

CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT



CITY OF SALEM, MASSACHUSETTS

Fiscal Year 2018
July 1, 2017 to June 30, 2018

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INTRODUCTION

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

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

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

Throughout the many years of the City of Salem's CDBG program, significant improvements have been made to the City's physical and social environment for its low- and moderate-income residents. The CDBG program has made a strong impact in Salem, as seen through the numerous homes rehabilitated, neighborhood facilities and infrastructure improved, businesses strengthened, jobs created and families served through our non-profit community partners.

Consolidated Plan, Annual Action Plan, and CAPER

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

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

Contact Information

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

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

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Financial Summary PR26

Please note: The PR26 for FY17 erroneously used Line 45 (instead of using Line 16) from the FY16 PR26 as Line 1 of the FY17 PR26, resulting in Line 8 (Total Available) and Line 16 (Unexpended Balance) of FY17 PR26 to be in error. This correction has been reflected in the FY18 PR26.

Maps

Low to Moderate Income Areas

Geographic Distribution of Entitlement Funds Expended FY18

Section 3 Report

CAPER finalization date – 9/19/18

Cover photo: Courtesy of the Boys & Girls Club of Greater Salem

EXECUTIVE SUMMARY

Salem's FY18 CAPER provides an analysis of the second fiscal year - July 1, 2017 through June 30, 2018² - of the City's 5-Year Consolidated Plan completed in 2015. This report is an opportunity to demonstrate our progress and the accomplishments produced by the City of Salem and its community partners, to report our successes over the past fiscal year and to inform the community of how federal and local programs are making a difference in the lives of its low- and moderate-income residents. In 2015, HUD implemented a new online system for preparing the Consolidated Plan, Annual Action Plans and CAPERs. In this report, we included the information from the online system to fulfill HUD requirements, as well as information that may be of interest to our residents.

The CDBG entitlement funds from HUD for the fiscal year were \$965,549 and program income received during FY18 was \$128,794.55. Our HOME funding allocation was \$99,497. We also used any available carried over CDBG and HOME funds from prior years.

We expended a total of \$1,257,396.27 in CDBG funds. We met all timeliness requirements and program expenditures were consistent with our 5-Year Consolidated Plan and FY18 Action Plan goals. Public Service programs were just below the 15 percent maximum allowable for such activities, and we did not exceed the 20 percent administration spending cap.

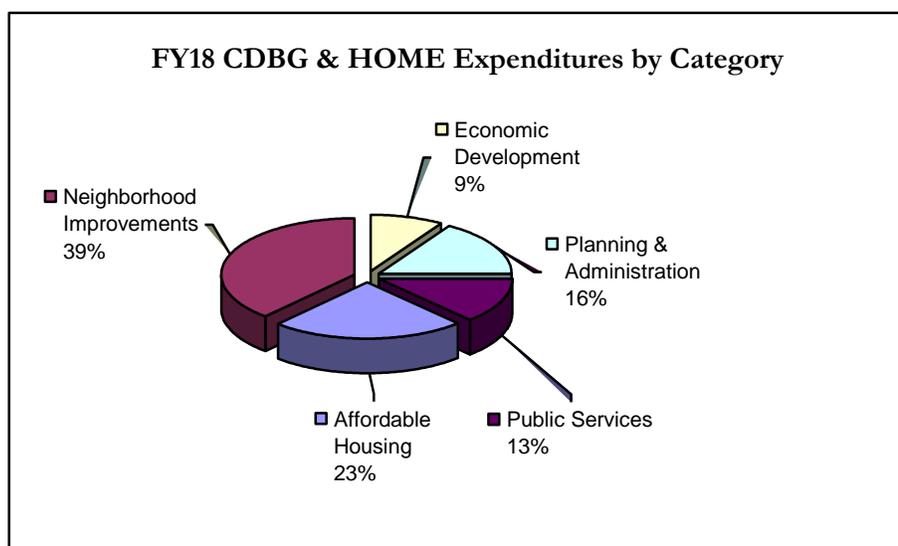


Fig. 1 FY17 Spending by Category, as a Percentage of Total CDBG & HOME Expenditures

In addition to CDBG funds, the DPCD also spent \$37,658.42 in HOME funds to undertake additional affordable housing activities. The City of Salem is a member of the North Shore HOME Consortium and the specific accomplishments of HOME activities are reported to HUD through the Consortium by the City of Peabody. However, a summary of our activities is reported within this document.

During FY18, the DPCD continued to make significant progress toward meeting the goals and objectives laid out in the 5-Year Consolidated Plan and FY18 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 FY18 and prior year carried over funds+/- any adjustments made during the year. Status is as of June 30, 2018.

² HUD refers to Salem's FY18 as Program Year 2017 (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 FY18, Salem spent \$304,066.83 in CDBG and HOME funds on affordable housing projects and programs.



Emergency roof replacement through the Housing Rehabilitation Loan Program



Table 1: FY18 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.	\$298,688.66 CDBG (FY18 & carried over)	<ul style="list-style-type: none"> • 162,293.65 CDBG funds spent • 8 units improved (7 properties)* *1 owner unit reported in FY17, tenant unit reported here in FY18
First Time Homebuyer Program	Provides 0% interest deferred payment loans to LMI families purchasing a home in Salem.	\$42,831.88 CDBG	<ul style="list-style-type: none"> • \$39,557.21 CDBG funds spent • 5 Salem families assisted (5 units)
Congress Street Residences (Congress & Ward)	N. S. CDC will rehabilitate 5 buildings on Congress & Ward Streets (30 affordable housing).	\$5,353.84 HOME (FY15)	<ul style="list-style-type: none"> • \$3,629.42 HOME funds spent • Project now complete. 30 affordable units created and reported occupied
Rental Assistance Programs	Funds are used to help low- and extremely low-income Salem residents move into decent, affordable rental units.	\$128,099 FY18 and carried over open HOME Contracts	<ul style="list-style-type: none"> • \$21,044 HOME funds spent • 14 families assisted
Congress/Dow Street Housing Revitalization	N. S. CDC acquired 3 buildings on Congress & Dow Streets for 34 affordable units, some for formerly homeless families.	\$0	<ul style="list-style-type: none"> • \$0 CDBG funds spent • Project now complete: 34 affordable units created and reported occupied

Project	Project Description	Funding Available	Status
Harbor & Lafayette Homes	The North Shore CDC will rehabilitate 2 buildings on Harbor & Lafayette Streets to create 27 affordable housing units.	\$50,000 HOME (FY15)	<ul style="list-style-type: none"> • \$0 funds spent (under construction)
Boston Street Crossing	Harborlight Community Partners will rehab 2 buildings on Boston St. (26 studio units) for formerly homeless individuals, along with providing supportive services.	\$185,000 HOME (FY16 & FY17) \$59,500 CPA	<ul style="list-style-type: none"> • \$10,000 HOME funds spent • 43 Boston Street is complete and fully occupied • 179 Boston Street is in progress
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.	\$93,733.99 CDBG (FY18 & carried over) \$2,985 HOME (FY18)	\$64,557.55 in CDBG funds, & \$2,985 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 FY18, the City of Salem spent \$37,658.42 in HOME funds. \$10,000 was spent toward Harborlight Community Partners' Boston Street Crossing project, two properties that will result in 26 units of affordable housing. One of the two properties is complete and fully occupied, following the a lottery in December, 2017 with over 90 applications. The City also spent \$3629.42 toward the Congress Street residences and the project is now complete with 30 occupied, affordable units.

\$21,044 in HOME funds were used to fund Rental Downpayment Assistance Programs. A Rental Downpayment Assistance Program assists low- and extremely low-income Salem households to help pay first and last month's rents and security deposits to enable them to secure decent, affordable housing. The program is an important tool for helping families with the costs of moving into a decent apartment. The FY18 Action Plan projected that up to 42 households would be assisted; 14 families were assisted through contracts with North Shore Community Action Program, Inc. and Citizens, Inn, which was below the expected goal. NSCAP previously reported that it has had difficulty in getting applicants that meet one of the three federal preferences and has increased the maximum it will provide to eligible applicants. Citizens for Adequate Housing also uses a high maximum to eligible applicants. In FY19, one of the existing NSCAP contracts will be canceled and

re-issued as a Tenant Based Rental Assistance contract to work toward a “housing first” model for Salem’s homeless population.

Foreclosure Prevention

Located at www.salem.com/pages/salemma_dpcd/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 FY18, 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 FY18 Action Plan.



*Salem Park & Recreation
Hip Hop Class*

Public service projects funded during FY18 were selected using a Request for Proposals (RFP) process. The Citizen Advisory Committee reviewed all applications received, using criteria that included project eligibility and documented need for services. Recommendations on funding levels were provided to the Mayor following this review. All awards are made to non-profit agencies or city departments to carry out the programs.

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 FY18, we were able to expend \$170,538 on 32 open public service contracts (including 21 FY18 contracts), which, in turn, assisted 8,846 people, including at least 921 youth and 311 seniors (see Table 2 for Active Projects). All contracts with funds remaining are carried over to FY19.

