

# **FY19 COMPANION to, and CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER)**



## **CITY OF SALEM, MASSACHUSETTS**

*Fiscal Year 2019  
July 1, 2018 to June 30, 2019*

Kimberley Driscoll, Mayor  
Tom Daniel, AICP, DPCD Director  
Jane A. Guy, Assistant Community Development Director

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For both the FY19 Companion and FY19 CAPER

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## FY19 CAPER

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Please note: Voucher #6167753 should have indicated prior year funding (HUD 2017). Voucher #6281967 - of the 8 items, only 3 indicated prior year funding (HUD 2018). The rest erroneously indicate HUD 2019 funding. This resulted in adjusting Line 10, Line 14, Line 20 and Line 40. Line 14 and 40 also include the reduction of \$1118.25 in expenditures due to having been drawn down twice. This funding has been returned to the line of credit during FY20.

#### Maps

Low to Moderate Income Areas

Geographic Distribution of Entitlement Funds Expended FY19

#### Section 3 Report

CAPER finalization date – *September 23, 2019*

Cover photo: Courtesy of Salem Park & Recreation

## 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-income<sup>1</sup>.
- **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.

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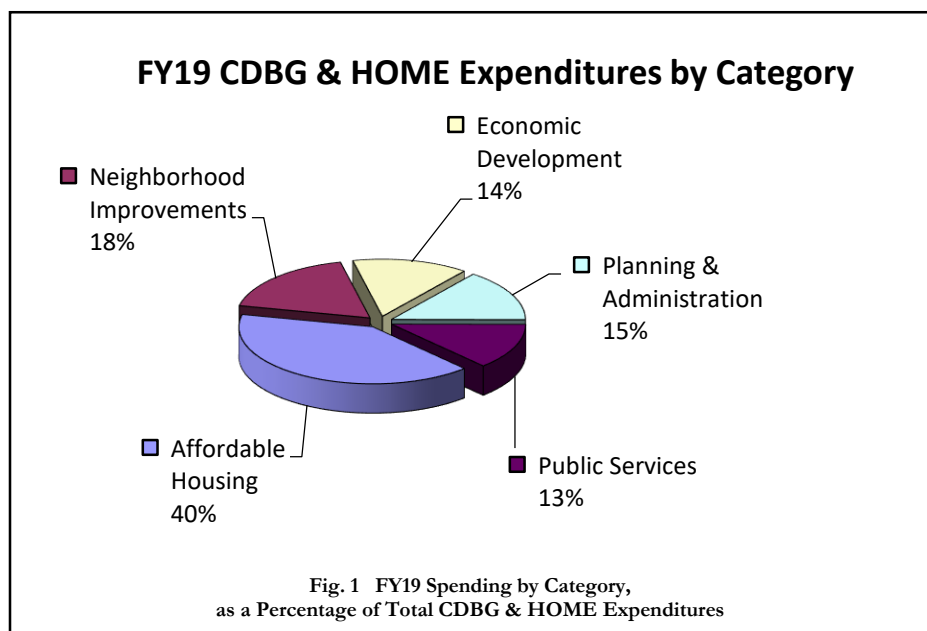
<sup>1</sup> Low- to moderate- income individuals equals less than 50 or 80 percent of the Boston area median income respectively.

## EXECUTIVE SUMMARY

Salem's FY19 CAPER provides an analysis of the second fiscal year - July 1, 2018 through June 30, 2019<sup>2</sup> - 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 \$1,053,238 and program income received during FY19 was \$93,950.32. Our HOME funding allocation was \$162,234. We also used any available carried over CDBG and HOME funds from prior years.

We expended a total of \$1,114,382.49 in CDBG funds. We met all timeliness requirements and program expenditures were consistent with our 5-Year Consolidated Plan and FY19 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.



In addition to CDBG funds, the DPCD also spent \$316,425.99 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 FY19, the DPCD continued to make significant progress toward meeting the goals and objectives laid out in the 5-Year Consolidated Plan and FY19 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 FY19 and prior year carried over funds +/- any adjustments made during the year. Status is as of June 30, 2019.

<sup>2</sup> HUD refers to Salem's FY19 as Program Year 2018 (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 FY19, Salem spent \$577,954.16 in CDBG and HOME funds on affordable housing projects and programs. Of this CDBG funds spent totaled \$261,528.17.



*Housing Rehabilitation  
on Dalton Parkway  
Before                      After*



**Table 1: FY19 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.	\$315,179.63 CDBG (FY19 & carried over)	<ul style="list-style-type: none"> <li>• \$193,677 CDBG funds spent</li> <li>• 7 units improved (6 properties)</li> </ul>
First Time Homebuyer Program	Provides 0% interest deferred payment loans to LMI families purchasing a home in Salem.	\$43,124.67 CDBG	<ul style="list-style-type: none"> <li>• \$475 CDBG funds spent (to pay for inspection of home assisted in prior year)</li> </ul>
Rental Assistance Programs	Funds are used to help low- and extremely low-income Salem residents move into decent, affordable rental units and for high risk homeless persons to be placed into housing with supports.	\$206,055 FY19 and carried over open HOME Contracts	<ul style="list-style-type: none"> <li>• \$86,555.19 HOME funds spent</li> <li>• 39 households assisted</li> </ul>
Harbor & Lafayette Homes	The North Shore CDC will rehabilitate 2 buildings on Harbor & Lafayette Streets to create 26 affordable housing units.	\$50,000 HOME	<ul style="list-style-type: none"> <li>• \$50,000 HOME funds spent</li> <li>• 26 affordable housing units completed</li> </ul>
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.	\$175,000 HOME	<ul style="list-style-type: none"> <li>• \$175,000 HOME funds spent</li> <li>• 26 affordable housing units completed</li> </ul>
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.	\$77,992.61(FY 19 & carried over) \$4,870 HOME (FY18)	\$67,376.17 in CDBG funds, & \$4,870 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 FY19, the City of Salem spent \$316,425.99 in HOME funds. \$175,000 was spent to complete Harborlight Community Partners' Boston Street Crossing project, two properties that resulted in 26 units of affordable housing. The City also spent \$50,000 toward North Shore CDC's Harbor & Lafayette Homes project, for 26 affordable housing units.

\$30,170.01 in HOME funds were used to fund Tenant Based Rental Assistance Programs which targeted high risk homeless individuals, through a housing first model. North Shore Community Action Programs provided 7 individuals with temporary rental assistance (12-24 months), along with support services, as projected in the FY19 Action Plan.

In addition, \$51,861.56 in carried over funds was spent through the Rental Downpayment Assistance Program to assist low- and extremely low-income Salem households to help pay first and last month's rents and security deposits to enable them to secure decent, affordable housing. The program is an important tool for helping families with the costs of moving into a decent apartment. Assisted were 32 families through existing contracts with North Shore Community Action Program, Inc. and Citizens, Inn.

## **Foreclosure Prevention**

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

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

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



## EXECUTIVE SUMMARY - PUBLIC SERVICES

The Consolidated Plan identified the need for various social service programs that primarily benefit Salem's low- to moderate-income population and those with special needs (such as physically or mentally disabled, elderly or frail elderly, youth, non-English speaking residents, persons living with HIV/AIDS, substance abusers and homeless persons and families). In FY19, 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 FY19 Action Plan.



*Guitar lessons at Palmer Cove Park*

Public service projects funded during FY19 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 FY19, we were able to expend \$185,714.68 on 36 open public service contracts (25 new, 11 carried over), which, in turn, assisted 9,158 people, including at least 1,018 youth and 397 seniors. All contracts with funds remaining are carried over to FY20.

