

DRAFT



City of Paterson

Annual Action Plan

2022-2023

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 2022 Annual Action Plan, which is the third (3rd) annual action plan of its 2020-2024 Five-Year Consolidated Plans. The 2022 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 2022 program year:

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

The 2022 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 on January 1, 2022 and concludes on December 31, 2022. During 2021, the City revised its year end from June 30 to December 31. 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, very low, low and moderate incomes (LMI), 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 LMI population.

The City issues an RFP to solicit requests for funding from qualified applicants for all HUD-funded programs. The RFPs are available in DCD's office 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 2022 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 2022 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 LMI households and assist LMI first-time home buyers with down payment and closing costs. CDBG funds will be used for public services, eliminate slums and blight, improve parks in LMI neighborhoods, provide workforce readiness, education and training, improve public facilities and promote fair housing. All CDBG funds will be used to assist LMI individuals and households. 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 extremely low to very low income homeless individuals and families. HOPWA funds will be used to support case management, tenant based rental assistance and other related services for extremely low to very low income 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 2021 program year totaling \$5.7 million. The City and its community partners used these funds to address the priorities outlined in the 2021 Annual Action Plan. During the 2021 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 used HOME funds to partially finance the development of 150 affordable housing units, of which 25 will be HOME-assisted units. New Jersey Community Development Corporation (NJCDC) received HOME funds to develop four units of affordable rental housing along Wayne Avenue. This project is currently under construction. The City used HOME funds to assist ten

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, the City did not allocate 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 15 homeowners during the 2021 program year with our Homeowner Rehab Program using prior CDBG funds.

HESG funds were used to fund shelter operations at two 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 2021 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 2022 Annual Action Plan Calendar of Events, the Department held two public meetings in preparation of the 2022 Annual Action Plan. The first in-person public meeting was held on August 11, 2021 and a second virtual public meeting was held on June 21, 2022. During both public meetings, the City solicited needs and priorities from the community through a needs survey. At the August 11, 2021 meeting, the City held an application workshop in conjunction to assist applicants with their proposals and answer questions. The deadline for the applications were due back to the City on August 20, 2021.

The City held a public meeting on June 21, 2022 at a City Council workshop meeting, where the first draft of the Annual Action Plan budget resolution was presented to the public and City Council members for consideration. The City's staff also presented the Annual Action Plan resolution to City Council members during the Council regular meeting on June 28, 2022. At this meeting, the recommended proposed projects were approved by the Municipal Council. This meeting was televised. Notices of the public meetings and the availability of funds are published in the Herald News/Bergen Record, El Especialito Newspaper and the Arab Voice. There were some verbal comments from the public at these meetings.

Copies of the draft 2022 Annual Action Plan were made available to citizens for public comments from June 29, 2022 to July 29, 2022. 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 12 needs surveys from residents. 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 that 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. 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 & Human Services |
| HOME Administrator | PATERSON | Department of Community Development |
| ESG Administrator | PATERSON | Department of Community Development |
| HOPWA-C Administrator | | |

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

City of Paterson

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

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(I))

The Department attends the monthly meeting of the Passaic County Continuum of Care (CoC) to coordinate the delivery of services to the homeless population 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 communities. 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 transitional housing facilities. 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 Services - Housing Services-homeless 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 meets with representatives of HACP at the Mayor's Cabinet meeting 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 Market Analysis |
| | 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 | Other government - Local Grantee 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 Neighborhood Organization |
| | What section of the Plan was addressed by Consultation? | Housing Need Assessment Homeless Needs - Chronically homeless Homelessness Needs - Veterans 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-Health 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-Education 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 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 - Housing Services-Children 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. |
| 13 | Agency/Group/Organization | Chosen Generation |
| | Agency/Group/Organization Type | Health Agency Neighborhood Organization |
| | What section of the Plan was addressed by Consultation? | Other – Substance Abuse Counseling |

