

CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT

CITY OF SALEM, MASSACHUSETTS

*Fiscal Year 2016
July 1, 2015 to June 30, 2016*



Kimberley Driscoll, Mayor
Tom Daniel, AICP, DPCD Director
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INTRODUCTION

The overarching goal of the City of Salem is to provide a healthy, affordable, accessible and welcoming community for its residents to live and work and for its businesses to thrive. To accomplish this goal, the City uses grants from the U.S. Department of Housing and Urban Development (HUD)—Community Development Block Grant (CDBG) and Home Investment Partnership Program (HOME)—which are administered through the Department of Planning and Community Development (DPCD). The following describes each of the grants and their program objectives.

- **CDBG** is a formula-based program designed to develop viable urban communities by providing decent housing, a suitable living environment, and expanding economic opportunities for persons of low- and moderate-income¹.
- **HOME** is a formula-based program for expanding and improving the supply of decent, safe and affordable housing for low- and moderate-income persons.

These resources fund a wide range of projects designed to develop and maintain affordable housing, improve neighborhood public facilities, provide economic opportunities, improve access to public facilities for people with disabilities, provide critical public services, assist people who are homeless, and prevent homelessness.

Throughout the many years of the City of Salem's CDBG program, significant improvements have been made to the City's physical and social environment for its low- and moderate-income residents. The CDBG program has made 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 non-profit community partners.

Consolidated Plan, Annual Action Plan, and CAPER

A Consolidated Plan for Housing and Community Development (Consolidated Plan) must be prepared every five years for a community to receive CDBG and HOME funds from HUD. The Consolidated Plan is a comprehensive analysis and evaluation of a community's needs which is used to identify goals and objectives and to establish a vision for attaining a higher quality of life for low- and moderate-income residents. Prior to the start of each fiscal year within the five-year Consolidated Plan period, an Annual Action Plan must be prepared which lists the specific activities that will be undertaken, utilizing CDBG and HOME funds, that will work toward accomplishing the 5-year vision. The Consolidated Annual Performance and Evaluation Report (CAPER) must also be prepared annually as a mechanism for reporting accomplishments of the funded activities and to measure the success in achieving the vision, goals and objectives identified in the Consolidated Plan.

Salem's current 5-Year Consolidated Plan - Fiscal Years 2016-2020 (FY16-20) - began on July 1, 2015.

Contact Information

We are always open to feedback on our progress, as well as to answer questions regarding any of our programs mentioned in this report. If you would like more information please contact the Department of Planning and Community Development at 978-619-5685.

¹ Low- to moderate- income individuals equals less than 50 or 80 percent of the Boston area median income respectively.

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CAPER finalization date – September 29, 2016

Cover photo: Salem Main Streets Holiday Tree Lighting - Courtesy of Creative Salem

EXECUTIVE SUMMARY

Salem's FY16 CAPER provides an analysis of the first fiscal year - July 1, 2015 through June 30, 2016² - of the City's 5-Year Consolidated Plan completed in 2015. This report is an opportunity to demonstrate our progress and the accomplishments produced by the City of Salem and its community partners, to report our successes over the past fiscal year and to inform the community of how federal and local programs are making a difference in the lives of its low- and moderate-income residents. In 2015, HUD implemented a new online system for preparing the Consolidated Plan, Annual Action Plans and CAPERs. In this report, we included the information from the online system to fulfill HUD requirements, as well as information that may be of interest to our residents.

The CDBG entitlement funds from HUD for the fiscal year were \$952,642 and program income received during FY16 was \$134,873. Our HOME funding allocation was \$84,612. We also used any available carried over CDBG and HOME funds from prior years.

We expended a total of \$834,794.22 in CDBG funds. We met all timeliness requirements and program expenditures were consistent with our 5-Year Consolidated Plan and FY16 Action Plan goals. Public Service programs were just below the 15 percent maximum allowable for such activities, and we did not exceed the 20 percent administration spending cap.

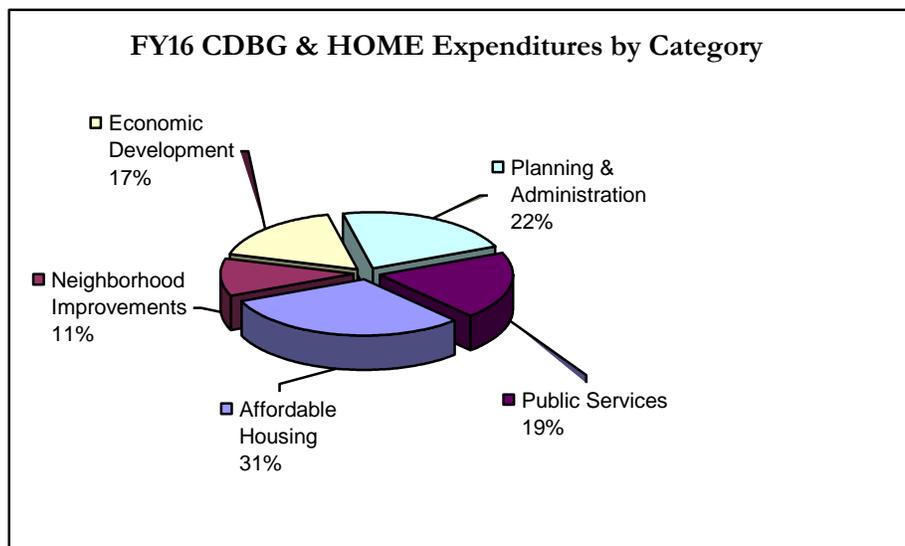


Fig. 1 FY16 Spending by Category, as a Percentage of Total CDBG & HOME Expenditures

In addition to CDBG funds, the DPCD also spent \$41,809 in HOME funds to undertake additional affordable housing activities. The City of Salem is a member of the North Shore HOME Consortium and the specific accomplishments of HOME activities are reported to HUD through the Consortium by the City of Peabody. However, a summary of our activities is reported within this document.

During FY16, the DPCD continued to make significant progress toward meeting the goals and objectives laid out in the 5-Year Consolidated Plan and FY16 Action Plan. The following is a summary of accomplishments for each of our program areas – Affordable Housing, Public Services, Economic Development, Neighborhood Improvements and Planning & Administration. In the Financial Summary tables found in each program area, “funding available” indicates the total CDBG funds available during the fiscal year, including FY16 and prior year carried over funds+/- any adjustments made during the year.

² HUD refers to Salem's FY16 as Program Year 2015 (the funding source year)

EXECUTIVE SUMMARY - AFFORDABLE HOUSING PROGRAMS

Salem has a number of services that address affordable housing issues, including rehabilitating and maintaining current housing stock, developing new housing opportunities, assisting families in acquiring housing and enabling struggling families to remain in their homes. In FY16, Salem spent \$267,168.04 in CDBG and HOME funds on affordable housing projects and programs.



Table 1: FY16 Housing Financial Summary

Project	Project Description	Funding Available	Status
First Time Homebuyer Program	Provides 0% interest deferred payment loans to LMI families purchasing a home in Salem.	\$44,024.70 CDBG	<ul style="list-style-type: none"> • \$24,499.70 CDBG funds spent • 3 Salem families assisted (3)
Housing Rehabilitation Loan Program	Provides technical and financial assistance to help LMI homeowners and landlords make needed improvements to their properties.	\$270,669.66 CDBG (FY16 & carried over)	<ul style="list-style-type: none"> • \$131,878 CDBG funds spent • 7 units improved (6 owners)
Congress/Dow Street Housing Revitalization	N. S. CDC acquired 3 buildings on Congress & Dow Streets for 34 affordable units, some for formerly homeless families.	\$657.74	<ul style="list-style-type: none"> • FY15 Acquisition completed • \$657.74 CDBG funds spent • Units created to be reported in future CAPER
Congress Street Residences (Congress & Ward)	N. S. CDC will rehabilitate 5 buildings on Congress & Ward Streets (30 affordable housing units and 1 commercial unit).	\$50,000 HOME (FY15)	<ul style="list-style-type: none"> • \$0 funds spent (project financial closing completed in June, 2016)
Harbor & Lafayette Homes	The North Shore CDC will rehabilitate 2 buildings on Harbor & Lafayette Streets to create 27 affordable housing units.	\$50,000 HOME (FY15)	<ul style="list-style-type: none"> • \$0 funds spent (in pre-development)
Boston Street Crossing	Harborlight Community Partners will rehab 2 buildings on Boston St. (26 studio units) for formerly homeless individuals, along with providing supportive services.	\$110,000 HOME (FY16)	<ul style="list-style-type: none"> • \$0 funds spent (in pre-development)
Rental Assistance Programs	Funds are used to help low- and extremely low-income Salem residents move into decent, affordable rental units.	\$77,975 (including \$40,000 of FY16) in open HOME Contracts	<ul style="list-style-type: none"> • \$39,271 in HOME funds spent • 35 families assisted
Housing Program Delivery	Costs associated with providing rehabilitation programs & inspectional services.	\$92,044.04 CDBG (FY16 & carried over) \$2,538 HOME (FY16)	\$68,323.60 in CDBG funds, & \$2,538 in HOME admin funds spent for housing program delivery & inspectional services including lead inspection.

HOME Program

The City of Salem is a member of the North Shore HOME Consortium. The City of Peabody administers the Consortium and maintains all documentation regarding Salem's participation, including accomplishments in Integrated Disbursement and Information System (IDIS) – HUD's on-line reporting program. The Housing Coordinator and/or the Assistant Development Director attend regular meetings of the North Shore HOME Consortium.

During FY16, the City of Salem spent \$41,809 in HOME funds. Funds were used to fund Rental Downpayment Assistance Programs. A Rental Downpayment Assistance Program assists low- and extremely low-income Salem households to help pay first and last month's rents and security deposits to enable them to secure decent, affordable housing. The program is an important tool for helping families with the costs of moving into a decent apartment. The FY16 Action Plan projected that up to 33 households would be assisted; 35 families were assisted through contracts with North Shore Community Action Program, Inc., Salvation Army, HAWC and Citizens for Adequate Housing, exceeding this year's goal.

Foreclosure Prevention

Located at www.salem.com/pages/salemma_dpced/additionalresources/other, the city's website contains a list of links to various resources for foreclosure prevention and legal assistance. Housing staff are also able to offer assistance to families threatened with the possibility of foreclosure.

Foreclosure can result in families being displaced from their home and can also result in increased demand for affordable rental units by both the former homeowner and by any displaced tenants. Salem continues to fund Rental Downpayment Assistance programs at Salvation Army, NSCAP and Citizens for Adequate Housing to provide first/last month's rent and security which can be used by displaced families.

