

PATERSON NJ Consolidated Annual Performance & Evaluation Report (CAPER)

Fiscal Year 2005

1.	GENERAL REQUIREMENTS	1
A.	Evidence of Public Notice for CAPER Review.....	1
B.	Assessment of Progress toward Five-Year Goals	1
C.	Assessment of Progress toward One-Year Goals	1
D.	Impediments to Fair Housing and Actions to Overcome Them	6
E.	Affordable Housing Actions for Extremely Low and Low-Moderate Income Renters and Owners	6
	i. Actions Taken and Accomplishments to Meet Worse Case Needs	6
	ii. Actions and Accomplishments to Serve People with Disabilities	8
	iii. Number of Section 215 Housing Opportunities Created	8
F.	Continuum of Care Progress to Help Homeless People.....	8
	i. Actions to Meet Supportive Housing Needs.....	8
	ii. Actions to Plan and/or Implement Continuum of Care	8
	iii. Actions to Prevent Homelessness	9
	iv. Actions to Address Emergency Shelter Needs	9
	v. Actions to Develop Transitional Housing	9
G.	Other Actions and Accomplishments	10
	i. To Meet Underserved Needs	10
	ii. To Foster and Maintain Affordable Housing.....	10
	iii. To Eliminate Barriers to Affordable Housing	10
	iv. To Fill Gaps in Local Institutional Structure.....	10
	v. To Facilitate Public Housing Authority Participation/Role	10
	vi. To Reduce Lead-Based Paint Hazards.....	10
	vii. To Reduce Poverty	11
	viii. To Ensure Compliance with Program and Planning Requirements	11
H.	Leveraging of Public and Private Funds	11
I.	Summary of Citizen Comments	12
J.	Analyses of Successes and Failures and Actions Taken to Improve Programs	12
2.	COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM	13
A.	Relationship of Expenditures to Priority Needs	13
B.	Low-Moderate Income Benefit	13
C.	Amendments and Other Changes to Program	13
	i. Completion of Planned Actions to Pursue All Resources Identified in Plan	13
	ii. Completion of Planned Actions to Certify Consistency for Local Applicants for HUD Funds 13	
	iii. Completion of Planned Actions to Support Consolidated Plan Goals	13
D.	National Objective Failures (if any)	13
E.	Actions Taken to Avoid Displacement	13
F.	Compliance with URA	14
G.	Jobs Filled with Over-Income People	14
	i. Actions Taken to Give Priority to Low-Moderate Income People	14
	ii. Jobs Created and/or Retained and Those Made Available to Low-Moderate Income People 14	
	iii. Description of Training Provided to Low-Moderate Income People	14
H.	Limited Clientele Activities	14

i.	Nature of the Group that Allows Assumption of More Than 51% Low-Moderate Income	14
I.	Rehabilitation Accomplishments and Costs.....	14
i.	Units Completed for Each Type of Program	14
ii.	CDBG Expenditures for Rehabilitation.....	14
iii.	Other Funds Invested	14
iv.	Delivery Costs.....	15
J.	Neighborhood Revitalization Strategy Areas	Error! Bookmark not defined.
i.	Progress against Established Benchmarks in Beaver Falls, PA.....	Error! Bookmark not defined.
ii.	Progress against Established Benchmarks in Aliquippa, PA.....	Error! Bookmark not defined.
K.	CDBG Financial Summary Attachments.....	15
i.	Reconciliation of Cash Balances	15
ii.	Program Income, Adjustments and Receivables	15
3.	HOME PROGRAM	17
A.	Distribution of HOME Funds among Identified Needs	17
B.	HOME Match Report (HUD 4107A).....	17
C.	Contracting Opportunities for Minority/Women-Owned Business Enterprises	17
D.	Summary of Results of Onsite Inspections of HOME Rental Units	17
E.	Assessment of Effectiveness of Affirmative Marketing Plans.....	18
F.	Use of Program Income	18
4.	EMERGENCY SHELTER GRANT PROGRAM	19
A.	Description of How Activities Relate to Consolidated Plan and Continuum of Care.....	19
B.	Leveraging Resources	19
C.	Self-Evaluation	19
5.	HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS PROGRAM... ..	20
6.	IDIS REPORTS	22

INTRODUCTION

This Consolidated Annual Performance and Evaluation Report (CAPER) is for the City of Paterson, New Jersey. Paterson is an entitlement community receiving Community Development Block Grant (CDBG), HOME Investment Partnerships, Emergency Shelter Grant (ESG) and Housing for Persons with AIDS (HOPWA) funding from the U.S. Department of Housing and Urban Development.

