

City of Paterson, NJ

2011 One-Year Action Plan

Community Development Block Grant
Home Investment Partnership
Emergency Shelter Grant
Housing Opportunities for People with Aids



Prepared For:
U.S. Department of Housing and Urban Development

Prepared By
The City of Paterson Department of Community Development
Paterson City Hall, 125 Ellison Street, 2nd Floor, Paterson, NJ 07505
Tel 973-321-1212 – Fax 973-321-1202
www.patersonnj.gov



May 2011

Annual Action Plan includes the SF 424 and is due every year no less than 45 days prior to the start of the grantee's program year start date. HUD does not accept plans between August 15 and November 15.

Executive Summary 91.220(b)

1. The Executive Summary is required. Include the objectives and outcomes identified in the plan and an evaluation of past performance.

The 2011 Action Plan is a component of the City of Paterson's Five-Year Consolidated Plan and serves as the City's application to HUD for entitlement grants. The City will receive Community Development Block Grant (CDBG) funds, Home Investment partnership Program (HOME) funds, Emergency Shelter Grant (ESG) and Housing Opportunities for Persons with AIDS (HOPWA) funds from HUD for the fiscal year 2011-2012.

This Action Plan reflects the finding from the 2010-2014 Consolidated Plan, and summarizes the approach and direction to be followed by the City in addressing affordable housing needs, housing rehabilitation needs, non-housing community development needs, such as: infrastructure, economic development and public service needs during the 2011 program year which begins July 1, 2011 and ends June 30, 2012. Activities described in the plan are intended to benefit low income and moderate-income residents.

The 2011 Action Plan focuses the City's housing and community development programs on strengthening neighborhoods and improving the quality of life for all of Paterson's inhabitants. The City has \$2,683,971.00 available in CDBG funds, \$1,423,581.00 in HOME Program funds, \$129,776.00 in ESG funding and \$1,381,032.00 in HOPWA funding for the 2011 program year entitlement. Eligible CDBG activities must meet one of the program's three national objectives listed below:

- Benefit low and moderate income persons;
- Prevention or elimination of slums or blight; or
- Addressing urgent or emergency needs.

City of Paterson

Below is a summary of activities and funding amounts proposed for the 2011 program year:

Housing and Neighborhood Improvements	\$ 400,000
Public Services	\$ 1,023,732
Public Facility Improvements	\$ 423,400
Homebuyer, Homeowner Rehab, Housing Construction & Rental Development	\$ 1,438,930
HOPWA Services	\$ 1,242,929
Shelter Operations and Homeless Services	\$ 162,281
Administration	\$ 977,650
TOTAL	\$5,668,922

This document identifies three basic goals against which HUD will evaluate the Action Plan and the City's performance. These statutory goals are:

1. Provide Suitable Living Environment
2. Provide Decent Affordable Housing
3. Provide Expanded Economic Opportunities

Applicants for grants have to explain how their funding request meets one of these statutory goals.

HUD also requires that the projects selected for funding through the CDBG and HOME Programs fall into one of three project outcome categories. The three Expected Project Outcome categories are as follows:

1. Availability/Accessibility - This outcome category applies to activities that make services, infrastructure, housing or shelter available or accessible to low- and moderate income people, including persons with disabilities. In this category, accessibility does not refer only to physical barriers, but also to making the affordable basics of daily living available and accessible to low- and moderate income people.
2. Affordability - This outcome category applies to activities that provide affordability in a variety of ways in the lives of low- and moderate income people. It can include the creation of maintenances of affordable housing, basic infrastructure hook-ups or services such as transportation or day care.
3. Sustainability: Promoting Livable or Viable Communities - This outcome applies to projects where the activity or activities are aimed at improving communities or neighborhoods, helping to make them livable or viable by providing benefit to persons of low- and moderate income people or by removing or eliminating slums or blighted areas, through multiple activities or services that sustain communities or neighborhoods.

The CDBG Program provides wide discretion to entitlement communities as they undertake activities to develop viable communities through decent housing, suitable living environments and expanded economic opportunities for low- and moderate-income people.

The City has identified specific outcomes and objectives for each project and identified those on Table 3C located in Appendices section.

Activity	Objective	Outcome	Proposed Accomplishment
Neighborhood Assistance Office Information & Referral	Suitable Living	Availability/Accessibility	5000 people

City of Paterson

OASIS Employment Program Sp. Needs	Economic Opportunity	Availability/Accessibility	105 people
Paterson Housing Authority Foreclosure Counseling	Decent Housing	Affordability	117 people
NJ After 3 Youth Services	Suitable Living	Availability/Accessibility	16 youth
NJ CDC Support for Mentally Ill	Suitable Living	Availability/Accessibility	2 housing units
Catholic Family and Comm. Svcs. Senior Services	Suitable Living	Availability/Accessibility	2,145 elderly
Junies Johnson Youth Services	Suitable Living	Availability/Accessibility	46 youth
Project Change Youth Services	Suitable Living	Availability/Accessibility	50 youth
City Green Urban Gardening Program	Suitable Living	Sustainability	1000 people
Boys and Girls Club Youth Services	Suitable Living	Availability/Accessibility	250 youth
City Dept. of Comm. Dev. Fresh Foods Program	Suitable Living	Sustainability	500 households
Community Improvement Demolition	Decent Housing	Sustainability	4 parcels
Community Improvement Relocation	Decent Housing	Affordability	85 people
Greater Paterson OIC Employment Training Program	Economic Opportunity	Availability/Accessibility	30 people
Dept. of Comm. Dev. - Paterson Pride Homeowner Rehab	Decent Housing	Affordability	40 units
Dept. of Comm. Dev. Food Incubator Program			
CHDO Housing Construction	Decent Housing	Affordability	114 units
CHDO Rental Housing Development	Decent Housing	Affordability	5 units

Citizen Participation 91.220(b)

2. Provide a summary of the citizen participation and consultation process (including efforts to broaden public participation in the development of the plan.
3. Provide a summary of citizen comments or views on the plan.

4. Provide a written explanation of comments not accepted and the reasons why these comments were not accepted.

In order to encourage citizen participation from the community, the Department of Community Development provides many opportunities for public input. In preparing the 2011 Action Plan, the Department of Community Development has followed a Citizen Participation Plan that meets federal regulatory requirements. The Citizen Participation Plan specifies the policies and procedures for citizen participation.

Strategic planning, annual planning, coordination and collaboration are achieved through various consultation opportunities, such as the monthly Continuum of Care meetings and other ongoing workshops and conferences.

The views of the general public on these subjects and the One Year Action Plan was first solicited at a public hearing held on January 19, 2011. The public hearing was held on January 19, 2011. Notice of the public hearing was posted on the city's website (www.patersonnj.gov), as well as a legal notice placed in the Herald News/Bergen Record, El Especial Newspaper and the Arab Voice. The 2011 Action Plan was posted for its 30 day public comment period from May 31, 2011 through June 29, 2011. The plan was posted on the City of Paterson's website, as well as a legal notice of its availability in the Herald News/Bergen Record, El Especial Newspaper and the Arab Voice. Copies of the plan were available in the Department of Community Development, the Office of the City Clerk, the Office of the Mayor and the Paterson Free Public Library, Broadway Location.

The second public hearing will be held on Thursday, June 16, 2011, from 9:00 am to 10:00 am to solicit citizen comments on the 2011 Year Action Plan. The hearing will be held in the Department of Community Development, 125 Ellison Street, 2nd Floor, Paterson, NJ 07505. To facilitate participation by persons with special needs, staff will be assigned to make arrangements for each individual that requests accommodations.

Copies of the 2011 Year Action Plan were made available for review to citizens and public comment from June 3, 2011 through July 2, 2011 at the following locations:

- Department of Community Development: 125 Ellison Street, 2nd and 4th Floors
- City Clerk's Office, City Hall, 155 Market Street, 3rd Floor
- City of Paterson Website: www.patersonnj.gov

The plan was provided in alternative formats for persons with special needs. This was facilitated upon request. Citizens were informed that the City of Paterson intended to submit the 2011 Annual Action Plan to the US Department of Housing and Urban Development (HUD) on or before July 15, 2011. Interested persons were encouraged to view the Plan and submit comments to the Paterson Department of Community Development, 125 Ellison Street, Paterson, NJ 07505-1310. In order for comments to be considered, citizen comments were to be received no later than 4:00 pm on July 11, 2011.

