

# CITY OF SALEM

## FY22 COMPANION to, and ONE-YEAR ACTION PLAN (YEAR 2 OF 5 OF THE 5-YEAR CONSOLIDATED PLAN)



JULY 1, 2021 – JUNE 30, 2022  
FISCAL YEAR 2022  
(HUD 2021 FUNDS)

5/17/21  
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## Introduction

The Federal funding that Salem will receive for FY22 includes \$1,098,710 in CDBG funds, an estimated \$179,885 in HOME funds and a projected \$93,000 in program income. Total proposed expenditures based on current estimates of funding to be available are \$1,371,595.

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 area<sup>1</sup>. Below are the income limits in effect for Salem as of July 1, 2020.

Income Limits								
Household Size	ONE	TWO	THREE	FOUR	FIVE	SIX	SEVEN	EIGHT
MODERATE (80% of Median)	67,400	77,000	86,650	96,250	103,950	111,650	119,350	127,050
LOW (50% of Median)	44,800	51,200	57,600	63,950	69,100	74,200	79,300	84,450
VERY LOW (30% of Median)	26,850	30,700	34,550	38,350	41,450	44,500	47,600	50,650

### ***Addressing the COVID-19 pandemic***

The COVID-19 pandemic began during the final stages of the development of the 5-Year Consolidated Plan. The City acknowledges that additional needs have arisen as a result. Salem made an effort to respond to immediate needs by reprogramming available 2019 CDBG funds, as well as through the use of CDBG-Coronavirus Aid, Relief, and Economic Security Act (CARES) funds. The authorizing statute of the CDBG program requires that each activity funded, except for program administration and planning activities, must meet one of three national objectives. As previously stated, the three national objectives are:

- Benefit to low- and moderate- income (LMI) persons;
- Aid in the prevention or elimination of slums or blight; and
- Meet a need having a particular urgency (referred to as urgent need).

Moving forward, with regard to urgent needs due to infectious disease or Federal/State/Local declared disasters, additional CDBG funds may be reprogrammed to activities to address those needs, including housing, infrastructure, public facilities, assistance to affected businesses, public services or planning, capacity building or technical assistance. Such changes may include a modification in purpose, scope, location or beneficiaries of activities and may use CDBG, CDBG-CARES or other awarded federal funds under the LMI and/or Urgent Need National Objective. Therefore, Salem may will utilize all three national objectives during this period.

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<sup>1</sup> Salem's median income is \$119,000 as of 7/1/2020

## FY22 Action Plan Summary of Proposed Activities

The following section describes the activities proposed for FY22 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.

### FY22 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. 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.<sup>2</sup> Housing rehabilitation may also be undertaken by non-profit owners of rental properties.



One of the 11 buildings that make up the Lafayette Housing II project by North Shore CDC to rehabilitate 61 housing units.

**Projected Accomplishments:** 3 Housing Units Rehabbed with CDBG

**Proposed Funding:** \$125,852 CDBG;

This activity may also use carried over funding from FY21 (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:** 2 Households Assisted

**Proposed Funding:** \$15,410 CDBG

This activity may also use carried over funding from FY21.

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<sup>2</sup> Rent limits are established by HUD annually.

- **Rental Downpayment Assistance Program**

The Rental Downpayment Assistance Program, administered through local social service agencies, provides rental start-up assistance to low- and very low-income Salem residents to help pay first and last month's rent and security deposits directly to landlords to enable them to obtain decent housing.

**Projected Accomplishments:** 45 Households assisted

**Proposed Funding:** \$70,000 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:** To be determined.

**Proposed Funding:** HOME: \$104,488 will be used for a specific development project(s) 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:** \$78,300 CDBG; \$5,397 HOME

## Fiscal Year 2022 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:** \$44,000



*Colorful Nails received small business technical assistance*



- **Business Technical Assistance**

The City helps to coordinate and fund technical assistance services to local business owners. 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 Area (slum/blight area).

Continuing this year will be assistance for a North Shore Community Development Coalition's Small Business Engagement Program that will serve minority entrepreneurs with a business workshop series, mentoring sessions, networking groups and referrals to partner agencies. The program will assist the development and growth of immigrant-owned businesses that provide products and services to the Point Neighborhood.

**Projected Accomplishments:** Minimum 5 jobs created

**Proposed Funding:** \$165,000

## Fiscal Year 2022 Neighborhood Improvement Activities

- **Parks, Public Facilities & Infrastructure Improvements**

Various improvements to publicly owned resources in eligible neighborhoods. Improvements may include, traffic/ pedestrian circulation, safety and aesthetics, accessibility improvements, trash receptacles, bike paths, lighting, public art, signage, park and playground improvements, climate resilience, cleanup of vacant lots and open space improvements, as well as improvements to fire stations, the Community Life Center, homeless facilities, schools and other public facilities and public infrastructure, such as the area along the South River. Examples of projects under consideration are public art at the Community Life Center, neighborhood history signage in Blubber Hollow and accessible equipment at Mack Park (picnic tables, water fountain and spigot).

**Projected Accomplishments:** Various park, public facility and infrastructure improvements

**Proposed Funding:** \$39,500.00



- **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 or the downtown slum/blight area. Examples of a projects under consideration are reconstruction of Endicott and Pratt Streets, pedestrian improvements at the median strip along Washington Street and the installation or new catch basins and drain structure, with street resurfacing, between Prince Street and Congress Street.

**Projected Accomplishments:** Various park, public facility and infrastructure improvements

**Proposed Funding:** \$305,956

The Neighborhood Improvement category will also include \$15,000 for program delivery costs.

## Fiscal Year 2022 Social Services Activities

### • **Community Support Services**

The City 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 7,325 persons.

**Proposed Funding:** \$178,000



*Salem Park & Recreation's Saturday morning Fall painting class.*

### *Fiscal Year 2022 Social Services Funding Proposals Received:*

#### **Located within or steps from the Point Neighborhood:**

- Catholic Charities - Homeless Prevention Program
- HAWC – Children’s Services for Domestic Violence Victims in Emergency Shelter
- Disability Resources Center - Housing Assistance Services
- Leap for Education - College and Career Ready Program
- North Shore CDC - Family Success Program
- Salem Community Child Care – Kindergarten Afterschool Program
- Salem Police Department - Point Targeted Patrols
- VOCES - Hispanic Education Program
- Open Door Immigration Program – Increasing Community Access to Immigration Legal Services

#### **Located in Downtown Salem:**

- Lifebridge - Medical & Outreach Supportive Services
- Salem Housing Authority – Supporting Salem Seniors
- Salem Pantry, Inc. – Hunger Relief Program
- Salem YMCA - Afterschool Program

#### **Located within Salem:**

- Bentley Academy Innovation School – Home Visits and Family Engagement
- Boys & Girls Club of Greater Salem - Teen Program
- The North Shore Moving Market – Food Delivery for Elderly and Disabled persons
- Salem Council on Aging - Senior Transportation Program
- Salem Council on Aging –Creative Arts Program for Senior Citizens
- Salem Council on Aging –Muscle Strength & Endurance for Senior Citizens
- Salem Park, Recreation & Community Services – Playground Enrichment Program
- The Salvation Army - Homeless Prevention Program

#### **Located outside Salem (but available to Salem residents):**

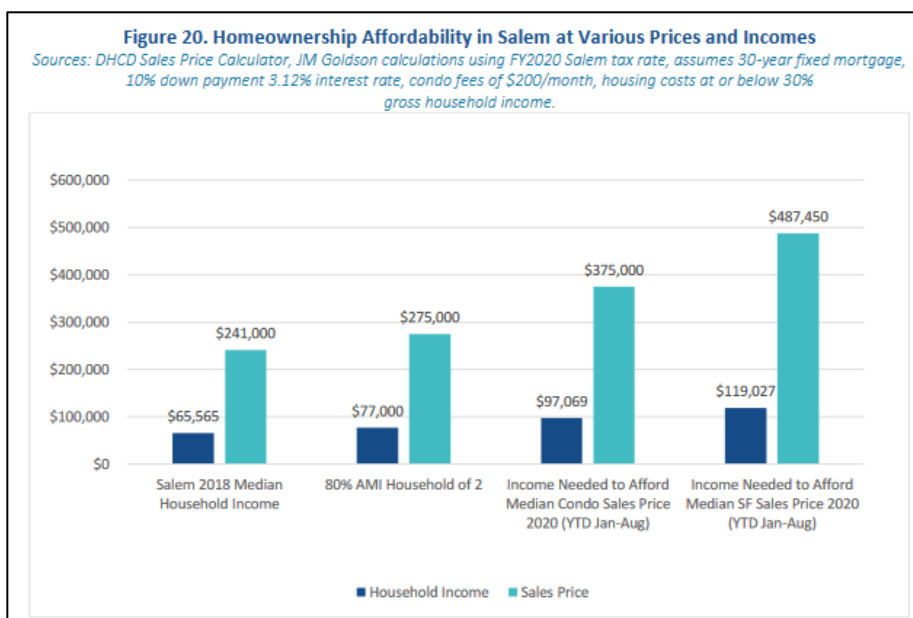
- Citizens Inn, Inc. – Haven from Hunger Food Pantry
- North Shore Community Action Programs, Inc. - Homeless Prevention Program

## Fiscal Year 2022 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:** \$224,692 (salary, benefits, non-salary expenses, studies). This may include 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.



