

CITY OF SALEM

FIVE-YEAR CONSOLIDATED PLAN



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I. EXECUTIVE SUMMARY

I.A. Introduction

Each year, the City of Salem receives federal funds for housing and community development activities. These funds are used to undertake housing, community and economic development activities that assist low- to moderate-income families and neighborhoods. In order to receive these funds, the City must prepare a Consolidated Plan every five years, as well as annual Action Plans to implement the five-year plan. The Consolidated Plan and Annual Action Plan provide a means to evaluate each community's situation and determine the most effective ways to use funds received from the U.S. Department of Housing and Urban Development (HUD). The Consolidated Plan establishes a vision for attaining a higher quality of life for low- and moderate-income residents and the annual Action Plan outlines specific activities that work toward accomplishing that vision.

In each of the five years covered by this Consolidated Plan, Salem expects to receive \$1,282,124 in CDBG entitlement funding, approximately \$214,000 in HOME funds and an estimated \$225,000 in program income, based on FY06 funding levels. The total estimated five-year allocation is \$6,410,920 from CDBG, \$1,070,000 in HOME funds and \$1,125,000 in program income. These funds are conditional upon annual appropriations by the federal government.

The Consolidated Plan process involves gathering information from many sources to identify needs that exist in Salem. The result of this research is a comprehensive strategy for the use of Salem's federal housing and community development funds in order to fill gaps identified during the Consolidated Plan process.

I.B. Public Participation

To develop the Consolidated Plan, the City of Salem sought public input from residents, businesses, social service organizations and civic groups. The public was encouraged to participate in a series of hearings and neighborhood meetings as well as focus groups designed to target a particular topic or issue. In addition to public meetings, personal interviews were conducted with local organizations and individuals familiar with local needs. With all of the information obtained during the public participation process, the City of Salem prepares a plan that describes Salem's housing and community development needs and establishes funding priorities and goals or targets for the use of federal funds that the City expects to receive over the next five years.

I.C. Consolidated Planning Process

The Five-Year Consolidated Plan is used by the City of Salem to coordinate efforts to meet a wide variety of housing, community and economic development needs. As required by federal law, the Consolidated Plan includes a formal public participation process, which is described in the City's Citizen Participation Plan. The intent of the process is to:

- Identify the housing and community development needs of various populations by gathering data and public opinion on needs, problems and gaps in services.
- Set priorities.
- Determine goals and strategies for meeting the City's housing and community development needs, and outline how federal funds will be used to address them over the next five years.
- Produce an Action Plan that describes how federal funds will be used to implement them during the first year. The Action Plan is the only component of the Consolidated Plan that must be prepared annually.

I.C-1. Needs Assessment

The Consolidated Plan must include a Needs Assessment, which considers issues such as:

- The housing needs of elderly and non-elderly homeowners and tenants;
- Special needs of the elderly, frail elderly, persons with HIV/AIDS, persons with alcohol/other drug addiction, disabled persons, developmentally disabled persons and persons with severe mental illness;
- Homeless needs for individuals and families, including:
 - ♦ Needs for emergency, transitional and permanent housing;
 - ♦ Supportive services such as job training, case management, substance abuse treatment, mental health care, housing placement and life skills training;
 - ♦ Estimated needs of chronic substance abusers, seriously mentally ill, dually-diagnosed, veterans, persons with HIV/AIDS, victims of substance abuse and youth;
- Community needs such as anti-crime programs, economic development, infrastructure, public facilities, public services, programs for seniors and youth;
- An analysis of the Housing Market, considering the existing housing supply, housing demand, the condition and cost of housing in Salem, accessibility, and other factors;
- Problems caused by lead paint in older housing units;
- The need for strategies to combat poverty;
- Barriers to affordable housing, such as inadequate government resources, a shortage of programs to help renters become first-time homebuyers, rental housing costs, or regulations that make it difficult to build affordable housing; and
- Housing discrimination, such as by landlords, lenders, real estate agents, and others with a role in the sale or rental of housing units.

I.D. The Community Development Block Grant Program (CDBG)

I.D-1. Background

CDBG has been a very important federal program for cities across the United States since 1974. Administered by the U.S. Department of Housing and Urban Development (HUD), CDBG is available to two groups of recipients: “entitlement cities” like Salem, which receive an allocation from HUD each year, and all 50 states. Small, non-entitlement communities compete for CDBG funds by applying to the Massachusetts Department of Housing and Community Development (DHCD), which administers the state’s CDBG allocation. CDBG funds can be used for projects or programs run by the City of Salem or by organizations hired by the City.

Salem’s Annual CDBG Allocation: 1994-2006

1994-1995	\$1,359,000
1995-1996	\$1,502,000
1996-1997	\$1,461,000
1997-1998	\$1,441,000
1998-1999	\$1,384,000
1999-2000	\$1,392,000
2000-2001	\$1,385,000
2001-2002	\$1,436,000
2002-2003	\$1,397,000
2003-2004	\$1,401,000
2004-2005	\$1,352,000
2005-2006	\$1,282,142

I.D-2. CDBG 101: What Can Be Funded?

Although CDBG funds can be used for many types of housing, community and economic development activities, some restrictions apply. The most important restriction is that CDBG funds must address at least one of three “national objectives” set by Congress, and of the three national objectives, a majority of a CDBG recipient’s funds must be spent on activities that benefit low- or moderate-income people. In addition, each activity must be eligible for CDBG assistance.

► NATIONAL OBJECTIVES

- ♦ Benefit to low- and moderate-income persons
 - ♦ Activities that serve a “limited clientele”
 - ♦ Limited clientele refers to certain populations that are presumed by HUD to have low or moderate incomes: abused children, battered spouses, elderly persons, severely disabled adults, homeless persons, illiterate persons, persons living with AIDS and migrant farm workers
 - ♦ Serving people with incomes below the low- or moderate- income threshold (see “Income Limits”)

- ♦ Area benefit activities
 - ♦ Activity conducted in a service area that is primarily residential, and at least 51% of the residents have low or moderate incomes (see Low/Mod Neighborhood Map). The activity must meet the needs of low- and moderate-income persons.
- ♦ Job creation or retention activities
 - ♦ At least 51% of the jobs created or retained must be available to and held by low- or moderate-income people
- ♦ Aid in the prevention or elimination of slums or blight
 - ♦ Area Basis - Must be a formally designated area
 - ♦ Spot Basis - Only a limited set of activities qualify
 - ♦ Urban Renewal Area - Salem has two in the downtown area
- ♦ Meet a need having a particular urgency
 - ♦ Recent emergency conditions *only*, posing an immediate threat to health or welfare of community and no other funding is available

► **ELIGIBLE ACTIVITIES**

CDBG funds may be used for a variety of activities. In general, the activities fall into the categories listed below:

- ♦ Economic Development
- ♦ Homeless & HIV/AIDS Programs
- ♦ Planning & Administration
- ♦ Senior Programs
- ♦ Infrastructure
- ♦ Housing
- ♦ Anti-Crime Programs
- ♦ Public Facilities
- ♦ Public Services
- ♦ Youth Programs

I.D-3. What Does “Low or Moderate Income” Mean?

Each year HUD publishes “income limits” that define very low, low and moderate income levels used in several housing and community development programs. The income limits are determined by household size and the median incomes in a particular area. Below are the income limits in effect for Salem in 2005. Income levels are reviewed and updated annually by HUD.

Household Size	ONE	TWO	THREE	FOUR	FIVE	SIX	SEVEN	EIGHT
MODERATE 80% of Median	46,300	52,950	59,550	66,150	71,450	76,750	82,050	87,350
LOW 50% of Median	28,950	33,100	37,200	41,350	44,650	47,950	51,250	54,600
VERY LOW 30% of Median	17,350	19,850	22,350	24,800	26,800	28,800	30,750	32,750

I.E. About the HOME Investment Partnerships Program (HOME)

The HOME Program was established by Congress under the Cranston-Gonzalez National Affordable Housing Act (1990). The purpose of the HOME Program is to increase the supply of safe, decent, sanitary and affordable housing for low- and very-low income households (see Income Limits). Eligible communities can apply for money by preparing and submitting a Consolidated Plan. Since Salem is part of the North Shore HOME Consortium, the Consortium prepares and submits a separate Consolidated Plan for HOME funds on behalf of the City and many other participating communities on the North Shore. HOME funds may be used to fund a variety of housing activities including: homebuyer programs, construction of rental housing, rehabilitation of privately-owned housing, and tenant-based rental assistance.

II. INTRODUCTION

II.A. Purpose

The following overall goals are taken verbatim from the Code of Federal Regulations, Title 24, Part 91, Consolidated Plan, as they provide an accurate description of the purpose of Salem's Five-Year Consolidated Plan.

The overall goal of the community planning and development programs covered by this part is to develop viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities principally for low- and moderate-income persons. The primary means towards this end is to extend and strengthen partnerships among all levels of government and the private sector, including for-profit and non-profit organizations, in the production and operation of affordable housing.

1. Decent housing includes assisting homeless persons to obtain appropriate housing and assisting persons at risk of becoming homeless; retention of the affordable housing stock; and increasing the availability of permanent housing in standard condition and affordable cost to low-income and moderate-income families, particularly to members of disadvantaged minorities, without discrimination on the basis of race, color, religion, sex, national origin, familial status, or disability. Decent housing also includes increasing the supply of supportive housing, which combines structural features and services needed to enable persons with special needs, including persons with HIV/ AIDS and their families, to live with dignity and independence; and providing housing affordable to low-income persons accessible to job opportunities.
2. A suitable living environment includes improving the safety and livability of neighborhoods; increasing access to quality public and private facilities and services; reducing the isolation of income groups within a community or geographical area through the spatial deconcentration of housing opportunities for persons of lower income and the revitalization of deteriorating or deteriorated neighborhoods; restoring and preserving properties of special historic, architectural, or aesthetic value; and conservation of energy resources.
3. Expanded economic opportunities includes job creation and retention; establishment, stabilization and expansion of small businesses (including microbusinesses); the provision of public services concerned with employment; the provision of jobs involved in carrying out activities under programs covered by this plan to low-income persons living in areas affected by those programs and activities; availability of mortgage financing for low-income persons at reasonable rates using nondiscriminatory lending practices; access to capital and credit for development activities that promote the long-term economic and social viability of the community; and empowerment and self-sufficiency opportunities for low-income persons to reduce generational poverty in federally assisted and public housing.

The consolidated submission described in this part 91 requires the jurisdiction to state in one document its plan to pursue these goals for all the community planning and development programs, as well as for housing programs. It is these goals against which the plan and the jurisdiction's performance under the plan will be evaluated by HUD.

The Consolidated Plan serves the following functions:

1. A planning document for the jurisdiction, which builds on a participatory process at the lowest levels;
2. An application for federal funds under HUD's formula grant programs;
3. A strategy to be followed in carrying out HUD programs; and
4. An action plan that provides a basis for assessing performance.

II.B. Applicability

The following formula grant programs are covered by this Five-Year Consolidated Plan:

- The Community Development Block Grant (CDBG) program
- The HOME Investment Partnerships (HOME) program

II.C. Program Year

The program year for the City of Salem's CDBG and HOME funded programs runs from July 1 to June 30.

II.D. Submission Date

The Consolidated Plan submission date to HUD is indicated on the cover page of the finalized plan.

III. HOUSING MARKET ANALYSIS

III.A. General Conditions

Salem is one of the oldest municipalities in Massachusetts and the state's second oldest city. A small coastal community located 16 miles north of Boston, Salem is bounded by the towns of Danvers, Marblehead and Swampscott and the cities of Beverly, Peabody and Lynn (Map 1). Its Census 2000 population of 40,407 represents a decennial growth rate of 6.1%, which slightly exceeds the growth rate of most surrounding communities and falls narrowly below that of Essex County as a whole.¹ Less than 4% of Salem's 18,175 housing units are vacant, and the occupied units are divided almost evenly between renters (50.9%) and homeowners (49.1%). The City offers a wide range of housing types, as illustrated in Table III-1.

Table III-1: Housing Inventory by Units in Structure and Tenure (2000)

Unit Type	Owner-Occupied		Renter-Occupied		Vacant		Total Units
	Number	% Total	Number	% Total	Number	% Total	
1, detached	4,518	91.9%	296	6.0%	101	2.1%	4,915
1, attached	911	81.0%	204	18.1%	10	0.9%	1,125
2	1,577	42.0%	1,972	52.6%	202	5.4%	3,751
3 or 4	849	23.4%	2,653	73.0%	130	3.6%	3,632
5 to 9	331	20.1%	1,264	76.7%	52	3.2%	1,647
10 to 19	69	7.8%	758	85.6%	58	6.6%	885
20 to 49	193	20.9%	628	68.0%	103	11.1%	924
50 or more	146	11.3%	1,123	86.7%	27	2.1%	1,296
Mobile home	0	N/A	0	N/A	0	N/A	0
Boat, RV, etc.	0	N/A	0	N/A	0	N/A	0
Category Total	8,594	47.3%	8,898	49.0%	683	3.8%	18,175

Source: Census 2000, Summary File 3, Tables H30, 31, 32.

More than half of Salem's incorporated area is water. Its actual land area is only 8.1 square miles, which is very small compared to most communities in the Commonwealth. In fact, Salem's state rank for land area is only 319 out of 351 cities and towns. In contrast, the housing unit density per square mile in Salem is the state's 18th highest while the City's population density per square mile ranks 19.² As a mature, densely developed community, Salem has very little land available for new development. A recent buildout study prepared by the regional planning agency indicates that under current zoning, Salem has room for about 1,200 more housing units – assuming a combination

¹ Massachusetts Institute of Social and Economic Research (MISER), "Population of Massachusetts Cities, Towns & Counties: Census Counts and Estimates, 1930-1998, with Land Area and Population Density in 1990," [State Data Center](http://www.umass.edu/miser/dataop/data.htm) <<http://www.umass.edu/miser/dataop/data.htm>>; U.S. Department of Commerce, Bureau of the Census, Census 2000, Summary File 1 Table P1, <<http://www.census.gov>> select American FactFinder Database.

² Commonwealth of Massachusetts Department of Revenue (DOR), "Total Housing Units, Land and Water Area per Square Mile," [Municipal Data Bank](http://www.dls.state.ma.us/mdm.htm), <<http://www.dls.state.ma.us/mdm.htm>>. Rankings by author.

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of new construction, redevelopment and intensification of existing uses.³ Indeed, redevelopment and reuse serve as the centerpiece of most real estate investment occurring in Salem today.

Salem was incorporated in 1626 and has a large inventory of historically significant buildings. Compared to most cities and towns, Salem's housing stock is much older. According to Census 2000, 53.4% of all occupied units in Salem were built prior to 1940 and only 12.5% were built from 1980-2000. In a companion trend, the City experienced a relatively slow rate of rental development over the past 20 years: for every one renter-occupied unit built between 1980 and 2000, 2.97 owner-occupied units were built in the same period. Together, the construction of new units for sale and the conversion of former rental units to condominiums caused Salem's homeownership rate to increase from 42.4% in 1980 to 49.1% in 2000.⁴ Older dwelling units comprise a disproportionately large percentage of the City's vacant housing inventory. While 55% of all owner-occupied units and 55% of all renter-occupied units were built before 1940, the same applies to 69% of Salem's vacant housing units. Table III-2 reports the City's Census 2000 housing units by age and occupancy characteristics.

Table III-2: Housing Inventory by Age and Tenure of Dwelling Units (2000)

Year Built	Total Units	Owner-Occupied		Renter-Occupied		Vacant	
		Total	%	Total	%	Total	%
1990-2000	715	600	7.0%	108	1.2%	7	1.0%
1980- 1989	1,601	1,092	12.7%	474	5.3%	35	5.1%
1970- 1979	1,627	335	3.9%	1,225	13.8%	67	9.8%
1960- 1969	1,479	789	9.2%	681	7.7%	9	1.3%
1950- 1959	1,531	697	8.1%	803	9.0%	31	4.5%
1940- 1949	1,382	572	6.7%	750	8.4%	60	8.8%
Pre-1940	<u>9,840</u>	<u>4,509</u>	<u>52.5%</u>	<u>4,857</u>	<u>54.6%</u>	<u>474</u>	<u>69.4%</u>
Category Total	18,175	8,594	100.0%	8,898	100.0%	683	100.0%

Source: Census 2000, Summary File 3, Tables H34, H36.

III.A-1. Population, Household and Family Characteristics

Salem's growth over the past decade was attended by changes in the racial and ethnic make-up of its population. Its white population declined by 2.6%, or 913 people, while the Hispanic population increased by 78.2%.⁵ Hispanics are the largest minority group in Salem today, representing 11.2% of the City's total population and 7.4% of its households. Although African Americans and Asians comprise very small percentages of Salem's population, the City absorbed a 25% growth rate among non-Hispanic African Americans and a 58% increase among non-Hispanic Asians during the 1990s.

³ Commonwealth of Massachusetts Executive Office of Environmental Affairs, "Community Data Profile: Salem," [Community Preservation Initiative](http://commpres.env.state.ma.us/) <<http://commpres.env.state.ma.us/>>.

⁴ U.S. Department of Housing and Urban Development, Policy Development and Research Information Service (PDR), "Homeownership, Rental and Vacancy Rates: Salem, Massachusetts," [State of the Cities Data Systems](http://www.huduser.org), <<http://www.huduser.org>> select "SOCDS."

⁵ Salem's Hispanic population of 4,541 includes persons who are White, Black or African American, American Indian and Alaska Native, Asian alone, Native Hawaiian and Other Pacific Islander, another race not classified by the Census Bureau, or persons of two or more races. See also [Appendix A: Definitions](#).

Salem also has a large community of foreign-born persons. In 1990, Salem had 3,390 foreign-born residents, or 8.9% of the population; by 2000, the number had increased to 4,809 persons, or 11.9% of the population. Due to significant concentrations of foreign-born, minority or low-income persons in five of Salem's census block groups, the City is one of 108 municipalities in Massachusetts with designated Environmental Justice Populations.⁶ The cultural diversity that exists in Salem today can also be seen in household language statistics: more than 3,800 households in Salem speak a language other than English at home. The City's non-English language traditions vary widely, with Spanish, French, Portuguese, Greek, Polish, Chinese, Japanese and Vietnamese being the most common among persons over 18.⁷

Although a majority of the City's 17,492 households are families, Salem significantly exceeds the Boston PMSA and Essex County for percentage of non-family households.⁸ Nearly 45% of all households in Salem are non-family households and among them, single people living alone comprise a somewhat smaller percentage than in the surrounding region. Consistent with the Boston PMSA, 22% of the City's households are headed by an elderly person (over 65). In contrast, Salem falls below the regional average for percentage of families with children, yet a much larger percentage of its families with children are single-parent families, primarily single women. The prevalence of non-family households and single-parent families helps to explain the City's regionally small average household size and low household and family incomes, as shown in Table III-3.

Salem's Census 2000 median household income of \$44,033 ranks 286 out of 351 cities and towns in the Commonwealth, representing a modest decline in state rank since 1990 (277).⁹ Since the City has such a large percentage of renter-occupied housing units, the economic divide that typically separates renters from homeowners is somewhat less obvious here. In Essex County, for example, the median household income among homeowners is 2.37 times greater than the median household income among renters, but in Salem the difference is 1.94. Generally, Salem's households tend to have lower incomes than households in all surrounding communities except the City of Lynn. The types of households, householder ages, household sizes and household incomes in Salem all relate to its housing stock and market position within the region.

⁶ Census 2000, Summary File 1 Tables P7, P8; 1990 Census, Summary File 1 Tables P0006, P0008; MassGIS, "Environmental Justice Populations," Datalayers from the 2000 U.S. Census <<http://www.mass.gov/mgis>>. "Environmental Justice" refers to a body of federal civil rights policies that are designed to protect minority and low-income populations from disproportionately high exposure to environmental hazards and unequal enforcement of environmental regulations. In accordance with federal Executive Order 12898 (1994), federally funded programs or activities that affect human health or the environment are prohibited from directly, or through contractual or other arrangements, using criteria, methods, or practices that discriminate on the basis of race, color, or national origin. In Massachusetts, Senate Bill 471 (2005) proposes to institute government-wide protections similar to the federal executive order. The Executive Office of Environmental Affairs (EOEA) has adopted an agency-level Environmental Justice Policy; see EOEA, "Environmental Justice Policy of the Executive Office of Environmental Affairs," <<http://www.mass.gov/envir/>>.

⁷ Census 2000, Summary File 3 Tables P20, PCT10.

⁸ Census 2000, Summary File 1 Table P15.

⁹ Census 2000, Summary File 3 Table P54; state ranks by Massachusetts Department of Revenue, "Wealth Indicators," Municipal Data Bank.

Table III-3: Household and Family Characteristics (2000)

Household Characteristics	State	Essex County	City of Salem	Boston PMSA
Households	2,443,580	275,419	17,492	1,323,487
Average Household Size	2.51	2.57	2.24	2.48
Median Household Income	\$50,502	\$51,576	\$44,033	\$55,183
Elderly Households (%)	22.2%	22.8%	22.3%	21.3%
Median Income Over 65	\$33,589	\$34,553	\$32,463	\$36,829
Median Income Over 75	\$21,522	\$21,591	\$23,229	\$23,267
Families	1,301,066	153,470	7,899	680,636
% All Households	53.2%	55.7%	45.2%	51.4%
Single-Parent Families	317,738	37,573	2,490	158,674
% All Families	24.4%	24.5%	31.5%	23.3%
Average Family Size	3.11	3.15	2.95	3.12
Average Children/Family	0.88	0.91	0.77	0.86
Median Family Income	\$61,664	\$63,746	\$55,635	\$68,341
With Children <18	\$61,530	\$63,387	\$50,721	\$69,179
Single Parent with Children <18	\$22,138	\$22,557	\$24,873	\$25,159
Non-Family Households	866,884	90,325	7,785	499,342
One-Person Households	684,345	74,628	6,105	383,859
% One-Person	78.9%	82.6%	78.4%	76.9%
Median Non-Family Income	\$29,774	\$27,953	\$28,707	\$33,958

Source: Census 2000 Summary File 1, Tables P15, P20, P31, P34, P46; Summary File 3, Tables P54, P56, P77, P80, PCT39, PCT40.

III.A-2. Housing Supply, Demand & Affordability: 1990-2000

Much like the state as a whole, Salem experienced a moderate increase in housing units (5.9%) and total population (6.1%) between 1990 and 2000. However, the City's 10.7% rate of household growth exceeded the statewide average (8.7%). Salem absorbed a net increase of 1,700 households primarily through the sale or rental of units that lay vacant in the midst of a recession at the end of the 1980s, and new housing construction. By April 2000, the number of vacant housing units in 1990 had declined by 672, or a decennial reduction in vacancies of 49%. In a related trend, however, the number of owner-occupied units increased by 18.1% between 1990 and 2000, yet renter-occupied units inched upward by only 4.4%. Salem's 1,300 new homeowners had purchased not only new and recycled for-sale units, but also rental units converted to condominiums. The impact of homebuyer market demand on housing conditions in Salem can be seen in the City's loss of 68 four- to eight-unit multi-family rental properties during the 1990s and a concurrent gain of 438 condominiums.¹⁰

As housing demand intensified in Salem, the City witnessed both total household growth and changes in the size and composition of its households. The average number of persons per household in Salem decreased from 2.34 in 1990 to 2.24 in 2000, and this is partially due to a 22.2%

¹⁰ DOR, "Parcels Counts by Property Class," [Municipal Data Bank](#).

increase in one-person households. In the same period, the number of single mothers with dependent children increased by 18.7% while the number of single fathers with dependent children rose by 45.5%, from 176 in 1990 to 226 in 2000. Salem's experience parallels that of the Commonwealth, for one-person households and single-parent families increased statewide during the 1990s. However, the rate of increase in Salem was much higher. Furthermore, while the number of married couples with dependent children increased by a mere 1.3% across the state, the number in Salem declined 4%.¹¹ These kinds of changes may seem like an aberration when viewed in one 10-year cycle, but Salem has been undergoing a fundamental transformation in the make-up of its households and families over a long period of time. In 1970, 87.4% of all families with children in Salem were married-couple families, a statistic that nearly matched the Boston metropolitan average of 88%. Thirty years later, only 62% of all families with children in Salem were married-couple families – compared to 75% in the Boston area.¹²

The recession that left so many units vacant at the beginning of the decade had pervasive effects throughout the residential real estate market. In a pattern experienced across the Commonwealth, housing sales prices in Salem dropped sharply between 1989 and 1990. While affluent suburbs west of Boston and along I-495 began to benefit from the early stages of economic recovery toward the end of 1992, less than 4% of Salem's single-family home inventory sold each year and prices remained very low until 1994. To some extent, Salem's experience was similar to that of the North Shore, where the homebuyer market lagged slightly behind Boston's west and southwest suburbs. By the end of 1995, however, a combination of renewed demand and a regional housing shortage had helped to bolster sales activity and stabilize housing sale prices in Salem. Still, Table III-4 shows that the City's median single-family home and condominium sale prices did not recover to pre-recession levels until as late as 1998-1999.¹³

Measured by regional housing values, Salem is on the lower end of the North Shore's housing market. Among Essex County's 34 cities and towns, Salem ranked 28 in 2000, 27 in 1990 and 29 in 1980 for median value of an owner-occupied housing unit. Its relative place in the regional market has remained fairly stable over time, and the City's location is a contributing factor. In fact, Salem is surrounded by urban communities in a comparable market position (Map 2). The noteworthy extremes are Marblehead, which ranks fifth in Essex County for its high sale prices, and Lynn, where owner-occupied housing values are the County's second lowest.¹⁴

¹¹ Census 2000, Summary File 1, Table P18; 1990 Census, Summary File 1, Table P016.

¹² HUD, "Families with Children by Type of Family: Salem, Massachusetts," [State of the Cities Data Systems](#).

¹³ The Warren Group, "Median Single-Family Home Sale Price" and "Number of Sales" via [Town Stats Search](#), <<http://rers.thewarrengroup.com/townstats/search.asp>>, and Massachusetts Association of Realtors, "Year-End Sales and Price Data," 1999-2004, [Single Family Housing Reports](#), and "Housing Market Trends," [Historical Real Estate Market Data](#), <http://www.marealtor.com/content/housing_research_data.asp> select Housing and Research Data.

¹⁴ Census 2000, Summary File 3 Tables H75, H76, H77; 1990 Census, Summary File 1, Tables H023A, H023B, H023C; MISER, "1980 Census Median Housing Values by City/Town and Census Tract." Owner-occupied homes include single-family dwellings and condominiums, but not mobile homes.

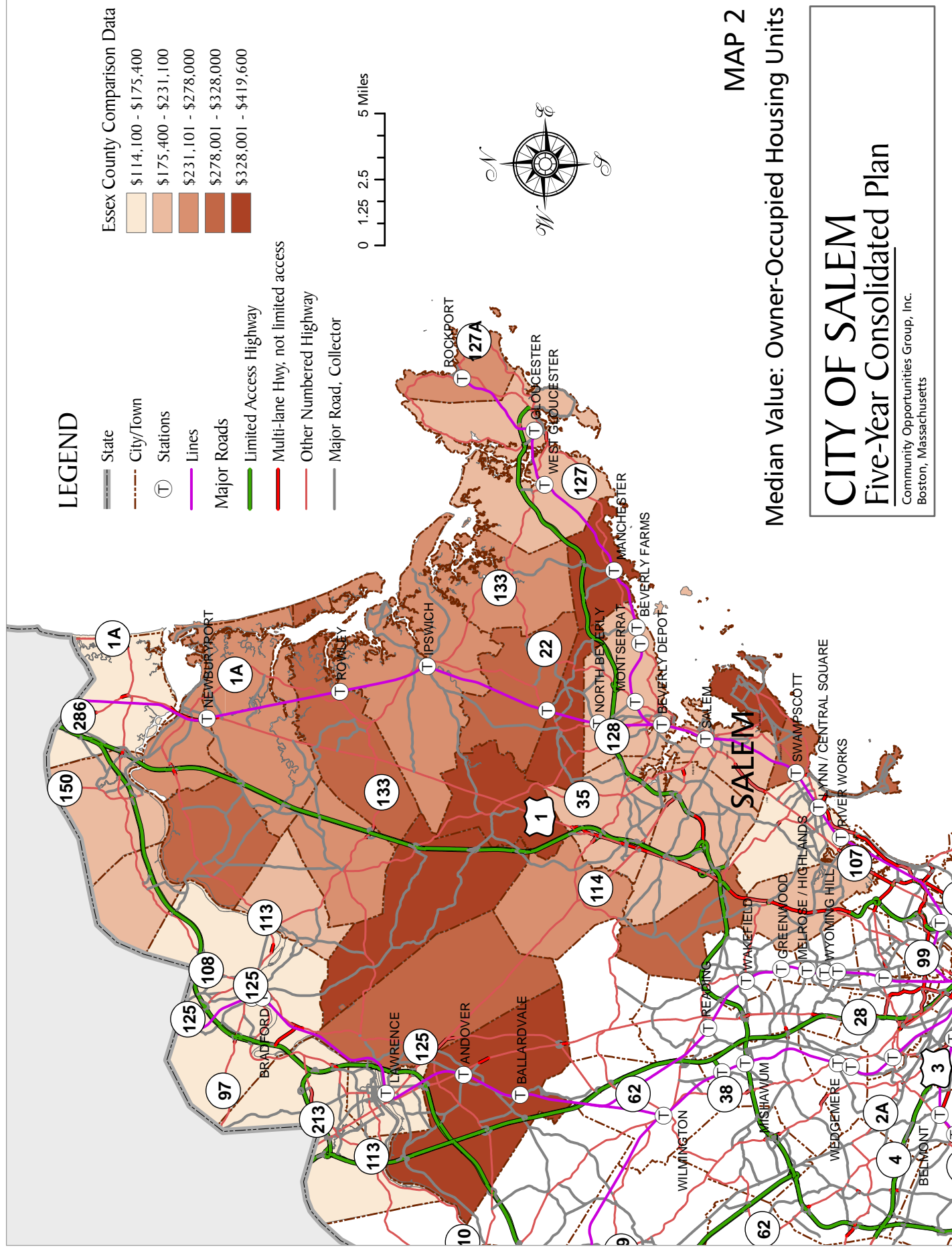


Table III-4: Trends in Single-Family Home and Condominium Sales, City of Salem

Year	Single-Family Homes				Condominiums			
	Median Sale Price	# of Sales	Total Inventory	% Sold	Median Sale Price	# of Sales	Total Inventory	% Sold
1988	\$155,000	171	4,552	3.8%	\$143,000	335	1,283	26.1%
1989	\$156,000	115	4,508	2.6%	\$137,995	200	1,876	10.7%
1990	\$139,000	117	4,524	2.6%	\$126,490	182	2,149	8.5%
1991	\$135,000	135	4,544	3.0%	\$110,000	162	2,271	7.1%
1992	\$130,000	141	4,552	3.1%	\$100,000	205	2,266	9.0%
1993	\$128,500	173	4,557	3.8%	\$106,000	263	2,281	11.5%
1994	\$133,350	192	4,559	4.2%	\$110,500	229	2,299	10.0%
1995	\$132,000	163	4,562	3.6%	\$119,000	223	2,317	9.6%
1996	\$136,000	210	4,584	4.6%	\$122,000	286	2,342	12.2%
1997	\$138,000	227	4,601	4.9%	\$125,000	314	2,382	13.2%
1998	\$155,000	267	4,612	5.8%	\$135,000	329	2,464	13.4%
1999	\$170,500	234	4,645	5.0%	\$151,000	331	2,479	13.4%
2000	\$202,250	194	4,681	4.1%	\$165,500	345	2,587	13.3%
Percent Change								
1990-95	-5.0%	39.3%	0.8%		-5.9%	22.5%	7.8%	
1995-00	53.2%	19.0%	2.6%		39.1%	54.7%	11.7%	
1990-00	45.5%	65.8%	3.5%		30.8%	89.6%	20.4%	

Sources: The Warren Group; DOR.

Unlike Salem's home values, its contract rents fall squarely in the middle of the North Shore market – a position that has also remained stable over time. Compared to the Boston PMSA, rents in Salem are more likely to hover near the City-wide median, i.e., the difference is less pronounced between high and low rents. However, for the 233 units that were vacant and available for rent in April 2000, the median rent asked by landlords was closer to the City's upper-quartile contract rent than to the median contract rent paid by then-existing tenants. In fact, the asking rent for 55% of Salem's vacant rental units exceeded the upper-quartile contract rent.¹⁵ From 1990-2000, the median gross rent in Salem – that is, a tenant's total payment for rent and utilities – increased by 16%, from \$608 to \$705. Monthly housing costs for renters in Salem increased at a lower rate than elsewhere in the Boston metropolitan area, for the average rate of increase region-wide was 17.9%. Since Salem's household incomes are generally lower, the smaller percentage increase in rents makes sense. For Salem and the larger region, however, gross rents consumed a somewhat larger percentage of household income at the beginning of the decade than at the end. The City's median gross rent was 27.2% of household income in 1990 and 25.3% in 2000. According to federal census data, comparable changes occurred throughout Essex County and the Boston PMSA.¹⁶ In the same period, joblessness declined from 6% to 2.6% statewide and in Salem, from 5.8% to 2.5%.¹⁷

¹⁵ Census 2000, Summary File 3 Tables H55, H56.

¹⁶ Census 2000, Summary File 3 Tables H63, H70; 1990 Census, Summary File 3 Tables H043, H050A.

¹⁷ DOR, "Labor Force and Unemployment Data: 1990-2004," Municipal Data Bank.

III.A-3. Housing Supply, Demand & Affordability: Post-Census 2000

Detached single-family homes comprised more than 70% of all new-construction units built in Salem between 1990 and 2000. By the end of the decade, however, the type of new housing construction occurring in Salem had begun to change. Although new residential construction has been erratic, housing development began to increase in 2000. The City issued building permits for 946 housing units between 2000 and 2004, less than 19% of which were detached single-family homes.¹⁸

According to Department of Planning and Community Development, 489 new homeownership units and 533 new rental units were added to the City's tax base from 1998-2003. Salem's population has grown in response to this renewed investment in housing development. The Census Bureau estimates that as of July 1, 2003, Salem's population had reached 42,067, representing a 4.1% increase since 2000 and a 10% increase since 1990. If the Census Bureau's estimate is reasonably accurate, Salem has also surpassed its 1950 decennial population count of 41,880 for the first time in 50 years.¹⁹ A critical difference between 1950 and 2003 is that housing the same number of people requires far more units due to the decline in household size that has occurred nationally, statewide and locally.

Table III-5: Post-2000 Single-Family Home and Condominium Sales, City of Salem

Year	Single-Family Homes				Condominiums			
	Median Sale Price	# of Sales	Total Inventory	% Sold	Median Sale Price	# of Sales	Total Inventory	% Sold
2000	202,250	194	4,681	4.1%	165,500	345	2,587	13.3%
2001	227,278	214	4,677	4.6%	193,000	365	2,622	13.9%
2002	276,750	192	4,698	4.1%	222,500	338	2,697	12.5%
2003	305,000	231	4,713	4.9%	250,000	410	2,774	14.8%
2004	319,500	255	4,730	5.4%	266,000	533	2,896	18.4%
Percent Change								
2000-04	58.0%	31.4%	1.0%		60.7%	54.5%	11.9%	

Sources: The Warren Group; DOR.

The real estate market has softened since late 2001, but Salem's residential vacancy rate remains very low. A study recently prepared for the Lynn Housing Authority indicates that the vacancy rate in Salem was only 3% last year.²⁰ Table III-5 shows that since 2000, Salem's median single-family home and condominium sale prices have increased significantly. Viewed in regional terms, the City's median condominium sales price was similar to Swampscott's (\$266,900) in 2004, and higher than that of the three adjacent cities: Beverly, Peabody and Lynn. Still, Salem's median single-family home

¹⁸ Bureau of the Census, "Building Permits," Manufacturing, Mining and Construction Statistics <<http://www.census.gov/const/www/permitsindex.html>>.

¹⁹ Bureau of the Census, Population Division, "Subcounty Population Datasets: Massachusetts," Population Estimates <<http://www.census.gov/popest/estimates.php>>; MISER, "Population of Massachusetts Cities, Towns & Counties: Census Counts and Estimates, 1930-1998" State Data Center; "Populations of Massachusetts Cities and Towns: 1940-1990" Boston Metropolitan Planning Organization, <http://www.ctps.org/bostonmpo/data/pop40_90.pdf>.

²⁰ RKG Associates, Comparability Study of Lynn, Massachusetts and Ten Selected Cities in Massachusetts (October 2004), 6.

sale price was lower than in all neighboring communities except Lynn.²¹ Its relative position in the condominium market is changing, but this does not appear to be true in the single-family home market. While Salem's single-family home sale prices were much higher in 2004 than 2000, single-family home prices have skyrocketed throughout the North Shore, including Salem's sub-region. A representative from the Community Housing And Planning Association (CHAPA) reports that from 1980 to 2003, at 573%, Massachusetts had the largest overall housing cost increase in the country. He further stated that, in 2003, in only 67 of 161 greater Boston communities could a household making medium income afford the medium sale price of new housing in that community.

Table III-6 provides a comparison of HUD Fair Market Rents in the Boston PMSA to current market rents in Salem, reported by several sources. The difference between advertised asking rents in Table III-6 and the median asking rent reported in Census 2000 (\$719) is striking.

Table III-6: Range of Market Rents in Salem 2004-2005

Source of Information	Rents by Number of Bedrooms in Unit				
	0-Bedroom/ Efficiency	1-Bedroom	2-Bedroom	3-Bedroom	4-Bedroom
2004 HUD FMR	\$1,077	\$1,135	\$1,419	\$1,775	\$2,084
2005 HUD FMR	\$1,025	\$1,077	\$1,266	\$1,513	\$1,676
SHA Rent Reasonableness Study ²²	N.A.	\$1,012	\$1,229	\$1,356	\$1,657
<u>Salem Evening News</u> ²³	\$625-850	\$695-975	\$900-1,200	\$1,200-1,500	\$1,500+
New Multi-Family Developments ²⁴	N.A.	\$1,260-1,495	\$1,605-1,825	\$2,250-2,495 ²⁵	N.A.

Sources: see explanatory footnotes.

Like other communities near Boston, Salem has recently experienced a volatile rental market. Higher vacancy rates, greater turnover, and stable or slightly reduced rents indicate that Salem's rental

²¹ The Warren Group, "Median Single-Family Home Sale Price" and "Number of Sales" via [Town Stats Search](#).

²² Salem Housing Authority, 19 August 2004. Reflects a composite average, based on 1) a review of apartments for advertised for rent between February-July 2004, 2) SHA subsidized rents under existing HAP contracts and 3) a survey of local real estate offices with rental listings. Advertised/listed asking rents adjusted to include utility costs.

²³ Classified Ads, [Salem Evening News](#), 8 March 2005. Some rents include heat and/or hot water, others included no utilities. Based on the advertisements, most units appear to be in smaller multi-family buildings. A few apartments were advertised for less or more than the ranges indicated above; however, these are the ranges that a large majority of the units fell within

²⁴ "City Opens New Luxury Apartments," [Salem Evening News](#), 28 February 2005. Average rents were provided by management/leasing offices for 3 luxury developments: Hawthorne Commons, Jefferson at Salem Station and Archstone. These developments contain a total of 638 units.

²⁵ Ibid. Characterized as townhouse units.

market has softened somewhat. While the market is expensive compared to other parts of Massachusetts and many parts of the country, rents in Salem have retreated slightly from the historic highs that occurred in 2001.²⁶ Anecdotal information supplied by residents and real estate professionals during the citizen participation process provides the basis for the first two observations, i.e., a higher vacancy rate and increased turnover. These conditions are corroborated by stabilization or reduction of market rents. The softer rental market appears to stem from several factors: the region's economic downturn and an out-migration of residents, a segment of the traditional rental market becoming homeowners, and an infusion of new product into the local market.

III.B. Existing Public and Subsidized Housing

State law obligates cities and towns to provide housing affordable to low- and moderate-income people. When less than 10% of a community's year-round housing units are subsidized and protected by deed restrictions that preserve low- and moderate-income affordability, M.G.L. c.40B Sections 20-23 ("Chapter 40B") supersedes zoning and other local regulations that make affordable housing uneconomic to build. It establishes a preferred position for affordable housing developments in the permitting process by enabling broad waivers of local requirements through the issuance of a "comprehensive permit." Since urban zoning usually allows realistic density for affordable housing, the comprehensive permit is not the only tool for developing low- and moderate-income units. This can be seen in Salem, where 74 properties with a combined total of 2,309 units, or 12.8% of the City's housing stock, qualify for inclusion in the Chapter 40B Subsidized Housing Inventory. Many of these units did not require a comprehensive permit because they complied with zoning regulations in effect when the developments were built, or they were developed in urban renewal areas. The City's Subsidized Housing Inventory also includes older units that legally qualify as affordable housing because they are subject to affordability restrictions due to CDBG- or HOME-assisted housing rehabilitation. Excluding market-rate units in mixed-income housing developments, Salem has approximately 1,737 subsidized rental units, or 19.5% of all renter-occupied units in the City. In contrast, Salem's Chapter 40B Inventory includes only 41 homeownership units.

The state encourages communities to maintain at least 10% of their housing stock as low- and moderate- income housing, but as of March 2005, only 39 cities and towns in Massachusetts had reached or exceeded the 10% statutory minimum. Salem is one of them. Under Chapter 40B and state policy, the following standards determine whether housing units are eligible for listing on the Subsidized Housing Inventory:

1. The units must be subsidized by a state or federal housing program, except that non-subsidized affordable units may qualify if they are subject to a long-term deed restriction, sold or rented under a state-approved affirmative marketing plan, and monitored annually.
2. At least 25% of the units in a qualifying development must be affordable to households at or below 80% of area median income (AMI), except that developments with 20% affordable units qualify if the units are affordable to very-low-income (below 50% AMI) households.

²⁶ Bonnie Heudorfer, Barry Bluestone and Stein Helmrich, The Greater Boston Housing Report Card 2003: An Assessment of Progress on Housing in the Greater Boston Area, The Center for Urban and Regional Policy, Northeastern University (April 2004).

3. In homeownership developments, only the affordable units are included in the Subsidized Housing Inventory.
4. For rental developments built under a comprehensive permit, the Subsidized Housing Inventory includes all of the units, i.e., both affordable and market-rate. The same standard applies to non-comprehensive permit rental developments only on a case-by-case basis.
5. In all cases, affordable units must be protected by a regulatory agreement and a long-term deed restriction that runs with the land and is enforceable by local authorities and the state.

Salem's subsidized rental housing is not concentrated in a single area. Although most subsidized units are located in the neighborhoods north of Boston Street, there are also rental developments near the hospitals, Highland Park, the Swampscott line and Palmer Cove (Map 3). For decades, the City, its housing authority, and non-profit organizations have sought to provide permanently affordable housing in Salem. The Salem Housing Authority began to develop affordable housing in the 1950s and currently administers 865 Section 8 vouchers. Eighty nine are in use outside the City and 43 vouchers administered by other housing authorities are being used in Salem, for a total of 819 tenants with Section 8 assistance in Salem today.²⁷ Further, the Department of Planning and Community Development has administered a variety of programs for first-time homebuyers and lower-income homeowners, and provided funding for affordable housing development. The City's leading non-profit development partner, Salem Harbor CDC, has been working to develop and maintain affordable housing units since 1979, primarily in the Point neighborhood. Finally, private non-profit and for-profit companies own and manage a substantial inventory of mixed-income and affordable units throughout the City.

