

FY20 COMPANION
to, and
CONSOLIDATED ANNUAL PERFORMANCE
AND EVALUATION REPORT
(CAPER)



CITY OF SALEM, MASSACHUSETTS

Fiscal Year 2020
July 1, 2019 to June 30, 2020

Kimberley Driscoll, Mayor
Tom Daniel, AICP, DPCD Director
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For both the FY20 Companion and FY20 CAPER

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Please note: In last year's CAPER, Line 14 and 40 included the reduction of \$1118.25 (Act. ID # 1679) in expenditures due to having been drawn down twice. This funding has been returned to the line of credit during FY20 (Line 6) and deducted in Line 14 and Line 40. In addition, IDIS Act. ID #1533, 1673, 1674, 1676 and 1677 in voucher #6281967 should have been under prior year. This adjustment was made in Line 14. 1673, 1677 and 1679 adjustments are also reflected in Line 40.

Maps

Low to Moderate Income Areas

Geographic Distribution of Entitlement Funds Expended FY20

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CAPER finalization date – 12/16/20

Cover photo: Splaine Park Rope Climbing Structure

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 5-Year Consolidated Plan - Fiscal Years 2016-2020 (FY16-20) - began on July 1, 2015 and ended on June 20, 2020.

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.

EXECUTIVE SUMMARY

Salem's FY20 CAPER provides an analysis of the fifth fiscal year - July 1, 2019 through June 30, 2020² - 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 this report, we included the information from HUD's online Integrated Disbursement and Information System (IDIS) 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 \$1,065,891 and program income received during FY20 was \$96,743.77. Our HOME funding allocation was \$145,619. We also used any available carried over CDBG and HOME funds from prior years.

We expended a total of \$1,070,708.27 in CDBG funds. We met all timeliness requirements and program expenditures were consistent with our 5-Year Consolidated Plan and FY20 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.

FY20 CDBG & HOME Expenditures by Category

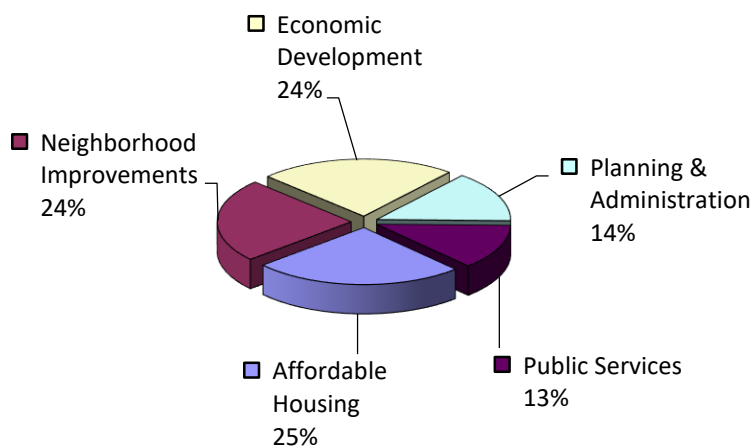


Fig. 1 FY20 Spending by Category,
as a Percentage of Total CDBG & HOME Expenditures

In addition to CDBG funds, the DPCD also spent \$139,584.22 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. \$4369 was expended for HOME administration.

During FY20, the DPCD continued to make significant progress toward meeting the goals and objectives laid out in the 5-Year Consolidated Plan and FY20 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 FY20 and prior year carried over funds +/- any adjustments made during the year. Status is as of June 30, 2020.

² HUD refers to Salem's FY20 as Program Year 2019 (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 FY20, Salem spent \$309,511.69 in CDBG and HOME funds on affordable housing projects and programs. Of this CDBG funds spent totaled \$165,558.47.



Before & after chair lift installation in senior, disabled household through the Housing Rehabilitation Loan Program.

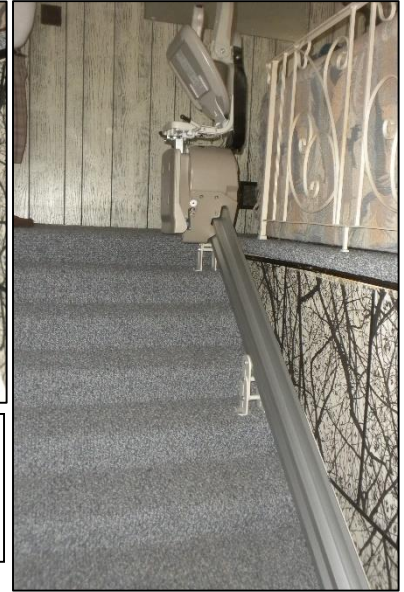


Table 1: FY20 Housing Financial Summary

Project	Project Description	Funding Available	Status
Housing Rehabilitation Loan Program	Provides technical and financial assistance to help LMI homeowners and landlords make needed improvements to their properties.	\$194,581.19 CDBG (FY20 & carried over)	<ul style="list-style-type: none"> • \$89,880.50 CDBG funds spent • 5 units improved (5 properties) • 1 public facility improved (10 units)
First Time Homebuyer Program	Provides 0% interest deferred payment loans to LMI families purchasing a home in Salem.	\$14,855 CDBG	<ul style="list-style-type: none"> • \$7,150 CDBG funds spent • 1 unit assisted
Rental Assistance Programs	Funds are used to help low- and extremely low-income Salem residents move into decent, affordable rental units and for high risk homeless persons to be placed into housing with supports.	\$208,858.57 FY20 and carried over open HOME Contracts	<ul style="list-style-type: none"> • \$139,584.22 HOME funds spent • 37 households assisted
Affordable Housing Development	Funding pool for pre-development, acquisition and/or projects with rehabilitation of affordable housing units (at or below 80% of AMI) by non-profit housing developers and/or CHDO's.	\$50,000 CDBG	\$0 funds spent
Housing Program Delivery	Costs associated with providing rehabilitation programs & inspectional services.	\$90,260.85 (FY20 & carried over) \$4,369 HOME	\$68,527.97 in CDBG funds & \$4,369 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 FY20, the City of Salem spent \$144,223.22 in HOME funds. \$110,056.22 in HOME funds were used to fund Tenant Based Rental Assistance Programs which targeted high risk homeless individuals, through a housing first model. North Shore Community Action Programs provided 14 individuals with temporary rental assistance (12-24 months), along with support services. In addition, \$29,528 in carried over funds was spent through the Rental Downpayment Assistance Program to assist 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. Assisted were 23 families through existing contracts with North Shore Community Action Program, Inc.

Additional HOME funds have been committed to affordable housing projects with North Shore CDC, which are still in early planning stages.

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 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 FY20, 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 FY20 Action Plan. Public service projects funded during FY20 were selected using a Request for Proposals (RFP) process. All awards are made to non-profit agencies or city departments to carry out the programs.



North Shore CDC English Language Class

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 FY20, we were able to expend \$154,680.08 on 33 open public service contracts (27 new, 6 carried over), which, in turn, assisted 7,325 people, including at least 763 youth and 374 seniors. All contracts with funds remaining are carried over to FY21.

Table2: FY20 Public Services Financial Summary

Agency	CDBG Funding Available	CDBG Funds Spent	Number Assisted	Program Impact
Aspire Developmental Services, Inc. Early Intervention Toddler Groups	\$5,000.00	\$5,000.00	72 youth	For children with physical and developmental disabilities to attend integrated developmental play groups. Of the 72 assisted, 42 remain with Aspire, 16 went on to pre-school, 11 transitioned to LEA public school and 3 are unknown or at home.
Boys & Girls Club Power Hour Program	\$5,000.00	\$5,000.00	265 youth	Provided daily one on one homework help on weekdays for four months at Collins Middle School, Saltonstall School and Tabernacle Church, where the Boys and Girls Club has after-school programs..

Agency	CDBG Funding Available	CDBG Funds Spent	Number Assisted	Program Impact
Catholic Charities Homeless Prevention Program	\$9,750.00	\$9,750.00	31 persons	Assisted 12 households with avoiding eviction and homelessness through payment of rental arrearages to landlords. Each household also received budget counseling, information and referral and advocacy when needed.
Citizens, Inc./Haven From Hunger Food Pantry	\$9,000.00	\$9,000.00	1059 persons	Provided food to 309 Salem families, July, 2019-October, 2019, for a total of 3542 visits to the food pantry.
Disability Resource Center	\$4,800.00	\$4,800.00	34 disabled persons/ households	Provided independent living and housing services, including a housing forum on Accessible, Affordable and Available Housing. The also hosted 8 Housing Options workshops and the agency assisted with CHAMP, Section 8 and Universal applications.
H.A.W.C. Children's Program	\$9,000.00	\$9,000.00	62 persons	Provided a Creative Coping and a Domestic Violence 101 Support Groups for the adults and children at the shelter.
Inversant Salem Families College Savings Program	\$7,000.00	\$0	12 youth	Through January, 2020 beneficiaries participated in monthly learning circles. Beginning February, 2020, 1:1 calls and virtual appointments with families of seniors were held. Due to COVID-19, 0 students completed the program requirements, saved the minimum required and enrolled in higher education. CDBG funds will be rolled over to FY21.
LEAP for Education	\$9,000.00	\$9,000.00	70 youth	Provided assistance to high school students grades 9-12, including meeting with students in college success classes 3 hours per week for 32 weeks, as well students who attended the Teen Center for homework help, life skills and career and community services. In March, 2020, staff adapted lessons and all classes were held virtually. 13 high school seniors submitted college and financial aid applications and are continuing their post-secondary education in Fall, 2020.