There is more than a \$246,450 gap between the median single-family sales price and what a Salem median income household could afford. A household would need to earn at least \$119,027 annually to be able to afford a home at the 2020 median single-family sales price and \$97,069 to afford a median condominium sales price.

For the median renter household in Salem, there is an affordability gap of about \$1,054 between what a household with this income could afford each month for rent and utilities and the median rent for a two-bedroom apartment in Salem. Salem has a significant need for more affordable rental units priced between \$500-\$950 monthly rent for households at or below the median renter income (\$37,776).

**Table 4: Income Levels and Rent Affordable**

Source: HUD FY20 Income Limits; Calculations by JM Goldson LLC

Income Level	One-Person HH	Gross Monthly Rent Affordable for One-Person HH	Two-Person HH	Gross Monthly Rent Affordable for Two-Person HH
<b>AMI</b>				
<= 30% AMI	\$26,850	\$671	\$30,700	\$768
30% - 50% AMI	\$44,800	\$1,120	\$51,200	\$1,280
50% - 80% AMI	\$67,400	\$1,685	\$77,000	\$1,925
<b>Salem Median Renter HH Income</b>	\$37,776*	\$944	x	x
<b>Salem Median HH Income</b>	\$65,565*	\$1,639	x	x

\*Note The median incomes do not reflect a specific household size as these are estimate for median income for all renter household and all total households. For a point of reference, however, the average renter household size in Salem per the 2018 ACS is estimated to be 2.18 people per household.

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# Executive Summary

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

### Introduction

Each year, the City of Salem receives federal funds for housing and community development activities. The City uses these funds 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. The Consolidated Plan process identifies needs as a result of gathering information from many sources. The outcome of this needs assessment (completed through research and compilation of data and direct, personal consultations) is a comprehensive strategy for the use of Salem's federal housing and community development funds to address unmet needs identified during the Consolidated Plan process. The Consolidated Plan establishes a vision for attaining a higher quality of life for low- and moderate-income residents and each annual Action Plan outlines specific activities that work toward accomplishing that vision. 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 funds to be received from the U.S. Department of Housing and Urban Development (HUD). Salem's current Consolidated Plan was completed in 2020 (for activities to take place from July 1, 2020 through June 30, 2025), along with the Fiscal Year 2021 Action Plan (Year 1).

This document is the City of Salem's Action Plan for Fiscal Year 2022 (Year 2). It describes the activities that the City will undertake in the next fiscal year (July 1, 2021-June 30, 2022) with Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) funds. These funds can be used for projects or programs undertaken by the City or by organizations engaged by the City.

**Community Development Block Grant (CDBG)** funds are used to benefit low- and moderate-income persons or to prevent, eliminate slums or blight or address urgent needs 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. The City of Salem is one of thirty member communities in the North Shore HOME Consortium. 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. Please note that while our narratives discuss the use of HOME funds, these funds are reported through the North Shore HOME Consortium.

The FY22 Action Plan, including appendices, will be located at [www.salem.com](http://www.salem.com), along with a companion document that provides a summary of activities proposed for FY22.

**COVID-19 Pandemic** - Just before the Consolidated Plan was completed, the COVID-19 pandemic occurred. Salem has made an effort to respond to new and increased needs by reprogramming available CDBG funds, as well as through the use of CDBG-CARES funds. Moving forward, with regard to urgent needs due to infectious disease or Federal/State/Local declared disasters, CDBG funds may be reprogrammed to activities to address those needs, including housing, infrastructure, public facilities, assistance to affected businesses, public services or planning, capacity building or technical assistance. Such changes may include a modification in purpose, scope, location or beneficiaries of activities and may use CDBG, CDBG-CARES or other awarded federal funds under the LMI and/or Urgent Need National Objective.

## **Summarize the objectives and outcomes identified in the Plan**

The primary objective of HUD's Entitlement Programs is to develop viable communities through the provision of decent housing, suitable living environments, and expanded economic opportunities. Through Salem's needs assessment, several priority needs were identified, and goals were developed as corresponding to those needs. The priority needs were determined by review of data, community meetings, and public and stakeholder engagement.

### Decent Housing

- Housing affordable to people of all income levels was consistently identified as a priority need by stakeholders and public participants. In particular, seniors, families, people with disabilities, low- to moderate-wage employees of businesses based in Salem, and individuals experiencing homelessness or transitioning from homelessness are most impacted by the cost of housing. Purchase prices are out of reach for low- and moderate-income households trying to become homeowners, and renters are vulnerable to displacement due to rent increases and evictions.
- Much of Salem's housing stock is in century-old, 2-4 family structures. Due to the frequent presence of stairs, lead paint, code violations, and in some cases discrimination, it can be difficult for families, disabled, senior, and minority households to find housing appropriate to their needs. Many homeowners are in housing that is inadequate or does not fit their needs because they cannot afford repairs or modifications, access financing, or find alternative housing.

### Suitable Living Environment

- Needs for social services including transportation, nutrition, housing advocacy, legal services, education, childcare, crime prevention, youth and adult programming, and emergency funds for homelessness prevention were identified. Mental health issues are a concern for many homeless individuals, and access to a sustained continuum of care is critical. Incidences of drug addiction have been increasing, and more capacity is needed for prevention and treatment around substance abuse.
- Participants highlighted the need for public realm improvements to beautify LMI neighborhoods, increase tree canopies, provide safe and accessible sidewalks, improve

resiliency against flooding and the impacts of climate change, and improve circulation for pedestrians, bicycles, vehicles, and public transit.

### Expanded Economic Opportunities

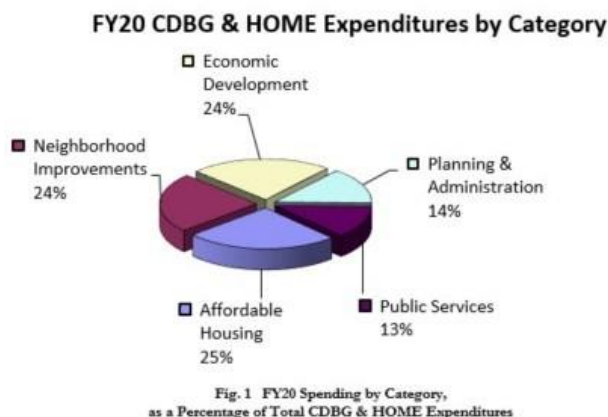
- There is a need for economic development to support business growth in Salem. There is a need for more local or nearby living wage jobs, as well as paths for career advancement. Access to job training and ESL classes would help to match the available work-force with jobs in the region. Services to provide orientation to new immigrants, as well as financial management or life skills to those emerging from homelessness, would help these individuals gain economic independence. Affordable childcare and after-school care is a barrier to full employment for many workers, along with transportation constraints. Support is also needed to help local businesses to thrive.

### **Evaluation of past performance**

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

The annual Consolidated Annual Performance and Evaluation Report (CAPER) provides an analysis of the accomplishments and progress the City has made toward meeting the goals and objectives laid out in its previous Five Year Consolidated Plan. The FY21 CAPER, for the current fiscal year, will be available by September 30, 2021. The most recent CAPER, for FY20, evaluated the fifth fiscal year of the previous Five Year Consolidated Plan. HUD calculated that 74.01% of CDBG funds spent in FY20 directly benefited low- and moderate-income persons. The FY20 CAPER is available at the City of Salem Department of Planning and Community Development (DPCD), the Salem Public Library and on the City's website at [www.salem.com](http://www.salem.com).

The chart below illustrates FY20 spending by category, as a percentage of overall CDBG and HOME expenditures.



## **Summary of Citizen Participation Process and consultation process**

As part of the process in developing the FY22 Action Plan, the DPCD conducted an initial public hearing on January, 21, 2021 to seek public input from residents, businesses, social service organizations and various stakeholders. Notices of the meeting were published in the Salem News (legal ad) and on Salem Access TV, were posted at Salem City Hall, at the Salem Public Library, at the Salem Community Life Center, at the Salem Housing Authority and on [www.salem.com](http://www.salem.com). The notice was also emailed to a distribution list of nearly 300 representatives of social service agencies that serve Salem residents. A press release was issued to approximately twenty-five media outlets. In addition, a Request for Proposals was issued to non-profit agencies for public service, economic development and housing programs to meet Salem resident needs, as well as to city departments for public facilities and infrastructure proposals.

Copies of the Draft Action Plan were available at [www.salem.com](http://www.salem.com) and a thirty day comment period was held from April 9, 2021 through May 10, 2021, during which a public hearing was held on April 29, 2021. Notices of the availability of the plan were distributed in the same manner as the notices for the January public hearing. The Salem City Council authorized the submission of the Application for Federal Funding at its meeting of April 22, 2021.

## **Summary of public comments**

A summary of public comments from the citizen participation process can be found in section AP-12 of this Action Plan.

