



CITY OF PATERSON
DEPT. OF COMMUNITY DEVELOPMENT
ANNUAL ACTION PLAN 2021-2022

Executive Summary

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

1. Introduction

The City of Paterson (the City), Department of Community Development (the Department or DCD) is submitting the 2021 Annual Action Plan, which is the second (2nd) annual action plan of its 2020-2024 Five-Year Consolidated Plans. The 2021 Annual Action Plan serves as an application to the United States Department of Housing and Urban Development (HUD) for continued receipt of its' annual entitlement of formula grants. The City anticipates receiving the following entitlement grants during the 2021 program years:

- Community Development Block Grant (CDBG)
- Home Investment Partnership Program (HOME)
- Emergency Solutions Grant (HESG); and
- Housing Opportunities for Persons with AIDS (HOPWA)

The 2021 Annual Action Plan summarizes the City's approach and direction in meeting its needs; as well as outlining activities that will be undertaken during the program year, which begins July 1, 2021 and concludes on December 31, 2021. The City has revised its year end from June 30 to December 31. As a result, the 2021 program year will be a shortened year. All activities outlined in this plan are based on current priorities. By addressing these priorities, the City hopes to meet the local objectives identified in its 2020-2024 Consolidated Plan.

All proposed activities and projects are intended to principally benefit the citizens of the City who have extremely low, low and moderate incomes, as well as populations with special needs, such as homeless individuals, elderly individuals, disabled individuals and individuals with HIV/AIDS. The City does not limit the beneficiaries of its various HUD-funded programs nor does the City give any preferences to any particular group or segment of the low to moderate income population.

The City issues an RFP to solicit requests for funding from qualified applicants for all HUD-funded programs. The RFP's are available in DCD's at 125 Ellison Street, City Hall located at 155 Market Street and on the City web site, www.patersonnj.gov. All submitted proposals are reviewed by committees and are ranked based on addressing the criteria outlined in the RFP. A recommendation is made to the City of Paterson Municipal Council to provide funding to qualified applicants that score the highest ranking. The Municipal Council performs a final review and grants their approval through a resolution. Once this process is completed, funding is awarded to the applicants.

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 2021 Annual Action Plan outlines the City's current planned uses of CDBG, HOME, HESG and HOPWA funds for activities that are consistent with the current priority needs identified in the City's 2020-2024 Consolidated Plan, along with identified objectives.

1. Paterson as a City of the First Class
2. Healthy and Safe Neighborhoods
3. Preparing Residents for Jobs in the 21st Century

The priorities for the 2021 Annual Action Plan have been identified based on the housing and homeless needs assessments, housing market analysis and consultation with stakeholders and partner agencies. HOME funds will be used to create more affordable rental and home-ownership housing for low to moderate income households and assist first-time home buyers with down payment and closing costs. CDBG funds will be used for public service, eliminate blight, improve parks in low to moderate income neighborhoods, provide workforce readiness, education and training, improve public facilities including the Paterson Fire Department and promote fair housing. HESG funds will be used to support homeless prevention and rapid rehousing, creating permanent supportive housing for homeless individuals and support the operations of emergency shelters for homeless individuals and families. HOPWA funds will be used to support case management, tenant based rental assistance and other related services for persons living with HIV/AIDS in Bergen and Passaic Counties.

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 received four entitlement grants from HUD during the 2020 program year totaling \$5.5 million. The City and its community partners used these funds to address the priorities outlined in the 2020 Annual Action Plan. During the 2020 program year, the City was challenged in completing many of our goals due to the ongoing negative effects of the Coronavirus pandemic. The City was able to accomplish some of our goals. We completed and sold four affordable homeownership housing units with Paterson Habitat for Humanity (Habitat). Habitat completed an additional four units, which are waiting to close. The City also funded New Jersey Community Development Corporation (NJCDC) to develop four units of affordable rental housing along Wayne Avenue and assisted 3 low to moderate income (LMI) first-time homebuyers with down payment and closing cost assistance through our First-Time Home Buyer Program (FTHB).

CDBG funds were used to improve public parks in LMI neighborhoods in the City and provide supportive services to LMI residents, however, the pandemic negatively impacted our ability to realize many of our goals. As a result a significant amount of CDBG public service funds allocated in 2020 remain unspent. Consequently, the City will not be allocating CDBG resources to public services during the 2021 program year. The City is under way with our plans to improve three parks, Lou Costello, Bauerle Fieldhouse and Bear Trap. We also assisted 4 homeowners during the 2020 program year with our Homeowner Rehab Program using prior CDBG funds.

HESG funds were used to fund shelter operations at three emergency shelters in the City and provide rapid rehousing and homeless prevention services to the City's most vulnerable population. The City used our HOPWA funds to assist persons living with HIV/AIDS with case management, referral and housing assistance.

A detailed summary of the City's progress toward addressing its goals and priorities will be provided in the City's 2020 Consolidated Annual Performance Evaluation Report (CAPER).

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

As outlined in the 2021 Annual Action Plan Calendar of Events, the Department held two public meetings in preparation of the 2021 Annual Action Plan. The first public meeting was held on March 11, 2021 and a second virtual public meeting was held on March 22, 2021. During both public meetings, the City solicited needs and priorities from the community through a needs survey. The City held an application workshop in conjunction with these meetings. The deadline for the applications were due back to the City on March 31, 2021.

The City will hold another public meeting on June 1, 2021 at a City Council workshop meeting, where the first draft of the Annual Action Plan budget resolution will be presented to the public and City Council for consideration. The City's staff will also present the Annual Action Plan resolution to Council members during the Council regular meeting on June 10, 2021. At this meeting, the recommended proposed projects will be approved by the Municipal Council. This meeting will be televised. Notices of the public meetings are published in the Herald News/Bergen Record, El Especial Newspaper and the Arab Voice.

Copies of the draft 2021 Annual Action Plan were made available to citizens for public comments from May 19, 2021 to June 18, 2021. The draft Annual Action Plan was available for viewing via the City's website (www.patersonnj.gov).

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.

Due to the ongoing Coronavirus pandemic, the City requested that the public put their comments in writing and submit to the City offices via mail or email. The City received 9 needs surveys from residents and one written public comment. Many of the requests were for more affordable housing and greater funding for services for youth, seniors and education. The City also received verbal comments offered at the public meetings included a request for the City to fund more programs for youth, educational, services for seniors and housing for residents at risk of homelessness. The City funds various organizations that address all of these needs.

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

The City incorporated most of the comments into the Plan; however, most of the requests to fund public services were from organizations that provide these types of services. Due to the Coronavirus pandemic, all of these organizations have remaining 2020 funds available to fund their operations during 2021. As a result, the City is not providing additional resources for public services in this Plan. Other comments that were not included in the Plan included requests to fund activities where the City did not receive an application from a qualified organization and requests for activities that are not eligible for funding under any of the various HUD-funded programs.

7. Summary

The ongoing Coronavirus pandemic has altered the way the City conducts business as well as our processes for citizen participation in our planning efforts.

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	PATERSON	
CDBG Administrator	PATERSON	Department of Community Development
HOPWA Administrator	PATERSON	Department of Health and Human Services
HOME Administrator	PATERSON	Department of Community Development
ESG Administrator	PATERSON	Department of Community Development

Table 1 – Responsible Agencies

Narrative (optional)

The Department of Community Development continues to be the lead agency for administering the programs covered by the Annual Plan. The Department directly implements the programs of the City's CDBG, HOME and HESG programs. The Department works with the Department of Human Services to administer the HOPWA program. Each program collaborates with a variety of non-profit service provider agencies as well as the private sector. HOPWA Funds are allocated by a committee composed of service providers.

Consolidated Plan Public Contact Information

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

1. Introduction

The City performs extensive outreach to local organizations, the public and elected officials to solicit input for the drafting of the Annual Action Plan.

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(l))

The Department attends the monthly meeting of the Passaic County Continuum of Care (CoC) to coordinate the delivery of services to the homeless in the region. The DCD Director and the Executive Director of the Housing Authority of the City of Paterson (HACP) both serve as part of the Mayor's Cabinet. They both attend weekly meeting where they coordinate activities and address funding needs for serving residents of the City's public housing. The Department also met with representatives of Catholic Charities, NJCDC and the Paterson Department of Health and Human Services to address the needs of residents with mental health challenges and residents living with HIV/AIDS.

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 lead group exploring ongoing issues of homelessness is the CoC, recognized by HUD as the local planning and decision-making body on programs funded with HUD's homeless assistance programs. The City attends the monthly meetings of the CoC to coordinate the services funded by the City with those provided by other organizations in the County.