Since more than 10% of Salem's housing stock is on the Chapter 40B Subsidized Housing Inventory, the City is not required to issue any new comprehensive permits. This maintains the City's control over land use and zoning, but may limit its ability to increase the supply of affordable housing in the future. In addition to Chapter 40B units, Salem has traditionally had a healthy stock of unregulated, non-subsidized rentals affordable to low- and moderate-income households. These units, typically located in older houses and apartment buildings, still exist in a few areas. However, they are diminishing due to owner turnover, market rent increases, and the rising incidence of condominium conversion of 2- to 4-family properties since 2001.²⁸

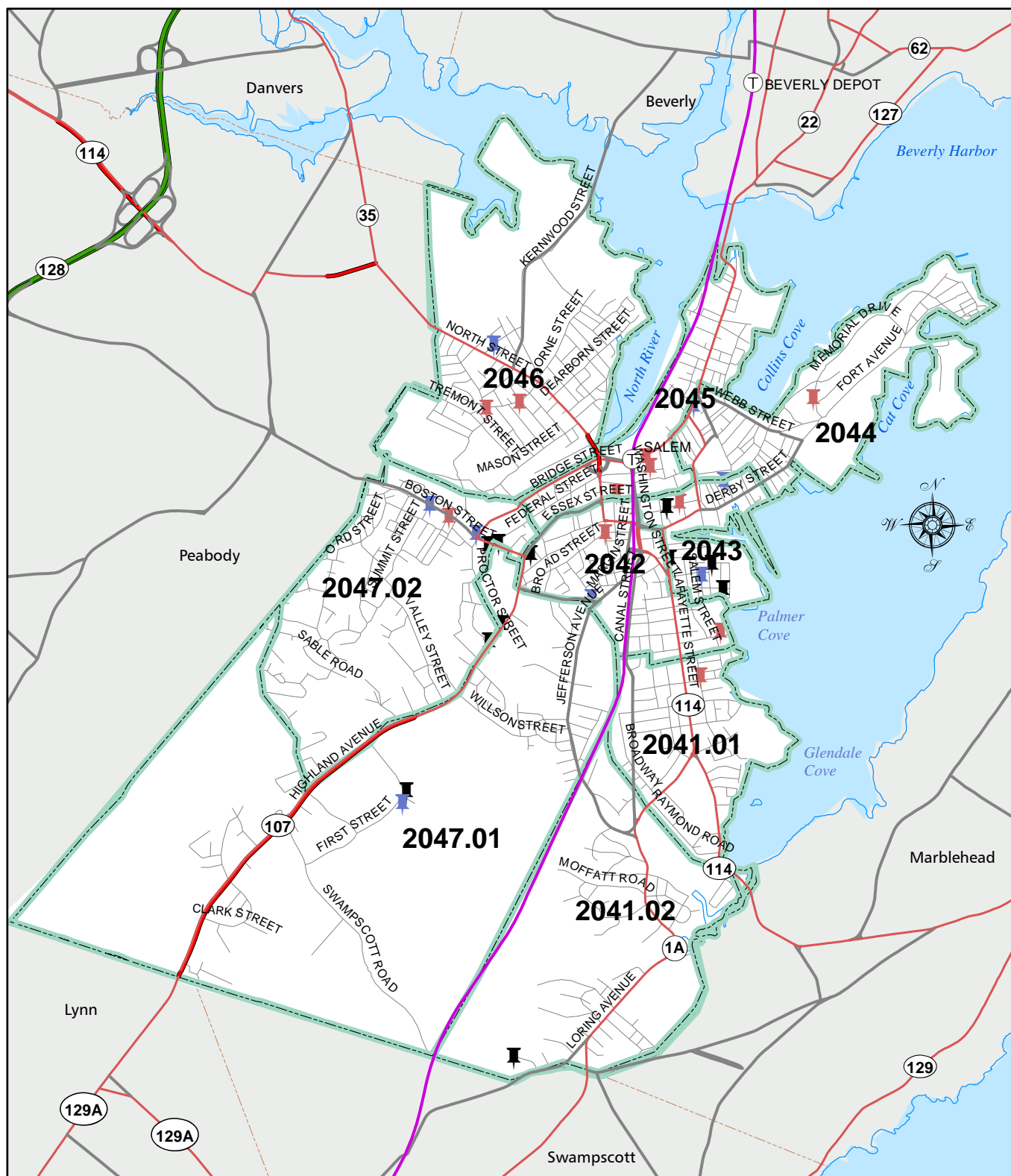
III.B-1. Subsidized Rental Properties

III.B-1.1. Public Housing

The Salem Housing Authority owns and maintains 17 developments with a total of 706 rental units, and 9 scattered-site units in one- and two-unit buildings. Thirty six of the Housing Authority's units are accessible to persons with disabilities: 21 in elderly developments and 15 in family developments. Of the 12 elderly developments, one is a congregate residence. Table III-7 summarizes the Housing Authority's current holdings.

²⁷ Note: Section 8 voucher holders occupy some of the units on the Subsidized Housing Inventory, so there is a degree of overlap.

²⁸ City of Salem Assessor's Office.



0 0.25 0.5 1 Miles

LEGEND

- | | |
|------------------------------|--------------------------------------|
| Ⓣ Stations | Major Roads |
| — Lines | — Limited Access Highway |
| ▭ Census Tract Boundaries | — Multi-lane Hwy, not limited access |
| Subsidized Housing | — Other Numbered Highway |
| ♣ Public Family Housing | — Major Road, Collector |
| ♠ Public Elderly Housing | — Local |
| ♣ Private Subsidized Housing | |

MAP 3

Subsidized Housing in Salem
(Partial Inventory)

CITY OF SALEM Five-Year Consolidated Plan

Community Opportunities Group, Inc.
Boston, Massachusetts

Table III-7: Public Housing Owned and Managed by Salem Housing Authority

		Total Units	Number of Bedrooms				
Development	Address		SRO	1	2	3	4
I.ELDERLY							
State Elderly							
Leefort Terrace	Leefort Terrace	50		50			
Bertram Terrace	Bertram Terrace	20		20			
Colonial Terrace	Boston & Nichol Sts	40		40			
Bates Terrace	Bates Terrace	16		16			
Norton Terrace	Norton Terrace	20		20			
Pioneer Terrace	Pioneer Terrace	104		104			
Charter Street	27 Charter Street	110		110			
Morency Manor	45 St. Peter Street	54		54			
J. Michael Ruane	3 Broad Street	16	16				
Dalton Residence	205 Bridge Street	35		35			
Federal Elderly							
Stephen Zisson Elderly	290 Essex Street	14		14			
Power Block	5 Barton Square	16		16			
Elderly Total		495	16	479			
II. FAMILY							
State Family							
Phillips School	86 Essex Street	17		1	4	12	
Garden Terrace	Garden Terrace	32		4	22	6	
Rainbow Terrace	Rainbow Terrace	136			68	68	
Park, Prince, Congress St.	33 Park Street 26 Prince Street	6					
	117 Congress St	8					
Farrell Court	17, 19, 21 Farrell Ct.	12			6	6	
Federal Family							
Scattered Sites	2 Hathorne Crescent	2			2		
	122 ½ Boston Street	2				1	1
	121 ½ Bridge Street	2			2		
	73 Boston Street	3			1	2	
Family Total		220		5	109	105	1
TOTAL UNITS		715	16	484	109	105	1

Source: Salem Housing Authority.

The Housing Authority's portfolio includes both federal and state public housing developments. The rental structure varies somewhat depending upon the original funding source. In all of the elderly housing developments, tenants pay 30% of their monthly income for housing costs, including rent and utility allowances. For 32 of the family housing units, the same 30% standard applies. In the other 188 family units, rent is based on 27% of the tenant's monthly income. The federally subsidized

units and the Section 8 vouchers are offered to tenants with incomes at or below 50% AMI, while the state-subsidized units (676 units) are offered to tenants with incomes at or below 80% AMI.

In addition to the developments listed in Table III-7, the Salem Housing Authority recently contracted with the Massachusetts Department of Mental Health to administer four unit subsidies located elsewhere in Salem. However, the Housing Authority currently has no plans to develop new units. Its priority is to ensure that all of its existing apartments meet the “safe and secure” standard. The Housing Authority does plan to carry out a moderate rehabilitation project at Rainbow Terrace, one of the oldest developments in the portfolio. To bring Rainbow Terrace into compliance with current standards, the Housing Authority expects to make roof repairs, replace windows and doors where needed, upgrade the heating and electrical systems and install new lighting.

The Housing Authority’s ability to serve its clientele is challenged by several factors, including:

- **ELDERLY HOUSING.** The waiting list for elderly housing ranges from three to six months, which appears relatively short. However, this may be due to a perception that the units are too small; it may also reflect an emerging mismatch between the incomes of Salem’s senior citizens and the eligibility criteria for public housing. The Fairweather Apartments, which are privately owned, subsidized elderly housing units in Salem, Beverly and Danvers, offer more space than the Housing Authority’s units. Given current housing trends, the small size of the Housing Authority’s elderly units may become an increasing issue and may further shrink demand. In addition, however, Salem experienced a slight drop in elder population (-1.1%) between 1990 and 2000, and a more dramatic decrease (-35.6%) in the number of elderly living in poverty.
- **FAMILY HOUSING.** Waiting lists for family housing and Section 8 vouchers are at least three to four years long. The Housing Authority purges its waiting lists every three years, and the most recent purge occurred less than six months ago. The Family and Section 8 lists are currently closed and the Housing Authority does not expect to reopen them in the near term.
- **SECTION 8 VOUCHER PROGRAM.** HUD budget cuts have made it increasingly difficult for public housing authorities to administer the Section 8 voucher program, and the Salem Housing Authority is no exception. HUD’s FY 2005 budget was further reduced in December 2004, and the resulting cuts in Section 8 vouchers will affect Salem along with all other Section 8 administering agencies.²⁹ In fact, Salem’s program is currently running a small deficit as a direct result of federal cutbacks, and the Housing Authority is struggling to maintain its existing complement of vouchers. Rents have stabilized or dropped slightly, a condition that enables Section 8 administering agencies to stretch their resources – but only to a point. As vouchers become available for families on the waiting list, the Salem Housing Authority has to determine whether it can afford to reissue them. Virtually all existing vouchers are in use, and voucher holders do not have a problem finding units they can rent. However, this situation could easily change. A few years ago when the rental market was tighter, families found it more difficult to use their vouchers. The rental market has softened in part because low interest rates make homeownership more

²⁹ Barbara Sard, Peter Lawrence and Will Fischer, “Appropriations Shortfall Cuts Funding for 80,000 Housing Vouchers This Year” [Housing Policy](http://www.cbpp.org/pubs/housing.htm) (11 February 2005), Center on Budget and Policy Priorities <<http://www.cbpp.org/pubs/housing.htm>>.

attainable. Rising interest rates will slow the trend toward homeownership, and this in turn will most likely cause the rental market to tighten again.

III.B-1.2. Other Subsidized Housing

The Salem Harbor CDC was established more than 25 years ago to address housing concerns in the Point neighborhood. Today, the CDC owns and maintains a total of 148 rental housing units in 23 buildings, as shown in Table III-8. Salem Point Limited Partnership (77 units) is a cooperative jointly owned with the tenants. The units are scattered throughout the Point neighborhood. All units are subsidized and for the most part, they are affordable to households at or below 60% AMI. There are 15 Section 8 project-based units, and 60 Section 8 voucher holders living in other units. Five units in the CDC's portfolio are accessible to persons with disabilities. In addition, Salem Harbor CDC manages eight units for the Department of Mental Health.

Table III-8: Subsidized Housing Owned & Managed by Salem Harbor CDC
(Salem Property Managers, Inc.)

Characteristic	Number of Bedrooms					Total Units
	1	2	3	4	5	
Number of Units	20	58	65	4	1	148
Average Rent	\$625	\$850	\$869	\$950	\$1,050	N/A

Source: Salem Harbor CDC.

Approximately 25% of the Salem Harbor CDC's tenants are Section 8 voucher holders. Their household income may not exceed 50% AMI, and the tenants pay 30% of their monthly income for rent and utilities. However, the CDC estimates that most of its own Section 8 voucher holders and others living in CDC-owned units have incomes below 30% AMI.

The Salem Harbor CDC is currently planning improvements to 59 units in 11 of its existing buildings. The project will also result in the creation of three units accessible to persons with disabilities: two new units and the third by conversion of an existing standard unit. The renovations will eliminate one of the five commercial units that the CDC owns.

Several issues affect the CDC's ability to assist the City's low- and moderate-income residents:

- **LEVEL OF AFFORDABILITY.** The CDC's waiting list for affordable units currently has 140 applicants, which is relatively "soft" and shed light on the affordability problems faced by the City's poor. Although all of the CDC's units are affordable, the affordability of the non-Section 8 units is targeted to persons below 60% AMI. Applicants with incomes below about 30% AMI cannot afford the rents unless they have a Section 8 voucher. For example, a family of 3 with an annual income of \$22,350 (30% AMI) is considered housing cost burdened if their housing costs exceed \$560 per month, or 30% of their income. The average rent for a 2-bedroom unit in one of the CDC's properties is \$850, or 45.6% of the same family's income. As a result, while the CDC units technically meet the definition of "affordable," they are not affordable to populations with worst-case housing needs. This problem is increasing as more families have lost one or more of their sources of income due to the state's weak economy.

- **DEVELOPMENT OPPORTUNITIES.** Non-profit development organizations such as the Salem Harbor CDC (which is also a CHDO) depend on access to federal and state subsidies to provide affordable housing. Reductions in state and federal housing programs will severely limit new rental development. Readily accessible, low-cost financing is critical to the CDC's work by enabling the organization to respond quickly to market opportunities.
- **PRESERVATION OF EXISTING AFFORDABLE HOUSING.** One of Salem Harbor CDC's top priorities is to help preserve existing affordable housing in Salem. To that end, the City has provided multiple-year HOME funding to make the improvements to the CDC's rental units noted above. A reduction in HOME or CDBG funds would seriously reduce the CDC's ability to protect affordable housing stock from converting to market-rate housing.

In addition to the Salem Harbor CDC's housing, Salem has several private rental developments that include or are exclusively comprised of affordable units. Table III-9 lists them by location, number of units, number of affordable units, and the expiration dates for existing subsidies. This information has been provided by the Massachusetts Department of Housing and Urban Development and has not been verified for accuracy. Monitoring these expiration dates is very important. Salem Heights was an expiring use property, of which the City won a precedent-setting court victory against the former owner to keep the complex affordable. In 2003, the city reached a landmark agreement with the new owner, P.O.A.H, a non profit organization, that will keep Salem Heights' 283 apartments rented at affordable rates for the next 100 years. The Fairweather Apartments use restriction expires this year (2005), for a potential loss of approximately 85 subsidized units. According to DHCD, the Lincoln Hotel's affordability expires in 2008, for a potential loss of 63 affordable units. There are also five homeownership units under restrictions that expire in 2010.

III.B-1.3. New Affordable Housing Development

Through a series of initiatives, the city identifies and provides property for the development of affordable housing through individual parcels of land that were once taken by tax title and may be appropriate for single- or two-family housing development. Once identified, these parcels are offered through an RFP process for the development of an affordable home. The effort by the city, Salem Redevelopment Authority (SRA), and the community to preserve the historic home at 18 Crombie Street for the redevelopment into an affordable home is an example of the progress being made with this goal. In FY05, Habitat for Humanity began the redevelopment of this historic home for the eventual ownership by a low- to moderate-income family. Rehabilitation work is currently underway.

Several state and quasi-public agencies offer financing for affordable housing developers. The Massachusetts Housing Partnership Fund (MHP Fund), Massachusetts Housing Finance Agency (MassHousing), Massachusetts Housing Investment Corporation (MHIC), and MassDevelopment are quasi-public lenders that offer acquisition, construction and permanent financing for affordable housing development. MHIC recently organized a coalition of lenders to help non-profit development organizations acquire and redevelop churches closed by the Boston Catholic Archdiocese. The Commonwealth also offers some grant and loan funds through the Department of Housing and Community Development. In addition, private lenders have been willing to invest in affordable housing, in part to meet their Community Reinvestment Act obligations. For example, the Salem Harbor CDC recently refinanced one of its existing housing developments with a local bank and was able to negotiate very favorable terms to preserve affordable units.

Table III-9: Other Affordable and Mixed-Income Rental Developments

Project Name & Address	Owner	Total Units	Affordable Units	Subsidy Source	Use Expires
Fairweather Apartments ³⁰ 40R Highland Ave.	Old Salem Associates Limited Partnership	124	85	HUD	2005
Lincoln Hotel 111 Lafayette St.	Health & Educational Housing Services, Inc.	63	16	DHCD	2008
Fed & Boston St. 191-193 Federal; 36- 38 Boston St.	Thom Bubier & A. Perkins	24	6	MHP	2015
HES Housing I 403-405 ½ Essex St.	Health & Educational Housing Services, Inc.	9	3	DHCD	2037
Loring Towers 100 Loring Ave.	Loring Towers Associates	250	145	MassHousing	2016
Lynch Street 10-14 Lynch	Ray & Tom Falite	11	11	MHP	2017
Princeton Crossing Apts 12 Heritage	Princeton Group	358	151	MassHousing	2017
Pequot Highlands 10, 12 First St.	Winn Management	250	150	DHCD & MassHousing	Perpetual
Salem Heights 12 Pope St.	POAH	285	285	Mixed	2103
Palmer Street 68-72 Palmer St.	Deborah D'Allessandro	10	4	MHP	2020
Residential Options 20 Central Ave. 1 Washington	NA	3	3	HUD & EOHHS	2041
DMR Group Homes (Confidential)	DMR	12	12	DMR	NA

Sources: MassHousing, MHP Fund, DHCD.

III.B-2. Affordable Homeownership Programs

The City of Salem provides some homeownership options for low- and moderate-income households. In the last five years, the City has assisted an average of 27 households per year through programs offered by the Department of Planning and Community Development (DPCD), using HOME and

³⁰ Fairweather Apartments includes units in Salem, Beverly and Danvers. Approximately 68.5% of all units in the development are subsidized. This number assumes that the Salem units have the same percentage of affordable units as the development as a whole.

CDBG funds. In addition, Salem Harbor CDC has developed 13 homeownership units on scattered sites. Six other affordable units have been developed privately, included two two-family buildings that include rental units. The CDC plans to develop another 15 mixed homeownership/rental units in the next year. Six of these units will be rental units in two-family properties. DPCD is one of the financing sources for this project.

In 2004, the Mayor entered into an Agreement with the owners of 289-293 Essex Street who were in the process of converting fifty-three apartments into market rate condominiums. The Agreement calls for the owner to offer ten of the units to low- to moderate-income first-time homebuyers.

III.C. Facilities for Homeless and Special Needs Populations

Social service organizations on the North Shore are organized into a Continuum of Care. By HUD definition, “a continuum of care system is designed to address the critical problem of homelessness through a coordinated community-based process of identifying needs and building a system to address those needs.”³¹ To compete for federal funding (from the McKinney Homeless Assistance Act administered by HUD), a community or a group of communities must develop a continuum of care system. Salem is part of the Continuum of Care Alliance under the aegis of the North Shore HOME Consortium, lead by the City of Peabody. The Consortium serves 30 communities in the region, excluding Lawrence and Lynn. As homeless persons are often transient, services should be examined from a regional perspective, and most of the service providers in Salem’s region serve people throughout Essex County, not just the town in which they are based. For example, Salem families at risk of homelessness and other special needs populations, such as those living with HIV/AIDS, access services based in Peabody and Danvers. Social services in Salem are most closely linked with those in the surrounding communities of Peabody, Lynn, Danvers and Beverly. The purpose of the Continuum of Care Alliance is to join resources, heighten awareness of existing resources, and increase cooperation between homeless and homeless prevention service agencies in Essex County. Representatives of Salem organizations and city government regularly participate in the Coalition’s Committee to End Homelessness and the Discharge Planning Committee, which focuses on linking people who are leaving penal, medical, and DSS institutions with services.³²

Several types of facilities in Salem and on the North Shore are dedicated to serving the homeless. In general, homeless assistance facilities encompass emergency shelters, including domestic violence shelters, transitional housing, and permanent supportive housing. Emergency shelters address the basic human needs of food, shelter and safety. Additionally, many of these facilities directly provide services that address secondary needs such as medical care, counseling, substance abuse and mental health treatment and case management on a limited basis. Also, these organizations make referrals to other North Shore social service agencies for more intensive or specialized assistance such as job training, life skills training, and English as a second language (ESL) classes, as well as for transitional and permanent supportive housing.

III.C-1. Homeless Facilities and Services in Salem

EMERGENCY SHELTER FOR INDIVIDUALS IN SALEM. The Salem Mission is dedicated to helping people meet their basic needs.³³ It is the faith-based “initiative arm” of the United Church of Christ and has operated as a non-profit under the church for more than 25 years. The Mission offers four services: a food pantry, a community meals program, an emergency shelter, and community day services. People are referred to the Mission by word of mouth, other social service agencies or the

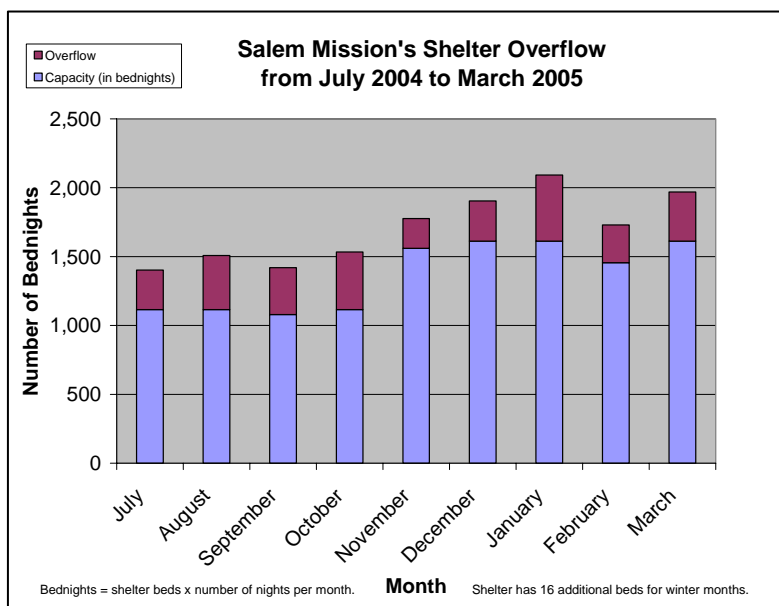
³¹ U.S. Department of Housing and Urban Development Online, “Homeless Assistance Programs,” Community Planning and Development, <<http://www.hud.gov/offices/cdp/homeless/programs/index.cfm>>.

³² All information in this section provided by the North Shore HOME Consortium, 2004 Continuum of Care Application Summary, 22 July 2004.

³³ Unless otherwise noted, all information provided by Linda Reilly, Co-Director, Salem Mission, interview, 9 March 2005; Salem Mission Online, <<http://www.salemmission.org>>.

Department of Transitional Assistance, which has a local office in Salem. According to the Mission's co-director, 95% of people who stay at the shelter are self-referred. The shelter is a "dry" facility (for those not currently consuming drugs or alcohol) open 24 hours a day to homeless individuals 18 years of age and older. The shelter has 34 permanent year-round beds with an additional 16 seasonal beds during the winter. Despite the additional beds, the shelter has a nightly overflow of 35 to 50 people sleeping wherever they can find a spot. The shelter's overflow is the lowest in November, when it has added beds but temperatures may still be mild, and highest in January. During the winter, an average of 85 men and women seek shelter at the Mission during the winter. Year-round shelter occupancy ranges from 54 to over 100 individuals. On average, the shelter operates at 125% of capacity.

Services provided at the Mission address people's medical, supportive service and other needs. Nursing students from Salem State College assist homeless individuals with frostbite care at the



shelter as part of their training. Partners Home Care provides medical care to homeless persons.³⁴ The Mission also directly provides supportive services to the homeless such as case management, mental health care, substance abuse treatment. Also, the Mission acts as a clearinghouse, referring people to other area service providers such as the Career Center at Salem State College, the Salvation Army, Help for Abused Women and Children (HAWC) and North Shore Community Action Programs. In addition, the Salem Mission

employs an outreach street advocate who patrols downtown Salem to engage homeless persons on the street and encourage them to access available services. The advocate also educates the community about homeless issues.

REGIONAL FACILITIES FOR INDIVIDUALS. The Lynn Shelter Association at 100 Willow Street in Lynn operates the Lynn Emergency Shelter for individuals. In 2004, 670 individuals stayed at the shelter, with the average length of stay being 27 days. The facility has 45 permanent beds with an additional 25 beds during the winter months. Like the Salem Mission, Lynn's emergency shelter has a nightly overflow of 35 to 50 people. Unlike the Mission, however, Lynn's shelter is a "wet" facility that will accept people who are drinking or using drugs. In total, over 100 unduplicated homeless adults slept in the shelter during the 2004 winter. According the Shelter Association's director, the shelter has had to refuse approximately 20 persons a night in the winter due to space limitations.³⁵

³⁴ Salem H.O.P.E., Newsletter Number 40, November 2004.

³⁵ Marjorie St. Paul, Executive Director, Lynn Shelter Association, Consolidated Plan Homeless Needs Questionnaire, 15 March 2005.

When denied shelter, homeless persons are referred to another area shelter, such as the River House in Beverly or Action Inc. Emergency Shelter in Gloucester. The River House, a new male-only facility, set up 7 extra cots this winter. Action Inc.'s shelter can accommodate 20 individuals. However, these facilities were filled beyond their capacity as well, leaving an underdetermined number of homeless people without shelter during winter.

EMERGENCY SHELTER FOR FAMILIES IN SALEM. Help for Abused Women and Their Children (HAWC), Salem's emergency shelter for families fleeing domestic violence, shelters up to 6 women and 12 children at a given time. Women complete a three-month program before moving to transitional housing. In some cases, they may stay longer than three months if no other housing options are available. While staying at the shelter, women receive help with parenting and life skills and building self-esteem. In 2004, the shelter served 42 women and 59 children. HAWC provides a wide range of services including a 24-hour crisis hotline, counseling for women and play therapy groups for children. HAWC holds weekly support groups in Salem as well as Lynn, Beverly, Gloucester and Ipswich. In 2004, 52 women attended support groups, 31 obtained individual counseling and 195 received court advocacy (restraining order assistance). In addition, HAWC collaborates with the North Shore Medical Center to provide services for patients who suffer from domestic abuse.³⁶

REGIONAL FACILITIES FOR FAMILIES. Salem's homeless families are served by organizations in Lynn and Peabody, including North Shore Community Action Program (NSCAP) based in Peabody. NSCAP provides scattered-site family emergency shelter. It leases apartments in Salem to families and pays the rent and utilities. Families are referred to the program by the Department of Transitional Assistance. Also, Inn Transition, operated by Citizens for Adequate Housing, Inc. in Peabody, provides 11 units for families with substance abuse issues along with mental health problems. The facility offers parenting and basic living skills training. The average length of stay at the shelter is nine to 11 months. The shelter reports an increase in the number of families with credit and CORI problems and pain medication (Oxycontin) addictions.³⁷ CAB Health and Recovery Services manages Spiritus House for women who are victims of domestic violence with substance abuse problems. The facility can accommodate 10 women and their children.³⁸

III.C-2. Special Needs Facilities and Services

TRANSITIONAL & PERMANENT HOUSING FOR PERSONS LIVING WITH HIV/AIDS.

Several service providers have identified lack of available housing as a major barrier for persons living with HIV/AIDS. In particular, they cite needs for transitional and permanent supportive housing units.³⁹ Essex County has only one permanent supportive housing facility: Serenity Supportive Housing in Topsfield, with 12 beds for men and women. No permanent housing facilities exist for *families* with HIV or AIDS. The Bay State Supportive Housing Alliance and North Shore

³⁶ Candace Waldron, Executive Director, Help for Abused Women and Their Children, Consolidated Plan Homeless Needs Questionnaire, 14 April 2005.

³⁷ Kim Boyd, Program Director, Citizens for Adequate Housing Inc., Consolidated Plan Homeless Needs Questionnaire, 18 March 2005.

³⁸ CAB Health and Recovery Services Online, <<http://www.cabhealth.org>>.

³⁹ Jesus Geliga, Interim Executive Director, Strongest Link AIDS Services, Inc., interview 12 April 2005.

Community Action Program offer scattered-site transitional housing for eight men, women and children. They also provide case management, medication services and transportation to medical appointment. Also, Serving People in Need, Inc. in Lynn manages the South Common Street Residence, a two-story transitional residence that accommodates seven men and women living with HIV or AIDS.

OTHER SERVICES FOR HIV/AIDS. Strongest Link AIDS Services, Inc. offers case management services and the Cornerstones Wellness Program. The Wellness Center is located in Lynn and provides support groups, housing advocacy, computer training, nutritional counseling and more. The North Shore AIDS Health Project is a drop-in center located in Gloucester for people living with HIV or AIDS. The Project offers case management, a nutrition program, alternative health therapies as well as meals twice a week, clothing and household goods. A nurse from Lynn Community Health provides HIV testing at the Salem Mission for its residents and day guests twice per month. Until recently, the Salem Family Health Center provided HIV testing and HIV/AIDS counseling. However this service is no longer offered because of funding cuts. Currently, anyone requesting such services is referred to the Lynn Community Health Center. Also, HealthQuarters in Beverly provides HIV testing and treatment. The Healthy Streets Program, run by CAB Health & Recovery Services, provides training to injection drug users in harm-reduction measures. CAB operates another outreach program that target the gay, lesbian, bisexual and transgender populations. In addition, CAB collaborates with the Institute for Health & Recovery to implement the Women RISE program. This program provides case management, risk-reduction education and counseling to at-risk women in the North Shore area.⁴⁰ Catholic Charities, based in Lynn, and NSCAP manage the Community Housing Innovations Program, which conducts outreach to persons living with HIV or AIDS.

SUBSTANCE ABUSE SERVICES. The Bureau of Substance Abuse Services reports that in 2004, 710 admissions (1% of all Massachusetts admissions) to licensed substance abuse treatment services were residents of Salem. These admissions may represent an individual seeking treatment services on multiple occasions. Of these admissions, 12% were homeless and 36% had prior mental health treatment. The numbers of admissions from Salem for alcohol, marijuana, cocaine and crack use have fluctuated slightly from 1996 to 2004. However, admissions for heroin and the number of needle-injection drug users have steadily risen 56% and 59% respectively since 1996. The number of needle-injection drug users is important to track because needle-use is a risk factor for contracting HIV.⁴¹

CAB Health and Recovery Services on 27 Congress Street in Salem offers intensive outpatient treatment for individuals and families including programs for women, gamblers, and aftercare prison groups. In addition to outpatient services, CAB provides two transitional housing programs: Ryan House and Transitional Support Services. Ryan House in Lynn, MA is a half-way house with two programs with the capacity for 10 women and 10 men. The programs include addiction counseling

⁴⁰ CAB Health and Recovery Services Online, <<http://www.cabhealth.org>>; Jesus Geliga, Interim Executive Director, Strongest Link AIDS Services, Inc., interview 12 April 2005; Strongest Link AIDS Services, Inc. Online, <<http://www.strongestlink.or/services.htm>>; North Shore AIDS Health Project Online, <<http://www.healthproject.org>>; Salem Family Health Center, phone interview 8 March 2005; and Salem H.O.P.E., Newsletter Number 40, November 2004.

⁴¹ All information in this section provided by Massachusetts Department of Public Health, Bureau of Substance Abuse Services Online, Substance Abuse Treatment Fact Sheet: Residents of the City of Salem, <http://www.mass.gov/dph/bsas/data/factsheets_fy04/Salem.doc>.

as well as job training. Transitional Support Services is a 25-bed facility in Lynn for adults who have graduated from a detox program.⁴²

Salem Mission clients who are willing to accept services are often referred to AdCare Health System. AdCare offers comprehensive inpatient and outpatient alcohol and drug treatment as well as case management, individual and family counseling, intervention services and day and evening programs. AdCare Hospital in Worcester accepts patients for admission 24 hours a day, 7 days per week. The hospital also provides transportation assistance.

MENTAL HEALTH SERVICES. Health and Education Services, Inc. (HES) is a behavioral health system that provides services to communities along the North Shore.⁴³ For those in Salem and the North Shore who are leaving mental health facilities or at-risk of psychiatric hospitalization, HES, through the Cape Ann Adult Treatment Center in Beverly, MA, offers a partial hospitalization and psychiatric day treatment program five days per week. In the program, persons with mental illnesses are assisted with making the transition to employment, school, vocational training or other programs.

Also within the HES network is the Community Rehabilitative Services, located at 162 Federal Street in Salem, which runs a psychosocial rehabilitative program. This program includes a team of service coordinators, nurses, psychiatrists and administrators that provide a continuum of care to clients once they have been discharged for a hospital or partial hospitalization program. At the same location, Assertive Community Treatment (ACT) Team that is available 24 hours a day for persons that require intensive outreach, assistance with medication or general support in order to remain stable in the community. Six of the thirty-eight people with psychiatric disorders that the ACT Team services are from Salem.

In addition, Bass River Day Activity Program, Inc. in Beverly provides mental health care and counseling, support groups, job training and job coaching programs for persons who are mentally disabled.

EMPLOYMENT ASSISTANCE FOR PERSONS WITH COGNITIVE AND PHYSICAL DISABILITIES. Morgan Memorial Goodwill Industries in Salem helps to place approximately 200 disabled people in jobs per year.⁴⁴ Goodwill Industries serves people with a wide range of cognitive and physical disabilities upon referral from the Department of Mental Retardation or the Massachusetts Rehabilitation Commission. Its clients range in age from 22, when people with mental retardation are forced to leave the public school system, to 72 years of age. Goodwill Industries has its own workshop where it trains people to handle mailings, small assembly, and other jobs. In addition to job training, Goodwill provides interview preparation, a job coach to help people make the transition to employment, and post-placement follow-up to assure the individual's success. People with physical disabilities go through an 8-week vocational evaluation program before starting employment. Meanwhile, those with mental retardation can stay in the program as long as they desire. For people with severe mental retardation, Goodwill provides a day program with job

⁴² CAB Health and Recovery Services Online, <<http://www.cabhealth.org>>.

⁴³ All information in this section provided by the ACT Team staff and HES Online <<http://www.hes-inc.org>>.

⁴⁴ All information in this section provided by Roz Hurwitz, Morgan Memorial Goodwill Industries, phone interview, 17 March 2005.

simulation activities. In addition, Goodwill Industries offers career development to Salem High School students through its Career Planning Program.

People with disabilities face many exterior barriers when trying to find employment. The single greatest barrier has been the lack of transportation to locations with job opportunities, such as Brooksby Village and Route 114 in Peabody or Route 1 in Saugus. According to Goodwill Industries, Salem's service area desperately needs shuttle bus service. Another major barrier is the increased competition for entry-level jobs from people who previously held higher-level positions but have been laid off from the workforce. Also, the lack of local jobs, including manufacturing jobs, matching the skill-sets of many people in this population poses another hurdle.

See **APPENDIX E** for a complete listing of North Shore facilities that serve homeless and special needs populations.

III.D. Areas of Low- and Moderate-Income Concentration

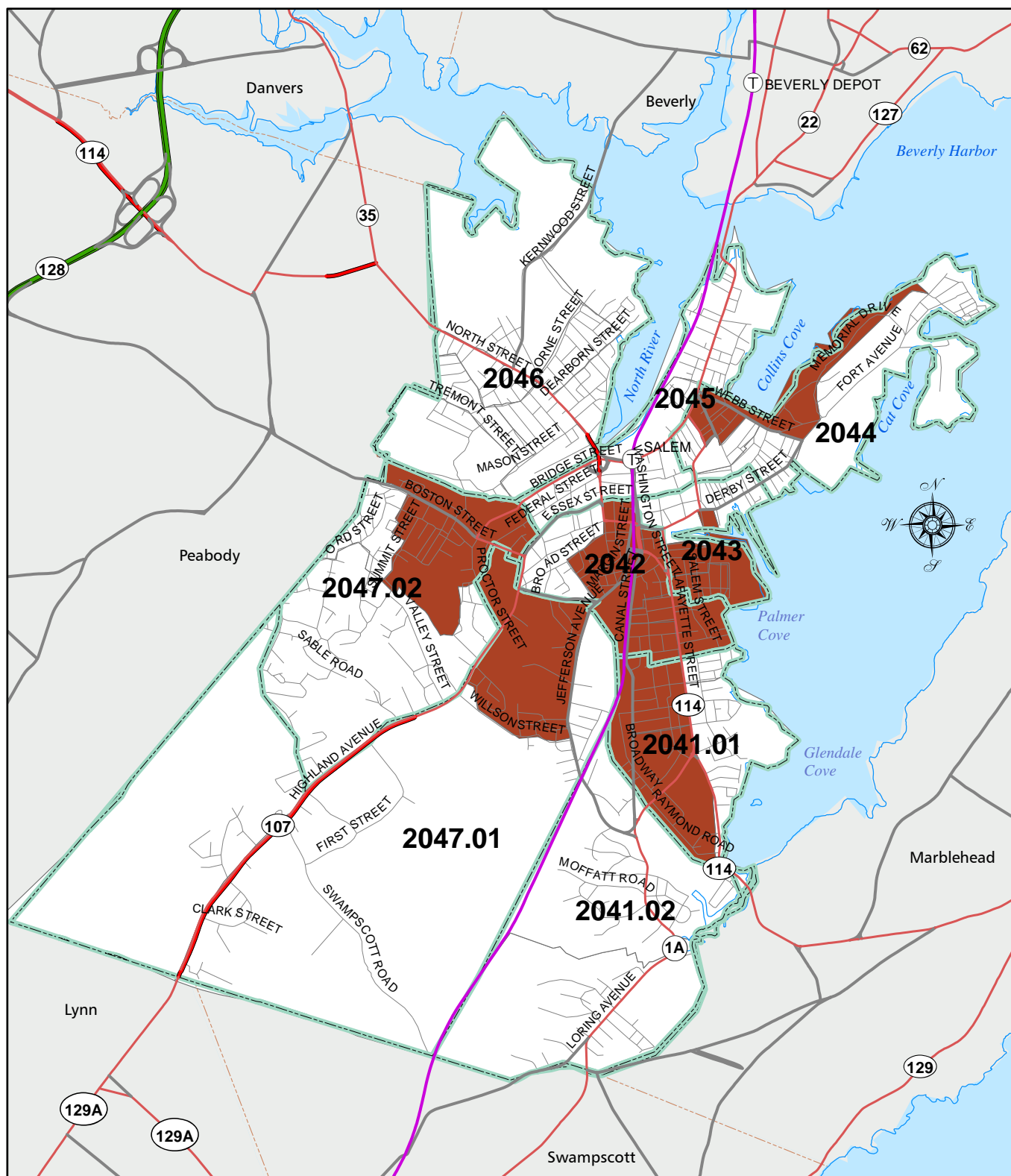
For federal census purposes, the City of Salem is divided into nine Essex County census tracts and 35 census block groups. To facilitate compliance with CDBG regulations for area-wide benefit activities, HUD generates an estimate of the low- and moderate-income population in each census tract and block group, based on a special cross-tabulation of decennial census data. According to HUD, 12 of the City's 35 census block groups have predominantly low- and moderate-income populations, i.e., 51% or more of the residents have incomes at or below 80% of area median income (AMI). These areas are listed in Table III-10 and illustrated on Map 4.

Table III-10: Low- and Moderate-Income Areas in Salem

Census Tract & Block Group	Census 2000			HUD Estimates	
	Total Population	Total Housing Units	Total Households	LMI Households	% LMI Population
25-009-2043.2	1,293	464	445	84.0%	88.6%
25-009-2043.3	1,533	474	467	83.9%	82.5%
25-009-2042.2	806	384	328	70.4%	69.8%
25-009-2041.01.3	1,207	547	533	64.9%	66.1%
25-009-2042.3	1,148	591	580	72.9%	65.6%
25-009-2042.4	812	383	369	57.5%	64.8%
25-009-2047.02.2	1,094	467	453	53.6%	62.5%
25-009-2047.01.2	1,421	726	714	68.9%	59.5%
25-009-2047.02.1	992	433	410	64.9%	59.2%
25-009-2044.4	884	529	512	64.3%	58.8%
25-009-2041.01.4	2,094	491	477	59.7%	58.0%
25-009-2042.1	1,102	584	564	61.0%	51.3%

Source: HUD Office of Community Planning and Development.

The lowest income block groups are bounded by Leach, Lafayette and Peabody Streets on the City's east side, an area that is designated as an Environmental Justice Population due to its large percentages of low-income, minority and foreign-born persons. The City's urban renewal zones lie



LEGEND

- | | |
|---------------------------|--------------------------------------|
| Ⓣ Stations | Major Roads |
| — Lines | — Limited Access Highway |
| □ Census Tract Boundaries | — Multi-lane Hwy, not limited access |
| Percent Population | — Other Numbered Highway |
| □ 0.221 - 0.509 | — Major Road, Collector |
| ■ 0.510 - 0.886 | — Local |

0 0.25 0.5 1 Miles

MAP 4

Areas of Low- and Moderate- Income Concentration

CITY OF SALEM Five-Year Consolidated Plan

Community Opportunities Group, Inc.
Boston, Massachusetts



adjacent to these block groups, generally to the north. A second Environmental Justice Population area includes the block groups between Highland Avenue, Jackson Street, Jefferson Avenue and Wilson Street, with large percentages of low-income and minority persons. Some of Salem's subsidized housing developments are located in areas with high concentrations of lower-income households.