Paterson prepared a Five-Year Consolidated Plan (CP) for the program years 2005 through 2009. The CP allows a community to take a comprehensive approach to the use of resources granted to the community by HUD. It combines the application and reports for the CDBG, HOME, ESG and HOPWA programs.

On an annual basis, Paterson submits an Action Plan containing the proposed activities outlining the use of CDBG funds and HOME funds for the upcoming program year. The Action Plan relates the activities to goals and objectives outlined in the Five-Year Consolidated Plan.

The Five Year Consolidated Plan laid out a strategic plan containing housing goals, community development goals, homeless and special population goals, economic development goals, and planning goals. High priority was placed on:

- 1) Expanding homeownership among low income households.
- 2) Improving existing housing stock for low income homeowners through rehabilitation.
- 3) Creation of new emergency shelter/transitional housing and permanent affordable housing
- 4) Providing barrier free senior housing supportive housing services
- 5) Improving Public Facilities and Infrastructure
- 6) Demolishing unsafe structures
- 7) Enhancing public services for youth
- 8) Increasing code enforcement
- 9) Create economic opportunities through business development
- 10) Providing Tenant Based Rental Assistance for Persons with HIV/AIDS
- 11) Providing emergency assistance to prevent homelessness for persons with HIV/AIDS

Annually, Paterson must review and report its progress in carrying out its Five-Year strategic plan and the Annual Action Plan. This annual report provides that review and analysis for the first report of the five years under the Five-Year Consolidated Plan prepared for 2005 to 2009.

Note: This report follows the outline of the HUD Performance Report Screening checklist. Unless otherwise specified, "2005" means the program year 2005 (July 1, 2005 – June 30, 2006)

FEDERAL / HUD RESOURCES

This report covers the following federal / HUD resources made available to the City of Paterson during the 2005 program year (July 1, 2005 to June 30, 2006) as follows:

Community Development Block Grant:	\$ 3,235,724
HOME Investment Partnership Grant:	\$ 1,956,903
American Dream Downpayment Initiative (ADDI)	\$ 53,309
Emergency Shelter Grant:	\$ 124,980
HOPWA	\$ 1,265,000

Activities carried out during the 2005 program year and included in this report were funded from the above funds as well as prior years' HUD funding.

1. GENERAL REQUIREMENTS

A. Evidence of Public Notice for CAPER Review

The CAPER was placed on public display in the Herald News/Record and News on March 14, 2007. See appendix A for proof of publication. The CAPER will be available for public review for 15 days prior to being sent to HUD.

B. Assessment of Progress toward Five-Year Goals

In Fiscal Year 2005, the City of Paterson began implementation of a new Five Year Plan. This plan will cover the period 2005 through 2009. In the Five Year Plan, goals were established for housing and community development. As this is the first of the five year periods, the assessment will be covered under the next section covering the annual progress.

C. Assessment of Progress toward One-Year Goals

Housing and Neighborhood Improvements

Five Year Goals:

Creation of 500 owner-occupied affordable units

Rehabilitation of 750 units

Creation of 750 affordable rental units

Support for 150 first-time homebuyers

Demolition: 50 structures; remediation of 5 contaminated sites

Code Enforcement: 17,500 inspections

2005 Funding:

The following programs were funded in 2005 (as amended):

HOME:

Housing Construction: \$ 1,313,243

CHDO Set – Aside: \$ 402,042

Homeownership : \$ 172,700

CDBG:

Paterson PRIDE: Owner occupied Rehabilitation \$152,538

(CRCA funds of \$460,000 available for rehab)

Delivery costs \$32,463

Demolition: \$ 135,000

Code Enforcement: \$245,000

Relocation due to units being uninhabitable: \$160,000

The City also continued to utilize funds from prior years to complete activities.

Outcomes:

- Five (5) households have improved affordability for the purpose of providing decent affordable housing after receiving housing rehabilitation improvements.

Paterson PRIDE is an owner-occupied housing rehabilitation program. Through this program, the City provides loans and grants to lower income families to correct code violations in their homes. Funding limits for 1-2 units is up to \$18,500 and for 3-4 units up to \$22,500 is provided. Completion of 75 homes was projected.

- Through the rehabilitation of housing by non-profit housing organizations, one (1) household now has new accessibility and affordability to homeownership for the purpose of providing decent affordable housing.

