

2018- 2019 CDBG and HOME Program Annual Action Plan

Public Hearing and City Council Consideration

May 14, 2018





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Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction:

This Annual Action Plan is submitted to the U.S. Department of Housing and Urban Development as the application for program year 2018 funds from the Community Development Block Grant, and HOME Investment Partnership programs. This is submitted in compliance with regulations found at 24 CFR 91. The Annual Action Plan continues the funding priorities of the 2015 – 2019 Consolidated Plan for Housing and Community Development. Funding will be used to support services for homeless persons, to provide for construction / rehabilitation of affordable housing, small business and microenterprise financial assistance, employment training and readiness services. For program year 2018, a total of **\$1,951,099** in CDBG and **\$1,402,107** in HOME is available to address community development, economic and housing conditions in Oregon's capital city.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis, or the strategic plan.

The 2015-2019 Consolidated Plan addresses three objectives and three outcomes defined by HUD, through the Community Planning and Development performance measurement framework, to address the needs of the community. The following are the three performance objectives and three outcomes:

Objectives

- Decent Housing
- Suitable Living Environment
- Economic Opportunities

Outcomes

- Availability/Accessibility
- Affordability
- Sustainability

The City's Federal Programs staff utilizes the above objectives and outcomes to determine the eligibility of programs and projects submitted during the application process.

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

In the 2015-2019 Consolidated Plan, the following priorities were identified and the funded activities have resulted in the following:

PRIORITY # 1: PROMOTE ECONOMIC DEVELOPMENT

The City of Salem (COS) provided funding for the following types of economic development activities that expanded the opportunity for low to moderate-income families to gain capital and increase their socioeconomic status: microenterprise training and technical assistance, micro loans to small businesses, and projects generating jobs for those with disabilities.

PRIORITY # 2: END HOMELESSNESS

The City provided public service funding for programs such as homeless case management to assist social service agencies in capacity building to identify persons at risk of homelessness, their client needs, and client support systems. Direct housing assistance was provided in the forms of security deposits, tenant based rental assistance, and subsistence payments (one-time rent/utility crisis payments) for those at-risk of homelessness. Programs such as self-sufficiency case management, in conjunction with transitional housing, were funded including the major rehabilitation of an existing transitional housing facility.

PRIORITY # 3: EXPAND AND SUSTAIN OWNER AND RENTER AFFORDABLE HOUSING STOCK

Financial support was provided to various multifamily housing projects including the following: rental rehabilitation, rental new construction, tenant- based rental assistance programs, and Community Housing Development Organization (CHDO) operating costs. Funding was provided to the Fair Housing Council of Oregon in an effort to provide awareness and education around fair housing.

PRIORITY # 4: REVITALIZE LOW-INCOME NEIGHBORHOODS

Public facility improvements, funded with CDBG, benefited low and moderate-income residents and included the following: acquisition and rehabilitation of a domestic violence facility, rehabilitation of a community pool, installation of a community kitchen and repacking equipment at the local food bank, and construction of a clinic. Funding was provided to carry out case management activities for persons fleeing domestic violence, human trafficking, and stalking.

Utilizing qualitative and quantitative information from providers, we assess that our progress in meeting our Consolidated Plan priorities 1, 2, &3 are on track and that our funds are being used for the correct purposes. This assessment is made within the context of the City's overall budget and other resources available to assist low- and moderate-income persons.

4. Summary of Citizen Participation Process and consultation process

The Citizen Participation Plan provides for, and encourages, citizens to participate in the planning, development, implementation, and evaluation of the City Housing and Community Development plans and programs. The Citizen Participation Plan focuses on public involvement in the process of developing the City's Housing and Community Development Consolidated Plan (Consolidated

Plan), Annual Action Plan, and the Consolidated Annual Performance and Evaluation Report (CAPER). Substantial amendments to the Consolidated Plan and the Annual Action Plan go before citizens for evaluation and comments prior to City Council approval.

The Consolidated Plan relies on multiple planning efforts from a variety of sources to inform the allocations of the Consolidated Plan funds. Most important to this effort is the awareness that the HUD funds are part of a much larger funding picture for housing, human services, and community development in the City of Salem.

Annual Plan Consultation Process

- Public Meetings with Salem Urban Development, Community Services and Housing Commission (CSHC) – March 7 & April 11, 2018
- Public Comment Period – March 21 – April 20, 2018
- Public Comment with Federal Programs Staff – April 2, 2018
- Keizer City Council Public Hearing – April 16, 2018
- Salem City Council Public Hearing – May 14, 2018

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Consolidated Plan.

Please see public comments in Attachment A.

6. Summary of comments or views not accepted and the reasons for not accepting them

Please see responses in Attachment A.

7. Summary

The Consolidated Plan and subsequent Annual Action Plan take into consideration current planning efforts across the City of Salem including, but not limited to, the Housing Needs Assessment, Economic Opportunity Analysis, and the Community Economic Development Strategy. The Consolidated Plan utilizes coordinated planning, analysis of local, regional, and national data, and citizen input to identify projects of the highest priority over the next five years.

The goals identified for the 2015-2019 Consolidated Plan cycle include:

- Goal #1 - Promote Economic Development;
- Goal #2 - End Homelessness;
- Goal #3 - Expand Affordable Housing; and
- Goal #4 - Neighborhood Revitalization.



This prioritization identifies a shift in the first two goals from the previous Consolidated Plan. This is due, in part, to a national shift to provide an avenue to self-sufficiency beyond meeting an emergency need. A more detailed account of the goals and the subset goals are identified in section SP-45 of the 2015-2019 Consolidated Plan. The goals are set based on eligible activities under the HOME and CDBG entitlement funds received by the City.

DRAFT



PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Table 1 – Responsible Agencies

Agency Role	Name	Department/Agency
Lead Agency		
CDBG Administrator	City of Salem	Urban Development Agency
HOME Administrator	City of Salem	Urban Development Agency

Narrative (optional)

Managing the Process (Federal Programs)

City of Salem Urban Development Department's Federal Programs Division manages housing and community development activities with CDBG and HOME funds. HOME funds are received through the Salem/Keizer HOME Consortium - an intergovernmental partnership between the cities of Salem and Keizer. The City of Salem receives both CDBG and HOME funds annually and awards funding through an annual competitive application process. These funds provide financing for housing activities, economic development, community development, social services (public services), and public improvements for the benefit of low and moderate income individuals, families, and neighborhoods across the area.

Activities and programs funded by both CDBG and HOME are carried out in cooperation with several partners: community based non-profit organizations, for-profit organizations, faith-based groups, private developers, and other City and State agencies and departments. The creation of this Annual Action Plan is a collective effort of City of Salem Urban Development staff, Salem Urban Development Community Services and Housing Commission (CSHC), participating citizens, and community stakeholders.

Consolidated Plan Public Contact Information

Urban Development Department: Federal Programs Division
350 Commercial Street NE, Salem, OR 97301
503-588-6178

AP-10 Consultation – 91.100, 91.200(b), 91.215(l)

1. Introduction

Federal regulations require that entitlement communities follow an approved Citizen Participation Plan in order to receive continued CDBG and HOME funding. The citizen participation process implemented by the City is developed to encourage input from community stakeholders and citizens of Salem and Keizer. These entities, along with community members are given an opportunity to review and comment on the information contained in this Annual Action Plan and other plans and reports developed by the City.

Additionally, this APP relies on planning efforts conducted by the Mayor and Council, Oregon Housing and Community Services (OHCS), Salem Housing Authority, and service providers. Staff also participated in national conferences, seminars and policy/strategy sessions to learn about best and promising practices in housing, community sustainability, equity issues and homelessness intervention and prevention.

In October 2017, the City adopted Salem's Strategic Plan. This yearlong planning process included an assessment of current conditions in our community, impacts of anticipated change in the region, and perspectives of residents, community leaders, and Council. More than 600 people shared their views in a survey on priorities for the City - in person at a September 19, 2017 Open House and online. About 300 participated in a June 1 Community Open House, in which more than 750 ideas and suggestions for how the City could address big issues for the community.

Based on input from public outreach efforts, the City Council identified seven priority topics. Work Groups were formed and each held public meetings to define the scope of the issue, desired outcome, and ideas for actions the City may take to address challenges and opportunities. Mayor Bennett, Councilors McCoid, Andersen, and Cook led the Affordable Housing, Social Services, Homelessness Work Group. The strategic plan includes:

Goals:

- Implementing a Housing First strategy to provide housing security for Salem residents.
- Accessible health and social services for Salem residents.

Actions:

- Create a sustainable, substantive funding stream for development of affordable housing.
- Enhance neighborhood livability and resident engagement through thoughtful site selection and design for new affordable housing: prioritize access to transit, proximity to services, and the creation of a sense of community.
- Maximize resources for and coordination of local social services, and align Salem's existing social service funding with strategic initiatives.
- Continue funding a program for rental assistance for homeless people.
- Partner to establish a sobering and recovery center.



Implementation of the recommendations will begin in 2018 and are expected to drive homelessness and prevention allocations into the next 3 to 5 years.

Mayor Bennett also formed the Downtown Homeless Solutions Task Force. The task force is chaired by Councilor Cara Kaser and will address specific impacts of homelessness in downtown.

The City of Salem is committed to work alongside the businesses, property owners, private non-profit organizations, and communities of faith, to reduce homelessness and serve the needs of homeless families and individuals.

The framework set by these initiatives will serve as guides for the allocation of federal and local funds via the next Consolidated Plan.

The funding recommendations for the 2018 Action Plan were discussed in a public meeting on March 7, 2018. Members of the Community Services and Housing Commission (CSHC) reviewed and scored the applications. Funding of applications was discussed and actions were taken in the form of a vote.

Staff is working with a number of community-driven efforts to enhance coordination between housing, health (mental and physical), and social services in the City of Salem. The coordination of efforts will reduce silos and duplication of services.

One example of an effective community driven efforts is the ARCHES Project of MWVCAA. The ARCHES Project runs a Coordinated Entry Program (CEP) for the City of Salem, and Marion and Polk Counties. The primary function of the CEP is to better organize and coordinate housing and homeless service delivery, and enhance coordination between housing, health, and social services in the City of Salem. This CEP system is the point of entry for all homeless clients in Marion and Polk counties. Any person experiencing a condition of homelessness can access this system through an assessment conducted at the ARCHES Project location, or at collaborating agencies around the city and counties. This system prioritizes individuals who are homeless (those who meet federal Category 1 requirements) and those who are homeless as a result of domestic violence (those who meet federal Category 4 requirements). In limited cases, the system also assesses federal Category 2 (Prevention), so long as those individuals are facing imminent risk of homelessness AND they are aged 58 or above, veterans, or households with minor children.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I)).

Activities to enhance coordination between social service providers include participation in the Emergency Housing Network (EHN), Mid-Willamette Valley Health and Housing Collaboration, and the North Salem Service Integration Team (NSSIT). Additionally, the City of Salem has



strengthen coordination between CDBG / HOME funding and the Salem Keizer School District Federal Programs.

A series of agency meetings were held to encourage private and non-profit developers to apply for resources (Federal, State, and Local) to meet the regions current housing production needs.