Agency	CDBG Funding Available	CDBG Funds Spent	Number Assisted	Program Impact
Lifebridge Medical Support Services	\$9,000.00	\$9,000.00	253 persons	Provided assessment and triage, diabetic monitoring, basic first aid, health education services, understanding illness, symptom management, medication, referrals to medical, mental health, substance abuse and social service providers, communication with health and social service providers to promote continuity of care and provide advocacy. 696 health assessments were completed by the Lifebridge nurse between September, 2019 and January, 2020.
NSCAP Homeless Prevention Program	\$9,750.00	\$9,750.00	23 persons	Assisted 9 households with rent assistance to prevent eviction and homelessness.
North Shore CDC Family Stability Program	\$5,000.00	\$5,000.00	313 persons	Provided 256 English Language classes for 12 hours per week. In April, classes were moved to virtual and another 40 classes were held. Free tax preparation services were provided for 9 hours per 9 weeks. 56 career counseling appointments and 327 financial literacy appointments were provided, including a financial workshop in which 7 clients attended.
North Shore Community Health	\$9,900.00	\$9,602.46	34 homeless persons	Provided services to homeless individuals. Individuals were referred to in-house behavioral health, were established with primary care services, referred to restart MAT treatment, RNCM services for medication management, referred to community health worker for assistance with food insecurity or SDOH needs, housing assistance, medication management, received health assessments and/or enrolled services/depression screening.
North Shore Moving Market	\$4,500.00	\$4,500.00	118 persons	Provided monthly deliveries of food to elderly, disabled and disadvantaged households. Approximately 334 deliveries were made between July and November, 2019.
Open Door Immigration	\$5,000.00	\$4,139.61	19 persons	Provided citizenship classes (including class books and citizenship/naturalization study guides), consultations and legal services.

Agency	CDBG Funding Available	CDBG Funds Spent	Number Assisted	Program Impact
Salem Park & Recreation Park Enrichment Programs	\$7,700.00	\$3,700.00	63 youth	Provided free programming for school age children at Charlotte Forten, Memorial and Palmer Cove parks during July and August, 2019. Activities included art workshops, girls basketball, boys lacrosse, volleyball, hip hop, yoga & meditation and beginners guitar.
Salem Community Child Care	\$9,000.00	\$9,000.00	14 youth	Provided child care weekdays during school hours, during school closures and during summer vacations.
Salem Council on Aging Art Program	\$2,710.37	\$2,021.31	19 seniors	Provided art classes for seniors, which included sketching, drawing and watercolor and acrylic painting.
Salem Council on Aging Exercise Program	\$2,355.00	\$3,911.88	35 seniors	Held weekly classes with an average of 15-20 senior citizens and disabled residents. The class provides body conditioning to enhance strength, balance, coordination and endurance. Beginning May, 2020, classes were held virtually through Zoom.
Salem Council on Aging Transportation Program	\$14,966.90	\$14,966.90	320 seniors	Drivers provided rides to the following: 6517 to the Community Life Center, 5025 medical, 1967 shopping, 71 events, 166 barber/hairdresser, 207 library, 192 bank, 167 volunteer/employment, 215 YMCA and 140 other rides.
Salem Police Department Bicycle and Walk/Ride Patrols	\$18,000.00	\$9,000.00	4,120 persons	Provided targeted teamed bike patrols in the Point Neighborhood, concentrating on community policing, interacting with the public, and addressing crime and disorder, loiterers, drug interaction and other quality of life issues.
Salem Public Schools Teacher Home Visits	\$7,500.00	\$0	75 youth	Conducted teacher home visits with Bentley and New Liberty Innovation Schools students' families in order to build trusting relationships. Funding to be carried over to FY21.
Salem YMCA School Age Child Care Program	\$9,000.00	\$9,000.00	182 youth	Provided childcare with curriculum based instruction, enrichment activities, swimming & field trips.
Salvation Army Homeless Prevention	\$4,667.92	\$2,046.76	13 persons	Assisted 5 households with homelessness prevention (rent arrearage).
Salvation Army Winter Cot Program	\$4,500.00	\$346.16	12 persons	Overnight cots were provided in January, 2020 for two nights of emergency shelter from dangerously cold weather.

Agency	CDBG Funding Available	CDBG Funds Spent	Number Assisted	Program Impact
V.O.C.E.S. Hispanic Education Program	\$5,000.00	\$5,000.00	98 persons	July, 2019 through March, 2020 provided GED and Citizenship classes, averaging 17 classes per month. Approximately 55 persons will either test for citizenship or test for GED.
Wellspring House MediClerk Program	\$4,500.00	\$4,500.00	9 persons	Provided 3 sessions of the MediClerk program, which included medical terminology, medical office procedures, goal setting, computer skills, business communication, keyboarding and applied skills lab. 4 of the 9 graduates found full time jobs in North Shore Physician Group offices (part of North Shore Medical Center) or with similar employers. Of the remaining 5, one is enrolled at North Shore Community College as a radiation tech and the other 4 are not yet working due to COVID-19.
TOTAL PERSONS ASSISTED		7,325 people, including at least 763 youth and 374 seniors		



*Park & Recreation Art Workshop
at Charlotte Forten Park*

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 FY20, several new businesses opened, bringing new goods and services locally. Salem has also seen a surge of redevelopment in the past few years. The increased development brings vitality to the downtown and, in the process, improves and stabilizes neighborhood business districts. Improved vitality in our neighborhood and downtown commercial districts also has the residual effect of improving public safety.



Salem's historic court houses, primed for redevelopment

Salem's unemployment rate in June 2020 was 20.4%, a significant increase from the 3.1% unemployment rate in March, 2020 or the 3.2% unemployment rate from the prior June (2019), which was down from 3.9% in June, 2018 and down from 4.0% in June, 2017. The increase in unemployment can be attributed to the COVID-19 pandemic and the resulting shut down of the Commonwealth in March 2020.

In response to the COVID-19 pandemic, Salem reprogrammed unencumbered CDBG funds to initiate a Microenterprise and Small Business Grant Program to provide relief grants of up to \$10,000 to be used to offset the negative business impacts of the COVID-19 pandemic. The program was open to for-profit Salem businesses with a brick and mortar location. The program provided short-term working capital assistance to support businesses and retain jobs during the severe economic interruption caused by the COVID-19 pandemic.

Table 3: FY20 Economic Development Financial Summary

Program	Description	CDBG Funding Available	Status
Microenterprise and Small Business Grant Program for COVID-19 relief.	Provides grant funding to be used to offset payroll costs, rent and mortgage payments, utilities, and loss of inventory due to mandatory closures for microenterprise and small businesses.	\$66,000.00	<ul style="list-style-type: none">• \$61,000 spent• 13 businesses assisted<ul style="list-style-type: none">• 6 microenterprises• 7 jobs created or retained (6 full-time equivalent)
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.	\$51,785.00	<ul style="list-style-type: none">• \$51,785 CDBG spent• 1 business assisted with moving to Salem to enable the expansion of the business. 3 full-time LMI jobs retained, 2 part-time LMI jobs retained, and 4 part-

				time LMI jobs created (total 6 FTE) <ul style="list-style-type: none"> Monitoring completed on an existing loan, resulting in 2 new full-time LMI jobs.
Program		Description	CDBG Funding Available	<ul style="list-style-type: none"> Status
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 5 new full/part-time jobs documented (4 FTE) Assisted 1 new, 24 existing and 7 prospective businesses (including 15 micro-enterprises and 3 expanding or relocating businesses)
	North Shore CDC Small Business Engagement Program	Serves minority entrepreneurs with business workshops, mentoring sessions, networking groups and referrals to partner agencies. The program will assist the development and growth of immigrant-owned businesses that provide products and services to the Point Neighborhood.	\$62,850.75	<ul style="list-style-type: none"> \$46,658.90 spent 3 new full-time jobs documented Assisted 25 existing and 3 prospective businesses (including 26 micro-enterprises and 2 expanding business)
Business Technical Assistance	Economic Development Program Delivery	Costs associated with providing Economic Development programs and administration of the Salem Redevelopment Authority.	\$94,362.80	<ul style="list-style-type: none"> \$94,362.80 CDBG spent (see description below)

In total, \$288,806.70 in CDBG funds was spent during the program period for economic development activities, including technical assistance provided by the City of Salem's 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, located in the downtown, Point Neighborhood and other commercial areas, and includes:

