



# Executive Summary

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

### 1. Introduction

The purpose of the 2022 Annual Action Plan is to establish funding decisions for the use of the City of Passaic's (the City) Community Development Block Grant (CDBG) program and HOME Investment Partnerships program (HOME) funding from the US Department of Housing and Urban Development (HUD). Specific attention is paid to the needs of moderate-, low- and very low-income households experiencing housing problems and the needs of special needs populations. This plan carries out the strategies established in the City's 2019-2023 Five-Year Consolidated Plan with respect to housing and non-housing community development needs.

The City of Passaic's Department of Community Development (DCD or the Department) is the lead agency responsible for preparing the Annual Action Plan. The Department administers the CDBG program and the HOME program funding from HUD.

Consistent with HUD's mission, the City's mission is to increase housing opportunities for low and moderate income households, support community development, improve quality of life, prevent homelessness and increase access to affordable housing free from discrimination. To fulfill this mission, the City will embrace high standards of ethics, management and accountability and will continue to form new partnerships that leverage resources and improve HUD's ability to be effective on the community level.

### 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.

As part of the Annual Action Plan process, the Department staff members along with our partners in other departments in the City, local service providers, and stakeholders have completed a review of existing services, programs, and projects while assessing the ongoing needs of the community. With its CDBG funds, the City will continue to fund public facilities and infrastructure projects and public services, particularly around the areas of youth and senior enrichment programs, after-school programs, and employment programs. The City's focus for its HOME funds will be primarily on developing new affordable housing, homeowner rehabilitation and first-time homebuyer down payment assistance. For the 2022 program year, the City did not receive an allocation of ESG funds from HUD; however, the Department continues to work with the Continuum of Care to address the needs of the homeless and special needs populations.

This Annual Action Plan carries out the overall goals of the Five-Year Consolidated Plan, which are as follows:

1. Provide the City with a comprehensive and long-term development strategy that will serve as a base for continued planning, cooperation, collaboration, and coordinated development programs.
2. Enhance the quality of life for area residents.
3. Create programs to address the needs of our residents with particular emphasis on children and youth and seniors.
4. Lower the level of unemployment and underemployment among all segments of the Passaic labor force.
5. Increase the number of new businesses in Passaic, and strengthen and expand existing businesses.
6. Increase the City's tax base through rehabilitation and construction of residential, commercial, and industrial structures.
7. Increase the supply of affordable housing for low- and moderate-income households.
8. Assist low- and moderate-income households in purchasing their first home.
9. Retain existing affordable housing and preserve viable neighborhoods.
10. Increase the housing and support services available to homeless and special needs groups.

For more details on the annual objectives and goals, please refer to the Action Plan section AP-20 Annual Goals and Objectives.

### **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 undertook actions to achieve our goals and improve the delivery of services. The Department worked with the Department of Public Works, the Department of Recreation and the Department of Health and Human Services to administer programs funded through the CDBG program. Unfortunately, the COVID-19 pandemic continues to negatively impact the City's ability to implement many of its public service programs funded with CDBG funds; however, the City was able to work with many of our subrecipients to deliver much needed services. The City was able to implement several programs through our partners to enhance the quality of life for our area residents.

- The Department of Public Works performed sewer improvements at ten locations.
- The City used CDBG funds to complete construction of the 100 steps and is now working to improve the surrounding park area to eliminate this former blighting influence on the community.

- The City continued to use \$801,051 in CDBG CARES funding solely for the purpose of “*preventing ... preparing for... and responding to*” the Coronavirus. The City was able to achieve the following:
  - Assisted 159 LMI households with rental assistance and utility payments;
  - Assisted four LMI households with mortgage and utility payments; and,
  - Provided training and certified five LMI residents as Medical Technician Assistants and six LMI residents in EKG.

The Department allocated \$700,000 in HOME funds and \$175,000 in CDBG funds to assist Paterson Habitat for Humanity to develop four homeownership units for veterans and develop a new public facility at the site of the former VFW facility. This project is about to start construction and Habitat is working with four qualified homeowners to assist them in securing mortgage financing.

The City used HOME funds to assist LMI households with down payment and closing cost assistance under the First-Time Homebuyer program (FTHB) to acquire their first home in the City. Unfortunately, due to the COVID-19 pandemic, the City’s FTHB program has been negatively impacted and the City only served one household. The City is working to increase production in this program for 2022.

The bulk of our efforts in addressing the needs of the homeless during the past year has been through Dignity House. The City assisted homeless individuals with case management services resulting in the following:

- Nine homeless individuals obtained their social security cards
- Two homeless individuals obtained Military Veteran paperwork DD-214
- Four homeless individuals have obtained a birth certificate
- One homeless individual obtained state ID
- Two homeless individuals were placed in housing at the YMCA
- Three homeless individuals were assisted in finding furnished rooms
- 15 homeless individuals have been assigned mailboxes at the Dignity House up to date.

The City also continued our involvement with the local Continuum of Care (CoC) performing outreach services to the homeless in the City. The City’s Director of Human Services represents the City on the CoC Executive Board, working in collaboration with other County representatives on strategies to assist and support homeless in the County. Much of the work this past year was focused on prevention services for households negatively impacted by the COVID-19 pandemic.

#### **4. Summary of Citizen Participation Process and consultation process**

Summary from citizen participation section of plan.

The Department seeks input from a wide range of resources including community leaders, citizens, and local service providers throughout the planning process. Aside from direct citizen participation

described below, the Department consulted with the public and assisted housing service providers, social service organizations, and the Continuum of Care in order to assess community needs and build a foundation for future endeavors.

The City has adopted a Citizen Participation Plan describing the citizen participation requirements of its program. The Citizen Participation Plan is on file at the Department; as well as, permanently placed on the City's Website. The Department actively encourages citizens, particularly low and moderate-income residents, to participate in the planning process for the Five-Year Consolidated Plan, the Annual Action Plan, the submission of substantial amendments and the development of the Consolidated Annual Performance Evaluation Report (CAPER).

To encourage citizen participation from the community, the Department provides opportunities for input. On January 4, 2022 notices were published in the North New Jersey Herald News and El Especial alerting interested persons as to the availability of the 2022 CDBG and HOME funding. On January 4, 2022, notices in English and Spanish were also posted on the City's web site:

<http://www.cityofpassaic.com/grants> and at the City Hall entrances as well as the Office of the City Clerk. Mailings were also sent to interested parties. Applications for CDBG and HOME funding were made available on January 4, 2022 and due back on February 11, 2022. A virtual public meeting was held on February 1, 2022 to solicit citizen input on housing and community development needs. On March 30, 2022, the preliminary budget for the 2022 Annual Action Plan was introduced to the Municipal Council Ad Hoc Committee and on April 12, 2022, residents and agencies were invited to attend the public hearing at the Municipal Council meeting. At this public hearing, the Annual Action Plan was approved by the Municipal Council. This process provides for and encourages citizen participation in the development of the Annual Action Plan.

The final draft 2021 Annual Action Plan was made available for comment for 30 days from April 21, 2022 through May 21, 2022. Copies of the notices in English and Spanish are attached to this document and can be found on the City's website, [www.cityofpassaic.com](http://www.cityofpassaic.com). The 2022 Annual Action Plan was placed on the City web site [www.cityofpassaic.com](http://www.cityofpassaic.com), in the City Clerk's office, the Mayor's office, and the Department of Community Development offices.

Further, the Department consulted with public and private agencies that provide assisted housing, health services, and social services. These agencies had representatives at one or more of the public hearings, received mailings at various stages of plan development, and were consulted individually for purposes of developing the Needs Assessment. This Plan is designed to be consistent with the City's Five-Year Consolidated Plan and complementary to the City's 2013 Master Plan.

## **5. Summary of public comments**

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

As described, the City held two public meetings in preparation for drafting the Annual Action Plan. At the February 1, 2022 meeting, only five representatives from the community were in attendance remotely. The April 12, 2022 public hearing was held remotely as well due to the COVID-19 pandemic. There were no comments received from the public at either the February 1, 2022 public meeting or the April 12, 2022 public hearing.

Additionally, the Department reached out to service organizations in Passaic to collect information on the needs of the populations served by those organizations. Comments indicated consistent themes in as regards the needs of the community, including recreation and after-school programs for children and adolescents, affordable housing, job training, and affordable transportation.

