finalized, could potentially include significant cuts to social service programs and funding, and will have significant impacts at both the state and local levels.

Some federal actions and policies are already manifesting in negative ways that also highlight the City's vulnerabilities. Staffing and resources have been cut or eliminated at key federal agencies, and grant and research funding to major institutions has been frozen or canceled.

The City is working to amend the timing and length of some contracts with service providers in light of significant potential funding cuts. The City is also exploring various litigation options regarding the conditions which have been placed on some federal grants.

Considering these developments, I believe that leveraging the City's relatively strong overall financial position to create a Stabilization Fund is an important step to help begin to address the growing uncertainty and potential financial impacts of unpredictable decisions and hostile policies at the federal level.

Any funds appropriated to the Federal Grant Stabilization Fund will be expended to help address the funding gaps resulting from the actual or anticipated loss of federal funding for programs and services that benefit the most vulnerable Cambridge residents.

In the months ahead, as we get a better understanding of the City's exposure and financial gaps, we will continue to communicate with the City Council on how to prioritize and allocate funding from the Stabilization Fund.



A handwritten signature in black ink, appearing to read 'Yi-An H' followed by a stylized flourish.

Yi-An Huang
City Manager



City of Cambridge

Agenda Item Number 4
IN CITY COUNCIL
June 2, 2025

IN CITY COUNCIL AN ORDER ESTABLISHING A FEDERAL GRANT STABILIZATION FUND

BE IT ORDERED, BY THE CITY COUNCIL OF THE CITY OF CAMBRIDGE
AS FOLLOWS:

That in accordance with the provisions of Chapter 40, Section 5B of the General Laws, there is hereby established a stabilization fund, which shall be known as the Federal Grant Stabilization Fund. Funds appropriated to and held by the Federal Grant Stabilization Fund, including any interest earnings thereon, shall be available to be expended to help address the funding gaps resulting from the actual or anticipated loss of federal or state funding for programs and services that benefit the most vulnerable Cambridge residents.