The City entered into an Intergovernmental Agreement with the Council of Governments (COG) to hire a regional Homeless Program Coordinator. Other partners include Marion County, the cities of Keizer, Monmouth and Independence. The duties of the position include, but not limited to: convening identified stakeholders on a regular basis, creating specialty subgroups as needed, to facilitate implementation of Mid-Willamette Valley Homeless Initiative (MWHI) plan objectives and tasks including: coordinating an effective supportive service continuum among nonprofit providers, bolstering data collection and reporting, and increasing use of evidence-based practices. Lead stakeholder meetings using effective agenda planning, issue exploration, policy Discussion (optional), analysis of potential barriers, prioritization of initiatives, conflict resolution, role delegation, and follow-up on designated tasks and projects. Facilitating collaborative decision-making processes by evaluating possible interventions, exploring disagreement, generating consensus, and forecasting potential community impact. Engaging with existing stakeholder efforts to advance homeless services in the Mid-Willamette Valley,

The City of Salem continues to monitor projects that received both City of Salem federal funds and State of Oregon funding (LIFT, LIHTC, Section 8 HAP). This coordination is a streamlining effort to reduce the burden of entry for tenants occupying funded units, and to reduce the administrative burden of monitoring on the City of Salem and the State of Oregon.

The City provided input in the OHCS Statewide Housing Plan. It also is participating on the Multi-family Housing Preservation Rules Advisory Committee (HB 2002) developing the program framework and Oregon Administrative Rules (OAR) for consideration.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness

The Mid-Willamette Valley Community Action Agency (MWVCAA) coordinates the local Continuum of Care efforts as a part of the Rural Oregon Continuum of Care (ROCC). The ROCC serves 28 counties including Marion and Polk, inclusive of the cities of Salem and Keizer.

In January, the City of Salem worked with teams of volunteers in the annual one-day assessment of unsheltered individuals. The total number of unsheltered individuals in Marion and Polk counties in 2017 was 352. The new 618 unsheltered count is an increase of 75.5% over the prior year. The chronically homeless count in both counties increased from 84 in 2017 to 420 in 2018, an increase of 400%. The total homeless count for the 2018 PIT was 1,252, an increase of 101 over the 1,151 of 2017, also an increase of 8 percent over the prior year. These numbers



represented a considerably improved count, due to a new methodology used by MWVCAA and much broader community involvement.

From April 1, 2017 to April 1, 2018, the ARCHES Project's coordinated entry program assessed for vulnerability (using the VI-SPDAT and F-VI-SPDAT) 2,322 homeless clients in 1,435 households in Marion County and 314 homeless clients in 175 households in Polk County.

As of March 2018, the ARCHES Project reports 1,529 households and 2,392 clients on their active homeless waitlist, and 316 households and 664 clients on their Prevention waitlist.

These waitlists are the product of a Coordinated Entry process, whereby every homeless client in both counties is entered into HMIS and assessed for vulnerability with the VI-SPDAT (and in some cases the VAT). The clients are then placed on a waitlist that is sorted by VI-SPDAT score and length of homelessness. As housing placements become available, clients are referred to the housing programs at the ARCHES Project, and the HUD programs at Shangri-La and Family Promise. There is no meaningful average length of wait on these lists. Many lower scoring clients rehouse themselves, and that process is expedited by navigation to other services. Clients who score into programmatic range may be housed quickly. Diversion related programs are often able to provide immediate assistance for clients meeting program guidelines. Others face longer waits.

All housing programs at ARCHES utilize this system, including SSVF (Supportive Services for Veteran Families, OHA-VRAP (Oregon Health Authority-Veterans Rental Assistance Program), ESG (the state Emergency Solutions Grant), HAP (Homeless Assistance Program), CHP (Cascade Housing Project, HUD ARCHES RRH (the HUD Rapid Rehousing Project), ERA (Elderly Rental Assistance program), CDP (Coordinated Entry Diversion Program), HOME TBA, and other programs. The system is also the point of original access for all SHA HRAP clients. The ARCHES Project conducts a six month follow-up for everyone on their lists, and clients who have not had contact in six months are moved to a lost contact list, but can be returned to the active lists if they reengage with the system.

The ARCHES Project also works with shelter providers to make sure that all of their homeless clients are entered into the CEP, including Union Gospel Mission, Salvation Army, St. Joseph Shelter, and others, and is frequently able to link homeless clients with shelter vacancies and other services.

At the ARCHES Day Center, these other services currently include the Oregon Law Center, Marion County LEAD services, Worksource, the Oregon Health Authority, Marion County Health Department, the Oregon Department of Veterans Affairs (through the Marion County Veteran Service Officers), renter, and educational classes. HOAP and ARCHES day center offer showers, laundry, hot meals, clothing closets, mailboxes, Assurance phones, charging stations, Wi-Fi and computer use, and connection to health services, including the Sobering Center that will be established on the ARCHES site. Both programs also offer referral systems to Salvation Army, UGM, Center for Hope and Safety, St. Francis Shelter, Saint Joseph Shelter, Family Promise, West



Salem Clinic, Congregations Helping People, Catholic Community Services, Northwest Seniors and Disabilities, all the housing authorities, and other homeless and anti-poverty programs.

As of March 2018, ARCHES reports:

Active Homeless Waitlist:

- ▶ 1,529 Households on Active Waitlist
- ▶ 2,392 Clients on Active Waitlist

Active Prevention Waitlist:

- ▶ 316 Households on Prevention Waitlist
- ▶ 664 Clients on Prevention Waitlist

MWVCAA ARCHES Project (7/1/2017) - (3/1/2018)

Program	Households Served	Households Searching	Households Housed	Intakes Scheduled	Total Unique Served
HOME TBA RRH/Prevention	45	20	23	2	56
HUD ARCHES RRH	60	10	51	6	129
DHS Fresh Start RRH	33	7	10	5	113
Tenant Education/Housing Case Mgmt					
	42	0	1	15	67
SSVF RRH	48	0	33	4	78
OHA-VRAP RRH	35	4	31	10	56
ERA	9	1	8	3	12
ESG / Housing Assistance Program	22	10	14	6	30
VET DRF / Lottery Vets	15	0	11	2	38
HSP	7	0	7	2	27
Cascade Housing Project RRH	15	15	4	10	38
Cascade Housing Project Prevention	22	1	22	10	56
Polk County RC Prevention	29	0	0	0	88
Polk County RC RRH - Diversion	17	0	17	0	34
Marion County Prevention	6	0	0	0	20

Marion County Holiday Project	130	0	0	0	566
City of Salem HRAP	121	41	32	5	121
Totals	656	109	264	80	1529
Program	Households Served	Adults / Children	Veterans	Clients Fleeing DV	Total Unique Served
Coordinated Entry - Marion	990	1203/443	113	214	1646
Coordinated Entry - Polk	126	152/72	11	25	224
Totals	1116	1355/515	124	239	1870
Program	Unique Clients	Total Sack Lunches	Active Client Mailbox	Clothing Closet	Resource Packets
Day Center	937	15,744	723	273	4,374
Warming Center Shelter Days	718				
Totals	1655	15,744	723	273	4,374
	Households	Households Searching	Households Housed	Clients Housed	Intakes Scheduled
Total Served All Programs	3427	109	264	633	80

Description of ARCHES Housing Numbers:

- **Served:** For housing programs, any household pulled into the specific housing program. For non-housing programs, any household engaged in services that are unrelated to housing.
- **Searching:** Any household that is enrolled in a housing program and has a housing voucher in hand.
- **Housed:** Any household that is currently receiving or has received tenant-based financial assistance (usually in the form of rent and deposits).
- **Intakes:** Any household that has been referred by the CE system to a housing program, and has a scheduled intake to receive a voucher.
- **Total Unique Served:** Raw count of all household members served.

During the 2017 Program Year, the City of Salem reviewed programs funded by the ROCC and provided a certification of consistency with the Consolidated Plan. The successful applicants from the City's jurisdiction included: ARCHES, Shagri-La and Oregon Housing Opportunity Partnership (OHOP).

We will continue to work with the ROCC and other partners in developing strategies to address the needs of unsheltered persons.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards and evaluate outcomes, and develop funding, policies and procedures for the administration of HMIS

Mid-Willamette Valley Community Action Agency (MWVCAA) administers the McKinney-Vento resources for the City. The MWVCAA, as a member of the Rural Oregon Continuum of Care (ROCC), also coordinates the local CoC efforts for Marion and Polk counties through the Marion and Polk Counties Plan to End Homelessness.

The ARCHES Project of MWVCAA coordinates local reporting to HUD, including the Housing Inventory Count and the Point-in-Time Count (PITC), in addition to running the federal and state-required coordinated entry system in the City of Salem, and Marion and Polk Counties. There are other local collaborations that work in partnership with these efforts, including EHN, the North Marion SIT (and partner SITs), Marion County programs targeting homelessness in the City of Salem (including Marion County LEAD and the Marion County Health Department), Northwest Human Services (who along with ARCHES runs a Day Center for homeless clients), the Cascade VAT Team (a high needs chronically homeless assessment group made up of ARCHES and HOAP staff that refers appropriate clients to the City of Salem Housing Authority's HRAP), outreach organizations (especially City Vibe in West Salem), the local shelters, and the local HUD funded partners, including Shangri-La and Family Promise.

The Marion and Polk Counties Plan to End Homelessness is a community based long-range plan addressing the needs of homeless persons in order to help them reach maximum self-sufficiency. MWVCAA, Shangri-La, SHA, St. Francis, St. Josephs, HOAP, and HOME Youth Resources are using the Homeless Management Information System (HMIS).

The City is exploring best practices to meaningfully engage in the CoC collaborative and receive regular aggregate data reports.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdictions consultations with housing, social service agencies and other entities

1	Agency/Group/Organization	Mid-Willamette Valley Family Promise (Salem Interfaith Hospitality Network)
	Agency/Group/Organization Type	Services-Homeless Services-Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	<p>Mid-Willamette Valley Family Promise (Salem Interfaith Hospitality Network) submitted applications for a tenant-based rental assistance program, Fresh Start, and homeless case management. The two programs have been awarded funding and will work together to provide coordinated access to housing and self-sufficiency.</p> <p>SIHN attends the Community Services and Housing Commission meetings and provides feedback to Federal Programs staff throughout the year about the success of their clients in gaining permanent housing and becoming self-sufficient.</p>
2	Agency/Group/Organization	Northwest Human Services
	Agency/Group/Organization Type	Services - Housing Services - Children Services - Persons with Disabilities Services - Homeless Services - Education Health Agency
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Unaccompanied youth Anti-poverty Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	<p>Northwest Human Services submitted two applications for General Funds dedicated to public services. They have been awarded funding for both programs. One is the Crisis Hotline and the other is the HOST program. Crisis Hotline provides case management and emergency direct assistance to those in crisis. The HOST program provides homeless case management services to youth.</p> <p>Northwest Human Services attends the Community Services and Housing Commission meetings regularly.</p>

3	Agency/Group/Organization	Congregations Helping People
	Agency/Group/Organization Type	Services - Housing Services - Victims of Domestic Violence Services - Homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Anti-poverty Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	<p>Congregations Helping People (CHP) submitted two applications for funding. Both programs were provided funding (one through CDBG and the other through General Funds dedicated to public services). The Housing Assistance Program provides one-time subsistence payments to families in crisis for rent. The other program provides one-time utility assistance to households in crisis.</p> <p>CHP regularly attends the Community Services and Housing Commission meetings.</p> <p>Throughout the year, CHP consults with Federal Programs regarding clients with varying situations to ensure eligibility and to streamline their program and make any programmatic modifications that provide for a more effective program.</p>
4	Agency/Group/Organization	Interface Network, Inc.
	Agency/Group/Organization Type	Services - Education Services - Employment Business and Civic Leaders
	What section of the Plan was addressed by Consultation?	Economic Development

