

CITY OF SALEM

~ ONE-YEAR ACTION PLAN ~
(YEAR 2 OF 5 OF THE 5-YEAR CONSOLIDATED PLAN)



JULY 1, 2016 – JUNE 30, 2017

FISCAL YEAR 2017
(HUD 2016 FUNDS)

MAY 11, 2016

Kimberley Driscoll
Mayor

Lynn Goonin Duncan, AICP
Director of Planning & Community Development

Kathleen Winn
Deputy Director of Planning & Community Development

Jane A. Guy
Assistant Community Development Director

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Introduction

The Federal funding that Salem will receive for FY17 includes \$995,257 in CDBG funds, an estimated \$101,172 in HOME funds and a projected \$112,500 in program income. Total proposed expenditures based on current estimates of funding to be available are \$1,208,929.

Many activities leverage funding from other sources to maximize the impact of the federal dollars the city receives. Together, these resources fund a wide range of activities designed to develop and maintain affordable housing, improve neighborhood public facilities, provide economic opportunities, improve access for people with disabilities, provide critical public services, assist people who are homeless, and prevent homelessness. The City bases its funding allocations on needs identified, proposed activities and accomplishments to meet those needs and estimated funding needed to reach the goals and accomplishment levels.

CDBG 101: What Can Be Funded?

Although CDBG funds can be used for many types of housing, community and economic development activities, some restrictions apply. CDBG funds must be used for an eligible activity, must address at least one of three “national objectives” set by Congress, and a majority of the funds must be spent on activities that benefit very low, low or moderate income people.

National Objectives

- **Benefit to very low, low and moderate income persons**
 - Activities that serve a “limited clientele”
 - Limited clientele refers to certain populations presumed by HUD to have very low, low or moderate incomes: abused children, battered spouses, elderly persons, severely disabled adults, homeless persons, illiterate persons, persons living with AIDS and migrant farm workers
 - Serving people with incomes below the very low, low or moderate income threshold (see “Income Limits” below)
 - Area benefit activities
 - Activity conducted in a service area that is primarily residential, and at least 51% of the residents have very low, low or moderate incomes (see Map in Appendix). The activity must meet the needs of very low, low and moderate income persons.
 - Job creation or retention activities
 - At least 51% of the jobs created or retained must be available to and held by very low, low or moderate income people
- **Aid in the prevention or elimination of slums or blight**
 - Area Basis - Must be a formally designated area (i.e. Salem’s downtown)
 - Spot Basis – Only a limited set of activities qualify
 - Urban Renewal Area
- **Meet a need having a particular urgency**
 - Recent emergency conditions only, posing an immediate threat to health or welfare of community and no other funding is available

Eligible Activities

CDBG funds may be used for a variety of activities. In general, the activities fall into these categories:

- Anti-Crime Programs
- Economic Development
- Homeless & HIV/Aids Programs
- Housing
- Infrastructure
- Planning & Administration
- Public Facilities
- Public Services
- Senior Programs
- Youth Programs

What Does “Very Low, Low or Moderate Income” Mean?

Each year HUD publishes “income limits” that define very low, low and moderate income levels used in several housing and community development programs. The income limits are determined by household size and the median incomes in a particular area¹. Below are the income limits in effect for Salem as of March, 2016.

Income Limits								
Household Size	ONE	TWO	THREE	FOUR	FIVE	SIX	SEVEN	EIGHT
MODERATE (80% of Median)	51,150	58,450	65,750	73,050	78,900	84,750	90,600	96,450
LOW (50% of Median)	34,350	39,250	44,150	49,050	53,000	56,900	60,850	64,750
VERY LOW (30% of Median)	20,650	23,600	26,550	29,450	31,850	34,200	36,730	40,890

¹ Salem's median income is \$98,100

FY17 Action Plan Summary of Proposed Activities

The following section describes the activities proposed for FY17 in the categories of Affordable Housing, Economic Development, Neighborhood Improvements, Public Services and Planning & Administration that will be undertaken with CDBG and/or HOME funds. The activities listed are a combination of those managed by the city and by community organizations.

Typically, the City identifies activities to be funded from a specific year's resources, but for some projects, such as multi-year funding commitments or construction projects, the activity may be completed in the following fiscal year or undertaken over several fiscal years. It is not uncommon for the City to have projects that are ongoing from a previous fiscal year.

FY17 Affordable Housing Activities

- **Housing Rehabilitation Loan Program**

The *Housing Rehabilitation Loan Program* provides technical and financial assistance to help homeowners make needed improvements to their properties. The program's primary objectives are the elimination of lead paint, hazardous health and safety conditions, code violations, and barriers to accessibility. The program rehabilitates owner-occupied single and multi-family properties, which also creates and/or improves rental opportunities. As requested by residents to address the issue of substandard rental housing, this program also addresses building code violations and health and safety issues in investor-owned properties with preference to locations in low to moderate income neighborhoods. Upon completion of the rehabilitation, and for at least 15 years thereafter, all rental units assisted with federal funding will be restricted to affordable rents.²

Projected Accomplishments: 2 Housing Units Rehabbed

Proposed Funding: \$35,000 CDBG; \$43,137 HOME

This activity will also use carried over funding from FY16 (for additional units)



40 Ward Street is slated for acquisition and rehabilitation into affordable units by North Shore CDC. Photo courtesy of Google.

- **First-Time Homebuyer Downpayment Assistance Loan Program**

The *First-Time Homebuyer Downpayment Assistance Loan Program* provides 0 percent interest, deferred-payment loans to households that wish to purchase a home in the City of Salem. The loan is deferred, as long as ownership of the property is not sold, transferred or refinanced. This program provides renters with the opportunity to become homeowners, while potentially freeing up a rental unit for another family.

Projected Accomplishments: 5 Households Assisted

Proposed Funding: \$40,000 CDBG

² Rents are established by HUD annually.

- **Rental Assistance Programs**

The *Rental Downpayment Assistance Program*, administered through local social service agencies, provides assistance to low- and very low-income Salem residents to help pay first and last month's rents and security deposits to enable them to obtain decent housing or to help subsidized rents on a temporary basis for families escaping violence.

Projected Accomplishments: 41 Households assisted

Proposed Funding: \$55,000 HOME

- **Affordable Housing Development**

Pool of funds for when opportunities arise for pre-development, acquisition and/or rehabilitation of affordable housing units (at or below 80% of AMI) by non-profit housing developers and/or CHDO's.

Projected Accomplishments: Several projects are currently in the pipeline. It is anticipated that 64 housing units will be completed in FY17.

Proposed Funding: \$75,000 CDBG (for a minimum of 2 units for affordable housing as yet to be determined); Carried over HOME funding from FY16 will also be used for specific development projects.

- **Rehabilitation Administration**

Provides for the administration costs necessary to manage our rehabilitation programs, including inspectional services, mortgage filings, salary, benefits and non-salary expenses.

Proposed Funding: \$92,000 CDBG; \$3,035 HOME

Fiscal Year 2017 Economic Development Activities

- **Small Business Financial Assistance Programs**

The City provides financial assistance to local business owners through its *Business Loan Program* and *Storefront Improvement Program*, which are operated out of a funding pool.

The *Salem Business Loan Program* works to expand financing opportunities for local entrepreneurs, while creating jobs for low- and moderate-income individuals and revitalizing the city's downtown and income-eligible neighborhoods. The program provides low-interest loans to qualified entrepreneurs to cover the gap between the amount of financing needed for an economic development project and the amount that conventional lenders can finance. Funds are available for acquisition, construction, or rehabilitation of real property and for financing related to the purchase of equipment, fixtures, inventory, leasehold improvements and working capital. Terms/conditions of the loans vary.

The *Storefront Improvement Program* – Designed to encourage private investment and reinvestment by new and existing property/business owners in eligible commercial districts, the program allows a one-to-one match for façade improvements. The match from the city is up to \$5,000 for each storefront.

Projected Accomplishments: 2 business assisted, minimum of 2 jobs created

Proposed Funding: \$36,600. This activity may also use carried over funding from FY16.



Ribbon Cutting at Bonchon

- **Business Technical Assistance**

The City helps to coordinate and fund technical assistance services to local business owners. In FY17, the City will continue to fund the Salem *Main Streets Downtown Program*. The goal of the Program is to assist in the revitalization of downtown Salem as a vibrant year-round retail, dining and cultural destination through business recruitment, retention and promotion. Main Streets works with entrepreneurs and business owners to secure needed resources and navigate approval processes. Main Streets also works to improve the downtown business climate in support of additional economic development. The Enterprise Center's Microenterprise Program will create a small business "Tuesday" in the Point Neighborhood one day a week for drop-in and scheduled appointments with bi-lingual staff. The program will provide business counseling workshops, one-on-one sessions, and monthly networking breakfasts for primarily micro-enterprise businesses. Technical assistance is also provided to new and existing businesses by the City's Economic Development Planner, who administers the City's financial assistance programs and provides administration to the Salem Redevelopment Authority, which has approval authority over projects occurring in the Downtown Urban Renewal Area (slum/blight area).

Projected Accomplishments: 22 microenterprise owners/potential owners assisted, min. 5 jobs created

Proposed Funding: \$150,400

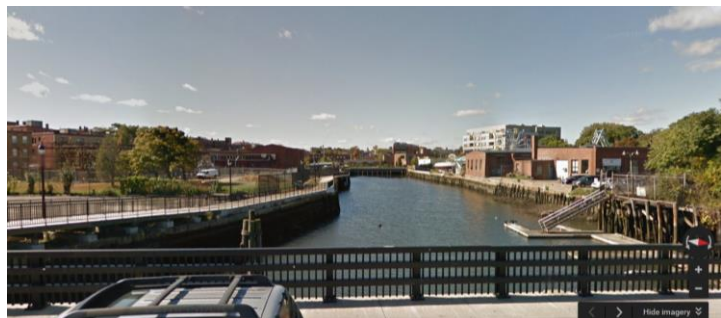
Fiscal Year 2017 Neighborhood Improvement Activities

- **Point Neighborhood Flood Prevention Improvements**

Installation of 90 catch basin inlet trash guards in existing catch basins that do not have sumps. This will prevent floatable trash from entering and clogging downstream piping, which can result in flooding in the Point Neighborhood and/or pollution to Salem Harbor.

Projected Accomplishments: Installation of 90 catch basin inlet trash guards.

Proposed Funding: \$115,500



The City will look at various locations in the downtown for consideration of public art projects.

- **Point Neighborhood Improvements**

Various improvements to infrastructure and/or parks and playgrounds (i.e. Palmer Cove, MaryJane Lee, Peabody Street and/or Lafayette Parks/Playgrounds).

Projected Accomplishments: Various infrastructure improvements

Proposed Funding: \$65,000. This activity may also use carried over funds from FY16.

- **Park/playground Improvements**

Various improvements to parks in eligible neighborhoods (i.e. McGlew Park).

Projected Accomplishments: Various infrastructure improvements

Proposed Funding: \$41,000. This activity may also use carried over funds from FY16.

- **Point Neighborhood Teen Resource Center**

Purchase of new furnace and other required improvements to structure.

Proposed Funding: \$7,500

- **Downtown Improvements**

Undertake infrastructure improvements to support Salem's slum/blight area (downtown) and complement ongoing Economic Development activities. Projects may include street & sidewalk improvements, pedestrian circulation, safety and aesthetics, accessibility improvements, tree planting, trash receptacles, traffic improvements, lighting, signage and open space improvements, as well as improvements to public facilities and public infrastructure. The City will also look at various locations in the downtown for consideration of public art projects.

Proposed Funding: \$50,000

- **Neighborhood Street and Sidewalk Improvements/Tree Planting**

The City's *Street Improvement Program* funds the repaving of streets, installation of curb cuts/crosswalks, replacement of sidewalks and planting of street trees in eligible neighborhoods.

Proposed Funding: \$5,000

The Neighborhood Improvement category will also include \$7,594 for program delivery costs.

Fiscal Year 2017 Social Services Activities

- **Community Support Services**

This program provides grants to nonprofit agencies for social service programs that assist homeless individuals and families, as well as low- and moderate-income Salem residents in need. Funded programs are selected through a competitive Request for Proposal process.

Proposed Accomplishments: Grants for approximately 24 social service agency programs to assist an estimated 8,600 persons.

Proposed Funding: \$166,163



Photo courtesy of North Shore Community Development Coalition

Fiscal Year 2017 Social Services Funding Proposals Received:

Located within or steps from the Point Neighborhood:

- Catholic Charities - Homeless Prevention Program
- HAWC - Emergency Shelter Children's Services
- HAWC - Homeless Prevention Program
- Independent Living Center of the North Shore and Cape Ann, Inc. - Housing Assistance Services
- North Shore CDC - Family Resource Center
- Salem Community Child Care – Kindergarten Afterschool Program

- Salem Police Department - Point Targeted Patrols
- VOCES - Hispanic Education Program

Located in Downtown Salem:

- Lifebridge - Medical & Outreach Supportive Services
- Leap for Education - College Ready Program
- Salem YMCA - Afterschool Program

Located within Salem:

- Aspire Developmental Services, Inc. (formerly Cerebral Palsy Association of Eastern Mass., Inc. - North Shore Infant & Toddler Program
- Boys & Girls Club of Greater Salem - Power Hour
- Eastgate Christian Fellowship - Joseph's Storehouse Food Pantry
- Inversant (@ Salem High School) – Salem Families College Savings Program
- Salem Council on Aging - Senior Transportation Program
- Salem Council on Aging –Art Program for Senior Citizens
- Salem Park, Recreation & Community Services – Playground Instructors
- The North Shore Moving Market – Food Delivery for Elderly, Disabled and Disadvantage
- The Salvation Army - Homeless Prevention Program
- Wellspring House - MediClerk Job Training Program

Located outside Salem (but available to Salem residents):

- Haven From Hunger - Food Pantry Program
- North Shore Community Action Programs, Inc. - Homeless Prevention Program
- 1647 c/o National Center on Time & Learning – Teacher Home Visits & Family Engagement

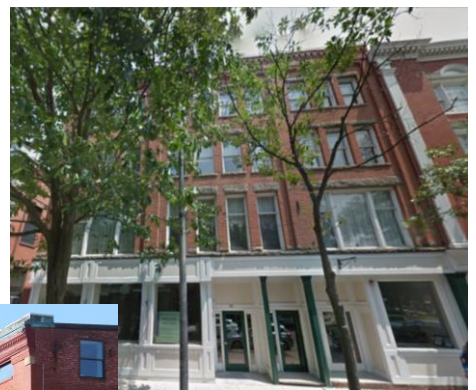
Fiscal Year 2017 Planning & Administration Activities

• General Program Administration

This activity provides for the necessary general administration costs of the CDBG program oversight and coordination. It also includes the development of plans and studies and the provision of public information. General administration costs are capped at 20 percent of the available CDBG funds.

Proposed Funding: \$221,000 (salary, benefits, non-salary expenses, studies). This includes funds required to match grant funds being provided by Massachusetts Historical Commission to undertake the Downtown Salem Cultural Resource Survey Update project.

The City has been awarded a Massachusetts Historical Commission matching grant for a downtown historic resource survey. Photos: NPCA & Google



Ongoing Activities

While a number of activities take place entirely in one fiscal year, the City undertakes projects of a larger size, scope or complexity as multi-year projects. The chart below provides a list of ongoing activities and those that will likely continue into FY17.

Project	Description
Economic Development Programs	Programs include Business Loans, Neighborhood Storefront Improvements. Business Technical Assistance and Salem Main Streets Initiative.
Housing Programs	Included are First-Time Homebuyers Downpayment Assistance Program, Housing Rehabilitation Loan Program and Affordable Housing Programs.
Point Neighborhood Park & Playground Improvements	Various improvements to Palmer Cove, Peabody Street and/or Lafayette Parks/Playgrounds.
Neighborhood Street & Sidewalk Improvements	Repaving of streets, installation of curb cuts/crosswalks, and replacement of sidewalks in eligible neighborhoods.
Salem Council on Aging	Ongoing Improvements
Neighborhood Historic Signs	Replacing existing or installing new sign panels in eligible neighborhoods.
Point Neighborhood Visioning Project	Improvements per the Point Neighborhood Visioning Action Plan will be implemented (i.e. lighting, basketball court, signage, benches).
Downtown Improvements	Infrastructure improvements to enhance pedestrian circulation, public art, safety and aesthetics.
McGlew Park	Improvements to park (will also use FY16 funds).
MaryJane Lee Park Improvements	Improvements to park/playground.
Boston Street Neighborhood Improvements	Infrastructure improvements.
Tree Planting	Tree planting in eligible neighborhoods

Executive Summary

AP-05 Executive Summary - 91.200(c), 91.220(b)

1. Introduction

Each year, the City of Salem receives funds from the U.S. Department of Housing and Urban Development (HUD) to undertake housing and community development activities. These funds are used to undertake housing, community and economic development projects and programs that assist low- to moderate-income individuals, families and neighborhoods. In order to receive these funds, the City must prepare a Consolidated Plan every five years, as well as annual Action Plans to implement each year of the five-year plan. Together, the Consolidated Plan and the Annual Action Plans provide a record of how Salem evaluated its needs and presents a blueprint of how it will use the federal funds to be received. The Consolidated Plan establishes a vision for attaining a higher quality of life for low- and moderate-income residents and the annual Action Plan outlines specific activities that work toward accomplishing that vision. Salem's current Consolidated Plan was completed in 2015, along with the Fiscal Year 2016 Action Plan (Year 1).

This document is the City of Salem's Action Plan for Fiscal Year 2017 (Year 2). It describes the activities that the City will undertake in the next fiscal year (July 1, 2016-June 30, 2017) with Community Development Block Grant and Home Investment Partnership funds.

Community Development Block Grant (CDBG) funds are used to benefit low- and moderate-income persons or to prevent or eliminate slums or blight in Salem through a variety of community development programs. CDBG is a formula-based program designed to develop viable urban communities by providing decent housing, a suitable living environment and expanded economic opportunities for persons of low- and moderate-income.

In addition, Salem is a member of the North Shore HOME Consortium and receives an allocation of **Home Investment Partnership (HOME)** funds. HOME funds are dedicated solely for housing programs, and can be used to fund a wide range of activities that build, buy and/or rehabilitate affordable housing for rent or home ownership. The City of Salem is one of thirty member communities in the North Shore HOME Consortium.

