

CITY OF SALEM

~ ONE-YEAR ACTION PLAN ~
(YEAR 3 OF 5 OF THE 5-YEAR CONSOLIDATED PLAN)



JULY 1, 2017 – JUNE 30, 2018

FISCAL YEAR 2018
(HUD 2017 FUNDS)

JULY 17, 2017

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Introduction

The Federal funding that Salem will receive for FY18 includes \$965,549 in CDBG funds, \$99,497 in HOME funds and a projected \$106,500 in program income. Total proposed expenditures based on current estimates of funding to be available are \$1,171,546.

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 April, 2017.

Household Size	Income Limits							
	ONE	TWO	THREE	FOUR	FIVE	SIX	SEVEN	EIGHT
MODERATE (80% of Median)	54,750	62,550	70,350	78,150	84,450	90,700	96,950	103,200
LOW (50% of Median)	36,200	41,400	46,550	51,700	55,850	60,000	64,150	68,250
VERY LOW (30% of Median)	21,700	24,800	27,900	31,000	33,500	36,000	38,450	41,320

¹ Salem’s median income is \$98,100

FY18 Action Plan Summary of Proposed Activities

The following section describes the activities proposed for FY18 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.

FY18 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



43 Boston Street is one of two former rooming houses that will be converted to 26 affordable studio apartments by Harborlight Community Partners. Photo courtesy of Harborlight Community Partners.

Projected Accomplishments: 2 Housing Units Rehabbed

Proposed Funding: \$35,000 CDBG; \$40,512 HOME (If Salem's HOME allocation is less than estimated, HOME funds for this activity will be reduced by the difference).

This activity will also use carried over funding from FY17 (for additional units).

- **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: 3 Households Assisted

Proposed Funding: \$20,000 CDBG

This activity will also use carried over funding from FY17 (for additional households).

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: 42 Households assisted

Proposed Funding: \$56,000 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: A minimum of 2 units of affordable housing as yet to be determined.

Proposed Funding: \$75,000 CDBG; Carried over HOME funding from FY17 will also be used for specific development projects to be determined.

- **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; \$2,985 HOME

Fiscal Year 2018 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 is designed to encourage private investment and reinvestment by new and existing property/business owners in eligible commercial districts, by offering a one-to-one match for façade improvements. The match from the city is up to \$5,000 for each storefront.

Projected Accomplishments: 1 business assisted, minimum of 2 jobs created

Proposed Funding: \$43,500. This activity will also use carried over funding from FY17.



Ribbon Cutting at Notch Brewery

- **Business Technical Assistance**

The City helps to coordinate and fund technical assistance services to local business owners. In FY18, 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. 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 business owners/potential owners assisted, min. 5 jobs created

Proposed Funding: \$123,500

Fiscal Year 2018 Neighborhood Improvement Activities

- **Parks, Facilities & Infrastructure Improvements**

Various improvements to publicly owned resources in eligible neighborhoods. Improvements may include, pedestrian circulation, safety and aesthetics, accessibility improvements, trash receptacles, traffic improvements, lighting, public art, signage and open space improvements, as well as improvements to public facilities and public infrastructure. An example of work to be undertaken could be implementation of recommendations for Palmer Cove Park currently under study.



Palmer Cove Park – courtesy of Google Earth

Projected Accomplishments: Various park, facility and infrastructure improvements

Proposed Funding: \$110,840. This activity may also use carried over funds from FY17.

- **Downtown/South River Improvements**

Undertake infrastructure improvements to support Salem's slum/blight area (downtown) and complement ongoing Economic Development activities. The Downtown is bounded roughly by Bridge Street to the north, Peabody Street to the south, Summer Street to the west, and the Salem Common to the east. The MBTA's Salem commuter rail station parking lot, located just north of Bridge Street, is included within the Downtown, as is the South River located to the South.

Just a couple years ago, the properties along the Downtown side of the South River included several vacant business spaces, including a large empty parcel that had several failed attempts at development. However, more recently, this area has started to go through a positive transition that the City would like to help further along. One building that had been vacant for over a year, as well as a former tire shop, revived as new restaurants. Last summer, Notch Brewery opened its brewery with a tasting room and outdoor patio facing the South River. The Salem Waterfront Hotel has received all local permits needed to undertake an expansion of their hotel by 42 rooms within a new building on a

currently underutilized lot that sits alongside of the South River. The City is pursuing state level permits and funding opportunities to dredge the South River, with the end goal of making a portion of the river open to recreational boating. The City recently acquired a large vacant parcel in the middle of this activity and is currently undergoing placemaking and landscape design services for a new waterfront park. These activities will all help alleviate slum/blight conditions, create jobs and encourage further development. The City intends to complement these efforts and contribute public investment to help further spur private investment and to help bring new customers to these fledgling businesses, further increasing the vitality of the area, and thereby reducing slum/blight. Activities may include street & sidewalk improvements, pedestrian circulation, safety and aesthetics, accessibility improvements, tree planting, trash receptacles, traffic improvements, lighting, public art, signage and open space improvements, as well as improvements to public facilities and public infrastructure. Examples of work could be the continuation of the Harborwalk or installation of permanent year-round or seasonal lighting as public art. These improvements may also enhance the livability of the nearby Point Neighborhood, as well as the use and enjoyment of its amenities, such as Peabody Street Park and the Harborwalk.

Projected Accomplishments: Facility and infrastructure improvements and/or public art

Proposed Funding: \$100,000. This activity may also use carried over funds from FY17.

- **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: \$80,000

The Neighborhood Improvement category will also include \$17,000 for program delivery costs.

Fiscal Year 2018 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 23 social service agency programs to assist an estimated 8,300 persons.

Proposed Funding: \$160,800

Fiscal Year 2018 Social Services Funding Proposals Received:

Located within or steps from the Point Neighborhood:

- Catholic Charities - Homeless Prevention Program
- HAWC – Legal Services for Domestic Violence Services



A volunteer loads bags of food for delivery to home bound seniors and disabled households. Photo courtesy of North Shore Moving Market.

- Independent Living Center of the North Shore and Cape Ann, Inc. - Housing Assistance Services
- Leap for Education - College Ready Program
- 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
- Salem YMCA - Afterschool Program

Located within Salem:

- Aspire Developmental Services, Inc. – Early Intervention Program
- Boys & Girls Club of Greater Salem - Power Hour
- Eastgate Christian Fellowship - Joseph's Storehouse Food Pantry
- HAWC - Emergency Shelter Children's Program
- Inversant (@ Salem High School) – Salem Families College Savings Program
- Salem Council on Aging - Senior Transportation Program
- Salem Council on Aging –Creative Arts Program for Senior Citizens
- Salem Park, Recreation & Community Services – Enrichment Programs
- 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):

- North Shore Community Action Programs, Inc. - Homeless Prevention Program
- The 1647, Inc. – Teacher Home Visits & Family Engagement

Fiscal Year 2018 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: \$214,409 (salary, benefits, non-salary expenses, studies). This includes funds required to match grant funds being provided by Massachusetts Historical Commission to undertake Survey and Planning Grant projects and/or other grant-funded projects.

Save the Date
May 2, 2017
 1st Annual Preservation Breakfast



Mayor Kimberley Driscoll, the Salem Historical Commission
 & Salem's Preservation Partners
 invite you to a

Preservation Breakfast for Elected Officials

Tuesday, May 2nd at 8:30am
 Peabody Essex Museum, 135 Essex Street

More information to follow

Matching grant funds from Massachusetts Historical Commission's Survey & Planning Grant Program have made it possible for the City's Historic Preservation Planner to expand Salem's historic preservation efforts in creative ways.

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 FY18.