The annual goal for new construction of housing for homeowners was 100 units.

- Five (5) households have new access to homeownership for the purpose of providing decent affordable housing by being the recipients of down-payment assistance.

The annual goals for First Time homebuyers and First-time homebuyers Plus was 30 first time homebuyers. In addition, the Housing Authority would provide 2 seminars.

- Through the rehabilitation of housing by non-profit housing organizations, 32 rental households will have new accessibility and affordability to housing for the purpose of providing decent affordable housing. These units are still in the development stages.

The annual goal for new rental units was 150 new construction and 75 conversions or adaptive reuse.

- Demolition of six (6) vacant blighted properties helped to sustain neighborhoods and create a suitable living environment.
- Code Enforcement helped to sustain neighborhoods and create a suitable living environment. 522 properties were inspected in Wards 1, 4, and 5. Six (6) homes were condemned due to uninhabitable conditions with approximately 15 households relocated.

HOMELESS

Five Year Goals

- Homeless Prevention Services
- Existing Shelter Operations and Maintenance
- Expand Homeless Facilities:

Homeless individuals

Creation of 88 beds in Emergency Shelters
Creation of 88 beds in Transitional Housing
Creation of 188 beds in Permanent Supportive Housing

Homeless families

Creation of 94 beds in Emergency Shelters
Creation of 94 beds in Transitional Housing
Creation of 188 beds in Permanent Supportive Housing

2005 Funding

The City received Emergency Shelter grant funding which was allocated to the following providers:

Prevention: Hispanic Multi-Purpose Center, 911 E. 23rd St.

Existing Shelter Operations and Maintenance:

St. Paul's Men's Shelter, 451 Van Houten St.

YMCA, 128 Ward St.

Eva's Village, 393 Main St.

St. Peter's Haven, Clifton

Strengthen Our Sisters, Hewitt, NJ

Paterson Task Force, Hill Top Haven Shelter, 9 Colt Street

Outcomes:

Paterson YMCA provided shelter/transitional housing to 203 individuals
ESG funds expended: \$10,000 of \$1,710,000 budget

Paterson Task Force Hilltop Haven Transitional housing provided housing to 33 households. \$24,000 ESG expended of \$61,500 budget.

St. Peter's Haven provided Transitional housing to 10 families in 2 facilities in Clifton, New Jersey. \$10,000 ESG expended of \$122,372 budget.

St. Paul's Men's Shelter provided housing to 184 individuals (of which 122 were chronically homeless) \$20,000 ESG expended of \$155,572 budget

Eva's Village – Eva's Emergency Overnight Shelter for Women provided shelter to 253 women during the year. The shelter has 36 beds for use. All the women were considered chronically homeless. \$30,000 ESG expended with \$30,000 shown as matching funds.

Strengthen Our Sisters – Bed capacity 156 women serving the Passaic County region. During 2005, 624 women serviced, of which 24 were chronically homeless. \$40,000 ESG funded; \$12,257.78 expended. Matching funds of \$40,000 shown with a total budget of \$2,930,000.

Public Facilities and Improvements

Five Year Goals

- Improving public facilities and infrastructure in low income areas including:
 - (CT 2 to 5, 7 to 11, 14 to 18, 20, 22, and 23)
 - Parks
 - Streets
 - Fire Stations and Equipment
 - Removal of Architectural Barriers

2005 Funding (as amended)

East side Park (Bandshell)	\$ 100,000
1 st Ward Library	\$ 101,583
Fire Station Equipment	\$ 325,000
(HUD deemed ineligible, funds to be reprogrammed)	
Community Center	
– Calvary Baptist Church	\$ 250,000

Outcomes

- Recreation area improvements at the Horse Barn creates a suitable living environment and improves neighborhood stability.
- Library improvements creates a suitable living environment and improves neighborhood stability.

Public Services

Five Year Goals

- Sustaining the Community through Comprehensive and Integrated delivery of services
- Fostering partnerships and linkages
- Reducing crime, increasing visibility of law enforcement
- Providing juvenile recreation program
- Improving quality of life
- Fostering and sustaining and sense of community and civic pride.