| | | |
|----|--|---|
| | 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. |
| 14 | Agency/Group/Organization | Mr. Gs Kids |
| | Agency/Group/Organization Type | Services-Children Health Agency Neighborhood Organization |
| | What section of the Plan was addressed by Consultation? | Other – Mental Health |
| | 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. |
| 15 | Agency/Group/Organization | Paterson Public Library |
| | Agency/Group/Organization Type | Services - Children Services - Education |
| | What section of the Plan was addressed by Consultation? | Other - 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. |
| 16 | Agency/Group/Organization | Paterson Fire Department |
| | Agency/Group/Organization Type | Services - Housing |
| | 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 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, many organizations that were provided CDBG resources in 2019, 2020 and 2021 have not spent all of their CDBG funds. As a result of these excess prior year funds, the City is not funding organization that have remaining balances until the City is satisfied that they will be able to spend their CDBG resources in a timely manner.

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 Citys 2022 Annual Action Plan. |
| Five Year Master Plan | Paterson Department of Economic Development | The Citys 2022 Annual Action Plan incorporates elements of the Citys 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 Citys 2022 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 2022 Annual Action Plan Calendar of Events, the Department held two public meetings in preparation of the 2022 Annual Action Plan. The first in-person public meeting was held on August 11, 2021 and a second virtual public meeting was held on June 21, 2022. During both public meetings, the City solicited needs and priorities from the community through a needs survey. At the August 11, 2021 meeting, the City held an application workshop in conjunction to assist applicants with their proposals and answer questions. The deadline for the applications were due back to the City on August 20, 2021.

The City held a public meeting on June 21, 2022 at a City Council workshop meeting, where the first draft of the Annual Action Plan budget resolution was presented to the public and City Council members for consideration. The City's staff also presented the Annual Action Plan resolution to City Council members during the Council regular meeting on June 28, 2022. At this meeting, the recommended proposed projects were approved by the Municipal Council. This meeting was televised. Notices of the public meetings and the availability of funds are published in the Herald News/Bergen Record, El Especialito Newspaper and the Arab Voice. There were some verbal comments from the public at these meetings.

Copies of the draft 2022 Annual Action Plan were made available to citizens for public comments from June 29, 2022 to July 29, 2022. The draft Annual Action Plan was available for viewing via the City's website (www.patersonnj.gov/cd).

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 Hearing | <p>Minorities</p> <p>Non-English Speaking - Specify other language: Spanish, Arabic</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p> | <p>At the 1st Public Meeting on August 11, 2021, there were 11 attendees. The City received and reviewed 12 needs assessment surveys. The City received 17 CDBG, 3 Home, 1 HESG and 6 HOPWA applications.</p> | <p>The City received 12 needs surveys from residents. Many of the requests were for more affordable housing and greater funding for services for youth, seniors and education.</p> | <p>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.</p> | |

| 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 | <p>Minorities</p> <p>Non-English Speaking - Specify other language: Spanish, Arabic</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p> | The 2nd Public Meeting was a virtual public meeting held on June 21, 2022. It is not possible to determine exactly how many people attended; however at least 5 people were in attendance. | There were no comments received. | There were no comments received. | |

| Sort Order | Mode of Outreach | Target of Outreach | Summary of response/attendance | Summary of comments received | Summary of comments not accepted and reasons | URL (If applicable) |
|------------|------------------|--|---|---|---|---------------------|
| 3 | Newspaper Ad | <p>Minorities</p> <p>Non-English Speaking - Specify other language: Spanish, Arabic</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p> | <p>Ads were placed in the following publications:</p> <p>a)Herald News/Bergen Record,</p> <p>b)El Especialito Newspaper</p> <p>c)The Arab Voice</p> | There were no comments received from the public | There were no comments received from the public | |

| 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 | Internet Outreach | <p>Minorities</p> <p>Non-English Speaking - Specify other language: Spanish, Arabic</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p> | The 2022 Annual Action Plan was made available to the public for comment on the City website for 30 days from June 29, 2022 to July 29, 2022. | There were no comments received from the public | There were no comments received from the public | www.patersonnj.gov |

| 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) |
|------------|------------------|--|--|---|---|---------------------|
| 6 | Public Meeting | <p>Minorities</p> <p>Non-English Speaking - Specify other language: Spanish, Arabic</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p> | The City secured approval of the 2022 Annual Action Plan from the Municipal Council at a Public Meeting held on June 28, 2022. | There were no comments received from the public | There were no comments received from the public | |

