

CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT



CITY OF SALEM, MASSACHUSETTS

*Fiscal Year 2017
July 1, 2016 to June 30, 2017*

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Tom Daniel, AICP, DPCD Director
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INTRODUCTION

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

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

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

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

Consolidated Plan, Annual Action Plan, and CAPER

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

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

Contact Information

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

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

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CAPER finalization date – *September 26, 2017*

Cover photo: Mary Jane Lee Park

EXECUTIVE SUMMARY

Salem's FY17 CAPER provides an analysis of the second fiscal year - July 1, 2016 through June 30, 2017² - of the City's 5-Year Consolidated Plan completed in 2015. This report is an opportunity to demonstrate our progress and the accomplishments produced by the City of Salem and its community partners, to report our successes over the past fiscal year and to inform the community of how federal and local programs are making a difference in the lives of its low- and moderate-income residents. In 2015, HUD implemented a new online system for preparing the Consolidated Plan, Annual Action Plans and CAPERs. In this report, we included the information from the online system to fulfill HUD requirements, as well as information that may be of interest to our residents.

The CDBG entitlement funds from HUD for the fiscal year were \$995,257 and program income received during FY17 was \$113,129.71. Our HOME funding allocation was \$101,296. We also used any available carried over CDBG and HOME funds from prior years.

We expended a total of \$1,058,189.02 in CDBG funds. We met all timeliness requirements and program expenditures were consistent with our 5-Year Consolidated Plan and FY17 Action Plan goals. Public Service programs were just below the 15 percent maximum allowable for such activities, and we did not exceed the 20 percent administration spending cap.

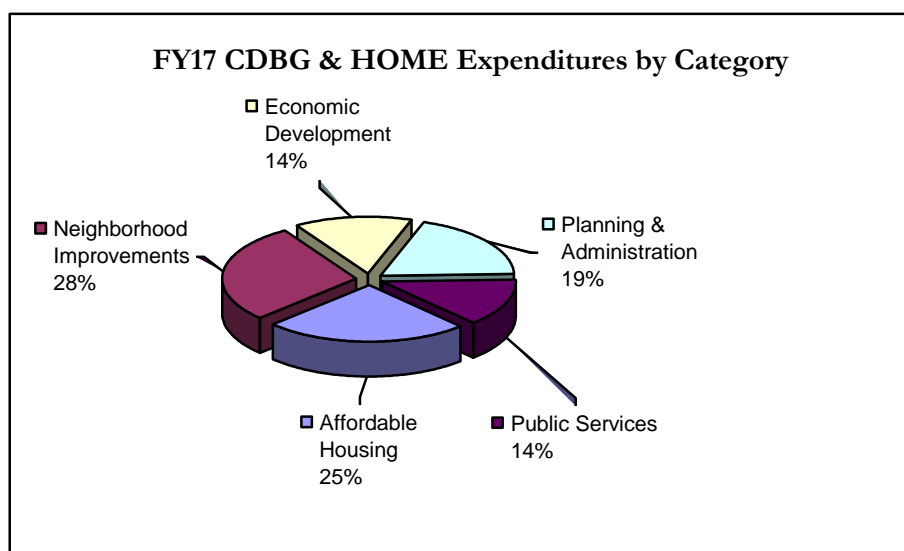


Fig. 1 FY17 Spending by Category,
as a Percentage of Total CDBG & HOME Expenditures

In addition to CDBG funds, the DPCD also spent \$63,594.16 in HOME funds to undertake additional affordable housing activities. The City of Salem is a member of the North Shore HOME Consortium and the specific accomplishments of HOME activities are reported to HUD through the Consortium by the City of Peabody. However, a summary of our activities is reported within this document.

During FY17, the DPCD continued to make significant progress toward meeting the goals and objectives laid out in the 5-Year Consolidated Plan and FY17 Action Plan. The following is a summary of accomplishments for each of our program areas – Affordable Housing, Public Services, Economic Development, Neighborhood Improvements and Planning & Administration. In the Financial Summary tables found in each program area, “funding available” indicates the total CDBG funds available during the fiscal year, including FY17 and prior year carried over funds+/- any adjustments made during the year. Status is as of June 30, 2017.

² HUD refers to Salem's FY17 as Program Year 2016 (the funding source year)

EXECUTIVE SUMMARY - AFFORDABLE HOUSING PROGRAMS

Salem has a number of services that address affordable housing issues, including rehabilitating and maintaining current housing stock, developing new housing opportunities, assisting families in acquiring housing and enabling struggling families to remain in their homes. In FY17, Salem spent \$277,915.93 in CDBG and HOME funds on affordable housing projects and programs.

Unit at 26 Carlton Street assisted through the First Time Homebuyer Downpayment Assistance Program



Table 1: FY17 Housing Financial Summary

Project	Project Description	Funding Available	Status
Housing Rehabilitation Loan Program	Provides technical and financial assistance to help LMI homeowners and landlords make needed improvements to their properties.	\$259,967.11 CDBG (FY17 & carried over)	<ul style="list-style-type: none"> • \$106,012 CDBG funds spent • 6 units improved (5 owners) + 1 emergency project at non-profit owned facility
First Time Homebuyer Program	Provides 0% interest deferred payment loans to LMI families purchasing a home in Salem.	\$44,324.81 CDBG	<ul style="list-style-type: none"> • \$39,691.53 CDBG funds spent • 5 Salem families assisted (5 units)
Congress Street Residences (Congress & Ward)	N. S. CDC will rehabilitate 5 buildings on Congress & Ward Streets (30 affordable housing units and 1 commercial unit).	\$50,000 HOME (FY15)	<ul style="list-style-type: none"> • \$44,646.16 HOME funds spent (financial closing completed in June, 2016; work nearing completion)
Rental Assistance Programs	Funds are used to help low- and extremely low-income Salem residents move into decent, affordable rental units.	\$91,044 (including \$35,044 of FY16) in open HOME Contracts	<ul style="list-style-type: none"> • \$18,948 in HOME funds spent • 18 families assisted
Congress/Dow Street Housing Revitalization	N. S. CDC acquired 3 buildings on Congress & Dow Streets for 34 affordable units, some for formerly homeless families.	\$28.78	<ul style="list-style-type: none"> • FY15 Acquisition completed • \$28.78 CDBG funds spent • Units created to be reported in future CAPER
Harbor & Lafayette Homes	The North Shore CDC will rehabilitate 2 buildings on Harbor & Lafayette Streets to create 27 affordable housing units.	\$50,000 HOME (FY15)	<ul style="list-style-type: none"> • \$0 funds spent (in pre-development)
Boston Street Crossing	Harborlight Community Partners will rehab 2 buildings on Boston St. (26 studio units) for formerly homeless individuals, along with providing supportive services.	\$185,000 HOME (FY16 & FY17)	<ul style="list-style-type: none"> • \$0 funds spent (financial closing expected Summer, 2017)
Affordable Housing Development	Funding pool for pre-development, acquisition and/or projects with rehabilitation of affordable housing units (at or below 80% of AMI) by non-profit housing developers and/or CHDO's.	\$75,000 CDBG	\$0 funds spent

Project	Project Description	Funding Available	Status
Housing Program Delivery	Costs associated with providing rehabilitation programs & inspectional services.	\$83,805.46 CDBG (FY17 & carried over) \$3,039 HOME (FY17)	\$65,550.46 in CDBG funds, & \$3,039 in HOME admin funds spent for housing program delivery & inspectional services including lead inspection.

HOME Program

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

During FY17, the City of Salem spent \$66,633.16 in HOME funds. \$44,646.16 was spent toward the Congress & Ward Street portion of North Shore CDC's Congress Street Residences project, (with properties at Congress and Dow) which will result in 63 units of affordable housing; 600 applicants applied for the affordable housing lottery for the project in 2016. \$18,948 in HOME funds were used to fund Rental Downpayment Assistance Programs. A Rental Downpayment Assistance Program assists low- and extremely low-income Salem households to help pay first and last month's rents and security deposits to enable them to secure decent, affordable housing. The program is an important tool for helping families with the costs of moving into a decent apartment. The FY17 Action Plan projected that up to 41 households would be assisted; 18 families were assisted through contracts with North Shore Community Action Program, Inc., which was below the expected goal. NSCAP reports that it has had difficulty in getting applicants that meet one of the three federal preferences and has decided to increase the maximum it will provide to eligible applicants going forward. Citizens for Adequate Housing was also under contract, but did not expend any funds during this year.

Foreclosure Prevention

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

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

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

EXECUTIVE SUMMARY - PUBLIC SERVICES

The Consolidated Plan identified the need for various social service programs that primarily benefit Salem's low- to moderate-income population and those with special needs (such as physically or mentally disabled, elderly or frail elderly, youth, non-English speaking residents, persons living with HIV/AIDS, substance abusers and homeless persons and families). In FY17, our priority goals were to continue to support a broad range of social service programs that are consistent with the needs and goals identified in the Consolidated Plan and the FY17 Action Plan.



*Salem Council on Aging
Art Program participants*

Public service projects funded during FY17 were selected using a Request for Proposals (RFP) process. The Citizen Advisory Committee reviewed all applications received, using criteria that included project eligibility and documented need for services. Recommendations on funding levels were provided to the Mayor following this review. All awards are made to non-profit agencies or city departments to carry out the programs.

According to HUD regulations, we are allowed to commit up to 15 percent of our CDBG allocation to public service activities. We are fortunate to have an excellent network of public service providers that utilize our funds to best meet community needs, which is why we continue to spend just under that limit. These public service activities provide direct benefit to our low- and moderate-income residents; therefore it is important to continue funding at this level.

In FY17, we were able to expend \$152,865.02 on 26 open public service contracts (including 19 FY17 contracts), which, in turn, assisted 8,204 people, including at least 669 youth and 271 seniors (see Table 2 for Active Projects). All contracts with funds remaining are carried over to FY18.