As part of the planning process, a strategy was developed to incorporate the following major components of the Citizen Participation Plan into the 2011-2012 Action Plan:

- Seek public input through a fact gathering survey distributed through direct mail, public meetings, and the City's website at www.patersonnj.gov.
- To broaden the scope for community involvement in the process, a Needs Survey distributed to solicit input in the Consolidated Plan process.
- Afford adequate and timely notification of local meetings and workshops.

- Provide access to relevant information by way of translation and disability accessibility.
- Provide technical assistance to groups who request assistance in preparation of funding applications for housing and community development activities.
- Hold at least two public meetings at convenient times and locations to obtain input from citizens, agencies, and other interested persons.
- Notify the public of the availability and location of the Consolidated Plan for viewing for and encourage public comment.

Summary of all comments received regarding the One Year Action Plan can be found in the Appendix. Comments were able to be submitted via e-mail, personal contact, phone contact and during public meetings and hearings. Responses to questions, comments and inquiries are required to be provided in a timely manner. The summary of public comments and responses in Appendices section includes all forms acceptable for commentary. There were no comments that were submitted that were not accepted.

The 2011 Annual Action Plan is required to be available for public review and comment for a minimum of 30 days prior to adoption. The public comment period was from January 19, 2011 through July 11, 2011. As required by Federal regulation, both written and oral comments are accepted through the review period.

Resources 91.220(c)(1)) and (c)(2)

5. Identify the federal, state, and local resources (including program income) the jurisdiction expects to receive to address the needs identified in the plan. Federal resources should include Section 8 funds made available to the jurisdiction, Low-Income Housing Tax Credits, and competitive McKinney-Vento Homeless Assistance Act funds expected to be available to address priority needs and specific objectives identified in the strategic plan.
6. Explain how federal funds will leverage resources from private and non-federal public sources.

The Annual Action Plan provides the one-year strategy to accomplish the City's five year Consolidated Plan goals and is the foundation of the City's performance measurement system and federally regulated reporting efforts. The Action Plan is based on the strategies and objectives described in the Five-Year Strategic Plan of the Consolidated Plan, which seek to meet the three goals of HUD (targeted at people earning up to 80 percent of the Area Median Income (AMI):

1. Decent Housing
2. Suitable Living Environment
3. Expand Economic Opportunities

This portion of the 2011 Action Plan identifies resources expected to be available to the City for use within the jurisdiction during the 2010 program year. These funds are resources the City will use to address the housing, non-housing and supportive service needs of Paterson's low and moderate-income families, and to reduce or eliminate conditions contributing to slum and blight in target areas.

Federal Resources

CDBG Entitlement 2011 Allocation	\$2,683,971
CDBG Prior Program Year Funds	\$0.00
CDBG 2011 Program Income	\$0.00
HOME	\$1,423,581
ESG	\$129,776
HOPWA	\$1,381,032

CPD Funding Sources

A table prescribed by HUD entitled "CPD Consolidated Plan Funding Sources" is shown below. The table identifies HUD CPD funding sources available to address housing and non-housing community development needs of Paterson during the 2011 program year.

Entitlement Grants	
CDBG	\$2,683,971
ESG	\$129,776
HOME	\$1,423,581
HOPWA	\$1,381,032
Total	\$5,618,360
Prior Years' Program Income NOT previously programmed or reported	
CDBG	\$0.00
ESG	\$0.00
HOME	\$164,886.30
HOPWA	\$0.00
Total	\$0.00
Prior Years' Carryover/Reprogrammed Funds	
CDBG	\$0.00
ESG	\$0.00
HOME	\$161,226
HOPWA	\$0.00
Total	\$0.00
Total Estimated Program Income	\$0.00
Section 108 Loan Guarantee Fund	\$0.00
TOTAL FUNDING SOURCES	\$5,618,360
Other Funds	\$0.00
General Funds	\$0.00
Total	\$0.00
Submitted Proposed Projects Totals	\$2,925,639
Un-submitted Proposed Projects Totals	\$0.00
Program Income	\$90,000

Leveraging of CPD Funds. In addition to the CPD grants identified above, the City also receives Section 8 and funding from Regional Contribution Agreements (RCA) and the Council on Affordable Housing (COAH). The City applies for other sources of grant funds as they become available. The City also works with the area's services providers to apply for funding under additional Super NOFA's (Notice of Funding Availability).

Local dollars are used for capital improvements and innovative funding plans are being developed to foster critical economic development and neighborhood revitalization efforts that are planned as part of the City's redevelopment efforts.

Support of Applications by Other Entities: Paterson will support applications for federal and state funding for facilities and services whose purposes and objectives are consistent with the City of Paterson's Consolidated Plan. Applications for other funding sources will receive support from the City of Paterson if purposes for funding are consistent with the Consolidated Plan and deemed by the Mayor and City Council to be in the best interest of citizens of Paterson. This includes, Low-Income Housing Tax Credits, McKinney-Vento Homeless Assistance Act funds and additional Section 8 Housing Choice Vouchers.

City of Paterson

Leveraged Resources FY 2011-2012

Category	Organization	Award	Leverage	Source
CDBG	NAO	\$ 75,000	\$ -	N/A
CDBG	OASIS	\$ 42,085	\$ 10,000	Private Funds
CDBG	Paterson Housing Authority	\$ 49,570	\$ 177,306	Federal Funds
CDBG	NJ After 3	\$ 20,000	\$ 11,400	State, Local Funds
CDBG	NJ CDC	\$ 20,000	\$ 109,601	State, Local Funds; Private
CDBG	Catholic Family and Community Services	\$ 25,000	\$ 10,200	State, Local Funds
CDBG	Junies Johnson	\$ 40,000	\$ -	N/A
CDBG	Project Change	\$ 12,500	\$ 14,000	Private Funds
CDBG	City Green	\$ 50,000	\$ 141,000	Private Funds
CDBG	Boys and Girls Club	\$ 90,000	\$ -	N/A
CDBG	Fresh Foods Program	\$ 315,000	\$ -	N/A
CDBG	Paterson Habitat for Humanity	\$ 50,000	\$ 15,000	Private Funds
CDBG	Community Improvement - Demolition	\$ 100,000	\$ -	N/A
CDBG	Community Improvements - Code Enforcement	\$ 150,000	\$ -	N/A
CDBG	Zion CDC	\$ 131,100	\$ -	N/A
CDBG	Relocation	\$ 100,000	\$ -	N/A
CDBG	Greater Paterson OIC	\$ 72,000	\$ 28,800	Federal Funds; State Funds
CDBG	Paterson Pride	\$ 500,000	\$ -	N/A
CDBG	Food Incubator Program	\$ 324,877	\$ -	N/A
CDBG	TOTAL	\$ 2,152,132	\$ 517,307	
ESG	Hispanic Multipurpose Center	\$ 37,500	\$ 20,000	Federal Funds; State Funds
ESG	Eva's Village (Hope Center)	\$ 23,500	\$ 47,000	State Funds; Private
ESG	Eva's Village	\$ 27,500	\$ 55,000	State Funds; Private
ESG	Catholic Family and Community Services	\$ 25,000	\$ 50,000	State, Local Funds
ESG	Shelter our Sisters (SOS)	\$ 33,781	\$ 61,866	Federal Funds; State, Local Funds; Private
ESG	Paterson Taskforce	\$ 15,000	\$ 95,193	Federal Funds; State Funds

City of Paterson

ESG	TOTAL	\$ 162,281	\$ 329,059	
HOME	First Time Homebuyers Program	\$ 150,000	\$ 0	
HOME	Foreclosure Assistance Program	\$ 250,000	\$0	
HOME	Paterson Habitat for Humanity	\$ 192,500	\$ 1,000,000	Public, Private Funds
HOME	MPM	\$ 180,000	\$ 180,000	Private Funds
HOME	Paterson Housing Authority	\$ 77,500	\$ 18,400,000	Public, Private Funds
HOME	CHDO	\$ 284,733	\$ 0	
HOME	TOTAL	\$ 1,134,733	\$ 1,315,000	
HOME (2010-11)	Paterson Housing Authority	\$ 161,226	\$ 18,400,000	N/A
OTHER	TOTAL	\$ 161,226	\$ -	
TOTAL		\$ 2,925,639	\$ 2,161,366	

Annual Objectives 91.220(c)(3)