Table 4 – Citizen Participation Outreach

Expected Resources

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

Introduction

For the 2022 program year, the City anticipates receiving funding for four (4) entitlement grants from HUD has allocated \$5,797,636 to the City for the four programs, CDBG, HOME, HOPWA and ESG. The City will allocate these resources to the areas with the highest needs, including areas of minority concentration in the City, which include the 1st, 4th and 5th Wards. A brief description of the grants and the City's allocation for the 2022 program year follows:

- Community Development Block Grant (CDBG) – \$2,455,305 - 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% LMI individuals, households and/or families. During the 2021 program year the City did not receive any program income for the CDBG program to be included in the 2022 Plan.
- HOME Investment Partnerships Program (HOME) - \$1,228,480- The purpose of the HOME program is to develop affordable housing for LMI individuals, households 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 City did not receive any program income for the HOME program to be included in the 2022 Plan.
- Housing Opportunities for Persons with AIDS/HIV (HOPWA) - \$1,891,705 - 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 development of new and renovated housing units, social services, rental assistance and program planning.
- Emergency Solutions Grant (HESG) - \$222,146 - 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.

Anticipated Resources

| Program | Source of Funds | Uses of Funds | Expected Amount Available Year 1 | | | | Expected Amount Available Remainder of ConPlan \$ | Narrative Description |
|---------|------------------|---|----------------------------------|--------------------|--------------------------|-----------|---|---|
| | | | Annual Allocation: \$ | Program Income: \$ | Prior Year Resources: \$ | Total: \$ | | |
| CDBG | public - federal | Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services | 2,455,305 | 0 | 0 | 2,455,305 | 4,910,610 | The expected resources are based on the actual CDBG allocation from HUD for the 2022 program year. The City does not have any program income or any resources from prior years. |
| HOME | public - federal | Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA | 1,228,480 | 0 | 0 | 1,228,480 | 2,456,960 | The expected resources are based on the actual HOME allocation from HUD for the 2022 program year. The City does not have any program income or any resources from prior years. |

| Program | Source of Funds | Uses of Funds | Expected Amount Available Year 1 | | | | Expected Amount Available Remainder of ConPlan \$ | Narrative Description |
|---------|------------------|--|----------------------------------|--------------------|--------------------------|-----------|---|---|
| | | | Annual Allocation: \$ | Program Income: \$ | Prior Year Resources: \$ | Total: \$ | | |
| HOPWA | public - federal | Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA | 1,891,705 | 0 | 0 | 1,891,705 | 3,783,410 | The expected resources are based on the actual HOPWA allocation from HUD for the 2022 program year. |
| ESG | public - federal | Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing | 221,146 | 0 | 0 | 222,146 | 444,292 | The expected resources are based on the actual ESG allocation from HUD for the 2022 program year. |

Table 5 - Expected Resources – Priority Table

Annual Action Plan
2022

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 HESG 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 HESG 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, as well as 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 publicly 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 2022 program year, the City anticipates allocating resources to improve publicly-owned library buildings.

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. Program income in the HOME program is realized when homeowners pay off their HOME mortgage due to sale or refinance.

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 | 2020 | 2024 | Affordable Housing Public Housing | City Wide 1st ward, 4th ward and 5th ward | Affordable Housing | CDBG: \$658,415 HOME: \$1,105,632 | Rental units constructed: 10 Household Housing Unit Homeowner Housing Added: 2 Household Housing Unit Homeowner Housing Rehabilitated: 18 Household Housing Unit Direct Financial Assistance to Homebuyers: 6 Households Assisted |
| 2 | Public Services | 2020 | 2024 | Non-Housing Community Development | City Wide 1st ward, 4th ward and 5th ward | Community Development - Public Services | CDBG: \$368,295 | Public service activities other than Low/Moderate Income Housing Benefit: 505 Persons Assisted |
| 3 | Public Facilities & Infrastructure | 2020 | 2024 | Non-Housing Community Development | City Wide 1st ward, 4th ward and 5th ward | Public Infrastructure & Facilities Improvements | CDBG: \$1,595,949 | Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 44,854 Persons Assisted |