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

The City held conversations with the Chair of the CoC and the CoC's consultants to discuss funding priorities in the County and obtain feedback on the ways in which the City should allocate its HESG funds. It was determined that the CoC is focusing their resources on permanent housing with supportive services to address the issues of homelessness in the County. They view this as the optimal strategy for assisting homeless and at-risk individuals and families. While the CoC is focusing their efforts on permanent housing for homeless and at-risk homeless individuals and families, the City is using their HESG funding to address the other areas in the spectrum of continuum of care for homeless individuals and

families. These include homeless prevention, rapid rehousing initiatives, assisting the operations and essential services provided by emergency shelters and assisting the operations and essential services provided by targeted transitional housing. This coordinated approach between the CoC and the City is helping to ensure that all services are available to the population of homeless individuals and families.

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	Paterson Housing Authority
	Agency/Group/Organization Type	Housing PHA Grantee Department
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homelessness Needs - Veterans Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City met with representatives of HACP to identify the projects they intend to implement over the next year and the needs for their service area.
2	Agency/Group/Organization	Paterson Habitat for Humanity, Inc.
	Agency/Group/Organization Type	Housing Services - Housing Neighborhood Organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City met with representatives of the organization to discuss their development efforts for the next year and how City resources might be utilized.
3	Agency/Group/Organization	Paterson Department of Public Works
	Agency/Group/Organization Type	Local Department
	What section of the Plan was addressed by Consultation?	Public Facilities

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City met with the Department to identify public facility projects that need to be undertaken.
4	Agency/Group/Organization	St Paul's CDC
	Agency/Group/Organization Type	Housing Services-Children Services-homeless Services-Education Neighborhood Organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homelessness Strategy 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 City met with representatives of the organization to identify the needs for their service area.
5	Agency/Group/Organization	EVA'S VILLAGE HOPE CENTER
	Agency/Group/Organization Type	Services-Victims of Domestic Violence Services-homeless Services-Education Services-Employment Services - Victims Neighborhood Organization

	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Unaccompanied youth Homelessness Strategy 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 City met with representatives of the organization to identify the needs for their service area.
6	Agency/Group/Organization	Catholic Families & Community Services
	Agency/Group/Organization Type	Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless Services-Employment Services - Victims Neighborhood Organization
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy 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 City met with representatives of the organization to identify the needs for their service area.
7	Agency/Group/Organization	Passaic County Human Services Dept, NJ
	Agency/Group/Organization Type	Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless Services-Health Neighborhood Organization
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City met with representatives of the organization to identify the needs for their service area.

8	Agency/Group/Organization	Saint Peter's Haven
	Agency/Group/Organization Type	Services-Victims of Domestic Violence Services-homeless Services - Victims Neighborhood Organization
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City met with representatives of the organization to identify the needs for their service area.
9	Agency/Group/Organization	NJ COMMUNITY DEVELOPMENT CORPORATION
	Agency/Group/Organization Type	Housing Services-homeless Neighborhood Organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City met with representatives of the organization to identify the needs for their service area.
10	Agency/Group/Organization	Grandparents Relative Care Resources Center
	Agency/Group/Organization Type	Services-Children Services-Elderly Persons Neighborhood Organization
	What section of the Plan was addressed by Consultation?	Referral and Education
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City met with representatives of the organization to identify the needs for their service area.
11	Agency/Group/Organization	Hearth of Hannah
	Agency/Group/Organization Type	Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Victims of Domestic Violence Services-homeless Services - Victims Neighborhood Organization
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City met with representatives of the organization to identify the needs for their service area.
12	Agency/Group/Organization	C-Line Counseling Center
	Agency/Group/Organization Type	Health Agency Neighborhood Organization
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City met with representatives of the organization to identify the needs for their service area.

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

The City met with multiple agencies and did not intentionally exclude any type of agency. Due to the ongoing Coronavirus pandemic, the organizations that provide public services in the City have not spent any of their 2020 CDBG funds. As a result of these excess prior year funds, coupled with the shortened program year, the City is not funding public services during the 2021 program year. Many of the organizations who typically participate in the planning process, did not participate this year.

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	Passaic County Department of Human Services	The City & the CoC share the common goal of ending homelessness, addressing the shortage of affordable housing units, including housing for veterans and providing enhanced services to residents living with HIV and AIDS.
HOPWA	Paterson Department of Health and Human Services	The goals of the HOPWA plan are incorporated into the City's 2021 Annual Action Plan.
Five Year Master Plan	Paterson Department of Economic Development	The City's 2021 Annual Action Plan incorporates elements of the City's five-year Master Plan to provide resources to carry out the recommendations and objectives identified during the planning process.
Public Housing Plan	Paterson Housing Authority	The City's 2021 Annual Action Plan includes providing resources to HACP to carry out elements of their Action Plan
Passaic County Con Plan	Passaic County Department of Planning and Economic Development	The City and the County of Passaic collaborate on funding for both the CoC and the Disaster Recovery program.

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

As outlined in the 2021 Annual Action Plan Calendar of Events, the Department held two public meetings in preparation of the 2021 Annual Action Plan. The first public meeting was held on March 11, 2021 and a second virtual public meeting was held on March 22, 2021. During both public meetings, the City solicited needs and priorities from the community through a needs survey. The City held an application workshop in conjunction with these meetings. The deadline for the applications were due back to the City on March 31, 2021.

The City will hold another public meeting on June 1, 2021 at a City Council workshop meeting, where the first draft of the Annual Action Plan budget resolution will be presented to the public and City Council for consideration. The City's staff will also present the Annual Action Plan resolution to Council members during the Council regular meeting on June 10, 2021. At this meeting, the recommended proposed projects will be approved by the Municipal Council. This meeting will be televised. Notices of the public meetings are published in the Herald News/Bergen Record, El Especial Newspaper and the Arab Voice.

Copies of the draft 2021 Annual Action Plan were made available to citizens for public comments from May 19, 2021 to June 18, 2021. The draft Annual Action Plan was available for viewing via the City's website (www.patersonnj.gov).

Due to the ongoing Coronavirus pandemic, the City requested that the public put their comments in writing and submit to the City offices via mail or email. The City received 9 needs surveys from residents and one written public comment. Many of the requests were for more affordable housing and greater funding for services for youth, seniors and education. The City also received verbal comments offered at the public meetings included a request for the City to fund more programs for youth, educational, services for seniors and housing for residents at risk of homelessness. The City funds various organizations that address all of these needs.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Meeting	Minorities Non-English Speaking - Specify other language: Spanish, Arabic Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing	At the 1st Public Meeting on March 11, 2021, there were 13 attendees. The City received and reviewed 9 needs assessment surveys. The City received 4 CDBG, 2 Home, 3 HESG and 6 HOPWA applications.	The City received 9 needs surveys from residents. Many of the requests were for more affordable housing and greater funding for services for youth, seniors and education.	Those comments that were not included in the plan included requests to fund activities where the City did not receive an application from a qualified organization and requests for activities that are not eligible for funding under any of the various HUD-funded programs.	

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 Meeting	Minorities Non-English Speaking - Specify other language: Spanish, Arabic Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing	The 2nd Public Meeting was a virtual public meeting held on March 22, 2021. It is not possible to determine exactly how many people attended; however at least 3 people were in attendance.	There was a comment about not funding public services which was addressed	The City is not funding public services programs as none of the organizations we have funded have used their prior year's CDBG funds.	

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)
3	Public Hearing	Minorities Non-English Speaking - Specify other language: Spanish, Arabic Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing	The City will present the Plan to the municipal council at a Public Hearing to be held on June 1, 2021.			

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)
4	Newspaper Ad	Minorities Non-English Speaking - Specify other language: Spanish, Arabic Persons with disabilities Non-targeted/broad community	a) Herald News/Bergen Record, b) El Especial Newspaper c) The Arab Voice			

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)
5	Internet Outreach	Minorities Non-English Speaking - Specify other language: Spanish Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing	The 2021 Annual Action Plan was made available to the public for comment on the City website for 30 days from May 19, 2021 to June 18, 2021.			