These funds can be used for projects or programs undertaken by the City or by organizations engaged by the City.

The complete FY17 Action Plan, with cover, table of contents, introduction and appendices is located at <http://www.salem.com/sites/salemma/files/uploads/fy17actionplanfinalwsf424.pdf>.

2. Summarize the objectives and outcomes identified in the Plan

In 2006, HUD devised a means to uniformly measure accomplishments funded through its housing and community development programs. In doing so, HUD determined that activities should meet one of three specific objectives and three outcomes. They are:

Objectives

Activities must meet one of the following three objectives:

Suitable Living Environment - In general, this objective relates to activities that benefit communities, families or individuals by addressing issues in their living environment.

Decent Housing - Activities found under this objective cover the wide range of housing possible under HOME or CDBG. This objective focuses on housing programs where the purpose of the program is to meet individual family or community needs and not programs where housing is an element of a larger effort. Such programs should be reported under Suitable Living Environment.

Creating Economic Opportunities - This objective applies to economic development, commercial revitalization or job creation activities.

Outcomes

Activities must work to achieve one of three outcomes as follows:

Availability/Accessibility - This outcome category applies to activities that make services, infrastructure, public services, public facilities, housing, or shelter available or accessible to low- and moderate-income people, including persons with disabilities. In this category, accessibility does not refer only to physical barriers, but also to making the affordable basics of daily living available and accessible to low and moderate income people where they live.

Affordability - This outcome category applies to activities that provide affordability in a variety of ways in the lives of low- and moderate-income people. It can include the creation or maintenance of affordable housing, basic infrastructure hook-ups, or services such as transportation and day care.

Sustainability - Promoting Livable or Viable Communities - This outcome applies to projects where the activity or activities are aimed at improving communities or neighborhoods, helping to make them livable or viable by providing benefit to persons of low- and moderate-income or by removing or eliminating slums or blighted areas.

The table summarized the proposed projects' objectives and outcomes for FY17.

Category	Source	Objective	Outcome	# (Units, persons, etc.)
Housing				
Housing Rehabilitation Loan Program	CDBG \$35,000 ; HOME \$27,074	Decent Housing	Affordability	2 Housing Units*
First Time Homebuyer Programs	CDBG \$40,000	Decent Housing	Affordability	5 Households*
Rental Assistance Programs	HOME \$55,000	Decent Housing	Sustainability	41 Households
Affordable Housing Development	CDBG \$75,000	Decent Housing	Affordability	63 Housing Units*
Rehabilitation Administration (inspections, mortgage filings, salary, benefits, non-salary expenses)	CDBG \$92,000 ; HOME \$2,538			
Economic Development				
Business Technical Assistance	CDBG \$150,400	Creating Economic Opportunities	Availability/ Accessibility	22 Businesses; 5 Jobs
Small Business Financial Assistance Programs	CDBG \$36,600	Creating Economic Opportunities	Affordability	2 Businesses; 2 Jobs
Neighborhood Improvement Activities				
Neighborhood Street & Sidewalk Improvements/Tree Planting	CDBG \$5,000	Suitable Living Environment	Sustainability	Locations of trees to be determined
Point Neighborhood Improvements	CDBG \$65,000	Suitable Living Environment	Sustainability	Various infrastructure improvements
Park/playground Improvements (McGlew Park)	CDBG \$41,000	Suitable Living Environment	Sustainability	Various infrastructure improvements
Downtown Improvements (i.e. public art)	CDBG \$50,000	Creating Economic Opportunities	Sustainability	Infrastructure improvements
Point Neighborhood Teen Resource Center	CDBG \$7,500	Suitable Living Environment	Availability/ Accessibility	Public Facility Improvements
Point Neighborhood Flood Prevention Improvements	CDBG \$115,500	Suitable Living Environment	Sustainability	Infrastructure improvements
Program delivery (placeholder)	CDBG \$7,594			
Social Service Activities				
Community Support Services	CDBG \$166,163	Suitable Living Environment	Availability/ Accessibility	8,600 Persons
Not-Applicable to Salem's Performance Measurement				
General Program Administration (salary, benefits, non-salary expenses, planning studies & reports)	CDBG \$221,000			

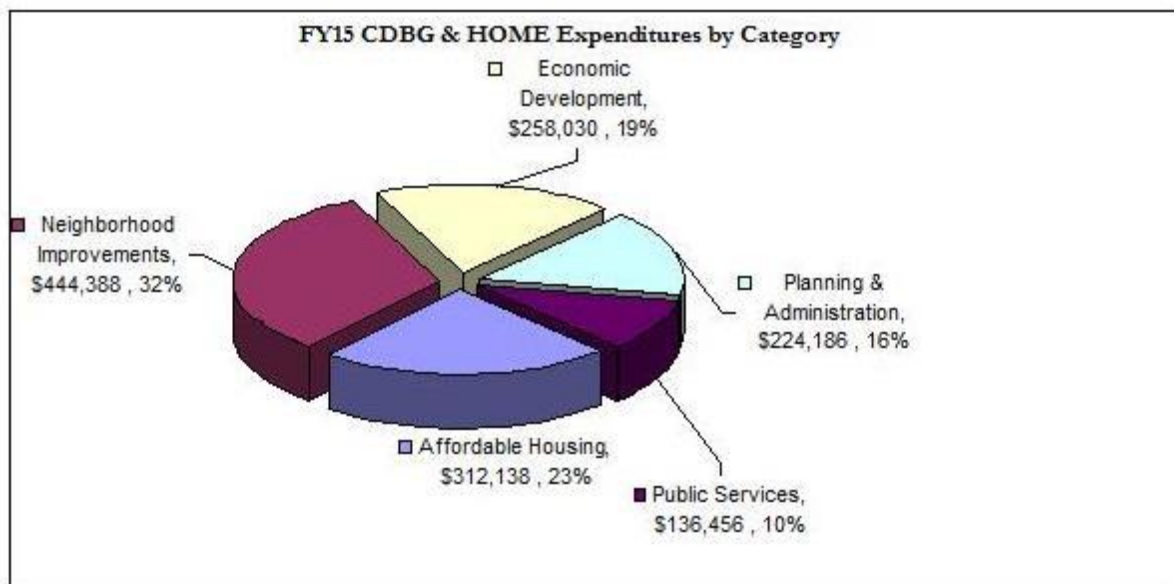
*Activities may also use carried over funds to complete or add to noted outcomes.

3. Evaluation of past performance

During the many years of Salem's CDBG Program, the City has made significant improvements to the City's physical and social environment for its low- and moderate-income residents. The CDBG program has had a strong impact in Salem, as seen through the numerous homes rehabilitated, neighborhood facilities and infrastructure improved, businesses strengthened, jobs created and families served through our public service agencies.

The annual Consolidated Annual Performance and Evaluation Report (CAPER) provides an analysis of the accomplishments and progress the City has made toward meeting the goals and objectives laid out in its Five Year Consolidated Plan. The FY16 CAPER, for the current fiscal year, will be available by September 30, 2016. The most recent CAPER, for FY15, evaluated the fifth fiscal year of the previous 5-Year Consolidated Plan. HUD calculated that 81.45% of CDBG funds spent in FY15 directly benefited low- and moderate-income persons. The FY15 CAPER is available at the City of Salem Department of Planning and Community Development (DPCD), the Salem Public Library and on the City's website at www.salem.com.

The chart illustrates FY15 spending by category, as a percentage of overall CDBG and HOME expenditures.



FY15 CDBG & HOME Expenditures by Category

4. Summary of Citizen Participation Process and consultation process

As part of the process in developing the 2015 Consolidated Plan, public input was sought from residents, businesses, social service organizations and various stakeholders. A series of nine community meetings and focus groups were held throughout the city and targeted various neighborhoods and populations. Individual stakeholder interviews were conducted along with an online survey in English and Spanish. The result was a comprehensive strategy for the use of Salem's federal housing and community development funds for July 2015 through June 2020.

Identifying the needs of the community is an on-going process. Each year, the City holds additional public hearings and comment periods to review those goals and to make specific recommendations for programs and initiatives to be undertaken in a given year.

For the 2nd year Action Plan, citizen participation included a public hearing in January, 2016 and the collection of written comment. In order to include broad public participation, outreach to participate included an English/Spanish legal notice in the Salem News. An English/Spanish public notice was posted at City Hall and City Hall Annex, was sent to the Salem Public Library, Salem Council on Aging and the Salem Housing Authority for posting, was provided to all City Councillors, was placed on the City's website and was mailed to various social service agencies and neighborhood associations, as well as the Citizens Advisory Committee members. A press release was sent to the Salem News, Salem Gazette and other media. An English/Spanish Community Bulletin Board request was posted with Salem Access Television.

The City publicized the availability of the draft Action Plan and the date/time of the public hearing and the public comment period in several ways, targeting residents, businesses, social service organizations and civic groups. Information regarding plan availability and the upcoming comment period and public hearing was provided to those attending the Salem H.O.P.E. meeting of March 10, 2016. An English/Spanish Community Bulletin Board request was provided to Salem Access Television. An English/Spanish legal ad was published in the Salem News indicating the availability of plans and providing notice of the 30 day comment period and scheduled public hearing. English/Spanish notices were posted at City Hall and City Hall Annex and on www.salem.com. Notices were provided to the Salem Public Library, Salem Council on Aging and the Salem Housing Authority, and were mailed to several social service agencies, neighborhood associations and Citizens Advisory Committee members. The notices were also emailed to the Salem H.O.P.E. distribution list. A press release was sent to the Salem News and the Salem Gazette and other media.

Copies of the plans were provided to the Salem Housing Authority and Salem Public Library for public viewing and copies were available at the Department of Planning & Community Development. Copies of the plan were provided to the members of the Citizens Advisory Committee. The plan was made available for download on www.salem.com.

The public comment period commenced on March 23, 2016 and ends on April 22, 2016. A public hearing is to be held on April 7, 2016 at City Hall Annex. Copies of the draft plans are provided to all attendees. A Spanish translator is present. Copies of the draft plans are provided to the Salem City Council. The City Council approves submission of the Application for Federal Assistance.

Public hearing minutes are located in the Appendix.

5. Summary of public comments

On January 21, 2016 a public meeting was held for all interested persons at City offices at 120 Washington Street. Spanish translation was provided. A public participation guidebook was provided to all attendees. There were four attendees. They expressed a need for funds to assist persons in avoiding eviction, including families, single parents and women. Priority needs stated were housing (including moving expenses and incidentals), heating and emergency assistance, including short term rental assistance. Transportation, particular for disabled persons, and access to handicapped parking and door entry are issues. There is a need for curb cuts and sidewalks in specific areas, as well as locations of flooding.

The Draft Action Plan was made available for public comment from March 23, 2016 through April 22, 2016. Written comment from two persons supporting funds for the Wellspring House's MediClerk Program were received.

A public hearing was held on April 7, 2016 for all interested persons at City offices at 120 Washington Street. Spanish translation was provided. A copy of the Draft FY17 Action Plan was provided to each attendee. There were two attendees. One commenter was concerned about the cost of flood insurance now that our lowest LMI neighborhood is now considered to be in a flood zone. She also asked if funds

were set aside for emergency displacement during fire, flood or other disaster. She also asked about re-establishing the DARE Program in public schools.

Public hearing minutes are located in the Appendix.

6. Summary of comments or views not accepted and the reasons for not accepting them

All comments and views were taken into consideration in preparation of this Action Plan.

Assistance with the cost of flood insurance is not CDBG eligible. For major disasters, the City would seek disaster relief funds. For displacement, we have provided extra funds to housing agencies to provide direct assistance (i.e. temporary hotel stay and/or first/last/security) to displaced tenants. Note: In FY17, the City has set aside funds for flood prevention improvements in the Point Neighborhood.

The Police Chief and School Superintendent are working to provide education on drug/opiate issues, (i.e. during Health class 3-4 times a semester). A new Youth Services Officer will check on juveniles on probation and will be involved in the On Point program with the Plummer Home and Salem Probation. The officer will be active in elementary schools including some instruction. The Essex County Summer Day Program, in essence an extension of the DARE program, runs every summer and includes 70-100 incoming Salem fifth graders each year. They are seeking grants to fund a drug counselor and to do more in schools (i.e. follow-up visits with overdose victims, persuade victims to get into treatment and then find programs for them, empower youth to try to avoid situations that put them at risk, etc.), as well as a parents' program to teach the signs that a child may be at risk/involved and how to find treatment and support for themselves and their families.

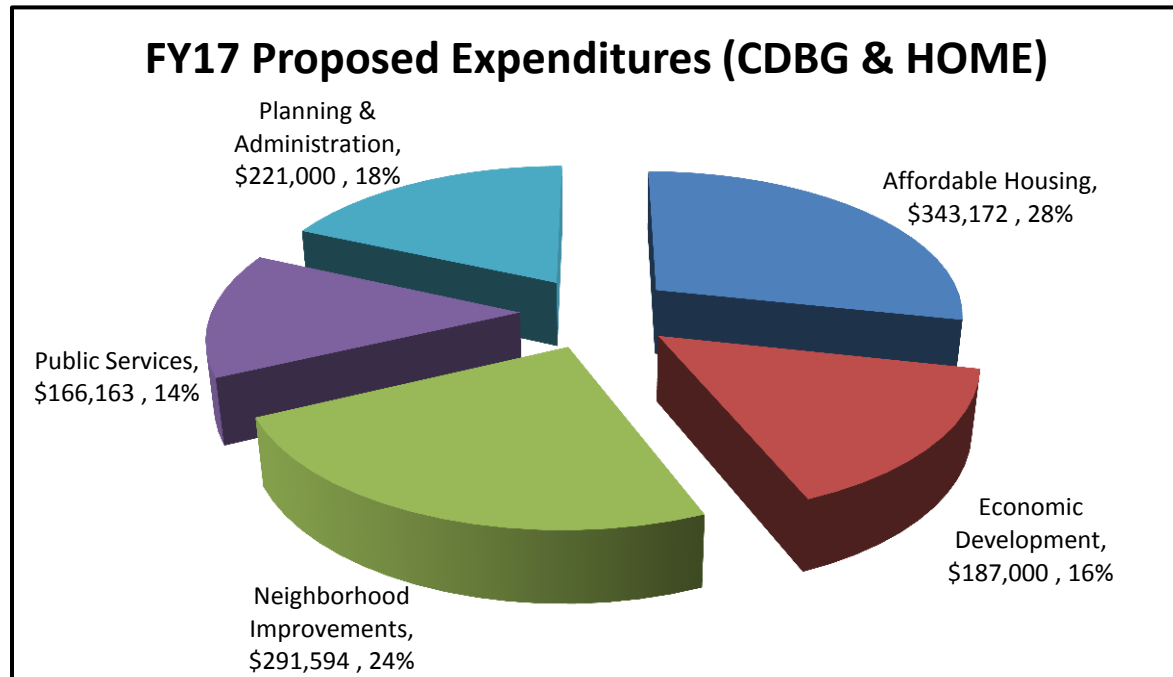
7. Summary

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Many activities leverage funding from other sources to maximize the impact of the federal dollars the city receives. Together, these resources fund a wide range of activities designed to develop and maintain affordable housing, improve neighborhood public facilities, provide economic opportunities, improve access for people with disabilities, provide critical public services, assist people who are homeless, and prevent homelessness. The City bases its funding allocations on needs identified, proposed activities and accomplishments to meet those needs and estimated funding needed to reach the goals and accomplishment levels.

The pie chart illustrates the city's proposed FY17 spending by category, as a percentage of estimated CDBG and HOME funds. It is estimated that at least 70 percent of the FY17 CDBG funding and 100 percent of the HOME funding will be used for activities that benefit persons of low- and moderate-income.

Typically, the City identifies activities to be funded from a specific year's resources, but for some projects, such as multi-year funding commitments or construction projects, the activity may be completed in the following fiscal year or undertaken over several fiscal years. It is not uncommon for the City to have projects that are ongoing from a previous fiscal year.



PR-05 Lead & Responsible Agencies - 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role		Name	Department/Agency
CDBG Administrator		SALEM	Department of Planning & Community Development

Table 1 – Responsible Agencies

Consolidated Plan Public Contact Information

For inquiries or to send written comment contact:

City of Salem

Department of Planning & Community Development

120 Washington Street

Salem, MA 01970

Att: Jane A. Guy, Assistant Community Development Director

T: 978-619-5685

E: jguy@salem.com

AP-10 Consultation - 91.100, 91.200(b), 91.215(l)

1. Introduction

The City of Salem uses CDBG funds to support specific projects and initiatives that are needed by its residents and that meet HUD's national goals and objectives. Identifying the needs of the community is an on-going process.

In 2014, the City of Salem retained Community Opportunities Group, Inc. (COG) to prepare its 5 Year Consolidated Plan (covering city Fiscal Years 2016-2020) and first year Action Plan (FY16). In developing the Consolidated Plan, a series of nine community meetings and focus groups were held throughout the city, including a public hearing. The meetings were held at the Salem Housing Authority, at neighborhood meetings within specific wards with large low- and moderate-income (LMI) populations, in the City Hall offices, at community organizations, and at Salem State University to reach broad population. The focus groups targeted persons with disabilities, housing providers, businesses and seniors. Individual stakeholder interviews were conducted with city staff, social service providers, residents, business owners, and other persons and organizations familiar with local needs.

In addition, COG interviewed and consulted with staff from provider agencies who serve Salem residents, both located in and outside of Salem. Also, an on-line survey (in Spanish and English) generated 318 responses. The purpose of this process was to obtain an understanding of the population's needs and the resources available to address the needs, as well to gain an understanding of gaps of needed programs and services. This process also served to assist the City in determining how HUD, along with other federal and state and private funds could be used most effectively. While many of the various local and regional agencies have a good awareness of the existence of other agencies and their respective programs and services, the consultation process helped to refresh inter-agency coordination.

In May, 2015, after months of public hearings and public comment, the City adopted the **Five Year Consolidated Plan**, highlighting the community development needs and goals for July 2015– June 2020. Each year, the City holds additional public hearings and comment periods to review those goals and to make specific recommendations for programs and initiatives to be undertaken in a given year. The result is the annual **Action Plan**, designed to put into action the goals and strategies established in the Consolidated Plan.