7. Provide a summary of specific objectives that will be addressed during the program year.

Activity	Objective	Outcome	Proposed Accomplishment
Neighborhood Assistance Office Information & Referral	Suitable Living	Availability/Accessibility	5000 people
OASIS Employment Program Sp. Needs	Economic Opportunity	Availability/Accessibility	105 people
Paterson Housing Authority Foreclosure Counseling	Decent Housing	Affordability	117 people
NJ After 3 Youth Services	Suitable Living	Availability/Accessibility	16 youth
NJ CDC Support for Mentally Ill	Suitable Living	Availability/Accessibility	2 housing units
Catholic Family and Comm. Svcs. Senior Services	Suitable Living	Availability/Accessibility	2,145 elderly
Junies Johnson Youth Services	Suitable Living	Availability/Accessibility	46 youth
Project Change Youth Services	Suitable Living	Availability/Accessibility	50 youth
City Green Urban Gardening Program	Suitable Living	Sustainability	1000 people

City of Paterson

Boys and Girls Club Youth Services	Suitable Living	Availability/Accessibility	250 youth
City Dept. of Comm. Dev. Fresh Foods Program	Suitable Living	Sustainability	500 households
Community Improvement Demolition	Decent Housing	Sustainability	4 parcels
Community Improvement Relocation	Decent Housing	Affordability	85 people
Greater Paterson OIC Employment Training Program	Economic Opportunity	Availability/Accessibility	30 people
Dept. of Comm. Dev. - Paterson Pride Homeowner Rehab	Decent Housing	Affordability	40 units
Dept. of Comm. Development Food Incubator Program	Economic Opportunity	Sustainability	
CHDO Housing Construction	Decent Housing	Affordability	114 units
CHDO Rental Housing Development	Decent Housing	Affordability	5 units

Goals and objectives to be carried out during the action plan period are indicated by placing a check in the following boxes.

<input checked="" type="checkbox"/> Objective Category: Decent Housing	<input checked="" type="checkbox"/> Objective Category: Suitable Living	<input checked="" type="checkbox"/> Objective Category: Expanded Economic Opportunities
Which includes:	Which includes:	Which includes:
<input checked="" type="checkbox"/> assisting homeless persons obtain affordable housing	<input checked="" type="checkbox"/> improving the safety and livability of neighborhoods	<input checked="" type="checkbox"/> job creation and retention
<input checked="" type="checkbox"/> assisting persons at risk of becoming homeless	<input checked="" type="checkbox"/> eliminating blighting influences and the deterioration of property and facilities	<input checked="" type="checkbox"/> establishment, stabilization and expansion of small business (including micro- businesses)
<input checked="" type="checkbox"/> retaining the affordable housing stock	<input checked="" type="checkbox"/> increasing the access to quality public and private facilities	<input checked="" type="checkbox"/> the provision of public services concerned with employment
<input checked="" type="checkbox"/> increasing the availability of affordable permanent housing in standard condition to low-income and moderate-income families, particularly to members of disadvantaged minorities without discrimination on the basis of race, color, religion, sex, national origin, familial status, or disability	<input type="checkbox"/> reducing the isolation of income groups within areas through spatial deconcentration of housing opportunities for lower income persons and the revitalization of deteriorating neighborhoods	<input type="checkbox"/> the provision of jobs to low-income persons living in areas affected by those programs and activities under programs covered by the plan
<input checked="" type="checkbox"/> increasing the supply of supportive housing which includes structural features and services to enable persons with special needs (including persons with	<input checked="" type="checkbox"/> restoring and preserving properties of special historic, architectural, or aesthetic value	<input type="checkbox"/> availability of mortgage financing for low income persons at reasonable rates using non- discriminatory lending practices

City of Paterson

	HIV/ADOS) to live in dignity and independence				
<input checked="" type="checkbox"/>	providing affordable housing that is accessible to job opportunities	<input type="checkbox"/>	conserving energy resources and use of renewable energy sources	<input checked="" type="checkbox"/>	access to capital and credit for development activities that promote the long-term economic social viability of the community

Description of Activities 91.220(d) and (e)

For Specific project information please refer to Table 3C in the Appendix.

8. Provide a summary of the eligible programs or activities that will take place during the program year to address the priority needs and specific objectives identified in the strategic plan.

Describe the outcome measures for activities in accordance with Federal Register Notice dated March 7, 2006, i.e., general objective category (decent housing, suitable living environment, economic opportunity) and general outcome category (availability/accessibility, affordability, sustainability).

This portion of the 2011 Action Plan describes activities that the City of Paterson expects to undertake with CDBG and HOME funds. The 2010 - 2014 Consolidated Plan identified priority housing and community development activities to be pursued in order to provide decent, affordable, and safe housing, as well as needed community services and facilities for its residents.

The City will focus its resources and efforts during FY 2011-2012 as described in the following sections. In order to show the relationship of these activities to the priority needs identified in the Five-Year Strategic Plan (contained in the Consolidated Plan), the following sections summarize the Strategic Plan priorities and identify the CDBG activities to be pursued over the next fiscal year. One-year objectives estimate the number and type of families that will benefit from proposed program activities. More details regarding each project may be found in the tables located in the Appendix.

AGENCY	ACTIVITY	OBJECTIVE/ OUTCOME	PROPOSED ACCOMPLISHMENT
Neighborhood Assistance Office	Low/Mod Clientele	SL3	5000 people
OASIS	Special Needs	EO1	105 people
Paterson Housing Authority	Housing Counseling	DH1	117 people
NJ After 3	Youth Services	SL3	16 youth
NJ CDC	Special Needs	SL3	2 housing units
Catholic Family and Community Services	Senior Services	SL3	2,145 elderly
Junies Johnson	Youth Services	SL3	46 youth
Project Change	Youth Services	SL3	50 youth
City Green	Facility Improvement	SL3	1000 people
Boys and Girls Club	Youth Services	SL3	250 youth
City of Paterson Fresh Foods Program	Economic Development	EO1	
Div. of Comm. Improvement	Demolition	SL3	4 parcels

City of Paterson

Div. of Housing	Relocation	DH2	85 people
Greater Paterson OIC	Employment Training	EO1	30 people
Paterson Pride	Housing Rehabilitation	DH 2	40 units
Food Incubator Program	Economic Development	EO1	
Div of Housing	Housing Construction	DH2	11 units
Div of Housing	Rental Development	DH2	5 units

Geographic Distribution/Allocation Priorities 91.220(d) and (f)

9. Describe the geographic areas of the jurisdiction (including areas of low income families and/or racial/minority concentration) in which assistance will be directed during the next year. Where appropriate, the jurisdiction should estimate the percentage of funds the jurisdiction plans to dedicate to target areas.
10. Describe the reasons for the allocation priorities, the rationale for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA) during the next year, and identify any obstacles to addressing underserved needs.

This section describes the geographic areas of the City in which assistance will be directed during the 2011 program year. All the activities to be undertaken will benefit low and moderate income residents.

During Program Year 2011, the City's CDBG allocation will be used for areas containing concentrations of lower income households. An area of low-income concentration is defined by the City as an area (Census Tract, Census Block Group, or surveyed area) that contains sufficient numbers of low and moderate-income persons to meet HUD's criteria.

The maps included in Appendices section identify the Census Tracts and Block Groups containing concentrations of lower income households as target areas. The City's minority concentrations are also indicated in maps found the Appendix.

Below is a list of 2011 projects broken down by the service area that they benefit:

CITY-WIDE PROJECTS

Below is a list of projects that will be CDBG, HOME or ESG funded and benefit the entire City:

Neighborhood Assistance Office – I&R	\$ 75,000
Paterson Housing Authority	\$ 49,570
NJ CDC	\$ 20,000
Catholic Family and Community Services	\$ 25,000
Junies Johnson	\$ 40,000
Project Change	\$ 12,500
City Green	\$ 50,000
Fresh Foods Program	\$ 315,000
Community Improvement - Demolition	\$ 100,000
Relocation	\$ 85,000
Greater Paterson OIC	\$ 72,000

City of Paterson

Paterson Pride	\$ 500,000
Food Incubator Program	\$ 474,877
Hispanic Multipurpose Center	\$ 37,500
Eva's Village (Hope Center)	\$ 23,500
Eva's Village	\$ 27,500
Catholic Family and Community Services	\$ 25,000
Shelter our Sisters (SOS)	\$ 33,781
Paterson Taskforce	\$ 15,000

AREA SPECIFIC PROJECTS

Below is a list of projects that will be CDBG funded and benefit specific low to moderate income areas of Paterson:

OASIS	\$ 42,085
NJ After 3	\$ 20,000
Boys and Girls Club	\$ 90,000
Paterson Habitat for Humanity	\$ 50,000
Zion CDC	\$ 131,100
Paterson Habitat for Humanity	\$ 192,500
MPM	\$ 180,000
Wrigley Park Development	\$ 77,500

Annual Affordable Housing Goals 91.220(g)

11. Describe the one-year goals for the number of homeless, non-homeless, and special-needs households to be provided affordable housing using funds made available to the jurisdiction and one-year goals for the number of households to be provided affordable housing through activities that provide rental assistance, production of new units, rehabilitation of existing units, or acquisition of existing units using funds made available to the jurisdiction. The term affordable housing shall be defined in 24 CFR 92.252 for rental housing and 24 CFR 92.254 for homeownership.