Table2: FY18 Public Services Financial Summary

Agency	CDBG Funding Available	CDBG Funds Spent	Number Assisted	Program Impact
1647 National Center on Time & Learning	\$14,970	\$9,800.00	187 youth	Provided teacher home visits with two teachers at each visit, for students the Bentley Academy Charter and the New Liberty Innovation Schools. During FY17/18, 170 families received a relationship-building home visit to help build strong teacher/family relationships in order to improve student learning and promote family involvement in their child's education.

Agency	CDBG Funding Available	CDBG Funds Spent	Number Assisted	Program Impact
Aspire Developmental Services, Inc. North Shore Infant & Toddler Preschool Program	\$4,800.00	\$4,024.30	64 children	For children with physical and developmental disabilities to attend integrated developmental play groups once per week. 37 children will continue to attend; 2 dropped out. The children who have aged out of the program have gone to private day care (7), Salem Public Schools (14), Head Start (4).
Boys & Girls Club	\$5,000.00	\$5,000.00	277 youth	Provided daily homework help on weekdays for the months of September-December (6281 total visits) for students ages 5-12.
Catholic Charities Homeless Prevention Program	\$9,000.00	\$9,000.00	20 persons	Assisted 10 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	875 persons	Provided food to 250 Salem families, August, 2017-February, 2018, for a total of 4292 visits to the food pantry over 6 months (153,950 pounds of food).
East Gate Fellowship: Joseph's Storehouse	\$9,000.00	\$9,000.00	1789 persons	Provided a supplemental food assistance to 715 unique Salem households for 12 months for a total of 5461 household visits.
H.A.W.C. Legal Services	\$9,000.00	\$9,000.00	98 persons	Provided free legal assistance to survivors of domestic violence. 110 legal consultations were provided by 3 family law attorneys, who assisted clients with abuse prevention and harassment orders, custody, divorce, asset division, child support, and employment and housing rights.
Independent Living Center Accessible Housing Education Services Program	\$4,800.00	\$4,800.00	29 disabled persons/ households	Provided two housing forums, one on availability of housing and one on housing rights. ILCNSCA also provided individual independent living services and information and referral (in-office and telephone) on housing issues. They held twelve monthly Universal Housing Application assistance workshops. Four Salem residents were supported in gaining housing.

Agency	CDBG Funding Available	CDBG Funds Spent	Number Assisted	Program Impact
Inversant Salem Families College Savings Program	\$5,200.00	\$5,200.00	21 youth	Facilitated a total of 7 bilingual workshops (English/Spanish) to learn about financial aid vs scholarships and money management. The program resulted in 5 students completing the program requirements and saving the minimum required to receive matching funds through this program, including enrollment in higher education.
LEAP for Education	\$9,000.00	\$9,000.00	79 youth	54 middle school and 25 high school students attended programs an average of 2 hours/week for 32 weeks during the school year and for middle school students an additional 2 hours/week for 5 weeks in summer. 25 high school students attended College Success Program classes 4 hours/week for 32 weeks. As a result of these activities, 54 applications to colleges/universities were submitted, 8 applications for college financial aid were submitted and 8 students took college entrance exams from October, 2017 through February, 2018.
Lifebridge Medical Support Services	\$9,000.00	\$9,000.00	231 persons	Provided wound care, general health assessments, symptom management, diabetic monitoring and education. 742 health assessments were completed by the Lifebridge nurse between July, 2017 and January, 2018. 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, provided clothing, access to showers, personal care items, blankets, food and sleeping bags to those who remain unsheltered in the community and offered community meals 3 times a day, 7 days a week.
NSCAP Homeless Prevention Program	\$9,000.00	\$9,000.00	27 persons	Assisted 12 families with rent assistance to prevent eviction and homelessness. The agency also served an additional 97 Salem families utilizing other funding.

Agency	CDBG Funding Available	CDBG Funds Spent	Number Assisted	Program Impact
North Shore CDC Family Stability Program	\$6,770.55	\$4,194.34	203 persons	Provided English Language classes (2 beginner classes, 3 intermediate classes and 1 advanced class) for a total of 12 hours per week, tax preparation assistance services for 8 hours per week, 7 career counseling and 6 financial literacy sessions from August, 2017 through March, 2018.
North Shore Moving Market	\$4,500.00	\$4,500.00	74 persons	Assisted approximately 47 Salem households with monthly deliveries of food. Approximately 311 deliveries were made between July and December, 2017.
Salem Community Child Chare	\$9,000.00	\$9,000.00	13 youth	Provided education and child care for 13 children in kindergarten and first grade. Education and care is provided from 1:30-5:30 Monday through Friday when school is in session and 7:00 to 5:30 during school vacations. Children were assisted with homework in order to help them complete kindergarten and prepare them for first grade, and complete art projects and STEM projects, and are given daily gross motor time in the indoor gym or at the local park.
Salem Park & Recreation Playground Program	\$8,400.00	\$3,693.60	63 youth	Provided enrichment programs at Palmer Cove Park during the summer of 2017 and spring of 2018. Programs included art workshops, yoga and meditation, beginner's guitar, hip hop dance and a series of Saturday morning basketball clinics.
Salem Council on Aging Art Program	\$3,458.86	\$2,039.08	23 seniors	Art projects included making picture frames, painting scenes using still life floral arrangements, decorating flip flops and fairy houses, snow globes, Thanksgiving wreaths, napkin rings and centerpieces, key chains and necklaces, lace bowls, tea lamps, rope coasters, painted rocks, tassel wall hangings and bookmarks and a lesson in self-discovery art through painting. Classes averaged 10-14 participants.
Salem Council on Aging Exercise Program	\$1,750.00	\$856.60	30 seniors	Held 15 weekly classes with an average of 12 senior citizens and disabled residents. The class provides body conditioning to enhance strength, balance, coordination and endurance.

Agency	CDBG Funding Available	CDBG Funds Spent	Number Assisted	Program Impact
Salem Council on Aging Transportation Program	\$18,650.00	\$15,300.00	258 seniors	Drivers for the senior transportation program provided 17,006 rides to the following: 5227 to the Council on Aging, 3618 medical, 3979 shopping, 865 events, 741 barber/hairdresser, 358 library, 357 YMCA, 217 bank, 883 volunteer/employment, 761 other.
Salem Police Department Bicycle and Walk/Ride Patrols	\$18,639.08	\$11,081.29	4,120 persons	Provided targeted teamed bike patrols in the Point Neighborhood. They concentrate on the reduction of crime, loiterers, drug interaction & improving quality of life.
Salem YMCA School Age Child Care Program	\$9,000.00	\$9,000.00	217 youth	Provided child care with curriculum based instruction, enrichment activities, swimming and field trips 5 days per week.
Salvation Army Homeless Prevention	\$14,389.68	\$6630.00	36 persons	Assisted 14 households with homelessness prevention (rent arrearage).
V.O.C.E.S. Hispanic Education Program	\$4,818.79	\$4,818.79	106 persons	Provided 586 classes in citizenship and GED in Spanish. During the program year, they reported 62 new US citizens and 1 GED graduates.
Wellspring House MediClerk Program	\$3,000.00	\$3,000.00	6 persons	Assist Salem students in the 13 week MediClerk Program. Students received instruction in Goals/Job Search Strategies, Medical Terminology, Medical Office Procedures, Business Communication, Computer Skills & Keyboarding, Professional Success and an Applied Skills Laboratory. Job shadowing was conducted. 3 of the 4 students from the first two sessions completed the program. Two of the 3 Salem graduates are employed full-time at the North Shore Medical Center and the third is interviewing. Two Salem students are enrolled in the 3rd MediClerk session which began 5/9/18 and will be completed later in summer 2018.
TOTAL PERSONS ASSISTED		8,846 persons, including at least 921 youth & 311 seniors		

EXECUTIVE SUMMARY - ECONOMIC DEVELOPMENT

The City of Salem is dedicated to economic development through efforts to stimulate our local economy, revitalize the downtown and neighborhood commercial districts, improve exterior building façades, and assist local business owners. This focus brings new employers and new jobs to the city, while retaining jobs by helping existing businesses improve their commercial infrastructure or expand their operations. During FY18, several new businesses opened in the downtown bringing new goods and services locally. Salem has also seen a surge of redevelopment in the past few years. The increased development 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 unemployment rate continues to steadily improve. Salem’s unemployment rate in June, 2018 was 3.9%, down from 4.0% in June, 2017.³



Ledger Restaurant

Table 3: FY18 Economic Development Financial Summary

Program		Description	CDBG Funding Available	Status
Storefront Improvement Program		Provides design assistance and/or matching funding up to \$5,000 to business owners wishing to improve the exterior façade of their business.	\$24,332.55	<ul style="list-style-type: none"> • \$1,065 CDBG spent • 2 storefronts assisted
Business Loan Program		Provides three types of loans that fund commercial rehabilitation, job creation or retention and/or micro-enterprise assistance to make our commercial areas vibrant.	\$106,561.91	<ul style="list-style-type: none"> • \$0 CDBG spent
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 • 8 new full & part time jobs documented (=6 FTE) • Assisted 3 new, 45 existing and 4 prospective businesses (including 43 micro-enterprises and 1 expanding business)
	Economic Development Program Delivery	Costs associated with providing Economic Development programs and administration of the Salem Redevelopment Authority.	\$80,541.75	<ul style="list-style-type: none"> • \$80,541.75 CDBG spent • (see description below)