It is important to note that the Action Plan is not a budget, but rather a planning tool that outlines the priorities and activities that the City will undertake to address housing, community and economic development needs. Proposed activities must meet HUD's eligibility rules, and must be consistent with the Consolidated Plan. The City identifies estimated costs for each proposed activity included in this document. During the year, should the cost of the proposed activities change, these values can be adjusted. In addition, the City can reallocate unused funds to assist new programs that may be developed during the course of the year, or to supplement existing activities that require additional funding.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l)).

The City works cooperatively with private housing providers and private and governmental health, mental health, and service agencies and other interested parties to implement its Consolidated Plan.

The DPCD leads Salem H.O.P.E. (Human Organization Partnership Effort), a networking group of human service agencies that serves Salem residents. H.O.P.E. provides an opportunity for agencies to learn about the services being provided by other agencies in order to fill in gaps, coordinate efforts and avoid duplication of services. All human service agencies are invited to attend the quarterly Steering Committee breakfast meetings held at rotating agency locations. Through this program, agency representatives are (re-)introduced to each other and exchange information, announcements and updates.

Although the City does not currently use its CDBG funds to assist the Salem Housing Authority (SHA), the DPCD coordinates with the SHA to address the housing needs of Salem's lower-income residents. Proposed development sites or demolition or disposition of existing public housing developments must follow established regulatory procedures administered by City agencies. Some of these, such as the Board of Appeal and Planning Board have staff support from the DPCD.

The City also works with nonprofit agencies to administer social service activities. The City issues annual Requests for Proposals (RFP) for public services, housing services, and economic development funding to undertake priority programs outlined in the Consolidated Plan. Additionally, the City cooperates and coordinates with other agencies and funding sources to support specific activities. Examples of these include MassHousing's "Get the Lead Out" and Massachusetts Housing Partnership's "Soft Second Mortgage" programs.

The City of Peabody is the lead community for the North Shore HOME Consortium. Salem works with the consortium to coordinate the implementation of its HOME-funded programs. Salem also works with local CHDOs and CDCs to carry out priority activities.

The City also issues an annual RFP to municipal departments to request funding to undertake public facility and infrastructure improvements in LMI and/or slum/blight neighborhoods.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

The major homeless needs in the area are primarily serviced through the **Gloucester/Haverhill/Salem/Essex County Continuum of Care (CoC)** which is referred to locally as the North Shore **Continuum of Care Alliance**. The lead entity for the CoC is the City of Peabody, which also oversees the North Shore HOME Consortium, of which Salem is a member. Through the Consortium, the

CoC has received funds through the McKinney-Vento program. The Consortium distributes these funds directly to area organizations. Salem-based Lifebridge has been a subrecipient of these funds.

Salem's DPCD works directly with programs that participate in the North Shore CoC, including the North Shore Community Action Programs, Inc. (NSCAP), Lifebridge, and HAWC, to support and enhance programs that address at-risk and homeless families. The City relies on its CDBG funding to address homeless needs and conduct homelessness prevention activities through public social services funding. Each year, through the public services program, the City of Salem solicits proposals from nonprofit organizations for housing and community services. Through this process, the City funds various homeless programs which may include rental down payment assistance, homelessness prevention emergency assistance, medical services, outreach, and transitional housing. Salem provides NSCAP, Salvation Army, Catholic Charities and HAWC with CDBG funding for Homelessness Prevention Programs and provides HOME funding to NSCAP, HAWC and Citizens for Adequate Housing to assist households with first/last/security payments for rental housing.

NSCAP coordinates the North Shore Housing Action Group (NSHAG), which is a network of social service agencies, faith-based organizations, elected officials, and businesses who work collaboratively to address the needs of those who are homeless or at risk of becoming homeless. The network covers the 24 cities and towns of Cape Ann, southern Essex County, and the greater Lynn region. NSHAG's aim is to enhance the level of coordination and communication among providers.

In late 2014, the Mayors of Salem and Beverly joined together to create a joint task force to better understand and address the homelessness problem. The task force is co-chaired by the two mayors and includes representatives from city departments and service agencies. In February, 2015, Danvers and Peabody were invited to join the task force. The Mayors' Task Force on Homelessness proposes to analyze sub-populations of homeless people: the chronic homeless, homeless families, seniors, teens and young adults, as well as those with substance abuse, mental health and/or behavioral health issues. The group will also look at long-term needs for supportive housing, emergency shelter, day programming, and other support systems.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

No community or agency within Salem's jurisdiction receives a direct award of ESG funds..

2. Agencies, groups, organizations and others who participated in the process and consultations

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	NORTH SHORE COMMUNITY ACTION PROGRAM (NSCAP)
	Agency/Group/Organization Type	Services - Housing Services-Children Services-Elderly Persons
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	For the Consolidated Plan, Deric LePard of North Shore Community Action Program (NSCAP) was consulted via phone interview. He provided information which was incorporated into the Needs Analysis and Market Analysis. NSCAP will continue to coordinate with the city to implement strategies that provide community services. For the FY 17 Action Plan, Deric LePard was present at the Public Hearing and provided comment on current needs.
2	Agency/Group/Organization	CATHOLIC CHARITIES
	Agency/Group/Organization Type	Services - Housing Services-Children
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	For the FY 17 Action Plan, Jill Bowen was present at the Public Hearing and provided comment on current needs. She stated that having funds to help people avoid eviction is most helpful, particularly for families and single parents (women mostly).

3	Agency/Group/Organization	INDEPENDENT LIVING CENTER OF THE NORTH SHORE & CAPE ANN, INC.
	Agency/Group/Organization Type	Services-Persons with Disabilities
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	For the Consolidated Plan, Mary Margaret Moore of the Independent Living Center of the North Shore and Cape Anne participated in focus groups in the public participation process. Information provided by the organization was incorporated in the Needs Analysis and Market Analysis. For the FY 17 Action Plan, Mary Margaret Moore was present at the Public Hearing and provided comment on current needs.
4	Agency/Group/Organization	NORTH SHORE ELDER SERVICES
	Agency/Group/Organization Type	Services-Elderly Persons
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	For the FY 17 Action Plan, Lisa Orgettas was present at the Public Hearing and provided comment on current needs, which is predominantly housing and transportation. Her agency's main focus is on seniors 60+ and that they provide grant funding to the Salem Council on Aging.
5	Agency/Group/Organization	SALEM HOUSING AUTHORITY
	Agency/Group/Organization Type	PHA
	What section of the Plan was addressed by Consultation?	Public Housing Needs Market Analysis Other Actions in FY17 Action Plan

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	For the Consolidated Plan, the Salem Housing Authority was consulted via meeting and phone interview to determine the agency's most pressing needs. In addition, the SHA's Comprehensive Plan must take into account the findings of the Consolidated Plan and the City of Salem must certify that the documents are consistent. Information provided by the SHA was incorporated throughout the Consolidated Plan. For the FY 17 Action Plan, the SHA was consulted to update information provided during the Consolidated Plan process.
6	Agency/Group/Organization	NORTH SHORE COMMUNITY DEVELOPMENT COALITION
	Agency/Group/Organization Type	Housing Regional organization Planning organization Community Development
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs Market Analysis Economic Development Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	For the Consolidated Plan, the North Shore Community Development Coalition provided input through focus group meetings and interviews, and contributed data for the Needs Analysis and Market Analysis. NSCDC will continue to coordinate with the City of Salem to carry out projects in implementation of the Strategic Plan. For the FY 17 Action Plan, NSCDC was consulted to update information provided during the Consolidated Plan process.

Identify any Agency Types not consulted and provide rationale for not consulting

For the 5 Year Consolidated Plan, to the City's knowledge, it consulted with all relevant agency types. There were a few individual agencies for which contact was attempted but were unable to reach.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	City of Peabody	Salem DPCD works directly with Peabody and member agencies in implementation of the Strategic Plan to support and enhance its existing programs that address at-risk and homeless families.
North Shore HOME Consortium Consolidated Plan	City of Peabody	HOME programs overlap with affordable housing-related goals in the Consolidated Plan.
Salem Housing Authority Comprehensive Plan	Salem Housing Authority	The Salem Housing Authority seeks to address the housing needs of lower-income residents in Salem.
NSWIB 2015-2017 Strategic Plan	North Shore Workforce Investment Board, Inc.	The WIB seeks to create economic opportunities that benefit low- and moderate-income residents and align with the anti-poverty strategy of the Consolidated Plan.
Downtown Salem Retail Market Strategy & Action Pla	Salem Redevelopment Authority	The SRA seeks to create economic opportunities that benefit low- and moderate-income residents and to improve the downtown which is designated as a slum & blight area.

Table 3 - Other local / regional / federal planning efforts

Narrative

The Department of Planning and Community Development (DPCD) coordinates and communicates with other municipal departments, local and regional agencies, and public and private housing organizations. The DPCD coordinates the Salem H.O.P.E. effort and communicates regularly with subcontracted agencies delivering social services and subrecipients of federal funds. DPCD also works with the Salem Housing Authority (SHA), nonprofit organizations, and housing developers to produce affordable housing in the City. The strength of these relationships is beneficial in streamlining housing development and leveraging additional funds for projects.

AP-12 Participation - 91.401, 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

For the 2nd year Action Plan, citizen participation included a public hearing in January, 2016 and the collection of written comment. In order to include broad public participation, outreach to participate includes an English/Spanish legal notice in the Salem News and an English/Spanish notice was posted at City Hall & City Hall Annex. Notices were provided to the Salem Public Library, Salem Council on Aging and the Salem Housing Authority for posting. An English/Spanish Community Bulletin Board request was posted with Salem Access Television. Notices and a cover letter were provided to all City Councillors. A press release was sent to the Salem News and the Salem Gazette and other media. The public hearing notice was also posted to the City's website and was mailed to various social service agencies and neighborhood associations, as well as the Citizens Advisory Committee members.

The City publicized the availability of the draft Action Plan and the date/time of the public hearing and the public comment period in several ways in order to obtain broad public comment. Information regarding plan availability and the upcoming comment period and public hearing was provided to those attending the Salem H.O.P.E. meeting of March 10, 2016. An English/Spanish Community Bulletin Board request was provided to Salem Access Television. An English/Spanish legal ad was published in the Salem News indicating the availability of plans and providing notice of the 30 day comment period & scheduled public hearing. English/Spanish notices were posted at City Hall and City Hall Annex and on www.salem.com. Notices were provided to the Salem Public Library, Salem Council on Aging and the Salem Housing Authority, and were mailed to several social service agencies, neighborhood associations and Citizens Advisory Committee members. The notices were also emailed to the Salem H.O.P.E. distribution list. A press release was sent to the Salem News and the Salem Gazette and other media.

Copies of the plans were provided to the Salem Housing Authority and Salem Public Library for public viewing and copies were available at the Department of Planning & Community Development. Copies of the plan were provided to the members of the Citizens Advisory Committee. The plan was made available for download on www.salem.com.

The public comment period commenced on March 23, 2016 and ended on April 22, 2016. Written comment from two persons supporting funds for the Wellspring House's MediClerk Program was received.

A public hearing was held on April 7, 2016 at City Hall Annex. Copies of the draft plans are provided to all attendees. A Spanish translator was present. Public hearing minutes are located in the Appendix

Copies of the draft plans were provided to the Salem City Council. The City Council approved submission of the Application for Federal Assistance.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons
1	Public Meeting	<p>Non-English Speaking - Specify other language: Spanish</p> <p>Non-targeted/broad community</p> <p>City Councillors, Citizens Advisory Committee, public service agencies</p>	<p>On January 21, 2016 a public meeting was held for all interested persons at City offices at 120 Washington Street. Spanish translation was provided. A public participation guidebook was provided to all attendees. There were four attendees.</p>	<p>Need for funds to assist persons in avoiding eviction, including families, single parents and women. Priority needs include housing (including moving expenses and incidentals), heating and emergency assistance, including short term rental assistance. Transportation, particular for disabled persons, and access to handicapped parking and door entry are issues. Need for curb cuts and sidewalks in specific areas, as well as locations of flooding.</p>	<p>All comments and views were taken into consideration in preparation of this Action Plan. The City continues to provide emergency funds to help avoid eviction, provides short term rental assistance and various public service programs to assist with housing, transportation, handicapped access and public infrastructure improvements</p>
2	Newspaper Ad	<p>Non-English Speaking - Specify other language: Spanish</p> <p>Non-targeted/broad community</p> <p>City Councillors, Citizens Advisory Committee, public service agencies</p>	<p>See summary of citizen participation above for full description of newspaper ads, public notices and press releases issued - both at the start of the Action Plan process and upon availability of the Draft FY17 Action Plan.</p>	<p>Written comment from two persons supporting funds for the Wellspring House's MediClerk Program were received.</p>	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons
3	Public Meeting	<p>Non-English Speaking - Specify other language: Spanish</p> <p>Non-targeted/broad community</p> <p>City Councillors, Citizens Advisory Committee, public service agencies</p>	<p>On April 7, 2016 a public meeting was held for all interested persons at City offices at 120 Washington Street. Spanish translation was provided. A copy of the Draft Action Plan was provided to all attendees. There were two attendees.</p>	<p>One commenter was concerned about the cost of flood insurance, now that our lowest LMI neighborhood is now considered to be in a flood zone. She also asked if funds were set aside for emergency displacement during fire, flood or other disaster. She also asked about re-establishing the DARE Program in public schools.</p>	<p>All comments/views were considered in preparing this Action Plan. For major disasters, the City would seek disaster relief funds. Assistance with the cost of flood insurance is not CDBG eligible. In FY17, the City has set aside funds for flood prevention improvements in the Point Neighborhood. For displacement, we have provided extra funds to housing agencies to provide direct assistance (i.e. temporary hotel stay and/or first/last/security) to displaced tenants. The Police Chief and School Superintendent are working to provide education on drug/opiate issues, (i.e. during Health class 3-4 times a semester). A new Youth Services Officer will check on juveniles on probation and will be involved in the On Point program with the Plummer Home and Salem Probation. The officer will be active in elementary schools including some instruction. The Essex County Summer Day Program, in essence an extension of the DARE program, runs every summer and includes 70-100 incoming Salem fifth graders each year. They are seeking grants to fund a drug counselor and to do more in schools (i.e. follow-up visits with overdose victims, persuade victims to get into treatment and then find programs for them, empower youth to try to avoid situations that put them at risk, etc.), as well as a parents' program to teach the signs that a child may be at risk/involved and how to find treatment and support for themselves and their families.</p>

Table 4 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources – 91.420(b), 91.220(c) (1, 2)

Introduction

The City of Salem receives Community Development Block Grant (CDBG) funds from HUD to benefit low- and moderate-income persons or to prevent or eliminate slums or blight in Salem through a variety of community development programs. CDBG is a formula-based program designed to develop viable urban communities by providing decent housing, a suitable living environment, and expanded economic opportunities for persons of low- and moderate-income.

As one of thirty member communities of the North Shore HOME Consortium, Salem receives an allocation of Home Investment Partnership (HOME) funds from HUD. HOME funds are dedicated solely for housing programs, and can be used to fund a wide range of activities that build, buy and/or rehabilitate affordable housing for rent or home ownership. The Consortium, through its lead community of Peabody, submits a Consolidated Plan for operating the HOME program. The City of Salem will not use HOME funds to refinance any existing debt secured by multi-family housing developments.

Along with HUD funds, Salem's housing and economic loan programs generate program income, which the City directs to existing or new programs as needed. Income is generated as loans are repaid or recaptured from an assisted property or business. The City typically receives program income funds each year and they help extend its ability to support CDBG-eligible activities.

The Federal funding that Salem will receive for FY17 includes \$995,257 in CDBG entitlement funds. Additional funds include an estimated \$101,172 in HOME funds and approximately \$112,500 in program income (from housing and ED loans and bank interest). Some prior year resources may be available in FY17, such as unspent administration dollars. However, it is unknown how much will be carried over until after June 30, 2016.

In addition to these resources, many activities leverage funding from other government and private sources to maximize the impact of the federal dollars the city receives.

The Community Preservation Act (CPA) was adopted by Salem voters in 2012. It established a local dedicated fund for the purpose of open space, historic preservation, outdoor recreation and community housing projects. It is financed by a property tax surcharge of 1%, along with annual matching funds from the statewide CPA Trust Fund. These funds can be used for a variety of purposes, including activities that acquire,

create, preserve, support and rehabilitate/restore housing for low- and moderate-income households. An appointed committee recommends how the funds will be utilized each year. Massachusetts CPA regulations require that a minimum of 10% of annual CPA revenues be set aside or spent for each of the program areas, including affordable housing, open space and recreation, and historic preservation, with the remaining 70% to be allocated to any one or more of these program areas. In the 5 Year Consolidated Plan, the city projected an estimated \$531,000 annually from both local and matching funds in future years (based on FY16 funding estimates).

Several housing and community development programs are carried out by non-city agencies that operate through a variety of funding resources. Together, these resources fund a wide range of activities designed to develop and maintain affordable housing, improve neighborhood public facilities, provide economic opportunities, improve access for people with disabilities, provide critical public services, assist people who are homeless, and prevent homelessness. Salem will continue to work with community and regional partners to identify further funding opportunities that can be used to support affordable housing and other objectives served by CDBG programs, such as the anticipated National Housing Trust Fund which is expected to be available through the Commonwealth of Massachusetts sometime in 2016.

The following table is for FY16 - Year 1 (HUD 2015).