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

No comments were received that were not taken into consideration during the planning process.

## **7. Summary**

The City wishes to thank all of the interested parties who played a role in developing the 2022 Annual Action Plan.

**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
CDBG Administrator	PASSAIC	Department of Community Development
HOME Administrator	PASSAIC	Department of Community Development
ESG Administrator	PASSAIC	Department of Community Development

**Table 1 – Responsible Agencies**

**Narrative (optional)**

The City of Passaic has designated DCD as the lead agency for the grant administration of the CDBG program and the HOME program. DCD is responsible for overseeing the CDBG and HOME program funding to ensure compliance with HUD regulations. The Department staff annually issues the Request for Proposals for use of CDBG funds and accept applications for HOME funds throughout the year. The Department reviews each application with members of the Department’s review committee. HOME and CDBG proposals for housing developments are underwritten by a third-party consultant who specializes in loan underwriting and subsidy layering review. CDBG proposals are ranked and the Department staff makes recommendation to the Mayor and City Council for funding. HOME proposals are funded on a first-come, first served basis.

The Department is responsible for preparing the Annual Action Plan. The Director of the Department of Community Development, the City Administrator, the Mayor, and the Passaic City Council has the responsibility of approving the Five-Year Consolidated Plan, the Annual Action Plan and ensuring the successful administration of the two programs. The Mayor has the authority to authorize grant awards and execute HUD required documents and agreements. Additionally, the Department is the body that reviews and recommends actions and prepares the Consolidated Annual Performance Evaluation Report each year to examine the performance of the projects funded in whole or in part with HUD funds.

**Consolidated Plan Public Contact Information**

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

### **1. Introduction**

The City of Passaic is engaged in ongoing efforts to increase coordination amongst public, private, and non-profit organizations that deliver housing, community development initiatives and provide social services to extremely low- to moderate-income residents throughout the City. Open lines of communication are maintained between the Department and the area's many non-profit and social service agencies as well as other departments and City agencies, including the Housing Authority of the City of Passaic (HACP).

### **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 seeks input from a wide range of resources including community leaders, citizens, and local service providers throughout the planning process. Aside from direct citizen participation described in the Citizen Participation section below, the Department consulted with public and assisted housing service providers, including HACP and social service organizations in order to assess community needs, establish priorities, identify goals and build a foundation for future endeavors.

The Department has also coordinated its Consolidated Planning process with the City in the development of the City's Master Plan, which included extensive inter-department coordination throughout the City government, significant community outreach and close coordination with social service agencies, nonprofit organizations, and affordable housing providers. The City's master plan and a presentation on the plan is available for public viewing at [www.cityofpassaic.com](http://www.cityofpassaic.com). The Department also worked with several other departments, the office of the Business Administrator, the Mayor and members of the City Council to arrive at funding priorities for the 2022 program year.

Throughout the Department's coordination with diverse groups and organizations, several themes remain consistent in the development of the goals and objectives outlined in the plan. Affordable housing for renters and buyers, recreation and after-school programs for children and adolescents, improved parks and playgrounds, homelessness assistance, job training/employment programs, and training opportunities for people with limited English proficiency, all remain the top priority needs in the City. In addition, the need for continued coordination and collaboration between agencies, local governments, other grantors, other City agencies and the schools is an ongoing priority for the Department.

### **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 City continues to work with the CoC to perform outreach services to the homeless in the City. St. Joseph's Medical Center, the County's PATH Provider, conducts county-wide street outreach with a focus on connecting with people who have severe mental health with social service agencies.

The City refers homeless persons to 211 First Call for Help and connects them to resources through the Coordinated Assessment system. Additionally, Catholic Families and Community Services (CFCS) is an active partner in the community working with the homeless and at risk populations. The City connects homeless veterans through their CFCS SSVF outreach program.

The City's Director of Human Services currently serves on the CoC Executive Board representing the City of Passaic. He participates in meetings to identify funding priorities and address the issues of homelessness and special needs populations. The Department acknowledges that the amount of services currently being offered for special needs populations could benefit from improvements; however, without dedicated funding, it is difficult to implement. Improvements include outreach and education services for women and children, the homeless population, elderly, persons with disabilities (mental, physical, and developmental), persons with addictions requiring supportive services, and persons with HIV/AIDS and their families. These populations are underserved, particularly in the areas of mental health, alcoholism, and substance abuse. The Department coordinates on these issues with other agencies and organizations where possible, and if additional funds become available, the Department will expand its efforts to address the special needs of its residents.

**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 Director of Human Services serves on the CoC Executive Board and represents the City's interest in allocating resources that assist the homeless population in the County. The City relies on the CoC and our partners to serve the needs of the homeless population. The City has no jurisdiction over how ESG funds in other parts of the County are allocated other than our vote on the Executive Board. The CoC is responsible for developing performance standards and each year during the City's reporting process, the Department obtains input from the CoC on their outcomes and meeting their goals and objectives. The Department uses some of our available resources to fund other programs that assist the homeless population, including case management and other services administered out of Dignity House.

**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	<b>Agency/Group/Organization</b>	City of Passaic Department of Human Services
	<b>Agency/Group/Organization Type</b>	Other government - Local Grantee Department
	<b>What section of the Plan was addressed by Consultation?</b>	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Lead-based Paint Strategy
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The Department maintains a close working relationship with the City Department of Human Services. The Department meets with Human Services to discuss human service needs and coordinates on bi-lingual programs for the City's large Hispanic population, parenting programs, prevention programs, and health fairs programs and intervention programs targeting teenagers, Cultural and Senior Affairs. In pursuit of a healthy, lead-free environment, the Department of Human Services works in tandem with the State and County in order to provide lead base informational and outreach programs to Passaic residents.
2	<b>Agency/Group/Organization</b>	City of Passaic Department of Recreation, Cultural and Senior Affairs
	<b>Agency/Group/Organization Type</b>	Other government - Local Grantee Department
	<b>What section of the Plan was addressed by Consultation?</b>	Non-Homeless Special Needs Quality of Life

	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The Department maintains a close working relationship with the City Department of Recreation, Cultural, and Senior Affairs (RCS). The Department regularly meets with RCS to collaborate on services for seniors and youth that include targeted social and personal development opportunities.
3	<b>Agency/Group/Organization</b>	Housing Authority of the City of Passaic
	<b>Agency/Group/Organization Type</b>	Housing PHA Services - Housing Services-Employment
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	In consultation with the Housing Authority of the City of Passaic, our unified goals remain consistent; offering the community comprehensive, supportive services and initiatives that promote long term economic success and housing self-sufficiency.
4	<b>Agency/Group/Organization</b>	Passaic Department of Engineering
	<b>Agency/Group/Organization Type</b>	Other government - Local Grantee Department
	<b>What section of the Plan was addressed by Consultation?</b>	Infrastructure Improvements

	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The Department maintains a close working relationship with the City Department of Engineering. The Department regularly meets with Engineering to discuss infrastructure projects that need to be implemented throughout the low to moderate income communities in the City.
5	<b>Agency/Group/Organization</b>	PASSAIC PUBLIC LIBRARY
	<b>Agency/Group/Organization Type</b>	Services-Children Services-Education Services - Narrowing the Digital Divide
	<b>What section of the Plan was addressed by Consultation?</b>	Public Services / Education
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The Department coordinates with the Passaic Public Library on reading and education programs within the City of Passaic.
6	<b>Agency/Group/Organization</b>	MENTAL HEALTH CLINIC OF PASSAIC
	<b>Agency/Group/Organization Type</b>	Services-Children Services-Persons with Disabilities Services-Victims of Domestic Violence Services-homeless Services-Health Services - Victims Publicly Funded Institution/System of Care Community Development Financial Institution Neighborhood Organization

	<b>What section of the Plan was addressed by Consultation?</b>	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Public Services / Mental Health
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The City has coordinated with the Mental Health Clinic of Passaic to identify issues and services needed for at risk individuals including victims of domestic violence and youth.
7	<b>Agency/Group/Organization</b>	Passaic Alliance
	<b>Agency/Group/Organization Type</b>	Services-Children Services-Victims of Domestic Violence Services-homeless Services-Health Publicly Funded Institution/System of Care Neighborhood Organization
	<b>What section of the Plan was addressed by Consultation?</b>	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 Anti-poverty Strategy