## **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 Consolidated Plan.

## **Summary**

The City of Salem has identified a wide range of activities designed to develop and maintain affordable housing, improve neighborhood facilities, provide economic opportunities, improve access for people with disabilities, provide critical public services, assist people who are homeless, and prevent homelessness. The FY22 Action Plan includes many of Salem's core programs in the categories of affordable housing, economic development, neighborhood improvements, public services and planning and administration, including:

- Housing Rehabilitation Loan Program
- First Time Homebuyer Downpayment Assistance Loan Program
- Rental Downpayment Assistance Program
- Affordable Housing Development
- Small Business Financial Assistance Programs
- Business Technical Assistance
- Parks, Public Facilities & Infrastructure Improvements
- Neighborhood Street and Sidewalk Improvements/Tree Planting
- Community Support Services
- General Program Administration and Rehabilitation Administration



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

### **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.

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

**Table 1 – Responsible Agencies**

### **Consolidated Plan Public Contact Information**

City of Salem  
Department of Planning & Community Development  
98 Washington Street  
Salem, MA 01970  
Att: Jane A. Guy, Assistant Community Development Director  
T: 978-619-5685  
E: [jguy@salem.com](mailto:jguy@salem.com)

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

### **Introduction**

In 2019, the City of Salem retained a consultant, Community Opportunities Group, Inc. (COG), to prepare its Five Year Consolidated Plan (covering city Fiscal Years 2021-2025) and first year Action Plan (FY21). In developing this 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 the Community Life Center, at community organizations, and at Salem State University, to reach as broad of a population as possible. The focus groups targeted persons with disabilities, housing service 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. To supplement these, COG interviewed and consulted with staff from provider agencies who serve Salem residents, both those located in and outside of Salem. In addition, an on-line survey (in Spanish and English) generated 455 responses. A second public hearing was held during the 5-day comment period after the release of the Draft plans.

For this Action Plan (FY22), the process began with a public hearing on January 21, 2021 to solicit community comments. A Request for Proposals was issued for public service, economic development and housing programs, as well as to City departments for public facilities and infrastructure improvement proposals. Following development of the plan, a second public hearing was held on

April 29, 2021. The City Council authorized submission of the Application for Federal Funding on April 22, 2021.

**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. Salem 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 Salem H.O.P.E. breakfast meetings held at rotating agency locations. Through this program, agency representatives are (re-)introduced to each other and exchange information, announcements and updates. During the COVID-19 pandemic, Salem HOPE did not meet. However, remaining active was the Salem HOPE distribution list for agencies to share virtual events, programs, job opportunities and other information

The DPCD coordinates with the Salem Housing Authority (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 Appeals and Planning Board, have staff support from the DPCD. The SHA recently received an award of Salem Community Preservation Act funds to coordinate a Transitional Housing Program.

The City also works with nonprofit agencies to administer social service activities. The City issues an annual Request for Proposals (RFP) for CDBG public services 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, such as MassHousing's "Get the Lead Out" and Massachusetts Housing Partnership's "One Mortgage" program.

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.

**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. Lifebridge provides emergency and transitional shelters, permanent supportive housing, case management, and other programs to address the crisis of homelessness. In 2019, Lifebridge opened a day center for at-risk homeless which provides a place to congregate and an opportunity to be connected to services. The center is currently open 3 days per week and they hope to expand to at least 5 days a week.

Salem's DPCD works directly with Lifebridge and other programs that participate in the North Shore CoC, including the North Shore Community Action Programs, Inc. (NSCAP), and Healing Abuse, Working for Change (HAWC) to support and enhance programs that address at-risk and homeless families. NSCAP provides a Community Outreach Program that assists disabled chronically homeless individuals to obtain appropriate services or to access housing, including HOPWA to serve people afflicted by HIV/AIDS. HAWC provides a range of services to victims of domestic violence.

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. In addition, NSCAP receives funding for a Housing First program, tenant based rental assistance targeted to high risk homeless individuals.

**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.

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

**Table 2 – Agencies, groups, organizations who participated**

1	<b>Agency/Group/Organization</b>	NORTH SHORE COMMUNITY DEVELOPMENT CORPORATION
	<b>Agency/Group/Organization Type</b>	Housing Services - Housing Services-Employment Regional organization Planning organization Neighborhood Organization
	<b>What section of the Plan was addressed by Consultation?</b>	Public Housing Needs Non-Homeless Special Needs Market Analysis Economic Development Anti-poverty Strategy Public Hearing Attendee
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The NSCDC 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 FY22, plan representatives of the agency attended the January 21, 2021 public hearing.

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

During development of the 5-Year Consolidated Plan, twenty-three agencies/groups/organizations participated in the process. A list of all the agencies is provided in Table 2 of PR-10. To the City's knowledge, it consulted with all relevant agency types.

## 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.

**Table 3 - Other local / regional / federal planning efforts**

### Narrative

Table 3 of the 5-Year Consolidated Plan outlines eleven local/regional/federal planning efforts considered when preparing the plan. The DPCD coordinates and communicates with other municipal departments, local and regional agencies, and public and private housing organizations. The DPCD communicates regularly with its subrecipients and subcontracted agencies delivering social services. The DPCD also works with the Salem Housing Authority, nonprofit organizations and housing developers to produce affordable housing in the City.

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

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

In developing the 5-Year Consolidated Plan, the City and the City's consultant preparing the plan held a series of nine community and focus group meetings throughout the city, including a public hearing. The meetings were held at the Salem Housing Authority, at neighborhood locations within specific wards with large LMI populations (such as at Espacio and at Salem State University), in the City Hall offices, at Old Town Hall, at the Community Life Center, and at Salem Access Television, to reach as broad of a population as possible. The focus groups targeted persons with disabilities, housing providers, businesses and seniors, while individual stakeholder interviews were conducted with city staff, service providers, residents, business owners, and other interested parties. To augment the outreach process, the City conducted an online survey in English and Spanish (also available in a hard copy format), for which the City had 455 responses. All public comment was considered during the development of the draft and final plans.

For the FY22 Action Plan, citizen participation included a public hearing in January, 2021 held virtually on Zoom, 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 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, the Salem Gazette and other media. The public

hearing notice was also posted on the City's website and was mailed or emailed to various social service agencies and neighborhood associations.

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. An English/Spanish Community Bulletin Board request was provided to Salem Access Television. An English/Spanish legal ad was published in the Salem News indicating the availability of plans and providing notice of the 30-day comment period and scheduled public hearing. English/Spanish notices were posted at City Hall and City Hall Annex and on [www.salem.com](http://www.salem.com). Notices were provided to the Salem Public Library, Salem Council on Aging and the Salem Housing Authority, and were emailed to the Salem H.O.P.E. distribution list, subrecipient agencies and various City departments. A press release was sent to the Salem News, the Salem Gazette and other media.

The plan was made available for download on [www.salem.com](http://www.salem.com).

The public comment period commenced on April 9, 2021 and ended on May 10, 2021. A public hearing was held on April 22, 2021 virtually on Zoom.

The City Council approved submission of the Application for Federal Assistance in April, 2021.

## 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>Public Service Agencies</p>	<p>On January 21, 2021, a virtual public hearing was held for all interested persons on Zoom. Spanish translation was available. A PowerPoint presentation was provided.</p>	<p>The North Shore CDC would like to see it's Neighborhood Ambassador program continue, along with small business emergency grants and storefront improvements. A resident would like to see COVID rental assistance programs continue, along with support for the food pantry.</p>	n/a	

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	Non-English Speaking - Specify other language: Spanish  Non-targeted/broad community  Social Service agencies	A newspaper ad was published on 1/7/21 to advertise the January 21, 2021 public hearing and the acceptance of written comments.	There were no written comments received.	n/a	
3	Public Meeting	Non-English Speaking - Specify other language: Spanish  Non-targeted/broad community  Public Service Agencies	On April 22, 2021, a virtual public hearing was held for all interested persons on Zoom. Spanish translation was available. A PowerPoint presentation was provided.	There were no attendees of the public hearing.	n/a	



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	Non-targeted/broad community  Public service agencies	A newspaper ad was published on 4/9/21 to advertise the April 22, 2021 public hearing, the availability of the draft plan and the 30-day comment period.	There were no written comments received.	n/a	

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## **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. Salem expects to receive a \$1,098,710 allocation for FY22.

As one of 30 member communities of the North Shore HOME Consortium, Salem receives an allocation of Home Investment Partnership (HOME) funds from HUD. HOME funds are dedicated solely for housing programs, and can be used to fund a wide range of activities that build, buy and/or rehabilitate affordable housing for rent or home ownership. The Consortium, through its lead community of Peabody, submits a Consolidated Plan for operating the HOME program. An allocation of \$179,885 is anticipated for FY22.

Salem may also receive additional Federal funding to address COVID-19 in the form of CDBG-CARES and/or HOME-CARES funds, so that Salem can respond to emerging housing, business and public service needs.

Along with HUD funds, 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 estimates it will generate approximately \$93,000 annually in program income.

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, establishing a local fund for open space, historic preservation, outdoor recreation, and affordable housing. 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. 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, and the remaining 70% may be dedicated to any eligible program area. The amount of state matching funds varies depending on the availability of funds and the number of communities participating, ranging between 17-31% in the past five years. In FY20, the local surcharge revenues were approximately \$718,000, generating approximately \$159,000 in State match funds.

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. The City 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.