The City's annual affordable housing goals to be accomplished during the 2010 program year are outlined in Table 3B, Annual Housing Completion Goals, attached in the Appendix.

Housing objectives as outlined in the Consolidated Plan are:

- Increase affordable rental housing opportunities for low-income households
- Provide new affordable homeownership opportunities for low and moderate income households
- Improve the condition of existing housing
- Increase availability of sustainable housing options
- Provide counseling for first-time homebuyers and current homeowners
- Provide energy efficient options/opportunities for homeowners
- Reduce the number of individuals and families that become homeless
- Increase the availability of permanent supportive housing options for homeless individuals and families
- Support operations of existing emergency/transitional homeless facilities
- Provide essential services to homeless populations
- Increase accessibility/availability of affordable housing for persons with HIV/AIDS

City of Paterson

- Provide new affordable and permanent housing for special needs populations
- Provide support services to special needs populations

Housing Goals

The housing programs included in the strategies seek to implement the following Consolidated Plan goals:

- Expand the supply of quality affordable housing for homeownership
- Stabilize neighborhoods through increased homeownership, achieved by attracting new resident homebuyers, transforming existing tenants to homeowners, and accommodating households of all incomes, races, and special needs
- Improve the quality of the existing housing stock
- Increase affordable rental housing opportunities for low-income households
- Provide counseling for first-time homebuyers and current homeowners
- Provide energy efficient options/opportunities for homeowners

Homebuyer Assistance Program

The City will provide down payment assistance to first time homebuyers. The Department will continue to fund a first time homebuyer program. As such residents of Paterson are eligible to participate in the Homebuyer Assistance Program. Specific objectives and outcomes relating to these funds can be found under the HOME Program Section of the Action Plan as well as the Consolidated Plan.

Residential Rehabilitation Program

Rehabilitate housing units through the Residential Rehabilitation program. Deferred loans are provided to low and mod income households qualifying for eligible home improvements. Housing must be owner occupied. Additionally, this programs complies with Lead based Paint rules and regulations. Specific objectives and outcomes relating to these funds are to invest \$500,000 to assist approximately 15 to 20 homeowners in the 4th Ward section of Paterson. Additional information can be found under the Program Section of the Action Plan.

Public Housing 91.220(h)

12. Describe the manner in which the plan of the jurisdiction will help address the needs of public housing and activities it will undertake during the next year to encourage public housing residents to become more involved in management and participate in homeownership.
13. If the public housing agency is designated as "troubled" by HUD or otherwise is performing poorly, the jurisdiction shall describe the manner in which it will provide financial or other assistance in improving its operations to remove such designation during the next year.

The City itself does not own or manage any Federal public housing units. The Paterson Housing Authority owns and manages all Federal public housing units within the City of Paterson, in addition to providing Section 8 vouchers and certificates. Annual Department of Public and Indian Housing (PIH) reviews of the Agency are completed to identify ways to serve clients better and encourage landlord participation as part of the development of the Public Housing Agency plans.

The Housing Authority's Five Year Plan and Annual Plan have been approved by HUD. The HACP's priorities for the coming year, which were developed during the regulated planning process, include preserving and expanding public housing stock, leveraging funds for public/private partnership housing development, improving customer services and quality of life for Paterson residents through operational efficiencies and promote green initiatives.

The Department of Community Development works directly with the Paterson Housing Authority. The 2011 Action Plan does not designate any funding towards public housing unit rehabilitation, rather the Department collaborates with CPHA for housing counseling for both home buyers and homeowners experiencing foreclosure. The City will continue to work with and support the Paterson Housing Authority through the following actions:

- Support the Housing Authority's efforts to secure funds for additional subsidized housing.
- Support the Housing Authority's efforts to secure additional Section 8 Housing Choice Vouchers.
- Support the Housing Authority's efforts to secure funds for additional assisted housing designated for the elderly and special needs populations.
- Support the Housing Authority's efforts to improve the living environment at all public housing sites.

Further, the Department will continue to be involved with the Housing Authority in a partnership that includes residents, staff and local City officials to ensure that any needed physical or management improvements that can be identified and a program implemented. The shared goal is to provide a safe and secure living environment for the residents of Paterson.

HUD has not designated the Paterson HA as a troubled agency.

Homeless and Special Needs 91.220(i)

14. Describe, briefly, the jurisdiction's plan for the investment and use of available resources and describe the specific planned action steps it will take over the next year aimed at eliminating chronic homelessness.
15. Describe specific action steps to address the needs of persons that are not homeless identified in accordance with 91.215(e).
16. Homelessness Prevention—Describe planned action steps over the next year to address the individual and families with children at imminent risk of becoming homeless.

In Passaic County, the City of Paterson works with a variety of housing, social and health service organizations to meet the needs of homeless persons. The lead group exploring ongoing issues of homelessness is the Paterson County Continuum of Care (CoC), recognized by the U.S. Department of Housing and Urban Development as the local planning and decision-making body on programs funded with HUD's homeless assistance programs. The HOPWA funds awarded to Paterson are part of the Bergen/Passaic HOPWA grant, and it is administered by the City of Paterson Department of Human Services.

The CoC plans and manages the homeless system's coordination through an ongoing collaboration of public and non-profit agencies, grantors, advocacy groups and formerly homeless individuals. Monthly CoC meetings and regular meetings of several issue-specific committees, deal with topics such as the level of system integration, progress on action steps in the plan to prevent and end homelessness, joint funding proposals and researching best practices through visits to other communities. The meetings provide an important venue for consumers, providers and grantors to identify system-wide gaps and community-based solutions. In addition to the monthly meetings, all stakeholders routinely work together to identify needs, set priorities and strategy, eliminate duplication, evaluate, coordinate and improve services and the delivery system. The CoC has developed a Plan to End Homelessness that the City has endorsed. The City will utilize its resources to the extent feasible and as available in support of this plan. Further, the Plan to End Homelessness identified strategies for ending Chronic Homelessness. They are:

- Systemic changes within the County

City of Paterson

- Creation of 600 permanent, affordable, supportive housing units
- Strengthen identifiers for homelessness prevention
- Create plan for rapid re-housing to reduce amount of time spent homeless

Specific investments of available resources over the next year aimed at homeless populations, homeless services and ending chronic homeless are led and coordinated by the County of Passaic and can be found in the Passaic County Consolidated Plan.

Additionally, the Department of Community Development focuses its ESG funding to providing prevention services for those at risk of homelessness. The City works collaboratively with the County and community-based groups to identify households at risk of eviction and link them with supportive services when available. City funding aimed at assisting homeless populations and providing homeless services is primarily ESG for the 2011-2012 fiscal year. They are:

Shelter	Operation Services	Allocation
Hispanic Multipurpose Center	Transitional Shelter	\$20,000
Eva's Village	Women's Overnight Shelter	\$55,000
Eva's Village	Transitional Shelter	\$47,000
Paterson Task Force	Homeless Shelter	\$15,000
Catholic Family Community Svcs.	Men's Shelter	\$25,000
Strengthen Our Sisters (SOS)	Women's Shelter	\$33,781
TOTAL ESG INVESTMENT		\$162,281

The Department of Community Development places a moderate priority on the development and maintenance of permanent housing that serves non-homeless people with special needs. Primary funding and service provision for this population has traditionally been through the Passaic County. The reason being that the County's organization and ability to reach this population is not limited in the ways the City is in providing services and concentrating services within City limits. These restrictions do not affect the County. The County has the advantage of being able to consolidate, coordinate and provide services to a client base that extends throughout the County. This model then allows for the greatest investment of services dollars to the largest population of special need populations.