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 2				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	995,257	112,500	0	1,107,757	2,823,311	CDBG is a formula-based program that provides decent housing, a suitable living environment, and expanded economic opportunities for persons with low- and moderate income.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 2				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Housing Trust Fund	public - federal	Acquisition Housing Other	0	0	0	0	0	Housing Trust Fund - Salem anticipates that funding from the National Housing Trust Fund will become available through the State sometime in 2016. Salem would consider using these funds for real property acquisition, site improvements and other development hard costs, related soft costs, or if eligible, for supportive services for housing previously homeless individuals or persons or households with special needs.
Other	public - federal	Acquisition Housing	101,172	0	0	101,172	264,885	HOME - Estimated distribution of Home Investment Partnership (HOME) funds through North Shore HOME Consortium. Funds are dedicated solely for housing programs, and can be used to fund a wide range of activities that build, buy, and/or rehabilitate affordable housing for rent or home ownership. The City of Salem is one of 30 member communities in the North Shore Home Consortium. On behalf of the member communities, the Consortium, through its lead community of Peabody, submits a Consolidated Plan for operating the HOME program.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 2				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other	public - local	Acquisition Housing Public Improvements	595,000	0	0	595,000	1,529,000	Community Preservation Act - A surcharge on the local property tax will generate approximately \$524,000 annually with an estimated State match of \$81,000 annually, which will be dedicated for affordable housing, open space, recreation, and historic preservation projects.
Other	public - local	Admin and Planning	485,000	0	0	485,000	1,455,000	City funds for Administration & Planning
Other	public - local	Public Improvements	150,000	0	0	150,000	450,000	City of Salem Capital Improvement Program (based on average of prior years of projects)

Table 5 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

In FY15, CDBG funds leveraged an estimated \$7.81 in funds from other sources for every dollar of CDBG funding. The following summarizes the funds typically leveraged:

- *First Time Homebuyer Program*: matching funds and financing were projected for approximately \$131,500 annually. However, in FY15, homebuyers provided \$97,249 in private funds, as well as obtained \$865,880 in financing from a primary lender.
- Housing development projects by North Shore Community Development Coalition have combined Low-Income Housing Tax Credits and other state, federal funding, as well as private fundraising, grants, financing, and program fees. North Shore CDC's 77 unit Salem Point II project (2015), has a total development cost of \$18 million, of which \$450,000 comes from CDBG and HOME. The 27 SRO units at Harbor and Lafayette Homes (2016) will have total development cost of \$5.9M, of which \$50,000 is HOME. Further projects in the pipeline (2017 and 2018) will entail \$35.5M total development cost, creating more than 80 units of affordable housing.
- State programs such as *Get the Lead Out* and *MassSaves* have been used to assist in home rehabilitation.
- The *National Housing Trust Fund* is anticipated to provide an additional resource to support the creation of affordable rental housing.

These funds are expected to be available through the State sometime in 2016.

- The *Salem Main Streets Program* leverages funds through business contributions and donations, as well as program income from events: \$20,000-\$50,000 annually.
- The City will continue to pursue grant to support economic development and job training. For example, the DPCD is partnering with lead applicant North Shore Community Development Coalition (NSCDC) on a funding application for round two of the Working Cities Challenge; a grant program coordinated by the Federal Reserve Bank of Boston that is designed to support cross-sector, collaborative leadership and ambitious work to improve the lives of low-income people in smaller cities in Massachusetts. The City had been the lead partner for round one of the grant program, which provided over \$100,000 in funding toward projects benefitting the Point neighborhood. The team, which also includes Salem State University and the Salem Partnership was awarded \$15,000 in 2015 to design a grant proposal for submission to the program, which is due in May 2016.
- Salem is a Gateway City, making it eligible for certain State funds.
- The City's Capital Improvement Program averages \$150,000 annually on CDBG-funded projects.
- Other leveraged sources include the City's General Fund, State Chapter 91 and various federal, state and private grant or loan programs for brownfields, parks, and infrastructure improvements. Examples of these include Parkland Acquisitions and Renovations for Communities (PARC), Environmental Protection Agency, National Endowment for the Arts, MassDevelopment Brownfields Assessment Program, MassWorks, and the Massachusetts Preservation Projects Fund. The City may also seek state grants including Green Communities, the Cultural Facilities Fund, and the Gateway Cities Park Program.
- Most subrecipient agencies use CDBG as a portion of their overall activity budgets. Examples of several major agency funding sources are provided in the appendix. Other funding sources include federal and state grants, private grants and donations, and program income.
- The City provides about \$485,000 annually for Planning and administration funds.
- Additional planning funds and technical assistance have been obtained through Massachusetts Historical Commission and Metropolitan Area Planning Council.

A listing of anticipated leveraged funds for FY17 is found in the Appendix, including anticipated funding resources for the City of Salem, as well as several key organizations.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

None have been identified at this time.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Housing Rehabilitation Programs	2015	2019	Affordable Housing		Affordable Housing	CDBG: \$127,000	Homeowner Housing Rehabilitated: 2 Household Housing Unit
2	Affordable Housing	2015	2019	Affordable Housing		Affordable Housing	CDBG: \$75,000	Rental units constructed: 2 Household Housing Unit
3	First Time Homebuyer Program	2015	2019	Affordable Housing		Affordable Housing Homeownership Assistance	CDBG: \$40,000	Direct Financial Assistance to Homebuyers: 5 Households Assisted
4	Small Business Financial Assistance Programs	2015	2019	Non-Housing Community Development		Economic Development	CDBG: \$36,600	Jobs created/retained: 2 Jobs
5	Business Technical Assistance	2015	2019	Non-Housing Community Development		Economic Development	CDBG: \$150,400	Jobs created/retained: 5 Jobs
6	Community Support Services	2015	2019	Homeless Non-Homeless Special Needs		Public Services	CDBG: \$166,163	Public service activities other than Low/Moderate Income Housing Benefit: 8600 Persons Assisted
7	Neighborhood Improvements Activities	2015	2019	Non-Homeless Special Needs		Neighborhood Public Facilities and Infrastructure	CDBG: \$241,594	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 8265 Persons Assisted
8	Downtown Improvements	2015	2019	Non-Housing Community Development		Downtown Public Facilities and Infrastructure	CDBG: \$50,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 5055 Persons Assisted

Table 6 - Goals Summary

Goal Descriptions

1	Goal Name	Housing Rehabilitation Programs
	Goal Description	<p>The majority of Salem’s housing stock pre-dates 1949. While older homes are an integral part of Salem's history and neighborhood fabric, they also require a great deal of maintenance and may not meet current building codes. In response to this issue, the City administers a <i>Housing Rehabilitation Loan Program</i> (funded with both CDBG and HOME funds) to provide low-interest loans to owners of single and multi-family properties to address cost-prohibitive health and safety issues. Through the rehabilitation of existing housing stock, more homeowners, as well as tenants residing in rental units, can live in decent housing. The City has expanded the program to investor-owners with low- to moderate-income tenants, to address code compliance and health and safety issues and to maintain affordable, quality rental properties and to discourage the conversion of affordable rental units into market rate condominiums.</p> <p>In June, 2007, the North Shore HOME Consortium voted to adopt the federal Energy Star Standards. The implementation of this new policy for the use of HOME funds began in October, 2007. All new HOME-assisted units are required to be certified as Energy Star compliant whenever either new construction is involved or where the rehabilitation of an existing structure involves the gutting of the structure to the bare walls. Homeowners are also referred to NSCAP’s weatherization program, where they can get energy-efficiency work undertaken, and then utilize Salem’s loan program, thereby reducing the homeowner’s loan burden.</p> <p>In addition, the City offers deleading assistance for homeowners with a lead poisoned child through MassHousing’s <i>Get the Lead Out Program</i>. This program can be combined with the City’s <i>Housing Rehabilitation Loan Program</i>. As a Local Rehabilitation Agency (LRA) for the <i>Get the Lead Out Program</i>, Salem is responsible for intake of application information, technical assistance, working with the applicant through the construction process and acting as the escrow agent for the loan funds.</p>

2	Goal Name	Affordable Housing
	Goal Description	Salem consistently provides support toward the creation of new affordable housing units through the conversion of old, abandoned or underutilized buildings and parcels into new residential housing units. Funds for affordable housing are often set aside to provide resources for the City or a nonprofit partner, such as the North Shore CDC or the Boston Roman Catholic Archdiocese's Planning Office for Urban Affairs (POUA), to take advantage of opportunities that arise to acquire available abandoned, derelict properties and turn them back into decent, affordable homes. Salem will continue to work with nonprofit partners, as well as to negotiate on a case-by-case basis with private developers, to facilitate the creation of new affordable housing units.
3	Goal Name	First Time Homebuyer Program
	Goal Description	<p>The City continues its goal to provide families with the opportunity to own their first home through the <i>First-Time Homebuyer Downpayment Assistance Loan Program (FTHB)</i>. In addition to basic downpayment assistance, the program offers a \$1,000 increase over the maximum loan amount for homeowners who complete First-Time Homebuyer Counseling through a qualified training program.</p> <p>In addition to administering the <i>First-Time Homebuyer Downpayment Assistance Loan Program</i>, DPCD staff provides assistance to coordinate other resources for down payment assistance, such as Massachusetts Housing Partnership (MHP) <i>SoftSecond Loan Program</i> and a variety of homeownership programs offered by MassHousing, as well as supporting first time homebuyer education workshops provided by various organizations.</p>

4	Goal Name Goal Description	<p>Small Business Financial Assistance Programs</p> <p>Businesses often need additional assistance and more creative financing options than may be offered by banks. Even the very best innovative new business idea often has difficulty filling the “gap” between what they can invest and what banks will loan, versus the cost of the project. Without capital, new equipment or storefront improvements, some of the best small businesses can fail. The <i>Salem Business Loan Program</i> offers expanded financing opportunities for local entrepreneurs, while creating jobs and revitalizing the city. The program provides these types of loans:</p> <ul style="list-style-type: none"> • <i>Microenterprise Assistance</i> - provides loans to low- to moderate-income entrepreneurs to assist with their microenterprise business (5 or fewer full-time employees, including the owner) • <i>Commercial Revitalization</i> - provides loans to business owners in the downtown and eligible neighborhood districts to assist with the exterior rehabilitation of their business and/or to correct code violations • <i>Special Economic Development</i> - provides loans to business owners throughout the city in exchange for job creation and/or job retention for low- and moderate-income people. <p>Low-interest loans for commercial, industrial or mixed-use projects help create and retain jobs while improving the appearance of neighborhoods and promoting economic growth. The DPCD will continue to work with business owners to help finance a small project or to assist with gap financing of larger projects.</p> <p>The <i>Storefront Improvement Program</i> helps to improve the physical appearance of districts by advocating for appropriate design and historic preservation. By offering small business loans and grants toward new signage and façade improvements, the City is helping to enhance our historic neighborhood business districts with financial incentives to Salem business and property owners. Furthermore, the City has developed the <i>City of Salem Commercial Design Guidelines</i> to help business and property owners with appropriate design. Copies are free at the DPCD office or on the City’s website.</p>
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5	Goal Name	Business Technical Assistance
	Goal Description	<p>Often small business owners need some degree of technical assistance to help them with managing or growing their business. The needs of local entrepreneurs range from business planning, drawing up financial statements, or navigating the city permitting process.</p> <p>The City's Economic Development Planner assists with new business location or existing business relocation, walks new businesses through permitting processes, coordinates available loan programs, coordinates the development of tax increment financing agreements, coordinates the development of neighborhood and economic development plans, manages the Salem Main Streets contract and liaises between businesses and the Salem Redevelopment Authority, as well as with state economic development agencies to provide businesses with access to tax credits and other incentives. The City works in collaboration with several agencies to improve economic opportunity in Salem by providing technical assistance to businesses. The Salem Main Streets Initiative, Salem Partnership, Salem Chamber of Commerce, Destination Salem, SBA Small Business Development Center and Salem State University Assistance Corporation's Enterprise Center each work in cooperation with the City to support local business, with some of the programs targeted toward low-income, minority and female entrepreneurs. The City offers a <i>"Doing Business in Salem Guide"</i> that is available on the City's website.</p>
6	Goal Name	Community Support Services
	Goal Description	<p>Along with housing services to help provide decent, affordable housing and economic development activities to help provide good jobs at good wages, individuals and families may have additional needs that are specific to their household. The Five Year Consolidated Plan identified the need for various social service programs to primarily benefit Salem's low- to moderate-income population and those with special needs (i.e. physically or mentally disabled, elderly or frail elderly, youth, non-English speaking residents, persons living with HIV/AIDS, substance abusers and homeless persons and families). Each year, Salem sets aside funds for social service programs to address these special needs.</p> <p>Through a Request for Proposals process, the city makes awards to nonprofit service organizations that offer such services. Public services eligible for funding include, but are not limited to, employment, crime prevention, child care, health, substance abuse, education, fair housing counseling, energy conservation, recreation programs, food programs and services for senior citizens. Target populations include, but are not limited to, persons with HIV/AIDS, abused children, battered spouses, elderly and frail elderly, minorities, non-English speaking residents, residents of public assisted housing, persons who are mentally ill or mentally retarded, substance abusers, youth and persons with disabilities. Funding proposals received are available for viewing at the DPCD.</p>

7	Goal Name	Neighborhood Improvements Activities
	Goal Description	<p>Residents depend on neighborhood infrastructure and public facility improvements to make the city the livable community that it is. By continually investing in neighborhoods, Salem strives to be the best place it can be for people to live and work. In FY17, the City will continue the investment in eligible neighborhoods through public infrastructure and traffic improvements (i.e. street paving, new sidewalks, curbcuts/crosswalks, traffic/pedestrian improvements and the removal of architectural barriers), public art and through neighborhood improvement initiatives (e.g., parks/playgrounds, lighting, trash receptacles, tree planting, signage and bike paths).</p> <p>In addition, the City continues to assess and clean-up known contaminated sites and is currently working with state and federal agencies on several parcels.</p> <p>The City will continue to invest in efforts that strengthen its public facilities. City Hall has seen major improvements over the last few years, including the construction of a new elevator and related handicap accessibility improvements. In FY14, an addition was completed to the Teen Resource Center in the Point Neighborhood. Salem will also continue to work on its goal to have a new senior center.</p>
8	Goal Name	Downtown Improvements
	Goal Description	<p>Healthy vibrant downtown and neighborhood commercial districts are essential to Salem's overall economic health. Salem will continue to work toward the implementation of the Salem Downtown Renewal Plan, including historic preservation, public art and other improvements that help discourage neglect and disinvestment and eliminate slums/blight.</p>

Table 7 – Goal Descriptions

AP-35 Projects - 91.420, 91.220(d)

Introduction

Salem will carry out the following programs to address the goals identified in the 5-Year Consolidated Plan:

- **Housing Rehabilitation Program** - Offer financial and technical assistance to eligible homeowners and investor-owners to improve housing units, including improvements for accessibility.
- **Affordable Housing** - Support for local non-profit housing organizations and CHDOs seeking to acquire, create, preserve, and/or renovate affordable units.
- **First Time Homebuyer Program** - Financial assistance to eligible households in the form of loans for downpayments and closing costs.
- **Small Business Financial Assistance Programs** - Business Loan Program and Storefront Improvement Program for new, emerging or expanding small businesses that create or retain jobs for low- and moderate-income workers or eliminate or prevent blight, address building code violations and/or improve access, and/or leverage private investment.
- **Business Technical Assistance** - Technical assistance, training, design guidance, location service and referrals for owners of microenterprises or businesses that create or retain jobs for low- and moderate-income workers. Program delivery for the business loan program, oversight of the Salem Redevelopment Authority and funding for the Salem Main Streets Program and the micro-enterprise programs offered by Salem State University's Enterprise Center.
- **Neighborhood Improvement Activities** - Public facility and infrastructure improvements that enhance the quality of life in eligible neighborhoods, such as, parks/playgrounds, tree planting, lighting, signage, bike paths, streets, sidewalks, crosswalks, pedestrian safety, trash receptacles, traffic calming, accessibility, public art, senior center, fire stations, schools, etc.
- **Community Support Services** - Grants to nonprofit agencies for social services programs such as homelessness and foreclosure prevention, housing education, food distribution, homeless services, job training, senior transportation, childcare, crime prevention, immigrant services (cultural orientation and acclimation), ESL and citizenship education, youth activities, senior services, adult education (financial literacy, computer training, etc.) and substance abuse prevention, and other programs that advance self-sufficiency, reduce household financial burdens or improve the quality of life, as well as other special services (legal assistance, program navigation guidance). Also to support programs that provide supplemental education and/or engagement programs to increase public school students' academic achievement.
- **Downtown Improvements** - Public facilities and infrastructure improvements that are located in Salem's slum/blight area (downtown) and/or that benefit people with disabilities.
- **Planning & Administration** - Planning and general administration necessary to provide the tools needed to manage the CDBG program, as well as the development of plans and studies and the provision of public information.

#	Project Name
1	Housing Rehabilitation Programs
2	Affordable Housing
3	First Time Homebuyer Program
4	Small Business Financial Assistance Programs
5	Business Technical Assistance
6	Neighborhood Improvement Activities
7	Community Support Services
8	Planning & Administration
9	Downtown Improvements

Table 8 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

During the development of the Five Year Consolidated Plan, Salem residents identified the community development needs and goals for Fiscal Years 2016-2020. The priority needs identified during the extensive public process included the need for affordable housing, economic development, neighborhood improvement, and social services. The City has based its funding allocations on the identified needs. The proposed activities and expected accomplishments are intended to address those needs, with the goals and accomplishments calibrated to projected funding levels. At least 70% of the FY17 CDBG funding will be used for activities that benefit low- and moderate-income persons.

- **Affordable Housing** - Approximately 21.8% of CDBG funding (including estimated program income) in FY17 will be allocated to affordable housing, along with 100% of Salem’s HOME funding allocation through the North Shore Home Consortium. This funding will be used to facilitate rehabilitation, acquisition and rental assistance for low- and moderate-income households.
- **Economic Development** – The City intends to allocate approximately 16.9% of its CDBG funding for FY17 to efforts to revitalize commercial districts, improve exterior building facades, and assist new and existing business owners (including microenterprises), through financial and technical assistance.
- **Social Services** - The City intends to allocate the maximum allowable amount of 15% to support a broad range of social service programs that are consistent with the needs and goals identified in the Five Year Consolidated Plan.
- **Public Facilities and Infrastructure Improvements** - Approximately 26.3% of the City’s FY17 CDBG funding will be allocated towards public facilities and infrastructure improvements projects in LMI neighborhoods and in the Downtown Urban Renewal District.
- **Program Administration** - Not more than 20% will be allocated for the necessary general administration costs for program oversight and coordination, including plans and studies.