	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The City of Passaic has a very large Spanish speaking population and the Passaic Alliance is one of the City's key partners in understanding the needs of the City's large Hispanic population. The City has coordinated with the Passaic Alliance on counseling programs for Spanish speakers that address domestic violence, parenting, and health concerns.
8	<b>Agency/Group/Organization</b>	Jewish Family Services
	<b>Agency/Group/Organization Type</b>	Services-homeless Regional organization Neighborhood Organization
	<b>What section of the Plan was addressed by Consultation?</b>	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Unaccompanied youth Homelessness Strategy
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The City works with this organization on issues related to homeless prevention, particularly in the areas of case management.
9	<b>Agency/Group/Organization</b>	BOYS AND GIRLS CLUB OF PASSAIC
	<b>Agency/Group/Organization Type</b>	Services-Children Business and Civic Leaders Neighborhood Organization
	<b>What section of the Plan was addressed by Consultation?</b>	Public Services / Children & Youth

	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The City works with this organization on issues related to services for low to moderate income children and youth in the City.
10	<b>Agency/Group/Organization</b>	Passaic Downtown Merchants Association
	<b>Agency/Group/Organization Type</b>	Services-Employment Business Leaders Neighborhood Organization
	<b>What section of the Plan was addressed by Consultation?</b>	Economic Development
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	This organization coordinates already available resources and supplements them to allow unemployed and underemployed individuals pursue educational and training requirements to obtain licenses in the fields of cosmetology, hairstylists, skin care specialists, barbers, beauticians and manicurists.
11	<b>Agency/Group/Organization</b>	PARISH NURSING INTERFAITH TRAINING & OUTREACH, INC.
	<b>Agency/Group/Organization Type</b>	Services-Elderly Persons Neighborhood Organization
	<b>What section of the Plan was addressed by Consultation?</b>	Public Services / Seniors
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The City works with this organization on issues related to services to low income seniors to assist them as they age in place in the community.



12	<b>Agency/Group/Organization</b>	JUVENILE EDUCATION & AWARENESS PROJECT
	<b>Agency/Group/Organization Type</b>	Services-Children Neighborhood Organization
	<b>What section of the Plan was addressed by Consultation?</b>	Public Services / Children & Youth
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The City works with this organization on issues related to programs designed to empower young low to moderate income girls in the community to help them succeed in school and grow into contributing members of society.
13	<b>Agency/Group/Organization</b>	PASSAIC AFFORDABLE HOUSING COALITION
	<b>Agency/Group/Organization Type</b>	Housing Services - Housing Civic Leaders Neighborhood Organization
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Market Analysis Affordable Housing
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	This organization works to develop affordable housing for low-income households in the City of Passaic.
14	<b>Agency/Group/Organization</b>	Paterson Habitat for Humanity, Inc.
	<b>Agency/Group/Organization Type</b>	Housing Services - Housing Neighborhood Organization

	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Market Analysis Affordable Housing
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Habitat works toward our vision by building strength, stability and self-reliance in partnership with families in need of decent and affordable housing. Habitat homeowners help build their own homes alongside volunteers and pay an affordable mortgage here in the City of Passaic. We are currently partnered with Habitat to create Veteran homeownership units.
15	<b>Agency/Group/Organization</b>	St Mary's General Hospital
	<b>Agency/Group/Organization Type</b>	Services-homeless Services-Health Publicly Funded Institution/System of Care Major Employer
	<b>What section of the Plan was addressed by Consultation?</b>	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The City discussed the delivery of services to homeless individuals being discharged from St Marys system of care.
16	<b>Agency/Group/Organization</b>	Passaic IT Department
	<b>Agency/Group/Organization Type</b>	Services - Narrowing the Digital Divide Other government - Local Grantee Department

	<b>What section of the Plan was addressed by Consultation?</b>	Economic Development
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The Department has begun discussions with the City IT Department to enhance the delivery of internet broadband options, increased broadband speed and create greater competition amongst internet providers.
17	<b>Agency/Group/Organization</b>	Bronze Gate Holding LLC
	<b>Agency/Group/Organization Type</b>	Housing Services - Housing
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Affordable Housing
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Experienced in providing affordable housing for the past 40+ years. Currently in talks with City representatives regarding a 16 unit rental housing complex of which 6 units will be affordable HOME assisted units.
18	<b>Agency/Group/Organization</b>	Passaic Urban Enterprise Zone
	<b>Agency/Group/Organization Type</b>	Services-Employment Business Leaders Neighborhood Organization
	<b>What section of the Plan was addressed by Consultation?</b>	Economic Development
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	This organization works with local businesses and investors to improve the economic environment within the City, foster new business development and connect local residents with employment opportunities.

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

There were no known agencies, organizations or community stakeholders who were excluded from the consultation process.

**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 Continuum of Care	The City works with the Continuum of Care to ensure the most effective use of funding for homeless and special needs populations.
City of Passaic 2013 Master Plan	City of Passaic	The goals of the 2019-23 Five-Year Consolidated Plan and this 2022 Annual Action Plan have been designed to coordinate with the City's Master Plan.
East Side Redevelopment Plan	City of Passaic	The goals of the 2019-23 Five-Year Consolidated Plan and this 2022 Annual Action Plan have been developed to support the East Side Redevelopment Plan, which is a comprehensive redevelopment initiative to revitalize the East Side neighborhood in Passaic. The East Side Redevelopment Plan includes commercial, infrastructure, and residential redevelopment, including an affordable housing component that the City will support with HOME funds to assist the development of affordable rental units.

**Table 3 – Other local / regional / federal planning efforts**

**Narrative (optional)**

The organizations that the City consulted with are identified above.

## **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**

The Department seeks input from a wide range of resources including community leaders, citizens, and local service providers throughout the planning process. Aside from direct citizen participation described below, the Department consulted with public and assisted housing service providers, social service organizations, and the Continuum of Care in order to assess community needs and build a foundation for future endeavors.

The City has adopted a Citizen Participation Plan describing the citizen participation requirements of its program. The Citizen Participation Plan is on file at the Department; as well as, permanently placed on the City's Website. The Department actively encourages citizens, particularly low and moderate-income residents, to participate in the planning process for the Five-Year Consolidated Plan, the Annual Action Plans, the submission of substantial amendments and the development of the Consolidated Annual Performance Evaluation Report (CAPER).

To encourage citizen participation from the community, the Department provides opportunities for input. On January 4, 2022 notices were published in the North New Jersey Herald News and El Especial alerting interested persons as to the availability of the 2022 CDBG and HOME funding. On January 4, 2022, notices in English and Spanish were also posted on the City's web site: <http://www.cityofpassaic.com/grants> and at the City Hall entrances as well as the Office of the City Clerk. Mailings were also sent to interested parties. Applications for CDBG and HOME funding were made available on January 4, 2022 and due back on February 11, 2022. A virtual public meeting was held on February 1, 2022 to solicit citizen input on housing and community development needs. On March 30, 2022, the preliminary budget for the 2022 Annual Action Plan was introduced to the Municipal Council Ad Hoc Committee and on April 12, 2022, residents and agencies were invited to attend the public hearing at the Municipal Council meeting. At this public hearing, the Annual Action Plan was approved by the Municipal Council. This process provides for and encourages citizen participation in the development of the Annual Action Plan.

The final draft 2022 Annual Action Plan was made available for comment for 30 days from April 21, 2022 through May 21, 2022. Copies of the notices in English and Spanish are attached to this document and can be found on the City's website, [www.cityofpassaic.gov](http://www.cityofpassaic.gov). The 2022 Annual Action Plan was placed on the City web site [www.cityofpassaic.com](http://www.cityofpassaic.com), in the City Clerk's office, the Mayor's office, and the Department of Community Development offices.

Further, the Department consulted with public and private agencies that provide assisted housing, health services, and social services. These agencies had representatives at one or more of the public hearings, received mailings at various stages of plan development, and were consulted individually for purposes of developing the Needs Assessment. This Plan is designed to be consistent with the City's Five-Year Consolidated Plan and complementary to the City's 2013 Master Plan.