2005 Funding (as amended)

Youth Services – Recreation summer camp program	\$60,000
Neighborhood Assistance office	- \$60,000
Child Care Services – various providers	- \$355,000
Great Falls Historic District Cultural Center	- \$90,000
Homeownership Counseling	- \$ 25,000

Mini-grants Program (old funds were used for new activities)
Oasis Children's Project – Oasis Haven \$25,000
House of Mercy – St. Luke's CDC - \$50,000
Great Falls Youth Build \$75,000

Outcomes:

Economic Development

Five Year Goals
Retain 500 jobs in the City of Paterson
Create 75 new jobs for low income residents
Attract 10 new companies employing 100 residents

2005 Funding

- Clean-up Contaminated Site at Paperboard Factory \$274,931.65

Outcomes:

Administration:

2005 Funding

Program Administration

CDBG	\$ 697,896
Program Accounting services	\$ 20,000
Program legal services	\$ 25,000
Fair Housing Counseling	\$ 10,000

HOME	\$ 209,776
HOPWA	\$ 38,460

D. Impediments to Fair Housing and Actions to Overcome Them

The city provides funding for the Fair Housing Counselor position at the Paterson Task Force. It is the responsibility of the Fair Housing Counselor to conduct seminars and act as a recourse for those who feel their rights under Fair Housing regulations have been violated. The Fair Housing counselor also acts as an educator to inform homebuyers, renters and landlords of their rights.

During 2006, housing rehabilitation assistance was provided to 5 owners, of which 3 were Latino, 2 were Black and 1 was Asian. The Homebuyers program assisted 5 households, of which 2 were Latino and 3 were Black. The one new home constructed was sold to a Latino woman.

E. Affordable Housing Actions for Extremely Low and Low-Moderate Income Renters and Owners

i. Actions Taken and Accomplishments to Meet Worse Case Needs

The City of Paterson through the Department of Community Development has requested proposals (RFP's) from project developers willing to build/create or renovate properties into affordable housing units throughout the designated targeted areas of city. The established targeted areas have been identified as the 1st, 4th and 5th wards within the City of Paterson. The following projects are in the process of being developed by both non-profits and for-profit developers.

NON-PROFITS

- | | | |
|----|---|---|
| 1. | NJ CDC – Robert Guarasci
32 Spruce Street
Paterson, NJ 07509 | 1 st Ward
\$450,000.00
15 units of permanent housing for disabled |
| 2. | Covenant Properties, LLC
Sy Henderson
1 Robert Court
Allentown, NJ 07801 | 4 th Ward
\$180,000.00
New construction of 3 for – sale homes |
| 3. | Gilmore Community Development
Corp. – Robert Belmont
68 Haledon Avenue
Paterson, NJ 07522 | 1 st Ward
\$300,000.00 - <u>CHDO</u>
New construction of 10 rental units |
| 4. | NJ ACORN Housing Co. Inc.
Ismene Speliotis
2-4 Nevins Street, 2 nd floor
Brooklyn, NJ 11217 | 4 th Ward
\$1,100,000.00
Rehabilitation of factory into 50 affordable rental units of which 11 are HOME assisted |
| 5. | Paterson HABITAT for Humanity
Barbara Dunn
146 North 1 st Street/P.O. Box 2585
Paterson, New Jersey 07501 | 1 st & 4 th Ward
\$330,000.00
New construction of 11 for – sale condos |

6. Creech CDC
Faye Bannister & Robert Belmont
221 Hamilton Ave
Paterson, New Jersey 07501
- 4th Ward
60,000.00 – **CHDO**
New construction of 11 for-sale homes

INTER - GOVERNMENTAL AGENCY

1. Paterson Housing Authority
HOPE VI-Homeownership Units
Wilfredo (Fred) Vazquez
60 Van Houten Street
Paterson, New Jersey 07509
- 4th Ward
\$1,500,000.00
New construction of 19 for – sale homes