**Table2: FY19 Public Services Financial Summary**

Agency	CDBG Funding Available	CDBG Funds Spent	Number Assisted	Program Impact
1647, Inc.	\$570	\$570.00	0 youth	Paid teacher stipends from the prior year. Number assisted reported in prior year.
Aspire Developmental Services, Inc. North Shore Infant & Toddler Preschool Program	\$4,875.70	\$4,875.70	64 children	For children with physical and developmental disabilities to attend integrated developmental play groups once per week. Toddler groups included various themes, songs, activities and snacks. 37 children will continue to attend, while the children who have aged out of the program have gone to Futures (1), pre-school (6), Integrated Preschool LEA (10), Head Start (4) and 3 went home.

<b>Agency</b>	<b>CDBG Funding Available</b>	<b>CDBG Funds Spent</b>	<b>Number Assisted</b>	<b>Program Impact</b>
Boys & Girls Club	\$5,000.00	\$5,000.00	268 youth	Provided weekday homework help September, 2018-January, 2019 (10,014 visits) for students age 5-12.
Catholic Charities Homeless Prevention Program	\$9,000.00	\$9,000.00	39 persons	Assisted 12 households with avoiding eviction and homelessness through payment of rental arrearages to landlords. Each household also received budget counseling, information and referral and advocacy when needed.
Citizens, Inc./Haven From Hunger Food Pantry	\$9,000.00	\$9,000.00	1011 persons	Provided food to 299 Salem families, July, 2018-December, 2018, for a total of 4535 visits to the food pantry (approximately 275,000 pounds of food).
Disability Resource Center	\$4,800.00	\$4,800.00	39 disabled persons/ households	Provided independent living and housing services. They held 12 application assistance workshops. 86 universal applications and 74 Section 8 applications were submitted to the Salem Housing Authority. They held a forum on Tenants Rights and one on Accessible, Affordable & Available Housing. 4 Salem residents were assisted in gaining housing.
East Gate Fellowship: Joseph's Storehouse	\$9,000.00	\$9,000.00	1590 persons	Provided a supplemental food assistance to 574 unique Salem households for 10 months with over 4,000 household visits.
H.A.W.C. Legal Services	\$9,000.00	\$9,000.00	193 persons	Helped survivors of domestic violence exercise their rights under the law. 534 hours of free legal assistance was provided including housing advocacy, parent child trauma recovery, civil legal advocacy, court accompaniment, transportation, shelter screening, trial preparation, victim impact statement assistance, safety planning, draft pleadings, immigration, education advocacy, child care, abuse prevention and harassment orders, custody, divorce, asset division, child support, and employment and housing rights.
Inversant Salem Families College Savings Program	\$7,000.00	\$7,000.00	22 youth	Facilitated Learning Circle workshops (English/Spanish) to learn about financial aide vs scholarships, and money management. 7 students completed the program requirements and saved the minimum required and enrolled in higher education.



Agency	CDBG Funding Available	CDBG Funds Spent	Number Assisted	Program Impact
Lifebridge Medical Support Services	\$9,000.00	\$9,000.00	231 persons	Provided assessment and triage, diabetic monitoring, basic first aid, health education services, understanding illness, symptom management, medication, referrals to medical, mental health, substance abuse and social service providers, communication with health and social service providers to promote continuity of care and provide advocacy. 681 health assessments were completed by the Lifebridge nurse between September, 2018 and January, 2019.
NSCAP Homeless Prevention Program	\$9,000.00	\$9,000.00	28 persons	Assisted 12 households with rent assistance to prevent eviction and homelessness. One household received utility assistance. The agency also served an additional 49 Salem families utilizing other funding.
North Shore CDC Family Stability Program Family Resource Center	\$6,576.21	\$6,576.21	184 persons	Provided English Language classes and VITA tax client sessions from 1/1/19-5/31/19. From 7/1/18-6/30/19, the agency provided family stability, economic and personal growth services to 184 income-eligible residents of Salem. ESL classes (beginner, high beginner, intermediate and advanced) totaled 192 hours. They also provided with 31 career counseling appointments and 84 financial literacy appointments.
North Shore Community Health	\$9,908.67	\$9,908.67	55 homeless persons	Provided outreach to homeless individuals for health care services. These face to face encounters resulted in 18 individuals enrolled in behavioral health services or depression screen, 10 individuals enrolled in MAT treatment, 1 individual enrolled in prenatal care and 44 individuals had comprehensive health assessments with 25 enrolled with primary care services as reestablished of new patients, along with several referrals. One individual receives ongoing RN care management monthly Vivitrol treatment and 7 individuals were referred to a health worker for housing and food security.

Agency	CDBG Funding Available	CDBG Funds Spent	Number Assisted	Program Impact
North Shore Moving Market	\$4,500.00	\$4,500.00	117 persons	Provided monthly deliveries of food to elderly, disabled and disadvantaged households. Approximately 337 deliveries were made between July and December, 2018.
Salem Park & Recreation Playground Program	\$8,706.40	\$4,706.40	54 youth	Provided enrichment programs at Palmer Cove and Memorial Park during summer months, including Saturday morning basketball, hip hop, lacrosse, art workshop, yoga & medication, volleyball, beginners guitar class and fairy house class.
Salem Council on Aging Exercise Program	\$2,643.40	\$1,488.40	46 seniors	Held weekly classes with an average of 15-20 senior citizens and disabled residents. The class provides body conditioning to enhance strength, balance, coordination and endurance.
Salem Council on Aging Transportation Program	\$21,350	\$19,722.10	327 seniors	Drivers provided rides to the following: 6229 to the Council on Aging, 4075 medical, 3807 shopping, 813 events, 358 barber/hairdresser, 250 library, 367 YMCA, 254 bank, 906 volunteer/employment, 837 other.
Salem Police Department Bicycle and Walk/Ride Patrols	\$16,557.79	\$7,557.79	4,120 persons	Provided targeted teamed bike patrols in the Point Neighborhood, concentrating on community policing, interacting with the public, and addressing crime and disorder, loiterers, drug interaction and other quality of life issues.
Salem Public Schools Teacher Home Visits	\$10,000.00	\$10,000.00	174 youth	Conducted teacher home visits with Bentley and New Liberty Innovation Schools students' families in order to build trusting relationships.
Salem YMCA School Age Child Care Program	\$9,000.00	\$9,000.00	350 youth	Provided childcare with curriculum based instruction, enrichment activities, swimming & field trips. Activities included dance, painting, STEM, music production, basketball, homework help, step dance, murals, coding, music fundamentals, soccer, academic support, arts & crafts, robotics, volleyball, swim, sketching, instrumental music, and dodgeball.
Salvation Army Homeless Prevention	\$7,759.68	\$4,150.00	17 persons	Assisted 9 households with homelessness prevention (rent arrearage).
V.O.C.E.S. Hispanic Education Program	\$5,000.00	\$5,000.00	95 persons	Provided 164 classes in citizenship and GED in Spanish. During the program year, they reported 55 new US citizens and 1 GED graduate.

Agency	CDBG Funding Available	CDBG Funds Spent	Number Assisted	Program Impact
Wellspring House MediClerk Program	\$4,400.00	\$4,400.00	8 persons	Provided a 13-week program where students receive 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 and internships were conducted. Both students from the 1st session obtained jobs in the administrative medical field. In the 2 <sup>nd</sup> and 3rd sessions, 3 of the 4 graduates found full-time jobs in North Shore Physician Group offices or with similar employers. The remaining graduate continues to interview.
<b>TOTAL PERSONS ASSISTED</b>		<b>9,158 persons, including at least 1,018 youth &amp; 397 seniors</b>		

Note: This table is missing LEAP for Education (\$9,000.00 spent, 72 youth assisted) and Council on Aging Art Program (\$1,459.41 spent, 24 seniors assisted).

## 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 FY19, several new businesses opened, bringing new goods and services locally.