³ <https://www.mass.gov/find-unemployment-rates>

In total, \$116,606.75 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, in the downtown, Point Neighborhood and other commercial areas, and includes:

- Working with businesses on business locations, business expansion;
- Development of tax increment financing agreements;
- Liaising with state economic development agencies to provide businesses with access to tax credits and other incentives;
- Coordinating the development of neighborhood and economic development plans;
- Acting as a liaison between businesses and the Salem Redevelopment Authority, including processing of applications and attending meetings;
- Managing the Salem Main Streets contract; 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 FY18, 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 the approval and installation of public art that included:
 - Mural Slam – Held for a third year, the slam is a two-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 are still in place.
 - Art in Residence Pilot Program at Artists' Row – Artist Claudia Paraschiv created a community table using pallets and materials from each of the vendors on Artists' Row. A reading nook was developed using a painted bureau that held books, along with chairs of different sizes.
 - Lesley University Project - In Collaboration with Salem Public Art Commission and the Public Art Planner, students from Lesley University worked on re-branding Artists' Row. The four person team from the University project included new paint colors, new doors and windows for better interior lighting, the addition of portable gardens with pollinating plants, and a new logo incorporated into signage. The improvements were completed in Fall, 2017.
 - "When Art Speaks" was a collaboration with the art departments and teachers of the Salem Schools. The Public Art Commission hosted an all-city art exhibit for the second year at Old Town Hall bringing in over 200 families during the last weekend in April, 2018.

- Managing a \$3.75M MassWorks Infrastructure Program grant funded project to design and construct a “complete streets” rebuild of a primary entrance corridor leading into Salem’s downtown that will also support several mixed use housing projects with retail, as well as the City’s new “Community Life Center” (senior center).
- Coordination of all processes related to the redevelopment of the City’s former District Court site. This includes the execution of a local Tax Increment Exemption (TIE) Agreement. The project currently calls for a new building to be constructed that will contain 61 condominium units (six units will be deed restricted affordable), on-site parking, and ground floor retail.
- Coordination of the production of ULI Strategic Advisory Panel Report that focused on the issues, constraints and opportunities presented by underutilized publicly-owned, downtown properties.
- Coordination of pre-development work for the adaptive reuse of the Superior Court and County Commissioner’s buildings, including the production of the Salem Superior Court/County Commissioners’ Building Redevelopment Analysis report.
- Managed the City’s designation of Federal Opportunity Zones for two low to moderate income census tracts.
- Managed the update of the Salem Downtown Retail Action Plan.
- Coordination of the pre-development work for the adaptive reuse of the Salem Senior Center at 5 Broad Street.

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, 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 is also the City’s representative board member on the North Shore Workforce Investment Board, which serves as the oversight and policy-making body for federally funded employment and training services in the 19 community North Shore Region. The board also has the broader role of addressing critical labor market issues and developing strategic partnerships with local leaders in economic development, the K-12 and higher education system,

government agencies, and chambers of commerce, as well as community-based and labor organizations. The board charters and oversees a one-stop career center, North Shore Career Center, located in Salem, with satellite offices throughout the North Shore.

Table 4: Economic Development Job Monitoring in FY18

Project	Amount of Assistance	Total Jobs Monitored (mix of part/full time)
Salem Main Streets (t/a)	\$35,000	8 new jobs = 6 FTE
Kokeshi/Ragazza	\$36,620	14 new jobs = 13 FTE

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.



McGlew Park is substantially complete.

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 FY18. 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.

During the program period, we continued to work on important neighborhood projects, and spent a total of \$497,065.89 including program delivery costs, toward meeting the goals in the FY18 Action Plan and 5 Year Consolidated Plan.

Table 5: FY18 Neighborhood Improvement Financial Summary*

Activity	CDBG Funds Available	CDBG Funds Spent	Status
Peabody Street Park canopy/overhang	\$9,800.00	\$9,800.00	Complete
Point Neighborhood Community Space Art Mural	\$3,245.51	\$3,245.51	Complete
Lappin Park Drinking Fountain	\$2,916.00	\$2,916.00	Complete
Street Improvements (i.e. sidewalks, curbcuts, paving & crosswalks)	\$200,000.00	\$200,000.00	Ongoing annually
Tree Planting Program	\$13,065.00	\$13,065.00	Ongoing annually
Lafayette Park Improvements	\$139,983.34	\$123,160.00	Underway
McGlew Park Improvements	\$138,503.25	\$115,028.67	Underway
Punto Urban Art Museum	\$10,000.00	\$10,000.00	Underway
Palmer Cove Park Survey & Testing	\$28,636.92	\$8,848.42	Underway
Point Neighborhood Security Cameras	\$12,612.33	\$8,106.78	Underway
Mary Jane Lee Park Improvements	\$12,013.98	\$2,266.05	Underway
Downtown Pedestrian Mall Improvements	\$169,215.65	\$0	Underway
Splaine Park Climbing Structure	\$18,979.46	\$629.46	Bidding
South River Improvements	\$100,000.00	\$0	Planning
Boston Street Neighborhood	\$25,000.00	\$0	Planning
Downtown Alley Lighting	\$10,000.00	\$0	Planning
Teen Center Furnace Purchase	\$7,500.00	\$0	Planning

**Funds available and spent represent only FY18 and may not reflect the actual entire project cost.*

EXECUTIVE SUMMARY - PLANNING & ADMINISTRATION

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

During FY18, the City used CDBG funds to undertake an appraisal for the soon to be former Council on Aging building, to complete an update the Salem Downtown Retail Action Plan, to provide access to immigration legal services to Salem residents who are foreign born and to engage homeless individuals in order to encourage comprehensive health assessments, including behavioral health, substance abuse and depression.

In FY18, we spent a total of \$206,777.22 in Planning and Administration for planning projects completed in the fiscal year and administration expenses necessary to carry out our programs. As stated previously, we were able to remain under the administrative spending cap of 20 percent.



Salem was selected as one of the winners of the NCD A Region 1 Community Development Achievement Award for 2017 for the Congress Street Residences completed by the North Shore Community Development Coalition

Table 7: FY18 Planning & Administration Financial Summary

Activity	CDBG Funds Available	CDBG Funds Spent
5 Broad Street Appraisal & Recording	\$2,875.00	\$2,875.00
Salem Downtown Retail Action Plan	\$2,750.00	\$2,750.00
Open Door Immigration Services	\$13,000.00	\$5,690.75
North Shore Community Health	\$10,000.00	\$10,000.00
General Administration - Non-salary	\$8,450.47	\$8,450.47
General Administration - Benefits	\$39,008.16	\$39,008.16
General Administration - Salary	\$138,077.84	\$138,077.84
Unprogrammed Studies	\$11,500.00	\$0

CR-05 - Goals and Outcomes

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

91.520(a)

Please note that the CAPER in IDIS defaulted to Version 4, which was an amendment to the NSHC/Peabody Action Plan 2017, which shows all Salem projects as status "Canceled". We are unable to use a prior version and the result is our accomplishments are not associated with a strategic plan goal and we had to enter all accomplishment data manually.

For Affordable Housing Development the 27 units that was proposed in the 2015 AAP was for the Harbor/Lafayette project, now being funded with HOME funds, and to be reported through the Consortium when complete. The Congress/Ward project will also be reported through the Consortium. The Congress/Dow project is now complete and accomplishment data is reported in this CAPER (34 units).

We exceeded our goal to assist 3 households to purchase their first home through the First Time Homebuyer Program by assisting 5 households.

The Housing Rehabilitation Loan Program continues to assist families in need and to meet or exceed the goals laid out in the Consolidated Plan. In FY18, we exceeded our estimate of rehabilitating 2 housing units with having improved 8 housing units.

The AAP projected up to 42 households would be assisted with our Rental Downpayment Assistance Programs. However, just 14 families were assisted with contracts through the North Shore Community Action Programs, Inc. and Citizens Inn, Inc., utilizing HOME funds (to be reported through the North Shore HOME Consortium).

For Small Business Economic Development Activities, while no new loans were issued, monitoring of an existing loan resulted in 14 new jobs (13 FTE), exceeding the AAP goal of 2 jobs. Two businesses were assisted through the Storefront Improvement Program.

For Business Technical Assistance, the Salem Main Streets Program provided technical assistance to 3 new, 45 existing or 4 potential businesses for a total of 52, including 43 micro-enterprise businesses and 1 expanding business, exceeding our FY16 Annual Action Plan (AAP) goal of assisting 22 business owners. Please note that only the new and existing businesses (48) are included in Table 1. In addition, 8 new jobs were documented (6 FTE) exceeding the goal of 5 jobs.

For Community Support Services, our AAP goal was to provide approximately 23 new grants and serve an estimated 8,300 persons. We were right on par by executing agreements for 23 new grants and through these new grants and carried over open contracts, we assisted 8,846 persons. One program is in an LMI census track of 4120 persons. There were three actual activities for this program due to carried over funds, but for accomplishment purposes, the numbers were not duplicated.