- Working with businesses on business locations, business expansion;
- Exploration and 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 North Shore CDC Small Business Initiative contract;

- Managing the Salem Main Streets contract; and,
- 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 FY20, DPCD's Economic Development Planner worked on several significant redevelopment projects, including:

- The approval of 37 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.
- Coordination with the Public Art Planner on Mural Slam, held for a fifth year. The slam is a three-day event where selected artists paint work on plywood boards mounted on the back of stalls at Salem's Artists' Row. The event was held during the Salem Arts Festival and the pieces remain in place until the following year's Mural Slam.
- Coordination with Salem Main Streets on storefront improvement initiatives and technical assistance to downtown businesses.
- Served as the City's point-of-contact for business inquiries: assisted new businesses in finding locations, provided information on financing and options for raising capital, and served as a referral to other business development agencies like Salem Main Streets, the Salem Chamber of Commerce, the Enterprise Center, MassDevelopment, and the Small Business Development Center.
- Coordination of all processes related to planning for the redevelopment of the former Superior Court and County Commissioners Building. In addition to being a point of contact for the public and interested parties, this includes collaborating with the Massachusetts Division of Capital Asset Management, managing private consultants on pre-development initiatives, drafting and issuing a Request for Proposals to four pre-qualified development teams. The next step is reviewing the submitted proposals, interviewing the teams, and selecting a preferred developer for the properties.
- Managed the City's submissions to Smart Growth America's Opportunity Zones Marketplace, which includes submitting and tracking activity for various parcels within Salem's designated Opportunity Zones that are ripe for redevelopment. Met with developers and other parties interested in utilizing the Opportunity Zone tax incentives to spur smart, socially conscious development.
- Managed the implementation of the Salem Downtown Retail Action Plan.
- Coordinated the development of a new economic development website, www.salemforbusiness.com, to both attract new businesses and provide assistance to existing

ones. Long-term management of the site will be incorporated into the Economic Development Planner's daily workload.

- Managed the logistics and participated in weekly meetings of the Economic Development Recovery and Revitalization Task Force (EDRR). The EDRR was established in March 2020 with the goal to support Salem's business community during the COVID-19 pandemic. The Economic Development Planner created and managed the City's Small Business Grant program that assisted businesses that experienced losses due to the pandemic, set weekly agendas for EDRR meetings, organized industry-specific focus groups to learn how the pandemic was impacting their business; and created and managed surveys to determine business needs so that the EDRR could focus its assistance efforts.

The Economic Development Planner continues to work with the North Shore Community Development Coalition and other local stakeholder partners on the implementation of the "Salem Point Neighborhood Vision and Action Plan." Action items call for quality of life improvements to the Point Neighborhood, which is Salem's foremost environmental justice neighborhood. Examples of the type of projects being implemented include sidewalk repairs, park improvements, community programming, commercial space, i.e. 'pop-up shops' for entrepreneurs, and public art.

The Economic Development Planner continues to collaborate 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 continues to work with the Massachusetts Office of Business Development to help current businesses grow and to recruit new businesses to Salem. This includes coordinating the State's Economic Development Incentive Program (EDIP) applications and local Tax Increment Financing (TIF) program for local businesses.

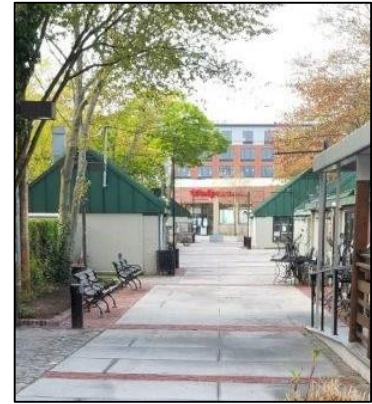
The Economic Development Planner has also been the City's representative board member on the North Shore Workforce Board, which serves as the oversight and policy-making body for federally funded employment and training services in the 19 community North Shore Region. The board also has the broader role 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, and chambers of commerce, as well as community-based and labor organizations. The board charters and oversees a one-stop career center, MassHire North Shore Career Center, located in Salem, with satellite offices throughout the North Shore.

In addition, the Economic Development Planner conducts all job creation/retention monitoring.

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 FY20. 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.



Before and After Sidewalks at Artist Row

During the program period, we continued to work on important neighborhood projects, and spent a total of \$287,937.52 including program delivery costs, toward meeting the goals in the FY20 Action Plan and 5 Year Consolidated Plan.

Table 4: FY20 Neighborhood Improvement Financial Summary*

Activity	CDBG Funds Available	CDBG Funds Spent	Status
Congress Street Parklets	\$31,746.72	\$31,746.72	Complete
Splaine Park Climbing Structure	\$16,914.21	\$16,914.21	Complete
Downtown Alley Lighting	\$9,915.50	\$7,623.20	Complete
Street Improvements (i.e. sidewalks, curbcuts, paving & crosswalks) –			
Artists Row	\$251,710.45	\$165,487.51	Complete
Prince Street Improvements	\$18,352.03	\$0	Planning
Tree Planting Program	\$23,135.43	\$21,600.00	Ongoing annually
Loring Avenue Fire Station Electrical	\$38,175.00	\$20,128.00	Underway
Gallows Hill Park Improvements	\$161,529.50	\$18,656.61	Underway
Palmer Cove Park Survey & Testing	\$132,321.46	\$5,781.27	Underway
Teen Center Building Improvements	\$54,200.00	\$0	Procurement
Almy's Clock Restoration	\$40,000.00	\$0	Procurement
Peabody Street Park Improvements	\$135,037.19	\$0	Planning
Fire station #1 paving	\$39,500.00	\$0	Planning
Teen Center Patio	\$19,500.00	\$0	Planning
South River Improvements	\$0	\$0	Planning

*Funds available and spent represent only FY20 and may not reflect the actual entire project cost.

CR-05 - Goals and Outcomes

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

91.520(a)

For Affordable Housing Development, 27 units proposed in the 2015 AAP were instead funded with HOME funds and were be reported in IDIS through the NS HOME Consortium (Consortium). For the First Time Homebuyer Program, during FY20, one household was assisted to purchase their first home, bringing our 5 year total to 14, 11 less than proposed. For the Housing Rehabilitation Loan Program, we improved 5 housing units, exceeding our estimate of 3 and surpassing our 5-year estimate of 20 units by 13 units. A shelter facility was improved, assisting 10 units. Through contracts with the North Shore CAP, 14 chronically homeless individuals were provided with 12-24 months of rental assistance and 23 households were assisted with Rental Downpayment Assistance (reporting in IDIS is by the Consortium).

For Small Business Economic Development, one new loan was issued, as proposed, and one existing loan provided job documentation. Documented were 3 full-time and 2 part-time LMI jobs retained, and 2 full-time and 4 part-time LMI jobs created, exceeding the goal of 2 jobs. The business grant program for COVID-19 relief resulted in assistance to 7 microenterprises and the documentation of 6 jobs (6 FTE) created or retained.

For Business Technical Assistance, we met our goal of assisting 50 businesses. The Salem Main Streets Program provided technical assistance to 1 new, 24 existing and 7 prospective businesses. North Shore CDC's Small Business Engagement Program provided technical assistance to 25 existing and 3 prospective businesses. Only new and existing businesses (53) are included in Table 1. In addition, 9 new jobs were documented (7 FTE) for these programs, exceeding our goal of 4 jobs.

In total, FY20 documented 23 FTE jobs created/retained due to CDBG assistance. Our 5-year total of 81 FTE jobs exceeded our goal of 31 jobs. We almost met our 5-year goal of 5 businesses assisted through Small Business Financial Assistance programs (4 businesses were assisted, but 6 were monitored). When adding the emergency grant program for COVID-19 impacted businesses, the total assisted is increased by 13. In addition, 4 storefronts were improved.

For Community Support Services, our AAP goal was to provide approximately 29 new grants and serve an estimated 8,800 persons. We were just under par by executing agreements for 27 new grants and, through these new grants and carried over open contracts, we assisted 7,325 persons.

Downtown Improvements accomplishment number (5,055) is based on the census block groups that comprise the Downtown Slum/Blight area, which may include several activities (i.e. Artist Row, Downtown Lighting). The block groups are, 2045003 – population 915, 2045002 – population 1320, 2042002 – population 905, 2042003 – population 900 and 2043001 – population 1015. In Table 1, rather than multiply 5,055 times the number of activities completed, we use 5,055 as the total actual, avoiding inflated or duplicated numbers.

CAPER NARRATIVES IN IDIS

Neighborhood Improvement Activities' accomplishments (15,893) are the census track totals for the projects completed (or with phases completed) during FY20 (not duplicating any tracks): Congress Street Parklets, Tree Planting, Loring Avenue Fire Station Electrical and Splaine Park Climbing Structure. There are further open activities with expenditures, including additional Loring Avenue Fire Station Electrical, Gallows Hill Park Improvements, Palmer Cove Park Survey and Testing, and additional tree planting. Additional projects are in the planning stage and these funds will be carried over to FY21. Note: The 5-year accomplishments in Table 1 may have duplicated tracks.