*Landworks Studio*

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, 2019 was 3.2% down from 3.9% in June, 2018 and down from 4.0% in June, 2017.<sup>3</sup>

**Table 3: FY19 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.	\$5,000.00	<ul style="list-style-type: none"> <li>• \$0 CDBG spent</li> </ul>
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.	\$77,561.91	<ul style="list-style-type: none"> <li>• \$70,000 CDBG spent</li> <li>• 1 business assisted with moving to Salem</li> <li>• 2 full-time LMI jobs retained</li> </ul>
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"> <li>• \$35,000 CDBG spent</li> <li>• 5 new full/part-time jobs documented (4 FTE)</li> <li>• Assisted 3 new, 44 existing and 4 prospective businesses (including 43 micro-enterprises and 4 expanding businesses)</li> </ul>

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

Program		Description	CDBG Funding Available	Status
Business Technical Assistance	North Shore CDC Small Business Engagement Program	Serves minority entrepreneurs with business workshops, mentoring sessions, networking groups and referrals to partner agencies. The program will assist the development and growth of immigrant-owned businesses that provide products and services to the Point Neighborhood.	\$50,000.00	<ul style="list-style-type: none"> <li>• \$22,149.25 spent</li> <li>• 2 new full-time jobs documented</li> <li>• Assisted 5 new, 12 existing and 4 prospective businesses (including 14 micro-enterprises and 1 expanding business)</li> </ul>
	Economic Development Program Delivery	Costs associated with providing Economic Development programs and administration of the Salem Redevelopment Authority.	\$73,246.49	<ul style="list-style-type: none"> <li>• \$73,246.49 CDBG spent</li> <li>• (see description below)</li> </ul>

In total, \$200,395.74 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 North Shore CDC Small Business Initiative contract;
- Managing the Salem Main Streets contract; and,
- Managing Small Business Financial Assistance Programs
  - Small Business Loan Program – Work with businesses to submit applications, underwriting, loan documents, job monitoring
  - Storefront Improvement Program (to undertake exterior improvements, building code improvements and purchase of signage for businesses in the Urban Renewal Area and LMI neighborhoods).

During FY19, DPCD's Economic Development Planner worked on several significant redevelopment projects, including:

- The approval of 35 projects including, but not limited to, installation of signs, public art installations, and façade/building renovations proposed within Salem's Urban Renewal Area. The ED Planner worked with applicants on all required information needed for Board submissions and ultimate approvals.

- Coordination with the Public Art Planner on Mural Slam, held for a fourth 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.
- Coordination with Salem Main Streets on storefront improvement initiatives and technical assistance to downtown businesses.
- Served as the City’s point-of-contact for business inquiries: assisted new businesses in finding locations, provided information on financing and options for raising capital, and served as a referral to other business development agencies like Salem Main Streets, the Salem Chamber of Commerce, the Enterprise Center, MassDevelopment, and the Small Business Association.
- Coordination of all processes related to planning for the redevelopment of the former Superior Court and County Commissioners Building. In addition to being a point of contact for the public and interested parties, this includes collaborating with the Massachusetts Division of Capital Asset Management, managing private consultants on pre-development initiatives, coordinating with the City Council for the disposition of land at 252 Bridge Street, a.k.a. the ‘Crescent Lot’, drafting and issuing a Request for Qualifications, and selecting qualified development teams. The next step in the redevelopment process will be to issue a Request for Proposals and select the developer for the properties.
- Managed the City’s designation of Federal Opportunity Zones for two low to moderate income census tracts. Wrote and received a grant from Smart Growth America, through LOCUS, for Salem to be one of four communities to participate in the Massachusetts Opportunity Zone Academy. The Academy kicked off at a two-day conference in Washington, DC, with technical assistance provided by the Smart Growth America/LOCUS team to assist Salem in understanding and marketing the development potential of its Opportunity Zones.
- Managed the implementation of the Salem Downtown Retail Action Plan.
- Facilitated the selection of a designated developer 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 has also been the City's representative board member on the North Shore Workforce Board, which serves as the oversight and policy-making body for federally funded employment and training services in the 19 community North Shore Region. The board also has the broader role of addressing critical labor market issues and developing strategic partnerships with local leaders in economic development, the K-12 and higher education system, government agencies, and chambers of commerce, as well as community-based and labor organizations. The board charters and oversees a one-stop career center, MassHire North Shore Career Center, located in Salem, with satellite offices throughout the North Shore.

## EXECUTIVE SUMMARY - NEIGHBORHOOD IMPROVEMENTS

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

Due to the size and scope of these types of activities, some require multi-year funding, as well as a few years to plan, permit and complete the project. To that end, some of our Neighborhood Improvement Projects are still in the planning, permitting or bidding stages. The following table outlines the current neighborhood improvement projects and their status at the close of FY19.

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.



*Lafayette Park*

During the program period, we continued to work on important neighborhood projects, and spent a total of \$257,609.93 including program delivery costs, toward meeting the goals in the FY19 Action Plan and 5 Year Consolidated Plan.

**Table 4: FY19 Neighborhood Improvement Financial Summary\***

Activity	CDBG Funds Available	CDBG Funds Spent	Status
Downtown Pedestrian Mall Improvements (street improvements)	\$145,554.43	\$145,554.43	Complete
McGlew Park Improvements	\$26,673.41	\$26,673.41	Complete
Lafayette Park Improvements	\$13,518.33	\$13,518.33	Complete
Teen Center Furnace Purchase	\$6,373.00	\$6,373.00	Complete
Mary Jane Lee Park Improvements	\$776.45	\$776.45	Complete
Palmer Cove Park Survey & Testing	\$115,048.31	\$43,546.31	Underway
Downtown Alley Lighting	\$22,195.65	\$14,764.00	Underway
Splaine Park Climbing Structure	\$19,409.09	\$1,463.81	Underway
Tree Planting Program	\$27,000.00	\$3,864.57	Ongoing annually
Street Improvements (i.e. sidewalks, curbcuts, paving & crosswalks)	\$128,661.22	\$0.00	Ongoing annually
Congress Street Parklets	\$31,075.62	\$1,075.62	Planning
South River Improvements	\$100,000.00	\$0	Planning
Almy's Clock Restoration	\$40,000.00	\$0	Planning
Loring Avenue Fire Station Electrical	\$38,175.00	\$0	Planning
Unprogrammed park, facilities & infrastructure improvements	\$120,959.55	\$0	Planning

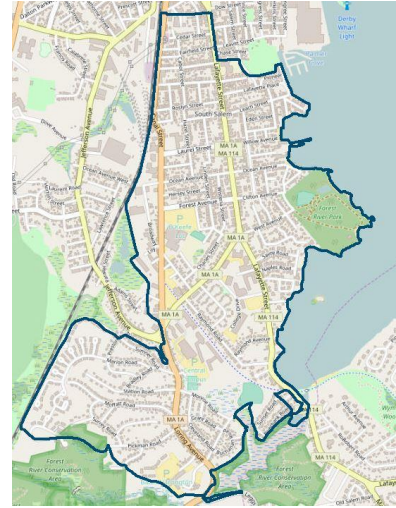
\*Funds available and spent represent only FY19 and may not reflect the actual entire project cost.

## 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 FY19, the City used CDBG funds to provide matching funds for a Massachusetts Historical Commission Survey and Planning grant to undertake a historic resource survey South Salem, as well as to provide access to immigration legal services to Salem residents who are foreign.

In FY19, we spent a total of \$209,133.97 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.



