

FY22 COMPANION
to, and
CONSOLIDATED ANNUAL PERFORMANCE
AND EVALUATION REPORT
(CAPER)



CITY OF SALEM, MASSACHUSETTS

Fiscal Year 2022
July 1, 2021 to June 30, 2022

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CAPER finalization date – *September 22, 2022*

Cover photo: An accessibility improvement funded with the Housing Rehabilitation Loan

INTRODUCTION

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

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

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

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

Consolidated Plan, Annual Action Plan, and CAPER

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

Salem’s 5-Year Consolidated Plan - Fiscal Years 2021-2025 (FY21-25) - began on July 1, 2020 and will end on June 20, 2025.

Contact Information

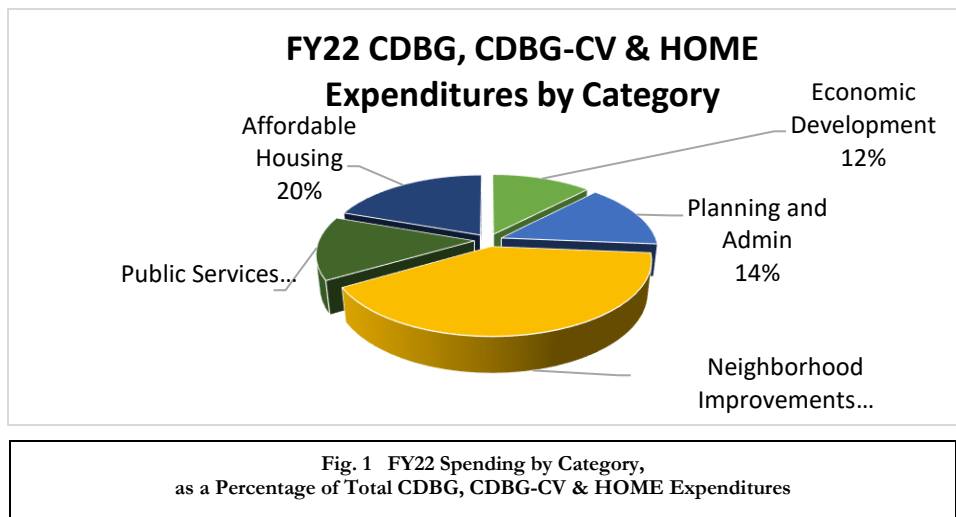
We are always open to feedback on our progress, as well as to answer questions regarding any of our programs mentioned in this report. If you would like more information, please contact the Department of Planning and Community Development at 978-619-5685.

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

EXECUTIVE SUMMARY

Salem's FY22 CAPER provides an analysis of the third fiscal year - July 1, 2021 through June 30, 2022² - of the City's 5-Year Consolidated Plan completed in 2020. This report is an opportunity to demonstrate our progress and the accomplishments produced by the City of Salem and its community partners, to report our successes over the past fiscal year and to inform the community of how federal and local programs are making a difference in the lives of its low- and moderate-income residents. In this report, we included the information from HUD's online Integrated Disbursement and Information System (IDIS) to fulfill HUD requirements, as well as information that may be of interest to our residents.

The CDBG entitlement funds from HUD for the fiscal year were \$1,098,710 and program income received during FY22 was \$126,964.24. Our HOME funding allocation was \$179,885. We also used any available carried over CDBG, CDBG-CV and HOME funds from prior years.



We expended a total of \$1,367,442.43 in CDBG funds and a total of \$160,381.31 in CDBG-CV funds. We met all timeliness requirements and program expenditures were consistent with our 5-Year Consolidated Plan and FY22 Action Plan goals. Public Service programs were just below the 15 percent maximum allowable for such activities (Note: HUD waivers allow the 15% cap to be exceeded when those activities are COVID-19 related), and we did not exceed the 20 percent administration spending cap.

In addition to CDBG funds, the DPCD also spent \$203,888.44 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. \$5,397 was expended for HOME administration.

During FY22, the DPCD continued to make significant progress toward meeting the goals and objectives laid out in the 5-Year Consolidated Plan and FY22 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 FY22 and prior year carried over funds+/- any adjustments made during the year. Status is as of June 30, 2022.

² HUD refers to Salem's FY22 as Program Year 2021 (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 FY22, Salem spent \$341,606.49 in CDBG and HOME funds on affordable housing projects and programs. Of this, CDBG funds spent totaled \$137,718.05 and HOME funds totaled \$203,888.44.



*Building with a unit that was bought with
First-Time Home Buyer Assistance
Image by brix.salem.com*

Table1: FY22 Affordable Housing Financial Summary for CDBG & HOME

| 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. | \$351,110.60 CDBG (FY22 & carried over) | <ul style="list-style-type: none"> • \$92,677.24 CDBG funds spent • 1 unit improved |
| First Time Homebuyer Program | Provides 0% interest deferred payment loans to LMI families purchasing a home in Salem. | \$24,680.90 CDBG | <ul style="list-style-type: none"> • \$24,311.60 CDBG funds spent • 3 households/units assisted |
| Tenant Based Rental Assistance (Housing First Model) | This rental assistance program is available for high-risk homeless persons to be placed into housing with supports. The program is administered by North Shore Community Action Programs. | \$78,238.44 HOME | <ul style="list-style-type: none"> • \$45,826.94 HOME funds spent • 7 individuals assisted |
| Emergency Rental Assistance | This rental assistance program is available for Salem residential renters who have had a demonstrated gap in their income due to the COVID-19 pandemic and are at risk of losing their housing. The program provides \$1,000 per household per month (maximum \$3,000), in a payment made directly to the landlord. The program is administered by North Shore Community Action Programs. | \$22,982.18 HOME \$243,700 CDBG-CV | <ul style="list-style-type: none"> • \$1,171.50 HOME funds spent • 2 households assisted • \$12,390 CDBG-CV funds spent (reported under public services) • 4 households assisted |

| Project | Project Description | Funding Available | Status |
|--------------------------------|--|--|---|
| Rental down payment Assistance | Funds are used to help low- and extremely low-income Salem residents with first/last month rent and security deposit to move into decent, affordable rental units. The program is administered by North Shore Community Action Programs. | \$42,043.58 HOME | <ul style="list-style-type: none"> • \$16,493.00 HOME funds spent • 14 households assisted |
| Affordable Housing Development | Funding pool for pre-development, acquisition and/or projects with rehabilitation of affordable housing units (at or below 80% of AMI) by non-profit housing developers and/or CHDO's. | \$225,000 HOME | \$135,000 HOME funds spent for 11 units |
| Housing Program Delivery | Costs associated with providing rehabilitation programs & inspectional services. | \$20,729.21 CDBG \$5,397 HOME | \$20,729.21 in CDBG funds & \$5,397 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.

During FY22, the City of Salem spent \$203,888.44 in HOME funds. \$135,000 in HOME funds were used to fund 11 of the 46 affordable units at the North Shore CDC Lighthouses project. In addition \$45,826.94 was used on a Tenant Based Rental Assistance Program which assisted 7 high risk homeless individuals through a housing first model. \$16,493.00 in HOME funds was spent through the Rental Downpayment Assistance Program to assist 14 low- and extremely low-income Salem households to help pay first and last months’ 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. In addition, \$5,397 in HOME funds was spent in administrative costs. Due to the ongoing COVID-19 pandemic, many persons lost jobs, were laid off or were furloughed, resulting in difficulties in paying rent. \$1,171.50 in HOME funds was spent to provide 2 households with emergency rental assistance.

COVID-19 Affordable Housing Programs

Due to the ongoing COVID-19 pandemic, many persons lost jobs, were laid off or were furloughed, resulting in difficulties in paying rent. In FY22 the City carried over \$243,700 CBDG-CV and \$143,264.20 in HOME funds to continue to provide emergency rental assistance to households affected by COVID-19. Spent was \$1,171.50 in HOME funds to assist 2 households (see above). Also spent was \$12,390 in CDBG-CV reported under public services in Table 2.b.

This year, \$30,000 in CDBG-CV funds was programed to launch a free housing stability services program, reported under public services in Table 2.b. The program provides drop-in hours with an attorney twice monthly in English and Spanish as well as a hotline to provide rental property owners with lower-income tenants and landlords with information ranging from rental assistance to inquiries about landlord/tenant issues and housing security challenges.

Foreclosure Prevention

The City also provides information regarding foreclosure prevention. The city's website contains a list of links to various resources for foreclosure prevention and legal assistance.

<https://www.salem.com/planning-and-community-development/pages/foreclosure-prevention-legal-resources/>

Housing staff are also able to offer assistance to families threatened with the possibility of foreclosure.



The flyer features a house icon at the top. The title is "Free Housing Information & Resources for Salem Landlords & Tenants". It lists drop-in hours at two locations: Community Life Center (401 Bridge Street) and Espacio (105 Congress Street). It also provides contact information for a Housing Stability Hotline and a website. Logos for the Essex County Bar Association and the City of Salem, MA are at the bottom.

**Free Housing Information & Resources
for Salem Landlords & Tenants**

Drop-in Hours:

Community Life Center – 401 Bridge Street
- 4th Wednesday, 9am-2pm (starting 03/23/2022)
- 2nd Thursday, 3pm-7pm (starting 04/14/2022)

Espacio – 105 Congress Street
- 1st Wednesday, 9am-2pm (starting 04/06/2022)
- 3rd Thursday, 3pm-7pm (starting 04/21/2022)

Provided by the Essex County Bar Association

These services are not legal advice. Rather, these services are to help educate and inform Salem owners and renters about their housing options and opportunities as they relate to renting in Salem. These consultations will help with developing solutions and resolving housing matters in order to foster housing stabilization.

Housing Stability Hotline: (978) 500-0973
Live answer: Wednesdays 9am-2pm & Thursdays 3-7pm; or leave a message

Housing Stability Webpage: www.salemhousinginfo.com

This program is funded by the City of Salem Department of Planning & Community Development, U.S. Department of Housing & Urban Development. In the provision of our services, we do not discriminate on the basis of race, color, national origin, gender or gender identity, age, religion, marital status, familial status, sexual orientation, ancestry, public's assistance, veteran history, military status, genetic information or disability.

Essex County Bar Association **City of Salem, MA**

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, Inc. 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 FY22, 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 FY22 Action Plan. Public service projects funded during FY22 were selected using a Request for Proposals (RFP) process. All awards are made to non-profit agencies or city departments to carry out the programs.



VOCES student after receiving a Certificate of Naturalization

According to HUD regulations, we are allowed to commit up to 15 percent of our CDBG allocation to public service activities. During COVID-19, HUD waivers allow the 15% cap to be exceeded when those activities are COVID-19 related, but Salem remained under the 15% cap.

In FY22, there were 21 new and 14 carried over public service contracts. With CDBG we were able to expend \$165,797.86, which, in turn, assisted at least, 25,002 people, including at least 497 youth and 257 seniors. All contracts with funds remaining are carried over to FY23. With CDBG-CV, we expended \$71,154.63 on 4 public service contracts, which assisted 457 people.

Table2a: FY22 Public Services Financial Summary for CDBG

| Agency/Program | CDBG Funding Available | CDBG Funds Spent | Number Assisted | Program Impact |
|--|------------------------|------------------|-----------------|---|
| Bentley Academy Charter School Teacher Home Visits | \$8,000.00 | \$0 | - | This program was put on hold during COVID-19. Funding to be carried over to FY23. |
| Boys & Girls Club Remote Learning/ After School Program | \$9,900.00 | \$9,900.00 | 117 youth | Provided an after school program that offered academic, social-emotional, athletic and artistic development and programing for 117 Salem Youth ages 8 through 12 years old. |
| Catholic Charities Homeless Prevention Program | \$9,900.00 | \$9,900.00 | 29 persons | Assisted 29 persons (12 families) to avoid eviction through payment of rental arrearages to landlords. Each head of household received budget counseling, information, referrals and advocacy, when needed. |
| Citizens, Inc./Haven From Hunger Food Pantry | \$9,900.00 | \$9,900.00 | 1,023 persons | Provided food to 1,023 Salem families, July, 2021-December, 2021. |

| Agency | CDBG Funding Available | CDBG Funds Spent | Number Assisted | Program Impact |
|---|------------------------|------------------|------------------------------------|--|
| Disability Resource Center | \$4,800.00 | \$4,800.00 | 27 disabled persons/ households | Provided individual independent living services and information and referral on housing issues to Salem residents. Individual living services, information and referrals on housing issues was provided to 27 Salem residents. Six Salem residents were supported in gaining housing of which 4 were homeless. 12 virtual Housing Options workshops were held, along with a Tenants Rights Workshop and an Affordable, Accessible and Available Housing Workshop. |
| H.A.W.C. Advocacy Services for Domestic Violence Victims | \$9,900.00 | \$9,900.00 | 45 persons | Provided 45 adults and children with creative coping groups where they learned resilience building and coping skills through art and play activities, story series groups focusing on identifying emotions and attunement between parent and child, sessions with a therapy dog as well as special holiday programing at HAWC's emergency shelter to facilitate positive bonding with parents and their children. |
| LEAP for Education | \$9,900.00 | \$9,900.00 | 22 youth | They agency provided a College Success Program for 22 high school juniors and seniors that focuses on career choices and post-secondary education opportunities. These students submitted 75 college or financial aid applications and all high school seniors were accepted to a post secondary school. In addition to college success activities, students participated in Teen Center programs where they received homework support, writing club, two mentoring programs, brothers for success and sisters for success as well as a Social Justice mentoring program which supports students of color. |

