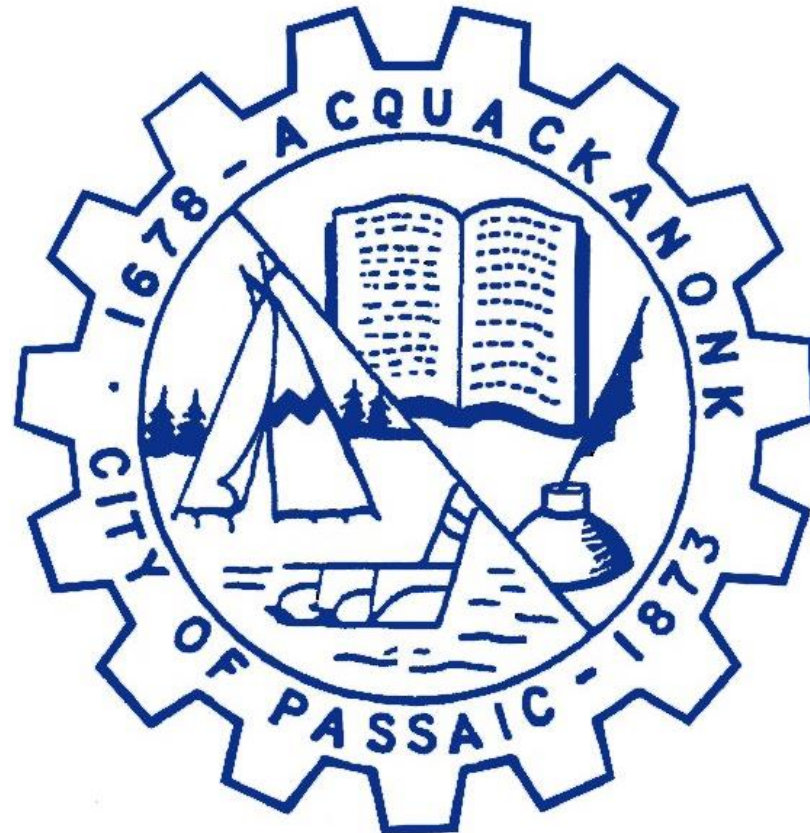


# CITY OF PASSAIC



## 2020 CAPER REPORT

## CR-05 - Goals and Outcomes

### **Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a)**

This could be an overview that includes major initiatives and highlights that were proposed and executed throughout the program year.

The City of Passaic (the City) began the 2020 program year negatively impacted by the COVID-19 pandemic. The Department of Community Development (DCD or the Department) worked closely with our grantees to provide assistance as best possible; however, many of our grantees have been working remotely throughout the past year and many area residents have been reluctant to seek out in-person social services. The COVID-19 pandemic prevented the Department of Recreation from implementing the Summer Camp, Swim program, Youth Enrichment program and Community Engagement program.

DCD has been very successful during the 2020 program year in using our first round of CDBG-CV funds to create and administer a tenant-based rental assistance and a homeowner mortgage assistance program where we assisted 151 and 4 respectively; low- to moderate-income (LMI) households prevent homelessness. The City also used our CDBG-CV funds to provide training to 13 area LMI residents in the field of emergency medical technicians. The third round of COVID-CV is being used to acquire and renovate a building to be turned into a multi-function facility that the City will use to administer and provide COVID-19 related services (testing, tracing, vaccination, counseling and referrals). This project is in the planning phase.

DCD worked with the Department of Public Works (DPW), the Department of Engineering (Streets), the Department of Recreation (Recreation) and the Department of Health and Human Services (HHS) to administer as best as possible the many programs funded through the CDBG program. The Department of Recreation was able to implement several of the programs funded with CDBG resources, including assisting 30 LMI residents with special needs and offering sporting activities to 827 Passaic LMI youth and children. The City also continued working with our partners: Bella Channel provided mentoring for 20 children and youth; Certified Angels administered an after-school program for 71 LMI children and youth; Parish Nursing operated their stay home, stay safe program for 236 seniors; the Passaic Senior Center provided services to 392 seniors; Jewish Family Services offered job coaching and vocational training to 104 residents; and, New Jersey Citizen Action served 105 residents through in-person and virtual services with issues surrounding fair housing. The City served 42 homeless individuals in the new Dignity House facility with meals, haircuts and referral services. They also offered COVID-19 testing and vaccination services for area homeless individuals. The Coaches Association went out of business and the City has deobligated the CDBG funding. DCD is in the planning stages of allocating these funds to another project.

DPW is in the planning phases to install new athletic equipment at three area parks. The Streets Department performed emergency

sewer/street improvements at 2 locations; Madison Avenue (between Lexington and Hope Avenue) and 6<sup>th</sup> Avenue. Madison Avenue is located in Census tract 1754.02, which has 4,580 residents of which 85.45 % are LMI households. 6<sup>th</sup> Avenue is located in Census tract 1756.02, which has 1,730 residents of which 80.92% are LMI households. The Streets Department also performed manhole, storm water and sanitary sewer improvements at various locations in LMI neighborhoods throughout the City. The Passaic Library completed upgrades to their Reid and Main facilities using older CDBG funds; however, they have yet to begin the improvements to the Forstmann facility planned for 2020. They have requested and were granted an extension due to the COVID-19 pandemic. The Mental Health Clinic of Passaic used CDBG funds to install a new security system at their facility. The Boys and Girls Club used 2018 and 2019 CDBG funds to replace the generator. The City also committed CDBG funds to redevelop the 100 steps and surrounding Latona Griffin Park. This project is in the planning phases and should be completed during the 2021 program year. The City is waiting for HUD to approve the Release of Funds to commence this work. The Food Pantry decided to not implement their proposed 2020 project and the City has deobligated the project. DCD is in the planning stages of allocating these funds to another project.