Table2: FY17 Public Services Financial Summary

Agency	CDBG Funding Available	CDBG Funds Spent	Number Assisted	Program Impact
1647 National Center on Time & Learning	\$19,240	\$4,840.00	73 youth	Provided 82 teacher home visits with 2 teachers at each visit, for students the Bentley Academy Charter School. 134 families received a relationship-building home visit, representing 52% of the enrolled students. The visits address family involvement in the child's education in order to improve learning. 1647 also provides training to new staff on conducting home visits.
Aspire Developmental Services, Inc. North Shore Infant & Toddler Preschool Program	\$4,800.00	\$4,800.00	70 children	For children with physical and developmental disabilities to attend integrated developmental play groups once per week. 30 children will continue to attend. The children who have aged out of the program have gone to local private day cares and preschools (12), Salem Public Schools (14), Head Start (14).

Agency	CDBG Funding Available	CDBG Funds Spent	Number Assisted	Program Impact
Boys & Girls Club	\$5,000.00	\$5,000.00	213 youth	Provided daily homework help on weekdays for 8 months (5400 visits) for students ages 5-12.
Catholic Charities Homeless Prevention Program	\$9,800.00	\$9,800.00	26 persons	Assisted 12 households with avoiding eviction and homelessness through payment of rental arrearages. Each household also received budget counseling, information and referral and advocacy when needed.
East Gate Fellowship: Joseph's Storehouse	\$9,282.43	\$9,282.43	1611 persons	Provide a supplemental food assistance to 1550 unique Salem residents from 660 Salem households for a total of 4535 Salem household visits during the period of 7/1/16 through 5/31/17.
Haven From Hunger Food Pantry	\$9,000.00	\$9,000.00	812 persons	Provided food to 242 Salem families through 1018 visits to the food pantry over 4 months (336,427 pounds of food).
H.A.W.C. Children's Program	\$9,000.00	\$9,000.00	68 persons	Assisted 33 adults and 35 children who are victims of domestic violence. From July, 2016 through December, 2016, 98 hours of Children's Play Pals groups were held, 31.5 hours of domestic violence 101 support groups were held, 15 hours of weekly house meeting were held, 9.5 hours of Mommy & Group were held 8 hours of Parenting Group were held, 6 hours of DV 101 & Budgeting Group were held and 14 hours of Self-Care Group were held.
Independent Living Center Accessible Housing Education Services Program	\$4,800.00	\$4,800.00	42 disabled persons/ households	Provided two housing forums, one on availability of housing and one on housing rights. ILCNSCA also provided individual independent living services and information and referral (in-office and telephone) on housing issues resulting in 5 placements/relocations into AAA housing. Through six monthly Universal Housing Application assistance workshops ILCNSCA assisted consumers to complete and submit 16 Universal applications and 13 Section-8 HCV applications submitted to Salem Housing Authority.

Agency	CDBG Funding Available	CDBG Funds Spent	Number Assisted	Program Impact
Inversant Salem Families College Savings Program	\$11,200.00	\$11,000.00	34 youth	Inversant facilitated a total of 7 workshops. 100% of senior families that successfully completed all program requirements filled out the FAFSA. 100% of senior families that successfully completed all program requirements enrolled into a higher education institution. 11 students completed the program requirements and saved the minimum required to receive matching funds through this program.
LEAP for Education	\$9,800.00	\$9,800.00	71 youth	Provided assistance to Salem teens in high school and college, meeting with high school junior and senior students at least 3 hours per week. As a result of these activities, 62 applications to college were submitted, 14 applications for college financial aid were submitted and 9 students took college entrance exams from October, 2016 through March, 2017.
Lifebridge Medical Support Services	\$9,800.00	\$9,800.00	238 persons	Provided wound care, general health assessments, symptom management, diabetic monitoring and education. 845 health assessments were completed by the Lifebridge nurse between September, 2016 and February, 2017. They also conducted street outreach services to connect homeless individuals with shelter services and provided referrals to medical, mental health, substance abuse and social service providers.
NSCAP Homeless Prevention Program	\$9,000.00	\$9,000.00	31 persons	Assisted 16 families with rent assistance to avoid homelessness.
North Shore CDC Family Stability Program	\$5,490.04	\$3,719.49	95 persons	Provide 87 ESL/ELL classes from September 2016 to June, 2017 for a total of 140 hours, 3 first time homebuyer sessions, 3 financial literacy workshops, along with 32 tax preparation sessions.
North Shore Moving Market	\$4,600.00	\$4,600.00	91 persons	Assisted approximately 58 Salem households with monthly deliveries of food.

Agency	CDBG Funding Available	CDBG Funds Spent	Number Assisted	Program Impact
Salem Community Child Chare	\$9,000.00	\$9,000.00	14 youth	Education and care is provided from 1:30-5:30 Monday through Friday when school is in session and 7:00 to 5:30 during school vacations. Children were assisted with homework in order to help them complete kindergarten and prepare them for first grade.
Salem Council on Aging Art Program	\$2,500.00	\$791.14	29 seniors	Art projects included bead necklaces, rice mandelas, rain sticks, water color paintings, bead bracelets, dream catchers, paper fans, finger painting, yarn flowers, decoupage frames, wall hangings, clay bowl design, and creating beads from recycled magazines. Classes averaged 10-12 participants.
Salem Council on Aging Transportation Program	\$15,300.00	\$15,300.00	242 seniors	Drivers for the senior transportation program provided 15,710 rides to the following: 5779 to the Council on Aging, 3517 medical, 3530 shopping, 398 events, 575 barber/hairdresser, 84 library, 486 YMCA, 173 bank, 551 volunteer/employment, 619 other.
Salem Police Department Bicycle and Walk/Ride Patrols	\$13,115.32	\$3,476.24	4,120 persons	Provided targeted teamed bike patrols in the Point Neighborhood. They concentrate on the reduction of crime, loiterers, drug interaction & improving quality of life.
Salem YMCA School Age Child Care Program	\$9,800.00	\$9,800.00	194 youth	Provided child care with curriculum based instruction, enrichment activities, swimming and field trips 5 days per week.
Salvation Army Homeless Prevention	\$9,608.68	\$2,219.00	8 persons	Assisted 5 households with homelessness prevention (rent arrearage).
V.O.C.E.S. Hispanic Education Program	\$4,955.51	\$4,836.72	115 persons	Provided 156 classes in either Citizenship Education or GED Preparation in Spanish. This year they reported 66 new U. S. citizens.
Wellspring House MediClerk Program	\$3,000.00	\$3,000.00	7 persons	13 week training course. This year, 7 students completed the program. Students received instruction in Goals/Job Search Strategies, Medical Terminology, Medical Office Procedures, Business Communication, Computer Skills & Keyboarding, Professional Success and an Applied Skills Laboratory. Job shadowing was conducted.
TOTAL PERSONS ASSISTED		8,204 persons, including at least 669 youth & 271 seniors		

EXECUTIVE SUMMARY - ECONOMIC DEVELOPMENT

The City of Salem is dedicated to economic development through efforts to stimulate our local economy, revitalize the downtown and neighborhood commercial districts, improve exterior building façades, and assist local business owners. This focus brings new employers and new jobs to the city, while retaining jobs by helping existing businesses improve their commercial infrastructure or expand their operations. During FY17, several new businesses opened in the downtown bringing new goods and services locally. Salem has also seen a surge of redevelopment in the past few years. The increased development brings vitality to the downtown and, in the process, improves and stabilizes neighborhood business districts. Improved vitality in our neighborhood and downtown commercial districts also has the residual effect of improving public safety. Salem's unemployment rate continues to steadily improve. Salem's unemployment rate as of July 2017 is 4.6 percent.³



Kokesbi ribbon cutting and exterior



Table 3: FY17 Economic Development Financial Summary

Program		Description	CDBG Funding Available	Status
Storefront Improvement Program		Provides design assistance and/or matching funding up to \$5,000 to business owners wishing to improve the exterior façade of their business.	\$29,332.55	<ul style="list-style-type: none"> • \$5,000 CDBG spent • 1 Storefront assisted
Business Loan Program		Provides three types of loans that fund commercial rehabilitation, job creation or retention and/or micro-enterprise assistance to make our commercial areas vibrant.	\$102,676.91	<ul style="list-style-type: none"> • \$36,640 CDBG spent • 1 businesses assisted
Business Technical Assistance	Salem Main Streets Program	Provides commercial district revitalization through organization, promotion, economic restructuring and design.	\$35,000.00	<ul style="list-style-type: none"> • \$35,000 CDBG spent • 8 new full & part time jobs documented (=7 FTE) • Assisted 6 new, 37 existing and 7 prospective businesses (including 34 micro-enterprises and 6 expanding businesses)
	Economic Development Program Delivery	Costs associated with providing Economic Development programs and administration of the Salem Redevelopment Authority.	\$83,422.81	<ul style="list-style-type: none"> • \$83,422.81 CDBG spent • (see description below)

³ Massachusetts Executive Office of Labor and Workforce Development, Department of Unemployment Assistance

In total, \$160,062.81 in CDBG funds was spent during the program period for economic development activities, including technical assistance provided by the City of Salem's Economic Development (ED) Planner, who administers the City's financial assistance programs, undertakes numerous economic development initiatives and provides administration to the Salem Redevelopment Authority, which oversees the Urban Renewal Area.