### 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	1,098,710	93,000	0	1,191,710	3,296,922	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.

Table 1 - 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

The following summarizes the funds typically leveraged:

- *First Time Homebuyer Program:* Homebuyers provide matching funds and obtain financing from a primary lender.
- Housing development projects by NSCDC have combined Low-Income Housing Tax Credits and other state, federal funding, as well as private fundraising, grants, financing, and program fees. North Shore CDC's 64-unit Congress Street Residences (2017), had a total development cost of \$18 million, of which \$100,000 came from CDBG and HOME, while the 27-unit Harbor and Lafayette Homes project (2019), had a total development cost of \$14 million, of which \$405,000 came from CDBG and HOME. Further projects in the pipeline (2021 and 2022) have secured funding commitments of over \$29 million to create 125 units of affordable housing.

- State programs such as *Get the Lead Out* and *MassSaves* have been used to assist in home rehabilitation. In, FY20, NSCAP's Energy Conservation program leveraged \$233,185, providing weatherization, improvements to heating systems, insulation, and installing energy efficient appliances and LED light bulbs.
- The *Salem Main Streets Program* leverages approximately \$68,700 annually through business contributions, event fees and donations.
- Salem is a Gateway City, making it eligible for certain State funds.
- Salem received \$75,000 through the Massachusetts Office on Disability (MOD) to complete an ADA transition plan, which enables the City to request additional funding to implement projects identified in the plan. The plan was completed in December, 2019.
- Salem is a Housing Choice Community. This designation provides Salem exclusive access to a grant program open only to Housing Choice Communities and the City earns bonus points and other considerations to certain State funds.
- Most subrecipient, non-profit agencies use CDBG as a portion of their overall activity budgets. Based on reports provided by each agency at the end of the program year, the amount leveraged in 2020 was 4.1 million in other federal, state, private or other funds.
- The City's Capital Improvement Program provides funding annually on a project-specific basis for both CDBG and non-CDBG activities.
- The City's General Fund, State Chapter 91 and various federal, state and private grant or loan programs are often sources 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, MA Office of Coastal Zone Management, MassWorks, the Massachusetts Preservation Projects Fund, Green Communities, the Cultural Facilities Fund, and the Gateway Cities Park Program.
- The City provides about \$580,000 annually for planning and administration costs.
- Additional planning funds and technical assistance have been obtained through Massachusetts Historical Commission, MassHousing, Massachusetts Housing Partnership and Metropolitan Area Planning Council.

The City may consider submitting an application for a Section 108 loan in the future for housing, economic development and/or public facilities/infrastructure improvements.

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

The City is studying several publicly owned sites and if it is feasible to develop affordable homes on the publicly owned land, the City may leverage that land to address the need for more affordable homes.

Public infrastructure and facilities including buildings, parks, roads, sidewalks, the Community Life Center and other public properties continue to enhance the mobility, economic vitality, and quality of life for low- and moderate-income persons.

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## 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	Improve the Condition of Existing Housing.	2015	2019	Affordable Housing	City-wide	Affordable Housing	CDBG: \$204,152	Homeowner Housing Rehabilitated: 3 Household Housing Unit
2	Increase the Supply of Affordable Housing	2015	2019	Affordable Housing	City-wide	Affordable Housing	CDBG: \$0	Rental units rehabilitated: 0 Household Housing Unit
3	Facilitate Homeownership	2015	2019	Affordable Housing	City-wide	Affordable Housing Homeownership Assistance	CDBG: \$15,410	Direct Financial Assistance to Homebuyers: 2 Households Assisted
4	Financially Support Small Businesses	2015	2019	Non-Housing Community Development	LMI Areas Downtown City-wide	Economic Development	CDBG: \$44,000	Jobs created/retained: 2 Jobs
5	Offer Business Technical Assistance	2015	2019	Non-Housing Community Development	LMI Areas Downtown City-wide	Economic Development	CDBG: \$165,000	Jobs created/retained: 5 Jobs
6	Provide Community Support Services	2015	2019	Homeless Non-Homeless Special Needs	City-wide	Public Services	CDBG: \$178,000	Public service activities other than Low/Moderate Income Housing Benefit: 7325 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
7	Invest in Parks Infrastructure & Public Facilities	2015	2019	Non-Housing Community Development	LMI Areas City-wide	Neighborhood Public Facilities and Infrastructure	CDBG: \$360,456	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 17600 Persons Assisted
8	Improve Downtown Slums/Blight Area	2015	2019	Non-Housing Community Development	Downtown	Downtown Public Facilities and Infrastructure	CDBG: \$0	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 0 Persons Assisted
9	Undertake Planning & Administration	2020	2024	Planning & Administration	LMI Areas Downtown City-wide	Affordable Housing Homeownership Assistance Economic Development Public Services Neighborhood Public Facilities and Infrastructure Downtown Public Facilities and Infrastructure	CDBG: \$224,692	

Table 4 – Goals Summary

## Goal Descriptions

1	Goal Name	Improve the Condition of Existing Housing.
	Goal Description	Offer financial and technical assistance to eligible homeowners and investor-owners to improve housing units, including improvements for accessibility for low- to moderate-income renters through the Housing Rehabilitation Loan Program. The goal is also to offer assistance to rehabilitate CHDO, non-profit owned or Salem Housing Authority owned affordable housing.



2	<b>Goal Name</b>	Increase the Supply of Affordable Housing
	<b>Goal Description</b>	Support the Salem Housing Authority, Affordable Housing Trust Fund Board, local non-profit housing organizations and CHDOs seeking to acquire, create, preserve, and/or renovate affordable units. This activity will use carried-over funds identified in FY20/21.
3	<b>Goal Name</b>	Facilitate Homeownership
	<b>Goal Description</b>	Offer financial assistance to eligible households in the form of loans for downpayments and closing costs through the First-Time Homebuyer Downpayment Assistance Program.
4	<b>Goal Name</b>	Financially Support Small Businesses
	<b>Goal Description</b>	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, handicapped access, and/or leverage private investment.
5	<b>Goal Name</b>	Offer Business Technical Assistance
	<b>Goal Description</b>	Offer 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. Provide program delivery for the business loan program, oversight of the Salem Redevelopment Authority, and funding for the Salem Main Streets, North Shore CDC's Small Business Engagement Program and other economic development programs.
6	<b>Goal Name</b>	Provide Community Support Services
	<b>Goal Description</b>	Provide grants to nonprofit agencies for social services programs such as homelessness and foreclosure prevention, housing education, food distribution, homeless services, job training, senior transportation, childcare, crime prevention, immigrant services, 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). Also support programs that provide supplemental education and/or engagement programs to increase public school students' academic achievement and ability to move on to higher education.

7	<b>Goal Name</b>	Invest in Parks Infrastructure & Public Facilities
	<b>Goal Description</b>	Undertake public facility, infrastructure and traffic/pedestrian improvements that enhance the quality of life in eligible neighborhoods, such as, parks/playgrounds, tree planting, lighting, public art, signage, bike paths, streets, sidewalks, crosswalks, pedestrian safety, safety/security, trash receptacles, traffic calming, flood drain improvements, climate resilience, accessibility, and improvements to fire stations, the Community Life Center, schools, Lifebridge's homeless day center and/or the area along the South River. Examples of projects under consideration include public art at the Community Life Center, neighborhood history signage in Blubber Hollow, accessible equipment at Mack Park (picnic tables, water fountain and spigot), reconstruction of Endicott and Pratt Streets, pedestrian improvements at the median strip along Washington Street, installation of new catch basins and drain structure, with street resurfacing, between Prince and Congress Street.
8	<b>Goal Name</b>	Improve Downtown Slums/Blight Area
	<b>Goal Description</b>	Undertake infrastructure improvements to support Salem's Downtown Renewal Area and complement ongoing Economic Development activities. Projects may include but are not limited to street & sidewalk improvements, tree planting, trash receptacles, traffic/pedestrian improvements, bike paths, accessibility, lighting, public art, signage and open space improvements, as well as improvements to public facilities and public infrastructure. As public facility and infrastructure project locations are identified, such as street improvements and tree planting, funds from the goal of "Invest in parks Infrastructure & Public Facilities" may be transferred to this goal.
9	<b>Goal Name</b>	Undertake Planning & Administration
	<b>Goal Description</b>	The City will continue to undertake the planning and general administration necessary to manage the CDBG program and to carry out studies and initiatives that address specific needs and strategies.

## 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:

- **Affordable Housing** - Support for public housing authority, housing trusts, local non-profit housing organizations and CHDOs seeking to acquire, create, preserve, and/or renovate affordable units or to offer programs that provide gap funding assistance.
- **Downpayment Assistance for First Time Homebuyers** - Financial assistance to eligible households in the form of loans for downpayments and closing costs.
- **Housing Rehabilitation Program** - Offer financial and technical assistance to eligible homeowners and investor-owners to improve housing units, including improvements for accessibility.
- **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 Small Business Engagement Program offered by North Shore CDC or others.
- **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 slum/blight conditions, address building code violations and/or improve access, and/or leverage private investment.
- **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.
- **Neighborhood Improvement Activities** - Undertake public facility and infrastructure improvements that enhance the quality of life in eligible neighborhoods, such as, parks/playgrounds, tree planting, lighting, public art, signage, bike paths, streets, sidewalks, crosswalks, pedestrian safety, trash receptacles, traffic calming, climate resilience, accessibility, Community Life Center, fire stations, schools, etc.
- **Downtown Improvements** - Public facilities and infrastructure improvements that are located in Salem's Downtown Renewal area and/or benefit people with disabilities such as lighting, signage, pedestrian safety, streets, sidewalks, crosswalks, trash receptacles, accessibility, public art and/or tree planting.
- **General Program Administration** - Planning and general administration is necessary to provide the tools needed to manage the CDBG program, as well as the development of plans and studies and the provision of public information.