Table 4 – Citizen Participation Outreach

Expected Resources

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

Introduction

For the 2021 program year, the City anticipates receiving funding for four (4) entitlement grants from HUD estimated at \$5,690,981. The City will allocate these resources to the areas with the highest needs, including the areas of minority concentration which includes the 1st, 4th and 5th Wards. A brief description of the grants and the City's allocation for the 2021 program year follows:

- Community Development Block Grant (CDBG) – \$2,642,691 - The primary objective of the CDBG program is to develop viable communities, by providing safe, sanitary and decent housing, suitable living environments and economic opportunities for individuals with low and moderate incomes. All projects funded with CDBG funds must meet one of three national objectives: 1) principally benefit low- and moderate-income persons; 2) aid in the prevention and/or elimination of slum and/or blight; or 3) meet urgent community needs. Each approved activity must benefit at least 51% low- and moderate-income individuals and/or families. During the 2021 program year the CDBG Program anticipates receiving no program income.
- HOME Investment Partnerships Program (HOME) - \$1,026,962- The purpose of the HOME program is to develop affordable housing for low- and moderate-income individuals and/or families. HOME funds can be used for new housing construction or substantial renovation, first-time homebuyer activities, development of rental housing and tenant-based rental assistance. During the 2021 program year the HOME Program anticipates receiving \$80,000 in program income.
- Emergency Solutions Grant (HESG) - \$217,787 - The focus of the HESG program has shifted since the name of program has changed from Emergency Shelter Grant to Emergency Solutions Grant. The primary focus is now on assisting homeless individuals in gaining stable permanent housing.
- Housing Opportunities for Persons with AIDS/HIV (HOPWA) - \$1,803,541 - HOPWA funds provide housing assistance and related supportive services to individuals with HIV/AIDS. These funds can be used for a wide-range of purposes, including housing, social services, program

planning and development costs.

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 Homeowner rehab Public Improvements Public Services	2,642,691	0	0	2,642,691	7,928,073	The expected resources are based on the actual allocation from HUD for the 2021 fiscal year. Currently, the City is not anticipating program income or any resources from prior years.
HOME	public - federal	Acquisition Homebuyer assistance Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	1,026,962	80,000	0	1,102,962	3,080,886	The expected resources are based on the actual allocation from HUD for the 2021 fiscal year. Currently, the City is anticipating \$80,000 in program income.

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: \$		
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	1,803,541	0	0	1,803,541	5,410,623	The expected resources are based on the actual allocation from HUD for the 2021 fiscal year.
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	217,7870	0	0	217,787	653,361	The expected resources are based on the actual allocation from HUD for the 2021 fiscal year.

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 HOME and ESG programs have federal matching requirements. For the HOME program, the City has a waiver in place that exempts it from the match requirements. In regards to the ESG program, the City fulfills the match requirement through its sub-recipients. Each sub-recipient is responsible for providing their program monitor with documentation of their matching funds upon execution of their sub-recipient agreement. The matching funds typically are derived from state and county sources as well as philanthropic grants.

Despite having a waiver for the matching funds requirement, the City's HOME funds leverage additional resources from the private sector in the form of construction and permanent financing and homeowner owner equity other state of New Jersey resources such as the LIHTC program and low interest loans.

Most of the City's CDBG funds leverage resources from other sources as well. Many of the public facility improvement projects leverage additional resources from the City. All of the CDBG resources used to fund public services leverage additional resources from state and county sources as well as philanthropic grants.

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

Community facilities and services are available to all residents of the City to meet the day-to-day needs of the community and to enhance quality of life. In particular, enhancements to the public parks and public streets, which are publicly-owned land, are a key component of the Five-Year Consolidated Plan. During the 2021 program year, the City anticipates allocating resources to improve publicly-owned parks.

Discussion

The above describes the City's anticipated resources and our commitment to allocating these resources to improve the lives of extremely low- to moderate-income households.

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	Increase and Preserve Affordable Housing	2021	2023	Affordable Housing	City Wide 1st ward, 4th ward and 5th ward	Affordable Housing	HOME: \$1,004,266 CDBG: \$305,432	Rental units constructed: 10 Household Housing Unit Homeowner Housing Added: 4 Household Housing Unit Homeowner Housing Rehabilitated: 15 Household Housing Unit Direct Financial Assistance to Homebuyers: 5 Households Assisted
2	Public Facilities & Infrastructure	2021	2022	Non-Housing Community Development	City Wide 1st ward, 4th ward and 5th ward	Public Infrastructure & Facilities Improvements	CDBG: \$1,808,721	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 21,485 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
3	Reduce Homelessness	2021	2022	Homeless	City Wide 1st ward, 4th ward and 5th ward	Housing and Services to End Homelessness	ESG: \$201,453	Tenant-based rental assistance / Rapid Rehousing: 100 Households Assisted Homeless Person Overnight Shelter: 61 Persons Assisted Homelessness Prevention: 100 Persons Assisted
4	Assist Persons Living with HIV/AIDS	2021	2022	Non-Homeless Special Needs	Passaic County Bergen County	Address Needs of Persons living with HIV/AIDS	HOPWA: \$1,749,435	Tenant-based rental assistance / Rapid Rehousing: 97 Households Assisted Homelessness Prevention: 262 Persons Assisted

Table 6 – Goals Summary

Goal Descriptions

1	Goal Name	Increase and Preserve Affordable Housing
	Goal Description	The City will provide affordable housing opportunities through using HOME funds to support Rental Housing Development, Homeownership Housing Development and Down Payment Assistance for First-Time Homebuyer. The City will use prior year CDBG resources to assist existing homeowners through the Homeowner Rehab program. Rental housing will be affordable to household earning below 60% of area median income or less. For the City's Homeowner Rehab, Down Payment Assistance and Homeownership Housing Development programs, the City will use the HUD uncapped income limits for households below 80% area median income.

2	Goal Name	Public Facilities & Infrastructure
	Goal Description	The City will invest our CDBG resources in improving our public facilities and improvements to community infrastructure. The goal will be to enhance the quality of life and improve the delivery of services to our residents.
3	Goal Name	Reduce Homelessness
	Goal Description	The City will provide homeless prevention and rapid rehousing services to homeless individuals and families and support emergency and temporary homeless shelter operations with the goal of eliminating or reducing the threat of homelessness.
4	Goal Name	Assist Persons Living with HIV/AIDS
	Goal Description	The City will increase the accessibility/availability of affordable housing, specifically for persons with HIV/AIDS and assist persons with HIV/AIDS with case management services.

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

During the 2021 program year, the City anticipates assisting 10 low-income households with rental housing units, 18 low-income households with homeowner rehab assistance, four LMI household with new homeownership housing and five moderate income first-time homebuyers.

Projects

AP-35 Projects – 91.220(d)

Introduction

During the 2021 program year ending 12-31-2021, the City will use its CDBG, HOME, HESG and HOPWA funding to support the projects outlined in this section of the Plan.

Projects

#	Project Name
1	CDBG: Administration
2	CDBG: Public Facilities
3	CDBG: Housing Services
4	HOME: Administration
5	HOME: First Time Homebuyer Program
6	HOME: Affordable Housing (CHDO 15% Set-Aside)
7	HOME: Affordable Housing Construction
8	HESG Activities
9	HOPWA Activities

Table 7 - Project Information

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

The City allocates resources based on the needs identified by the residents during the planning process. During the first public meeting the City distributes a need survey that allow the residents to express their greatest need in the community. The survey has the following need categories: public facilities, public services, neighborhood services, infrastructure improvements, special needs services, housing, and business employment opportunities. Due to the Coronavirus pandemic, all of these organizations have left over 2020 funds available to fund their operations during 2021. As a result, the City is not providing additional resources for public services in this Plan. The major obstacle that the City has identified is the lack of funding to address the needs of the underserved community; however, the City fully attempts to stretch the available funding to address the top three priorities during any given year.