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	<p>Interface submitted an application for a microenterprise-training program. They have been awarded funding for a program that will provide technical assistance and training to small businesses owned by low and moderate-income persons.</p> <p>Interface Network provides information throughout the year regarding conferences and events that the City may attend to distribute materials about City programs that align with microenterprise development.</p>
5	Agency/Group/Organization	Salem Housing Authority (SHA)
	Agency/Group/Organization Type	PHA
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Anti-poverty Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	SHA works with Federal Programs staff in review of plans, updates regarding the Housing Authority properties and programs, and in consultation with Federal Programs as needed about overlaying of funding sources and the outcome in regards to income restrictions and rent restrictions. The City reviewed the SHA's Annual and Five year Plan to ensure consistency with the Consolidated Plan.
6	Agency/Group/Organization	Marion Polk Food Share
	Agency/Group/Organization Type	Regional organization
	What section of the Plan was addressed by Consultation?	Anti-poverty Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	<p>Marion Polk Food Share has been awarded funding for the purchase of emergency food resources from General Funds dedicated to public services.</p> <p>Marion Polk Food Share attend the Community Services and Housing Commission regularly.</p>

7	Agency/Group/Organization	Microenterprise Resources Initiatives and Training
	Agency/Group/Organization Type	Services-Education Services-Employment
	What section of the Plan was addressed by Consultation?	Economic Development
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	MERIT has been provided funding for a microenterprise program that will provide training and technical assistance for low and moderate-income business owners.
8	Agency/Group/Organization	St. Francis Shelter
	Agency/Group/Organization Type	Housing Services - Housing Services - Children Services - Victims of Domestic Violence Services - Homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Anti-poverty Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	St. Francis Shelter has been awarded General Funds dedicated to public services for homeless case management for families living in transitional housing. St. Francis Shelter regularly attends the Community Services and Housing Commission meetings.
9	Agency/Group/Organization	Center for Hope and Safety
	Agency/Group/Organization Type	Services - Victims of Domestic Violence Business Leaders
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Families with children Non-Homeless Special Needs Anti-poverty Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Center for Hope and Safety has been awarded funding for case management that will be provided to victims of domestic violence, human trafficking, and stalking. Center for Hope and Safety attends the Community Services and Housing Commission meeting regularly.

10	Agency/Group/Organization	Emergency Housing Network
	Agency/Group/Organization Type	Inclusive Service Network
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs Economic Development Anti-poverty Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Emergency Housing Network was consulted through notification and distributed information via email and at the April 5, 2018 meeting. Federal Programs staff regularly attends the Emergency Housing Network meetings, providing updates and information including opportunities for input and review.
11	Agency/Group/Organization	Neighborhood Economic Development Corporation (NEDCO)
	Agency/Group/Organization Type	Not for Profit Housing Developer
	What section of the Plan was addressed by Consultation?	Homelessness Strategy Homelessness Needs Non-Homeless Special Needs Anti-poverty Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	NEDCO met with City of Salem (COS) to discuss housing needs in Salem. NEDCO focuses on bringing positive change to blighted and often neglected areas.
12	Agency/Group/Organization	Garten Services Inc.
	Agency/Group/Organization Type	Services-Education Services-Employment Services-Persons with Disabilities

	What section of the Plan was addressed by Consultation?	Economic Development
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Garten provided tours of recycling facility and discussed need for economic opportunities for specialized populations. Garten participates on the Site Re-Use and Revitalization Advisory Committee that oversees an Environmental Protection Agency grant that Urban Development oversees.
13	Agency/Group/Organization	Mid-Willamette Valley Community Action Agency
	Agency/Group/Organization Type	Services-Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-Homeless Services-Education Regional Organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs-Chronically Homeless Homeless Needs-Families with Children Homeless Needs-Veterans Homeless Needs-Unaccompanied Youth Homeless Strategy Non-Homeless Special Needs Anti-poverty Strategy

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	<p>The Mid-Willamette Valley Community Action Agency, as the local arm of the Rural Oregon Continuum of Care (ROCC), provided information from the Point in Time Count including numbers, updates to questions asked etc. The outcomes of consulting with MWVCAA include more up to date information and the ability for improved coordination in data collection and use.</p> <p>The City will also be providing \$2,000 of General Fund Social Service funds for the Annual Community Connect event hosted by MWVCAA. This event brings service providers together annually in one location for persons experiencing homelessness.</p>
14	Agency/Group/Organization	City of Salem-Urban Development (Downtown Revitalization)
	Agency/Group/Organization Type	Other government-Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The Downtown Revitalization Division of the City of Salem Urban Development Department provided updated information regarding additional housing efforts underway through the use of URA funding sources The outcomes of consulting with Downtown Revitalization are the ability to be more informed of additional efforts to build housing and information related to developer interest improving overall coordination between the Divisions.
15	Agency/Group/Organization	City of Salem-Community Development (Planning)
	Agency/Group/Organization Type	Other government-Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The Planning Division of the City of Salem Community Development Department provides information regarding proposed multifamily housing applications. Staff is encouraged to attend and comment on the pre-application and application submitted by private and non-profit developers.
16	Agency/Group/Organization	Rural Oregon Continuum of Care (ROCC)
	Agency/Group/Organization Type	Regional Organization Planning Organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs-Chronically homeless Homeless Needs-Families with children Homelessness Needs-Veterans Homelessness Needs-Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Anti-poverty Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The ROCC provided updated information in the Annual Action Plan related to the leveraging of McKinney Vento funding within our community.

Identify any Agency Types not consulted and provide rationale for not consulting

A wide range of affordable housing agencies, social service agencies, economic development partners, and others were consulted during the Annual Action Plan and public meetings. No agency was intentionally left out of the process.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
City of Salem Strategic Plan	City of Salem	The goals include Housing First strategy, development of new affordable housing, coordination of local social services, and funding a program for rental assistance for homeless people.
Housing Needs Assessment (HNA)	City of Salem	The HNA validates information collected during the Consolidated Plan process. The goal of more “aging in place” housing and the increase in job training and job creation programs and projects over the next five years is a shared goal. The HNA indicates the need for an additional 6,400 housing units over the next 20 years.

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Community Economic Development Strategy (CEDS)	Mid-Willamette Valley Council of Governments	The CEDS report contains a shared vision for increased economic opportunities for low to moderate-income families. Some of the shared goals include increasing capital for microenterprises, development of job creation activities, and increased financial capacity of existing companies to increase living wage jobs.
Statewide Housing Plan	State of Oregon	The draft plan includes reliable data that will allow decision makers to consider impacts and alternatives to funding affordable housing.
Mid-Willamette Homeless Initiative	City of Salem, Marion County, City of Keizer, and Polk County	The Mid-Willamette Homeless Initiative Strategic Plan contains a shared vision with a regional approach. As the City of Salem was actively engaged in the Initiative, the City will work collaboratively with the other partners in the Initiative to move the goals in the strategic plan forward. The strategies address affordable housing, transportation, addictions and mental health, veterans, domestic violence, runaway and homeless youth, and seniors.

Describe cooperation and coordination with other public entities, including the State and any adjacent units of general local government, in the implementation of the Consolidated Plan (91.215(1))

The City of Salem works in coordination with the State of Oregon Housing and Community Services (OHCS) Department monitoring projects with joint funding. These projects containing funds from the City and various OHCS affordable housing grants and loans are monitored through the streamlining program. The City of Salem conducts the physical inspections of the units while the State completes the tenant file monitoring. This streamlined approach provides for less disruption to the tenants and a cooperative relationship between the City and the State.

The City of Salem is in a consortium with the City of Keizer for HOME funding. The City of Salem is the lead in the consortium. During public outreach and available comment periods, plans, and reports are made available at City Hall in the City of Keizer. Additionally, public outreach through flyers is conducted in both communities during our planning process. During the 2015-2019 Consolidated Plan outreach process, the Housing and Community Needs Survey was available for completion by Salem and Keizer residents.

Other public entities coordinated with throughout the implementation of the Consolidated Plan include: the City of Salem Planning and Public Works Departments, Mid-Willamette Valley Council of Governments, Salem Housing Authority, etc.

AP-12 Participation – 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation

Summarize citizen participation process and how it impacted goal-setting

Federal regulations require recipients of CDBG and HOME funds follow an approved Citizen Participation Plan in order to receive continued funding. The City of Salem's Citizen Participation Plan sets forth policies and procedures for the City for citizen participation. The citizen participation process implemented by the City is developed to encourage input from community stakeholders and citizens of Salem and Keizer. Local private and public support organizations including social service agencies, state assistance programs, local housing authorities, and citizen boards and commissions, work to meet the needs of the homeless and low and moderate-income persons in Salem and Keizer. These households and individuals are given an opportunity to review and comment on the information contained in this Consolidated Plan, subsequent Annual Action Plan and other plans and reports developed by the City.

Key components of the citizen participation process for this Annual Action Plan include:

1. Notifications in media outlets including English and Spanish publications
2. Informational reports to the Emergency Housing Network and other community groups
3. Presentation of, review by, and recommendation of the plan funding allocation by CSHC
4. Final public comment period and a public hearing on the draft Annual Action Plan

Citizen Participation Outreach

Table 2 – Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Meeting	Non-targeted/broad community	The Annual Action Plan was presented at the CSHC public meeting on April 11, 2018 for review and recommendation. In addition, the Keizer City Council conducted a public hearing on April 16, 2018.	Several comments were expressed during the public hearing held at the Keizer City Council. The responses are provided as an attachment to the AAP. The comments did not require a substantial deviation from the published draft document.	N/A	
2	Newspaper Ad	Non-targeted/broad community	The Public Notice was posted in the March 11, 2018 Statesman Journal for the comment period of March 21, 2018 through April 20, 2018.	Written public comments were received from two citizens by the April 20, 2018 deadline. The responses are provided as an attachment to the AAP. The comments did not require a substantial deviation from the published draft document.	The responses provide reasons for not been accepted.	
3	Public Hearing	Social Service and Housing Agencies	Public Hearing on May 14, 2018.	TBD after hearing		

4	Other-Media Release	<p>Minorities</p> <p>Non-English Speaking (Spanish)</p> <p>Non-targeted/broad community</p>	<p>A media release was issued to announce the comment period.</p> <p><u>Salem, Marion & Polk Media:</u></p> <p>KBZY, Keizertimes, KMUZ 88.5/KYAC – Salem; LPFM 94.9 Mill City, KSHO 920;KGAL 1580, Salem News, Polk County Itemizer Observer – Dallas, Statesman Journal, Stayton Mail, The Appeal Tribune – Silverton, Woodburn Independent</p> <p><u>Portland Metro Multicultural Media:</u></p> <p>Asian Reporter – Portland, El Hispanic News – Portland, The Portland Observer, Yuuyake Shimbun – Portland</p> <p>And also sent via email to:</p> <p>'lvilla@kwip.com'; 'news@asianreporter.com'; 'noticias@kunptv.com';</p>	None received		
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Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
			'carmenlu@latinmedianw.com'; 'nvtbnews@aol.com'; 'ktoon@orcities.org'; 'rrivero@bustosmedia.com'; 'alan@cctvsalem.org'; 'contact@ellatinodehoy.com'; 'ddc@lapantera940.com'; 'nick@salemchamber.org'; 'kate@salemchamber.org'; 'helenjcaswell@gmail.com'; 'salemnews@hotmail.com'; 'cfreeman@sedcor.com'; 'kthomas@sedcor.com'; 'amorris@travelsalem.com'; 'ibernards@travelsalem.com'; 'cmmagpie@aol.com'; 'Info@lapantera940.com';			
5	Mailing to COS Listserves	Non-targeted/broad community	A media release was issued to announce the comment period	None received		
6	Meeting Attendance	Minorities	Attended monthly meeting. Announced the public comment period. NAACP April 2, 2018.	None received		

Expected Resources

AP-15 Expected Resources – 91.220(c) (1, 2)

Introduction

Community Development Block Grants (CDBG) entitlement program, established in 1974 and administered by HUD, provides metropolitan cities and urban counties with funds to assist in the efforts of providing economic development, assistance to low and moderate-income persons, decent housing, neighborhood revitalization, and the prevention and elimination of slum and blight. In conjunction with the entitlement allocations, the City contributes \$400,000 of General Fund dollars for various social service programs and for the annual Salem-Keizer Community Connect. The General Funds will be allocated to support individuals and families in need of essential services such as food, shelter, health care, etc. The 15% CDBG social service allocation works in conjunction with General Funds toward meeting the same goals.