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

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

During FY17, DPCD's Economic Development Planner worked on several significant redevelopment projects, including:

- The approval of 33 projects including, but not limited to, installation of signs, public art installations, and façade/building renovations proposed within Salem's Urban Renewal Area. The ED Planner worked with applicants on all required information needed for Board submissions and ultimate approvals. The public art installations approved and installed include:
 - Celebrating the Urban Environment – The Salem Public Art Commission chose three locations in the downtown and issued a call for works:
 - “Pavilion” by Matthias Neumann, a site-specific sculptural work using unfinished wood as the construction material now located at the corner of New Derby and Washington Street.
 - “From a Quiet Place” is a mural painted on vinyl and located on the entrance wall of the old train station.
 - “Whispers of Salem”, although not requiring approval as there isn't a physical piece of art, the project is an augmented reality sound installation.
 - Mural Slam – Held for a second year, the slam is a two-day event where selected artists paint work on plywood boards mounted on the back of stalls at Salem's Artists' Row. The event was held during the Salem Arts Festival and the pieces are still in place.
 - Art in Residence Pilot Program at Artists' Row – The Salem Public Art Commission and the Public Art Planner worked with Claudia Paraschiv to do the Artist in Residence Pilot Program. Paraschiv's proposal included building a community table and adding events to the Row over a five-week period in Summer, 2017.
 - Lesley University Project for Artists' Row - In Collaboration with Salem Public Art Commission and Public Art Planner students from Lesley University worked on re-branding

Artists' Row. The four person team from the University presented the completed project that included new paint colors, new doors and windows for better interior lighting and to see into the stalls, new barn door to replace the metal gate on the bathroom as well as new signage on the entrance and interior of the Row. The project will be completed by September 2017.

- Managing two MassWorks Infrastructure Program grant funded projects totaling over \$7.1M:
 - \$3.36M project to relocate public utilities from underneath a publically owned parcel of land, in order to enable the sale of the parcel to a private developer planning a \$50M mixed-use redevelopment project to include a hotel, ground floor retail, offices, residences, and parking. This project is scheduled to be complete in FY19.
 - \$3.75M project to design and construct a “complete streets” rebuild of a primary entrance corridor leading into Salem’s downtown that will also support several mixed use housing projects with retail, as well as the City’s new “Community Life Center” (senior center).
- Coordination of all processes related to the redevelopment of the City’s former District Court site. The project currently calls for a new building to be constructed that will contain 61 condominium units (six units will be deed restricted affordable), on-site parking, and ground floor retail.
- Production and local and state approval of a Housing Development Incentive Program (HDIP) Zone and Plan. HDIP is a state enabled program that incentivizes the development of market rate housing in Massachusetts “Gateway Cities.”⁴
- Coordination of the production of a pre-development study of a City owned parcel directly adjacent to the downtown commuter rail station.
- Coordination of pre-development work for the adaptive reuse of the Superior Court and County Commissioner’s buildings.

The Economic Development Planner continues to work with the North Shore Community Development Coalition and other local stakeholder partners on the implementation of the “Salem Point Neighborhood Vision and Action Plan.” Action items call for quality of life improvements to the Point Neighborhood, which is Salem’s foremost environmental justice neighborhood. Examples of the type of projects being implemented include sidewalk repairs, park improvements, community programming, and public art.

The Economic Development Planner continues to collaborate with the Salem Chamber of Commerce on several economic development topics including downtown transportation, business recruitment and retention, and the development of policy suggestions for the City to consider that will streamline permitting for small businesses.

The Economic Development Planner is also the City’s representative board member on the North Shore Workforce Investment Board, which serves as the oversight and policy-making body for federally funded employment and training services in the 19 community North Shore Region. The board also has the broader role of addressing critical labor market issues and developing strategic

⁴ For more information about Gateway Cities: <https://massinc.org/our-work/policy-center/gateway-cities/about-the-gateway-cities/>

partnerships with local leaders in economic development, the K-12 and higher education system, government agencies, and chambers of commerce, as well as community-based and labor organizations. The board charters and oversees a one-stop career center, North Shore Career Center, located in Salem, with satellite offices throughout the North Shore.

The Economic Development Planner prepared the following grant applications in FY2017, which support various Economic Development initiatives:

- MassWorks Infrastructure Program, for roadway and streetscape improvements in Salem’s North River Canal Corridor neighborhood - \$4.3M (awarded as \$3.75M).
- MassDevelopment “Site Readiness” program to fund a pre-development study of the City’s DPW yard parcel (did not receive award).

Table 4: Active Economic Development Loans in FY17 & Additional Job Monitoring

Project	Amount of Assistance	Total Jobs Monitored (mix of part/full time)
Salem Main Streets (t/a)	\$35,000	8 new jobs = 7 FTE
Deacon Giles - loan	\$31,845	4 new jobs = 2 FTE
Crowther Brewing, LLC (Derby Joe) - loan	\$31,445	4 new jobs = 3 FTE
Kokeshi/Ragazza	\$36,620	To be monitored in FY18

EXECUTIVE SUMMARY - NEIGHBORHOOD IMPROVEMENTS

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

Due to the size and scope of these types of activities, some require multi-year funding, as well as a few years to plan, permit and complete the project. To that end, some of our Neighborhood Improvement Projects are still in the planning, permitting or bidding stages. The following table outlines the current neighborhood improvement projects and their status at the close of FY17. Neighborhood Improvement Projects can only take place in those areas eligible for CDBG funding (see Appendix for map); therefore, all the projects listed are designated for these target neighborhoods.



*Downtown North
Neighborhood History Sign*

During the program period, we continued to work on important neighborhood projects, and spent a total of \$319,571.74 including program delivery costs, toward meeting the goals in the FY17 Action Plan and 5 Year Consolidated Plan.

Table 5: FY17 Neighborhood Improvement Financial Summary

Activity	CDBG Funds Available	CDBG Funds Spent	Status
Mary Jane Lee Park Improvements	\$66,416.24	\$66,416.24	Complete
Artist Row Sidewalks	\$88,875.00	\$8,875.00	Complete
Neighborhood History Sign Installation	\$5,756.01	\$5,756.01	Complete
Street Improvements (i.e. sidewalks, curbscuts, paving & crosswalks)	\$94,062.85	\$68,194.12	Ongoing
Salem Council on Aging Improvements	\$79,871.85	\$65,387.74	Ongoing
Point Area Flood Improvement- Trash/Guards	\$115,525.05	\$51,216.88	Underway
Lafayette Park Improvements	\$168,488.63	\$31,904.48	Bidding
McGlew Park Improvements	\$126,022.31	\$14,950.31	Bidding
Point Neighborhood community space Art Mural	\$6,754.49	\$6,754.49	Underway
Peabody Street Park canopy/overhang	\$9,916.47	\$116.47	Underway
Lappin Park Drinking Fountain	\$2,916.00	\$0	Underway
Splaine Park Embankment	\$18,350.00	\$0	Design
Teen Center Furnace Purchase	\$7,500.00	\$0	Planning
Tree Planting Program	\$5,000.00	\$0	Ongoing
Downtown Pedestrian Mall Improvements	\$94,928.92	\$0	Planning
Point Visioning Projects	\$32,735.80	\$0	Planning
Boston Street Neighborhood	\$25,000.00	\$0	Planning

EXECUTIVE SUMMARY - PLANNING & ADMINISTRATION

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

During FY17, the City used CDBG funds to update the Downtown Salem historic properties inventory and to undertake environmental testing at the recently acquired lot at 289 Derby Street.

In FY17, we spent a total of \$214,406.68 in Planning and Administration for planning projects completed in the fiscal year and administration expenses necessary to carry out our programs. As stated previously, we were able to remain under the administrative spending cap of 20 percent.

FORM B - BUILDING

MASSACHUSETTS HISTORICAL COMMISSION
MASSACHUSETTS ARCHIVES BUILDING
220 MIDDLESEX BOULEVARD
BOSTON, MASSACHUSETTS 02125

Address: 221 Essex Street
Historic Name: New Building
Uses: Present: General office building
Original: commercial and office
Date of Construction: 1870-74
Source: Historic records
Style/Form: Industrial commercial style
Architect/Builder: Robert P. Bruce with George Copeland, architects
Exterior Material: Foundation: stone
Wall Type: brick and section
Roof: unknown (flat)
Outbuildings/Secondary Structures: none

Major Alterations (with date): Addition of 6th floor (unknown date between 1883 and 1915); alterations (unknown date); Hutton & French, Boston, architects; Pomeroy & Brown, Salem, general contractors (1915)

Condition: good
Mural: no ☐ yes ☐ Data: Average: 0.17

Setting: The building occupies an urban setting (previously containing of brick masonry commercial and mixed-use buildings, in which structure typically occupy the majority of their lots and have their street facades in line with the street wall.

Recorded by: Walter R. Shupler
(DHQHS) Anthropological Assets, Larson Parker Adams
Organization: City of Salem DPICD
Date: July 2017

*Example of a completed Survey Form
from the Downtown Survey*

Table 7: FY17 Planning & Administration Financial Summary

Activity	CDBG Funds Available	CDBG Funds Spent
Survey & Planning Grant – Downtown Survey	\$20,000.00	\$20,000.00
289 Derby Street environmental	\$6,400.00	\$6,400.00
Sideman Study Update	\$2,750.00	\$0
Open Door Immigration Services	\$10,000.00	\$0
North Shore Community Health	\$10,000.00	\$0
General Administration - Non-salary	\$7,584.36	\$7,150.81
General Administration - Benefits	\$43,163.32	\$43,163.32
General Administration - Salary	\$137,692.55	\$137,692.55

CR-05 - Goals and Outcomes

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

91.520(a)

Please note that the CAPER in IDIS defaulted to Version 4, which was an amendment to the Consolidated Plan and Annual Action Plan (AAP) for Gloucester, which resulted in marking all Salem projects as status "Canceled" and as Program Year 2015. The correct version is Version 3 for HUD PY2016, but we were unable to alter the defaulted version. The result is our accomplishments are not associated with a strategic plan goal and we had to enter all accomplishment data manually.

For Affordable Housing Development the 27 units that was proposed in the 2015 AAP was for the Harbor/Lafayette project, now being funded with HOME funds, and to be reported through the Consortium when complete. The Congress/Dow project is near completion and accomplishment data should be provided in the next CAPER.

For Business Technical Assistance, the Salem Main Streets Program provided technical assistance to 50 new, existing or potential businesses, including 34 micro-enterprise businesses and 6 expanding businesses, exceeding our FY16 Action Plan goal of assisting 22 microenterprises. In addition, 8 new jobs were documented (7 FTE) exceeding the goal of 5 jobs.