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.
Lafayette Park Improvements	Park redesign and improvement.
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 Projects	Various improvements (i.e. replacement of the canopy at Peabody Street Park).
Downtown Improvements	Infrastructure and public facility improvements to enhance pedestrian circulation, public art, safety, access and aesthetics and to compliment ongoing Economic Development activities.
McGlew Park Improvements	Redesign of McGlew Park.
Boston Street Neighborhood Improvements	Infrastructure improvements.
Tree Planting	Tree planting in eligible neighborhoods.
Teen Center	Furnace purchase.
Point Area Flood Improvements	Purchase and installation of catch basins to prevent flooding and water pollution.

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 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 2018 (Year 3). It describes the activities that the City will undertake in the next fiscal year (July 1, 2017-June 30, 2018) with Community Development Block Grant (CDBG) and Home Investment Partnership (HOME) 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 FY18 Action Plan, with cover, table of contents, introduction and appendices will be located at www.salem.com

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic 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 summarizes the proposed projects' objectives and outcomes for FY18.

Category	Source	Objective	Outcome	± (Units, persons, etc.)
<i>Housing</i>				
Housing Rehabilitation Loan Program	CDBG \$35,000; HOME \$40,512	Decent Housing	Affordability	2 Housing Units*
First Time Homebuyer Programs	CDBG \$20,000	Decent Housing	Affordability	3 Households*
Rental Assistance Programs	HOME \$56,000	Decent Housing	Sustainability	42 Households
Affordable Housing Development	CDBG \$75,000	Decent Housing	Affordability	2 Housing Units*
Rehabilitation Administration (inspections, mortgage filings, salary, benefits, non-salary expenses)	CDBG \$92,000; HOME \$2,985			
<i>Economic Development</i>				
Business Technical Assistance	CDBG \$123,500	Creating Economic Opportunities	Availability/ Accessibility	22 Businesses; 5 Jobs
Small Business Financial Assistance Programs	CDBG \$43,500	Creating Economic Opportunities	Affordability	1 Businesses; 2 Jobs
<i>Neighborhood Improvement Activities</i>				
Neighborhood Street & Sidewalk Improvements/Tree Planting	CDBG \$80,000	Suitable Living Environment	Sustainability	Locations of trees to be determined
Parks, Facilities and Infrastructure Improvements	CDBG \$110,840	Suitable Living Environment	Sustainability	Various infrastructure improvements
Downtown/South River Improvements	CDBG \$100,000	Creating Economic Opportunities	Sustainability	Infrastructure improvements
Program delivery (placeholder)	CDBG \$17,000			
<i>Social Service Activities</i>				
Community Support Services	CDBG \$160,800	Suitable Living Environment	Availability/ Accessibility	8,300 Persons
<i>Not-Applicable to Salem's Performance Measurement</i>				
General Program Administration (salary, benefits, non-salary expenses, planning studies & reports)	CDBG \$214,409			

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

Objectives and Outcomes

3. Evaluation of past performance

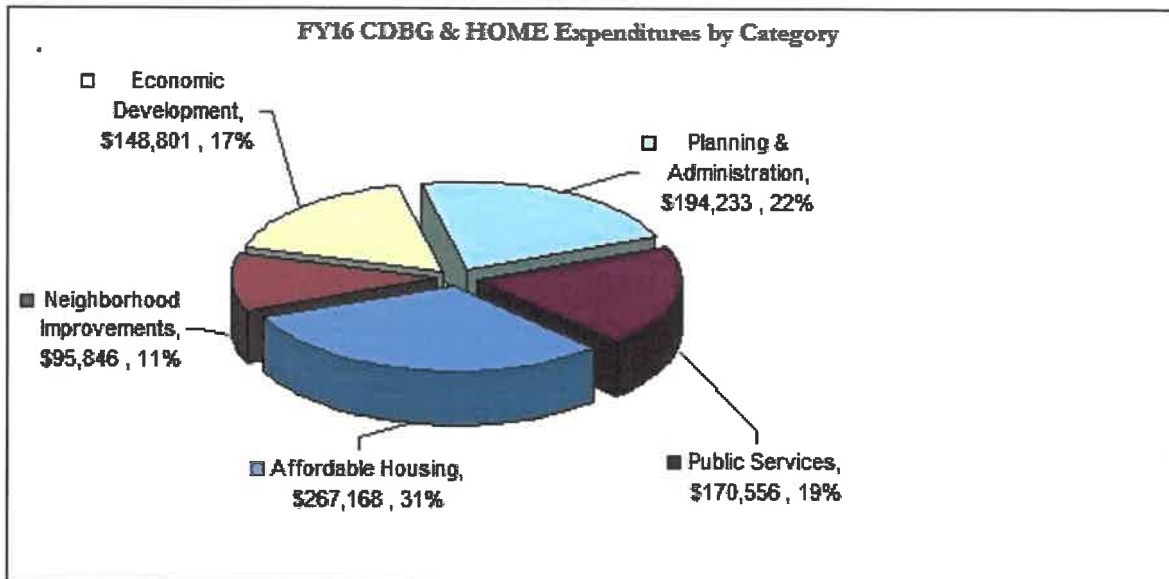
This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

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 FY17 CAPER, for the current fiscal year, will be available by September 30, 2017. The most recent CAPER, for FY16, evaluated the first fiscal year of the current Five Year Consolidated Plan. HUD calculated that 95.82% of CDBG funds spent in FY16 directly benefited low- and moderate-income persons. The FY16 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 <http://www.salem.com/sites/salemma/files/uploads/caperfy16finalcomplete.pdf>.

The chart illustrates FY16 spending by category, as a percentage of overall CDBG and HOME expenditures.



4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

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 third year Action Plan, citizen participation included a public hearing in January, 2017 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. 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 14 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 e-mailed or 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 via email. The plan was made available for download on www.salem.com.

Copies of the draft plans were available for all attendees of the public hearing; however, there were no attendees present. Copies of the draft plans were provided to the Salem City Council. The City Council approved submission of the Application for Federal Assistance.

Public hearing minutes are located in the Appendix.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

On January 19, 2017 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. One agency representative stated that there has been an increase in rents, but incomes are not going up. They expressed a continued priority needs of housing (available and affordable) and emergency financial assistance, noting that a recent survey found those most underserved are disabled, elders and veterans, with available, affordable housing for disabled being a priority need. It was noted that persons who have lost their jobs in fields such as manufacturing are having difficulty finding jobs. One persons expressed support for elder care, child care and credit counseling.

The Draft Action Plan was made available for a 14 day public comment from June 22, 2017 through July 5, 2017.

Two emails were received in response. A representative from Catholic Charities North stated that the agency continues to meet skilled or educated people seeking help who have lost good jobs and have not been able to secure comparable jobs. They are seeing less people seeking food assistance which she attributed to Salem having sufficient food programs. She noted that rentals have increased significantly, making affordable housing a continued priority. Another commenter commented on the project at 289 Derby Street (which was not funded with CDBG), noting that the design should include pay to use public restrooms with cleaning staff, as well as 12'x12' tented spaces. She also suggested raising and paving the walkways around the Salem Common and providing park and rise options for festivals.

A public hearing was scheduled for all interested persons at City offices at 120 Washington Street. However, there were no attendees present.

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. The City continues to invest in affordable housing (including housing for disabled persons), emergency financial assistance programs, job training programs, rental downpayment assistance and Economic Development opportunities. There is currently a housing project for homeless individuals in the planning stages that will include 2 of 14 SRO units being handicapped accessible. The project at 289 Derby, although not CDBG, recently went through a lengthy public conceptual design process. The city anticipates undertaking infrastructure improvements to support ongoing Economic Development activities in this area. In general, Salem Common and transportation for festivals is not eligible for CDBG funding.