CAPER NARRATIVES IN IDIS

Downtown Improvements accomplishment number (5055 expected) is based on the census tracks in the Downtown Slum/Blight area, which may include several activities. In Table 2, each year, rather than multiply 5055 times the number of activities completed, we use 5055 as the total actual, avoiding inflated or duplicated numbers.

Neighborhood Improvement Activities' accomplishments (8265) are the census track totals for the completed Peabody Street Park Improvements, Street Improvements, Tree Planting and Point Neighborhood Community Space Art Mural (although there are additional open activities with expenditures), not duplicating any tracks. Projects underway include Lafayette Park Improvements, McGlew Park Improvements, Punto Urban Art Museum, Palmer Cove Park Survey & Testing, Point Neighborhood Security Cameras, and MaryJane Lee Park improvements. Additional projects from the AAP are in the planning stage and these funds will be carried over to FY19.

Lastly, the City of Salem broke ground on a new Council on Aging facility on September 7, 2017. Construction completion is slated for Fall, 2018.

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%	2	34	1700.00%
Business Technical Assistance	Non-Housing Community Development	CDBG: \$	Jobs created/retained	Jobs	10	26	260.00%	5	6	120.00%
Business Technical Assistance	Non-Housing Community Development	CDBG: \$	Businesses assisted	Businesses Assisted	50	130	260.00%	22	48	218.18%
Community Support Services	Homeless Non-Homeless Special Needs	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	45000	25378	56.40%	8300	8846	106.58%
Downtown Improvements	Non-Housing Community Development	CDBG: \$	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	5055	5055	100.00%	5055	5055	100.00%

CAPER NARRATIVES IN IDIS

First Time Homebuyer Program	Affordable Housing	CDBG: \$	Direct Financial Assistance to Homebuyers	Households Assisted	25	13	52.00%	3	5	166.67%
Housing Rehabilitation Programs	Affordable Housing	CDBG: \$	Homeowner Housing Rehabilitated	Household Housing Unit	20	21	105.00%	2	8	400.00%
Neighborhood Improvements Activities	Non-Homeless Special Needs	CDBG: \$	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	8265	8265	100.00%	8265	8265	100.00%
Small Business Financial Assistance Programs	Non-Housing Community Development	CDBG: \$	Jobs created/retained	Jobs	15	30	200.00%	2	13	650.00%
Small Business Financial Assistance Programs	Non-Housing Community Development	CDBG: \$	Businesses assisted	Businesses Assisted	5	6	120.00%	2	2	100.00%

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

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

Overall, we made significant progress toward meeting the priorities and objectives of our 5-year Consolidated Plan and FY18 Action Plan. The following is a summary of major activities accomplished in FY18:

- 5 families assisted to purchase their first home in Salem;
- 9 housing units were renovated;
- 14 families received assistance with first/last month's rent and/or security deposits (HOME funds);
- 32 open social service contracts assisted 8,846 persons, including at least 921 youth and at least 311 seniors;
- 14 new jobs were created through the monitoring of one business previously provided with an economic development loan;
- 2 businesses provided with storefront improvement assistance;
- 8 new jobs documented through the Salem Main Streets Program;
- Salem Main Streets Program highlights: Assisted 3 new, 45 existing businesses and 4 prospective businesses (including 43 micro-enterprises and 1 expanding business). Technical assistance included one-on-one design assistance, appearance and marketing (including social media), advocacy, strategy, business plan development, expansion assistance, and relocation assistance. The agency holds periodic retail meetings, which provide resource information, market study information, overview of promotions, technical support (i.e. design assistance), information on signage regulations and approvals, and updates on issues such as grant applications, plastic bag ban, and shop local campaign. They also provided targeted promotions, ribbon cuttings and events. Events included the Farmers' Market, a fashion show and Salem Arts Festival, the Ice Scream Bowl, Howl-o-ween Parade, Holiday Tree and Santa's Arrival, Small Business Saturday, Holiday Window Contest, Festive Fridays, New Year's Eve LAUNCH!, Salem So Sweet and Salem Film Fest Window Contest.
- Peabody Street Park canopy/overhang purchased and installed;
- Point Neighborhood Community Space Art Mural completed;
- Lappin Park Drinking Fountain replaced;
- Street improvements completed on Salem Street; and
- 55 trees which were planted on Congress, Dow, Perkins, Ward, Andrew, Federal, Cabot, Cedar, Fairfield, Gardner, Hancock, Lafayette, Linden, Chandler, Cushing, North and School Streets and Memorial Drive and Raymond Avenue.

Salem has received significant cuts in CDBG (22%) and HOME (52%) funds from FY11 to FY18. Still, despite the reduction in HUD funding, we are proud of the accomplishments made and that we continue to meet Salem needs and goals.

CR-10 - Racial and Ethnic composition of families assisted

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

91.520(a)

	CDBG
White	2,566
Black or African American	771
Asian	45
American Indian or American Native	27
Native Hawaiian or Other Pacific Islander	34
Total	3,443
Hispanic	1,536
Not Hispanic	1,907

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	CDBG	1,072,049	1,257,396
HOME	HOME		
HOPWA	HOPWA		
ESG	ESG		
Housing Trust Fund	Housing Trust Fund	0	0
Other	Other	1,378,997	1,860,580.39

Table 3 - Resources Made Available

Narrative

CDBG funds – the actual amount spent in FY18 (\$1,257,396.27).

The total of \$1,860,580.39 includes:

City of Salem - the actual amount of City of Salem funds spent on salaries and benefits (\$590,153.17).

City of Salem CIP - the amount budgeted in FY18 toward projects also being funded with CDBG and/or CPA funds (\$515,000).

CPA funds - the total of amount of surcharge funds collected (\$617,350.80), not including penalties or interest, and including the State match funds received (\$100,418) for a total of \$717,768.80.

HOME funds - the actual amount spent in FY18 (\$37,658.42).

Identify the geographic distribution and location of investments

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

Table 4 – Identify the geographic distribution and location of investments

Narrative

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

concentrations of low- and moderate-income households or to programs that benefit specific populations such as senior citizens, disabled persons and minorities.

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

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

Leveraging

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 FY18 that we were able to document.

Housing

- For the First Time Homebuyer Program, homebuyers provided \$84,712 in private funds as well as obtained \$1,066,054 in financing from a primary lender.
- For the Housing Rehabilitation Loan Program, homeowners provided \$3,050 in private funds.

Economic Development:

- The Salem Main Streets Program leveraged \$65,836.36. Of this total, \$3,165.30 was from local business and donations and \$62,671.06 was from event fees and donations to cover costs.
- Storefront Improvement Program leveraged \$1,187.50 in business matching funds.

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

- Mary Jane Lee Park's CDBG funds are leveraging a \$400,000 PARC grant, \$85,075 in CPA funds and \$60,000 in the City's Capital Improvement Program funds.
- McGlew Park funds are being leveraged with \$79,383 in CPA funds, a \$394,580 PARC grant and \$88,348 in Capital Improvement Plan (CIP) funds.
- The Lafayette Park project is leveraging \$100,000 in CPA funds, \$25,000 in CIP funds and \$14,850 in Capital Outlay Funds.
- Street Improvements for Salem Street leveraged \$79,113.33 in CIP funds.

Planning & Administration:

- Planning and administration funds leveraged \$506,174.70 in City funds plus \$83,978.47 in benefit costs, along with and \$4,718.49 in State Seaport Advisory Council funds and

\$22,716.78 in Massachusetts Historical Commission Survey and Planning Grant funds for all DPCD staff.

Public Services:

- Most of the public service agencies funded use CDBG funds as a portion of their overall activity budgets. Based on leveraged funds reports provided by each agency at the end of the program year, the amount leveraged is \$4,113,783.27 in other federal, state, private or other funds.

Note: Leveraged funds for multi-year projects may be repeated within more than one year's CAPER. Above, leveraged funds are only included for projects for which CDBG funds were expended during the fiscal year. 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	5	13
Number of Special-Needs households to be provided affordable housing units	0	0
Total	5	13

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	2	8
Number of households supported through Acquisition of Existing Units	3	5
Total	5	13

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 (2 under the Housing Rehabilitation Program and 3 under the First Time Homebuyer Program), in FY18 we assisted 13 units/households (8 under the Housing Rehabilitation Program and 5 under the First Time Homebuyer Program).

Rental assistance was provided to 14 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	2	0
Low-income	6	0
Moderate-income	5	0
Total	13	0

Table 7 – Number of Households Served

Narrative Information

These numbers reflect the 5 households (not persons) assisted through the First Time Homebuyer Program (80% moderate income) and the 8 households (not persons) assisted by the Housing Rehabilitation Program (62.5% low income). These show that Salem's housing programs serve all income levels, but predominantly (61.5%) those with low or extremely low incomes.

HOME numbers are reported through the North Shore HOME Consortium.

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

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

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

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

Through Lifebridge, a 34-bed shelter for men and women, the City partially funds a licensed nurse through their Medical Support Services Program which provides on-site and community-based health assessments to the homeless population, including wound care, general health assessments, symptom management, diabetic monitoring, nutrition and general health education - 231 persons received a total of 742 health assessments from July, 2017 to January, 2018. 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.

