

Adding HOME-ARP allocation in the amount of \$2,349,371.00

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 2021 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 2020 – 2024 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 2021, a total of **\$4,802,395** in CDBG and **\$2,256,799** 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 goals of the CDBG and HOME programs are to provide decent housing, a suitable living environment for the cities’ low- and moderate-income residents, and economic opportunities for low moderate-income residents. The Cities strive to accomplish these goals by maximizing and effectively utilizing all available funding resources to conduct housing and community development activities. These goals are further explained as follows:

- Providing decent housing means helping homeless persons obtain appropriate housing and assisting those at risk of homelessness; preserving the affordable housing stock; increasing availability of permanent housing that is affordable to low- and moderate-income persons without discrimination; and increasing the supply of supportive housing.
- Providing a suitable living environment entail improving the safety and livability of neighborhoods; increasing access to quality facilities and services; and reducing the isolation of income groups within an area through integration of low-income housing opportunities.

- Expanding economic opportunities involves creating jobs that are accessible to low- and moderate-income persons; making down payment and closing cost assistance available for low- and moderate-income persons; promoting long term economic and social viability; and empowering low-income persons to achieve self-sufficiency.

3. Evaluation of past performance

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

The City of Salem's evaluation of its past performance has been completed in a thorough Consolidated Annual Performance and Evaluation Report (CAPER). These documents state the objectives and outcomes identified in each year's Annual Action Plan and include an evaluation of past performance through measurable goals and objectives compared to actual performance. These documents can be found on the City of Salem's website at: <https://www.cityofsalem.net/CityDocuments/draft-caper-2019-2020.pdf#search=CAPER>

<https://www.cityofsalem.net/Pages/application-process-for-grant-funds.aspx>

The City of Salem has been successful in allocating the HUD Office of Community Planning and Development (CPD) funds through CDBG and HOME program activities. In Fiscal Year 2020-2021, the City accomplished the following undertakings:

- *Goal #1: End Homelessness* - Interim Housing (one-time Rental Assistance / Subsistence Payments)TBRA in conjunction with supportive services Case Management support for transitional housing *Goal #2: Expand Affordable Housing* - Rehabilitation/Conversion/Acquisition Affordable Housing Elderly and Disabled Housing Rehabilitation. *Goal #3: Neighborhood Revitalization* *Goal #4: Promote Economic Development* - Microenterprise training and technical assistance.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

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.

Public outreach and citizen participation were instrumental in developing this Draft Annual Action Plan. The Plan released for 30 days of public review and comment between April 16, 2021, to May 16, 2021, and was followed by a public hearing held on May 24, 2021. Each process is designed to offer residents and stakeholders the opportunity to comment on the plan.

5. Summary of public comments

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

During the public review and comment period of April 16, 2021, to May 16, 2021, and during the May 24, 2021, public hearing, no public comments were received.

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

No public comments were received.

7. Summary

The priority needs for the 2020-2024 Consolidated Plan were determined through analysis of information gathered from a variety of sources. Interested nonprofit and for-profit entities were asked to identify which priority their program most closely related. During the evaluation phase, all applications were screened to ensure the proposed project or activity met one of the priority needs.

Project selection and funding award considered the applicant's proposal and demonstrated financial need, the sub-recipient's experience and capacity, performance goals, and ability to leverage other resources. The defined need includes:

- **Homelessness:** Homelessness continues to be a need throughout the City of Salem. While the City continues to support efforts that seek to end homelessness, it remains the highest priority within the City of Salem. These include homeless prevention activities, emergency shelters, permanent supportive housing, and homeless services. Seed of Faith Transitional Housing Rehab Center for Hope and Safety -Prevention of Domestic Violence

Low-to-Moderate Income Housing: Housing for low to moderate income households continue to be a high priority so many households face cost burden and other housing barriers.

- Westcare Veterans Housing Rehab III Applegate LLC Applegate Terrace Veterans Housing (48)Housing Authority of the City of Salem -Sequoia Crossings DevNW -Affordable Housing
- **Special Needs Populations:** There are numerous special needs populations in the City of Salem that are in-need. These households have a variety of housing and service needs and continue to be a high priority within the City. These include the elderly, persons with substance abuse problems, persons with disabilities, and persons facing food insecurity. Marion Polk Food Share - Meals on Wheels
- **Public Facilities:** Public Facilities, including infrastructure, continues to be a highly rated need in Salem. This includes community centers and childcare facilities. YMCA -YMCA Track and Lift for Pool
- **Economic Development:** Findings from the City’s survey and public input suggested that there is continued need for economic development to increase access to jobs to support self-sufficiency. No applications were received for this category

On January 23,2023, Amendment #2 was created to reflect:

- Re-allocating \$450,000 of HOME funds to Sequoia Crossings Limited Partnership for new construction of 60 units of affordable rental units
- Re-allocating \$50,000 of HOME funds to CPD Gateway for new construction of 184 affordable rental housing units

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.

Agency Role	Name	Department/Agency
Lead Agency	SALEM	
CDBG Administrator	SALEM	Urban Development Department
HOPWA Administrator		
HOME Administrator	SALEM	Urban Development Department
HOPWA-C Administrator		

Table 1 – Responsible Agencies

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. 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 Federal Programs staff is housed in the City's Urban Development Department. Our mailing address is 350 Commercial St NE, Salem, OR 97301. The Federal Programs staff may be reached by calling 503-588-6178; TTY 503-588-6370.

Consolidated Plan Public Contact Information

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

1. Introduction

The citizen participation process implemented by the City is developed to encourage input from community stakeholders and citizens of Salem. 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.

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.

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. 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 began in 2018 and are expected to drive homelessness and prevention allocations through 2024.

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.

The funding recommendations for the 2021 Action Plan were discussed in a public meeting on May 24, 2021. Funding of applications was reviewed by City of Salem Federal Programs staff.

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.

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).

Typically, a series of agency meetings are held to encourage private and non-profit developers to apply for resources (Federal, State, and Local) to meet the regions current housing production needs. However, this year a notice was posted on the City website as well as phone calls and emails to our many business partners announcing the availability of funds and where, when, and how to apply.

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.

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 Continuum of Care is a community based long-range planning organization that addresses the needs of homeless persons in order to help reach maximum self-sufficiency. The Continuum of Care is comprised of community stakeholders and is based on an assessment of homeless needs and resources. 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 Continuum of Care serves Marion and Polk counties, particularly the cities of Salem and Keizer.