| Agency | CDBG Funding Available | CDBG Funds Spent | Number Assisted | Program Impact |
|--|-------------------------------|-------------------------|------------------------|--|
| Lifebridge Medical & Outreach Support | \$9,900.00 | \$9,900.00 | 307 persons | Provided 575 health assessments from September 2021 through February 2022 to 307 unique individuals. These included COVID-19 screening, basic wound care to diabetes monitoring, health education, referrals and other health services to homeless individuals. |
| NSCAP Homeless Prevention Program | \$9,900.00 | \$9,900.00 | 13 persons | Assisted 8 families (13 people) with rental assistance to prevent homelessness. |
| North Shore CDC Family Success Program | \$11,602.80 | \$11,602.80 | 117 persons | Provided 117 new persons with career counseling/home resources and financial literacy. The Family Stability Coordinator also helped connect residents to financial relief funds, ESL classes, first time home buyer courses, career counseling, citizenship classes, food access and additional resources. |
| Salem Housing Authority | \$7,000.00 | \$1,017.86 | 4 seniors | Provided 3 seniors with cleaning service in order to assist them to stay in compliance with their lease and 1 senior was provided with emergency food delivery because they are homebound and nutritionally deficient. |
| North Shore Moving Market | \$4,500.00 | \$4,500.00 | 81 persons | Provided monthly deliveries of food to 81 elderly, disabled and disadvantaged Salem households. |
| Open Door Immigration | \$10,000.00 | \$1,576.28 | 10 persons | Provided immigration legal services. As a result of COVID-19, operations were run virtually with document drop off available on an as needed basis. Citizenship interview preparations, green card renewals, and case research for families petitioning a relative overseas were provided to two Salem residents. The program also offered a citizenship workshop in the fall. Another citizenship workshop is scheduled for the summer. |
| Salem Park & Recreation Park Enrichment Programs | \$7,600.00 | \$3,900.00 | 63 youth | Provided a girls lacrosse clinic, volleyball clinic and hip-hop class. Painting classes provided at Palmer Cove and Mack Park. |
| Salem Council on Aging Art Program | \$1,689.06 | \$1,249.06 | 29 seniors | Provided art classes for seniors at the Community Life Center. |
| Salem Council on Aging Exercise Program | \$1,900.00 | \$1,330.00 | 60 seniors | Provided senior citizens and disabled residents muscle and strength exercise classes. |

| Agency | CDBG Funding Available | CDBG Funds Spent | Number Assisted | Program Impact |
|---|------------------------|------------------|-----------------|--|
| Salem Council on Aging Transportation Program | \$17,350.63 | \$13,176.59 | 164 seniors | Provided 11,324 one-way rides for 164 people to medical appointments, grocery shopping, events at the CLC and other trips (funded primarily through non-CDBG funds). |
| Salem Police Department Bicycle and Walk/Ride Patrols | \$18,195.92 | \$9,729.40 | 4,475 persons | Provided targeted teamed bike patrols in the Point Neighborhood, concentrating on a strong positive presence through interactions with the residents and community members. Provided visibility and accessibility in order to address crime including loitering, loud music, parking complaints, erratic scooters, public drinking, fireworks and other quality of life. Officers interacted with residents and tourists, and visited businesses. |
| Salem Police Department Community Policing & Engagement | \$32,250.00 | \$16,946.15 | 17,600 persons | Provided community engagement activities to build trust with police officers and deter crime. The events included attending kindergarten classes at Witchcraft Heights Elementary school with Derby, the Community Resource Dog, where the officers read "Keeping you Safe" to the students; a "Coffee with a Cop" event was held at the Lifebridge Homeless Shelter where 30 shelter clients spoke with the police officers and received refreshments and at the Council on Aging; and bingo events were hosted at the Fairweather Apartments and the Salem Housing Authority as well as at OnPoint Teen Center; an "Icecream with a Cop" event was held at the Salem High School that included activities for the students including an obstacle course. |
| Salem YMCA School Age Child Care Program | \$9,900.00 | \$9,9000.00 | 295 youth | Subsidized low income students' childcare expenses for after-school curriculum based instruction, enrichment activities & swimming. Activities included arts & crafts, STEM, technology, sports, dance and theater, along with academic support. The expenses for the program are over \$1.1 million, CDBG funds contribute to less than one percent of the program cost. |
| Salvation Army Homeless Prevention | \$9,962.92 | \$1,546.00 | 6 persons | Provided rental assistance to avoid homelessness. |

| Agency | CDBG Funding Available | CDBG Funds Spent | Number Assisted | Program Impact |
|--|------------------------------|---|--------------------|--|
| Salvation Army Winter Cot Program | \$4,153.84 | \$0 | - | The program is designed to facilitate opening the building for overnight stay when outside temperatures hit extreme lows, so that no one who is homeless will be exposed to these deadly temperatures. In Winter 2021/2022, there were no nights that the building needed to be open for this emergency purpose. The program funding will be carried over through to next season, so that emergency funding to have overnight building attendance remains available when needed. |
| V.O.C.E.S. Hispanic Education Program | \$5,323.75 | \$5,323.75 | 154 persons | Conducted 2-hour GED preparation and citizenship education classes. This year 2 Salem residents received their GED and 71 persons obtained citizenship. |
| Salem Pantry | \$9,900.00 | \$9,900.00 | 361 persons | Provided 361 low-moderate income residents with nutritious food assistance at various mobile pantry sites over a three month period. |
| TOTAL PERSONS ASSISTED | | At least 25,002 people, including at least 497 youth and 257 seniors | | |

Table2b: FY22 Public Services Financial Summary for CDBG-CV

| Agency | CDBG Funding Available | CDBG Funds Spent | Number Assisted | Program Impact |
|--|------------------------|------------------|----------------------------|--|
| NSCAP – Emergency Rental Assistance | \$243,700.00 | \$12,390.00 | 4 households | Assisted 4 households with emergency rental assistance. |
| Salem Pantry – COVID-19 Program Expansion | \$50,000.00 | \$50,000.00 | 340 households | Distributed food to 340 unique households at various mobile food pantry sites in Salem. |
| Essex County Bar Housing Stability Services | \$30,000.00 | \$4,275.87 | 29 persons | Assistance provided to property owners & renters, including online RAFT rental assistance applications, public housing applications and providing advice on unsafe housing conditions, neighbor disputes, public housing rent calculations, mortgage modifications, landlord responsibilities, accommodation for emotional support animals, and referrals to Lawyer for a Day Program for eviction cases filed in District Court and Housing Court. |
| NSCDC – Point Neighborhood COVID-19 Response | \$4,488.76 | \$4,488.76 | 174 persons | Resident ambassadors engaged with Point Neighborhood residents including 199 wellness calls to let residents know about rental assistance programs and other COVID responses programs including vaccination sites. Ambassadors facilitated a community walk to distribute pandemic response information throughout the community and sent out mass texts with the information. Ambassadors assisted students with virtual registration and helped elderly households with groceries. During the holidays Ambassadors held a toy drive, diaper and clothing drives to support families. In winter, Ambassadors assisted families with winter clothing. Ambassadors also put together care packages with toiletries, personal hygiene products and shared COVID-relief resources inside of the packages. |
| TOTAL PERSONS ASSISTED | | | At least 547 people | |

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 FY22, another challenging year due to the ongoing COVID pandemic, Salem continued to see very low vacancy rates in downtown storefronts with several new businesses opening and existing businesses expanding despite the supply chain, logistical, and staffing issues brought about by COVID. Salem has continued to see the surge of redevelopment that began years ago carry on during the ebbs and flows of the pandemic, bringing new housing units online, new commercial spaces, and job growth. 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 in July 2021 was 6.7%, a significant decrease from the 11.8% unemployment rate the prior July (2020). As the year progressed, unemployment numbers steadily decreased. In September 2021, Salem's unemployment rate was 5.7%, January 2022 was 4.8% and May 2022 was down to 3.3%. The unemployment rate in FY22 was consistent with pre-pandemic rates.

In March 2020, Mayor Driscoll convened several task forces to address specific community needs. One such task force, the Economic Development Recovery and Revitalization (EDRR) Task Force, was managed by the DPCD Director. He gathered Salem's economic development partners in mid-March and together the group set out to determine short- and long-term needs for the business community, strategize revitalization efforts to implement when the stay-at-home advisories were lifted, and serve as a communication vehicle for the business community in terms of available opportunities and assistance. This group has continued to meet at least monthly since its creation. Current members of the EDRR are Tom Daniel and Kate Newhall-Smith from the City of Salem, Beth Debski from the Salem Partnership, Laura Swanson from The Enterprise Center, Kate Fox from Destination Salem, John Andrews from Creative Collective, Kylie Sullivan from Salem Main Streets, Rinus Oosthoek from the Chamber of Commerce, and Lucy Corchado from the Point Neighborhood Association.



The Chocolate Pantry is just one business that opened its doors in Salem during the second year of the pandemic. Photo courtesy of the Salem Chamber of Commerce.



Jodi Bee Bakes is an existing Salem business that expanded to a larger downtown storefront during the second year of the pandemic. Photo courtesy of the Salem Chamber of Commerce.



Since its inception, the EDRR has accomplished the following:

- Weekly meetings the first 18 months of the pandemic to touch base and continue to work toward goals. As the economic impacts of the pandemic shifted from immediate support needs (financial support to pay rent and staff) to more long-term, logistical concerns (i.e. supply chain and staffing shortages), the group reduced its meeting frequency to twice a month.
- Business community outreach in the following ways:
 - a. Distribute a newsletter to over 300 subscribers with content focused on financial opportunities and programs, technical assistance opportunities, marketing strategies, current health regulations, and community and municipal announcements. Each newsletter is available in English and Spanish. The EDRR partner organizations also share the newsletter with their own subscriber networks, leading to sharing this information to nearly 5,000 readers. The newsletter was a weekly publication during the early days of the pandemic with a shift to sending information out needed, i.e. sharing program and grant opportunities, updating the business community on changing COVID regulations, etc.;
 - b. Reviewed, digested, and created accessible infographics on funding opportunities, tools and tricks of the trade, and ways to keep employers and employees healthy. To see the range of infographics that were created in collaboration with staff from Creative Collective, please go to the following link: <https://www.creativecollectivema.com/salem-covid19-graphics>;
 - c. Organized several small industry-specific focus groups where EDRR members could speak with local business owners in various sectors including restaurants, hotels/bed and breakfasts/inns, personal services, attractions, retailers, landlords, and the gig economy;
 - d. Conducted three surveys to the business community with the goal of understanding business owners' current needs; and
 - e. Conducted two consumer sentiment surveys to better understand how consumer habits have changed throughout the various phases of the Commonwealth's reopening plans.
- Using City COVID funds, organized and distributed over 200 Personal Protective Equipment (PPE) kits free to Salem businesses.
- Created and managed a small business grant program funded through a combination of City COVID funds, reprogrammed Community Development Block Grant (CDBG) funds, and CDBG-CARES funds (from the Federal stimulus bill). DPCD staff granted approximately \$250,000 in grants ranging from \$2,000 to \$5,500 to 50 Salem businesses. Grant funds were used to help pay commercial rent, utilities, and payroll.
- Created and managed the Salem Employee Retention and Hiring Incentive Program. Funded through ARPA dollars, the program sought to incentive the local work force to continue working through Salem's winter season. With 48 local businesses participating, the program granted \$500 bonuses to over 850 Salem employees who worked a minimum number of hours over the course of six weeks.
- Created, marketed, and managed public safety campaigns including the Stay Local Campaign to promote local commerce, the Mask Up campaign with graphics that were featured on national websites as being 'uniquely Salem', and the Salem Together Pledge.
- Members of the EDRR coordinated with municipal staff from the Traffic and Parking Department, the Licensing Board, the City Solicitor, and the Department of Public Services to facilitate extended outdoor dining. As soon as Governor Baker made the announcement that local licensing boards could expand their jurisdictions to allow for alcohol service on public land, the

‘outdoor dining group’ went into action working with the Creative Collective to facilitate the safe expansion of restaurants’ outdoor dining onto sidewalks and parking spaces. DPCD created an application process which was shared with adjacent municipalities who adopted the same form to kick start their own outdoor dining programs. The outdoor dining group reconvened in January 2021 to begin this process anew for spring 2021. The group rebranded itself as an outdoor activations group and expanded its focus to include retailers in addition to restaurants.