*South Salem Survey Boundary*

**Table 5: FY19 Planning & Administration Financial Summary**

Activity	CDBG Funds Available	CDBG Funds Spent
South Salem Resource Survey (Survey & Planning Grant match)	\$11,500.00	\$11,500.00
Open Door Immigration Services	\$7,309.25	\$7,309.25
General Administration - Non-salary	\$12,409.40	\$12,409.40
General Administration - Benefits	\$32,087.75	\$32,087.75
General Administration - Salary	\$145,827.57	\$145,827.57

### CR-05 - Goals and Outcomes

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

#### **91.520(a)**

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

Housing: For Affordable Housing Development, the 27 units proposed in the 2015 AAP was for the Harbor/Lafayette project, which instead was funded with HOME funds. It is complete and to be reported in IDIS through the Consortium, along with the Congress/Ward project. We did not meet our goal to assist 5 households to purchase their first home through the First Time Homebuyer Program during FY19, due to not having any qualified applicants ready to proceed with a purchase. For the Housing Rehabilitation Loan Program, we exceeded our estimate of rehabilitating 3 housing units - having improved 7 housing units (1 unit assisted twice - emergency and full rehab). The goal was met for 7 chronically homeless individuals to be provided with 12-24 months of rental assistance, along with supportive services, through HOME funding provided to the NSCAP. In addition, 32 households were assisted with Rental Downpayment Assistance Programs through contracts with the NSCAP and Citizens Inn, Inc. Reporting on HOME funds in IDIS is accomplished by the North Shore HOME Consortium.

For Small Business Economic Development Activities, one new loan was issued. First year monitoring resulted in retention of 2 LMI full-time jobs; monitoring will be completed in FY20. Two businesses were assisted through the Storefront Improvement Program. For Business Technical Assistance, we exceeded our goal of assisting 42 businesses. The Salem Main Streets Program provided technical assistance to 3 new, 44 existing and 4 potential businesses for a total of 51, including 43 micro-enterprise businesses and 4 expanding businesses. North Shore CDC's Small Business Engagement Program provided technical assistance to 5 new, 12 existing and 4 potential businesses for a total of 21, including 14 micro-enterprise businesses and 1 expanding business. Only new and existing businesses (64) are included in Table 1. In addition, 7 new jobs were documented (6 FTE), less than our goal of 11 jobs.

For Community Support Services, our AAP goal was to provide approximately 26 new grants and serve an estimated 8,200 persons. We were on par by executing agreements for 25 new grants and, through these new grants and carried over open contracts, we assisted 9,185 persons. One program is in an LMI census track of 4120 persons. There were two actual activities for this program due to carried over funds, but for accomplishment purposes, the numbers were not duplicated.

Downtown 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 (10,826) are the census track totals for the projects completed during FY19: McGlew Park, Lafayette Park and Mary Jane Lee Park improvements, Tree Planting and Teen Center Furnace Purchase (not duplicating any tracks). There are additional open activities with expenditures. Projects underway include Palmer Cove Park Survey & Testing, Downtown Alley Lighting, Splaine Park Climbing Structure and additional tree planting. Additional projects are in the planning stage and these funds will be carried over to FY20. The City of Salem also completed its new Community Life Center (formerly Council on Aging), which opened in September, 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%			
Business Technical Assistance	Non-Housing Community Development	CDBG: \$	Jobs created/retained	Jobs	10	33	330.00%	11	7	63.64%
Business Technical Assistance	Non-Housing Community Development	CDBG: \$	Businesses assisted	Businesses Assisted	50	194	388.00%	42	64	152.38%
Community Support Services	Homeless Non-Homeless Special Needs	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	45000	34563	76.81%	8200	9185	112.01%
Community Support Services	Homeless Non-Homeless Special Needs	CDBG: \$	Homeless Person Overnight Shelter	Persons Assisted	0	160		0	160	
Community Support Services	Homeless Non-Homeless Special Needs	CDBG: \$	Homelessness Prevention	Persons Assisted	0	84		0	84	



## CAPER NARRATIVES IN IDIS

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%
First Time Homebuyer Program	Affordable Housing	CDBG: \$	Direct Financial Assistance to Homebuyers	Households Assisted	25	13	52.00%	5	0	07%
Housing Rehabilitation Programs	Affordable Housing	CDBG: \$	Homeowner Housing Rehabilitated	Household Housing Unit	20	28	140.00%	3	7	233.33%
Neighborhood Improvements Activities	Non-Homeless Special Needs	CDBG: \$	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	8265	10826	130.99%	8265	10826	130.99%
Small Business Financial Assistance Programs	Non-Housing Community Development	CDBG: \$	Jobs created/retained	Jobs	15	32	213.33%			
Small Business Financial Assistance Programs	Non-Housing Community Development	CDBG: \$	Businesses assisted	Businesses Assisted	5	7	140.00%			

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

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

Overall, we made significant progress toward meeting the priorities and objectives of our 5-year Consolidated and FY19 Action Plans. Below is a summary of major activities accomplished in FY19:

- 7 housing units were renovated through the Housing Rehabilitation Loan Program (1 unit assisted twice – emergency & full rehab.) ;
- 32 families received assistance with first/last month's rent and/or security deposits (HOME funds);
- 7 high risk homeless individuals were placed into housing with supportive services;
- 52 units of housing in four buildings were rehabilitated into affordable units (HOME funds). Two buildings are studio units for formerly homeless individuals, along with supportive services. For the remaining two buildings, at least 13 units are for individuals at or below 50% AMI, with a preference of young people 18-24 coming out of homelessness.
- 36 open social service contracts assisted 9,158 persons, including at least 1,018 youth and at least 397 seniors;
- 1 existing business relocating to Salem was provided with a small business loan (2 full-time LMI jobs retained);
- 7 new jobs documented through the Salem Main Streets Program and the NSCDC Small Business Engagement Program;
- Salem Main Streets Program highlights: Assisted 3 new, 44 existing businesses and 4 prospective businesses (including 43 micro-enterprises and 4 expanding businesses). One on one consultations were conducted with Vamfangs, FreakyElegant and New England Dog Biscuit. Retail meetings were held on 9/25/18, 11/14/18, 2/20/19 and 5/8/19 and topics included an overview of support resources, upcoming retail promotions, sharing of business best practices, public safety best practices, and other technical support (including interior/exterior design assistance). They also worked with the City toward developing vending regulations. Events included the Farmers' Market and Salem Winter Market, the Ice Scream Bowl, Holiday Tree and Santa's Arrival, Holiday Window Contest, New Year's Eve LAUNCH!, Salem So Sweet and Salem Film Fest Window Contest.
- NSCDC Small Business Engagement Program highlights: Assisted 5 new, 12 existing and 4 prospective businesses. The agency held workshops targeted to beauty salons, as well as a Start with a Structured Plan workshop and a SBA Presentation on SBA Loans.
- Street improvements completed on the downtown pedestrian mall;
- McGlew Park improvements completed;
- Lafayette Park improvements completed;
- A furnace for the Teen Center in the Point neighborhood was purchased; and
- 13 trees planted on Cedar, Essex, Endicott, Fairfield, Linden, Washington and Prince Streets and Jefferson Avenue.

Despite a 14.4% reduction in CDBG funding and a 30.2% reduction in HOME funding since 2011, 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)

	<b>CDBG</b>
White	2,794
Black or African American	723
Asian	35
American Indian or American Native	33
Native Hawaiian or Other Pacific Islander	21
<b>Total</b>	<b>3,606</b>
Hispanic	1,232
Not Hispanic	2,374

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

**Narrative**

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

**CR-15 - Resources and Investments 91.520(a)****Identify the resources made available**

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG	Public - federal	1,053,238	1,114,382
Housing Trust Fund	Public - federal		
Other	Public - federal		
Other	Public - local		

**Table 3 - Resources Made Available****Narrative**

Financial Summary Report (PR26): Voucher #6167753 should have indicated prior year funding (HUD 2017). Voucher #6281967 - of the 8 items, only 3 indicated prior year funding (HUD 2018). The rest erroneously indicate HUD 2019 funding. This resulted in adjusting Line 10, Line 14, Line 20 and Line 40. Line 14 and 40 also include the reduction of \$1118.25 in expenditures due to having been drawn down twice. This funding has been returned to the line of credit during FY20.

