



www.cityofmalden.org

Gary Christenson, Mayor

September 18, 2025

Malden City Council
215 Pleasant Street
Malden, MA 02148

Dear Members of the City Council:

The City of Malden is seeking a Section 108 loan in the amount of \$1.5M for the second, vertical construction phase of the Malden River Works project.

This second phase of work will include the construction of a boat house in the Malden River Works park and a salt shed in the DPW yard. This construction will cost an estimated \$4.1M. We are planning for approximately \$1.1M of the project's existing grant funding to go towards this phase. We are also pursuing other funding sources, including Bayrd Foundation funding and a grant through the State's Office of Coastal Zone Management, though neither of these funding sources is confirmed as of now.

As you may know, the Section 108 loan program is a federal program through the U.S. Department of Housing and Urban Development (HUD). Cities like ours can borrow up to five times our annual Community Development Block Grant (CDBG) entitlement award, less our outstanding commitments and balances, which in our case comes to \$3.2M. Previous Section 108 loans include Roosevelt Park, 2018 road repairs, the Senior Center and the Mayor's Housing Task Force (now the Problem Property Unit). As with previous Section 108 loans, principal and interest would be paid over 15 years using CDBG funds. Your authorization of this borrowing will allow us to proceed in applying for the loan, which will bring us closer to determining likely principal and interest payments.

As you also know, the Malden River Works project will be impactful on multiple levels. The project not only creates access to one of Malden's greatest natural resources, the Malden River, but it also addresses critical flooding issues and needed improvements in the DPW yard. Boathouse construction is particularly necessary to support Malden High School's popular rowing team, and salt shed construction is necessary to prevent winter rock salt runoff into the Malden River. The entire project has broad community support, thanks to its active and motivated steering committee.

Please let me know if you need any additional information and thank you for your attention to this matter.

Sincerely,

GARY CHRISTENSON
Mayor, City of Malden