The Department of Community Development has regularly supported several groups that work with special populations to promote the development of affordable rental housing HOME and CDBG funds will be used to fund these activities.

The Department of Community Development requires that a portion of any housing project assistance be targeted toward the development of housing units accessible to persons with disabilities in accordance with programmatic regulatory requirements.

The Department of Community Development does not make specific set-asides for housing to serve special needs but considers such housing proposals and their service linkages as part of the planning and funding processes described elsewhere in the plan.

The Department will use its ESG funding toward addressing individuals and families with children at imminent risk of becoming homeless. Prior year stimulus funding provided additional funds to address homeless prevention for individuals and families in crisis. These funds enable the provision of rent subsidies, utility assistance and case management to prevent homelessness. Match requirements are met dollar for dollar with subsidies from the City's Department of Human Services, the Passaic County United Way, FEMA, NJDCA CSBG funds, Ryan White Title I funds and foundations. The City, overall, in addition to the Department will coordinate prevention strategies with the CoC.

Barriers to Affordable Housing 91.220(j)

17. Describe the actions that will take place during the next year to remove barriers to affordable housing.

The Department of Community Development will implement several strategies to ameliorate barriers to affordable housing. These strategies include the expansion of affordable housing opportunities with funding made available through the HOME Program First Time Homebuyer Program, CHDO Program, Construction of Rental Housing and Residential Rehabilitation Program.

The Department of Community Development will continue to seek ways to improve the capacity of housing development, and to streamline various aspects of the funding proposal, contracting and the procurement process.

The cost of housing in the City of Paterson has a major impact on the development, improvement, and maintenance of affordable housing. Similarly the high cost of housing and lack of affordable housing units increased the demand for affordable units and decreases the availability of the existing units.

Several key factors affect the cost, including the length of time it takes to complete a project and the clarity and ease of use of zoning codes; and the property tax policies. These public policies can also adversely affect the cost of the project however they are an integral part of any local government.

As noted in the City's Analysis of Impediments to Fair Housing Choice, the overall cost of housing impacts housing choice and affordability.

The Department of Community Development will continue to review its experience in the funding of affordable housing projects and where possible, seek Council action to remove non-financial obstacles.

Consistent with the objectives and priority needs identified in the City's Consolidated Plan; the City will undertake a variety of actions in 2011 to further its purpose.

To foster and maintain affordable housing and remove the barriers to affordable housing, the City will seek to accomplish the following:

- Continue and expand its efforts to upgrade and preserve existing affordable housing stock through its rehabilitation program. The primary source of funds will be CDBG.
- The City will continue to review alternatives to maximize use of HUD funds, such as seeking other public funding sources, private investment and increasing the efficiency of program operations. Community Development will continue to identify ways in which greater sharing and coordination of information can take place among agencies and citizens.
- Rehabilitation under the Residential Rehabilitation Program will provide assistance for the development of affordable housing. Paterson will also offer help to residents in need of obtaining and retaining affordable housing.
- As part of the Master Plan process, the City undertook the effort of re-writing its Zoning Ordinance to avoid restrictive provisions that offer disincentives for the development of affordable housing. These provisions may include, but not be limited to land use controls, site improvement requirements, building codes and application fees.

Other Actions 91.220(k)

18. Describe the actions that will take place during the next year to address obstacles to meeting underserved needs, foster and maintain affordable housing, evaluate and reduce the number of housing units containing lead-based paint hazards, reduce the number of poverty-level families, develop institutional structure, enhance coordination between public and private agencies (see 91.215(a), (b), (i), (j), (k), and (l)).

19. Describe the actions to coordinate its housing strategy with local and regional transportation planning strategies to ensure to the extent practicable that residents of affordable housing have access to public transportation.

Addressing Obstacles to Meeting Underserved Needs: The City will continue to review alternatives to maximize use of HUD funds; such as seeking other public funding sources, private investment and increasing the efficiency of program operations. The Department will continue to identify ways in which greater sharing and coordination of information can take place among agencies and citizens.

Foster and Maintain Affordable Housing: The City will continue to be the primary provider of rehabilitation services for the conservation of existing housing stock. It will also continue to provide rental assistance to the very-low income population and to special groups in conjunction with supportive housing related programs. The City has an established delivery system for these programs and City staff is familiar with current State and Federal funding sources and have program development capabilities.

The local business entities which play a role in the successful implementation of the City's affordable housing strategy include the development community, the real estate community, and the area's mortgage lenders. The City will continue its efforts to encourage the local development of affordable housing units. The first-time homebuyer program has established strong, positive relationships with the community's realtors and lenders. In the future, these partnerships will serve both private and public interests regarding housing development as the City assesses available opportunities.

Evaluate and Reduce LBP Hazards: The US government's Consumer Product Safety Commission banned lead paint in 1977 (16 Code of Federal Regulations CFR 1303). This action was taken to reduce the risk of lead poisoning in children who may ingest paint chips or peelings.

While lead based paint has been banned it is not gone. The US Census estimates that there are 13,076 or 93% of owner occupied dwelling units in the City that were built prior to 1979, and 28,055 or 92% of renter occupied dwelling units built prior to the same time period. It should be noted that not all units containing lead paint pose a lead paint hazard. Dwelling units that are relatively well-maintained may not pose a threat to the safety and well being of those households. However, a large segment of the dwelling units in urban areas are older housing that is occupied by low to moderate income renters who may not possess the resources or the authority to remedy the condition.

Lead was banned from residential paint in 1978 and more than three-fourths of pre-1978 housing contains lead based paint. The older the property, the higher the potential that lead based paint is present. However, paint with a high lead content was expensive and the risk in older, high-income neighborhoods can be as significant as that in low-income areas. The majority of lead poisoning cases to date have been in older rental housing built prior to 1940. A review of the age of the housing stock and tenure was the first step in preparing the City's community profile.

The primary cause of lead poisoning in children today is lead based paint. The City of Paterson Department of Health, Child Lead Section tests children for elevated blood lead levels (EBL). The state requires that children are tested for elevated blood lead levels as young as age one. In 2009 the State of New Jersey lowered the childhood lead poisoning level to 15mg per deciliter of blood or as low as 10mg/dl if the child has two tests at that level.

As part of this State initiative the City of Paterson signed a Model Lead Safe City Project agreement for testing and screening children. Under this initiative and agreement the State found the City to have approximately 15,148 children under the age of 6, of which 3.8% were screened and found to have a lead level at or above the federal level of concern (20mg/dl). The City entered into this agreement demonstrating that it has a commitment to ensuring its children are protected from the dangers of lead poisoning.

City of Paterson

As implemented through this agreement the City furthers its compliance by continuing to take steps toward the prevention and response to lead poisoning through educational outreach, screening, inspections, abatement, relocation and other grants.

The Department of Community Development in conjunction with the City of Paterson expects to use the following strategies to evaluate and reduce lead-based paint hazards:

- Provide resources through its home improvement program to rehabilitate existing one to four family homes, for income eligible households.
- Coordinate public health services and screening with referrals to home repair, lead reduction, and rehabilitation programs.
- Require trained lead inspector/risk assessors licensed by the New Jersey Department of Health and Senior Services in the Paterson Division of Health to periodically inspect abatement projects.
- Continue to allow a higher per unit subsidy for projects that involve lead paint reduction.
- Ensure that a Lead Inspector/Risk Assessor is dispatched to a child's home within 48 hours of the City receiving notification of the child's poisoning.
- Apply for lead grants from other state and federal agencies as well as private foundations.
- Review and recommend changes to the existing Lead Based Paint municipal ordinance to deal with lead hazards.
- Educate First Time Homebuyers on both the dangers of lead poisoning and measures to prevent lead poisoning.
- Enact City Ordinance for lead safe maintenance requirements for all rental properties constructed before 1978.

Contractors performing renovation, repair, and painting projects that disturb lead-based paint in homes, child care facilities, and schools built before 1978 must be certified and follow specific work practices to prevent lead contamination. The new Environmental Protection Agency rules include pre-renovation advisement requirements as well as training, certification, and work practice requirements.

The following requirements are currently effective:

- Firms will be required to be certified, their employees must be trained in use of lead-safe work practices, and lead-safe work practices which minimize occupants' exposure to lead hazards must be followed.
- Renovation will be broadly defined as any activity that disturbs painted surfaces and includes most repair, remodeling, and maintenance activities, including window replacement.
- The program will enact requirements from both Section 402(c) and 406(b) of the Toxic Substances Control Act. (EPA's lead regulations can be found at 40 CFR Part 745, Subpart E.)
- Contractors, property managers, and others (including maintenance workers) who perform renovations for compensation in residential houses, apartments, and child-occupied facilities built before 1978 are required to distribute a lead pamphlet before starting renovation work.