Over the next year, the City's strategy of reducing, preventing, and supporting the elimination of homelessness is to support community agencies providing services needed to help move people from homelessness into permanent housing. This strategy is aligned with HUD's goal of eliminating homelessness. Additionally, the formation of the Mid-Willamette Homeless Initiative is providing an opportunity for the City of Salem to coordinate efforts with Marion County, Polk County, and the City of Keizer.

A variety of homeless programs and services exist in the City and its surrounding area. Many community development agencies, non-profit organizations, and faith-based groups have contributed in various capacities to assist the homeless population in the area. The City of Salem will continue to advance the efforts of the Marion and Polk Counties Plan to End Homelessness through partnerships with members of the Continuum of Care. The City supports the rehabilitation of existing homeless shelters and facilities, and projects and programs that expand both transitional and permanent affordable housing for low and moderate-income residents.

Gap analysis allows the City of Salem to leverage other viable and necessary resources for programs and projects. The City completed a *Housing and Community Needs Survey*, that formulated strategies to provide sustainable housing and supportive services in the 2020-2024 Consolidated Plan.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and 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 (CoC), also coordinates the local CoC effort for Marion and Polk counties guided by the Marion and Polk Counties Plan to End Homelessness. The City is working with MWVCAA to ensure that the ESG resources align with previously mentioned community efforts to address homelessness. These community efforts include street outreach, expansion of the day resource center, homelessness prevention and rapid rehousing, emergency shelter facilities, warming center network and coordinated entry assessments. The jurisdiction worked with MWVCAA to develop standards, policies and procedures for these efforts.

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

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	WestCare Oregon, Inc.
	Agency/Group/Organization Type	Housing Services - Housing Services-homeless
	What section of the Plan was addressed by Consultation?	Public Housing Needs Homelessness Needs - Veterans
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Westcare is an organization that focuses on providing transitional housing to Veterans. Services include housing, life skills training, substance abuse recovery, culinary program, case management, and connection to other need services.
2	Agency/Group/Organization	Seed of Faith Ministeries
	Agency/Group/Organization Type	Housing Services - Housing Services-homeless Services-Health
	What section of the Plan was addressed by Consultation?	Public Housing Needs Homeless Needs - Chronically homeless
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Seed of Faith provides drug and alcohol and behavioral counseling as well as onsite housing and an onsite food bank. This grant will be used for some rehabilitation to their facility.
3	Agency/Group/Organization	DevNW (formerly NEDCO)
	Agency/Group/Organization Type	Housing Services - Housing
	What section of the Plan was addressed by Consultation?	Public Housing Needs

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	DevNW will be receiving grant funds for the construction of new affordable housing as well as CHDO operating funds.
4	Agency/Group/Organization	SALEM HOUSING AUTHORITY
	Agency/Group/Organization Type	Housing PHA Services - Housing Services-homeless
	What section of the Plan was addressed by Consultation?	Public Housing Needs Homeless Needs - Chronically homeless Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Salem Housing Authority will receive grant funds for Sequoia Crossings for providing housing and intensive services to 60 vulnerable community members experiencing chronic homelessness. The community members will be single adults, couples, and small families experiencing chronic homelessness, struggling with addiction, mental illness, and other debilitating health conditions.
5	Agency/Group/Organization	Applegate Landing LLC
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-homeless Services-Health
	What section of the Plan was addressed by Consultation?	Public Housing Needs Homeless Needs - Families with children Homelessness Needs - Veterans

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Applegate Landing LLC will be constructing a new 48-unit complex that is veteran focused but will also be providing housing to low income families. They partner with Crossroads Communities who provide services such as mental health services, substance abuse, referrals, financial skills, workforce training and many other supportive services. Canceled
6	Agency/Group/Organization	Family YMCA of Marion and Polk County
	Agency/Group/Organization Type	Services-Children Services-Health
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs Economic Development
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The YMCA will be funded for needed fixtures for their new facility being built. Fixtures include new bike racks, pool lift, lockers, and a new track.
7	Agency/Group/Organization	Center for Hope and Safety
	Agency/Group/Organization Type	Housing Services-Children Services-Victims of Domestic Violence Services-homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Families with children Non-Homeless Special Needs Anti-poverty Strategy

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Center for Hope and Safety will receive funding for crisis intervention program. They provide emergency housing to people fleeing domestic and sexual violence. They also provide services such as case management, peer counseling, safety planning, clothing, food, and other basic needs.
8	Agency/Group/Organization	Marion Polk Food Share
	Agency/Group/Organization Type	Services-Elderly Persons Services-Persons with Disabilities Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Families with children Non-Homeless Special Needs Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Marion Polk Food Share will be providing prepared healthy meals to seniors and people with disabilities. The food will be prepared by their staff cooks and delivered by volunteers to those vulnerable and unable to travel.

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 this Consolidated Plan process and subsequently as listed above for the Annual Action Plan and public meetings.

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?
Continuum of Care	Mid-Willamette Valley Community Action Agency	The 2020-2024 Con Plan will steer community housing, and economic development programs to ensure that homeless persons recover and acquire necessary support services that ensure self-sufficiency. This will be achieved by continuation of implementation of the CoC's 10-year plan to End Chronic Homelessness. The objectives of the CoC 10-year plan to End Chronic Homelessness include: Create new permanent housing beds for the chronically homeless, increase the percentage of homeless persons staying in permanent housing over six months to at least 71 percent, increase the percentage of homeless persons moving from transitional housing to permanent housing, increase the percentage of homeless persons employed at completion of the self-sufficiency program, decrease the number of homeless households with children.
Housing Needs Assessment	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 additional affordable housing.
Community Economic Development Strategy	Mid-Willamette 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, continued development of job creation activities, and increased financial capacity of existing companies to continue adding living wage jobs.
10-Year Plan for Oregon	State of Oregon	The 10-Year Plan for Oregon contains a shared vision for the increase of economic opportunities including job creation, and training, better quality of life, and sustainable environmental management through fiscal responsibility.
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 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.

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Statewide Housing Plan	Oregon Housing and Community Services	The draft plan includes reliable data that will allow decision makers to consider impacts and alternatives to funding affordable housing.
City of Salem Strategic Plan	City of Salem	Housing First Strategy, development of new affordable housing, coordination of local social services, and funding a program for rental assistance for homeless people.

Table 3 – Other local / regional / federal planning efforts

Narrative (optional)

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. The citizen participation process implemented by the City is developed to encourage input from citizens, and community stakeholders. Local private and public support organizations work to meet the needs of the homeless and low and moderate-income persons in Salem. These households and individuals are given an opportunity to review and comment on the information contained in this Annual Action Plan (AAP) and other plans and reports developed by the City.