For Community Support Services, our AAP goal was to provide approximately 21 new grants and serve an estimated 9,000 persons. We were on par by executing agreements for 21 new grants and through these new grants and carried over open contracts, we assisted 8,328 persons. One program is in an LMI census tract of 4120 persons. There were two actual activities for this program due to carried over funds, but for accomplishment purposes, the numbers were not duplicated.

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

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

The Housing Rehabilitation Loan Program continues to assist families in need and to meet or exceed the goals laid out in the Consolidated Plan. In FY17, we exceeded our estimate of rehabilitating 2 housing units with having improved 6 housing units, plus assistance to a non-profit owned facility.

Neighborhood Improvement Activities' accomplishments are the census tract totals for the completed Mary Jane Lee Park Improvements, Street Improvements and the Neighborhood History Sign installation (although there are additional open activities with expenditures). Projects underway include the Salem Council on Aging facility, Point Area Flood Improvements, Lafayette Park Improvements, McGlew Park

CAPER NARRATIVES IN IDIS

Improvements, Point Neighborhood community space art mural and Peabody St. Park canopy. Additional projects from the AAP are in the planning stage and these funds will be carried over to FY18.

For our Small Business Financial Assistance Programs, we proposed assisted 2 businesses and creating a minimum of 2 jobs. While we only assisted 1 business. However, monitoring of two businesses assisted in FY1, we were able to document 8 new jobs (5 FTE).

CAPER NARRATIVES IN IDIS

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)

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

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
Affordable Housing	Affordable Housing	CDBG: \$	Rental units constructed	Household Housing Unit	56	0	0.00%	2	0	0.00%
Business Technical Assistance	Non-Housing Community Development	CDBG: \$	Jobs created/retained	Jobs	10	13	130.00%	5	7	140.00%
Business Technical Assistance	Non-Housing Community Development	CDBG: \$	Businesses assisted	Businesses Assisted	50	82	164.00%	22	37	168.18%
Community Support Services	Homeless Non-Homeless Special Needs	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	45000	16532	36.74%	8600	8204	95.40%
Downtown Improvements	Non-Housing Community Development	CDBG: \$	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	5055	5055	100.00%	5055	5055	100.00%

CAPER NARRATIVES IN IDIS

First Time Homebuyer Program	Affordable Housing	CDBG: \$	Direct Financial Assistance to Homebuyers	Households Assisted	25	8	32.00%	5	5	100.00%
Housing Rehabilitation Programs	Affordable Housing	CDBG: \$	Homeowner Housing Rehabilitated	Household Housing Unit	20	13	65.00%	2	6	300.00%
Neighborhood Improvements Activities	Non-Homeless Special Needs	CDBG: \$	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	8265	8265	100.00%	8265	8265	100.00%
Small Business Financial Assistance Programs	Non-Housing Community Development	CDBG: \$	Jobs created/retained	Jobs	15	24	160.00%	2	9	450.00%
Small Business Financial Assistance Programs	Non-Housing Community Development	CDBG: \$	Businesses assisted	Businesses Assisted	5	4	80.00%	2	1	50.00%

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

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

Overall, we made significant progress toward meeting the priorities and objectives of our 5-year Consolidated Plan and FY17 Action Plan. The following is a summary of major activities accomplished in FY17:

- 5 families assisted to purchase their first home in Salem;
- 7 housing units were renovated;
- Emergency housing assistance provided for a non-profit owned facility;
- 18 families received assistance with first/last month's rent and/or security deposits (HOME funds);
- 22 social service programs assisted 8,204 persons, including at least 669 youth and at least 271 seniors;
- 1 business provided with an economic development loan;
- 1 business provided with storefront design assistance;
- 8 new jobs documented;
- Salem Main Streets Program highlights: Assisted 6 new, 37 existing businesses and 7 potential businesses (including 34 micro-enterprises and 6 expanding businesses), 1 business assisted resulting in documentation of 8 new jobs (7FTE). Technical assistance included one-on-one design assistance, appearance and marketing (including social media), advocacy, strategy, expansion assistance, relocation assistance. The also provided targeted promotions, ribbon cuttings and events. Events included the Farmers Market, Ice Scream Bowl, Salem Winter Farmers Market, Haunted Happenings, Howl-o-ween Parade, Holiday Tree Lighting, Holiday Window Decoration Contest and Santa Arrival events, Salem Festive Fridays, Small Business Saturday, New Years Eve Salem launch, Salem So Sweet Festival, Salem Film Festival Window Contest, Salem Arts Festival and PEM/PM Artopia.
- Improvements completed at Mary Jane Lee Park;
- Artists Row Sidewalks completed;
- Neighborhood History Signs installed in 6 locations (3 CDBG funded);
- Council on Aging building repairs and improvements undertaken including roof repairs, door replacement and restoration of the brownstone façade;
- Curbcuts installation completed on Lafayette Street at Dodge and Peabody Streets; and
- Sidewalks completed on Boston, Horton, Willson and Linden Streets.

Salem has received significant cuts in CDBG (22%) and HOME (52%) funds from FY11 to FY17. Still, despite the reduction in HUD funding, we are proud of the accomplishments made and that we continue to meet Salem needs and goals.

CR-10 - Racial and Ethnic composition of families assisted

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

91.520(a)

	CDBG
White	2,338
Black or African American	674
Asian	43
American Indian or American Native	43
Native Hawaiian or Other Pacific Islander	23
Total	3,121
Hispanic	1,530
Not Hispanic	1,591

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

Narrative

The table numbers are generated by IDIS based on accomplishment data entered. Please note that the total persons served is less than last year due to activity #1512 for Council on Aging improvements. The number of persons served by the project (10,567) was reported in FY16 and was not reported here in FY2017, so as to avoid duplication in reporting under the same activity.

CR-15 - Resources and Investments 91.520(a)

Identify the resources made available

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG	CDBG	1,107,757	1,058,189
HOME	HOME		
HOPWA	HOPWA		
ESG	ESG		
Housing Trust Fund	Housing Trust Fund	0	0
Other	Other	1,331,296	

Table 3 - Resources Made Available

Narrative

The total of \$2,409,538.53 includes:

CDBG funds – the actual amount spent in FY17 (\$1,058,189.02).

City of Salem - the actual amount of City of Salem funds spent on salaries and benefits (\$558,445.56).

City of Salem CIP - the amount budgeted in FY17 toward projects also being funded with CDBG and/or CPA funds (\$0 in FY17).

CPA funds - the total of amount of surcharge funds collected (\$583,750.08), not including penalties or interest, and including the State match funds received (\$114,479) for a total of \$698,229.08.

HOME funds - the actual amount spent in FY17 (\$63,594.16).

MA Office of Coastal Zone Management - the actual amount spent during year 2, FY17 (\$31,080.71) of a \$275,000 grant received.

Identify the geographic distribution and location of investments

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

Table 4 – Identify the geographic distribution and location of investments

Narrative

Salem does not allocate a specific amount of dollars to a specific geographic area. Rather we identify a need, develop a program or activity to meet the need and assign the dollars that will be used to address the need. Some programs and activities undertaken are available on a citywide basis to income eligible

households. Other programs and activities are targeted to particular neighborhoods with concentrations of low- and moderate-income households or to programs that benefit specific populations such as senior citizens, disabled persons and minorities.

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

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

Leveraging

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

In order to maximize accomplishments and make projects feasible, CDBG funds often must be combined with other funding sources. The following summarizes the amount of funds leveraged in FY17 that we were able to document.

Housing

- For the First Time Homebuyer Program, homebuyers provided \$74,999 in private funds as well as obtained \$1,087,685 in financing from a primary lender.
- For the Housing Rehabilitation Loan Program, homeowners provided \$3,050 in private funds.
- The \$50,000 in Salem CDBG funds for Congress Street Residences (which includes Dow/Congress and Dow/Ward activities) leveraged over \$35 million in other funds including AHTF, CATNHP, HIF, HOME and HSF for a total of \$4,000,000 subordinate DHCD State debt, \$15,655,558.51 in private equity, \$360,824 in public equity, \$93,505 CPA funds, Eastern Bank direct bond purchase of \$5,655,150 and \$9,438,750 in construction loans, seller note of \$180,755, and Salem HOME funds of \$50,000. The leveraged funds for the acquisition portion of Congress/Dow (\$3,095,933 in CPA and LISC loan funds) was reported in the FY16 CAPER.

Economic Development:

- The Salem Main Streets Program leveraged \$76,637.20. Of this total, \$13,696.77 was from local business and donations and \$62,940.43 was from event fees and donations to cover costs.
- The business loan for which CDBG funds were expended this program period leveraged \$285,000 in private funds and \$100,000 in conventional financing.
- Storefront Improvement Program leveraged \$5,485.31 in business matching funds.

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

- Mary Jane Lee Park's CDBG funds are leveraging a \$400,000 PARC grant, \$85,075 in CPA funds and \$60,000 in the City's Capital Improvement Program funds.

- McGlew Park funds are being leveraged with \$79,000 in CPA funds, a \$400,000 PARC grant and \$100,383 in Capital Improvement Plan (CIP) funds.
- The Lafayette Park project is leveraging \$100,000 in CPA funds and \$25,000 in CIP funds.
- The Neighborhood History Signs project leveraged \$2,000 in Essex National Heritage Area grant funds and \$2,480.68 in CIP funds in order to install 6 total signs.

Planning & Administration:

- Planning and administration funds leveraged \$465,102.37 in City funds plus \$93,343.19 in benefit costs, along with and \$12,464.69 in State Seaport Advisory Council funds and \$16,451.49 in Massachusetts Historical Commission Survey and Planning Grant funds.

Public Services:

- Most of the public service agencies funded use CDBG funds as a portion of their overall activity budgets. Based on leveraged funds reports provided by each agency at the end of the program year, the amount leveraged is \$3,764,037.52 in other federal, state, private or other funds.