Reduce Number of Poverty Level Families: The City's strategy is to reduce poverty by empowering low income individuals and families and improving neighborhoods. The City will continue to utilize this strategy through concentrated efforts to improve the housing stock and the neighborhoods.

The City will continue to support endeavors that create new or substantially improve housing that is affordable to low income residents as well as reduce the housing cost burden of families of poverty and low income. Another effort to alleviate poverty is through job creation. The Department of Community Development's focus includes assisting businesses in start-up and expansion with an emphasis on job creation and tax-base enhancement. By accessing other funds the City will work to provide employment

opportunities within the community where people live. The City will implement Section 3 Employment and Contracting policies on all applicable contracts, ensuring outreach to low income City residents when job opportunities are created by CDBG activities.

The City works with a wide range of social service agencies that provide direct services to low income people. Many of these services are aimed at developing economic self-sufficiency and life skills. These agencies include emergency and transitional housing facilities that provide focused services empowering people to overcome issues that prevent them from rising out of poverty. Day care, health care, mental health and substance abuse treatment, literacy education (including ESL and financial literacy), and job training are essential ingredients.

Poverty is a function of income. Factors that affect income include education, job training, and employment. The City, by itself, has very little control over the factors that cause poverty. Such factors include unemployment, substance abuse issues, and lack of transportation options to get to and from work, to name a few.

Ultimately, federal and state policies on welfare, health care, and the minimum wage are crucial factors in the fight to address and reduce poverty. The City will continue to provide incentives for businesses to locate in low income areas, to support organizations that provide job training and placement services, to support homeless prevention activities, and to preserve and improve affordable housing options, as part of its strategy to prevent and alleviate poverty in Paterson.

The Department of Community Development has adopted these strategies to achieve these goals of poverty reduction:

1. Market information about resources to poverty level households;
2. Ensure housing assistance programs link assistance with other resources, including self-help activities, such as employment efforts;
3. Improve service delivery systems so that they become more responsive to neighborhoods where poverty-level families tend to reside.
4. Increase economic development and employment and training opportunities.
5. Improve collaborative efforts between local governments, non-profits, schools and businesses.

Actions to Develop Institutional Structure and Enhance Coordination between Public and Private Housing, Health and Social Service Agencies: The Department of Community Development hired a consultant to provide technical assistance and training to enhance the staff capacity to administer the federal programs. In carrying out the activities, the Department maintains close links to the housing and service agencies.

The Department maintains an on-going relationship with the Paterson Housing Authority wherein the two offices cooperate together on housing and development activities and projects. Department staff members participate in the Paterson County CEAS committee, the planning agency for the Continuum of Care for administration the HOPWA Funds along with the Ryan White Foundation funds.

The success of the strategy outlined in this document will be the result of the dedicated efforts of many different individuals and groups in the City and will be based upon the availability of funding sources.

The primary players consist of a governmental entities, service providers, and local businesses. There is a strong tradition of cooperation between these parties evidenced by the many programs and projects already in existence. During the next five-year cycle, it is likely that new projects and programs will be developed due to the combined efforts of both nonprofit and for-profit developers, the Federal, State, and local government, the private lending community, and nonprofit service organizations.

PROGRAM SPECIFIC REQUIREMENTS

CDBG 91.220(I)(1)

1. Identify program income expected to be received during the program year, including:
 - amount expected to be generated by and deposited to revolving loan funds;
 - total amount expected to be received from each new float-funded activity included in this plan; and
 - amount expected to be received during the current program year from a float-funded activity described in a prior statement or plan.
2. Program income received in the preceding program year that has not been included in a statement or plan.
3. Proceeds from Section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in its strategic plan.
4. Surplus funds from any urban renewal settlement for community development and housing activities.
5. Any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan.
6. Income from float-funded activities.
7. Urgent need activities, only if the jurisdiction certifies.
8. Estimated amount of CDBG funds that will be used for activities that benefit persons of low- and moderate income.

Block Grant Resources

CDBG Entitlement 2011 Allocation	\$2,683,971
CDBG Prior Program Year Funds	\$0.00
CDBG 2010 Program Income	\$0.00
Preceding Years Program Income	\$0.00
Section 108 Loan Guarantee Funds	\$0.00
New Float Loan Activity Funds	\$0.00
Prior Float Loan Activity Funds	\$0.00
Urban Renewal Settlement Funds	\$0.00
Rollover Funds	\$0.00
Urgent Need Activities	\$0.00

Source of Funds: The City of Paterson receives funds from HUD through the CDBG, HOME, ESG and HOPWA Programs.

Surplus from Urban Renewal Settlements: None/Not Applicable

Grant Funds Returned to the Line of Credit: None/Not Applicable

City of Paterson

Income Limits: The City is choosing to use the uncapped income limits, as allowed, and uncapped limits will be used for all limited clientele and housing rehabilitation activities.

Income from Float-Funded Activities: None/Not Applicable

Rollover Funds: The City has no-funds from prior year(s) to reprogram.

Contingency Activities: The City has set aside \$455,340.50 CDBG funds for contingency in PY11 to ensure that organizations adequately and efficiently use the resources granted.

Urgent Needs: The City is not planning to spend any CDBG funds for Urgent Needs in PY11.

The City proposes to utilize all CDBG funds, \$ \$2,683,915 toward activities that benefit persons of low- and moderate-income. All projects proposed to receive block grant funding can be found in the "Listing of Proposed Projects" of the Action Plan.

City of Paterson CDBG FY 2011-2012 Investments Benefitting Low and Moderate Income Persons

Organization	Investment	Proposed Accomplishments
Neighborhood Assistance Office	\$ 75,000	5000 people
OASIS	\$ 42,085	105 people
Paterson Housing Authority	\$ 49,570	117 people
NJ After 3	\$ 20,000	16 youth
NJ CDC	\$ 20,000	2 housing units
Catholic Family and Community Services	\$ 25,000	2,145 elderly
Junies Johnson	\$ 40,000	46 youth
Project Change	\$ 12,500	50 youth
City Green	\$ 50,000	1000 people
Boys and Girls Club	\$ 90,000	250 youth
Fresh Foods Program	\$ 315,000	
Paterson Habitat for Humanity	\$ 50,000	2 jobs
Community Improvement - Demolition	\$ 100,000	4 parcels
Community Improvements- Code Enforcement	\$ 150,000	2,800 people
Zion CDC	\$ 131,100	10 units
Relocation	\$ 85,000	85 people
Greater Paterson OIC	\$ 72,000	30 people
Paterson Pride II	\$ 500,000	
Food Incubator Program	\$ 474,877	

HOME 91.220(I)(1)

1. Describe other forms of investment. (See Section 92.205)

If grantee (PJ) plans to use HOME funds for homebuyers, did they state the guidelines of resale or recapture, as required in 92.254.

2. If grantee (PJ) plans to use HOME funds to refinance existing debt secured by multifamily housing that is being rehabilitated with HOME funds, state its refinancing guidelines required under 24 CFR 92.206(b).
3. Resale Provisions -- For homeownership activities, describe its resale or recapture guidelines that ensure the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4).
4. HOME Tenant-Based Rental Assistance -- Describe the local market conditions that led to the use of a HOME funds for tenant based rental assistance program.

If the tenant based rental assistance program is targeted to or provides a preference for a special needs group, that group must be identified in the Consolidated Plan as having an unmet need and show the preference is needed to narrow the gap in benefits and services received by this population.

5. If a participating jurisdiction intends to use forms of investment other than those described in 24 CFR 92.205(b), describe these forms of investment.
6. Describe the policy and procedures it will follow to affirmatively market housing containing five or more HOME-assisted units.
7. Describe actions taken to establish and oversee a minority outreach program within its jurisdiction to ensure inclusion, to the maximum extent possible, of minority and women, and entities owned by minorities and women, including without limitation, real estate firms, construction firms, appraisal firms, management firms, financial institutions, investment banking firms, underwriters, accountants, and providers of legal services, in all contracts, entered into by the participating jurisdiction with such persons or entities, public and private, in order to facilitate the activities of the participating jurisdiction to provide affordable housing under the HOME program or any other Federal housing law applicable to such jurisdiction.
8. If a jurisdiction intends to use HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds, state its financing guidelines required under 24 CFR 92.206(b).