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

**Table 5 – 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 2021-2025. 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 FY21 CDBG funding will be used for activities that benefit low- and moderate-income persons.

- **Affordable Housing** - Approximately 19% of CDBG funding (including estimated program income) in FY22 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 18% of its CDBG funding for FY22 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. Note: This percentage may be adjusted due to the COVID-19 pandemic, if HUD continues to waive the 15% requirement.
- **Public Facilities and Infrastructure Improvements** - Approximately 29% of the City’s FY22 CDBG funding will be allocated towards public facilities and infrastructure improvements projects in LMI neighborhoods and in the Downtown Renewal Area.
- **Program Administration** - Not more than 20% (19% proposed) will be allocated for the necessary general administration costs for program oversight and coordination, including plans and studies.

The primary obstacle to addressing underserved needs in the categories listed above is the lack of adequate funding. For FY22, the City's allocation of CDBG funds is approximately 1.5% decrease from FY21, and its HOME allocation is projected to be a 6.25% percent increase. However, it should be noted that CDBG funding has been reduced by a total of approximately 12% since 2010, while HOME funding has been reduced by at least 16%.

The COVID-19 pandemic began during the final stages of the development of the 5-Year Consolidated Plan. Salem made an effort to respond to new and increased needs, by reprogramming available FY19 CDBG funds, as well as through the use of CDBG-CARES funds. Moving forward, with regard to urgent needs due to infectious disease or Federal/State/Local declared disasters, CDBG funds may be reprogrammed to activities to address those needs, including housing, infrastructure, public facilities, assistance to affected businesses, public services or planning, capacity building or technical assistance. Such changes may include a modification in purpose, scope, location or beneficiaries of activities and may use CDBG, CDBG-CARES or other awarded federal funds under the LMI and/or Urgent Need National Objective.

## AP-38 Project Summary

### Project Summary Information

1	<b>Project Name</b>	Housing Rehabilitation Programs
	<b>Target Area</b>	City-wide
	<b>Goals Supported</b>	Improve the Condition of Existing Housing.
	<b>Needs Addressed</b>	Affordable Housing
	<b>Funding</b>	CDBG \$204,152
	<b>Description</b>	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. Offer assistance to rehabilitate CHDO, non-profit owned or Salem Housing Authority owned affordable housing.
	<b>Target Date</b>	6/30/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	It is estimated that a minimum of 3 families of very low, low or moderate income will be assisted. This activity may also use carried over funding from the prior year to complete additional units.
	<b>Location Description</b>	This activity would be offered city-wide to income-eligible households.
	<b>Planned Activities</b>	Housing Rehabilitation Loan Program Inspectional Services Rehabilitation Administration
2	<b>Project Name</b>	Affordable Housing
	<b>Target Area</b>	City-wide
	<b>Goals Supported</b>	Increase the Supply of Affordable Housing
	<b>Needs Addressed</b>	Affordable Housing
	<b>Funding</b>	CDBG \$0
	<b>Description</b>	Support the Salem Housing Authority, Affordable Housing Trust Fund Board, local non-profit housing organizations and CHDOs seeking to acquire, create, preserve, and/or renovate affordable units. This activity will use carried-over funds identified in FY20/21.
	<b>Target Date</b>	6/30/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	This activity may use carried over funding from the prior year to complete units indicated in the prior plan.

	<b>Location Description</b>	This activity would be offered city-wide.
	<b>Planned Activities</b>	Pre-development, acquisition and/or rehabilitation of affordable housing units, for households at or below 80% of AMI. As projects are designated, individual activities are set up.
<b>3</b>	<b>Project Name</b>	First Time Homebuyer Program
	<b>Target Area</b>	City-wide
	<b>Goals Supported</b>	Facilitate Homeownership
	<b>Needs Addressed</b>	Homeownership Assistance
	<b>Funding</b>	CDBG \$15,410
	<b>Description</b>	Financial assistance to eligible households in the form of loans for downpayments and closing costs through the First Time Homebuyer Downpayment Assistance Loan Program. In addition to basic downpayment assistance, the program offers an increase over the maximum loan amount for homeowners who complete First-Time Homebuyer Counseling through a qualified training program.
	<b>Target Date</b>	6/30/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	These funds have not yet been associated with specific addresses. It is estimated that a minimum of 2 families of very low, low or moderate income will be assisted.
	<b>Location Description</b>	This activity would be offered city-wide to income-eligible households.
	<b>Planned Activities</b>	Loan Pool for downpayment assistance loan program. As individual activities are set up for first time homebuyer loans, the loan pool is reduced.
<b>4</b>	<b>Project Name</b>	Small Business Financial Assistance Programs
	<b>Target Area</b>	City-wide, LMI Areas, Downtown
	<b>Goals Supported</b>	Financially Support Small Businesses
	<b>Needs Addressed</b>	Economic Development
	<b>Funding</b>	CDBG \$44,000

	<b>Description</b>	<p>Provide a Business Loan 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. The program provides these types of loans:</p> <ul style="list-style-type: none"> <li>• Microenterprise Assistance - provides loans to low- to moderate-income entrepreneurs to assist with their microenterprise business (5 or fewer full-time employees, including the owner).</li> <li>• Commercial Revitalization - 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.</li> <li>• Special Economic Development - provides loans to business owners throughout the city in exchange for job creation and/or job retention for low- and moderate-income people.</li> </ul> <p>Provide a Storefront Improvement Program to help improve the physical appearance of districts by advocating for appropriate design and historic preservation.</p>
	<b>Target Date</b>	6/30/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	It is estimated that one business will be assisted, creating a minimum of 2 LMI jobs. This activity may also use CDBG-CARES funds for additional job retention.
	<b>Location Description</b>	This activity would be offered city-wide to micro-enterprise businesses or businesses that agree to create/retain LMI jobs.
	<b>Planned Activities</b>	Small Business Loan Program Storefront Improvement Program
5	<b>Project Name</b>	Business Technical Assistance
	<b>Target Area</b>	City-wide, LMI Areas, Downtown
	<b>Goals Supported</b>	Offer Business Technical Assistance
	<b>Needs Addressed</b>	Economic Development
	<b>Funding</b>	CDBG \$165,000



	<b>Description</b>	The City's Economic Development Planner assists with new business location or existing business relocation, walks new businesses through the permitting process, coordinates available loan programs, provides design guidance, develops tax increment financing agreements, coordinates the development of neighborhood and economic development plans, manages the Salem Main Streets contract, manages the North Shore CDC Small Business Engagement 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 Salem Main Streets and the North Shore CDC programs receive CDBG support to provide technical assistance to small businesses including one-on-one consultations on facility design, appearance and marketing (including social media), target market research, business plan development, business models, advocacy, strategy, expansion assistance, peer support, recognizing/addressing operating and financial risks, location assistance for new or relocating businesses, business structuring (i.e. sole proprietor vs LLC), sales project analysis, building brand awareness, IT services, securing capital assistance, permitting navigation, client analysis, event planning, community engagement, developing partnerships, improved business operations, inventory assistance, supply chain management analysis, goal setting, patent applications, wholesale pitch development, increase sales opportunities, hiring, and general business planning.
	<b>Target Date</b>	6/30/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	It is estimated that a minimum of five LMI jobs will be created.
	<b>Location Description</b>	This program would be available to eligible businesses city-wide.
	<b>Planned Activities</b>	Salem Main Streets Program Economic Development Program Delivery Enterprise Center Micro-Enterprise Program
<b>6</b>	<b>Project Name</b>	Neighborhood Improvement Activities
	<b>Target Area</b>	LMI Areas, City wide
	<b>Goals Supported</b>	Invest in Parks Infrastructure & Public Facilities
	<b>Needs Addressed</b>	Neighborhood Public Facilities and Infrastructure
	<b>Funding</b>	CDBG \$360,456

	<b>Description</b>	Undertake public facility, infrastructure and traffic/pedestrian improvements that enhance the quality of life in eligible neighborhoods, such as, parks/playgrounds, tree planting, lighting, public art, signage, bike paths, streets, sidewalks, crosswalks, pedestrian safety, trash receptacles, traffic calming, flood drain improvements, climate resilience, accessibility, and improvements to the Community Life Center, homeless facilities, fire stations, schools, neighborhood facilities, and/or the area along the South River.
	<b>Target Date</b>	6/30/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Projects will be undertaken in LMI neighborhoods. Per the American Community Survey 2011-2015 5-year estimates, it is estimated that Salem has 21,395 or 52.7% residents that are LMI persons.  LMI neighborhoods have 17,600 total persons of which 12,180 or 69.2% are LMI persons. We have used 17,600 as the estimate for the number of persons to be assisted.
	<b>Location Description</b>	These activities will be located in LMI neighborhoods as well as at locations of public facilities that serve LMI and/or presumed benefit persons.
	<b>Planned Activities</b>	Street Improvements Pedestrian and accessibility improvements Tree Planting Park Improvements Point Neighborhood Improvements Homeless Facility Improvements Public Facility Improvements Climate Resilience Infrastructure Improvements
<b>7</b>	<b>Project Name</b>	Community Support Services
	<b>Target Area</b>	City-wide
	<b>Goals Supported</b>	Provide Community Support Services
	<b>Needs Addressed</b>	Public Services
	<b>Funding</b>	CDBG: \$178,000
	<b>Description</b>	Through a Request for Proposals process, provide grants to nonprofit agencies for social services programs such as homelessness and foreclosure prevention, housing education, food distribution, homeless services, job training, senior transportation, childcare, crime prevention, immigrant services (cultural orientation and acclimation), ESL and citizenship education, youth and senior programming, adult education (financial literacy, computer training, etc.) and substance abuse prevention and treatment, 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 academic achievement for public school students.