Note: In prior years, Table 1 did not indicate Homeless Persons in Overnight Shelters, nor Homelessness Prevention. Therefore, the Strategic Plan numbers in this year's table reflect only FY19 and FY20.

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)

Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee's program year goals.

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	34	60.71%			
Business Technical Assistance	Non-Housing Community Development	CDBG: \$	Jobs created/retained	Jobs	10	32	320.00%	4	7	175%
Business Technical Assistance	Non-Housing Community Development	CDBG: \$	Businesses assisted	Businesses Assisted	50	253	506.00%	50	53	106.00%
Community Support Services	Homeless Non-Homeless Special Needs	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	45000	41861	93.02%	8800	7325	83.24%
Community Support Services	Homeless Non-Homeless Special Needs	CDBG: \$	Homeless Person Overnight Shelter	Persons Assisted	0	352		0	192	
Community Support Services	Homeless Non-Homeless Special Needs	CDBG: \$	Homelessness Prevention	Persons Assisted	0	138		0	54	

CAPER NARRATIVES IN IDIS

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
First Time Homebuyer Program	Affordable Housing	CDBG: \$	Direct Financial Assistance to Homebuyers	Households Assisted	25	14	56.00%			
Housing Rehabilitation Programs	Affordable Housing	CDBG: \$	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	0	10		0	10	
Housing Rehabilitation Programs	Affordable Housing	CDBG: \$	Homeowner Housing Rehabilitated	Household Housing Unit	20	33	165.00%	3	5	166.67%
Neighborhood Improvements Activities	Non-Homeless Special Needs	CDBG: \$	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	8265	27776	336.07%	12180	15893	130.48%
Small Business Financial Assistance Programs	Non-Housing Community Development	CDBG: \$	Jobs created/retained	Jobs	15	49	326.67%	3	14	466.67

CAPER NARRATIVES IN IDIS

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
Small Business Financial Assistance Programs	Non-Housing Community Development	CDBG: \$	Businesses assisted	Businesses Assisted	5	17	340.22%	2	14	700.00%

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 and FY20 Action Plans. Below is a summary of major activities accomplished in FY20:

- 5 housing units were renovated through the Housing Rehabilitation Loan Program;
- 23 families received assistance with first/last month's rent and/or security deposits (HOME funds);
- 14 high risk homeless individuals were placed into housing with supportive services;
- 33 open social service contracts assisted 7,325 persons, including at least 763 youth and at least 374 seniors;
- 1 existing business relocating/expanding was provided with a small business loan (6 FTE LMI jobs created/retained);
- 13 businesses provided with emergency grants to provide relief of COVID-19 negative business impacts.
- 7 new jobs (6 FTE) documented through the Salem Main Streets Program and the NSCDC Small Business Engagement Program;
 - Salem Main Streets Program highlights: Assisted 1 new, 24 existing businesses and 7 prospective businesses (including 15 micro-enterprises and 3 expanding/relocating businesses) with technical assistance. One on one consultations included 10 businesses, including two businesses located in the Artist Row incubator about the potential for storefront operations. A retail meeting for businesses was in November to review the prior October season and to discuss age-friendly business certification, small business Saturday and developing a seasonal employee workforce. Events included the Farmers' Market and Salem Winter Market, the Ice Scream Bowl, Holiday Tree and Santa's Arrival, Holiday Window Contest, New Year's Eve LAUNCH!, Salem So Sweet and Small Business Saturday.
- NSCDC Small Business Engagement Program highlights: Assisted 2 new, 25 existing and 3 prospective businesses with technical assistance.
- Congress Street parklets were installed;
- Splaine Park climbing structure was installed;
- 32 trees planted on Palmer, Perkins, Salem, Bridge, Essex, Margin, Summer, Boston, Gardner, Washington, Lafayette, Laurel and Fairfield Streets, Elm and Maple Avenue, and Francis Road.

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	1,655
Black or African American	292
Asian	39
American Indian or American Native	16
Native Hawaiian or Other Pacific Islander	42
Total	2,044
Hispanic	459
Not Hispanic	1,585

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	Public - federal	1,165,891	1,070,708
Housing Trust Fund	Public - federal		
Other	Public - federal		
Other	Public - local		

Table 3 - Resources Made Available**Narrative**

Financial Summary Report (PR26): In last year's CAPER, Line 14 and 40 included the reduction of \$1118.25 (Act. ID # 1679) in expenditures due to having been drawn down twice. This funding has been returned to the line of credit during FY20 (Line 6) and deducted in Line 14 and Line 40. In addition, IDIS Act. ID #1533, 1673, 1674, 1676 and 1677 in voucher #6281967 should have been under prior year. This adjustment was made in Line 14. 1673, 1677 and 1679 adjustments are also reflected in Line 40.

CDBG funds available was \$1,065,891 in FY20 entitlement funds (not including carried over funds, nor program income). The actual amount of CDBG funds spent in FY20 was \$1,070,708.27, including prior year carried over funds and current year program income.

In addition to CDBG funds, other funds expended during the program year include:

City of Salem - the actual amount of City of Salem funds spent on salaries and benefits (\$734,399.26).

CPA funds – in FY20, the total of amount of surcharge funds collected was \$718,142), and including the State match funds received of \$159,267 totals \$877,409, not including uncollected surcharge write-offs or penalties/interest. The CPA account is also receiving a boost of \$75,000 annually for 10 years from the Footprint Community Benefits Agreement.

HOME funds - the actual amount spent in FY20 (\$144,223.22).

The City of Salem also uses its Capital Improvement Program funds to complete projects that are partially funded with CDBG and/or CPA funds.

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. The City of Salem typically supports programs that benefit low- and moderate-income households or specific populations such as senior citizens, disabled persons and minorities. Often these programs and activities undertaken are available on a citywide basis to income eligible households.

Other programs and activities are targeted to neighborhoods with concentrations of low- and moderate-income households. A map of the LMI neighborhoods (updated 4/1/19) is located in the Appendix. 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. In accordance with CDBG regulations, the City can undertake specific activities, such as street, sidewalk and playground improvements in the low- and moderate-income neighborhoods or in neighborhoods meeting the definition of “slums and blight”, such as the Downtown Renewal Area, which was established as a Slum/Blight Area (November, 2013). With the change to 52.7% LMI city-wide, the City has an opportunity for expansion of CDBG programs and improvements to places that may not be located within LMI areas, but may still serve LMI populations. 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

Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.

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 FY20 that we were able to document.

- The Salem Main Streets Program leveraged \$68,732 from local business and donations and from event fees and corporate contributions to cover costs.
- The NSCDC Small Business Engagement Program leveraged \$50,000 in other State/local funds, \$50,959 in private funds and utilized \$67,053 of its unrestricted revenue.
- Three businesses assisted with emergency COVID-19 funds also received federal funding (\$14,700 total).
- The lone First Time Homebuyer participant leveraged \$12,200 in MassHousing funds, \$171,000 mortgage and \$28,700 in private funds.
- One Housing Rehabilitation Program participant underway will leverage \$50,000 in State Home Modification Loan Program funds.
- Planning and administration funds leveraged \$640,761.86 in City funds plus \$115,160.28 in benefit costs for all DPCD staff.
- 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 \$4,105,267.86 in other federal, state, private or other funds.

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

- Gallows Hill Park is leveraging \$1,493,476.50 in state/local funds including \$307,750 in CPA funds, a \$400,000 PARC grant, \$5000 T. Hawk donation, a \$66,262.04 State Municipal Vulnerability Action Grant and \$577,259 in Capital Improvement Plan (CIP) funds.
- The Splaine Park climbing feature leveraged \$2,600 in local funds.
- Palmer Cove survey and testing leveraged \$27,000 in local funds. Construction funds for the project is underway and will be from non-CDBG funds.

Note: Leveraged funds for multi-year projects may be repeated within more than one year's

CAPER NARRATIVES IN IDIS

CAPER. Above, leveraged funds are only included for projects for which CDBG funds were expended during the fiscal year. The above does not include funds leveraged for HOME funded projects.

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	0	0
Number of Non-Homeless households to be provided affordable housing units	3	16
Number of Special-Needs households to be provided affordable housing units	0	0
Total	3	16

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	0	0
Number of households supported through Rehab of Existing Units	3	15
Number of households supported through Acquisition of Existing Units	0	1
Total	3	16

Table 6 – Number of Households Supported

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

For the non-homeless households (goal of 3 under the Housing Rehabilitation Program), in FY20 we assisted 16 units/households (5 under the Housing Rehabilitation Program, 10 through rehabilitation assistance for a public facility (shelter) and 1 under the First Time Homebuyer Program).

Rental assistance was provided to 37 families through the use of HOME funds, but these will be reported through the North Shore HOME Consortium's CAPER.

Discuss how these outcomes will impact future annual action plans.