AP-38 Project Summary
Project Summary Information

1	Project Name	2021-22 CDBG Administration
	Target Area	City Wide 1st ward, 4th ward and 5th ward
	Goals Supported	Public Facilities & Infrastructure
	Needs Addressed	Community Development - Public Services Public Infrastructure & Facilities Improvements
	Funding	CDBG: \$528,538
	Description	Funding to administer the 2021 CDBG Program for the City of Paterson.
	Target Date	12/31/2021
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	The administrative offices of the Department of Community Development are located at 125 Ellison Street in the City of Paterson.
2	Planned Activities	Funding for the Department of Community Development at the City of Paterson to cover staff salaries and operating expenses associated with administering the CDBG program estimated at 20% of the grant amount and any program income:
	Project Name	2021 CDBG Public Facilities and Infrastructure
	Target Area	City Wide 1st ward, 4th ward and 5th ward
	Goals Supported	Public Facilities & Infrastructure
	Needs Addressed	Public Infrastructure & Facilities Improvements
	Funding	CDBG: \$1,808,721
	Description	Support funding for activities that will improve public facilities and public parks that benefit extremely low- to moderate-income residents in the City.
	Target Date	12/31/2021

	Estimate the number and type of families that will benefit from the proposed activities	During the 2021 program year, the City will implement public facility improvement projects that will benefit 21,485 people, the majority of which live in LMI households or reside in LMI areas of the City.
	Location Description	The activities will be undertaken at various locations throughout the City as more fully described in the Planned Activities section below.
	Planned Activities	1. Barbour Park - The City Department of Public Works will construct an entertainment stage that is used by local arts organizations in this park located at 317-333 Broadway and 256-274 Fair Street. This park serves the 4th Ward, which has a population of 10,725 of which 78% are LMI. (\$77,000.00) 2. Riverside Oval Park - The City Department of Public Works will install artificial turf in this park located at 776-796 River St. This park will serve the 3rd Ward, which has a population of 10,360 of which 71% are LMI. (\$1,127,197.57) 3. NJCDC will expand the Great Falls Youth Center Expansion located at 52 Front Street. They serve 400 LMI youth with education and youth development activities, etc. (\$500,000.00) 4. Annual Lease Payments for construction equipment for the Fire Department. (\$104,523.43)
3	Project Name	2021 CDBG Homeowner Rehab Program
	Target Area	City Wide
	Goals Supported	Increase and Preserve Affordable Housing
	Needs Addressed	Affordable Housing
	Funding	CDBG: \$305,432
	Description	The City will use CDBG resources to assist existing LMI homeowners with basic system and minor home repairs.
	Target Date	12/31/2021
	Estimate the number and type of families that will benefit from the proposed activities	The proposed activity will benefit 15 area LMI households in the City.

	Location Description	The activity will be administered by DCD from their offices at 125 Ellison Street. The activities will be undertaken throughout the City based on a first come, first served basis.
	Planned Activities	The City will use CDBG resources to assist 15 LMI homeowners with basic systems repair and other minor home improvements. (\$305,432)
4	Project Name	2020-21 HOME Administration
	Target Area	City Wide 1st ward, 4th ward and 5th ward
	Goals Supported	Increase and Preserve Affordable Housing
	Needs Addressed	Affordable Housing
	Funding	HOME: \$102,696
	Description	Administration of the 2021 HOME Program
	Target Date	12/31/2021
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	The City administers the HOME program from their offices located at 125 Ellison Street in the City of Paterson.
	Planned Activities	Program administration to cover the costs associated with administering the HOME Program will be funded at 10% of the total HOME grant. (\$102,696)
5	Project Name	First Time Homebuyer Program
	Target Area	City Wide
	Goals Supported	Increase and Preserve Affordable Housing
	Needs Addressed	Affordable Housing
	Funding	HOME: \$95,958
	Description	Provide closing cost and down payment assistance to low and moderate income households throughout the City of Paterson

	Target Date	12/31/2021
	Estimate the number and type of families that will benefit from the proposed activities	Five LMI households
	Location Description	The activity will be administered by DCD from their offices at 125 Ellison Street. The activities will be undertaken throughout the City based on a first come, first served basis.
	Planned Activities	Provide closing costs and down payment assistance to 5 LMI first-time homebuyers to assist them in purchasing homes in the City of Paterson.
6	Project Name	2021 CHDO Housing Development
	Target Area	1st ward, 4th ward and 5th ward
	Goals Supported	Increase and Preserve Affordable Housing
	Needs Addressed	Affordable Housing
	Funding	HOME: \$308,308
	Description	The City will provide HOME resources to Habitat for Humanity to develop four affordable homeownership housing units in the 4th Ward.
	Target Date	12/31/2022
	Estimate the number and type of families that will benefit from the proposed activities	The City anticipates assisting four LMI households.
	Location Description	The City will be assisting Habitat to develop four new housing units on vacant lots located at 185, 187, 189 and 191 Harrison Street in the 4th Ward.
	Planned Activities	The City intends to use its HOME funds to assist Paterson Habitat for Humanity, a local non-profit CHDO organization, to develop four new construction affordable homeownership housing units for LMI households. The City selected Habitat through an RFP process with an experienced consultant to underwrite the proposal based on established criteria. The housing units will be developed on vacant lots located at 185, 187, 189 and 191 Harrison Street.
7	Project Name	2021 HOME Housing Development
	Target Area	1st ward, 4th ward and 5th ward

	Goals Supported	Increase and Preserve Affordable Housing
	Needs Addressed	Affordable Housing
	Funding	HOME: \$600,000
	Description	The City will use HOME resources to fund affordable housing development activities in the 4th and 5th wards that benefit LMI households.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	The City will assist 10 households below 60% AMI in the City.
	Location Description	The City is working with a housing developer to redevelop the site located at 3-7 Mill Street.
	Planned Activities	The City will utilize HOME funds to support the development of a new construction 75-unit affordable rental housing development, of which 10 units will be HOME-assisted units for eligible low to moderate income (below 60% AMI) households. The City is working with Winn Development to redevelop a site at 3-7 Mill Street.
8	Project Name	2021 ESG Activities
	Target Area	City Wide 1st ward, 4th ward and 5th ward
	Goals Supported	Reduce Homelessness
	Needs Addressed	Housing and Services to End Homelessness
	Funding	ESG: \$217,787
	Description	Funding for homeless prevention, rapid rehousing services for homeless and at risk households and funding for emergency and transitional shelter facilities.
	Target Date	12/31/2021
	Estimate the number and type of families that will benefit from the proposed activities	The City will assist 261 extremely low- to very low-income homeless and at risk individuals and households.

	Location Description	The City will fund organizations at various locations as identified in the Planned Activities section below.
	Planned Activities	1. Program administration to cover the costs associated with administering the ESG program will be funded at 7.5% of the total grant. (\$16,334) 2. St Peter's Haven Shelter will receive ESG funds to operate a transitional housing shelter for 21 extremely low-income Paterson homeless residents. Although located at 390 Clifton Avenue in Clifton, the facility will serve Paterson homeless residents. (\$25,000) 3. St Paul's Men Shelter will receive ESG funds to support the operations of their overnight homeless shelter located at 451 Van Houten Street. The facility will serve 40 extremely low-income men. (\$25,000) 4. The City will use ESG funds to provide Homeless Prevention services to assist approximately 100 extremely low-income individuals and families who are at risk of homelessness. The City will identify a partner to administer this program. (\$87,976) 5. The City will use ESG funds to provide Rapid Rehousing services to approximately 100 extremely low-income homeless households in the City. The City will identify a partner to administer this program. (\$63,477)
9	Project Name	2021 HOPWA Activities
	Target Area	Passaic County Bergen County
	Goals Supported	Assist Persons Living with HIV/AIDS
	Needs Addressed	Address Needs of Persons living with HIV/AIDS
	Funding	HOPWA: \$1,803,541
	Description	Provide support funding for organizations in the City of Paterson, Passaic County and Bergen County that assist low to extremely low-income residents living with HIV/AIDS.
	Target Date	12/31/2021

Estimate the number and type of families that will benefit from the proposed activities	356 extremely low- to low-income persons living with HIV/AIDS
Location Description	60 Van Houten Street, Paterson, NJ One Bergen County Plaza, 2nd Floor, Hackensack, NJ 149 Hudson Street, Hackensack, NJ 286 Passaic Street, Passaic, NJ 100 Hamilton Plaza, Suite 1406, Paterson, NJ 508 Straight Street, Paterson, NJ 125 Ellison Street, Paterson, NJ

Planned Activities	The Housing Authority of the City of Paterson will provide case management, tenant-based rental assistance, vouchers services and other housing related services for 55 extremely low- to low-income households at their facilities located at 60 Van Houten Street, Paterson, NJ to persons living with HIV/AIDS in Passaic County: (\$751,442) The Housing Authority of Bergen County will provide case management, tenant-based rental assistance vouchers services and other housing related services at their facilities located at One Bergen County Plaza, 2nd Floor, Hackensack, NJ to 42 extremely low- to low-income persons living with HIV/AIDS throughout Bergen County: (\$482,500) Support funding for the Buddies of New Jersey to provide case management, vouchers and other housing related services from their facilities located at 149 Hudson Street, Hackensack, NJ as well as six project-based housing units for 58 low- to extremely low-income persons living with HIV/AIDS in Bergen County: (\$140,000) The Passaic Alliance Program of the City of Passaic Department of Human Services will provide case management, vouchers services and other housing related services from their facilities located at 286 Passaic Street, Passaic, NJ to 68 low- to extremely low-income persons living with HIV/AIDS in Passaic County: (\$150,000) CAPCO will provide case management, rental and utility assistance, nutrition counseling, transportation and other housing related services from their facilities located at 100 Hamilton Plaza, Suite 1406, Paterson, NJ for 88 low- to extremely low-income persons living with HIV/AIDS in Passaic County: (\$160,000) Straight & Narrow will provide case management, rental and utility assistance, nutrition counseling, transportation and other housing related services from their facilities located at 508 Straight Street, Paterson, NJ for 45 low- to extremely low-income persons living with HIV/AIDS in Passaic County: (\$65,493) Program administration to cover the costs associated with administering the HOPWA Program will be funded at 3% of the total grant. (\$54,106)
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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

Historically, the City's primary focus has been the areas containing the largest concentration of very low, low and moderate-income residents. These concentrated areas are located within the City's 1st, 4th, and 5th Wards. The commitment to these Wards was determined by statistical data derived from both census tracts and census block group data; culminating into sufficient numbers to warrant the City designating them primary areas in which to focus on HUD's goals of suitable living, decent affordable housing and economic opportunities.