III.E. Areas of Concentration of Racial and Ethnic Minorities

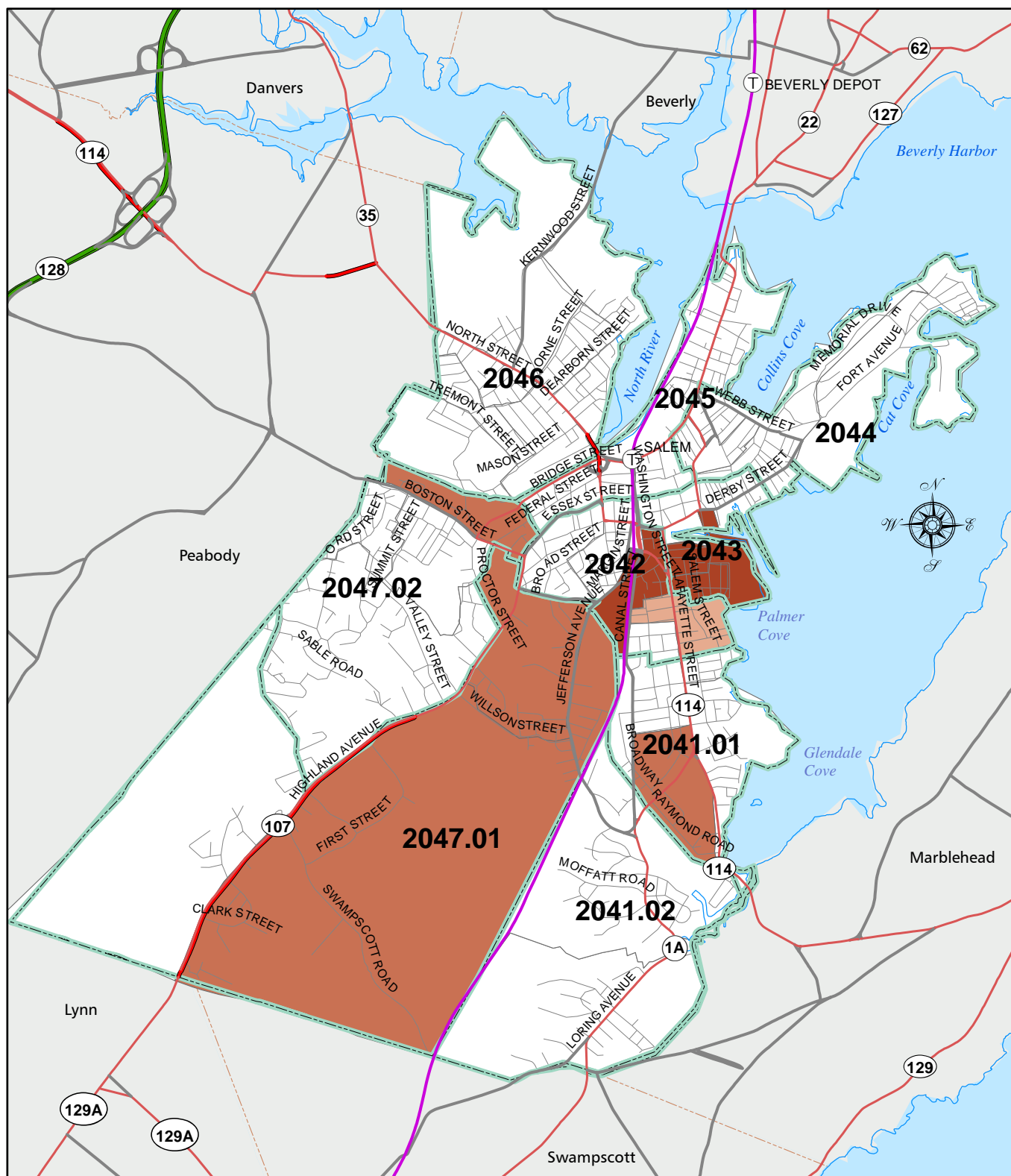
Racial minorities comprise 14.9% of Salem's total population. More than half of the City's racial minorities are Hispanic/Latino persons, nearly 48% originating from the Dominican Republic.⁴⁵ Eight census block groups in Salem exceed the City as a whole for percentage of minority or Hispanic persons (Map 5). For the most part, these block groups coincide with areas of low-income concentration. However, a large section of Census Tract 2047.01 is moderately higher in minorities than the city-wide average, but it is not a predominantly low-income area. The large percentage of minorities in this block group is influenced by the location of two subsidized housing developments in an area that is otherwise fairly low density. The same census block group includes Highland Park and Salem High School.

Table III-11: Areas of Minority Concentration

Census Tract & Block Group	Census 2000 Population	Minority Population	Minority Percent	Hispanic Population	Hispanic Percent
25-009-2043.2	1,293	883	68.3%	904	69.9%
25-009-2043.3	1,533	861	56.2%	1,020	66.5%
25-009-2042.2	806	360	44.7%	317	39.3%
25-009-2041.01.4	2,094	537	25.6%	252	12.0%
25-009-2047.02.1	992	215	21.7%	104	10.5%
25-009-2047.01.3	2,784	537	19.3%	427	15.3%
25-009-2047.01.2	1,421	246	17.3%	167	11.8%
25-009-2042.3	1,148	178	15.5%	160	13.9%

Source: Census 2000, Summary File 1, Tables P7, P8.

⁴⁵ Census 2000, Summary File 1 Tables P7, P8, PCT11.



LEGEND

- | | |
|---------------------------|--------------------------------------|
| Ⓣ Stations | Major Roads |
| — Lines | — Limited Access Highway |
| □ Census Tract Boundaries | — Multi-lane Hwy, not limited access |
| Minority Areas | — Other Numbered Highway |
| □ 3.8% - 14.5% | — Major Road, Collector |
| □ 14.6% - 15.5% | — Local |
| □ 15.6% - 25.6% | |
| □ 25.7% - 68.3% | |

0 0.25 0.5 1 Miles

MAP 5

Areas of Racial & Ethnic
Minority Concentration

CITY OF SALEM Five-Year Consolidated Plan

Community Opportunities Group, Inc.
Boston, Massachusetts



III.F. Barriers to Affordable Housing

Salem's commitment to affordable housing is evident in the size of its subsidized housing inventory, efforts currently underway by local and regional organizations to develop new affordable units, and comments by participants in the public meetings for this Five-Year Consolidated Plan. Before 1995, Salem had not only a large inventory of subsidized units, but also a large inventory of vacant units. Market sale prices and rents had been deflated by the recession, and so the City had both "officially" affordable housing and informal affordability created by default: a weak housing market. In precisely the period that prices were artificially low in Salem and surrounding communities, unemployment had reached a near-record high. People were jobless, households had less money to spend, and the market served as a barometer of these conditions.

Census 2000 hardly marks the first time in three decades that Salem's vacancy rate fell below 4%. In 1970, 3.4% of Salem's housing units were vacant, much like the situation in 2000. In the metropolitan Boston area, across Massachusetts and nationally, housing vacancies had fallen to record lows due to sluggish production during the 1960s – a trend tied to slower rates of household formation, market absorption of surplus product in the suburbs, and factors within the construction industry. By 1970, the market had tightened significantly, not only because of reduced production but also the lowering of interest rates a few years before, which spurred a new wave of home buying. For two decades thereafter, housing development accelerated and homeownership rates gradually increased. Since the Census Bureau began to collect detailed housing statistics in 1940, Salem's most productive decade for housing matched that of the state, 1970-1979, and over time, vacancy rates rose in Salem, fluctuating from 5-7%. Ironically, when the household formation rate rose again during the 1990s, the Commonwealth's housing production pipeline receded and by 1999, Massachusetts had produced fewer new housing units than in any decade since the 1940s.⁴⁶ Communities like Salem, largely built out and traditionally affordable, were bound to feel the effects as market demand for housing far surpassed the region's available supply.

Despite the similarity in Salem's 1970 and 2000 vacancy rates, the City has changed significantly. Thirty years ago, Salem nearly matched Boston-area suburbs for percentage of married couple families – 87.4% v. 90.5% – yet by 2000, married couples comprised only 62% of the City's families and 78.4% in the suburbs.⁴⁷ The prevalence of one-person households in 2000 attracts interest from public policy analysts everywhere, yet the trend toward one-person households dates to the 1960s when personal disposable incomes rose and housing costs stabilized at about 35% of personal consumption expenditures.⁴⁸ A key difference between then and now is that when household types diversified and the number of households increased, production increase responded in kind.

⁴⁶ HUD, "Households and Housing Units: 1970-2000," State of the Cities Data System; Census 2000, Summary File 3 Table H34; Census Bureau, Historical Population and Housing Counts CPH-2 (1990), and "Housing Characteristics in the United States: 60 Years of Decennial Censuses," (Tables in HTML) at Selected Historical Decennial Census Population and Housing Counts <<http://www.census.gov/population/www/censusdata/hiscendata.html>> Select States, Regions and United States.

⁴⁷ HUD, "Families with Children by Type of Family: 1970-2000," State of the Cities Data System.

⁴⁸ Bureau of Economic Analysis, "Table 2.3.5: Personal Consumption Expenditures by Major Type of Product," State and Local Personal Income, <<http://www.bea.doc.gov/bea/regional/statelocal.htm>>, Select Metropolitan Area/Local Area Interactive Tables/Detailed Tables of Regional Profiles, 1969-2002; Annual State Income/Disposable Personal Income, 1969-2004.

Moreover, while the production pipeline catered to home buyers during the last half of the 20th century, Massachusetts also produced a sizeable inventory of new rental housing, particularly during the 1970s. Despite the state's large increase in housing units from 1970-1979, the Massachusetts homeownership rate remained the same for two successive decades: 57.5%.⁴⁹ Much of this housing was built inside Route 128; in fact Salem had absorbed a modest increase in the percentage of renter-occupied units by 1980. This was no longer the case in 1990, and by 2000, renter occupancy in Salem had declined to just over half of the City's occupied housing units – down from 58% in 1980.

Not surprisingly, Salem has experienced socio-economic changes as well. Although its population is not as well educated as the population statewide, education levels have increased dramatically in Salem in the past 30 years. On one hand, Salem remains home to a disproportionately large percentage of the region's poor; on the other hand, it has begun to attract households with incomes, expectations and employment opportunities that differ from those of the City's long-standing population. During the 1990s, Salem's labor force expanded at a much faster rate than the labor force in Boston-area suburbs, reversing two decades of sluggish growth. Today, Salem exceeds the state for its labor force participation rate of 69.2%.⁵⁰ At the same time, fewer people work locally, possibly because the City's economic base may not be strong or diverse enough to sustain living-wage employment and/or Salem cannot compete with higher paying jobs in Boston. Although Salem lags behind the Boston metropolitan area for the percentage of its labor force employed in higher-wage occupations, the gap between Salem and the suburbs for professionals and managers has narrowed considerably.⁵¹ A telling statistic about Salem's economy and the impact of higher housing costs on residents: even though the City's labor force increased by nearly 10%, the number of people commuting to non-local jobs increased by 17.6% while the number working locally declined by 8%. Regardless of direct access to commuter rail, a striking majority of Salem residents commute to work by car to suburban jobs. Although Salem's percentage of public transportation commuters is equal to the state's, it falls well below that of the Boston PMSA.⁵²

III.F-1. Key Barriers

Salem's affordable housing barriers are complicated and in some cases they involve competing interests. The most noteworthy barriers relate to five key issues:

SHORTAGE OF LAND. Regionally, the shortage of affordable housing goes hand-in-hand with a shortage of land. In most Boston area suburbs, the shortage of land is a surrogate for restrictive zoning. As a mature coastal city, however, Salem has very little land: by one estimate made four years ago, the City has enough land to support only 1,200 new housing units.⁵³ Most of the Salem's

⁴⁹ Census Bureau, "Historical Census of Housing Tables," [Selected Historical Decennial Census Population and Housing Counts](#).

⁵⁰ Census 2000, Summary File 3 Demographic Table Series DP-3: Salem, Essex County, State of Massachusetts.

⁵¹ HUD, "Employed Residents by Industry, 1970-2000," [State of the Cities Data System](#).

⁵² Census 2000, Summary File 3 Table P29; 1990 Census, Summary File 3 Table P048.

⁵³ Executive Office of Environmental Affairs (EOEA), "Salem Buildout Study," [Community Preservation Initiative](#) <<http://commpres.env.state.ma.us/>>. All references in this section to Salem's future development capacity by zoning district are derived from EOEA's buildout study, which was completed c. 2001, and literal application of the City of Salem Zoning Ordinance. However, since Salem is largely developed and much of its

vacant or underdeveloped residential land is located in two zoning districts, one (R1) with a relatively small-lot requirement (15,000 square feet) and the other (RC) with a large-lot requirement (80,000 square feet), yet both are limited to detached single-family dwellings except for the conversion of a historic carriage house for single-family occupancy. The Zoning Ordinance explicitly prohibits multi-family dwellings in these locations. Although there is a valid planning basis for the City's land use regulations, viewed in their entirety, the reality is that without a use variance or a comprehensive permit, multi-family housing cannot be built on most of the City's available residential land. Since Salem exceeds the 10% statutory minimum under Chapter 40B, City officials are not obligated to issue any comprehensive permits.

Salem also has smaller amounts of developable land in two other residential districts – R2 and R3 – both allowing multi-family housing by special permit. In the R2 district, which allows single-family and two-family homes by right, the maximum allowable density standard of one unit per 7,500 square feet effectively reduces the available vacant land to about 26 new multi-family housing units. In the other district, R3, the City requires fairly generous buffers around the perimeter of a site and between buildings, and limits the maximum building height to 35 feet except for sites of 5+ acres, in which case the height may be 50 feet or four stories. There are alternative special permit rules for multi-family housing with accessory businesses in R3, but the district's limited available land makes these projects more difficult. However, nearly 20% of the City's estimated buildout potential relies on future multi-family development in the R3 zone. In light of Salem's land use regulations, the more likely sources of multi-family and affordable housing will be the business districts, mainly downtown Salem, and the redevelopment of existing buildings in nearby neighborhoods, most of which remain subject to R2 dimensional controls.

REGULATORY TECHNIQUES TO CREATE AFFORDABLE HOUSING. Downtown development regulations encourage urban density, scale and form appropriate for a city of Salem's size. Here, residential density is controlled by variable floor area ratios of 3:1 to 6:1, and maximum height regulations of 70 feet and six stories. The City's other business districts are governed by more conventional, suburban height and coverage regulations, and only one (B1) allows residential uses. Downtown Salem is the most suitably zoned for intensive residential development, and scattered-site conversions may also occur by special permit in existing residential neighborhoods. Overall, the City appears to have positioned itself to absorb redevelopment inside its traditional core areas. If Salem's land use regulations were too prescriptive in these locations, the City would not be able to adapt to changing market conditions.

Salem's zoning does not require developers to provide affordable housing. As a result, the redevelopment of obsolete residential and commercial space for new condominiums is producing higher-end units that would not be affordable to about 60% of the City's existing residents. While the infusion of more people and disposable income in the downtown area supports local economic development goals, pricing up Salem's housing market may create negative social and economic consequences for the City as a whole. Inclusionary zoning would help to equalize the benefits of condominium development in Salem, but it will not necessarily solve a related problem: the loss of rental housing stock. There is a need to expand downtown's parking supply, or else residential redevelopment will become less attractive to investors and there will be increasing conflicts with the

future land use will occur by recycling existing buildings, the potential for special permits to redevelop or intensify existing uses and to convert non-conforming uses makes "buildout" something of a misnomer.

downtown businesses. In this regard, in 2005, the Mayor has commissioned a parking feasibility study for a new downtown parking facility.

PRESERVATION OF EXISTING AFFORDABLE HOUSING. The City of Salem has 12.8% affordable housing, ranking 17th in Massachusetts. Still, Salem faces three challenges to preserving its affordable housing: condominium conversion, code enforcement and expiring use restrictions.

- **Condominium Conversions.** While condominium development is visibly occurring in vacant or underused commercial space, Salem has also experienced small-scale conversions of older rental units. This can be seen in 1990-2000 census data that measure the number of units in structures by tenure, but it is also evident in the incremental rates of condominium growth and declining number of multi-family parcels in the City's tax assessment records toward the end of the 1990s.⁵⁴ What the City lacks is an array of techniques – both regulatory and financial – to develop and preserve affordable rental housing units.

Despite an increase in overall renter-occupied housing in Salem from 1900 to 2000 (4.3%), during the citizen participation meetings for this Consolidated Plan, housing and social service providers were nearly unanimous in their concerns about Salem's and surrounding communities' shortage of affordable rental housing for families, particularly three or more bedroom units. This condition will be exacerbated by the continued conversion of marketable multi-family units to condominiums.

However, some residents think Salem already has enough rental units and they prefer more emphasis on homeownership assistance because homeowners make a longer-term commitment to their neighborhoods. Salem's most recent master plan update (1996) echoes many of the same beliefs. For example, it promotes a ten-year goal to achieve a 50-50 division of owner- and renter-occupied units city-wide; by 2000, the goal was nearly met. It also promotes higher rates of homeownership in neighborhoods that have traditionally housed many of Salem's tenants.⁵⁵ In addition, according to the 2000 census, Salem's owner-occupied housing percentage is only 49.1%, while Essex County averages 63.5%, the Boston PMSA averages 59% and Massachusetts averages 61.7%.

- **Code Enforcement.** It is not uncommon to hear concerns about the quality and physical condition of Salem's multi-family housing. However Salem is not adequately staffed for a rigorous code enforcement program and even if it had the inspections personnel, the City's housing programs are not designed to finance investor-owned rental housing improvements. The City needs to expand its housing rehabilitation program to include non-owner occupied properties and make assistance to investors conditional upon guaranteed affordability.
- **Expiring Use Restrictions.** According to the Chapter 40B Subsidized Housing Inventory, 61% of all subsidized units in Salem are not permanently protected and about 8% of the units could convert to market housing during the effective period of this Consolidated Plan. While subsidies

⁵⁴ Census 2000, Summary File 3 Table H32; 1990 Census, Summary File 1 Table H043; DOR, "Parcels by Use Class," Municipal Data Bank.

⁵⁵ City of Salem Master Plan Update and Action Plan (1996), 27-33 passim.

for the rental developments will most likely be renewed, in whole or in part, the City has no guarantees and more significantly, the tenants have no guarantees.

SIZE AND COMPOSITION OF THE LOCAL ECONOMY. Salem's economy is not large enough to support its labor force, and there is a less-than-optimal fit between labor force skills and the composition of the employment base. Salem's unemployment rate is 4.3%, or modestly higher than the state average of 4.1%. The jobs-to-labor force ratio in Salem is .86, which means that for every one person in the local labor force, the City has .86 jobs in its employment base compared to .89 for Essex County and .94 for the Commonwealth as a whole. An increasingly large number of Salem residents do not work locally, and Salem businesses currently import about 68% of their workers from nearby communities.⁵⁶

While a decline in manufacturing has affected all regions of the Commonwealth, a much smaller proportion of Salem's employment base is comprised of manufacturing jobs than the state as a whole or Essex County. The construction trades are also weak in Salem, yet hospitality, food services and entertainment employ a comparatively large number of people. On one hand, the City lacks skilled laborers to fill a wide range of jobs, and this contributes to its loss of large employers. On the other hand, less than half of the jobs available in Salem pay high enough wages to adequately support a household, even with two workers per family, and the resulting mismatch is a barrier to housing affordability – particularly for those who need to work locally because of transportation and child care constraints.⁵⁷ Furthermore, the departure of large employers has caused a significant change in Salem's tax base. While the assessed value of Salem's industrial property has never recovered from the recession of the early 1990s, the value of its combined commercial-industrial tax base had remained below that of 1989 until the current fiscal year.⁵⁸ In 1989, the assessed value of commercial, industrial and personal (CIP) property in Salem was \$735,142,700. By 1996, Salem's CIP values had dropped to \$585,124,500; nine years later (FY 2005), property values in these three classes had finally recovered at \$760,257,335.

PUBLIC FINANCE AND HOUSING AFFORDABILITY. While homeowners often assume that rising home values correlate with rising property taxes, this is not always true. Two factors also affect property tax bills: the cost of municipal and school services, and the sources and amounts of revenue used to pay for them. In Salem, growth in homeowner tax bills has less to do with growth in local expenditures than a decline in nonresidential tax revenue and local aid and as a percentage of the City's budget. Salem's average annual single-family tax bill increased by more than \$1,100 between 2000 and the current fiscal year (2005), due almost entirely to reduced local aid from the state.⁵⁹ The Commonwealth's local aid policies create an obvious barrier to housing affordability in communities like Salem. Of the 340 communities for which DOR reports annual single-family tax bill data, Salem ranked 115 last year. As Salem's commercial and industrial tax base weakened between 1990 and 1993, residential taxpayers began to absorb a larger share of the cost of City services. Since the late

⁵⁶ Census Bureau, "MCD/County-to-MCD/County Worker Flow Files," Special Tabulations <<http://www.census.gov/mp/www/spectab/specialtab.html>>.

⁵⁷ Massachusetts Division of Unemployment Assistance, "Labor Force and Unemployment," "Employment and Wages: ES-202, 2001-2003," Economic Data Programs <<http://www.detma.org/>>.

⁵⁸ DOR, "Assessed Valuation by Class," Municipal Data Bank; not converted to constant dollars.

⁵⁹ DOR, "Average Single-Family Tax Bill" and "Revenues by Source," Municipal Data Bank.

1980s, the residential tax levy has increased from less than 50% to more than 70% of the total tax levy. Lost commercial and industrial taxes have contributed to this problem, but Salem has plainly experienced a growing shortfall in local aid, forcing property taxpayers to make up the difference

For Massachusetts cities, local aid as a percentage of local government revenue is about 24%. On average, municipalities obtain about half of their revenue from property taxes, and the rest – minus local aid – comes from user charges, fees, and surpluses (if any) from prior years. However, Salem’s government revenue profile is much more like that of a middle-class suburb. In FY05, slightly more than half of Salem’s revenue comes from property taxes and only 23% from local aid. In actual dollars as well as a percentage of total revenue, local aid to Salem has declined since 2001. In contrast, the City of Leominster obtains 43% of its local revenue from the state and Taunton, 36%, yet the median household incomes for Leominster, Taunton and Salem are very similar. Westfield and Fitchburg, other small cities that host state college campuses, receive 37% and 54% of their total revenue from local aid. Although the average home value in these communities is lower than in Salem, their residential tax rates are higher. The exception is Taunton, which has a larger commercial tax base and shifts a considerable amount of its tax burden to businesses and industry.

III.F-2. Conclusions

Salem is at a crossroads in its development history and local officials face some difficult choices. Encouraging higher rates of homeownership and housing that serves a continuum of households, including the more affluent, will improve the City’s business climate and tax base, both of which are important goals. At the same time, higher-priced housing and a broader mix of households and families increases the risk of lost affordability and economic displacement of Salem’s traditional population.

The City’s challenge is not only to control growth in housing costs for seniors, who have little economic flexibility and few options in the regional housing market, but also to preserve the affordability of these housing units for future generations of homebuyers and renters. In addition, the City needs ways to capture the investment worth of its older commercial and industrial properties so that residential conversions include permanent affordable housing benefits. Finally, barriers to housing quality and affordability in Salem’s older rental stock need to be addressed. Code enforcement and effective subsidies for rehabilitation, followed by long-term affordability restrictions, could be essential to achieving these ends.

IV. HOUSING & COMMUNITY DEVELOPMENT NEEDS ANALYSIS

IV.A. Housing Needs Assessment

Like most communities, Salem has divergent housing interests. Many residents have experienced unprecedented growth in wealth, especially property wealth, yet others are exceptionally burdened with high-cost and inadequate housing. For existing homeowners, dramatic growth in equity has created new financing opportunities, yet elderly and low-income homeowners struggle with taxes and property maintenance. For renters, it has become increasingly difficult to purchase a house. Salem's relative affordability in the region is a draw for many people. On one hand, Salem is receptive to new housing investment; on the other hand, the City is concerned that changing market dynamics may put lower-income households at risk of displacement. HUD determines housing need in three ways: 1) whether the unit is affordable to the household that occupies it; 2) whether the unit is appropriately sized for the household; 3) whether the unit is in safe, decent, sanitary condition. There is ample statistical and anecdotal evidence that several populations in Salem – the elderly, minorities, persons with disabilities and low-income households – have at least one of these housing needs.

IV.A-1. Changing Needs: 1990-2000

Salem experienced noteworthy demographic changes between 1990 and 2000. As indicated in Table IV-1, Salem's population increased 6% and racially, the City became more diverse. Its non-Hispanic white population declined while non-Hispanic black, non-Hispanic Asian and Hispanic populations increased significantly and in some cases, dramatically. Table IV-1 also shows that Salem's elderly population declined slightly, as did the number of persons in poverty. Income indicators suggest generalized growth in household wealth, for the City's median household income increased at a rate comparable to that of the state (roughly 36.0%). Still, the number of households below poverty increased slightly.

Table IV-1: Demographic Comparison Summary: City of Salem, 1990-2000

Population Characteristic	1990	2000	% Change
Population by Race	38,091	40,407	6.1%
White	35,481	34,497	-2.8%
Black or African-American	1,017	1,274	25.3%
Asian, Pacific Islander	378	826	118.5%
American Indian, Eskimo, or Aleut	254	87	-65.7%
Other (i.e. multi-racial)	961	3,723	287.4%
Hispanic Population (includes all races)	2,330	4,541	94.9%
Elderly Persons (65+)	5,780	5,716	-1.1%
Median Household Income	\$32,645	\$44,033	34.9%
Households with Incomes below Poverty	1,793	1,820	1.5%
Persons with Incomes below Poverty	4,324	3,787	-12.4%
Children in Poverty	1,502	994	-33.8%
Elderly in Poverty	678	436	-35.7%

Source: 1990 Census, Summary File 3 Tables: P08, P010, P011, P080A, P0127; Census 2000, Summary File 3 Tables: P7, P8, P12, P53, P87.

Much like the state as a whole, Salem absorbed a 5.9% increase in housing units during the past decade. Owner occupancy rose by 18%, however, indicating that units occupied by renters in 1990 had been converted to homeownership units by 2000. Rental units, primarily one- and two-bedroom units, increased 4.3%. Since household wealth increased in Salem, it is not surprising that the percentage of owner-occupied housing units increased and the percentage of cost-burdened households declined. For certain sub-populations, however, these trends were reversed. The percentage of cost-burdened elderly homeowners and renters increased significantly from 1990-2000.

Table IV-2: Salem Comparison Housing Data, 1990-2000

Indicator	1990	2000	% Change
Housing Units	17,161	18,175	5.9%
Owner Occupied Housing Units	7,275	8,594	18.1%
Renter Occupied Housing Units	8,531	8,898	4.3%
Cost-burdened Renters	42.0%	37.5%	-10.6%
Head of Household 65+	51.5%	56.1%	8.8%
Cost-burdened Owners	26.7%	24.9%	-7.0%
Head of Household 65+	21.7%	22.2%	2.4%

Source: 1990 Census, STF3, Tables: H1, H51, H60; 2000 Census, SF2, Tables: H1, H69, H71, H94, H96)

IV.A-2. Current Demographics and Housing Stock

Salem has historically been home to a diverse population and today, it remains one of the most diverse communities on the North Shore. Although Salem is still predominantly non-Hispanic white, Hispanic and Latino residents of all races make up more than 11% of the City's total population.

Table IV-3: Population by Race & Age

Indicator	Salem		Boston PMSA		Massachusetts	
	#	%	#	%	#	%
Total	40,407	100.0%	3,406,829	100.0%	6,349,097	100.0%
White alone	34,497	85.4%	2,811,444	82.5%	5,367,286	84.5%
Black or African American	1,274	3.2%	236,916	7.0%	343,454	5.4%
American Indian and Alaska Native	87	0.2%	6,773	0.2%	15,015	0.2%
Asian	807	2.0%	166,880	4.9%	238,124	3.8%
Native Hawaiian and Pacific Islander	19	0.0%	1,349	0.0%	2,489	0.0%
Some other race	2,724	6.7%	103,224	3.0%	236,724	3.7%
Two or more races	999	2.5%	80,243	2.4%	146,005	2.3%
Hispanic or Latino	4,541	11.2%	202,513	5.9%	428,729	6.8%
Persons <18 years	8,157	20.2%	766,066	22.5%	1,500,064	23.6%
Persons 65+ years	5,716	14.1%	446,088	13.1%	860,162	13.5%

Source: 2000 Census, SF1, Tables: P7, P8, P12

Notable socio-economic differences exist between Salem's white and non-white populations. For example, non-white households tend to be poorer and they are less likely to own a home in Salem. Table IV-4 illustrates these differences.

Table IV-4: Households by Tenure, Race and Hispanic Origin⁶⁰

Race/Ethnicity	Total Households	Median Household Income	Homeowners		Renters	
			Percent	Home Value	Percent	Gross Rent
Total	17,492	\$44,033	49.1%	\$188,700	50.9%	\$705
Race						
White alone	15,689	\$45,599	52.6%	\$188,900	47.3%	\$712
Black/African American	432	\$40,809	9.5%	\$172,900	89.6%	\$741
American Indian/Alaska Native	31	\$5,694	0.0%	\$0	45.2%	\$144
Asian	264	\$51,250	48.5%	\$193,200	65.9%	\$719
Native Hawaiian/ Other Pacific Islander	5	\$13,750	100.0%	\$0	0.0%	\$0
Other race	774	\$29,866	14.7%	\$252,500	84.1%	\$592
Two or more races	297	\$26,211	14.1%	\$162,500	82.2%	\$672
Hispanic/Latino						
All Races	1,271	\$31,472	13.4%	\$205,900	86.6%	\$625
White Non-Hispanic	15,359	\$45,823	53.3%	\$188,800	46.7%	\$712

Source: 2000 Census, Summary File 3 Tables: H11, H12, P152A-H.

Salem has a large percentage of minorities living in rental housing, and Salem's minority households and families tend to be larger than white households. While the City's average household size overall is 2.24 persons, the average household size among African American households is 2.66 persons and Hispanic/Latino households, 3.38 persons. In contrast, white, non-Hispanic households are quite small: an average of 2.13 persons per household.⁶¹

IV.A-3. Income and Poverty

Salem residents tend to be less wealthy than residents in many surrounding communities, the county, the Boston PMSA and the state as a whole. Salem's median household income was \$44,033 in 2000, but the median household income in Essex County was \$51,576. Moreover, median household incomes for elderly (65+ years old) and frail elderly (75+ years old) households were significantly lower than the median household income (\$32,463 and \$23,229 respectively). It is not uncommon to see high levels of poverty among the elderly, yet despite lower median incomes among this population, less than 8% of Salem's elderly residents have incomes below the poverty level. Per capita income provides a good illustration of the wealth differences that separate Salem from surrounding communities. Table IV-5 shows that Salem's per capita income in 2000 was \$23,857,

⁶⁰ Note: Summary File 3 tables are based on sampling. Since the sample sizes of American Indian and Native Hawaiian households in Salem are very small, the Census Bureau reports "0" for tenure.

⁶¹ Census 2000, Summary File 1 Tables P17-P17L.

compared to \$26,358 for Essex County and \$29,227 for the Boston PMSA. Three percent of Salem's households rely on public assistance for income, a percentage that is equivalent to the state overall, but larger than the percentage of public assistance households in the Boston PMSA (2.3%).

Table IV-5: Income by Selected Household and Family Characteristics

Measure of Wealth	Salem	Essex County	Boston PMSA	Massachusetts
Median Household Income	\$44,033	\$51,576	\$55,183	\$50,502
Householder 65-74	\$32,463	\$34,553	\$36,829	\$33,589
Householder 75+	\$23,229	\$21,591	\$23,267	\$21,522
Median Family Income	\$55,635	\$63,746	\$68,341	\$61,664
Male Single-Parent w/ Children <18	\$28,333	\$32,775	\$36,914	\$34,532
Female Single-Parent w/ Children <18	\$24,873	\$22,557	\$25,159	\$22,138
Median Non-Family Income	\$28,707	\$27,953	\$33,958	\$29,774
Per Capita Income	\$23,857	\$26,358	\$29,227	\$25,952
Public Assistance Income				
# Households w/ Public Assistance	508	8,424	30,133	70,183
% Households w/ Public Assistance	3.0%	3.2%	2.3%	3.0%
# Households w/out Public Assistance	16,969	266,986	1,293,602	2,374,405

Source: 2000 Census, SF3, Tables: P53, P56, P77, P80, P82, and PCT40.

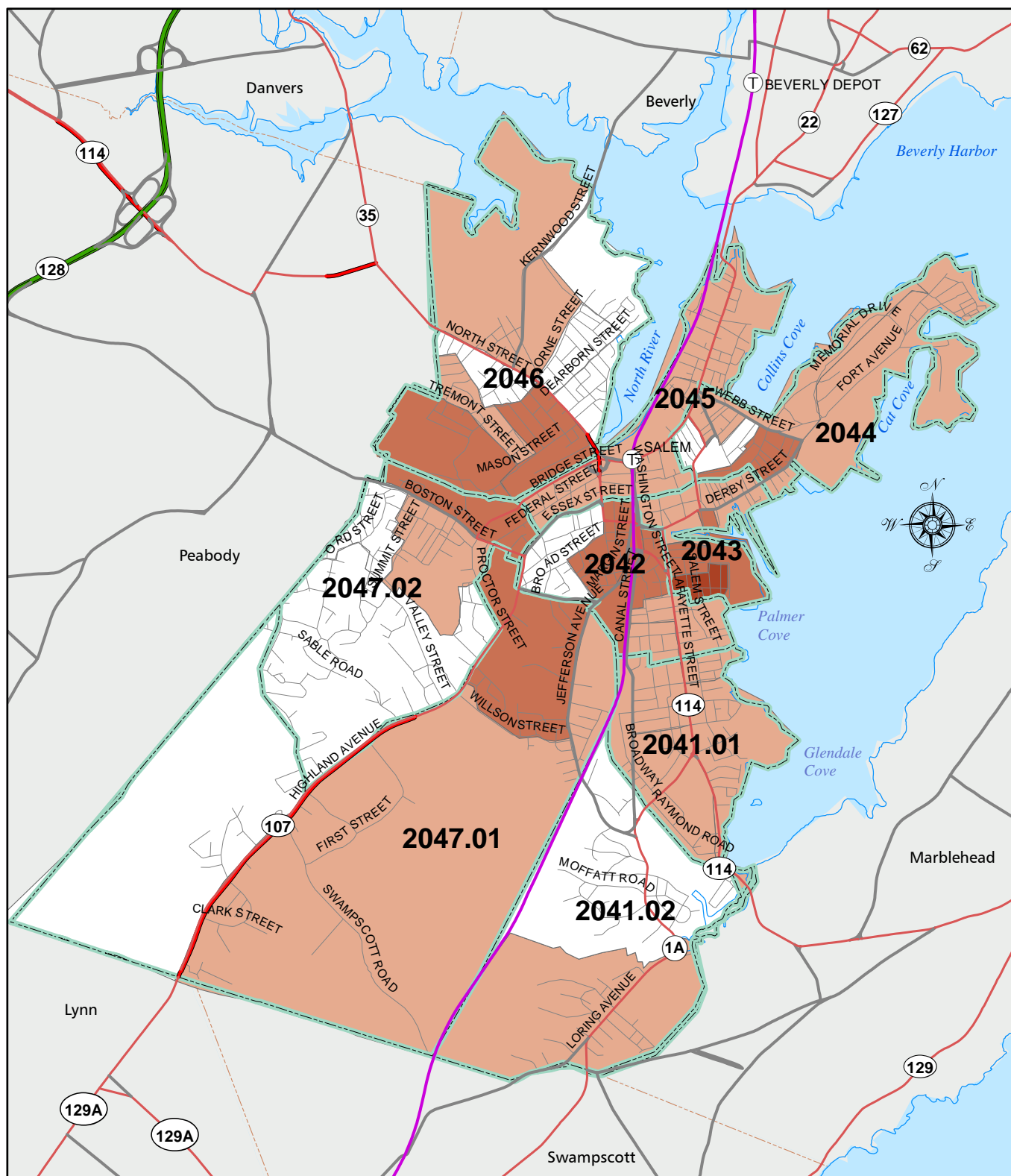
While Salem's household and per capital income figures are low, they mask the prevalence of very poor people in the City's population. Nearly 10% (3,787 people) have incomes below the poverty level and over 4% (1,640 people) have incomes below 50% of the poverty level. Atypical of many Massachusetts communities, the majority of Salem's poor are adults under 64 years of age, and children. However, these statistics may not accurately convey the extent or influence of poverty in Salem. Since the Census Bureau calculates poverty thresholds on a nationwide basis, it is important to recognize that the Boston area's high cost of living is not adequately accounted for in national statistics. Even with incomes at 150% of poverty - that is, 1.5 times higher than the poverty threshold - families are struggling financially. Map 6 illustrates the geographic extent of poverty in Salem.

Table IV-6: Population Below Poverty

Poverty Measure	Salem		Boston PMSA		Massachusetts	
	#	%	#	%	#	%
Population Below Poverty by Age*						
Total persons	3,787	9.7%	281,907	8.6%	573,421	9.3%
Children <18 years	994	26.3%	75,816	10.0%	177,383	12.0%
Persons 18-64	2,357	62.2%	169,534	8.0%	324,603	8.4%
Persons 65+ years	436	11.5%	36,557	8.7%	71,435	8.9%
Substantially Below Poverty						
Persons below 50% poverty	1,640	4.2%	141,861	4.3%	272,509	4.4%
Persons below 150% poverty	6,205	15.8%	456,352	13.9%	943,456	15.4%

Source: 2000 Census, SF3, Tables: P87, P88

* **Note:** Percentages are for persons within each age group. According to the U.S. Census Bureau the poverty threshold at the time that the 2000 census was taken was \$16,895 for a household of four persons with two related children. For this same household, 150% of the poverty threshold was equivalent to \$25,343 and 50% of the poverty threshold was \$8,448.



LEGEND

- | | |
|---------------------------|--------------------------------------|
| Ⓣ Stations | Major Roads |
| — Lines | — Limited Access Highway |
| □ Census Tract Boundaries | — Multi-lane Hwy, not limited access |
| Population Percent | — Other Numbered Highway |
| □ 1.1% - 5.1% | — Major Road, Collector |
| □ 5.2% - 11.3% | — Local |
| □ 11.4% - 24.4% | |
| □ 24.5% - 38.1% | |

0 0.25 0.5 1 Miles

MAP 6 Persons in Poverty

CITY OF SALEM Five-Year Consolidated Plan

Community Opportunities Group, Inc.
Boston, Massachusetts



IV.A-4. Housing Characteristics

With more than half of its housing built before 1940, Salem has some of the oldest homes in the region. Salem's housing stock includes many types of dwelling units: single-family detached homes, townhouses, duplexes, three- and four family homes, mid- and large-scale multi-family complexes, but almost 70% consist of single-family detached homes, two-family homes and three- and four-family homes. Half of Salem's housing is renter-occupied. Its distribution of housing types is distinct in a region in which housing is often weighted toward owner-occupied, single-family detached homes. Given this, Salem historically has drawn people in search of suitable and affordable housing (see also, Table III-1).

Table IV-7: Comparison Characteristics of Housing

Housing Characteristics	Salem		Essex County		Boston PMSA		Massachusetts	
	#	%	#	%	#	%	#	%
Total Units	18,175		287,144		1,377,707		2,621,989	
Occupied	17,492	96.2%	275,419	95.9%	1,323,488	96.1%	2,443,580	93.2%
Owner Occupied	8,594	49.1%	175,022	63.5%	780,754	59.0%	1,508,248	61.7%
Renter Occupied	8,898	50.9%	100,397	36.5%	542,734	41.0%	935,332	38.3%
Vacant	683	3.8%	11,725	4.1%	54,219	3.9%	178,409	6.8%
Units in Structure								
1, detached	4,915	27.0%	149,666	52.1%	631,958	45.9%	1,374,479	52.4%
1, attached	1,125	6.2%	13,755	4.8%	58,667	4.3%	104,129	4.0%
2	3,751	20.6%	35,390	12.3%	180,366	13.1%	304,501	11.6%
3 or 4	3,632	20.0%	34,649	12.1%	167,885	12.2%	299,416	11.4%
5 to 9	1,647	9.1%	15,840	5.5%	86,081	6.2%	156,135	6.0%
10 to 19	885	4.9%	11,735	4.1%	72,204	5.2%	113,697	4.3%
20 to 49	924	5.1%	10,865	3.8%	70,042	5.1%	102,571	3.9%
50 or more	1,296	7.1%	13,262	4.6%	99,661	7.2%	142,321	5.4%
Mobile home	0	0.0%	1,874	0.7%	10,556	0.8%	24,117	0.9%
Boat, RV, van, etc.	0	0.0%	108	0.0%	287	0.0%	623	0.0%

Source: Census 2000, Summary File 3 Tables: H1, H6, H7, H30

The impact of the region's relentless demand for homes can be seen in Salem today. In 2000, the median sale price of single-family homes and condominiums in Salem was \$202,250 and \$165,500 respectively, yet by 2004, these figures had skyrocketed to \$319,500 and \$266,000.⁶²

Even though the regional rental market has softened somewhat in the past 15-18 months, rents have escalated since 2000. While the Census Bureau reports that Salem's median contract rent was \$705 in 2000, the Salem Housing Authority recently conducted a "rent reasonableness" survey and found that in 2004, average rents for one-, two- and three- bedroom units ranged from \$1,012-\$1,356.⁶³ Despite the higher cost of housing in Salem and surrounding communities today, the housing market remains tight, as evidenced by Salem's low (4%) vacancy rate.

⁶² The Warren Group, "Town Stats."

⁶³ Salem Housing Authority, Memorandum 19 August 2004.

IV.A-5. Housing Conditions

Salem's older housing stock and lower household incomes are inextricably linked to several housing problems. Older homes usually have a high incidence of code violations such as asbestos coated piping, lead water pipes, non-grounded electrical wiring and missing smoke detectors, so it is significant that more than half of all renter- and owner-occupied units in Salem were built before 1940. The number of units built before 1970 with low rents or housing values is also important because statistically, a large percentage of lower-value, pre-1970 homes is a risk indicator for lead paint. In addition, the criteria typically used to estimate substandard housing conditions include the number of units lacking complete plumbing and kitchen facilities, and the number of vacant units affordable to extremely low-income households. Census 2000 reports that 132 housing units in Salem (0.8% of all occupied units) lack complete plumbing facilities and 208 (1.2% of all occupied units) lack complete kitchen facilities. While these percentages seem small, they match or exceed the incidence of similar housing problems throughout the state, in Essex County and within the Boston PMSA. In contrast, 5.7% of the City's vacant housing units have rents or housing values that are affordable to extremely low-income households, compared to 5% statewide. Relative to the state (64.6%) and Essex County (65.5%), Salem also has a much larger percentage of pre-1970 rental housing units that are affordable to extremely low-income households. Of the 1,761 rental units in Salem with extremely-low-income affordable rents, 76.2% pre-date 1970.⁶⁴

Another housing condition of concern is overcrowding. According to the Census Bureau, overcrowding exists when the number of people in a dwelling unit exceeds one person per room. By this definition, 79 homeowner households (0.8%) and 353 renter households (4.0%) in Salem live in overcrowded conditions – or stated another way, these families are under-housed. Over 25% of the City's under-housed renters have incomes below the poverty threshold. Moreover, overcrowding is more prevalent among minorities. While 1.3% of Salem's non-Hispanic white households live in overcrowded conditions, the same applies to 20% of its non-Hispanic Asian households, 17.5% of households broadly classified as "other" (non-white) race, and 13% of all Hispanic households.⁶⁵

IV.A-6. Specific Needs of Renter and Homeowners

HUD requires each community submitting a Five-Year Consolidated Plan to examine the needs of its residents with housing problems—renters and owners alike—and determine priority housing needs to be addressed in the Strategic and Annual Action Plans. As defined by HUD, a "housing problem" exists when at least one of the following is true: 1) more than 30% of total household income is spent on housing costs; 2) the housing unit is substandard; 3) the housing unit is too small to reasonably accommodate the number of household members (more than one person per room). The characteristics and needs of these households are discussed below.

IV.A-6.1. Renters

Of all households, renters are the most vulnerable to fluctuations in the housing market. Due to high demand in the region, it is not uncommon for Salem renters to pay rents that could cover mortgage costs elsewhere. HUD defines a renter household as "excessively cost-burdened" if more than 30% of

⁶⁴ Census 2000, Summary File 3 Tables H36, H48, H50, HCT28; HUD, "Affordability Mismatch" Series, CHAS 2000 Data, State of the Cities Data System.

⁶⁵ Census 2000, Summary File 3 Tables H20, HCT22, HCT29A-29I.

total household income is spent on rent and utilities. A household is considered “severely cost-burdened” if this figure exceeds 50% of total household income. In Salem, 2,984 renter households, or 33.5% of all renter households, fall into one of these two categories, of which 1,354 households are severely cost-burdened. Salem’s severely cost burdened renters are at the greatest risk of homelessness: any reduction in income or increase in rent could make their housing situation financially unsustainable.