CDBG funds available was \$1,053,238 in FY19 entitlement funds (not including carried over funds, nor program income). The actual amount of CDBG funds spent in FY19 was \$1,114,382.49, including prior year carried over funds and current year program income.

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

City of Salem - the actual amount of City of Salem funds spent on salaries and benefits (\$699,268.84).

City of Salem CIP - the amount budgeted in FY19 toward projects also being funded with CDBG and/or CPA funds (\$650,000).

CPA funds - the total of amount of surcharge funds collected (\$661,700.97) less abatements (\$4,888.24), not including penalties or interest, and including the State match funds received (\$117,388) for a total of \$774,200.73.

HOME funds - the actual amount spent in FY19 (\$316,425.99).

## Identify the geographic distribution and location of investments

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

Table 4 – Identify the geographic distribution and location of investments

### Narrative

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

When prioritizing activities, the City pays special attention to those low- and moderate-income (LMI) neighborhoods where the greatest needs have been identified and whose public facilities and infrastructure are in the worst condition. A map of the LMI neighborhoods (updated 4/1/19) 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 low- and moderate-income neighborhoods or in neighborhoods meeting the definition of “slums and blight”. With the change to 52.7% LMI city-wide, the City has an opportunity for expansion of CDBG programs and improvements to places that may not be located within LMI areas, but may still serve LMI populations. Some projects are undertaken on other publically owned land, such as park improvements.

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

### Leveraging

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

In order to maximize accomplishments and make projects feasible, CDBG funds often must be combined with other funding sources. The following summarizes the amount of funds leveraged in FY19 that we were able to document.

- The Salem Main Streets Program leveraged \$104,135 from local business and donations and from event fees and donations to cover costs.
- The Small Business Engagement Program leveraged \$10,000 in other Federal funds and utilized \$67,053 of its unrestricted revenue. *Neighborhood Improvements (typically conducted only on publically owned land or infrastructure):*
- 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 and \$25,000 in CIP funds.
- The Splaine Park climbing feature leveraged \$2,600 in local funds.
- Palmer Cove testing leveraged \$27,000 in local funds.
- Planning and administration funds leveraged \$603,703.19 in City funds plus \$95,565.65 in benefit costs, along with and \$5,341.73 in Massachusetts Historical Commission funds and for all DPCD staff.
- \$11,500 was leveraged in Massachusetts Historical Commission Survey and Planning Grant funds.
- 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 \$4,652,372 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	8	7
Number of Special-Needs households to be provided affordable housing units	0	0
<b>Total</b>	<b>8</b>	<b>7</b>

Table 5 – Number of Households

	One-Year Goal	Actual
Number of households supported through Rental Assistance	0	0
Number of households supported through The Production of New Units	0	0
Number of households supported through Rehab of Existing Units	3	7
Number of households supported through Acquisition of Existing Units	5	0
<b>Total</b>	<b>8</b>	<b>7</b>

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 (goals of 3 under the Housing Rehabilitation Program and 5 under the First Time Homebuyer Program), in FY19 we assisted 7 units/households (7 under the Housing Rehabilitation Program and 0 under the First Time Homebuyer Program).

Rental assistance was provided to 39 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](http://www.salem.com). These numbers reiterate the ongoing need for affordable housing in Salem.

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

Number of Households Served	CDBG Actual	HOME Actual
Extremely Low-income	4	0
Low-income	2	0
Moderate-income	1	0
<b>Total</b>	<b>7</b>	<b>0</b>

**Table 7 – Number of Households Served**

### Narrative Information

These numbers reflect the 7 households (not persons) assisted by the Housing Rehabilitation Program (57% extremely low income). However, 2 indicated as low income are the same household assisted twice during the year.

These show that Salem's housing programs serve all income levels, but predominantly (85.7%) those with low or extremely low incomes.

Salem has a number of services that address affordable housing issues, including rehabilitating and maintaining current housing stock, developing new housing opportunities, assisting families in acquiring housing and enabling struggling families to remain in their homes.

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

During FY19, the City of Salem spent \$316,425.99 in HOME funds. \$175,000 was spent to complete Harborlight Community Partners' Boston Street Crossing project, two properties that resulted in 26 units of affordable housing. The City also spent \$50,000 toward North Shore CDC's Harbor & Lafayette Homes project, for 26 affordable housing units.

\$30,170.01 in HOME funds were used to fund Tenant Based Rental Assistance Programs which targeted high risk homeless individuals, through a housing first model. North Shore Community Action Programs provided 7 individuals with temporary rental assistance (12-24 months), along with support services, as projected in the FY19 Action Plan.

In addition, \$51,861.56 in carried over funds was spent through the Rental Downpayment Assistance Program to assist low- and extremely low-income Salem households to help pay first and last month's rents and security deposits to enable them to secure decent, affordable housing. The program is an important tool for helping families with the costs of moving into a decent apartment. Assisted were 32 families through existing contracts with North Shore Community Action Program, Inc. and Citizens, Inn.

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 681 health assessments from September, 2018 to January, 2019. 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. In FY19, outreach workers connected with 55 homeless persons resulting in 18 individuals enrolled in behavioral health services or depression screen, 10 individuals enrolled in MAT treatment, 1 individual enrolled in prenatal care and 44 individuals had comprehensive health assessments with 25 enrolled with primary care services as reestablished of new patients, along with several referrals. One individual receives ongoing RN care management monthly Vivitrol treatment and 7 individuals were referred to a health worker for housing and food security.
- Establishing [hope@salem.com](mailto: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.

On April 1, 2019, Lifebridge quietly opened a day center on its campus three days per week, to help reduce loitering by homeless individuals, while providing a comfortable space for access to services. The day center offers supportive programs and a place to sit, read or watch television.

### **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. This year, HOME funding was also provided to NSCAP for a Housing First model program to place high risk homeless individuals into housing with supportive services.

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.

**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 assisted with funding for North Shore CDC's project at 15-17 Harbor Street for 26 single room occupancy units for which 16 units will be primarily set aside for formally-homeless, low-income youth aging out of the foster care system. Salem provided \$100,000 in CPA funds and \$50,000 from HOME funds and the project is under construction. The project is complete and a lottery drawing for the units was held in October, 2018.

The City provide \$185,000 in HOME funds to Harborlight Community Partners to rehabilitate two buildings on Boston St. (26 studio units) in order to house formerly homeless individuals, along with providing supportive services. The project is now complete and the units are occupied.

The City has executed HOME agreements with NSCAP and Citizens Inn, Inc. to provide for rental downpayment assistance to help extremely low- and low-income households (including homeless) to move into decent, affordable rental units. In total, 32 families were provided with this tenant based rental assistance. The City also amended an existing HOME agreement to target the funds to chronically homeless to be used toward a Housing First model, which provided housing with supportive services to 7 high risk individuals.

The City's community partner, Lifebridge, offers a suite of essential services that target the needs of homeless and disadvantaged adults, designed to promote education, employment, and self-sufficiency. They offer 22 congregate units of permanent supportive housing for homeless persons to make the transition. In addition to supporting Lifebridge efforts, the City awards CDBG social services sub-grants to provider agencies to address goals of ending homelessness. These organizations may provide transitional and permanent supportive housing to homeless and formerly homeless persons,



assist with housing search, housing counseling, and provide emergency housing assistance (e.g., delinquent rent and utility payments). Specifically, in FY19, new agreements were executed with Catholic Charities and NSCAP for homeless prevention through emergency assistance of rental payments in order to avoid eviction or utility payments to avoid shut-off. Along with carried over contracts with Salvation Army, in FY19, these programs resulted in 33 households (84 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:**

- \$271,336 Window replacement, venting, tub surround replacement, and related work at 117 Congress St.;
- \$602,548 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:**

- \$70,000 Sprinkler Cradle Pump System Replacement;
- \$276,600 Window replacement, skylight and related work at the Zisson Building; and
- \$73,083 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. In order to help facilitate housing options for low to moderate income households, Salem drafted three zoning ordinances over the past year: 1. a municipal and religious adaptive reuse ordinance, 2. an inclusionary zoning ordinance and 3. an accessory dwelling unit ordinance.