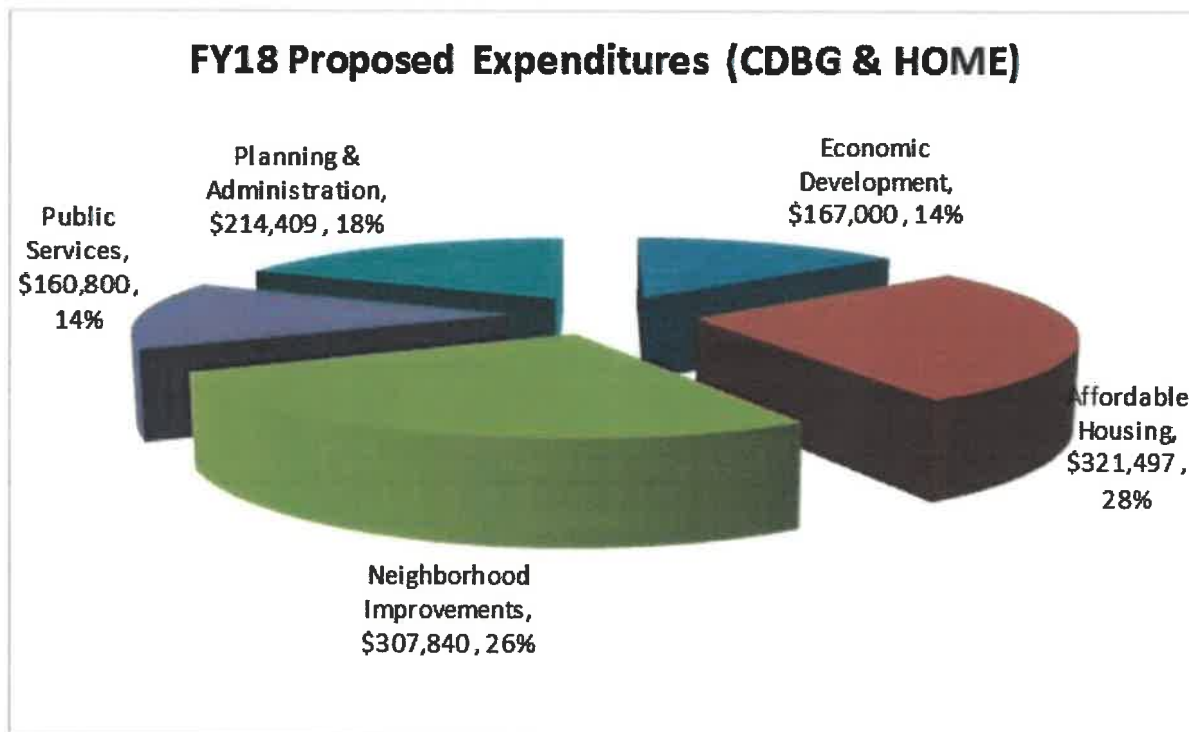
7. Summary

The Federal funding that Salem will receive for FY18 includes \$965,549 in CDBG funds, an estimated \$99,497 in HOME funds and a projected \$106,500 in program income. Total proposed expenditures based on current estimates of funding to be available is \$1,171,546.

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 FY18 spending by category, as a percentage of estimated CDBG and HOME funds. It is estimated that at least 70 percent of the FY18 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
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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 Five 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 through programs with agencies 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, and Catholic Charities with CDBG funding for Homelessness Prevention Programs and provides HOME funding to NSCAP 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.

In February, 2017, the four communities executed an Inter-regional MOU on homelessness, which includes a commitment to support the production of permanent supportive housing for lower income families and individuals at risk of homelessness in each participating community over 5 years (2017-2022), which will result in 100 family and 60 individual units.

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

See Table 2 starting on next page.

Table 2 -- Agencies, groups, organizations who participated

1	Agency/Group/Organization Agency/Group/Organization Type What section of the Plan was addressed by Consultation? Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	NORTH SHORE COMMUNITY ACTION PROGRAM (NSCAP) Services - Housing Services-Children Services-Elderly Persons Housing Need Assessment Market Analysis Anti-poverty Strategy For the Five Year 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 18 Action Plan, Deric LePard was present at the Public Hearing and provided comment on current needs. He stated that people are having a much harder time finding affordable apartments and with the increase in rents, incomes are not necessarily going up. He stated NSCAP conducts a community needs assessment and receives an estimated 800 responses. The number one need, which was the same three years ago, but not by such a large margin, was housing. This year 60 percent of responders listed housing as one of the greatest needs and emergency financial assistance as second. The funding the City provides help individuals maintain their homes or get into housing that they can maintain. Like last time, the underserved populations were the disabled, elders and veterans; this year disabled and housing was significantly greater.
2	Agency/Group/Organization Agency/Group/Organization Type	Catholic Charities 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 18 Action Plan, Jill Bowen provided comment on current needs via email. She stated that she has noticed lately that more people are looking for help in job hunting because they are having difficulty finding jobs. She believed half are skilled and half unskilled, noting that the last people she saw was a salesman (car) and a woman in her 50s who had worked for 15 years in a machine shop of some kind and that neither of them could find jobs.
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.
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 FY18 Action Plan
6	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 18 Action Plan, the SHA was consulted to update information provided during the Consolidated Plan process and last year's Action Plan and CAPER process.
	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

<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>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 18 Action Plan, NSCDC was consulted to update information provided during the Consolidated Plan process and last year's Action Plan and CAPER process.</p>
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Identify any Agency Types not consulted and provide rationale for not consulting

For the Five 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.

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Downtown Salem Retail Market Strategy/Action Plan	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 third year Action Plan, citizen participation included a public hearing in January, 2017 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. Public hearing minutes are provided in the Appendix.

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 the expected draft plan availability and the upcoming comment period and public hearing was provided to those attending the Salem H.O.P.E. meeting in March, 2017. 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 June 22, 2017 and ended on July 5, 2017. A public hearing was scheduled for June 22, 2017 at City Hall Annex.

Copies of the draft plans were provided to the Salem City Council. The City Council approved submission of the Application for Federal Assistance in April, 2017.

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	URL (if applicable)
1	Public Meeting	<p>Non-English Speaking - Specify other language: Spanish</p> <p>Non-targeted/broad community</p> <p>City Councilors, Citizens Advisory Committee, public service agencies</p>	<p>On January 19, 2017 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>Harder to find affordable apartments & incomes are not necessarily going up. Housing & emergency financial assistance top needs. Underserved populations are disabled, elders & veterans. High need for disabled housing. Jobs not as good financially as those laid off from, & they lack benefits. People may need soft skills to go along with certain jobs. Budget planning & credit counseling may be needed for those lacking retirement plans.</p>	<p>All comments and views were taken into consideration in preparation of this Action Plan. The City continues to fund housing projects to add affordable units, provide emergency funds to help avoid eviction, provides short term rental assistance and various public service programs including job training, programs for seniors, services to assist with housing (including housing assistance for disabled individuals).</p>	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
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 FY18 Action Plan.</p>	<p>Written comment from a representative of a non-profit agency noted that individuals in the median incomes that had jobs, but could not sustain or lost jobs, can't get a job at that same level. She believed half are skilled and half unskilled, noting that the last people she saw was a salesman (car) and a woman in her 50s who had worked for 15 years in a machine shop of some kind and that neither of them could find jobs.</p>	<p>All comments and views were taken into consideration in preparation of this Action Plan.</p>	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
3	Public Meeting	<p>Non-English Speaking - Specify other language: Spanish</p> <p>Non-targeted/broad community</p> <p>City Councilors, Citizens Advisory Committee, public service agencies</p>	<p>A public meeting will be held for all interested persons at City offices at 120 Washington Street. Spanish translation will be provided. A copy of the Draft Action Plan will be provided to all attendees.</p>		<p>All comments/views will be considered in finalizing the Action Plan.</p>	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
4	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 FY18 Action Plan.</p>	<p>Written comment from a non-profit agency rep noted skilled/educated have lost good jobs and are not able to secure comparable jobs. There are less people seeking food assistance as Salem has sufficient programs. Rentals have increased significantly, so affordable housing is continued priority. Another commenter commented on the design of the 289 Derby Street project, and suggested raising and paving the walkways around the Salem Common and providing park and rise options for festivals.</p>	<p>All comments and views were taken into consideration in preparation of this Action Plan. The City continues to invest in affordable housing, provide job training programs, rental downpayment assistance and Economic Development opportunities. The project at 289 Derby, although not CDBG funded, recently went through a lengthy public conceptual design process. In general, Salem Common and transportation for festivals are not eligible for CDBG funding.</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 municipalities 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 FY18 includes \$965,549 in CDBG entitlement funds. Additional funds include an estimated \$99,497 in HOME funds and approximately \$106,500 in program income (from housing and ED loans and loan interest). Some prior year resources may be available in FY18, such as unspent/unprogrammed dollars. However, it is unknown how much will be carried over until after FY17 closes.