Foreclosure can also result in vacant buildings, which can have a deteriorating effect on neighborhoods. In an effort to re-occupy and repair foreclosed properties, the City's First-Time Homebuyer Downpayment Assistance Loan Program is available to first-time buyers who hope to take advantage of the lower price that they may get by purchasing a foreclosed upon home. The Housing Rehabilitation Loan Program is available to investors who purchase foreclosed properties so that they can bring the property up to code and turn them into affordable rental units. As part of the Housing Rehabilitation Loan Program, any renovated rental units are restricted to affordable rents and must be occupied by low- to moderate-income households for a period of 15 years.

EXECUTIVE SUMMARY - PUBLIC SERVICES

The Consolidated Plan identified the need for various social service programs that primarily benefit Salem’s low- to moderate-income population and those with special needs (such as physically or mentally disabled, elderly or frail elderly, youth, non-English speaking residents, persons living with HIV/AIDS, substance abusers and homeless persons and families). In FY16, our priority goals were to continue to support a broad range of social service programs that are consistent with the needs and goals identified in the Consolidated Plan and the FY16 Action Plan.



*Salem Families College Savings Program Participants
Courtesy of Imversant*

Public service projects funded during FY16 were selected using a Request for Proposals (RFP) process. The Citizen Advisory Committee reviewed all applications received, using criteria that included project eligibility and documented need for services. Recommendations on funding levels were provided to the Mayor following this review.

According to HUD regulations, we are allowed to commit up to 15 percent of our CDBG allocation to public service activities. We are fortunate to have an excellent network of public service providers that utilize our funds to best meet community needs, which is why we continue to spend just under that limit. These public service activities provide direct benefit to our low- and moderate-income residents; therefore it is important to continue funding at this level.

In FY16, we were able to expend \$170,555.66 on 30 open public service contracts (including 21 new contracts), which, in turn, assisted 8,328 people, including at least 735 youth and 282 seniors (see Table 2 for Active Projects).

Table2: FY16 Public Services Financial Summary

Agency	CDBG Funding Available	CDBG Funds Spent	Number Assisted	Program Impact
1647 National Center on Time & Learning	\$9,800.00	\$360.00	12 youth	Provided 6 teacher home visits with two teachers at each visit, speaking to new students (kindergarten), current students and those entering the 2016-2017 school year. Kindergarten, 1st and 2nd grade teachers at the Bentley Academy Charter School began home visits for students and families to prepare for summer. They asked parents to share their hopes and dreams for the child, shared their own as current and/or new teachers and provided information for the family to support learning over the summer.

Agency	CDBG Funding Available	CDBG Funds Spent	Number Assisted	Program Impact
Bentley Elementary School After School Summer Program	\$5,000.00	\$3,987.80	70 youth	Provided guided reading groups for one hour minimum daily for 16 days and daily writing and fluency exercises aligned to the Benchmark Assessment System (BAS) resulting in 4.1 months of growth in reading on the BAS.
Boys & Girls Club	\$5,000.00	\$5,000.00	248 youth	Provided Power Hour and one on one after school homework assistance to ages 8 through 12 from September to December, 2015, assisting approximately 90 children per day.
Catholic Charities Homeless Prevention Program	\$9,800.00	\$9,800.00	26 persons	Assisted 11 households with avoiding eviction and homelessness through payment of rental arrearages. Each household also received budget counseling, information and referral and advocacy when needed.
Cerebral Palsy Association North Shore Infant & Toddler Preschool Program	\$4,800.00	\$4,800.00	73 children	For children with physical and developmental disabilities to attend integrated developmental play groups once per week. 29 children continue to attend. Children who have aged out of the program have gone to local day cares and preschools (4), Salem Public Schools (13), moved out of Salem (3), Head Start (15), moved out of Salem (1), chose not to access services (1) or other (10).
East Gate Fellowship: Joseph's Storehouse	\$9,800.00	\$9,517.57	2032 persons	Provide a supplemental food assistance to 920 Salem households for a total of 6055 Salem household visits.
Haven From Hunger Food Pantry	\$9,800.00	\$9,800.00	311 persons	Provided food to 149 Salem families through visits to the food pantry over 4 months, representing 1027 total visits.
H.A.W.C. Children's Program	\$9,800.00	\$9,800.00	57 persons	Assisted 27 adults and 30 children who are victims of domestic violence. From 7/1/15 – 2/29/16, 38 hours of parenting groups were held, 32 hours of domestic violence 101 groups were held and 44 hours of children's therapy play groups were held.
H.A.W.C. Homeless Prevention Program	\$1300.00	\$1300.00	2 persons	Assisted one household with homelessness prevention

Agency	CDBG Funding Available	CDBG Funds Spent	Number Assisted	Program Impact
Independent Living Center Accessible Housing Education Services Program	\$4,800.00	\$4,800.00	38 disabled persons/ households	Provided two housing forums, one on availability of housing and one on housing rights. ILCNSCA also provided individual independent living services and information and referral (in-office and telephone) on housing issues resulting in 5 placements/relocations into AAA housing. ILCNSCA assisted consumers to complete and submit 30 subsidized housing applications (including Centralized and DHCD Section 8 HCV applications, Standard Universal Applications for State-Aided housing or other Housing Authority applications). Twelve monthly Universal Housing Application assistance workshops were offered, on the first Wednesday of the month.
Inversant Salem Families College Savings Program	\$10,000.00	\$10,000.00	54 youth	The agency facilitated 6 workshops regarding the college savings program, opening accounts, parent involvement, interaction with teachers, guidance counselors and staff, standardized testing, financial aid, comparing college costs, FAFSA, educational tax credits, money management, talking to children about budgeting and saving, student loans, and career development (how to write a resume and cover letter and how to prepare for job or college application interviews). 100% filled out the FAFSA and 100% of seniors enrolled in a higher education institution. 4 of the students saved the minimum required to receive matching funds through this program.
LEAP for Education	\$4,800.00	\$4,800.00	61 youth	Provided assistance to Salem teens in high school and college, meeting with 26 high school students at least 3 hours per week, 8 college freshmen at least 2 hours per month and 27 college upper class students at least 1 hour per month. As a result of these activities, over 75 applications to college were submitted and 11 students took college entrance exams from October, 2015 through December, 2016.

Agency	CDBG Funding Available	CDBG Funds Spent	Number Assisted	Program Impact
Lifebridge Medical Support Services	\$9,800.00	\$9,800.00	251 persons	Provided wound care, general health assessments, diabetic monitoring and education. 607 health assessments were completed by the Lifebridge nurse between September and December, 2015. They also conducted street outreach services to connect homeless individuals with shelter services.
NSCAP Homeless Prevention Program	\$13,093.47	\$13,093.47	80 persons	Assisted 32 families with rent assistance (23) and utility assistance (9).
North Shore CDC Family Stability Program	\$5,000.00	\$4,509.96	99 persons	Provided 10 weekly hours of ESL/ELL classes from September 2015 to January, 2016 for a total of 200 hours, 4 first time homebuyer sessions of 2 classes per session for a total of 8 classes, 23 one-on-one career counseling and 21 one-on-one financial stability counseling, along with 2 financial literacy subsidized housing search workshops.
North Shore Moving Market	\$4,800.00	\$4,800.00	112 persons	Assisted Salem households with deliveries of food, approximately 65 deliveries per month.
Salem Community Child Care	\$9,800.00	\$9,800.00	16 youth	Provided education and child care for 14 kindergarten children who are 5 to 6 years old. Education and care is provided from 1:30-5:30 Monday through Friday when school is in session and 7:00 to 5:30 during school vacations. Children were assisted with homework and all children successfully completed kindergarten.
Salem Council on Aging Transportation Program	\$15,276.18	\$15,276.18	282 seniors	Provides rides to the following: approximately 2684 to the Council on Aging, 1855 medical, 1735 shopping, 192 events & activities, 254 barber/hairdresser, 58 library, 329 YMCA, 92 bank, 30 Salem Housing Authority, 446 other.
Salem Police Department Bicycle and Walk/Ride Patrols	\$19,563.68	\$15,948.36	4,120 persons	Provided targeted bicycle patrols in teams in the Point Neighborhood. They have concentrated on the reduction of crime, loiterers, drug interaction and improving quality of life.
Salem YMCA School Age Child Care Program	\$9,800.00	\$9,800.00	201 youth	Provided child care with curriculum based instruction, enrichment activities, swimming and field trips 5 days per week.
Salvation Army Homeless Prevention	\$13,923.68	\$11,315.00	50 persons	Assisted 25 households with homelessness prevention (rent arrearage).

Agency	CDBG Funding Available	CDBG Funds Spent	Number Assisted	Program Impact
V.O.C.E.S. Hispanic Education Program	\$4,800.00	\$4,644.49	123 persons	Provided 196 classes in either Citizenship Education or GED Preparation in Spanish. This year they reported 76 new U. S. citizens and 1 persons GED graduate.
Wellspring House MediClerk Program	\$3,700.00	\$3,700.00	10 persons	13 week training course. This year, 6 students completed the program. 3 found work at a North Shore hospital or medical facility and the remainder are interviewing for work.
TOTAL PERSONS ASSISTED			8,328 persons, including at least 735 youth & 282 seniors	

EXECUTIVE SUMMARY - ECONOMIC DEVELOPMENT

The City of Salem is dedicated to economic development through efforts to stimulate our local economy, revitalize the downtown and neighborhood commercial districts, improve exterior building façades, and assist local business owners. This focus brings new employers and new jobs to the city, while retaining jobs by helping existing businesses improve their commercial infrastructure or expand their operations. During FY 16, several new businesses opened in the downtown bringing new goods and services locally. Salem has also seen a surge of redevelopment in the past few years. The increased development is bringing vitality to the downtown and improving and stabilizing neighborhood business districts in the process. Improved vitality in our neighborhood and downtown commercial districts also has the residual effect of improving public safety. Salem’s unemployment rate continues to steadily improve. Salem’s unemployment rate as of June 2015 is 4.6 percent³, down from 5.5% in June, 2015, which is consistent with the drop in the Massachusetts unemployment rate.