**Citizen Participation Outreach**

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Meeting	<p>Minorities</p> <p>Non-English Speaking - Specify other language: Spanish</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p>	<p>5 community members attended the February 1, 2022 Zoom public meeting. There were no comments from the public.</p>	<p>There were no comments from the public at the public meeting.</p>	<p>There were no comments from the public.</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	Newspaper Ad	Minorities  Non-English Speaking - Specify other language: Spanish, Arabic  Persons with disabilities  Non-targeted/broad community  Residents of Public and Assisted Housing	A newspaper ad was placed in the North Jersey Herald News and in the El Especial, a Spanish language newspaper, alerting interested persons to the development of the 2021 Action Plan and soliciting comments from the public.	There were no comments from the public.	There were no comments 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)
3	Internet Outreach	Minorities  Non-English Speaking - Specify other language: Spanish  Persons with disabilities  Non-targeted/broad community  Residents of Public and Assisted Housing	The 2022 Annual Action Plan was made available to the public for comment on the City website for 30 days from April 21, 2022 to May 21, 2022.	There were no comments from the public	There were no comments 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	Public Hearing	<p>Minorities</p> <p>Non-English Speaking - Specify other language: Spanish</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p>	<p>The 2021 Annual Action Plan was discussed and adopted by the Municipal Council at a public hearing on April 12, 2022 held via ZOOM due to the pandemic. There were no comments from the public.</p>	<p>There were no comments from the public at the Municipal Council Hearing.</p>	<p>There were no comments from the public</p>	

**Table 4 – Citizen Participation Outreach**

## Expected Resources

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

#### **Introduction**

The City anticipates CDBG and HOME funding under this Annual Action Plan. These totals include funds for administration, which are not included in the goals at SP-45 of the Five-Year Consolidated Plan. Additionally, the goal of Fair Housing at SP-45 is funded from the City's CDBG

administration funds but itemized to highlight the City's efforts.

**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 Homeowner rehab Public Improvements Public Services	1,350,323	0	0	1,350,323	1,350,323	The City has not received our 2022 allocation from HUD as of the writing of this Plan. The City estimates that we will receive CDBG funds in the amount of \$1,350,323 based on the 2021 allocations received from HUD. The City does not anticipate any program income nor does the City have remaining unallocated funds from prior years. If the City receives less than the estimated amount, we will either adjust our awarded amounts on a pro rata basis or we will reduce one of the identified activities. If the City receives more than the estimated amount, we will adjust our awards upwards by a pro rata basis or we will fund one or two projects with the additional CDBG 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: \$		
HOME	public - federal	Acquisition Homebuyer assistance Multifamily rental new construction Multifamily rental rehab New construction for ownership	870,442	0	0	870,442	870,442	The City has not received our 2022 allocation from HUD as of the writing of this Plan. The City estimates that we will receive HOME funds in the amount of \$870,442 based on the 2021 allocations received from HUD. The City does not anticipate any program income nor does the City have remaining unallocated HOME funds from prior years. If the City receives less than the estimated amount, we will either adjust our awarded amounts on a pro rata basis or we will reduce one of the identified activities. If the City receives more than the estimated amount, we will adjust our awards upwards on a pro rata basis or we will fund one or two projects with the additional HOME 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: \$		
Other	public - federal	Acquisition Admin and Planning Economic Development Public Improvements Public Services Other	0	0	0	0	0	

Table 5 - Expected Resources – Priority Table

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

Other federal programs that may be used in combination with the City’s CDBG and HOME programs includes:

- CDBG-CV
- HOME-ARP
- CDBG-DR (as subrecipient)
- Low-Income Housing Tax Credits
- New Markets Tax Credits
- Economic Development Initiative
- Environmental Protection Agency
- Department of Transportation

- Department of Veterans Affairs

State funds may also be sought from the following agencies:

- Department of Transportation
- Department of Environmental Protection Green Acres Program

Other local funds will also be used to leverage these projects, including:

- City of Passaic School Board
- City Department of Human Services
- County of Passaic Open Space & Farmland Preservation Trust Fund

**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 and the 2022 Annual Action Plan.

**Discussion**

The City has been notified by HUD of the allocations for funding from the CDBG and HOME programs for the 2022 program year. The amounts above reflect these allocations.

## 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	2019	2023	Affordable Housing Public Housing	PASSAIC	Affordable Rental Housing Development Affordable Home Ownership Housing Development Affordable Housing - Homeowner Rehabilitation Affordable Housing- Down Payment Assistance	HOME: \$783,398  CDBG: \$150,000	Rental units constructed: 4 Household Housing Unit Homeowner Housing Added: 1 Household Housing Unit Homeowner Housing Rehabilitated: 5 Household Housing Unit Direct Financial Assistance to Homebuyers: 5 Households Assisted
2	Public Services	2019	2023	Non-Housing Community Development	PASSAIC	Public Services	CDBG: \$202,548	Public service activities other than Low/Moderate Income Housing Benefit: 2800 Persons Assisted



Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
3	Public Facilities & Infrastructure	2019	2023	Non-Housing Community Development	PASSAIC	Public Facilities and Infrastructure	CDBG: \$877,711	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 10900 Persons Assisted
4	Fair Housing Program	2019	2023	Affordable Housing Fair Housing	PASSAIC	Fair Housing	CDBG: \$10,000	Public service activities other than Low/Moderate Income Housing Benefit: 100 Persons Assisted

Table 6 – Goals Summary

### Goal Descriptions

1	<b>Goal Name</b>	Increase and Preserve Affordable Housing
	<b>Goal Description</b>	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 support our homeowner rehab program. Rental housing will be affordable to household earning below 60% of area median income or less. For the City's 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	<b>Goal Name</b>	Public Services
	<b>Goal Description</b>	The City will provide assistance for the operations of public services providers. This may include services related to enrichment programs for youth and seniors, after-school programs, employment programs, the homeless and special needs populations, the elderly, and crime prevention.

3	<b>Goal Name</b>	Public Facilities & Infrastructure
	<b>Goal Description</b>	The City will provide assistance for the development and renovation of public facilities that either directly benefit low to moderate income residents or are located in low to moderate income census tracts.
4	<b>Goal Name</b>	Fair Housing Program
	<b>Goal Description</b>	The City contracts with the Paterson Task Force to provide the residents of Passaic with information and assistance in dealing with housing related complaints based on discrimination due to race, ethnicity, gender, sexual orientation or religion. These services are funded with CDBG administrative funds.

**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 2020 program year, the City anticipates assisting four low income households with rental housing units, one low to moderate income household with homeownership housing, five low income household with homeowner housing rehab services and five moderate income first-time homebuyers.

# Projects

## AP-35 Projects – 91.220(d)

### Introduction

The City will use our CDBG resources to fund public services that benefit LMI individuals and families and for improvements to public facilities in LMI neighborhoods. HOME funds will be used to increase and preserve affordable housing for LMI households.

### Projects

#	Project Name
1	CDBG Administration 2022
2	Public Services - 2022 CDBG
3	Public Facilities Improvement - 2022 CDBG
4	Park Improvements - 2022 CDBG
5	Street and Sewer Improvements - 2022 CDBG
6	Homeowner Rehab Program – 2022 CDBG
7	HOME Administration - 2022
8	First Time Homebuyer Program - HOME 2022
9	Affordable Housing Development – HOME 2022
10	CHDO Housing Development - HOME 2022

**Table 7 - Project Information**

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

The City allocated our CDBG and HOME resources based on the needs identified in our 2019-23 Consolidated Plan and input from residents and our partners on the needs of the community. Our greatest obstacle continues to be staff capacity and limited resources.