| Sort Order | Goal Name | Start Year | End Year | Category | Geographic Area | Needs Addressed | Funding | Goal Outcome Indicator |
|------------|-------------------------------------|------------|----------|----------------------------|--|---|-----------------------|---|
| 4 | Reduce Homelessness | 2020 | 2024 | Homeless | City Wide 1st ward, 4th ward and 5th ward | Housing and Services to End Homelessness | ESG: \$205,486 | Homelessness Prevention: 50 Persons Assisted |
| 5 | Assist Persons Living with HIV/AIDS | 2020 | 2024 | Non-Homeless Special Needs | City Wide Passaic County Bergen County | Address Needs of Persons living with HIV/AIDS | HOPWA: \$1,834,954 | 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 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 Services |
| | Goal Description | The City will provide assistance for the operations of non-profit public services providers. During the 2022 program year, this will include services related to enrichment programs for children and youth, after-school programs, and services for seniors and individuals suffering from mental health. |
| 3 | 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. |
| 4 | 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. |
| 5 | 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 2022 program year, the City anticipates assisting 10 low-income households with rental housing units, 18 low-income households with homeowner rehab assistance, two LMI household with new homeownership housing and six LMI first-time homebuyers.

Projects

AP-35 Projects – 91.220(d)

Introduction

During the 2022 program year ending 12-31-2022, 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 | 2022 CDBG Administration |
| 2 | 2022 Public Services |
| 3 | 2022 CDBG Public Facilities and Infrastructure |
| 4 | 2022 CDBG Homeowner Rehab Program |
| 5 | 2022 HOME Administration |
| 6 | 2022 First Time Homebuyer Program |
| 7 | 2022 CHDO Housing Development |
| 8 | 2022 HOME Housing Development |
| 9 | 2022 HESG Activities |
| 10 | 2022 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 as well as an assessment of the readiness of the project. 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. 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 priorities during any given year. Another obstacle with determining the allocation of the City's resources is many of the City's grantees are still behind with their work on projects funded with prior year City resources. This is predominately a result of the pandemic and the negative impacts on the economy such as labor shortages, supply chain issues and rising costs.

AP-38 Project Summary

Project Summary Information

| | | |
|---|--|--|
| 1 | Project Name | 2022 CDBG Administration |
| | Target Area | City Wide |
| | Goals Supported | Public Services, Public Facilities & Infrastructure |
| | Needs Addressed | Public Services, Public Infrastructure & Facilities Improvements |
| | Funding | CDBG: \$491,061 |
| | Description | Funding to administer the 2022 CDBG Program for the City of Paterson. |
| | Target Date | 12/31/2022 |
| | 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. |
| | 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. |
| 2 | Project Name | 2022 Public Services |
| | Target Area | City Wide 1st ward, 4th ward and 5th ward |
| | Goals Supported | Public Services |
| | Needs Addressed | Community Development - Public Services |
| | Funding | \$351,585 |
| | Description | Support funding for public services to LMI residents in the City. |
| | Target Date | 12/31/22 |