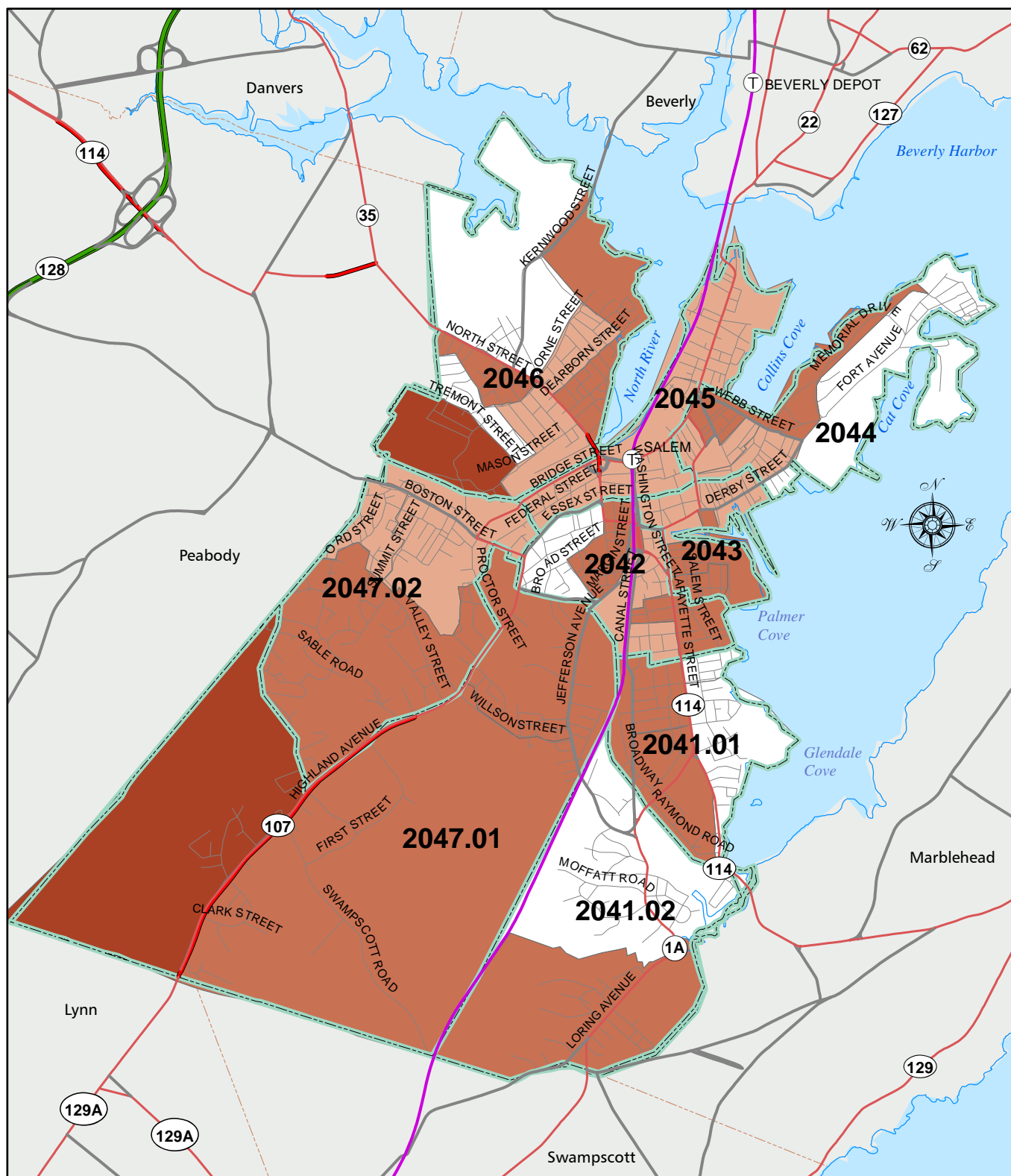
Table IV-8: Housing Problems of Renter Households in Salem

Household Type	Number with Housing Problems			Total Renters (all incomes & with/without housing problems)	# of LMI Renters with Housing Problems
	Extremely Low Income	Low Income	Moderate Income		
Cost Burdened Renters					
Elderly	534	209	99	1,759	842
Small Family	358	309	68	2,941	735
Large Family	66	34	24	456	124
Other	567	425	226	3,714	1218
Renters with Housing Problems by Race & Disability Status					
<i>Hispanic (all races)</i>					
Elderly	25	0	0	25	25
Family	199	100	40	843	339
Other	35	54	0	218	89
<i>Black non-Hispanic</i>					
Elderly	0	10	0	24	10
Family	8	10	24	125	42
Other	0	10	25	118	35
<i>Disabled</i>					
Extra Elderly	149	60	30	556	239
Elderly	52	14	0	218	66
Other	290	115	55	893	460
<i>All Salem Renters</i>					
				<i>Any Housing Problem</i>	
Total				8,870	37.3%

Source: HUD CHAS 2000 Data.

The likelihood a household is cost-burdened increases as the total household income declines. For example, well over half of Salem’s extremely low-income renters, i.e. renters with incomes below 30% of area median income (AMI) spend more than 30% of their total household income on housing. Fifty-four percent of Salem’s cost-burdened households are either small family or elderly households. Map 7 shows that the City’s most cost-burdened renters live in areas with little or no subsidized housing. Of all income households, those with extremely low-incomes are more likely to experience severe cost burden, and this applies equally to homeowners and renters. However, some of Salem’s low-income and moderate-income households also struggle financially.

MINORITY RENTERS. The incidence of cost burden and other housing problems is highest among Hispanic and non-Hispanic black renters. In total, 507 Hispanic renter households and 87 non-



LEGEND

- | | |
|---------------------------|------------------------------------|
| Stations | Major Roads |
| Lines | Limited Access Highway |
| Census Tract Boundaries | Multi-lane Hwy, not limited access |
| Percent Renter Households | |
| 0.169 - 0.213 | Other Numbered Highway |
| 0.214 - 0.254 | Major Road, Collector |
| 0.255 - 0.323 | Local |
| 0.324 - 0.500 | |

Data Sources: MassGIS, City of Salem.

0 0.25 0.5 1 Miles

MAP 7

Median Gross Rent
% Household Income

CITY OF SALEM Five-Year Consolidated Plan

Community Opportunities Group, Inc.
Boston, Massachusetts



Hispanic black renter households have at least one housing problem. While the absolute number of households may not be as large as white households with housing problems, the data in Table IV-9 show that in many cases, the *percentage* of minority households by household type with housing problems is consistently larger than non-minority households.

Table IV-9: Comparison of Renters with Housing Problems by Household Type and Race

Race & Household Income Range	Elderly Households		Family Households		All Other Households	
	Total Households*	% Housing Problems	Total Households*	% Housing Problems	Total Households*	% Housing Problems
<i>Total all Races</i>	1,759	48.7%	3,397	33.9%	3,714	35.2%
Extremely Low Income	878	60.8%	590	75.9%	842	67.3%
Low Income	395	55.4%	628	61.3%	517	86.8%
Moderate Income	270	36.7%	729	28.5%	771	30.6%
Above 80% AMI	216	1.9%	1,450	7.5%	1,584	3.4%
<i>White non-Hispanic</i>						
Extremely Low Income	825	58.2%	275	78.2%	745	69.1%
Low Income	360	52.8%	368	70.7%	428	87.6%
Moderate Income	264	37.9%	449	27.6%	649	29.9%
Above 80% AMI	204	2%	1,160	5.2%	1,440	3.1%
<i>Hispanic (All Races)</i>						
Extremely Low Income	25	100.0%	259	76.8%	39	89.7%
Low Income	0	N/A	235	42.6%	54	100.0%
Moderate Income	0	N/A	180	22.2%	45	0.0%
Above 80% AMI	0	N/A	169	23.1%	80	18.8%
<i>Black non-Hispanic</i>						
Extremely Low Income	0	N/A	12	66.7%	19	0.0%
Low Income	10	100.0%	10	100.0%	20	50.0%
Moderate Income	4	0	48	50.0%	37	67.6%
Above 80% AMI	10	0	55	0.0%	42	0.0%

Source: HUD CHAS 2000 Data. "N/A" means "Not Applicable."

*"Total Household" figures include renter households with and without housing problems.

Note: The figures in bold indicate that the percentage of housing problems of minority households exceeds those of households of all races/ethnicities by 10% or more, i.e. there is a disproportionate need.

As with other renter households, as incomes decline, the likelihood that a Hispanic renter household contends with at least one housing problem increases. Over 75% of Hispanic extremely low-income family households have a housing problem, but it is noteworthy that among Hispanic families and other households with incomes above 80% AMI, the percentages with housing problems are much larger than for white non-Hispanic households. Housing problems tend to affect black households with low and moderate incomes.

DISABLED RENTERS. "Disabled renter" includes any renter household in which one or more family members has a mobility or self-care limitation, i.e., a physical or other impairment that needs to be accommodated in a barrier-free housing unit. Disabled renters face unique housing challenges.

In addition to affordability concerns, disabled renters are also affected by access barriers. Given the age and styles of housing units in Salem, it is not surprising to find that few private housing units are accessible. Table IV-10 indicates that many of Salem's extremely low-income and low-income disabled renters have housing problems.

Table IV-10: Disabled Renters by Age of Householder

Household Income Range	Extra Elderly (Age 75+)		Elderly (Age 62-74)		Non-elderly	
	Total Households (with or without housing problems)	# with Housing Problems	Total Households (with or without housing problems)	# with Housing Problems	Total Households (with or without housing problems)	# with Housing Problems
Total Disabled	556	243	218	66	893	460
Extremely Low Income	299	149	92	52	400	290
Low Income	135	60	18	14	164	115
Moderate Income	59	30	59	0	160	55
Above 80% AMI	63	4	49	0	169	0

Source: HUD CHAS 2000 Data.

IV.A-6.2. Homeowners

Homeowners tend to be less vulnerable than renters to changes in the housing market because when housing prices increase, many homeowners benefit. In a period of escalating home prices, the major concerns for homeowners are higher property tax bills and higher costs of property maintenance. However, as market values rise, homeowners build equity in their homes. If costs become unmanageable, they have the option of selling their house. Even if they sell with a healthy return on their original investment, however, some homeowners seeking to trade up or trade down in a tight real estate market will find it difficult to find something they can afford. This is particularly true for low- or moderate-income homeowners, whose home values often run well below market due to the age, condition and location of their homes.

In Salem, the incidence of housing cost burden among owners is consistent across income groups. In addition to the expected incidence of cost burden found among extremely-low and low-income households, some moderate-income and middle-income households are cost burdened as well. As with renters, homeowners with lower-incomes are more likely to be cost-burdened. In total, 2,276 (25%) of Salem's homeowners are cost-burdened. Still, roughly half of Salem's elderly and small family low-income households are cost-burdened. The proportion of cost-burdened households dramatically increases for certain sub-populations. Eighty-five percent of extremely low-income elderly households, 91.7% of low-income large-family households and 92.8% of low-income other households are cost-burdened. One-third of all cost-burdened homeowners in Salem are severely cost burdened. Table IV-11 reports the number of homeowners with housing cost burdens and other housing problems by household type, race and disability status.

Table IV-11: Housing Problems of Homeowners in Salem

Household Type	Number with Housing Problems			Total Homeowners (all incomes & with/without housing problems)	LMI Homeowners with Housing Problems as % Total Homeowners
	Extremely Low Income	Low Income	Moderate Income		
<i>Cost Burdened Homeowners</i>					<i>Cost Burdened</i>
Elderly	345	157	128	2,337	27.0%
Small Family	74	64	268	3,967	10.3%
Large Family	4	44	20	662	10.3%
Other	80	129	108	1,499	21.1%
<i>Homeowners with Housing Problems by Race and Disability Status</i>					<i>Any Housing Problem</i>
<i>Hispanic</i>					
Elderly	0	0	0	0	n/a
Family	0	4	20	149	16.1%
Other	0	10	0	10	100.0%
<i>Black non-Hispanic</i>					
Elderly	0	0	10	10	0.0%
Family	0	0	0	19	0.0%
Other	0	0	0	0	n/a
<i>Disabled</i>					
Extra Elderly	71	48	30	397	37.5%
Elderly	19	8	0	180	15.0%
Other	24	40	55	546	21.8%
<i>All Salem Homeowners</i>					<i>Any Housing Problem</i>
Total				8,465	28.3%

Source: HUD CHAS 2000 Data.

MINORITY HOMEOWNERS. In Salem, an extremely small percentage of Hispanic households own their home. According to Census 2000, the City has only 170 Hispanic homeowners. More than half of Salem's Hispanic, low- and moderate-income, family homeowners have housing problems. In addition, CHAS data indicate that only 29 of Salem's black, non-Hispanic households are homeowners. This represents less than 10% of all black households in Salem. All have incomes in the moderate- or middle-income categories, and none have housing problems.

DISABLED HOMEOWNER HOUSEHOLDS. "Disabled homeowner" includes any homeowner household in which one or more family members has a mobility or self-care limitation, i.e., a physical or other impairment that needs to be accommodated in a barrier-free housing unit. These households account for more than 1,100 of all households in Salem. Approximately half are also elderly households. Again, as income levels decline, the incidence of housing problems increases. This is especially true for disabled elderly households. More than 80% of the City's extremely low-income elderly households with a disabled household member have housing problems.

IV.A-7. Elderly, “Extra Elderly” & Frail Elderly Housing Needs

Affordability presents the greatest housing concern for nearly all senior citizens, and Salem’s are no exception. Today, the elderly (over 65) comprise an unusually large percentage of all homeowners in Salem: 29.3%, compared to 25.1% statewide and 24.6% throughout the Boston PMSA. Nearly 40% live in homes that were built before 1970, and about 25% occupy units in buildings with two to four units – units that most likely generate some rental income and may make the difference between affordability and unaffordability for lower income elderly owners.⁶⁶ According to the Census Bureau, more than 38% percent of Salem’s elderly households spend more than 30% of their income on housing. In addition, 1,348 of Salem’s elderly homeowners and 637 of its elderly renters live in dwelling units built before 1940.⁶⁷ These homes are often expensive to maintain, and since they tend to have one or more outdated systems, they are more likely to require extraordinary maintenance or major rehabilitation. Rising property values and higher property tax bills create particular concerns for the elderly. Sometimes these conditions mean the difference between being able to afford to stay in one’s home and having to move.

The housing needs of one-person elderly households are complicated and difficult to address. Most depend on single incomes and they need access to human service and financial assistance programs to offset housing and other expenses. The Census Bureau reports that more than 2,000 (35.3%) of Salem’s elderly households live alone, including 900 homeowners and over 1,100 renters. Among them, “extra elderly” or over-75 householders comprise 536 of the homeowners and 811 of the renters. Of the City’s elderly and extra-elderly households, 1,351 are also considered “frail elderly,” i.e., seniors with mobility or self-care impairments.⁶⁸ Furthermore, 83 elderly homeowners and 344 elderly renters have incomes below the poverty level. Although Salem’s median household income for elderly single-person households is above the poverty threshold, it is nonetheless very low: less than \$15,000.⁶⁹ Fuel assistance, Meals-On-Wheels, prescription assistance and property tax exemptions (for owners 70+ years old) are offered locally and are accessed frequently by Salem’s seniors citizens in order to help offset housing costs, increases in health insurance premiums and increases in utilities, prescriptions and food.

Transportation is a key component of the services offered by the City’s Council on Aging. It is especially important to the population over 75 because many of them no longer drive. The Council on Aging provides seniors with round-trip transportation service to doctor’s appointments, grocery stores and the Salem Senior Center. Without transportation, some of the City’s elderly households would be unable to live independently in private housing. About 500 elderly households live in subsidized units owned and managed by the Salem Housing Authority, while others receive rental assistance from the Section 8 Existing Housing Voucher program. Nursing homes and non-institutionalized group quarters, e.g., congregate dwellings and group homes, collectively house 126 elderly people in Salem. The Salem Housing Authority reports that it has no wait for congregate housing and is accepting applications.

⁶⁶ Census 2000, Summary File 3 Tables H14, HCT4, HCT5.

⁶⁷ Census 2000, Summary File 3 Tables H71, H96, HCT5.

⁶⁸ HUD, CHAS 2000 Data, “Housing Problems for Mobility and Self-Care Limitation.”

⁶⁹ Census 2000, Summary File 3 Tables HCT2, HCT24, PCT42.

IV.A-8. Single Person Households

There are 6,113 single-person households in Salem. As illustrated in Table IV-15, single-person households tend to have much lower incomes, especially householders over 65 and women regardless of age. For householders between 15 and 64 years of age, women comprise just over half. About one-third of Salem's one-person households are elderly people living alone, and about three-fourths of the elderly one-person households are women.⁷⁰

Single-person households with very low-incomes are at specific risk of homelessness. The loss of a job or a dramatic increase in rent could make the difference between having and not having a housing unit. Anecdotal information from local human service providers suggests that some of Salem's single-person renters compromise on the suitability of housing in order to find affordable rents.

Table IV-12: Single-Person Households by Sex, Age and Income

Householder Characteristics	Total Number	Median Income	Householder Characteristics	Total Number	Median Income
Male Householders	2,227	\$28,823	Female Householder	3,886	\$21,522
15 to 64 years	1,812	\$31,105	15 to 64 years	2,295	\$28,750
65 years or older	415	\$14,870	65 years or older	1,591	\$14,438

Source: 2000 Census, SF3, PCT2, PCT42

IV.A-9. Large Family Households

Large-family households – those with 5 or more family members – comprise just over 6% of all households in Salem. Approximately 456 (40%) are renters and 662 (60%) are homeowners. The overwhelming majority of white large-family households are homeowners, but, except for Asian households, large-family households of other races and Hispanic/Latino households are predominately renters.⁷¹ While housing problems exist among large-family renters and homeowners, the situation is more pronounced for renters. Table IV-13 reports the incidence of housing problems among large-family renters in Salem.

Table IV-13: Housing Problems of Large-Family Renter Households by Income Range

Income Group	Total Households	Any Housing Problem		Excessively Cost Burdened		Severely Cost Burdened	
		#	%	#	%	#	%
Income <= 30% Area Median Income (AMI)	108	90	83.3%	66	61.1%	38	35.2%
Income >30% to <= 50% AMI	100	66	66.0%	34	34.0%	0	0.0%
Income >50% to <= 80% AMI	128	56	43.8%	24	18.8%	0	0.0%

Source: HUD CHAS 2000 Data.

⁷⁰ Census 2000, Summary File 3 Tables P9, P10, PCT2, H17.

⁷¹ HUD, CHAS 2000 Data, [State of the Cities Data System](#).

Relatively few of Salem's 662 large-family homeowners have housing problems, but this is not true for the large-family homeowners with low incomes. There are only four large-family homeowners in the very-low income range and all experience housing problems, including severe cost burdens. Salem also has 48 low-income large-family homeowner households and all have some type of housing problem. Most are excessively cost-burdened.⁷²

IV.B. Homeless Needs Assessment

IV.B-1. Nature and Extent of Homelessness in Salem

In addition to addressing the housing needs of Salem's elderly and low-income households, the Consolidated Plan must address how the City will ensure that decent housing is available and accessible for homeless and special needs persons. Part of the challenge in assessing housing needs for the homeless is identifying the size of the population. Often, homeless people are transient and may have multiple shelter stays in one year, making it difficult to obtain an unduplicated count of people using homeless services. To that end, the Crombie Street Shelter and the shelter at Help for Abused Women and Their Children (HAWC) were asked to count the number of individuals in their shelter on the same day: January 25, 2005. The count from the two shelters and one street out-reach worker totaled 82 homeless individuals, women, and children in Salem.⁷³ This does not include homeless persons temporarily staying in hospitals, drug treatment facilities, or detention facilities, or people who do not have permanent housing but are living with others.

Area service providers report that, overall, the number of homeless individuals in emergency shelter has increased steadily for the last five years.⁷⁴ The goals of the following homeless needs assessment are to determine: 1) who makes up this population; 2) why is it growing and who is most at-risk for becoming homeless; 3) what barriers make obtaining housing more difficult for the homeless; 4) what resources are available for homeless persons; and 5) what types of housing and social services exist and are needed to keep people out of homelessness.

IV.B-2. Homeless Subpopulations

By and large, there is no uniform profile of a homeless person in Salem. However, the majority of persons in shelters are between 26 and 45 years old, and the population is typically 80% male and 20% female.⁷⁵ In general, the homeless population can be broken-down into several different groups or subpopulations according to the type of problem that has brought about or perpetuates a person's homelessness. Homeless persons can have several major problems, so they may fall into more than

⁷² Ibid.

⁷³ Richard Thibault, Co-Director, Salem Mission, Continuum of Care 2005 Point in Time Count, 25 January 2005.; Candace Waldron, Help for Abused Women and Their Children, Continuum of Care 2005 Point in Time Count, 25 January 2005.

⁷⁴ Linda Reilly, Co-Director, Salem Mission, interview and Performance Goals and Annual Service Audit for FY02-FY04, 9 March 2005.

⁷⁵ Unless otherwise noted all subpopulation information provided by Linda Reilly, Co-Director, Salem Mission, interview, 9 March 2005.

one category. The Salem Mission reports the following subpopulations among the homeless adults served by the Crombie Street Shelter:

- ♦ **Homeless Persons with Mental Illness.** At any time, an estimated 60-75% of the Salem Mission's population has a mental illness. The type of mental illness can range from mild depression to schizophrenia or other severe illness requiring hospitalization. Some may be undiagnosed and may not be linked with Department of Mental Health (DMH) Services. Only three of the homeless persons with mental illnesses currently staying at the Mission are connected with DMH.
- ♦ **Homeless Persons with Substance Abuse Problems.** Typically, homeless people struggling with substance abuse problems comprise approximately 20% of those living in shelter. While the Salem Mission is a dry shelter, the Mission estimates that approximately 10-12 chronic substance abusers reside in the shelter at any one time. All are males with alcohol issues.
- ♦ **Homeless Persons with Dual Diagnosis.** Individuals with dual diagnoses have both some form of mental illness and a substance abuse problem. An estimated 20-30% of the people who come to the Salem Mission suffer from both problems.
- ♦ **Homeless with Chronic Medical Problems.** Twenty percent of the Mission's residents suffer from chronic medical problems. The problems range from HIV/AIDS and diabetes to mobility impairments. Approximately 80 persons living with HIV/AIDS stay at the shelter per year, or 10% of the Mission's population. The incidence of homelessness among elderly persons (over 60 years of age) remains relatively low, which may be because their life-spans are shortened by untreated health problems and complications due to substance abuse, diabetes, and other chronic illnesses. Seniors comprise about 6% (50 persons) of the Mission's population.
- ♦ **Youth.** Currently, 10% of Salem's homeless population is comprised of young adults. The 18- to 25-year-old homeless population is increasing, largely due to more young people "aging out" of foster care. When a youth reach the age of 18, they are released from the Department of Social Services care. At that point, the youth are expected to live independently from the system, i.e., to afford shelter and food on their own. The North Shore HOME Consortium is working to coordinate job-training programs and discharge planning for these youth.⁷⁶
- ♦ **Homeless with Physical Disabilities.** The Mission reports sheltering more disabled men in their early fifties in the past year. Many of these men were manual laborers who were physically disabled on the job and are no longer able to work in their trade. These men are residing at the shelter while in or waiting for job training programs.
- ♦ **"Economically" Homeless Families.** The term "economically" homeless refers to individuals that have become homeless through the loss of a job or a divorce. This group makes up approximately 5% of those in the shelter and is one of the fastest growing subpopulations.

Unfortunately, there is no available data to identify the extent of homelessness among different racial or ethnic groups.

⁷⁶ North Shore HOME Consortium, 2004 Application Summary.

IV.B-3. Barriers to Permanent Housing

Homeless persons, especially the chronically homeless, often contend with complex, overlapping problems when they try to obtain permanent housing. These problems cannot be explained solely by the lack of available housing. As discussed above, many different types of social problems cause and can keep people homeless. Social service providers participating in focus groups for the Consolidated Plan identified several personal and systemic or institutional barriers to permanent housing.⁷⁷ The extent and nature of problems experienced by homeless persons such as mental and physical disabilities, medical diseases, and substance abuse problems often prevent them from being able to work on a full- or even part-time basis. There are insufficient jobs that match the skill levels of the Mission's clients, and the jobs that do exist do not pay livable wages. The minimum wages earned in entry-level or seasonal positions are not enough to afford local housing prices. Furthermore, many chronically homeless lack job skills and work history, and they have poor or no credit. Social Security Income (SSI) is often their only source of income and local housing prices are well above the monthly income of someone receiving SSI. While public housing often serves as permanent housing for homeless individuals, long waiting lists make these units difficult to secure.

The needs of homeless persons are more than just shelter and housing. A significant number of homeless persons could not be successful living independently, even if they had sufficient financial means to pay for housing. This population needs various types of supportive services, such as case management. Given the characteristics of the population that the Mission serves, it is unrealistic to expect that some people will ever be fully independent without ongoing support from social services.

IV.B-4. Housing Needs

The types of housing available to homeless persons fall into one of three strata. Individuals and families are meant to move from one level to the next as they move toward independence from public support. The first, most basic level of housing for homeless persons is what is known as emergency shelters. Shelters are meant for short-term use while other housing can be found. From emergency shelters, many individuals and families move to transitional housing. Transitional housing offers supportive services that are usually focused toward a particular social problem, such as substance abuse, domestic violence, or HIV/AIDS. Transitional housing is designed to accommodate an average length of stay between six months to one year. Theoretically, after one year, homeless persons have stabilized their lives enough to progress to permanent housing, which may or may not provide supportive services.

EMERGENCY SHELTER. North Shore shelters do not have enough capacity to meet the existing need of the homeless population. In the last year, the Salem Mission operated at no less than 150% of its capacity. Like Salem, the shelters in surrounding Lynn, Peabody and Gloucester routinely exceed their maximum capacity. The Mission's Downtown Outreach Program, which provides for a street

⁷⁷ All information in this section regarding barriers to housing provided by Salem HOPE, focus group meeting, 10 March 2005.

advocate to match homeless individuals with services, served 66 unduplicated homeless individuals over the last 8 months.⁷⁸

TRANSITIONAL HOUSING. While adequate emergency shelter room is lacking in Salem and around the North Shore, the greatest need is for transitional housing, which would alleviate the shelters from their current overload. The need is so great locally that the Salem Mission has been forced to look to the Merrimack Valley and beyond for available transitional units. Recently, the Salem Mission director placed an individual in transitional housing as far away as Worcester due to the absence of available units on the North Shore. The lack of transitional housing has contributed to the average shelter stay, meant to be temporary, to be longer than one year. Local shelters are being forced to serve as longer-term placements in addition to the emergency service they were designed to be. During the past year, the City Council established a Community Relations Task Force in order for the Salem Mission, City representatives and neighborhood residents to work cooperatively toward a smooth transition into the new facility.

PERMANENT SUPPORTIVE HOUSING. Along with long-term placements, local providers identify stabilization with supportive services as a significant need. Currently, the North Shore has only 54 units of congregate housing available for the homeless. While none of these units are in Salem, the Salem Mission is in the process of developing 21 units of permanent supportive housing for chronically homeless adults at its new location in St. Mary's Church on Margin Street, which will result in Salem having 39% of all congregate housing within the North Shore HOME Consortium membership. This housing is an important addition to the rental housing stock of Salem and the Mission has been successful in securing over \$2M in State and Federal funding. These units are expected to be available by the fall of 2005.

IV.B-5. Emerging Trends in Homelessness⁷⁹

IV.B-5.1. Housing First: A Shift in Homelessness Ideology

Following the President's and HUD's lead, the North Shore HOME Consortium has set the goal of ending chronic homeless by 2012. A new national agenda known as *Housing First* has been presented as a way to achieve this goal. This highly-debated concept is based in the belief that providing permanent housing (before supportive services are in place) is the solution to ending homelessness. *Housing First* asks service providers for the homeless to change their focus from emergency and transitional services to focusing on permanent housing. In a message to donors, the Chair of the Board of Governors for the Salem Mission echoed the findings of the Interagency Council on Homelessness when he concluded:

As a country we have spent 20 years funding homelessness and at the end of this period there are more homeless people in more shelters today than at any other time.

⁷⁸ Salem Mission, Monthly Department of Transitional Assistance Statistics, February 2005; Marjorie St. Paul, Executive Director, Lynn Shelter Association, Consolidated Plan Homeless Needs Questionnaire, 15 March 2005; and Linda Reilly, Co-Director, The Salem Mission, interview, 10 March 2005.

⁷⁹ Unless otherwise noted, all information in this section obtained from North Shore HOME Consortium, 2004 Continuum of Care Application Summary.

In simple terms it hasn't worked! The solution? To invest in homeless people rather than to fund homelessness.

He likened emergency shelter to "the Sumner Tunnel – 8 lanes in and only 2 lanes out. It was for that reason that we decided to offer 'one stop shopping' on our own facility." This shift in thinking has far reaching implications in terms of funding. For example, the Mission's Board opted not to apply for more State funding for the shelter, which would require a 30-year obligation to operating the shelter, "because we don't intend to be in the shelter business for 30 years." Also, federal funding priorities are changing to follow this new ideology, which means that funding for emergency shelters and transitional housing will be phased-out, while funding of permanent supportive housing will be prioritized.

IV.B-5.2. Section 8 Housing Freeze

The Salem Mission, HAWC, and the Shelter Plus Care Program in Lynn have recently observed a significant increase in the number of people with severe mental illness seeking shelter and homeless services.⁸⁰ The Department of Mental Health attributed the increase to the loss of available Section 8 housing in the area.⁸¹ For the mentally ill, Section 8 housing was often the last step in moving toward independence, and allowed people to "graduate" into the independent community living. Unfortunately, there are over 2,300 people on the waiting list for subsidized housing.⁸² Three years ago the average wait for subsidized housing was approximately 6 months. Today that wait has increased to 2 years or more.⁸³ The Salem Harbor CDC, which manages 148 affordable residential units, reports having a waiting list of 140 people. According to the CDC's Director, virtually all available Section 8 vouchers are being used in the current housing market, but only about 25% of its low-income tenants hold Section 8 vouchers.⁸⁴

For people who complete transitional, mental health or substance abuse treatment programs, few affordable residential options exist. Residents at the Salem Mission shelter have received letters from the Housing Authority estimating the wait for housing to be two to three years long.⁸⁵ The lack of subsidies has caused a back-log of people waiting to move into permanent housing. Over time, those with the most tenuous housing arrangements become unsheltered. According the Executive Director at HAWC, "the lack of Section 8 housing vouchers has made it much more difficult for women to leave [abusers] and once they do, to complete the transition to independence. As a result we are

⁸⁰ Heather Pickard, Deputy Director, North Shore Citizens for Adequate Housing Inc, focus group interview, 9 March 2005.; Salem HOPE, focus group meeting, 10 March 2005. Linda Reilly, Salem Mission Director, Consolidated Plan Homeless Needs Questionnaire, 15 March 2005.; Marjorie St. Paul, Executive Director, Lynn Shelter Association, Consolidated Plan Homeless Needs Questionnaire, 15 March 2005.; William Zimirowsky, Program Director at Shelter Plus Care (Lynn, MA), phone interview, 21 March 2005.

⁸¹ All information from the Department of Mental Health in this section provided by Mr. Sacher, Beverly Office, phone interview, 6 April 2005.

⁸² Amy Wyeth, "Shelter residents, advocates speak out about worsening affordable housing crisis," Peabody & Lynnfield Weekly News, March 3, 2005, p. 3.

⁸³ James Haskell, Director, Salem Harbor Community Development Center, affordable housing focus group meeting, 9 March 2005.

⁸⁴ Ibid.

⁸⁵ Linda Reilly, Co-Director, Salem Mission, affordable housing focus group meeting, 9 March 2005.

seeing more chronically homeless women and adolescents and women with substance abuse and mental health issues”⁸⁶

IV.B-6. Currently Housed but Threatened by Homelessness

IV.B-6.1. Hunger and Homelessness

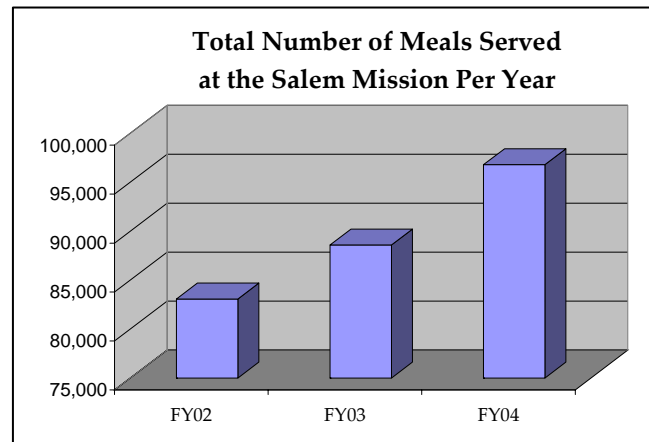
Hunger and homelessness are intricately linked. For many families who struggle to meet high housing costs, food may be their only variable monthly expense. After paying rent/mortgage and utility bills, cost burdened families are left with little money for groceries. In Project Bread’s *Status Report on Hunger in Massachusetts: 2004*, it identified 35 cities and towns throughout the state with high concentrations of hunger. In this report, a household is considered hungry “if they must decrease the quality and quantity of food they consume, due to the lack of money to the point where household members go without eating or are frequently hungry.” Of these 35 communities, four are along the North Shore, including Salem, Lynn, Peabody and Gloucester. In Salem and the other communities, hunger is four times more prevalent than the state average. Equally concerning is that Salem has at least one census tract in which one out of every three children go hungry.⁸⁷

IV.B-6.2. Homeless Prevention Services

FOOD ASSISTANCE. According to a USDA report released in 2004, Massachusetts ranked last among states in Food Stamp participation, with only 45% of those eligible for the program actually enrolled.⁸⁸ While major efforts by the USDA, the Massachusetts Department of Transitional Assistance and Project Bread have increased Food Stamp enrollments, more outreach is still needed.⁸⁹ A family of four with a monthly income less than \$2,000 can receive up to \$470 in monthly food stamp assistance.⁹⁰ In addition, food pantries

distribute bags of groceries with enough food to last a family approximately one week. The food is meant to supplement other assistance. Food pantries and meals programs vary in eligibility requirements. Often programs require proof of identity, family size (on Mass Health card) and/or need (receive food stamps, fuel assistance, Medicare or SSI etc.).

In Salem, the Salem Mission runs the Meals Program in addition to operating a shelter. The food pantry distributes bags of canned goods and other food to an estimated 1,500 individuals and



⁸⁶ Candace Waldron, Executive Director, Help for Abused Women and Their Children (HAWC), interview, 14 March 2005.

⁸⁷ Project Bread, *Status Report on Hunger in Massachusetts: 2004*, <<http://www.projectbread.org>>.

⁸⁸ R. Rosso and J. Weill, *State of the States: 2004*, Food Research and Action Center, 2004.

⁸⁹ Project Bread, *Status Report on Hunger in Massachusetts: 2004*, <<http://www.projectbread.org>>.

⁹⁰ Department of Transitional Assistance Online, Food Stamp Caseload Demographics, 2004 <<http://www.mass.gov/dta>>.

families per month. The pantry operates two days per week on Wednesdays and Saturdays. Like the pantry, the Meals Program is open to both individuals and families. Through the program, 7 breakfasts, 5 lunches and 7 dinners are served weekly. The Mission provides between 7,000 and 9,500 meals per month. According to the Director of Food Services, the demand for food and meals has reached record-high numbers. In fiscal year 2004, 96,000 meals were served, an increase of 14,000 from just two years ago. Over 90 % of those served by the Meals Program are from Salem.⁹¹

In addition to the Salem Mission, St. Joseph's Church (Hawthorne Boulevard) and several organizations and churches in surrounding communities offer food assistance. In October, 2004, St. Joseph's Food Pantry was named "Partner Agency of the Year" by the Greater Boston Food Bank out of more than 700 hunger relief organizations. The Haven from Hunger at 71 Wallis Street in Peabody runs a meals program and food pantry. The Director of the Haven estimates that 34% of its clientele comes from Salem. Additionally, My Brother's Table in Lynn offers meals at 98 Willow Street daily. Beverly Bootstraps, a social service organization that operates a food pantry at 221 Cabot Street, runs a Serve Food Co-op, a self-empowerment initiative in which families can receive half-priced food by performing two hours of community service per month. Beverly's Food Co-op has grown since the recent closing of co-ops in Salem, Danvers and Peabody.⁹²

UTILITY AND RENTAL ASSISTANCE. Utilizing annual CDBG grant funding from the City of Salem, the Salvation Army in Salem, HAWC, NSCAP and Catholic Charities offer utility and rental assistance to help households avoid eviction. However, the demand is too high to meet and the grant funds are typically exhausted before the end of each Fiscal Year. The Salvation Army assistance program received so many requests for rental assistance in 2005 that the Salvation Army is considering restricting participation to every two years.⁹³

THOSE MOST AT-RISK FOR HOMELESSNESS. Persons who are housed, but are seeking help for meals is a major indicator of vulnerability to homelessness. In Salem, the demand for food pantry services and nightly meals has increased 32% and 24% respectively in the last year. According to CHAS 2000 data, over 330 families and 350 elderly that rent in Salem are at-risk of homelessness because they are extremely low income and pay more than half of their income on housing. Each month, the Salem Mission distributes food from its pantry to over 500 families and serves meals to least 230 households that are at-risk for homelessness.

FAMILY CHARACTERISTICS. The typical family that seeks help today is much poorer than families seeking help in the recent past. Two years ago, the average family seeking services from the Salem Harbor CDC had an income that was 50% of area median income, or about \$40,000 for a household of four. Currently, the average family has an income at or below 30% of the area median income, i.e., extremely low income. Moreover, the typical family has more than two wage earners, with adults working two or three jobs each. The families have either recently lost one of their

⁹¹ Linda Reilly and Evelyn Borish-Wayson, Salem Mission, interview, 9 March 2005.

⁹² Trudy MacIntyre, Director, Haven from Hunger, Salem HOPE focus group meeting, 10 March 2005; Beverly Bootstraps Online, <<http://www.beverlybootstraps.org>>.

⁹³ Linda Dossett, Salvation Army, phone interview, 17 March 2005.

multiple jobs or have had their work hours significantly reduced.⁹⁴ Additionally, the shelters and meals programs are seeing an increase in families whose unemployment benefits have run out.

IV.C. Non-Homeless Special Needs Assessment

IV.C-1. Persons Living with HIV/AIDS

In the Northeast Massachusetts Health Service Region, there are 2,070 people living with HIV/AIDS, or 14% of the total population, which is comparable to the percentages in other regions of the Commonwealth.⁹⁵ For example, the Southeast Health Service Region has 2,067 people with HIV and AIDS (14%) and MetroWest has 1,797 (12%). Approximately 69% of those with the virus in the Northeast Region are male and 31% are female. In addition, 51% are white non-Hispanic, 18% are black non-Hispanic and 28% are Hispanic/Latino. Modes of exposure to the virus vary greatly by region. Of the seven service regions in the state, the Northeast has the most even distribution of exposure modes (35% heterosexual or presumed heterosexual sex, 30% male-to-male sex, and 27% injection drug use).⁹⁶

According to the AIDS Surveillance Program, Salem had 110 cumulative AIDS cases and 51 persons alive with AIDS as of 2000 (Map 8). Salem's rate of 126 cases per 100,000 persons was slightly higher than the state's rate. As of January 2005, Salem had 84 people living with HIV and AIDS. The Salem Mission reports that 10% of the shelter's adult population is living with HIV/AIDS. The Lynn Shelter Association reports a similar statistic (11%).⁹⁷

IV.C-1.1. Facilities and Services

The North Shore has three housing programs with a combined total of 27 units specifically for people living with HIV and AIDS. In addition to housing, these programs offer case management and stabilization services.

The **South Common Street Residence** in Lynn provides transitional congregate SROs for 7 men and women. Serving People in Need (SPIN) is the sponsoring agency.

The **Bay State Supportive Housing Alliance (BSSHA)** and **North Shore Community Action Program (NSCAP)** operate transitional scattered site housing for 8 men, women and children. The Strongest Link AIDS Services in Danvers is the sponsoring agency.

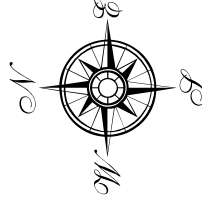
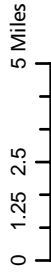
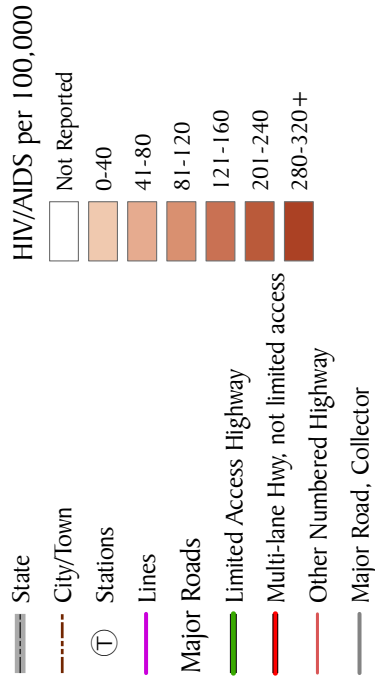
⁹⁴Jim Haskell, Salem Harbor Community Development Center, and Linda Reilly, Co-Director, Salem Mission, affordable housing focus group meeting, 9 March 2005.

⁹⁵ Massachusetts Department of Housing and Community Development Online, "Who is Currently Living with AIDS – Detailed Data Tables and Technical Notes", Massachusetts 2005-2009 Consolidated Plan DRAFT, Table 2.1. <<http://www.mass.gov/dhcd/Temp/05/05-09plan/plan.htm>>.

⁹⁶ Ibid, Tables 2.11, 2.12, 2.13.

⁹⁷ Salem Mission, Monthly Department of Transitional Assistance Statistics, February 2005; Marjorie St. Paul, Executive Director of the Lynn Shelter Association, Consolidated Plan Homeless Needs Questionnaire, 15 March, 2005.