HOME funded activities by the City of Paterson are for the development and support of affordable rental housing and homeownership affordability, including: new construction, reconstruction, rehabilitation, assistance to homebuyers, real property acquisition, site improvements, demolition, payment of reasonable administrative and planning costs, operating expenses of CHDO's; and if necessary, relocation expenses. For practical purposes the limited amount of HOME funding received by the City does not afford for all these activities to be funded annually. Additionally, at their discretion the City may invest HOME funds as an equity investment, interest bearing loans or advancements or non-interest bearing loans or advancements, grants or as deferred payment loans. HOME funds are not used by the City for refinancing. The City will not use forms of investment other than those described at 24 CFR 92.205(b).

For the 2010 fiscal year our investments and the number of units assisted are as follows:

2011-2012 Housing Investments

City of Paterson

Home Buyer			
First Time Home Buyer Program	\$150,000	X	
	\$404,149		
Construction			
Housing Construction	\$450,000	109	
	\$450,000		
CHDO			
Rental Activity	\$284,716	5	
Administration	\$284,716		
TOTAL INVESTMENT &			
UNITS ASSISTED \$1,423,581 114			

Various Federal, State and local public and private sector resources are necessary to address these housing objectives. Some examples that can be used to further subsidize housing development are:

Federal Resources

McKinney/Vento
Section 8 Rental Assistance
Shelter Plus Care Rental Assistance
Federal Home Loan Bank
Federal Housing Administration (FHA) insurance

State Resources

LIHTC
Home Express
Balanced Housing
NJ Division for Developmentally Disabled (DDD) capital and operating funds

Local Resources

Developer Contributions
Conventional Loans from Private Lending Institutions
Inclusionary Zone Incentives
Impact Fees
Tax Increment Financing

Income Limits: The City is choosing to use the uncapped income limits, as allowed. Uncapped income limits will be used for all income eligibility requirements in HOME funded activities.

Resale/Recapture Guidelines:

Development Subsidy - Resale

One utilization of the City's HOME funds is in the form of a development subsidy for the production of new affordable housing for sale to lower income buyers. The City will utilize resale provisions for the units created via development subsidy funding provided by the HOME program.

The established resale provision is based on the affordability period and on amount of subsidy provided. The City will encumber the property with the appropriate deed restriction and lien. During the period of affordability individual units may only be sold to another low income buyer (<80% AMI).

The property remains affordable to low income buyers by placing a cap on the resale price of the unit. In

City of Paterson

order to ensure that the seller receives a fair return on their investment the City uses a formula that factors the original purchase price, the value of improvements, a cost of living factor, mortgage terms, as well as any rehabilitation that may be necessary to meet code at the time of sale to determine the amount of net earnings to be retained by the seller.

In the case of foreclosure, the City will have a right of first refusal, as protected and stipulated in the lien documents, and will work with the mortgage company and seller to identify an eligible buyer to purchase the home for the balance of the mortgage rather than auction. To the extent practicable, the formula for determining net earnings to be retained by the homeowner will be utilized.

Direct Assistance - Recapture

The City's First Time Home Buyer program is targeted to assist eligible low to moderate income homebuyers purchase their first home. This forgivable loan is used toward down payment and closing costs. The loan is forgiven after complete satisfaction of the period of affordability. Participants must qualify for a mortgage with a conventional lender of their choice. At the time of purchase a deed restriction regarding the recapture of HOME funds, during the period of affordability, is recorded for each property.

Recapture provisions apply to the entire amount HOME funds invested if the house is sold or title is transferred during the period of affordability. If the period of affordability is satisfied then the full amount of the grant is forgiven. If the house is sold or title is transferred during the period of affordability a net share of proceeds formula will be applied to determine the recaptured amount in cases where net proceeds are insufficient to recapture the full HOME investment. This also enables the homeowner to recover a portion of their investment (home buyer personal down payment and their capital improvement investments). Net proceeds are calculated by adding the outstanding mortgage lien to the closing costs and subtracting this sum from sale price. Net proceeds are divided as follows:

$$\frac{\text{HOME Investment}}{\text{HOME Investment} + \text{Homeowner Investment}} \times \text{Net Proceeds} = \text{HOME Funds Recaptured}$$
$$\frac{\text{Home Owner Investment}}{\text{HOME Investment} + \text{Homeowner Investment}} \times \text{Net Proceeds} = \text{Amount to Homeowner}$$

All HOME-assisted development projects containing 5+ HOME-assisted units, with the exception of the First Time Home Buyer Program and the City's Rehabilitation program, are required to comply with all affirmative marketing requirements. All applicants are required to submit an Affirmative Marketing plan for with their funding request that is compliant with HUD Form 935.2A.

Eligible forms of match requirements for HOME-assisted units are met by: cash from non-federal sources; value of waived taxes; value of donated land; value of donated materials, equipment, and labor; and direct cost of homebuyer counseling to families purchasing HOME-assisted units.

The City is considering contracting with an outside Consultant to administer some of the City's HOME funded programming. The consulting firm is also responsible to ensure compliance with all fair housing, affirmative marketing, participant and applicant eligibility certifications. All programs are affirmatively marketed to ensure, to the maximum extent possible, inclusion of more difficult to reach populations. Departmental actions are taken for all programming to include minorities through translation, and often times include outreach to their local media.

The City does not use any of its HOME funds to fund a tenant based rental assistance program. The City's HOME Program does not intent to use forms of investment other than those described in 24 CFR 92.205(b). HOME funds will not be used to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds.

The City's Affirmative Marketing Plan applies to all low and moderate income housing units created in the City of Paterson and housing projects containing 5 or more units. The Affirmative Marketing Plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups

City of Paterson

within Paterson's housing region, regardless of sex, age or number of children (unless units are age-restricted), to affordable housing units created within the City. The plan prohibits discrimination in the sale, rental, financing or other services related to housing on the basis of color, race, sex., religion, handicap, age (except for designated age-restricted units), familial status or national origin.

The City's established procedures require:

- Advertising at least 120 days prior to rent up in local newspapers including those in other languages and utilizing the grantees affirmative marketing policy
- Each owner must provide an opportunity for applicants to receive counseling on such topics as budget, credit, lease and foreclosure
- Providing copies of all marketing material to a listing of local agencies and offices where interested applicants may have access to the material

Outreach for all newspaper articles, advertisements, announcements and requests for applications pertaining to low moderate income housing units shall appear in the following daily regional newspapers.

Herald News/Bergen Record
North Jersey Media Group
1 Garret Mountain Plaza
West Paterson, N.J. 07424
(973) 569-7427

Arab Voice
85-89 Hazel Street
Paterson, N.J. 07503

El Especialito
3510 Bergenline Avenue
Union City, N.J. 07087

The primary marketing shall take the form of a least one press release sent to the above publications and a paid display advertisement in each of the above newspapers. Additional advertising and publicity shall be on an "as needed" basis.

The advertisement shall include a description of the following:

1. Street address (es) of the units;
2. Directions to the housing units;
3. Number of units currently available;
4. The bedroom size (s) of the units;
5. The minimum/maximum household sizes;
6. The minimum/maximum income permitted to qualify for the housing units
7. Contract information regarding potential issues and questions;
8. The sales price of the units;
9. Where and how applications may be obtained, including business hours at each location

The Department of Community Development shall encourage participation by minority-owned businesses in assisted housing and other activities. Minority's make up more than half of the City's population. Since more than half the population is of minority ethnicity all marketing, advertising and outreach efforts target this community. The Department of Community Development shall maintain records concerning the participation of minority-owned businesses to assess the results of its efforts. Any contractor interested in bidding on available jobs will be screened and, if qualified, be included on a list of contractors to receive announcements about the availability of bidding opportunities when applicable.

The Department of Community Development will make periodic site visits for all housing rehabilitation and minor home repair projects as necessary and appropriate depending on the nature and scope of each activity. Before approving any partial or final reimbursements for such work the Department of Community Development will inspect all work covered within the reimbursement request to insure it has been completed in accordance with specifications.

Regular monitoring of housing programs supported with federal funds and subject to the Consolidated Plan will be conducted to ensure compliance with occupancy and affordability requirements. Where

City of Paterson

assistance is provided to homeowners for housing activities, the City will follow written residential rehabilitation program procedures. These procedures provide oversight in the development of work write-ups, cost estimates, project specification packages and compliance with local building codes. These will promote the satisfactory completion of the project and ensure the timely release of any payments.