Note: Leveraged funds for multi-year projects may be repeated within more than one year's CAPER. Above, leveraged funds are only included for projects for which CDBG funds were expended during the fiscal year.

CR-20 - Affordable Housing 91.520(b)

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

	One-Year Goal	Actual
Number of Homeless households to be provided affordable housing units	0	0
Number of Non-Homeless households to be provided affordable housing units	7	8
Number of Special-Needs households to be provided affordable housing units	0	0
Total	7	8

Table 5 – Number of Households

	One-Year Goal	Actual
Number of households supported through Rental Assistance	0	0
Number of households supported through The Production of New Units	0	0
Number of households supported through Rehab of Existing Units	2	5
Number of households supported through Acquisition of Existing Units	5	5
Total	7	10

Table 6 – Number of Households Supported

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

For the non-homeless households (2 under the Housing Rehabilitation Program and 5 under the First Time Homebuyer Program), in FY17 we assisted 10 (5 under the Housing Rehabilitation Program and 5 under the First Time Homebuyer Program).

Rental assistance was provided to 18 families through the use of HOME funds, but these will be reported through the North Shore HOME Consortium's CAPER. HOME funds also assisted with emergency assistance at a shelter for battered women.

Discuss how these outcomes will impact future annual action plans.

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

Also of note, in July, 2015, the Metropolitan Area Planning Council provided an overview of their analysis of local demographic data and housing stock and the key characteristics and trends in Salem that help explain housing need and demand for the next 15 years. Their findings are located on the Studies and Reports page of www.salem.com. These numbers reiterate the ongoing need for affordable housing in Salem.

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

Number of Households Served	CDBG Actual	HOME Actual
Extremely Low-income	2	0
Low-income	5	0
Moderate-income	4	0
Total	11	0

Table 7 – Number of Households Served

Narrative Information

These numbers reflect the 5 households (not persons) assisted through the First Time Homebuyer Program and the 6 households (not persons) assisted by the Housing Rehabilitation Program. These show that Salem's housing programs serve all income levels, but predominantly (77%) those with low or extremely low incomes. All of the moderate income families were assisted through the First Time Homebuyer Program and the one family each was assisted through each of the two programs.

HOME numbers are reported through the North Shore HOME Consortium.

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

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

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

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

Through Lifebridge, a 34-bed shelter for men and women, the City partially funds a licensed nurse through their Medical Support Services Program which provides on-site and community-based health assessments to the homeless population, including wound care, general health assessments, symptom management, diabetic monitoring, nutrition and general health education - 238 persons received a total of 845 health assessments from September, 2016 to February, 2017. They also conducted street outreach services to connect homeless individuals with shelter services and provided referrals to medical, mental health, substance abuse and social service providers.

Addressing the emergency shelter and transitional housing needs of homeless persons

Each year the City issues a Request for Proposals for agencies to submit funding proposals, including proposals for emergency shelter and transitional housing needs. This year, new contracts were executed with Lifebridge for which the City partially funds a licensed nurse who provides on-site and community-based health assessments to the homeless population, including wound care, blood pressure monitoring, nutrition and general health education.

Funds were also provided to HAWC to provide childcare and therapeutic intervention for the mothers and children at the shelter for abused women and their children- 33 adults and 35 children were assisted. HAWC provides services to victims of domestic abuse and their children, including a homeless prevention program also funded through CDBG. They also received HOME funds from Salem for rental downpayments for clients to move into decent, affordable housing.

In addition to HAWC, Salem also funds Rental Downpayment Assistance to Citizens for Adequate Housing and NSCAP with HOME funds to pay for first, last and security for eligible households moving into affordable housing.

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

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

In FY15, the City awarded CPA funds for North Shore CDC's proposed project at 15-17 Harbor Street for 27 single room occupancy units for which 17 units will be set aside for formally-homeless, low-income youth aging out of the foster care system. They are still working on obtaining funding for this \$5 million+ project, but Salem has awarded \$100,000 in CPA funds and \$50,000 from HOME funds.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

The City of Salem has committed \$185,000 in HOME funds to Harborlight Community Partners project to rehabilitate two buildings on Boston St. (26 studio units) in order to house formerly homeless individuals, along with providing supportive services.

Although not specifically for homeless persons, the City executed a HOME agreement with NSCAP to provide for rental downpayment assistance to help extremely low- and low-income households (including homeless) to move into decent, affordable rental units. In total, 18 families were provided

with this tenant based rental assistance.

The City's community partner, Lifebridge, offers a suite of essential services that target the needs of homeless and disadvantaged adults, designed to promote education, employment, and self-sufficiency. They offer 22 congregate units of permanent supportive housing for homeless persons to make the transition. In addition to supporting Lifebridge efforts, the City awards CDBG social services sub-grants to provider agencies to address goals of ending homelessness. These organizations may provide transitional and permanent supportive housing to homeless and formerly homeless persons, assist with housing search, housing counseling, and provide emergency housing assistance (e.g., delinquent rent and utility payments). Specifically, in FY17, agreements were executed with Catholic Charities, Salvation Army and NSCAP for homeless prevention through emergency assistance of rental payments in order to avoid eviction. Along with carried over contracts with Salvation Army, NSCAP and HAWC, in FY17, these programs resulted in 33 households (65 persons) avoiding homelessness through CDBG-funded Homeless Prevention Programs.

The City also awards sub-grants to other agencies that serve specific sub-populations, such as at-risk youth, seniors, persons with disabilities, or to residents who need ESOL, job readiness and skills training, or other anti-poverty initiatives, including assistance with food, child care or other needs. Although funding to these organizations does not target homelessness per se, the funding aids in stabilizing individuals and families, thereby reducing the risk of homelessness or its recurrence. Programs were provided by East Gate Fellowship (Joseph's Storehouse), Haven From Hunger, North Shore CDC, North Shore Moving Market, Salem Community Child Care, Salem YMCA (child care), VOCES and Wellspring House (MediClerk). Funding was also provided to the Independent Living Center of the North Shore and Cape Ann, Inc. to provide housing assistance to persons with disabilities.

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

Actions taken to address the needs of public housing

As cited in the Strategic Plan and evidenced by consistently excellent SEMAP and PHAS scores, the Salem Housing Authority is a well-managed public housing authority designated as a “high performer”. In its most recent PHAS evaluation, the SHA scored 86 out of a possible 100 points and its most recent SEMAP score was 100 out of 100. The SHA continues its ongoing modernization plans to address the physical needs of both its federal and state public housing units.

The Salem Housing Authority is continuing its modernization program to make capital improvements to its state and federal public housing units, with these efforts being funded by the United States Department of Housing and Urban Development (HUD) for federal units, and the Massachusetts Department of Housing and Community Development (DHCD) for state units.

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

State Properties:

- \$195,000 emergency generator installation at the Dalton Building;
- \$125,000 window replacement and related work at 117 Congress St.;
- \$ 84,000 window replacement and related work at 33 Park St./26 Prince St.;
- \$154,000 exterior brick masonry repointing and related work at 3 Broad St. and 117 Congress St.;
- \$478,000 carpet replacement and related work at various elderly developments;
- \$225,000 plumbing line replacement at 33 Park St./26 Prince St.;
- \$200,000 roof replacement at Leefort Terrace; and,
- \$135,000 roof replacement at Bertram Terrace.

Federal Properties:

- \$45,634 was recently awarded to the SHA from HUD’s Capital Improvement Fund Program for use for maintenance and administrative operation costs associated with the SHA’s 39 units of federal elderly and family housing; and,
- \$250,000 Window replacement and related work at the Zisson Building.

Actions taken to encourage public housing residents to become more involved in management and participate in homeownership

The Salem Housing Authority (SHA) is governed by a Board comprised of five members. The Mayor of Salem appoints four of the five board members and the fifth board member is appointed by the Governor of the Commonwealth of Massachusetts. One member of the board is required to be a resident of public housing and one member must be a member who represents organized labor.

The SHA has a Resident Advisory Board (RAB) that is actively engaged with management. A member of the RAB sits as a member of the SHA Board of Commissioners and the RAB actively encourages resident involvement in management issues.

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

Actions taken to provide assistance to troubled PHAs

Not Applicable; the Salem Housing Authority is not designated as a troubled PHA.

CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)

Actions taken to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. 91.220 (j); 91.320 (i)

Throughout the public participation process, the City of Salem has not found indication that housing policies have created impediments to fair housing. In comparison with other towns in the region, Salem offers a greater diversity of housing, and a higher proportion of affordable housing overall, exceeding the state's 10% affordable housing goal. Subsidized and affordable housing is located citywide and is not disproportionately concentrated. Foreclosures and loan denials have also occurred proportionally in all areas. However, some factors continue to contribute to the difficulty of increasing the availability of affordable housing, including a shortage of land and regulatory and environmental constraints.

As a mature coastal city of only eight square miles, there is limited remaining developable land, and the remaining developable land is limited by environmental constraints and regulated by zoning and other state and federal land regulations. Overall, the City has positioned itself to absorb redevelopment inside its traditional core areas, consistent with smart growth principles.

Due to Salem's industrial past, much of its land is impacted by environmental contamination. Some degree of brownfield remediation is required for almost any project throughout the city, under the oversight of MassDEP. The requirement for environmental clean-up increases the cost of development. The city has utilized federal and state funding programs in the past to address brownfield sites.

Many areas throughout the city are subject to state environmental regulation through Chapter 91, which protects the public use of tidelands and waterways, and the Wetlands Protection Act. Many potential redevelopment areas also fall within flood zones identified by FEMA. Regulations around all of these natural environmental conditions establish land use constraints and/or mitigation requirements, and necessitate further levels of approval in the permitting process for proposed development projects, depending on their location and scale. These permitting processes slow development projects and considerably add to the cost of development. The City works with the developers and permitting authorities toward resolving permitting issues.