Eligible CDBG activities include, but are not limited to:

- Economic Development-Microenterprise, special economic development, financial assistance
- Public Services-Job training and employment, health care, and substance abuse services
- Community Facilities-Rehabilitation, construction, or acquisition of neighborhood facilities
- Housing-Rehabilitation for residential purposes, acquisition, lead-based paint testing, and mitigation
- Community Revitalization-Urban renewal activities and the removal of slum and blight

The HOME program addresses a variety of activities such as acquisition, rehabilitation, new construction, tenant-based rental assistance, and homebuyer assistance; these activities are aimed at developing and providing affordable housing for low and moderate-income persons.

Eligible HOME activities include:

- Tenant-Based Rental Assistance- Rental assistance and Security Deposit programs
- Rental Housing Activities- New construction, rehabilitation, and site improvements
- Housing- Homebuyer activities and homeowner rehabilitation

Program Income (PI), reallocation of funds from canceled projects, and past project funding reduction will supplement the entitlement funds received by the City to complete projects. PI is an additional source of funds generated in whole, or in part by repayment CDBG

or HOME loan funds.

Table 3 - Expected Resources – Priority Table

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	\$1,343,707	\$175,000	\$432,392	\$1,951,099	\$1,518,707	The expected amount for the remainder is the 2018 allocation with PI staying the same.
HOME	public - federal	Acquisition, Admin and Planning Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	\$842,139	\$265,000	\$294,968	\$1,402,107	\$1,107,139	The expected amount for the remainder is the 2018 allocation with PI staying the same.

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

Leveraged Funds

As a result of both federal mandate and local policy, each of the City's entitlement programs requires or encourages some level of "match" or "leveraging" - financing from other sources in addition to the requested entitlement funds. For instance, locally adopted policies for the HOME program require that 25% of the project cost be accounted for by matching funds.

HOME Match

The City will ensure matching contributions from non-federal sources are made to housing that qualifies under the HOME program (other than Tenant Based Rental Assistance).

Possible sources of match may include, but are not limited to private grants, donated real property, value of donated or voluntary labor of professional services, sweat equity, cash contribution by non-federal sources, proceeds from bonds not repaid with revenue from an affordable housing project and/or state and local taxes, charges or fees.

It should be noted that some HOME projects may not yet meet the 25% match requirement at the time of application but future match may be obtained through things such as property tax exemption which is realized once the property is leased up and operating. Currently, Salem/Salem & Keizer Consortium has a surplus of match in its account. Federal funds from other agencies are not considered eligible match.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

This is not applicable to the City of Salem. There is no publically owned land or property to use in addressing the needs identified in the Annual Plan.

Discussion (optional)

SHA administers nearly 3,000 Housing Choice Vouchers. SHA continues to administer 68 Department of Veteran Affairs Supportive Housing (VASH) vouchers, four of which are project based. They also administer 119 Family Unification Program vouchers through a combination of those from June 2011, 19 from an older program with the Department of Human Services (DHS). Additionally, SHA administers a lottery of five domestic violence vouchers per month. All funding allocations and amounts are based on estimates until final funding approval from HUD is received. Final amounts may differ based on the federal allocations made for the Plan Year.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

Goals Summary Information

Table 4– Goals Summary

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Promote Economic Development	2015	2019	Non-Housing Community Development	Salem Citywide	Microenterprise Training and Technical Assistance	CDBG: \$359,060 HOME: \$0	Jobs created/retained: 30 Jobs Businesses assisted: 19 Businesses Assisted
2	End Homelessness- Public Service / Public Facility/ Subsistence Payments and Transitional Housing	2015	2019	Homeless	Salem Citywide	Emergency Shelters: Case Management and Facility Coordinated Access to Housing/ Homeless Prevention Subsidies/Subsistence Payments	CDBG: \$570,950 HOME: \$200,000	Public service activities other than Low/Moderate Income Housing Benefit: 4,675 Persons Assisted Public service activities for Low/Moderate Income Housing Benefit: 61 Households Assisted
3	Expand Affordable Housing	2015	2019	Affordable Housing	Salem Citywide	Affordable Housing Housing Rehabilitation	CDBG: \$575,000 HOME: \$975,530	Rental units rehabilitated: 50 Household Housing Unit Rental Units Constructed: 40 Household Housing Unit Tenant-based rental assistance/Rapid Rehousing: 118 Households Assisted

Goal Descriptions

Table 5 – Goal Descriptions

1	Goal Name	Promote Economic Development
	Goal Description	<p>For 2018-2019 the following programs have been awarded funding under the #1 goal of Promote Economic Development:</p> <ul style="list-style-type: none"> • MERIT - Microenterprise training and technical assistance • Interface Network - Microenterprise training and technical assistance • Garten Services Inc .- Facility Modernization Phase III • Marion Polk Food Share – Vocational Training Initiative
2	Goal Name	<p>End Homelessness-Public Service/Public Facility</p> <p>End Homelessness-Subsistence Payments</p> <p>End Homelessness-TBRA and Transitional Housing</p>
	Goal Description	<p>For 2018-2019 the following programs have been awarded under goal #2 End Homelessness- Public Service:</p> <ul style="list-style-type: none"> • Mid-Willamette Valley Family Promise (Salem Interfaith Hospitality Network) (Case Management) • Mid-Willamette Valley Family Promise (Salem Interfaith Hospitality Network) (TBRA) • Congregations Helping People (Subsistence Payments) • Center for Hope and Safety (Window Replacement) • Center for Hope and Safety (Case Management) • ARCHES (Day Resource Center Rehab)
3	Goal Name	Expand Affordable Housing
	Goal Description	<p>For 2018-2019 the following projects have been awarded funding under goal #3 Expand Affordable Housing:</p> <ul style="list-style-type: none"> • Salem Housing Authority-Yaquina Hall • Northwest Housing Services-Nueva Luz (CHDO set-aside project) – New Construction of Affordable Housing • Salem Housing Authority-Security Deposits

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.215(b):

The City will be providing 2018-2019 PY funds for affordable housing activities to the following categories:

- People experiencing homelessness – 25
 - 30% AMI – extremely low
- People with special needs – 20 (SMI)
 - 30% of AMI – extremely low
- People not experiencing homelessness – 70
 - 50% AMI – low income

AP-35 Projects – 91.220(d)

Introduction

The Salem Urban Development, Community Services, and Housing Commission (CSHC) reviewed eligible applications for funding recommendations to City Council. The City has historically funded projects that meet the objectives and outcomes of suitable living environment, decent housing, and the creation of economic opportunities.

For the 2018-2019 Plan Year, 20 applications were received and considered for federal funding. Of those applications, six were not recommended for funding by the CSHC. One application for HOME required CHDO set-aside was received and recommended for funding. The fourteen applications recommended for funding are provided in table #6. The table also includes the City's administrative and related costs as activities to be funded by CDBG and HOME resources.

Table 6 – Project Information

#	Agency Name	Activity
1	City of Salem	<i>CDBG Planning, Administration & Related Costs</i>
2	City of Salem	<i>HOME Planning, Administration & Related Costs</i>
3	MERIT	<i>Small / Microenterprise Business TA</i>
4	Interface, Inc	<i>Small / Microenterprise Business TA</i>
5	Marion Polk Food Share	<i>Job Training Initiative</i>
6	Garten Inc.	<i>Equipment for Recycling Operations</i>
7	Center for Hope and Safety	<i>Window Replacement in Offices</i>
8	ARCHES	<i>Homeless Day Resource Center Renovation</i>
9	Salem Housing Authority	<i>Yaquina Hall Housing Development</i>
10	Center for Hope and Safety	<i>Case Management</i>
11	Congregations Helping People	<i>Subsistence Assistance</i>
12	Mid-Willamette Valley Family Promise (formerly known as Salem Interfaith Hospitality Network)	<i>Case Management</i>
13	Mid-Willamette Valley Family Promise (formerly known as Salem Interfaith Hospitality Network)	<i>Tenant Based Rental Assistance</i>
14	Salem Housing Authority	<i>Yaquina Hall Housing Development</i>
15	Salem Housing Authority	<i>Security Deposit Assistance</i>
16	Willamette Neighborhood Housing Services (WNHS)	<i>Nueva Luz Housing Development</i>

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

These allocations are proposed recommendations of the CSHC. During the public meeting held on March 7, 2018 the funding allocation and strategies were discussed. The foundation for the

proposed allocations is grounded in the Consolidated Plan. The draft meeting minutes and audio recording are located on the City of Salem's website located on agendas and minutes at <https://www.cityofsalem.net/cshc>.

The affordable housing and community development needs in the City continue to grow. It is imperative that funding streams increase or new revenue sources are developed.

Should HOME and/or CDBG revenues (either annual allocation or program income) exceed or diminish from the planned amount, the additional resources shall be allocated in accordance with these funding guidelines.

- All proposed activities' budgets will be proportionally increased or decreased from the estimated funding levels to match actual allocation amounts.

If increases are not substantial or significant enough to enhance or fund an activity, funds may be placed in contingency for programming late in the year or in the next program year.

In accordance with §200.458, The City may enter into an award with social services subrecipients prior to the execution of the HUD grant agreement. This will mitigate interruption of services. Pre-award costs are allowable only to the extent that they would have been allowable if incurred after the date of the Federal award and only with the written approval of the Federal awarding agency.

The following documentation must be gathered prior to the grant award:

1. That the costs incurred prior to grant award are necessary for efficient and timely performance of the activity in question.
2. That the costs are for eligible activities under the regulations for the applicable funding program;
3. That the grantee has complied with all other requirements for preaward costs under the regulations for the applicable funding program or as described below;
4. That the activity for which costs will be incurred is included in a consolidated plan/action plan;
5. That the City documents the completion of its citizen participation process by including in its files a written, dated summary of citizen participation comments received on its plan, pursuant to 24 CFR 91.105(b)(5) or 91.115(b)(5) as applicable.

In all cases, guidance provided in HUD CPD Notice-18-01, issued on January 24, 2018 shall be adhered to by the City.