**Municipal and Religious Adaptive Reuse Ordinance:** There are underutilized, historic buildings in the City that have potential to be adaptively reused into multi-family housing, including the City's former senior center as well as former religious school buildings that are no longer needed by the Archdiocese. The City has a buyer ready to purchase the old senior center, and renovate it into housing, 10% of which will be affordable. The North Shore CDC has been selected to redevelop two Archdiocese former school buildings, primarily for affordable housing and they are hoping to move forward with re-use of these buildings this year. However, the City's current zoning ordinance does not permit municipal or religious buildings to be converted into multi-family housing. The City has taken action to ameliorate this barrier by drafting a municipal and religious adaptive reuse ordinance that will be voted on by the City Council during fiscal year 2020.

**Inclusionary Zoning:** In the Fall of 2018, the City hired the Metropolitan Area Planning Council (MAPC) to develop a financial feasibility model and to use said model to develop a draft inclusionary zoning ordinance. The model was created based on a pro-forma analysis that is typically used by a developer to understand whether a real estate project is financially feasible. The variable assumptions are based on housing market data from the Warren Group and the US Census Bureau and through qualitative data collected via three community meetings; four advisory committee meetings in addition to focus groups and interviews with Salem residents, local housing experts which lenders, developers, and land use board members. The proposed inclusionary zoning ordinance will be submitted to the City Council in the fall of 2019.

**Accessory Dwelling Units:** The City of Salem allows accessory dwelling units; however, only family members or caretakers of the owner of a home may live in an accessory unit. The City has taken action to amend the ordinance as a means of increasing the supply of moderately priced rental units in Salem.

The amended ordinance is being reviewed by the City Council and will be voted on by the City Council in the fall of 2019.

### **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. Since 2011, Salem's CDBG funding has been reduced by 14.4%, while HOME funding has been reduced by more than 30.2%. 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.

In order to meet underserved needs the City garnered support and advocacy around affordable housing through a public engagement campaign. Several documents were created as part of the public engagement campaign; including a "myth buster" flipbook that addresses common concerns regarding housing, an informational tri-fold and postcard of with Salem specific housing data, a small card on how to support affordable housing and a four-part video series that features Salem residents. The video series explains the importance of creating affordable housing policies in Salem. All of the documents and the videos created have been made available on the Imagine Salem website and have been used to demonstrate the need for the previously mentioned zoning amendments.

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. The Harbor-Lafayette Homes (\$50,000 in HOME funds, \$100,000 in CPA funds) to create 26 affordable units, with 50% for formerly homeless youth, as well as for Boston Street Residences (\$185,000 in HOME funds) to create 26 studio units primarily for formerly homeless individuals (along with supportive services) projects are now complete and the units occupied

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

### **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. There were no projects undertaken in FY19.

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 teacher 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 MassHire North Shore Career Center and the North Shore Workforce 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 FY19).

**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. 9,185 persons were served by CDBG funded social service programs in FY19.

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

Under the direction of the DPCD Director, the Assistant Community Development Director (ACDD) 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 ACDD coordinates the management of the public service and housing subcontracts and the Economic Development Planner manages the economic development subcontracts. City departments may undertake CDBG-funded activities (i.e. tree planting, street improvements). The departments may subcontract work through 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 HUD's Office of FHEO in March, 2015 and there were no findings or concerns issued.

Staff periodically attend trainings - FY19 examples:

- 2018 Building HOME Webinar – September-October, 2018
- Mass Ecosystem Climate Adaptation Network Conference – Mass ECAN – October 30, 2018

- Fundamentals of Wetlands Enforcement -- MACC – December 1, 2018
- Wetlands Protection Act: Fundamentals, Process and Procedures – MACC – Webinar – December 5, 2019
- MA Association of Conservation Commissions Annual Environmental Conference – MACC -- March 2, 2019
- South Shore Climate Change Symposium – Mass Audubon – May 9, 2019
- Fundamentals Unit 104: Wetland Functions and Values – MACC – Webinar – May 15, 2019
- Opportunities Zone webinar, National Trust for Historic Preservation, January 2019
- Affordable Homeownership Options in MA – Keller Williams Realty – January 20, 2019
- Impact Essex County Launch Event – Essex County Community Foundation – February 26, 2019
- Salem Housing Forum – Salem Planning and MAPC – March 5, 2019
- 2019 Citizen Planner Training Collaborative Conference – CPTC – March 16, 2019
- Making Sense of Congressional Appropriations webinar, National Trust for Historic Preservation, March 2019
- Webinar – HUD – 5 Year Consolidated Plan – May 1, 2019
- Historic Districts 101 Workshop – co-hosted by Salem Historical Commission and Historic Salem, Inc. - May 16, 2019
- Windows and Historic Homes: Repair, Replace and New Additions webinar - Traditional Building Conference, June 2019
- Webinar – Native American Tribes, Law, and Planning – APA New Mexico Chapter - June 4, 2019
- Salem Community Resilience Building Workshop – City of Salem and Salem Sound Coastwatch – June 6, 2019
- Webinar – Let’s Talk About Privilege – LGBTQ and Planning Division of APA – June 12, 2019
- DIF Workshop – MassDevelopment – June 19, 2019
- OZ Academy Kick-off/Conference – LOCUS/Smart Growth America – June 23-24, 2019
- MAPC Webinar on Climate Zoning – MAPC – June 25, 2019
- Wolters Kluwer/Legal Pro webinar (online access to Bobrowski land use handbook) – Wolters Kluwer – June 25, 2019
- Salem Bike Summit: Connecting Bicycle Advocacy and Public Health – Mass in Motion / MassBike – June 26, 2019

### **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 FY19 CAPER's 15 day comment period was September 6, 2019 through September 20, 2019. 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. This activity is now complete.

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

No

## APPENDIX

Financial Summary Report (PR26) for FY19 (HUD's Program Year 201~~7~~8)

Please note: Voucher #6167753 should have indicated prior year funding (HUD 201~~7~~8). Voucher #6281967 - of the 8 items, only 3 indicated prior year funding (HUD 2018). The rest erroneously indicate HUD 2019 funding. This resulted in adjusting Line 10, Line 14, Line 20 and Line 40. Line 14 and 40 also include the reduction of \$1118.25 in expenditures due to having been drawn down twice. This funding has been returned to the line of credit during FY20.