FOR-PROFIT DEVELOPERS

1. Nicholas Tselepis/Hispanic Multi-Purpose Service Center Dev. Corp. (HMPSCDC) -1624 Main Avenue Clifton, New Jersey 07011
- 4th & 5th Wards
\$328,000.00 – **CHDO Partnership Project**
New construction of 8 for-sale homes
2. Montgomery Village, LLC – Richard and David Scillieri
406 Route 46 East
Elmwood Park, NJ 07407
- 4th Ward
\$520,102.00
Rehabilitation of factory building into 26 affordable rental units of which 11 are HOME assisted.
3. New Horizon Joint Venture, LLC/
4th Ward CDC
Scott Seale & Steven Hess
102 Palisades Avenue
Jersey City, NJ 07306
- 4th & 5th Wards
\$451,000.00 – **CHDO Partnership Project**
New construction of 11 for – sale homes
4. New Horizon Joint Venture, LLC/
Creech Temple CDC
Scott Seale & Steven Hess
102 Palisade Ave.
Jersey City, NJ 07306
- 4th & 5th Wards
\$270,000.00 – **CHDO Partnership Project**
New construction of 5 for sale homes
5. NorthCore Construction and Development – John Lipari
290 Union Avenue
Totowa, New Jersey 07512
- 1st, 4th and 5th Wards
\$264,000.00 – **CHDO Partnership Projects**
New construction of 22 for sale two family homes and one single family home. A total of 43 units with 11 units being HOME assisted units.
- One home was completed and sold.

ii. Actions and Accomplishments to Serve People with Disabilities

One of the housing developments identified above will provide 15 units of permanent housing for persons with disabilities. NJ CDC is acting as developer.

iii. Number of Section 215 Housing Opportunities Created

All the housing rehabilitated or assisted will be affordable to households utilizing no more than 30% of gross income for housing costs.

F. Continuum of Care Progress to Help Homeless People

i. Actions to Meet Supportive Housing Needs

The goal in the Consolidated Plan is to utilize available resources to increase the supply of permanent housing. Supportive housing also incorporates services to enable residents to perform the “Activities of Daily Living” such as personal hygiene, preparation of food, proper administration of medications, and assistance with shopping and medical visits to the extent needed to meet the needs of each individual. Through case management, such services will be brought in to the home of residents requiring assistance.

ii. Actions to Plan and/or Implement Continuum of Care

Paterson is part of the Passaic County Continuum of Care. The Continuum is working on a Ten-Year Plan to End Homelessness. A draft was released in January, 2007. During the 2005 Program Year, work on the plan was extensive.

In February, 2007, the FY 2006 Continuum of Care grant awards were made. The region was awarded \$1,669,364. A new Supportive Housing Program award was made to Housing First Client Outreach and new Shelter Plus Care grants were made to Eva’s Kitchen and Sheltering Program, Inc., St. Paul’s Community Development Corporation and St. Joseph’s Regional Medical Center.

NJ06-511	Paterson/Passaic County CoC		
	Eva's Kitchen & Sheltering Programs, Inc.	SPC	\$471,360.00
	St. Paul's Community Development Corporation	SPC	\$186,660.00
	St. Joseph's regional Medical Center	SPC	\$186,660.00
	Housing First Client Outreach	SHP	\$10,114.00
	Strengthen Our Sisters	SHPR	\$233,334.00
	St. Phillip's Ministry of the UMC	SHPR	\$90,825.00
	Paterson Coalition for Housing	SHPR	\$358,740.00
	Hispanic Multi Purpose Service Center	SHPR	\$83,804.00
	New Jersey Housing and Mortgage Finance Agency	SHPR	\$22,667.00
	New Jersey Housing and Mortgage Finance Agency	SHPR	\$25,000.00
		Total :	\$1,669,164.00

iii. Actions to Prevent Homelessness

Prevention services are coordinated by the Hispanic Multi-purpose Center. ESG funds were provided to this organization for use as security deposits, emergency furniture, and other supportive services needed by homeless individuals and families.

iv. Actions to Address Emergency Shelter Needs

The City used ESG Funds to assist shelters with maintenance and operations.
 St. Paul's Men's Shelter, 451 Van Houten St.
 YMCA, 128 Ward St.
 Eva's Village, 393 Main St.
 St. Peter's Haven, Clifton
 Strengthen Our Sisters, Hewitt, NJ
 Paterson Task Force, Hill Top Haven Shelter, 9 Colt Street

There is a recognized need for more shelter space for both individuals and families. No actions were undertaken in 2005 to address this need.

v. Actions to Develop Transitional Housing

Transitional housing is funded by the Supportive Housing Program through the Continuum of Care grants. The City provided a Certification of Consistency for the applications in that grant proposal.

G. Other Actions and Accomplishments

i. To Meet Underserved Needs

Elderly and frail elderly in need of affordable, barrier-free housing and services were identified as having a high priority need. A Senior Housing development is proposed for Carroll Street. This will provide 50 units of housing for persons who are mobility impaired.

ii. To Foster and Maintain Affordable Housing

The city offers housing rehabilitation to lower income homeowners with 1-4 units housing. Funds have also been allocated to rehabilitate and develop additional affordable housing as described in the Housing Goals section.

iii. To Eliminate Barriers to Affordable Housing

The Consolidated Plan identified taxation, zoning and land value issues that present barriers to the development of affordable housing. The tax rate in Paterson is 3.76 which is very high. Through redevelopment, the City hopes to be able to spread the tax burden over a larger population and reduce the rate paid by each property owner.