The primary obstacle to addressing underserved needs in the categories listed above is the lack of adequate funding. For FY17, the City will receive \$42,615 more CDBG funds than FY16, but still 20% less than six years ago. The HOME allocation is \$101,172, which is \$16,560 more than last year. This is still approximately 52% less than six years ago.

AP-38 Project Summary

Project Summary Information

1	Project Name	Housing Rehabilitation Programs
	Target Area	
	Goals Supported	Housing Rehabilitation Programs
	Needs Addressed	Affordable Housing
	Funding	CDBG; \$127,000 HOME: \$46,172
	Description	Offer financial and technical assistance to eligible homeowners and investor-owners to improve housing units, including improvements for accessibility, through the Housing Rehabilitation Loan Program.
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	It is estimated that a minimum of two families of low to moderate income will be assisted. this activity will also use carried over funding from the prior year to complete additional units.
	Location Description	Addresses will be determined from applications for assistance to be submitted.
	Planned Activities	Housing Rehabilitation Loan Program Inspectional Services Rehabilitation Administration
2	Project Name	Affordable Housing
	Target Area	
	Goals Supported	Affordable Housing

	Needs Addressed	Affordable Housing
	Funding	CDBG: \$75,000 Community Preservation Act: \$100,000
	Description	Support local non-profit housing organizations and CHDOs seeking to acquire, create, preserve, and/or renovate affordable units.
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	Currently there are several projects planned by North Shore CDC. In FY17, one project is expected to be completed, which will result in 64 units of affordable housing in 8 buildings. 16 units will be for those at or below 30% AMI and 47 units will be for those at or below 60% AMI. The City of Salem has previously provided \$50,000 in CDBG and \$93,505 in CPA funds for this activity. Salem will be providing an additional \$50,000 in HOME funds. The \$75,000 set aside in FY17 CDBG funds has not been associated with a specific development project. A goal indicator has been set at a minimum of 2.
	Location Description	The 64 units of affordable housing expected to be completed in Spring of 2017 by North Shore CDC is planned for 105 Congress, 52-60 Dow, 107-109 Congress, 32 Perkins, 61 Congress, 71 Palmer, 6 Ward and 40 Ward Streets. The location of the minimum of 2 units utilizing this year's funds has not been determined.
	Planned Activities	Affordable housing loan pool for pre-development, acquisition and/or rehabilitation of affordable housing units, for households at or below 80% of AMI. As projects are designated, individual activities are set up and the pool is reduced.
3	Project Name	First Time Homebuyer Program
	Target Area	
	Goals Supported	First Time Homebuyer Program
	Needs Addressed	Homeownership Assistance
	Funding	CDBG: \$40,000

	Description	Financial assistance to eligible households in the form of loans for downpayments and closing costs through the First Time Homebuyer Downpayment Assistance Loan Program.
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	A minimum of 5 low- to moderate-income households will be assisted with purchasing their first home.
	Location Description	
	Planned Activities	Loan Pool for downpayment assistance loan program. As individual activities are set up for first time homebuyer loans, the loan pool is reduced.
4	Project Name	Small Business Financial Assistance Programs
	Target Area	
	Goals Supported	Small Business Financial Assistance Programs
	Needs Addressed	Economic Development
	Funding	CDBG: \$36,600
	Description	Provide a Business Loan Program and a Storefront Improvement Program for new, emerging or expanding small businesses that create or retain jobs for low- and moderate-income workers, address building code violations and/or handicapped access, and/or leverage private investment.
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	It is estimated that two businesses will be assisted, creating a minimum of two jobs.
	Location Description	Point Neighborhoods, Downtown Salem (slum/blight area) or other eligible LMI commercial areas.
	Planned Activities	<i>Small Business Loan Program</i> <i>Storefront Improvement Program</i>

5	Project Name	Business Technical Assistance
	Target Area	
	Goals Supported	Business Technical Assistance
	Needs Addressed	Economic Development
	Funding	CDBG: \$150,400
	Description	Offer technical assistance, training, design guidance, location service and referrals for owners of micro-enterprises or businesses that create or retain jobs for low- and moderate-income workers. Provide program delivery for the business loan program, technical support to the Salem Redevelopment Authority, funding for the Salem Main Streets Program, as well as funding for the Salem State University Enterprise Center's micro-enterprise programs in the Point Neighborhood.
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	It is estimated that a minimum of five LMI jobs will be created, as well as a minimum of twenty-two micro-enterprise businesses assisted.
	Location Description	Point Neighborhood, Downtown (slum/blight area) and other LMI commercial areas.
6	Planned Activities	Salem Main Streets Program Economic Development Program Delivery Enterprise Center Micro-Enterprise Program
	Project Name	Neighborhood Improvement Activities
	Target Area	
	Goals Supported	Neighborhood Improvements Activities
	Needs Addressed	Neighborhood Public Facilities and Infrastructure
	Funding	CDBG: \$241,594

	Description	Undertake public facility and infrastructure improvements that enhance the quality of life in eligible neighborhoods, such as, parks/playgrounds, tree planting, lighting, signage, bike paths, streets, sidewalks, crosswalks, pedestrian safety, trash receptacles, traffic calming, public art, accessibility, senior center, fire stations, schools, etc.
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	Projects will be undertaken in LMI neighbors. Per the 2010 U.S. Census, it is estimated that Salem has 18,395 or 46.2% residents that are LMI persons. LMI neighborhoods have 12,565 persons of which 8,265 or 65.8% are LMI persons.
	Location Description	All activities will be undertaken in eligible LMI neighborhoods.
	Planned Activities	Street Improvements Tree Planting Park Improvements Point Neighborhood Improvements Boston Street Neighborhood Improvements Council on Aging Improvements
7	Project Name	Community Support Services
	Target Area	
	Goals Supported	Community Support Services
	Needs Addressed	Public Services
	Funding	CDBG: \$166,163

	Description	Provide grants to nonprofit agencies for social services programs such as homelessness and foreclosure prevention, housing education, food distribution, homeless services, job training, senior transportation, childcare, crime prevention, immigrant services (cultural orientation and acclimation), ESL and citizenship education, youth activities, senior services, adult education (financial literacy, computer training, etc.) and substance abuse prevention, and other programs that advance self-sufficiency, reduce household financial burdens or improve the quality of life, as well as other special services (legal assistance, program navigation guidance). Also to support programs that provide supplemental education and/or engagement programs to increase public school students' academic achievement.
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 8,600 persons will be assisted through approximately 21 social service programs.
	Location Description	
	Planned Activities	Grants for approximately 21 social service programs.
8	Project Name	Planning & Administration
	Target Area	
	Goals Supported	Housing Rehabilitation Programs Affordable Housing First Time Homebuyer Program Small Business Financial Assistance Programs Business Technical Assistance Community Support Services Neighborhood Improvements Activities Downtown Improvements

	Needs Addressed	Affordable Housing Homeownership Assistance Economic Development Public Services Neighborhood Public Facilities and Infrastructure Downtown Public Facilities and Infrastructure
	Funding	CDBG: \$221,000
	Description	Cover costs associated with planning and general administration in order to provide the tools needed to manage the CDBG program, as well as the development of plans and studies and the provision of public information. This includes funds required to match grant funds being provided by Massachusetts Historical Commission to undertake the Downtown Salem Cultural Resource Survey Update project.
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	General Program Administration Planning Studies
9	Project Name	Downtown Improvements
	Target Area	
	Goals Supported	Downtown Improvements
	Needs Addressed	Downtown Public Facilities and Infrastructure
	Funding	CDBG: \$50,000

	Description	Undertake infrastructure improvements to support Salem's slum/blight area (downtown) and complement ongoing Economic Development activities. Projects may include street & sidewalk improvements, pedestrian circulation, safety and aesthetics, accessibility improvements, tree planting, trash receptacles, traffic improvements, lighting, signage and open space improvements, as well as improvements to public facilities and public infrastructure. The City will also look at various locations in the downtown for consideration of public art projects.
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	Downtown (slum/blight area)
	Planned Activities	Slums/blight area improvements.

AP-50 Geographic Distribution - 91.420, 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

A map of the 2010 Census block groups (see Appendix) is used to identify low- to moderate-income areas. According to the 2010 Census, areas of lower income concentration are the Point Neighborhood; the neighborhood area along Boston Street; the area bordered by Jackson and Wilson Streets and Jefferson and Highland Avenues; South Salem between Lafayette, Washington and Canal Streets; a neighborhood bordered by North, School, Balcomb, Cushing, and Highland Streets; and the neighborhood bordered by Winter, Bridge, Arbella and Briggs Streets and encompassing Lee Fort Terrace, Szetela Lane and Settlers Way in Salem Neck. There is overlap between the Downtown and the Point Neighborhood, which also has the highest concentration of minority residents.

Rationale for the priorities for allocating investments geographically

The City typically supports programs that benefit low- and moderate-income households or specific population groups such as senior citizens, disabled persons and minorities. Although some programs support the needs of these populations throughout the city, many activities are targeted to specific neighborhoods with concentrations of low- and moderate-income households. When prioritizing activities, the City pays special attention to those low- and moderate-income neighborhoods where the greatest needs have been identified and whose public facilities and infrastructure are in the worst condition. In addition, the City has also undertaken improvements in the Downtown Urban Renewal Area, which is designated as a Slum and Blight District.

Discussion

In accordance with CDBG regulations, the City can undertake specific activities, such as street, sidewalk and playground improvements in the low- and moderate-income neighborhoods or in neighborhoods meeting the definition of “slums and blight.” However, recognizing that needs are not solely located in distressed neighborhoods, the City also offers programs that may be accessed by people living outside these areas. For example, the *Housing Rehabilitation Loan Program*, *First-Time Homebuyer Downpayment Assistance Loan Program*, and the *Small Business Loan Program* are offered citywide to allow any low- to moderate-income individual or household to take advantage of their availability.

AP-85 Other Actions - 91.420, 91.220(k)

Introduction

This section addresses other actions that the City of Salem will undertake including:

- Actions planned to address obstacles to meeting underserved needs;
- Actions planned to foster and maintain affordable housing;
- Actions planned to reduce lead-based paint hazards;
- Actions planned to reduce the number of poverty-level families;
- Actions planned to develop institutional structure; and
- Actions planned to enhance coordination between public and private housing and social service agencies.

Actions planned to address obstacles to meeting underserved needs

The Five Year Consolidated Plan outlines several barriers to housing affordability and reducing the impacts of poverty in Salem: the cost of permitting and developing land with environmental constraints, the lack of regulatory tools to require or encourage affordable housing in new developments, the lack of resources to finance affordable housing development, an economy imbalanced by lower-wage jobs, and local government's dependence on the property tax to finance City services.

Like other communities, Salem is not in control of all of these barriers, and as a result, its ability to solve them is constrained by financial resources and legal requirements. Nevertheless, Salem has identified several strategies to overcome these obstacles in its goals to increase affordable housing, provide a decent living environment, and increase economic opportunities for low- and moderate-income residents.

- The City will continue to support the creation of new affordable housing units, neighborhood improvement projects, and anti-poverty strategies through partnership with non-profit entities, supplementing state and federal subsidies with local funding, and case-by-case negotiation with private developers.
- The City will continue to utilize tools such as the Chapter 40B Comprehensive Permit program to exempt developments which create affordable housing from local land use regulations.
- In 2015, the City was awarded \$30,000 from the MA Dept. of Housing and Economic Development's Planning Assistance Toward Housing (PATH) grant program to fund and facilitate the process of developing a 40R Smart Growth Overlay District (SGOD) in the Point Neighborhood. Adoption, which should occur by the end of calendar year 2016, would help encourage commercial and housing diversity in mixed-use developments at high minimum densities, by being allowed as-of-right rather than on a special permit basis. Under state law, a 40R SGOD district requires a minimum of 20% deed-restricted affordable housing units.

Actions planned to foster and maintain affordable housing

The following summarizes Salem's strategy to address housing needs, which includes both new housing production and preserving the existing housing stock for working families. Key components are:

- Producing New Housing Units - Working with private and nonprofit developers, Salem supports the creation of affordable housing units through the conversion of underutilized buildings and parcels.
- Preserving Existing Affordable Units - Salem has several private rental developments with affordable units utilizing subsidies that will expire after a period of time. The city continues to negotiate the extension of affordability for expiring subsidized units.
- The City negotiates with developers on a case-by-case basis for 10% affordable units.
- In 2012 the City passed the Community Preservation Act, which raises funds through a surcharge on property tax bills. CPA requires a minimum spending (or reserve) of 10% of the annual budget on community housing projects.
- Improving Public Housing - The Salem Housing Authority (SHA) currently has 1,140 Section 8 vouchers under lease in Salem. The SHA also owns and manages a portfolio of 715 units of public housing for low income elderly, family, and handicapped residents scattered across the city. Funding to preserve and maintain these properties is provided by DHCD and HUD. In addition, Community Teamwork, Inc. in Lowell currently administers the following vouchers in Salem: AHVP (2), MRVP (46), Project Based Vouchers (164) and Mobile Voucher (138).
- Providing First-Time Homebuyers Assistance - The City provides families with the opportunity to own their first home through the *First-Time Homebuyer Downpayment Assistance Loan Program*. The program also offers an additional \$1,000 for homeowners who complete Homebuyer Counseling. DPCD staff also provide assistance to coordinate other resources for homebuyers, such as Massachusetts Housing Partnership *SoftSecond Loan Program* and a variety of homeownership programs offered by MassHousing, as well as supporting first-time homebuyer education workshops provided by various organizations.
- Rehabilitation of Existing Housing - While older homes are integral to Salem's history and neighborhood fabric, they require a great deal of maintenance and may not meet current building codes. In response, the City administers a *Housing Rehabilitation Loan Program* to provide low-interest loans to owners of single and multi-family properties to address health and safety issues. The program was expanded to investor-owners with low- to moderate-income tenants to maintain affordable, quality rental properties and to discourage the conversion of affordable rental units into condominiums. Homeowners are also referred to NSCAP's weatherization program for energy-efficiency work before utilizing Salem's loan program, thereby reducing the homeowner's loan burden. In addition, the City offers deleading assistance for homeowners with a lead poisoned child through MassHousing's *Get the Lead Out Program*, which can be combined with the City's *Housing Rehabilitation Loan Program*.
- Working Regionally to Increase the Supply of Housing - As the housing market is not confined to city boundaries, ongoing multi-jurisdiction cooperation is needed to address the region's lack of affordable housing. No one city or town can, or should, bear the responsibility of providing all of the region's affordable units. Salem is committed to working with its partners in the North Shore HOME Consortium and with the region's mayors to encourage the development of housing throughout the area in an effort to increase the supply of housing for all.

Actions planned to reduce lead-based paint hazards

The Salem Board of Health disseminates information regarding the proper disclosure of lead hazards upon selling or renting a housing unit and inspects rental units for lead paint hazards. In Salem, a landlord is required to obtain a Certificate of Fitness inspection when an apartment becomes vacant. Board of Health personnel conduct this inspection and enforce the State Sanitary Code for Housing. When the information is sent to the landlord prior to this inspection, a letter describing the Federal law is included, as is a copy of the Tenant Notification Form in English and Spanish. Also, the Board of Health periodically sends notification of regulations regarding lead-based paint to area realtors. In addition, Board of Health personnel are trained Lead Determinators.

Should the Board receive a call from a tenant who is concerned that there may be lead-based paint in his/her apartment, potentially affecting their children under six years of age, the Board is able to send out a Sanitarian to conduct a Lead Determination. If lead paint is detected, an order is sent to the landlord requiring compliance with the State Lead Law. The Board ensures compliance with the order. The Massachusetts Childhood Lead-Paint Poisoning Prevention Program is notified of the results of all Lead Determinations.

In cooperation with the Commonwealth of Massachusetts and other municipal departments, the City of Salem, through its DPCD, works to decrease the number of housing units containing lead-based paint hazards. The City actively works to reduce lead-paint hazards in pre-1978 housing occupied by lower-income households through the City of Salem's *Housing Rehabilitation Loan Program*. Through the *Salem Housing Rehabilitation Loan* and *Get the Lead Out Programs*, the City provides loan funds for qualified applicants for lead testing, hazard reduction and abatement activities, and temporary relocation reimbursements. Lead-based paint hazard control measures are consistent with the federal Title X requirements and State lead based paint regulations. MassHousing's *Get the Lead Out Program* is also available to homeowners with a lead poisoned child.

Finally, all participants in the *First-Time Homebuyer Downpayment Assistance Loan Program* are given a copy of the EPA brochure "Protecting Your Family from Lead in Your Home."

Actions planned to reduce the number of poverty-level families

Salem uses CDBG and other funds to pursue an anti-poverty strategy carried out by the City and a variety of social service subrecipients. The strategy consists of four components: education, job training, affordable housing and social services.

Education

An adequate school system is crucial to reducing poverty in future generations. The City has used state funding to renovate and improve its educational facilities and provide school-age children with an environment conducive to learning. The Salem Public Schools support bilingual classroom settings and technology-based training that will enable those with lower incomes to improve their job opportunities. The school choice program gives residents more choices about the school they want their children to attend, and offers education focused specific skills, such as science and technology and communication and community service. Salem's Parent Information Center coordinates the school choice program

designed to improve racial balance within the school systems, and provides information about adult education programs designed to help low-income families.

The City will continue to support various educational programs for youth, adults, and the Spanish-speaking population with CDBG funds, including Salem Public Schools, and programs administered by non-profit agencies such as 1647 Nation Center on Time & Learning, Cerebral Palsy Associatino of Eastern Mass., Inc., LEAP for Education, the Boys and Girls Club, North Shore Community Development Coalition, and VOCES.

Job Training and Employment Resources

Salem collaborates with numerous job training, and workforce development programs in the region such as The North Shore Career Center and the North Shore Workforce Investment Board.

The City will continue to use CDBG funds to support job training and employment assistance programs such as the Wellspring House MediClerk Program.

Affordable Housing

Providing adequate, affordable housing for low- and moderate-income residents is critical to the success of an anti-poverty strategy. City agencies such as the Salem Housing Authority and the DPCD are committed to providing safe, appropriate, and affordable housing opportunities to very-low, and low- and moderate-income family, elderly, and disabled households. In addition, many housing providers and social service agencies work in concert to combat poverty in Salem. The City's established partnerships with agencies such as the NSCAP, the North Shore HOME Consortium and the North Shore Community Development Coalition increase its success at bringing services to lower income residents and encouraging them to participate in revitalizing their community.