Key components of the citizen participation process for this AAP include: 1) Notifications in media outlets in English and Spanish. 2) Informational reports to the Emergency Housing Network and other community groups. 3) Public comment period and a public hearing on the draft (AAP). 4) Holding a minimum of two public hearings annually during the Consolidated/Annual Action Plan(s)/CAPER. 5) Public meeting notice published on the City's website. 6) Special Accommodations – In order to encourage participation from minority groups, LEP persons, and persons with disabilities; the city will provide the needed translation (TDD/TYY/ASL) service(s)/accommodations with appropriate advance notice. 7) Outreach to the LMI Community-Public Notices will be sent to each CDBG public service providers. 9) Fliers distributed in the following locations: a) All public service agencies with request that the fliers be posted and translated as needed. b) Salem Public Library. c) Front desk of Urban Development Department. d) Other locations as deemed appropriate. e) As of April 27, 2020, the City will conduct all City Council, URA and SHA meetings virtually with real-time remote viewing via the City's Facebook page, Comcast Cable, CC: Media Channel 21, or on the Capital Community Media Salem YouTube channel.

The City of Salem is exploring ways to provide broadband internet to all its residents. While no HUD funding was provided to address this issue, the City and partners are engaged to confirm that all portions of the City are served with broadband at the street level. Additionally, the Salem-Keizer School District has provided students with laptops, WiFi, and other support, to ensure students are able to access online schooling. Additional work planned includes an 2019-20 broadband capability study, an Economic Development Strategy recommendation (going to Council 10/25/21) for service provider mapping, gap identification, network expansion, how to provide better rates, planning for future technologies.

With regards to hazard mitigation and resilience planning, the City’s draft Comprehensive Plan update (link below) identifies several goals related to natural hazard preparedness and mitigation, and community resiliency, including: A) Emergency preparedness, response and recovery coordination. B) Hazard awareness and outreach led by the City, particularly for low-income, elderly, and other vulnerable populations. C) Redundancy in telecommunications and broadband networks.

The City’s draft Climate Action Plan, currently out for final review, also includes a focus on community resiliency, including increasing local food production and locally made products, promoting incentives to encourage improved energy efficiency and renewable energy in homes and buildings, and work with business to establish disaster plans where appropriate.

<https://www.cityofsalem.net/CityDocuments/salem-area-comprehensive-plan-draft-2021-09.pdf>

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	Newspaper Ad	Non-targeted/broad community	The Public Notice was posted in the 4/15/21 Statesman Journal for the comment period of 4/16/21 - 5/16/21.	There were no public comments received as a result of the public notice.	There were no public comments received.	

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)
2	Public Hearing	Non-targeted/broad community	Public Hearing was held 5/24/21.	The public hearing was held virtually. Many were in attendance. The funding recommendations were supported by City Council.	There were no public comments received.	
4	Internet Outreach	Non-targeted/broad community	A media release was issued to announce the comment period and public hearing information	None received	There were no comments.	

Table 4 – Citizen Participation Outreach

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 slums 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 the General Funds toward meeting the same goals.

Eligible CDBG activities include, but are not limited to:

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

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, site improvement
- Housing- Homebuyer activities and homeowner rehabilitation

Anticipated Resources

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	1,395,161	182,750	3,224,484	4,802,395	4,124,703	PI: Calculated based upon anticipated reduction due to the COVID-19. The City requested the transfer of Neighborhood Stabilization Program (NSP) funds for use on eligible CDBG program activities. Remaining ConPlan Allocation: Based upon 2021 entitlement allocation, multiplied by 3 remaining plan years.

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: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	648,222	283,470	1,325,107	2,256,799	1,944,666	PI: Calculated based upon anticipated reduction due to COVID-19. Remaining ConPlan Allocation: Based upon 2021 entitlement allocation, multiplied by 3 remaining plan years.

Table 5 - Expected Resources – Priority Table

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

The mandatory 25% match requirement is waived for 24-months (October 1, 2019 - September 30, 2021). At the expiration of the waiver, participating jurisdictions (PJs) will be required to provide match in an amount equal to no less than 25% of the total HOME funds drawn for the project cost. Sources of match can be cash, donated land or real property, infrastructures improvements, bonds issued by state or local government, donated materials, equipment, or professional services, sweat equity, and the value of foregone taxes. The City of Salem requires applicants to submit applications that leverage eligible HOME resources. The partners declare their match on the annual CAPER report. During monitoring reviews, the reported match is verified.

The City has historically required 25% match from grant recipients. For PY 2021-22, a total of \$900,000 in HOME funds were awarded and all subrecipients met or exceeded their required 25% match contribution with eligible match sources. In total, grantees leveraged over \$36,000,000 in private/state/local funds. Additionally, the City has also contributed \$400,000 in General Fund money for additional Public Service programs not receiving HOME or CDBG funding.

State Partners: The City leverages funds administered by Oregon Housing Community Services (OHCS). These resources include all programs currently managed by the State agency: <https://www.oregon.gov/ohcs/Pages/agency-programs-directory-list.aspx>.

General Funds/System Development Charges (SDC): The City of Salem waives the SDC's for nonprofit organizations who use HOME or CDBG in housing development projects.

Nonprofit Property Tax Exemption Program: On January 8, 2018, the Salem City Council enacted an ordinance that provide property tax exemptions for low-income housing held by charitable, nonprofit organizations. The tax exemption is intended to benefit low-income residents and support the availability of low-income housing units in the City. Applications are accepted annually. Currently, there are 4 organizations holding 9 different complexes that consist of 384 total Low-income Housing Units. Organizations that are benefiting from the Property Tax Exemption Program include Community Resources Trust, Catholic Community Services, NW Housing Alternatives, and St. Vincent DePaul.

Federal Opportunity Zones: The City has identified several Opportunity Zones (OZ) census tracts to encourage long-term investments in low-income and city center communities.

McKinney-Vento: The Mid-Willamette Valley Community Action Agency (MWVCAA) administers the McKinney-Vento resources received by the City. The MWVCAA, is a member of the MWVHA Board. In addition, the organization's leadership chair the CoC Coordinated Entry Committee and co-chair the HMIS Users Workgroup.

For decades, the City has partnered with developers and non-profit agencies to produce an approximate match surplus of \$9M. This surplus will ensure the City will meet the required match obligations for the next several years without the need for any additional match contributions.