*Deacon Giles Ribbon Cutting
Courtesy of Salem Chamber of Commerce*

Table 3: FY16 Economic Development Financial Summary

Program		Description	CDBG Funding Available	Status
Storefront Improvement Program		Provides design assistance and/or matching funding up to \$5,000 to business owners wishing to improve the exterior façade of their business.	\$26,485.87	<ul style="list-style-type: none"> • \$2,153.32 CDBG spent • 1 Storefront assisted
Business Loan Program		Provides three types of loans that fund commercial rehabilitation, job creation or retention and/or micro-enterprise assistance to make our commercial areas vibrant.	\$35,196.91	<ul style="list-style-type: none"> • \$32,020 CDBG spent • 1 businesses assisted
Business Technical Assistance	Salem Main Streets Program	Provides commercial district revitalization through organization, promotion, economic restructuring and design.	\$35,000.00	<ul style="list-style-type: none"> • \$35,000 CDBG spent • 9 new full time jobs documented (6 FTE) • Assisted 10 new, 35 existing and 13 prospective businesses (including 37 micro-enterprises and 4 expanding businesses)
	Enterprise Center Micro-Enterprise Program	Provide a Small Business Tuesday program for Point Neighborhood businesses to increase business knowledge	\$34,000	<ul style="list-style-type: none"> • \$0 spent (Project to commence in FY17)
	Economic Development Program Delivery	Costs associated with providing Economic Development programs and administration of the Salem Redevelopment Authority.	\$79,628.09	<ul style="list-style-type: none"> • \$79,628.09 CDBG spent • (see description below)

³ Massachusetts Executive Office of Labor and Workforce Development, Department of Unemployment Assistance

In total, \$148,801.41 in CDBG funds was spent during the program period for economic development activities, including technical assistance provided by our Economic Development (ED) Planner, who administers the City's financial assistance programs, undertakes numerous economic development initiatives and provides administration to the Salem Redevelopment Authority, which oversees the Urban Renewal Area.

Technical assistance is provided to potential, new and existing businesses including micro-enterprises, in the downtown, Point Neighborhood and other commercial areas, and includes:

- working with businesses on business locations, business expansion
- development of tax increment financing agreements
- liaising with state economic development agencies to provide businesses with access to tax credits and other incentives
- Coordinating the development of neighborhood and economic development plans
- Acting as a liaison between businesses and the Salem Redevelopment Authority, including processing of applications and attending meetings
- managing the Salem Main Streets contract
- Managing Small Business Financial Assistance Programs
 - Small Business Loan Program – Work with businesses to submit applications, underwriting, loan documents, job monitoring
 - Storefront Improvement Program (to undertake exterior improvements, building code improvements and purchase of signage for businesses in the Urban Renewal Area and LMI neighborhoods)

During FY16, DPCD's Economic Development Planner worked on several significant redevelopment projects, including:

- The approval of 32 projects including, but not limited to, installation of signs, public art installations, and façade/building renovations proposed within Salem's Urban Renewal Area. The ED Planner worked with applicants on all required information needed for Board submissions and ultimate approvals.
- Managing two MassWorks Infrastructure Program grant funded projects totaling over \$5.1M:
 - \$1.8M project to provide roadway and streetscape improvements along Grove Street in Salem – project completed in early 2016; and
 - \$3.36M project to relocate public utilities from underneath a publically owned parcel of land, in order to enable a sale of the parcel to a private developer planning a \$50M mixed-use redevelopment project to include a hotel, ground floor retail, offices, residences, and parking. This project is scheduled to be complete in FY17.

The Economic Development Planner worked with a local Community Development Coalition, neighborhood groups, a local economic development partnership organization, and Salem State University on an application for Round 2 of the Working Cities Challenge. The program, which is managed by the Federal Reserve Bank of Boston, provides an opportunity for the City to address poverty, unemployment, and civic engagement in its lowest income and majority immigrant neighborhood, "the Point." Although the City of Salem contingent was not ultimately awarded a grant for Round 2, the Economic Development Planner was a key participant in all strategy and

coordination meetings, worked on various draft iterations of the application, and participated in in-person interviews as part of the application process on behalf of the City.

The Economic Development Planner also collaborated with partners in the Point neighborhood to deliver and manage a public art placemaking project in the neighborhood. The project, which was funded by a \$6,000 MassDevelopment Transformative Development Initiative grant, allowed for engaging an artist to paint two crosswalks in a colorful, community driven, and artistic fashion. The project was quite successful from a community engagement perspective and was even awarded a 2015 Massachusetts Chapter of the American Planning Association Social Advocacy Award.

The Economic Development Planner collaborated with the Salem Chamber of Commerce on several economic development topics including downtown transportation, business recruitment and retention, and the development of policy suggestions for the City to consider that will streamline permitting for small businesses.

The Economic Development Planner is also the City’s representative board member on the North Shore Workforce Investment Board, which serves as the oversight and policy-making body for federally funded employment and training services in the 19 community North Shore Region. The board also has the broader role of addressing critical labor market issues and developing strategic partnerships with local leaders in economic development, the K-12 and higher education system, government agencies, chambers of commerce, community-based, and labor organizations. The board charters and oversees a one-stop career center, North Shore Career Center, located in Salem, with satellite offices throughout the North Shore.

The Economic Development Planner prepared the following grant applications in FY2016, which support various Economic Development initiatives:

- Working Cities Challenge Round 2, for development of social service resource and community center in the Point neighborhood – \$475,000, not awarded
- MassWorks Infrastructure Program, for roadway and streetscape improvements in Salem’s North River Canal Corridor neighborhood - \$4.2M, not awarded
- MassDevelopment Transformative Development Initiative grant program, for artistic crosswalk placemaking project in the Point neighborhood - \$6,000

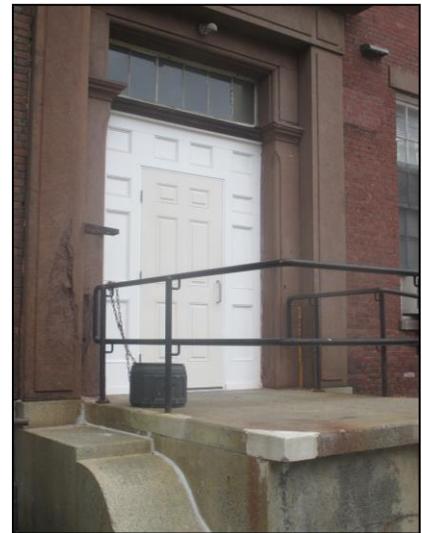
Table 4: Active Economic Development Loans in FY16 & Additional Job Monitoring

Project	Amount of Assistance	Total Jobs Monitored
Salem Main Streets (t/a)	\$35,000	9 new jobs (6 FTE)
Bambolina/Ragazza - loan	\$36,445	18 new jobs (15 FTE)
Deacon Giles - loan	\$31,845	To be monitored in FY17
Crowther Brewing, LLC (Derby Joe) - loan	\$31,445	To be monitored in FY17

EXECUTIVE SUMMARY - NEIGHBORHOOD IMPROVEMENTS

The City of Salem is committed to undertaking the infrastructure and public facility improvements needed to make our city a livable community. By continually investing in neighborhoods, Salem aspires to be the best place it can be for people to live and work.

Due to the size and scope of these types of activities, some require multi-year funding, as well as a few years to plan, permit and complete the project. To that end, some of our Neighborhood Improvement Projects are still in the planning, permitting or bidding stages. The following table outlines the current neighborhood improvement projects and their status at the close of FY16. Neighborhood Improvement Projects can only take place in those areas eligible for CDBG funding (see Appendix for map); therefore, all the projects listed are designated for these target neighborhoods.



Salem Council on Aging Improvements

During the program period, we continued to work on important neighborhood projects, and spent a total of \$95,845.54 including program delivery costs, toward meeting the goals in the FY16 Action Plan and 5 Year Consolidated Plan.

Table 5: FY16 Neighborhood Improvement Financial Summary

Activity	CDBG Funds Available	CDBG Funds Spent	Status
Tree Planting Program	\$5,074.50	\$5,074.50	Complete
Splaine Park Improvements	\$11,231.82	\$110.00	Substantially complete
Street Improvements (i.e. sidewalks, curbscuts, paving & crosswalks)	\$132,822.57	\$38,759.72	Ongoing
Mary Jane Lee Park Improvements	\$103,677.10	\$20,178.25	Ongoing
Salem Council on Aging Repairs	\$100,119.78	\$20,301.76	Ongoing
Artist Row Sidewalks	\$10,556.52	\$1,681.52	Ongoing
McGlew Park Improvements	\$88,805.05	\$9,205.05	Pre-development
Neighborhood History Sign Installation	\$11,210.49	\$310.49	Planning
Point Visioning Projects	\$41,029.78	\$224.25	Planning
Point Neighborhood Playground Improvements (Lafayette Park)	\$75,000.00	\$0	Planning
Downtown Pedestrian Mall Improvements	\$48,999.42	\$0	Planning
Boston Street Neighborhood	\$25,000.00	\$0	Planning

EXECUTIVE SUMMARY - PLANNING & ADMINISTRATION

In the Consolidated Plan, our priority administrative goals are to provide for the administrative costs associated with the management of the Salem Community Development Block Grant program and to develop the planning resources and documents necessary to undertake program activities.

During FY16, the City used CDBG funds to undertake an intensive archaeological survey at Winter Island completed by the Public Archaeology Laboratory.

In FY16, we spent a total of \$194,232.57 in Planning and Administration for planning projects completed in the fiscal year and administration expenses necessary to carry out our programs. As stated previously, we were able to remain under the administrative spending cap of 20 percent.



Table 7: FY16 Planning & Administration Financial Summary

Activity	CDBG Funds Available	CDBG Funds Spent
Survey & Planning Grant Downtown Survey	\$20,000.00	\$0
Winter Island Intensive Archaeological Survey	\$13,675.00	\$13,675.00
General Administration - Non-salary	\$10,108.01	\$10,108.01
General Administration - Benefits	\$31,333.18	\$31,333.18
General Administration - Salary	\$139,116.38	\$139,116.38

CR-05 - Goals and Outcomes

Progress the jurisdiction has made in carrying out its strategic plan and its action plan.

91.520(a)

The 27 units for Affordable Housing Development was initially proposed to be for the Harbor/Lafayette project, but is now being funded with HOME funds, to be reported through the Consortium when completed. The project is in pre-development.

For Business Technical Assistance, the Salem Main Streets Program provided technical assistance to 58 new, existing or potential businesses, including 37 micro-enterprise businesses and 4 expanding businesses, exceeding our FY16 Action Plan goal of assisting 22 microenterprises. In addition, 9 new full time jobs were documented (6 FTE) exceeding the goal of 2 jobs. Events included the Farmer's Market, Mayor's Night Out, Ice Scream Bowl, Salem Winter Farmers' Market, Haunted Happenings, Holiday Tree Lighting, Holiday Window Decoration Contest and Santa Arrival events, Salem Festive Fridays, Small Business Saturday, New Year's Eve Salem: LAUNCH!, Salem So Sweet Festival, Salem Film Festival, Salem Arts Festival and PEM/PM Artopia.