| | | |
|----------|--|---|
| | Estimate the number and type of families that will benefit from the proposed activities | The City will fund organizations that will provide services to 505 LMI residents, including children and youth, seniors and residents suffering from substance abuse and mental health issues. |
| | Location Description | Activities will be carried out throughout the City of Paterson (see the project descriptions for more actual locations) |
| | Planned Activities | <ol style="list-style-type: none"> 1. Chosen Generation will provide a recovery program to 30 LMI individuals from their facility at 147 Montgomery St. (\$100,000) 2. C-Line Counseling Center will provide substance abuse counselling and other social and health care services at their facilities located at 680 Broadway for 100 extremely low to low-income residents in the City. (\$60,000) 3. NJCDC will provide mental health services for 15 LMI individuals from their facility located on Birch Street. (\$75,000) 4. Catholic Families will provide seniors activities at 195, 211 and 225 20th Avenue to approximately 360 LMI seniors living in the City. (\$116,585) |
| 3 | Project Name | 2022 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: \$1,612,659 |
| | Description | Support funding for activities that will improve public facilities that benefit LMI 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 2022 program year, the City will implement public facility improvement projects that will benefit 44,854 LMI people. |
| | 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 | <ol style="list-style-type: none"> 1. Annual Lease Payments for construction equipment for the Fire Department. (\$104,523.43) 2. Paterson Public Library - The Library will remodel the security office to improve security at the Danforth Branch, located at 250 Broadway. This library serves a LMI population of 10,725. (\$205,000.00) 3. Paterson Public Library - The Library will remodel the public restrooms at the Southside Branch, located at 930 Main St. This library serves a LMI population of 18,723. (\$508,800.00) 4. Paterson Public Library - The Library will remodel the public restrooms at the Totowa Branch, located at 405 Union Avenue. This library serves the a LMI population of 15,406. (\$26,400.00) 5. TBD Projects – The City will use these CDBG funds to provide resources to viable public facilities projects in the City. (\$237,320.57) |
| 4 | Project Name | 2022 CDBG Homeowner Rehab Program |
| | Target Area | City Wide |
| | Goals Supported | Increase and Preserve Affordable Housing |
| | Needs Addressed | Affordable Housing |
| | Funding | CDBG: \$658,415 |
| | Description | The City will use CDBG resources to assist existing LMI homeowners with basic system and minor home repairs. |
| | Target Date | 12/31/2022 |
| | Estimate the number and type of families that will benefit from the proposed activities | The proposed activity will benefit 18 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 18 LMI homeowners with basic systems repair and other minor home improvements. (\$658,415) |
| 5 | Project Name | 2022 HOME Administration |
| | Target Area | City Wide |

| | | |
|---|--|---|
| | Goals Supported | Increase and Preserve Affordable Housing |
| | Needs Addressed | Affordable Housing |
| | Funding | HOME: \$122,848 |
| | Description | Administration of the 2022 HOME Program |
| | Target Date | 12/31/2022 |
| | 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. (\$122,848) |
| 6 | Project Name | 2022 First Time Homebuyer Program |
| | Target Area | City Wide |
| | Goals Supported | Increase and Preserve Affordable Housing |
| | Needs Addressed | Affordable Housing |
| | Funding | HOME: \$140,000 |
| | Description | Provide closing cost and down payment assistance to LMI households throughout the City of Paterson |
| | Target Date | 12/31/2022 |
| | Estimate the number and type of families that will benefit from the proposed activities | The City will assist six LMI households |
| | Location Description | The activity will be administered by DCD from their offices at 125 Ellison Street. |
| | Planned Activities | Provide closing costs and down payment assistance to six LMI first-time homebuyers to assist them in purchasing homes in the City of Paterson. The activities will be undertaken throughout the City based on a first come, first served basis. |

| | | |
|---|--|--|
| 7 | Project Name | 2022 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: \$184,272 |
| | Description | The City will provide HOME resources to a local CHDO to develop affordable housing units for LMI households in the City. |
| | Target Date | 12/31/2023 |
| | Estimate the number and type of families that will benefit from the proposed activities | The City anticipates assisting two LMI households. |
| | Location Description | The City will assist a local CHDO with HOME funds to develop affordable housing units at a TBD location in the City. |
| 8 | Planned Activities | The City intends to use its HOME funds to assist a local non-profit CHDO organization develop new affordable housing units for two LMI households. The City will select a CHDO through an RFP process with an experienced consultant to underwrite the proposal based on established criteria. |
| | Project Name | 2022 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: \$781,360 |
| | Description | The City will use HOME resources to fund affordable housing development activities that benefit LMI households. |
| | Target Date | 12/31/2023 |
| | Estimate the number and type of families that will benefit from the proposed activities | The City will assist 10 LMI households. |