Projects
AP-38 Projects Summary
Project Summary Information

Table 7 – Project Summary

1	Project Name	Promote Economic Development
	Target Area	Salem Citywide
	Goals Supported	Promote Economic Development
	Needs Addressed	Microenterprise Training and Technical Assistance
	Funding	CDBG: \$359,060
	Description	This project includes all projects/programs funded under Economic Development.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	An estimated 50 jobs and 19 businesses will be assisted through these programs, targeted to persons and businesses under the 80% AMI threshold.
	Location Description	These programs will be provided to citizens and businesses within the city limits of Salem.
	Planned Activities	The following projects/programs have been awarded funding for the 2018-2019 Plan Year: <ul style="list-style-type: none"> • MERIT-Microenterprise Training and Technical Assistance • Interface Network- Microenterprise Training and Technical Assistance • Garten Services Inc.-Facility Modernization Project Phase III • Marion Polk Food Share – Job Training Initiative
2	Project Name	End Homelessness
	Target Area	Central Salem Salem Citywide
	Goals Supported	End Homelessness-Public Service End Homelessness – Public Facility End Homelessness-Subsistence Payments End Homelessness-TBRA and Transitional Housing
	Needs Addressed	Coordinated Access to Housing Emergency Shelters: Case Management and Facility Homeless Prevention Subsidies/Subsistence Payments

	Funding	CDBG: \$570,950 HOME: \$200,000
	Description	This project includes funding for one TBRA program, subsistence payments, case management, and rehab of two public facility projects awarded funding during the 2018-2019 Plan Year.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	An estimated 4,750 individuals will be assisted through these activities.
	Location Description	Funds will be used to provide TBRA, subsistence payments, case management, replacement of windows in a center for domestic violence victims and a rehabilitation of a day resource center for homeless individuals within the city limits of Salem and Keizer.
	Planned Activities	Tenant Based Rental Assistance (TBRA), subsistence payments, case management, rehabilitation of two public facilities provided by the following: <ul style="list-style-type: none"> • Mid-Willamette Valley Family Promise (Salem Interfaith Hospitality Network) (Case Management) • Mid-Willamette Valley Family Promise (Salem Interfaith Hospitality Network) (TBRA) • Congregations Helping People (Subsistence Payments) • Center for Hope and Safety (Window Replacement) • Center for Hope and Safety (Case Management) • ARCHES (Day Resource Center Rehab)
3	Project Name	Expand Affordable Housing
	Target Area	Salem Citywide
	Goals Supported	Expand Affordable Housing
	Needs Addressed	Rehabilitation/Conversion Affordable Housing
	Funding	CDBG: \$575,000 HOME: \$975,530
	Description	These projects include a new construction housing development, rehabilitation of affordable housing and security deposits.
	Target Date	6/30/2019

	Estimate the number and type of families that will benefit from the proposed activities	An estimated 2118 households under the 80% Area Median Income (AMI) threshold will be assisted through these activities.
	Location Description	The projects will take place in the City of Salem.
	Planned Activities	<p>The following are programs and projects included in this Project that have been awarded funding for the 2018-2019 Plan Year:</p> <ul style="list-style-type: none"> • Salem Housing Authority-Yaquina Hall (rehabilitation of 50 affordable housing units) CDBG & HOME allocation • Salem Housing Authority-Security Deposit Program (118 households served) • Willamette Neighborhood Housing Services - new construction housing (40 units)
4	Project Name	Administrative Costs
	Goals Supported	Promote Economic Development End Homelessness-Public Service End Homelessness-Subsistence Payments End Homelessness-TBRA and Transitional Housing Expand Affordable Housing
	Funding	CDBG: \$303,741 HOME: \$110,713
	Description	This project is for the payment of administrative costs.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	This project is for administrative costs.
	Location Description	City of Salem and City of Keizer (Keizer included for HOME Program as a Consortium).
	Planned Activities	Payment of Administrative costs associated with the HOME and CDBG program funds.

AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

The CDBG funding is restricted to use for residents of the City of Salem. The area is outlined by the city limits. This boundary has been applied to a Google Maps and Salem Maps application for a much easier determination of eligibility of projects and clients.

The HOME funding is restricted to use for residents of the cities of Salem and Keizer. This area is also determined by the city limits of the two cities. This boundary has been applied as an area to a Google Maps application for easier determination of eligibility.

The City has a HUD approved Neighborhood Revitalization Strategy Area (NRSA), an area of low-income and minority concentration. This area encompasses the central core of the City of Salem, stretching to the Northeast, to the Southeast, and to the east of downtown. There are many industrial, residential and commercial opportunities in this area. This area has been layered to the jurisdictional map the City created for project and/or client eligibility on the Salem Maps application.

Geographic Distribution

Table 8 - Geographic Distribution

Target Area	Percentage of Funds
Central Salem	0
Salem Citywide	100

Rationale for the priorities for allocating investments geographically

The City of Salem is a Community Development Block Grant (CDBG) entitlement community and receives the grant funds from the US Department of Housing and Urban Development (HUD). The annual allocations to the City are determined through specific formulas created by HUD and Congress. The CDBG funds received by the City are utilized within the city limits of Salem. This includes all physical projects and services provided only for those with addresses within the boundary described. Physical addresses are verified against a Google and/or Salem Maps boundary map to ensure compliance with this restriction. For microenterprise training recipients, the residential or business address must be within these boundaries.

HOME Investment Partnership (HOME) funds are allocated to both the City of Salem and City of Keizer through a consortium agreement making both cities collectively an entitlement community. The HOME funds received by the consortium are utilized within the city limits of Salem and Keizer.

The City created a Neighborhood Revitalization Strategy Area (NRSA) in 2009. During the 2015-2019 consolidated planning period, the City renewed the NRSA. Programs and projects submitting applications for funding within the NRSA were given additional points during the application scoring. The City continues to provide outreach and technical assistance regarding the NRSA and the advantages of administering programs and completing projects within this area.

Discussion (optional)

Special considerations for projects and/or programs applying within the NRSA are given if they meet one of the goals defined in the Consolidated Plan.

DRAFT

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

The project/program goals described in the Annual Plan will target the homeless, non-homeless, and special needs households in the tables below. These goals provide affordable housing through rehabilitation of existing affordable housing, reconstruction of affordable housing units, new construction of affordable housing, rental assistance and security deposit assistance. All projects will target extremely low-income to moderate-income households.

Table 9 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households to be Supported	
Homeless	60
Non-Homeless	434
Special-Needs	0
Total	494

Table 10 - One Year Goals for Affordable Housing by Support Type

One Year Goals for the Number of Households Supported Through	
Rental Assistance	168
The Production of New Units	240
Rehab of Existing Units	86
Acquisition of Existing Units	0
Total	494

Discussion (optional)

The numbers above represent the funding provided through the HOME and CDBG programs for rehabilitation of affordable housing units, reconstruction of affordable housing, new construction of affordable housing, security deposits, and tenant-based rental assistance.

The numbers included under production of new units include all units that did not previously exist being developed through new construction, rehabilitation, and rehabilitation/conversion.

These numbers do not reflect the additional funding through the CDBG program for interim housing assistance (subsistence payments) provided through Congregations Helping People.

AP-60 Public Housing – 91.220(h)

Introduction

Salem Housing Authority (SHA) owns and operates 245 housing units for families, seniors, and persons with disabilities under the HUD Public Housing Program. HUD funds annual operating subsidies for Public Housing, as well as a Capital Fund Grant for capital improvements of the housing stock and management systems.

Actions planned during the next year to address the needs to public housing

Individuals and families benefiting from public housing must be at or below 80% of the area median family income. Households currently being served through the Public Housing Program have average incomes under \$22,373, which is well below the allowed income limit. As of December 2017, the Public Housing Program in Salem was serving 239 families. SHA maintains waiting lists for the public housing units and the Section 8 Housing Choice Voucher Program. As of December 2017, SHA's regular voucher leasing was 2,698 of the 2,909 allotment. This is a 93% lease-up rate with rents continuing to escalate higher. Families remain on the voucher waitlist up to three years. The majority of households on the waiting lists are comprised of families with children. Section 8 Voucher current household income averages \$14,794 annually.

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

SHA has a Central Resident Council/Resident Advisory Board that meets several times a year to review the annual Public Housing Authority (PHA) Plan, as well as other topics including how to use resident participation funds. SHA solicits resident input on the capital needs assessment each year, and alerts tenants of potential policy changes to allow opportunity for tenant comment. The bylaws of both the SHA Commission and the Housing Advisory Committee (HAC) require at least one tenant serve on the Commission. All tenants are always welcome to attend meetings without actually serving on the Committee or Commission. A resident advisory board is comprised of tenants who review the Family Self-Sufficiency Program Action Plan, and review any proposed changes. Tenants are sent newsletters and other correspondence to ensure awareness of SHA activities, and are encouraged to provide feedback to staff. All tenants are given a 30-60 day period to comment on updated utility allowances, changes made to the security deposits, updates to maintenance charges, modifications to the Admissions and Continued Occupancy Policy, as well as revisions to leases and addendums or other items that could directly affect them. Housing Commission and HAC meetings are open to the public with meeting details included on the City of Salem website under Meetings of Interest.

In partnership with CASA of Oregon, SHA also facilitates Valley Individual Development Accounts (VIDA), a program that prepares and assists families and individuals who qualify, to plan and reach financial goals such as becoming a first time homeowner, starting/expanding a small business, or pursuing a college degree or job training to get a better paying job. VIDA allows families to save a maximum of \$3000 over three years. The savings are matched three to one; a family who saves the maximum \$3,000 will be matched by \$9,000 for a total of \$12,000.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

The Salem Housing Authority's SEMAP and PHAS scores are not reflective of a HUD designated troubled PHA.

Discussion (optional)

SHA provides a number of services and programs that are intended to address the needs of its residents, including programs that support education, employment, leadership development, and homeownership.

DRAFT

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

Homelessness in Salem is a multifaceted problem that is directly influenced by institutions, such as the criminal justice and mental health systems. Broad policies, such as economic injustice, critical shortage of affordable housing, relational factors resulting in domestic violence and substance abuse are factors that also influence the increasing number of unsheltered persons.

The 2018-2019 Action Plan goals and action steps implement priorities to address homelessness in three strategic investment areas:

- Homelessness Prevention: Providing assistance to prevent people from becoming homeless and needing to enter the shelter;
- Homeless Intervention and Supportive Services: Connecting people who are homeless with resources to increase safety and access to housing;
- Housing Development: Contributing to the construction and rehabilitation of affordable housing.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

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

The City will continue to support organizations that assess and assist the needs of Salem's unsheltered citizens. Some examples include:

City of Salem Homeless Rental Assistance Program (HRAP)

Launched in July 2017, HRAP is one of the City of Salem's key strategies to reduce the number of chronically homeless individuals in Salem. With a goal to house 100 of the "hardest to house" homeless individuals in its first year, the Homeless Rental Assistance Program is the largest "Housing First" program in Oregon. The program combines rental assistance, intensive case management services, and funding to reduce other barriers to client success. The City's \$1.4 million program investment is being leveraged with federal and private foundation resources.

Homeless Initiative Program Coordinator

Following the recommendation of the Mid-Valley Homeless Initiative, the City of Salem contributed \$45,000 toward the hiring of a regional coordinator at the Mid-Willamette Valley Council of Governments. This person is responsible for planning and coordinating programs and projects to prevent and reduce homelessness with our region's cities, counties, agencies, and services providers. The program coordinator is responsible for the overall management of specialized efforts to develop a cohesive, collaborative and coordinated system of care that extends

the reach of resources available to the Mid-Willamette Valley homeless population.

The Coordinator will be meeting regularly with City staff to ensure a coordinate effort in the development and evaluation of efforts to address homelessness.

Sobering Center

The City of Salem is one of several agencies developing a safe, clean, and supervised space to become sober and connect to further treatment. The Oregon legislature and governor have provided start-up funding for a sobering center in Salem to relieve some of the burden on our regional hospital and jail, and connect individuals with treatment resources. The sobering center will open by early 2019.

Day Resource Center

Upon renovation completion, the ARCHES Day Center will be accessible to those who are experiencing homelessness, or are housing unstable. Services will be available Monday through Friday, 8:30am until 4:00pm. CDBG enabled renovations will bolster the current Day Center capabilities. These expanded services will include:

- Day Time Shelter
- Sack Lunches
- Hot Lunches
- Housing Assessments
- Resource Navigation
- Veteran's Services
- Mailboxes
- Laundry
- Showers
- Client Computers
- Limited Medical & Dental
- Telephone Access
- Classes/Support Groups
- Bus Passes
- Crisis Intervention
- Haircuts
- Clothing Closets
- Lockers
- ID & Birth Certificate support
- Health Screenings
- Social Security assistance
- Tenant Prep Education

In addition, the ARCHES Day Center will house an innovative co-location model with roughly 3,000 sq. feet of available office space to be allocated to aligned partner agencies. The proximity of services that maximizes the potential for increased communication, staff development, cost

sharing, as well as the reduction in barriers to services.