- Supported Salem Main Streets in the management of the Downtown Ambassador program. The ambassadors continue to be the boots on the streets, educating visitors to the downtown on mask wearing and COVID safety precautions.
- Collaborated with The Enterprise Center to create a small business Technical Assistance program using \$60,000 in CDBG-CARES funding. This program matched small businesses to consultants to provide one-on-one technical assistance. Thus far, 25 businesses have been assisted.
- Convened a separate working group of volunteer consultants, Harvard graduate students, and staff from Congressman Moulton to strategize tools for economic response and recovery. The group conducted in-depth interviews with 56 businesses to assess needs and develop solutions. The work led to a grant application to the Economic Development Administration to support marketing, technical assistance, events, and an economic diversification strategy.
- EDRR members collaborated to create a new \$1 million Salem Small Business Loan Fund with non-profit partners and private financial institutions.
- Organized and sponsored several business community webinars focused on providing current pandemic information with speakers from North Shore Medical Center, North Shore Community Health Center, the City Health Department, the Salem Police Department. Organized a business community wellness webinar with Nikhil Paul from We R Human.

In addition, DPCD staff, due to the COVID-19 pandemic and shut down of businesses in Salem, implemented an Employee Incentive Program utilizing CDBG-CV funds. The program assisted small businesses in the restaurant, retail and hospitality industry that had a difficult time staffing and returning to capacity upon reopening.

Table 3: FY22 Economic Development Financial Summary

| Program | Description | CDBG Funding Available | Status |
|----------------------------|---|-------------------------------|---|
| Employee Incentive Program | In collaboration with MassHire the program provided an incentive bonus for employees returning and retaining their employment. | \$31,913.45 CDBG-CV | <ul style="list-style-type: none"> • \$31,913.45 CDBG-CV spent • 34 businesses assisted • 52 full and part time jobs (34 FTE) were created |
| 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. | \$50,000.00 CDBG | <ul style="list-style-type: none"> • \$0 CDBG spent |

| Program | | Description | CDBG Funding Available | • Status |
|-------------------------------|---|---|------------------------|---|
| Business Technical Assistance | Salem Main Streets Program | Provides commercial district revitalization through organization, promotion, economic restructuring and design. | \$35,000.00 CDBG | <ul style="list-style-type: none"> • \$35,000 CDBG spent • 6 new full/part-time jobs documented (5 FTE) • Assisted 3 new, 51 existing and 6 prospective businesses, (including 34 micro-enterprises, 4 relocating and 2 expanding businesses) |
| | North Shore CDC Small Business Engagement Program | Serves minority entrepreneurs with business workshops, mentoring sessions, networking groups and referrals to partner agencies. The program will assist the development and growth of immigrant-owned businesses that provide products and services to the Point Neighborhood. | \$35,000 CDBG | <ul style="list-style-type: none"> • \$35,000 spent • 6 new full-time jobs documented • Assisted 6 new, 19 existing and 0 prospective businesses, (including 19 micro-enterprise businesses, as well as 3 expanding and 3 relocating businesses) |
| | Enterprise Center Small Business Technical Assistance Program | Provides personalized consulting services to help address needs of small businesses that have been made vulnerable as a result of COVID-19. Participants select consultants and focus areas based on their business needs, such as accounting/financial planning, legal services, marketing & branding, COVID-19 relief program navigation, technology (i.e. remote/on-line sales), workforce management and other business consulting. | \$12,175.00 CDBG-CV | <ul style="list-style-type: none"> • \$12,175 CDBG-CV spent • Assisted 1 new business and continued to assist 23 microenterprise businesses from prior program year. • 1 full time job documented |
| | Economic Development Program Delivery | Costs associated with providing Economic Development programs and administration of the Salem Redevelopment Authority. | \$95,257.50 CDBG | <ul style="list-style-type: none"> • \$95,257.50 CDBG spent • (see description below) |

In total, \$165,257.50 in CDBG funds and \$44,088.45 in CDBG-CV funds were spent during the program period for economic development activities. This included 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 and economic recovery initiatives and provides administration to the Salem Redevelopment Authority, which oversees the Urban Renewal Area.

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

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

During FY22, the DPCD’s Economic Development Planner worked on several significant redevelopment projects, including:

- The approval of 46 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 sixth year. The slam is a three-day event where selected artists paint work on plywood boards mounted on the back of stalls at Salem’s Artists’ Row. The event was held during the Salem Arts Festival and the pieces remain in place until the following year’s Mural Slam.
- Coordination with Salem Main Streets on storefront improvement initiatives and technical assistance to downtown businesses.
- Management of the Business Recruitment Team, a team comprised of the city’s economic development planner, and the executive directors of the Salem Chamber of Commerce and Salem Main Streets that meets monthly to discuss the ‘business recruitment strategy’. The team discusses the types of businesses that can benefit the Salem community and sets concrete tasks regarding outreach to these businesses to discuss opportunities in Salem. Together, the group 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 the Enterprise Center, MassDevelopment, Mill Cities Community Investments, the North Shore CDC, and the Small Business Development Center.
- Coordination of all processes related to planning for the redevelopment of the former Superior Court and County Commissioners Building. In addition to being a point of contact for the public and interested parties, this includes collaborating with the Massachusetts Division of Capital Asset Management and managing the designated developer on pre-development initiatives and the public permitting process. Next steps include facilitating the public permitting process and assisting the designated developer in navigating the city’s permitting boards.
- Managed databases of available properties for lease and potential redevelopment opportunities. This database represents some of the key properties throughout Salem that can accommodate new

business and new growth, which will build the tax base, create new employment opportunities, and support existing and new businesses.

- Managed the implementation of the Salem Downtown Retail Action Plan.
- Managed the development of a new economic development website, www.salemforbusiness.com, to both attract new businesses and aid existing ones. Long-term management of the site will be incorporated into the Economic Development Planner's daily workload.
- Managed the logistics and participated in meetings of the Economic Development Recovery and Revitalization Task Force (EDRR). The Economic Development Planner created and managed the City's Small Business Grant program that assisted businesses that experienced losses due to the pandemic, created and managed the city's Employee Retention and Hiring Incentive Program, set weekly agendas for EDRR meetings, organized industry-specific focus groups to learn how the pandemic was impacting their business; and created and managed surveys to determine business needs so that the EDRR could focus its assistance efforts.

The Economic Development Planner continues to work with the North Shore Community Development Coalition and other local stakeholder partners on the implementation and evaluation of the "Salem Point Neighborhood Vision and Action Plan." Action items call for quality of life improvements to the Point Neighborhood, which is Salem's foremost environmental justice neighborhood. Examples of the type of projects being implemented include sidewalk repairs, park improvements, community programming, commercial space, i.e. 'pop-up shops' for entrepreneurs, and public art. An evaluation of the progress made on the Salem Point Neighborhood Vision and Action Plan, funded with CDBG, began in FY22 with consultants HR&A Advisors anticipated to complete its report in early FY23.

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.

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

The Director of Planning & Community Development is 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, design or procurement stages. The following table outlines the current neighborhood improvement projects and their status at the close of FY22.



*Brennan Skatepark at Gallows Hill
Photo credit: John Andrews*

During the program period, we continued to work on important neighborhood projects, and spent a total of \$656,421.42 including program delivery costs, toward meeting the goals in the FY22 Action Plan and 5 Year Consolidated Plan. In addition, \$34,712.73 was spent in CDBG-CV funds.

Table 4: FY22 Neighborhood Improvement Financial Summary (CDBG & CDBG-CV)*

| Activity | Funds Available | Funds Spent | Status |
|--------------------------------------|-----------------|--------------|----------|
| Outdoor Dining Landscaping | \$66,218.87 | \$66,218.87 | Complete |
| Fire station #1 paving | \$39,642.06 | \$39,642.06 | Complete |
| YMCA Greenspace Garden | \$24,567.65 | \$24,567.65 | Complete |
| Tree Planting Program | \$13,650.00 | \$13,650.00 | Complete |
| Gallows Hill Park | \$506,014.19 | \$314,287.72 | Underway |
| Prince Street Improvements | \$231,661.22 | \$173,461.82 | Underway |
| Old Town Hall Pre-Development | \$60,431.50 | \$34,712.73 | Underway |
| Almy's Clock Restoration | \$40,448.78 | \$24,507.39 | Underway |
| Teen Center Building Improvements | \$39,371.03 | \$85.91 | Planning |
| Community Life Center Art | \$30,000.00 | \$0 | Planning |
| Lappin Park Improvements | \$42,834.19 | \$0 | Planning |
| Street Improvements (TBD) | \$31,956.00 | \$0 | Planning |
| Peabody Street Park | \$16,675.81 | \$0 | Planning |
| Accessible Park Improvement (TBD) | \$25,000 | \$0 | Planning |
| Riley Plaza Median Strip Improvement | \$25,000.00 | \$0 | Planning |
| Blubber Hollow History Sign | \$1,500.00 | \$0 | Planning |
| Lifebridge Portable Shower | \$20,000.00 | \$0 | Planning |
| Endicott & Pratt Street Improvements | \$197,000.00 | \$0 | Design |
| Palmer Street Drainage | \$35,000.00 | \$0 | Design |

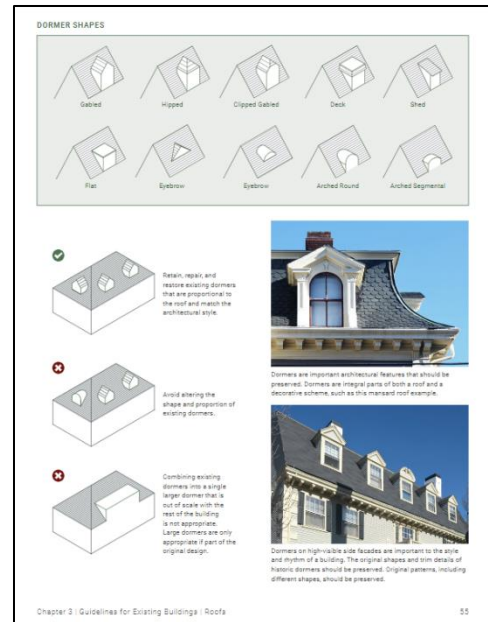
**Funds available and spent represent only FY22 and may not reflect the actual entire project cost.*

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 FY22 CDBG funds were used to provide matching funds for a Massachusetts Historical Commission Survey & Planning Grant to update the Salem Historical Commission guidelines. Matching funds were also budgeted to complete a Point Vision Plan Update.

During FY22, we spent a total of \$242,247.60 in CDBG funds toward Planning and Administration expenses. No CDBG-CV funds were spent on Planning and Administrative expenses.



Historical Commission Guidelines

Table 5a: FY22 CDBG Planning & Administration Financial Summary

| Activity | CDBG Funds Available | CDBG Funds Spent |
|--|----------------------|------------------|
| Massachusetts Historical Commission grant match: Salem Historical Commission guidelines | \$13,725.00 | \$13,725.00 |
| Point Vision Plan Update | \$10,000.00 | \$0 |
| General Administration - Non-salary | \$8,982.89 | \$8,982.89 |
| General Administration - Benefits | \$50,154.62 | \$50,154.62 |
| General Administration - Salary | \$169,385.09 | \$169,385.09 |

APPENDIX

Financial Summary Report (PR26) for FY22 (HUD's Program Year 2021)

- CDBG Financial Summary- Please note:
 - Line 19 reflects disbursements from 14-series matrix code activities from the Low/Mod calculation that IDIS omitted.
- CDBG Activity by Selected Grant
- CDBG-CV Financial Summary

Maps

- Low to Moderate Income Areas
- Geographic Distribution of Entitlement Funds Expended FY22



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 2021
SALEM, MA

DATE: 08-23-22
TIME: 10:59
PAGE: 1

PART I: SUMMARY OF CDBG RESOURCES

| | |
|---|--------------|
| 01 UNEXPENDED CDBG FUNDS AT END OF PREVIOUS PROGRAM YEAR | 1,408,615.83 |
| 02 ENTITLEMENT GRANT | 1,098,710.00 |
| 03 SURPLUS URBAN RENEWAL | 0.00 |
| 04 SECTION 108 GUARANTEED LOAN FUNDS | 0.00 |
| 05 CURRENT YEAR PROGRAM INCOME | 126,964.24 |
| 05a CURRENT YEAR SECTION 108 PROGRAM INCOME (FOR SI TYPE) | 0.00 |
| 06 FUNDS RETURNED TO THE LINE-OF-CREDIT | 0.00 |
| 06a FUNDS RETURNED TO THE LOCAL CDBG ACCOUNT | 0.00 |
| 07 ADJUSTMENT TO COMPUTE TOTAL AVAILABLE | 0.00 |
| 08 TOTAL AVAILABLE (SUM, LINES 01-07) | 2,634,290.07 |