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 Five 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.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				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	965,549	106,500	0	1,072,049	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.
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.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other	public - federal	Acquisition Housing						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.
Other	public - local	Acquisition Housing Public Improvements	99,497	0	0	99,497	264,885	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	644,500	0	0	644,500	1,062,000	City funds for Administration & Planning
Other	public - local	Public Improvements	485,000	0	0	485,000	1,455,000	City of Salem Capital Improvement Program (based on average of prior years of projects)
			150,000	0	0	150,000	450,000	

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 FY16, CDBG funds leveraged an estimated \$11.90 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 FY16, homebuyers provided \$28,276 in private funds, as well as obtained \$609,825 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. The \$50,000 in Salem CDBG funds for Congress Street Residences (loan closed in 2016) leveraged over \$35 million in other funds including AHTF, CATNHP, HIF, HOME and HSF in subordinate DHCD State debt, private equity, public equity, CPA funds, Eastern Bank direct bond purchase, construction loans, seller note, and Salem HOME funds. The 27 SRO units at Harbor and Lafayette Homes (in planning) will have total development cost of \$5.9M, of which \$50,000 is HOME.
- State programs such as *Get the Lead Out* and *MassSaves* have been used to assist in home rehabilitation.
- The *Salem Main Streets Program* leverages funds through business contributions and donations, as well as program income from events: \$20,000-\$70,000 annually.
- The City will continue to pursue grant opportunities such as the Working Cities Challenge to support economic development and job training.
- 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 \$525,000 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 FY18 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 rehabilitated: 2 Household Housing Unit
3	First Time Homebuyer Program	2015	2019	Affordable Housing		Affordable Housing Homeownership Assistance	CDBG: \$20,000	Direct Financial Assistance to Homebuyers: 3 Households Assisted
4	Small Business Financial Assistance Programs	2015	2019	Non-Housing Community Development		Economic Development	CDBG: \$43,500	Jobs created/retained: 2 Jobs
5	Business Technical Assistance	2015	2019	Non-Housing Community Development		Economic Development	CDBG: \$123,500	Jobs created/retained: 5 Jobs Businesses assisted: 22 Businesses Assisted
6	Community Support Services	2015	2019	Homeless Non-Homeless Special Needs		Public Services	CDBG: \$160,800	Public service activities other than Low/Moderate Income Housing Benefit: 8300 Persons Assisted
7	Neighborhood Improvements Activities	2015	2019	Non-Homeless Special Needs		Neighborhood Public Facilities and Infrastructure	CDBG: \$207,840	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 8265 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
8	Downtown Improvements	2015	2019	Non-Housing Community Development		Downtown Public Facilities and Infrastructure	CDBG: \$100,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 5055 Persons Assisted

Table 6 - Goals Summary

Goal Descriptions

See Table on next page.

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	<p>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.</p>

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 homeownership programs offered by MassHousing, as well as supporting first time homebuyer education workshops provided by various organizations.</p>
4	Goal Name	Small Business Financial Assistance Programs
	Goal Description	<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>

5	<p>Goal Name</p> <p>Business Technical Assistance</p> <p>Goal Description</p> <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	<p>Goal Name</p> <p>Community Support Services</p> <p>Goal Description</p> <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 FY18, the City will continue the investment in eligible neighborhoods through public infrastructure and traffic improvements (i.e. street paving, new sidewalks, curbs/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 Five 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.
- **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.
- **Downtown Improvements** - Public facilities and infrastructure improvements that are located in Salem's Urban Renewal area and/or that benefit people with disabilities.

#	Project Name
1	Affordable Housing
2	Housing Rehabilitation Programs
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/South River 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 FY18 CDBG funding will be used for activities that benefit low- and moderate-income persons.

- **Affordable Housing** - Approximately 20.7% of CDBG funding (including estimated program income) in FY18 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 15.6% of its CDBG funding for FY18 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 28.7% of the City’s FY18 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.

AP-38 Project Summary
Project Summary Information

1	Project Name	Affordable Housing
	Target Area	
	Goals Supported	Affordable Housing
	Needs Addressed	Affordable Housing
	Funding	CDBG: \$75,000 Community Preservation Act: \$63,250
	Description	Support local non-profit housing organizations and CHDOs seeking to acquire, create, preserve and/or renovate affordable units.
	Target Date	
2	Estimate the number and type of families that will benefit from the proposed activities	The \$75,000 set aside in FY18 CDBG funds has not been associated with a specific development project. A goals indicator has been set at a minimum of 2.
	Location Description	The location of the minimum of 2 units utilizing this year's funds has not been determined.
	Planned Activities	
	Project Name	Housing Rehabilitation Programs
	Target Area	
	Goals Supported	Housing Rehabilitation Programs
	Needs Addressed	Affordable Housing

Funding		CDBG: \$127,000 HOME: \$43,497
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		6/29/2018
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 that will be submitted by homeowners.
Planned Activities		Housing Rehabilitation Loan Program Inspectional Services Rehabilitation Administration
3 Project Name		First Time Homebuyer Program
Target Area		
Goals Supported		First Time Homebuyer Program
Needs Addressed		Homeownership Assistance
Funding		CDBG: \$20,000
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		6/29/2018
Estimate the number and type of families that will benefit from the proposed activities		A minimum of 3 low- to moderate-income households will be assisted with the purchasing of their first home.