Geographic Distribution

Target Area	Percentage of Funds
City Wide	40
1st ward, 4th ward and 5th ward	50
Passaic County	5
Bergen County	5

Table 8 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

During 2014, the City hired consultant group, Heyer, Gruel and Associates to complete the City's 2015 Master Plan. As part of the Master Plan planning process, the consultants conducted Community Outreach Meetings in every Ward within the City. Notices were sent out as well as, transmitted via social media city-wide to residents, community leaders, activists, churches, businesses, educational institutions, etc. The purpose of these meetings was to encourage community input in the overall Master Plan process. Through this outreach, the City has interpreted the feedback Ward by Ward allowing the City to address the specific needs in each area when applicable.

HOPWA funding will be used to support activities throughout Passaic and Bergen Counties based on needs.

Discussion

The Geographic Distribution is discussed in the sections above.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

The tables below show the one-year goals for LMI households to be assisted through affordable housing program by the City in the program year.

One Year Goals for the Number of Households to be Supported	
Homeless	261
Non-Homeless	34
Special-Needs	356
Total	651

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

One Year Goals for the Number of Households Supported Through	
Rental Assistance	617
The Production of New Units	14
Rehab of Existing Units	15
Acquisition of Existing Units	5
Total	651

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

Discussion

AP-60 Public Housing – 91.220(h)

Introduction

HACP is the designated public housing authority in the City. The City works in partnership with the HACP to identify housing needs and provide resources from the City's entitlement programs to assist with the development of new housing opportunities for extremely low and very low-income residents, including residents in the HACP inventory of public housing units.

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

HACP continuously strives to improve and expand their portfolio of affordable public housing units in the City. They have an ongoing strategy to redevelop obsolete housing units and renovate functioning units that are in need of modernization. HACP is implementing an ongoing development strategy for the 4th Ward that will build on the previous successes in creating new affordable housing opportunities. The planning firm, Wallace Roberts and Todd, were retained as consultants to create a revitalization plan for the area. The Department committed previous years' CDBG admin funds to cover half of the costs of this planning effort. Some of HACP's planned developments include:

- HACP has completed predevelopment work on a new housing development, which will create 34 units of new affordable rental housing for veterans. The \$19 million in financing is in place, including project-based vouchers. The City has committed \$1.4 million in previous year's HOME funds to this project and over the next year will be working in partnership with HACP to bring this project to closing. The Developer, Roizman Development, anticipates submitting an application to the NJHFA in July 2021 for tax exempt bond financing. Commitment and closing is anticipated in the fall of 2021 and construction will begin shortly thereafter.
- HACP is exploring the development of six units of new construction rental housing units for either veterans or grandparents serving as parents.
- HACP is exploring the development a 20-unit re-entry housing project for returning citizens.
- During 2018, HACP created a \$125 million redevelopment plan to demolish and redevelop the Riverside Terrace public housing complex, a 245-unit housing development that includes two phases, 80-senior units and 165-townhouse units. Both phases of the redevelopment are under construction with expected completion in 2021 and 2022. In addition, plans are in place to include commercial space across from HOME Depot.
- HACP will provide some support through the award of project based vouchers to a 74-unit rental housing development for seniors with preference for grandparents raising children.

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

HACP continues to make efforts in using affordable housing as a platform to encourage residents to be involved in both management and self-sufficiency opportunities. Initiatives are currently in place that will

extend throughout next year to afford public housing residents opportunities for meaningful management participation. These initiatives include the following:

1. HACP encourages the continued development of Resident Councils. Each public housing development has an active council. The property manager and ROSS coordinator attend and participate in each monthly resident council meeting.
2. The Resident Advisory Board (RAB) is made up of resident council members of the executive board who meet quarterly to review policy changes, CFP performance reports and provide meaningful input.
3. The Executive Committee members of each resident council meet with the Executive Director and staff liaison quarterly or as needed to discuss management issues.
4. HACP provides funding (when available) 24CFR 964.150 for Tenant Participation and offers assistance with administrative oversight.
5. HACP is a HUD-Certified Housing Counseling Agency offering pre-purchase counseling. It has been the mission of the HACP to promote nondiscrimination and ensure that fair housing practices are compliant and will continue to work collaboratively with Paterson's Department of Community Development in reducing housing discrimination and Affirmatively Further Fair Housing (AFFH), whereby, residents can make informed housing choices. Housing counseling classes are offered monthly and residents are encouraged to participate. In addition, Section 8 residents are informed of the use of vouchers to purchase a home. HACP works closely with financial institutions and families to secure mortgages. The participants receive pre and post homeownership counseling sessions, as well as money management, credit history reports, predatory lending practices and maintenance. HACP has a HUD-Certified Professional Housing Counselor on staff to provide homeownership counseling for first-time homebuyers. Annually, the HACP in partnership with service and financial providers connect residents with services and financial resources through an educational social event.
6. HACP received approval from HUD to participate in HUD's Rental Assistance Demonstration (RAD) program. RAD was created in order to give public housing authorities (PHAs) a powerful tool to preserve and improve public housing properties and address the \$26-billion-dollar nationwide backlog of deferred maintenance.

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

The Housing Authority of the City of Paterson is not designated as "troubled".

Discussion

The City will continue to work with the HACP to create new affordable housing opportunities in mixed-income communities that benefit public housing residents in the City. These developments are assisting the City to revitalize once troubled neighborhoods into more stable communities.

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

Introduction

The City of Paterson primarily uses their ESG and HOPWA funds to address the needs of homeless and other special needs populations. In addition, HOME funds have been used to address the housing needs of seniors and the City has committed to using HOME funds to develop affordable housing for veterans.

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

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

The City uses ESG funds to provide resources to perform outreach, assessment and referral services to homeless persons. During the 2020 program year, the City allocated resources to Paterson Relief to perform street outreach and referral services; however, the organization is not included in the HIMIS system and therefore is not eligible for ESG funds. As a result, the City does not fund an organization to perform outreach services. The City does work in conjunction with the CoC to address outreach efforts in the area.

The state funded outreach provider is St. Joseph's Medical Center, the County's PATH Provider, which conducts daily street outreach with a focus on engaging those with severe mental health issues in supportive services. PATH services are an essential tool in outreaching to persons who, by virtue of disability, are not willing or able to engage unless provided with targeted outreach. Additional outreach agencies include Paterson Relief and congregational groups throughout the community. These agencies connect unsheltered households, specifically those that are hard to engage in services, to the coordinated entry system.

Passaic CoC has a 24/7 hotline as the single point of entry for emergency shelter and service referral. Outreach providers work to connect homeless households to the Housing Prioritization list through the Coordinated Assessment. This process allows clients to access permanent housing opportunities without having to engage in traditional shelter services.

The CoC's Coordinated Assessment Committee is committed to strengthening collaboration and communication amongst outreach service providers. By increasing participation from current outreach agencies, hard-to-serve clients will be quickly identified, screened, and prioritized for open vouchers and connected to services.

Agencies that are funded with HOPWA and Ryan White funding are able to conduct community and street outreach, and client peer referrals on a weekly basis to assess the needs of persons living with HIV/AIDS (PLWA) within the community. Additionally, case managers through weekly support groups are able to assess client needs, and during the initial intake and annual recertification process case managers carefully assess each individual's needs every six months. This helps clients work out a suitable plan of action that fits the client's needs for all of their HOPWA services, and stay engaged in medical care, by maintaining affordable housing, via virtual and face to face contact.