PART II: SUMMARY OF CDBG EXPENDITURES

| | |
|--|--------------|
| 09 DISBURSEMENTS OTHER THAN SECTION 108 REPAYMENTS AND PLANNING/ADMINISTRATION | 1,125,194.83 |
| 10 ADJUSTMENT TO COMPUTE TOTAL AMOUNT SUBJECT TO LOW/MOD BENEFIT | 0.00 |
| 11 AMOUNT SUBJECT TO LOW/MOD BENEFIT (LINE 09 + LINE 10) | 1,125,194.83 |
| 12 DISBURSED IN IDIS FOR PLANNING/ADMINISTRATION | 242,247.60 |
| 13 DISBURSED IN IDIS FOR SECTION 108 REPAYMENTS | 0.00 |
| 14 ADJUSTMENT TO COMPUTE TOTAL EXPENDITURES | 0.00 |
| 15 TOTAL EXPENDITURES (SUM, LINES 11-14) | 1,367,442.43 |
| 16 UNEXPENDED BALANCE (LINE 08 - LINE 15) | 1,266,847.64 |

PART III: LOW/MOD 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 | 1,008,010.20 |
| 20 ADJUSTMENT TO COMPUTE TOTAL LOW/MOD CREDIT | 92,677.24 |
| 21 TOTAL LOW/MOD CREDIT (SUM, LINES 17-20) | 1,100,687.44 |
| 22 PERCENT LOW/MOD CREDIT (LINE 21/LINE 11) | 97.82% |

LOW/MOD BENEFIT FOR MULTI-YEAR CERTIFICATIONS

| | |
|---|-------------|
| 23 PROGRAM YEARS(PY) COVERED IN CERTIFICATION | PY: PY: PY: |
| 24 CUMULATIVE NET EXPENDITURES SUBJECT TO LOW/MOD BENEFIT CALCULATION | 0.00 |
| 25 CUMULATIVE EXPENDITURES 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 | 165,797.86 |
| 28 PS UNLIQUIDATED OBLIGATIONS AT END OF CURRENT PROGRAM YEAR | 67,631.06 |
| 29 PS UNLIQUIDATED OBLIGATIONS AT END OF PREVIOUS PROGRAM YEAR | 87,438.92 |
| 30 ADJUSTMENT TO COMPUTE TOTAL PS OBLIGATIONS | 0.00 |
| 31 TOTAL PS OBLIGATIONS (LINE 27 + LINE 28 - LINE 29 + LINE 30) | 145,990.00 |
| 32 ENTITLEMENT GRANT | 1,098,710.00 |
| 33 PRIOR YEAR PROGRAM INCOME | 125,559.42 |
| 34 ADJUSTMENT TO COMPUTE TOTAL SUBJECT TO PS CAP | 0.00 |
| 35 TOTAL SUBJECT TO PS CAP (SUM, LINES 32-34) | 1,224,269.42 |
| 36 PERCENT FUNDS OBLIGATED FOR PS ACTIVITIES (LINE 31/LINE 35) | 11.92% |

PART V: PLANNING AND ADMINISTRATION (PA) CAP

| | |
|--|--------------|
| 37 DISBURSED IN IDIS FOR PLANNING/ADMINISTRATION | 242,247.60 |
| 38 PA UNLIQUIDATED OBLIGATIONS AT END OF CURRENT PROGRAM YEAR | 10,000.00 |
| 39 PA UNLIQUIDATED OBLIGATIONS AT END OF PREVIOUS PROGRAM YEAR | 23,725.00 |
| 40 ADJUSTMENT TO COMPUTE TOTAL PA OBLIGATIONS | 0.00 |
| 41 TOTAL PA OBLIGATIONS (LINE 37 + LINE 38 - LINE 39 +LINE 40) | 228,522.60 |
| 42 ENTITLEMENT GRANT | 1,098,710.00 |
| 43 CURRENT YEAR PROGRAM INCOME | 126,964.24 |
| 44 ADJUSTMENT TO COMPUTE TOTAL SUBJECT TO PA CAP | 0.00 |
| 45 TOTAL SUBJECT TO PA CAP (SUM, LINES 42-44) | 1,225,674.24 |
| 46 PERCENT FUNDS OBLIGATED FOR PA ACTIVITIES (LINE 41/LINE 45) | 18.64% |

PR26 - Activity Summary by Selected Grant

Date Generated: 08/23/2022

Grantee: SALEM

Grant Year: 2021

Formula and Competitive Grants only

| Total Grant Amount for CDBG 2021 Grant year = \$1,098,710.00 | | | | | | | | | | | | | | |
|--|--------------|------------|--------------|--|-------------|--------------------|---------------|--|-----------------|-----------------------------------|----------------------------------|---|--|---|
| State | Grantee Name | Grant Year | Grant Number | Activity Group | Matrix Code | National Objective | IDIS Activity | Activity to prevent, prepare for, and respond to Coronavirus | Activity Status | Amount Funded From Selected Grant | Amount Drawn From Selected Grant | % of CDBG Drawn From Selected Grant/Grant | Total CDBG Funded Amount (All Years All Sources) | Total CDBG Drawn Amount (All Years All Sources) |
| MA | SALEM | 2021 | B21MC250029 | Administrative And Planning | 21A | | 1860 | No | Completed | \$100,238.88 | \$100,238.88 | | \$169,385.09 | \$169,385.09 |
| MA | SALEM | 2021 | B21MC250029 | Administrative And Planning | 21A | | 1861 | No | Completed | \$31,443.73 | \$31,443.73 | | \$50,154.62 | \$50,154.62 |
| MA | SALEM | 2021 | B21MC250029 | Administrative And Planning | 21A | | 1862 | No | Completed | \$8,102.89 | \$8,102.89 | | \$8,982.89 | \$8,982.89 |
| | | | | Total Administrative And Planning | | | | | | \$139,785.50 | \$139,785.50 | 12.72% | \$228,522.60 | \$228,522.60 |
| MA | SALEM | 2021 | B21MC250029 | Economic Development | 18B | LW0 | 1850 | No | Completed | \$95,257.50 | \$95,257.50 | | \$95,257.50 | \$95,257.50 |
| MA | SALEM | 2021 | B21MC250029 | Economic Development | 18B | LW0 | 1851 | No | Completed | \$26,250.00 | \$26,250.00 | | \$35,000.00 | \$35,000.00 |
| MA | SALEM | 2021 | B21MC250029 | Economic Development | 18B | LW0 | 1852 | No | Completed | \$35,000.00 | \$35,000.00 | | \$35,000.00 | \$35,000.00 |
| | | | | Total Economic Development | | | | | | \$156,507.50 | \$156,507.50 | 14.24% | \$165,257.50 | \$165,257.50 |
| MA | SALEM | 2021 | B21MC250029 | Housing | 13B | LMH | 1864 | No | Completed | \$88.47 | \$88.47 | | \$7,793.47 | \$7,793.47 |
| MA | SALEM | 2021 | B21MC250029 | Housing | 13B | LMH | 1866 | No | Completed | \$7,323.23 | \$7,323.23 | | \$7,904.32 | \$7,904.32 |
| MA | SALEM | 2021 | B21MC250029 | Housing | 13B | LMH | 1894 | No | Completed | \$8,613.81 | \$8,613.81 | | \$8,613.81 | \$8,613.81 |
| MA | SALEM | 2021 | B21MC250029 | Housing | 14A | LWH | 1728 | No | Open | \$9,438.97 | \$6,763.97 | | \$105,063.30 | \$102,388.30 |
| MA | SALEM | 2021 | B21MC250029 | Housing | 14H | LWH | 1853 | No | Completed | \$20,729.21 | \$20,729.21 | | \$20,729.21 | \$20,729.21 |
| | | | | Total Housing | | | | | | \$46,193.69 | \$43,518.69 | 3.96% | \$150,104.11 | \$147,429.11 |
| MA | SALEM | 2021 | B21MC250029 | Public Improvements | 03F | LWA | 1717 | No | Open | \$5,791.84 | \$0.00 | | \$632,877.91 | \$441,151.44 |
| MA | SALEM | 2021 | B21MC250029 | Public Improvements | 03K | SBA | 1820 | No | Open | \$3,737.81 | \$3,620.06 | | \$41,420.14 | \$25,478.75 |
| MA | SALEM | 2021 | B21MC250029 | Public Improvements | 03O | LMA | 1849 | No | Completed | \$142.06 | \$142.06 | | \$39,642.06 | \$39,642.06 |
| MA | SALEM | 2021 | B21MC250029 | Public Improvements | 03Z | LWA | 1814 | No | Open | \$71.03 | \$0.00 | | \$54,313.94 | \$15,028.82 |
| | | | | Total Public Improvements | | | | | | \$9,742.74 | \$3,762.12 | 0.34% | \$768,254.05 | \$521,301.07 |
| MA | SALEM | 2021 | B21MC250029 | Public Services | 05A | LWC | 1835 | No | Completed | \$0.00 | \$0.00 | | \$1,190.00 | \$1,190.00 |
| MA | SALEM | 2021 | B21MC250029 | Public Services | 05A | LWC | 1878 | No | Open | \$4,400.00 | \$235.96 | | \$4,400.00 | \$235.96 |
| MA | SALEM | 2021 | B21MC250029 | Public Services | 05A | LWC | 1886 | No | Open | \$1,000.00 | \$560.00 | | \$1,000.00 | \$560.00 |
| MA | SALEM | 2021 | B21MC250029 | Public Services | 05A | LWC | 1887 | No | Open | \$1,200.00 | \$630.00 | | \$1,200.00 | \$630.00 |
| MA | SALEM | 2021 | B21MC250029 | Public Services | 05A | LWC | 1889 | No | Open | \$7,000.00 | \$1,017.83 | | \$7,000.00 | \$1,017.83 |
| MA | SALEM | 2021 | B21MC250029 | Public Services | 05B | LWC | 1870 | No | Completed | \$4,800.00 | \$4,800.00 | | \$4,800.00 | \$4,800.00 |



PART I: SUMMARY OF CDBG-CV RESOURCES

| | |
|---|--------------|
| 01 CDBG-CV GRANT | 1,184,098.00 |
| 02 FUNDS RETURNED TO THE LINE-OF-CREDIT | 0.00 |
| 03 FUNDS RETURNED TO THE LOCAL CDBG ACCOUNT | 0.00 |
| 04 TOTAL AVAILABLE (SUM, LINES 01-03) | 1,184,098.00 |

PART II: SUMMARY OF CDBG-CV EXPENDITURES

| | |
|--|------------|
| 05 DISBURSEMENTS OTHER THAN SECTION 108 REPAYMENTS AND PLANNING/ADMINISTRATION | 500,254.64 |
| 06 DISBURSED IN IDIS FOR PLANNING/ADMINISTRATION | 30,000.00 |
| 07 DISBURSED IN IDIS FOR SECTION 108 REPAYMENTS | 0.00 |
| 08 TOTAL EXPENDITURES (SUM, LINES 05 - 07) | 530,254.64 |
| 09 UNEXPENDED BALANCE (LINE 04 - LINE 8) | 653,843.36 |

PART III: LOW/MOD BENEFIT FOR THE CDBG-CV GRANT

| | |
|--|------------|
| 10 EXPENDED FOR LOW/MOD HOUSING IN SPECIAL AREAS | 0.00 |
| 11 EXPENDED FOR LOW/MOD MULTI-UNIT HOUSING | 0.00 |
| 12 DISBURSED FOR OTHER LOW/MOD ACTIVITIES | 455,110.41 |
| 13 TOTAL LOW/MOD CREDIT (SUM, LINES 10 - 12) | 455,110.41 |
| 14 AMOUNT SUBJECT TO LOW/MOD BENEFIT (LINE 05) | 500,254.64 |
| 15 PERCENT LOW/MOD CREDIT (LINE 13/LINE 14) | 90.98% |

PART IV: PUBLIC SERVICE (PS) CALCULATIONS

| | |
|---|--------------|
| 16 DISBURSED IN IDIS FOR PUBLIC SERVICES | 264,867.65 |
| 17 CDBG-CV GRANT | 1,184,098.00 |
| 18 PERCENT OF FUNDS DISBURSED FOR PS ACTIVITIES (LINE 16/LINE 17) | 22.37% |

PART V: PLANNING AND ADMINISTRATION (PA) CAP

| | |
|---|--------------|
| 19 DISBURSED IN IDIS FOR PLANNING/ADMINISTRATION | 30,000.00 |
| 20 CDBG-CV GRANT | 1,184,098.00 |
| 21 PERCENT OF FUNDS DISBURSED FOR PA ACTIVITIES (LINE 19/LINE 20) | 2.53% |