We will continue to estimate proposed outcomes for future plans based on actual outcomes of current and past plans. It should be noted that our one year goals are based on CDBG funding budgeted using current fiscal year funds and do not include carried over, prior year funds.

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 Households Served	CDBG Actual	HOME Actual
Extremely Low-income	4	0
Low-income	2	0
Moderate-income	0	0
Total	6	0

Table 7 – Number of Households Served

Narrative Information

These numbers reflect the 5 households (not persons) assisted by the Housing Rehabilitation Program and 1 household served by the First Time Homebuyer Program (100% low or extremely low income). These show that Salem's housing programs serve predominantly (67%) those with extremely low incomes.

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.

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.

During FY20, the City of Salem spent \$144,223.22 in HOME funds. \$110,056.22 in HOME funds were used to fund Tenant Based Rental Assistance Programs which targeted high risk homeless individuals, through a housing first model. North Shore Community Action Programs provided 14 individuals with temporary rental assistance (12-24 months), along with support services. In addition, \$29,528 in carried

over funds was spent through the Rental Downpayment Assistance Program to assist 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. Assisted were 23 families through existing contracts with North Shore Community Action Program, Inc.

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

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, general health assessments, symptom management, diabetic monitoring, nutrition and general health education - 253 persons received a total of 696 health assessments from September, 2019 to January, 2020. They also conducted street outreach services to connect homeless individuals with shelter services and provided referrals to medical, mental health, substance abuse and social service providers. Lifebridge's day center, begun in April, 2019, continues to operate three days per week, to help reduce loitering by homeless individuals, while providing a comfortable space for access to services. The day center offers supportive programs and a place to sit, read or watch television. The success of the program has warranted expansion of the facility to five days in the upcoming fiscal year.

The Mayor's Office continues to convene bi-monthly meetings of the Homeless Task Force that include representatives of the City of Salem's Planning & Community Development, Police, School and Health Departments, North Shore Community Health Center, Lifebridge, NSCAP, Salem Housing Authority, Salvation Army and the North Shore Workforce Investment Board. Discussion and actions regarding homeless needs and concerns include day programming, homeless related calls for police services, outreach workers' findings, housing first progress, day employment, homeless students and, most recently, COVID-19 issues related to homeless person (social distancing, quarantine, testing, etc.).

The Salem Police Department, both through its normal staff complement and its Community Impact Unit, work directly with the homeless individuals in Salem, as well as work closely with Lifebridge in its outreach to homeless individuals, especially those on the street and unsheltered. Outreach workers on call out of the Salem Police Department work to connect homeless with health and other services. The High Risk Homeless Task Force, has met monthly at the Salem Police Department, to provide case management and to pursue permanent housing, as well as medical, behavioral and substance abuse treatment for individuals living on the streets. Represented on the High Risk Homeless Task Force is NSCAP, which with Salem's HOME funds, provides a Housing First program, assisting homeless individuals to find apartments and maintaining their rent for one year, while providing case management toward self-sufficiency. 14 chronically homeless individuals were assisted with rent during FY20.

In FY20, an outreach workers out of North Shore Community Health and funded with CDBG, connected with 34 homeless persons to provide services. Individuals were referred to in-house behavioral health, were established with primary care services, referred to restart MAT treatment, RNCM services for medication management, referred to community health worker for assistance with food insecurity or SDOH needs, housing assistance, medication management, received health assessments and/or enrolled services/depression screening.

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. Also funded with CDBG, HAWC provides therapeutic intervention and support for the mothers and children at the shelter for abused women and their children.

Salem also funds Rental Downpayment Assistance to Citizens for Adequate Housing and NSCAP with HOME funds to pay for first, last and security for eligible households moving into affordable housing. HOME funding is also provided to NSCAP for a Housing First model program to place high risk homeless individuals into housing with supportive services.

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 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.

In FY20, Salem's CDBG funds provided grants to NSCAP and Catholic Charities to provide Homeless Prevention Programs. 54 persons (21 households) were assisted with rent and/or utility assistance to prevent eviction and homelessness.

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

In the prior fiscal year, the City assisted with funding for North Shore CDC's project at 15-17 Harbor Street for 26 single room occupancy units for which 16 units will be primarily set aside for formally-homeless, low-income youth aging out of the foster care system. Salem provided \$100,000 in CPA funds and \$50,000 from HOME funds and the project is under construction. A lottery drawing for the units was held in October, 2018. The City also provided \$185,000 in HOME funds to Harborlight Community Partners to rehabilitate two buildings on Boston St. (26 studio units) in order to house formerly homeless individuals, along with providing supportive services. These units are fully occupied.

The City has carried over HOME agreements with NSCAP and Citizens Inn, Inc. to provide for rental downpayment assistance to help extremely low- and low-income households (including homeless) to move into decent, affordable rental units. In FY20, NSCAP assisted 23 families with this tenant based rental assistance. NSCAP also used Salem's HOME funds to target chronically homeless for a Housing First model, which provided housing with supportive services to 14 high risk individuals.

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 FY20, new agreements were executed with Catholic Charities, Salvation Army and NSCAP for homeless prevention through emergency assistance of rental payments in order to avoid eviction or utility payments to avoid shut-off. In FY20, these programs resulted in 26 households (67 persons) avoiding homelessness.

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 Citizens Inn's 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 Disability Resource Center to provide housing assistance to persons with disabilities.

Finally, the City used CDBG funds for North Shore Community Health to provide a nurse to engage chronically homeless individuals to encourage comprehensive health assessments, including behavioral health, substance abuse and depression.

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

Actions taken to address the needs of public housing

As evidenced by consistently excellent SEMAP and PHAS scores, the Salem Housing Authority is a well-managed public housing authority designated as a “high performer”.

The Salem Housing Authority continues regular ongoing modernization programs to make capital improvements to state and federal public housing units. These improvements are funded by the United States Department of Housing and Urban Development (HUD) for federally-funded units and the Massachusetts Department of Housing and Community Development (DHCD) for state-funded housing units.

In addition to ongoing routine maintenance, preventative maintenance, inspections and repair work, the following modernization projects are either currently underway or in the planning stage:

State Properties:

- \$271,336 Window replacement, venting, tub surround replacement, and related work at 117 Congress St.;
- \$398,479 Sidewalks, parking and concrete repairs at Pioneer Terrace
- \$171,000 Waterproofing and brick repointing at Phillips
- \$207,000 Kitchen and bath work at turnover at Charter Street
- \$84,500 Health and Safety Initiatives at various sites to include dead/dangerous tree removal, concrete repair, railing repair, paving
- \$100,000 Lock replacement at 27 Charter St.
- \$480,000 Concrete balcony repair work at Bates and Norton Terraces
- \$70,000 Sprinkler Cradle Pump System Replacement at Charter Street
- \$500,000 Site Improvements/walkways Rainbow Terrace
- \$500,000 Site Improvements harbor walk at Rainbow Terrace
- \$225,000 Feasibility Study of Leefort Terrac redevelopment
- \$45,00 Retaining wall replacement Bertram Terrace

Federal Properties:

- \$276,600 Window replacement, skylight and related work at the Zisson Building
- \$70,000 Restore and paint window trim at the Zisson Building
- \$78,594 is the anticipated award 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.

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 Board plays a large role in encouraging Tenant engagement and openly reserves opportunity for Tenant and Public engagement every month during the public Board meetings. SHA Board members are also available by email for more direct comments and communication from residents as is the Housing Authority Executive Director. The SHA Board of Commissioners strongly supports the mission of engaging residents to participate in the ongoing operation of the Housing Authority and attributes much success to the involvement and participation from our populations.

The SHA has a Resident Advisory Board (RAB) that is actively engaged with the planning and submission of the Federal Public Housing Agency Annual Plan and Federal Policies. There are also three active tenants' associations in the SHA state housing portfolio including: Charter Street Tenant Association, Morency Tenant Association, and Pioneer Tenant Association. The active Tenant Associations play a key role in the development of the Authority's State Annual Plan, State Housing Policies and the State Capital Improvement Plan. The Tenant Associations work together with the Authority to encourage resident participation through community meetings, activities and surveys. All SHA residents are included and invited to participate in the annual planning and submission of both state and federal funded Capital Improvement Plans.

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 regional towns, Salem offers a greater diversity of housing, and a higher proportion of affordable housing overall, exceeding the state's 10% affordable housing goal. However, some factors continue to contribute to the difficulty of increasing the availability of affordable housing, including the cost of construction, a shortage of land and regulatory and environmental constraints. Salem has taken several actions to ameliorate these barriers.

In order to help facilitate affordable housing options Salem adopted a Municipal and Religious Adaptive Reuse Ordinance that allows underutilized, historic buildings to be adaptively reused into multi-family housing. The ordinance requires a minimum of 10 percent of the housing units be affordable to low to moderate income households. Salem also held numerous public meetings to review an inclusionary housing ordinance and an accessory dwelling unit ordinance. Both ordinances were reviewed and discussed as potential to create affordable homes,

Salem designated the entire city as a housing development zone under the state's housing development incentive program (HDIP). The HDIP is a development tool used to expand the diversity of housing stock and promote neighborhood stabilization by way of a local tax exemption and state tax credits. This action increases the feasibility of residential development by providing an additional financing tool to overcome development challenges.