<b>Target Date</b>	6/30/2022
<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Approximately 7,325 persons will be assisted through approximately 23 social service programs. It is estimated that 96% of the persons served will be very low, low or moderate income. This activity may also use CDBG-CARES funds for additional persons served.
<b>Location Description</b>	This activity would be available to non-profit agencies that serve LMI or presumed benefit clientele.
<b>Planned Activities</b>	<p>Grants for approximately 23 social service programs. <i>FY22 Social Services Funding Proposals Received:</i></p> <p><b>Located within or steps from the Point Neighborhood:</b></p> <ul style="list-style-type: none"> <li>• Catholic Charities - Homeless Prevention Program</li> <li>• HAWC – Children’s Services for Domestic Violence Victims in Emergency Shelter</li> <li>• Disability Resources Center - Housing Assistance Services</li> <li>• Leap for Education - College and Career Ready Program</li> <li>• North Shore CDC - Family Success Program</li> <li>• Salem Community Child Care – Kindergarten Afterschool Program</li> <li>• Salem Police Department - Point Targeted Patrols</li> <li>• VOCES - Hispanic Education Program</li> <li>• Open Door Immigration Program – Increasing Community Access to Immigration Legal Services</li> </ul> <p><b>Located in Downtown Salem:</b></p> <ul style="list-style-type: none"> <li>• Lifebridge - Medical &amp; Outreach Supportive Services</li> <li>• Salem Housing Authority – Supporting Salem Seniors</li> <li>• Salem Pantry, Inc. – Hunger Relief Program</li> <li>• Salem YMCA - Afterschool Program</li> </ul> <p><b>Located within Salem:</b></p> <ul style="list-style-type: none"> <li>• Bentley Academy Innovation School – Home Visits and Family Engagement</li> <li>• Boys &amp; Girls Club of Greater Salem - Teen Program</li> <li>• The North Shore Moving Market – Food Delivery for Elderly and Disabled persons</li> <li>• Salem Council on Aging - Senior Transportation Program</li> <li>• Salem Council on Aging –Creative Arts Program for Senior Citizens</li> <li>• Salem Council on Aging –Muscle Strength &amp; Endurance for Senior Citizens</li> <li>• Salem Park, Recreation &amp; Community Services – Playground Enrichment Program</li> <li>• The Salvation Army - Homeless Prevention Program</li> </ul> <p><b>Located outside Salem (but available to Salem residents):</b></p> <ul style="list-style-type: none"> <li>• Citizens Inn, Inc. – Haven from Hunger Food Pantry</li> <li>• North Shore Community Action Programs, Inc. - Homeless Prevention Program</li> </ul>

8	<b>Project Name</b>	Downtown Improvements
	<b>Target Area</b>	Downtown
	<b>Goals Supported</b>	Improve Downtown Slums/Blight Area
	<b>Needs Addressed</b>	Downtown Public Facilities and Infrastructure
	<b>Funding</b>	CDBG: 0.00
	<b>Description</b>	Undertake infrastructure improvements to support the Downtown Renewal Area and complement ongoing Economic Development activities. Projects may include, but are not limited to, street & sidewalk improvements, accessibility tree planting, trash receptacles, traffic/pedestrian improvements, lighting, public art, bike paths, signage and open space improvements, as well as improvements to public facilities and public infrastructure.
	<b>Target Date</b>	6/30/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	<p>4,735 persons are located within the block groups that comprise the Downtown (slum/blight area):</p> <ul style="list-style-type: none"> <li>• 2045003 – pop 710</li> <li>• 2045002 – pop 1,250</li> <li>• 2042002 – pop 495</li> <li>• 2042003 – pop 1,250</li> <li>• 2043001 – pop 1,030</li> </ul> <p>As public facility and infrastructure project locations are identified, such as street improvements and tree planting, funds from the goal of "Invest in parks Infrastructure &amp; Public Facilities" may be transferred to this goal.</p>
	<b>Location Description</b>	This activity would be located within the Downtown Renewal Area as depicted on the LMI Map.
9	<b>Planned Activities</b>	Slum/blight area improvements.
	<b>Project Name</b>	Planning & Administration
	<b>Target Area</b>	LMI Areas, Downtown, City-wide
	<b>Goals Supported</b>	Undertake Planning & Administration
	<b>Needs Addressed</b>	Affordable Housing, Homeownership Assistance, Economic Development, Public Services, Neighborhood Public Facilities and Infrastructure, Downtown Public Facilities and Infrastructure
	<b>Funding</b>	CDBG: \$224,692
	<b>Description</b>	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.
	<b>Target Date</b>	6/30/2022

	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Not applicable
	<b>Location Description</b>	Not applicable
	<b>Planned Activities</b>	General Program Administration Planning Studies

## **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**

As of 4/1/19, HUD announced the publication of low- and moderate-income summary data based on the American Community Survey 2011-2015 5-year estimates (2015 ACS). According to the ACS, Salem is now 52.7% low- to moderate-income households and there are fifteen census block groups that make up the areas of LMI concentration, having a majority of households who earn less than 80% of area median income. They include the neighborhood roughly between Boston and Dunlap/Balcomb Streets; certain streets surrounding Ord Street; the area bordered by Jackson, Essex, Boston, Pope and Proctor Streets, Highland Avenue, Willson Street and Jefferson Avenue; a neighborhood along Loring Avenue (from Leggs Hill Road to the City line); a neighborhood bordered by North, Dearborn, Felt, Sargent and Kernwood Streets; and a large, contiguous, 9 block group area that includes portions of the downtown, the Point Neighborhood and South Salem, boarded by Bentley, Essex, Summer, Broad Street and Hathorne Streets, Jefferson Avenue, crossing over to and along the railroad thru to the bike path parallel to Raymond Road until the Marblehead line, then proceeding up Lafayette Street to Willow Avenue and the Atlantic Ocean, (with the exception of one block group – 2042.004). There is overlap between the established Downtown Renewal Slum/Blight Area and three LMI block groups. Seven of the fifteen total LMI block groups each contain more than 70% LMI households (the three block groups with the highest percentage of LMI households located in Point Neighborhood). The Point neighborhood also has the highest concentration of minority residents. A LMI map is in the Appendix of the AP hard copy.

The City typically supports programs that benefit low- and moderate-income households or specific populations 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 neighborhoods that have a concentration 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 also undertakes improvements in the Downtown Renewal Area, which was established as a Slum/Blight Area (November, 2013).

The City has undertaken planning for several areas, including the Point Neighborhood, North River Canal Corridor, Derby Street Corridor, Highland Avenue, and Bridge Street Neck, identifying needed infrastructure and public realm improvements to support neighborhood businesses and residents. Recognizing aging infrastructure throughout Salem that is in need of replacement or improvement, the City has identified and is planning or implementing numerous capital projects – especially roadway and complete streets, water/sewer, and drainage improvements that are needed to support business investment in the Downtown, the Point Neighborhood, as well as the city's Entrance Corridors and beyond.

In accordance with CDBG regulations, the City can undertake activities such as street, sidewalk and playground improvements in the low- and moderate-income neighborhoods or in neighborhoods meeting the definition of "slum/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 and First-Time Homebuyer Downpayment Assistance Loan Program are offered city-wide to allow any low- to moderate-income household to take advantage of their availability. The City's small business loan programs are available to any business that meets certain eligibility requirements or agrees to create or retain jobs available to LMI persons.

### Geographic Distribution

Target Area	Percentage of Funds
LMI Areas	30%
Downtown	0%
City-wide	70%

**Table 6 - Geographic Distribution**

### Rationale for the priorities for allocating investments geographically

The City uses its programs and gives consideration to projects, which are in high poverty or minority concentration areas, or which target low and very low income households or individuals with disabilities, in order to better meet underserved needs. At the same time, the City endeavors to diffuse concentrations of poverty by providing services and support where needed throughout the city.