Allowed sources of match include: private grants; donated real property; value of donated or voluntary labor of professional services; sweat equity; cash contribution by nonfederal sources; proceeds from bonds not repaid with revenue from an affordable housing project; state and local taxes, charges or fees. This is not an exhaustive list of allowable match sources. All sources must comply with 24 CFR 92.218 - 92.222.

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

There are two publicly owned parcels (land or property) to be used in addressing the needs of unsheltered persons and microeconomic development efforts. The properties are located at 615 Commercial Street NE, Salem OR 97301 and 2640 Portland Road NE, Salem OR.

Discussion

The Expected Amount Available for the Remainder of ConPlan is an estimate of the funds expected to be received over the remaining three years of the Consolidated Plan. Estimates were calculated using the confirmed funding to be received during the first year of the Consolidated Plan plus expected program income.

As of August 27, 2021, HUD pointed out that approximately \$2,834,551 CDBG unallocated for prior years 2015-2020. Between the years 2016-2020 the City of Salem has \$3,224,484 (EN+PI) in unallocated/unspent CDBG funds. Yaquina Hall will be receiving \$1,683,040, and it's anticipated the oft delayed project will be expending their funds by approximately August of 2022. An additional \$1,305,927 is in support of PY2019 and PY2020 projects that have construction components, and \$475,000 of construction projects will be spent by June 30, 2022. The remaining \$235,517 will be made available for use in the PY2022 NOFA.

For PY2021, the City anticipates a total of \$1,577,911 (EN+PI) in CDBG funds. A total of \$1,225,322 is committed to projects and the remaining \$352,589 will be made available in the PY2022 NOFA. \$681,000 of PY2021 projects are construction projects that will likely be expended in 2023. All the public service projects and \$250,000 of construction projects should be expended by June 30, 2022.

The City has chosen to prioritize its resources to supporting larger capital improvements projects that necessarily take a long time to complete: Yaquina Hall, Sequoia Crossings, YMCA Pool Lift, Hope Plaza are all large-scale projects that are reliant on community partners getting funding from other sources. Most City partners are also reporting large budget variances attributed to supply chain disruption and the pandemic that make cost certainty almost impossible to achieve. However, completing these projects will help the City achieve its highest priorities in the long term. As a result—and to establish sufficient capacity to push these projects to completion—the City has chosen to keep enough unallocated funds to cover these exigencies. As an example, the City will soon entertain an amendment to previous grant years to award money for important projects that have unanticipated funding gaps.

As of August 27, 2021, HUD pointed out that approximately \$2,076,724 in HOME unallocated for prior years 2015-2020. However, as of September 17, 2021, the City of Salem calculates that approximately

\$2,612,107 HOME was showing as unallocated. Of that, \$1,287,000 in projects are planned to be funded including Yaquina Hall, Cottage St Apartments, Mid-Willamette Valley Community Action Agency TBRA, Sequoia Crossings development, and ~~Applegate development~~. The remaining balance of \$1,325,107 will be used for cost overruns and the upcoming PY 2022 notice of funding opportunity.

In furthering the City's goals and objectives, the city and its grantees are leveraging private/state/local resources. The City has historically required a 25% match from grant recipients. For PY 2021-22, a total of \$900,000 in HOME funds were awarded and all subrecipients met or exceeded their required 25% Match contribution with eligible Match sources. In total, grantees leveraged over \$36,000,000 in private/state/local funds.

Additionally, the City has also contributed \$400,000 in General Funds for additional needed Public Service programs not receiving HOME or CDBG funding.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Support Efforts to End Homelessness	2020	2021	Homeless	Salem Citywide	Homelessness Low-to-Moderate Income Housing Special Needs Populations	CDBG: \$909,450 HOME: \$0	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 2480 Persons Assisted Overnight/Emergency Shelter/Transitional Housing Beds added: 2186 Beds Homelessness Prevention: 475 Persons Assisted
2	Expand Affordable Housing	2020	2024	Affordable Housing	Salem Citywide	Low-to-Moderate Income Housing	HOME: \$600,000	Rental units constructed: 108 60 Household Housing Unit
3	CHDO Set Aside	2020	2024	Affordable Housing	Salem Citywide	Low-to-Moderate Income Housing	HOME: \$330,000	Homeowner Housing Added: 11 Household Housing Unit
5	Program Administration	2020	2024	Affordable Housing	Salem Citywide	Low-to-Moderate Income Housing	CDBG: \$311,530 HOME: \$93,169	Other: 0 Other

Table 6 – Goals Summary

Goal Descriptions

1	Goal Name	Support Efforts to End Homelessness
	Goal Description	Support efforts to end homelessness include services from Seed of Faith who will provide transitional housing and drug/alcohol/behavioral counseling to 25 individuals, YMCA who will provide free/reduced exercise programs as their facility to 2480 people, Center for Hope and Safety will provide emergency services to victims of domestic violence to 2070 people, and Marion Polk Food Share will provide emergency food and meals to 450 seniors and people with disabilities, and Westcare who will provide services to up to 116 individuals.
2	Goal Name	Expand Affordable Housing
	Goal Description	
3	Goal Name	CHDO Set Aside
	Goal Description	
5	Goal Name	Program Administration
	Goal Description	Administrative costs associated with federal programs are allocated 10% (HOME) & 20% (CDBG) percent.

Projects

AP-35 Projects – 91.220(d)

Introduction

City of Salem Federal Programs staff reviewed eligible applications to determine which programs or projects are recommended to City Government for funding. Historically funded projects must meet the objectives, and outcomes of suitable living environment, decent housing, and the creation of economic opportunities. The City's distribution of HOME and CDBG funds are based on the type of project and how they meet the goals of addressing the needs of low to moderate income citizens.

Projects

#	Project Name
1	WestCare - Veterans Housing Rehab
2	Sequoia Crossings LLC (Salem Housing Authority)
3	Seed of Faith - Transitional Housing Rehab
4	DevNW (CHDO) - New Construction 24 Units Affordable Housing
5	DevNW - CHDO Operating
6	CDBG Admin 2022
7	HOME Admin 2022
8	Applegate Landing – New Construction
9	YMCA Track and Pool Lift
10	Center for Hope and Safety
11	Marion and Polk Food Share - Meals on Wheels
12	HOME and CDBG Unallocated Reserves

Table 7 - Project Information

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

The priority needs for the 2020-2024 Consolidated Plan were determined through analysis of information gathered from a variety of sources. The final priorities were included in the Notice of Funding Availability issued November 20. Interested nonprofit and for-profit entities were asked to identify which priority their program most closely related. During the evaluation phase, all applications were screened to ensure the proposed project or activity met one of the priority needs. The ConPlan

was updated to include the impact of COVID-19 on the local community.