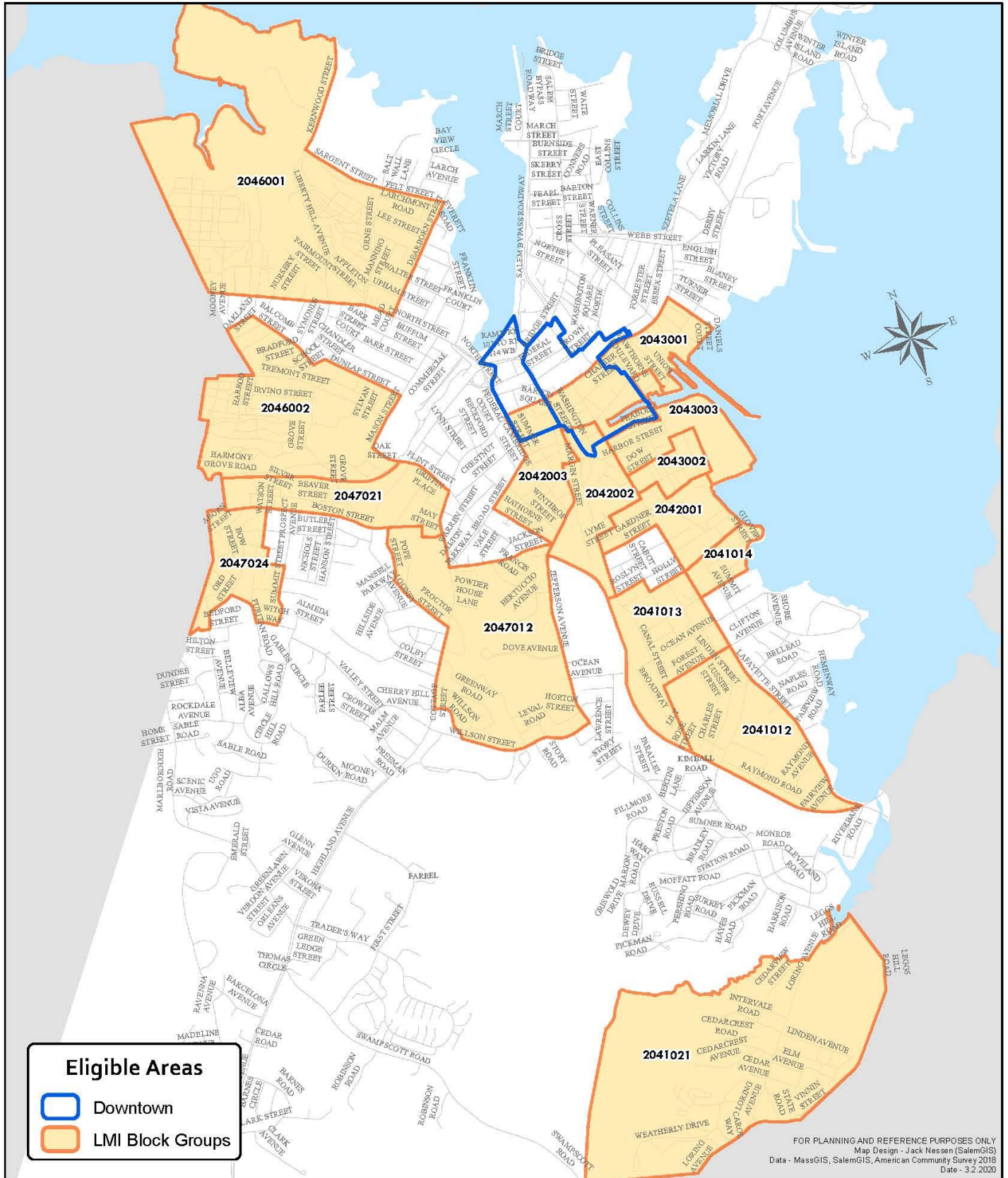


CITY OF
SALEM

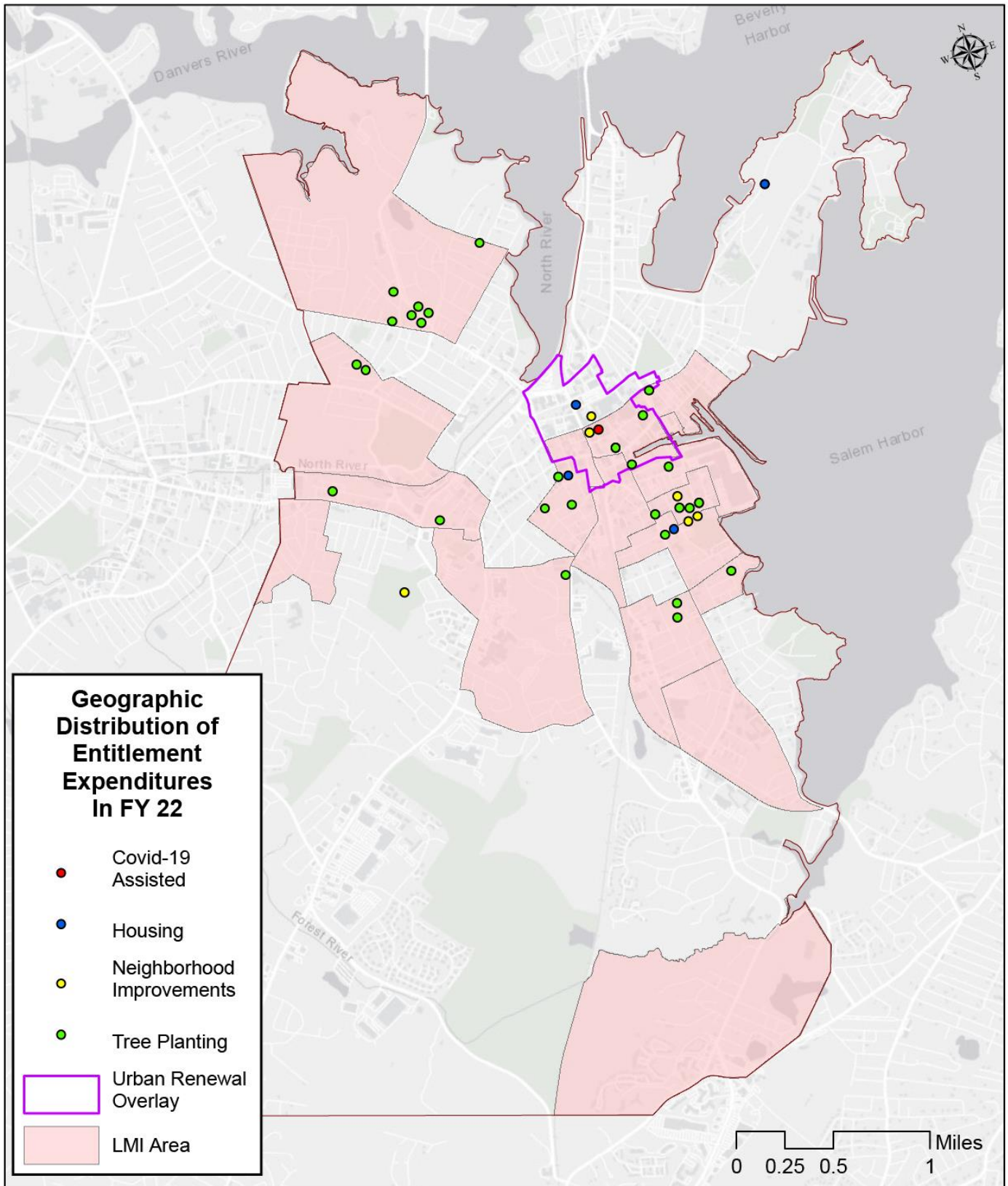
Low to Moderate Income Areas

Effective April 1, 2019

1 inch equals 2,100 feet



City of Salem FY22 CDBG and CDBG-CV Activities



CAPER NARRATIVES IN IDIS

CR-05 - Goals and Outcomes

Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a)

The Housing Rehab Loan Program (5 year goal=18 units/AAP goal=3 units) resulted in 1 completed unit. The First Time Homebuyer Program (5 year goal=14 units/AAP goal=2), 3 households were assisted. Affordable Housing development (5 year goal=6 units/AAP goal=2 units), no CDBG funds were spent and the funds will be carried over. With HOME (reported through the Consortium) funding was provided to a nonprofit developer toward the rehabilitation of 46 affordable units. HOME funds and CDBG-CV funds assisted 6 households with emergency rental assistance in response to COVID-19. HOME funds were used to assist 21 tenants with rental assistance, 7 were high-risk homeless persons.

Economic Development, no Small Business Financial Assistance was spent (5 year goal=21 jobs/AAP goals=2 jobs). The funds will be carried over. Business Technical Assistance (5 year goal=10 jobs/AAP goal of 5 jobs), we documented 11 FTE jobs utilizing CDBG funds. The Salem Main Streets Program provided technical assistance to 3 new, 51 existing and 6 prospective businesses, including 34 micro-enterprises, 4 relocating and 2 expanding business; North Shore Community Development Coalition's (NSCDC) Small Business Engagement Program provided technical assistance to 6 new and 19 existing, with the total including 19 micro-enterprise businesses, as well as 3 expanding and 3 relocating businesses.

Community Support Services (5 year goal=45000 persons/AAP goal=9000 persons), with CDBG funds, we assisted 25002+ people (including at least 497 youth and 257 seniors) through 21 new and 14 carried over contracts. These numbers may slightly differ in the IDIS generated Table 1 due to reporting for some activities in persons and some in households and Homeless Person Overnight Shelter and Homeless Prevention being separate in the table. IDIS did not include CDBG-CV outcomes in the table which assisted 547 people through 4 public service contracts.

Downtown Improvements accomplishments is based on the census block groups that comprise the Slum/Blight designated area. Almy's Clock improvements were spent in FY21/22 and will be complete in FY22/23.

Neighborhood Improvements (5 year/AP goal= 7600 persons) included tree planting (6280 persons), Outdoor Dining (2280 persons), YMCA community garden (1760 persons) and Firestation #1 lot improvements (1030 persons). There are several open activities including Gallows Hill, Prince Street improvements, Teen Center improvements, Peabody Street Park improvements, Mary Jane Lee Park accessible resurfacing, Riley Plaza median strip improvements, Palmer Street drainage, Blubber Hollow neighborhood history sign, Community Life Center public art, and the Lifebridge portable shower. These projects/funds will carry over to FY22/23.

Notes: In Year 2-5 CAPERs, the 5-year accomplishments may include duplicates due to multiple activities in the same census tracks. Table 1 was edited to add the tree planting, outdoor dining and fire station lot improvements outcomes to the investment in parks, infrastructure and public facility goals. The jobs created was also edited to include 3 FTE jobs in addition to the 9 full time jobs for a total of 11 FTE, which were reported in IDIS by omitted on the

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table and public service programs in IDIS shows 28536 persons assisted; however, 25002 persons were assisted. 1 housing rehab project completed in June 2022 but paid after close of fy was added.

CDBG-CV outcomes are shown on Figure 1 below the table.

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 |
|--|-----------------------------------|-----------------|---|------------------------|---------------------------|-------------------------|------------------|-------------------------|-----------------------|------------------|
| Facilitate Homeownership | Affordable Housing | CDBG: \$ | Direct Financial Assistance to Homebuyers | Households Assisted | 14 | 6 | 42.85% | 2 | 3 | 150.00% |
| Financially Support Small Businesses | Non-Housing Community Development | CDBG: \$ | Jobs created/retained | Jobs | 21 | 0 | 0.00% | 2 | 0 | 0.00% |
| Improve the Condition of Existing Housing. | Affordable Housing | CDBG: \$ | Homeowner Housing Rehabilitated | Household Housing Unit | 18 | 2 | 11.11% | 3 | 1 | 33.33% |
| Increase the Supply of Affordable Housing | Affordable Housing | CDBG: \$ | Rental units rehabilitated | Household Housing Unit | 6 | 0 | 0.00% | 0 | 0 | 0.00% |

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| Goal | Category | Source / Amount | Indicator | Unit of Measure | Expected – Strategic Plan | Actual – Strategic Plan | Percent Complete | Expected – Program Year | Actual – Program Year | Percent Complete |
|-------------------------------------|-------------------------------------|-----------------|--|---------------------|---------------------------|-------------------------|------------------|-------------------------|-----------------------|------------------|
| Offer Business Technical Assistance | Non-Housing Community Development | CDBG: \$ | Façade treatment/business building rehabilitation | Jobs | 0 | 0 | | 0 | 0 | |
| Offer Business Technical Assistance | Non-Housing Community Development | CDBG: \$ | Jobs created/retained | Jobs | 10 | 22 | 220.00% | 5 | 11 | 220.00% |
| Offer Business Technical Assistance | Non-Housing Community Development | CDBG: \$ | Businesses assisted | Businesses Assisted | 0 | 80 | | 0 | 79 | |
| Provide Community Support Services | Homeless Non-Homeless Special Needs | CDBG: \$ | Public service activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 45000 | 32653 | 72.56% | 7325 | 25002 | 341.00% |
| Provide Community Support Services | Homeless Non-Homeless Special Needs | CDBG: \$ | Homeless Person Overnight Shelter | Persons Assisted | 0 | 220 | | 0 | 120 | |
| Provide Community Support Services | Homeless Non-Homeless Special Needs | CDBG: \$ | Homelessness Prevention | Persons Assisted | 0 | 58 | | 0 | 19 | |

CAPER NARRATIVES IN IDIS

| | | | | | | | | | | |
|--|-----------------------------------|-------------|---|------------------|-------|-------|---------|-------|-------|-----|
| Invest in Parks Infrastructure & Public Facilities | Non-Housing Community Development | CDBG: \$ | Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 17600 | 17630 | 100.00% | 17600 | 11350 | 64% |
| Improve Downtown Slums/Blight Area | Non-Housing Community Development | CDBG: \$ | Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 4735 | 5055 | 106.76% | | | |

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 considerable progress toward meeting the priorities and objectives of our 5-year Consolidated and FY22 Action Plans. Below is a summary of major activities accomplished in FY22, which also includes CDBG-CV funds used to prepare, prevent and respond to COVID-19. The CDBG-CV accomplishments are shown in Figure 1.