For Community Support Services, our FY16 Action Plan goal was to provide approximately 21 new grants and serve an estimated 9,000 persons. We were on par by executing agreements for 21 new grants and through these new grants and carried over open contracts, we assisted 8,328 persons. One program is in an LMI census track of 4120 persons. There were two actual activities for this program due to carried over funds, but for accomplishment purposes, the numbers were not duplicated.

Downtown improvement accomplishment numbers are based on the census tracks for which we undertook projects such as Artists' Row sidewalks.

We were below our goal to assist five households to purchase their first home through the First Time Homebuyer Program by assisting 3 households. This is due to the lack of qualified applicants having found their first home to purchase. The City encourages first-time homebuyers to complete a certified homebuyer education course and provides an additional \$1000 in assistance for those that do.

The Housing Rehabilitation Loan Program continues to assist families in need and to meet or exceed the goals laid out in the Consolidated Plan. In FY16, we exceeded our estimate of rehabilitating 4 housing units with having improved 6 housing units through 7 activities. The numbers reflect one household with two activities (one emergency, one general rehab).

Neighborhood Improvement Activities' accomplishments are the census track totals for only closed activities (street improvements, tree planting and a small Point Neighborhood visioning project). We exceeded our estimate of 8265 due to the locations of the activities within LMI census tracts. Annual tree planting was completed during FY16, where trees were planted on Fairfield, Holly, Lafayette, North and Boston Streets. Splaine Park is substantially complete with minor elements needed to be finished. New sidewalks were installed on Webb, Canal, Lafayette, North, Linden, Proctor, Leavitt, Prince and Leach Streets and Jefferson Avenue. Projects underway include much needed repairs to the Salem Council on Aging facility. Projects for which environmental testing were undertaken included McGlew

CAPER NARRATIVES IN IDIS

Park (awaiting results of a PARC grant application) and Mary Jane Lee Park - for which design development (40%) and community participation (75%) are underway. Point Neighborhood Playground Improvements (Lafayette Park), Point Visioning Projects, Pedestrian Mall Improvements, Boston Street Neighborhood and Historic Sign Installation are all in the planning stage and these funds will be carried over to FY17.

For our Small Business Financial Assistance Programs, we proposed assisted 2 businesses and creating a minimum of 3 jobs. While we only assisted 1 business, during monitoring of a business assisted in FY15, we were able to document 18 new jobs (15 FTE) for Bambolina.

CAPER NARRATIVES IN IDIS

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
Affordable Housing	Affordable Housing	CDBG: \$	Rental units constructed	Household Housing Unit	56	0	0.00%	27	0	0.00%
Business Technical Assistance	Non-Housing Community Development	CDBG: \$	Jobs created/retained	Jobs	10	6	60.00%	2	6	300.00%
Business Technical Assistance	Non-Housing Community Development	CDBG: \$	Businesses assisted	Businesses Assisted	50	45	90.00%	22	45	204.55%
Community Support Services	Homeless Non-Homeless Special Needs	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	45000	8328	18.51%	9000	8328	92.53%
Downtown Improvements	Non-Housing Community Development	CDBG: \$	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	5055	5055	100.00%	5055	5055	100.00%

CAPER NARRATIVES IN IDIS

First Time Homebuyer Program	Affordable Housing	CDBG: \$	Direct Financial Assistance to Homebuyers	Households Assisted	25	3	12.00%	5	3	60.00%
Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
Housing Rehabilitation Programs	Affordable Housing	CDBG: \$	Homeowner Housing Rehabilitated	Household Housing Unit	20	7	35.00%	4	7	175.00%
Neighborhood Improvements Activities	Non-Homeless Special Needs	CDBG: \$	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	8265	19393	234.64%	8265	19393	234.64%
Small Business Financial Assistance Programs	Non-Housing Community Development	CDBG: \$	Jobs created/retained	Jobs	15	15	100.00%	3	15	500.00%
Small Business Financial Assistance Programs	Non-Housing Community Development	CDBG: \$	Businesses assisted	Businesses Assisted	5	3	60.00%	2	3	150.00%

Table 1 - Accomplishments – Program Year & Strategic Plan to Date

Assess how the jurisdiction's use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.

Overall, we made significant progress toward meeting the priorities and objectives of our 5-year Consolidated Plan and FY16 Action Plan. The following is a summary of major activities accomplished in FY16:

- 3 families assisted to purchase their first home in Salem;
- 7 housing units were renovated;
- 35 families received assistance with first/last month's rent and/or security deposits;
- 30 social service programs assisted 8,328 persons, including at least 735 youth and at least 282 seniors;
- 1 business provided with an economic development loan;
- 1 business provided with storefront design assistance;
- 19 new jobs documented;
- Salem Main Streets Program highlights: Assisted 10 new, 35 existing businesses and 13 potential businesses (including 37 micro-enterprises and 4 expanding businesses), 1 business assisted resulting in documentation of 9 new jobs (6FTE), Salem Farmers' Market, Winter Farmers' Market, Heritage Days (Mayor's Night Out and Ice Scream Bowl), Haunted Happenings, Festive Fridays, Small Business Saturdays, Holiday Happenings (holiday tree lighting, holiday window decoration contest, Santa's arrival events), New Year's Eve Salem "Launch", PEM/PM Artopia, Salem So Sweet Festival, Salem Film Festival and Salem Arts Festival.
- Council on Aging building repairs and improvements undertaken including masonry repairs, door replacement, brownstone restoration, roof and gutter repairs;
- Environmental testing undertaken at McGlew Park;
- Environmental testing and design development undertaken at Mary Jane Lee Park;
- 21 trees planted in low-mod neighborhoods; and
- Sidewalk replacement completed at Webb, Canal, Lafayette, North, Linden, Proctor, Leavitt, Prince and Leach Streets and Jefferson Avenue.

Salem has received significant cuts in CDBG (23.5%) and HOME (59.5%) funds from FY11 to FY16. Still, despite the reduction in HUD funding, we are proud of the accomplishments made and that we continue to meet Salem needs and goals.

CR-10 - Racial and Ethnic composition of families assisted

Describe the families assisted (including the racial and ethnic status of families assisted).

91.520(a)

	CDBG
White	12,239
Black or African American	1,214
Asian	222
American Indian or American Native	27
Native Hawaiian or Other Pacific Islander	15
Total	13,717
Hispanic	2,242
Not Hispanic	11,475

Table 2 – Table of assistance to racial and ethnic populations by source of funds

Narrative

The table numbers are generated by IDIS based on accomplishment data entered.

CR-15 - Resources and Investments 91.520(a)

Identify the resources made available

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG		3,818,568	834,794.00
Other	City of Salem	1,600,000	525,535.69
Other	City of Salem Capital Improvement Program	600,000	165,000.00
Other	Community Preservation Act	2,124,000	556,348.63
Other	HOME	353,180	41,809.00
Other	MA Office of Coastal Zone Management	275,000	73,982.27
TOTAL			\$2,197,469.59

Table 3 – Resources Made Available

Narrative

The total of \$2,197,469.59 includes:

CDBG funds – the actual amount spent in FY16 (\$834,794)

City of Salem - the actual amount of City of Salem funds spent on salaries and benefits (\$525,535.69)

City of Salem CIP - the amount budgeted in FY16 toward projects also being funded with CDBG and/or CPA funds, including \$60,000 for Mary Jane Lee Park and \$105,000 for Old Town Hall windows.

CPA funds - the total of amount of surcharge funds collected, less abatements (\$556,348.63), not including the State match funds received.

HOME funds - the actual amount spent in FY16 (\$41,809)

MA Office of Coastal Zone Management - the actual amount spent during FY16 (\$73,982.27) of a \$275,000 grant received.

Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description

Table 4 – Identify the geographic distribution and location of investments

Narrative

Salem does not allocate a specific amount of dollars to a specific geographic area. Rather we identify a need, develop a program or activity to meet the need and assign the dollars that will be used to address the need. Some programs and activities undertaken are available on a citywide basis to income eligible households. Other programs and activities are targeted to particular neighborhoods with concentrations of low- and moderate-income households or to programs that benefit specific populations such as senior citizens, disabled persons and minorities.

When prioritizing activities, the City pays special attention to those low- and moderate-income (LMI) neighborhoods where the greatest needs have been identified and whose public facilities and infrastructure are in the worst condition. A map of the LMI neighborhoods is located in the Appendix. In accordance with CDBG regulations, the City can undertake specific activities, such as street, sidewalk and playground improvements in the LMI neighborhoods or in neighborhoods meeting the definition of “slums and blight”, with the exception of handicap access improvements which can typically be undertaken city-wide. Some projects are undertaken on other publically owned land, such as park improvements.

Recognizing that needs are not solely located in distressed neighborhoods, the City also offers programs that may be accessed by people living outside these areas. For example, the Housing Rehabilitation Loan Program, First Time Homebuyer Downpayment Assistance Program, and the Small Business Loan Program are offered citywide to allow any low to moderate-income individual or household to take advantage of their availability.

Leveraging

In order to maximize accomplishments and make projects feasible, CDBG funds often must be combined with other funding sources. The following summarizes the amount of funds leveraged in FY16 that we were able to document.

Housing

- For the First Time Homebuyer Program, homebuyers provided \$28,276 in private funds as well as obtained \$609,825 in financing from a primary lender.
- The \$50,000 in Salem CDBG funds for Congress Street Residences leveraged over \$35 million in other funds including AHTF, CATNHP, HIF, HOME and HSF for a total of \$4,000,000 subordinate DHCD State debt, \$15,655,558.51 in private equity, \$360,824 in public equity, \$93,505 CPA funds, Eastern Bank direct bond purchase of \$5,655,150 and \$9,438,750 in construction loans, seller note of \$180,755, and Salem HOME funds of \$50,000. However, for the purposes of the above chart, only the leveraged funds for the acquisition portion of the project is included for a total of \$3,095,933 in CPA and LISC loan funds.

Economic Development:

- The Salem Main Streets Program leveraged \$69,814.15. Of this total, \$16,300 was from local general fund raising, business and corporate contributions and miscellaneous individual donations and \$53,514.15 was from events fees to cover costs.
- The two business loans for which any funds were expended this program period leveraged \$390,000 in private funds and \$120,000 in conventional financing.
- Storefront Improvement Program leveraged \$1603.32 in business matching funds.