The cities also listened to the public during the Consolidated Plan consultations and citizen participation process. The availability of resources to address these needs was the basis for the projects listed in this and the recently amended 2018 and 2019 AAPs.

Project selection and funding award considered the applicants' proposal and demonstrated financial need, the sub-recipient's experience and capacity, performance goals, and ability to leverage other resources. The defined need includes:

- **Homelessness:** Homelessness continues to be a need in Salem and Keizer. While the Cities continue to support efforts that seek to end homelessness, it remains a high priority in the Cities. These include homeless prevention activities, emergency shelters, permanent supportive housing, and homeless services. Center for Hope and Safety - Victims of Domestic Violence – Case Mgmt. Seed of Faith - Transitional Housing Rehab
- **Low-to-Moderate Income Housing:** Housing for low to moderate income households continue to be a high priority in the Cities as so many households face cost burden and other housing barriers. Westcare - Veterans Housing Rehab. ~~Applegate Terrace - New construction veteran focused 48-unit low-income apartment complex.~~ Sequoia Crossings - New construction of a 60-unit complex for chronically homeless and most vulnerable. DevNW - New construction of 11 new affordable housing for homeownership.
- **Special Needs Populations:** There are numerous special needs populations in the Cities of Salem and Keizer that are in-need. These households have a variety of housing and service needs and continue to be a high priority within the Cities. These include the elderly, persons with substance abuse problems, persons with disabilities, and persons facing food insecurity. Marion and Polk Food Share - Increased Meals on Wheels for seniors
- **Public Facilities:** Public Facilities, including infrastructure, continues to be a highly rated need in Salem. This includes community centers and childcare facilities. YMCA - Track, pool lift, lockers, and bike racks
- **Economic Development:** Findings from the Cities' survey and public input suggested that there is continued need for economic development to increase access to jobs to support self-sufficiency No applications were received for this category

AP-38 Project Summary
Project Summary Information

1	Project Name	WestCare - Veterans Housing Rehab
	Target Area	Central Salem Salem Citywide
	Goals Supported	Support Efforts to End Homelessness
	Needs Addressed	Homelessness Public Facilities
	Funding	CDBG: \$130,716
	Description	WestCare will rehab a veteran focused shelter that provides 30 bed capacity to 116 individuals.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	Westcare is a veteran focused facility that provides shelter to homeless veterans. They estimate assisting up to 116 individuals.
	Location Description	2933 Center St NE Salem, OR 97304
	Planned Activities	Westcare is a veteran focused 30-bed facility. They will be rehabing the facility with installation of new insulation, upgrading the HVAC, and replacing windows. They provide services such as secure housing for 12-24 months, life skills training, substance abuse recovery, reintegration programs, and case management.
2	Project Name	Sequoia Crossings LLC (Salem Housing Authority)
	Target Area	Central Salem
	Goals Supported	Expand Affordable Housing
	Needs Addressed	Low-to-Moderate Income Housing
	Funding	HOME: \$100,000 add \$450,000
	Description	Sequoia Crossings is a 60-unit new construction project that will provide affordable housing to 60 low-income households.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	Sequoia Crossings will provide 60 new housing units that will provide housing to 60 families.
	Location Description	3120 Broadway St NE Salem, OR 9703.

	Planned Activities	The funds will be used to close a funding gap associated with the development of the project.
3	Project Name	Seed of Faith - Transitional Housing Rehab
	Target Area	Salem Citywide
	Goals Supported	Support Efforts to End Homelessness
	Needs Addressed	Homelessness
	Funding	CDBG: \$250,000
	Description	The project, in conjunction with previous funding, will be used to rehab a 30,000 sq ft building complex to provide transitional housing, food pantry, and supportive services.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	Seed of Faith estimates that they will provide services/assistance to approximately 25 households.
	Location Description	853-873 Medical Center Dr NE Salem, OR 97301
Planned Activities	Seed of Faith will be using some of the funds for rehabing their facility where the services are provided. The services they provide are onsite emergency housing, drug and alcohol and behavioral counseling, onsite food bank, and wrap around support services.	
4	Project Name	DevNW (CHDO) - New Construction 24 Units Affordable Housing
	Target Area	Salem Citywide
	Goals Supported	Expand Affordable Housing CHDO Set Aside
	Needs Addressed	Low-to-Moderate Income Housing
	Funding	HOME: \$300,000
	Description	DevNW will be constructing new affordable housing units which will provide homeownership opportunities for 24 households. DevNW is also a CHDO using the CHDO setaside.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	DevNW is a CHDO using the CHDO setaside. They will be constructiong 11 new affordable homes that will benefit 11 families.

	Location Description	Property location is in the process of being identified.
	Planned Activities	New construction of 11 affordable housing units.
5	Project Name	DevNW - CHDO Operating
	Target Area	Central Salem Salem Citywide
	Goals Supported	Expand Affordable Housing CHDO Set Aside
	Needs Addressed	Low-to-Moderate Income Housing
	Funding	HOME: \$30,000
	Description	This project will provide funding for CHDO Operating to DevNW in connection with a CHDO set-aside project for the construction of 11 new affordable housing units.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	DevNW will be constructing 11 new affordable housing units that will provide an affordable homeownership to 11 families.
	Location Description	Location to be determined. DevNW is in the process of identifying a location.
	Planned Activities	CHDO Operating funds will be used for the soft costs associated with pre-construction planning and development.
6	Project Name	CDBG Admin 2022
	Target Area	Central Salem Salem Citywide
	Goals Supported	Program Administration
	Needs Addressed	Homelessness Low-to-Moderate Income Housing Special Needs Populations Public Facilities Economic Development
	Funding	CDBG: \$315,582
	Description	CDBG Administrative Costs
	Target Date	6/30/2022