**AP-38 Project Summary**  
**Project Summary Information**

1	<b>Project Name</b>	CDBG Administration 2022
	<b>Target Area</b>	PASSAIC
	<b>Goals Supported</b>	Public Services Public Facilities & Infrastructure Fair Housing Program
	<b>Needs Addressed</b>	Public Services Public Facilities and Infrastructure Fair Housing
	<b>Funding</b>	CDBG: \$274,064
	<b>Description</b>	This project will include all eligible CDBG Administration activities and the costs of contracting for the operation of the City Fair Housing Program (Mandatory by HUD to provide Fair Housing Counseling services to the residents of the City of Passaic, to include information and assistance in dealing with housing related complaints based on discrimination due to race, ethnicity, gender, sexual orientation or religion).
	<b>Target Date</b>	6/30/2023
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	These funds will be used for administration of all CDBG programs, which benefit both the community at large through public infrastructure projects and direct beneficiaries through service delivery programs. See information on those programs for beneficiary information.
	<b>Location Description</b>	The administration of the CDBG Program will be carried out primarily at the City of Passaic's City Hall located at 333 Passaic Street, Passaic, NJ 07055.  The Passaic Fair Housing Activities will be available to residents throughout the City.
<b>Planned Activities</b>	This project category will include all eligible CDBG Administration activities. - \$264,064  Fair Housing Counseling services will be available to 15 extremely low to moderate income residents of the City, including information and assistance in dealing with housing complaints based on discrimination due to race, ethnicity, gender, sexual orientation or religion. - \$10,000	
2	<b>Project Name</b>	Public Services - 2022 CDBG
	<b>Target Area</b>	PASSAIC
	<b>Goals Supported</b>	Public Services

<b>Needs Addressed</b>	Public Services
<b>Funding</b>	CDBG: \$202,548
<b>Description</b>	This project category will include all CDBG Public Services activities.
<b>Target Date</b>	6/30/2023
<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Approximately 2,800 LMI residents of the City will benefit from these services this year.
<b>Location Description</b>	Public Service projects serve the entire City of Passaic. The service locations are included in the project descriptions below.

<p><b>Planned Activities</b></p>	<p>Bella Chanel Mural Project - The City will work with local artists and 25 LMI youth to create a mural at the Passaic Boys and Girls Club at 14-20 Hudson Street - \$2,000.00</p> <p>Bella Chanel Educational and Cultural Mentoring Program - The Juvenile Education and Awareness Project will assist 25 LMI youth at 40 Market Street with career planning, homework, civic engagement, education and a new reading program. - \$6,000.00</p> <p>Certified Angels will operate an after school program that assists 100 LMI children and youth with various classes, dance, drama/acting classes, arts and crafts, homework help and community volunteering program, etc. The locations are: The Passaic Gifted &amp; Talented Academy School 20, William B. Cruise Veterans Memorial School 11, Daniel F. Ryan School 19 and the Greater Passaic Clifton Community Center.- \$6,000.00</p> <p>Parish Nursing will offer free blood pressure screening, health assessment and referral services to 250 LMI senior residents in their homes, local hospitals and health fairs. - \$5,000.00</p> <p>Youth Enrichment Program – The Department of Recreation will provide educational programs and activities at the Annabelle Shimkowitz Senior Center to 800 LMI children and youth ages 6 to 18. - \$3,548.00</p> <p>Special Needs Program - The Department of Recreation will offer programs at the Annabelle Shimkowitz Senior Center to help 35 LMI City residents with special needs gain new skills to enhance participants overall wellbeing and quality of life. - \$29,000.00</p> <p>Multi Sports Program - The Department of Recreation will offer sports programs/activities at the Passaic indoor sports facility and the Christopher Columbus, Pulaski, Dundee Island and Third Ward Parks for 800 LMI youth in the City - \$29,000.00</p> <p>Summer Camp Employment Training - The Department of Recreation will offer sporting and recreational activities to 150 LMI youth ages 6-14 at the Passaic indoor sports facility, the Boys and Girls Club, the Senior Center and the Christopher Columbus, Pulaski, Dundee Island and Third Ward Parks. - \$39,000.00</p> <p>Community Engagement Events - The Department of Recreation will enhance the quality of life for City residents throughout the City by offering outdoor entertainment, socializing events and fitness coaching at City-owned property, such as parks in LMI neighborhoods, City Hall</p>
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		<p>lobby and courtyard, or the Annabelle Shimkowitz Senior Center - \$15,000.00</p> <p>Ice Skate Activities and Events - The Department of Recreation will offer LMI City residents the ability to learn to skate at the new rink at Memorial Park - \$8,000.00</p> <p>Senior Affairs - The Annabelle Shimkowitz Senior Center will offer activities and outings that assist 400 LMI Passaic seniors with daily living, instructional classes, events, field trips, fitness, enhance physical/mental wellbeing. - \$25,000.00</p> <p>Jewish Family Services &amp; Children Center will offer employment services to 100 LMI unemployed and under employed residents with job coaching, vocational counseling and job development at 110 Main Street. - \$15,000.00</p> <p>Job Training Program - The City of Passaic will offer several job-training courses at Passaic City Hall where 10 LMI unemployed and underemployed Passaic residents can receive licenses and/or certifications to secure employment - \$10,000.00</p> <p>Dignity House Services and Resource Center for the Homeless - The City of Passaic Human Services will offer referrals, a warming/cooling site, meals and other services as needed to 50 homeless Passaic residents at 276 Broadway - \$5,000.00</p> <p>Girl Scouts of Northern NJ – Serves 60 LMI girls in low-income and underserved communities through a 6-week series that focuses on youth outreach and development, skill building and self-esteem. - \$5,000.00</p>
<b>3</b>	<b>Project Name</b>	Public Facilities Improvement - 2022 CDBG
	<b>Target Area</b>	PASSAIC
	<b>Goals Supported</b>	Public Facilities & Infrastructure
	<b>Needs Addressed</b>	Public Facilities and Infrastructure
	<b>Funding</b>	CDBG: \$22,500
	<b>Description</b>	This project category will include Public Facilities and Infrastructure Improvement activities.
	<b>Target Date</b>	6/30/2023



	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	The City anticipates this activity will have an area benefit that will assist 30,000 LMI Passaic residents.
	<b>Location Description</b>	Projects will be carried out at the locations described in the planned activities section below.
	<b>Planned Activities</b>	Forstmann Library – Replace flat portion of roof/replace broken slates in the facility located at 195 Gregory Avenue The Library serves an area of the City that includes multiple census tracts totaling approximately 30,000 LMI City residents. - \$22,500
<b>4</b>	<b>Project Name</b>	Park Improvements - 2022 CDBG
	<b>Target Area</b>	PASSAIC
	<b>Goals Supported</b>	Public Facilities & Infrastructure
	<b>Needs Addressed</b>	Public Facilities and Infrastructure
	<b>Funding</b>	CDBG: \$200,000
	<b>Description</b>	The City will perform improvements to public parks in LMI neighborhoods.
	<b>Target Date</b>	6/30/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	The City anticipates these activities will have an area benefit that will assist 70,000 LMI residents.
	<b>Location Description</b>	The City will be working in Pulaski Park, Columbus Park, Third Ward Memorial Park, Colonel Johnson Park and Columbia Park, all of which are in LMI areas.
<b>Planned Activities</b>	Park Improvements – City of Passaic Engineering will replace damage structures, reseed, install spray pads, improve accessibility and make general improvements such as but not limited to; improving walkways, installing new and/or additional surfacing, replace fencing, add lighting, etc. in Pulaski Park, Columbus Park, Third Ward Memorial Park, Colonel Johnson Park and Columbia Park, all of which are in LMI districts. - \$200,000	
<b>5</b>	<b>Project Name</b>	Street and Sewer Improvements - 2022 CDBG
	<b>Target Area</b>	PASSAIC

	<b>Goals Supported</b>	Public Facilities & Infrastructure
	<b>Needs Addressed</b>	Public Facilities and Infrastructure
	<b>Funding</b>	CDBG: \$522,125
	<b>Description</b>	The Passaic Department of Engineering will improve streets and sewers in LMI areas of the City
	<b>Target Date</b>	6/30/2023
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	The City anticipates these activities will have an area benefit that will assist approximately 9,000 LMI residents.
	<b>Location Description</b>	The locations are in LMI areas of the City and described below in the Planned Activities Section.
	<b>Planned Activities</b>	<p>Street and Sewer Improvement Projects - The Passaic Department of Engineering will improve streets and sewers that will benefit approximately 9,000 LMI residents. The City will perform improvements at the following locations. - \$522,125</p> <ol style="list-style-type: none"> <li>1. 3rd Street between Essex &amp; Passaic (sanitary sewer improvements) Census tract 1752</li> <li>2. Park Avenue &amp; Elliot Street intersection (sanitary sewer improvements) Census tract 1757.01</li> <li>3. Passaic Street &amp; 10th Street intersection (sanitary sewer improvements) Census tract 1759</li> <li>4. Monroe Street &amp; corner of Louisa Street (storm sewer improvements) Census tract 1754.02</li> <li>5. Aspen Place between State St. and Columbia Avenue (sanitary sewer improvements) Census tract 1754.02</li> <li>6. Ridge Avenue; "the Circle" (sanitary sewer improvements) Census tract 1756.01</li> <li>7. Paulison Avenue between Oak Street to Montgomery Street (sanitary sewer improvements) Census 1755.01</li> </ol>
<b>6</b>	<b>Project Name</b>	Homeowner Rehab Program - CDBG 2022
	<b>Target Area</b>	PASSAIC