While the City's CDBG program identifies low-mod and target areas within the City, projects are selected to address identified priority needs rather than allocated to a particular neighborhood. In Year 2 of the Consolidated Plan, CDBG funds are targeted to address City-wide needs of affordable housing, to support economic development efforts, and to provide needed social services, as well as infrastructure and public facilities improvements that are in neighborhoods with concentrations of low and moderate income households or that support vulnerable populations.

### 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 "slum/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 and First-Time Homebuyer Downpayment Assistance Loan Program* are offered citywide to allow any low- to moderate-income household to take advantage of their availability. The City's small business loan programs are available to any business that meets certain eligibility requirements or agrees to create or retain jobs available to LMI persons.

## **AP-75 Barriers to affordable housing -91.420, 91.220(j)**

### **Introduction**

Throughout the 5 Year Consolidated Plan process of gathering input through public meetings and through interviews with service providers, business associations, and housing professionals during the 5-Year Consolidated Plan process, the City did not find that its housing policies create impediments to fair housing. Compared to other cities and towns within the region, Salem offers a greater diversity of housing, and a higher proportion of affordable housing overall, having exceeded the State's 10% affordable housing goal. Nonetheless, several factors contribute to the difficulty of increasing the availability of affordable housing, including a shortage of land, environmental conditions, constraints on development finance, and the lack of regulatory tools to require affordable housing in new developments. Like other communities, Salem is not in control of all of these barriers.

### **Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment**

The City has released a request for proposals seeking a consultant to prepare a housing production plan. A housing production plan is a state-recognized planning tool that establishes a strategic plan for affordable housing production and goals. The plan will include a detailed analysis of development constraints including public infrastructure capacity, environmental constraints, protected open space and historic resources, and regulatory barriers. It will also provide recommendations for policies, programs, and initiatives to address local housing needs and recommendations for zoning strategies, potential municipal and private development or redevelopment sites, and ways to further participate in regional collaborations. The City is planning to hire a consultant in the Spring of 2021 and have a complete plan by the end of the calendar year.

The City plans to remove or ameliorate the negative effects of land use policies. For example, The City has an accessory dwelling unit (ADU) ordinance that limits the occupants of the accessory units to units to family members and/or caretakers to the main residential unit and requires ADUs be created by way of a special permit. The City Council has recently adopted first passage of an amendment to the ADU ordinance that will remove exclusionary barriers, i.e. the family and caretaker requirement and allow accessory units to be created by right. The City Council is scheduled to vote on second passage in mid-May, 2021. The rents of the accessory units created through the amended ordinance cannot exceed 70% of the fair market rate set by HUD. These units help to generate rental income to help homeowners cover mortgage payments or make ends meet. If this zoning is approved, a proposed loan program is an action planned that would incentivize the restriction of accessory units to LMI households.

The City of Salem's Affordable Housing Trust Fund Board is working on a land disposition ordinance that will prioritize affordable housing when the City is considering the disposition or surplus land.

In the City's Vision Update Study for the Bridge Street Neck, it specifically recommends a zoning



amendment to address the current zoning barriers. The City has established a working group to develop the zoning amendment, it will be considered by the City Council in 2021.

## **Discussion**

There are regulatory barriers that prevent the full realization of Salem's vision for housing growth. Among these barriers are regulations relating to parking requirements and dimensional requirements. The City will continue to review land use policies including the existing zoning ordinance through the housing production plan and identify opportunities to make changes that would reduce barriers to housing production while also protecting neighborhood character.

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

### **Introduction**

Salem has undertaken numerous planning initiatives within the past five years to identify needs for affordable housing, economic development, transportation, public facilities, and revitalization of distressed neighborhoods, and to identify actions to meet these needs. The City plans to continue implementation of several of the actions to reduce barriers to housing production. For example:

- In 2020, the City completed a Housing Needs Assessment to understand current and future housing needs. The data from that study is used to support housing policies.
- The City of Salem's Affordable Housing Trust Fund Board and Planning Board collaboratively developed a housing policy that will require developers to create units affordable to households at or below 60% of the area median income as part of market rate development. The City will continue to implement this policy as new development projects are proposed.
- In 2019, the City collaborated with Salem State University and the state Division of Capital Asset Management and Maintenance on a community visioning process to develop reuse concepts of the University's South Campus property (approximately 22 acres of land and buildings). The City has recommended that the University process the redevelopment through a 40R Smart Growth Overlay District as an opportunity to remove the zoning barriers at the subject site. A 40R Smart Growth District is a State zoning process that allows for as of right development with densities that are higher than the underlying zoning and requires that 20% of the units created be affordable.
- In 2019, the City adopted an expansion of the Housing Development Incentive Program (HDIP) throughout the city. HDIP is a tax exemption tool that the City will continue to use to increase the feasibility of affordable development projects by providing a tax exemption to overcome financial barriers of creating affordable housing.
- The City adopted zoning that allows adaptive reuse of former municipal and religious buildings into housing. Since the ordinance was adopted, two 100% affordable development projects have been approved and a third development project will be submitted in 2021.
- In 2017, the City undertook a vision plan, Imagine Salem, which entailed an extensive bilingual public process (English and Spanish) which established goals and guiding principles for housing,

employment, transportation, and community life. The City will continue to monitor the housing, employment, transportation and community life goals through measurable outcomes and make policy changes as deemed necessary to achieve the City's goals.

### **Actions planned to address obstacles to meeting underserved needs**

The Five Year Consolidated Plan outlines several barriers to housing affordability and actions for reducing the impacts of poverty in Salem including: displacement of renters, the cost of permitting/developing land with environmental constraints, the lack of regulatory tools to require/encourage affordable housing in new developments, the lack of resources to finance affordable housing development, a mismatch between local wages and housing costs, limited availability of public transit, and local government's dependence on property tax to finance City services. While not in control of all of these barriers, and often constrained by financial resources and legal requirements, Salem has nevertheless identified several strategies to address obstacles to meet underserved needs.

- In 2017, the City undertook a vision plan, Imagine Salem, which entailed an extensive bilingual public process (English and Spanish) which established goals and guiding principles for housing, employment, transportation, and community life. The City will continue to monitor the housing, employment, transportation and community life goals through measurable outcomes and make policy changes as deemed necessary to address obstacles of underserved needs.
- The Salem Community Food Assessment (2018) identified gaps in Salem's food delivery system impacting low and moderate income residents, including infrastructure and transportation barriers, as well as strategies for improving access to markets and nutritional programs. The City plans to continue to support programs that address said barriers.
- In 2020, the City completed a Housing Needs Assessment to understand current and future housing needs. The data from that study will be used to support housing policies that address obstacles to meet underserved needs.
- Salem's rental housing is vulnerable to conversion into ownership units given not just its tenure but also its age and scale, protections for renters displaced by conversions is an underserved need. To that end the City is working on a condominium conversion ordinance that will provide protections to tenants of rental housing when a property owner proposes to convert units to condominium or cooperative ownership.
- The City has also recently provided financial support to rental assistance programs managed by the Salem Housing Authority and the North Shore Community Action Programs to maintain Salem households that are at risk of displacement.

Salem continues to identify funding opportunities and coordinate partnerships to implement strategies identified in the planning initiatives described above.

### **Actions planned to foster and maintain affordable housing**

The following summarizes Salem's strategy to foster new housing production and preserving the existing housing stock. The key components are:

- Producing New Housing Units - Working with private and nonprofit developers or the Salem

Housing Authority, Salem will support the creation of affordable housing units through the conversion of underutilized buildings and parcels, often assisted with Salem's CDBG, HOME and/or CPA funds.

- 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.
- Coordinating Funding to Support Affordable Housing - The Affordable Housing Fund established by the City Council in 2006 and reactivated in 2018 provides resources to create and preserve affordable housing. The Trust obtained grant funds which were used in FY19 for planning and advocacy around affordable housing needs.
- Raising Local Revenue to Address Housing Needs - 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) 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.
- Providing Rental Assistance - SHA also administers 1,355 Section 8 vouchers. In addition, there are people residing in Salem with vouchers administered by other housing authorities and organizations in the region.
- 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 offers an additional \$1,000 for homeowners who complete Homebuyer Counseling. DPCD staff also provide assistance to coordinate other resources for homebuyers, including programs offered by Massachusetts Housing Partnership and MassHousing.
- 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 provides information regarding the proper disclosure of lead paint and lead hazards to property owners renting residential housing units. As necessary, the Board of Health will also notify area realtors of new or amended regulations regarding lead-based paint. In Salem, a property owner is required to obtain a Certificate of Fitness inspection when an apartment becomes vacant. These inspections are conducted to ensure compliance with the State Sanitary Code for Housing. Board of Health personnel are licensed Lead Paint Determinators. Should the Board receive a call from an occupant who is concerned that there may be lead-based paint in their apartment, potentially affecting their child(ren) under the age of six (6), a Board of Health Sanitarian is able to conduct a Lead Determination. If a lead paint hazard(s) is detected during the determination, an order to correct that hazard(s) is sent to the property owner. The order requires the property owner to bring the property into compliance with the State Lead Law. The Board ensures compliance with the order and, if necessary, will begin legal proceedings against the property owner to gain compliance. The results of all lead determinations are reported to the MA Childhood Lead Poisoning Prevention Program. Residents who have questions about lead-based paint and the MA Lead Law can contact the Salem Board of Health.