	Estimate the number and type of families that will benefit from the proposed activities	CDBG Admin costs
	Location Description	City of Salem Urban Development Department 350 Commercial St NE Salem, OR 97301
	Planned Activities	CDBG Admin Costs
7	Project Name	HOME Admin 2022
	Target Area	Central Salem Salem Citywide
	Goals Supported	Program Administration
	Needs Addressed	Homelessness Low-to-Moderate Income Housing Special Needs Populations Public Facilities Economic Development
	Funding	HOME: \$93,169
	Description	HOME Admin costs
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	HOME Admin costs
	Location Description	City of Salem Urban Development Department 350 Commercial St NE Salem, OR 97301
	Planned Activities	HOME Admin costs
8	Project Name	Applegate Landing – New Construction CANCELED
	Target Area	Salem Citywide
	Goals Supported	Expand Affordable Housing
	Needs Addressed	Low to Moderate Income Housing
	Funding	HOME: \$500,000
	Description	Applegate Landing will be constructing a 48-unit veteran focused affordable housing apartment complex.
	Target Date	6/30/2022

	Estimate the number and type of families that will benefit from the proposed activities	Applegate Terrace will be providing affordable housing to 48 low-income families and veterans. Other services provided will include treatment for mental health and substance use disorders, support, referrals to other services, rental stability, financial skills, transportation, workforce training, case management and more.
	Location Description	Marine Dr NW Salem, OR 97304
	Planned Activities	Funds will be used with activities associated with construction of the project.
9	Project Name	YMCA Track and Pool Lift
	Target Area	Central Salem Salem Citywide
	Goals Supported	Support Efforts to End Homelessness
	Needs Addressed	Public Facilities
	Funding	CDBG: \$300,000
	Description	The YMCA newly constructed facility will be adding a new track, pool lift, lockers and bike racks. They will be providing free/reduced services to their facility for up to 2,480 low-income individuals.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	YMCA will provide health services to 2,480 LMI individuals through exercise and a healthy active lifestyle. Construction of the new facility and the addition of the track, pool lift, lockers, and bike racks will make it possible for people to have access to the facility and the various programs offered that promote healthy lifestyles.
	Location Description	544 Ferry St SE Salem, OR 97301
	Planned Activities	Purchase and installation of a track, associated materials and labor, a new pool lift, lockers, and a bike rack.
10	Project Name	Center for Hope and Safety
	Target Area	Central Salem Salem Citywide
	Goals Supported	Support Efforts to End Homelessness
	Needs Addressed	Homelessness
	Funding	CDBG: \$79,367

	Description	This program will provide trauma-informed crisis intervention, peer counseling, and safety planning to approximately 2,000 persons fleeing domestic and sexual violence. Additionally, the program will provide emergency shelter, clothing, food, case management, and other basic needs to 70 adults and child victims.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	This program will assist 2,000 people fleeing domestic and sexual violence as well as provide emergency shelter to 70 adults and child victims.
	Location Description	605 Center St NE Salem, OR 97301
	Planned Activities	Center for Hope and Safety, will provide services such as trauma informed crisis intervention, peer counseling, safety planning, emergency shelter, clothing, food, case management, and other basic needs.
11	Project Name	Marion and Polk Food Share - Meals on Wheels
	Target Area	Central Salem Salem Citywide
	Goals Supported	Support Efforts to End Homelessness
	Needs Addressed	Homelessness Special Needs Populations
	Funding	CDBG: \$149,367
	Description	Marion and Polk Food Share will assist in providing home delivered meals to approximately 35 people, will be used to ensure seniors received hot meals and wellness check-ins.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	It is expected that the meal home delivery service will benefit approximately 700 people daily with about 450 of them being low income seniors and 300 people with disabilities.
	Location Description	2615 Portland Rd NE Salem, OR 97301
	Planned Activities	Activities include covering staff costs, purchasing food, and meal service and home-delivery.
	Project Name	HOME and CDBG Unallocated Reserves

12	Target Area	Central Salem Salem Citywide
	Goals Supported	Support Efforts to End Homelessness Expand Affordable Housing
	Needs Addressed	Homelessness Low-to-Moderate Income Housing Special Needs Populations Public Facilities Economic Development
	Funding	CDBG: \$3,224,484 HOME: \$1,325,107
	Description	These are additional funds that will be carried over or a separate RFP will be distributed for the HOME program. It was under-subscribed during the application cycle.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	These are HOME and CDBG unallocated funds that will be carried over for cost overruns and the upcoming PY 2021-22 notice of funding opportunity.
	Location Description	City of Salem, Urban Development Department 350 Commercial St NE Salem, OR 97301
	Planned Activities	Funds will be carried over due to under subscription.

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

For PY 2021 the proposed HOME and CDBG projects are targeted throughout Salem. Due to the nature of some of the projects and programs, a specific location cannot be pinpointed at this time. For those projects' location is dependent on client selection.

The CHDO project location is in the selection process. The term Low to Moderate Income, often referred to as low-mod, has a specific programmatic context within the Community Development Block Grant (CDBG) program. Over a 1-year period, not less than 70 percent of CDBG funds must be used for activities that benefit low- and moderate-income persons. HUD uses special tabulations of Census data to determine areas where at least 51% of households have incomes at or below 80% of the area median income (AMI).

In compliance with the Fair Housing Act, the Salem-Keizer Consortium attempts to avoid undue concentrations of affordable housing development within areas of low income or minority concentrations. The Plan promotes housing choices throughout Salem and Keizer for very low and low-moderate income individuals, and families, especially near employment, shopping, and supportive services.

Rationale for the priorities for allocating investments geographically

As CDBG funds are limited to the City of Salem, Keizer residents are not eligible to apply for assistance. All clients or tenants assisted must be income eligible and are selected on a first come, first served basis. Residents may apply for program assistance directly through the sub-recipient/recipient. The level of assistance provided, and terms of assistance provided are dependent on client needs, funds available, and program guidelines. All clients or tenants assisted must be income eligible and are selected on a first come, first serve basis. The level of assistance provided, and terms of assistance provided is dependent on client needs, funds available and program guidelines.

The City intends on using the NRSA designation as a tool to leverage HUD's flexible regulations, financial resources from other partners, and a concentration of nonprofit offices located in the boundary to

address housing, economic empowerment, and neighborhood revitalization issues. The City may provide increased funding limits for projects or programs within the NRSA in order to incentivize revitalization work in this area.

Geographic Distribution

Target Area	Percentage of Funds
Central Salem	28
Salem Citywide	72
Keizer	

Table 8 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

Through the City of Salem’s application process, the focus is on adding affordable housing projects that integrate neighborhoods racially, ethnically, and economically. In addition, the City will target neighborhood investments that affirmatively further fair housing choice by increasing the number of non-housing investments that bolster the desirability of distressed neighborhoods with additional community amenities, public investments, and economic opportunities. To balance any unintentional housing cost increases, as a result of capital investments, the cities are committed to promoting housing affordability and preservation efforts to keep residents in their homes as nearby property values and/or rents rise in their neighborhoods.