Maps

- Low to Moderate Income Areas
- Geographic Distribution of Entitlement Funds Expended FY19

Section 3 Report



Office of Community Planning and Development  
U.S. Department of Housing and Urban Development  
Integrated Disbursement and Information System  
PR26 - CDBG Financial Summary Report  
Program Year 2018  
SALEM , MA

DATE: 09-16-19  
TIME: 11:09  
PAGE: 1

**PART I: SUMMARY OF CDBG RESOURCES**

01 UNEXPENDED CDBG FUNDS AT END OF PREVIOUS PROGRAM YEAR	831,288.65
02 ENTITLEMENT GRANT	1,053,238.00
03 SURPLUS URBAN RENEWAL	0.00
04 SECTION 108 GUARANTEED LOAN FUNDS	0.00
05 CURRENT YEAR PROGRAM INCOME	93,950.32
05a CURRENT YEAR SECTION 108 PROGRAM INCOME (FOR SI TYPE)	0.00
06 FUNDS RETURNED TO THE LINE-OF-CREDIT	0.00
06a FUNDS RETURNED TO THE LOCAL CDBG ACCOUNT	0.00
07 ADJUSTMENT TO COMPUTE TOTAL AVAILABLE	0.00
08 TOTAL AVAILABLE (SUM, LINES 01-07)	1,978,476.97

**PART II: SUMMARY OF CDBG EXPENDITURES**

09 DISBURSEMENTS OTHER THAN SECTION 108 REPAYMENTS AND PLANNING/ADMINISTRATION	906,553.75
10 ADJUSTMENT TO COMPUTE TOTAL AMOUNT SUBJECT TO LOW/MOD BENEFIT	(1,305.23)
11 AMOUNT SUBJECT TO LOW/MOD BENEFIT (LINE 09 + LINE 10)	905,248.52
12 DISBURSED IN IDIS FOR PLANNING/ADMINISTRATION	178,117.67
13 DISBURSED IN IDIS FOR SECTION 108 REPAYMENTS	0.00
14 ADJUSTMENT TO COMPUTE TOTAL EXPENDITURES	31,016.30
15 TOTAL EXPENDITURES (SUM, LINES 11-14)	1,114,382.49
16 UNEXPENDED BALANCE (LINE 08 - LINE 15)	864,094.48

**PART III: LOWMOD BENEFIT THIS REPORTING PERIOD**

17 EXPENDED FOR LOW/MOD HOUSING IN SPECIAL AREAS	0.00
18 EXPENDED FOR LOW/MOD MULTI-UNIT HOUSING	0.00
19 DISBURSED FOR OTHER LOW/MOD ACTIVITIES	746,235.32
20 ADJUSTMENT TO COMPUTE TOTAL LOW/MOD CREDIT	(1,305.23)
21 TOTAL LOW/MOD CREDIT (SUM, LINES 17-20)	744,930.09
22 PERCENT LOW/MOD CREDIT (LINE 21/LINE 11)	82.29%

**LOW/MOD BENEFIT FOR MULTI-YEAR CERTIFICATIONS**

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

**PART IV: PUBLIC SERVICE (PS) CAP CALCULATIONS**

27 DISBURSED IN IDIS FOR PUBLIC SERVICES	185,714.68
28 PS UNLIQUIDATED OBLIGATIONS AT END OF CURRENT PROGRAM YEAR	21,102.95
29 PS UNLIQUIDATED OBLIGATIONS AT END OF PREVIOUS PROGRAM YEAR	29,608.96
30 ADJUSTMENT TO COMPUTE TOTAL PS OBLIGATIONS	0.00
31 TOTAL PS OBLIGATIONS (LINE 27 + LINE 28 - LINE 29 + LINE 30)	177,208.67
32 ENTITLEMENT GRANT	1,053,238.00
33 PRIOR YEAR PROGRAM INCOME	128,794.55
34 ADJUSTMENT TO COMPUTE TOTAL SUBJECT TO PS CAP	0.00
35 TOTAL SUBJECT TO PS CAP (SUM, LINES 32-34)	1,182,032.55
36 PERCENT FUNDS OBLIGATED FOR PS ACTIVITIES (LINE 31/LINE 35)	14.99%

**PART V: PLANNING AND ADMINISTRATION (PA) CAP**

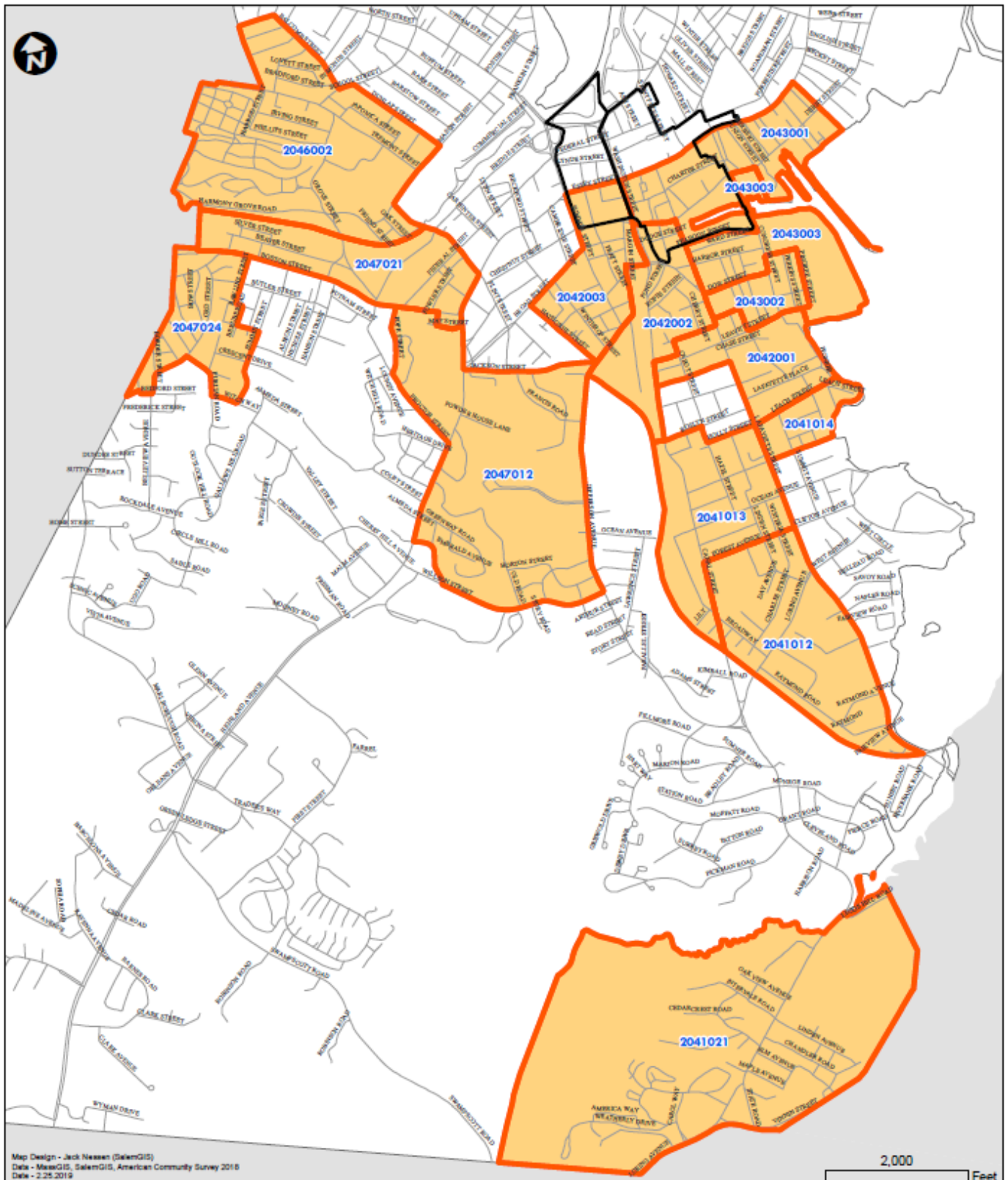
37 DISBURSED IN IDIS FOR PLANNING/ADMINISTRATION	178,117.67
38 PA UNLIQUIDATED OBLIGATIONS AT END OF CURRENT PROGRAM YEAR	0.00
39 PA UNLIQUIDATED OBLIGATIONS AT END OF PREVIOUS PROGRAM YEAR	7,459.25
40 ADJUSTMENT TO COMPUTE TOTAL PA OBLIGATIONS	31,016.30
41 TOTAL PA OBLIGATIONS (LINE 37 + LINE 38 - LINE 39 +LINE 40)	201,674.72
42 ENTITLEMENT GRANT	1,053,238.00
43 CURRENT YEAR PROGRAM INCOME	93,950.32
44 ADJUSTMENT TO COMPUTE TOTAL SUBJECT TO PA CAP	0.00
45 TOTAL SUBJECT TO PA CAP (SUM, LINES 42-44)	1,147,188.32
46 PERCENT FUNDS OBLIGATED FOR PA ACTIVITIES (LINE 41/LINE 45)	17.58%