Neighborhood Improvements (typically conducted only on publically owned land or infrastructure):

- Mary Jane Lee Park's CDBG funds are leveraging a \$400,000 PARC grant, \$85,075 in CPA funds and \$60,000 in the City's Capital Improvement Program funds.
- McGlew Park funds are being leveraged with \$79,000 in CPA funds and the City is applying for a \$400,000 PARC grant (not yet included above).
- The Splaine Park Improvement Project is leveraging \$420,946 in State PARC grant funds, \$574,826 from local Capital Improvement funds, \$6,000 from the City's Park & Recreation Department, \$42,500 from MassDevelopment's Brownfield Assessment Program and \$6,668 in donations.

Planning & Administration:

- Planning and administration funds leveraged \$459,615.86 in City funds plus \$65,919.53 in benefit costs, along with and \$12,208.57 in State Seaport Advisory Council funds.

Public Services:

- Most of the public service agencies funded use CDBG funds as a portion of their overall activity budgets. Based on leveraged funds reports provided by each agency at the end of the program year, the amount leveraged is \$4,118,494.92 in other federal, state, private or other funds.

Note: Leveraged funds for multi-year projects may be repeated within more than one year's CAPER. Above, leveraged funds are only included for projects for which CDBG funds were expended during the fiscal year.

CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

	One-Year Goal	Actual
Number of homeless households to be provided affordable housing units	16	0
Number of non-homeless households to be provided affordable housing units	20	9
Number of special-needs households to be provided affordable housing units	0	0
Total	36	9

Table 5 – Number of Households

	One-Year Goal	Actual
Number of households supported through rental assistance	0	0
Number of households supported through the production of new units	27	0
Number of households supported through the rehab of existing units	4	6
Number of households supported through the acquisition of existing units	5	3
Total	36	9

Table 6 – Number of Households Supported

Discuss the difference between goals and outcomes and problems encountered in meeting these goals.

The original one year goals for the number of households to be supported were based on 27 units at Harbor-Lafayette, which is now being funded with HOME funds and is still in pre-development (16 of which are intended to be set aside for formerly homeless youth). For the remaining 9 non-homeless households (4 under the Housing Rehabilitation Program and 5 under the First Time Homebuyer Program), in FY16 we assisted 9 (6 under the Housing Rehabilitation Program and 3 under the First Time Homebuyer Program).

Discuss how these outcomes will impact future annual action plans.

Part of the learning experience with this new system, is determining when and where to provide information on non-CDBG funded activities. Since HOME funds are being reported through the North Shore HOME Consortium, for future Action Plans, we will not put these numbers in the IDIS tables, but will still include the accomplishments in our narratives.

CAPER NARRATIVES IN IDIS

Also of note, in July, 2015, the Metropolitan Area Planning Council provided an overview of their analysis of local demographic data and housing stock and the key characteristics and trends in Salem that help explain housing need and demand for the next 15 years. Their findings are located on the Studies and Reports page of www.salem.com. These numbers reiterate the ongoing need for affordable housing in Salem.

Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.

Number of Persons Served	CDBG Actual	HOME Actual
Extremely Low-income	2	0
Low-income	4	0
Moderate-income	3	0
Total	9	0

Table 7 – Number of Persons Served

Narrative Information

These numbers reflect the 3 households (not persons) assisted through the First Time Homebuyer Program and the 6 households (not persons) assisted by the Housing Rehabilitation Program. These show that Salem's housing programs serve all income levels, but predominantly (67%) those with low or extremely low incomes.

HOME numbers are reported through the North Shore HOME Consortium.

CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)

Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The Salem Police Department, both through its normal staff complement and its Community Impact Unit, work directly with the homeless in Salem. It also coordinates with Lifebridge to provide outreach to homeless, some of whom may be unsheltered. CDBG provides funding via sub-grants to local and regional organizations that provide direct services and outreach.

Through Lifebridge, a 34-bed shelter for men and women, the City partially funds a licensed nurse through their Medical Support Services Program which provides on-site and community-based health assessments to the homeless population, including wound care, blood pressure monitoring, nutrition and general health education - 251 persons received a total of 607 health assessments from September to December, 2015. The nurse also provides outreach services via random patrols in order to help connect unsheltered homeless individuals with needed services and to liaise with local businesses.

Addressing the emergency shelter and transitional housing needs of homeless persons

Each year the City issues a Request for Proposals for agencies to submit funding proposals, including proposals for emergency shelter and transitional housing needs. This year, new contracts were executed contracts with Lifebridge for which the City partially funds a licensed nurse who provides on-site and community-based health assessments to the homeless population, including wound care, blood pressure monitoring, nutrition and general health education.

Funds were also provided to HAWC to provide childcare and therapeutic intervention for the mothers and children at the shelter for abused women and their children- 27 adults and 30 children were assisted. HAWC provides services to victims of domestic abuse and their children, including a homeless prevention program also funded through CDBG. They also received HOME funds from Salem for rental downpayments for clients to move into decent, affordable housing.

In addition to HAWC, Salem also funds Rental Downpayment Assistance to Salvation Army, Citizens for Adequate Housing and NSCAP with HOME funds to pay for first, last and security for eligible households moving into affordable housing.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); and, receiving assistance from public or private agencies that

address housing, health, social services, employment, education, or youth needs

As stated in the Action Plan, Salem awards CDBG-funded public social service sub-grants to provider agencies and to housing and service organizations, including those whose core mission is to prevent homelessness and to foster individual and family self-sufficiency. Each year the City allocates up to the maximum allowed of its CDBG funding to public social services. All of these sub-grants benefit low- to moderate-income individuals and families, many of whom are extremely low income. While the grants made to organizations providing homeless or homelessness prevention services were not specifically targeted to discharges of publicly-funded institutions or care systems, these community partners address a range of housing, health, and other social service needs. For example, North Shore CAP provides a range of housing and social services to households in addition to assisting families who are experiencing homelessness, while Lifebridge reports that an increasing majority of clients are being discharged to the shelter from health care systems or are referred by other health care or service agencies. Other types of services and programs that the City has funded include food pantries, child care, health screening and education, ESOL, job readiness and skills training, financial education and budgeting, and individual counseling and support groups.

This year the City awarded CPA funds for North Shore CDC's proposed project at 15-17 Harbor Street for 17 single room occupancy units for which 7 units will be set aside for formally-homeless, low-income youth aging out of the foster care system. They are still working on obtaining funding for this \$5 million+ project, but Salem has awarded \$100,000 in CPA funds and \$50,000 from HOME funds.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

Although not specifically for homeless persons, the City executed a HOME agreement with NSCAP to provide for rental downpayment assistance to help extremely low- and low-income households (including homeless) to move into decent, affordable rental units. Additional persons/households were served through existing, carried over agreements with NSCAP, Citizens for Adequate Housing, Salvation Army and HAWC. In total, 35 families were provided with this tenant based rental assistance.

The City's community partner, Lifebridge, offers a suite of essential services that target the needs of homeless and disadvantaged adults, designed to promote education, employment, and self-sufficiency. They offer 22 congregate units of permanent supportive housing for homeless persons to make the transition. In addition to supporting Lifebridge efforts, the City awards CDBG social services sub-grants to provider agencies to address goals of ending homelessness. These organizations may provide transitional and permanent supportive housing to homeless and formerly homeless persons, assist with housing search, housing counseling, and provide emergency housing assistance (e.g., delinquent rent and utility payments). Specifically, in FY16, agreements were executed with Catholic Charities,

CAPER NARRATIVES IN IDIS

Salvation Army and NSCAP for homeless prevention through emergency assistance of rental payments in order to avoid eviction. Along with carried over contracts with Salvation Army, NSCAP and HAWC, in FY16, these programs resulted in 69 households (158 persons) avoiding homelessness through CDBG-funded Homeless Prevention Programs (almost double the amount served in FY15).

The City also awards sub-grants to other agencies that serve specific sub-populations, such as at-risk youth, seniors, persons with disabilities, or to residents who need ESOL, job readiness and skills training, or other anti-poverty initiatives, including assistance with food, child care or other needs. Although funding to these organizations does not target homelessness per se, the funding aids in stabilizing individuals and families, thereby reducing the risk of homelessness or its recurrence. Programs were provided by East Gate Fellowship (Joseph's Storehouse), Haven From Hunger, North Shore CDC, North Shore Moving Market, Salem Community Child Care, Salem YMCA (child care), VOCES and Wellspring House (MediClerk). Funding was also provided to the Independent Living Center of the North Shore and Cape Ann, Inc. to provide housing assistance to persons with disabilities.

CR-30 - Public Housing 91.220(h); 91.320(j)

Actions taken to address the needs of public housing

As cited in the Strategic Plan and evidenced by consistently excellent SEMAP and PHAS scores, the Salem Housing Authority is a well-managed public housing authority designated as a "high performer". In its most recent PHAS evaluation, the SHA scored 91 out of a possible 100 points, and its most recent SEMAP score was 96 out of 100. The SHA continues its ongoing modernization plans to address the physical needs of both its federal and state public housing units.

The Salem Housing Authority is continuing its modernization program to make capital improvements to its state and federal public housing units, with these efforts being funded by the United States Department of Housing and Urban Development (HUD) for federal units, and the Massachusetts Department of Housing and Community Development (DHCD) for state units.

In addition to ongoing routine maintenance and repair work, the following modernization projects are planned using capital funding:

State Properties:

- \$195,000 emergency generator installation at the Dalton Building
- \$450,000 roof replacement at 27 Charter St.
- \$28,000 retaining wall repairs at Leefort Terrace
- \$32,000 ADA ramp replacement and asbestos abatement at Pioneer Terrace and asbestos abatement at Leefort Terrace
- \$112,000 fire alarm upgrade at Pioneer Terrace
- \$84,000 window replacement and related work at 33 Park St./26 Prince St.;
- \$75,000 exterior brick masonry repointing and related work at 3 Broad St. and 117 Congress St.
- \$100,000 plumbing line replacement at 33 Park St./26 Prince St.
- \$55,000 roof replacement at Farrell Court

Federal Properties:

- \$44,247 was recently awarded to the SHA from HUD's Capital Improvement Fund Program for use for maintenance and administrative operation costs associated with the SHA's 39 units of federal elderly and family housing.
- Window replacement at the Zisson Building

Actions taken to encourage public housing residents to become more involved in management and participate in homeownership

The Salem Housing Authority (SHA) is governed by a Board comprised of five members. The Mayor of Salem appoints four of the five board members and the fifth board member is appointed by the Governor of the Commonwealth of Massachusetts. One member of the board is required to be a resident of public housing and one member must be a member who represents organized labor.

The SHA has a Resident Advisory Board (RAB) that is actively engaged with management. A member of the RAB sits as a member of the SHA Board of Commissioners and the RAB actively encourages resident involvement in management issues.