- 1 housing unit was renovated through the Housing Rehabilitation Loan Program
- 3 households were provided a downpayment assistance loan to purchase their first home in Salem
- 14 families received assistance with first/last months' rent and/or security deposits (HOME funds)
- 7 high risk homeless individuals continued to receive rental assistance in housing with supportive services
- 35 open CDBG social service contracts assisted at least 25,002 persons, including at least 497 youth and at least 257 seniors
- 4 open CDBG-CV social service contracts assisted at least 547 persons, including emergency rental assistance, housing stability information, food distribution and emergency rental assistance in response to COVID-19
- Assisted 34 businesses to provide an incentive bonus for employees returning to and retaining their employment in order for businesses to reopen following COVID-19 shutdown, documenting 52 (34 FTE) jobs created
- 1 new full time job documented through Salem State University Enterprise Center and 23 microenterprises continued to receive assistance in response to COVID-19
- 21 trees planted on Winthrop, Beaver, Watson, Green, Summer, Lovett, Hawthorne Blvd, Palmer, Federal, Jefferson Ave, Prince, Harbor, Congress, Linden and Lafayette
- YMCA community garden completed at Palmer Cove Park
- Housing stability services were provided to 29 persons
- 6 persons received emergency rental assistance
- Historic building design guidelines completed
- 9 new jobs and 3 retained jobs (11 FTE) documented through the Salem Main Streets Program and the NSCDC Small Business Engagement Program;
 - Salem Main Streets Program highlights: Provided technical assistance to 60 businesses. Technical assistance included consultations on facility design, appearance and marketing (including social media), market research, business plan development, business models, advocacy, strategy, expansion assistance, peer support, recognizing/addressing operating and financial risks, location assistance for new or relocating businesses and general business planning. 1 on 1 consultations were provided to 10 existing businesses and 1 potential business. 3 quarterly retail meetings that offer group technical assistance were held between

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September and March with a total of 46 businesses participating.

- NSCDC Small Business Engagement Program highlights: Provided technical assistance to 25 businesses. Technical assistance included COVID testing and mask requirements, where to get free masks from the city, loan assistance programs, work on a mural for the business facade, assisted with getting a business into an incubator, connected business with various organizations, connected business with the Salem loan fund and grant resources, forming an LLC, as well as assisting with networking connections. They also provided 5 group technical assistance sessions - one on business plan writing, one on financial planning for small businesses and one on Marketing for Business, one on commercial real estate for small business and one on tech goes home for small business. They held one on one training on digital literacy. Held an incubator grand opening virtual open houses with 5 businesses and community walks in the Point Neighborhood. They also launched a Shop Small website.

Figure 1 CDBG-CV Accomplishment Data

| Project Name | Activity Name | CARES Act | Goal Outcome Indicator | Outcome Unit of Measure | Outcome Actual - Program Year |
|--|---|-----------|---|-------------------------|-------------------------------|
| CV - Business Technical Assistance | CV - Enterprise Center - Salem Small Business Technical Assistance Services Program | CV | Businesses assisted | Businesses Assisted | 1 |
| | | | Facade treatment/business building rehabilitation | Business | 0 |
| | | | Jobs created/retained | Jobs | 1 |
| CV - Community Support Services | CV - NSCAP - Emergency Rental Assistance | CV | Homelessness Prevention | Persons Assisted | 6 |
| | | | Public service activities other than Low/Moderate | Persons Assisted | 6 |
| | CV - NSCDC - Point Neighborhood | CV | Public service activities other than Low/Moderate | Persons Assisted | 174 |
| | CV Salem Pantry COVID19 Program | CV | Public service activities other than Low/Moderate | Persons Assisted | 340 |
| | CV- ECBA Housing Stability Services | CV | Homelessness Prevention | Persons Assisted | 12 |
| | | | Public service activities other than Low/Moderate | Persons Assisted | 29 |
| CV - Neighborhood | CV - Old Town Hall Improvements | CV | Public Facility or Infrastructure Activities other than | Persons Assisted | 4735 |
| CV - Small Business Financial Assistance | CV-Employee Incentive Program for Salem Businesses | CV | Businesses assisted | Businesses Assisted | 34 |
| | | | Jobs created/retained | Jobs | 19 |

CR-10 - Racial and Ethnic composition of families assisted

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

91.520(a)

| | CDBG |
|---|--------------|
| White | 1,554 |
| Black or African American | 361 |
| Asian | 24 |
| American Indian or American Native | 14 |
| Native Hawaiian or Other Pacific Islander | 16 |
| Total | 1,969 |
| Hispanic | 438 |
| Not Hispanic | 1,531 |

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, it includes CDBG and CDBG-CV data.

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 | \$1,191,710 | 1,367,442 |

Table 3 - Resources Made Available

Narrative

The full CDBG-CV grant was awarded in program year 2019, thus \$0 in CDBG-CV resources were made available in program year 2021. \$160,387 in carried over CDBG-CV funding was expended during program year 2021.

Financial Summary Report (PR26): Line 19 reflects disbursements from 14-series matrix code activities from the Low/Mod calculation that IDIS omitted.

CDBG funds available was \$1,098,710 in FY22 (HUD 2021) entitlement funds (not including carried over funds, nor program income). The actual amount of CDBG funds spent in FY22 was \$1,367,442.43, including prior year carried over funds. The actual amount of CDBG-CV funds spent in FY22 was \$149,955.81, including prior year carried over funds.

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 in FY22 was \$810,456.23.

CPA funds – in FY22, the total of amount of surcharge funds collected was \$782,363.04, and including the State match funds received of \$295,527 totals \$1,077,890.04 not including uncollected surcharge write-offs or penalties/interest. HOME funds - the actual amount spent in FY22 was \$203,888.44.

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

Identify the geographic distribution and location of investments

| Target Area | Planned Percentage of Allocation | Actual Percentage of Allocation | Narrative Description |
|-------------|----------------------------------|---------------------------------|-------------------------|
| City-wide | 70 | 52 | Comprehensive |
| Downtown | 0 | 2 | Slum & Blight Area |
| LMI Areas | 30 | 46 | Majority LMI Population |

Table 4 – Identify the geographic distribution and location of investments

Narrative

As of 4/1/19, HUD announced the publication of low- and moderate-income summary data based on the American Community Survey 2011-2015 5-year estimates (2015 ACS)*. According to the ACS, Salem is now 52.7% low- to moderate-income households and there are fifteen census block groups that make up the areas of LMI concentration, having a majority of households who earn less than 80% of area median income. Seven of the fifteen total LMI block groups each contain more than 70% LMI households (the three block groups with the highest percentage of LMI households are located in Point Neighborhood). The Point neighborhood also has the highest concentration of minority residents. A map of the LMI areas is in the Appendix.

The City of Salem typically supports programs that benefit low- and moderate-income households or specific populations such as senior citizens, disabled persons and minorities. Although some programs support the needs of these populations throughout the city, many activities are targeted to neighborhoods that have a concentration of low- and moderate-income households. When prioritizing activities, the City pays special attention to those low- and moderate-income neighborhoods where the greatest needs have been identified and whose public facilities and infrastructure are in the worst condition. In addition, the City also undertakes improvements in the Downtown Renewal Area, which was established as a Slum/Blight Area (November, 2013).

In accordance with CDBG regulations, the City can undertake activities such as street, sidewalk and playground improvements in the low- and moderate-income neighborhoods or in neighborhoods meeting the definition of “slum/blight”. However, recognizing that needs are not solely located in distressed neighborhoods, the City also offers programs that may be accessed by people living outside these areas. For example, the Housing Rehabilitation Loan Program and First-Time Homebuyer Downpayment Assistance Loan Program are offered city-wide to allow any low- to moderate-income household to take advantage of their availability. The City’s small business loan programs are available to any business that meets certain eligibility requirements or agrees to create or retain jobs available to LMI persons.

*Note: There is new 2016-2020 ACS data as of March, 2022. However, the CPD-19-02: Low- and Moderate-income Summary Data Updates is still the most recent notice provided on the HUD exchange, which still uses the effective date of April 1, 2019.

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 FY22 that we were able to document.

- The three First Time Homebuyer participants leveraged \$862,720 from lending institutions for mortgages.
- The Salem Main Streets Program leveraged \$193,767.00 from state/local funds, private funds and event fees to cover costs.
- The NSCDC Small Business Engagement Program leveraged \$85,000 from private funds.
- Planning and administration funds leveraged \$810,465.23 in City funds for salary and benefit costs for all DPCD staff.
- The Salem Historical Commission guidelines planning and administration project received matching Survey & Planning funds from Massachusetts Historical Commission of \$27,835.
- 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 \$2,565,609.70 in other federal, state, private or other funds.
- Public services funded with CDBG-CV funds leveraged \$322,438.00 in federal, state/local and private funds and donations.

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

- Gallows Hill Park is leveraging \$1,523,471 in state/local funds including \$307,750 in CPA funds, a \$400,000 PARC grant, \$5,000 T. Hawk donation, a \$66,262.04 State Municipal Vulnerability Action Grant and \$744,459 in Capital Improvement Plan (CIP) funds.

Note: Leveraged funds for multi-year projects may be repeated within more than one year's CAPER. Above, leveraged funds are only included for projects for which CDBG funds were expended during the fiscal year. The above does not include funds leveraged for HOME funded projects.

CR-20 - Affordable Housing 91.520(b)

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

| | One-Year Goal | Actual |
|--|----------------------|---------------|
| Number of Homeless households to be provided affordable housing units | 0 | 0 |
| Number of Non-Homeless households to be provided affordable housing units | 5 | 4 |
| Number of Special-Needs households to be provided affordable housing units | 0 | 0 |
| Total | 5 | 4 |

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 | 1 |
| Number of households supported through Acquisition of Existing Units | 2 | 3 |
| Total | 5 | 4 |

Table 6 – Number of Households Supported

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

For the non-homeless households (goal of 3 under the Rehab of Existing Units and goal of 2 under Acquisition of Existing Units), in FY22 we assisted 4 units/household (1 under the Housing Rehabilitation Program and 3 under the First Time Homebuyer Program).

Rental assistance was provided to 27 families through the use of HOME funds and CDBG-CV, but the HOME funds will be reported through the North Shore HOME Consortium's CAPER and the CDBG-CV funds are not included in Table 6. Of the 27 families, 6 received Emergency Rental Assistance due to the COVID-19 pandemic - HOME funds assisted 4 households (to be report though the HOME Consortium) and CDBG-CV funds assisted 2 households (not included in Table 6).

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 October 2021 the City began a planning process to develop a Housing Production Plan, a state-recognized planning tool that, under certain circumstances, permits municipalities to influence the location, type, and pace of affordable housing development. The City Council and Planning Board will review and vote on approval of the plan next fiscal year, in September of 2022. In June of 2022, the City Council discussed a COVID-19 recovery strategy as it relates to spending of the American Rescue Plan Act funds. The discussion included a plan of investing over two million dollars towards housing and neighborhood stability programs including down payment assistance for first-time homebuyers; housing rehabilitation and upgrading high speed internet options; landlord education and tenant’s rights programs; and a program for funding construction of affordable housing.

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 | 1 | 0 |
| Low-income | 2 | 0 |
| Moderate-income | 1 | 0 |
| Total | 4 | 0 |

Table 7 – Number of Households Served

Narrative Information

These numbers reflect the 1 household (not persons) assisted by the Housing Rehabilitation Program and 3 households served by the First Time Homebuyer Program. Of the households served, 25% are extremely low income, 50% low income and 25% moderate income. These show that Salem's housing programs serve predominantly (75%) 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 IDIS – HUD’s on-line reporting program.

During FY22, the City of Salem spent \$203,844.44 in HOME funds. \$135,000 in HOME funds were used to fund up to 11 of 46 affordable units at the North Shore CDC Lighthouses project. \$45,826.94 in HOME

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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 rental assistance, along with support services. In addition, \$16,493.00 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 months' 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 14 families through an existing contract with North Shore Community Action Program, Inc. \$1,171.50 in HOME funds was also spent for Emergency Rental Assistance during COVID-19 and \$5,397 in HOME funds was spent in administrative costs.