CITY OF **SALEM**  
MASSACHUSETTS

# Low to Moderate Income Areas

Effective April 1, 2019







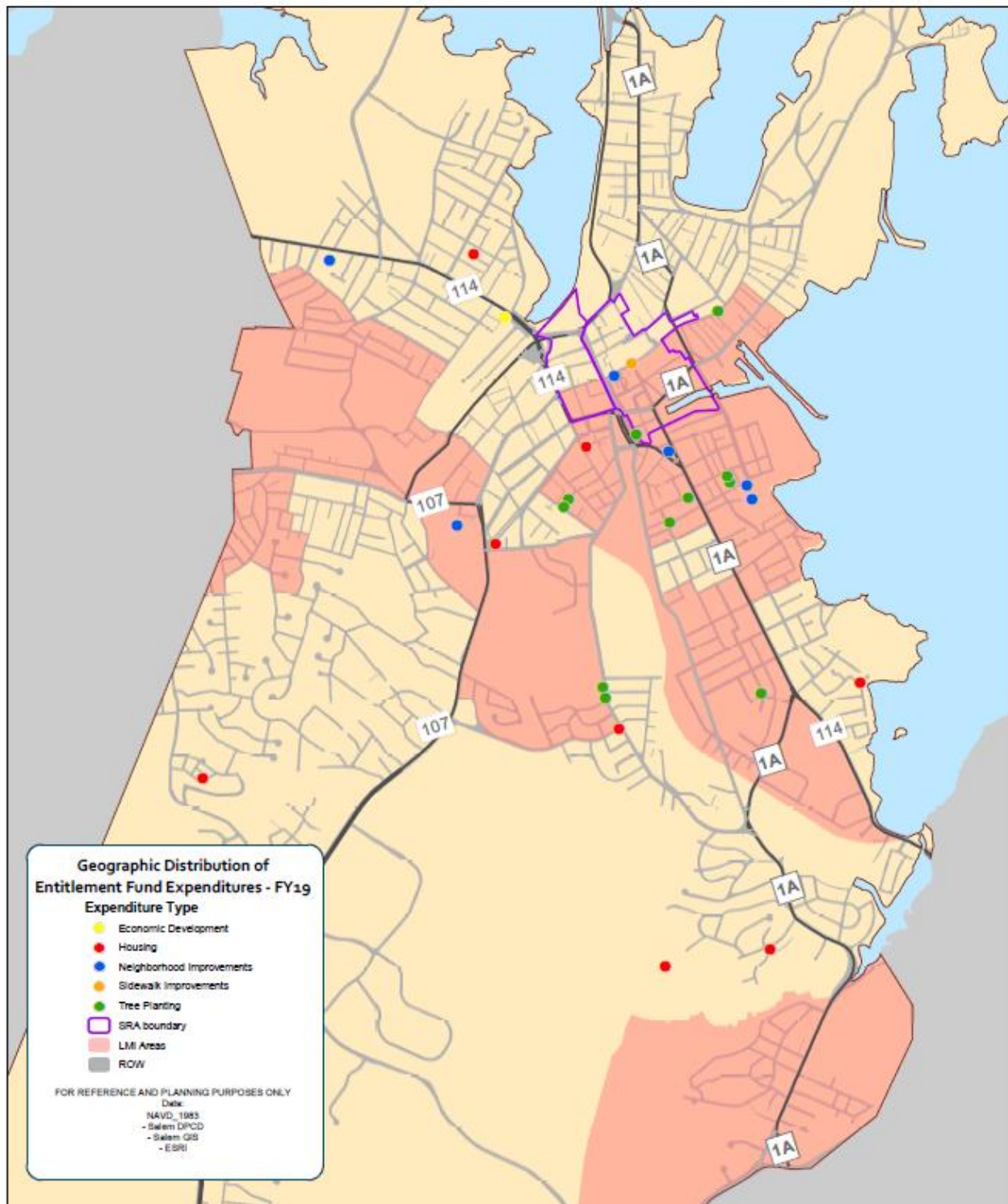
Mayor Kim Driscoll

# FY 19 Entitlement Fund Expenditures

## Salem DPCD - 2019



1 inch = 2,102 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	\$1,026,708.41
Contact Person	Jane Guy
Date Report Submitted	09/10/2019

Reporting Period		Program Area Code	Program Area Name
From	To		
7/1/18	6/30/19	CDB1	Community Devel Block Grants

## Part I: Employment and Training

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

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

## Part II: Contracts Awarded

Construction Contracts	
Total dollar amount of construction contracts awarded	\$22,773.00
Total dollar amount of contracts awarded to Section 3 businesses	\$0.00
Percentage of the total dollar amount that was awarded to Section 3 businesses	0.0%
Total number of Section 3 businesses receiving construction contracts	0
The minimum numerical goal for Section 3 construction opportunities is 10%.	

Non-Construction Contracts	
Total dollar amount of all non-construction contracts awarded	\$80,435.73
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.

No	Attempted to recruit low-income residents through: local advertising media, signs prominently displayed at the project site, contacts with community organizations and public or private agencies operating within the metropolitan area (or nonmetropolitan county) in which the Section 3 covered program or project is located, or similar methods.
No	Participated in a HUD program or other program which promotes the training or employment of Section 3 residents.
No	Participated in a HUD program or other program which promotes the award of contracts to business concerns which meet the definition of Section 3 business concerns.
No	Coordinated with Youthbuild Programs administered in the metropolitan area in which the Section 3 covered project is located.
No	Other; describe below.

#### New Hires

The City of Salem Department of Planning and Community Development (DPCD) filled one position that is primarily funded with CDBG, and the employee did not certify that they were a Section 3 resident.

Job notices for positions available in the DPCD are posted at the Salem Housing Authority, North Shore CDC and the North Shore Career Center, as well as the City's website and internally to current city employees. As appropriate, notices are sent to Salem State University, UMass Amherst, UMass Boston, Harvard School of Design, Harvard Kennedy School, Boston College, Boston University, Boston University School of Public Health, Cornell University, University of Pennsylvania, Columbia University, University at Buffalo, Carnegie Melon, Rutgers, University of California Berkeley, University of North Carolina – Chapel Hill, University of California Irvine, University of California Los Angeles, University of Illinois at Urbana-Champaign, Westfield State University, University of California Davis, MIT, Endicott College, Gordon College, Michigan State University, MassAPA, NCDA (website, email and LinkedIn), Tufts, MassDevelopment, Massplanners listserv, 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 [https://www.salem.com/sites/salemma/files/uploads/section\\_3\\_resident\\_certification\\_3.pdf](https://www.salem.com/sites/salemma/files/uploads/section_3_resident_certification_3.pdf).

## Contracting

McGlew Park Improvements Section 3 efforts were reported in the FY18 report (HUD 2017). The project is now complete. The contractor reported no new hires. While it had been initially expected that there would be a Youthbuild component, there was not.

Splaine Park Improvements (\$16,400) – The project was bid during this reporting period. The invitation for bids and legal notice indicated that the project was subject to Section 3. Bidders are required to sign an affidavit that they will comply. After the bid, the Section 3 requirements were reviewed with the awarded contractor at the start-up meeting on 6/5/19. The work was actually completed in July, 2019. They had no new hires and they had no subcontracts.

## 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](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 utilizes Youthbuild for components of our park projects funded with CDBG, as well as other non-CDBG projects, when feasible.

The Section 3 clause is and has always been included in CDBG contracts generated by the Department of Planning & Community Development, regardless of the contract amount. In addition, for more than 20 years, social service agencies receiving CDBG public services funding have been required to provide copies of their 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.