Union Gospel Mission Men's Shelter

Salem's largest homeless shelter for men has outgrown its current location. The facility is in need of rehabilitation to meet City Code. Union Gospel Mission will relocate the shelter to provide improved services and transitional housing opportunities. The City has entered into a purchase and sale agreement to acquire the existing facility. This will help in the ongoing construction and operating fundraising. Once operational, the number of available beds in Salem will increase.

Salem Housing Authority

The Salem Housing Authority (SHA), in partnership with the Veterans Administration (VA) administers two VASH. The 64 tenant-based vouchers provide rental assistance to at-risk homeless veterans. The remaining four VASH vouchers are project based. The Veterans Administration screens and refers eligible veterans to SHA.

Addressing the emergency shelter and transitional housing needs of homeless persons

Salem addresses the emergency needs of the homeless and other persons needing emergency shelter by actively participating in programs administered by public and quasi-public agencies.

- Mid-Willamette Valley Family Promise (formerly Salem Interfaith Hospitality Network), a non-profit serving circumstantial homeless families, is dedicated to moving families with children from homelessness to lasting self-sufficiency. Affiliated with the national network of the same name, Family Promise advances a highly effective, sustainable and expandable service delivery drawing on resources of the faith community, churches, synagogues, mosques, and temples. The three main components of the program are outreach and screening, transitional housing, and extensive counseling and case management.
- The Salem Housing Authority is pursuing the purchase of an existing unfinished residential housing complex located at 4107 Fisher Road NE for transitional housing. The property is a 19,336 square ft. special use residential building. The existing structure has 19 residential units if SHA purchases and renovates the building the residential unit count would expand to 36. Each unit would consist of a kitchenette and a shared bathroom.

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 supports a number of programs to assist low-income individuals and families to avoid homelessness, including providing Section 8 Housing Choice Vouchers to homeless people, providing funds to keep people in their homes in times of financial crisis, and implementing a rapid

re-housing program. Other support services such as job and training assistance, food assistance, and counseling are also available to help persons and families recover and avoid returning to being unsheltered.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: 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); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

Congregations Helping People (CHP) will be receiving CDBG funding for one-time crisis rental assistance (subsistence payments) and social service General Funds for one-time crisis utility assistance. These two programs provide assistance during crisis situations, reducing the possibility of the families becoming homeless. CHP has a strong evaluation system to ensure the client will be able to pay their costs in the future and that their situation is truly a crisis.

MERIT and Interface Network will be receiving CDBG funding for microenterprise training and technical assistance. These programs provide training and technical assistance to low and moderate income business owners that may be unemployed or underemployed. These programs provide a way for these business owners to generate living wages and in many cases employ additional individuals that may also be unemployed or underemployed.

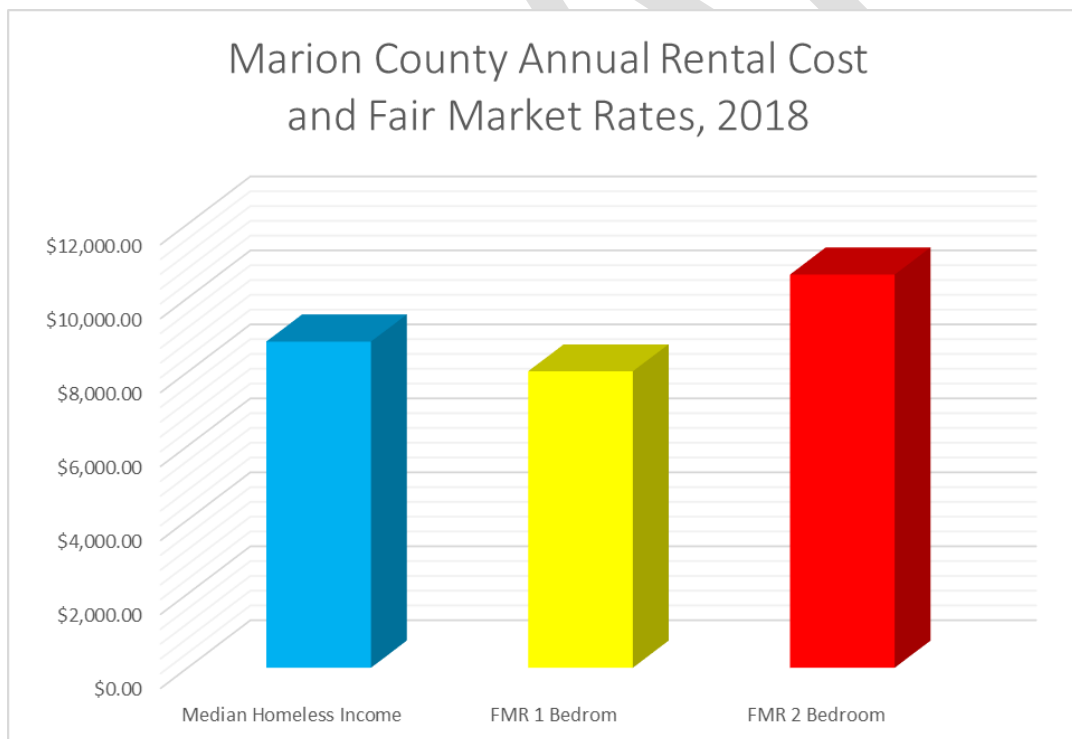
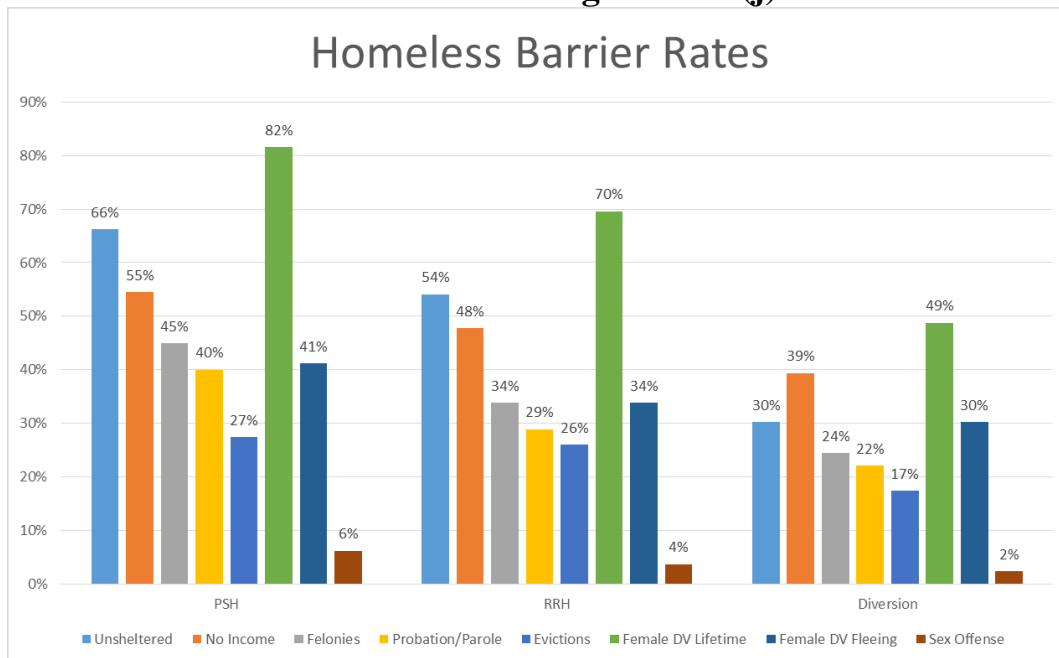
Garten Services Inc. will be receiving CDBG funding for their Facility Modernization project. This project will create jobs and training for persons with disabilities allowing them to earn living wages and providing stability in income and subsequently stability in housing.

The CDBG Program will also support Marion Polk Food Share' new Vocational Training Initiative during FY 2018-19 with the objective of creating jobs and supportive services for chronically homeless, homeless veterans, and those at risk of becoming homeless.

Discussion (optional)

As described above, the City will be continuing the effort to prevent and eliminate homelessness. The issue of homelessness will be addressed through multiple programs with a focus on preventing homelessness.

AP-75 Barriers to affordable housing – 91.220(j) Introduction



Data Charts provided by ARCHES – CoC Partner Agency

A variety of barriers exists which make increasing the affordable housing stock in Salem difficult:

1. Escalating increase in rental housing costs.
2. Lack of and aging housing stock in the region.
3. Diminishing federal resources for programs, including HOME, CDBG and Section 8 voucher assistance.
4. Development barriers, including capacity of non-profit entities, height restrictions, and community opposition (“NIMBYism”).
5. Backlog of infrastructure and public facilities investment needs.

Developers building housing that is affordable to households of all income levels and appropriate for special needs populations often face many challenges. While the current shortage of affordable housing is primarily due to construction costs, the City is working to reduce governmental regulations that pose constraints to the production and preservation of affordable housing. Affordable housing and addressing homelessness are priorities of Salem’s citizenry and elected officials.

Actions it planned 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

The City is addressing barriers to affordable housing through:

- The prioritization of addressing homelessness as a City Strategic Plan goal.
- Granting System Development Charges (SDC) waivers for non-profit affordable housing developments using HOME/CDBG funding.
- Providing property tax exemption for non-profits operating low-income housing.
- Researching best practices that allow additional incentives to developers who provide affordable housing.
- Advocating with and educating Federal and State partners about affordable housing needs in Salem.
- Approving code amendments to allow additional, smaller residences on the same property as a single-family home.
- Continuing to update Community Plans, which are components of the City’s Comprehensive Plan and which specify the location & intensity of proposed residential development; and
- Providing technical assistance with completing tax credit or foundation funding applications.

During this action plan year, the City will be revising the Comprehensive Plan. This important land use document will be instrumental when developing the 2020-2024 Consolidated Plan goals and priorities.

Discussion (optional)

AP-85 Other Actions – 91.220(k)

Introduction

This section will outline other actions the City has planned to address the needs of underserved populations, fostering and maintaining affordable housing, reduction of lead-based paint hazards, reduction in the number of poverty-level families, development of institutional structure, and coordinated efforts.

Actions planned to address obstacles to meeting underserved needs

All of the actions taken by the City in the management of HOME and CDBG funds are completed within program guidelines and address one or more goals identified in the Consolidated Plan.

Coordination between public and private housing and social services agencies is an extremely important activity. The City participates in the meetings of our local CoC collaborative, which is comprised of various housing and social service agencies. The collaboration of many local stakeholders provides better service to the underserved through many different projects and programs. Collaborating with these institutions is vital to overcoming any gaps in institutional structure, and will continue in the next plan year.

The City has committed to providing 15 percent (15%) of its CDBG allocation to organizations that oversee public service activities for individuals and families. Some of these services will be provided by organizations such as Center for Hope and Safety, Congregations Helping People, and Family Promise (Salem Interfaith Hospitality Network).

Through the City's General Fund, other organizations such as Marion Polk Food Share, Northwest Human Services, Congregations Helping People, and St. Francis Shelter will provide emergency services for low income families. These programs help to alleviate the obstacles many families face due to their current circumstances. These organizations provide tools to help individuals move beyond their current living conditions to self-sufficiency.

Actions planned to foster and maintain affordable housing

As outlined in the 2015-2019 Consolidated Plan, the third priority for the City is to Expand Affordable Housing. During the 2018-2019 plan year, HOME and CDBG funds have been allocated to the following housing related projects to assist the housing needs of low and moderate-income persons:

- New construction of affordable housing - Willamette Neighborhood Housing Services (Nueva Luz);
- Tenant-Based Rental Assistance - Family Promise (Salem Interfaith Hospitality

Network) (SIHN);

- Rehabilitation of housing – Salem Housing Authority (Yaquina Hall a project previously funded with CDBG dollars, and provided additional HOME and CDBG funding in 2018-2019); and
- Security Deposit Program-Salem Housing Authority.