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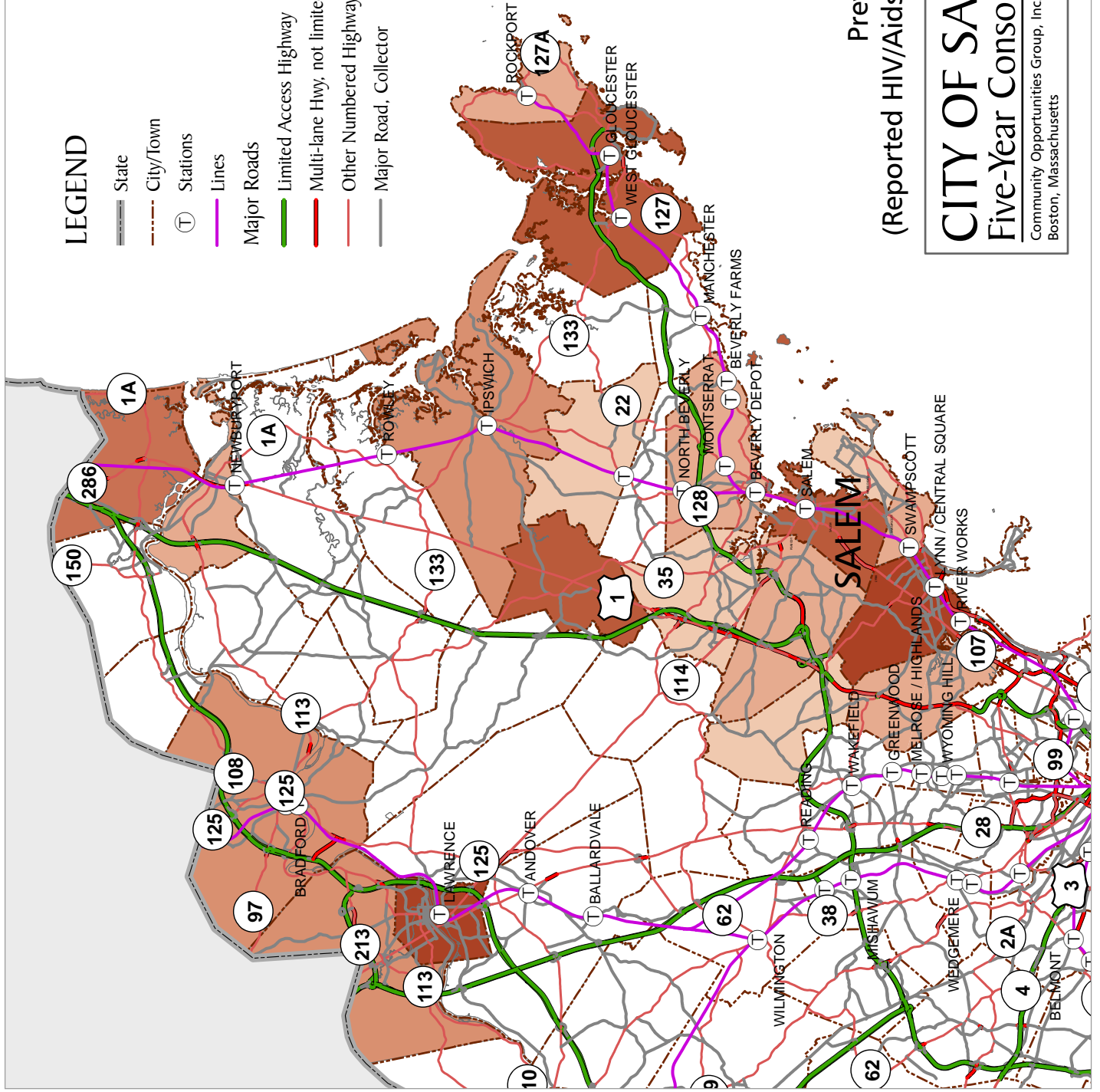


MAP 8 Prevalence Rates of HIV/AIDS (Reported HIV/Aids per 100,000 Population)

CITY OF SALEM

Five-Year Consolidated Plan

Community Opportunities Group, Inc.
Boston, Massachusetts



Serenity Supportive Housing in Topsfield consists of 12 permanent congregate units for men and women with HIV/AIDS. Health and Education Services, Inc. sponsors the residence.

Also, Action Inc. in Gloucester manages the Quest Program, which receives \$1.3 million in HOPWA funding. Currently, the Quest Program is one of only five HOPWA “Special Projects of National Significance” (SPNS) grant programs in the state.⁹⁸ In addition, North Shore AIDS Health Project provides case management, a drop-in center and support groups. The Health Project offers holistic health care to people living with HIV and AIDS, including nutritional counseling, mental health services and alternative health therapies.

Providers have identified lack of available housing as a major barrier for persons living with HIV/AIDS. In Essex County, only Serenity Supportive Housing offers permanent supportive housing and no permanent housing facilities exist for families with HIV or AIDS. According to the Strongest Link AIDS Services, Inc., the greatest social service need for this population is HIV prevention for young adults. Specifically, the area needs more HIV risk reduction education through school health classes and community programs, as well as outreach to find those at high risk for contracting the virus. For example, Strongest Link facilitates group education sessions at the Boys and Girls Club of Salem and the Salem Academy Charter School. More educational sessions are needed for young adults who have decided not to continue with school, young people with mental health needs, and those in transitional housing or correctional facilities.⁹⁹

IV.C-2. Abused Women and Their Children¹⁰⁰

In 2004, 230 women sought help from domestic violence at Salem Hospital and slightly less than one-third of women who visit the Salem Hospital Emergency Room are at-risk for domestic violence. Domestic violence cuts across all socioeconomic levels and races, and no single profile adequately describes the victims. Generally, the majority of women are between the ages of 23 and 46 and about 90% stay in the community rather than enter a shelter. Most seek to have the abuser removed from the home by law enforcement officers.

Help for Abused Women and Children (HAWC) and the North Shore Medical Center have partnered to create the **Crossroads Program**, a hospital-based domestic violence intervention for female patients. Crossroads makes 20 referrals for services per month. The Program Coordinator reports that the number of women requesting services has declined 21% since 2003 and 30% since 2000. However, the Program Coordinator added that the need for job and life skills training has been increasing.

Furthermore, the number of available spaces in safe houses, transitional living programs and scattered site housing has been decreasing. According to Jane Doe, Inc., a statewide domestic violence advocacy organization, over 500 women were turned away from shelter or safe homes in

⁹⁸ AIDS Housing Corporation Online, “Section Five: MA Housing Resources,” [Moving Forward: A Massachusetts HIV/AIDS Housing Resources and Needs Assessment Report](http://www.ahc.org/publications_housing.html) (2003), <http://www.ahc.org/publications_housing.html>

⁹⁹ Interview with Jesus Geliga, Interim Executive Director, Strongest Link AIDS Services, Inc., 12 April 2005.

¹⁰⁰ Unless noted otherwise, all information in this section is based on an interview with Peg Tiberio, Salem Hospital Domestic Violence Program Coordinator, 24 March 2005

2003 due to lack of space.¹⁰¹ For women trying to escape domestic violence, the inability to find affordable housing can prevent women from being able to live independent from their abuser. Public and private partnerships can increase the supply of safe, affordable housing for women and children. In addition, these partnerships can create access to health care coverage for primary care, mental health and substance abuse services.¹⁰²

IV.D. Other Community Development Needs

Like all cities, Salem has community development needs that extend beyond housing. These needs are evident in an analysis of the City's economy and its impact on low- and moderate-income people. At several of the citizen participation meetings for this plan, residents and City leaders also talked about the inseparable relationship between housing, economic development, community services, and the condition of Salem's infrastructure and transportation facilities.

IV.D-1. Economic Development

IV.D-1.1. Labor Force & Job Skills

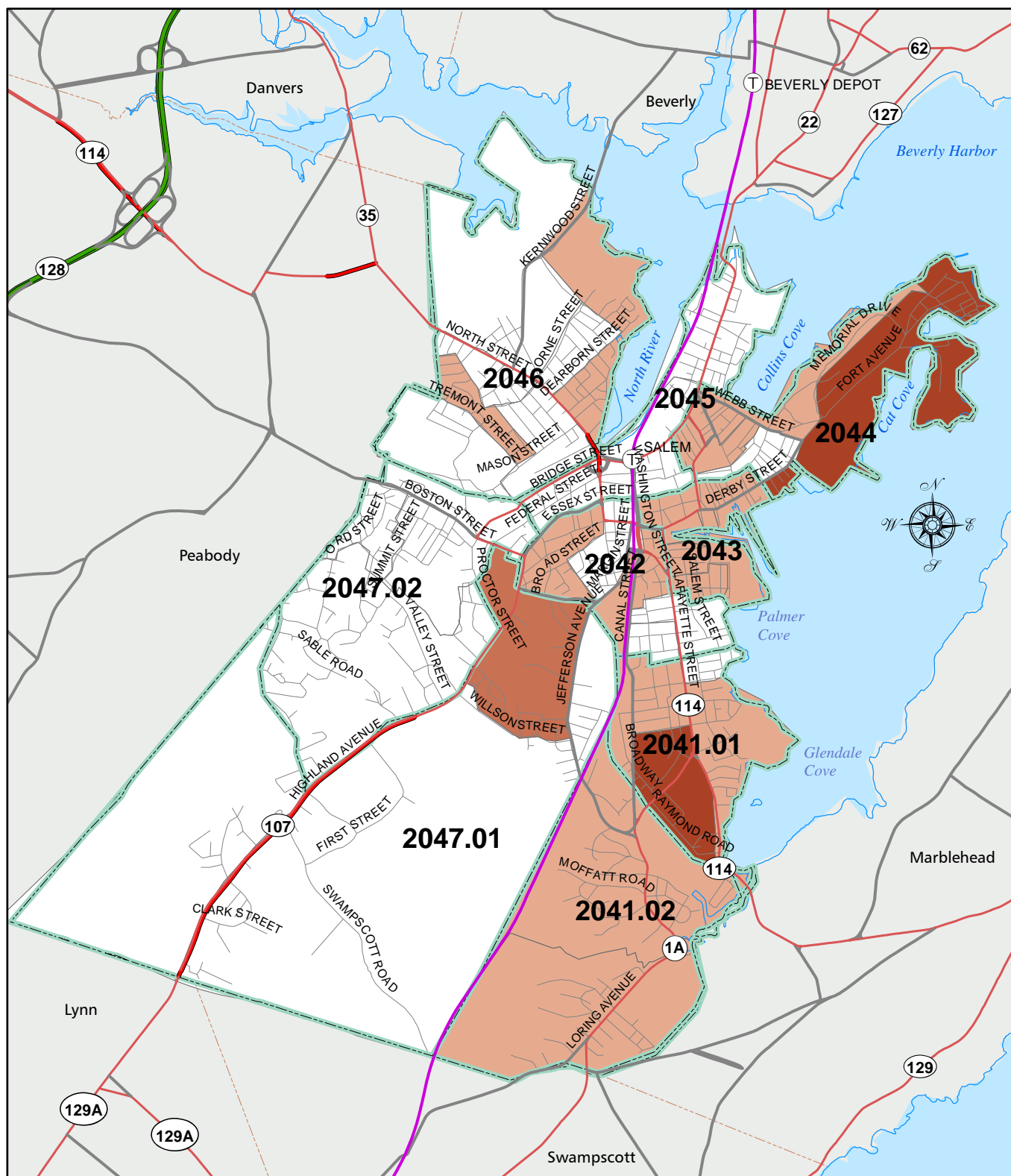
Non-housing community development needs are influenced by positive and negative changes in economic development within the city in a similar way that Salem's barriers to affordable housing are affected by changes in economic development. Salem's economy is visibly shaped by tourism, but a large share of local employment is comprised of jobs in the service industries, municipal and State government, health care and education. Regional institutions such as Salem Hospital and Salem State College play a very important role in the City's economic base, bringing competitive jobs into the community and providing a foundation of support for the City's small businesses. Salem is host to the Essex South Registry of Deeds and the District Attorney's Office as well District, Superior, Juvenile and Probate Courts, which have resulted in a large legal community.

Despite the presence of industries that offer fairly high-paying jobs, only 28% of Salem's labor force works locally (Map 9). One reason is that while some Salem employers pay desirable wages, the employment base is fairly small. In fact, the jobs-to-labor force ratio in Salem is only .86, i.e., less than one job for every one resident in the labor force.¹⁰³ As in many surrounding communities, some of Salem's highest paying jobs benefit non-resident workers: people with the education, training and experience to compete for health care, higher education and government employment. An economic "mismatch" between the skills of Salem's population and the local employment base contributes to the below-average retention of resident workers. A larger skilled labor force will increase Salem's ability to draw new businesses, create job opportunities and achieve its economic development goals. Salem also has geographic disadvantages that will continue to impede local efforts to attract and retain larger corporations and high paying jobs. Moreover, except for education and health care, most industries with higher-wage employment in Salem are under-represented in the local economy relative to their presence in the Boston labor market area.

¹⁰¹ Jane Doe, Inc., FY03 DSS-funded service delivery data, 2004., <<http://www.janedoe.org>>

¹⁰² Candace Waldron, HAWC, Consolidated Plan Housing Needs Survey, 14 April 2005.

¹⁰³ Massachusetts Division of Unemployment Assistance, "Labor Force and Unemployment," "Employment and Wages: ES-202," Economic Data Programs <<http://www.detma.org/>>.



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- | | |
|---------------------------|--------------------------------------|
| Ⓣ Stations | Major Roads |
| — Lines | — Limited Access Highway |
| □ Census Tract Boundaries | — Multi-lane Hwy, not limited access |
| Percent Labor Force | — Other Numbered Highway |
| □ 16.5% - 27.9% | — Major Road, Collector |
| ■ 28% - 35.9% | — Local |
| ■ 36% - 39.9% | |
| ■ 40% - 46.3% | |

Data Sources: MassGIS, City of Salem.

0 0.25 0.5 1 Miles

MAP 9

Percent Locally Employed
Labor Force

CITY OF SALEM Five-Year Consolidated Plan

Community Opportunities Group, Inc.
Boston, Massachusetts



A useful way to identify strengths and weaknesses in a community's employment base is to calculate *location quotients*: a ratio of the percentage of local employment in each sector of the economy to that of a larger area, such as a county or state.¹⁰⁴ Table IV-14 reports location quotients for the industries that comprise most of Salem's employment base. An extremely high location quotient such as 2.07, representing the ratio of Salem's arts and entertainment employment to that of Essex County, is not necessarily good for the economy because it suggests excessive dependence on a single industry.

At the Economic Development focus group meeting, a local real estate agent noted that while Salem has a large amount of leased-up retail and restaurant space, his firm has seen an abundance of underutilized or vacant business and office space. The retail industry in Salem is most prosperous from May until the end of October, or the Halloween season. While the summer and fall months provide a strong economic backbone for the city, it is not enough and efforts to extend the shoulder season and increase year-round tourism need to be made. However, increasing the viability of Salem's tourism industries is only one aspect of building a more durable local economy. The City also needs to focus on middle- and higher-wage jobs, as suggested by the very low location quotients for industries that typically offer higher-wage employment.

A skilled workforce is crucial to Salem's economic stability and the quality of life for its residents, especially those with low or moderate incomes. Participants in the Consolidated Plan public meetings said the City's ability to provide skilled workers requires increased job training, transportation and child care resources, and ESL training.

Continued support of Salem's schools, which provide a broad range of academic and skill-based vocational programs, will help to ensure that City residents are prepared to compete for good jobs. Services that support job training, ESL classes and technology-based training need to be promoted to build a capable workforce that can take advantage of Salem's growing service industry and healthcare-related job base. Agencies and organizations such as the North Career Center, Salem State College, and the North Shore Workforce Investment Board, work with the City of Salem to help improve the available workforce within the city and north shore region.

The **North Shore Career Center** acts to bring together employers and the workforce toward strengthening Salem's economy. A spokesperson for the North Shore Career Center reports that about 4,500 people visited the organization for career services last year. The center is one of three "one-stop" career centers in the North Shore. It receives state and federal funding to support programs that bridge the gaps between the region's labor force and employers on the North Shore. While the Career Center primarily services the needs of the older workers, it has established a program to help youths who will be entering the labor force, creating a base of "prepared" employees.

¹⁰⁴ A location quotient of <.90 generally indicates an industry that is weaker in Salem relative to Essex County or the state; a location quotient of >1.10 generally indicates an industry that is stronger in Salem than in the geographic comparison areas.

Table IV-14: Employment Base in Salem by Industry, Wages and Location Quotient

Industry	Salem Employers	Salem Employment	Average Weekly Wages	Location Quotient Comparison Area	
				State	Essex County
Total Industries	1,296	18,415	\$783	N/A	N/A
Goods-Producing Domain	146	1,612	\$917	0.57	0.41
Construction	88	669	\$1,026	0.77	0.78
Manufacturing	58	943	\$840	0.49	0.31
Durable Goods	29	632	\$909	0.51	0.31
Non-Durable Goods	29	311	\$699	0.47	0.33
Service-Providing Domain	1,150	16,804	\$770	1.08	1.16
Trade, Transp. & Utilities	255	3,235	\$645	0.91	0.92
Utilities	3	290	\$1,438	3.60	3.59
Wholesale Trade	61	443	\$1,110	0.56	0.66
Retail Trade	169	2,235	\$453	1.07	0.93
Transp. & Warehousing	22	266	\$622	0.43	0.78
Information	14	220	\$1,118	0.39	0.46
Financial Activities	104	970	\$1,071	0.75	1.16
Prof., Business Services	253	1,658	\$931	0.64	0.80
Prof., Technical Services	194	668	\$915	0.51	0.69
Management of Enterprises	4	176	\$2,045	0.46	0.72
Administrative Services	55	814	\$703	0.88	0.93
Education & Health Services	170	6,473	\$911	1.49	1.48
Educational Services	20	2,067	\$902	1.19	1.28
Health Care, Social Services	150	4,406	\$915	1.69	1.60
Leisure & Hospitality	159	2,350	\$366	1.37	1.29
Arts & Entertainment	32	728	\$488	2.45	2.07
Hospitality, Food Services	127	1,622	\$311	1.14	1.11
Other Services	172	777	\$376	1.13	1.14
Public Administration	23	1,120	\$877	1.42	1.54

Source: ES-202, Annual Report 2003. Location quotients by author.

Salem State College is located in Salem. The College “seeks to build a community that includes all ages, races, and socioeconomic backgrounds...and is responsive to the needs of a wide spectrum of individuals as well as to the needs of the Commonwealth of Massachusetts.... Additionally, as a cultural, artistic, and educational focal point of the North Shore, Salem State is committed to providing diverse experiences, including a broad range of non-credit programs, for the benefit of the wider community.”¹⁰⁵ In addition to providing highly competitive educational services, Salem State College supports the community in which it is located by offering a wide range of services to school age children and local entrepreneurs. The **Horace Mann Laboratory School** (a City of Salem Public School) is located within the Salem State College Campus giving the school the advantage of

¹⁰⁵ Salem State College, “Mission of Salem State College,” <<http://www.salemstate.edu/about/SSC-mission.php>>.

collaborating with college faculty and students in a variety of ways.¹⁰⁶ Also located on the campus is the **Enterprise Center** at Salem State College. The center acts as a “business incubator where start-up small businesses may lease space in the center’s building *and* a virtual center for North Shore entrepreneurs at every stage of business development.” The Enterprise Center strives to provide services that will enhance the City of Salem and the surrounding North Shore communities.

The City of Salem is the lead community for the **North Shore Workforce Investment Board (WIB)**, representing 19 surrounding communities. The Mayor of Salem, acting on behalf of the participating communities, is responsible for appointing community and business leaders that will work to uphold the WIB’s mission of meeting the workforce needs of the region, both those of individuals and employers. Through partnerships with schools, colleges, training providers, public organizations and businesses, the WIB builds and supports a workforce development system that serves all members of the North Shore community at any point where work-related services are needed.¹⁰⁷ The WIB assist over 14,000 employers, schools and agencies, adults, and youths each year with job screening services, labor needs programs, job training, career training and other services. The WIB is also responsible for administering the F1rstJobs Summer Employment initiative for North Shore Teens. F1rstJobs places North Shore youths in jobs that will provide them with important job training and skills that can be utilized in the future when applying for employment. The WIB is an important tool for workforce development, not only to employees and employers in Salem but also to the larger North Shore region.

IV.D-1.2. Housing and Economic Development

Maintaining a high-quality standard of living is a recurring theme in community development throughout the Boston area, and job readiness is an important part of achieving that goal. However, the lack of affordable housing has greatly hindered business expansion across the Boston metropolitan area. Even though Salem has a substantial amount of affordable housing – with 12.8% of its total housing stock on the Chapter 40B Subsidized Housing Inventory – some employees of Salem businesses cannot afford to rent or own a home in the City, and many jobs in Salem do not offer a “livable” wage that would allow people to live and work in Salem. The maximum affordable rent for a hospitality worker earning Salem’s average weekly wage of \$488.00 is only \$610.00, yet the monthly rents for one-bedroom apartments in Salem start at \$695.00.

Many people choose Salem because they can find homes, condominiums and rental units that are reasonably affordable in a region where housing prices have skyrocketed. While Salem is affordable compared to other communities around Boston, it is not affordable from the vantage point of some local, lower-income employees or existing residents. Employers say that the shortage of affordable housing opportunities is one factor that discourages companies from locating in Salem. As of 2004, the median sale price for single-family homes in Salem was \$319,000 and for condominiums, \$266,000.¹⁰⁸ Without some form of subsidy, such as the city’s down payment assistance program, interest-rate subsidies or purchase price buy-downs, these prices exceed what many Salem households and employees of local establishments can actually afford. Under the state’s affordable housing pricing guidelines, a household with annual income of \$44,033 can afford to purchase a

¹⁰⁶ Horace Mann Laboratory School, “About Our School,” <<http://www.horacemannlabschool.org/>>.

¹⁰⁷ North Shore Workforce Investment Board, “Mission Statement,” <<http://www.northshorewib.com/>>.

¹⁰⁸ The Warren Group, “Town Stats.”

single-family home for about \$134,000, and Salem's established homeowners, whose incomes are higher, can afford a purchase price of about \$180,000. For health care workers earning an average of \$686 per week, however, a purchase price of \$106,000 represents the maximum.¹⁰⁹ Since a large percentage of local businesses tend to offer lower-wage employment, economic development in Salem truly hinges on an adequate supply of affordable rental housing.

IV.D-1.3. Transportation

Historically, access to Salem has been a major barrier to building a stronger, more durable economy. It is very difficult for Salem to lure larger new companies because it lacks good highway access and companies may be discouraged from locating in Salem because it does not have direct access to any major roadways. A local business man commented at one public meeting that his employees have indicated that commuting to Salem from points south of Route 128 is too difficult because of traffic congestion. Larger businesses would provide a wide range of jobs and serve as a catalyst for economic growth.

For decades, Salem has faced an uphill battle to improve access to Route 128. Today, building new roadways is antithetical to many of the state's core development policies. The Salem-Beverly Transportation Project is a State funded improvement project intended to provide increased access to Salem from Peabody and Beverly (communities that have direct access to Routes 128, Route 95 and/or Route 1) and decrease traffic congestion in the Bridge Street area. The project includes the construction of the Veterans Memorial Bridge (completed), the construction of the Bridge Street Bypass Road (currently completing permitting and bidding) and the rehabilitation of Bridge Street (on the FY06 TIP). The Salem-Beverly Transportation Project will 1) improve the business climate by improving access for visitors and Salem's tourism economy and 2) improve the quality of life for Salem's residents through the elimination of traffic congestion, increase in public safety and upgrade of roadways, utilities and other neighborhood improvements. Additional benefits of the project include: 1) A bike path will be constructed along most of the Bridge Street Bypass roadway, which will improve bicycle access between the commuter rail, downtown, Bridge Street neck and Beverly; 2) A 20-inch water line will replace an old and outdated existing system, providing improved water services and fire protection; and 3) All traffic signals associated with the project will be upgraded to technology that allows police and fire vehicles priority passage.

Only 28% of Salem's labor force works locally, and most others commute by car to suburban places of employment. Some Salem residents cannot access available job opportunities because they lack the skills necessary to compete and they have transportation and childcare impediments. Some organizations indicated that there is a great need for better transportation services in Salem such as improved taxi service and improved bus and train services. Improved transportation would help residents to access jobs, use educational services, and purchase goods and services locally. The Massachusetts Bay Transportation Authority (MBTA) currently offers train service to and from Boston via the Newburyport/ Rockland line. Currently, it costs \$7.50 for a round trip ticket to Boston from Salem. Bus service is also offered by the MBTA from the Salem Depot to Downtown Crossing in Boston at a round trip rate of \$6.90. While the MBTA service provides transportation to and from Boston, it offers little help to those in need of intercity transportation services. According to the

¹⁰⁹ Maximum affordable purchase price calculations are based on the Commonwealth's Local Initiative Program (LIP) guidelines. The LIP pricing formula assumes a 7% fixed-rate mortgage for 30 years and a 5% downpayment.

Census 2000, only 1.4% of Salem's employed labor force commute by bus and only 6.0% commute by train. A relatively small portion of Salem residents are utilizing MBTA services, which may reflect inconveniences in the service schedule or expensive fares. Transportation services such as increased bus routes within Salem would greatly help those in need of local transportation.

IV.D-2. Infrastructure

Investments in maintaining and improving a community's infrastructure, such as sewer, utilities, and roadways, along with public realm enhancements, create a desirable place for businesses and industries to locate. Revitalizing older, established areas with homes and businesses is important for the sustainability of built-out communities, and Salem has worked hard to capitalize on its built assets to improve the City's economy. During the citizen participation process, many people noted that improvements to intersection signals, flood controls, sidewalk repairs and lighting are still key to meeting Salem's economic development goals. Neighborhood associations also want the City's help to keep their neighborhoods clean by placing trash receptacles near bus stops and throughout the community. In addition, the City's elderly say that downtown sidewalks need to continue to be improved and made fully accessible to persons with mobility impairments. Ongoing beautification projects, including tree plantings, street and sidewalk improvements, signage, and lighting programs have been implemented and continue to be a priority for many Salem residents. The City currently uses about 8% of its CDBG funds for these kinds of projects, but CDBG funds cannot address all of its infrastructure needs.

IV.D-3. Local Priorities

Although Salem ranks 17th out of 351 cities and towns in Massachusetts in affordable housing (12.8% subsidized housing inventory)¹¹⁰, it was repeatedly discussed by attendees throughout the citizen participation process that Salem's highest priority need is permanent affordable housing and the preservation of existing multi-family housing stock. Representatives of social service agencies further clarified that many of their clients cannot afford housing that is considered "affordable" by definition without some sort of subsidy.

Approximately 50%, a percentage that has grown steadily up over the last five-years, of Salem's total CDBG and HOME funding is allocated to housing assistance, including the housing rehabilitation program, rental assistance and first-time homebuyer loans. The City runs a housing rehabilitation program that is supported with HOME and CDBG funds. Each year, the program finances rehabilitation of 15-20 units occupied by low- or moderate-income homeowners of 1-4 family homes. In addition, approximately 10-11% of its funds go to public service programs of which a significant number of programs are housing related services. The City makes an equally important contribution to public facility projects, infrastructure improvements, and economic development programs by committing approximately 25% of its federal resources to these activities. This clearly shows that Salem is focused on meeting the community's needs for economic vitality as well as improving its housing stock.

¹¹⁰ Department of Housing and Community Development, "Chapter 40B Subsidized Housing Inventory," March 2005 <<http://www.mass.gov/dhcd>>.

Participants in a recent focus group on economic development said the City should concentrate resources on job training and continuing to revitalize Downtown Salem. The City has been allocating about 9% of its federal funds for small business loans, the Salem Main Streets Downtown Program, the Neighborhood Storefront Improvement Program, and Technical Assistance like the Salem Harbor CDC's Advancing Community Business Program. These activities encourage business development and retention, and stress downtown's role as the civic, social and cultural center of Salem. Investing in business development helps to create a stronger business base with "livable wage" jobs that benefit local residents. According to the Salem Main Street Initiative, "Millions of dollars in public and private development and investment projects are transforming downtown neighborhoods in Salem, creating new jobs, and increasing opportunities for additional housing and retailing."¹¹¹ By supporting the Salem Main Street Initiative, the City is working to create an even better place for its businesses, residents and workers. In addition, support for infrastructure improvements and job training programs will remain important priorities for Salem. Residents and employers say these services are crucial to maintaining and improving Salem's economic base.

IV.D-4. LEAD PAINT NEEDS

Salem is one of 18 communities listed by the Massachusetts Department of Public Health as a high-risk community for childhood lead poisoning. A high-risk community is defined as a city or town with 15 or more cases of childhood lead poisoning over a five-year period and an Adjusted Rate greater than 1.5.¹¹² Almost 70% of the cases of childhood lead poisoning in Massachusetts occur in these 18 communities. Of the 18 high risk communities in the Commonwealth, Salem has the 15th highest Adjusted Rate.

There were 16 reported cases of childhood lead poisoning in Salem from 1998-2003. Children with lead poisoning have blood lead levels of at least 20 mcg/dL. Salem does a comparatively good job of screening children under six for lead levels. Since more than 90% of all children aged 9-48 months are screened for lead paint, the reported cases represent nearly all cases of lead poisoning. Table IV-18 reports recent statistics for Salem, all high-risk communities and the state as a whole.

Table IV-15: Salem and Childhood Lead Poisoning

Geography	Cases					
	Cases 1998-2003	Per 1,000 Children	% LMI	% Housing Pre-1950	Adjusted Rate	% Screened
Salem	16	1.9	40	61	3.0	91
All MA High- Risk	1,236	2.9	48	61	5.5	81
Massachusetts	1,803	1.5	35	44	1.5	72

Source: Massachusetts Department of Public Health, Childhood Lead Poisoning Prevention Program, "High Risk Communities for Childhood Lead Poisoning July 1, 1998 – June 30, 2003."

¹¹¹ Salem Main Streets Initiative, <<http://www.salemmainstreets.org/index.html>>.

¹¹² The Adjusted Rate is a weighted average comparing incidence of lead poisoning with risk factors in individual communities to the state. The calculation is computed by: (Rate of poisoning per 1,000 children by town) * (% LMI by town/ % LMI in MA) * (% of housing stock built before 1950 by town / % of housing stock built before 1950 in MA). The Massachusetts Adjusted Rate is 1.5 compared to 3.0 in Salem.

Manufacturers began to reduce the use of lead in paint products during the 1950s, but production of lead-based paint was not halted entirely until 1978. As a result, older housing units are much more likely to be contaminated. The age of the housing stock in Salem is a major lead paint risk factor. About 61% of the housing in Salem was built prior to 1950, or about 10,688 units.¹¹³ In contrast, 44% of all housing units in Massachusetts pre-date 1950.

The age of the housing stock not only increases the risk of lead poisoning for children under 6, but also has a negative impact on the rental housing market. Some Salem housing advocates and service providers believe that some landlords have discriminated against families with young children in order to avoid lead paint law compliance. However, there are no statistics available to verify the existence or extent of discrimination against families with young children. Through Salem's participation in the North Shore HOME Consortium, many property owners in Salem have been able to obtain state and federal funds to address lead paint hazards. In addition to HOME funds for housing rehabilitation programs, the Consortium has also used the following programs to address lead paint hazards:

- ♦ Massachusetts Housing Finance Agency (MHFA) "Get the Lead Out" Program
- ♦ MHFA Home Improvement Loan Program
- ♦ HUD 203k Home Rehabilitation Loan Program
- ♦ Massachusetts Housing Partnership (MHP) Lead Paint Abatement Loan Guaranty and Interest Subsidy Program
- ♦ DHCD/HUD Gap Filler Lead Abatement Program
- ♦ HUD Lead Paint Demonstration Award to Cities

In Salem, the Department of Planning and Community Development's Housing Coordinator is responsible for managing grant-funded programs including CDBG, HOME, MHFA and Lead Paint Abatement. Eligible property owners can apply to these programs for funds to address lead paint hazards. One of the challenges for Salem, as in many communities with a large inventory of historic homes, is the difficulty of achieving balance between preserving unique woodwork and carrying out full lead paint abatement, which often results in the removal of architectural features. Of specific note on barriers in Salem is the impact of the new lead-based paint rules. As with countless other communities, these regulations result in higher costs per unit and therefore fewer units can be deleaded for the dollars available. In addition, the limited number of qualified contractors results in long delays in these activities. The City of Salem continues to offer assistance to address the needs of lead-based paint hazards by funding projects through our Home Improvement Loan Program and referring people to other state programs.

¹¹³ The Massachusetts Department of Public Health Childhood Lead Poisoning Prevention Program estimates 61% of Salem's housing stock was built before 1950. The 2000 U.S. Census, Table H34, reports that 59% of Salem's housing stock was built before 1950.

V. STRATEGIC PLAN: 2005-2009

The Strategic Plan outlines the City of Salem's goals and anticipated accomplishments for the next five years. As required by HUD, the City has established objectives and measures for each major program area – affordable housing, homelessness, special needs and community development – to address the needs identified in this plan. This section also describes the City of Salem's strategies for removing barriers to affordable housing, reducing lead-based paint hazards and reducing the incidence of poverty, as well as the institutional structure through which the City will implement its Consolidated Plan.

The City of Salem receives Community Development Block Grant (CDBG) funds from HUD and has traditionally invested its CDBG allocation in activities that benefit low- and moderate- income people or prevent or eliminate slums or blight. As a member of the North Shore HOME Consortium, Salem also receives an annual allocation of HOME funds, which the City uses to support the production, acquisition or rehabilitation of affordable homeownership and rental units. In each of the five years covered by this Consolidated Plan, Salem expects to receive \$1,282,124 in CDBG entitlement funding, approximately \$214,000 in HOME funds and an estimated \$225,000 in program income, based on FY06 funding levels. The total estimated five-year allocation is \$6,410,920 from CDBG, \$1,070,000 in HOME funds and \$1,125,000 in program income.

V.A. Key Findings

The Housing Market and Housing Needs sections of the Consolidated Plan shed light on several critical needs that exist in Salem today:

- ▶ **RENTAL AFFORDABILITY.** Salem needs to preserve existing affordable housing by focusing resources on housing quality and long-term affordability in privately owned rental units occupied by low- and moderate-income people.
- ▶ **AFFORDABLE HOUSING PRESERVATION.** Salem needs to track expiring use projects in a systematic way. According to the Massachusetts Department of Housing and Community Development, 1,412 of the 2,309 units on Salem's Chapter 40B Subsidized Housing Inventory are not permanently affordable. Some of these units may be subject to restrictions or renewals that have not been reported to DHCD, but Salem must continue to monitor the status of its affordable housing inventory.
- ▶ **NEEDS OF EXTREMELY LOW-INCOME HOUSEHOLDS.** Affordable housing options are decreasing for Salem's 2,935 extremely-low-income households. More than 77% are renters and more than half are severely housing cost burdened. While the City's commitment to increasing homeownership addresses valid planning objectives, Salem's worst-case housing needs are decent, suitable, permanently affordable units for households with incomes below 30% AMI.
- ▶ **CONDOMINIUM DEVELOPMENT.** Salem is attracting market-rate condominium development, mainly through redevelopment or conversion of underutilized or obsolete non-residential space. While beneficial to the City's economic development goals, these projects

currently do not address needs for affordable housing. The City needs regulatory and financial mechanisms to assure that future housing development provides benefits at all market levels.

- **PUBLIC SERVICES.** Salem needs to refine its approach to social services funding to coordinate resources, referrals and case management for homeless, special needs and low-income populations. Social services should be integrated with the City's housing, economic development and anti-poverty initiatives, with funding commitments based on targeted needs rather than agency requests. However, this could result in the elimination of CDBG funding for some programs that have been funded for many years.
- **ELDERLY HOUSING.** Suitable, affordable housing for seniors is of growing importance in Salem. For many of the City's elderly, existing public housing units do not meet their needs. Salem needs a comprehensive approach to housing affordability and services for its elderly residents.
- **STRATEGIC USE OF CDBG.** This year, the President proposed to Congress that the CDBG Program be eliminated, along with 17 other HUD programs, and that these funds be reduced and re-allocated to the Department of Commerce for his Saving America's Communities initiative. Whether the proposed CDBG cutbacks actually materialize, the threat of lost federal resources serves as a reminder that community development efforts must be focused, strategic and concentrated on needs that cannot be met through other means.

V.B. Consolidated Plan Objectives, Priorities & Strategies

V.B-1. Affordable Housing and Homelessness Needs

HOUSING OBJECTIVES & STRATEGIES

- **Objective:** Preserve the City's existing affordable housing – both subsidized and non-subsidized units – to benefit low to moderate-income households and families.
 - ♦ Expand the housing rehabilitation program to encourage investor-owners to improve units for low- to moderate-income renters. The program will offer low- or no-cost subsidies (such as 0% deferred payment loans) in exchange for a deed restriction that protects long-term rental affordability and reduces the risk of condo conversion or increases to market rents.
 - ♦ Fund a code enforcement position, targeted to low- and moderate-income neighborhoods, to inspect rental housing units for code compliance, issue enforcement orders, follow through with enforcement action as necessary, and work in conjunction with the housing rehabilitation program.
 - ♦ Develop a tracking system to verify the status of all expiring use restrictions and a realistic plan to prevent the loss of existing subsidized units.
 - ♦ Use targeted program marketing to encourage owners of lower-value, two-family and three- or four-family homes to apply for housing rehabilitation funds.

- ♦ Develop, fund and implement a Comprehensive Affordable Housing Plan.
- ♦ Continue to administer and financially assist lead-abatement programs.
- **Objective:** Increase safe, decent, sanitary affordable rental options for extremely-low-income households and families.
 - ♦ Target housing rehabilitation funds – for owner- and renter-occupied units – to benefit families with incomes below 50% AMI, particularly single-parent families and the elderly.
 - ♦ Encourage development of affordable units for households and families with incomes below 50% AMI. Use HOME, CDBG and other funds as incentives to produce new affordable units or leverage affordable unit conversions.
 - ♦ Continue to support rental assistance for low- and extremely-low-income households.
 - ♦ Support tenant selection, property management and dispute resolution training to City landlords.
 - ♦ Invest federal funds in small-scale redevelopment or conversion projects and secure restrictions that guarantee affordability upon resale
- **Objective:** Continue to promote homeownership while balancing the City’s critical need to preserve affordable rental housing, especially for extremely-low and low-income families.
 - ♦ Invest federal funds in appropriate small-scale redevelopment or conversion projects and secure restrictions that guarantee affordability upon resale.
 - ♦ Consider incentives for developers to include units affordable to moderate-income homebuyers in new condominium or conversion projects.
 - ♦ Continue to provide financial assistance to income-eligible, first-time homebuyers in Salem.
- **Objective:** Increase supportive housing for the disabled, those transitioning from homelessness and women and children fleeing domestic violence.
 - ♦ Disseminate information to increase knowledge about existing social services, including use of the City’s web site.
 - ♦ Disseminate information to increase knowledge about housing rights, including use of the City’s web site and support social service providers that provide community education (tenants, landlord and elderly).
 - ♦ Continue to fund homeless prevention programs, outreach street advocates and food pantries as well as youth programs, job training and community health services.
 - ♦ Provide supportive housing for the disabled and persons and families transitioning from homelessness, as well as women and children fleeing from domestic violence, through assistance to the Salem Mission or other organizations.

FUNDING PRIORITIES

- ♦ The production and preservation of affordable housing and the provision of housing services for extremely-low-income households and families, including the homeless and special needs populations.
- ♦ The production and preservation of housing for renters, especially families in rental housing.
- ♦ Activities to increase affordability and assure housing quality for low-income and extremely-low-income homeowners, especially the elderly.
- ♦ Homeownership assistance.

V.B-2. Economic Development

ECONOMIC DEVELOPMENT OBJECTIVES & STRATEGIES

- **Objective:** Promote prosperity and self-sufficiency for Salem's low-income and minority residents by targeting funds to economic development and related public service programs that address these needs.
 - ♦ Give preference to social service programs that provide child care services or subsidized transportation vouchers for low- and extremely-low-income single parents with dependent children and women fleeing from domestic violence.
 - ♦ Give preference to social service programs that provide job training and ESL services to low- and extremely-low-income people.
- **Objective:** Encourage the retention and creation of local businesses that provide jobs to low- and moderate-income residents of Salem.
 - ♦ Continue to finance low-interest or deferred payment loans for new, emerging or expanding small businesses that employ low- and moderate-income workers.
 - ♦ Continue to provide technical assistance, training and referrals for owners of small businesses that employ low- and moderate-income workers.
- **Objective:** Encourage low- and moderate-income people to develop sustainable businesses, including micro-enterprise, that contribute to the vitality and diversity of Salem's economy.
 - ♦ Continue to provide low-interest or deferred payment loans and technical assistance to low- and moderate-income businesses or potential business owners.
 - ♦ Continue to support community-based microbusiness training and development services.
- **Objective:** Target federal funds and other resources to reduce poverty by strengthening the job readiness, job training, ESL and other employment-related needs of Salem's low- and moderate-income residents.

- ♦ Continue to support the efforts of local organizations that provide job training and ESL services to Salem’s low- and moderate-income population.
- ♦ Provide support for child care services needed by low- and moderate-income families, making single-parent households a top priority.
- ♦ Collaborate with Salem State College/Enterprise Center for job training, computer literacy and ESL classes.

► **Objective:** Support improvements to commercial property and infrastructure in Salem’s urban renewal areas and eligible neighborhood business or service areas.

- ♦ Continue to fund commercial property (storefront) improvements that will enhance and contribute to downtown’s vitality.
- ♦ Continue to fund improvements to eligible businesses for building code corrections.
- ♦ Continue to fund improvements that incorporate accessibility by design, assisting small businesses covered by Title III of the Americans with Disabilities Act to provide access to persons with disabilities.
- ♦ Target federal funds as a “gap filler” for infrastructure that directly support local economic development initiatives.

FUNDING PRIORITIES

- ♦ Activities that relate logically and directly to the City’s affordable housing and anti-poverty initiatives.

V.B-3. Public Services

PUBLIC SERVICE OBJECTIVES & STRATEGIES

► **Objective:** Target community development resources to complement the City’s affordable housing, economic development and anti-poverty initiatives.

- ♦ Give priority to social service activities that support the affordable housing objectives of this Consolidated Plan.
- ♦ Continue to support the efforts of local organizations that provide job training and ESL services to Salem’s low- and moderate-income population.
- ♦ Provide support for child care services needed by low- and moderate-income families, making single-parent households a top priority.
- ♦ Support job readiness and job training services for the City’s low-income youth.

- ♦ Target social service activities to increase the safety and livability of low-income neighborhoods.
- ♦ Continue to administer and participate in Salem H.O.P.E., including the production of the quarterly Salem HOPE newsletter.
- ♦ Tailor future Requests for Proposals and Annual Action Plans to address priority social service needs.
- ♦ Coordinate public services with neighborhood improvements in low-income target areas, such as increased police patrols, community policing services, or neighborhood-based recreation programs.
- ♦ Continue to fund the Transportation Program at the Salem Senior Center.

FUNDING PRIORITIES

- ♦ Activities relate logically and directly to the City's affordable housing and anti-poverty initiatives.

V.B-4. Neighborhood Improvements

NEIGHBORHOOD IMPROVEMENT OBJECTIVES & STRATEGIES

- **Objective:** Focus neighborhood improvements on activities that benefit low- and extremely-low-income households and that directly support other objectives of this Consolidated Plan.
 - ♦ Work toward integrating neighborhood improvement and affordable housing activities, such as by funding accessible sidewalks in a neighborhood that is also a housing rehabilitation target area.
 - ♦ Remove public health and environmental hazards in low- and moderate-income neighborhoods, and promote participation from Environmental Justice Populations in identifying priorities, planning clean-up efforts and pursuing reuse goals.
 - ♦ Continue to improve neighborhood facilities that meet the needs of families and individuals in predominantly low-income areas of the City.
 - ♦ Continue to make improvements to neighborhoods with small capital improvements such as tree planting and the installation of trash receptacles.
 - ♦ Continue to fund improvements to streets, parks, parking facilities, fire stations and other infrastructure and public facility improvements that improve the quality of life in eligible neighborhoods or for specific populations in need (i.e. disabled, abused, elderly, minority, youth, etc.)
- **Objective:** Assure that persons with disabilities have equal access to the City's public buildings, schools, parks and playgrounds, and facilities

- ♦ Continue to fund barrier removal activities in City neighborhoods.
- ♦ Assure that improvement activities are designed for barrier-free access by persons with mobility impairments.
- ♦ Improve the safety and accessibility of sidewalks and roadways in the City's neighborhoods and business areas.

FUNDING PRIORITIES

- ♦ Activities relate logically and directly to the City's affordable housing and anti-poverty initiatives.