Zoning obstacles were not specifically identified. However, the development of Redevelopment areas was cited as the strategy for overcoming the obstacles. An update to the zoning ordinance has also begun which will eliminate the various impediments.

Real estate values continue to increase in Paterson. The increased cost places an additional burden on non-profit and other affordable housing developers. The City, through the acquisition program, is finding ways to reduce the upfront land development costs.

iv. To Fill Gaps in Local Institutional Structure

No gaps were identified in the Five Year Plan. The Department of Community Development coordinates the program and works with other city agencies, non-profit and for-profit partners in realizing the goals and objectives outlined in the plan.

v. To Facilitate Public Housing Authority Participation/Role

The Public Housing Authority and the Department jointly administer several activities specifically the First Time Homebuyers Program. The Housing Authority was consulted in the development of the Consolidated Plan and the Department was consulted when the Agency Plan for the Housing Authority was drafted.

vi. To Reduce Lead-Based Paint Hazards

The Division of Health is the lead entity charged with addressing lead-based paint hazards in the community. The Division conducts the lead assessments

required in the PRIDE rehabilitation program and for working with NJ DCA in obtaining funds for lead hazard control through the Lead Based Paint Program. It was estimated that 12 homes would be abated using state funds. During 2006, five (5) homeowners utilized the state program to address lead hazards in their homes.

The Department has offered and will continue to offer Lead-Safe Work Practices training for local contractors.

vii. To Reduce Poverty

The Consolidated Plan outlined a very comprehensive program to reduce poverty. The policy hinges on job development, entrepreneurialship and sustaining the community. The elements of the strategy are:

A. Job Development

1. Encourage development and expansion of the small scale business enterprises employing less than 15 people.
2. Utilize existing buildings through adaptive reuse to provide space for new and expanding businesses.
3. Targeted industrial sector development. Sectors strong in Paterson include: Health Care, Furniture Manufacturing and Technology industries.
4. Encouraging the development of a business incubator

B. Empowerment

Educational skills development utilizing existing resources such as Youth build, the community college and the school system

C. Sustaining the Community

1. Comprehensive and integrated delivery of social services
2. Fostering partnerships and linkages to expand services
3. Reducing crime and increasing law enforcement visibility
4. Juvenile recreation programming
5. Improving quality of life - retaining residents who have succeeded.
6. Fostering and sustaining a sense of community and civic pride

viii. To Ensure Compliance with Program and Planning Requirements

The City regularly maintains communication with its subrecipients and the other city departments that administer the funds. The monitoring process for grants administration is well defined and includes desk reviews of performance reports, on-site reviews and technical assistance.

H. Leveraging of Public and Private Funds

The City receives a variety of grants from federal and state programs. New Jersey DCA provides funds for Lead-Based Paint Abatement and relocation assistance as needed when a family with a young child with an elevated blood lead level needs to relocate during abatement.

DCA also provides funds through the Balanced Housing and downtown living programs.

COAH provides funds for affordable housing.

The Urban Home Ownership Recovery program is a State initiative administered by HMFA. It provides assistance to developers to help build for-sale housing for low- and moderate-income households, as defined by the State income standards.

The NJHMFA provides project specific financing for affordable housing projects through the Low Income Housing Tax Credit Program.

The Urban Enterprise Zone program funds a variety of Economic Development initiatives.

Passaic County also provides a range of supports for Park and Recreation, Economic Development, and Social Services.

I. Summary of Citizen Comments

To be completed after review period.

J. Analyses of Successes and Failures and Actions Taken to Improve Programs

An amendment was made to the original FY 2005 budget. The new Consolidated Plan provided a new framework for understanding of the activities undertaken by the City.

2. COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

A. Relationship of Expenditures to Priority Needs

During 2005, \$2,808,322 was expended in CDBG funds. Funds were spent on the following high priority activities:

Demolition \$17,600
Police Patrol \$159,767
Youth Services \$ 355,754
Rehabilitation single family \$532,107
Multi-family housing rehabilitation \$182,615
Neighborhood Assistance \$63,108
Great Falls –Education Program \$80,321
Youth Recreation \$60,000
Emergency Ambulance \$125,000
Code Enforcement \$245,000
Relocation \$23,783
Economic Development TA \$211,071

B. Low-Moderate Income Benefit

The expenditure of funds in 2005 resulted in a low-mod benefit of 91.1%.