	<b>Goals Supported</b>	Increase and Preserve Affordable Housing
	<b>Needs Addressed</b>	Affordable Housing - Homeowner Rehabilitation
	<b>Funding</b>	CDBG: \$150,000
	<b>Description</b>	The City will use HOME funds to assist LMI households in the City with basic systems repair.
	<b>Target Date</b>	6/30/2023
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	The City estimates that we will assist five LMI household during the 2022 program year
	<b>Location Description</b>	Services are available to LMI households throughout the City and are administered at the City's office at City Hall
	<b>Planned Activities</b>	Homeowner Rehab Program - CDBG funds will be used to assist five LMI homeowners with basic systems repairs. - \$150,000
<b>7</b>	<b>Project Name</b>	HOME Administration - 2022
	<b>Target Area</b>	PASSAIC
	<b>Goals Supported</b>	Increase and Preserve Affordable Housing
	<b>Needs Addressed</b>	Affordable Rental Housing Development Affordable Home Ownership Housing Development Affordable Housing - Homeowner Rehabilitation Affordable Housing- Down Payment Assistance
	<b>Funding</b>	HOME: \$87,044
	<b>Description</b>	This project will include all eligible HOME Administration activities
	<b>Target Date</b>	6/30/2023
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	The City's HOME funded activities will benefit approximately 10 LMI households during the 2022 program year
	<b>Location Description</b>	The City will administer the HOME Program from their offices is City Hall
	<b>Planned Activities</b>	Administration of the HOME Program

8	<b>Project Name</b>	First Time Homebuyer Program - HOME 2022
	<b>Target Area</b>	PASSAIC
	<b>Goals Supported</b>	Increase and Preserve Affordable Housing
	<b>Needs Addressed</b>	Affordable Housing- Down Payment Assistance
	<b>Funding</b>	HOME: \$100,000
	<b>Description</b>	The City will use HOME funds to assist LMI households with down payment and closing cost assistance.
	<b>Target Date</b>	6/30/2023
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	The City estimates assisting five LMI households
	<b>Location Description</b>	HOME funds are available to LMI households throughout the City and the program will be administered from the City's office at City Hall.
<b>Planned Activities</b>	First Time Homebuyer Program - HOME funds will be used to assist five LMI first-time home buyers with down payment and closing costs assistance - \$100,000	
9	<b>Project Name</b>	Affordable Housing Development – HOME 2022
	<b>Target Area</b>	PASSAIC
	<b>Goals Supported</b>	Increase and Preserve Affordable Housing
	<b>Needs Addressed</b>	Affordable Rental Housing Development Affordable Home Ownership Housing Development
	<b>Funding</b>	HOME: \$552,831
	<b>Description</b>	The City will use HOME funds to develop new or rehabilitated affordable rental or homeownership housing for LMI residents.
	<b>Target Date</b>	6/30/2023
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	The proposed activities will benefit four LMI households
	<b>Location Description</b>	Housing development will take place at locations in the City

	<b>Planned Activities</b>	Affordable Rental and Homeownership Housing Developments - HOME funds will be used by to-be-determined housing developers to develop four units of affordable rental or homeownership housing units in the City - \$552,831
<b>10</b>	<b>Project Name</b>	CHDO Housing Development - HOME 2022
	<b>Target Area</b>	PASSAIC
	<b>Goals Supported</b>	Increase and Preserve Affordable Housing
	<b>Needs Addressed</b>	Affordable Rental Housing Development Affordable Home Ownership Housing Development
	<b>Funding</b>	HOME: \$130,567
	<b>Description</b>	The City will provide HOME funds to a qualified CHDO to develop affordable housing in the City
	<b>Target Date</b>	6/30/2023
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	The City estimates that one LMI household will benefit from the proposed activities
	<b>Location Description</b>	New affordable housing will be developed at TBD locations
	<b>Planned Activities</b>	Housing Developed by a Certified CHDO's - HOME funds will be used by a to-be-determined certified CHDO organization to develop one unit of affordable rental or homeownership housing units in the City - \$130,567

## **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**

This year CDBG funding will be used 100% throughout the areas of Passaic with the highest concentration of low and extremely low income and minority concentration households who are living at or below poverty levels particularly, in the central, northern, and northeastern areas of the City as defined below by the American Fact Finder as census tracts 1752, 1754, 1755, 1757 and 1758;

1752; 324 African American & 2,925 Hispanic/Latinos, with an unemployment rate of 23.0% and 4.2%, respectively.

1754.01; 326 African American & 3,665 Hispanic/ Latino, with an unemployment rate of 1.0% and 1.6%, respectively.

1754.02; 430 African American & 2,613 Hispanic/ Latino, with an unemployment rate of 14.0% and 4.8%, respectively.

1755, 480 African American & 4,478 Hispanic/Latino, with an unemployment rate of 2.7% and 6.8%, respectively.

1757.01; 421 African American & 2,155 Hispanic/Latino, with an unemployment rate of 4.1% and 5.4%, respectively.

1757.03; 397 African American & 1,539 Hispanic/Latino, with an unemployment rate of 0.0% and 4.6%, respectively.

1757.04; 180 African American & 1,107 Hispanic/Latino, with an unemployment rate of 50.4% and 6.8%, respectively.

1758.01; 224 African American & 1,953 Hispanic /Latino, with an unemployment rate of 9.0% and 4.5%, respectively.

1758.02; 171 African American & 4,351 Hispanic /Latino, with an unemployment rate of 25.8% and 6.1%, respectively.

## Geographic Distribution

Target Area	Percentage of Funds
PASSAIC	100
East Side Redevelopment Plan Area	
Ward 2	

**Table 8 - Geographic Distribution**

## Rationale for the priorities for allocating investments geographically

The overall geographic area in the City of Passaic was chosen for CDBG because the service programs and public facilities and improvements projects benefit all residents of the City. Priority will be given to areas with concentrations of extremely low- and low-income and minority households who are living at or below poverty levels, particularly in the central, northern, and northeastern areas of the City as defined in American Fact Finder as census tracts 1752, 1754, 1755, 1757 and 1758:

HOME funds will be allocated based on specific projects contemplated across the City with an emphasis in the census tracts identified above. The City is committed to working towards the goals of the East Side Redevelopment Plan. The East Side Redevelopment Plan includes commercial, infrastructure, and residential redevelopment, including an affordable housing component that the City will support with HOME funds to assist in the development of affordable rental units. The City is currently working with developers to construct three different housing developments in the East Side Redevelopment Area totally 148 units, of which 20 units will be affordable. A 111,000 square foot logistics center has been completed and approval was recently granted to build a second 300,000 square foot logistics center. An additional 244 housing units are in development phase.

Consequently, CDBG and HOME funds may be invested in that Target Area during the 2022 Program Year; however, given the limited resources, the City will give priority funding to projects and programs that are ready to be implemented. It is the goal of the City to continue to create and support affordable housing opportunities and community reinvestment activities for all low to moderate income residents in the City of Passaic.

## Discussion

The rationale for allocation priorities is described in the preceding sections.