V.B-5. Planning & Administration

PLANNING & ADMINISTRATION STRATEGIES

- **Objective:** Assure adequate local capacity to manage federal funds and other resources the City invests toward meeting its housing and community development needs.
 - Provide continued support for administration and compliance monitoring in the City's Department of Planning and Community Development.
- **Objective:** Meet the City's ongoing planning needs, primarily in the areas of affordable housing and economic development and the linkages that exist between them.
 - Support housing and community development planning activities, such as a Comprehensive Affordable Housing Plan.
 - Support planning and pre-development activities (i.e. studies) that enable the City to carry out housing and community development projects.

FUNDING PRIORITIES

- ♦ Capacity to implement the City's affordable housing and anti-poverty initiatives, to monitor for compliance both internally and externally, i.e., sub-recipients.

V.C. Performance Measures

The City of Salem will evaluate its performance and the effectiveness of community development investments under this Five-Year Consolidated Plan by tracking and monitoring the following types of data for each major activity category. To the maximum extent practical, performance measure data will be collected and used to measure performance in more than one activity category. For activities carried out by non-profit agencies or other City departments, the Department of Planning and Community Development will collect data on a monthly or annual basis, as applicable. These measurements may be expanded or adjusted to conform to the specific activities contained in each Annual Action Plan.

V.C-1. Affordable Housing & Homeless Needs

OBJECTIVES	PERFORMANCE MEASURES
<p><u>Objective:</u> Preserve the City’s existing affordable housing – both subsidized and non-subsidized units – to benefit low- to moderate-income households and families.</p>	<ul style="list-style-type: none"> • Number of code enforcement actions. • Number of code enforcement actions resulting in compliance. • Number of existing subsidized housing units that remain on the Chapter 40B Subsidized Housing Inventory with each update published by DHCD. • Number of expiring use restrictions extended beyond current expiration dates. • Number of rental units made lead safe for occupancy by low- and moderate-income families with young children. • Number of existing multi-family rental units improved and protected from condominium conversion by virtue of a regulatory agreement and affordable housing restriction that lock in rental affordability.
<p><u>Objective:</u> Increase safe, decent, sanitary affordable housing rental options for extremely-low-income households and families.</p>	<ul style="list-style-type: none"> • Number of housing units added to the Subsidized Housing Inventory by virtue of deed or other restrictions. • Number of rental units made lead safe for occupancy by extremely-low-income families with young children. • Number of new rental units produced that are affordable to extremely-low, low- and moderate-income households and families.
<p><u>Objective:</u> Continue to promote homeownership while balancing the City’s critical need to preserve affordable rental housing, especially for extremely-low and low-income families.</p>	<ul style="list-style-type: none"> • Number of low- or moderate-income homebuyers purchasing an affordable home in Salem through the First Time Homebuyer Program. • Increase in minority homeownership through First Time Homebuyer Program • Number of new units produced that are affordable to extremely-low, low- or moderate-income homebuyers.
<p><u>Objective:</u> Increase supportive housing for the disabled, those transitioning from homelessness and women and children fleeing domestic violence.</p>	<ul style="list-style-type: none"> • Number of homeless persons and families assisted in Salem through programs funded with CDBG • Decrease in the reported number of homeless individuals on the streets and in the Salem Mission shelter • Number of social service agencies under contract with the City to provide CDBG-assisted services.

V.C-2. Economic Development

OBJECTIVES	PERFORMANCE MEASURES
<u>Objective:</u> Promote prosperity and self-sufficiency for Salem’s low-income and minority residents by targeting funds to economic development and related public service programs that address these needs.	<ul style="list-style-type: none"> • Number of low-income and minority residents successfully completing job training or ESL programs. • Number of low income and minority residents who receive CDBG assisted child care services and/or subsidized transportation vouchers
<u>Objective:</u> Encourage the retention and creation of local businesses that provide jobs to low- and moderate-income residents of Salem.	<ul style="list-style-type: none"> • Number of low-income jobs retained as a direct result of City-sponsored loan or technical assistance programs. • Number of new low-income jobs created as a direct result of City-sponsored loan or technical assistance programs. • Minority percent of low- and moderate-income job beneficiaries.
<u>Objective:</u> Encourage low- and moderate-income people to develop sustainable businesses, including micro-enterprise, that contribute to the vitality and diversity of Salem’s economy.	<ul style="list-style-type: none"> • Number of new microbusinesses created as a direct result of City-sponsored loan or technical assistance programs. • Percentage of City-assisted microbusinesses that are minority- or women-owned businesses.
<u>Objective:</u> Target federal funds and other resources to reduce poverty by strengthening the job readiness, job training, ESL and other employment-related needs of Salem’s low- and moderate-income residents.	<ul style="list-style-type: none"> • Number of low-income residents participating in CDBG funded job training or ESL programs. • Number of minorities participating in job training or ESL programs.
<u>Objective:</u> Support improvements to commercial property and infrastructure in Salem’s urban renewal areas and eligible neighborhood business or service areas.	<ul style="list-style-type: none"> • Number of storefronts improved. • Number of commercial properties that remove barriers to persons with disabilities as a direct result of City-financed improvements. • Number of landscaping, lighting and other improvements leveraged by City-financed improvements. • Linear feet of infrastructure improvements in commercial areas leveraged by City-financed activities.

V.C-3. Public Services

OBJECTIVES	PERFORMANCE MEASURES
<p>Objective: Target community development resources to complement the City's affordable housing, economic development and anti-poverty initiatives.</p>	<ul style="list-style-type: none"> For each public service agency assisted through CDBG they will be contractually obligated to show how the activity worked toward resolving the program need through measurement of program impact. Number of CDBG assisted children receiving City-assisted child care services. Number of organizations receiving CDBG assistance to provide job training and ESL services for Salem residents. Number of persons avoiding homelessness through CDBG assistance. Number of community policing services or neighborhood-based recreation programs carried out in neighborhoods with current or recently completed neighborhood improvement projects. Number of organizations participating in Salem H.O.P.E.

V.C-4. Neighborhood Improvements

OBJECTIVES	PERFORMANCE MEASURES
<p>Objective: Focus neighborhood improvements on activities that benefit low- and extremely-low-income households and that directly support other objectives of this Consolidated Plan.</p>	<ul style="list-style-type: none"> Number of sidewalks improved and made accessible as a direct result of City-financed improvements. Number of environmental hazards eliminated in LMI neighborhoods, wholly or partially financed by the City. Number of park and playground improvements carried out by the City in income eligible neighborhoods. Linear feet of infrastructure improvements in eligible neighborhoods leveraged by City-financed activities. Number of trees planted in eligible neighborhoods
<p>Objective: Assure that persons with disabilities have equal access to the City's public buildings, schools, parks and playgrounds, and facilities.</p>	<ul style="list-style-type: none"> Number of CDBG-financed accessibility improvements in public buildings. Number of parks, playgrounds or other recreation facilities made accessible in whole or in part with City assistance. Number of sidewalks, parking areas and other elements of the public realm made accessible in business districts.

V.C-5. Planning & Administration

OBJECTIVES	PERFORMANCE MEASURES
Objective: Assure adequate local capacity to manage federal funds and other resources the City invests toward meeting its housing and community development needs.	<ul style="list-style-type: none"> • Timely commitment and timely expenditure of funds. • Audits and program monitoring with no non-compliance findings or corrective action requirements. • Number of organizations receiving technical assistance from City staff to apply for and receive CDBG (or other) funds for eligible community development activities.
Objective: Meet the City's ongoing planning needs, primarily in the areas of affordable housing and economic development and the linkages that exist between them.	<ul style="list-style-type: none"> • Successful completion of Comprehensive Affordable Housing Plan. • Number of planning and pre-development activities carried out or supervised by City staff, for eligible community development projects.

V.D. Anti-Poverty Strategy

This Anti-Poverty Strategy describes programs and policies the City is supporting in its efforts to reduce the number of households living below the poverty level. Some public service agency representatives state that Salem residents in poverty stay in poverty because they lack adequate skills for better employment opportunities. As result, they work multiple jobs to pay for housing, utilities, transportation expenses, and childcare. Providing adequate job training and educational opportunities will enable them to enter the workforce at a more competitive level.

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

V.D-1. Education

The Salem School Department has been participating in a voluntary desegregation program since 1987 in an effort to give residents more choices about the school system they want their children to attend. The City has used state funding to renovate and improve its educational facilities and provide school-age children with an environment conducive to learning. MCAS results from 2004 show 52% of 10th grade students are advanced or proficient in English and 53% are proficient in Mathematics, which is an increase since 2003. Salem has hired more than 40 new teachers in recent years in efforts to reduce class sizes. As a result, students receive more personal attention and instructional support.

Many of Salem's schools focus on particular subjects. The school choice program is ideal for educating children with specific skills that will enable them to obtain employment when they graduate. For example, the Saltonstall School is a magnet school that focuses on science and technology base. It is equipped with 140 computers for its 400-plus students. Like many of Salem's schools, the Saltonstall School provides transitional bilingual classes, which integrate English and Spanish speaking students within the classroom. This approach helps Spanish speaking students to become proficient in English. Encouraging youths to attend service-oriented schools will provide the future workforce with the skills necessary to find employment and reduce poverty. In addition, the Horace Mann Laboratory School focuses not only on academics but also attempts to teach students important social skills that will help them communicate in the working world. The school also encourages community service by offering programs to its students within nursing homes and helping needy families. Activities such as these help students at an early age see the importance of working and encourage them to obtain jobs after they finish their education.

Salem's Parent's Information Center provides parents with information to help make educational decisions for their children. It provides interpretation and written translation services, resources for school information, and adult education programs. The center also provides school placement services. The Information Center coordinates the City's school choice program, which is designed to improve racial balance within the school systems. The City of Salem's Title 1 Program is designed to provide programs such as Computers for Beginners for parents of school-age children. This type of program is designed to help low-income families who may not otherwise have access to computer training. The City's attention to its public schools is part of a larger strategy to help children achieve academically and in the work place. An adequate school system is crucial to reducing poverty in future generations. The Salem Public Schools support bilingual classroom settings and technology-based training that will enable those with lower incomes to improve their job opportunities.

Salem also has a Head Start Program which is operated within the former Endicott School on Boston Street.

V.D-2. Job Training and Employment Resources

The North Shore Career Center helps potential employees to improve their skills and meet the needs of the job market. The Career Center receives its funding from federal, state and local resources. Unfortunately, the funds are often subject to limitations. For example, the Center recently received a National Emergency Grant that is restricted to assistance for people affected by Sears/Citigroup consolidations. The Center also receives Title I funds, which are limited to serving very-low-income people. While the National Emergency Grant and Title I funds meet important needs, they leave some Salem residents underserved because not everyone meets the qualifications of these funding sources. The Career Center continues to help economically disadvantaged populations receive specific skills to obtain better paying jobs with the continued support of the City of Salem.

Salem is home to the Mass. Job Training, Inc. (MJT), a private non-profit organization which is funded by various state and federal agencies. MJT offers programs such as basic adult education, GED preparation and ESL classes. MJT also has programs to help young parents receive an education that they might otherwise not be able to receive because they are disadvantaged. The program offers a basic education and pre-vocational skills training to help adults obtain better employment and reduce dependence on public assistance. Mass. Job Training, Inc. is a vital part of

Salem's anti-poverty strategy. Job training and ESL classes help to strengthen and diversify the City's labor force by providing opportunities for lower-income people to advance in employment.

The City of Salem is the lead community for the North Shore Workforce Investment Board (WIB), representing 19 surrounding communities. The WIB directs federal, state and local employment and training funds so that job seekers can find training and employment and businesses can find employees that are skilled and ready to work. Through partnerships with schools, colleges, training providers, public organizations and businesses, the WIB builds and supports a workforce development system that serves all members of the North Shore community at any point where work-related services are needed.¹¹⁴ The WIB assist over 14,000 employers, schools and agencies, adults, and youths each year with job screening services, labor needs programs, job training, career training and other services. The WIB is also responsible for administering the F1rstJobs Summer Employment initiative for North Shore Teens. F1rstJobs places North Shore youths in jobs that will provide them with important job training and skills that can be utilized in the future when applying for employment. Other programs include Training for Employed Workers, Training for Displaced Workers, School to Career, Welfare to Work and Workforce Investment Act.

Through its CDBG funds, the City of Salem supports variance job training and employment assistance programs, such as the Wellspring House MediClerk Program and self-sufficiency programs run by the Salem Family Investment Center.

V.D-3. Affordable Housing

Through cooperative efforts with state, federal and local organizations, the City has taken a comprehensive approach to preventing poverty. Providing adequate, affordable housing for Salem's low- and moderate-income residents is critical to the success of any anti-poverty strategy. High housing costs and low-wage jobs continue to hinder the efforts of some to climb out of poverty. City agencies such as the Salem Housing Authority and Department of Planning and Community Development are committed to providing safe, secure, suitable, and appropriate affordable housing opportunities to extremely-low, very-low, and low income family, elderly, and disabled households. In addition, many housing providers and social service agencies work together to combat poverty in Salem. The City's established partnerships with the North Shore Community Action Program, Inc. (NSCAP), the North Shore HOME Consortium and the Salem Harbor CDC increase its success at bringing services to lower-income residents and encouraging them to participate in revitalizing their community.

North Shore Community Action Programs, Inc. (NSCAP) is an anti-poverty agency providing services to Salem, Peabody, Beverly and Danvers. The goal of NSCAP is to help low-income people empower themselves as they move toward self-sufficiency, and to motivate the larger community to be more responsive to the needs of low-income people. This agency provides an array of services, such as assistance with home heating bills, ESL classes, a housing assistance program, and a transition to work program with job training, financial management services and job-readiness workshops. These programs are geared to help the poor become self-reliant and less dependent on public assistance.

¹¹⁴ North Shore Workforce Investment Board, "Mission Statement," <<http://www.northshorewib.com/>>.

The North Shore HOME Consortium's goal is to expand the regional supply of affordable housing through the acquisition, rehabilitation, and new construction of rental units, homeownership assistance and housing rehabilitation, and housing options for special needs populations and the homeless. The City's Department of Planning and Community Development is one of 28 member communities receiving a formula allocation of HOME funds. Salem is committed to distributing its HOME funds to programs that provide assistance to those in need of affordable housing. Some examples of HOME assistance in Salem include funds for the Salem Mission, the City's own Housing Rehabilitation Loan Program, the Salem Harbor CDC (a CHDO) and rental downpayment assistance programs provided by NSCAP, Catholic Charities, Salvation Army and HAWC. In addition to funds allocated to individual communities, the Consortium also financially supports activities that contribute to affordable housing in the region.

Salem provides significant funds to community housing development organizations (CHDO's), specifically Salem Harbor CDC and North Shore Community Action Programs. CHDO's are focused on changing the social and environmental factors that foster poverty and in motivating low-income residents to take control of their future and the future of their neighborhoods. Salem Harbor CDC also has a strong neighborhood component and works directly with low-income persons to develop their educational and employment skills to enable them to move out of poverty. Salem Harbor CDC programs include job training, first time homebuyers, ESL, housing acquisition/rehabilitation and economic development. It also serves as an agent of community organizing and neighborhood revitalization. The CDC works closely with public and private agencies to improve the quality of life for Salem's low- and moderate-income residents. NSCAP's programs include scattered sites shelter, ESOL and citizenship classes, transition to work programs, home care for senior citizens, fuel assistance, weatherization and immigration, housing and welfare advocacy.

V.D-4. Social Services

According to the Census 2000, 1,352 female single parents have dependent children under 18, an increase of 297 since 1990. The challenges facing this population are inadequate, affordable childcare choices, a lack of jobs that provide "mother's hours" and insufficient transportation opportunities. The Massachusetts Office of Child Care Services, Region 3 office, is located in Salem. It provides child care referrals and financial assistance. The agency provides a way for lower-income families to obtain adequate daycare so they can obtain employment and improve their quality of life.

Through its CDBG public services program, the City of Salem funds approximately 30 social service programs annually. Through an annual competitive funding round, the City of Salem financially supports nonprofit social service agency programs that provide needed services that help families meet the cost of living, promote family self-sufficiency, serve special populations or provide crisis intervention assistance, all working to break the cycle of poverty. In addition, along with the many programs that help directly with housing and household expenses (see Housing Section), CDBG funds support several other programs which indirectly assist with housing in many ways such as increased pay (i.e. job training, ESL programs) and decreased monthly expenditures (i.e. child care, food programs) so households can better afford rent or mortgages. One example is the North Shore Community Health Center which enrolls under and uninsured residents in programs for services such as health care, food and fuel assistance. Other examples of programs funded include Catholic Charities Young Parent Program which provides a social worker to assist young families with children, a child care program at Salem Point Child Care and the VOCES run Hispanic Education

Program. There are also non-CDBG funded programs, such as Salem Family Investment Center's Family Self Sufficiency Program which helps households overcome various obstacles to self-sufficiency.

Salem H.O.P.E. is a networking group of social service agencies that meet rotating public service agency locations. Open to all social service agency representatives, it is a forum to work toward filling gaps in services and avoiding the duplication of efforts. DPCD staff coordinates the quarterly meetings and distributes the Salem H.O.P.E. newsletter.

V.E. Strategies for Removing Barriers to Affordable Housing

Housing that is both affordable to and restricted for occupancy by low-and moderate-income households requires some form of subsidy. The Housing Market Analysis outlines several barriers to housing affordability in Salem: a shortage of land, the lack of regulatory tools to require or encourage affordable housing in new developments, the lack of resources to preserve existing affordable units, an economy imbalanced by lower-wage jobs, and local government's dependence on the property tax to finance City services. Like other communities, Salem is not in control of all of these barriers and as a result, its ability to solve them is constrained by financial resources and legal requirements. However, the City does have the power to zone, to target its available resources in ways that are effective at reducing affordability barriers, and to petition the General Court for authority to carry out strategies that are otherwise unavailable to cities and towns. Some examples of tools that would support the objectives of this Consolidated Plan include the following:

- Consider zoning to require or encourage inclusion of affordable units in redevelopment and new construction projects.
- Zoning to allow accessory units in single-family dwellings.
- Consider establishing a Chapter 40R Overlay District in and immediately adjacent to Downtown Salem.
- Strengthening the City's code enforcement and targeting federal, state and local resources to make substandard rental units safe, decent, sanitary and affordable.

V.F. Strategies for Reducing Lead-Based Paint Hazards

According to Census 2000, 14,232 of Salem's 18,175 housing units were built prior to 1970, which means that 78% of all homes in the City are potential lead-based paint hazards. There are 9,707 families in Salem and approximately 3,944 are low- or moderate-income families, most living in private, non-subsidized housing units. Nearly 1,900 of the City's family households have one or more children under 6, including 245 with incomes below the poverty threshold.¹¹⁵ The

¹¹⁵ HUD/CPD, "Low and Moderate Income Summary Data," Census Data [http://www.hud.gov/offices/cpd/Select CDBG Program/Census 2000; Census 2000 Summary File 1 Table P34, Summary File 3 Table P90](http://www.hud.gov/offices/cpd/Select%20CDBG%20Program/Census%202000/Census%202000%20Summary%20File%201%20Table%20P34,%20Summary%20File%203%20Table%20P90).

Massachusetts Department of Public Health classifies Salem as one of 18 high-risk communities for lead paint poisoning.

The Federal Residential Lead-Based Paint Hazard Reduction Act, 42 U.S.C. 4852d, requires sellers and landlords of most housing built before 1978 to disclose all available records and reports concerning lead-based paint and/or lead-based paint hazards to purchasers and tenants at the time of sale or lease, or upon lease renewal. The Salem Board of Health also disseminates lead paint information and assists with enforcing federal and state lead paint laws. In Salem, a landlord is required to obtain a Certificate of Fitness inspection whenever an apartment becomes vacant. The Board of Health conducts the inspection as part of its responsibility for enforcing the State Sanitary Code for Housing. When pre-inspection information is sent to the landlord, the Board of Health includes a letter describing the law, along with a copy of the Tenant Notification Form in English and Spanish. In addition, the Board of Health periodically sends notifications to area realtors.

The City's Board of Health personnel are trained to make lead determinations. The Board periodically receives calls from tenants with concerns about the potential for lead-based paint in their apartments and its impact on young children. A Sanitarian conducts a Lead Determination. If lead paint is detected, an order is sent to the landlord requiring compliance with the State Lead Law and the Board of Health ensures compliance with the order. The State Lead Program is notified of the results of all determinations.

Finally, Salem's Housing Rehabilitation Program provides loan funds to test and de-lead for qualified applicants. In addition, all participants in the City's First Time Homebuyer program receive a copy of the EPA pamphlet on lead-based paint hazards.

V.G. Strategies for Fair Housing

As a participant in the North Shore Housing Consortium, Salem is included in the Consortium's Analysis to Impediments to Fair Housing (AI) (incorporated by reference). Last completed in 1998, the AI explored different forms of housing discrimination apparent throughout the Consortium and found that distinctions between communities exist with regard to fair housing. Generally speaking, some of the Consortium's smaller communities had greater issues with housing discrimination than the larger communities.

The AI did not recommend any specific actions for Salem to undertake in order to overcome the effects of any identified impediments. Salem has worked continuously to support educational and service programs that directly or indirectly work to further fair housing. Special effort is focused on the Point Neighborhood which has the highest concentration of low-income, minority and Hispanic or Latino families. The City coordinates efforts with the Salem Harbor CDC to provide homebuyer education workshops that discuss fair housing and discrimination issues and distribute written information. In addition, the City provides funding to agencies that assist specific populations that may be subject to discrimination. The City encourages such agencies to advocate on behalf of their clients to ensure fair housing.

The Consortium is in the process of updating its Analysis of Impediments.

During the public participation meetings, many people expressed that they did not know where to turn if they suspected housing discrimination. The following are agencies that can assist those persons with fair housing issues:

- Dept. of Housing and Urban Development, Fair Housing Office; phone (800) 827-5005
- MA Commission Against Discrimination; phone (617) 994-6000
- Neighborhood Legal Services; phone (781) 599-7730
- North Shore Community Action Programs, Inc. (NSCAP); phone (978)531-0767

V.H. Institutional Structure

The Salem Department of Planning and Community Development (DPCD) is responsible for administering the City's Community Development Program as well as formula funding received from the North Shore HOME Consortium, for which the City of Peabody is the lead agency. The programs are managed by the Assistant Community Development Director under the direction of the Director of Planning and Community Development.

CDBG-assisted public services are administered by non-profit organizations selected pursuant to an annual Request for Proposals (RFP) process. The Assistant Director of Community Development oversees these subcontracts along with the administration of Salem H.O.P.E. The City's housing programs are administered under the direction of the Director of Planning and Community Development. In addition, local CHDO's and/or CDC's administer certain housing programs while private lenders provide financing in conjunction with many of the housing activities. Some activities, such as tree planting, sidewalk replacement, street paving and curb cut installation are carried out by other City departments. In some cases, the work is subcontracted under applicable public bidding procedures. When other City departments implement community development programs, they provide requests for reimbursement and supporting documentation to the DPCD. Most of the remaining activities are carried out by DPCD staff, which may include the hiring of consultants or other private businesses through established municipal purchasing procedures.

Salem's CDBG program delivery system is audited yearly through the city's auditing firm as well as through periodic reviews and monitoring by HUD field representatives. Recommendations and findings are promptly implemented and resolved. The DPCD continuously works to improve its approach to program planning and administration.

V.H-1. Coordination

The City of Salem works cooperatively with public and assisted housing providers and private and governmental health, mental health, and service agencies and other interested parties to implement its Consolidated Plan. One example is Salem H.O.P.E. (Human Organization Partnership Effort), a networking group of human service agencies that serve Salem residents. It is a free forum for agencies to learn about the services being provided by other agencies in order to fill in gaps, coordinate efforts and avoid duplication of services. All human service agency representatives are

invited to attend quarterly Steering Committee breakfast meetings held at rotating agency locations. Through this program, agency representatives are introduced to each other and they exchange information, announcements and updates.

In addition, the City of Salem works with the City of Peabody to coordinate the implementation of its HOME programs, as well as with local CHDO's and CDC's. Salem also works in cooperation and coordination with other public agencies (and funding sources) to carry out specific CDBG activities. Examples include MHFA (Get the Lead Out) and McKinney funds administered by the Salem Mission.

V.H-2. Public Housing Initiatives

The Mayor appoints four of the five Salem Housing Authority (SHA) board members. At least one member of the board must be a public housing tenant and one must be a member of organized labor. The City has no relationship with the SHA with regard to hiring, contracting and procurement. However, SHA programs assisted with CDBG funds require that the SHA follow an approved employment and volunteer policy as well as an approved purchasing policy. Proposed development sites or demolition or disposition of existing public housing developments must go through established regulatory procedures administered by the Building Department, Board of Appeal, Planning Board, or other applicable City agencies. The City of Salem must certify that the SHA's Comprehensive Plan is consistent with the Consolidated Plan.

- ▶ **ENHANCED COORDINATION** – The Salem Housing Authority has a Resident Advisory Board (RB) that encourages public and subsidy residents to become more involved in management.
- ▶ **PARTICIPATION IN HOMEOWNERSHIP** – The Salem Housing Authority disseminates material about the City's First-Time Homebuyer Program, as supplied by the Salem Planning Department.

V.H-3. Leveraging of Funds

Some projects in neighborhoods that include low- and moderate-income and non-low-income block groups may require support from non-CDBG funds. Leveraging of non-CDBG funds is encouraged, and the sources may include one or more of the following:

- ♦ City appropriations or bonds
- ♦ Massachusetts Preservation Projects Fund and Survey and Planning Grants from the Massachusetts Historical Commission
- ♦ Commonwealth Capital
- ♦ Community Development Action Grant
- ♦ Housing Stabilization Fund

- ♦ Massachusetts Chapter 90 (infrastructure) funds
- ♦ McKinney funds
- ♦ HUD Section 108 loan funding
- ♦ Economic Development Initiatives (EDI)
- ♦ Brownfields Economic Development Initiative (BEDI)
- ♦ DHCD/MHFA's "Get the Lead Out" Loan Program
- ♦ DHCD/Community Enterprise Economic Development (CEED) Program
- ♦ Matching funds from homeowners
- ♦ Social service agency matching funds
- ♦ Local business matching funds
- ♦ Local lenders

VI. APPENDIX

Appendix A: Definitions

Appendix B: Citizen Participation Plan

Appendix C: Overview of Five-Year Consolidated Plan Citizen Participation & Consultation and Summary of Consolidated Plan Public Meetings and Focus Groups

Appendix D: Monitoring Policy

Appendix E: List of Shelters, Transitional and Permanent Supportive Housing

Appendix F: Subsidized Housing Inventory

Appendix G: Consolidated Plan Management Process Tables

VI.A. Definitions

Affordable Housing: Housing owned or rented by a low- or moderate-income household where the occupant is paying no more than 30 percent of gross income for gross housing costs, including utility costs.

Area Median Income (AMI): Median income calculated annually by HUD for purposes of determining household income eligibility for Section 8 and other federal housing programs. The geographic areas for which HUD sets annual income guidelines are established by the Office of Management and Budget (OMB). Income guidelines for the Boston metropolitan area apply to the City of Salem.

CDBG: The Community Development Block Grant (CDBG) Program administered by the Department of Housing and Urban Development (HUD) authorized by Title I of the Housing and Community Development Act (HCDA) of 1974, as amended. The CDBG Program provides funding for activities that principally benefit low-and moderate-income people; prevent or eliminate slums or blight; or meet other urgent community development needs.

Community Housing Development Organization (CHDO): A private nonprofit, community-based service organization whose primary purpose is to develop safe, decent, sanitary and affordable housing for the community it serves. To be eligible for HOME funds, CHDOs must receive certification from a HOME Program Participating Jurisdiction (PJ) indicating that they meet certain HOME requirements. See also, 24 CFR Part 92.2.

Comprehensive Housing Affordability Strategy (CHAS): A National Affordable Housing Act requirement that states and units of local government must meet in order to be eligible to receive HOME funds as a HUD-approved Participating Jurisdiction or HOME Consortium.

Consolidated Plan: The document that serves as the plan (Comprehensive Housing Affordability Strategy and Community Development Plan) of a state or unit of local government and an application for funding under any of the HUD Office of Community Planning and Development formula grant programs.

Consortium: An organization of geographically contiguous units of general local government that are acting as a single unit of general local government for purposes of the HOME Investment Partnerships Program. (Salem is a member of the North Shore HOME Consortium, which is administered by the City of Peabody.)

Emergency Shelter: Any facility with overnight sleeping accommodations, the primary purpose of which is to provide temporary shelter for the homeless in general or for specific populations of the homeless.

Elderly Household: A one- or two-person household in which the head of the household or spouse is at least 62 years of age (for purposes of determining eligibility under HUD rental programs).

Elderly Person: For purposes of the Consolidated Plan, “elderly” refers to persons at least 62 years of age.

Environmental Justice: Federal policy that extends from the Civil Rights Act of 1964 to the Council on Environmental Quality Environmental Justice Guidelines for the Implementation of the National Environmental Policy Act (1981), the Executive and Secretarial Orders on Environmental Justice (1994), and the Department of the Interior's Trust Responsibility to Native Americans (1994), directing federal agencies to avoid activities that cause minority and low-income groups to suffer disproportionately from environmental hazards. The identification of high-risk groups, or Environmental Justice Populations, is based on race, income, foreign-born and non-English speaking population data reported by the Bureau of the Census.

Extra Elderly: Persons 75 years of age or older.

Extremely Low-Income Household: A household with gross income between 0 and 30% of area median income (AMI), adjusted for household size. See also, *Low-Income Household* and *Moderate-Income Household*.

Family: As defined in 24 CFR 5.403, for purposes of the Consolidated Plan. Note: the National Affordable Housing Act definition of "family" is not the same as the definition used by the Bureau of the Census to report population and demographic data. The Bureau of Census defines a family as a household of two or more persons related by birth, marriage or adoption, occupying the same housing unit. See also "Homeless Family."

First-Time Homebuyer: An individual or family that has not owned a home during the three-year period preceding a HUD-assisted purchase of a home that must be used as the principal residence of the homebuyer. A displaced homemaker or single parent (as these terms are defined in 24 CFR 92) may not be excluded from consideration as a first-time homebuyer on the basis that the individual, while a homemaker or married, owned a home with his or her spouse or resided in a home owned by the spouse.

Frail Elderly: An elderly person who is unable to perform at least three activities of daily living, such as eating, dressing, bathing, grooming, and household management activities. (See 24 CFR 889.105.)

Hispanic: As defined for Census 2000 and the American Community Survey (ACS), "Hispanic" refers to people who classify themselves in one of the specific Hispanic or Latino categories listed on the Census 2000 or ACS questionnaire—"Mexican," "Puerto Rican," or "Cuban"—and others who indicate that they are "other Spanish, Hispanic, or Latino." Origin can be viewed as the heritage, nationality group, lineage, or country of birth of the person or the person's parents or ancestors before their arrival in the United States. People who identify their origin as Spanish, Hispanic, or Latino may be of any race (i.e. white Hispanic, black Hispanic, etc.).

Homeless Family: A family composed of the following types of homeless persons: at least one parent or guardian and one child under the age of 18, a pregnant woman, or a person in the process of securing legal custody of a person under the age of 18.

Homeless Person. A youth (17 years or younger) not accompanied by an adult (18 years or older) or an adult without children, who is homeless (not imprisoned or otherwise detained pursuant to an Act of Congress or a State law), including the following:

- (1) An individual who lacks a fixed, regular, and adequate nighttime residence; and

(2) An individual who has a primary nighttime residence that is:

- (i) A supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill);
- (ii) An institution that provides a temporary residence for individuals intended to be institutionalized; or
- (iii) A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

Household: As defined by the Bureau of the Census, the term “household” means one or more persons occupying a housing unit. For CHAS, “household” is synonymous with *Family* as defined in 24 CFR 5.403 (previously 24 CFR 812.2).

Housing Cost Burden: The extent to which housing costs exceed 30 percent of a household’s gross income, according to decennial census data reported by the Bureau of the Census. See also, *Severe Housing Cost Burden*.

Housing Unit: An occupied or vacant house, apartment, or a single-room occupancy unit (SRO housing) that is intended for use as separate living quarters.

Large Related Household: A household of five or more persons, including at least one person related to the householder by blood, marriage or adoption.

Lead-Based Paint Hazard: As defined in the Residential Lead-Based Pain Hazard Reduction Act of 1992, lead-based paint hazard includes any condition that causes exposure to lead from lead contaminated dust, lead contaminated soil, lead contaminated paint that is deteriorated or present in accessible surfaces, friction surfaces, or impact surfaces that would result in adverse human health effects as established by the appropriate federal agency.

Low-Income Household: A household with gross income between 31-50% of area median income (AMI), adjusted for household size. See also, *Extremely Low-Income Household* and *Moderate-Income Household*.

Middle-Income Household: A household with income between 80-95% of area median income (AMI), adjusted for household size.

Moderate-Income Household: A household with gross income between 51-80% of area median income (AMI), adjusted for household size. See also, *Extremely Low-Income Household* and *Low-Income Household*.

Non-Family Household: A single-person household or a household of two or more unrelated people.

Over-Crowded Housing: A housing unit with more than one person per room (“room” is not limited to bedrooms).

Person with a Disability: A person who is determined to:

- (1) Have a physical, mental or emotional impairment that:
 - (i) Is expected to be of long-continued and indefinite duration;
 - (ii) Substantially impedes his or her ability to live independently; and
 - (iii) Is of such a nature that the ability could be improved by more suitable housing conditions; or
- (2) Have a developmental disability, as defined in section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001-6007); or
- (3) Be the surviving member or members of any family that had been living in an assisted unit with the deceased member of the family who had a disability at the time of his or her death.

Primary Metropolitan Statistical Area (PMSA): A geographic area defined by the federal Office of Management and Budget for use by federal statistical agencies, according to the Bureau of the Census. A PMSA consists of one or more counties (county subdivisions in New England) that have substantial commuting interchange.

Severe Housing Cost Burden: The extent to which housing costs exceed 50 percent of a household's gross income, according to decennial census data reported by the Bureau of the Census. See also, *Housing Cost Burden*.

Small Related Household: A household of two to four persons, including at least one person related to the householder by birth, marriage, or adoption.

Substandard Housing: Housing that meets one of the following definitions:

- *Not Suitable for Rehabilitation:* Housing that is in such poor condition as to be neither financially nor structurally feasible for rehabilitation.
- *Suitable for Rehabilitation:* Housing that is not in standard condition but is both financially and structurally feasible for rehabilitation. This does not include units that require only cosmetic work, correction or minor livability problems or maintenance work.

Transitional housing. A project that is designed to provide housing and appropriate supportive services to homeless persons to facilitate movement to independent living within 24 months, or a longer period approved by HUD. For purposes of the HOME program, there is no HUD- approved time period for moving to independent living.

VI.B. Citizen Participation Plan

Revised March 21, 2005

A Citizen Participation Plan sets forth 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 Citizen Participation Plan is designed especially to encourage participation by low- and moderate-income persons, particularly those living in areas where Community Development Block Grant (CDBG) funds will be used, as well as minorities, persons with disabilities, residents of public housing and other interested citizens.

The first Citizen Participation Plan was adopted in March, 2000 following a training session conducted by the Coalition for Low-Income Community Development, Inc. and based on information collected during that training, during other U.S. Department of Housing and Urban Development (HUD) or National Community Development Association (NCDA) sponsored trainings/meetings, from the 24 CFR 91.105 in the Consolidated Plan Regulations and from recommendations from other communities' and HUD representatives.

The Citizen Participation Plan is reviewed and updated at the start of the five-year Consolidated Plan process. It may also be reviewed at the start of the annual Action Plan process and updated with any ideas or comments generated over the prior year. A fifteen day comment period is advertised whenever the Citizen Participation Plan undergoes significant amendments. A fifteen day comment period for the Citizen Participation Plan updated in March, 2005 was advertised on March 24, 2005.

The Citizen Participation Plan is arranged as follows:

1. Assessment of priority needs
 - a. Consolidated Plan
 - i. Factual Data Collection
 - ii. Community input
 - b. Action Plan
2. Advertisement, location and format of public hearings & meetings
3. Preparation of the Plan
4. Availability of Documents
5. Draft plans - Consideration of comments
6. Citizens Advisory Committee
7. Application for Federal Funds Approval
8. Funding Requests
9. Technical Assistance
10. Action Plan Amendments
11. Consolidated Plan Amendments
12. Consolidated Annual Performance and Evaluation Report (CAPER)
13. Additional Efforts
14. Complaints

The tasks outlined in this plan may be undertaken by staff of the City of Salem Department of Planning and Community Development or by a consultant hired during the Consolidated Plan process.

1. ASSESSMENT OF PRIORITY NEEDS

a. Consolidated Plan

A housing and community development needs assessment is to be undertaken every five years as part of the Consolidated Plan process in order to identify and prioritize the housing, community and economic development needs of Salem's residents. Specific groups to be targeted for intensive outreach and involvement in the development of the Consolidated Plan include:

- ♦ Low and moderate income persons;
- ♦ Persons with HIV/AIDS and HIV/AIDS service providers;
- ♦ Homeless and homeless service providers;
- ♦ Senior citizens and senior service providers ;
- ♦ Minorities;
- ♦ Non-English speaking residents;
- ♦ Residents of public assisted housing and the Salem Housing Authority;
- ♦ Community Development Corporations and residents served;
- ♦ Mental health and retardation agencies;
- ♦ Substance abuse prevention agencies;
- ♦ Salem Health Department;
- ♦ Youth advocacy groups;
- ♦ Persons with disabilities and service providers for persons with disabilities;
- ♦ Economic development/job creation agencies; and
- ♦ Banks, realtors and other community businesses.

Specific types of data to be collected through the needs assessment shall include:

- ♦ Elderly and non-elderly owner and renter needs;
- ♦ Special needs of the elderly, frail elderly, persons with HIV/AIDS, persons with alcohol/other drug addiction, disabled persons, developmentally disabled persons and persons with severe mental illness;
- ♦ Homeless needs for individuals and persons in families with children including;
- ♦ Needs for emergency, transitional and permanent housing;
- ♦ Estimated supportive services slots for job training, case management, substance abuse treatment, mental health care, housing placement and life skills training;

- Estimated needs of chronic substance abusers, seriously mentally ill, dually-diagnosed, veterans, persons with HIV/AIDS, victims of substance abuse and youth;
- Community needs including anti-crime programs, economic development, infrastructure, public facilities, public services, senior programs and youth programs;
- Poverty; and
- Barriers to affordable housing.

Factual data collection and community input methods will include:

i. Factual data collection

Factual data to be used in the needs assessment will include information found in the most recent U.S. Census and other available publications including, but not limited to, Home Mortgage Disclosure Act, State Unemployment Insurance, property assessments, building permits, National Low Income Housing Coalition's annual Out of Reach report, Dun and Bradstreet, real estate transactions and the N. S. Home Consortium (Analysis to Impediments, Continuum of Care and any available Consolidated Plan data).

ii. Community input

Whenever possible, citizen participation will include presentations at:

- Public hearing(s);
- Neighborhood Association meeting(s);
- Salem Housing Authority Tenant's Association;
- Commission on Disabilities; and
- Focus groups (i.e. Economic Development, Affordable Housing, Salem H.O.P.E.).

Citizen participation will be encouraged through a variety of methods including but not limited to:

- Legal advertisement in the *Salem Evening News*;
- Posted flyers at the Salem Public Library, Salem Council on Aging, Salem Housing Authority, Salem City Hall and Salem City Hall Annex;
- Flyers sent to social service agencies, civic groups, the N.S. Home Consortium, elderly and public assisted housing, as well as other Salem locations (e.g., Fairweather Apartments, Jefferson at Salem);
- Salem H.O.P.E. newsletter;
- Notification to the Salem City Council;
- www.salem.com;
- Press release to local media; and
- Salem Access Television community calendar.

Citizen Participation will also include interviews with representatives of various local agencies that may include, but not be limited to, those that serve the elderly, non-English speaking, homeless, substance abusers, veterans, youth, persons with physical disabilities, persons with mental disabilities and persons with HIV/AIDS, and agencies that provide job training and placement, the

Salem Mission, the Salem Harbor CDC, Salem Council on Aging, Salem Housing Authority, Salem Health Department, municipal inspection service departments (i.e. building & fire) and local businesses.

b. Annual Action Plan

At the commencement of the Annual Action Plan process (during each of the four years between the Consolidated Plan process), citizen participation efforts will be undertaken in order to evaluate how Salem's housing and community development needs and priorities have changed since the completion of the prior Consolidated Plan and to assess any new information received. Citizen participation will be encouraged through a public hearing, legal advertisements in the Salem Evening News, Salem Access Television notice and posted flyers at the Salem Public Library, Salem City Hall, Salem City Hall Annex, www.salem.com and elderly and public assisted housing as well as other locations. In addition, citizen participation efforts may include neighborhood meetings and/or focus groups and notification in newsletters (i.e. Salem Chamber of Commerce, Salem H.O.P.E.).

2. ADVERTISEMENT, LOCATION AND FORMAT OF PUBLIC HEARINGS & MEETINGS

Public hearings will be advertised in the Salem Evening News, on Salem Access Television, through English/Spanish notices posted at the Salem Public Library, Salem Housing Authority, Salem Council on Aging, Salem City Hall and Salem City Hall Annex, and on www.salem.com. Salem Evening News legal ads and SATV ads shall be provided to these media approximately two weeks prior to the hearing. In addition, advertisement may include one or more of the following: notices in various community newsletters (i.e. Salem Chamber of Commerce) and through a press release distributed to the Salem Evening News. Public hearings will be held at 120 Washington Street which is handicapped accessible and located on or near the bus lines and MBTA train station. A Spanish translator will be present at all public hearings. One public hearing will be held at least 30 days prior to the completion of the Draft Consolidated Plan or Annual Action Plan (usually at the start of the annual process). During this hearing, citizens will be given opportunity to review prior year program performance. One public hearing will be held at least 30 days prior to the submission of the final Consolidated Plan or Annual Action Plan.

Forums and focus group meetings will be held at various locations and times appropriate to the type of group, population or neighborhood. Forums, focus groups and other meetings may be advertised in the Salem Evening News, on Salem Access Television, through notices posted at the Salem Public Library, Salem Housing Authority, Salem Council on Aging, Salem City Hall and Salem City Hall Annex, and on www.salem.com. In addition, advertisement may include one or more of the following: posted flyers at elderly and public assisted housing, notices mailed to nonprofit social services agencies, notices in various community newsletters (i.e. Salem Chamber of Commerce) and through a press release distributed to the Salem Evening News. Forums and focus groups targeted to specific neighborhoods may include distribution of flyers to those targeted populations. Such flyers intended for Point Neighborhood residents shall also be provided in Spanish. Neighborhood meetings in the Point Neighborhood will be conducted by bilingual staff.

Senior transportation is available by contacting the Transportation Coordinator of the Salem Council on Aging at least two days prior. Persons with other special needs should contact the DPCD for reasonable accommodation and provide ample time for the request to be arranged.

3. PREPARATION OF THE PLAN

Following the Needs Assessment, the Consolidated Plan and/or Annual Action Plan will be drafted. The Draft will set priorities and will provide for the development of funding decisions based on plan priorities. Included in the plan will be the required HUD forms, data, maps, narratives, illustrations and photographs. The plan will include the amount of assistance that Salem expects to receive, including grant funds and program income, the range of activities that may be undertaken and an estimate of the low and moderate income persons to benefit from the proposed activities.