| | | |
|---|--|---|
| | Location Description | The City will assist an affordable housing developer with HOME funds to develop affordable housing units at a TBD location in the City. |
| | Planned Activities | The City will utilize HOME funds to support the development of a new affordable housing development for eligible LMI households. |
| 9 | Project Name | 2022 HESG Activities |
| | Target Area | City Wide |
| | Goals Supported | Reduce Homelessness |
| | Needs Addressed | Housing and Services to End Homelessness |
| | Funding | ESG: \$222,146 |
| | Description | Funding for homeless prevention, rapid rehousing services for homeless and at risk households and funding for emergency and transitional shelter facilities. |
| | Target Date | 12/31/2022 |
| | Estimate the number and type of families that will benefit from the proposed activities | The City will assist 50 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 | <ol style="list-style-type: none"> 1. Program administration to cover the costs associated with administering the HESG program will be funded at 7.5% of the total grant. (\$16,660.00) 2. Heart of Hannah Women's Center will receive HESG funds to provide homeless prevention services for 50 extremely low-income City residents who are at risk of losing their homes. Although located at 421 Lakefield Avenue in Clifton, the facility will serve Paterson at risk households. (\$150,000.00) 3. The City will use HESG funds to assist local nonprofit organizations with addressing the issues facing the City's homeless population such as rapid rehousing, emergency shelters and transitional shelters. This activity will benefit approximately extremely low-income homeless households in the City. The City will identify a partner to administer this program. (\$55,486.00) |
| | Project Name | 2022 HOPWA Activities |

| | | |
|----|--|---|
| 10 | 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: \$1,891,705 |
| | Description | Provide support funding for organizations in the City of Paterson, Passaic County and Bergen County that assist extremely low to low-income residents living with HIV/AIDS. |
| | Target Date | 12/31/2022 |
| | Estimate the number and type of families that will benefit from the proposed activities | The City will assist 373 extremely low- to low-income persons living with HIV/AIDS |
| | Location Description | The City will provide services at the locations identified in the Planned Activities section. |

| | | |
|--|---------------------------|---|
| | Planned Activities | <p>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)</p> <p>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)</p> <p>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)</p> <p>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)</p> <p>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)</p> <p>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)</p> <p>Contingency- these funds will be allocated to the above six organization based on need: (\$85,519)</p> <p>Program administration to cover the costs associated with administering the HOPWA Program will be funded at 3% of the total grant. (\$56,751)</p> |
|--|---------------------------|---|

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 LMI 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 | 50 |
| Non-Homeless | 36 |
| Special-Needs | 373 |
| Total | 459 |

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

| One Year Goals for the Number of Households Supported Through | |
|---|-----|
| Rental Assistance | 423 |
| The Production of New Units | 12 |
| Rehab of Existing Units | 18 |
| Acquisition of Existing Units | 6 |
| Total | 459 |

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. Historically, the City has worked in partnership with the HACP to identify housing needs and provide resources to its residents. The City's entitlement programs are used 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. Unfortunately, HACP has not been forthcoming with information the City requires to compile the 2022 Annual Action Plan. In addition, HACP has not performed on their veterans housing development, creating a failed project in IDIS. This activity has been blocked by HUD in IDIS and the HOME funds are frozen. The City has asked HACP to repay the outstanding balance to the City, so the City can cancel this project in IDIS. The City is actively seeking HACP's cooperation to continue the partnership, specifically to finish the veterans housing development. If HACP is unable to continue with the veteran project, the City will seek legal action to obtain repayment of the HOME funds.