Actions planned to reduce lead-based paint hazards

According to the Code of Federal Regulations (CFR) 24 part 35, any housing rehabilitation project involving housing constructed before 1978, and receiving \$5,000 or more in Federal funds, shall be tested for lead-based paint. All projects meeting those parameters with identified lead-based paint hazards are to be mitigated or abated. City policy is to abate all reported lead based paint with levels exceeding the acceptable limits.

Actions planned to reduce the number of poverty-level families

Based on the Consolidated Plan's Needs Assessment and available resources for program year 2018-19, the City will allocate available resources (CDBG and HOME) to support public service programs for the benefit of low to moderate-income residents. The City will also expand and create new partnerships with service providers and community based organizations to provide community enrichment programming, affordable housing, case management services, and focus on self-sufficiency.

These actions will be achieved by:

- Creating new affordable housing by leveraging limited funding resources with private, federal, and state governmental subsidies and grants;
- Supporting permanent supportive housing for chronically homeless veterans by fostering effective supportive services that will promote self-sufficiency;
- Allocating 15 percent of CDBG entitlement funds for public services; and
- Funding case management services for homeless individuals / families and those at risk of becoming homeless.
- Collaborating with various City Departments, businesses and Salem Keizer School District to support ongoing academic achievement for low-to moderate-income students.

Actions planned to develop institutional structure

The City will proactively work with non-profit agencies, for-profit developers, quasi-public entities, advocacy groups, clubs, and organizations, neighborhood associations, City departments and with the private sector to implement the City's Strategic Plan and the Consolidated Plan. Engaging the community and partners in the delivery of services and programs for the benefit of low to moderate residents will be vital in the overcoming gaps in service delivery.

Actions planned to enhance coordination between public and private housing and social service agencies

In an ongoing effort to bridge the gap of various programs and activities, the City has developed partnerships and collaborations with local service providers and City departments that have been

instrumental in meeting the needs and demands of the homeless, low-income individuals and families, and other special needs. The City will continue to expand on developing partnerships with public service organizations throughout FY 2018-2019.

Discussion (optional)

DRAFT

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(l)(1,2,4)

Introduction

The CDBG entitlement program, established in 1974 and administered by HUD, provides metropolitan cities and urban counties with funds to assist in the efforts of providing decent housing, neighborhood revitalization, and economic development as well as the prevention and elimination of slums and blight, and assistance to low and moderate-income persons. For the 2018-2019 Plan Year, the City anticipates receiving \$1,259,000 in CDBG funds, \$576,240 in prior year funds, and \$175,000 in CDBG program income. No program income was received in the preceding Plan Year that has not been included. CDBG funding is utilized to assist Low to Moderate Income (LMI) residents of Salem.

The HOME program addresses a variety of activities such as acquisition, rehabilitation, new construction, and tenant-based rental assistance aimed at developing and providing affordable housing for low and moderate-income persons. For the 2018-2019 Plan Year, the Salem/Keizer Consortium anticipates receiving \$629,950 in entitlement, \$369,970 of prior year funds, and \$265,000 in program income. Program income, reallocation of funds from canceled projects, and past project funding reductions will supplement the entitlement funds received by the City. Program income is an additional source of funds generated in whole, or in part, by repayment of HOME loan funds. The City allocates program income to qualifying projects that support the needs of low and moderate-income persons. HOME funding is utilized to assist Low to Moderate Income (LMI) residents of Salem and Keizer.

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(l)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	0

Other CDBG Requirements

1. The amount of urgent need activities 0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two, or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate- income. Specify the years covered that include this Annual Action Plan. The City of Salem utilizes a three year certification (2015-2017) 100.00%

HOME Investment Partnership Program (HOME) Reference 24 CFR 91.220(l)(2)

1. **A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:**
The HOME funds allocated are not being utilized for any forms of investments beyond those identified in Section 92.205 (Eligible Activities).
2. **A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:**
For down payment assistance and homebuyer activities that incorporate a direct benefit to the homebuyer (i.e. down payment assistance, closing cost, interest subsidies, or other HOME assistance provided directly to the homebuyer which can additionally include the amount of assistance that reduced the purchase price from fair market value (appraised value) to an affordable price), the City will follow the recapture provisions as mandated by 24 CFR 92.254 (a) (5) (ii) (A) (2). A Trust Deed will be executed between the City or sub recipient and the homeowner and recorded in the office of the Marion County or Polk County Recorder depending on the location of the property. Assistance will be provided in the form of a deferred loan, which will be deferred until the sale, refinance and/or transfer of the property. If HOME funds are used for the cost of developing a property and the unit is sold below fair market value the difference between the fair market value and the purchase price is considered to be directly attributable to the HOME subsidy.
 - HOME Investment per assisted unit under \$15,000 has a 5-year affordability period.
 - HOME Investment per assisted unit \$15,000-\$40,000 has a 10-year affordability period.
 - HOME Investment per assisted unit over \$40,000 has a 15-year affordability period.
 - HOME Investment for new construction has a 20-year affordability period.

The City will recapture an amount that does not exceed the net sale proceeds from the sale of the property. In effect, the City will recapture the amount that is still outstanding (based on the remaining balance due on the loan including any interest incurred), however, not in an amount that is greater than the net sale proceeds. If the net proceeds are sufficient, the borrower shall repay to the City the full HOME subsidy plus interest, which is outlined in the promissory note. Should the net proceeds be insufficient to repay, the City will opt to forgive the difference. In the event only a development subsidy is provided to a home, or the property has multiple funding sources (providing homebuyer and/or development subsidy) and the other funding sources are more restrictive, the City will utilize resale provisions in these instances. The property must be resold to an income eligible household making less than or equal to 80% AMI. The homeowner will be allowed to base the sales price of the home on the original cost of the home inflated by the consumer price index, reflecting the sales price cap. The principal, interest, taxes and insurance (PITI) of the new owner will not exceed 30% of the gross wages of the homebuyer. This will allow for a reasonable range of homebuyers to afford the property.

The Participating Jurisdiction (PJ) is currently enforcing recapture/resale provisions for projects covered under previous plans; however the City of Salem is not carrying out homebuyer assistance with the 2018 allocation.

For owner-occupied rehabilitation projects, the after-rehab value will not exceed the HUD Homeownership Sales Price Limits. After-rehab value is established by utilizing the assessed value and adding the cost of rehabilitation of the home.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

For homebuyer projects, the above-mentioned recapture provisions apply. As required by HOME funding, all rental units acquired with HOME funding will be subject to resale provisions to ensure the affordability of the units. The same per unit funding amounts apply to the affordability period of the rental units unless it is new construction. Under new construction, regardless of the amount of funding provided, the affordability period will be 20 years. Rental project affordability period is also secured through an agreement, covenant, note, and trust deed.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

There are no projects being refinanced with HOME funding scheduled for this plan year.

Discussion (optional)

In addition, to ensure that proper legal documentation is maintained, monitoring of the funding provided is conducted by Federal Programs staff..

Sub recipient Monitoring

Monitoring and technical assistance are vital to ensure a successful partnership with the subrecipient and City to help guarantee short and/or long term compliance. The level and type of annual monitoring depends on the length of time a subrecipient has been receiving CDBG funds, and their performance. All first-year subrecipients have onsite monitoring to ensure they are meeting the program requirements. Pay requests for all projects and programs are processed only after all required documents are received. When construction or rehabilitation projects are completed, documentation of client eligibility is obtained. Projects funded in past years are monitored annually to ensure the original intended use has not changed during the change of use period. For all construction or rehabilitation projects, ongoing physical inspections occur throughout the project to ensure local codes are met. For projects triggering Davis Bacon, staff provides extensive training with the subrecipient to ensure all federal requirements are met. This includes a mandatory contractor and payroll pre-construction meeting, review of certified payrolls, and any additional training depending on the level of sub recipient expertise.

HOME monitoring is undertaken to ensure recipients are managing projects in compliance with funded activities. HOME assisted rental projects must meet the low-income occupancy and rent level requirements at initial occupancy and throughout the period of affordability. Property inspections must meet the requirement of State and local codes, and rehabilitation standards for projects in the cities of Salem and Keizer. The City continues to monitor HOME funded projects in accordance with HOME monitoring requirements at least every three years. If determined a “high-risk” property, the project will be monitored more frequently. Additionally, HOME Annual Reports are required to be submitted for all projects in the affordability period in January of each year. Through this annual monitoring, the City is able to provide technical assistance and address any issues of compliance if noted. Replacement reserve reports are required quarterly on HOME-assisted properties still in the affordability period.

Due to the shift in the economy, the Homebuyer Program was eliminated July 1, 2010. Homebuyers who were funded in the past are reviewed annually, for a minimum of five years after project completion, to ensure they are still residing at the funded residence. The City is a participant in the streamlining effort coordinated by Oregon Housing and Community Services (OHCS). The goal of streamlining is to reduce staff time and tenant interruptions throughout the year. Every recipient and subrecipient, with programs or projects that are not closed out, must submit Quarterly Status Reports (QSR) that clearly define the progress made for the quarter, anticipated progress, and any challenges or barriers that may have occurred. These reports help ensure timeliness of expenditures, project status updates, and an indication of when onsite inspections are required.

The TBRA program planned for the 2018-2019 plan year includes a preference to certain populations. Family Promise's (Salem Interfaith Hospitality Network) TBRA Program gives preference to homeless families. It is the policy of the City of Salem to assure that no person shall be discriminated against on the grounds of race, religion, color, sex, marital status, familial status, national origin, age, mental or physical disability, sexual orientation, gender identity and source of income, as provided by Salem Revised Code Chapter 97. The City of Salem also fully complies with Title VI of the Civil Rights Act of 1964, and related statutes and regulations, in all programs and activities.

DRAFT

Attachment A

Public Comments and Responses

Response to Comment of Salem Housing Authority on the Proposed Annual Action Plan

From: Kellie Battaglia

Sent: Thursday, April 05, 2018 12:58 PM

To: Kristin Retherford <KRetherford@cityofsalem.net>; Shelly Ehenger <SEhenger@cityofsalem.net>

Subject: Feedback on the CDBG/HOME Annual Action Plan

Hi Kristin, Shelly,

Comment: Sara Owens brought it to my attention that there may be some outdated information in the draft CDBG/HOME Annual Action Plan. Re: SHA vouchers. Language below (page 29). I confirmed the numbers with Lynette and here's the most up to date information:

Discussion (optional)

SHA administers nearly 3,000 Housing Choice Vouchers. SHA continues to administer 63 Department of Veteran Affairs Supportive Housing (VASH) vouchers as well as the 125 Family Unification Program vouchers through a combination of those from June 2011, 19 from an older program, and 6 through a program with the Department of Human Services (DHS). Additionally, SHA administers five homeless vouchers and three domestic violence vouchers. All funding allocations and amounts are based on estimates until final funding approval from HUD is received. Final amounts may differ based on the federal allocations made for the Plan Year.

SHA has 64 VASH vouchers and 4 PBV VASH. We have a total of 119 FUP vouchers through a combination of those from June 2011 and 19 from an older program. We no longer have the 6 additional. We administer a lottery of 5 DV vouchers per month. We no longer have a lottery for homeless as they are referred through the HRAP program.

Please let me know if you have any questions.

Thanks!

Kellie Battaglia, Client Services Manager
Salem Housing Authority

Response: Thanks we will add this to our comments and make the modifications.