## Affordable Housing

### AP-55 Affordable Housing – 91.220(g)

#### Introduction

This year the City will focus its HOME funding on housing development to create more affordable housing opportunities and first-time homebuyer down payment assistance to assist low-income households in purchasing homes. As shown in the needs assessment and market analysis sections of the City’s 2019-23 Five-Year Con Plan, rental units in the City have a heavy concentration in one-bedroom and efficiency units, making it difficult for families to find suitable housing and affordable rents. To address this need, the City is interested in the development of two- and three-bedroom units. Homeowner units, in contrast, tend to be larger and more suited to families. The City’s down payment assistance program will help more families invest in suitable homeownership opportunities. The City is currently using old HOME funds in a partnership with Habitat for Humanity of Paterson to develop four affordable units earmarked for Veterans; three 2-bedroom units and one 1-bedroom unit. These units would be homeownership housing development for four low-income veterans. Program year 2021 funds are being earmarked for a new rental housing development.

<b>One Year Goals for the Number of Households to be Supported</b>	
Homeless	0
Non-Homeless	15
Special-Needs	0
Total	15

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

<b>One Year Goals for the Number of Households Supported Through</b>	
Rental Assistance	0
The Production of New Units	5
Rehab of Existing Units	5
Acquisition of Existing Units	5
Total	15

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

#### Discussion

The City will use HOME funds to develop four units of rental housing, one homeownership housing unit and assist five first time homebuyers as well as five homeowners to rehab their houses during the 2022 program year.



## **AP-60 Public Housing – 91.220(h)**

### **Introduction**

The mission of the Housing Authority of the City of Passaic (HACP) is to provide decent, safe, and sanitary housing while providing the highest level of customer service. In carrying out this mission, the HACP is committed to:

- Maintaining cooperation and respect between residents and employees.
- Cooperative and respectful relationships with the public, community organizations, and other local government agencies and departments.
- Adopting community-building principles to assist residents in moving permanently to a better economic situation.
- Exhibiting pride in maintaining home and surroundings.

HACP adheres to all laws and regulations with regard to civil rights, nondiscrimination and affirmatively furthering fair housing opportunities for all Passaic residents.

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

HACP is still trying to compile a RAD application for Alfred Speer Village. The agency has experienced several challenges securing financing for the planned redevelopment. A few meetings have taken place with developers interested in taking Alfred Speer Village forward. A definite timeline is not known at this time. HACP still needs to reevaluate the existing physical needs assessment.

Every opportunity to expose residents to home ownership will be taken. Advertised sessions are the key element at this time. Occasionally, HACP receives an inquiry and so far has referred the individual to the City's First Time Home Buyer's program.

To further address the public housing needs, HACP maintains open communication with residents to update them with information from HUD as well as identify resources to enhance the quality of life. In addition, HACP holds workshops for public housing residents to assist them in improving life skills.

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

HACP does not have any unique program for home ownership at this time. Additionally, HACP no longer has an FSS program. This will be something to consider reengagement in the future.

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

**provided or other assistance**

The Housing Authority of the City of Passaic is not designated as troubled

**Discussion**

The public housing characteristics and needs of the residents are described in the preceding sections.

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

### **Introduction**

The City of Passaic does not receive an allocation of ESG funds from HUD, so we do not have the resources to provide direct funding to the organizations that serve the homeless and other special needs population. However, via the City's Dignity House Resource Center facility, which was funded with CDBG dollars, we have created a safe harbor to provide services to this disenfranchised population. The City also used a large percentage of our CDBG-CV funds to assist residents from becoming homeless through the creation of a tenant rental assistance program and a homeowner mortgage assistance program.

### **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's one-year goal/actions is to drastically reduce the negative effects of homelessness. We intend to continue our outreach efforts to the homeless population through the various programs offered at the Dignity House Resource Center. This facility is working to dignify homeless individuals by ameliorating their current situation. We have several success stories from our initiatives, and intend to conduct more outreach to the homeless population to use the facility. Services offered at Dignity House that attract homeless individuals to the facility including mailboxes, showers, refrigerators, meals, lockers, haircuts and laundry facilities. Once contact is made with homeless individuals, the City will continue offering case management services such as counseling; referrals for medical, housing, job training and placement, legal services, substance abuse and financial and social assessments.

In addition, the City continues to work with the CoC to perform outreach services to the homeless in the City. St. Joseph's Medical Center, the County's PATH Provider, conducts County-wide street outreach with a focus on connecting with people who have severe mental health.

During the 2022 program year, the City will be conducting outreach to the CoC and homeless service providers in an effort to assess the best strategies for spending the City's allocation of HOME ARP funds. The City has identified several homeless service providers and will be conducting interviews with each during the 2022 program year.

#### **Addressing the emergency shelter and transitional housing needs of homeless persons**

For the 2022 program year, the City will continue addressing the emergency shelter and transitional

housing needs of the homeless via our support programs offered at Dignity House as discussed above.

In addition, the City, is using our HOME resources to provide funding to Habitat for Humanity of Paterson to develop three 2-bedroom and one 1-bedroom affordable homeownership units for veterans. This project is under construction.

**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**

The City refers homeless persons to 211 First Call for Help and connects them to resources through the Coordinated Assessment system. Additionally, Catholic Families and Community Services (CFCS) is a partner we connect homeless Veterans through their CFCS SSVF outreach program.

Additionally, the City utilizes the 24/7 hotline single point of entry system managed through NJ211. Emergency Shelters and hotel/motel placements are accessible for homeless persons in need. Once a person is connected through coordinated entry, providers work to connect them with the Housing Prioritization list allowing clients to access PH opportunities funded by the CoC.

The City works with the CoC to identify organizations that assist City residents with homeless prevention services and prevent discharges to homelessness. Our partners, CFCS, County Board of Social Services, and NJ211 are organizations that are available to connect patients to services and temporary hotel vouchers while they are being reintegrated into the community. Persons who are at risk of homelessness are also referred to the County Board of Social Services for prevention assistance. Additionally, City residents will be eligible to access homeless prevention funds provided through the County with the new Treasury funds.

The City also works with the CoC to identify organizations that assist homeless residents in the City with transitioning to permanent housing. Several of our CoC partners offer to provide supportive services and address the unique challenges homeless people face. Most recently, the County funded the Center for Family Services to provide case management and other wrap-around services needed by people who are experiencing homelessness. This is just another resource City residents will be able to access to get assistance for housing.

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving**

**assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.**

The City of Passaic did not receive an allocation of ESG funds from HUD for the 2022 program year and so we are not able to fund many of the organizations that serve the homeless and other special needs population; however, the City allocated the bulk of our first round of CDBG-CV funds to assisting households avoid homelessness with rental payments and utility assistance. During the 2022 program year, the City will continue this program for households who have been negatively impacted by the COVID-19 pandemic. The City is also active in the CoC and works with them to identify programs that assist households who are threatened with homelessness and provide prevention assistance.

During the 2022 program year, the City will be conducting outreach to the CoC and homeless service providers in an effort to assess the best strategies for spending the City's allocation of HOME ARP funds. The City has identified several homeless service providers and will be conducting interviews with each during the 2022 program year.

**Discussion**

The programs that the City is looking to undertake over the 2022 program year to address the needs of homeless individuals and families are discussed above. During the 2022 program year, the City will undertake the following activities to address the needs of special needs individuals and families who are not homeless:

Senior Outreach - Parish Nursing will operate the stay home, stay safe program throughout the City that provides seniors with free blood pressure screening, health assessments and referral services by a registered nurse.

Senior Affairs - The City of Passaic Senior Center, located at 330 Passaic Street, will offer activities and outings that encompass fitness, enhance physical and mental well-being and assist low income Passaic seniors with daily living.

Special Needs Program - The City of Passaic-Recreation will offer programs at Passaic City Hall to help City residents with special needs gain new skills to enhance participants overall wellbeing and quality of life.

Dignity House Resource Center – The City will continue funding social supportive services through Dignity House to address the needs of the City's homeless population.

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

### **Introduction:**

The Fair Housing Act of 1968 mandates that the Department of Housing and Urban Development (HUD) affirmatively furthers fair housing through its programs. Towards this end HUD requires funding recipients to undertake fair housing planning (FHP) in order to proactively take steps that will lead to less discriminatory housing markets and better living conditions for minority groups and vulnerable populations.

### **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**

The City of Passaic last conducted an Analysis of Impediments to Fair Housing in October, 2020. The 2020 study concluded that impediments do exist in the City. Barriers remain consistent and include the following:

- The impact of high cost housing and the lack of affordable housing units in the City;
- Limited English proficiency of Passaic’s large immigrant population is still an impediment to the population’s access to fair, affordable housing in the City;
- Language barriers create situations that may result in discrimination and may deter the reporting of discrimination when it occurs; and,
- Access to self-sustaining employment opportunities.