In 2015, the City was awarded \$30,000 from the MA Dept. of Housing and Economic Development's Planning Assistance Toward Housing (PATH) grant program to fund and facilitate the process of developing a 40R Smart Growth Overlay District (SGOD) in the Point Neighborhood. The idea was that adoption would help encourage commercial and housing diversity in mixed-use developments at high minimum densities, by being allowed as-of-right rather than on a special permit basis. The process was undertaken and while the neighborhood was supportive of portions of the proposed recommendations, a 40R district was found to not be the right fit for the neighborhood. The City will explore utilizing some of the recommendations through a potential overlay district.

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

The primary obstacle to addressing underserved needs is the lack of adequate funding. For FY17, the City received a 4.5% increase in CDBG funding , and a nearly 20% increase in its HOME allocation over FY16. However, it should be noted that CDBG funding has been reduced by 22% since FY11, while HOME funding has been reduced by more than 52%. Salem uses CPA funds to assist with the development of affordable housing and is active in identifying and applying for grant funds applicable to our needs.

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

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

As stated in the section above, in 2015, the City was awarded \$30,000 from the MA Dept. of Housing and Economic Development's Planning Assistance Toward Housing (PATH) grant program to fund and facilitate the process of developing a 40R Smart Growth Overlay District (SGOD) in the Point Neighborhood. The idea was that adoption would help encourage commercial and housing diversity in mixed-use developments at high minimum densities, by being allowed as-of-right rather than on a special permit basis. The process was undertaken and while the neighborhood was supportive of portions of the proposed recommendations, a 40R district was found to not be the right fit for the neighborhood. The City will explore utilizing some of the recommendations through a potential overlay district.

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

The Salem Board of Health disseminates information regarding the proper disclosure of lead hazards upon selling or renting a housing unit and inspects rental units for lead paint hazards. In Salem, a landlord is required to obtain a Certificate of Fitness inspection when an apartment becomes vacant. Board of Health personnel conduct this inspection and enforce the State Sanitary Code for Housing. When the information is sent to the landlord prior to this inspection, a letter describing the Federal law is included, as is a copy of the Tenant Notification Form in English and Spanish. Also, the Board of Health periodically sends notification of regulations regarding lead-based paint to area realtors.

In addition, Board of Health personnel are trained Lead Determinators. Should the Board receive a call

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

The City actively works to reduce lead-paint hazards in pre-1978 housing occupied by lower-income households through the City of Salem's *Housing Rehabilitation Loan Program*. Through the Salem *Housing Rehabilitation Loan* and *Get the Lead Out Programs*, the City provides loan funds for qualified applicants for lead testing, hazard reduction and abatement activities, and temporary relocation reimbursements. Lead-based paint hazard control measures are consistent with the federal Title X requirements and State lead based paint regulations. MassHousing's *Get the Lead Out Program* is also available to homeowners with a lead poisoned child. In FY17, there were no units made lead free through the City's Housing Rehabilitation Loan Program.

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

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

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

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

The City will continue to support various educational programs for youth, adults, and the Spanish-speaking population with CDBG funds, including Salem Public Schools, and programs administered by non-profit agencies such as 1647 Nation Center on Time & Learning, Cerebral Palsy Association of Eastern Mass., Inc., LEAP for Education, the Boys and Girls Club, North Shore Community Development Coalition, and VOCES (all funded in FY17).

Job Training - Salem collaborates with numerous job training, and workforce development programs in the region such as the North Shore Career Center and the North Shore Workforce Investment Board. The City continues to use CDBG funds to support job training and employment assistance programs such as the Wellspring House MediClerk Program (funded in FY17).

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

Social Services - Through a competitive funding round, the City of Salem uses CDBG funds to support 20-25 non-profit social service programs annually. These organizations provide services to help families meet the costs of living, promote family self-sufficiency, serve special populations and/or provide crisis intervention assistance – programs seeking to break the cycle of poverty. CDBG funds support several programs which indirectly assist with housing in many ways such as increased pay (i.e., job training, ESL programs) and decreased monthly expenditures (i.e. child care, food programs) so households can better afford rent or mortgages. There are also many non-CDBG funded programs available to Salem residents to help households overcome various obstacles to self-sufficiency. 8,204 persons were served by CDBG funded social service programs in FY17.

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

Under the direction of the Director of DPCD, the Assistant Community Development Director manages/monitors Salem's community development programs. Housing programs are administered by the DPCD Housing Coordinator and sometimes local non-profit agencies, CHDOs and CDCs.

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

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

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

The City's auditing firm audits Salem's CDBG program delivery system annually. In addition, HUD staff conducts periodic monitorings. The City promptly implements recommendations arising as a result of these reviews. Salem received an on-site monitoring by an Equal Opportunity Specialist (Civil Rights

Analyst) of HUD's Office of FHEO/Program Compliance Branch in March, 2015 and there were no findings or concerns issued. We also continue to meet HUD required funding and expenditure caps and timeliness requirements.

Staff periodically attend trainings - on site or via webinar. In FY17, staff participated in the following:

Assistant Community Development Director:

- Webinar - HOME Underwriting and Subsidy Layering Guidelines: July 13, 2016
- Webinar - Equal Access and Gender Identify Rules: November 17, 2016
- Webinar - Allocating Costs in the HOME Program: December 13, 2016
- Webinar - HEROS Tiered Environmental Review: May 11, 2017
- Webinar - Best Practices fro Project Set-Up in the eCon Planning Suite: May 23, 2017
- Also reviewed several of the videos in Explore CDBG on the HUD Exchange

Housing Coordinator:

- Webinar – HOME Underwriting and Subsidy Layering Guidelines – July 13, 2016
- NCDA'S CDBG Basics Class – Memorial Hall, 150 Concord St., Framingham – November 16-18, 2016
- Webinar – HUD – HOME Allocating Costs in the HOME Program – December 13, 2016
- MassHousing Get the Lead Out Program Session – Lynn Housing Authority – December 14, 2016
- Webinar – HOME Commitment Interim Rule – January 12, 2017
- Webinar – Final Rule on Housing Counseling Certification for Community Planning and Development Stakeholders – February 6, 2017

Other Planning Staff (not all are listed):

- Leading Locally: Preservation Strategies that Work – Waltham, MA – September 9, 2016
- ArchitectureBoston Expo – Boston, MA – November 17, 2016
- Webinar - Orton Family Foundation: Strengthen Your Community through Engagement – January 26, 2017
- Webinar - A Dozen Tools for Accelerating Local Sustainability Leadership: March 17, 2017
- Contemporary Challenges for Historic Buildings – Salem, MA – May 16, 2017
- Massachusetts Smart Growth Conference - Worcester, MA – May 18, 2017
- HUD CDBG Training on National Objective: June 22, 2017

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

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

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

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

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

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

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

- The Housing Coordinator attended Know Your Rights fair housing training in Boston in January, 2016 to further understand the Fair Housing Law and to educate others.
- The City maintains a page on its website for Fair Housing and Housing Discrimination. The page explains housing discrimination and fair housing laws and is designed to assist consumers, real estate professionals and lenders. The page also lists resources available to victims of discrimination.
- The City provides public service and housing assistance funding to agencies whose activities assist specific populations with improving their quality of life. Provider assistance may include locating appropriate and, if needed, accessible housing, as well as a range of human services. Providers regularly interact with minority, disabled and low-income populations. These interactions present opportunities for providers to understand their clients' housing concerns and to assist them in cases of discrimination. So that providers understand the fair housing laws

and available resources for addressing fair housing issues, the City's community development staff provide technical assistance and guidance to local housing and service providers. The City also directs its CDBG funding to programs that promote fair housing through the provision of their services, such as the Independent Living Center's Accessible Housing Education Services Program. Furthermore, the city requires all sub-recipients to comply with the Fair Housing Act.

- The City encourages people, organizations and agencies to work together to address housing issues. CHAPA's Spring Regional meeting was held in Salem in March, 2016, to which staff attended. Salem also administers Salem HOPE, a networking group of social service providers that meets quarterly at rotating public service agency locations. It is a forum to share insights and concerns, to work toward filling gaps in services and to coordinate efforts.
- The City's housing staff regularly participate in housing fairs held by lending institutions and real estate professionals. At these fairs, the City provides information regarding its first-time homebuyer, rehabilitation and deleading programs. In addition, staff disseminate information regarding the fair housing law, including protected classes, typical violations and resources available to victims of discrimination. This is an opportunity for staff to talk one-on-one with residents who may be victims of discrimination in lending and/or victims of steering. By speaking with people first-hand, staff are able to learn about the fair housing climate in the city and identify fair housing issues.
- The City provides financial assistance to North Shore CDC, a nonprofit organization that conducts CHAPA-certified, first time homebuyer educational courses, held in the Point Neighborhood, where Salem has its highest concentration of racial and ethnic minorities. Among other things, courses inform participants about their rights when working with real estate agents and lenders. The program covers fair housing issues and what to do if someone is a victim of discrimination. In addition, the program covers the responsibilities of landlords under fair housing laws. During FY17, North Shore CDC conducted three training sessions. The City's Housing Coordinator presented at the March 23, 2017 class.

CR-40 - Monitoring 91.220 and 91.230

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The FY17 CAPER's comment period runs from 9/7/17-9/22/17. There were no comments received.

CR-45 - CDBG 91.520(c)

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

In general, there are no anticipated changes in Salem's program objectives. As noted in last year's CAPER, in FY16, for one project, Affordable Housing Development, the funding source was changed from CDBG to HOME. Because HOME activities are reported through the lead community, Peabody, this will result in IDIS showing Salem not completing one of its CDBG goals of 27 units, even though the units will still be created. When the activity has been completed, we will make this notation in the appropriate CAPER.