Discussion

The percentages listed above only represent a desire to fund projects that will be located within the target areas. The geographic distribution of funds for funded projects involving activities such as TBRA, rent assistance, utility assistance and other public services, where the location of services will vary during the year, will be included in the Consolidated Annual Performance and Evaluation Report (CAPER) due to HUD in September 2021.

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, conversion of non-housing to affordable housing units, and rental assistance. All projects will target extremely low-income to moderate-income households.

One Year Goals for the Number of Households to be Supported	
Homeless	383
Non-Homeless	2,011
Special-Needs	450
Total	2,844

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

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	118
Rehab of Existing Units	0
Acquisition of Existing Units	0
Total	118

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

Discussion

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, and rent and security deposits.

The numbers under Rehab of Existing Units does not include facilities that are offer housing to homeless individuals because they offer a bed and not an entire room such as Westcare and Seed of Faith.

AP-60 Public Housing – 91.220(h)

Introduction

The Salem Housing Authority (SHA) owns and operates 137 public 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.

The quasi-governmental entity also owns 535 non-federal, affordable housing units to meet needs of persons of low to moderate income. The housing authority also operates 10 conventional rental units in the community.

SHA has also added a Redwood Crossing, a permanent supportive housing project in July 2020. This project will provide 31 units of permanent supportive housing single room occupancy units and 6 transitional respite units that will be leased by Salem Health.

SHA is also adding Sequoia Crossings LLC, a 60-unit complex for chronically homeless and most vulnerable individuals.

SHA administers several rental voucher programs, and is under the umbrella of the City's Urban Development Department. This is the same City Department supporting the CDBG, HOME, Opportunity Zone and Urban Renewal Area (URA) resources.

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

SHA is currently revitalizing the public housing portfolio by participating in the Rental Assistance Demonstration Program (RAD). This national competitive initiative allows Public Housing properties to convert to long-term Section 8 rental assistance contracts. RAD is a central part of HUD's rental housing preservation strategy, which works to safeguard the long-term affordability of publicly subsidized properties by promoting capital improvements and cost saving efficiencies.

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 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's Meetings of Interest website.

SHA also provides 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, start/expand a small business, pursue a college degree or job training to get a better paying job. VIDA allows families to save a maximum amount of \$3000. If a family saves the maximum of \$3000 in their savings the family's savings is matched three to one. Meaning for every dollar the family saves, they get \$3 up to 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

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

SHA also provides additional services through the Homeless Rental Assistance Program. The program has secured housing for more than 260 individuals who were chronic homeless in the City of Salem. This program is a collaborative effort with funding support through the City of Salem and other various grants. This figure is expected to grow with the addition of Sequoia Crossings LLC.

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

Introduction

The City prioritizes ending homelessness among social service agencies to identify and assist persons currently homeless, or at risk of becoming homelessness. This will be achieved by providing funds to organizations such as Center for Hope and Safety, Westcare, Seed of Faith and others, for housing to persons who are income-qualified, in crisis situations, persons with disabilities, and persons leaving correctional facilities, and social service programs including emergency and crisis services, subsistence payments, homeless case management, and case management for persons fleeing domestic and sexual violence.

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 OR 505-Oregon Balance of State CoC website (www.commandcenter.pointintime.info/#home) reports that in 2020 there are approximately 873 people in Salem/Keizer experiencing homelessness. By the HUD's definition, this includes people living in shelters and on the streets. Every year, the Mid-Willamette Valley Community Action Agency organizes dozens of volunteers to count and survey the homeless residents of Marion and Polk Counties as part of the National Point in Time Count. The Point in Time Count for Marion and Polk Counties was conducted on January 29, 2020, at various stationary sites and shelters. Team members who participated in the PIT count used the CountUS App on their phones and tablets to conduct the survey and record the responses. Some of the questions posed during the interviews of homeless persons during this event included: Are you looking for a job? Do you have any medical problems? What is the hardest part about being homeless? and What can be done to improve your current situation? Once the final report is reviewed by HUD, report data is used to determine the next year's CoC funding allocation. For non-profit agencies serving the homeless and at-risk populations of the region, Continuum of Care funding is often critical for service provision. The Point in Time Count numbers for 2021 are not available yet.

Addressing the emergency shelter and transitional housing needs of homeless persons

Specific projects and programs will provide emergency shelter and transitional housing to prevent low-income individuals, and families with children from becoming homeless. CDBG funds assist with emergency shelter and homeless prevention: It will be recommended that Westcare will receive funds

to rehabilitate their homeless veteran focused facility where they provide emergency shelter with supportive services such as addiction recovery and stays of up to 24-months.

Seed of Faith (SOF) will also receive funds for rehab of their facility that offers emergency shelter for homeless individuals. Seed of Faith provides drug and alcohol and behavioral counseling, case management and other supportive services.

Last, Center for Hope and Safety (CHS) will receive funding for providing emergency shelter for victims fleeing domestic and sexual violence. CHS will also provide other supportive services such as case management, food, clothing, transportation, and crisis intervention.

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

Westcare, Seed of Faith, Center for Hope and Safety, and Sequoia Crossings, will all receive funding. These programs help families and individuals who are chronically homeless, and relatively new to homelessness, and/or are on the cusp of becoming homeless. They all offer housing programs and supportive services that help these families and individuals establish secure permanent housing.

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.

Applegate Landing will receive funding to provide housing to veterans and low income families avoid becoming homeless. Seed of Faith will receive funding to assist families with emergency rental and security deposit assistance also to help families prevent becoming homeless.

Discussion

As described above, the City anticipates a continued effort to prevent and eliminate homelessness. The issue of homelessness will be addressed through many/most of the programs with a focus on ending

and preventing homelessness.

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

Introduction:

The 2019 Housing and Community Development Needs survey found that the greatest barriers to the development or preservation of affordable housing in Salem were a “Not In My Backyard (NIMBY) mentality (75 responses), the cost of land (57 responses), a lack of affordable housing development policies (57 responses), and the cost of materials (45 responses).

A summary of identified Impediments and recommendations are discussed below:[1]

Impediment: Fees and Charges

In the City of Salem’s Organizational/Business Survey, 75% of respondents stated that the primary barrier to their clients accessing affordable housing were fees and charges. Examples include insufficient incomes, increased rental application fees, and move-in costs.