In July, 2017, Salem held a Public Dialogue to involve residents, business owners, community groups, and homeless individuals in a conversation on how the community can collectively address homelessness. A [presentation](#) introduced the Collaborative of Hope and outlined existing statistics and practices, along with new strategies. Resulting efforts included:

- Collaborate For Hope's Homeless Task Force - Monthly meetings of organization representatives (i.e. City of Salem, Salem Police Dept., North Shore Community Health Center, Lifebridge, NSCAP and the North Shore Workforce Investment Board).
- Added police patrols and training (i.e. the distribution of *Homeless Solutions & Resources: A Police Officer's Guide to Policing the Community*).
- Funded with CDBG, outreach workers on call out of the Salem Police Department in partnership with North Shore Community Health, to connect homeless with health and other services.
- Establishing hope@salem.com to report non-emergency transient or homeless issues.
- High Risk Homeless Task Force, where service providers meet monthly to review the cases of high-risk individuals and work to address individual needs.
- Launching the Changelt campaign, an alternative giving option for people to "text to give". Donors text Salem to 50555 to make a \$5 donation, with the dual goal to raise donations for programs and decrease panhandling, which often goes to feed addictions or other unhealthy behavior.

Another public meeting was held in April, 2018. Included were updated calls for service statistics (that resulted in adjusted patrol schedules), information regarding housing being made available to homeless persons, outreach caseworker's summary of the types of assistance provided to approximately 70 homeless individuals, discussion of potential day programs (which helps reduce loitering by homeless individuals, while providing a comfortable space for access to services) and the formation of community coalitions.

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.

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.

Although not funded with CDBG, HAWC provides childcare and therapeutic intervention for the mothers and children at the shelter for abused women and their children. HAWC provides services to victims of domestic abuse and their children.

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

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

care, health screening and education, ESOL, job readiness and skills training, financial education and budgeting, and individual counseling and support groups.

In FY15, the City awarded CPA funds for North Shore CDC's proposed project at 15-17 Harbor Street for 27 single room occupancy units for which 17 units will be set aside for formally-homeless, low-income youth aging out of the foster care system. Salem has awarded \$100,000 in CPA funds and \$50,000 from HOME funds and the project is under construction.

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

The City of Salem has committed \$185,000 in HOME funds to Harborlight Community Partners project to rehabilitate two buildings on Boston St. (26 studio units) in order to house formerly homeless individuals, along with providing supportive services. One building is complete and occupied, while the second is nearing completion.

Although not specifically for homeless persons, the City executed a HOME agreement 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 total, 14 families were provided with this tenant based rental assistance. The City is working with NSCAP to amend an existing HOME agreement to target the funds to chronically homeless to be used toward a Housing First model, which will provide housing with supportive services.

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 FY18, agreements were executed with Catholic Charities, Salvation Army and NSCAP for homeless prevention through emergency assistance of rental payments in order to avoid eviction. Along with carried over contracts with Salvation Army, in FY18, these programs resulted in 36 households (83 persons) avoiding homelessness through CDBG-funded Homeless Prevention Programs.

The City also awards sub-grants to other agencies that serve specific sub-populations, such as at-risk youth, seniors, persons with disabilities, or to residents who need ESOL, job readiness and skills training,

or other anti-poverty initiatives, including assistance with food, child care or other needs. Although funding to these organizations does not target homelessness per se, the funding aids in stabilizing individuals and families, thereby reducing the risk of homelessness or its recurrence. Programs were provided by East Gate Fellowship (Joseph's Storehouse), 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 Independent Living Center of the North Shore and Cape Ann, Inc. 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 cited in the Strategic Plan and evidenced by consistently excellent SEMAP and PHAS scores, the Salem Housing Authority is a well-managed public housing authority designated as a “high performer”. In its most recent PHAS evaluation, the SHA scored 90 out of a possible 100 points and its most recent SEMAP score was 100 out of 100.

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

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

State Properties:

- \$250,000 Window replacement, venting, tub surround replacement, and related work at 117 Congress St.;
- \$650,000 Carpet replacement, painting, and related work at various elderly and handicapped developments;
- \$100,000 Lock replacement at 27 Charter St.; and
- \$480,000 Concrete balcony repair work at Bates and Norton Terraces

Federal Properties:

- \$300,000 Window replacement, skylight and related work at the Zisson Building; and
- \$69,865 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 has a Resident Advisory Board (RAB) that is actively engaged with the planning and submission of the Public Housing Agency annual plan. There is also an active tenants’ association at the 27 Charter Street elderly housing development. All SHA residents of state-funded public housing are included in

the annual planning and submission of the state-funded Capital Improvement Plan.

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. Subsidized and affordable housing is located citywide and is not disproportionately concentrated. Foreclosures and loan denials have also occurred proportionally in all areas. However, some factors continue to contribute to the difficulty of increasing the availability of affordable housing, including a shortage of land and regulatory and environmental constraints.

Salem has limited remaining developable land and, due to Salem's industrial past, much of it is impacted by environmental contamination. Some degree of brownfield remediation is needed for almost any project. Some projects are also subject to Chapter 91, the Wetlands Protection Act or fall within FEMA designated flood zones. Regulations around these natural environmental conditions establish land use constraints and/or mitigation requirements, and necessitate further review/permitting depending on location or scale. This process slows projects and adds to the cost of development. The City works toward resolving permitting issues - monthly, as needed, holds "One-Stop" meetings that include project proponents, staff of land-use boards and department representatives in order to review/coordinate required permitting.

Salem does not have an inclusionary zoning ordinance. As a result, the redevelopment of obsolete residential and commercial space for new condominium or rental housing has produced higher-end units that are not affordable to many City residents. While the infusion of more people and disposable income in the downtown area supports local economic development goals, a lack of a sufficient supply of housing LMI households may create negative social and economic consequences for the City as a whole. The City will continue to utilize MA Chapter 40B Comprehensive Permit program to waive local zoning requirements (i.e. density, height, use) in order to create new affordable housing, utilize local funding (Affordable Housing Trust Fund and CPA funds) to facilitate affordable housing development, utilize a recently awarded \$59,000 grant from MassHousing to implement the vision of the city's "Imagine Salem" planning process by studying neighborhood mixed use zoning, conducting a public engagement campaign around affordable housing needs, and advancing a new inclusionary zoning ordinance and reconvene the Affordable Housing Trust Fund Board with a renewed focus on investigating policy changes that might help remedy housing challenges.

In early 2018, Salem was approved for a Housing Development Incentive Program (HDIP) Zone and Plan for Downtown Salem. The HDIP is intended to help increase residential growth, expand diversity of

housing stock, support economic development, and promote neighborhood stabilization in designated areas in Gateway Cities. The HDIP will help accomplish public or private redevelopment of vacant or underutilized land and buildings, such as the District Court redevelopment, Superior Court and County Commissioners Buildings and the City-owned parcel adjacent to the MBTA station.

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

The primary obstacle to addressing underserved needs is the lack of adequate funding. For FY18, the City received a 3% decrease in CDBG funding, and a nearly 2% decrease in its HOME allocation over FY17. In total, CDBG funding has been reduced by 22% since FY11, while HOME funding has been reduced by more than 52%. In addition to CDBG and HOME funds, Salem uses CPA funds to assist with the development of affordable housing and is active in identifying and applying for grant funds applicable to our needs.

As noted above, Salem was recently selected to receive a \$59,000 housing planning grant from MassHousing which will be used to begin to implement the vision of the city's recent "Imagine Salem" planning process by studying neighborhood mixed use zoning, conducting a citywide public engagement campaign around affordable housing needs, and advancing a new inclusionary zoning ordinance. The project will support Salem's efforts to meet new housing demand, estimated by the Metropolitan Area Planning Council, of 2,700 new housing units by the year 2030.

The City will continue to support the creation of new affordable housing units, neighborhood improvement projects, and anti-poverty strategies through partnership with non-profit entities, supplementing state and federal subsidies with local funding, and case-by-case negotiation with private developers. In FY16, the financial closing was completed for the Congress Street Residences, for which the City assisted with acquisition in FY15. Rehabilitation is complete and beneficiaries are reported in this CAPER. Funding has been set aside for Harbor-Lafayette Homes (\$50,000 in HOME funds, \$100,000 in CPA funds) to create 27 affordable units, with 17 for formerly homeless youth, as well as for Boston Street Residences (\$185,000 in HOME funds) to create 26 studio units for formerly homeless individuals, along with supportive services in 2 buildings. Harbor/Lafayette is now under construction. Boston Street Residences has completed one building and the second is nearing completion.

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.

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

The Salem Board of Health disseminates information regarding the proper disclosure of lead hazards upon selling or renting a housing unit and inspects rental units for lead paint hazards. In Salem, a landlord is required to obtain a Certificate of Fitness inspection when an apartment becomes vacant. Board of Health personnel conduct this inspection and enforce the State Sanitary Code for Housing. When the information is sent to the landlord prior to this inspection, a letter describing the Federal law

is included, as is a copy of the Tenant Notification Form in English and Spanish. Also, the Board of Health periodically sends notification of regulations regarding lead-based paint to area realtors.