Addressing the emergency shelter and transitional housing needs of homeless persons

The City uses ESG funds to provide resources to several organizations that address the emergency shelter and transitional housing needs of homeless persons. These include assisting several emergency shelter and transitional shelter operations throughout the City. During the 2021 program year, the City has allocated resources to St Paul's CDC and St Peter's Haven to assist 56 homeless individuals and families with shelter services.

Although the number of emergency shelters and transitional housing for homeless persons and their family's within Passaic and Bergen Counties remains challenging due to a lack of capacity within each county, Sub-recipients in the TGA look to secure permanent and stable housing for clients as they are transitioning from emergency sheltering situations.

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

Through its ESG funding, the City will support the efforts of organizations that provide supportive services to homeless individuals and families to assist them in transitioning into permanent housing. Such services include assistance with first month's rent, security deposits, and utility deposits. During the 2021 program year, the City will allocate resources to an organization that provides rapid rehousing services to households who have become homeless and assist them in accessing affordable housing opportunities.

Preventing PLWH persons from becoming homeless are accomplished in various ways: Ryan White tracking, SPNS Program, and through other HOPWA service deliveries; paying shut off notices, assisting with back rent payments for up to 21 weeks, assisting clients with filling out applications for HOPWA Housing and Section 8 vouchers, providing nutritional assistance and food pantry referrals, and with access to separate programs for emergency medication, medical copays, and covering health insurance premiums, so that consumers do not have to decide on whether to spend their money on rent or on other pressing needs at the moment.

In addition, each consumer is enrolled in housing case management services. Housing Case Managers complete an assessment of the client's historical barriers to stable housing. A plan is developed to address and identify barriers. Each consumer is enrolled in housing case management undergoes a budget analysis. The budget analyst provides insight and guidance on fixed cost verses flexible expenses. This allows clients to modify their budget and spending plans. Also agencies obtain of landlords who participate in affordable housing programs.

The Housing Authorities in both Bergen and Passaic Counties apply for and are awarded Continuum of

Care (CoC) grant funding from HUD to assist with permanently housing chronically homeless individuals. The CoC grant vouchers combine support services with rental assistance to ensure that the most vulnerable populations receive the support they need in order to remain successfully housed.

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

Through its ESG funding, the City will support the efforts of organizations that prevent homelessness, for households who are about to be evicted and face homelessness and for individuals who experience substance abuse issues, mental health challenges and are being discharged from institutional care. Such services include providing up to three months of past rental payments and assistance with outstanding utility expenses. During the 2021 program year, the City will allocate resources to an organization that provides homeless prevention services to low-income at risk households.

HOPWA clients are immediately linked to medical care, clinical care and support services upon registering for HOPWA services. HOPWA case managers help to facilitate the client's access to these services by providing transportation assistance to medical care and social service places. Clients are helped into medical care by completing a health literacy assessment which provides insight into the client's knowledge and understanding of medications, lab values, insurances, health conditions etc. Extremely low-income individuals who are exiting shelters are assisted with security deposits and short-term rental assistance so that they can move and remain into permanent housing.

Discussion

The City will continue to support the efforts of local and regional organizations that provide housing and supportive services to homeless and non-homeless special needs individuals and families.

The housing needs within the Bergen/Passaic TGA continue to be increasingly difficult as the number of clients and their families needing access to care and services has increased. Stable affordable housing remains critical for most clients in the TGA when it comes to accessing and staying engaged in medical care. The goal for the HOPWA program in 2021 is to continue to assist and maintain as many LMI HIV/AIDS persons and their families to access HOPWA services to avert housing crisis. We continue to work with HOPWA sub-recipients to regularly evaluate spending and outcomes, making adjustments to service delivery to utilize funds as efficiently as possible to maximize outcomes. The City remains vigilant in our effort of reducing and ending homelessness in 2021.

AP-70 HOPWA Goals– 91.220 (I)(3)

One year goals for the number of households to be provided housing through the use of HOPWA for:	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	259
Tenant-based rental assistance	97
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	0
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	0
Total	356

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

Introduction:

The Department of Community Development continues to implement several strategies to eliminate barriers to affordable housing. These strategies include the expansion of affordable housing opportunities with funding made available through the HOME Program, the First-Time Homebuyer Program, a renewed commitment to expanding housing through the CHDO program, construction of affordable rental housing and/or the conversion of those new construction HOME funded units that have remained unsold due to the economy.

While the Coronavirus pandemic has created huge challenges for every household in the City, some are facing severe problems of homelessness, food shortages and utility shut off. The City is using Coronavirus funding to address many of these challenges but they are increasing the barriers to affordable housing. Historically, the primary barrier to affordable housing has been the continued cuts in federal funding and the limited availability of other sources to provide long-term housing, especially housing for special needs populations. The rents that landlords charge continue to rise, while the numbers of new affordable units have not increased at a pace that keeps up with demand. The waiting lists for permanent housing programs such as the HOPWA assistance programs, Section 8 Housing Voucher program, and HIV residence facilities throughout Bergen and Passaic Counties continue to be a barrier. The rising cost of food, and the lack of available jobs makes it difficult for clients to secure sustainable employment sufficient to support their households. There are declines in the ability to obtain and or maintain medical insurance and healthcare. Maintaining income and employment are partially due to an unskilled workforce and language barriers in conjunction with rising cost of living for essentials such as rent, security deposits, utilities, food, and transportation.

It continues to be difficult meeting the housing needs of people living with HIV/AIDS with the continuing rise in rents, and the lack of residence facilities, as well as the waiting list for Section 8.

An increasing challenge that the City faces in delivering affordable housing is the ever-increasing myriad of rules, regulations, requirements, reporting and planning imposed by HUD to implement the four HUD-funded programs. Due to funding cuts from HUD, the City is working with a skeletal staff and yet HUD expects more and more from the City leaving little time to devote to working with new grantees and cultivating additional resources to supplement our community development efforts.

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

To encourage more “developer” participation, the Department continues to seek ways to improve the capacity of the local housing development organizations and to streamline various aspects of the funding

proposal, contracting and the procurement process. Over the past five years, these improvements in our process have enabled us to deliver close to 70 units of affordable rental and homeownership housing units with close to 50 additional units in the pipeline.

Notwithstanding the above, the current reality is the cost of housing; economic structure and the tax structure within the City of Paterson all have major impact on the development, improvement, and maintenance of affordable housing. The negative impacts of the Coronavirus pandemic will compound these problems, especially housing affordability. The City's focus over the next five years will be to work with our current development partners such as NJCDC and Paterson Habitat for Humanity to deliver more housing units. The City is also forging new relationships with two for-profit development partners to deliver close to 150 units of affordable rental housing units in mixed use and mixed-income developments in the City. One development consisting of 72 units, including 15 HOME-assisted units, is under construction and a second with 75 units, of which 10 will be HOME-assisted units, is included in the 2021 Plan. We will also focus our efforts on increasing our outreach efforts for our first-time homebuyer program to increase participation and provide rehabilitative dollars to current homeowners to perform essential improvements to stabilize low to mod income area neighborhoods, generate pride and a renewed interest for new homebuyers.

Consistent with the objectives and priority needs identified in the City's Consolidated Plan; the City will continue to:

- Review alternative funding sources to maximize use of HUD funds, such as seeking other public funding sources, private investment and increasing the efficiency of program operations.
- Foster greater sharing and coordination of information among agencies and citizens.
- Where/when possible, offering help to residents in need of obtaining and retaining affordable housing.

Discussion:

The City is working with our consultants to draft a current Analysis of Impediments to Fair Housing Choice report. We anticipate this report will be ready during the 2021 program year.

AP-85 Other Actions – 91.220(k)

Introduction:

This section is a summary of other actions taken by the City to address the needs of its citizens.

Actions planned to address obstacles to meeting underserved needs

The City's Affirmative Marketing Plan applies to all low- and moderate-income housing units created in the City 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 within Paterson's housing region, regardless of color, race, gender, religion, handicap, sexual orientation, gender expression, age or number of children (unless units are age-restricted) sex, age or number of children (unless units are age-restricted), familial status or national origin 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
- Arab Voice
- El Especialito

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. Contact 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

Actions planned to foster and maintain affordable housing

All HOME-assisted projects must remain affordable to and occupied by low and/or moderate-income households. The table below provides the minimum period of affordability over which HOME-assisted units must remain affordable.

HOME Investment Per Unit	Minimum Affordability Period
Under \$15,000.00	5 years
\$15,000.00 to \$40,000.00	10 years
Over \$40,000.00	15 years
New Construction or Acquisition of New Units	20 years

The City continues to monitor its past and current sub-recipients to ensure their compliance with the long-term affordability requirements of the HOME program. A program monitor has been specifically assigned to review compliance via on-site inspections as set forth in the HOME regulations. These on-site inspections are conducted at minimum once every three year with a review of tenant recertification every program year.

