



CITY OF SALEM

585 Liberty St SE
Salem, OR 97301

Staff Report

File #: 22-141

Version: 1

Date: 4/25/2022

Item #: 4.a.

TO: Mayor and City Council

THROUGH: Kristin Retherford, Interim City Manager

FROM: Norman Wright, Interim Urban Development Department Director

SUBJECT:

Amendment #2 to the 2021 Housing and Community Development Annual Action Plan

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

Result Area(s): Good Governance; Natural Environment Stewardship; Safe Community; Strong and Diverse Economy; Welcoming and Livable Community.

SUMMARY:

The City was notified it would receive \$2,349,371 in HOME funds via the American Rescue Plan Act (ARPA) upon HUD approval of an amendment to the City's 2021 Annual Action Plan (AAP). Staff is submitting recommendations in accordance with the planning and guidance issued by HUD.

Applications for HOME-ARP funds were solicited by the City during the period of 10/22/2021-12/22/2021 conjunction with the City's CDBG, HOME, and General Funds grant opportunities.

ISSUE:

Shall City Council adopt Amendment #2 to the 2021 Housing and Community Development Annual Action Plan and direct staff to submit required forms to the U.S. Department of Housing and Urban Development?

RECOMMENDATION:

Adopt Amendment #2 to the 2021 Housing and Community Development Annual Action Plan, and direct staff to submit required documents to the U.S. Department of Housing and Urban Development.

FACTS AND FINDINGS:

All projects address goals in the City's Strategic Plan, the current Consolidated Plan (ConPlan) and the Mid-Willamette Homeless Initiative.

Amendment#2 2021 AAP (Attachment #1 - HOME ARP Allocation Plan)

- Allocate \$1.5 million for new construction- Sequoia Crossings.
 - \$4000 Sequoia Crossings Project delivery costs.
- Allocate \$250,000 for new construction- HOPE Plaza.
- Allocate \$100,000 for domestic violence hotline and case management.
- Allocate \$47,000 for homeless women case management.
- Allocate \$35,965 for homeless youth case management.
- Allocate \$60,000 for homeless family case management.

Distribution of Awards by ConPlan Goals

Goal 1: End Homelessness

Case management for victims of domestic violence/human Trafficking, homeless single women, homeless youth, and homeless families.

• Center for Hope and Safety	\$100,000
• Women at the Well Grace House	\$47,000
• NWHS HOST Youth Program	\$35,965
• St. Francis	\$60,000

Goal 2: Expand Affordable Housing

New construction of multi-family affordable units.

• Sequoia Crossings- Low Income housing project	\$1.5 million
○ New Construction 60 units	
○ 54-One bedroom, 6 Two bedroom	
• Project delivery costs	\$4000
• HOPE Plaza- Low Income housing project	\$250,000
○ New Construction 20 units	

Goal 3: Not an eligible activity

Goal 4: Not an eligible activity

Administration	\$352,405
TOTAL	\$2,349,371

BACKGROUND:

HOME-ARP funds must primarily benefit qualifying individuals and families who are homeless, at risk of homelessness or are in other vulnerable populations with these four Activities:

1. Development and support of affordable housing
2. Tenant based rental assistance (TBRA)
3. Provision of supportive services and
4. Acquisition and development of non-congregate shelter units

A 15-day comment period of the draft Amendment #2 to the 2021 AAP will end on April 18, 2022. There were no public comments received as of the writing of this report. Any comments received prior to the public hearing will be forwarded as supplemental information.

Prior to submitting the amendment to HUD, a public hearing and City Council approval is required. HUD will release the HOME-ARP funds to the community when the Allocation Plan is approved. Spending of the funds must be completed by September 30, 2030.

Tiffany Ottis and Sal Diaz
Program Managers

Attachments:

1. 2022-23 HOME ARP Allocation Plan