4. AVAILABILITY OF DOCUMENTS

All public documents are available for viewing at the Department of Planning & Community Development (DPCD). A copy of the Citizens Participation Plan, Draft and Final Consolidated Plan, Draft and Final Annual Action Plan and Draft and Final Consolidated Annual Performance and Evaluation Report (CAPER) will be provided to the Salem Public Library and the Salem Housing Authority. Notice of the availability of these documents will be included with the notice of their respective comment periods and with notice of any public hearings or meetings and will be published in the Salem Evening News. Additional notice will be posted at Salem City Hall, Salem City Hall Annex, the Salem Public Library, the Salem Council on Aging and the Salem Housing Authority. When possible, these documents, or portions thereof, will be translated into Spanish.

Copies of any CDBG or HOME related public document exceeding 10 pages will be provided upon request at a cost of 20¢ per page, free for documents under 10 pages. Full copies of documents are available free by e-mail as well as on floppy disks when the disks are provided by the requester. In addition, copies of these documents may be provided on www.salem.com, when possible. Final copies of all plans and reports shall be provided to HUD.

5. DRAFT PLANS – CONSIDERATION OF COMMENTS

All comments received will be reviewed by the Director of the Development of Planning and Community Development, Assistant Community Development Director and the city's consultant (if one has been engaged), but may also be reviewed by the Citizen's Advisory Committee and the Mayor. The City of Salem will consider any comments or views of citizens received in writing, or orally at any public hearing in preparing the final Consolidated Plan. All comments suggesting amendments to the drafts that are considered reasonable, feasible and consistent with HUD regulations will be incorporated into the final plans. A summary of public comments or views, and a summary of any comments or views not accepted and the reasons therefore, shall be attached to the final Consolidated Plan.

6. CITIZEN ADVISORY COMMITTEE

The Citizens Advisory Committee (CAC) is a group of individuals appointed by the Mayor. The CAC usually includes one City Councilor and one or more of the following: representative(s) from low/mod neighborhoods, representative of a non-profit agency, disabled person, elderly person, minority person, representative of a Salem business, person on public assistance, and/or public employee (i.e. police officer, teacher). The group reviews the funding requests (see Section 8) received by nonprofit social services agencies and makes funding recommendations. The CAC also reviews and comments on the draft Consolidated Plan.

7. APPLICATION FOR FEDERAL FUNDS APPROVAL

Prior to submission to HUD, copies of the Consolidated Plan and/or Annual Action Plan will be provided to the City Council, along with a copy of the Application for Federal Funds. The City Council will vote to approve the submission of the Application for Federal Funds. The Application for Federal Funds will be signed by the Mayor and included in the submittal to HUD.

8. FUNDING REQUESTS

Annually, the City of Salem will issue a Request for Proposals (RFP) for funding applications. RFPs issued may be to solicit public services, housing and/or economic development funding requests. Awards are conditional upon available funding.

Applications for funding assistance for Public Services are on a competitive basis in annual funding rounds which are advertised in the Salem Evening News. Guidelines for the Public Services Program are provided in a separate document. Proposals will be reviewed by the Citizens Advisory Committee and awards are made on approval of the Mayor.

Applications for city administered programs (First Time Homebuyers Loan Program, Housing Rehabilitation Loan Program and Economic Development Loan Program) are available at the DPCD and may be submitted at any time. Guidelines for these programs are provided in a separate document. Approval of these loans is contingent upon meeting eligibility requirements and the availability of funding. Applications may be placed on a waiting list, if necessary, to accommodate current staffing or funding levels.

Persons, businesses or agencies seeking assistance for other types of assistance (i.e. housing development, or redevelopment) should contact the DPCD.

9. TECHNICAL ASSISTANCE

Individuals, businesses or agencies needing technical assistance to apply for CDBG or HOME funds or for other assistance regarding CDBG or HOME funded programs may contact the DPCD for consultation.

First Time Homebuyer and Housing Rehabilitation Loan Program technical assistance will be provided by the Housing Coordinator. New applicants should meet with the Housing Coordinator after reviewing the application guidelines.

Business establishment and business loan application assistance will be provided by the Economic Development Planner. Any person may request a free copy of the booklet Successful Business in Salem: A Guide to City Regulations which explains how to open a business in Salem as well as provides other helpful information for businesses and developers.

Assistance to public service agencies will be provided by the Assistant Community Development Director. Agencies receiving CDBG public services funding are required to attend a brief training meeting prior to the start of the funded program.

All other questions or requests for information or assistance should be directed to the Community Development Director or Assistant Community Development Director.

10. ACTION PLAN AMENDMENTS

Amendments proposed for the HUD approved Annual Action Plan will be evaluated and addressed as follows:

Minor amendments: Minor amendments will be undertaken as necessary with no public comment. Examples of minor amendments include but are not limited to:

- Increase of the budgeted funds for an existing activity in the Annual Plan
- Cancellation of an activity that was determined ineligible, infeasible or no longer a priority
- Addition of emergency activities (interim assistance)
- Decrease of the budgeted funds for a loan program activity for which there have been few or no applicants
- Addition of an activity that meets the established goals of the Annual Plan and whose proposed budget is under \$50,000

Substantial amendments: Legal advertisements will be placed in the Salem Evening News for all significant amendments, providing 30 day comment period. Examples of significant amendments include but are not limited to:

- Addition of an activity with a proposed budget of over \$50,000.

11. CONSOLIDATED PLAN AMENDMENTS

Amendments proposed for the HUD approved Consolidated Plan will be informally reviewed by Community Development staff with staff of the HUD field office after which a course of action for citizen participation will be determined. At a minimum, substantial amendments shall provide for a public hearing and shall allow for a period of not less than 30 days to receive public comment on the substantial amendment before the amendment is implemented. As of this writing, a substantial amendment to the Consolidated Plan shall include but not be limited to, the elimination of a set of goals determined to be a high priority and/or the increase or decrease by more than 25% of the total proposed budget for a category of activities (i.e. economic development, housing, etc.). The City of Salem will consider any comments or views of citizens received in writing, or orally at public hearings, if any, in preparing the substantial amendment to the Consolidated Plan. A summary of public comments or views, and a summary of any comments or views not accepted and the reasons therefore, shall be attached to the substantial amendment to the Consolidated Plan.

12. CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER)

The CAPER must be submitted to HUD within 90 days after the end of the program year (June 30th) providing a detailed description of CDBG and HOME funds used during the fiscal year and to what extent they benefited low and moderate income people. Legal notice of the availability of the draft CAPER and 15 day comment period is advertised in the Salem Evening News and is posted at Salem City Hall and Salem City Hall Annex. The City of Salem will consider any comments or views of citizens received in writing, or orally at public hearings, if any, in preparing the CAPER. A summary of public comments or views, and a summary of any comments or views shall be attached to the final CAPER.

13. ADDITIONAL EFFORTS

Citizen participation in CDBG activities is not limited to the formalized procedures noted above. Various CDBG activities include separate public comment opportunities as well as public participation (e.g. neighborhood and school groups are recruited to design and build all playground equipment installation projects). In addition, City administrators (Mayor, City Councilors and/or DPCD staff) are often in attendance at various neighborhood association meetings where needs and proposed or planned activities are discussed. In fact, City Councilors have been instrumental in the formation of new neighborhood associations and groups and the DPCD has been involved in the formation of neighborhood master plans, revitalization plans and strategies. City representatives are available to meet with residents and business or agency representatives on an individual basis to receive input on needs and ideas for CDBG activities.

Additionally, there are various organizations, committees and groups from which input is gathered. These are particularly important forums where one voice may represent many individuals or population groups. Included are Salem H.O.P.E., the Downtown Outreach Advisory Committee, the Commission for Disabilities, the Salem Partnership, Salem Main Streets Initiative and the Salem Chamber of Commerce:

- *Salem H.O.P.E.:* Salem H.O.P.E. (Human Organization Partnership Effort) is a networking group of human service agencies that serve Salem residents. It is an open public forum for agencies to learn about the services being provided by other agencies in order to fill in gaps, coordinate efforts and avoid the duplication of services. All human service agency representatives are invited to attend the quarterly Steering Committee breakfast meetings held at rotating agency locations. Through this program, agency representatives are introduced to each other and exchange information, announcements and updates. The DPCD provides staff administration, covers mailing costs and produces a Salem H.O.P.E. quarterly newsletter and Salem's Assistant Community Development Director attends all H.O.P.E. meetings. Agencies wishing to be included on the Salem H.O.P.E. mailing list should contact the Assistant Community Development Director.
- *Downtown Outreach Advisory Committee:* This forum provides another opportunity for input on Salem's social service needs. The Downtown Outreach Program Steering Committee meets on a monthly basis at 120 Washington Street. This group is an advisory group to the Salem Mission's Street advocate who outreaches to homeless individuals encountered in the Salem Central Business District. The Street Advocate works with the individuals to alleviate homeless-related problems with pedestrian, visitor and commercial activity (panhandling, public drunkenness, etc.) and to connect these individuals to shelter, transitional housing, substance abuse treatment and other services. The Committee includes representatives from the DPCD, downtown business community, the Salem Mission, CAB Health & Recovery Services, Salem Main Streets Initiative, the Salem Police Department and other interested individuals. Salem's Assistant Community Development Director attends all Steering Committee meetings.
- *Commission on Disabilities:* The Commission on Disabilities is a Mayor appointed, City Council confirmed board whose seven members meet monthly to advise the City on issues relative to persons with disabilities. The City also employs a part-time individual, working out of the Mayor's office, who acts as liaison to the disabled population.

- *Salem Partnership:* The Salem Partnership is a public/private sector coalition of local leaders who contribute time, energy and special resources to revitalize Salem. The Salem Partnership sponsors, supports and encourages the creation of programs and events that help promote new business development, the growth of Salem's tourist industry and unity within the community. The DPCD's Director is on the Executive Committee of the Salem Partnership.
- *Salem Main Streets Initiative:* The Salem Main Streets Initiative is a preservation-based, volunteer driven strategy for downtown and neighborhood retail business revitalization. The mission of the Salem Main Streets Initiative is to help plan and direct those activities that preserve, develop and enhance the economic, social and cultural quality of the city's downtown and neighborhood commercial districts. A representative of the DPCD attends Main Streets board meetings and various subcommittee meetings.
- *Salem Chamber of Commerce:* The Salem Chamber of Commerce is an independent association of business and professional people which offers business referrals, networking, participation in cooperative business building events, updates on local business issues through a monthly newsletter and breakfast meetings. The DPCD's Director is a member of the Chamber's Board of Directors.

To keep the public informed of CDBG activities, the City of Salem periodically advertises the availability of loan funds as well as publicizes successful projects and programs through press releases, brochures, flyers and/or newsletters for specific CDBG sponsored projects, programs and events.

The City of Salem makes every effort to minimize displacement of persons and to assist any persons displaced. A copy of the City of Salem's Optional Relocation Assistance Policy for persons utilizing the Housing Rehabilitation Program is available at the DPCD.

14. COMPLAINTS

Complaints should be addressed to the Director of Planning and Community Development, City of Salem, 120 Washington Street, Salem, MA 01970, 978 745-9595, Ext. 311, Fax: 978 740-0404. The City of Salem will provide a written response to written complaints within 15 working days, where practicable.

VI.C. Overview of Five-Year Consolidated Plan Citizen Participation & Consultation

I. DEVELOPMENT OF DRAFT PLANS

To develop the Consolidated Plan and first year Action Plan, the City of Salem undertook a myriad of efforts to gather factual data and broad community input. Methods included requesting public service funding proposals, advertising for and conducting presentations at public hearings, targeted population meetings, neighborhood association meetings and focus groups, conducting stakeholder interviews and consultations and reviewing available reports and documents. Specifically, the following tasks were undertaken to solicit public input from residents, businesses, social service organizations and civic groups in order to identify needs that exist in Salem:

A. Request for Public Services Funding Proposals

On February 15, 2005, the City of Salem published a legal ad in the Salem Evening News requesting proposals for public services funding. Requests for Proposals were also mailed to all agencies who received or requested funding during the previous year. Proposals were received on March 7, 2005. A list of agencies submitting proposals is included in the FY06 Action Plan.

B. Public Hearing

On February 15, 2005, the City of Salem published the English/Spanish legal ad in the Salem Evening News. English/Spanish notice was posted at City Hall & City Hall Annex on 2/15/05. Copies of posting were provided to the Salem Public Library, Salem Council on Aging and the Salem Housing Authority for posting. An English/Spanish Community Bulletin Board request was given to Salem Access Television on 2/10/05. A press release was sent to the Salem Evening News indicating the public hearing and presentation schedule (article was published 2/28/05). The public hearing notice was placed on <www.salem.com> on 2/10/15.

C. Presentations

Advertisement included:

Community Bulletin Board request given to Salem Access Television
Posting at City Hall and City Hall Annex and on <www.salem.com>

An English/Spanish schedule of Consolidated Plan presentations with a cover letter from either the Mayor or the DPCD Director (asking recipients to post, distribute and attend) were mailed to:

- ♦ All public service agencies currently receiving CDBG public service funding (25 agencies)
- ♦ All City Department Heads
- ♦ Beverly Cooperative Bank
- ♦ Chamber of Commerce
- ♦ Citizens Advisory Committee members

- ♦ City Councillors
- ♦ Commission on Disabilities
- ♦ Fairweather Apartments
- ♦ Jefferson at Salem management office for posting in each building
- ♦ Main Streets Initiative
- ♦ N. S. HOME Consortium
- ♦ Neighbor to Neighbor
- ♦ Point Neighborhood Association
- ♦ Salem Public Library
- ♦ Salem Housing Authority
- ♦ Salem Council on Aging
- ♦ Salem Housing Authority Tenants Association
- ♦ Salem Housing Authority (director's office for posting at each SHA complex)
- ♦ Salem Partnership
- ♦ Salem Heights
- ♦ Salem Health Department
- ♦ Salem State College Enterprise Center
- ♦ Salem Five
- ♦ Shetland Properties
- ♦ South Salem Neighborhood Association
- ♦ Ward 4 Neighborhood Association

The schedule was also included in the February newsletter of Salem H.O.P.E.

Economic Development Focus Group flyers were mailed directly to North Shore Career Center and Salem Harbor CDC and to several banks, realtors, and developers, as well as provided to the Salem Chamber of Commerce, Salem Partnership, and the Main Streets Initiative via mail and e-mail for dissemination to their members.

Housing Focus Group flyers were mailed to social services agencies (including housing agencies such as Salem Mission, Habitat for Humanity, NSCAP and Salem Harbor CDC). They were also mailed directly to several banks, realtors, attorneys and developers.

The chart below illustrates the focus groups, neighborhood association meetings and target population presentations that were conducted during March, 2005. Each included a Powerpoint Presentation which explained the funding programs, followed by a group discussion utilizing flip charts to record comments on needs, priorities and suggested activities. All participants were provided a Public Participation Guidebook.

Community Meeting Schedule

Date/Time	Location	Target Population
Tuesday, March 1, 2005, 6:00 p.m. Public Hearing	City Hall Annex, 120 Washington St., 3rd Floor	General public ~ Spanish translation provided
Monday, March 7, 2005, 6:00 p.m.	Beverly Cooperative Bank Community Room, 73 Lafayette St.	Homeowners/tenants/businesses ~ hosted by Point Neighborhood Association ~ Spanish translation provided
Tuesday, March 8, 2005 2:00 p.m.	Salem Five Cents Savings Bank, Community Room, 210 Essex St., Lower level	Economic Development Focus Group ~ Businesses, banks, realtors, developers, & interested persons
Tuesday, March 8, 2005, 7:00 p.m.	Salem State College, Enterprise Center, Central Campus	Homeowners/tenants/businesses ~ hosted by South Salem Neighborhood Association
Wednesday, March 9, 10:30 a.m.	Salem Council on Aging, 5 Broad Street	Senior citizens
Wednesday, March 9, 2005, 2:00 p.m.	City Hall Annex, 120 Washington Street, 3 rd Floor	Affordable Housing Focus Group ~ Service providers, banks, developers realtors & interested persons
Thursday, March 10, 2005, 9:00 a.m.	City Hall Annex, 120 Washington Street, 3 rd Floor	Non-profit social service agencies ~ sponsored by Salem H.O.P.E.
Thursday, March 10, 2005, 7:00 p.m.	Salem Housing Authority, 27 Charter Street	Salem Housing Authority tenants ~ hosted by Salem Housing Authority Tenants Association
Tuesday, March 15, 2005, 4:00 p.m. Commission on Disabilities Public Meeting	Salem Access Television, 285 Derby Street	Persons with disabilities, service providers ~ hosted by Salem Disabilities Commission
Tuesday, March 15, 2005, 7:00 p.m.	AOH, 104 Boston Street	Homeowners/tenants/businesses ~ hosted by Ward 4 Neighborhood Association

D. Consultations & Interviews**i. Consultations were conducted with:**

Carol McGown, Debra Tucker & Jacqueline Guzman, Salem Housing Authority

James Haskell & Nelly Matos, Salem Harbor CDC

Linda Reilly, Salem Mission

Roger Herzog, CEDAC

Linda Elworthy & Sharon Felton, Salem Council on Aging

Department Heads: A meeting was conducted in which ten city departments were represented.

ii. Telephone interviews were conducted with:

Kevin Hurley, N.S. HOME Consortium
Evelyn Borish-Wayson, Salem Mission
Mark Whitmore, North Shore Career Center
Marjorie St. Paul, Lynn Shelter Association
Candace Waldron, Help for Abused Women and Their Children
Peg Tiberio, HAWC
Kim Boyd, Citizens for Adequate Housing Inc.
Roz Hurwitz, Morgan Memorial Goodwill Industries
Jesus Geliga, Strongest Link AIDS Services, Inc.
Mr. Sacher, Department of Mental Health

II. MEETING SUMMARIES

Community Opportunities Group, Inc. (COG) facilitated each of the ten public presentations. All attendees were provided with a Public Participation Guidebook. Representatives from COG provided a PowerPoint presentation which gave an overview of the 5-Year Consolidated Plan and Action Plan process and described the types of activities eligible for CDBG and HOME funding. Participants were asked a series of questions related to housing affordability, suitability for a variety of households, quality and condition, and discrimination as well as other community development questions. Questions posed included the following:

- Housing needs: What do you think are some of the housing needs people face in Salem today? Who is most affected by them? Have the City's housing needs changed while you've lived here? If so, how are they different? Why do you think these needs exist?
- What works – or doesn't work?: What are some of the organizations that work to address housing needs in Salem? What have they done or are trying to do to help address some of these needs? In your opinion, have they been successful? Why? Have any efforts or strategies been unsuccessful? Why?
- Housing affordability: Do you think it is possible to create affordable housing in Salem today? What conditions make it difficult to create affordable housing in Salem? Do you think it is hard to keep low-cost housing affordable to people who need it? Why?
- Fair housing: Do you think some people are discriminated against when looking for housing in Salem? Why are they discriminated against? In what ways do people discriminate against them? What would you do if you or a friend were a target of discrimination? Do you think the City or other organizations in the region have been effective in helping to reduce housing discrimination?
- Poverty: "Poverty" means individuals and families with extremely low incomes. Agencies do not define poverty the same way, but for our purposes, "poverty" can be thought of as a family of three with an income of about \$15,000. Does poverty exist in Salem? What do people need to get out of poverty? What steps do you think the City could take to help reduce poverty in Salem?

- Roles & responsibilities: City government can't solve all of these problems on its own. How could Salem residents, businesses, non-profit agencies, colleges and public schools, and other organizations help to address some of the City's housing and community development needs?

The following is a summary of the responses received at each meeting.

March 1

PUBLIC HEARING #1 (11 attendees)

Participants said affordable housing is a critical issue in Salem. They identified needs such as decent, suitable housing that is affordable to low-income single people, a population identified as particularly under-served. Some participants expressed concern about the housing quality in Salem's rental units, noting that while Section 8 vouchers help low-income renters afford their monthly rent and utilities, the units are not necessarily maintained well. They also said that units affordable to Section 8 tenants are often located in unsafe neighborhoods. Considerable support was expressed for the City's housing rehabilitation program and housing programs provided by the Salem Harbor CDC. Residents said offering incentives to developers to create affordable housing would be a good idea.

Participants were asked about housing discrimination, poverty, and the City's role in addressing community development needs. Regarding housing discrimination, they said there is some degree of steering by real estate agents and that brokers are reluctant to market properties in certain locations or neighborhoods. In general, participants described housing discrimination as "subtle" in Salem and they said it is more common in the rental market, especially against families with children because of landlord fears about lead paint. As for poverty, participants agreed that it is a significant problem for Salem. They talked about the City's homeless and expressed concern that estimates of homelessness do not account for situations such as people living in unfinished basements or attics or doubling and tripling up in order to secure a place they can afford. Finally, they said the City does a great deal to meet housing and community development needs, alone or in partnership with other organizations.

March 7

NEIGHBORHOOD MEETING HOSTED BY THE POINT NEIGHBORHOOD ASSOCIATION (14 attendees)

Residents agreed that it is increasingly difficult for residents to remain in Salem due to escalating rents. Some residents are spending 60-70% of their income on housing. Residents of this area believe an affordable range for "Point" residents would be \$700-\$950/month not \$1,100-\$1,500 that they currently pay. Those living in the Point Neighborhood would like to see an increase in social services including ESL and job training, programs to address poverty, as well as an increase in police patrols and infrastructure improvements. Better, affordable housing opportunities and increased and improved public services would help residents of the Point Neighborhood area. Infrastructure and public improvements some residents would like to see include a pedestrian light at Dow/Washington/Lafayette, a landlord lighting program for alleyways and lighting at MaryJane Lee Playground.

March 8

ECONOMIC DEVELOPMENT FOCUS GROUP (5 attendees)

Members of Salem's business community noted that Salem's retail and tourism economy is very strong, especially during the months of May through the end of October (Halloween season), however, it is lacking during the winter months. Some believe that Salem has seen an increase of vacancies in office space throughout the city - was this really said about office space? Some believe the loss of industry and manufacturing jobs is causing some to move out of Salem because they can no longer afford the high housing costs in the city. Attendees stated that the City of Salem should continue to support downtown improvement programs as well as infrastructure improvements to strengthen its economy. Those present at the Economic Development Focus Group agreed that there was a considerable need for job training and ESL training to better meet the needs of Salem's workforce. There seems to be a gap in skills for the jobs available and Salem's trained workforce. Continued support of the Workforce Improvement Board will help individuals develop and access services to foster workforce development will help improve Salem's economy.

March 8

NEIGHBORHOOD MEETING HOSTED BY THE SOUTH SALEM NEIGHBORHOOD ASSOCIATION (8 attendees)

Residents agreed that there was a significant increase in the number of condominiums in the city which have contributed to the loss of rental housing within Salem. They believed that the number of affordable rental units in Salem is dwindling, resulting in the instability of low-income housing. Low-income housing is being replaced with high end rental units. Some believe that the number of multi-family units that are turning into condominiums is dramatically changing the make-up of Salem's neighborhoods. Residents indicated that there will be an increased need for elderly housing and services in Salem as the baby boomer population ages. An increase in social services for the elderly and people living in poverty would be very beneficial. Education, transportation, and better job opportunities are necessary to help those living in poverty in Salem get out of poverty. Infrastructure and public facility improvements that some residents would like to see include a second playground at Rainbow Terrace, a playground at Garden Terrace, a pocket park between Canal and Lafayette Streets, increased snow emergency parking in dense neighborhoods, fence installation near the water at Pioneer Terrace, more trash receptacles in the Point Neighborhood and at bus stops, and improved pedestrian crossing at Saltonstall School and at McDonalds.

March 9

SENIOR CITIZEN/COUNCIL ON AGING MEETING (23 attendees)

Seniors at the Council on Aging meeting indicated that there was not enough affordable, low-income housing available for the elderly population of Salem. Many expressed that there is an increased need for multi-unit elderly housing. Fixed incomes make it difficult for senior citizens to decide what to spend their income on; some believe that the elderly may go without food in order to maintain their home. An increase in programs to help subsidize home repairs would be helpful to the elderly population of the city. There is a large number of elderly living in Salem, many need help with housing costs as well as medical expenses. Participants at the meeting agreed that they would like to see a new Senior Center built in the city. Seniors expressed their gratitude for the services they

currently receive at the Senior Center and noted that having a Senior Center to go to is a highlight of their day.

March 9**AFFORDABLE HOUSING FOCUS GROUP (6 attendees)**

Those present at the Affordable Housing Focus Group agreed that many of the social service agencies available not only in Salem but also in the surrounding region are at or over capacity for services they can provide the homeless and those living in poverty. There is an extreme need for funds to help support not only their programs but also the costs associated with running the program, i.e., staffing needs, building maintenance, and emergency needs. It is becoming more and more difficult to provide services for those in need as a result of budget cuts. Many social service agencies are seeing a shift in clientele. Shelters are seeing an increase in the number of persons who simply can't make ends meet as a result of job loss or a reduction in the number of hours thus, losing housing and relying on assistance provided by shelters. Assistance provided by the shelter is helpful but limited. Agencies agree that there is a drastic need for an increase in funding to help not only the extremely poor but also for those who "fall through the cracks" because they may be just above service requirements.

March 10**SALEM H.O.P.E MEETING (19 attendees)**

All agreed that there was a significant need for subsidized housing in addition to affordable housing, as well as a need for not only 1-bedroom subsidized and affordable units but also a need for larger 2- and 3-bedroom units. The homeless population in Salem is most affected by the rising housing costs within the city. There is a need for additional opportunities for low-income persons in need of assistance for solving their housing needs. Many residents who are living in poverty are in need of ESL and job training services, better access to transportation, and money management programs to help people understand how to manage their money effectively. Improved housing opportunities and better job opportunities would greatly assist those living in poverty as well as the homeless population of Salem.

March 10**SALEM HOUSING AUTHORITY TENANTS ASSOCIATION (19 attendees)**

Participants in the Housing Authority Tenants Association meeting said the City needs more low-income housing, especially for families. They commented on the City's recent "high end" condominium development and noted that nothing new is being developed for people with lower incomes. They said they were concerned about this because the City's home prices have increased significantly in the past few years. There was also some discussion about security issues in Salem, particularly at 27 Charter Street. The participants said that ideally, they would like 24-hour security at this apartment building, but especially at night. They said that sometimes false fire alarms are pulled and the outside door closes too slowly, so non-residents might be able to squeeze in when they are not supposed to. The surveillance camera needs to be adjusted at this location as well. They added that residents at 27 Charter Street need to be re-informed of the property's security policies and should not be letting strangers into the building. They added that 27 Charter Street needs more

parking to accommodate residents and their visitors. People coming to the building to provide personal services to residents do not have a place to park. Other topics of discussion included housing discrimination, poverty and general (non-housing) community development needs.

Participants said housing discrimination in Salem affects minorities, especially Hispanic and black households, families with children, and the elderly. As for the incidence of poverty in Salem, participants felt that programs such as the free breakfast and lunch program are important to provide nutrition for children who may not have adequate food at home. In addition, they said the City should offer a program to help elderly people with tax payments so they can stay in their own homes.

One participant said that many seniors survive on as little as \$700 per month in Social Security income. Regarding non-housing community development needs, the participants noted that the City needs more public restrooms for tourists, and more park benches to rest on along Essex Street (downtown area) and at the lighthouse as well as handicapped parking at public housing projects and handicapped access at Lee Fort Terrace. They expressed concern about vandalism at the Salem Common and thought the City needed to provide more police presence on Essex Street.

March 15

SALEM COMMISSION ON DISABILITIES MEETING (7 attendees)

Commission member comments included that the Salem Housing Authority should offer more disabled supportive housing, noting that the current supportive house has been very successful because people are able to network and create a sense of community. They felt that safety is a key issue, that the location for disabled housing must be safe and there needs to be adequate lighting outside for walking, transportation, and handicapped parking. They stated that family housing is a high priority need, noting that the common assumption or perception is that the disabled family member is an adult. Often housing does not take into consideration disabled children or adult-children living with parents and that there is no housing exists for these families.

It was noted that none of the new condos are affordable or handicapped accessible. Members stated that the age of Salem's infrastructure is a large barrier. For example, curb cuts and elevators do not already exist as they do in other newer cities. The city needs to continue to expend funds to updating these older buildings and make them ADA compliant. It was also stated that public housing doesn't include sufficient parking to accommodate the needs of its disabled residents. Nurses, home health aides and other caretakers are reluctant to visit some of the disabled visitors because they have received parking tickets in the past. Several resources exist for persons with disabilities including the Independent Living Center which provides valuable services. There is also the MA Commission for the Blind, which serves the 300 sight-impaired persons living in Salem and which has conducted sensitivity training around disabilities issues with local businesses. Currently, the Commission is looking at making banks, stores and theaters more accessible for tourists and residents—such as the use of automatic doors and it was suggested that businesses should work with the City and the Commission more. They need to make sure their sidewalks are cleared wide enough to accommodate wheelchairs, which will make businesses more user-friendly. They noted that the Building Department has been very cooperative with making buildings accessible.

The Salem Police Department has a reverse 911 computer system that registers the caller's disability on the computer screen when a disabled person calls for help. This system needs to be updated. A

Reverse 911 system throughout the community will make disabled residents feel more secure and part of the community. This system allows the city to be very pro-active. It can enable city safety officials to do “check-ins” with disabled people. For example, every senior can be called to notify them of upcoming health fair or other events or can alert all neighbors of fires. 19% of Salem’s population is disabled; many do not know that services exist. Previously, the Salem Police Department had a Community Affairs Officer that increased the community’s comfort level with the police. However, this position was cut because of budget constraints, resulting in a loss of community contact with the Police.

Members stated that parking space demarcations need to be made more visible and suggested the use of available space in school buildings for housing. Members stated that they are not aware of discrimination complaints from the elderly regarding the Housing Authority, but noted that some seniors have the mindset that if they complain they will be kicked out. This perception may be carried over from years ago. Education about the housing system is needed to change these misperceptions among Salem seniors. Some people are scared away from reporting discrimination by lengthy, intimidating legal process. Members also noted that housing prices forcing young people out of community – weakening strength of the community. They would also like to see marketing of the disability database.

March 15

**NEIGHBORHOOD MEETING HOSTED BY WARD 4 NEIGHBORHOOD ASSOCIATION
(12 attendees)**

Attendees discussed the decline in the number of multi-family properties in Salem. The conversion of multi-family homes into condominiums is reducing the number of affordable rental units creating less diverse neighborhoods. Some participants believe there are a large number of people living in poverty as a result of the loss of manufacturing jobs as well professional level jobs within the region. Housing costs within Salem are increasing whereas incomes are largely flat. Residents agreed that the City of Salem needs to continue to address the affordable housing needs.

June 16

PUBLIC HEARING #2 (13 attendees)

This second public hearing was an opportunity for the public to comment on drafts of the 5-Year Consolidated Plan and FY06 Action Plan. Members of the Citizens Advisory Committee attended along with City Council members, representatives from social service agencies and Salem residents. The public was encouraged to provide written comment before the end of the comment period on July 7, 2005. After a brief presentation of the city’s proposed activities and expenditures for fiscal year 2006, the hearing was opened up for questions and answers. The following details responses to questions and comments from attendees.

The Department of Planning and Community Development (DPCD) has recently received funds through an Agreement with a developer and will be moving forward with an affordable housing plan.

A new code enforcement program will be implemented this year and will include the hiring of a full-time code enforcement officer who will be funded through block grant funds. S/he will issue citations to properties with building code violations. Concurrently, the officer will work with the city's Housing Coordinator to inform the landlords that the housing rehabilitation program can assist them with making the units decent, sanitary and safe. As part of the assistance agreement, the units will remain affordable to low and moderate-income households for a fixed year period. The code enforcement will be targeted to low- and moderate-income areas. The citations alone will not bring about affordability, but the rehabilitation of units will directly benefit low- and moderate-income residents. It was noted that the rehab cost will be higher with this program, resulting in a lower number of units rehabbed annually. One participant preferred that housing programs target households below 30% of median income, even though fewer units would be assisted.

City representatives stated that the First Time Homebuyer Program is fully active. However, as a result of losing two housing staff members, the rehabilitation program has been only handling emergency cases. The DPCD is now taking applications and is in the process of hiring a new Housing Coordinator. Once the coordinator is hired, cases from the waiting list will be opened. In response to a question, it was noted that DPCD has provided the Housing Coordinator job description to several social service agencies with high minority clientele, have done other outreach, and would appreciate any specific suggestions on outreach to minorities. At this time, the Department has two bi-lingual staff.

One participant noted that if a housing unit is rehabilitated, then the property value may increase, potentially resulting in increased property taxes and increased rent. The participant questioned whether there is a way for the city to acknowledge good landlords and give them a break or an incentive to expand their markets. It was noted that some cities have taken the affordable housing restriction into consideration when valuing the property, as another landlord incentive to rehab the property.

One participant stated that renters are being displaced by the conversion of older, large rental properties to condominiums and questioned what can be done to help these resident. It was suggested that the city work with the Salem Harbor CDC to assist residents in purchasing the units they were renting. Also, the city can help these residents through its first-time home buyer assistance program that is funded by the CDBG program. The city could consider offering a buy-down assistance program, which leverages an affordable housing restriction and secures long-term affordability. The city can also look into other funding sources besides CDBG to begin such a program.

One participant questioned if the city provide tenant-based rental assistance with CDBG money. City representatives stated that CDBG regulations do not provide for tenant-based rental assistance. Salem has several agencies that receive funds for first and last month's rent and security deposits for renters utilizing HOME funds.

One participant stated that Point Neighborhood representatives met with the Mayor several years ago and asked him to increase funding of affordable housing activities to 50% of the federal allocation. She stated that they are very pleased that the city has gone from 42% last year to 51% in housing dollars for FY06. She noted that it has been clear throughout this process that the city has made a sincere effort to address the needs of its lowest income residents. She added that due to the

City's response to their concerns, that the Point Neighborhood Association does not need to meet with the Assistant Community Development Director this year, as has been typically done.

One city councilor noted that he was pleased that the city plans to address the Loring Avenue fire station handicapped accessibility.

One participant stated that they felt infrastructure improvements in low- and moderate-income (LMI) neighborhoods, such as street repaving and crosswalks, should be funded through the tax-base and not CDBG and that CDBG funds would best be used for other projects instead of streets.

It was noted that funds from FY05 that were un-programmed will be used to address some of the needs identified in the public participation process. For example, the city has already started a bike patrol, which was one of the ideas that came out of the Point Neighborhood Association Meeting and has set aside funding for the fence at Pioneer Terrace and for handicapped parking signs

One participant stated that he would like to see more money put into the intersection at Lafayette and Harbor Streets for pedestrian safety. It was noted that the city has an engineering firm doing a study of the intersection.

One participant stated that more lights are needed at Lafayette Park, particularly during the summer, when many people congregate there at night. DPCD will be funding design work for improvements to Lafayette Park.

One participant stated that in the Consolidated Plan, the city reminds us of some of the great resources that we have and thanked the city for doing such a fine job, adding that they really enjoyed reading it. He added that the Storefront Improvement Program is an excellent resource for businesses, especially along the Canal Street corridor, but noted that \$5,000 will not stretch far. City representatives noted that the city has carry-over money from the current year for the program. It was also noted that the City's Design Guidelines Manual goes hand-in-hand with the program to assist business owners.

One city councilor noted that he would like to see a Canal Street Master Plan and that Ward 5 would be well served to create some vision for it and address needs with a long-term perspective. City representatives noted that they have started on pieces of the Point Neighborhood Master Plan with the St. Joseph's re-use study and the upcoming historic resource survey funded with matching funds from Massachusetts Historical Commission. The North River Corridor Master Plan is complete. In upcoming years, the city could consider the Canal Street neighborhood as well as the Bridge Street area.

The attendees were thanked for their comments and informed that the planning and community development office will be going before the City Council for the Mayor's authorization to submit the federal application. Following the comment period and the review of the public comments received, the plan will be finalized and submitted to HUD.

III. AVAILABILITY OF DRAFT PLANS

Subsequent to the development of the draft 5 Year Consolidated Plan and FY06 Action Plan, the following tasks were undertaken to notify the public of availability and to obtain public comment on the draft plans.

A. Availability Advertisement & Public Hearing & City Council

Availability of plans, notice of 30 day comment period & Public Hearing - English/Spanish legal ad was published June 3, 2005. Notice was posted at City Hall and City Hall Annex and on www.salem.com. Notices were provided to the Salem Public Library, Salem Council on Aging and the Salem Housing Authority, were mailed to a representative of the Salem Housing Authority Tenants Association, Ward 4 Neighborhood Association, Point Neighborhood Association and South Salem Neighborhood Association and were emailed to several social service agencies. Notices were also distributed at the Salem H.O.P.E. meeting of June 9, 2005. An English/Spanish Community Bulletin Board request was given to Salem Access Television on June 2, 2005

Copies of the plans were provided to the Salem City Council on June 6, 2005. Copies of the plans were mailed to the members of the Citizens Advisory Committee on June 7, 2005. Copies of the plans were provided to the Salem Housing Authority and Salem Public Library.

The public comment period commenced on June 8, 2005 and ended on July 7, 2005.

A public hearing was held on June 16, 2005 at City Hall Annex which included the Citizens Advisory Committee who commented on the draft plans

On June 20, 2005, the Salem City Council Committee on Administration and Finance discussed the plans with the Director of Planning and Community Development and the Assistant Community Development Director. The City Council approved the application for FY06 funding and the expenditure of these funds at its meeting of June 23, 2005.

B. Citizens Advisory Committee

The Citizens Advisory Committee (CAC) is a group of individuals appointed by the Mayor. The CAC usually includes one City Councilor and one or more of the following: representative(s) from low/mod neighborhoods, representative of a non-profit agency, disabled person, elderly person, minority person, representative of a Salem business, person on public assistance, and/or public employee (i.e. police officer, teacher) and/or other interested Salem residents. The group reviews funding requests received by nonprofit social services agencies and makes funding recommendations. The CAC also reviews and comments on the draft Consolidated Plan.

This year's appointed members are:

Lucy Corchado - City Councilor, minority & Point Neighborhood resident

Peter LaChapelle - public employee

Lt. Conrad Prosniewski - Police Officer

Jean Levesque - Asst. ADA Coordinator for City of Salem, senior citizen

Betsy Merry – Non-profit organization representative, business representative, local realtor

Jack Harris - Salem Disabilities Commission member
Kathy Harper - Salem Historical Commission representative, carpenter
Rev. Gail Seavey - Salem Affordable Housing Coalition
Nestor Grullon - Minority, Point Neighborhood representative

Throughout the Consolidated Plan development, agencies that have been represented at one or more public meetings or have been consulted with include:

Catholic Charities	Salem Park & Recreation Department
Citizens for Adequate Housing	Salem Parking Department
Drumlin Group	Salem Point Neighborhood Association
First Universalist Church	Salem Probation
Haven From Hunger	Salem YMCA
Help for Abused Women & their Children	South Salem Neighborhood Association
Historic Salem, Inc.	St. Joseph's Food Pantry
Independent Living Center	Strongest Link AIDS Services, Inc.
Lynn Shelter Association	Ward 4 Neighborhood Association
Massachusetts Rehabilitation Commission	
MA Commission for the Blind	
MA Dept. of Mental Health	
Morgan Memorial Goodwill Industries	
Neighbor to Neighbor	
North Shore Career Center	
North Shore Community Action Programs	
North Shore Elder Services	
North Shore HOME Consortium	
Partners Home Care	
Salem Assessors Office	
Salem Board of Health	
Salem Building Inspector Department	
Salem City Council	
Salem Commission on Disabilities	
Salem Council on Aging	
Salem Department of Open Space	
Salem Department of Planning & Community Development	
Salem Public Services Department	
Salem Family Health Center	
Salem Fire Department	
Salem Harbor CDC	
Salem Health Dept.	
Salem H.O.P.E.	
Salem Hospital	
Salem Housing Authority	
Salem Housing Authority Tenants Assoc.	
Salem Mayor's Office	
Salem Mission	

VI.D. Monitoring Policy

INTERIM MONITORING GUIDE

This following describes the standards and procedures that the City of Salem will use to monitor activities carried out in furtherance of the City of Salem's Consolidated Plan and Community Action Plan and will use to ensure long-term compliance with requirements of the programs involved. As the grantee of Federal funds, the City is responsible for managing the day-to-day operations of its grants and sub-grant supported activities. Monitoring review is conducted and administered to ensure conformity with all applicable program requirements, statutes and acts and comprehensive planning requirements.

General

Typically, monitoring consists of:

- Start up assistance to review agreement requirements, policies and procedures (see below)
- Payment processing - Review of payment documentation for compliance prior to issuance of payment (see below)
- Ongoing monitoring during the program period - periodic reporting and the provision of technical assistance as-needed to ensure compliance
- On site visits - Annual monitoring visit for public service activities; as needed for other activities
- Long-term monitoring (job creation, rental agreement compliance, etc.)
- Internal monitoring - Procedures used by City staff to keep track of activity status.

Start-Up Assistance

At the onset of any sub-contract activity, staff of the Department of Planning and Community Development (DPCD) review program and record-keeping requirements with the person(s), agency or business being assisted with Federal funding. All sub-recipients are required to enter into a written Agreement that outlines the activities to be undertaken, levels of accomplishment and period of performance.

Payment Processing

With each payment request all sub-recipients must supply back-up documentation which may include time sheets, certified payroll records, affordable housing restrictions, income documentation, corresponding bills and/or cash receipts and/or other documentation determined to be required. No reimbursement requests are processed if required documentation is not included, if income or area eligibility has not been proven or if monthly reports (in the case of public service activities) are outstanding. No funds are disbursed beyond the end date of the Agreement without prior written consent.

The following pages describe the ongoing monitoring, on site visits, long-term monitoring and internal monitoring for Public Service and Affordable Housing programs/activities.

PUBLIC SERVICE PROGRAMS

Ongoing Monitoring - All public service program sub-recipients are required to submit monthly reports (provided by the DPCD) which indicate program progress and activities, number of low to moderate income Salem residents benefited and their race, ethnicity and head of household information.

On-Site Monitorings – On-site monitorings are conducted by the DPCD to certify that all activities being assisted with Federal funds are administered and enforced appropriately and carried out in a timely manner; to assist in improving the management or technical performance of the responsible recipient; and to assure the capacity of the recipient to carry out the activity. In general, all public service programs are monitored once annually utilizing the Community Services Monitoring Guide.

The Assistant Community Development Director may elect to skip an on-site monitoring for agencies that have been assisted with CDBG funds for more than three years and have not had any concerns (see definition below). In such cases, monitoring will be conducted every other year, provided there remain no concerns. Should a concern arise, the agency will be required to have an on-site monitoring for at least three consecutive years following the concern before a monitoring may be once again skipped. An on-site visit to an assisted agency by Salem's HUD representative who finds no concerns may also be justification to skip an annual monitoring.

Monitoring compliance of sub-grantees is achieved by utilizing the following procedures:

1. The City's CDBG administrator will send a letter to the recipient at least 30 days after the recipient has been issued its first reimbursement payment for eligible expenses incurred. The letter will instruct the recipient as to the areas of the program to be inspected and will request that the recipient compile all pertinent documentation. After the monitoring notice letter is sent, the City's administrator will contact the recipient and set a time for the monitoring visit.
2. Areas reviewed as part of the monitoring review include program management, (Section 3 requirements, nondiscrimination, policies, outreach efforts, publications, etc.), program progress (monthly reports, low/mod income compliance, etc.) and financial record keeping. The City's administrator will utilize the Community Services Monitoring Guide as a checklist for areas to be monitored.
3. Following a consultation and review with the recipient, a letter is sent to the appropriate agency designee with the results of the monitoring review. The letter covers the scope of review, activities monitored, monitoring conclusions, steps to correct or resolve any areas of concern and a due date by which all corrective action, if any, should occur. Recipients are provided the opportunity to comment on the monitoring or its findings.