To defray the high cost of developing affordable homes, Salem has begun the process of exploring leveraging publicly owned land by ordering a title review of vacant city owned land. Feasibility studies of the publicly owned land will take place in 2021.

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

The Five Year Consolidated Plan outlines several barriers to housing affordability and reducing the impacts of poverty in Salem: the cost of permitting and developing land with environmental constraints, the lack of regulatory tools to require or encourage affordable housing in new developments, the lack of resources to finance affordable housing development, a mismatch between local wages and housing costs, limited availability of public transit, and local government's dependence on the property tax to finance City services. Like other communities, Salem is not in control of all of these barriers, and as a result, its ability to solve them is constrained by financial resources and legal requirements. The

following are some of the strategies and recent steps taken to overcome these obstacles:

- The Affordable Housing Trust Fund Board has identified a few City-owned properties that may be feasible for new affordable housing.
- In 2019, the City passed zoning to allow the adaptive reuse of municipal and religious buildings to create affordable housing.
- In 2019, the City adopted an expansion of a zone that incentivizes housing development. The Housing Development Incentive Program (HDIP) provides Gateway municipalities (like Salem) with a tool to increase residential growth, expand the diversity of housing stock, support economic development, and promote neighborhood stabilization in designated areas through tax incentives to encourage the substantial rehabilitation of multifamily properties.
- The City developed a Vision Update Study for the Bridge Street Neck. The study specifically recommends a zoning amendment to address the current zoning barriers, which will be considered in 2020.
- In 2019, the City collaborated with Salem State University and the state Division of Capital Asset Management and Maintenance, on a community visioning process to develop reuse concepts of the University's South Campus property, approximately 22 acres of land and buildings. Opportunities to remove the zoning barriers are identified in the visioning report.
- In addition to CDBG and HOME funds, Salem uses Community Preservation Act funds to assist with the development of affordable housing.
- The City will continue to support the creation of new affordable housing units through partnership with non-profit entities, supplementing state and federal subsidies with local funding, and case-by-case negotiation with private developers. The Harbor-Lafayette Homes (HOME and CPA funds) to create 26 affordable units, with 50% for formerly homeless youth, as well as for Boston Street Residences (HOME funds) to create 26 studio units primarily for formerly homeless individuals projects are now complete and the units occupied.
- 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.

The lack of new vouchers or an increase in funding for subsidized housing has also made it difficult for agencies to assist many households in need of housing assistance. The Salem Housing Authority continues to struggle with long waiting lists for extremely to low income households. In order to meet underserved needs, the Salem Housing Authority is seeking innovative cost effective grant opportunities to increase its subsidized housing portfolio. The Salem Housing Authority has applied for a grant from the Department of Housing and Community Development to support the renovation and expansion of an existing public housing development.

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

The Salem Board of Health provides information regarding the proper disclosure of lead paint and lead hazards to property owners renting residential housing units. As necessary, the Board of Health will also notify area realtors of new or amended regulations regarding lead-based paint. In Salem, a property

owner is required to obtain a Certificate of Fitness inspection when an apartment becomes vacant. These inspections are conducted to ensure compliance with the State Sanitary Code for Housing. Board of Health personnel are licensed Lead Paint Determinators. Should the Board receive a call from an occupant who is concerned that there may be lead-based paint in their apartment, potentially affecting their child(ren) under the age of six(6), a Board of Health Sanitarian is able to conduct a Lead Determination. If a lead paint hazard(s) is detected during the determination, an order to correct that hazard(s) is sent to the property owner. The order requires the property owner to bring the property into compliance with the State Lead Law. The Board ensures compliance with the order and, if necessary, will begin legal proceedings against the property owner to gain compliance. The results of all lead determinations are reported to the MA Childhood Lead Poisoning Prevention Program. Residents who have questions about lead-based paint and the MA Lead Law can contact the Salem Board of Health.

In cooperation with the Commonwealth of Massachusetts and other municipal departments, the City of Salem, through its DPCD, works to decrease the number of housing units containing lead-based paint hazards. The City actively works to reduce lead-paint hazards in pre-1978 housing occupied by lower-income households through the City of Salem's *Housing Rehabilitation Loan Program*. Through the *Salem Housing Rehabilitation Loan* and *Get the Lead Out Programs*, the City provides loan funds for qualified applicants for lead testing, hazard reduction and abatement activities, and temporary relocation reimbursements. Lead-based paint hazard control measures are consistent with the federal Title X requirements and State lead based paint regulations. MassHousing's *Get the Lead Out Program* is also available to homeowners of 1-4 family properties, as well as for non-profits and for investor-owners that rent to income-eligible households. As a Local Rehabilitation Agency (LRA) for the *Get the Lead Out Program*, Salem is responsible for intake of application information, technical assistance, working with the applicant through the construction process and acting as the escrow agent for the loan funds.

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)

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

Education

An adequate school system is crucial to reducing poverty in future generations. The City has used state funding to renovate and improve its educational facilities and provide school-age children with an environment conducive to learning. A Strategic Plan completed in 2017 outlines a framework for ensuring access to high quality education for all students. The school choice program gives residents more choices about the school they want their children to attend, and offers education focused specific skills, such as science and technology and communication and community service. Salem's Parent

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

The City will continue to support various educational programs for youth, adults, and the Spanish-speaking population with CDBG funds, including Salem Public Schools (for student home visits by teachers and after-school enrichment programs), and programs administered by non-profit agencies such as the Aspire Developmental Services, Inc., LEAP for Education, the Boys and Girls Club, North Shore Community Development Coalition, and VOCES.

Job Training and Employment Resources

Salem collaborates with numerous job training, and workforce development programs in the region such as The North Shore Career Center, the North Shore Workforce Board, and the North Shore CDC. The City will continue to use CDBG funds to support ELL, GED and citizenship classes, job training and employment assistance programs and to support small business with technical assistance and loan programs.

Affordable Housing

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

Social Services

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

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

The Department of Planning and Community Development (DPCD) administers the City's Community Development Program. Under the direction of the department Director, the Assistant Community Development Director manages and monitors Salem's CDBG and HOME programs. Salem's housing loan programs are administered by the DPCD Housing Coordinator. Salem's affordable housing policy efforts

is overseen by a Senior Planner. In addition, local non-profit agencies, CHDOs and CDCs administer certain housing activities.

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

City departments, including the DPCD, undertake construction and other CDBG-funded activities. These staff may subcontract work under public bidding procedures, adhere to CDBG regulations and maintain any required documentation (i.e., prevailing wages). The City's auditing firm audits Salem's CDBG program delivery system annually.

Staff periodically attend trainings – FY20 examples:

- Use of CDBG Funds for Code Enforcement Webinar – HUD – 8/20/19
- The Missing Middle and Missing Little: Creating Housing Diversity for All Incomes and Stages of Life webinar – AARP – September 13, 2019
- Planning for Housing: Using the APA Policy Guide on Housing – December 22, 2019
- Spanish Class for City of Salem employees – January 28th through March 12th, 2020
- IDIS CDBG: Introduction to Low Mod Jobs Activities – HUD 2/10/20
- Building HOME: Overview of the HOME Program & Home Program Requirements – HUD - 2/20/20
- NCDA CARES Act CDBG Webinar #1 – NCDA – 4/22/20
- Establishing a Local Emergency Rental Assistance Program – CHAPA – 4/22/20
- Coronavirus Response: The Historic Tax Credit as an Economic Recover Tool Webinar - Preservation Leadership Forum - April 24, 2020
- How Members Plan to Use CDBG-CV webinar – NCDA - 4/29/20
- Designing and Implementing an Emergency HOME TBRA Program Part 1 & 2 – HUD - 6/10/20 & 6/17/20

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

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

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

representatives are (re-)introduced to each other and exchange information, announcements and updates.

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

The City also works with nonprofit agencies to administer social service activities. The City issues an annual Request for Proposals (RFP) for CDBG public services funding to undertake priority programs outlined in the Consolidated Plan. Additionally, the City cooperates and coordinates with other agencies and funding sources to support specific activities, such as MassHousing's "Get the Lead Out" and Massachusetts Housing Partnership's "One Mortgage" program.

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

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, 2015 and 2020, 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 that explains housing discrimination and fair housing laws, designed to assist consumers, real estate professionals and lenders. It 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 CDBG funding to programs that promote fair housing through the provision of their services, such as the Disability Resource Center's program that provides independent living and housing services, which held a housing forum on Accessible, Affordable and Available Housing. They also hosted 8 Housing Options workshops. 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 2018 meetings was held in Salem in March, 2018, to which staff attended. Salem 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 participate, upon invite, in housing fairs held by lending institutions and real estate professionals. There, staff provide information regarding its first-time homebuyer, rehabilitation and deleading programs. 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, and 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 runs a Family Resource Center, which periodically 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.
- All CDBG agreements include a section on fair housing, affirmative action and conduct.