The City identified the following needs:

- More coordination is required between other agencies, departments, companies and community organizations to further fair housing education in Passaic.
- Increased coordination is needed between Federal, State and local entities engaged in fair housing activities within the city.
- Additional research on the barriers to affordable housing opportunities in Passaic is needed.

The Department also allocates resources from our CDBG admin budget for the delivery of fair housing counseling for low income residents of the City of Passaic. This program year we have contracted with New Jersey Citizen Action Education Fund who are well versed in this area of expertise. Passaic has a very large Hispanic population and so it’s important to provide Spanish language opportunities to learn about fair housing rights.

The City also works with our development partners to ensure that all housing units are marketed and leased in a fair and equitable manner. Each developer is required to follow the City’s affirmative fair

housing marketing standards which are provided to the developer prior to sale or lease up.

**Discussion:**

The previous sections provide a discussion of the barriers to Affordable Housing in the City of Passaic and the plans the City has put into place for removing or ameliorating those effects.

## **AP-85 Other Actions – 91.220(k)**

### **Introduction:**

The Department will continue working with community groups to seek additional resources to build and expand on opportunities and program available to low-income, minority, and special needs populations in the City.

### **Actions planned to address obstacles to meeting underserved needs**

One primary obstacle in meeting the needs of the underserved in Passaic is the language barriers due to the large number of Hispanic speaking residents. Further, the immigrant population often has some distrust of government that must be overcome before the Department can properly evaluate eligibility for programs and begin delivering services. In October 2020, the City completed our Four Factors Analysis and Language Access Plan for Limited English Proficiency Persons. To address the obstacles outlined in the Plan, the Department will increase its coordination with local community groups that provide outreach to and advocacy for the Hispanic community in Passaic. In addition, the Department will continue to promote its existing policy to provide language access services to populations of persons with Limited English Proficiency (LEP) who are eligible to be served or likely to be directly affected by our programs. To that end, all notices, ads, flyers, program applications, etc. are disseminated in both English and Spanish. Such services will be focused on providing meaningful access to our programs, services and/or benefits. Any individual eligible for programs/services at the City of Passaic Housing Services Division who cannot speak, read, write, or understand the English language at a level that permits them to interact effectively with our staff has the right to qualified interpreter services at no cost to them and not to be required to rely on their minor children, other relatives, or friends. To this end, each of our Departments here in the City of Passaic have bi-lingual employees to assist our constituents when necessary.

### **Actions planned to foster and maintain affordable housing**

The Department will continue to work closely with other agencies within the City in carrying out the City's Master Plan and the East Side Redevelopment Plan, which include affordable housing components. The City is committed to the East Side Redevelopment Plan and is currently working with developers to construct three different housing developments in the East Side Redevelopment Area totally 148 units, of which 20 units will be affordable. An additional 244 housing units are in development phase. While the City has not allocated HOME funds to any of these developments, we have begun discussing how HOME funds could assist the housing development initiatives; extending our best efforts to promote affordable housing in the City.

The City is also seeking new development partners to assist us in creating more affordable housing. Over the past two years we have developed a partnership with Habitat for Humanity. Through this partnership we have successfully completed three affordable housing units; all of which have been



sold to low to moderate income families and we are under construction with a four unit development to create homeownership housing for veterans. We are currently exploring additional options for future development opportunities with Habitat.

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.

<b>HOME Investment Per Unit</b>	<b>Minimum Affordability Period</b>
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 Rental Housing Units	20 years

The City of Passaic continues to monitor its past and current sub-recipients to ensure their compliance with the long-term affordability requirements of the HOME program.

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

<b><u>Uncapped Income Limits vs Capped Income Limits</u></b>	
<b>Uncapped Income Limits</b>	<b>Capped Income Limits</b>
First-Time Homebuyer (HOME)	Rental Projects (HOME)
Homeowner Rehab (HOME)	Low-Moderate Programs (CDBG)

### **Actions planned to reduce lead-based paint hazards**

Due to the aged housing stock in the City, lead-based paint hazards are prevalent. The City will continue its efforts to educate the public and will continue to follow its lead-based paint policies as part of its homeowner rehabilitation programs. We have been in discussions with a Lead consultant about securing additional funds.

### **Actions planned to reduce the number of poverty-level families**

The Department will continue to operate its programs with a goal of reducing poverty-level families in the City. As a result, the City has committed to providing resources to employment programs for the past two years. Through our efforts over the past year, 17 Passaic residents received their SORA license as Security Guards, another resident obtained their CDL license and under the CARES program funding

five residents have been certified as medical technicians in phlebotomy and six have received their certifications in EKG. During 2022, the City intends to continue our job training and placement programs funded with CDBG resources. The City will continue our involvement with other programs administered by the County and elsewhere where opportunities exist.

The City also requires our development partners to use their best efforts to engage in local hiring and contracting with local minority- and women-owned businesses. The City has not been very successful with these efforts in the past. As a result, the City recently completed a Section 3 plan and will be incorporating stronger language regarding our requirements for local hiring and contracting with local minority- and women-owned businesses into our developer agreements. We also will be requiring more thorough reporting on local hiring practices and any obstacles to meeting these objectives. This will assist the City in developing stronger outreach efforts, enhanced training programs and better placement activities.

### **Actions planned to develop institutional structure**

As discussed, the Department intends to increase its coordination with community groups that serve the Hispanic population in the City to develop structures that help identify needs in the community and connect people with services that the City funds.

The City is also working to improve the operations of the Department of Community Development through increased staff training and technical assistance from HUD and consultants. Our efforts have resulted in dramatic improvements in the capacity of the Department to administer our programs. This has resulted in more effective and efficient use of federal resources to serve the needs of the community as well as increased housing production and more programs successfully completed with CDBG resources. Recent staff turnover has negatively impacted our capacity during 2021 and remains a problem. We are in the process of recruiting new individuals to join our team and will create additional training programs once they have been hired.

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

As discussed, the East Side Redevelopment Plan includes comprehensive revitalization of the East Side (see AP85), which is an area of the City with high concentrations of low- and extremely low-income households. This plan has resulted in significant public and private investment that require intense coordination. The City is working with private sector development partners to implement the housing component of the Plan. The implementation of this Plan has enabled the City to build stronger relationships with private sector housing developers.

The Department coordinates our efforts in addressing the needs of the homeless population with the

CoC through attendance at regular meetings and with funding to the Department of Human Services.

The City also works with HACP to address the needs of public housing residents through their Resident Services Director.

**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(I)(1,2,4)

#### Introduction:

#### Community Development Block Grant Program (CDBG)

##### Reference 24 CFR 91.220(I)(1)

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

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	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
<b>Total Program Income:</b>	<b>0</b>

#### 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(I)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

The City of Passaic does not intend to use its HOME funds for any form of assistance that is not set

forth in 24 CFR 92.205.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

See the Grantee Unique Appendices for a discussion of the City's resale and recapture provisions.

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 of Passaic 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 outlined in the Grantee 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 of Passaic will not be using its HOME funds to re-finance existing housing debt for multifamily housing that is being rehabilitated with HOME funds.

Direct Homeowner Assistance – The City uses its HOME funds to assist low to moderate-income (below 80% AMI) households purchase affordable housing. Homebuyers are selected on a first come, first served basis. Information on this program is available on the City website and at the offices of the Department.

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

If the City of Passaic utilizes subrecipients, CHDOs, or other entities for the delivery of homebuyer assistance the resale or recapture provisions described in the Grantee Unique Appendices will be applicable.

## 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:

**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**. 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. The new homebuyer may not pay more than 33 percent of gross income for Principal, Interest, Taxes and Insurance (PITI). To ensure continued affordability, the new homebuyer will assume the City loan and affordability restrictions in the form of a deferred repayment down-payment assistance loan and a new deed restriction will be placed on the property 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 downpayment 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 percentage change in the average consumer price index for all urban consumers, as determined by the U.S. Department of Labor, Bureau of Labor Statistics. The restricted resale price based on a fair return on investment is not guaranteed. If the restricted 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 of Passaic 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.