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

Social service agencies serving the homeless population in Salem work collaboratively, bringing together partners including the City of Salem (Office of the Mayor, DPCD, Health, School, Veterans and Police), Lifebridge, Lahey Behavioral Health, North Shore Community Health, NSCAP, Partners Health, Salvation Army, Salem Housing Authority and the North Shore Workforce Board. The High Risk Homeless Task Force meets monthly at the Salem Police Department to provide case management and to pursue permanent housing, as well as medical, behavioral and substance abuse treatment for individuals living on the streets.

CDBG provides funding via sub-grants to local and regional organizations that provide direct services and outreach, including Lifebridge, which addresses medical, supportive service and other needs. The supportive services offered by Lifebridge include transitional housing, permanent housing, case management services that directly connect clients who need access to mental health care and substance abuse treatment, community meals program and various support groups and collaborations. CDBG funding provides for nursing services through Lifebridge, and staff actively conduct outreach on the streets to homeless persons, providing onsite and community based health assessments to the homeless population, including wound care, blood pressure monitoring, nutrition and general health education. The nurse also provides outreach services in order to help connect unsheltered homeless individuals with needed services and to liaise with local businesses. In 2019, Lifebridge opened a day center for at-risk homeless which provides a place to congregate and an opportunity to be connected to services, acting as a clearinghouse, referring people to other area service providers such as the North Shore Career Center, the Salvation Army, HAWC and North Shore Community Action Programs. The Salem Police Community Impact Unit works closely with Lifebridge in its outreach to homeless individuals, especially those on the street.

Additional agencies provide support to specific subpopulations, including victims of domestic violence, veterans, and youth and children. NSCAP, with Salem's HOME funds, provides a Housing First program, assisting homeless individuals to find apartments and maintaining their rent for one year, while providing case management toward self-sufficiency. HAWC provides a wide range of services including a 24-hour crisis hotline, legal assistance and advocacy, support groups, one-on-one counseling for women and men, and play therapy groups for children. The City's Veterans Services Office is the main local contact point for veterans seeking assistance. Salem Public Schools provides transportation and federally-funded services to homeless students and their families.

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 a new contract was executed 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 COVID-19 screening, wound care, blood pressure monitoring, nutrition and general health education. 307 persons received 575 health assessments over 6 months. Also funded with CDBG, HAWC provided therapeutic intervention support for 45 mothers and children at their shelter for abused women and their children. The Disability Resource Center offered a housing assistance program funded by CDBG that supported six Salem residents in gaining housing of which 4 were homeless.

Salem also assists NSCAP with HOME funds for a Housing First model rental assistance program to place high risk homeless individuals into housing with supportive services. In FY22, 7 individuals were assisted and remained off the streets.

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

The City relies on its CDBG funding to address homeless needs and conduct homelessness prevention activities through public social services funding. Each year, through the public services program, the City of Salem solicits proposals from nonprofit organizations for housing and community services. Through this process, the City funds various homeless programs which may include rental down payment assistance, homelessness prevention emergency assistance, medical services, outreach, and transitional housing. Salem provides NSCAP, Salvation Army, and Catholic Charities with CDBG funding for Homelessness Prevention Programs (24 households assisted in FY22) and provides HOME funding to NSCAP to assist households with first/last/security payments for affordable rental housing (14 households assisted in FY22).

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, NSCAP provides a range of housing and social services to households, in addition to assisting families who are experiencing homelessness, while Lifebridge reports that clients are being discharged to the shelter from health care systems or are referred by other health care or service agencies. Other types of services and programs that the City has funded include food pantries, child care, education, ESOL, job readiness and skills training, financial education and budgeting, and individual counseling and support groups, all of which contribute to preventing homelessness and encouraging self-sufficiency.

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 has HOME agreements with NSCAP to provide for rental downpayment assistance to help extremely low- and low-income households (including homeless) to move into decent, affordable rental units. In FY22, NSCAP assisted 14 families with this tenant based rental assistance. NSCAP also used Salem's HOME funds to target chronically homeless for a Housing First model, which provided housing with supportive services to 7 high risk individuals.

In recent fiscal years, the City has assisted with affordable housing projects for formerly homeless, including funding for NSCDC's project at 15-17 Harbor Street for 26 single room occupancy units for which 16 units were 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 was completed in 2019. In 2017, the City also provided \$185,000 in HOME funds and \$59,500 in CPA funds to Harborlight Community Partners to rehabilitate two buildings on Boston St. (26 studio units) in order to house formerly homeless individuals, along with providing supportive services. These units are fully occupied.

The City'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.

The City awards CDBG social services sub-grants to provider agencies to prevent homelessness by assisting with housing search, housing counseling, and provide emergency housing assistance (e.g., delinquent rent and utility payments). Specifically, in FY22, through agreements with Catholic Charities and NSCAP, 20 households were assisted with emergency assistance of rental payments in order to avoid eviction or utility payments to avoid shut-off.

The City also awards sub-grants to other agencies that serve specific sub-populations, such as at-risk youth, seniors, persons with disabilities, immigrants, or to residents who need ESOL, job readiness, career counseling and skills training, or other anti-poverty initiatives, including assistance with food, child care or other needs. Although funding to these organizations does not target homelessness per se, the funding aids in stabilizing individuals and families, thereby reducing the risk of homelessness or its recurrence. Programs were provided by Citizens Inn's Haven From Hunger, NSCDC, North Shore Moving Market, Open Door Immigration, Salem YMCA (child care), VOCES and VOCES Hispanic Education Program. Funding was also provided to the Disability Resource Center to provide housing assistance to persons with disabilities.

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

Actions taken to address the needs of public housing

As evidenced by consistently excellent SEMAP (100%) and PHAS (92) scores, the Salem Housing Authority is a well-managed public housing authority designated as a “high performer”.

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

In addition to ongoing routine maintenance, preventative maintenance, inspections and repair work, the SHA receives approximately \$795,000 per year in capital improvement funds from DHCD and \$82,000 from HUD. The following multi-year modernization projects are either currently underway or in the planning stage:

- \$9,939 - Elevator Penthouse Rep/Painting – Dalton
- \$174,712 – Sustainability Study Oil to Natural Gas or Electric-Congress
- \$15,000 – Flood Elevation Survey – Congress
- \$271,965 – HILAPP Exterior Upgrades Water Infiltration (Charter)
- \$2,100,000 – Boiler and HW Tank Replacement - LEAN Award through National Grid - Rainbow Terrace
- \$25,000 – ADA bath upgrade study Charter Street and Phillips House
- \$830,000 – Electrical study and upgrade Pioneer Terrace
- \$200,000 – Hot water tank replacement Pioneer Terrace
- \$57,000 – Paving work Phillips House
- \$225,000 – Feasibility Study of Leefort Terrace redevelopment
- \$500,000 – Site Improvements/walkways Rainbow Terrace
- \$440,000 – Site Improvements harbor walk Pioneer Terrace
- \$570,000 – Waterproofing and brick repointing Phillips House
- \$400,000 – Sidewalks, parking and concrete repairs Colonial Terrace and Pioneer Terrace
- \$207,000 – Kitchen and bath work at turnover Charter Street

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 5 member Board of Commissioners. The Mayor of Salem appoints 4 of the 5 Board members and the 5th is appointed by the Governor of Massachusetts. One board member is required to be a resident of public housing and one member must represent organized labor. The SHA Board plays a large role in encouraging

tenant engagement and openly reserves opportunities for tenant and public engagement each month during the public Board meetings. SHA Board members are also available by email for more direct comments and communication from residents as is the Authority's Executive Director. The SHA Board strongly supports the mission of engaging residents to participate in the ongoing operation of the Housing Authority and attributes much success to their involvement and participation.

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

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

During the 5 Year Consolidated Plan process, the City did not find that its housing policies created impediments to fair housing. Compared to area municipalities, Salem offers a greater diversity of housing and a higher proportion of affordable housing overall, having exceeded the State's 10% affordable housing goal. Nonetheless, factors contribute to the difficulty of increasing affordable housing availability (shortage of land, environmental conditions, financial, parking and dimensional requirements). Like other communities, Salem is not in control of all of these factors, but continues to work on various efforts.

In FY22 the City began a planning process to develop a Housing Production Plan, a state-recognized planning tool with an analysis of development factors and constraints and recommendations for policies, programs and initiatives related to local housing needs, zoning strategies, potential development or redevelopment sites, and regional collaborations. The City Council and Planning Board will review and vote on approval of the plan next fiscal year, in September of 2022. In June of 2022 the City Council discussed a COVID-19 recovery strategy as it relates to spending of the American Rescue Plan Act funds. The discussion included a plan of investing over two million dollars towards housing and neighborhood stability programs including down payment assistance for first-time homebuyers; housing rehabilitation and upgrading high speed internet options; landlord education and tenant's rights programs; and a program for funding construction of affordable housing.

In FY22 the City's Affordable Housing Trust Fund Board began working on a condominium conversion ordinance to provide protection for tenants facing displacement. The Affordable Housing Trust Fund Board is also working on an amendment to the disposition of public land ordinance which will require affordable housing to be prioritized when the city disposes of public land. Both ordinances will be submitted to the City Council next fiscal year, in the Fall of 2022.

Salem has undertaken many recent planning initiatives to identify needs (affordable housing, economic development, transportation, public facilities, revitalization of distressed neighborhoods) and the actions to meet these needs:

- In 2021, the City amended its Accessory Dwelling Unit ordinance to allow these small naturally occurring affordable units to be created by right and limits the allowable rent to 70% of the fair market rents.
- In 2020, the City completed a Housing Needs Assessment and the data from that study is used to support housing policies and continued that work in FY22 with the housing production plan.
- The Affordable Housing Trust Fund Board and Planning Board collaboratively developed a housing policy that will require developers to create units affordable to households at or below 60% of the area median income as part of market rate development.
- In 2019, the City adopted an expansion of the Housing Development Incentive Program (HDIP) throughout the city, to increase the feasibility of affordable development projects by providing a tax exemption to overcome financial barriers of creating affordable housing.
- The City adopted zoning that allows adaptive reuse of former municipal and religious buildings into housing. Since adoption, two 100% affordable development projects were approved and a third project will be submitted in 2021.

- In 2017, the City undertook a vision plan, Imagine Salem, an extensive bilingual public process (English and Spanish) which established goals, guiding principles and measureable outcomes for housing, employment, transportation, and community life.

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

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

- In FY22 the City established a Housing Stability Program with a hotline and with regular drop-in hours at Espacio in the Point Neighborhood and at the Community Life Center to address underserved needs by offering free housing information and resources.
- The City provides financial support to rental assistance programs managed by the Salem Housing Authority, Salvation Army, Catholic Charities and the North Shore Community Action Program to maintain Salem households that are at risk of displacement.
- The City began drafting an ordinance that proposes protections to tenants of rental housing when a property owner proposes to convert units to condominium or cooperative ownership. That ordinance will be reviewed by the City Council in FY23.
- In 2020, the City completed a Housing Needs Assessment to understand current and future housing needs. Then in 2021, the City began a Housing Production Plan, using the data from the 2020 Housing Needs Assessment to develop strategies for meeting current and future housing needs.
- The Salem Community Food Assessment (2018) identified gaps in Salem's food delivery system impacting low and moderate income residents, including infrastructure and transportation barriers, as well as strategies for improving access to markets and nutritional programs. The City plans to continue to support programs that address said barriers.

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

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

The Salem Board of Health provides information regarding the proper disclosure of lead paint and lead hazards to property owners renting residential housing units. As necessary, the Board of Health will also notify area realtors of new or amended regulations regarding lead-based paint. In Salem, a property owner is required to obtain a Certificate of Fitness inspection when an apartment becomes vacant. These inspections are conducted to ensure compliance with the State Sanitary Code for Housing. Board of Health personnel are licensed Lead Paint Determinators. Should the Board receive a call from an

occupant who is concerned that there may be lead-based paint in their apartment, potentially affecting their child(ren) under the age of six(6), a Board of Health Sanitarian is able to conduct a Lead Determination. If a lead paint hazard(s) is detected during the determination, an order to correct that hazard(s) is sent to the property owner. The order requires the property owner to bring the property into compliance with the State Lead Law. The Board ensures compliance with the order and, if necessary, will begin legal proceedings against the property owner to gain compliance. The results of all lead determinations are reported to the MA Childhood Lead Poisoning Prevention Program. Residents who have questions about lead-based paint and the MA Lead Law can contact the Salem Board of Health.

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

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

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

Salem receives annual HOME funds through the N.S. HOME Consortium and distributes funds to programs that provide assistance to those in need of affordable housing. To address high housing costs and low-wage jobs that continue to hinder the efforts of some to climb out of poverty, Salem has partnerships with the Salem Housing Authority, NSCAP, Harborlight Community Partners and the NSCDC to provide safe, decent, and affordable housing opportunities to very-low, and low- and moderate-income households.