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.

As part of ongoing monitoring, public service 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 regularly. 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 rehabilitation projects with rental affordability restrictions annually for the duration of the affordability period.

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.

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

The DPCD also annually reviews its performance in meeting its goals and objectives set forth 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 through the Clerk's Office, Salem Public Library, Salem Housing Authority and on the City's website. 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. Due to the COVID-19 pandemic, copies were only available through the City's website or via email. The prior year CAPER was made available at the first of our two annual public hearings held this year (the second public hearing was held virtually).

The FY20 CAPER's 15 day comment period was November 30, 2020 through December 15, 2020.

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, the exception being the reprogramming of unencumbered funds to create an emergency Microenterprise and Small Business Grant Program for businesses negatively affected by COVID-19.

As noted in FY17's CAPER, 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. This activity is now complete.

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

No

APPENDIX

Financial Summary Report (PR26) for FY20 (HUD's Program Year 2019)

Please note: In last year's CAPER, Line 14 and 40 included the reduction of \$1118.25 (Act. ID # 1679) in expenditures due to having been drawn down twice. This funding has been returned to the line of credit during FY20 (Line 6) and deducted in Line 14 and Line 40. In addition, IDIS Act. ID #1533, 1673, 1674, 1676 and 1677 in voucher #6281967 should have been under prior year. This adjustment was made in Line 14. 1673, 1677 and 1679 adjustments are also reflected in Line 40.

Maps

- Low to Moderate Income Areas
- Geographic Distribution of Entitlement Funds Expended FY20

Section 3 Report



Office of Community Planning and Development
U.S. Department of Housing and Urban Development
Integrated Disbursement and Information System
PR26 - CDBG Financial Summary Report
Program Year 2019
SALEM, MA

DATE 10-29-20
TIME 11:23
PAGE 1

PART I: SUMMARY OF CDBG RESOURCES

01 UNEXPENDED CDBG FUNDS AT END OF PREVIOUS PROGRAM YEAR	864,094.48
02 ENTITLEMENT GRANT	1,065,891.00
03 SURPLUS URBAN RENEWAL	0.00
04 SECTION 108 GUARANTEED LOAN FUNDS	0.00
05 CURRENT YEAR PROGRAM INCOME	96,743.77
05a CURRENT YEAR SECTION 108 PROGRAM INCOME (FOR SI TYPE)	0.00
06 FUNDS RETURNED TO THE LINE-OF-CREDIT	1,118.25
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)	2,027,847.50

PART II: SUMMARY OF CDBG EXPENDITURES

09 DISBURSEMENTS OTHER THAN SECTION 108 REPAYMENTS AND PLANNING/ADMINISTRATION	900,904.25
10 ADJUSTMENT TO COMPUTE TOTAL AMOUNT SUBJECT TO LOW/MOD BENEFIT	0.00
11 AMOUNT SUBJECT TO LOW/MOD BENEFIT (LINE 09 + LINE 10)	900,904.25
12 DISBURSED IN IDIS FOR PLANNING/ADMINISTRATION	212,732.09
13 DISBURSED IN IDIS FOR SECTION 108 REPAYMENTS	0.00
14 ADJUSTMENT TO COMPUTE TOTAL EXPENDITURES	(42,928.07)
15 TOTAL EXPENDITURES (SUM, LINES 11-14)	1,070,708.27
16 UNEXPENDED BALANCE (LINE 08 - LINE 15)	957,139.23

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	666,793.54
20 ADJUSTMENT TO COMPUTE TOTAL LOW/MOD CREDIT	0.00
21 TOTAL LOW/MOD CREDIT (SUM, LINES 17-20)	666,793.54
22 PERCENT LOW/MOD CREDIT (LINE 21/LINE 11)	74.01%

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 BENEFITING 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	154,680.08
28 PS UNLIQUIDATED OBLIGATIONS AT END OF CURRENT PROGRAM YEAR	40,361.87
29 PS UNLIQUIDATED OBLIGATIONS AT END OF PREVIOUS PROGRAM YEAR	21,102.95
30 ADJUSTMENT TO COMPUTE TOTAL PS OBLIGATIONS	0.00
31 TOTAL PS OBLIGATIONS (LINE 27 + LINE 28 - LINE 29 + LINE 30)	173,939.00
32 ENTITLEMENT GRANT	1,065,891.00
33 PRIOR YEAR PROGRAM INCOME	93,950.32
34 ADJUSTMENT TO COMPUTE TOTAL SUBJECT TO PS CAP	0.00
35 TOTAL SUBJECT TO PS CAP (SUM, LINES 32-34)	1,159,841.32
36 PERCENT FUNDS OBLIGATED FOR PS ACTIVITIES (LINE 31/LINE 35)	15.00%

PART V: PLANNING AND ADMINISTRATION (PA) CAP

37 DISBURSED IN IDIS FOR PLANNING/ADMINISTRATION	212,732.09
38 PA UNLIQUIDATED OBLIGATIONS AT END OF CURRENT PROGRAM YEAR	0.00
39 PA UNLIQUIDATED OBLIGATIONS AT END OF PREVIOUS PROGRAM YEAR	
40 ADJUSTMENT TO COMPUTE TOTAL PA OBLIGATIONS	(39,006.59)
41 TOTAL PA OBLIGATIONS (LINE 37 + LINE 38 - LINE 39 +LINE 40)	173,725.50
42 ENTITLEMENT GRANT	1,065,891.00
43 CURRENT YEAR PROGRAM INCOME	96,743.77
44 ADJUSTMENT TO COMPUTE TOTAL SUBJECT TO PA CAP	0.00
45 TOTAL SUBJECT TO PA CAP (SUM, LINES 42-44)	1,162,634.77
46 PERCENT FUNDS OBLIGATED FOR PA ACTIVITIES (LINE 41/LINE 45)	14.94%