The following are the definition of the levels of non-compliance being applied to monitoring findings and the criteria used to determine the level of non-compliance:

REMINDER - Used when a requirement does not specifically apply to the recipient at this time, but may in the future (i.e. when there were no positions advertised or filled during the program period to date, a reminder would be given that they must follow the employment/volunteer policy for future positions that may be advertised). This is used when areas of the Community Services

Monitoring Guide are filled in as Non-Applicable and the agency is a new recipient or, when the agency is not a new recipient, the agency has new responsible staff, who have not previously had to administer the requirement.

RECOMMENDATION -Used when the method the recipient utilizes for a specific requirement does not constitute non-compliance, but the City's administrator can suggest an improved method.

REQUIRED ACTION -Used when the recipient is found in non-compliance for a specific requirement but the material weakness is minor in nature and/or constitutes a first-time material weakness (i.e. missing deposit receipt, monthly reports occasionally late, entitlement number missing/incorrect on invoice, etc.).

CONCERN -Used when the recipient is in non-compliance of a particular requirement that is not minor in nature. Used when the recipient is in repeated non-compliance of a particular requirement that is minor in nature.

CORRECTIVE ACTION -Used following a CONCERN to recommend a course of action to be followed to resolve the concern.

First time recipients whose finding letters have REQUIRED ACTIONS shall be required to provide written response. All recipients whose finding letters have CORRECTIVE ACTIONS shall be required to provide written response.

A follow up monitoring will be required when documents needed to assess compliance are not available for review and cannot be faxed or mailed to the City (i.e. client confidentiality). A follow-up monitoring may be required at the discretion of the City's administrator when there are two or more CONCERNS.

4. Should a recipient fail to perform corrective action within the prescribed due date, the City's administrator will send a reminder letter. Should the recipient fail to respond again, the City's administrator shall contact the agency representative by telephone. No reimbursement payments shall be made to recipients who have not undertaken required and/or corrective action and/or who have not provided written response, if required. Repeated CONCERNS (3 program periods or more) shall place the agency in jeopardy of receiving additional CDBG funding.

Internal monitoring - The Assistant Community Development Director maintains a spreadsheet of all agencies that are under agreement to provide Public Service Programs. The spreadsheet tracks the receipt of monthly reports and on site monitorings.

AFFORDABLE HOUSING PROGRAMS

Housing Rehabilitation and First-Time Homebuyer Programs - It is required that income eligibility documentation be provided to the DPCD prior to the execution of any loan documentation or funding expenditures. First-time homebuyer funds are disbursed only following a unit inspection by housing staff for compliance with Housing Quality Standards. For rehabilitation projects, funds are disbursed following periodic and final inspections for which the work has been deemed satisfactorily completed.

Activities Assisting Rental Units - The City of Salem requires that subrecipients utilizing federal funds enter into and comply with a Rental Restriction or Affordability Agreement. These Agreements require that the units remain affordable during a set period of time.

For the *Housing Rehabilitation Program*, the owners of one- to four-unit dwellings agree to provide information on rent levels and tenant gross incomes (annually during the rental restriction period for HOME funded projects; one time during the rental restriction period for CDBG funded projects). If the unit occupied by the owner is rehabilitated, the rental restriction does not apply to that unit. The minimum periods of affordability are as follows: <\$15,000 per unit = 5 years; \$15,000-\$40,000 per unit = 10 years; >\$40,000 per unit = 15 years.

Monitoring compliance is achieved by utilizing the following procedures:

1. The Housing Programs Administrator will send a letter to the owner following the anniversary date of the completion of the rehabilitation instructing him or her to update the income and rent information for the tenant(s) occupying the rehabilitated units. Copies of HUD's most recent income and rental levels will be included, along with information that the landlord may provide to the tenant explaining the landlord's commitment to affordable housing. The owner will have thirty days to return the required documentation. Such documentation shall include a copy of the lease or rental agreement and documentation of income for each member of tenants' households: copies of eight weeks worth of pay stubs, current evidence of receipt of other income such as social security, pension, disability benefits, public assistance or unemployment assistance. In addition to collecting income documentation, owners have two other options to re-certify income:
 - Obtain a written statement from the family that information is complete and accurate and must indicate that source documents will be provided upon request.
 - Written statement from the administrator of another government program under which the family receives benefits and that examines the annual (gross) income of the family each year. The statement must also indicate the family size, or provide the current income limit for the program and a statement that the family's income does not exceed that limit. Because Section 8 income and rent levels are the same as the Housing Rehabilitation Loan Program, which is funded by HOME and CDBG, families with Section 8 vouchers are in compliance. Landlords must provide a copy of the Section 8 contract.
2. Information received within that thirty-day period will be reviewed to insure compliance with the regulations. Once a determination is made, the homeowner will receive notification if the unit is not in compliance. Owners with non-compliant units will receive a letter stating that:
 - The unit is in violation
 - Reasons why the unit does not comply
 - Action(s) required to bring that the unit into compliance
3. Owners with units that are not in compliance must do one of the following:

- Make the necessary changes to bring the unit into compliance within sixty (60) days; or,
 - Send a letter to the Housing Programs Administrator, explaining the unit cannot be brought into compliance within 60 days. (If a unit were not compliant because a tenant's income increased over the year, the homeowner would be unable to make the unit compliant; however, the homeowner would have to agree to rent to income eligible households, should the current tenant vacate the unit.)
4. If the homeowner fails to respond and/or the unit is not compliant after sixty days, the loan balance becomes payable in full.
5. *On-site inspections:* Upon request, homeowners must allow a staff member from the Department of Planning and Community Development to conduct onsite inspections to verify compliance with property standards and the information submitted by owners on tenants' incomes, rents and other rental requirements during a project's period of affordability.

Internal monitoring - Housing Program staff maintain a spreadsheet of all active rehabilitation projects (Project List) and a spreadsheet of all housing-related loans. The Project List tracks the status of projects by address from receipt of preliminary application to the filing of loan documents. Housing staff also meet on a weekly basis to review project status. The loan spreadsheet tracks all loan details including period of affordability, discharge dates, rental restriction and next monitoring date. Housing Staff also maintain a comprehensive manual detailing policies and procedures for the Housing Rehabilitation Loan Program.

Tenant Based Rental Assistance (TBRA) - With HOME funds, the City of Salem provides TBRA through Rental Downpayment Assistance Programs with non-profit agencies that assist with one-time first/last month's rent and security deposits. TBRA may only be provided to low and very-low income families and at least 50% of the families assisted must meet one of three Federal preferences:

- Families that occupy substandard housing (including families that are homeless or living in a shelter)
- Families that are paying more than 50% of their annual income for rent
- Families that are involuntarily displaced

If the household is currently residing in Salem and meets one of the three preferences, they are eligible to move outside of Salem and still receive TBRA assistance. Security deposits cannot exceed the equivalent of two month's rent for the unit. Additional requirements include:

- The agency must supply a copy of the letter that was provided to the landlord committing to the funding assistance and a copy of the TBRA set-up report (household income, race, etc.) for the HOME program before funding is released.
- The agency receiving funding is responsible for conducting HQS inspection prior to providing assistance, utilizing 24 CFR 982.401. The agency should maintain in its files documentation that certifies that the rental unit meets HQS. It is not necessary to document that the unit is lead

safe; however, if peeling paint is found during the initial inspection, it will warrant a lead test. A unit that does not meet HQS or has a failing lead test cannot be assisted with HOME funds. Housing inspections are an eligible program delivery cost (we have set the reimbursement cost at a not to exceed amount of \$70 per inspection, one inspection per unit). If an agency is able to obtain documentation that the unit has received a Certificate of Fitness from the Salem Board of Health (required of landlords whenever a unit changes occupants) or has received a Certificate of Occupancy (provided by local Building Departments for new housing construction or newly renovated units) within the last year, we will waive the HQS inspection. No additional HQS inspection is required after the initial inspection.

- An on-site monitoring of the funded agency is conducted once during the program period to review landlord/tenant rental agreements, HQS documentation, maximum rent limits, etc., utilizing the Rental Downpayment Assistance Program Monitoring Guide.

VI.E. Shelters, Transitional Housing & Permanent Supportive Housing

NORTH SHORE SHELTERS, TRANSITIONAL HOUSING & PERMANENT SUPPORTIVE HOUSING FOR HOMELESS AND SPECIAL NEEDS POPULATIONS

Type of Housing	City/Town	Capacity (# beds)	Additional Information
SHELTERS			
<i>Individuals</i>			
Salem Mission	Salem	34	Dry shelter
Lynn Emergency Shelter	Lynn	40	Wet shelter
Hawthorne Assistance Shelter	Danvers	20	
Beverly YMCA Emergency Shelter	Beverly	12	
Action Inc. Emergency Shelter	Gloucester	20	
River House Shelter	Beverly	12	For men only
<i>Families</i>			
Serving People in Need (SPIN)	Lynn	20	
North Shore Community Action Program	Peabody	40	
Bridge House	Lynn	11	Operated by Lynn Shelter Assoc.
Wellspring House	Gloucester	15	
Inn Between	Peabody	15	By Citizens for Adequate Housing
Help for Abused Women and Their Children	Salem	18	Shelters 6 women & 12 children
<i>Youth</i>			
AGS ACCESS Youth Shelter	Beverly	13	
TRANSITIONAL HOUSING			
<i>HIV/AIDS</i>			
Action Inc.	Gloucester	10	
North Shore Community Action Program	Peabody, Danvers	8	Scattered site housing for men, women and families; Operated by Strongest Link AIDS Service
Bay State Supportive Housing Alliance			Transitional Congregate
South Common Street Residence	Lynn	7	SROs; Residents must be homeless, 90 days clean; Operated by SPIN
<i>Substance Abuse</i>			
Ryan House (CAB/HRS)	Lynn	20	
Transitional Support Services	Lynn	25	For detoxed men and women not ready for longer termed half-way houses Recovery home for

NORTH SHORE SHELTERS, TRANSITIONAL HOUSING & PERMANENT SUPPORTIVE
HOUSING FOR HOMELESS AND SPECIAL NEEDS POPULATIONS

Type of Housing	City/Town	Capacity (# beds)	Additional Information
Project Cope Women's Program	Lynn		pregnant and postpartum women & their infants
Taking Care of Business	Gloucester	36	Specialized services for families
John Ashford Link House	Newburyport	20	Recovery home for men only
<i>Substance Abuse & Mental Health</i> Inn Transition	Peabody	17	Specialized family services; Citizens for Adequate Housing
<i>Substance Abuse & Domestic Violence</i> Spiritus House		10	Safe house
PERMANENT SUPPORTIVE HOUSING <i>HIV/AIDS</i>			
Serenity Supportive Housing	Topsfield	12	Congregate housing for men and women who are homeless or at-risk for homeless

VI.F. Subsidized Housing Inventory

The following pages provide summary details of the City of Salem's Chapter 40B Subsidized Housing Inventory, effective February 2005.

Chapter 40B SUBSIDIZED HOUSING INVENTORY-CITY OF SALEM-EFFECTIVE FEBRUARY 2005

DHCD ID #	Project Name	Address	Type	Total 40B Units	Affordability Expires	Built w/ Comp. permit?	Subsidizing Agency
2679	Scattered Sites	Hawthorne, Bridge, & Boston Sts.	Rental	9	Perp	No	HUD
2680	Stephen Zisson Elderly	290 Essex St.	Rental	14	Perp	No	HUD
2681	5 Barton Square	5 Barton Square	Rental	16	Perp	No	HUD
2682	Garden Terrace	North St.	Rental	32	Perp	No	DHCD
2683	Rainbow Terrace	Rainbow Terrace	Rental	136	Perp	No	DHCD
2684	Charter Street	27 Charter St.	Rental	110	Perp	No	DHCD
2685	Colonial Terrace	Boston and Nichols	Rental	40	Perp	No	DHCD
2686	J. Michael Ruane	3 Broad Street	Rental	16	Perp	No	DHCD
2687	James A. Dalton Residence	205 Bridge Street	Rental	35	Perp	No	DHCD
2688	Leefort Terrace	Leefort Terrace	Rental	50	Perp	No	DHCD
2689	Bertram Terrace	Bertram Terrace	Rental	20	Perp	No	DHCD
2690	Morency Manor	45 St. Peter St.	Rental	54	Perp	No	DHCD
2691	Norton Terrace	Norton Terrace	Rental	20	Perp	No	DHCD
2692	Bates Terrace	Bates Terrace	Rental	16	Perp	No	DHCD

Chapter 40B SUBSIDIZED HOUSING INVENTORY-CITY OF SALEM-EFFECTIVE FEBRUARY 2005

DHCD ID #	Project Name	Address	Type	Total 40B Units	Affordability Expires	Built w/ Comp. permit?	Subsidizing Agency
2693	Pioneer Terrace	Pioneer Terrace	Rental	104	Perp	No	DHCD
2694	Phillips School	86 Essex Street	Rental	17	Perp	No	DHCD
2695	Farrell Court	Farrell Ct.	Rental	12	Perp	No	DHCD
2696	Park/Prince/Congress	Park/Prince/Congress	Rental	14	Perp	No	DHCD
2697	117 Lafayette/Lincoln Hotel	111 Lafayette St.	Rental	63	2008	No	DHCD DHCD
2698	Federal and Boston Streets	191-193 Federal St.; 36-38 Boston St	Rental	24	2015	No	MHP
2699	Salem Point Rentals	98-102 Lafayette Street	Rental	15	2036	No	DHCD DHCD DHCD
2700	Fairweather Apartments	40R Highland Ave.	Rental	124	2005	No	HUD
2701	HES Housing I	403-405 1/2 Essex St.	Rental	9	2037	No	DHCD
2702	Loring Towers	1000 Loring Avenue	Rental	250	2016	No	MassHousing
2703	Lynch Street	10-14 Lynch Street	Rental	11	2017	No	MHP
2704	Pequot Highlands	10,12 First Street	Rental	250	Perp	No	DHCD MassHousing
2705	Princeton Crossing Apts	12 Heritage Drive	Rental	358	2017	No	MassHousing

Chapter 40B SUBSIDIZED HOUSING INVENTORY-CITY OF SALEM-EFFECTIVE FEBRUARY 2005

DHCD ID #	Project Name	Address	Type	Total 40B Units	Affordability Expires	Built w/ Comp. permit?	Subsidizing Agency
2707	Residential Options	20 Central Av; 1 Washington St	Rental	3	2041	No	HUD EOHHS
2708	Salem Point Rentals	8-10, 12, 24 Peabody St; 1-16 Prince St. Place; 34 Prince Street; 51-53 Palmer St; 100 Congress St.	Rental	44	2034	No	DHCD DHCD DHCD
2709	Salem Harbor CDC FTHB Project	Scattered Sites	Ownership	3	2015	No	DHCD
2710	Salem Heights	12 Pope St.	Rental	285	2103	No	DHCD MDFA MHP HUD
2712	Salem Point Cooperative	64 Harbor/Peabody/Ward	Rental	77	2091	No	DHCD DHCD
2712	Salem Point Cooperative	64 Harbor/Peabody/Ward	Rental	77	2091	No	FHLBB
2714	104 Lafayette St	104 Lafayette Street	Rental	10	2031	No	HUD HUD DHCD DHCD
2715	Dow Street	Dow Street	Ownership	2	2006	No	HUD

Chapter 40B SUBSIDIZED HOUSING INVENTORY-CITY OF SALEM-EFFECTIVE FEBRUARY 2005

DHCD ID #	Project Name	Address	Type	Total 40B Units	Affordability Expires	Built w/ Comp. permit?	Subsidizing Agency
3965	Palmer Street	68-72 Palmer Street	Rental	10	2020	No	<i>MHP</i>
4443	DMR Group Homes	Confidential	Rental	12	N/A	No	<i>DMR</i>
5934	Salem HOR Program	10 Porter Street	Ownership	1	2018	No	<i>FHLBB DHCD DHCD</i>
5935	Salem HOR Program	10 Porter Street	Ownership	1	2018	No	<i>FHLB DHCD DHCD</i>
5936	Salem HOR Program	Naumkeag Street	Ownership	1	2018	No	<i>DHCD</i>
5936	Salem HOR Program	Naumkeag Street	Ownership	1	2018	No	<i>DHCD FHLB</i>
5937	Salem HOR Program	Carlton Street	Ownership	1	2018	No	<i>DHCD DHCD</i>
5938	Salem HOR Program	Fowler Street	Ownership	1	2017	No	<i>DHCD DHCD</i>
5939	Salem HOR Program	Bayview Avenue	Ownership	1	2018	No	<i>DHCD DHCD</i>
5940	Salem HOR Program	Bridge Street	Ownership	1	2011	No	<i>DHCD DHCD</i>
5941	Salem HOR Program	Highland Street	Ownership	1	2016	No	<i>DHCD</i>

Chapter 40B SUBSIDIZED HOUSING INVENTORY-CITY OF SALEM-EFFECTIVE FEBRUARY 2005

DHCD ID #	Project Name	Address	Type	Total 40B Units	Affordability Expires	Built w/ Comp. permit?	Subsidizing Agency
							<i>DHCD</i>
5942	Salem HOR Program	Turner Street	Ownership	1	2018	No	<i>DHCD</i> <i>DHCD</i>
5943	Salem HOR Program	Meadow Street	Ownership	1	2017	No	<i>DHCD</i>
5943	Salem HOR Program	Meadow Street	Ownership	1	2017	No	<i>DHCD</i>
5944	Salem HOR Program	Harrison Avenue	Ownership	1	2007	No	<i>DHCD</i> <i>DHCD</i>
5945	Salem HOR Program	Loring Avenue	Ownership	1	2018	No	<i>DHCD</i> <i>DHCD</i>
5946	Salem HOR Program	Oak Street	Ownership	1	2017	No	<i>DHCD</i> <i>DHCD</i>
5947	Salem HOR Program	Lawrence Street	Ownership	1	2019	No	<i>DHCD</i> <i>DHCD</i>
5948	Salem HOR Program	Dunlap Street	Ownership	1	2009	No	<i>DHCD</i> <i>DHCD</i>
5949	Salem HOR Program	Proctor Street	Ownership	1	2010	No	<i>DHCD</i> <i>DHCD</i>
5950	Salem HOR Program	Irving Street	Ownership	1	2018	No	<i>DHCD</i> <i>DHCD</i>

Chapter 40B SUBSIDIZED HOUSING INVENTORY-CITY OF SALEM-EFFECTIVE FEBRUARY 2005

DHCD ID #	Project Name	Address	Type	Total 40B Units	Affordability Expires	Built w/ Comp. permit?	Subsidizing Agency
5951	Salem HOR Program	Tremont Street	Ownership	1	2017	No	DHCD DHCD
5952	Salem HOR Program	Winthrop Street	Ownership	1	2019	No	DHCD DHCD
5953	Salem HOR Program	Loring Avenue	Ownership	1	2017	No	DHCD DHCD
5954	Salem HOR Program	Salem Street	Ownership	1	2016	No	DHCD DHCD
5955	Salem Street	Salem Street	Mix	2	2008	No	DHCD
5956	Willow Avenue	Willow Avenue	Mix	2	2013	No	DHCD
6490	Salem HOR Program	Warner Street	Ownership	1	2019	No	HUD HUD
6491	Salem HOR Program	Bow Street	Ownership	1	2019	No	HUD HUD
6492	Salem HOR Program	Bridge Street	Ownership	1	2015	No	HUD
6492	Salem HOR Program	Bridge Street	Ownership	1	2015	No	HUD
6493	Salem HOR Program	Chase Street	Ownership	1	2017	No	HUD HUD
6494	Salem HOR Program	Becket Street	Ownership	1	2017	No	HUD HUD

Chapter 40B SUBSIDIZED HOUSING INVENTORY-CITY OF SALEM-EFFECTIVE FEBRUARY 2005

DHCD ID #	Project Name	Address	Type	Total 40B Units	Affordability Expires	Built w/ Comp. permit?	Subsidizing Agency
6495	Salem HOR Program	Lemon Street	Ownership	2	2017	No	HUD HUD
6496	Salem HOR Program	Cambridge Street	Ownership	1	2018	No	HUD HUD
6497	Salem HOR Program	Hathorne Street	Ownership	2	2018	No	HUD HUD
6498	Salem HOR Program	Margin Street	Ownership	2	2018	No	HUD HUD
6499	Salem HOR Program	Wyman Avenue	Ownership	1	2019	No	HUD HUD
6500	Salem HOR Program	Beaver Street	Ownership	1	2019	No	HUD HUD
6501	Salem HOR Program	Mason Street	Ownership	1	2019	No	HUD HUD
6502	Salem HOR Program	Winthrop Street	Ownership	1	2019	No	HUD HUD
6503	Salem HOR Program	Bridge Street	Ownership	3	2019	No	HUD HUD

VI.G. Consolidated Plan Management Process Tables

Housing Needs Table				Grantee:		Only complete blue sections. Do NOT type in sections other than blue.																		Priority Need?	Plan to Fund?	Fund Source	Households with a Disabled Member		Dispropo rtionate Racial/ Ethnic Need?	# of Househ olds in lead- Hazard Housing	Total Low Income HIV/ AIDS Population
				Current % of House- holds	Current Number of House- holds	3-5 Year Quantities												% of Goal													
						Year 1		Year 2		Year 3		Year 4*		Year 5*		Cumulative															
Housing Needs - Comprehensive Housing Affordability Strategy (CHAS) Data Housing Problems				Goal	Actual	Goal	Actual	Goal	Actual	Goal	Actual	Goal	Actual	Goal	Actual				% HSHLD	# HSHLD											
Household Income <=30% MFI	Renter	Elderly	NUMBER OF HOUSEHOLDS	100%	878														100%	391	Y		1342								
			Any housing problems	60.8	534	NOTE: The City of Salem funds several								0	0	####	H	SEE NOTE		51.5	201										
			Cost Burden > 30%	60.8	534	programs that assist LMI owners & renters.								0	0	####	H														
			Cost Burden >50%	40.4	355	Only development projects are in this table.								0	0	####	H														
	Small Related	NUMBER OF HOUSEHOLDS	100%	482																		N									
		With Any Housing Problems	74.3	358												0	0	####	H												
		Cost Burden > 30%	74.3	358												0	0	####	H												
		Cost Burden >50%	61.2	295												0	0	####	H												
	Large Related	NUMBER OF HOUSEHOLDS	100%	108																		N									
		With Any Housing Problems	83.3	90												0	0	####	H												
		Cost Burden > 30%	61.1	66												0	0	####	H												
		Cost Burden >50%	35.2	38												0	0	####	H												
	All other hshld	NUMBER OF HOUSEHOLDS	100%	842																		Y									
		With Any Housing Problems	67.3	567												0	0	####	H												
		Cost Burden > 30%	67.3	567												0	0	####	H												
		Cost Burden >50%	55.6	468												0	0	####	H												
	Owner	Elderly	NUMBER OF HOUSEHOLDS	100%	407																										
			With Any Housing Problems	84.8	345												0	0	####	M											
			Cost Burden > 30%	84.8	345												0	0	####	M											
			Cost Burden >50%	47.2	192												0	0	####	M											
		Small Related	NUMBER OF HOUSEHOLDS	100%	114																		N								
			With Any Housing Problems	64.9	74												0	0	####	M											
			Cost Burden > 30%	64.9	74												0	0	####	M											
			Cost Burden >50%	56.1	64												0	0	####	M											
		Large Related	NUMBER OF HOUSEHOLDS	100%	4																		N								
			With Any Housing Problems	100	4												0	0	####	M											
			Cost Burden > 30%	100	4												0	0	####	M											
			Cost Burden >50%	100	4												0	0	####	M											
All other hshld		NUMBER OF HOUSEHOLDS	100%	100																		N									
		With Any Housing Problems	80	80												0	0	####	M												
		Cost Burden > 30%	80	80												0	0	####	M												
		Cost Burden >50%	68	68												0	0	####	M												

Housing Needs Table				Grantee:																Priority Need?	Plan to Fund?	Fund Source	Households with a Disabled Member		Dispropo rtionate Racial/ Ethnic Need?	# of Househ olds in lead- Hazard Housing	Total Low Income HIV/ AIDS Population																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																								
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Jurisdiction						
Housing Market Analysis						
<i>Complete cells in blue.</i>						
Housing Stock Inventory	Vacancy Rate	0 & 1 Bedroom	2 Bedrooms	3+ Bedroom	Total	Substandard Units
Affordability Mismatch						
Occupied Units: Renter		3634	3656	1555	8845	1342
Occupied Units: Owner		530	3007	4964	8501	0
Vacant Units: For Rent	3%	41	199	4	244	39
Vacant Units: For Sale	1%	0	20	49	69	0
Total Units Occupied & Vacant		4205	6882	6572	17659	1381
Rents: Applicable FMRs (in \$s)		1,077	1,266	1,513		
Rent Affordable at 30% of 50% of MFI (in \$s)		775	930	1,075		
Public Housing Units						
Occupied Units		495	108	104	707	0
Vacant Units		5	1	2	8	0
Total Units Occupied & Vacant		500	109	106	715	0
Rehabilitation Needs (in \$s)		423,455	1,616,949	1,619,596	3,660,000	

Continuum of Care Homeless Population and Subpopulations Chart

Part 1: Homeless Population					Sheltered				Un-sheltered	Total	Jurisdiction									
					Emergency		Transitional				Data Quality									
1. Homeless Individuals					66		0		2	68	(N) enumerations									
2. Homeless Families with Children					5		0		0	5										
	2a. Persons in Homeless with Children Families				14		0		0	14										
Total (lines 1 + 2a)					80		0		2	82										
Part 2: Homeless Subpopulations					Sheltered				Un-sheltered	Total	Data Quality									
1. Chronically Homeless					48				2	50	(N) enumerations									
2. Severely Mentally Ill					10				0	10										
3. Chronic Substance Abuse					23				0	23										
4. Veterans					9				0	9										
5. Persons with HIV/AIDS					1				0	1										
6. Victims of Domestic Violence					17				0	17										
7. Youth (Under 18 years of age)					10				0	10										
Part 3: Homeless Needs Table: Individuals		Needs	Currently Available	Gap	5-Year Quantities										Total			Priority H, M, L	Plan to Fund? Y N	Fund Source: CDBG, HOME, HOPWA, ESG or Other
					Year 1		Year 2		Year 3		Year 4		Year 5							
					Goal	Complete	Goal	Complete	Goal	Complete	Goal	Complete	Goal	Complete	Goal	Actual	% of Goal			
Beds	Emergency Shelters	68	36	32	0	0	0	0	0	0	0	0	0	0	0	0	####	L	N	
	Transitional Housing	50	20	30	0	0	0	0	0	0	0	0	0	0	0	0	####	M	N	
	Permanent Supportive Housing	68	0	68	21	0	0	0	0	0	0	0	0	0	21	0	0%	H	Y	HOME
	Total	186	56	130	0	0	0	0	0	0	0	0	0	0	0	0	####			
Chronically Homeless																				

Part 4: Homeless Needs Table: Families		Needs	Currently Available	Gap	5-Year Quantities										Total			Priority H, M, L	Plan to Fund? Y N	Fund Source: CDBG, HOME, HOPWA, ESG or Other
					Year 1		Year 2		Year 3		Year 4		Year 5							
					Goal	Complete	Goal	Complete	Goal	Complete	Goal	Complete	Goal	Complete	Goal	Actual	% of Goal			
Beds	Emergency Shelters	194	18	176	0	0	0	0	0	0	0	0	0	0	0	0	####	L	N	
	Transitional Housing	101	13	88	0	0	0	0	0	0	0	0	0	0	0	0	####	M	N	
	Permanent Supportive Housing	101	0	101	0	0	0	0	0	0	0	0	0	0	0	0	####	H	N	
	Total	396	31	365	0	0	0	0	0	0	0	0	0	0	0	0	####			

Completing Part 1: Homeless Population. This must be completed using statistically reliable, unduplicated counts or estimates of homeless persons in sheltered and unsheltered locations at a one-day point in time. The counts must be from: (A) administrative records, (N) enumerations, (S) statistically reliable samples, or (E) estimates. The quality of the data presented in each box must be identified as: (A), (N), (S) or (E).

Completing Part 2: Homeless Subpopulations. This must be completed using statistically reliable, unduplicated counts or estimates of homeless persons in sheltered and unsheltered locations at a one-day point in time. The numbers must be from: (A) administrative records, (N) enumerations, (S) statistically reliable samples, or (E) estimates. The quality of the data presented in each box must be identified as: (A), (N), (S) or (E).

Sheltered Homeless. Count adults, children and youth residing in shelters for the homeless. "Shelters" include all emergency shelters and transitional shelters for the homeless, including domestic violence shelters, residential programs for runaway/homeless youth, and any hotel/motel/apartment voucher arrangements paid by a public/private agency because the person or family is homeless. Do not count: (1) persons who are living doubled up in conventional housing; (2) formerly homeless persons who are residing in Section 8 SRO, Shelter Plus Care, SHP permanent housing or other permanent housing units; (3) children or youth, who because of their own or a parent's homelessness or abandonment, now reside temporarily and for a short anticipated duration in hospitals, residential treatment facilities, emergency foster care, detention facilities and the like; and (4) adults living in mental health facilities, chemical dependency facilities, or criminal justice facilities.

Unsheltered Homeless. Count adults, children and youth sleeping in places not meant for human habitation. Places not meant for human habitation include streets, parks, alleys, parking ramps, parts of the highway system, transportation depots and other parts of transportation systems (e.g. subway tunnels, railroad car), all-night commercial establishments (e.g. movie theaters, laundromats, restaurants), abandoned buildings, building roofs or stairwells, chicken coops and other farm outbuildings, caves, campgrounds, vehicles, and other similar places.

Grantee Name:		Jurisdiction																			
Non-Homeless Special Needs Including HOPWA		Needs	Currently Available	GAP	3-5 Year Quantities										Total			Priority Need: H, M, L	Plan to Fund? Y N	Fund Source: CDBG, HC	
					Year 1		Year 2		Year 3		Year 4*		Year 5*								
					Goal	Complete	Goal	Complete	Goal	Complete	Goal	Complete	Goal	Complete	Goal	Actual	% of Goal				
Housing Needed	52. Elderly	705	454	251	0	0	0	0	0	0	0	0	0	0	0	0	####	M	N		
	53. Frail Elderly	789	126	663	0	0	0	0	0	0	0	0	0	0	0	0	####	M	N		
	54. Persons w/ Severe Mental Illness (a)	225	195	30	0	0	0	0	0	0	0	0	0	0	0	0	####	M	N		
	55. Developmentally Disabled	NA	12	NA	0	0	NOTE: The city funds several housing programs that							0	0	####	H	N			
	56. Physically Disabled	NA	50	NA	0	0	address non-homeless special needs. Currently, funds							0	0	####	H	N			
	Combined Phys. & Dev. Disabled	1033	62	971			are not specifically dedicated to any one special needs														
	57. Alcohol/Other Drug Addicted	85	61	24	0	0	group.								0	0	####	M	N		
	58. Persons w/ HIV/AIDS & their families	82	99	-17	0	0	0	0	0	0	0	0	0	0	0	0	####	M	N		
	59. Public Housing Residents ©	1943	715	1228	0	0	0	0	0	0	0	0	0	0	0	0	####	M	N		
Total		4862	1774	3150	0	0	0	0	0	0	0	0	0	0	0	0	####				
Supportive Services Needed	60. Elderly	NA	NA	NA	0	0	0	0	0	0	0	0	0	0	0	0	####	M	Y	DB	
	61. Frail Elderly	NA	NA	NA	0	0	0	0	0	0	0	0	0	0	0	0	####	M	Y	DB	
	Combined Elderly & Frail Elderly (b)	2116	2116	0																	
	62. Persons w/ Severe Mental Illness (c)	500	500	0	0	0	SEE PUBLIC SERVICES LINE ITEM (05) IN							0	0	0	0	####	L	Y	DB
	63. Developmentally Disabled	NA	NA	NA	0	0	COMMUNITY DEVELOPMENT NEEDS TABLE							0	0	0	0	####	L	Y	DB
	64. Physically Disabled	NA	NA	NA	0	0	0	0	0	0	0	0	0	0	0	0	####	L	Y	DB	
	Combined Phys. & Dev. Disabled	680	600	80																	
	65. Alcohol/Other Drug Addicted (g)	710	NA	NA	0	0	0	0	0	0	0	0	0	0	0	0	####	M	Y	DB	
	66. Persons w/ HIV/AIDS & families (h)	17	59	-42	0	0	0	0	0	0	0	0	0	0	0	0	####	L	Y	OM	
	67. Public Housing Residents	NA	126	NA	0	0	0	0	0	0	0	0	0	0	0	0	####	L	N		
Total		4023	3401	38	0	0	0	0	0	0	0	0	0	0	0	0	####				

Notes:

- (a) Data indicates figures for the Dept. of Mental Health Northeast Region.
- (b) Data available does not distinguish between developmental and physical disabilities. This figure includes all LMI households with a housing problem. Some of these households may have access to services.
- (c) Data indicates number of applicants on public housing waiting list. Some households may be on a waiting list in another community as well.
- (d) Data available does not distinguish between elderly and frail elderly.
- (e) Data indicates figures for the Dept. of Mental Health Northeast Region.
- (f) Data available does not distinguish between developmental and physical disabilities.
- (g) Data may count same person more than once.
- (h) Services available are based on regional figures.

Jurisdiction				Only complete blue sections.																			
Community Development Needs				Needs	Current	Gap	5-Year Quantities										% of Goal	Priority Need: H, M, L	Dollars to Address	Plan to Fund2 Y/N	Fund Source		
							Year 1		Year 2		Year 3		Year 4		Year 5							Cumulative	
							Goal	Actual	Goal	Actual	Goal	Actual	Goal	Actual	Goal	Actual						Goal	Actual
01 Acquisition of Real Property 570.201(a)				0	0	0									0	0	####						
02 Disposition 570.201(b)				0	0	0									0	0	####						
Public Facilities and Improvements	03 Public Facilities and Improvements (General) 570.201(c)				1	0	1	1								1	0	0%	M	25K	Y	CDBG	
	03A Senior Centers 570.201(c)				0	0	0									0	0	####					
	03B Handicapped Centers 570.201(c)				0	0	0									0	0	####					
	03C Homeless Facilities (not operating costs) 570.201(c)				0	0	0									0	0	####					
	03D Youth Centers 570.201(c)				0	0	0									0	0	####					
	03E Neighborhood Facilities 570.201(c)				0	0	0									0	0	####					
	03F Parks, Recreational Facilities 570.201(c)				2	0	2	2								2	0	0%	M	25K	Y	CDBG	
	03G Parking Facilities 570.201©				0	0	0									0	0	####					
	03H Solid Waste Disposal Improvements 570.201(c)				0	0	0									0	0	####					
	03I Flood Drain Improvements 570.201(c)				0	0	0									0	0	####					
	03J Water/Sewer Improvements 570.201(c)				0	0	0									0	0	####					
	03K Street Improvements 570.201(c)				2	0	2	2								2	0	0%	H	31K	Y	CDBG	
	03L Sidewalks 570.201(c)				10	0	10	2								2	0	0%	H	500K	Y	CDBG	
	03M Child Care Centers 570.201(c)				0	0	0									0	0	####					
	03N Tree Planting 570.201(c)				175	0	175	35								35	0	0%	M	50K	Y	CDBG	
	03O Fire Stations/Equipment 570.201(c)				1	0	1	1								1	0	0%	M	32K	Y	CDBG	
	03P Health Facilities 570.201(c)				0	0	0									0	0	####					
	03Q Abused and Neglected Children Facilities 570.201(c)				0	0	0									0	0	####					
03R Asbestos Removal 570.201(c)				0	0	0									0	0	####						
03S Facilities for AIDS Patients (not operating costs) 570.201(c)				0	0	0									0	0	####						
03T Operating Costs of Homeless/AIDS Patients Programs				0	0	0									0	0	####						
04 Clearance and Demolition 570.201(d)				0	0	0									0	0	####						
04A Clean-up of Contaminated Sites 570.201(d)				1	0	1	1								1	0	0%	M	37.5K	Y	CDBG		
Public Services	05 Public Services (General) 570.201(e)				###	0	###	8400								8400	0	0%	H	1.1M	Y	CDBG	
	05A Senior Services 570.201(e)				0	0	0									0	0	####					
	05B Handicapped Services 570.201(e)				0	0	0									0	0	####					
	05C Legal Services 570.201(E)				0	0	0									0	0	####					
	05D Youth Services 570.201(e)				0	0	0									0	0	####					
	05E Transportation Services 570.201(e)				0	0	0									0	0	####					
	05F Substance Abuse Services 570.201(e)				0	0	0									0	0	####					
	05G Battered and Abused Spouses 570.201(e)				0	0	0									0	0	####					
	05H Employment Training 570.201(e)				0	0	0									0	0	####					
	05I Crime Awareness 570.201(e)				0	0	0									0	0	####					
	05J Fair Housing Activities (if CDBG, then subject to 570.201(e))				0	0	0									0	0	####					
	05K Tenant/Landlord Counseling 570.201(e)				0	0	0									0	0	####					
	05L Child Care Services 570.201(e)				0	0	0									0	0	####					
	05M Health Services 570.201(e)				0	0	0									0	0	####					
	05N Abused and Neglected Children 570.201(e)				0	0	0									0	0	####					
	05O Mental Health Services 570.201(e)				0	0	0									0	0	####					
	05P Screening for Lead-Based Paint/Lead Hazards Poison 570.20				0	0	0									0	0	####					
	05Q Subsistence Payments 570.204				0	0	0									0	0	####					
	05R Homeownership Assistance (not direct) 570.204				0	0	0									0	0	####					
	05S Rental Housing Subsidies (if HOME, not part of 5% 570.204				215	0	215	43								43	0	0%	H	225K	Y	CDBG	
	05T Security Deposits (if HOME, not part of 5% Admin c				0	0	0									0	0	####					

Community Development Needs	Needs	Current	Gap	5-Year Quantities												% of Goal	Priority Need: H, M, L	Dollars to Address	Plan to Fund? Y/N	Fund Source
				Year 1		Year 2		Year 3		Year 4		Year 5		Cumulative						
				Goal	Actual	Goal	Actual	Goal	Actual	Goal	Actual	Goal	Actual	Goal	Actual					
06 Interim Assistance 570.201(f)	0	0	0											0	0	####				
07 Urban Renewal Completion 570.201(h)	0	0	0											0	0	####				
08 Relocation 570.201(i)	0	0	0											0	0	####				
09 Loss of Rental Income 570.201(j)	0	0	0											0	0	####				
10 Removal of Architectural Barriers 570.201(k)	0	0	0											0	0	####				
11 Privately Owned Utilities 570.201(l)	0	0	0											0	0	####				
12 Construction of Housing 570.201(m)	0	0	0											0	0	####				
13 Direct Homeownership Assistance 570.201(n)	75	0	75	15										15	0	0%	H	156K	Y	CDBG
14A Rehab: Single-Unit Residential 570.202	55	0	55	11										11	0	0%	H	1.6M	Y	BG/HOM
14B Rehab: Multi-Unit Residential 570.202	0	0	0											0	0	####				
14C Public Housing Modernization 570.202	0	0	0											0	0	####				
14D Rehab: Other Publicly-Owned Residential Buildings 570.202	0	0	0											0	0	####				
14E Rehab: Publicly or Privately-Owned Commercial/Indu 570.202	0	0	0											0	0	####				
14F Energy Efficiency Improvements 570.202	0	0	0											0	0	####				
14G Acquisition - for Rehabilitation 570.202	0	0	0											0	0	####				
14H Rehabilitation Administration 570.202	0	0	0											0	0	####				
14I Lead-Based/Lead Hazard Test/Abate 570.202	0	0	0											0	0	####				
15 Code Enforcement 570.202(c)	55	0	55	11										11	0	0%	H	195K	Y	CDBG
16A Residential Historic Preservation 570.202(d)	0	0	0											0	0	####				
16B Non-Residential Historic Preservation 570.202(d)	0	0	0											0	0	####				
17A CI Land Acquisition/Disposition 570.203(a)	0	0	0											0	0	####				
17B CI Infrastructure Development 570.203(a)	0	0	0											0	0	####				
17C CI Building Acquisition, Construction, Rehabilitat 570.203(a)	10	0	10	2										2	0	0%	M	25K	Y	CDBG
17D Other Commercial/Industrial Improvements 570.203(a)	0	0	0											0	0	####				
18A ED Direct Financial Assistance to For-Profits 570.203(b)	30	0	30	6										6	0	0%	H	500K	Y	CDBG
18B ED Technical Assistance 570.203(b)	0	0	0											0	0	####				
18C Micro-Enterprise Assistance	150	0	150	30										30	0	0%	M	200K	Y	CDBG
19A HOME Admin/Planning Costs of PJ (not part of 5% Ad	0	0	0											0	0	####				
19B HOME CHDO Operating Costs (not part of 5% Admin ca	0	0	0											0	0	####				
19C CDBG Non-profit Organization Capacity Building	0	0	0											0	0	####				
19D CDBG Assistance to Institutes of Higher Education	0	0	0											0	0	####				
19E CDBG Operation and Repair of Foreclosed Property	0	0	0											0	0	####				
19F Planned Repayment of Section 108 Loan Principal	10	0	10	2										2	0	0%	H	378K	Y	CDBG
19G Unplanned Repayment of Section 108 Loan Principal	0	0	0											0	0	####				
19H State CDBG Technical Assistance to Grantees	0	0	0											0	0	####				
20 Planning 570.205	0	0	0											0	0	####				
21A General Program Administration 570.206	5	0	5	1										1	0	0%	H	1.4M	Y	CDBG
21B Indirect Costs 570.206	0	0	0											0	0	####				
21D Fair Housing Activities (subject to 20% Admin cap) 570.206	0	0	0											0	0	####				
21E Submissions or Applications for Federal Programs 570.206	0	0	0											0	0	####				
21F HOME Rental Subsidy Payments (subject to 5% cap)	0	0	0											0	0	####				
21G HOME Security Deposits (subject to 5% cap)	0	0	0											0	0	####				
21H HOME Admin/Planning Costs of PJ (subject to 5% cap	0	0	0											0	0	####				
21I HOME CHDO Operating Expenses (subject to 5% cap)	0	0	0											0	0	####				
22 Unprogrammed Funds	0	0	0											0	0	####				

Community Development Needs		Needs	Current	Gap	5-Year Quantities												% of Goal	Priority Need: H, M, L	Dollars to Address	Plan to Fund? Y/N	Fund Source
					Year 1		Year 2		Year 3		Year 4		Year 5		Cumulative						
					Goal	Actual	Goal	Actual	Goal	Actual	Goal	Actual	Goal	Actual	Goal	Actual					
HOPWA	31J Facility based housing – development	0	0	0											0	0	####				
	31K Facility based housing - operations	0	0	0											0	0	####				
	31G Short term rent mortgage utility payments	0	0	0											0	0	####				
	31F Tenant based rental assistance	0	0	0											0	0	####				
	31E Supportive service	0	0	0											0	0	####				
	31I Housing information services	0	0	0											0	0	####				
	31H Resource identification	0	0	0											0	0	####				
	31B Administration - grantee	0	0	0											0	0	####				
	31D Administration - project sponsor	0	0	0											0	0	####				
Totals		###	0	###	8565	0	0	0	0	0	0	0	0	8565	0	0%					