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

No

APPENDIX

Financial Summary Report (PR26) for FY17 (HUD's Program Year 2016)

Maps

- Low to Moderate Income Areas
- Geographic Distribution of Entitlement Funds Expended FY17

Section 3 Report

Office of Community Planning and Development
U.S. Department of Housing and Urban Development
Integrated Disbursement and Information System
PR26 - CDBG Financial Summary Report
Program Year 2016
SALEM, MA

DATE: 07-20-17
TIME: 17:50
PAGE: 1

PART I: SUMMARY OF CDBG RESOURCES

01 UNEXPENDED CDBG FUNDS AT END OF PREVIOUS PROGRAM YEAR	1,087,515.00
02 ENTITLEMENT GRANT	995,257.00
03 SURPLUS URBAN RENEWAL	0.00
04 SECTION 108 GUARANTEED LOAN FUNDS	0.00
05 CURRENT YEAR PROGRAM INCOME	113,129.71
05a CURRENT YEAR SECTION 108 PROGRAM INCOME (FOR SI TYPE)	0.00
06 FUNDS RETURNED TO THE LINE-OF-CREDIT	0.00
06a FUNDS RETURNED TO THE LOCAL CDBG ACCOUNT	0.00
07 ADJUSTMENT TO COMPUTE TOTAL AVAILABLE	0.00
08 TOTAL AVAILABLE (SUM, LINES 01-07)	2,195,901.71

PART II: SUMMARY OF CDBG EXPENDITURES

09 DISBURSEMENTS OTHER THAN SECTION 108 REPAYMENTS AND PLANNING/ADMINISTRATION	843,782.34
10 ADJUSTMENT TO COMPUTE TOTAL AMOUNT SUBJECT TO LOW/MOD BENEFIT	0.00
11 AMOUNT SUBJECT TO LOW/MOD BENEFIT (LINE 09 + LINE 10)	843,782.34
12 DISBURSED IN IDIS FOR PLANNING/ADMINISTRATION	214,406.68
13 DISBURSED IN IDIS FOR SECTION 108 REPAYMENTS	0.00
14 ADJUSTMENT TO COMPUTE TOTAL EXPENDITURES	0.00
15 TOTAL EXPENDITURES (SUM, LINES 11-14)	1,058,189.02
16 UNEXPENDED BALANCE (LINE 08 - LINE 15)	1,137,712.69

PART III: LOW/MOD BENEFIT THIS REPORTING PERIOD

17 EXPENDED FOR LOW/MOD HOUSING IN SPECIAL AREAS	0.00
18 EXPENDED FOR LOW/MOD MULTI-UNIT HOUSING	62,270.78
19 DISBURSED FOR OTHER LOW/MOD ACTIVITIES	763,783.81
20 ADJUSTMENT TO COMPUTE TOTAL LOW/MOD CREDIT	0.00
21 TOTAL LOW/MOD CREDIT (SUM, LINES 17-20)	826,054.59
22 PERCENT LOW/MOD CREDIT (LINE 21/LINE 11)	97.90%

LOW/MOD BENEFIT FOR MULTI-YEAR CERTIFICATIONS

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

PART IV: PUBLIC SERVICE (PS) CAP CALCULATIONS

27 DISBURSED IN IDIS FOR PUBLIC SERVICES	152,865.02
28 PS UNLIQUIDATED OBLIGATIONS AT END OF CURRENT PROGRAM YEAR	39,426.96
29 PS UNLIQUIDATED OBLIGATIONS AT END OF PREVIOUS PROGRAM YEAR	22,791.98
30 ADJUSTMENT TO COMPUTE TOTAL PS OBLIGATIONS	0.00
31 TOTAL PS OBLIGATIONS (LINE 27 + LINE 28 - LINE 29 + LINE 30)	169,500.00
32 ENTITLEMENT GRANT	995,257.00
33 PRIOR YEAR PROGRAM INCOME	134,873.00
34 ADJUSTMENT TO COMPUTE TOTAL SUBJECT TO PS CAP	0.00
35 TOTAL SUBJECT TO PS CAP (SUM, LINES 32-34)	1,130,130.00
36 PERCENT FUNDS OBLIGATED FOR PS ACTIVITIES (LINE 31/LINE 35)	15.00%

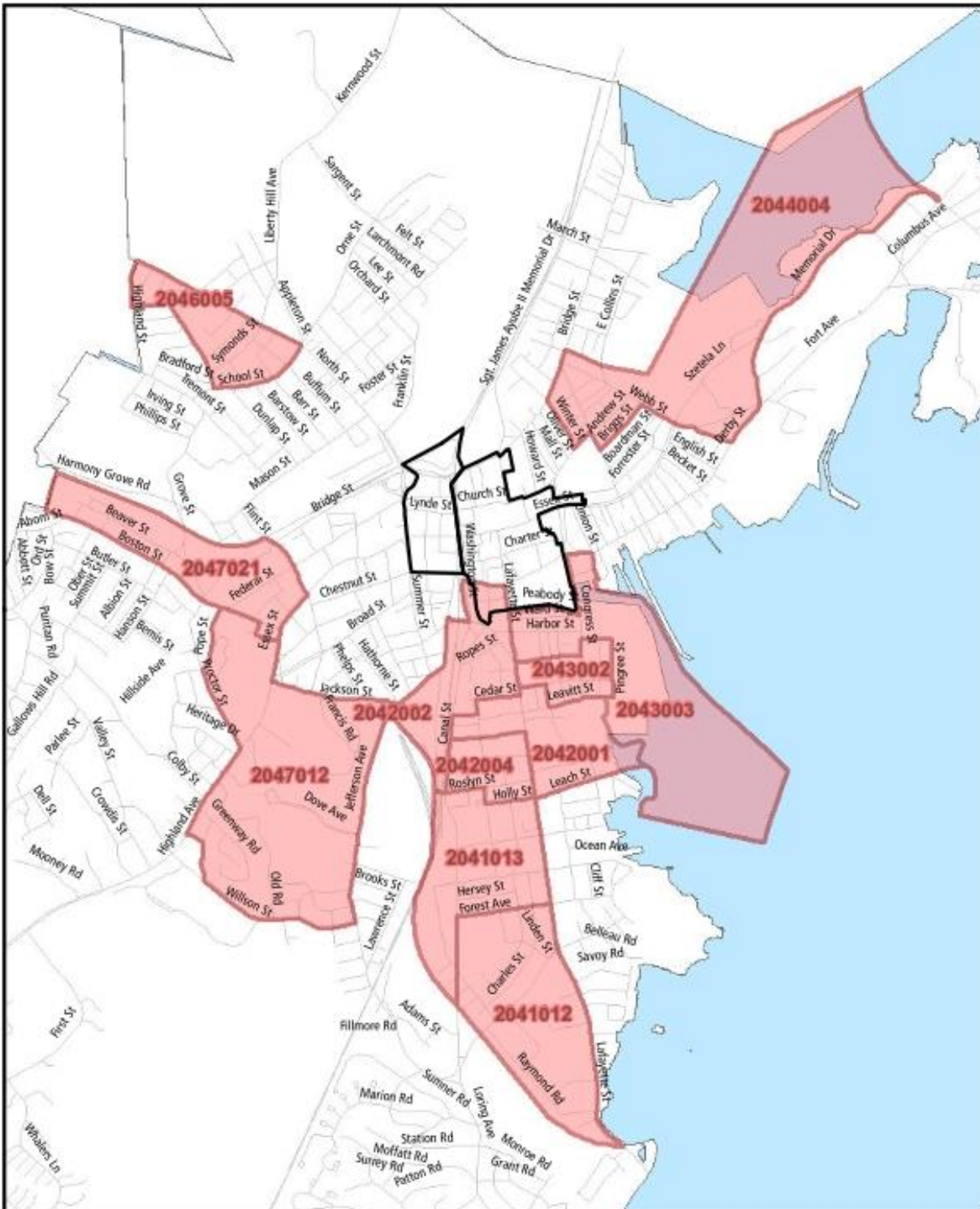
PART V: PLANNING AND ADMINISTRATION (PA) CAP

37 DISBURSED IN IDIS FOR PLANNING/ADMINISTRATION	214,406.68
38 PA UNLIQUIDATED OBLIGATIONS AT END OF CURRENT PROGRAM YEAR	23,183.55
39 PA UNLIQUIDATED OBLIGATIONS AT END OF PREVIOUS PROGRAM YEAR	20,000.00
40 ADJUSTMENT TO COMPUTE TOTAL PA OBLIGATIONS	0.00
41 TOTAL PA OBLIGATIONS (LINE 37 + LINE 38 - LINE 39 +LINE 40)	217,590.23
42 ENTITLEMENT GRANT	995,257.00
43 CURRENT YEAR PROGRAM INCOME	113,129.71
44 ADJUSTMENT TO COMPUTE TOTAL SUBJECT TO PA CAP	0.00
45 TOTAL SUBJECT TO PA CAP (SUM, LINES 42-44)	1,108,386.71
46 PERCENT FUNDS OBLIGATED FOR PA ACTIVITIES (LINE 41/LINE 45)	19.63%

LINE 17 DETAIL: ACTIVITIES TO CONSIDER IN DETERMINING THE AMOUNT TO ENTER ON LINE 17

Report returned no data.