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

The City actively works to reduce lead-paint hazards in pre-1978 housing occupied by lower-income households through the City of Salem's *Housing Rehabilitation Loan Program*. Through the Salem *Housing Rehabilitation Loan* and *Get the Lead Out Programs*, the City provides loan funds for qualified applicants for lead testing, hazard reduction and abatement activities, and temporary relocation reimbursements. Lead-based paint hazard control measures are consistent with the federal Title X requirements and State lead based paint regulations. MassHousing's *Get the Lead Out Program* is also available to homeowners with a lead poisoned child. In FY18, one unit was made lead free through the City's Housing Rehabilitation Loan Program.

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

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

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

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

The City will continue to support various educational programs for youth, adults, and the Spanish-speaking population with CDBG funds, including Salem Public Schools, and programs administered by non-profit agencies such as Bentley School home visits, Aspire Developmental Services, LEAP for Education, the Boys and Girls Club, North Shore Community Development Coalition, Inversant College Savings Program and VOCES (all funded in FY18). Child care services (Salem Community Child Care, Salem YMCA) also include an educational component.

Job Training - Salem collaborates with numerous job training, and workforce development programs in the region such as the North Shore Career Center and the North Shore Workforce Investment Board. The City continues to use CDBG funds to support job training and employment assistance programs such as the Wellspring House MediClerk Program (funded in FY18).

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

Social Services - Through a competitive funding round, the City of Salem uses CDBG funds to support 20-25 non-profit social service programs annually. These organizations provide services to help families meet the costs of living, promote family self-sufficiency, serve special populations and/or provide crisis intervention assistance – programs seeking to break the cycle of poverty. CDBG funds support several programs which indirectly assist with housing in many ways such as increased pay (i.e. job training, ESL programs) and decreased monthly expenditures (i.e. child care, food programs) so households can better afford rent or mortgages. There are also many non-CDBG funded programs available to Salem residents to help households overcome various obstacles to self-sufficiency. 8,846 persons were served by CDBG funded social service programs in FY18.

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

Under the direction of the DPCD Director, the Assistant Community Development Director oversees Salem's community development programs. Housing programs are administered by the Housing Coordinator and sometimes non-profit agencies, CHDOs and CDCs. Each year, the DPCD issues a Request for Proposals and awards CDBG funds to non-profit agencies for social service, housing and economic development programs. The Assistant Community Development Director coordinates the management of the public service and housing subcontracts and the Economic Development Planner manages the economic development subcontracts. City departments undertake certain CDBG-funded activities, (i.e. tree planting, street improvements). The departments may subcontract work thru public bidding procedures and provide the DPCD with reimbursement requests and required documentation (i.e. prevailing wage). In general, DPCD staff carry out the remaining activities, including the hiring of consultants or other private businesses through established municipal purchasing procedures.

The City's auditing firm audits the CDBG program delivery system annually. In addition, HUD staff conduct periodic monitorings. The City promptly implements any recommendations as a result of these reviews. Salem received an on-site monitoring by an Equal Opportunity Specialist of HUD's Office of FHEO in March, 2015 and there were no findings or concerns issued.

Staff periodically attend trainings - examples in FY18 include:

- Cruising the Commonwealth Seminar, July, 2017, Preservation Massachusetts
- Webinar- Zoning Reform in Massachusetts, August, 2017
- Coastal Manual Training, September, 2017, CZM and DEP
- Webinar - Historic Tax Credit Update, September, 2017
- Interviewing Workers On Davis-Bacon Projects, Sept., 2017
- URA and Section 104(d) Training, HUD, September, 2017
- CDBG Rehabilitation Training Session, HUD, October, 2017
- SNEAPA Conference, October, 2017
- North Shore Housing Partnerships to End Homelessness! October, 2017, HUD
- Webinar – Lending for Redevelopment Projects: November, 2017
- Community Building and Economic Development through Art, November, 2017, MAPC
- Webinar – Giving Dying Malls New Life, November, 2017
- Webinar – Award Winning Sustainability 2017 – Part 1 & 2, November/December, 2017
- Webinar – It’s Not Just a Color on the Map – Zoning in Plan Implementation, November, 2017
- Webinar – Case Studies in the FTA: Manual on Pedestrian and Bicycle Connections to Transit, December, 2017
- Webinar - Does Your Vision Pencil Out? Under the Hood with Policy, December, 2017
- Affordable Housing Design, January, 2018, MassHousing Partnership
- MAPC Arts and Culture Discussion Series: Art and Green Infrastructure, January, 2018
- Webinar – Best Practices for the Con Plan and Action Plan, March, 2018
- CDBG for Economic Development, March, 2018, HUD
- CNU New England Summit, March, 2018
- Part 58 Environmental Review Procedures, April, 2018, HUD
- Small Scale Developer Forum: Historic Meets Contemporary, ULI Conference, April, 2018
- Innovative Financing for Climate Adaptation, April, 2018, Environmental Business Council
- CDBG National Objective and Eligibility Training, May, 2018
- IDIS for CDBG Training for New Users, HUD, May, 2018
- Webinars – HUD – Building HOME Webinar Series II, June 2018
- Cultural Sensitivity, June, 2018, MIIA
- Webinar- Native American Tribes, Law, and Planning, June, 2018
- Webinar - Hazard Mitigation and Historic Preservation, June, 2018

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

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

The City also works with nonprofit agencies to administer social service activities. Agencies are

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

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

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

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

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

- The Housing Coordinator attended Know Your Rights fair housing training in Boston in January, 2016 to further understand the Fair Housing Law and to educate others.
- The City maintains a page on its website for Fair Housing and Housing Discrimination. The page explains housing discrimination and fair housing laws and is designed to assist consumers, real estate professionals and lenders. The page also lists resources available to victims of discrimination.
- The City provides public service and housing assistance funding to agencies whose activities assist specific populations with improving their quality of life. Provider assistance may include locating appropriate and, if needed, accessible housing, as well as a range of human services. Providers regularly interact with minority, disabled and low-income populations. These interactions present opportunities for providers to understand their clients' housing concerns and to assist them in cases of discrimination. So that providers understand the fair housing laws and available resources for addressing fair housing issues, the City's community development staff provide technical assistance and guidance to local housing and service providers. The City also directs its CDBG funding to programs that promote fair housing through the provision of their services, such as the Independent Living Center's Accessible Housing Education Services Program. Furthermore, the city requires all sub-recipients to comply with the Fair Housing Act.
- The City encourages people, organizations and agencies to work together to address housing issues. One of CHAPA's Spring Regional 2018 meetings was held in Salem in March, 2018, to which staff attended. Salem also administers Salem HOPE, a networking group of social service providers that meets quarterly at rotating public service agency locations. It is a forum to share insights and concerns, to work toward filling gaps in services and to coordinate efforts.
- The City's housing staff regularly participate in housing fairs held by lending institutions and real

estate professionals. At these fairs, the City provides information regarding its first-time homebuyer, rehabilitation and deleading programs. In addition, staff disseminate information regarding the fair housing law, including protected classes, typical violations and resources available to victims of discrimination. This is an opportunity for staff to talk one-on-one with residents who may be victims of discrimination in lending and/or victims of steering. By speaking with people first-hand, staff are able to learn about the fair housing climate in the city and identify fair housing issues.

- The City provides financial assistance to North Shore CDC, a nonprofit organization that 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.

CR-40 - Monitoring 91.220 and 91.230

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

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

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

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

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

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

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

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

Payments to agencies are made on a reimbursement basis to ensure compliance with expenditure requirements. The Assistant Community Development Director encourages timely submission of

reimbursement requests by subrecipients and reviews timeliness status weekly until the annual 1.5 draw ratio is met.

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

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

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

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

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

The FY18 CAPER's comment period ran from 8/29/18-9/14/18. There were no comments received.

CR-45 - CDBG 91.520(c)

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

In general, there are no anticipated changes in Salem's program objectives. 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. When the activity has been completed, we will make this notation in the appropriate CAPER.

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

No

APPENDIX

Financial Summary Report (PR26) for FY18 (HUD's Program Year 2017)

Please note:

- The PR26 for FY17 erroneously used Line 45 (instead of using Line 16) from the FY16 PR26 as Line 1 of the FY17 PR26, resulting in Line 8 (Total Available) and Line 16 (Unexpended Balance) of FY17 PR26 to be in error. This correction has been reflected in the FY18 PR26.
- Line 14 adjustment is \$13,217 from voucher #6167753 that was drawn on 7/2/18, but was unable to be changed to HUD year 2017 in IDIS. Of that \$7990.29 is Planning/Administration.
- Line 40 adjustment is \$7990.29 in Planning/Administration from voucher #6167753 that was drawn on 7/2/18, but was unable to be changed to HUD year 2017 in IDIS.