	Location Description	Locations to be determined upon receipt of program applications from eligible households.
	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: \$43,500
	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	6/29/2018
	Estimate the number and type of families that will benefit from the proposed activities	It is estimated that one business will be assisted, creating a minimum of 2 jobs.
	Location Description	Point Neighborhood, Downtown Salem (slum/blight area) or other eligible LMI commercial areas.
	Planned Activities	Small Business Loan Program Storefront Improvement Program
5	Project Name	Business Technical Assistance
	Target Area	
	Goals Supported	Business Technical Assistance
	Needs Addressed	Economic Development
	Funding	CDBG: \$123,500

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 and funding for the Salem Main Streets Program.
Target Date	6/29/2018
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 businesses assisted.
Location Description	Point Neighborhood, Downtown (slum/blight area) and other LMI commerial areas.
Planned Activities	Salem Main Streets Program Economic Development Program Delivery
6 Project Name	Neighborhood Improvement Activities
Target Area	
Goals Supported	Neighborhood Improvements Activities
Needs Addressed	Neighborhood Public Facilities and Infrastructure
Funding	CDBG: \$207,840 City of Salem Capital Improvement Program: \$150,000
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 access & safety, trash receptacles, traffic calming, public art, accessibility, senior center, fire stations, schools, etc.
Target Date	6/29/2018
Estimate the number and type of families that will benefit from the proposed activities	Projects will be undertaken in LMI neighborhoods. 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	<p>Street & Pedestrian Improvements</p> <p>Tree Planting</p> <p>Park/playground Improvements</p> <p>Lighting Installations</p> <p>Point Neighborhood Improvements</p> <p>Council on Aging Improvements</p> <p>Public Art</p>
7	Project Name	Community Support Services
	Target Area	
	Goals Supported	Community Support Services
	Needs Addressed	Public Services
	Funding	CDBG: \$160,800
	Description	<p>Provide grants to nonprofit agencies for social service programs such as homelessness or foreclosure prevention, housing education, food distribution, homeless services, job training, senior transportation, child care, crime prevention, immigrant service, ESL and citizenship education, youth activities, senior services and activities, adult education (financial literacy, computer train, 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.</p>
	Target Date	6/29/2018

8	Estimate the number and type of families that will benefit from the proposed activities	Approximately 8,300 persons will be assisted through approximately 23 social service programs.
	Location Description	
	Planned Activities	Grants for approximately 23 social service programs.
	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: \$214,409 City of Salem: \$525,500
	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 to match grant funds being provided by the Massachusetts Historical Commission Survey and Planning Grant Program and/or other grant programs.

9	Target Date	6/29/2018
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	General Program Administration Planning Studies Provision of public information
	Project Name	Downtown/South River Improvements
	Target Area	
	Goals Supported	Downtown Improvements
	Needs Addressed	Downtown Public Facilities and Infrastructure
	Funding	CDBG: \$100,000
	Description	Undertake infrastructure and public facility improvements to support Salem's slum/blight are (downtown) and complement ongoing Economic Development activities. Projects may include street & sidewalk improvements, pedestrian circulation, safety, access 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	6/29/2018

Estimate the number and type of families that will benefit from the proposed activities	5055 households are located within the block groups that comprise the Downtown (slum/blight area): 2045003 – pop 915 2045002 – pop 1320 2042002 – pop 905 2042003 – pop 900 2043001 – pop 1015
Location Description	Salem's downtown (slum/blight area) is just south of the North River and west of Salem Harbor. The area is bordered by dense, mostly residential areas on all sides. It is bounded roughly by Bridge Street to the north, Peabody Street to the south, Summer Street to the west, and the Salem Common to the east. The MBTA's Salem commuter rail station parking lot, located just north of Bridge Street, is included within the Downtown.
Planned Activities	Slum/blight area improvements and improvements as the City's contribution to economic activity and private investment.

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.

Geographic Distribution

Target Area	Percentage of Funds

Table 9 - Geographic Distribution

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. The idea was that adoption 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. The process was undertaken and while the neighborhood was supportive of portions of the proposed recommendations, a 40R district was found to not be the right fit for the neighborhood. The City will explore utilizing some of the recommendations through a potential overlay district.

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 1,163 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 (1 mobile), MRVP (36 mobile), MVRP Project Based Vouchers (9), Mobile Vouchers (145) and Project Based Vouchers (154).
- **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 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, Aspire Developmental Services, 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(l)(1,2,4)

Introduction

Over the past five years, Salem met all timeliness requirements, and program expenditures were consistent with its Five 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(l)(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, 2017-June 30, 2018 (Salem's FY18, using HUD 2017 funds). We estimate receiving \$106,500 in program income during this program year. All program income received in FY18 will be reported and spent under FY18. 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 FY18.

Salem intends to spend at least 70% of CDBG funds to benefit persons of low and moderate income in FY18. 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 (95.82% in FY16).

Appendix

1 - Map

2 - Application for Federal Funding and Certifications

3 - Other Resources

4 – Citizen Participation Comments

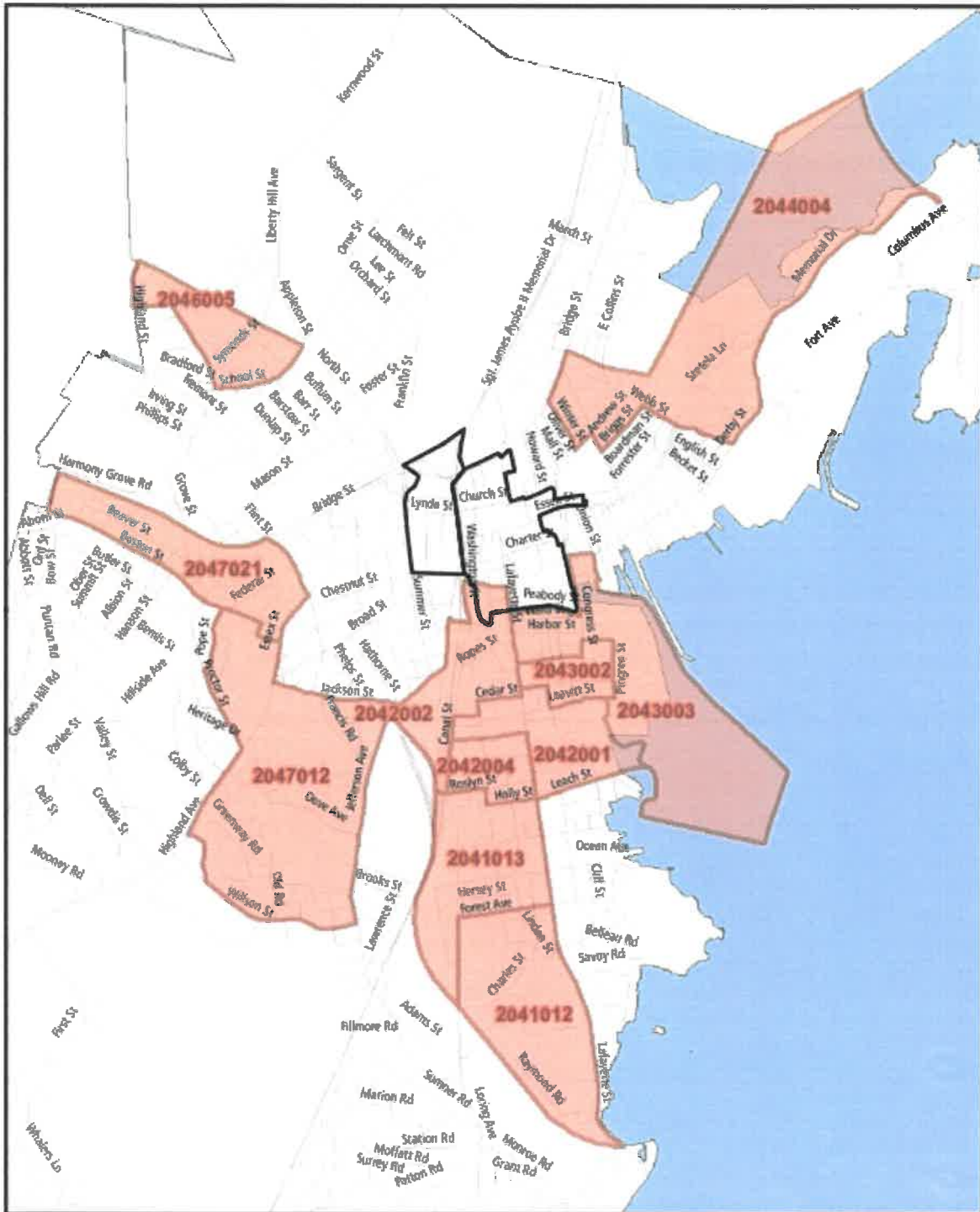
- **Part 1 - Public Participation Process**
- **Part 2 - Review of Draft Plan**

Appendix 1 – LMI Map



CITY OF **SALEM**
MASSACHUSETTS

LOW TO MODERATE INCOME AREAS JULY 1, 2014



Appendix 2 - Application for Federal Funding & Certifications

Hard copy - See next page.