The City may use either the Resale or Recapture provisions to ensure compliance with HOME regulations, depending on the particular program or neighborhood goal that the City has identified. The City uses the recapture provision for its homebuyer program that provides direct assistance to homebuyers with down payment and closing costs; whereas, the resale provision is used for the homebuyer program that assists homebuyers through subsidies for the construction and rehabilitation of for-sale units. A more detailed explanation is included in the Grantee Unique Appendices attached to this 2020-24 Con Plan.

The City of Paterson will utilize the uncapped and capped income limits for the CDBG and HOME programs as outlined in the table below:

<u>Uncapped Income Limits vs Capped Income Limits</u>
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Uncapped Income Limits	Capped Income Limits
First-Time Homebuyer (HOME)	Rental Housing Development (HOME)
Homeowner Housing Development (HOME)	Public Services Programs (CDBG)
Homeowner Rehab (CDBG)	Public Facilities (CDBG)

Actions planned to reduce lead-based paint hazards

A large portion of the City of Paterson's housing stock was built before 1978, when the use of lead-based paint was standard. As a result, we have historically had to implement and/or participate in various programs that aid in eradicating this situation.

The adoption of the City of Paterson's Lead Ordinance was implemented to provide notice and to give owners and occupants insight as to whether lead hazards are present or not in a rental property, prior to occupying the dwelling unit or property. After the inspection is completed, a certificate with the raised City seal is given to the owner within two weeks and a copy of the certificate is mailed to the tenant. The certificate is part of the process necessary to obtain a re-rental certificate.

The Paterson Division of Health provides nursing case management, lead inspections and free blood lead screenings to children. Public health nurses are assigned to families of children who have elevated blood lead levels. Scheduled home visits are made by public health nurses who perform physical, social and developmental assessments; provide health education, and make referrals to other community agencies. Lead inspections of the residence are performed by a certified lead inspector/risk assessor to determine if the source of the lead is the paint; which is usually the case.

In addition to lead paint being the main source of poisoning in children, it has been determined through nursing case management assessments that sources such as pottery, spices and jewelry from different countries contribute to a small percentage of the cases. Free blood lead screenings are offered to children from 6 months of age at the Paterson Division of Health each Wednesday.

The Department of Community Development in conjunction with the City of Paterson's Department of Health & Human Services, expect to continue using the following strategies to evaluate and reduce lead-based paint hazards:

- Require trained lead inspector/risk assessors licensed by the State of New Jersey Department of Health and Human Services in the Paterson Division of Health to periodically inspect abatement projects.
- 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.
- Educate First Time Homebuyers on both the dangers of lead poisoning and measures to prevent

lead poisoning.

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

Actions planned to reduce the number of poverty-level families

The City's strategy to reduce poverty remains the same, by empowering low income individuals and families via our neighborhood assistance referral programs; offering qualified applicants rehabilitative dollars thereby improving neighborhoods; encouraging revitalization within the targeted neighborhoods, reducing the housing cost burden of families of poverty and low income, as well as improving the housing stock.

The City will use our prior year CDBG resources to focus on social services that assist poverty-level families. Job creation will be a major focus. Working in conjunction with the Division of Economic Development, we will focus on assisting current businesses with regard to expansion; as well as encouraging new startup businesses via our business loans and tax base enhancements; with the specific goal of job creation. By accessing other funds, the City will work to provide employment opportunities within the community where people live. The City is committed to improving our Section 3 employment and contracting policies on all applicable contracts, ensuring outreach to low-income City residents when job opportunities are created by HUD-funded activities.

The City will use prior year CDBG resources to work 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. 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 and address substance abuse and mental illness, 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.

Actions planned to develop institutional structure

The Department has advised staff members working on HUD-funded programs to continue participating in the One CPD training portal that offers diverse webinars which aid in the efficient management of all our government-approved funding sources.

The Department staff will continue to participate in training sessions when applicable, that are offered at the HUD Newark Field Office and/or, in close proximity of Paterson, NJ. The City is consistently exploring ways of reducing costs so overnight travel is limited.

The City requires its grantees of HOME housing development funds and CDBG public facilities and public improvement funds to use their best efforts to ensure local hiring and contracting with local minority-owned, women-owned and disabled-owned enterprises. Grantees are strongly encouraged to provide job training, employment and contracting opportunities to extremely low- to moderate-income individuals City residents in accordance with Section 3 requirements. Each year the City monitors the progress of our grantees to ensure that we are creating local employment opportunities and supporting MBE, WBE and DBE businesses.

The Department has staff members who are fluent in Spanish to meet the needs of our residents who have a limited English proficiency (LEP) and their primary language is Spanish. LEP City residents whose primary language is other than Spanish are entitled to a translator free-of-charge.

The City has been awarded a Service Agreement with Rutgers, The State University of New Jersey. The purpose of this agreement is to provide local planning technical assistance services for the Together North Jersey Local Government Capacity Grant Program, which has been executed by the North Jersey Transportation Planning Authority, Inc. (NJTPA) and New Jersey Institute of Technology (NJIT). The purpose of same is to conduct a study on Crime Prevention through Environmental Design (CPTED) by surveying selected areas of the City to assess how community safety and the perception thereof, can be improved through designing a physical environment that positively influences human behavior. CPTED is a community toolkit designed for identifying, preventing and solving local crime problems, as well as promoting business and economic development.

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

As with past years, the review and recommendations of the requests for proposals received for Community Development Block Grant and HOME Investment Partnership Program funding were conducted by review teams comprised of staff members and consultants. The recommendations made by the review teams were scored and ranked and then forwarded to the Mayor for his consideration. All final recommendations are set forth in a resolution and approved by the Municipal Council. Citizen

participation and public comments are encouraged throughout the planning process prior to submitting the 2021 Annual Action Plan to HUD for approval.

The City also continues its participation with the CoC, which is administered by the Passaic County Department of Human Services. A representative from the Department attends the CoC meetings, which are held monthly, and receives input on how the City allocates its ESG funding. The City coordinates our funding priorities based on needs identified by the CoC.

Finally, the City coordinates our housing development strategies with HACP to assist with funding opportunities and to strengthen future developments of HACP with housing programs of other organizations receiving City assistance. The City is using old HOME funds to assist HACP with the development of their veterans housing development. HACP is allocating project-based vouchers to a new rental housing development for seniors that the City has committed prior year HOME resources to.

Discussion:

The previous sections describe other actions to be taken by the City in addressing obstacles to meeting underserved needs, plans for fostering and maintaining affordable housing, reducing lead-based paint hazards, reducing the number of families living at the poverty level, developing institutional structures, and coordinating with public and private housing and social service agencies.

Program Specific Requirements

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

Introduction:

This section is a summary of program specific requirements for CDBG, HOME, ESG and HOPWA programs.

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(l)(1)

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

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

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	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 City does not intend to use its HOME funds for any form of assistance that is not set forth in 24

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CFR 92.205b.

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:

When the City uses HOME funds to assist homebuyers and developers, either nonprofit, for profit, CHDO or subrecipient developers, the City uses either the resale or recapture provisions as identified in CFR 92.254 and described below.

Direct Homeowner Assistance – All homebuyers provided HOME funds for down payment assistance who transfer ownership of the property during the affordability period are subject to recapture provisions found at CFR 24 CFR 92.254 (a)(5)(ii)(A)(4), **recapture of net proceeds; owner investment returned first**. The City will impose these recapture provisions by written agreement in the form of a recorded lien / deed restriction on the property that stipulates the homeowner must use the HOME-assisted unit as their principal residence and stipulates the terms of the recapture provision. If the homebuyer **transfers title** of the property either voluntarily (including by sale) or involuntarily (including by foreclosure) during the affordability period, the homebuyer will be required to pay the City up to, but not greater than, the entire amount of the total direct HOME assistance provided. The homebuyer, however, will be permitted to recover their entire investment, including any out-of-pocket closing costs and any capital improvements (as defined below) made by the homeowner since purchase, prior to the City recapturing up to the full amount of the HOME investment. If there are no net proceeds, as defined as the sales price minus superior loan repayment (other than HOME funds) and any closing costs, after the homeowner recovers their investment, repayment is not required and the HOME Program requirements are considered to be satisfied. In the event the net proceeds are greater than the remaining balance of the total direct HOME assistance provided, then the homebuyer will retain the excess net proceeds.