Copies of the Consolidated Plan, Annual Action Plans and CAPER are provided to the Salem Housing Authority for residents to peruse. Copies of all CDBG-related notices (i.e. Consolidated Plan, Action Plan and CAPER) are posted with the SHA in English and Spanish.

Actions taken to provide assistance to troubled PHAs

Not Applicable; the Salem Housing Authority is not designated as a troubled PHA.

CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)

Actions taken 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. 91.220 (j); 91.320 (i)

Throughout the public participation process, the City of Salem has not found indication that housing policies have created impediments to fair housing. In comparison with other towns in the region, Salem offers a greater diversity of housing, and a higher proportion of affordable housing overall, exceeding the state's 10% affordable housing goal. Subsidized and affordable housing is located citywide and is not disproportionately concentrated. Foreclosures and loan denials have also occurred proportionally in all areas. However, some factors continue to contribute to the difficulty of increasing the availability of affordable housing, including a shortage of land and regulatory and environmental constraints.

As a mature coastal city of only eight square miles, there is limited remaining developable land, and the remaining developable land is limited by environmental constraints and regulated by zoning and other state and federal land regulations. Overall, the City has positioned itself to absorb redevelopment inside its traditional core areas, consistent with smart growth principles.

Due to Salem's industrial past, much of its land is impacted by environmental contamination. Some degree of brownfield remediation is required for almost any project throughout the city, under the oversight of MassDEP. The requirement for environmental clean-up increases the cost of development. The City has utilized federal and state funding programs in the past to address brownfield sites.

Many areas throughout the city are subject to state environmental regulation through Chapter 91, which protects the public use of tidelands and waterways, and the Wetlands Protection Act. Many potential redevelopment areas also fall within flood zones identified by FEMA. Regulations around all of these natural environmental conditions establish land use constraints and/or mitigation requirements, and necessitate further levels of approval in the permitting process for proposed development projects, depending on their location and scale. These permitting processes slow development projects and considerably add to the cost of development. The City works with the developers and permitting authorities toward resolving permitting issues.

In 2015, the City was awarded \$30,000 from the MA Dept. of Housing and Economic Development's Planning Assistance Toward Housing (PATH) grant program to fund and facilitate the process of developing a 40R Smart Growth Overlay District (SGOD) in the Point Neighborhood. The idea was that adoption would help encourage commercial and housing diversity in mixed-use developments at high minimum densities, by being allowed as-of-right rather than on a special permit basis. The process was undertaken and while the neighborhood was supportive of portions of the proposed recommendations, a 40R district was found to not be the right fit for the neighborhood. The City will explore utilizing some of the recommendations through a potential overlay district.

Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)

The primary obstacle to addressing underserved needs is the lack of adequate funding. For FY16, the City received nearly level funding in CDBG, and its HOME allocation reflects a 12% percent reduction from FY15. However, it should be noted that CDBG funding has been reduced by 17% since 2010, while HOME funding has been reduced by more than 52%. Salem uses CPA funds to assist with the development of affordable housing and is active in identifying and applying for grant funds applicable to our needs.

The City will continue to support the creation of new affordable housing units, neighborhood improvement projects, and anti-poverty strategies through partnership with non-profit entities, supplementing state and federal subsidies with local funding, and case-by-case negotiation with private developers. This year, the financial closing was completed for the Congress Street Residences, for which the City assisted with acquisition in FY15. Rehabilitation should be complete in 2017.

The City will continue to utilize tools such as the Chapter 40B Comprehensive Permit program to exempt developments which create affordable housing from local land use regulations.

As stated in the section above, in 2015, the City was awarded \$30,000 from the MA Dept. of Housing and Economic Development's Planning Assistance Toward Housing (PATH) grant program to fund and facilitate the process of developing a 40R Smart Growth Overlay District (SGOD) in the Point Neighborhood. The idea was that adoption would help encourage commercial and housing diversity in mixed-use developments at high minimum densities, by being allowed as-of-right rather than on a special permit basis. The process was undertaken and while the neighborhood was supportive of portions of the proposed recommendations, a 40R district was found to not be the right fit for the neighborhood. The City will explore utilizing some of the recommendations through a potential overlay district.

Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)

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

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

The City actively works to reduce lead-paint hazards in pre-1978 housing occupied by lower-income households through the City of Salem's *Housing Rehabilitation Loan Program*. Through the Salem *Housing Rehabilitation Loan* and *Get the Lead Out Programs*, the City provides loan funds for qualified applicants for lead testing, hazard reduction and abatement activities, and temporary relocation reimbursements. Lead-based paint hazard control measures are consistent with the federal Title X requirements and State lead based paint regulations. MassHousing's *Get the Lead Out Program* is also available to homeowners with a lead poisoned child. In FY16, one home was made lead free through the City's Housing Rehabilitation Loan Program.

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 taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)

The strategy consists of four components: education, job training, affordable housing and social services.

Education - The City has used state funding to renovate and improve its educational facilities and provide school-age children with an environment conducive to learning. The Salem Public Schools support bilingual classroom settings and technology-based training that will enable those with lower incomes to improve their job opportunities. The school choice program gives residents more choices about the school they want their children to attend, and offers education focused specific skills, such as science and technology and communication and community service. Salem's Parent Information Center coordinates the school choice program designed to improve racial balance within the school systems, and provides information about adult education programs designed to help low-income families.

The City will continue to support various educational programs for youth, adults, and the Spanish-speaking population with CDBG funds, including Salem Public Schools, and programs administered by non-profit agencies such as 1647 Nation Center on Time & Learning, Cerebral Palsy Association of Eastern Mass., Inc., LEAP for Education, the Boys and Girls Club, North Shore Community Development Coalition, and VOCES (all funded in FY16).

Job Training - Salem collaborates with numerous job training, and workforce development programs in the region such as the North Shore Career Center and the North Shore Workforce Investment Board. The City continues to use CDBG funds to support job training and employment assistance programs such as the Wellspring House MediClerk Program (funded in FY16).

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

Social Services - Through a competitive funding round, the City of Salem uses CDBG funds to support 20-25 non-profit social service programs annually. These organizations provide services to help families meet the costs of living, promote family self-sufficiency, serve special populations and/or provide crisis intervention assistance – programs seeking to break the cycle of poverty. CDBG funds support several programs which indirectly assist with housing in many ways such as increased pay (i.e., job training, ESL programs) and decreased monthly expenditures (i.e., child care, food programs) so households can better afford rent or mortgages. There are also many non-CDBG funded programs available to Salem residents to help households overcome various obstacles to self-sufficiency. 8,328 persons were served by CDBG funded social service programs in FY16.

Actions taken to develop institutional structure. 91.220(k); 91.320(j)

Under the direction of the Director of DPCD, the Assistant Community Development Director manages/monitors Salem’s community development programs. Housing programs are administered by the DPCD Housing Coordinator and sometimes local non-profit agencies, CHDOs and CDCs.

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

Each year the DPCD 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 monitorings. The City promptly implements recommendations arising as a result of these reviews. Salem received an on-site monitoring by an Equal Opportunity Specialist (Civil Rights Analyst) of HUD’s Office of FHEO/Program Compliance Branch in March, 2015 and there were no findings or concerns issued. We also continue to meet HUD required funding and expenditure caps and timeliness requirements.

Staff periodically attend trainings - on site or via webinar. In FY16, staff participated in the following:

Assistant Community Development Director:

- Webinar on Measuring Success in Resilience: Baselines, Metrics and Data-driven Decisions – September 9, 2015
- Webinar on HOME Consortia and the eCon Planning Suite - February 4, 2016 – HUD

- “Live Meeting” workshop on proposed statewide Section 106 Programmatic Agreement – March 3, 2016 – HUD (Community Development Planner also participated)
- Overview of HUD’s Part 58 Environmental Review Procedures – Boston, MA - May 19, 2016 - HUD
- Webinar on Con Plan Amendments - June 20, 2016 – HUD

Housing Coordinator:

- Know Your Rights Fair Housing Training – Boston, MA - January 21, 2016 – HUD Office of Regional Counsel for New England
- Davis-Bacon Boot Camp – Dover, NH – February 4, 2016 – HUD Office of Labor Standards & Enforcement
- CHAPA Spring Regional Meeting – Salem, MA – March 20, 2016
- Webinar on Requirements for Committing HOME Funds – May 10, 2016 – HUD Office of Affordable Housing Programs

Other Planning Staff:

- Placemaking Conference - Framingham, MA - June 23, 2016 - MassDevelopment
- Information session on the Job Creation Tax Incentive program - Waltham, MA - January 21, 2015 - Massachusetts Life Sciences Center
- Working Cities Challenge Design Grant Session (Round 2 Application): Worcester, MA - January 26, 2016, Brockton, MA - March 9, 2016, Lowell, MA April 5, 2016 - Federal Reserve Bank of Boston
- TA Connect Program: Beyond the Basics of “Placemaking” - Framingham, MA - June 23, 2016 – MassDevelopment

Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)

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

The City also works with nonprofit agencies to administer social service activities. Agencies are encouraged to apply to the City for CDBG public services funding to undertake priority programs outlined in the Consolidated Plan. Additionally, the City of Salem cooperates and coordinates with other public agencies (and funding sources) to undertake specific activities. Examples include MHFA’s Get the Lead Out Program and Mass Housing Partnership’s Soft Second Mortgage Program.

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

Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)

Salem examined issues pertaining to fair housing during consolidated planning processes in 2005, 2010 and 2015, through a series of public meetings and interviews with neighborhood groups, service providers, business associations and housing professionals. Participants were asked to comment on fair housing and discrimination in the city.