Summary of Public Comments and Responses Keizer City Council Public Hearing April 16, 2018

- Mayor Clark expressed appreciation for highlighting and considering the goals of the Mid-Willamette Valley Homeless Initiative Plan in the Annual Action Plan.
- Councilor Reid highlighted the need to seek input and collaboration with Keizer United and the local foodbank.

- Council members expressed the need to post notices and information regarding the HOME program on Keizer's social media sites.
- Collen Bush encouraged outreach to the three Keizer Neighborhood Associations.
- City Manager Chris Eppley expressed a desire for future documents to be translated in multiple languages. Keizer's resident population consists of 20% of people with English as a second language.

Response: The City of Salem is appreciative of the oral comments provided by the Mayor, Councilors, City Manager, and citizens of Keizer. During the AAP year, the City of Salem will increase outreach efforts in Keizer. All future documents will be translated into multiple languages and transmitted for uploading to Keizer's social media sites. Thank you for the comments.

<p>Response to Comments of Sarah Owens on the Annual Action Plan Proposed Pursuant to 24 CFR 92.220</p>
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1. **Comment:** "The Amendment: it's not clear how the total to be reallocated (\$937,016) squares with the total prior year resources (\$946,208) listed in Table 3 on page 28 of The Plan. Staff was unable to explain the relationship between the Amendment and Table 3, if any, at the April CSHC meeting."

Response: In the final draft submitted to Council, the numbers have been corrected to reflect the amount of funds available from prior year resources. Thank you for the comment.

2. **Comment:** "The first sentence (beginning "For program year 2018") is poorly worded and not accurate, as The Plan "governs" "a total" of more than \$1.2 million."

Response: The City appreciates your comment. Sentences have been revised to clarify the introductory paragraph.

3. **Comment:** AP-10 1. "APP" should be AAP

Response: The City appreciates your comment. The acronym has been corrected.

4. **Comment:** ""Community-driven efforts" should be specified (or reference made to the other part of the Plan that specifies them, if any)."

Response: The City appreciates this comment. The words “community-driven efforts” can differ from individual to individual. We have specified an effort to provide additional context. The City of Salem will continue to be involved in opportunities that develop local capacity, encourage inclusiveness and address goals related to the CDBG and HOME programs.

5. **Comment:** “(SIT)” should be omitted (as it’s not referenced again) or changed to “(North Salem SIT)” as there are many different teams in Marion, Polk and Yamhill Counties..”

Response: The City revised the acronym. Thank you for the comment.

6. **Comment:** “Local Continuum of Care efforts” should be clarified here and on page 13 by offering examples of the activities that MWVCAA coordinates, like reporting to HUD, the Housing Inventory Count and the Point in Time Count. It is also not clear what “the annual assessment” refers to. If it refers to the Point in Time Count, the text should be amended to read “participated in the annual Point in Time Count.”

Response: Thank you for the examples. The document has been revised.

7. **Comment:** On April 9, CRP Director Jimmy Jones reported to the Health & Housing Committee (referred to in The Plan as the Mid-Willamette Valley Health and Housing Collaboration) that the total number of unsheltered individuals counted in the 2018 Point in Time Count in Marion and Polk Counties was 618.

Response: Thank you for the comment. The AAP was completed and issued for public review on March 21, 2018. The number referenced in the comment was announced after the AAP was presented. The AAP denotes that the numbers presented are preliminary. HUD will not certify the final numbers until after the AAP has been submitted.

8. **Comment:** With regard to the first sentence, it should be borne in mind that the 2017 Plan reported only that 298 school children were counted in the 2016 Point in Time Count. It did not report the 2016 totals, or the preliminary 2017 Point in Time Count results. Accordingly, instead of “significant increase”, the narrative should clarify that the total number of unsheltered individuals surveyed in Marion and Polk Counties in 2017 was 352 and that a primary reason for the increase in 2018 was increased community involvement. (See here <http://www.oregon.gov/ohcs/Pages/research-point-in-time-homeless-count-in-oregon.aspx> and here http://www.mycommunityaction.org/CRP/housing_homeless_information.html)

The last sentence (beginning “The table below demonstrates”) is questionable (as it’s not clear what the table demonstrates) and not really necessary.

It is unclear what these “waitlists” are; how they are ordered and maintained, who is eligible to get on them, what programs accept referrals from them, what services are provided as a result of a referral, whether there is any follow up, average wait times, etc. Staff was unable to offer any information about the waitlists, other than they’re maintained by ARCHES and those on the waitlist have been “assessed.” The figures are set out in the text as if they are important, but it’s not clear why.

What is the reader to understand from this chart? What do “served”, “searching” and “housed” mean? Are waitlist assessments considered a service? Are “intakes” considered a service? Are “searching” households enrolled in a program? What about exit data? Is there any overlap between the categories? (Are “intakes scheduled” hhs included in “served”, “searching” or “housed”?) Does “total unique served” refer to individuals or hhs? A key of some sort is needed if this chart is to be included.

Response: The comment is appreciated. Some revisions have been made in the AAP.

9. **Comment:** The text is not particularly responsive to the question, which asks for a description of the City’s “consultation in determining how to allocate ESG funds, develop performance standards and evaluate outcomes, develop funding, policies and procedures” for HMIS administration. The first sentence (beginning “The MWVCAA”) is a vestige of earlier Plan language. MWVCAA has not been responsible to “coordinate[] the local CoC effort for Marion and Polk Counties through the...[10-Year] Plan to End Homelessness” since 2011, the last year Marion and Polk Counties had their own, independent, CoC. The 10-Year Plan to End Homelessness will be ten years old this October. As was confirmed at the April CSHC meeting, it has not been mentioned in the provider community in the past year. The Mid-Willamette Homeless Initiative Task Force had the 10-Year Plan in its resource documents, and purportedly sought to “put meat on the bones” of the 10-Year Plan, but the Task Force was disbanded in February 2017. As was discussed at the April CSHC meeting, the 10-Year Plan was never implemented in large part because it was completed just as The Great Recession hit. It might be the plan of record for Marion and Polk Counties, but it’s not actually been used by *anyone* to coordinate *anything*, and it is misleading for The Plan to suggest it has.

About the second to last sentence (beginning “MWVCAA, Shangri-La...”), HOME YRC is program of MWVCAA, and shouldn’t be listed separately (or all MWVCAA programs using ServicePoint should be listed). Salem Housing Authority does not use ServicePoint except for its Homeless Rental Assistance Program, so HRAP, not SHA, should be listed. Family Promise (formerly Salem Interfaith Hospitality Network) should have been using ServicePoint during FY 2017 for some clients, and so should be listed.

About the last sentence, examples of “best practices” that are being explored are needed to clarify what the City is doing “meaningfully engage” and “receive...reports.” As to the latter, MWVCAA is responsible for coordinating regular reports to OHCS and HUD, and is in a position to share those reports with whomever they choose. OHCS does not publish the data it receives, and the data reported to HUD is aggregated with the data from the other 26 ROCC counties, and so is not useful for local planning purposes. However, during the April CSHC meeting, staff said that MWVCAA had assured her she “can get anything” in the way of data that’s needed.

Response: Thank you for the comments. The City in conjunction with applicable provider partners and OHCS are committed to capturing data to support ongoing efforts. Some revisions have been made in the AAP.

10. **Comment:** “COS” should be “City of Salem” (pages 18 and 26)

Response: Thank you for the comment. Please see the document modification where is clearer to the reader that COS is referencing City of Salem.

11. **Comment:** The sentence, “The HNA indicates the need for an additional 6,400 housing units over the next 20 years” is not quite accurate. The 2015-2019 Con Plan quotes the Preliminary Draft HNA as finding a deficit of 6,400 housing units *for households earning less than \$25K/yr*, based on data that is by now pretty old. The sentence would be less misleading if it were in the past tense and the phrase “over the next 20 years” was omitted (“indicated the need for an additional housing units for households earning less than \$25K/year.”)

Response: Thank you for your comment. The HNA is not constant. It will change during the AAP year. However, the benchmark in the Plan was established in the 2015-2019 ConPlan.

12. **Comment:** Instead of listing Polk County (which pointedly chose not to participate in the implementation phase), the Cities of Monmouth and Independence should be listed as lead organizations, since they contributed financially to the implementation effort, and their managers sit on the policy/steering committee.

Response: Thank you for your comment. West Salem is located in Polk County. The West Valley Housing Authority and Polk CDC, partners in addressing homelessness, are located in Polk County. Polk County is part of the ROCC and officials are recognized in the MWVHI Strategic Plan as Task Force Members.

13. **Comment:** This section contains incorrect information. At the April CSHC meeting, staff confirmed that Salem Housing Authority staff had provided corrections to this section.

Response: Thank you for your comment. Please see the first response addressing your comment.

14. **Comment:** The CSHC allocated CDBG and HOME funds totalling \$2,680,540. The total of the figures in Table 4 come up \$175,000 short. The total CDBG in row 3 should be \$575,000, not \$400,000. The same mistake appears to have been made in Table 7.

Response: Thank you for your comment. The table have been updated.

15. **Comment:** These two sentence are confusing and need to be reworded (e.g., “Should...revenues...vary from the planned amount, the increase or decrease will be shared proportionately across all projects”).

Response: Thank you for your comment. The wording is provided per HUD guidance.

16. **Comment:** The CSHC allocated CDBG and HOME funds totalling \$2,680,540. The total CDBG in row 3 should be \$575,000, not \$400,000.

Response: Thank you for your comment. Please see the modification in the AAP.

17. **Comment:** This program description stands out as having a very different tone from the other descriptions in this section, which sound factual and objective. All homelessness could be considered “circumstantial”, and all programs could be said to be “dedicated” to moving their clients to “lasting self-sufficiency.” So, unless the City knows for a fact that this program “advances a highly effective, sustainable and expandable service delivery”, that language should be omitted.

Response: Thank you for your comment. Your opinion is noted.

18. **Comment:** This section should describe primarily what the City is doing to help homeless individuals “make the transition to permanent housing” (the *next* question asks about programs helping low-income individuals and families “avoid” homelessness). The text should include examples of the programs designed to help homeless people “make the transition” (e.g., HRAP). NWHS Crisis & Info Hotline should be listed as an example of a program designed to help low-income individuals and families “avoid” homelessness.

Response: Thank you for your comment. The HRAP program year-end report will be acknowledge in the CAPER. The Crisis & Info Line addresses distress from both persons who are seeking shelter and those seeking assistance to prevent homelessness.

19. **Comment:** The first sentence doesn't add anything, and the second sentence is questionable -- why is the City saying the issue will be addressed through programs focused on preventing homelessness? Some programs the City has funded are, but most aren't. The Con Plan and the City's recent Strategic Plan refer consistently to preventing and ending/eliminating homelessness together -- so if this language is not just a vestige from a previous plan, and the City intends to "focus" on preventing homelessness, it should explain where that focus came from.

Response: Thank you for your comment. As noted in your comment, some programs prevent homelessness. Many do not know that providing utility assistance can prevent homelessness. For example if a housing choice voucher recipient's utilities are disconnected the unit no longer meets housing quality standards (HQS). This is an action that can result in loss of the rental subsidy necessary for the recipient to remain sheltered.

20. **Comment:** Building houses... "face **s** many challenges" (alternatively, "Efforts to build...face many challenges") and "elected official **s** "

Non-profit **s** " and "Advocating **for**,

Response: Thank you for comment. The sentences have been revised.

21. **Comment:** This paragraph and the next two paragraphs are carryovers from prior AAPs and are too general to be informative. The "meetings of the local CoC collaborative" should be specified, as it's not clear what "local CoC collaborative" refers to. There are two references to the Salem Interfaith Hospitality Network (pages 49 and 56) that need to include its recent name change.

Response: Thank you for your comment. We continue to work with the ROCC and local CoC lead agent.