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, was 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 is working with Roizman Development as the developer of the veterans housing development, a 34-unit rental housing development in the 4th Ward. They have completed predevelopment work and were working on finalizing the required \$19 million in financing. HACP has committed project-based vouchers to subsize the rents. The City had committed \$1.4 million in previous year's HOME funds to this project; however due to significant delays with the project beyond the HOME deadline, the activity is blocked in IDIS and the HOME funds are frozen. Roizman anticipated submitting an application to the NJHFA in July 2021 for tax exempt bond financing. The City would like to restructure its involvement in the project; however we are unable to do so without cooperation from the development team.
- 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 completed construction. The 80-unit senior development is fully leased and HACP is in the lease

up phase of the 165-unit townhouse development. In addition, plans are in place to develop 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

Historically, HACP used their affordable housing units as a platform to encourage residents to be involved in both management and self-sufficiency opportunities. Initiatives at HACP are designed to afford public housing residents with opportunities for meaningful management participation. HACP did not participate in the publication of the 2022 Annual Action Plan, despite numerous requests. In the Past HACPs initiatives included 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. HACP also offers Fair Housing counseling to residents in the City. Housing counseling classes are offered monthly and residents are encouraged to participate. In addition, Section 8 residents are encouraged to utilize their voucher 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, etc. HACP has a HUD-Certified Professional Housing Counselor on staff to provide homeownership counseling for first-time homebuyers.
6. Annually, the HACP in partnership with service providers connect residents with services through a social event.

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

provided or other assistance

HACP is not designated as troubled.

Discussion

The City is hoping that HACP will cooperate with the City in restructuring the veterans housing development so we can continue our partnership in creating new affordable housing opportunities in mixed-income communities that benefit public housing residents in the City. Historically, these developments have assisted the City with revitalizing 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 HESG and HOPWA funds to address the needs of homeless and other special needs populations. In addition, CDBG funds have been designated to assist residents with mental health concerns and substance abuse challenges. 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 HESG funds to provide resources to perform outreach, assessment and referral services to homeless persons. Despite attempts to identify an organization to perform street outreach and referral services, the City has not been successful in finding an organization that performs these services and is eligible for HESG 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. Catholic Families and Community Services (CFCS) and Community Hope are partners we connect homeless Veterans through their SSVF outreach programs.

The 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.

The agencies that the City funded with HOPWA resources, are also Ryan White Part A funded. These

allows the HOPWA funded agencies 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 as they have other funding sources that covers those services. Additionally, the Ryan White and HOPWA case managers conduct virtually and face-to-face support groups to assess client needs. During the annual recertification process case managers are able to assess each individual. Case Managers assist clients work out a suitable plan of action that fits their needs and allows quick access to all HOPWA services. In addition, case managers assist clients stay engaged in medical care and maintain affordable housing.

Addressing the emergency shelter and transitional housing needs of homeless persons

In the past the City has used HESG 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 Coronavirus Pandemic, many of these agencies received substantial funding from State and County organizations to fund their organizations and did not require the assistance from the City through the HESG program. During the 2022 program year, these organizations continue to have ample funding sources so the City is dedicating our HESG resources to funding prevention and rapid rehousing services.

Although the number of emergency shelters and transitional housing for homeless persons living with HIV/AIDS (PLWH) within Passaic and Bergen Counties remains challenging due to a lack of capacity within each county, subrecipients in the Transitional Grant Area (TGA), and permanent housing for clients as they are transitioning from emergency sheltering situations. The City of Paterson under the direction of the Department of Health and Human Services is assisting the homeless population, an MSW staff is available and working on site with the homeless community in the City of Paterson.

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 HESG 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 2022 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 from becoming homeless are accomplished in various ways: Ryan White tracking, 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 referrals to other programs that provide additional services, 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 completes 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 a list 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 permanent rental assistance to ensure that the most vulnerable population receives 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 HESG 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 2022 program year, the City will allocate HESG resources to Heart of Hannah Women's Center to provide homeless prevention services to low-income at risk households.

Ryan White/HOPWA clients are immediately linked to medical care, clinical care and support services upon registering for Ryan white and HOPWA services. The Ryan White case manager helps to facilitate the client's access to the HOPWA services by referral to HOPWA TBRA assistance. 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 has formed an Innovation Team to address the issues facing the homeless population. This team is looking to address a magnitude of issues facing the homeless including the following:

The City is looking to identify a service provider that can assist the homeless, especially unsheltered homeless, in collecting proof of a homeless individual's identity where that individual has no proof in-hand. This would enable a Social Worker or a Shelter to request, on behalf of the client, documents from NJ Vital Statistics. With documentation of identity, the client could then apply for shelter, services and employment.