Salem continues to work to overcome impediments through the following activities:

- The Housing Coordinator attended Know Your Rights fair housing training in Boston in January, 2016 to further understand the Fair Housing Law and to educate others.
- The City maintains a page on its website for Fair Housing and Housing Discrimination. The page explains housing discrimination and fair housing laws and is designed to assist consumers, real estate professionals and lenders. The page also lists resources available to victims of discrimination.
- The City provides public service and housing assistance funding to agencies whose activities assist specific populations with improving their quality of life. Provider assistance may include locating appropriate and, if needed, accessible housing, as well as a range of human services. Providers regularly interact with minority, disabled and low-income populations. These interactions present opportunities for providers to understand their clients' housing concerns and to assist them in cases of discrimination. So that providers understand the fair housing laws and available resources for addressing fair housing issues, the City's community development staff provide technical assistance and guidance to local housing and service providers. The City also directs its CDBG funding to programs that promote fair housing through the provision of their services, such as the Independent Living Center's Accessible Housing Education Services Program. Furthermore, the city requires all sub-recipients to comply with the Fair Housing Act.
- The City encourages people, organizations and agencies to work together to address housing issues. CHAPA's Spring Regional meeting was held in Salem in March, 2016, to which staff attended. Salem also administers Salem HOPE, a networking group of social service providers that meets quarterly at rotating public service agency locations. It is a forum to share insights and concerns, to work toward filling gaps in services and to coordinate efforts.
- The City's housing staff regularly participate in housing fairs held by lending institutions and real estate professionals. At these fairs, the City provides information regarding its first-time homebuyer, rehabilitation and deleading programs. In addition, staff disseminate information regarding the fair housing law, including protected classes, typical violations and resources

available to victims of discrimination. This is an opportunity for staff to talk one-on-one with residents who may be victims of discrimination in lending and/or victims of steering. By speaking with people first-hand, staff are able to learn about the fair housing climate in the city and identify fair housing issues.

- The City provides financial assistance to North Shore CDC, a nonprofit organization that conducts CHAPA-certified, first time homebuyer educational courses, held in the Point Neighborhood, where Salem has its highest concentration of racial and ethnic minorities. Among other things, courses inform participants about their rights when working with real estate agents and lenders. The program covers fair housing issues and what to do if someone is a victim of discrimination. In addition, the program covers the responsibilities of landlords under fair housing laws. During FY16, North Shore CDC conducted four training sessions.

CR-40 - Monitoring 91.220 and 91.230

Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

The DPCD monitors all projects to ensure compliance with applicable Federal, State and local regulations and program requirements. A Monitoring Guide is included in the Appendix of the Consolidated Plan.

Public service contracts include performance measurement indicators. As part of ongoing monitoring, sub-recipients submit monthly reports that include income, race and ethnic information on clients served and programmatic accomplishments. In addition, public service sub-recipients are monitored on-site periodically. Agencies submitting reimbursement requests must include proof of expenditure of funds, as well as documentation that the pre-determined benchmark or goal was attained.

All First-Time Homebuyer Downpayment Assistance Loan Program properties and Housing Rehabilitation Loan Program properties receive on-site inspections. Rehabilitation projects must meet current housing codes and non-emergency projects must meet Housing Quality Standards (HQS). All tenant based rental assistance provided with HOME funds requires an inspection with a HQS report. Housing staff maintain a comprehensive written manual detailing program procedures and policies, as well as a master spreadsheet that tracks all loan details for the First-Time Homebuyer Downpayment Assistance Loan Program and the Housing Rehabilitation Program, including period of affordability, discharge dates, rent restrictions and monitorings. The City monitors HOME-funded rehabilitation projects with rental affordability restrictions annually for the duration of the affordability period.

Monitoring of job creation is determined by the time period in the funding Agreement.

A quarterly report is provided to the City's Finance Department on new loans issued, loan status and loan discharges. There is also a Loan Management Policy for dealing with delinquent or in default housing or economic development loans. The DPCD reconciles its general ledger to IDIS monthly.

Economic Development and Neighborhood Improvement projects use a checklist developed by the DPCD to ensure that floodplain management, environmental review, Section 3, minority outreach, procurement and debarment regulations are identified for applicability and documented.

The DPCD also annually reviews its performance in meeting its goals and objectives set for in the Consolidated Plan during the development of the annual CAPER.

Payments to agencies are made on a reimbursement basis to ensure compliance with expenditure requirements. The Assistant Community Development Director encourages timely submission of reimbursement requests by subrecipients and reviews timeliness status weekly until the annual 1.5 draw ratio is met.

Additionally, the City ensures long-term compliance with program requirements, including minority business outreach and comprehensive planning requirements, in several ways. In particular, the DPCD has a Monitoring Plan, Section 3 Plan and Minority Outreach Procedures in place that allows the City to track whether long-term goals are being met.

Citizen Participation Plan 91.105(d); 91.115(d)

Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.

The Citizen Participation Plan included in the 5-Year Consolidated Plan is the framework we use to solicit public comment, as well as to provide guidance on our response to citizens' comments on our programs throughout the year. The goals and purpose of the Citizen Participation Plan is to encourage residents, agencies, and other interested parties to participate in the development of our 5-Year Consolidated Plan and Annual Action Plans and to comment on our accomplishments. We encourage feedback from our citizens in order to improve our efforts to provide decent, safe and sanitary housing, improved community facilities and infrastructure, needed human services and expanded economic opportunities, that all work toward revitalizing our neighborhoods and improving our living environment.

The CAPER is made available to the public throughout the 15-day comment period and efforts to solicit citizens' comments include posting bilingual (English/Spanish) notices on the availability of the report in the Salem Evening News, the City of Salem Official Bulletin Board at City Hall and at the City Hall Annex through the Clerk's Office, Salem Public Library, Salem Housing Authority and on the City's website. Copies are available for review at the DPCD, Salem Public Library and Salem Housing Authority and on the City's website (a copy of which was available for download). The notice is distributed via email to the Salem HOPE distribution list which reaches non-profit social service agencies that serve various populations including minorities, non-English speaking persons, persons with disabilities and Point Neighborhood residents. In addition, the most recent CAPER is made available during our two annual public hearings.

The FY16 CAPER's comment period ran from 9/7/16-9/23/16. No public comments were received.

CR-45 - CDBG 91.520(c)

Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

In general, there are no anticipated changes in Salem's program objectives. For one project, Affordable Housing Development, the funding source was changed from CDBG to HOME. Because HOME activities are reported through the lead community, Peabody, this will result in IDIS showing Salem not completing one of its CDBG goals of 27 units, even though the units will still be created. When the activity has been completed, we will make this notation in the appropriate CAPER.

Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?

No

APPENDIX

Financial Summary Report (PR26) for FY16 (HUD's Program Year 2015)

Maps

- Low to Moderate Income Areas
- Geographic Distribution of Entitlement Funds Expended FY16

Section 3 Report



PART I: SUMMARY OF CDBG RESOURCES

01 UNEXPENDED CDBG FUNDS AT END OF PREVIOUS PROGRAM YEAR	691,422.90
02 ENTITLEMENT GRANT	952,642.00
03 SURPLUS URBAN RENEWAL	0.00
04 SECTION 108 GUARANTEED LOAN FUNDS	0.00
05 CURRENT YEAR PROGRAM INCOME	134,873.00
05a CURRENT YEAR SECTION 108 PROGRAM INCOME (FOR SI TYPE)	0.00
06 FUNDS RETURNED TO THE LINE-OF-CREDIT	0.00
06a FUNDS RETURNED TO THE LOCAL CDBG ACCOUNT	0.00
07 ADJUSTMENT TO COMPUTE TOTAL AVAILABLE	0.00
08 TOTAL AVAILABLE (SUM, LINES 01-07)	1,778,937.90

PART II: SUMMARY OF CDBG EXPENDITURES

09 DISBURSEMENTS OTHER THAN SECTION 108 REPAYMENTS AND PLANNING/ADMINISTRATION	640,561.65
10 ADJUSTMENT TO COMPUTE TOTAL AMOUNT SUBJECT TO LOW/MOD BENEFIT	0.00
11 AMOUNT SUBJECT TO LOW/MOD BENEFIT (LINE 09 + LINE 10)	640,561.65
12 DISBURSED IN IDIS FOR PLANNING/ADMINISTRATION	194,232.57
13 DISBURSED IN IDIS FOR SECTION 108 REPAYMENTS	0.00
14 ADJUSTMENT TO COMPUTE TOTAL EXPENDITURES	0.00
15 TOTAL EXPENDITURES (SUM, LINES 11-14)	834,794.22
16 UNEXPENDED BALANCE (LINE 08 - LINE 15)	944,143.68

PART III: LOWMOD BENEFIT THIS REPORTING PERIOD

17 EXPENDED FOR LOW/MOD HOUSING IN SPECIAL AREAS	0.00
18 EXPENDED FOR LOW/MOD MULTI-UNIT HOUSING	0.00
19 DISBURSED FOR OTHER LOW/MOD ACTIVITIES	613,761.90
20 ADJUSTMENT TO COMPUTE TOTAL LOW/MOD CREDIT	0.00
21 TOTAL LOW/MOD CREDIT (SUM, LINES 17-20)	613,761.90
22 PERCENT LOW/MOD CREDIT (LINE 21/LINE 11)	95.82%