Maps

- Low to Moderate Income Areas
- Geographic Distribution of Entitlement Funds Expended FY18

Section 3 Report



PART I: SUMMARY OF CDBG RESOURCES

01 UNEXPENDED CDBG FUNDS AT END OF PREVIOUS PROGRAM YEAR	994,341.37
02 ENTITLEMENT GRANT	965,549.00
03 SURPLUS URBAN RENEWAL	0.00
04 SECTION 108 GUARANTEED LOAN FUNDS	0.00
05 CURRENT YEAR PROGRAM INCOME	128,794.55
05a CURRENT YEAR SECTION 108 PROGRAM INCOME (FOR SI TYPE)	0.00
06 FUNDS RETURNED TO THE LINE-OF-CREDIT	0.00
06a FUNDS RETURNED TO THE LOCAL CDBG ACCOUNT	0.00
07 ADJUSTMENT TO COMPUTE TOTAL AVAILABLE	0.00
08 TOTAL AVAILABLE (SUM, LINES 01-07)	2,088,684.92

PART II: SUMMARY OF CDBG EXPENDITURES

09 DISBURSEMENTS OTHER THAN SECTION 108 REPAYMENTS AND PLANNING/ADMINISTRATION	1,045,392.34
10 ADJUSTMENT TO COMPUTE TOTAL AMOUNT SUBJECT TO LOW/MOD BENEFIT	0.00
11 AMOUNT SUBJECT TO LOW/MOD BENEFIT (LINE 09 + LINE 10)	1,045,392.34
12 DISBURSED IN IDIS FOR PLANNING/ADMINISTRATION	198,786.93
13 DISBURSED IN IDIS FOR SECTION 108 REPAYMENTS	0.00
14 ADJUSTMENT TO COMPUTE TOTAL EXPENDITURES	13,217.00
15 TOTAL EXPENDITURES (SUM, LINES 11-14)	1,257,396.27
16 UNEXPENDED BALANCE (LINE 08 - LINE 15)	831,288.65

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	42,981.65
19 DISBURSED FOR OTHER LOW/MOD ACTIVITIES	998,429.69
20 ADJUSTMENT TO COMPUTE TOTAL LOW/MOD CREDIT	0.00
21 TOTAL LOW/MOD CREDIT (SUM, LINES 17-20)	1,041,411.34
22 PERCENT LOW/MOD CREDIT (LINE 21/LINE 11)	99.62%

LOW/MOD BENEFIT FOR MULTI-YEAR CERTIFICATIONS

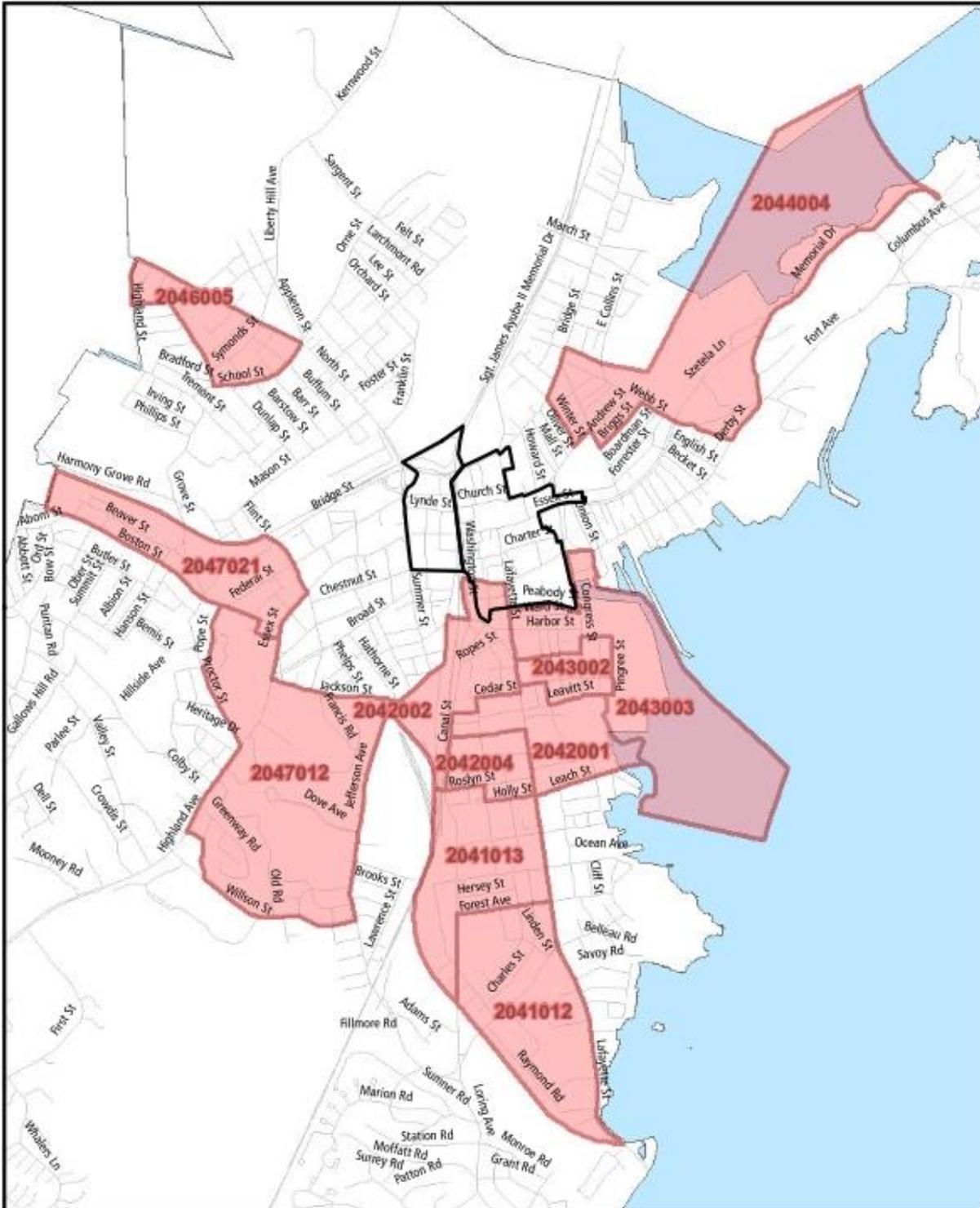
23 PROGRAM YEARS(PY) COVERED IN CERTIFICATION	PY: PY: PY:
24 CUMULATIVE NET EXPENDITURES SUBJECT TO LOW/MOD BENEFIT CALCULATION	0.00
25 CUMULATIVE EXPENDITURES BENEFITTING LOW/MOD PERSONS	0.00
26 PERCENT BENEFIT TO LOW/MOD PERSONS (LINE 25/LINE 24)	0.00%

PART IV: PUBLIC SERVICE (PS) CAP CALCULATIONS

27 DISBURSED IN IDIS FOR PUBLIC SERVICES	170,538.00
28 PS UNLIQUIDATED OBLIGATIONS AT END OF CURRENT PROGRAM YEAR	29,608.96
29 PS UNLIQUIDATED OBLIGATIONS AT END OF PREVIOUS PROGRAM YEAR	39,426.96
30 ADJUSTMENT TO COMPUTE TOTAL PS OBLIGATIONS	0.00
31 TOTAL PS OBLIGATIONS (LINE 27 + LINE 28 - LINE 29 + LINE 30)	160,720.00
32 ENTITLEMENT GRANT	965,549.00
33 PRIOR YEAR PROGRAM INCOME	113,129.71
34 ADJUSTMENT TO COMPUTE TOTAL SUBJECT TO PS CAP	0.00
35 TOTAL SUBJECT TO PS CAP (SUM, LINES 32-34)	1,078,678.71
36 PERCENT FUNDS OBLIGATED FOR PS ACTIVITIES (LINE 31/LINE 35)	14.90%

PART V: PLANNING AND ADMINISTRATION (PA) CAP

37 DISBURSED IN IDIS FOR PLANNING/ADMINISTRATION	198,786.93
38 PA UNLIQUIDATED OBLIGATIONS AT END OF CURRENT PROGRAM YEAR	7,459.25
39 PA UNLIQUIDATED OBLIGATIONS AT END OF PREVIOUS PROGRAM YEAR	23,183.55
40 ADJUSTMENT TO COMPUTE TOTAL PA OBLIGATIONS	7,990.29
41 TOTAL PA OBLIGATIONS (LINE 37 + LINE 38 - LINE 39 +LINE 40)	191,052.92
42 ENTITLEMENT GRANT	965,549.00
43 CURRENT YEAR PROGRAM INCOME	128,794.55
44 ADJUSTMENT TO COMPUTE TOTAL SUBJECT TO PA CAP	0.00
45 TOTAL SUBJECT TO PA CAP (SUM, LINES 42-44)	1,094,343.55
46 PERCENT FUNDS OBLIGATED FOR PA ACTIVITIES (LINE 41/LINE 45)	17.46%