IDIS – See separate attachment.

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, MA

*** 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:

Mr.

*** First Name:**

Tom

Middle Name:

*** Last Name:**

Daniel

Suffix:

Title:

Director

Organizational Affiliation:

City of Salem, Dept. of Planning & Community Development

*** Telephone Number:**

978-619-5685

Fax Number:

970-740-0404

*** Email:**

tdaniel@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 6th MA

* b. Program/Project 6th MA

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

Add Attachment

Delete Attachment

View Attachment

17. Proposed Project:

* a. Start Date: 07/01/2017

* b. End Date: 06/30/2018

18. Estimated Funding (\$):

* a. Federal	965,549.00
* b. Applicant	
* c. State	
* d. Local	
* e. Other	99,497.00
* f. Program Income	106,500.00
* g. TOTAL	1,171,546.00

*** 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: Kimberley

Middle Name:

* Last Name: Driscoll

Suffix:

* Title: Mayor

* Telephone Number: 978-619-5600

Fax Number: 978-744-9327

* Email: mayor@salem.com

* Signature of Authorized Representative:



* Date Signed: 07/13/2017

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.

Uniform Relocation Act and 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, (42 U.S.C. 4601-4655) and implementing regulations at 49 CFR Part 24. It has in effect and is following a residential anti-displacement and relocation assistance plan required under 24 CFR Part 42 in connection with any activity assisted with funding under the Community Development Block Grant 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 Community Development Block Grant, HOME, Emergency Solutions Grant, and Housing Opportunities for Persons With AIDS funds are consistent with the strategic plan in the jurisdiction's consolidated plan.

Section 3 -- It will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR Part 135.


Signature of Authorized Official

7/13/17
Date

Mayor
Title

Specific Community Development Block Grant 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 plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that have been developed in accordance with the primary objective of the CDBG program (i.e., the development of viable urban communities, by providing decent housing and expanding economic opportunities, primarily for persons of low and moderate income) and requirements of 24 CFR Parts 91 and 570.

Following a Plan -- It is following a current consolidated plan 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 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 CDBG-assisted activities which the grantee certifies are designed to meet other community development needs having 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 (see Optional CDBG Certification).

2. Overall Benefit. The aggregate use of CDBG funds, including Section 108 guaranteed loans, during program year(s) 2017 [a period specified by the grantee 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.

In addition, 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 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 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.



Signature of Authorized Official

7/13/17

Date

Mayor

Title

Specific HOME Certifications

The HOME participating jurisdiction certifies that:

Tenant Based Rental Assistance -- If it plans to provide tenant-based rental assistance, the tenant-based rental assistance is an essential element of its consolidated plan.

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.

Subsidy layering -- 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 of Authorized Official

7/13/17

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. 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 FY18. The dollar amounts are best estimates and do not indicate a minimum or maximum amount that will be leveraged.

We have also included tables for several key organizations, (Salem Housing Authority, North Shore Community Action Programs, Inc., Lifebridge and North Shore Community Development Coalition). Each indicates if the funding year that they provided, representing typical leveraged funds.

City of Salem FY18 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	\$965,549
HOME	\$99,497
Program Income	\$106,500
Subtotal Federal	\$1,171,546
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
Subtotal Federal	\$950,000
State Sources:	
MA Office of Coastal Zone Management Coastal Resilience Grant Program (applied)	\$143,850
MA Dept. of Energy Resources Green Communities	\$239,274
MA DCR Urban & Comm. Forestry	\$30,000
Executive Office of Energy and Environmental Affairs – Parkland Acquisitions and Renovations for Communities (awarded for McGlew Park)	\$371,400
Massachusetts Cultural Council (awarded for Charter Street Cemetery Restoration)	\$125,000
EOHED – MassWorks Infrastructure Program FY2016 (awarded for Bridge Street project)	\$3,181,471
Massachusetts Historical Commission – Survey & Planning Grant (awarded for staff support)	\$22,500
MA Recreational Trails Program – Forest River Conservation Area (applied)	\$50,000
Subtotal State	\$4,163,495
Local/City Sources:	
Capital Improvement Program (Salem Common Fence, Phase VI and Charter Street Cemetery Restoration) estimate	\$340,000
Capital Improvement Program (Lafayette Park renovation)	\$25,000
Capital Improvement Program (Citywide tree inventory)	\$30,000
Community Preservation Act (total applications recommended for funding)	\$644,500
Downtown Improvement Fund (Town Pump Fountain Bronze Restoration)	\$4,800
General Fund (Retail Market Analysis Update)	\$22,750
General Fund (Downtown Study)	\$50,000
General Fund (Conservation Commission, Historical Commission, Planning Department, Planning Board, Market Place) – Based on FY17	\$781,142
Subtotal Local/City	\$1,898,192
Private/Other Sources:	
Homebuyer private matching funds (estimate)	\$28,275
Lender financing	\$600,000
Business leveraged funds (Main Streets estimate)	\$69,800
Subtotal Private/Other	\$698,075
TOTAL	\$8,881,308

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, 2017):

Source	Amount
Federal Sources	
U.S. Department of Housing and Urban Development Housing Assistance Payments	\$12,294,346
HUD Capital Fund Program	\$44,297
HUD Federal Public Subsidy	\$137,208
Subtotal Federal	\$12,475,851
State Sources:	
MA Dept. of Housing & Community Development 4001	\$762,362
MA Dept. of Housing & Community Development MRVP	\$198,072
MA Dept. of Housing & Community Development Formula Funding	\$529,000
Subtotal State	\$1,589,434
Local/City Sources:	
	\$0
Subtotal Local/City	\$0
Private/Other Sources:	
	\$0
Subtotal Private/Other	\$0
TOTAL	\$13,965,285

North Shore Community Development Coalition FY2016 (1/1/16-12/31/16)

Actual funding sources/ leveraged funds:

Source	Amount
Federal Sources	
HOME Funds – new Harbor & Lafayette amt. + increase in Salem Pt. II amt.	\$44,646
DOL – YouthBuild	\$335,998
Americopr & WIOA – Youth	\$46,302
Subtotal Federal	\$426,946
State Sources	
MA Dept. Elementary Secondary Education	\$196,475
Subtotal State	\$196,475
Local/City Sources	
CDBG Salem	\$5,000
CDBG Peabody	\$8,000
Subtotal Private/Other	\$13,000
Private/Other Sources	
Grants/Foundations	\$202,3527
Events	\$81,218
Contributions	\$46,054
Community Investment Tax Credit	\$81,100
LISC	\$38,893
DHCD – Housing Stabilization Funds Loan	\$1,305,000
Boston Community Loan Fund	\$55,000
Eastern Bank Tax Exempt Bonds	\$3,849,276
Developer Fee	\$800,468
Subtotal Private/Other	\$6,466,361
TOTAL	\$7,102,782