LOW/MOD BENEFIT FOR MULTI-YEAR CERTIFICATIONS

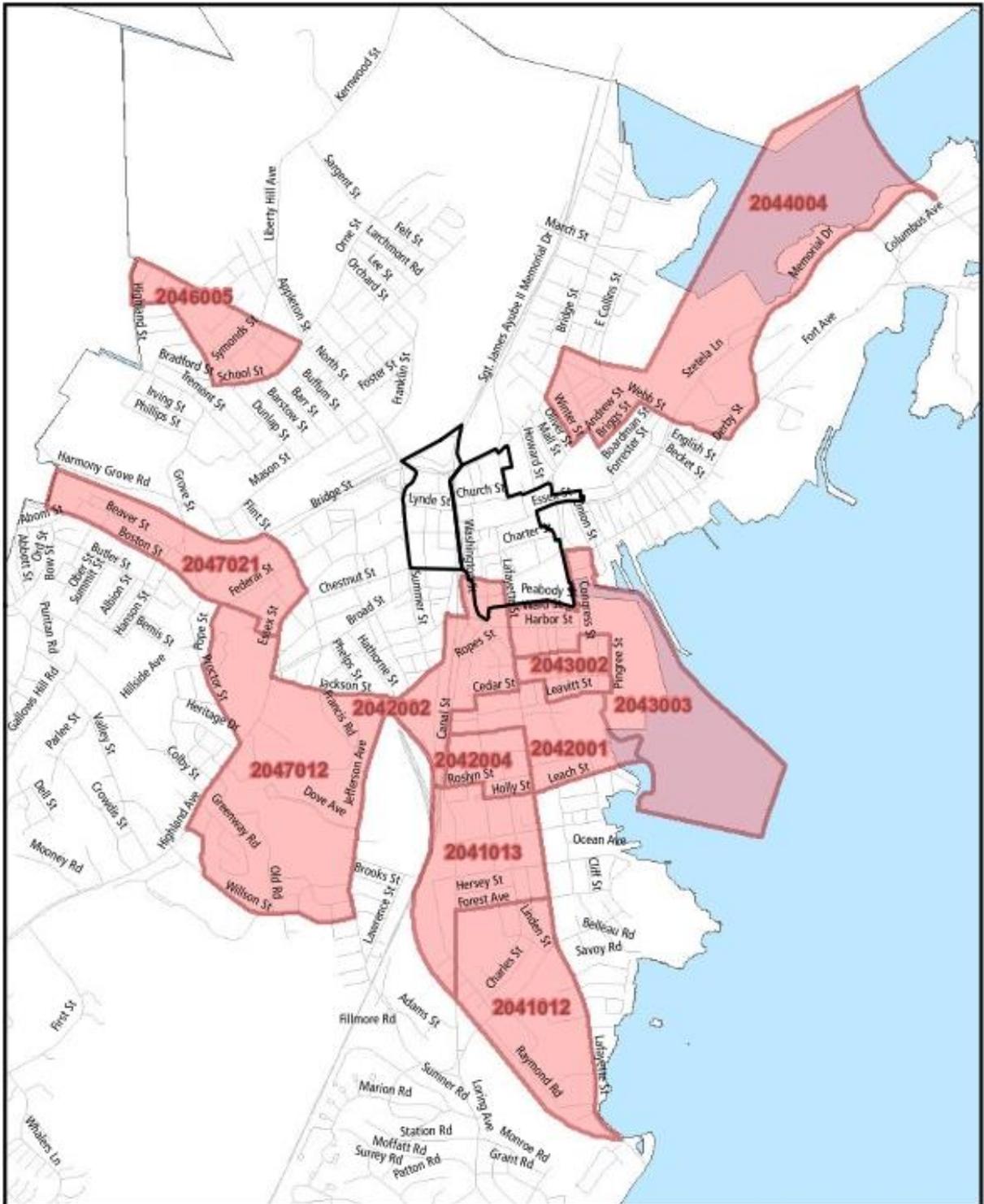
23 PROGRAM YEARS(PY) COVERED IN CERTIFICATION	PY: PY: PY:
24 CUMULATIVE NET EXPENDITURES SUBJECT TO LOW/MOD BENEFIT CALCULATION	0.00
25 CUMULATIVE EXPENDITURES BENEFITTING LOW/MOD PERSONS	0.00
26 PERCENT BENEFIT TO LOW/MOD PERSONS (LINE 25/LINE 24)	0.00%

PART IV: PUBLIC SERVICE (PS) CAP CALCULATIONS

27 DISBURSED IN IDIS FOR PUBLIC SERVICES	170,555.66
28 PS UNLIQUIDATED OBLIGATIONS AT END OF CURRENT PROGRAM YEAR	22,791.98
29 PS UNLIQUIDATED OBLIGATIONS AT END OF PREVIOUS PROGRAM YEAR	34,609.84
30 ADJUSTMENT TO COMPUTE TOTAL PS OBLIGATIONS	0.00
31 TOTAL PS OBLIGATIONS (LINE 27 + LINE 28 - LINE 29 + LINE 30)	158,737.80
32 ENTITLEMENT GRANT	952,642.00
33 PRIOR YEAR PROGRAM INCOME	112,506.91
34 ADJUSTMENT TO COMPUTE TOTAL SUBJECT TO PS CAP	0.00
35 TOTAL SUBJECT TO PS CAP (SUM, LINES 32-34)	1,065,148.91
36 PERCENT FUNDS OBLIGATED FOR PS ACTIVITIES (LINE 31/LINE 35)	14.90%

PART V: PLANNING AND ADMINISTRATION (PA) CAP

37 DISBURSED IN IDIS FOR PLANNING/ADMINISTRATION	194,232.57
38 PA UNLIQUIDATED OBLIGATIONS AT END OF CURRENT PROGRAM YEAR	20,000.00
39 PA UNLIQUIDATED OBLIGATIONS AT END OF PREVIOUS PROGRAM YEAR	0.00
40 ADJUSTMENT TO COMPUTE TOTAL PA OBLIGATIONS	0.00
41 TOTAL PA OBLIGATIONS (LINE 37 + LINE 38 - LINE 39 +LINE 40)	214,232.57
42 ENTITLEMENT GRANT	952,642.00
43 CURRENT YEAR PROGRAM INCOME	134,873.00
44 ADJUSTMENT TO COMPUTE TOTAL SUBJECT TO PA CAP	0.00
45 TOTAL SUBJECT TO PA CAP (SUM, LINES 42-44)	1,087,515.00
46 PERCENT FUNDS OBLIGATED FOR PA ACTIVITIES (LINE 41/LINE 45)	19.70%



CITY OF SALEM



Map created by SalemGIS
September 28, 2016
Map No. 16-004

Mayor
Kimberley Driscoll

**Geographic Distribution of
Entitlement Fund Expenditures - FY16**

Legend

SRA Boundary

Expenditure Type

- Economic Development
- Housing Activity
- Neighborhood Improvement
- Planning Activity
- Tree Planting
- Sidewalk/Street Improvement

Data Sources:

- SRA and Low & Moderate income areas from MassGIS and derived from the 2010 United States Census
- Expenditure Types generated from the City of Salem Planning Department records



900 0 900 Feet
1" = 1800'



Section 3 Summary Report

Economic Opportunities for Low- and Very Low-Income Persons

U.S. Department of Housing and Urban Development

Office of Fair Housing and Equal Opportunity

OMB Approval No. 2529-0043
(exp. 11/30/2018)

Disbursement Agency
CITY OF SALEM
93 WASHINGTON STREET COMMUNITY DEVELOPMENT PROGRAM, SALEM, MA 01970
04-6001413

Reporting Entity
CITY OF SALEM
93 WASHINGTON STREET COMMUNITY DEVELOPMENT PROGRAM, SALEM, MA 01970

Dollar Amount	\$657,402.10
Contact Person	Jane Guy
Date Report Submitted	09/15/2016

Reporting Period		Program Area Code	Program Area Name
From	To		
07/01/2015	06/30/2016	CDB1	Community Devel Block Grants

Part I: Employment Training

Job Category	Number of New Hires	Number of New Hires that Are Sec. 3 Residents	Aggregate Number of Staff Hours Worked	Total Staff Hours for Section 3 Employees	Number of Section 3 Trainees
Administrative	1	0	0	0	0

Total New Hires	1
Section 3 New Hires	0
Percent Section 3 New Hires	0.0%
Total Section 3 Trainees	0
The minimum numerical goal for Section 3 new hires is 30%.	

Part II: Contracts Awarded

Construction Contracts	
Total dollar amount of construction contracts awarded	\$20,250.00
Total dollar amount of contracts awarded to Section 3 businesses	\$0.00
Percentage of the total dollar amount that was awarded to Section 3 businesses	0.0%
Total number of Section 3 businesses receiving construction contracts	0
The minimum numerical goal for Section 3 construction opportunities is 10%.	

Non-Construction Contracts	
Total dollar amount of all non-construction contracts awarded	\$38,478.45
Total dollar amount of non-construction contracts awarded to Section 3 businesses	\$0.00
Percentage of the total dollar amount that was awarded to Section 3 businesses	0.0%
Total number of Section 3 businesses receiving non-construction contracts	0
The minimum numerical goal for Section 3 non-construction opportunities is 3%.	

Part III: Summary

Indicate the efforts made to direct the employment and other economic opportunities generated by HUD financial assistance for housing and community development programs, to the greatest extent feasible, toward low- and very low-income persons, particularly those who are recipients of government assistance for housing.	
Yes	Attempted to recruit low-income residents through: local advertising media, signs prominently displayed at the project site, contacts with community organizations and public or private agencies operating within the metropolitan area (or nonmetropolitan county) in which the Section 3 covered program or project is located, or similar methods.
No	Participated in a HUD program or other program which promotes the training or employment of Section 3 residents.
No	Participated in a HUD program or other program which promotes the award of contracts to business concerns which meet the definition of Section 3 business concerns.
No	Coordinated with Youthbuild Programs administered in the metropolitan area in which the Section 3 covered project is located.
No	Other; describe below.
<p>New Hires:</p> <p>The City of Salem Department of Planning and Community Development (DPCD) hired one administrative person whose annual salary is 3% CDBG funded (\$1506.31 annually). The new hire was not a certified Section 3 resident.</p> <p>Job notices for positions available in the DPCD are posted at the Salem Housing Authority, North Shore CDC and the North Shore Career Center, as well as the City's website and internally to current city employees. As appropriate, notices are sent to Salem State University, UMass Amherst, UMass Boston, Kennedy School, MassAPA, NCDA, Tufts, MassDevelopment, Massplanners listserve, MIT, MMA's Beacon, Linkin and representatives of HOME Consortium communities. The City's Section 3 Resident Certification Application is located on the City's website, on the Human Resources webpage at http://www.salem.com/sites/salemma/files/uploads/section_3_resident.pdf</p> <p>Contracting:</p> <p>There were no new CDBG construction contracts awarded in FY16 that were \$100,000 or over.</p> <p>There were a few repair projects undertaken at our Council on Aging (totaling \$20,250 as reported). In two cases, the Section 4 Registry was checked:</p>	

- Door replacement – three Section 3 businesses were contacted and none responded with a quote.
- Roof repairs – only 1 firm was on the registry; they were contacted but did not have the equipment needed to do the job

In FY15 (HUD 2014), the City provided CDBG funds for acquisition costs toward a housing project that closed in June, 2016. Rehabilitation is underway and the non-profit agency has adopted a MBE/WBE and Section 3 Hiring Plan with numerical goals. We will report on Section 3 hires and businesses for this activity in FY17 (HUD 2016).

Other Efforts:

The City's Section 3 Business Affidavit is located on the City's website, on the Purchasing Department webpage at http://www.salem.com/sites/salemma/files/uploads/section3_business.pdf

North Shore CDC has implemented a YouthBuild North Shore program, affiliated with YouthBuilding USA and in partnership with Salem Community Charter School, North Shore Workforce Investment Board, the carpenters union and Habitat for Humanity designed to empower young adults (ages 16-24 who are both out of work and school) with the competency and desire to transform their lives and improve their communities through education, employment and leadership development – the first of its kind in this area. In August, 2014, the program received a \$1.1 million grant from the U.S. Dept. of Labor to create 66 jobs over two years. While there are no current projects being undertaken with CDBG funds, this is an example of efforts being undertaken by our community partners.

The Section 3 clause is and has always been included in CDBG contracts generated by the Department of Planning & Community Development, regardless of the contract amount. In addition, for more than 20 years, social service agencies receiving CDBG public services funding have been required to provide copies of their agency's hiring and purchasing policies and these policies have been reviewed to ensure outreach efforts are made to lower income, as well as minority Salem residents. Public service agencies' funded programs are monitored on an annual basis to ensure that the policies are followed.