Social Services

Through a competitive funding round, the City of Salem uses CDBG funds to support 20-25 non-profit social service programs annually. These organizations provide services to help families meet the costs of living, promote family self-sufficiency, serve special populations and/or provide crisis intervention assistance – programs seeking to break the cycle of poverty. CDBG funds support several programs which indirectly assist with housing in many ways such as increased pay (i.e. job training, ESL programs) and decreased monthly expenditures (i.e. child care, food programs) so households can better afford rent or mortgages. There are also many non-CDBG funded programs available to Salem residents to help households overcome various obstacles to self-sufficiency.

Actions planned to develop institutional structure

The Department of Planning and Community Development (DPCD) administers the City of Salem Community Development Program as well as the formula funding received by the North Shore HOME Consortium for which the City of Peabody is the lead agency. Under the direction of the Director of Planning and Community Development, the Assistant Community Development Director manages and monitors Salem's community development programs.

Salem's housing programs are administered by the DPCD Housing Coordinator under the direction of the Director of Planning and Community Development. In addition, local non-profit agencies, CHDOs and CDCs administer certain housing activities. Many housing activities leverage funds through private lender financing.

City departments undertake certain CDBG-funded activities, such as the tree planting program, sidewalk replacement, street paving and curbcut installation. These departments may subcontract work under public bidding procedures and provide requests for reimbursement and any required documentation (i.e., prevailing wage documentation) to the DPCD.

Each year the City of Salem issues a Request for Proposals to nonprofit organizations that offer social service, housing or economic development programs. CDBG funds are awarded to organizations that demonstrate programmatic needs and the capacity to administer the proposed program. The City's Assistant Community Development Director coordinates the management of the public service and housing subcontracts and the Economic Development Planner coordinates the management of the economic development subcontracts.

In general, DPCD staff carries out the remaining activities, including the hiring of consultants or other private businesses through established municipal purchasing procedures.

The City's auditing firm audits Salem's CDBG program delivery system annually. In addition, HUD staff conducts periodic reviews and grant monitorings. The City promptly implements recommendations arising as a result of these reviews. The DPCD continuously works to improve upon its methods and procedures for the administration of its programs.

Actions planned to enhance coordination between public and private housing and social service agencies

DPCD will continue to administer Salem H.O.P.E. (Human Organization Partnership Effort), a networking group of human service agencies that serve Salem residents, offering a forum for agencies to learn about the services being provided by other agencies in order to fill in gaps, coordinate efforts and avoid the duplication of services. All human service agency representatives are invited to attend the quarterly Steering Committee breakfast meetings held at rotating agency locations. Through this program, agency representatives are introduced to each other and exchange information, announcements and updates.

Program Specific Requirements

AP-90 Program Specific Requirements - 91.420, 91.220(I)(1,2,4)

Introduction

Over the past five years, Salem met all timeliness requirements, and program expenditures were consistent with its 5-Year Consolidated Plan and annual Action Plan goals. Funds drawn down are always used within the year they are received; no program income is carried over.

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	0

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	70.00%

Discussion

This AP covers July 1, 2016-June 30, 2017 (Salem's FY17, using HUD 2016 funds). We estimate receiving \$112,500 in program income during this program year. All program income received in FY16 will be reported and spent under FY16. We do not have any lump sum drawdown agreements, nor reimbursements other than program income, made to the local account, expected to be available during FY17.

Salem intends to spend at least 70% of CDBG funds to benefit persons of low and moderate income in FY17. The City of Salem primarily funds activities that serve low- to moderate-income households (limited clienteles) or activities within majority low- to moderate-income neighborhoods, typically reaching a percentage of 89% or higher (99.53% in FY15).

Appendix

1 - Map

2 - Application for Federal Funding and Certifications

3 - Other Resources

4 – Citizen Participation Comments

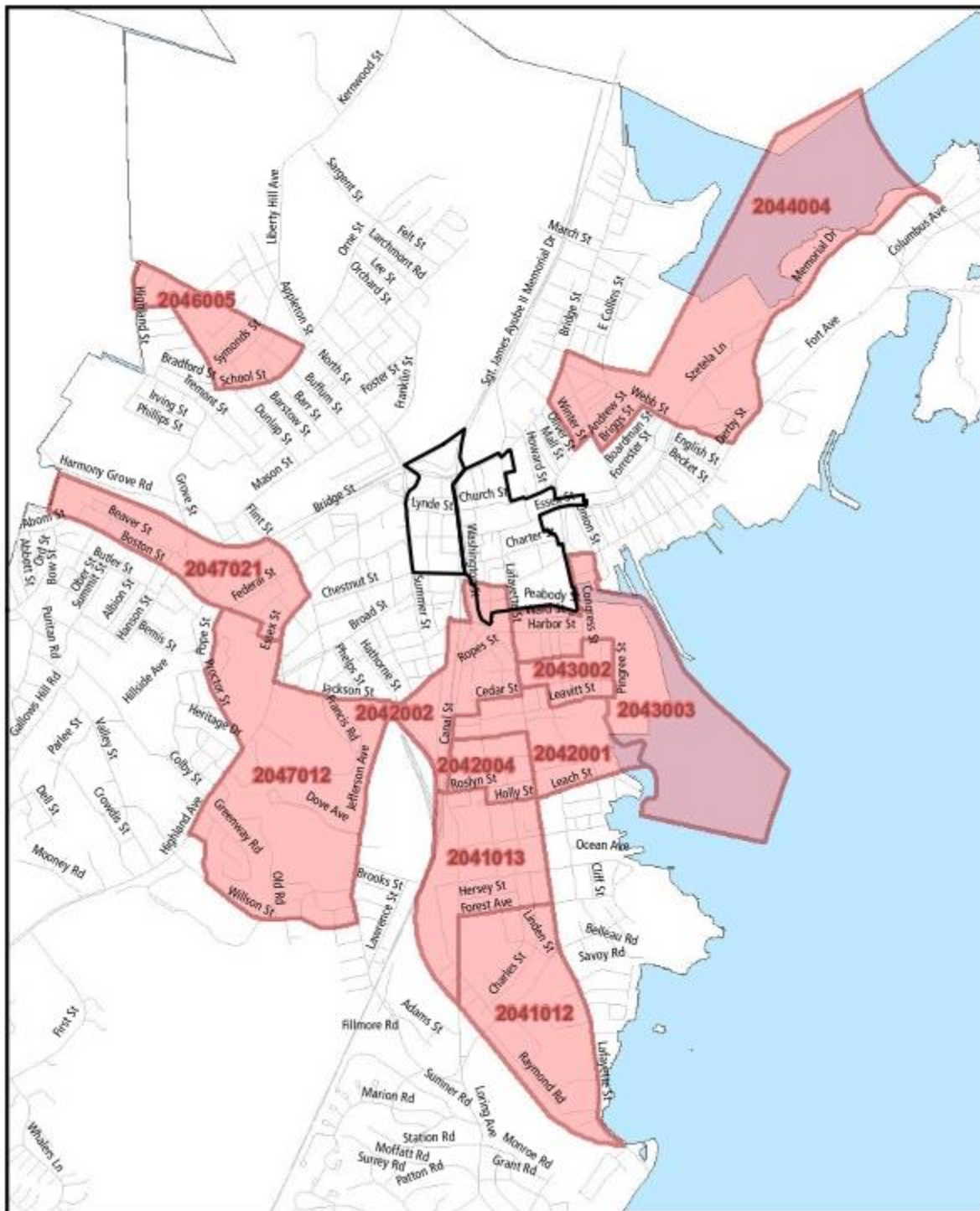
- **Public Participation Process**
- **Review of Draft Plan**

Appendix 1 – LMI Map



CITY OF **SALEM**
MASSACHUSETTS

LOW TO MODERATE INCOME AREAS JULY 1, 2014



Appendix 2 - Application for Federal Funding & Certifications

Application for Federal Assistance SF-424*** 1. Type of Submission:**

- ☐ Preapplication
☒ Application
☐ Changed/Corrected Application

*** 2. Type of Application:**

- ☒ New
☐ Continuation
☐ Revision

*** If Revision, select appropriate letter(s):***** Other (Specify):***** 3. Date Received:****4. Applicant Identifier:**

04-6001413

5a. Federal Entity Identifier:**5b. Federal Award Identifier:****State Use Only:****6. Date Received by State:****7. State Application Identifier:****8. APPLICANT INFORMATION:***** a. Legal Name:** City of Salem, Massachusetts*** b. Employer/Taxpayer Identification Number (EIN/TIN):**

04-6001413

*** c. Organizational DUNS:**

1567710240000

d. Address:*** Street1:**

120 Washington Street

Street2:*** City:**

Salem

County/Parish:*** State:**

MA: Massachusetts

Province:*** Country:**

USA: UNITED STATES

*** Zip / Postal Code:**

01970-3545

e. Organizational Unit:**Department Name:**

Planning & Community Develop.

Division Name:**f. Name and contact information of person to be contacted on matters involving this application:****Prefix:**

Ms.

*** First Name:**

Lynn

Middle Name:*** Last Name:**

Duncan

Suffix:**Title:** Director**Organizational Affiliation:**

City of Salem, Department of Planning & Community Developmen

*** Telephone Number:** 978-619-5685**Fax Number:** 970-740-0404*** Email:** lduncan@salem.com

Application for Federal Assistance SF-424

* 9. Type of Applicant 1: Select Applicant Type:

C: City or Township Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

* 10. Name of Federal Agency:

U. S. Department of Housing & Urban Development

11. Catalog of Federal Domestic Assistance Number:

14-218

CFDA Title:

Community Development Block Grant

* 12. Funding Opportunity Number:

14-218

* Title:

CDBG Program

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachment

Delete Attachment

View Attachment

* 15. Descriptive Title of Applicant's Project:

Community Development Block Grant Program

Attach supporting documents as specified in agency instructions.

Add Attachments

Delete Attachments

View Attachments

Application for Federal Assistance SF-424**16. Congressional Districts Of:*** a. Applicant * b. Program/Project

Attach an additional list of Program/Project Congressional Districts if needed.

Add Attachment

Delete Attachment

View Attachment

17. Proposed Project:* a. Start Date: * b. End Date: **18. Estimated Funding (\$):**

* a. Federal	<input type="text" value="995,257.00"/>
* b. Applicant	<input type="text"/>
* c. State	<input type="text"/>
* d. Local	<input type="text"/>
* e. Other	<input type="text"/>
* f. Program Income	<input type="text" value="112,500.00"/>
* g. TOTAL	<input type="text" value="1,107,757.00"/>

*** 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

- ☐ a. This application was made available to the State under the Executive Order 12372 Process for review on
- ☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- ☒ c. Program is not covered by E.O. 12372.

*** 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**☐ Yes ☒ No

If "Yes", provide explanation and attach

Add Attachment

Delete Attachment

View Attachment

21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)

☒ ** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: * First Name:

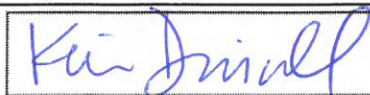
Middle Name:

* Last Name:

Suffix:

* Title: * Telephone Number: Fax Number: * Email:

* Signature of Authorized Representative:

* Date Signed:

5/4/16

CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the jurisdiction certifies that:

Affirmatively Further Fair Housing -- The jurisdiction will affirmatively further fair housing, which means it will conduct an analysis of impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting that analysis and actions in this regard.

Anti-displacement and Relocation Plan -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR 24; and it has in effect and is following a residential antidisplacement and relocation assistance plan required under section 104(d) of the Housing and Community Development Act of 1974, as amended, in connection with any activity assisted with funding under the CDBG or HOME programs.

Anti-Lobbying -- To the best of the jurisdiction's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Authority of Jurisdiction -- The consolidated plan is authorized under State and local law (as applicable) and the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with plan -- The housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are consistent with the strategic plan.

Section 3 -- It will comply with section 3 of the Housing and Urban Development Act of 1968, and implementing regulations at 24 CFR Part 135.


Signature/Authorized Official

Date 5/4/16

Specific CDBG Certifications

The Entitlement Community certifies that:

Citizen Participation -- It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.105.

Community Development Plan -- Its consolidated housing and community development plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that provide decent housing, expand economic opportunities primarily for persons of low and moderate income. (See CFR 24 570.2 and CFR 24 part 570)

Following a Plan -- It is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD.

Use of Funds -- It has complied with the following criteria:

1. Maximum Feasible Priority. With respect to activities expected to be assisted with CDBG funds, it certifies that it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low and moderate income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include activities which the grantee certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available);
2. Overall Benefit. The aggregate use of CDBG funds including section 108 guaranteed loans during program year(s) 2016, _____ (a period specified by the grantee consisting of one, two, or three specific consecutive program years), shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period;
3. Special Assessments. It will not attempt to recover any capital costs of public improvements assisted with CDBG funds including Section 108 loan guaranteed funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108, unless CDBG funds are used to pay the proportion of fee or assessment attributable to the capital costs of public improvements financed from other revenue sources. In this case, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. Also, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

Excessive Force -- It has adopted and is enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its

jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and

2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction;

Compliance With Anti-discrimination laws -- The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 USC 2000d), the Fair Housing Act (42 USC 3601-3619), and implementing regulations.

Lead-Based Paint -- Its activities concerning lead-based paint will comply with the requirements of 24 CFR Part 35, subparts A, B, J, K and R;

Compliance with Laws -- It will comply with applicable laws.

 5/4/16
Signature/Authorized Official Date

Mayor _____
Title _____

Specific HOME Certifications

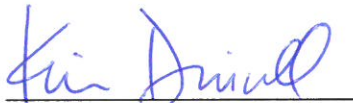
The HOME participating jurisdiction certifies that:

Tenant Based Rental Assistance -- If the participating jurisdiction intends to provide tenant-based rental assistance:

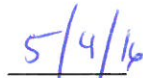
The use of HOME funds for tenant-based rental assistance is an essential element of the participating jurisdiction's consolidated plan for expanding the supply, affordability, and availability of decent, safe, sanitary, and affordable housing.

Eligible Activities and Costs -- it is using and will use HOME funds for eligible activities and costs, as described in 24 CFR § 92.205 through 92.209 and that it is not using and will not use HOME funds for prohibited activities, as described in § 92.214.

Appropriate Financial Assistance -- before committing any funds to a project, it will evaluate the project in accordance with the guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other Federal assistance than is necessary to provide affordable housing;



Signature/Authorized Official



Date

Mayor
Title

Appendix 3 – Other Resources

This section describes the anticipated resources that assist Salem residents in addition to CDBG and HOME funds. These include leveraged funding for Salem’s CDBG and HOME activities, financial resources for Salem’s community partners and other services and resources available to Salem residents.

Financial/Leveraged Resources

Many activities leverage funding from other sources to maximize the impact of the federal dollars the City receives. In addition to the City, several housing and community development programs are carried out by non-city agencies that operate through a variety of resources. The tables below include anticipated funding resources for the City of Salem Department of Planning & Community Development, as well as several key organizations, including the Salem Housing Authority, North Shore Community Action Programs, Inc., Lifebridge and North Shore Community Development Coalition. While it is not possible to anticipate every source of funding, the table below indicates some of the sources of funds that CDBG and HOME will likely leverage during FY17. The dollar amounts are best estimates and do not indicate a minimum or maximum amount that will be leveraged.

City of Salem FY17 funding resources/anticipated leveraged funds (includes full amounts applying for, applied for, awarded or awarded and partially spent) for all programs and project to be undertaken by the DPCD - not just those leveraged with CDBG funds):

Source	Amount
Federal Sources	
CDBG	\$995,257
HOME	\$101,172
Program Income	\$112,500
Subtotal Federal	\$1,208,9295
Federal Sources (Non-CDBG or HOME):	
Environmental Protection Agency - Revolving Loan Fund (awarded with Peabody, MA - for use over 5 years 1-/2014-9/2019)	\$950,000
Essex National Heritage Commission Partnership Grant	\$2,000
Subtotal Federal	\$952,000
State Sources:	
MassDevelopment – Transformative Development Initiative Placemaking Grant	\$6,000
MA Office of Coastal Zone Management Coastal Resilience Grant Program (applied)	\$140,000
DHCD Planning Assistance Toward Housing Program (awarded)	\$30,000
DOER Decommissioned Coal Plant Community Grant (awarded)	\$2,000,000
EOHED - MassWorks Infrastructure Program 2014 (awarded for Washington/Dodge project)	\$3,360,000
Seaport Advisory Council (awarded)	\$4,050,000
MA Dept. of Energy Resources Green Communities (awarded)	\$239,000
Executive Office of Energy and Environmental Affairs – Parkland Acquisitions and Renovations for Communities (awarded for MaryJane Lee Park)	\$400,000
Massachusetts Historical Commission – Survey & Planning Grant (awarded for Downtown Salem Survey)	\$15,000
MA Recreational Trails Program – Forest River Conservation Area (applied)	\$50,000
Subtotal State	\$10,290,000
Local/City Sources:	
Capital Improvement Program (Salem Common Fence, Phase III)	\$50,000
Community Preservation Act (total applications recommended for funding)	\$812,790
Salem Redevelopment Authority (for former Salem Jail parking area)	\$80,000
General Fund (Conservation Commission, Historical Commission, Planning Department, Planning Board, Market Place) – Based on FY16	\$763,885
Subtotal Local/City	\$1,706,675
Private/Other Sources:	
Homebuyer private matching funds (estimate)	\$97,250
Business leveraged funds (Main Streets estimate)	\$91,300
Subtotal Private/Other	\$188,550
TOTAL	\$14,346,154

Note: Other sources of funds that may be leveraged, but for which no dollar estimate can reasonably be determined, are MA Get the Lead Out funds, private mortgages and private donations.