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

NORTH SHORE CDC: SALEM REAL ESTATE DEVELOPMENT SOURCE SUMMARY 2009-2020

Project Name	Palmer Cove	Salem Point II	Harbor and Lafayette Homes	Congress Street	The
	Residences	Residences	Residences	Residences	Lighthouses
Affordable Housing Units	15	77	27	64	46
Year Completed	2009	2015	2018 est.	2017	2020 est.
FEDERAL LIHTC	846,995	5,151,000	1,937,458	7,472,103	4,812,269
City/Consortium HOME		450,000	300,000	50,000	150,000
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					
Affordable Housing Trust (AHT)	846,995	7,412,000	2,237,458	10,903,435	4,962,269
CATNHP	1,211,922		1,000,000	1,000,000	1,050,000
Housing Stabilization Fund (HSF)	1,211,923		700,000	1,450,000	500,000
HPSTF					
Facilities Consolidation Fund (FCF)	548,580				
State HOME				550,000	550,000
Housing Innovations Fund (HIF)	573,081	230,402	500,000	1,000,000	1,165,000
Danvers State Preservation Fund	182,000				
State Low-Income Housing Tax Credits (STC)			1,182,600	2,699,520	2,070,000
State Historic Tax Credits (SHC)		1,221,750		1,254,000	
Green Aff Hsg Dev Program					
MassHousing Design Grant					
Brownfields Redevelopment Fund		55,750			
Community-Based Housing					585000
LEAN Multi-family Program			25,995	360,824	
State Subtotal					
State Subtotal	3,727,506	1,507,902	3,408,595	8,314,344	6,670,000
Community Preservation Act (CPA)	0		100,000	93,505	100,000
City of Salem Loans	0	105,898			
Local Subtotal					
Local Subtotal	0	105,898	100,000	93,505	100,000

North Shore Community Action Programs, Inc. FY18 funding resources/projected revenues:

Source	Amount
Federal Sources	
Emergency Food and Shelter Program	16,000
Subtotal Federal - Direct	16,000
Federal Indirect	
LIHEAP (Fuel Assistance)	2,404,140
Community Services Block Grant	350,780
HEARTWAP	170,160
HOME (City of Salem)	46,000
HOME (North Shore HOME Consortium)	194,925
Community Development Block Grant (City of Salem)	9,000
Community Development Block Grant (City of Peabody)	10,000
DOE – Action, Inc.	120,250
Title III Older Americans Act (NESE)	4,000
Title III Older Americans Act (LGSS)	2,500
HOPWA (Lynn Housing Authority & Neighborhood Development)	50,000
Subtotal Federal – Indirect	3,361,775
State Sources	
Department of Housing & Community Development	2,854,244
Department of Elementary & Secondary Education	251,467
Subtotal State	3,105,711
Local/City Sources	
Peabody Municipal Light Plant	35,000
Danvers Electric	7,000
Trust Fund (Salem)	20,000
Subtotal Local/City	44,000
Private/Other Sources	
Donations	150,300
Private Contracts & Grants	56,344
Tuition & Fees	1,562,500
Subtotal Private/Other	1,769,134
TOTAL	8,252,620

Lifebridge FY18 funding sources/anticipated leveraged funds:

Source	Amount
Federal Sources	
HUD – ESG (Emergency Solutions Grant)	\$218,313
Subtotal Federal	\$218,313
State Sources:	
DHCD	\$608,596
Subtotal State	\$608,596
Local/City Sources:	
CDBG	\$9,800
Subtotal Local/City	\$9,800
Private/Other Sources:	
Donations	\$350,000
Private Contracts & Grants	\$175,000
Commercial Income	\$500,000
Private Client Fees	\$91,200
Subtotal Private/Other	\$1,116,200
TOTAL	\$1,952,909

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 41,658 total trips for Salem residents in FY15, of which 32,106 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. ILCNSCA is run by and for people with disabilities. The agency is located at Shetland Properties in the Point Neighborhood and is available to provide information and resources regarding disability related services and programs for people living with disabilities, as well as guide persons 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 Standard Universal Application for State Aided Housing (UHA) used to apply for public housing across Massachusetts. They assist approximately 100 people annually to learn about housing opportunities, to complete housing applications (UHA, Section 8 centralized waiting list or regional Section 8 waiting list, and privately operated subsidized housing opportunities.) 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 a housing rights workshop to inform persons with disabilities regarding their rights as tenants, reasonable accommodation requests, as well as what to disclose about one's disability when applying and searching for housing.

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 FY16 include:

- Financial counseling – 21 workshops; 15 clients served one-on-one counseling
- Housing applications – 43
- First Time Home Buyer – 8 workshops serving 54 clients
- Career Counseling – 23 workshops; 21 clients served one-on-one counseling
- ESL/ELL Classes – 153 residents served

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. The agency is located at Shetland Properties in the Point Neighborhood. HAWC has five applications pending with the Department of Public Health which, if funded, will fund the agency for the next 11 years. Two contracts are renewals of existing contracts - Shelter and Community Based Services. One potential contract is for rape crisis services for the 23 cities and towns that they now serve for domestic violence, which, if awarded in April, 2017, will represent a significant programmatic expansion beginning July, 2017. The other two are new contracts for which applications are for immigration legal (1 attorney) and children's services (1 full time clinician to expand what is already offered).

Citizens Inn

Citizens Inn, Inc. breaks the patterns of instability that lead to homelessness for every family served. They provide a temporary home for families and permanent affordable housing. Nearly one third of their residents are from Salem and/or find housing in Salem upon exit from temporary

family shelter. They provide many workshops for families and children experiencing homelessness including trauma, substance abuse, parenting, financial literacy, personalized credit repair, mental health, and expressive art therapy for the children.

[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, NSCAP provides 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 FY16-17, as of 3/23/17, 775 Salem families have been determined eligible for \$489,800 in benefits. The Fuel Assistance program will continue to accept applications until Friday, May 12, 2017.

In 2016 NSCAP provided tax preparation services for low income households whose gross income qualified them for the Earned Income Tax Credit (EITC). The program was free and ran from January through April at three sites. In 2016, the tax program served a total of 339 people with an aggregated dollar amount of EITC tax credits totaling \$569,650.

NSCAP will also assist clients who have case management (i.e. rep payees, 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](#), Department of Children & Families, [North Shore Career Center](#), [MA Rehabilitation Commission](#) and the Committee for Public Counsel – [Children and Family Law Division](#) and [Youth Advocacy Division](#).

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 26, 2017

Staff Present: Tom Daniel, Director
Jane Guy, Assistant Community Development Director
Naomi Francisco, Housing Coordinator & Spanish translator
Attendees: 7, including 3 city staff

Tom Daniel, introduced himself as the new Director of Planning and Community Development, and stated that Jane Guy will provide the information regarding the development of the Action Plan for HOME Investment Partnership (HOME), Community Development Block Grant (CDBG).

Mr. Daniel spoke of the City's new initiative called Imagine Salem, a citywide visioning process to develop a set of shared values and vision to see how Salem might be in 2026, which is the City's 400th. Mr. Daniel further stated that this is an opportunity to have a series of conversations focusing on the areas of housing, employment, transportation, equity and inclusivity through various engagement opportunities. There is a citywide forum March 8th, at Salem High School and an online survey will be available at the beginning of February. The process has started and already generating good conversation.

