



## Staff Report

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**File #:** 22-147

**Version:** 1

**Date:** 4/25/2022

**Item #:** 4.b.

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**TO:** Mayor and City Council

**THROUGH:** Kristin Retherford, Interim City Manager

**FROM:** Norman B. Wright, Interim Urban Development Director

### **SUBJECT:**

2022-2023 Annual Action Plan (AAP) for CDBG and HOME Funds

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

Service Area(s): Safe Community; Welcome and Livable Neighborhood; Good Governance

### **SUMMARY:**

The City of Salem annually receives HOME Investment Partnership Program (HOME) and Community Development Block Grant (CDBG) program funds from the Department of Housing and Urban Development (HUD). The Annual Action Plan (AAP) is a component of a five-year Consolidated Plan that specifically describes how Salem will spend these federal resources for activities serving low-and moderate-income households, the houseless, and persons with special needs. The Consolidated Plan <https://www.cityofsalem.net/citydocuments/federal-programs-consolidated-plan-2020-2024.pdf> was adopted June 2020 and spans the years 2020-2024. With annual entitlements, reallocation of funds from canceled projects and previously unallocated resources, the total available for projects is \$1,696,000 in CDBG and \$2,400,000 in HOME.

### **ISSUE:**

Shall City Council adopt the 2022-2023 Housing and Community Development Annual Action Plan (AAP) and direct staff to submit the required forms to the U.S. Department of Housing and Urban Development?

### **RECOMMENDATION:**

Adopt the 2022-2023 Housing and Community Development Annual Action Plan (AAP) and direct staff to submit the required forms to the U.S. Department of Housing and Urban Development.

## FACTS AND FINDINGS:

### Opportunity for Citizen Involvement

HUD requires a 30-day public comment period prior to a public hearing and City Council adoption of the AAP. The City published notice of the hearing and the comment period on February 21, 2022. The comment period ended on March 23, 2022. No comments were received. A public notice, making the report available, appeared in the Statesman Journal on February 21, 2022. The report was available on the City of Salem website and distributed via email to community stakeholders. Public copies were available at the Salem Public Library and at the Urban Renewal Agency.

### Report Highlights

Applications for CDBG and HOME funds were solicited by the City during the period of October 22, 2021 - December 22, 2021. All applications submitted by 5 p.m. on December 22, 2021, were reviewed. The proposed projects meet HUD guidelines and address goals in the City's Strategic Plan, the Consolidated Plan, and the Mid-Willamette Homeless Initiative.

### **2022-2023 Annual Action Plan (AAP) Funding**

Goal 1: End Homelessness	\$1,770,000
Goal 2: Expand Affordable Housing	\$2,250,000
Project Administration	\$ 425,000

### **Goal 1: End Homelessness**

Interim housing assistance, case management for victims of domestic violence/human trafficking, supporting the warming centers network, and one-time security deposit assistance and providing tenant based rental assistance to families that are homeless.

- Marion/Polk Foodshare - Homeless Prevention for Seniors \$ 165,000
- Marion/Polk Foodshare - Youth Farm Job Development \$ 15,000
- MWVCAA Head Start - Wallace Early Learning Center \$ 700,000
- Seed of Faith Ministries - CRAWL Facility Rehabilitation \$ 450,000
- St. Francis Shelter - Tenant Based Rental Assistance \$ 140,000
- MWVCAA Arches - Tenant Based Rental Assistance \$ 300,000

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<b>Total</b>	<b>\$1,770,000</b>
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**Goal 2: Expand Affordable Housing**

Rehabilitation of multi-family affordable units, new construction of multi-family affordable units.

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| • Center for Hope and Safety - Hope Plaza                | \$ 50,000  |
| ○ New Construction: 20 Rental Units                      |            |
| • Integrated Services for Living - Fisher/Sizemore Apts. | \$ 300,000 |
| ○ Rehab: 11 Rental Units                                 |            |
| • Community Development Partners - Gateway Salem         | \$ 600,000 |
| ○ New Construction: 184 Rental Units                     |            |
| • Applegate Landing, LLC - Applegate Terrace Apts.       | \$ 650,000 |
| ○ New Construction: 48 Rental Units for Veterans         |            |
| • DevNW - Macleay Road Single Family Homes               | \$ 650,000 |
| ○ New Construction: 24 Affordable for Sale Housing       |            |

<b>Total</b>	<b>\$2,250,000</b>
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<b>Administration (Including Project Delivery)</b>	<b>\$ 425,000</b>
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<b>Total</b>	<b>\$ 425,000</b>
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**BACKGROUND:**

The City must submit an Annual Action Plan (AAP) to receive CDBG and HOME entitlement funds from the U. S. Department of Housing and Urban Development. (Attachment 1). The AAP identifies resources and proposed expenditures of the CDBG and HOME funds administered by HUD.

Shelly Ehenger  
Federal Programs Manager

**Attachments:**

1. Draft 2022-2023 Annual Action Plan (AAP)