If the homebuyer **ceases to occupy** the home, leases the home or converts the home to non-residential use, the owner will be in default of the terms of the HOME agreement and the full HOME investment in the activity, including any direct homebuyer assistance provided by the City, all City soft costs, and any City development subsidy, are subject to repayment.

Developer Assistance – When the City uses HOME funds to assist with the construction cost, the City will use the **Resale Restrictions** found at CFR 24 CFR 92.254 (a)(5)(i) to ensure that HOME funds are used to preserve affordability of the HOME-assisted unit. The affordability period will be based on the total amount of HOME funds used to assist the property. The City will place a deed restriction on property that stipulates the homeowner must use the HOME-assisted unit as their principal residence. Upon resale, the HOME-assisted unit must be affordable to a range of low-income homebuyers between 50% and 80% of AMI (as defined by HUD); however, the sales price at resale of the HOME-assisted unit must provide the homeowner with a fair return on their investment (as defined below). The original homeowner must sell to another Low-Income homebuyer (as defined by HUD), with the

home being affordable to the new buyer and the new homebuyer must maintain the home as their primary residence. The new homebuyer may not pay more than 33 percent of gross income for Principal, Interest, Taxes and Insurance (PITI). To ensure the continuation of the resale provisions for the balance of the affordability period, the City will impose by written agreement in the form of a recorded lien / deed restriction on the property that stipulates the new homebuyer must use the HOME-assisted unit as their principal residence and stipulates the terms of these resale provisions. These restrictions will be in place for the remaining term of the affordability period.

Fair Return on Investment: A fair return is defined as **the lesser of** a four (4) percent annual appreciation on the homeowner's original investment (including out-of-pocket down payment and closing costs) in the HOME-assisted unit plus any principal payments made on the first mortgage loan and the costs of any capital improvements to the property (as defined below) since the purchase OR the original investment in the home plus principal payments made on the first mortgage loan and the costs of any capital improvements, as adjusted by the accumulated percentage of change in the COAH Regional resale increase during the period of ownership as per N.J.A.C. 5:94-7.2 (b). The resale price based on a fair return on investment is not guaranteed. If the resale price exceeds the actual market value of the HOME-assisted unit, the original homeowner may have to sell the HOME-assisted unit at the lower price.

Capital Improvements Capital improvements are defined as improvements made to the property that add value (such as kitchen remodel, new roof or HVAC system, new or renovated bathrooms or adding to the size of the house) as documented by receipts of the costs. Cosmetic improvements (such as painting, flooring or new appliances) do not constitute capital improvements.

In instances where the sales price required to provide a fair return to the homeowner exceeds the sales prices to make the property affordable to households below 80% of AMI, the City will provide additional subsidy funding to the subsequent homebuyer to ensure affordability.

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:

The City will not be using its HOME funds to acquire affordable housing units; however, in instances where HOME funds are used to acquire affordable housing unit by low- to moderate-income homebuyers, the City will use the Resale and Recapture provisions listed above.

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:

The City will not be using its HOME funds to re-finance existing housing debt for multifamily housing

that is being rehabilitated with HOME funds.

**Emergency Solutions Grant (ESG)
Reference 91.220(l)(4)**

1. Include written standards for providing ESG assistance (may include as attachment)

In August 2016, the CoC adopted their policies and procedure manual that outlines eligible programs for funding. These include nonprofit organizations, state governments, local governments and instrumentalities of State and local governments. The policies manual also describes the eligible applicants, defines the four categories of homeless (literally homeless, imminent risk of homelessness, homeless under other federal statutes and fleeing/attempting to flee domestic violence) and documents which categories are eligible for the different funding. The CoC Policies and Procedures manual also outlines that the CoC will place a prioritization for funding on households under Category 1 (literally homeless), those experiencing the longest length of homelessness and those that have the highest needs. There is also a description of the required documentation that applicants must collect to determine homelessness as well as the length of time that assistance will be administered. These policies and procedures are on file at the Department of Community Development and the City's written standards are attached in the Grantee Unique Appendices.

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

The City 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 CoC, recognized by HUD as the local planning and decision-making body on programs funded with HUD's homeless assistance programs.

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. The CoC has provided grant funding to NJ-211 to be the single point of entry for the coordinated assessment process. NJ-211 is the virtual Coordinated Assessment access point accessible to the community via telephone availability 24 hours a day 7 days a week. NJ211 strives to make materials and phone conversations accessible to persons with limited English proficiency through translation. NJ211 is a key partner in conducting point of entry referrals into shelters, permanent housing, and services. The Continuum of Care's Coordinated Assessment system covers the entire Passaic county geographic area through strategic outreach from PATH and SSVF partners. Strategic outreach covers the CoC's geography annually, but also proactively outreaches to the hardest to serve individuals who are not actively seeking services who are identified or staying in known locations.

As part of the coordinated system, the CoC has created a Housing Prioritization Tool (HPT) to assist the most vulnerable households in the Coordinated Assessment system.

Using the tool ensures that people with the greatest needs will be prioritized when housing providers are seeking referrals for permanent supportive housing and rapid re-housing placements. The CoC tracks the length of time clients remain on the list and where clients are discharged to, ensuring the effectiveness of the CoC and the prioritization process. The CoC can monitor bed availability in real-time for housing projects using Homeless Management Information System.

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 City is an active member of the CoC and attends the monthly CoC meetings to coordinate the City's efforts in the ESG program with the programs of the CoC.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

The City attends the monthly meetings of the CoC to coordinate the services funded by the City with those provided by other organizations in the County. The City held conversations with the Chair of the CoC and the CoC's consultants to discuss funding priorities in the County and obtain feedback on the ways in which the City should allocate its allocation of ESG funds. It was determined that the CoC is focusing their resources on permanent housing with supportive services to address the issues of homelessness in the County. They view this as the optimal strategy for assisting homeless and at-risk individuals and families. While the CoC is focusing their efforts on permanent housing for homeless and at-risk homeless individuals and families, the City is using their HESG funding to address the other areas in the spectrum of continuum of care for homeless individuals and family. These include homeless prevention and rapid rehousing, assisting the operations and essential services provided by emergency shelters, assisting the operations and essential services provided by targeted transitional housing and funding rapid rehousing initiatives. This coordinated approach between the CoC and the City is helping to ensure that all services are available to the population of homeless individuals and families.

In order to allocate ESG funds to subrecipients, the City issues an RFP notifying the public of the availability of funding. We advertise that the RFP is available in the various City newspapers. The City also holds public meetings notifying the service provider agencies that funds are available. Applications that are received by the deadline are submitted to the City ESG review

committee to review and rank according to merit and eligibility. A member of the CoC serves on the review committee. Each proposal must meet certain criteria including they have to be in operation as a service provider for at least 5 years, be in good standing with the State of New Jersey and serve populations within the City. Once the applications are reviewed and rank funding determinations are made based on those applications that received the highest scoring.

For the HOPWA program, the Department of Health and Human Services works with a regional Planning Council to assist the City in allocating resources to the various organizations that serve the regional population of persons living with HIV/AIDS.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

The City of Paterson will meet the homeless participation requirements as set forth in 24 CFR 576.405(a)

5. Describe performance standards for evaluating ESG.

The current performance standards are as follows:

- At least 80% of persons exiting permanent housing programs have been stable in housing for six months or longer.
- At least 70% of households exiting transitional housing exit to a permanent housing placement.
- At least 20% of all households exiting any program supported with HESG funds through the City will have employment income.

By adhering to these performance standards, the City anticipates that they will be more effective at designing their programs so that homelessness is effectively shortened and reduced. The City will use the performance standards in determining success rates their individual grantees have at addressing the issue of homelessness. Those grantees that are able to document success through meeting or exceeding the performance measures will be given priority consideration for future funding from the City. Those grantees that fall short of meeting the performance standards will be recommended for technical assistance to identify obstacles in meeting the performance standards and help improve their program outcomes.

Discussion

Direct Homeowner Assistance – The City uses its HOME funds to assist low to moderate-income (below 80% AMI) households purchase affordable housing. Homebuyers are selected through an application

process on a first come, first served basis. Information on this program is available on the City website and at the offices of the Department.

Developer Assistance – The City uses its HOME funds to assist non-profit, CHDO and for-profit developers to develop affordable housing for low to moderate income (below 80% AMI) households. The City selects eligible developers through an RFP process with a committee to review and rank the proposals based on established criteria. Notices of availability of funds are advertised on the City website, in newspapers and at the Department offices.

Citizen Participation Comments

Grantee Unique Appendices