Salem Housing Authority funding sources/anticipated leveraged funds (for year ending September 30, 2015):

Source	Amount
Federal Sources	
U.S. Department of Housing and Urban Development Housing Assistance Payments	\$13,594,207
HUD Capital Fund Program	\$41,729
HUD Federal Public Subsidy	\$147,243
Subtotal Federal	\$13,783,179
State Sources:	
MA Dept. of Housing & Community Development 4001	\$592,883
MA Dept. of Housing & Community Development MRVP	\$227,114
MA Dept. of Housing & Community Development Formula Funding	\$1,705,869
Subtotal State	\$2,525,886
Local/City Sources:	
	\$0
Subtotal Local/City	\$0
Private/Other Sources:	
	\$0
Subtotal Private/Other	\$0
TOTAL	\$16,309,045

North Shore Community Development Coalition FY2015 (1/1/15-12/31/15)

Actual funding sources/ leveraged funds:

Source	Amount
Federal Sources	
LIHTC – increase in Salem Point II amount from prior report	\$630,000
HOME Funds – new Harbor & Lafayette amt. + increase in Salem Pt. II amt.	\$100,000
CDBG	0
Federal Historic Credits – revision of Salem Pt. II amt. on prior report	\$1,811,000
DOL – YouthBuild	\$227,994
Subtotal Federal	\$2,768,994
State Sources	
MA Dept. Elementary Secondary Education -YouthBuild	\$123,475
State Historic Credits	0
Brownfield Redevelopment Fund – Salem Pt. II final amt.	\$55,750
Subtotal State	\$179,225
Local/City Sources	
CDBG Salem	\$9,000
CDBG Peabody	\$9,000
CPA Salem – Harbor & Lafayette Homes	\$100,000
Subtotal Private/Other	\$118,000
Private/Other Sources	
Grants/Foundations	\$223,487
Events	\$95,000
Contributions	\$52,000
Community Investment Tax Credit	\$140,000
Boston Community Capital – acquisition of 38 Palmer St.	\$55,000
Housing Ministries of New England – Harbor & Lafayette Homes	\$50,000
Eastern Bank Tax Exempt Bonds – Salem Pt. II revision of prior amt.	\$2,100,000
Developer's Fee – from Salem Pt. II LP	\$635,000
Subtotal Private/Other	\$3,350,487
TOTAL	\$6,416,706

North Shore CDC funding for real development estate development projects is listed on the next page.

NORTH SHORE CDC: REAL ESTATE DEVELOPMENT SOURCE SUMMARY 2009-2018

	Project Name	<u>Palmer Cove</u>	<u>Salem Point II</u>	<u>Harbor and Lafayette Homes</u>	<u>Congress Street Residences</u>	<u>Peabody and Leavitt</u>
	Affordable Housing Units	15	77	27	64	15
	Year Completed	2009	2015	2016 est.	2017 est.	2018 est.
FEDERAL	LIHTC	846,995	5,151,000	1,937,458	7,472,103	
	City/Consortium HOME		450,000	300,000	50,000	
	Community Development Block Grant (CDBG)				50,000	
	Tax Credit Assistance Program (TCAP)					
	Federal Historic Tax Credits (FHC)		1,811,000		3,331,332	
	Federal Subtotal	846,995	7,412,000	2,237,458	10,903,435	
STATE	Affordable Housing Trust (AHT)	1,211,922		1,000,000	1,000,000	
	CATNHP					
	Housing Stabilization Fund (HSF)	1,211,923		700,000	1,450,000	
	HPSTF					
	Facilities Consolidation Fund (FCF)	548,580				
	State HOME				550,000	
	Housing Innovations Fund (HIF)	573,081	230,402	500,000	1,000,000	
	Danvers State Preservation Fund	182,000				
	State Low-Income Housing Tax Credits (STC)			1,182,600	2,699,520	
	State Historic Tax Credits (SHC)		1,221,750		1,254,000	
	Green Aff Hsg Dev Program					
	MassHousing Design Grant					
	Brownfields Redevelopment Fund		55,750			
	LEAN Multi-family Program			25,995	360,824	
	State Subtotal	3,727,506	1,507,902	3,408,595	8,314,344	
LOCAL	Community Preservation Act (CPA)	0		100,000	93,505	
	City of Salem Loans	0	105,898			
	Local Subtotal	0	105,898	100,000	93,505	
PRIVATE	Debt	650,000				
	Tax Exempt Bonds		2,100,000	550,000	5,655,150	
	Federal Home Loan Bank-Boston		400,000			
	Enterprise Foundation Grant					
	Energy Rebates & Utility Grants		25,419			
	Other LP Contributions					
	Other GP Contributions/Developer Equity					
	Deferred Developer Fee	244,529			50,000	
	Accrued Interest		207,366			
	Other-Seller Note		6,415,901	318,784	519,369	
	Other-Rollover of Reserves					
	Other-Commercial Condominium Sale					
	Private Subtotal	894,529	9,148,686	868,784	6,224,519	
	TOTAL DEVELOPMENT COST	5,469,030	18,174,486	6,614,837	25,535,803	18,100,000
	TDC/Unit	364,602	236,032	244,994	398,997	
	HARD CONSTRUCTION COST		7,085,799	2,933,723	14,245,436	
	Hard Cost/Unit		92,023	108,656	222,585	

North Shore Community Action Programs, Inc. FY17 funding resources/projected revenues:

Source	Amount
Federal Sources	
Emergency Food and Shelter Program	12,800
Subtotal Federal - Direct	12,800
Federal Indirect	
LIHEAP (Fuel Assistance)	2,215,235
Community Services Block Grant	330,570
HEARTWAP	170,160
HOME (City of Salem)	40,000
HOME (North Shore HOME Consortium)	35,000
Community Development Block Grant (City of Salem)	9,800
Community Development Block Grant (City of Peabody)	10,000
DOE – Action, Inc.	151,481
IRS Volunteers Income Tax Assistance (MASSCAP)	3371
Title III Older Americans Act (NESE)	6,000
Title III Older Americans Act (LGSS)	2,500
HOPWA (Lynn Housing Authority & Neighborhood Development)	50,000
Subtotal Federal – Indirect	3,024,117
State Sources	
Department of Housing & Community Development	3,480,724
Department of Elementary & Secondary Education	241,718
Subtotal State	3,722,442
Local/City Sources	
Peabody Municipal Light Plant	5,000
Danvers Electric	7,000
Trust Fund (Salem)	30,000
Subtotal Local/City	42,000
Private/Other Sources	
Donations	23,200
Private Contracts & Grants	21,667
Tuition & Fees	1,338,000
Subtotal Private/Other	1,382,867
TOTAL	8,184,226

Lifebridge FY16 funding sources/anticipated leveraged funds:

Source	Amount
Federal Sources	
HUD - McKinney Funds	\$98,000
Subtotal Federal	\$98,000
State Sources:	
DHCD	\$399,000
Subtotal State	\$399,000
Local/City Sources:	
CDBG	\$9,800
Subtotal Local/City	\$9,800
Private/Other Sources:	
Donations	\$300,000
Private Contracts & Grants	\$75,000
Commercial Income	\$450,000
Private Client Fees	0
Subtotal Private/Other	\$825,000
TOTAL	\$1,331,800

Services

In addition to financial assistance provided to Salem residents through the City and its community partners, there are numerous programs and services available to Salem residents. Some are funded through CDBG. Some non-CDBG funded resources not previously mentioned in this plan include, but are not limited to:

Greater Lynn Senior Services - THE RIDE

THE RIDE paratransit service provides door-to door, shared-ride transportation to eligible people who cannot use fixed-route transit (bus, subway, trolley) all or some of the time because of a physical, cognitive or mental disability. [THE RIDE is operated by the Massachusetts Bay Transportation Authority \(MBTA\)](#) in compliance with the federal Americans with Disabilities Act (ADA). THE RIDE in North area of Massachusetts is provided through Greater Lynn Senior Services (GLSS). GLSS provided 39,111 total trips for Salem residents in FY14, of which 28,256 being THE RIDE.

Independent Living Center of the North Shore and Cape Ann, Inc.

The ILCNSCA is the North Shore and Cape Ann service and advocacy agency for all persons of all ages who live with all types of disabilities within City of Salem and 24 other municipalities on the North Shore and Cape Ann. . The agency is located at Shetland Properties in the Point Neighborhood and is available to assist with completion of SSI/SSDI, food stamps and various housing applications. ILCNSCA advertises monthly times that are set aside where staff are available in a group setting to offer guidance on completing the Universal Housing application for subsidized housing across Massachusetts. They assist approximately 30 people annually with completing the UHA, Section 8 centralized waiting list or regional Section 8 waiting list. They also provide a variety of workshops to the community at large on how to find affordable, accessible, and available housing with a focus on Salem housing opportunities, as well as housing rights

workshop which assists those to know about reasonable accommodation requests, what to disclose about one's disability when applying and searching for housing, etc.

North Shore Community Development Coalition

The North Shore CDC invests in neighborhoods to create thriving communities, striving to provide quality affordable housing and foster economic empowerment and community development on the North Shore. Located in the Point Neighborhood, its residents make up the majority of their clients. North Shore CDC continues to advance quality programming that offers residents in the region basic life skills to aid in achieving economic stability and a self-sufficient life. Programming includes YouthBuild North Shore, Homeownership Training and Counseling, Community English Program and Family Stability Program. Along with its programming, North Shore CDC provides bilingual assistance to complete various applications. Annual numbers for FY15 include:

- VITA - 89
- Housing applications - 50
- Job applications - 23
- Other – 45
 - Workshops – 21
 - ESL - 108

Catholic Charities

Catholic Charities North began more than 95 years ago with initial sites in Salem and Lynn. The programs at Catholic Charities North strive to prevent hunger and homelessness for local families in a financial emergency; engage youth in education and employment programs focused on long term solutions to poverty; and support families in their effort to build safe, nurturing environments for children. The Salem office, in the Point Neighborhood, offers basic needs, family support, ESL/ELL classes and counselling services. Just over 50% of Catholic Charities Salem Basic Needs clients reside in the Point Neighborhood. Budgeting and financial education are offered to all Basic Needs clients. The agency will also assist with providing information and assistance with applications upon request.

HAWC

HAWC provides free, confidential services and support to victims of domestic abuse residing in 23 cities and towns on Massachusetts' North Shore. HAWC services include a 24-hour hotline, support groups, individual advocacy, legal advocacy, and hospital advocacy, children's services, a shelter program, community education, and a Parent-Child Trauma Recovery Program. Advocates meet with individuals one-on-one to support them with identifying their needs and accessing resources. They also provide financial literacy specifically to clients living in their shelter. The agency is located at Shetland Properties in the Point Neighborhood.

Citizens for Adequate Housing

Citizens for Adequate Housing, Inc. breaks the patterns of instability that lead to homelessness for every family served. They provide a temporary home for homeless families and permanent affordable housing to low income families. Nearly one third of their residents are from Salem and/or find housing in Salem upon exit from temporary family shelter. They provide one-on-one financial literacy training (using DVDs), work with Salem Five on personalized credit repair for residents and offer workshops on trauma, substance abuse, parenting and mental health.

[North Shore Community Action Program Inc.](#)

North Shore Community Action Programs, Inc. (NSCAP) provides social services that enable low-income families and individuals to obtain the skills and knowledge they need to become economically self-sufficient, civically engaged, and to live in dignity and decency. To achieve its mission, they provide a range of programs and services in five key areas: Education and Training, Economic Stabilization, Housing and Homelessness Prevention, Energy Services, and Home Care.

Under Energy Services, NSCAP provides Fuel Assistance to eligible households in Salem. For FY15-16, as of 3/16/16, 746 Salem families are eligible for \$419,050 in benefits, with two months remaining in the program.

NSCAP also provides tax preparation services for low income households whose gross income may qualify them for the Earned Income Tax Credit. The program is free and runs from January through April at three sites. In 2015, the Peabody site served 69 Salem residents, the Beverly site served 52 Salem residents and the Salem site (held at North Shore CDC in the Point neighborhood) served 111 Salem residents; totaling 232.

NSCAP will also assist clients that have case management (i.e. rep payee's, shelter clients, HOPWA clients, ABE clients, etc.) with preparation of applications for MassHealth, food stamps/SNAP, Fuel Assistance, Social Security paperwork, etc.

Other agencies/collaborations

At [Salem High School](#), students have the option to choose an elective course that allows them to build their knowledge of money and how investing works.

[New Liberty Charter School](#) provides academic skill, employability and personal stability programs for homeless and at-risk students, and partners with North Shore CDC to provide a YouthBuild program..

[The Boys and Girls Club of Greater Salem](#) periodically provides a financial literacy program to its teens through local banks, most recently Salem Five.

[Salem State University](#) offers many programs that are open to residents, teachers and Salem High School students. Along with non-credit classes and programs, the community can enjoy an award-winning theatrical performance, take advantage of the print and electronic resources of the library, or bring the family to an exciting athletic event. There are athletic camps and clinics, a Center for the Arts, the Explorers Institute for Learning & Retirement, along with part-time degree programs.

Salem is fortunate to also host many State offices, several of which are located in or near the Point neighborhood. Agency offices in Salem include, but are not limited to, the [Salem Juvenile Court](#), [Probate and Family Court](#), [Transitional Assistance Department](#), Division of Unemployment Assistance, [North Shore Career Center](#) and [MA Rehabilitation Commission](#).

Links to social service agency websites are located at

<http://www.salem.com/planning-and-community-development/pages/dpcd-links>.

The Independent Living Center also provides an on-line "yellow pages" of resources. It is located at

<http://www.ilcnsca.org/yellowpages.php>

Appendix 4 – Citizen Participation Comments

Part 1 – Public Participation Process

Public Hearing, 6:00 PM, January 21, 2016

Staff Present: Lynn Duncan, Director
Jane Guy, Assistant Community Development Director
Naomi Francisco, Housing Coordinator & Spanish translator

Attendees: 7, including 3 city staff

Lynn Duncan, Director of Planning and Community Development, opened the meeting stating that she was at this meeting to listen to the comments from the audience on this first of two public hearings regarding the fiscal year 2017 Community Development Block Grant. Ms. Duncan introduced Jane Guy, Assistant Community Development Director and Naomi Francisco, Housing Coordinator.

Ms. Guy stated that the purpose of the meeting was to obtain citizen views on housing, community, and economic development needs and priorities in order to prepare the action plan for the period of July 1, 2016 through June 30, 2017. She stated that for CDBG, she is estimating level funding from HUD at \$952,642, which is approximately 23.5% less from what was received six (6) years ago. She stated that for HOME funding, last year's allocation was \$84,612, which was the lowest allocation ever and approximately sixty (60) percent less than six (6) years ago. These amounts will be estimated for budget purposes until HUD provides what the actual allocations are going to be. Ms. Guy explained that the Action Plan is a one year document, done each year of the five years of the 5-Year Consolidated Plan period. She stated that, last year, the city had a lot of public meetings, public outreach and data collection to create the new 5-Year Consolidated Plan, which can be viewed online and at this meeting. This came up with needs and priorities, but it doesn't mean that priorities don't change. Ms. Guy asked the audience if there are ongoing needs, if certain needs have expanded or decreased, or if there are new needs. She asked for thoughts on priorities or even ideas to meet the needs. Ms. Guy explained that CDBG and HOME funds must assist low, very low- to- moderate income households and neighborhoods. Ms. Guy reviewed a map noting the low to moderate income areas that have been determined by census block groups as well as the boundaries of the slums-blight/ Urban Renewal area where certain projects can be done. She noted that some projects are done city wide, such as First Time Homebuyer and Housing Rehabilitation programs which are done by looking at people's household income and determining if they are eligible. Other projects, such as street paving, sidewalks, crosswalks, tree planting, and handicap access projects, can automatically be done in low to moderate income neighborhoods. A few past projects that have been done are improvements to fire houses, park and playground improvements and street resurfacing. She stated that other activities that can be funded include studies, such as those needed to preserve a historic building, or grants to social service agencies for various programs such as those to prevent eviction, food pantries, youth activities, senior transportation, child care, neighborhood bike patrols, job training and many others. Projects can be those that the city undertakes or can be projects undertaken by agencies, such as those represented here. Ms. Guy stated that as part of the process the city issues request for proposals for social service agencies, non-profits for economic development, housing and public service programs to seek funding for their programs; those were mailed out this day and proposals are due February 29, 2016. She stated that the process kicks off tonight with this public meeting, the funding requests will be received and the action plan will be drafted and made available sometime in March for a thirty (30) day comment period. There will be another public meeting and the City Council will be asked to approve the submittal of the

application for the funding. The plan goes to HUD by May 15, 2016. Ms. Guy asked the audience to provide questions and/or comments.

Ms. Duncan asked the members of the audience to introduce themselves and provide the name of the social service agency they are representing when they comment.

Jill Bowen from Catholic Charities stated that their main office is located in Lynn, but their satellite office is in Salem on Washington Street. She stated she hasn't seen a lot of changes and wishes she had something new to tell. She stated that the most helpful is having the funds to help people avoid eviction. She stated that it's a chronic problem, and people are always going to have situations where they can't keep up with their rents, that it can snowball and if they can't get some help, they're out. She hasn't seen a lot of difference in the people that are asking for the money noting they are mostly families and single parents - women mostly.

Deric Lepard, from North Shore Community Action Programs, stated that his agency distributes the funds in the same way as Catholic Charities. He noted that it was interesting to look at the needs assessment they had done for their last strategic plan and that housing was number one. He stated that approximately 850 surveys were returned and housing was the most need given by the community; second was heating/utility and the third was emergency assistance which falls in connection with housing. Mr. Lepard stated that the costs of keeping someone in their home versus having them go in a shelter is a huge difference. It is more economical putting the funds towards keeping people in their homes and not having to resettle them along with all the things that go with that process. He stated that he sees it on a first hand basis what a difference it can make. Mr. Lepard stated that he hasn't seen any dramatic changes, but they have been running more out of rent money this year than they have in the past from multiple funding pots.

Ms. Guy asked if it was costing more per household or if there are more households that need rental assistance.

Ms. Lepard replied that there are more households.

Ms. Guy asked if it was short-term or long-term.

Mr. Lepard replied it was short-term. He added that the agency conducts both types of programs including one through the advocacy department, on through the shelter program and one through the housing for opportunities for people with AIDS program. The short-term program is there to solve the problem for those individuals that are able to maintain their current housing.