HOPWA 91.220(I)(3)

1. One year goals for the number of households to be provided housing through the use of HOPWA activities for: short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family, tenant-based rental assistance, units provided in housing facilities that are being developed, leased, or operated.

The City of Paterson is the lead for HOPWA funded initiatives. The HOPWA committee consists of representatives from the jurisdiction. The committee meets bi-annually to consult on strategies and individual agency performance in addressing the needs of persons with HIV/AIDS. Consequently the City of Paterson is then responsible for establishing long-term goals, annual goals and monitoring HOPWA program activities.

Federal, State and local public resources that may be available to address the needs of HIV/AIDS persons or families include:

Funding	Responsible Agency	Activity Funded
CEAS Continuum of Care Grants	Paterson County	Social Services/Special Needs
Ryan White	Bergen/Paterson – City of Paterson Department of Human Services	Persons with HIV/AIDS
Section 8 Vouchers	New Jersey Department of Community Affairs	Housing
State Grant	New Jersey Department of Community Affairs	Persons with HIV/AIDS
Board of Social Services	Paterson County	Social Services

There is a need for increased housing over a 5 year period, which is based on State of New Jersey data on the number of new HIV infections each year. The following are the priorities to address the needs of persons with HIV/AIDS:

Increased Need for Supportive Services. As people with HIV live longer, the need for supportive services connected to housing is growing. Integrated supportive services in HOPWA assisted housing programs are vital to residents transitioning to or maintaining permanent housing.

Housing is Becoming More Expensive. Rent and utility costs continue to climb. According to the National Low Income Housing Coalition, persons living with HIV or AIDS cases find themselves in repeated housing crises as they continue to be unable to access Section 8 housing, or are adversely affected by tremendous decreases in their financial resources and limited affordable and safe options for housing options. Individuals express fear and uncertainty in attempting to access traditional housing services as they worry about confidentiality and fear of discrimination.

Housing is of primary importance for all HIV-positive people. When housing is inadequate, surviving day-to-day tends to take precedence over managing HIV. Housing provides the necessary foundation for the provision of other components needed to maintain an HIV-positive person's health and well being, such as regular access to medical care, a nutritious diet, sufficient sleep and drug therapy compliance. Stable housing will also decrease the incidence of HIV risk behaviors such as trading sex for shelter, which could further transmit HIV.

City of Paterson

The breakdown below provides an explanation of the funds and their allocation including a description of the geographic area in which assistance will be directed and the rationale for these geographic allocations. It is anticipated that the full allocation of FY 2010 funds, \$1,404,306 will provide services to a minimum of 89 clients.

Project Sponsor	Geographic Area of Assistance	Rationale for Geographic Distribution	Allocation Plan	Faith Based or Grass Roots Organization	Faith Based or Grass Roots Organization
Passaic County	City's of Passaic, Paterson, Clifton, and Wayne	Based upon statistical data Analysis of County HOPWA populations	64%	\$871,731	Awards are made by an RFP process administered by each County
Bergen County	County-wide Distribution		36%	\$490,349	
Administration	City of Paterson			\$42,126	

OTHER NARRATIVES AND ATTACHMENTS

Include any action plan information that was not covered by a narrative in any other section. If optional tables are not used, provide comparable information that is required by consolidated plan regulations.

Monitoring: The Department of Community Development will serve as the lead in recording, monitoring and evaluating the City's progress in achieving the goals and objectives outlined in this plan and will ensure that all activities comply with the requirements of the CDBG and HOME programs as well as achieve their performance objectives on schedule and within the prescribed budget.

The HUD Monitoring Desk Guide, Policies and Procedures for Program Oversight is a guide produced by HUD that provides the basis for the Department of Community Development's monitoring practices. This document provides the methodology for conducting on-site and desk reviews of activities to ensure they are carried out in compliance with Federal requirements.

Each agency allocated funding from the Department of Community Development will submit an application which is formalized through a contract which outlines all requirements, regulations, procedures and accomplishments. As part of the application process each grantee will be notified of the Department of Community Development's monitoring and performance measurement requirements and the type of data to be collected for projects, programs and activities.

The following information, as applicable will be required from each grantee as part of the Department of Community Development's monitoring and as part of close of year reporting. Recipients that are unable to provide measurable outcomes or progress appropriate to the eligible category will jeopardize future funding.

- Amount of money leveraged (from other public or private sources)
- Number of persons or households served
- Income levels of persons or households by very low, low or moderate income categories
- Demographic breakdown of persons or households served.
- Number of female-headed households served.
- Description of special needs (i.e.: disability, frail elderly, chronic homeless, etc.).
- Number of housing units created (owner and/or rental).
- Number of housing units rehabilitated (owner and/or rental).
- Number of homeless persons who obtained permanent housing.

- Number of persons with HIV/AIDS who obtained supportive or permanent housing.
- Number of new businesses created.
- Number of businesses retained.
- Number of jobs created or retained.
- Number of businesses assisted through technical services.
- Number of commercial facades improved or commercial structures rehabilitated.
- Acreage, square footage or linear footage of infrastructure improvements

Monitoring visits consist of an on-site monitoring preceded by a desk monitoring. Annual monitoring is undertaken annually from July 1 thru November 1. CDBG payments are dependent upon a desk audit which consists of receipt of quarterly reporting. Upon receipt of all four reports and annual monitoring is conducted prior to a contract being administratively closed. HOME program monitoring is undertaken partially by staff and partially thru consulting contract. The evaluation criteria that will be applied when evaluating a project or program includes the following:

- Financial management: The extent to which program participants account for and manage financial resources in accordance with approved financial management standards. The criteria also relates to the amount of potential monetary exposure of the City, and HUD. The financial management analysis will include the assessment of:
 - Amount of funding obligated and/or expended.
 - Audits and/or investigations.
 - Staff experience with CDBG and/or HOME funds.
 - History of performance.
- Physical asset maintenance and operation: The extent to which HUD-funded physical assets are maintained and operated. This analysis will include an assessment of:
 - History of Performance.
 - Condition of HUD funded physical assets.
 - Use of facilities or physical assets in conformance with Federal regulations.
- Management: The extent which the program participant has the administrative capacity to carry out Federal requirements. This analysis will include an assessment of:
 - Experience level of key staff particularly as it relates to grant funded activities.
 - Program History including performance indicators.
 - Reporting consistency.
- Satisfaction: Extent to which clients express satisfaction or dissatisfaction with the delivery of the program services. This analysis will include an assessment of:
 - Types of program activities.
 - Complaints or compliments received.
- Services: Extent to which HUD program participants effectively and efficiently deliver services to the intended beneficiaries/clientele. This analysis will include an assessment of:
 - Types of program activities.
 - Accomplishments.
 - Timeliness.
 - Project development including timing benchmarks.

Individual meetings with a grantee will occur as necessary to respond to questions or assess project progress. Depending upon the complexity of the project and the funding requirements, the Department of Community Development may provide technical assistance to help improve successful completion of the project. HOME monitoring occurs according to regulatory schedule as predicated the number of units in the project as established by 24 CFR 92.504 (d). Under contract, Community Grants and Planning is responsible for the regular monitoring of all HOME funds invested toward homeowner rehabilitation activities. The City of Paterson is directly responsible for monitoring rental housing new construction and

rehabilitation activities. To date 3 of 5 years of monitoring have been completed for the YMCA SRO project funded through this source.

In addition to the monitoring requirements for each funding source, the Department of Community Development will make at least one on-site monitoring visit to selected higher risk projects to ensure compliance with fiscal, programmatic and regulatory controls and requirements. High-risk recipients include those that are new to the Federal programs, those with past difficulties in implementing a project and those with a significant funding allocation.

Within the next year the Department of Community Development will continue to focus its efforts where needs have been identified. The Department of Community Development will continue efforts to work more closely with residents, owners and community groups to address emerging revitalization issues. These efforts will continue to:

- Improve the public infrastructure within the areas.
- Increase effectiveness of the overall police law enforcement efforts to reduce criminal activity.
- Stabilize the management of rental housing in transitioning and challenged neighborhoods.
- Support efforts of owners and residents to reduce energy consumption.
- Support resident involvement and empowerment in the community.
- Coordinate and collaborate programs and services with other grantors, agencies, businesses and neighborhoods organizations.

The Department of Community Development will bring additional services and opportunities to residents that may have been previously underserved or isolated.