Jane Guy, Assistant Community Development Director introduced Naomi Francisco, Housing Coordinator stating Ms. Francisco was available for Spanish translation if required. Ms. Guy stated that the purpose of the meeting was to obtain citizen views on Salem's housing, community, and economic development needs and priorities in order to prepare the action plan for the period of July 1, 2017 through June 30, 2018 (FY18). She stated that as of this date, the City has not been informed how much the allocation will be; typically the City is informed of the amount between December and April, and, based on the information provided suggests it will be late this year. Ms. Guy stated that for planning purposes, the City will presume level funding, being unsure if there will be a reduction or increase, and will move forward with developing a plan and await notice of the allocation amounts. In Fiscal Year 2017, the City was allocated a total of \$995,257 which is approximately \$43,000 more than received over the prior two years and \$92,000 more from what was received in FY13, but still less from what was received annually in the last twenty-two years. For HOME funding, FY17's allocation was \$101,296, which was up approximately \$16,000 from FY16, which was the lowest allocation ever, but last year being still less than what received annually since FY94 to FY13. We have continuously seen a drop in the last several years in federal funding. Ms. Guy stated that the Action Plan is a one year document that outlines the activities that will be undertaken with CDBG or HOME funds for the year. Each year the plan includes activities identified as priorities from the 5-year Consolidated Plan which was completed in 2015. The 5-Year Consolidated Plan, current Action Plan and end of year reports called CAPERs (Consolidated Annual Performance and Evaluation Reports) are available online and a copy of the 5-year Consolidated Plan is available at the meeting for anyone to browse. The Action Plan will include priorities identified from the 5-Year Consolidated Plan, as well as any additional activities that are determined to meet any new or increasing needs and priorities that have since been identified. In order to utilize CDBG and HOME funds activities must be considered eligible by HUD and primarily assist very low, low or moderate income households or neighborhoods. Ms. Guy identified the low income areas on a map as well as the downtown (slum and blight area) that are eligible for funding. The downtown area was determined eligible for funding based on a report conducted forty years ago and recently updated to determine that the area is still eligible for funding. Ms. Guy stated that some of the programs that have been funded in

the past are core programs, such as the business loan program to create or retain jobs, housing rehabilitation loan program, and first time homebuyer loan program. She stated that CDBG funds handicap access improvements, public facilities improvements such as for a firehouse or playground, infrastructure improvements, such as tree planting, sidewalks, curb cuts, and street resurfacing, along with studies, such as a study to preserve a historic building and the provision of grants to social services agencies for programs that serve persons in need. Programs might include food pantries, homeless prevention, senior transportation and childcare. There are approximately 30 service agencies the City funds per year under the public services category. CDBG and HOME activities can be projects or programs that are managed directly by the City or projects or programs managed by other organizations for programs that they provide, such as through the North Shore Community Action Programs, which is represented here by Deric LePard. The Action Plan process schedule is included in the guidebook provided. As part of the process FY18 Request for Proposals will be issued to enable non-profit agencies to request funds for their programs. The Request for Proposals will be mailed January 27th and due February 24th, 2017. Ms. Guy stated this public meeting kicks-off the process. Once the funding amount is received, the Action Plan will be drafted and made available for a 30-day public comment period. She stated she is hoping for the end of March with the comment period ending sometime in April. She stated that if the funding allocation has been not been received, the numbers in the plan may be based on level funding and adjustments will be made once notification of the actual amount is received. There will be another public hearing and the final plan is due to HUD in May, but may be delayed if the funding notification is not received early enough. Ms. Jane requested comments, questions and/or thoughts from the audience on new, increasing/decreasing priority needs, activities that individuals would like to see, and what existing programs are helping address priority needs that should be continued.

Deric LePard, from North Shore Community Action Programs, stated that his agency has had the privilege of receiving funding in the past, primarily used for very low and low income residents, further stating that agency staff assigned to distribute the funding is seeing a greater need due to the increase in rents and apartment availability. People are having a much harder time finding affordable apartments and with the increase in rents, incomes are not really going up. The minimum wage increased this month, but the effects of that increase are not yet being seen. Mr. LePard in his conversation with Catholic Charities learned that they are seeing individuals in the median incomes that had financially sustainable jobs and lost the employment and couldn't get a job at that same level again. Mr. LePard stated that every three years a community needs assessment is conducted and they anticipate receiving 800 responses. The number one need, which was the same three years ago but not by such a large margin, was housing. This year 60 percent of responders listed housing as one of the greatest five needs and emergency financial assistance was second. The funding the City provides helps individuals maintain their homes or get into housing that they can maintain. Last time, the underserved populations were the disabled, elders and veterans. This year are the same three, however disabled jumped out significantly further and the same with housing.

Ms. Guy asked if specific disabled services were mentioned.

Mr. LePard responded that the survey question asked what they thought was the most underserved population within the community and further into the survey provided the opportunity to state what services they'd like to see offered and what services they were aware of. He further commenting that is very difficult for the disabled on a limited income to find an affordable apartment.

Abbie Weaber stated that she was from Inversant and was here to learn what the needs are, as well.

Ms. Guy stated that Jill Bowen from Catholic Charities informed her that the biggest need she is hearing is for finding jobs because there aren't enough jobs available. Ms. Guy is awaiting for clarification

because it wasn't clear if the needs were greater due to job loss, or was college students looking for jobs or if it was the kind of jobs people were looking such as entry level, or skilled or unskilled labor.

Mr. Daniel stated that it was interesting to hear that because the North Shore Investment Board is finding the opposite and that there aren't enough employees to fill the positions in several different industries.

Ms. Guy stated she had sent Ms. Bowen a recent newspaper article link regarding restaurants in need of employees to fill the available positions.

Mr. LePard stated he had spoken with Ms. Bowen and the example she provided was regarding a person working a manufacturing job which was enough to sustain their living, but losing that and being unable to find a job that was equivalent level to the one lost.

Ms. Guy asked if there is a need for job training for the places that are hiring, if it is comparable pay for individuals that may not be able to find a job in their industry, but may be able to switch careers to a job that provides comparable pay.

James Gender stated he has worked in kitchens for a number of years and felt that the substitution of a manufacturing middle class type job with one that lacks a defined benefits program or a pension, and has a lower hourly wage to begin with, risks the financial wellbeing of the middle class sector and he felt they were not equivalent and that kitchen jobs are not as good as the positions from where individuals are getting laid-off.

Mr. Daniel stated that he agreed with Mr. James statement, but noted that the North Shore Workforce Investment Board is hearing that the restaurant sector is one section that is looking for jobs, but they are also looking at advanced manufacturing, healthcare, and financial services somewhat that are different sectors with businesses that are looking for employees. Some are not sustainable living wages, but many of them are.

Mr. Gender stated market forces will encourage a raise in wages with a constrained market supply, we hope.

Mr. Daniel stated that he found the comment from Catholic Charities interesting because it is not what is being heard from others and noted that the employment rate is low. He stated that there is a skills gap that is acknowledged, but the jobs are there, even for those that come from a manufacturing background. It may be that some of those manufacturing jobs are more technology dependent and there may be a training gap and was interested to hear more from them.

Caroline Ham stated that she scrolls through the employment website "Indeed", because she is curious to see what positions are being offered and it's how she ended up in her current job. She stated that lot of jobs she sees are for eldercare and childcare, which require a lot of emotional energy and felt it is part of the equation that doesn't get factored in. Jobs that require the same intelligence level, and end up at the same salary level, might require vastly differently emotional skills where individuals get burned out. Working in a kitchen burns people out and for those with substance abuse issues, a harder environment to be in. Eldercare and childcare jobs can be extremely trying and are not compensated for the amount of emotional toll it takes on a person. Preparing people for the soft skills that go along with working in a kitchen or in care services, including budget planning, are needed resources. She added that it is hard to pay bills and set-aside savings and she doesn't know of anyone her age that has a functional retirement plan and suggested acknowledging those are hard jobs and provide resources for and working with people who we know are going to have a hard time.

Mr. Gender stated that credit counseling is need for people who are over-extended.

Ms. Guy stated that once the City gets is funding notification, the plan will be developed and be available in March or April for comment. The Request for Proposals for social service agencies that want to provide programs is being released.

Part 2 – Review of Draft Plan

Public Hearing, 6:00 PM, June 29, 2017

Staff Present: Jane Guy, Asst. Community Development Director

Attendees: There were no attendees from the public present