Ms. Bowen stated that she has also seen a difference. She is not sure if many more people are calling, but noted that the rental prices are higher. The cost of apartments has changed and that while \$200-\$300 previously helped, it doesn't do much now.

Lisa Orgettas, Director of Community Services at North shore Elder Services, stated she brought copies of their Area Plan the agency conducts every couple of years, as well as the latest statistics from the Tufts Health Plan foundation about Salem's populations characteristics. She stated that when they do their area plan they also do focus groups and try to tease out what's going for folks in our communities. She mirrored that it is absolutely housing. It is also transportation; having access to get them back and forth to medical services or over to congregate meal sites. They see these as the main priority at this time.

Ms. Duncan asked what types of transportation services are needed.

Ms. Orgettas replied that her agency is mainly focused on seniors 60 and older. She stated the pieces they do are through Title IIIB and that they provide granting funding to the Salem Council on Aging for transportation. She stated that it is been identified through their study as a definite pervasive need.

Mr. Lepard stated that they have been recipients of this fund, which has allowed them to focus on seniors. It's a small amount of money to help with housing or utilities depending on the town and in Salem he believed it was designated for rent. Mr. Lepard stated that when they get a senior who calls and states that they are going to be homeless they can partner with other agencies; every little bit helps.

Ms. Guy asked that if a situation like this arises and the City gets this type of call, is there a person to call directly.

Ms. Orgettas stated that the call could be referred to North Shore Elder Services and which will get them to an intake or referral specialist and that it might be a gateway into a scope program or other types of assistance to get case management, home delivery meals, nursing case management, etc. She stated that there are definitely a lot of resources for people. Ms. Orgettas further commented that Salem's population is pretty old as far as percentage based on "other". When looking at Salem, the older population is higher than the State average. Salem is at 20% versus the State average of 15.8% for persons 65 or older. Ms. Orgettas stated that the percentage of unmarried older persons is higher than the State, 61.4 versus 49.1 which takes a layer of support away. The percentage of persons living alone for Salem is 37.6 versus 30.3.

Ms. Guy asked if this was taking into consideration the college students.

Ms. Orgettas stated that she was not sure if they were considered residents and that would skew the numbers higher.

Ms. Guy stated some may be considered residents depending on when the study was conducted, and some students may be off campus housing.

Ms. Orgettas stated that the number of Salem's population of older persons who speak only English at home is lower than the States' - 77 versus 83. Salem was ranked worse on three (3) indicators in the State of asthma, atrial fibrillation and benign prostatic hyperplasia. Ms. Orgettas stated that the data showed that a lot of the Salem population is older, living alone and do not have much of a support system.

Mary Margaret Moore, Executive Director from the Independent Living Center of the North Shore and Cape Ann stated that Salem has started the Aging in America group and a lot of this this being looked at.

Ms. Duncan asked if the Age Friendly Initiative has spoken to Ms. Moore about getting some of that information.

Ms. Moore answered that she attended a meeting about five (5) months ago, but is not aware where they are at now.

Ms. Duncan explained that the City of Salem had been invited to submit a full application to be designated as an Age Friendly Community and it's being worked on, further commenting that she reviewed the Housing Needs Assessment component and there was a transportation component and that pieces of the plan are being put together and she assumes will be submitted in the near future.

Ms. Moore stated Paul Lanzikos from North Shore Elder Services was at that first meeting as well.

Ms. Moore stated this is something to further think about as we think about CDBG.

Ms. Orgettas provided copies of the statistics and a copy of the area plan.

Ms. Moore stated that the Independent Living Center of the North Shore and Cape Ann is housed in Salem and serves twenty-five (25) communities from Melrose to Rockport. She stated they are also seeing what has been stated regarding housing. She noted that it is not just the housing piece for a lot of people that are homeless. The agency is struggling to help someone who is living on a couch and helping them locate moving expenses for their stuff that's in storage and to get it to the place. It is incidentals as well as the fundamentals and we haven't had a chance to talk about that for CDBG money lately because of the crisis with the fundamentals. Yes, we need more housing stock, yes, we need more accessible health, yes, we need more help for heat and money to help pay first and last month's rent. She stated that we are doing better at putting some money in there for some people, but it even goes beyond that and she wanted to lay out moving costs, requests for which we get a lot lately. She stated that the other piece is the transportation issue and it's getting harder for people to cope with the new system for getting accessible rides through the MBTA which requires having go for an evaluation. Therefore, there are more people they are hearing from that need transportation and don't want to be bothered with that new system. They are referred them to the Council on Aging, but there's only so much things those vans can do. Ms. Moore stated there aren't any accessible taxis in Salem and she has not seen that as a priority. She stated that Webb Transportation Corporation, whom she saw at the North Shore Chamber breakfast within the last year or so, finally has one accessible vehicle.

Ms. Guy asked if they were located in Salem.

Ms. Moore stated it is located in Danvers is the only one in the North Shore for which she is aware. It is not a van. She stated it is a shame we haven't been able to get accessible taxi services in Salem. Ms. Moore they are seeing more of people feeling bullied when they are in subsidized places; people feeling they're not being heard in some of our subsidized places in Salem, noting there is more than one side to every perception.

Ms. Guy asked if this is persons with a voucher living in a rental unit or living in one of the Salem Housing Authority properties.

Ms. Moore replied that it is both and explained that what she meant by being bullied, is people being denied access to handicap parking or not having the right parking access, door entry issues where they can't get in/out because the buzzer is broken all the time; people feeling as they are not being heard and are being ignored. Ms. Moore states she does not know how this fits into the plan because it's really a strategy. She stated that she feels that a lot is being done about educating of the person, which is good, but sometimes we miss doing the educating of the community. For people that are seniors or with functional disabilities, adults and/or families with children, she feels there is not a lot of educating that they are people too. Ms. Moore wanted to raise this issue because of the two year push to get the Massachusetts Legislature to put through the anti-bullying of seniors and people of disabilities in subsidized housing commission and that she is getting more calls about this issue. Ms. Moore stated it has come out of the Senate Committee and is getting ready to be voted on in the Senate and then it goes to the House. She noted Joan Lovely, Paul Tucker and Leah Cole had been working on it. Ms. Moore stated if we are talking of inclusion and diversity, we all need to think about educating all of us and not just the person.

Ms. Duncan asked if Ms. Moore shared this information with at the Age Friendly Initiative meeting.

Ms. Moore stated she did, but wasn't sure they heard it.

Ms. Moore added that another issue that has also been raised at meetings of the Salem Disability Commission is curb cuts.

Ms. Guy asked if there were any particular ones.

Ms. Moore replied that some are needed on Wilson Street at the nice new crosswalk with the nice colors, noting she put the request in over two (2) years ago and it's not accessible.

Ms. Duncan stated curbcuts are something CDBG can fund.

Ms. Moore replied that coming from Wilson to Jefferson, past the Golf Course entrance, there is a nice crosswalk with the stripes, but no curbcut. Ms. Moore stated there was another one further up on Wilson closer to Highland. She stated that the Salem Disability Commission is coordinating with Public Works; some of these issues may be in the areas covered here, like Wilson.

Ms. Guy asked the audience if there any additional comments.

Mr. Lepard added there are some sidewalks needing repairs or need to be redone on Laurent Street. He stated that he didn't know if some were already scheduled to be done. Mr. Lepard stated he saw one being reported at See Click Fix. Mr. Lepard also expressed that he loved some of the street paving the city had recently completed.

Ms. Duncan stated that the more specific the request, the more helpful because DPW asks for a specific amount of money to complete sidewalks and curbing and we can try to make sure the information is shared regarding specific locations.

Mr. Lepard stated that he wasn't sure about Jefferson Street near Shaughnessy, because he hadn't taken a look for a while, but there had been areas that needed work.

Ms. Guy stated that she has heard in the past people had issues getting to Market Basket along Highland Avenue where access is not good, but did not know if any have been improved since; therefore it's always helpful to know if there is a specific sidewalk, curb cut or crosswalk that you know of right now.

Ms. Duncan stated that DPCD works with DPW superintendent and while she doesn't know what priorities they have now, she will share this information.

Ms. Moore stated that she is not saying that the DPW is not doing a good job, but noted that they do have their constraints and it's an opportunity to have more resources needed to do their job.

Ms. Guy encouraged residents to also use See Click Fix for the curb cuts.

Mr. Lepard also commented on the area at the bottom of Laurent/Jefferson has constant flooding and ice, which is a flooding area that has never been really fixed and that someone has recently reported that on See Click Fix.

Ms. Duncan stated that some are potentially bigger issues, such as dealing with drainage, but it's still important to know.

Ms. Guy thanked those in attendance.

Part 2 – Review of Draft Plan

Public Hearing, 6:00 PM, April 7, 2016

Staff Present: Lynn Duncan, Director
Jane Guy, Assistant Community Development Director
Naomi Francisco, Housing Coordinator & Spanish translator
Attendees: 5, including 3 City staff

Lynn Duncan, Director of Planning and Community Development welcomed the attendees and introduced Jane Guy, Assistant Community Development Director and Naomi Francisco, Housing Coordinator.

Ms. Guy noted that attendee Lucy Corchado is a member of the Citizens Advisory Committee, which is responsible for commenting on the plans, as well as helping out with the recommendations for Social Service fund awards which happens typically in the fall.

Ms. Guy stated that the draft One-year Action Plan has been prepared. The City completes a Five-Year Consolidated and then five Action Plans during the period, indicating that this is year two of the Five Year Consolidated Plan. She stated that to utilize CDBG or HOME funds, activities must be considered eligible by HUD's definition, as well as primarily assist low, very low and moderate income households or neighborhoods. Ms. Guy indicated the location of the neighborhoods on a map.

Ms. Corchado asked if the eligible neighborhoods changed at all from last year and has it expanded.

Ms. Guy responded that it had changed when the 2010 census finally came through, which was a few years later, and again pointed to a map identifying the portion that was added and several small sections that were removed.

Ms. Duncan stated that the area added was around McGlew Park which enabled the City to start the McGlew Park project.

Ms. Guy stated the Five-Year Plan was completed in 2015. The Action Plan is the one year document that outlines the activities that the City will undertake for the upcoming fiscal year that will start July 1, 2016 through June 30, 2017. She stated that the plan includes the activities that were identified as priorities in the Five-Year Consolidated Plan, as well as additional activities that were determined to meet new needs and priorities that were identified since the Five-Year Consolidated outreach. She stated that activities can be undertaken by the City or can be managed directly by other organizations such as North Shore CDC or Salem Main Streets. A request for proposals is issued to enable non-profit agencies to request funds to provide programs that serve Salem residents. Ms. Guy stated that the City has been informed by HUD that the annual formula allocation will be \$995,257 which is a surprising \$42,600 over last year, but still 20 percent less than six years ago. For HOME funds, the information from the Consortium states that the allocation will be \$100,568, which is about \$16,000 more from last year. This is due to the Census information from the Five-Year Consolidated Plan, and her recommendation that they look into the formula being used. Salem has more low-to-moderate income

households than what the formula provided and other communities were affected as well. She noted that the increase it has more to do with the formula than the amount of HUD funding.

Ms. Corchado asked how much it went up.

Ms. Guy answered that it's still 52 percent less than six years ago, but that it went up by approximately \$16,000. Ms. Guy explained that the Draft Action Plan continues to include core programs such as the Business Loan program to create or retain jobs, funding for Main Streets, Housing Rehab Loan program, rental down payment assistance, first time homebuyers, neighborhood infrastructure improvements such as street improvements and tree planting, grants to social service agencies for various programs that can be used to help those to prevent eviction, food pantries, youth activities, senior transportation, child care, bike patrols in the Point Neighborhood and job training. The RFP was issued and the list of proposals received is in the draft; individuals can comment on any that they would like to see funded. Ms. Guy stated that the new activity in the plan for this year is the Point Area flood improvements, which will install 90 catch basin inlet trash guards to prevent trash from entering and clogging piping and flooding Point Neighborhood streets and polluting the harbor.

Ms. Corchado stated that with the rezoning of the flood areas, some areas of the Point are now included, and asked that aside from the project mentioned, are there funds being set aside for assistance with flood insurance or anything like it.

Ms. Guy responded in the negative, adding that she would have to look into whether the activity would even be eligible.

Ms. Duncan responded that it would be challenging because everybody would be putting a request for assistance with flood insurance.

Ms. Corchado asked, if in areas of low to moderate income, would there be some flexibility.

Ms. Guy responded that households close to eviction can be assisted with up to three months emergency assistance, but couldn't be provided with ongoing funding; therefore she believed insurance payments would probably not be eligible. She stated that she will look into it.

Ms. Duncan stated that a call will be placed to the HUD rep.

Ms. Corchado stated emergency funding would be covered if there was flooding or major disaster.

Ms. Guy replied in the affirmative and stated that as far as the insurance payment for flood insurance, she's leaning towards it not being eligible, noting that it would be the landlord who would be responsible not the tenant.

Naomi Francisco stated that maybe for owner occupied who are low income, but felt that it would be a little tricky to approve them under the maximum income guidelines.

Ms. Duncan stated that they are guessing it wouldn't be an eligible activity; it's not housing, economic development, and it's not removal of slum and blight. She stated that they will ask and let her know.

Ms. Corchado wondered if it will fall under some type of assistance for low income rental in that area.

Ms. Guy stated maybe under Public Services, but someone would have to administer it.

Ms. Duncan stated that, if eligible, it would mean that any low-moderate income household is eligible, noting that the flood zone has expanded not just in the Point but in many areas.

Ms. Corchado asked if there were CDBG funds set aside for emergencies if there is flooding. She stated that she read there was funding for emergency, urgent needs such as earthquakes and hurricanes.

Ms. Guy stated that for major catastrophes, chances are there would be disaster relief funds and the City wouldn't need to rely on using CDBG. She stated that the City does not set aside monies anticipating a disaster. She noted that just because now they've called it a flood zone, it doesn't mean that is any more prone to flooding than it was before.

Ms. Corchado asked if there was appeal on the Point being included in the flood zone.

Ms. Duncan stated the City has brought an engineering firm on board to look at some of the modeling to see if there could be changes made. Ms. Duncan stated she would check with Tom Devine who is overseeing the project.

Ms. Corchado stated she was thinking in terms of an emergency in a low mod area and not necessarily major flooding, but even a fire in a building where folks are displaced and need assistance.

Ms. Guy stated in the past they have been able to make funding available, such as giving extra money to NSCAP and Salvation Army and other agencies, so that they can provide assistance directly to the tenants that are in those properties. These agencies, including Catholic Charities, have been good at working together and each assisting tenants to get housing. The City has been able to get agencies working together and to use CDBG to help out whenever it can, usually for tenants to stay in hotels temporarily or for first/last month's rent.

Ms. Guy stated the other project being looked at is the eligibility of a South Harbor public art lighting project; Mickey Northcutt has been encouraging the City to do this.

Ms. Duncan commented that when City was doing the Public Art Master Plan two or three years ago, one of the ideas was try to connect the downtown and the Point Neighborhood, possibly through public art. She stated that she thinks it will be great for the downtown and the Point neighborhood to have, if determined eligible.

Kylie Sullivan, Director of Salem Main Streets, stated that one of the impetuses behind this is that we have, Available Light, Inc. in Derby Square, which is the company that does a lot of illumination. She wondered if there is some job creation that can come out of it.

Ms. Corchado stated that in terms of economic development, it would bring people to the businesses in the area.

Ms. Sullivan added that it would make use of the service businesses in the area, which they've often have had a harder time of showing and proving compared to storefront businesses. Ms. Sullivan stated that she feels there is something there because the reason this has legs is because we have service businesses in the downtown that can do this work and do it high quality.

Ms. Duncan stated it was very technical to get these things approved and on a broad basis it is definitely tied to economic development, but meeting the HUD regulations is very finite. She stated that if there is any way to do it, it will be figured out.

Ms. Guy stated that several projects will continue into FY17 that are in various stages of implementation such as Council on Aging improvements, neighborhood history signs, McGlew Park improvements and Mary Jane Lee park improvements. She stated that she wasn't sure what exactly the Boston Street neighborhood improvements will be but noted that they're slated for a long term project in the future; therefore the funds will be carried over. There are also some funds for the implementation of some of the goals of the Point's Visioning Plan. All the funding set aside for those projects will remain in place.

Ms. Corchado asked the amounts that have been set aside.

Ms. Guy responded that she believes there is about \$45,000 left for the Point Visioning Plan and a chunk of money for the Lafayette Park, but didn't have the figures of hand and would send them to her.

Ms. Guy stated that they're in the public comment phase; the comment period ends April 22nd after which the plan will be finalized and they will go to Council to get approval to submit the application. She asked for any questions or comments or welcomed written comments by April 22nd.

Ms. Corchado asked if there was any feedback from the first public meeting.

Ms. Guy stated that the social service agencies that attended stated the housing was still number one, transportation is always a problem, including the Ride, and that it seems they are still getting the same calls for services. The opioid problem is still a concern, and the Police are applying for grants. While the Action Plan does not have funds set aside, there is a lot happening to address the issue. Agencies are allowed to submit CDBG funding proposals that meet our guidelines and the RFP which indicates what is eligible and what are high priorities. Ms. Guy stated that the City has received more education related proposals, for which a few were funded last year.

Ms. Corchado asked if the Police, aside from the bike patrols, could request funding to bring the Dare Program back into schools.

Ms. Guy stated they could apply, but it would probably have to be in the schools that are low-mod. She noted that CDBG funds are limited to 15% and if new programs are added, some existing programs would likely need to be dropped, noting that the SATV program was dropped last year. Two new programs added included teacher visits to the low-mod kids starting Kindergarten, and a program for low income families to save for college.

Ms. Corchado stated that with the drug issue, it would be great to have DARE to hit the kids early and, aside from health, to talk about the dangers of getting involved in dealing, noting that they can get CDBG funds quickly.

Ms. Guy stated the Police can apply, noting that they have applied for the bike patrols. She noted that a grant opportunity recently came across her desk for crime/gang prevention, and that she sent it over to Chief Mary Butler who she stated that they are already looking into it. Ms. Guy will inquire with Chief Butler about the DARE program.

Ms. Corchado stated that even if it was on a part-time basis, such as a few several hours a week, and even if it wasn't called DARE, but was a type of drug prevention.