NSCAP is the designated anti-poverty agency for Salem, Peabody, Beverly and Danvers. They provide services that enable low-income families and individuals to obtain the skills they need to become economically self-sufficient, civically engaged, and live in dignity and decency. Programs include ESOL, Citizenship classes, Elder Home Health Care, Fuel Assistance, Energy Weatherization Assistance, short term subsidies, rental assistance, assistance with the preparation of applications for benefits such as MassHealth, food stamps/SNAP, Fuel Assistance, and Social Security.

NSCDC works to increase the supply of affordable housing through acquisition and rehabilitation projects. They also provide homeownership counseling and workshops. NSCDC's Family Stability Program provides career counseling, financial literacy and ESL to mainly Latino populations. They run a Youthbuild program, which provides education and workforce development, a First Jobs program, Adult Education Classes, Small Business Engagement, English Language Learners Classes and U.S Citizenship Classes.

The City has successfully negotiated with developers to add deed restricted units within new market rate development. Since 2010, 644 affordable units have been permitted throughout the city.

With CDBG, Salem funds 20-25 non-profit social service programs annually. The programs help families meet the cost of living, promote family self-sufficiency, serve special populations and/or provide crisis intervention assistance – in essence, programs that work to break the cycle of poverty. Some programs help directly with housing, while others indirectly assist with housing, such as increased pay (i.e. job training, ESL programs) and decreased monthly expenditures (i.e. child care and food programs) so households can better afford rent or mortgages.

Salem uses CDBG funds to support educational resources, such as after school enrichment, homework help and teacher home visits. Salem assists organizations that provide economic and workforce development, aiding low income persons access higher-paying jobs and sustainable employment opportunities, such as college ready and career services, GED and Citizenship classes, as well as legal services that help Salem immigrants become US citizens. CDBG supports small businesses through loans and storefront improvements, and small business technical assistance provided through Salem Main Streets and the NSCDC.

Salem is the lead out of the 19 communities that comprise the North Shore Workforce Board region, and Salem's DPCD Director is a board member. The board serves as the oversight and policy-making body for federally funded employment and training services in the region. It develops strategic partnerships with local leaders in economic development, the K-12 and higher education system, government agencies, chambers of commerce, and community-based and labor organizations. The board oversees a one-stop career center, MassHire North Shore Career Center, located in Salem, with satellite offices throughout the North Shore, which is the mandated system for delivery of workforce services to job seekers and businesses.

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

The DPCD administers the City's Community Development Program, funded with CDBG, as well as the formula funding received by the North Shore HOME Consortium for which the City of Peabody is the lead agency. Under the direction of the DPCD Director, the Deputy Director and Assistant Community Development Director manage and monitor Salem's community development programs.

Salem's housing loan programs are administered by the DPCD Housing Coordinator. Policy efforts to preserve existing and to increase the supply of affordable units is overseen by a Senior Planner. In addition, local non-profit agencies, CHDOs and CDCs administer certain housing activities.

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

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

In general, DPCD staff carries out the remaining activities, including the hiring of consultants or other private businesses through established municipal purchasing procedures.

Staff periodically attend trainings – FY22 examples:

- Section 3 Office Hours –HUD – 3/3/22
- Section 3 Training – HUD – 2/8/22
- Your Community by Numbers –USCENUS – 7/12/22
- Timeliness – NCD A Webinar – 2/3/2022
- Federal Policy Update – NCD A webinar – 2/3/2022
- Section 3 Final Rule Training webinar – HUD – 9/14/21
- CDBG Grant Close-Out webinar – HUD – 11/9/21
- CARES Act Virtual Training (Monitoring) webinar – HUD – 1/24/22
- Regional All Grantee Meeting webinar – HUD Boston – 3/31/22
- Preparing for a Successful Monitoring Visit webinar – HUD Boston – 4/14/22
- Annual Gateway Cities Leadership Summit: Growing an Inclusive Economy – MassInc – 7/22/21
- Funding your Rapid Recovery Plan Projects – MA Exec. Office for Administration and Finance – 8/12/21
- How your city can access the Economic Development Administration's (EDA) \$3B ARPA funds to build back better – EDA – 10/6/21
- Understanding Qualified Opportunity Zone Benefits and Exploring Investment Alternatives – Clifton Larson Allen (a private accounting firm) – 11/3/21
- Economic and Workforce Development Webinar – MassHire – 2/17/22
- Harvard Kennedy School, Leading Economic Growth Certificate Course – Harvard University – 2/28/22- 5/6/22
- Leading Through Crisis w Deval Patrick – Harvard Kennedy School – 6/15/22

- Using Data to Address Inequality in Development – Harvard Kennedy School – 6/29/22
- New England Brownfields Summit – US EPA – Devens, MA 5/18-19/22

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

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

The City continues to administer Salem H.O.P.E. (Human Organization Partnership Effort), a network of human service providers that serve Salem residents designed with the goal of collaboration to fill gaps in services, to avoid duplication of services, and to coordinate efforts. Until COVID-19, the group met quarterly at rotating social service agency locations and issued a quarterly digital newsletter. Since COVID-19, it has relied upon the exchange of information through the Salem HOPE email distribution list administered by the DPCD. Agency representatives forward information, announcements and updates to the DPCD for distribution.

The DPCD coordinates with the SHA to address the housing needs of Salem’s lower-income residents. Proposed development sites or demolition or disposition of existing public housing developments must follow established regulatory procedures administered by City agencies. Some of these, such as the Board of Appeals and Planning Board, have staff support from the DPCD.

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

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

DPCD staff periodically participate in regional workshops and forums to address issues around fair housing, equal access, housing rights, and first time homebuying, and other housing concerns that impact low income residents, sponsored by agencies such as the Salem Council on Aging, North Shore CDC, CHAPA and NSCAP, as well as local banking institutions.

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

The Analysis to Impediments is completed through the North Shore HOME Consortium on behalf of 30 member communities. Salem also examines issues pertaining to fair housing during its consolidated

planning process (2005, 2010, 2015 and 2020), through a series of public meetings and interviews with residents, businesses and service providers. Participants are asked their thoughts on fair housing and discrimination in the city.

Salem works to overcome potential impediments through the following activities:

- In FY22 the City established a Housing Stability service to provide free housing information and resources to landlords and tenants, through a hotline, website and drop-in hours with attorney's from Essex County Bar Association.
- The City maintains a webpage that explains housing discrimination and fair housing laws, for consumers, real estate professionals and lenders. It includes resources available to victims of discrimination.
- The City directs CDBG funds to programs that promote fair housing through the provision of their services, such as the Disability Resource Center's Accessible Housing Assistance Services Program for independent living, which annually holds a housing forum on Accessible, Affordable and Available Housing. In FY22, they held 12 virtual Housing Options workshops and a Tenants Rights Workshop.
- The City provides financial assistance to North Shore CDC to run a Family Resource Center; which periodically conducts CHAPA-certified, first time homebuyer educational courses. Courses inform participants about their rights when working with real estate agents and lenders, and covers fair housing issues and what to do if someone is a victim of discrimination. The program also covers the responsibilities of landlords under fair housing laws.
- The City provides public service and housing assistance funding to other agencies whose activities assist residents 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 these agencies. The City requires all sub-recipients to comply with the Fair Housing Act.
- The City encourages people, organizations and agencies to work together to address housing issues. CHAPA's Regional meeting 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 (until COVID-19). It is a forum to share insights and concerns, to work toward filling gaps in services and to coordinate efforts.
- The City's housing staff participate, upon invite, in housing fairs held by lending institutions and real estate professionals. There, staff provide information regarding its first-time homebuyer, rehabilitation and deleading programs and disseminate information regarding the fair housing law, including protected classes, typical violations and resources available to victims of discrimination. This is an opportunity for staff to talk one-on-one with residents who may be

victims of discrimination in lending and/or victims of steering, and to learn about the fair housing climate in the city and identify fair housing issues.

- All CDBG agreements include a section on fair housing, affirmative action and conduct.

CR-40 - Monitoring 91.220 and 91.230

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

The DPCD monitors all projects to ensure compliance with applicable Federal, State and local regulations and program requirements.

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

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

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

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

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

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

Payments to agencies are made on a reimbursement basis to ensure compliance with expenditure requirements. The Assistant Community Development Director encourages timely submission of reimbursement requests by subrecipients and reviews timeliness status regularly 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 (CPP) updated in July, 2019, and again in May, 2020 due to CDBG-CV funds, sets for the policies and procedures for citizen participation in the development of the five-year Consolidated Plan, annual action plans and annual end of year reports. The CPP is designed specifically to encourage participation by low- and moderate-income persons, particularly those living in areas where CDBG funds will be used, as well as minorities, persons with disabilities, residents of public housing and other interested persons. We encourage feedback from our residents 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 public comments include posting bilingual (English/Spanish) notices on the availability of the report in the Salem Evening News, the City of Salem Official Bulletin Board at City Hall through the Clerk's Office, Salem Public Library, Salem Housing Authority and on the City's website. The notice is distributed via email to the Salem HOPE distribution list which reaches non-profit social service agencies that serve various populations including minorities, non-English speaking persons, persons with disabilities and Point Neighborhood residents.

The FY22 CAPER's 15 day comment period is from August 26, 2022 through September 12, 2022. There were no public 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 outlined in the 2020 Consolidated Plan or the FY22 Action Plan. Due to COVID-19 and the City’s allocation of CDBG-CV3 funds, a second substantial amendment was undertaken in May, 2021 to add the allocation to the FY20 Action Plan as a new allocation of funds to be used to prevent, prepare for and respond to COVID-19.

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

No

CR-58 Section 3 Evaluation Report

Identify the number of individuals assisted and the types of assistance provided

| Total Labor Hours | CDBG | HOME | ESG | HOPWA | HTF |
|---------------------------------------|-------------|-------------|------------|--------------|------------|
| Total Number of Activities | 0 | 0 | 0 | 0 | 0 |
| Total Labor Hours | | | | | |
| Total Section 3 Worker Hours | | | | | |
| Total Targeted Section 3 Worker Hours | | | | | |

Table 8 – Total Labor Hours

| Qualitative Efforts - Number of Activities by Program | CDBG | HOME | ESG | HOPWA | HTF |
|--|-------------|-------------|------------|--------------|------------|
| Outreach efforts to generate job applicants who are Public Housing Targeted Workers | | | | | |
| Outreach efforts to generate job applicants who are Other Funding Targeted Workers. | | | | | |
| Direct, on-the job training (including apprenticeships). | | | | | |
| Indirect training such as arranging for, contracting for, or paying tuition for, off-site training. | | | | | |
| Technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance, coaching). | | | | | |
| Outreach efforts to identify and secure bids from Section 3 business concerns. | | | | | |
| Technical assistance to help Section 3 business concerns understand and bid on contracts. | | | | | |
| Division of contracts into smaller jobs to facilitate participation by Section 3 business concerns. | | | | | |
| Provided or connected residents with assistance in seeking employment including: drafting resumes,preparing for interviews, finding job opportunities, connecting residents to job placement services. | | | | | |
| Held one or more job fairs. | | | | | |

CAPER NARRATIVES IN IDIS

| | | | | | |
|--|--|--|--|--|--|
| Provided or connected residents with supportive services that can provide direct services or referrals. | | | | | |
| Provided or connected residents with supportive services that provide one or more of the following: work readiness health screenings, interview clothing, uniforms, test fees, transportation. | | | | | |
| Assisted residents with finding child care. | | | | | |
| Assisted residents to apply for, or attend community college or a four year educational institution. | | | | | |
| Assisted residents to apply for, or attend vocational/technical training. | | | | | |
| Assisted residents to obtain financial literacy training and/or coaching. | | | | | |
| Bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns. | | | | | |
| Provided or connected residents with training on computer use or online technologies. | | | | | |
| Promoting the use of a business registry designed to create opportunities for disadvantaged and small businesses. | | | | | |
| Outreach, engagement, or referrals with the state one-stop system, as designed in Section 121(e)(2) of the Workforce Innovation and Opportunity Act. | | | | | |
| Other. | | | | | |

Table 9 – Qualitative Efforts - Number of Activities by Program

Narrative

There were no activities in FY 21/22 subject to the new Section 3 Rule. Nevertheless, the city has commenced several qualitative efforts. The Economic Development Planner in Salem collaborated with other communities in the North Shore to develop the North Shore Diversity Catalog, a regional vendor registry for minority- and women-owned businesses (MWBE) in order to improve equity and diversity in municipal contracts and bids, and also provide residents and other businesses with a single, comprehensive catalog of such businesses. The Diversity Catalog is both a directory and a marketing tool for businesses that wish to offer their services or products to other businesses and institutions within the North Shore region that will help member municipalities identify diverse businesses so they can proactively increase equity in City and Town procurement opportunities. CDBG funds were used to support low-income families with afterschool childcare at the YMCA and to support the NSCDCs Family Stability Coordinator whom assisted residents with career counseling/home resources and financial literacy. The City held job fairs in July 2021, November 2021 and March of 2022. Also, the Director of Planning & Community Development is 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 including 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 which offer training programs and networking opportunities.