LINE 18 DETAIL: ACTIVITIES TO CONSIDER IN DETERMINING THE AMOUNT TO ENTER ON LINE 18



CITY OF SALEM



Map created by KateW28
September 28, 2017
Map No. 17-004

Mayor
Kimberley Griscoll

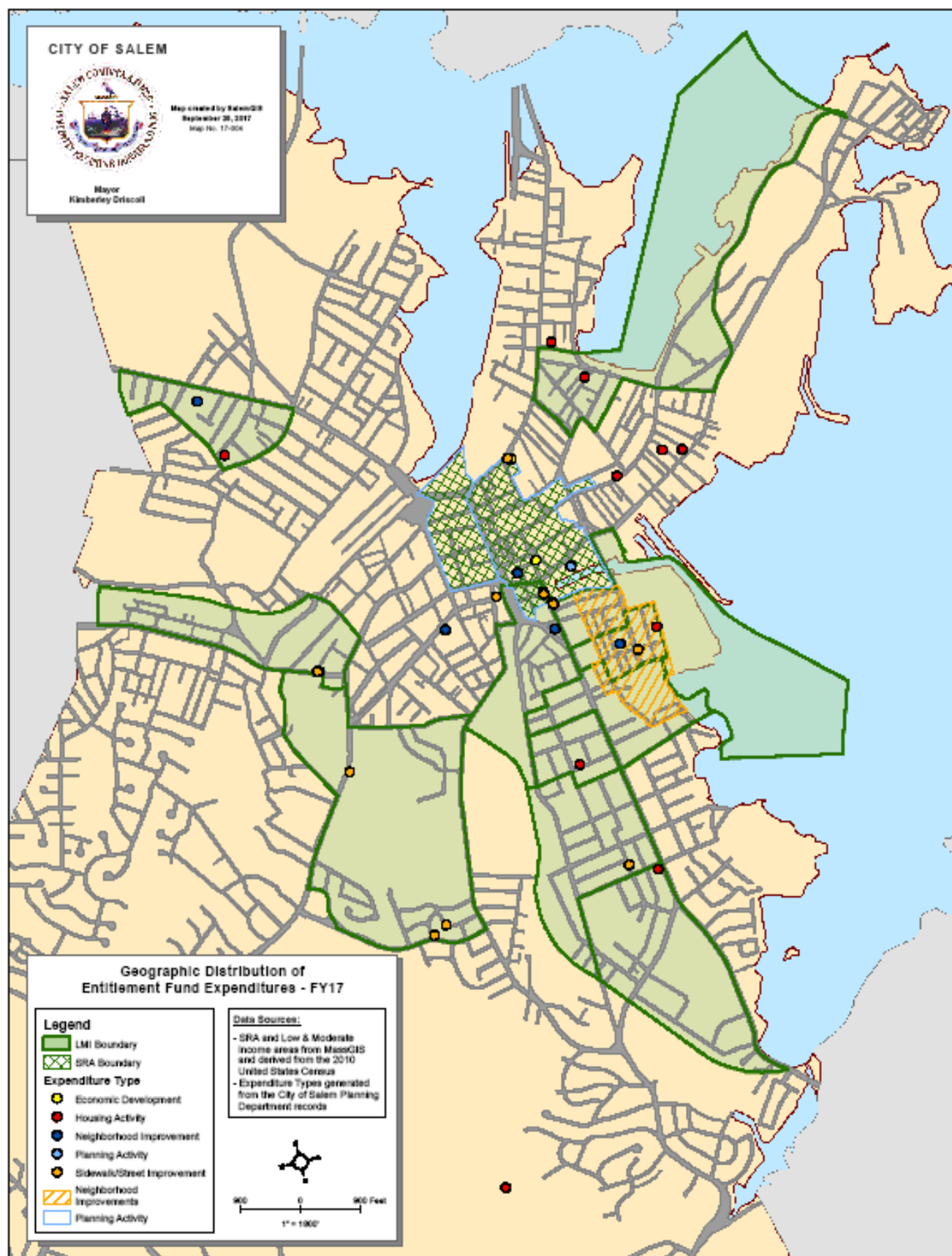
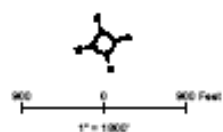
Geographic Distribution of Entitlement Fund Expenditures - FY17

Legend

- LMI Boundary
- SRA Boundary
- Expenditure Type**
- Economic Development
- Housing Activity
- Neighborhood Improvement
- Planning Activity
- Sidewalk/Street Improvement
- Neighborhood Improvements
- Planning Activity

Data Sources:

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





Section 3 Summary Report

Economic Opportunities for Low- and Very Low-Income Persons

U.S. Department of Housing and Urban Development

Office of Fair Housing and Equal Opportunity

OMB Approval No. 2529-0043

(exp. 11/30/2018)

Disbursement Agency
City of Salem, MA
120 Washington Street, Salem, MA 01970
04-6001413

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

Dollar Amount	\$958,251.81
Contact Person	Jane Guy
Date Report Submitted	09/26/2017

Reporting Period		Program Area Code	Program Area Name
From	To		
7/1/16	6/30/17	CDB1	Community Devel Block Grants

Part I: Employment and Training

Job Category	Number of New Hires	Number of New Hires that Are Sec. 3 Residents	Aggregate Number of Staff Hours Worked	Total Staff Hours for Section 3 Employees	Number of Section 3 Trainees
Professional	1	0	0	0	0
Youthbuild laborer	4	4	0	0	0

Total New Hires	5
Section 3 New Hires	4
Percent Section 3 New Hires	80.0%
Total Section 3 Trainees	0
The minimum numerical goal for Section 3 new hires is 30%.	

Part II: Contracts Awarded

Construction Contracts	
Total dollar amount of construction contracts awarded	\$155,580.83
Total dollar amount of contracts awarded to Section 3 businesses	\$0.00
Percentage of the total dollar amount that was awarded to Section 3 businesses	0.0%
Total number of Section 3 businesses receiving construction contracts	0
The minimum numerical goal for Section 3 construction opportunities is 10%.	

Non-Construction Contracts	
Total dollar amount of all non-construction contracts awarded	\$52,499.76
Total dollar amount of non-construction contracts awarded to Section 3 businesses	\$0.00
Percentage of the total dollar amount that was awarded to Section 3 businesses	0.0%
Total number of Section 3 businesses receiving non-construction contracts	0
The minimum numerical goal for Section 3 non-construction opportunities is 3%.	

Part III: Summary

Indicate the efforts made to direct the employment and other economic opportunities generated by HUD financial assistance for housing and community development programs, to the greatest extent feasible, toward low- and very low-income persons, particularly those who are recipients of government assistance for housing.	
Yes	Attempted to recruit low-income residents through: local advertising media, signs prominently displayed at the project site, contacts with community organizations and public or private agencies operating within the metropolitan area (or nonmetropolitan county) in which the Section 3 covered program or project is located, or similar methods.
No	Participated in a HUD program or other program which promotes the training or employment of Section 3 residents.
No	Participated in a HUD program or other program which promotes the award of contracts to business concerns which meet the definition of Section 3 business concerns.
Yes	Coordinated with Youthbuild Programs administered in the metropolitan area in which the Section 3 covered project is located.
No	Other; describe below.
<p>New Hires:</p> <p>The City of Salem Department of Planning and Community Development (DPCD) re-hired a former staffer as its new Director, of which their annual salary is funded in part with CDBG. This new hire is not a certified Section 3 resident.</p> <p>Job notices for positions available in the DPCD are posted at the Salem Housing Authority, North Shore CDC and the North Shore Career Center, as well as the City's website and internally to current city employees. As appropriate, notices are sent to Salem State University, UMass Amherst, UMass Boston, Harvard Kennedy School, Boston University, Cornell University, MassAPA, NCDA, Tufts, MassDevelopment, Massplanners listserv, MIT, MMA's Beacon, Linkin, to representatives of HOME Consortium communities and the Salem HOPE distribution list. The City's Section 3 Resident Certification Application is located on the City's website, on the Human Resources webpage at http://www.salem.com/sites/salemma/files/uploads/section_3_resident.pdf</p> <p>Contracting:</p> <p>In FY15 (HUD 2014), the City provided CDBG funds for acquisition costs toward a housing project that closed in June, 2016. The non-profit agency adopted a MBE/WBE and Section 3 Hiring Plan with numerical goals. The project is also using HOME funds, and the developer has provided us with their Section 3 report. In order to avoid duplication in reporting, the N.S. HOME Consortium will be reporting the two Section 3 Business contracts awarded.</p> <p><i>Section 3 activities that included seeking quotes from two or more vendors:</i></p>	

Council on Aging:

- Soffit Repair (\$6900)– Only one firm, D.P. Carney Construction of Springfield, MA, was on the Section 3 Business Registry. A message was left with the firm, but the call was never returned.
- Guano removal (\$3600) – There were no applicable firms listed on the Section 3 Business Registry.

Bids for CDBG funded activities:

Mary Jane Lee Park Improvements (\$573,407.90 contract of which CDBG is \$49,883.71) – The project was bid during the reporting time period. The invitation for bids and legal notice indicated that the project was subject to Section 3. The Section 3 clause was included in the bid documents and bidders were required to sign a certification that they will comply. The Section 3 requirements were reviewed with the contractor at the start-up meeting on 9/28/16, where they were provided with a list of Massachusetts Section 3 businesses from the HUD registry. They submitted their Section 3 report indicating that they had no new hires. They had one subcontract for \$10,000 which was not a Section 3 business. The project also included some work completed through a Youthbuild program, of which 4 YouthBuild members helped with the project, which is reported in this year's report.

Two new projects – McGlew Park and Lafayette Park – had some pre-development costs funded in FY17, but the construction contract will be reported in FY18, along with any Section 3 hires or businesses.

On Call Vendors:

There were two sidewalk installation, two plumbing and two design activities conducted using existing on-call contractors.

While no CDBG funds were expended for paving during FY17, the City did issue a contract for on-call paving services. The Section 3 Business Registry was checked in order to outreach, but there were no paving companies listed.

Other Efforts

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

YouthBuild North Shore CDC is the only YouthBuild in the region and the only new Massachusetts program to be approved in the last 7 years. YouthBuild North Shore CDC partners with Salem High School, and Catholic Charities to graduate our members with either a diploma or GED. YouthBuild North Shore CDC focuses on low-income young people ages 16 to 24 working toward their high school equivalency diplomas, while learning job skills by building affordable housing in their communities. YouthBuild North Shore CDC empowers young adults with the competency and desire to transform their lives and improve their communities through education, employment, and leadership development. The program serves 50 youth annually from Salem, Lynn, and surrounding North Shore communities. 100% of YouthBuild North Shore CDC graduates have been placed into employment or post-secondary education.

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