C. Amendments and Other Changes to Program

There were no amendments or other changes made during the program year.

i. Completion of Planned Actions to Pursue All Resources Identified in Plan

The City pursued all other sources of funds identified in the CP.

ii. Completion of Planned Actions to Certify Consistency for Local Applicants for HUD Funds

The City did not withhold any Certifications of Consistency with the local plan.

iii. Completion of Planned Actions to Support Consolidated Plan Goals

The city undertook all actions needed to support the CP goals.

D. National Objective Failures (if any)

Not applicable.

E. Actions Taken to Avoid Displacement

The City has a relocation plan that provides for re-housing families that are displaced due to a health and safety action against their home. CDBG activities do not generally cause displacement.

F. Compliance with Uniform Relocation Act (URA)

The relocation plan for the City calls for compliance with URA when actions taken with Federal funds resulting the displacement of households. No such actions were undertaken in 2005.

G. Jobs Creation

i. Actions Taken to Give Priority to Low-Moderate Income People

There were no job creation activities undertaken with federal funds in 2005.

ii. Jobs Created and/or Retained and Those Made Available to Low-Moderate Income People

The City continued to assist businesses utilizing other resources.

iii. Description of Training Provided to Low-Moderate Income People

Not applicable

H. Limited Clientele Activities

Limited Clientele Activities are those that benefit low to moderate income persons based on specific characteristics.

Presumed Benefit – program extends the presumption of low income to facilities serving the elderly, victims of domestic violence, persons who are homeless, illiterate or migrant workers and persons with disabilities.

Intake – Certain types of programs require that the households that benefit show that they are low or moderate income.

Nature and location – by their nature or their location, certain activities will benefit low to moderate income persons such as a food pantry or public housing services.

i. Nature of the Group that Allows Assumption of More Than 51% Low-Moderate Income

The City provided CDBG funding to the Neighborhood Assistance Center. By the nature of the activities that the Center engages in, it is assumed that their clientele will be lower income.

The Great Falls Historic District Cultural Center provides an educational enrichment program for City school children. By its location it is presumed that the majority of City school children are lower income. Overall the City is more than 51% lower income.

I. Rehabilitation Accomplishments and Costs

The City PRIDE Program funds rehabilitation of owner occupied 1-4 unit housing. The funding limit for a 1 or 2 unit is \$18,500 and for a 3 or 4 unit it is \$22,500.

i. Units Completed for Each Type of Program

During 2005, the PRIDE Program rehabilitated homes.

ii. CDBG Expenditures for Rehabilitation

PRIDE PROGRAM

Rehabilitation single family \$532,107
Multi-family housing rehabilitation \$182,615

iii. Other Funds Invested

HOME funds were invested in housing rehabilitation related to the CDBG program.

iv. Delivery Costs

Delivery costs for the intake, inspection, lead assessment and project monitoring are included in the total program expenditures. Approximately \$376,000 was used for program delivery for the PRIDE Program (including single and multi-family line items).

J. CDBG Financial Summary Attachments

i. Reconciliation of Cash Balances

See attached

ii. Program Income, Adjustments and Receivables

The City received Program income during 2005 in the amount of \$ 546,747.

INSERT PR 26

3. HOME PROGRAM

A. Distribution of HOME Funds among Identified Needs

HOME Funds were distributed as follows:

Housing Construction: \$ 1,313,243
CHDO Set – Aside: \$ 402,042
Homeownership: \$ 172,700
(includes ADDI)

B. HOME Match Report (HUD 4107A)

The City of Paterson is exempted from providing HOME Match.

C. Contracting Opportunities for Minority/Women-Owned Business Enterprises

The MBE Report is submitted to HUD on a semi-annual basis in April and October.