The City needs an organization that can work with the homeless to assist them with identifying and securing employment opportunities. The City would like to replicate a model like Ready Willing and Able.

The City is also looking to partner with more organizations that will coordinate outreach activities to the unsheltered homeless alongside Eva's Village. The primary focus of such outreach should be to successfully connect the unsheltered with services and to collect the names and vital information of the unsheltered for entry into HMIS to facilitate the Continuum of Care's case management for the unsheltered.

The housing needs within the Bergen/Passaic TGA continue to be increasingly difficult as the number of clients and their families needing access to medical care and other support 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 2022 is to continue to assist and maintain as many HIV/AIDS persons and their family's housed during this time of 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 2022.

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 | 270 |
| Tenant-based rental assistance | 97 |
| Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds | 6 |
| Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds | 0 |
| Total | |

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 and/or, construction of affordable rental housing.

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 there 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 affordable housing, especially affordable 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 sustainable jobs makes it difficult for clients to support their households. There are declines in the ability to obtain and or maintain medical insurance and healthcare. The challenges of 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 and difficulty in hiring qualified staff, 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 over units of affordable rental and homeownership housing units with requests for additional funding in greater excess than our resources.

Notwithstanding the above, the current reality is the cost of housing; economic structure and the tax structure within the City all have major impact on the development, improvement, and maintenance of affordable housing. The negative impacts of the Coronavirus pandemic and its aftermath have compounded these problems dramatically, 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. During 2021, the City forged new relationships with two for-profit development partners that are currently under construction with close to 150 units of affordable rental housing units in mixed use and mixed-income developments in the City. When completed, one of these developments will consist of 72 units, including 15 HOME-assisted units and a second will have 75 units, of which 10 will be HOME-assisted units. 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 LMI 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:

In December 2021, the City completed our Analysis of Impediments to Fair Housing and Four Factors Analysis and Language Access Plan. During the 2022 program year, the City is working with our community partners to address the needs identified in the report.

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 years 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 2022 Annual Action Plan.

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

| Uncapped Income Limits vs Capped Income Limits | |
|---|-----------------------------------|
| 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'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 City has been very successful in securing funding from various State and Federal sources to assist us with these efforts and, as a result, the issues of lead-based paint are not as severe as a decade ago.

The adoption of the City'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.

DCD in conjunction with the City'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 targeted neighborhoods, reducing the housing cost burden of poverty level and low-income households, as well as improving the housing stock.

The City will use our CDBG resources to focus on social services that assist poverty-level households. 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 some of our HUD resources to work with a wide range of social service agencies that provide direct services to low-income households. 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 through the HUD Newark Field Office and/or, in close proximity of the City. We are 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.

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 2022 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 HESG 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

| | |
|--------------------|----|
| Annual Action Plan | 60 |
| 2022 | |

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:

The description is too long to fit in this space. Please see the Grantees Unique Appendices

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 description is too long to fit in this space. Please see the Grantees Unique Appendices

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 September 2021, the CoC collaborated with the City to update their policies and procedure manual that outlines eligible programs for funding. The City provided key information for implementing ESG programs and CoC programs.

Eligible programs 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. Both ESG and CoC recipients are required to use the Homeless Management Information System (HMIS) for reporting. These policies and procedures are on file at

the Department of Community Development.

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 coordinate the assessment process for vulnerable households. 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. The CoC has expanded its coordinated entry system by funding Eva's Village to operate a program to reach unsheltered households in the community through case management and housing navigation. These efforts continue to improve access to housing and services for the most vulnerable.

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 HESG 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 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 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 HESG 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 HESG 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

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.

Direct Homeowner Assistance – The City uses its HOME funds to assist LMI (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 LMI (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.

Attachments

Citizen Participation Comments

Grantee Unique Appendices

AP-90 Program Specific Requirements HOME

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.

Grantee SF-424's and Certification(s)