CITY OF SALEM



Map created by Jack Nessen: SalemGIS
August 23, 2018
Map No. 18-001

Mayor
Kimberley Driscoll

Geographic Distribution of
Entitlement Fund Expenditures - FY18

Legend

FY18 Expenditure Type

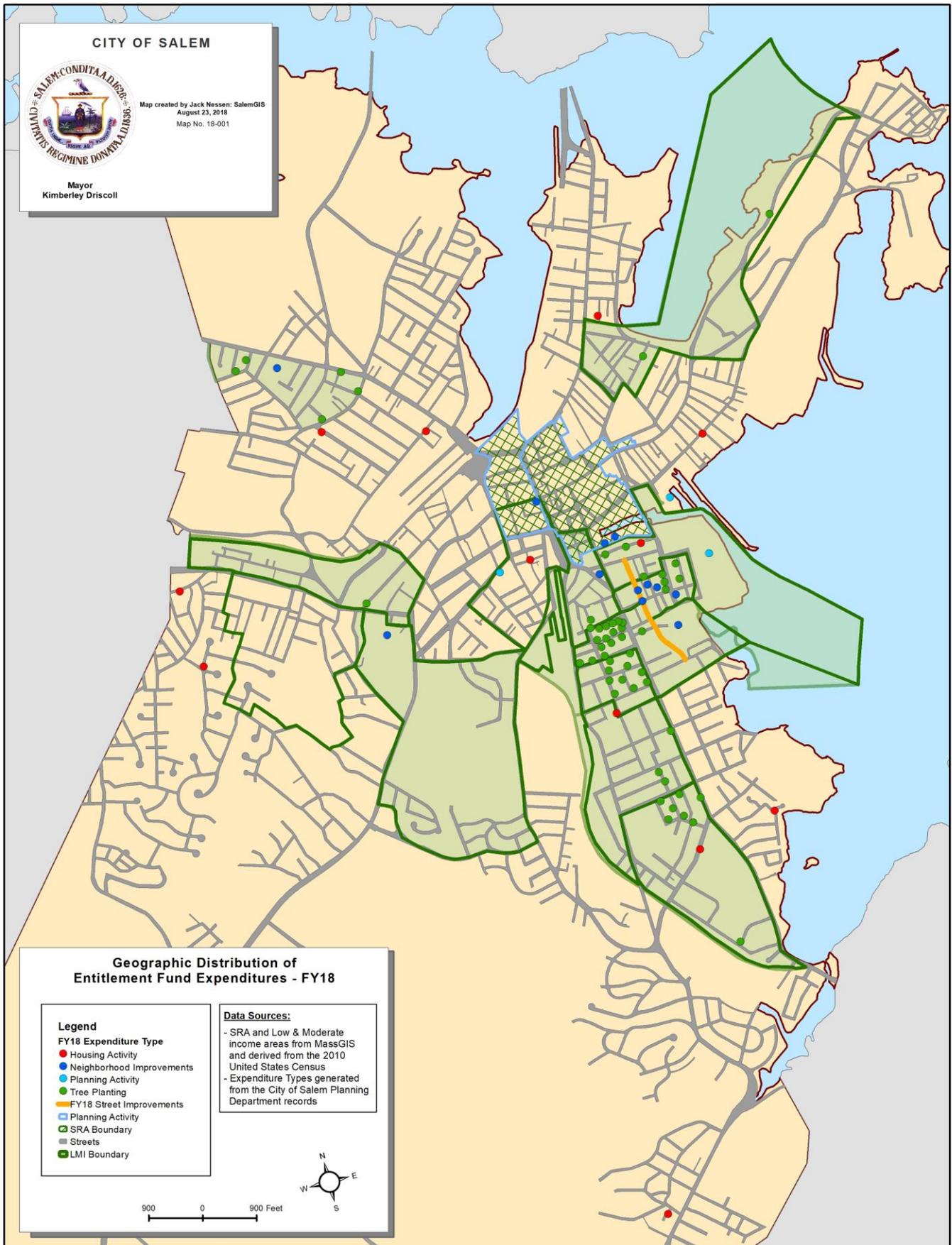
- Housing Activity
- Neighborhood Improvements
- Planning Activity
- Tree Planting
- FY18 Street Improvements
- Planning Activity
- ▭ SRA Boundary
- ▭ Streets
- ▭ LMI Boundary

Data Sources:

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



900 0 900 Feet





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	\$1,118,861.86
Contact Person	Jane Guy
Date Report Submitted	09/11/2018

Reporting Period		Program Area Code	Program Area Name
From	To		
7/1/17	6/30/18	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
Professional	2	0	0	0	0
Youthbuild Laborer	6	6	0	0	0

Total New Hires	8
Section 3 New Hires	6
Percent Section 3 New Hires	75.0%
Total Section 3 Trainees	0
The minimum numerical goal for Section 3 new hires is 30%.	

Part II: Contracts Awarded

Construction Contracts	
Total dollar amount of construction contracts awarded	\$291,937.86
Total dollar amount of contracts awarded to Section 3 businesses	\$0.00
Percentage of the total dollar amount that was awarded to Section 3 businesses	0.0%
Total number of Section 3 businesses receiving construction contracts	0
The minimum numerical goal for Section 3 construction opportunities is 10%.	

Non-Construction Contracts	
Total dollar amount of all non-construction contracts awarded	\$39,044.95
Total dollar amount of non-construction contracts awarded to Section 3 businesses	\$0.00
Percentage of the total dollar amount that was awarded to Section 3 businesses	0.0%
Total number of Section 3 businesses receiving non-construction contracts	0
The minimum numerical goal for Section 3 non-construction opportunities is 3%.	

Part III: Summary

Indicate the efforts made to direct the employment and other economic opportunities generated by HUD financial assistance for housing and community development programs, to the greatest extent feasible, toward low- and very low-income persons, particularly those who are recipients of government assistance for housing.	
Yes	Attempted to recruit low-income residents through: local advertising media, signs prominently displayed at the project site, contacts with community organizations and public or private agencies operating within the metropolitan area (or nonmetropolitan county) in which the Section 3 covered program or project is located, or similar methods.
No	Participated in a HUD program or other program which promotes the training or employment of Section 3 residents.
No	Participated in a HUD program or other program which promotes the award of contracts to business concerns which meet the definition of Section 3 business concerns.
Yes	Coordinated with Youthbuild Programs administered in the metropolitan area in which the Section 3 covered project is located.
No	Other; describe below.
<p>New Hires:</p> <p>The City of Salem Department of Planning and Community Development (DPCD) filled three vacant positions, two of which are partially funded with CDBG. Of these two, one was a transfer from a temporary job in another department. The second did not certify when applying that they were a Section 3 resident.</p> <p>Job notices for positions available in the DPCD are posted at the Salem Housing Authority, North Shore CDC and the North Shore Career Center, as well as the City's website and internally to current city employees. As appropriate, notices are sent to Salem State University, UMass Amherst, Umass Boston, Harvard School of Design, Harvard Kennedy School, Boston College, Boston University, Cornell University, University of Pennsylvania, Columbia University, University at Buffalo, Carnegie Melon, Rutgers, MassAPA, NCD (website, email and LinkedIn), Tufts, MassDevelopment, Massplanners listserv, MMA's Beacon, 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 http://www.salem.com/sites/salemma/files/uploads/section_3_resident.pdf</p> <p>Contracting:</p> <p>The City committed to HOME (October, 2014, \$50,000) and CPA funds (May, 2015, \$100,000) for an affordable housing project that closed in March, 2018. The non-profit agency adopted a MBE /WBE and Section 3 Hiring Plan with numerical goals. The N.S. HOME Consortium will be reporting on Section 3, once construction is complete and the contractor report has been submitted.</p>	

Bids for CDBG funded activities:

McGlew Park Improvements (\$724,970 of which CDBG is \$162,659) – The project was bid 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 an affidavit that they would comply. An email dated 7/11/17 was sent to a list of general contractors list in the HUD Section 3 Registry. After the bid, the Section 3 requirements were reviewed with the awarded contractor at the start-up meeting on 8/23/17. They submitted their Section 3 report indicating that they had no new hires. They had three subcontracts (all under \$100,000) and reported that none were Section 3 businesses. The project is not yet complete and it is expected that there will be a Youthbuild component by the end of 2018.

Lafayette Park Improvements (\$296,888 of which CDBG is \$171,888) – The project was bid during the prior reporting period. The invitation for bids and legal notice indicated that the project was subject to Section 3. Bidders were required to sign an affidavit that they would comply. After the bid, the Section 3 requirements were reviewed with the awarded contractor at the start-up meeting on 8/3/17. They submitted their Section 3 report indicating that they had no new hires. They had two subcontracts (all under \$100,000) and reported that none were Section 3 businesses. The project also included some work completed through a Youthbuild program, of which 6 YouthBuild members completed some carpentry for the project, which is reported in this year's report.

On Call Vendors:

There was one street improvement project conducted using an existing on-call contractor.

Other Efforts

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

YouthBuild North Shore CDC is the only YouthBuild in the region. YouthBuild North Shore CDC partners with Salem High School, and Catholic Charities to graduate our members with either a diploma or GED. YouthBuild North Shore CDC focuses on low-income young people ages 16 to 24 working toward their high school equivalency diplomas, while learning job skills by building affordable housing in their communities. YouthBuild North Shore CDC empowers young adults with the competency and desire to transform their lives and improve their communities through education, employment, and leadership development. The program serves approximately 50 youth annually from Salem, Lynn, and surrounding North Shore communities. The City of Salem often has utilized Youthbuild for components of our park projects funded with CDBG, as well as other non-CDBG projects.

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