Impediment: Limitations

In the City of Salem’s Organizational/Business Survey, 50% of respondents indicated that the primary barriers to their clients accessing affordable housing were a criminal record, negative rental history, and alcohol and drug issues. Additionally, through this analysis, it appears there is a significant limitation for persons with disabilities. As indicated in the fair housing complaints, this population reports violations of fair housing more frequently. Disabilities may also limit the number of units that the person can live in due to accessibility requirements and the costs associated to make reasonable accommodations. Other limitations listed included: limited English proficiency, lack of culturally appropriate services, gender status (transgendered), fair market rent (FMR), cycle of abuse and poverty, and mental illness.

Impediment: Limited Availability

In responses to the City of Salem’s Organizational/Business Survey, Limited Availability was the third most frequently reported barrier for their clients accessing affordable housing. The reasons listed for limited availability included the following: lack of affordable units for persons with disabilities, limited funding, lack of affordable housing in desirable areas, long wait lists, and policies affecting return on residential investment.

Other Impediments

The 2014 Impediments analysis identified numerous barriers to fair housing in Salem and Keizer. Several barriers to affordable housing were also identified in the Consolidated Plan to be problems intensifying the lack of access and availability to fair housing choices. Some of the barriers to affordable housing include job training and higher education, job creation, lack of aging in place units, a lack of 1-2-

bedroom units, and a lack of coordinated housing integrated self-sufficiency programs.

[1] City of Salem/Keizer Home Consortium, Analysis of Impediments to Fair Housing, September 2014.

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

In the development of the City's Analysis of Impediments, the City formed a set of goals to address fair housing issues. These goals will also serve to remove barriers to affordable housing in Salem. The identified impediments to be addressed include:

Segregation - Level is moderate and will require review of zoning to consider density issues, lot size requirements, and affordable housing options.

Disparities in Access to Opportunity - Access to proficient schools, low poverty areas and labor market engagement. This requires increases in funding for additional low-income housing in high-opportunity areas.

Disproportionate Housing Needs - Hispanic households tend to have higher rates of cost burdens, discriminatory patterns in lending, insufficient affordable housing. This will require development of affordable housing as well as reviewing City zoning, and continued investment in CPD funds.

Publicly Supported Housing - Insufficient affordable housing will require research opportunities for increased funding opportunities of publicly supported housing units.

Disability and Access - Insufficient accessible affordable housing and failure to make reasonable accommodations will require review and development of standards for accessible housing and inclusionary policies for accessible housing units.

Fair Housing Enforcement and Outreach - Insufficient fair housing education and discriminatory patterns in lending will require promotion of fair housing education through annual/bi-annual workshops. Promote outreach and education related to credit for prospective homebuyers annually.

Discussion:

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

For PY 2021, federal resources will provide funds to 8 external agencies and one Urban Development Department to conduct activities in this Annual Action Plan. By awarding a variety of agencies and multiple activities, the City is attempting to address obstacles to meeting the underserved needs of the community.

The programs 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 funds and participates in the 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. Partnering 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 provide at least fifteen percent (15%) of its total allocation of CDBG funds to organizations that oversee public service activities for individuals and families. This aligns with the waivers established to address the impact of COVID-19. Some of these services will be provided by organizations such as Center for Hope and Safety, Marion-Polk Food Share, and Seed of Faith. These programs will provide emergency services for low-income families. These programs help to alleviate the

obstacles many of these families face due to their current public health and economic circumstances.

Actions planned to foster and maintain affordable housing

As outlined in the 2020-2024 Consolidated Plan, one of the priorities is to Expand Affordable Housing. During the 2021-2022 plan year, funds have been allocated to the following housing related projects to assist the housing needs of low- and moderate-income persons:

Rent and security deposit assistance through Seed of Faith; Construction of 11 new affordable housing units for homeownership by DevNW; Construction of a 60-unit apartment complex by Salem Housing Authority; and Construction of a new 48-unit apartment complex by Applegate Terrace.

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. Additional staff training will also take place.

Actions planned to reduce the number of poverty-level families

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;
- Allocating over 15 percent of CDBG entitlement funds for public services;
- Funding case management services for homeless individuals / families and those at risk of

- becoming homeless; and
- 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, and 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.

The single most significant impediment in the delivery system remains the lack of available funding to support community development, economic development, and affordable housing projects. The City of Salem is trying to address this gap via more strategic targeting, data driven decision-making, and leveraging of resources.

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 2021-2022.

Discussion:

For several years, the City of Salem's Urban Renewal Agency (Agency) identified opportunities for developing a new mixed use, mixed income neighborhood in the City's downtown core and along the Portland Road corridor. Progress is being made in both areas.

In 2021-22, Agency staff will continue to monitor development opportunities in the area, changes in the

market, outreach to the development community to identify potential opportunities and partnerships.

Program Specific Requirements

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

Introduction:

The second year of the 2020-2024 Consolidated Plan will see 8 external agencies and an Urban Development department conducting activities totaling \$2,830,203 in CDBG and HOME grant funding. Compliance with program regulations will ensure the funds are expended to meet the identified community needs. More resources will be needed to address the impact of COVID-19 on vulnerable populations.

Community Development Block Grant Program (CDBG) Reference 24 CFR 91.220(I)(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	182,750
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:	182,750

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.	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.

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's office 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 directly attributable to the HOME subsidy.

- Home Investment under \$15,000 has a 5-year affordability period.
- HOME Investment \$15,000-\$40,000 has a 10-year affordability period.
- HOME Investment over \$40,000 has a 15-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 new owner's principal, interest, taxes and insurance (PITI) will not exceed 30% of the homebuyer's gross wages. This will allow for a reasonable range of homebuyers to afford the property.

The 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 2021 allocation.

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 twenty (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 that are being refinanced with HOME funding scheduled for this 2021-22 plan year.

In addition, to ensure that proper legal documentation is maintained, monitoring of the funding provided is conducted by Federal Programs as required by the funding source and as included in Federal Programs Policies and Procedures.

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 closed out, 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 mandatory contractor and payroll staff meetings, review of certified payroll, and 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 City of Salem. The City continues to monitor HOME funded projects in accordance with HOME monitoring requirements of 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 can provide technical assistance and to address any issues of compliance if noted. Replacement reserve reports are required quarterly on the 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 close out, to ensure they are still residing at the residence funded. This same process is used for homebuyers in the Habitat for Humanity program. The City is a participant in the streamlining effort coordinated by 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, and provide an indication of when onsite inspections are required.