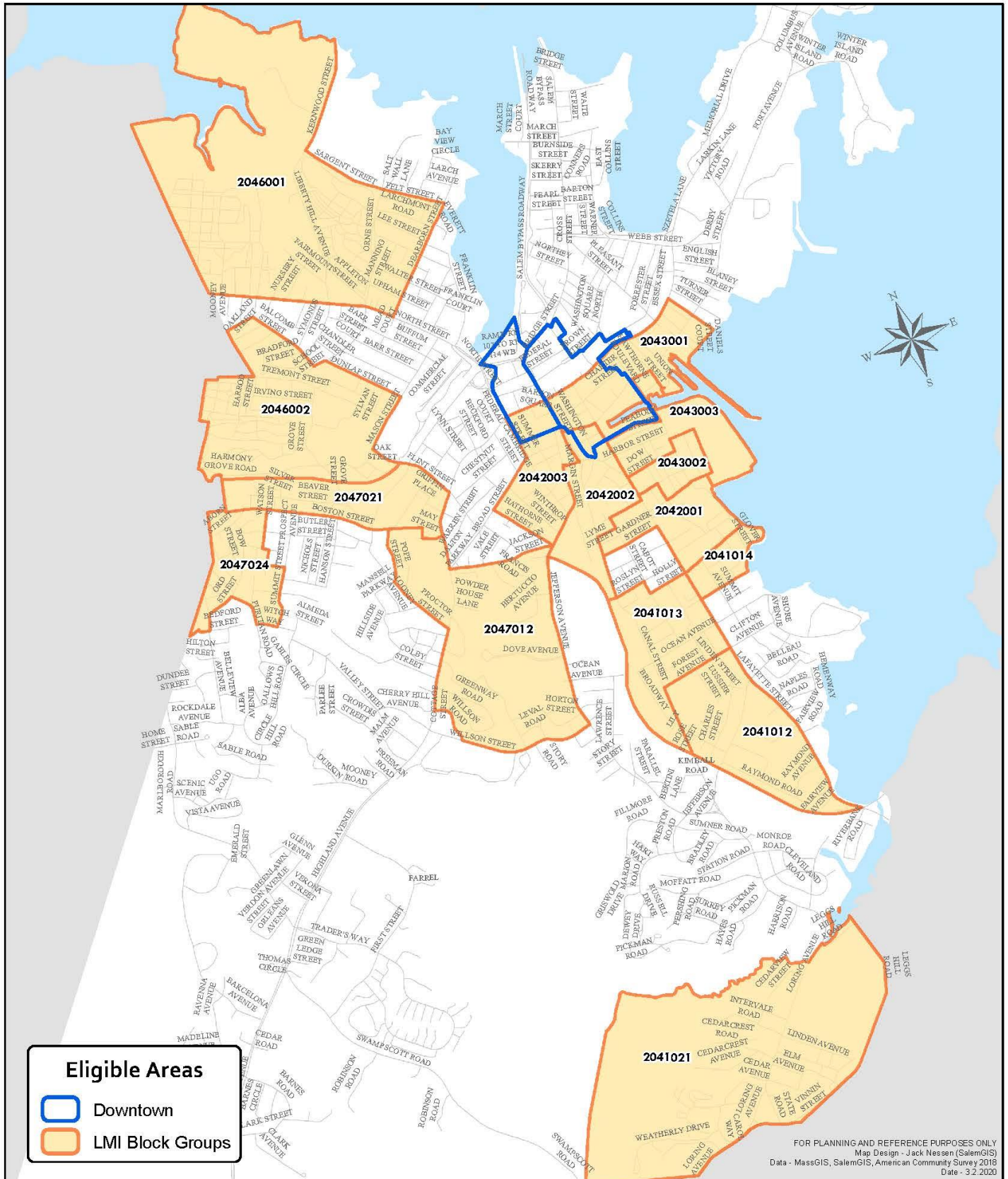
CITY OF
SALEM

Low to Moderate Income Areas

Effective April 1, 2019

1 inch equals 2,100 feet

Salem
Still making history

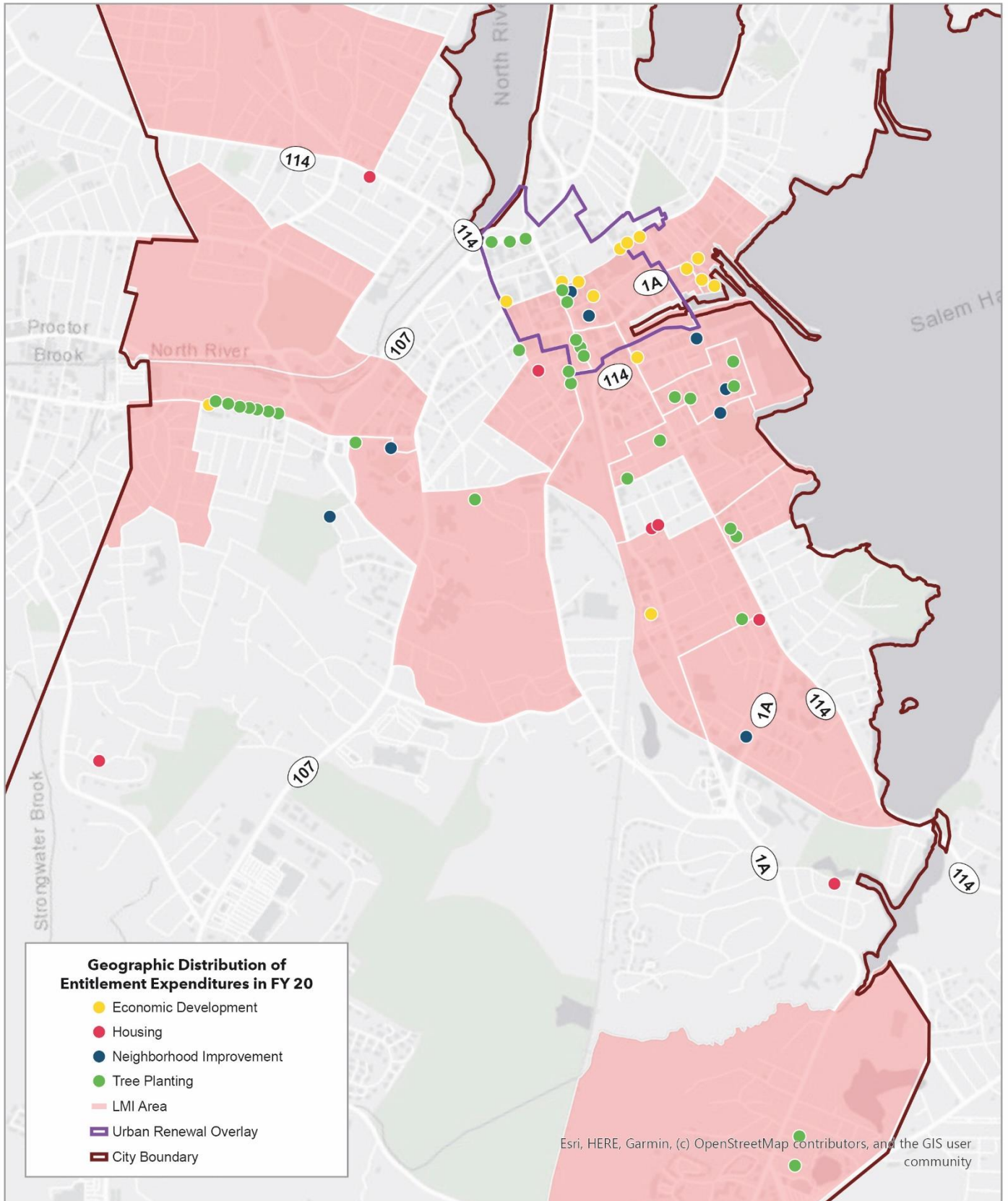




FY 20 Entitlement Expenditures

Salem DPCD - 2020

Scale: 1:28,139





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, MA
120 Washington Street, Salem, MA 01970
04-6001413

Reporting Entity
City of Salem, MA
98 Washington Street, Salem, MA 01970

Dollar Amount	\$841,051.33
Contact Person	Jane Guy
Date Report Submitted	12/15/2020

Reporting Period		Program Area Code	Program Area Name
From	To		
7/1/19	6/30/20	CDB1	Community Devel Block Grants

Part I: Employment and 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	1	0	0	0
Youthbuild Laborer	10	10	0	0	0

Total New Hires	11
Section 3 New Hires	11
Percent Section 3 New Hires	100%
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	\$235,655.39
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%
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	\$6,006.00
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%
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.

No	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.
Yes	Coordinated with Youthbuild Programs administered in the metropolitan area in which the Section 3 covered project is located.
No	Other; describe below.

New Hires:

The City of Salem Department of Planning and Community Development (DPCD) filled one position that is primarily funded with CDBG, and the employee certified that they were a Section 3 resident.

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, Harvard School of Design, Harvard Kennedy School, Boston College, Boston University, Boston University School of Public Health, Cornell University, University of Pennsylvania, Columbia University, University at Buffalo, Carnegie Mellon, Rutgers, University of California Berkeley, University of North Carolina Chapel Hill, University of California Irvine, University of California Los Angeles, University of Illinois at Urbana-Champaign, Westfield State University, University of California Davis, MIT, Endicott College, Gordon College, Michigan State University, MassAPA, NCDA (website, email and LinkedIn), Tufts, MassDevelopment, Massplanners listserv, to representatives of HOME Consortium communities and the Salem HOPE distribution list. The City's Section 3 Resident Certification Application is located on the City's website, on the Human Resources webpage at https://www.salem.com/sites/g/files/vyhlf3756/f/uploads/section_3_resident_certification070120.pdf.

Contracting with bidding/quoting:

Congress Street Parklets (two CDBG contracts \$30,000 and \$512.39) The work was undertaken through the non-profit North Shore CDC that runs a Youthbuild program. There were ten Youthbuild participants in the Congress Street Parklets project.

Gallows Hill Park Improvements (\$626,400, of which CDBG is \$15,015) The contract for the project was awarded during the reporting time period. The invitation for bids and legal notice indicated that the project was subject to Section 3. The Section 3 clause was included in the bid documents and bidders were required to sign a certification that they would comply. The Section 3 requirements were reviewed with the contractor at the start-up meeting on 9/25/19, where they were provided with a list of Massachusetts Section 3 businesses from the HUD registry. They submitted their Section 3 report indicating that they had no new hires. They reported one subcontract which was not a Section 3 business.

On Call or State Contract Vendors:

There was one street improvement project (Artist Row) conducted using an existing on-call contractor (Tasco \$170,000). They submitted their Section 3 report indicating that they had no new hires.

Loring Avenue Fire Station Generator (\$20,128 CDBG) - The contract was awarded during this reporting period and the vendor was selected from the registered vendor list on COMMBUYS, the States online procurement platform (aka, the list of Massachusetts State Contracts). They submitted their Section 3 report indicating that they had no new hires.

Other Efforts:

The Citys Section 3 Business Affidavit is located on the Citys website, on the Purchasing Department webpage at https://www.salem.com/sites/g/files/vyhlf3756/f/uploads/section3_business_0.pdf .

YouthBuild North Shore CDC is the only YouthBuild in the region. YouthBuild North Shore YouthBuild is a community workforce development program designed to serve the needs of young adults aged between 16 and 24. Through YouthBuild, participants work towards their High School Equivalency Diploma, learn job skills, become certified pre-apprentice level construction workers where they serve their communities by building affordable housing or become certified nursing assistants. The program model integrates education, leadership development, counseling, construction or health care, and other training skills areas, along with resources for graduates. The City of Salem utilizes Youthbuild for components of our park projects funded with CDBG, as well as other non-CDBG projects, when feasible.

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 agencies 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.