D. Summary of Results of Onsite Inspections of HOME Rental Units

As required by 24 CFR 92.504(d), during the required affordability period for HOME assisted rental units, the Program Compliance Specialist performs on-site inspections of HOME assisted rental housing to determine compliance with the HUD-required property standards of 24 CFR 92.251. As required by HUD, HOME –assisted rental projects with total units from one to four (1-4) units are inspected every three (3) years, projects from five to twenty-five (5-25) units are inspected every two (2) years; and projects with twenty-six (26) or more units are inspected annually

On-Site Inspections: Rental projects must be inspected regularly. A list of HOME assisted multi-family housing units has been compiled. During 2005, all HOME assisted units were inspected and records on tenant income reviewed. See attached chart

MONITORING OF RENTAL APARTMENTS & SCHEDULED INSPECTIONS

- | | | |
|----|---|---|
| 1. | Belmont Tower
91-95 Belmont Avenue
Paterson, NJ | 42 Units – All HOME assisted units
annual inspection |
| 2. | Paterson Commons I
200-214 20 th Avenue
Paterson, NJ | 10 Fixed Units
every two years |
| 3. | Straight and Narrow I | 24 Units – All HOME assisted units |

	390 Straight Street Paterson, NJ	every two years
4.	Straight and Narrow II 380 Straight Street Paterson, NJ	48 Units – All HOME assisted units annual inspection
5.	East 23 rd Street Commons 563 East 23 rd Street Paterson, NJ	8 Fixed Units every two years
6.	Sheltering Arms 2 Broadway Paterson, NJ	32 Units – All HOME assisted units annual inspection
7.	Cook Mill Apartments 9 Mill Street Paterson, NJ	32 Units – Eleven are HOME assisted every two years
8.	Rising Dove Senior Apartments 67 Carroll Street Paterson, NJ	49 Units – All HOME assisted units annual inspection
10.	St. Luke's House of Mercy 288 Fair Street Paterson, NJ	9 Units – All HOME assisted units every two years

E. Assessment of Effectiveness of Affirmative Marketing Plans

During 2005, there were no HOME units created therefore no affirmative marketing actions taken. The city's developer and CHDO agreements mandate that housing developments funded with HOME Funds provide that the developer will write and utilize an Affirmative Marketing Plan in the sale and/or rental of HOME assisted units.

Each developer is required to present an Affirmative Marketing Plan indicating how the units will be advertised, where flyers would be placed and in what newspapers ads would be run. The City monitors the use of marketing material through rent up.

F. Use of Program Income

During 2005, the City received no Program Income.

4. EMERGENCY SHELTER GRANT PROGRAM

A. Description of How Activities Relate to Consolidated Plan and Continuum of Care

ESG funds were allocated to Prevention and to Maintenance and Operations of four shelters.

Prevention: Hispanic Multi-Purpose Center, 911 E. 23rd St.

Existing Shelter Operations and Maintenance:
Paterson YMCA provided shelter/transitional housing to 203 individuals
\$10,000 ESG funds expended of \$1,710,000 budget

Paterson Task Force Hilltop Haven Transitional housing provided housing to 33 households. \$24,000 ESG expended of \$61,500 budget.

St. Peter's Haven provided Transitional housing to 10 families in 2 facilities in Clifton, New Jersey. \$10,000 ESG expended of \$122,372 budget.

St. Paul's Men's Shelter provided housing to 184 individuals (of which 122 were chronically homeless) \$20,000 ESG expended of \$155,572 budget

Eva's Village – Eva's Emergency Overnight Shelter for Women provided shelter to 253 women during the year. The shelter has 36 beds for use. All the women were considered chronically homeless. \$30,000 ESG expended with \$30,000 shown as matching funds.

Strengthen Our Sisters – Bed capacity 156 women serving the Passaic County region. During 2005, 624 women serviced, of which 24 were chronically homeless. \$40,000 ESG funded; \$12,257.78 expended. Matching funds of \$40,000 shown with a total budget of \$2,930,000.

B. Leveraging Resources

ESG funds must be matched 1:1. Each shelter provides evidence that they have expended an equal part of private funds before ESG funds are disbursed. The leveraged amounts are shown above.

C. Self-Evaluation

The shelter system needs to be expanded. However, given the resources, the programs are effectively serving homeless individuals and families.

HOPWA 2005 fiscal-year award totaling \$1,265,000

\$37,950. City of Paterson Admin fees of 3%

\$1,087,812 Project Sponsor – NJ Department of Community Affairs – Housing
Division

Tenant-based housing activity plus administrative fees allowable of 7%

Targeted geographic locations: City of Paterson, Passaic County and Bergen
County including the cities of Paterson, Clifton, Passaic and Wayne

SEE IDIS REPORT FOR FURTHER INFORMATION

6. IDIS REPORTS

Text