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 of 1-4 family properties, as well as for non-profits and for investor-owners that rent to income-eligible households.

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. A Strategic Plan completed in 2017 outlines a framework for ensuring access to high quality education for all students. 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 (for student home visits by teachers and after-school enrichment programs), and programs administered by non-profit agencies such as the 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, the North Shore Workforce Board, and the North Shore CDC. The City will continue to use CDBG funds to support ELL, GED and citizenship classes, job training and employment assistance programs and to support small business with technical assistance and loan programs.

#### Affordable Housing

Providing adequate, affordable housing for low- and moderate-income residents is critical to the success of an anti-poverty strategy. The City, and its partner agencies such as the Salem Housing Authority, are committed to providing safe, appropriate, and affordable housing opportunities to very-low, and low- and moderate-income family, elderly, and disabled households. Salem will continue to use its CDBG and HOME funds to provide FTHB and housing rehabilitation programs, rental assistance, homeless prevention, and to provide assistance to housing development organizations to create additional affordable housing units. The City's established partnerships with agencies such as the NSCAP, the North Shore HOME Consortium and the North Shore Community Development Coalition also increase its success at bringing affordable housing and related services to lower income residents.

#### 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 funded with CDBG, 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. Policy efforts to preserve existing affordable housing units and to increase the supply of affordable units is overseen by a Senior Planner. 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, stormwater management improvements, 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 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 participate. 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

Salem consistently meets all timeliness requirements, and program expenditures are 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
<b>Total Program Income:</b>	<b>0</b>

#### 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, 2021-June 30, 2022 (Salem FY22, using HUD 2021 funds). We estimate receiving \$93,000 in program income during this program year. All program income received in FY22 will be reported and spent under FY22. 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 FY22.

Salem intends to spend at least 70% of CDBG funds to benefit persons of low and moderate income in FY22. 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 82% or higher.

With regard to urgent needs due to infectious disease or Federal/State/Local declared disasters, CDBG funds may be reprogrammed to activities to address those needs, including housing, infrastructure, public facilities, assistance to affected businesses, public services or planning, capacity building or technical assistance. Such changes may include a modification in purpose, scope, location or beneficiaries of activities.



## **Appendix**

**1 - Map**

**2 - Application for Federal Funding and Certifications**

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## Appendix 1 – LMI Map

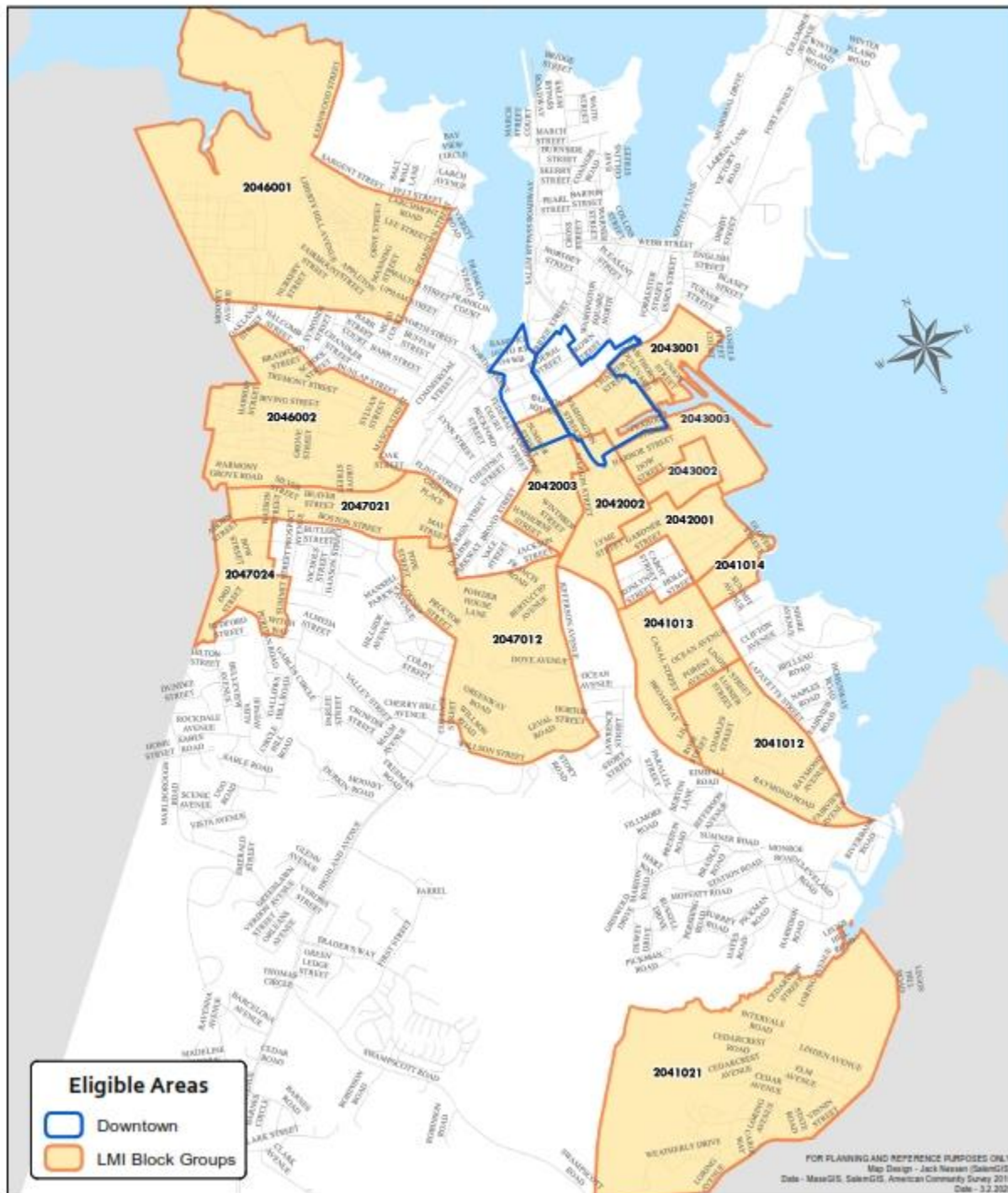


CITY OF  
**SALEM**

### Low to Moderate Income Areas

Effective April 1, 2019

1 inch equals 2,100 feet



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## **Appendix 2 - Application for Federal Funding & Certifications**

*Hard copy - See next pages in Final Action Plan.*

*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:**

98 Washington Street

**Street2:**

**\* City:**

Salem

**County/Parish:**

**\* State:**

MA: Massachusetts

**Province:**

**\* Country:**

USA: UNITED STATES

**\* Zip / Postal Code:**

01970/3526

**e. Organizational Unit:**

**Department Name:**

Planning & Community Developme

**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:**

**\* 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 \* b. Program/Project 

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

Add Attachment

Delete Attachment

View Attachment

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

* a. Federal	<input type="text" value="1,098,710.00"/>
* b. Applicant	<input type="text"/>
* c. State	<input type="text"/>
* d. Local	<input type="text"/>
* e. Other	<input type="text"/>
* f. Program Income	<input type="text" value="93,000.00"/>
* g. TOTAL	<input type="text" value="1,191,710.00"/>

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

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

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

If "Yes", provide explanation and attach

Add Attachment

Delete Attachment

View Attachment

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

☒ \*\* I AGREE

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

**Authorized Representative:**

Prefix:  \* First Name:

Middle Name:

\* Last Name:

Suffix:

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

\* Signature of Authorized Representative:

\* Date Signed: 

5/17/21



## ASSURANCES - CONSTRUCTION PROGRAMS

OMB Number: 4040-0009  
Expiration Date: 02/28/2022

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0042), Washington, DC 20503.


**PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.**

**NOTE:** Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the Awarding Agency. Further, certain Federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, the right to examine all records, books, papers, or documents related to the assistance; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will not dispose of, modify the use of, or change the terms of the real property title or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure non-discrimination during the useful life of the project.
4. Will comply with the requirements of the assistance awarding agency with regard to the drafting, review and approval of construction plans and specifications.
5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progressive reports and such other information as may be required by the assistance awarding agency or State.
6. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
7. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
8. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards of merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
9. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
10. Will comply with all Federal statutes relating to non-discrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681 1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
12. Will comply with the provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
13. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333) regarding labor standards for federally-assisted construction subagreements.
14. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
17. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).
18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.
20. Will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	TITLE
	<div data-bbox="902 1325 1484 1356" style="border: 1px solid black; padding: 2px;">Mayor</div>
APPLICANT ORGANIZATION	DATE SUBMITTED
<div data-bbox="131 1461 873 1493" style="border: 1px solid black; padding: 2px;">City of Salem, MA</div>	<div data-bbox="902 1461 1484 1493" style="border: 1px solid black; padding: 2px;">5/11/21</div>

## 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

5/11/21  
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) 2021 [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

5/11/21  
\_\_\_\_\_  
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



Date

Mayor

Title

**Discharge Policy** – The recipient will establish and implement, to the maximum extent practicable and where appropriate, policies and protocols for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, mental health facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent this discharge from immediately resulting in homelessness for these persons.



\_\_\_\_\_  
Signature of Authorized Official

5/11/21  
\_\_\_\_\_  
Date

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Title