The City used HOME funds to assist three area LMI residents with down payment and closing cost assistance under the First-Time Homebuyer program (FTHB). The City fell short of our goal of six units due to the COVID-19 pandemic. The City also provided older HOME CHDO funds to Morris County Habitat for Humanity to develop two homeownership units at 352 Howe Street. Construction of this project was completed in November 2020 and both units were sold to LMI households. The City is still waiting for the County to return the recorded deed restrictions so we can close out this project. The City did not complete any homeowner rehab housing units. The consultant retained to undertake this work has experienced challenges in moving the project forward over the past several years.

Although the City did not receive HESG funding, we continued our involvement with the local Continuum of Care (CoC) and used our CDBG-CV funds to implement the above referenced homeless prevention programs.

**Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)**

Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee's program year goals.

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
Fair Housing Program	Affordable Housing Fair Housing	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	200	140	21.0%	20	105	35.0%
Increase and Preserve Affordable Housing	Affordable Housing Public Housing	HOME: \$	Rental units constructed	Household Housing Unit	40	3	7.5%	5	0	0.0%
Increase and Preserve Affordable Housing	Affordable Housing Public Housing	HOME: \$	Homeowner Housing Added	Household Housing Unit	5	2	40.0%	1	2	200.0%
Increase and Preserve Affordable Housing	Affordable Housing Public Housing	HOME: \$	Homeowner Housing Rehabilitated	Household Housing Unit	10	0	0.00%	3	0	0.0%
Increase and Preserve Affordable Housing	Affordable Housing Public Housing	HOME: \$	Direct Financial Assistance to Homebuyers	Households Assisted	30	4	13.3%	5	3	60.0%

Public Facilities & Infrastructure	Non-Housing Community Development	CDBG: \$ / CDBG-CV: \$	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	65000	72,455	111.4%	60515	39,365	65.0%
Public Services	Non-Housing Community Development	CDBG: \$ / CDBG-CV: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	30000	3,239	10.8%	1937	1,757	90.7%

**Table 1 - Accomplishments – Program Year & Strategic Plan to Date**

**Assess how the jurisdiction’s use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.**

Per Goal 1 in the City of Passaic’s annual year plan, the City committed our HOME resources during the 2020 program year to assist first-time homebuyers and develop new homeownership housing units. The City used HOME funds under the FTHB program to provide three first-time homebuyers with closing costs and downpayment assistance. We fell short of our FTHB goal due to the COVID-19 pandemic. We also worked with one developer partners who completed and sold two affordable for sale units during the 2020 program year. No homeowners were assisted during the 2020 program year with the City’s homeowner rehab program. The City is working to commit HOME funds to Habitat to develop four units of homeownership housing units for veterans. This project has been underwritten and is awaiting final release of funds from HUD. The City is also in discussions with a for profit developer to renovate a former factory into 16 rental apartments of which six units will be affordable.

Per Goal 2, the City utilized \$100,265 in CDBG resources during the 2020 program year to provide services to area residents including assistance to create murals and mentor youth, provide services to the homeless, employment training and create an after-school program. During the 2020 program year, 1,757 LMI residents were provided direct services. The City and many of our grantees fell short of our goals due to the COVID-19 pandemic. The City also experienced problems due to our CDBG program monitor being out on family leave and subsequently

resigning.

Per Goal 3 in the City of Passaic's annual plan, the City committed \$550,000 of the City's CDBG resources during the 2020 program year to rebuild the historic 100 steps and perform improvements to the surrounding park. Planning for this project has been completed,; however, the City is waiting for HUD to approve the Release of Funds. The City also provided CDBG resources to perform storm water and sanitary sewer improvements at various locations in LMI Census Tracts throughout the City benefitting over 39,365 residents. The City also funded the Passaic Public Library to perform improvements to the Reid, Main and Forstmann branches. CDBG funds were allocated to implement park improvements at various City parks. The Mental Health Clinic completed the installation of a new security system at their facility.

Per Goal 4, the City funded the New Jersey Citizen Action, our new fair housing group, to provide fair housing services to residents in the City of Passaic. They served seven area LMI residents with addressing fair housing issues both in person and virtually during the 2020 program year. They far exceeded the City goal and we will be working with them in the future to continue this important work.

## CR-10 - Racial and Ethnic composition of families assisted

Describe the families assisted (including the racial and ethnic status of families assisted).

91.520(a)

	CDBG	HOME
White	549	4
Black or African American	546	0
Asian	20	1
American Indian or American Native	17	0
Native Hawaiian or Other Pacific Islander	4	0
<b>Total</b>	<b>1,041</b>	<b>5</b>
Hispanic	536	1
Not Hispanic	1,326	4

Table 2 – Table of assistance to racial and ethnic populations by source of funds

### Narrative

The City funded individuals of various racial and ethnic backgrounds that correspond to the various racial and ethnic characteristics in the City. The City also used CDBG funds to serve 312 individuals who identified as multi-racial and 414 individuals who identified as other. The racial and ethnic families in the above table do not add up as these multi-racial households and households that identified as other are not tabulated in Table 2 above.

## CR-15 - Resources and Investments 91.520(a)

### Identify the resources made available

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG	public - federal	1,362,949	292,649.00
HOME	public - federal	887,926	32,000.00
CDBG-CV	public - federal	1,952,247	596,625.60

**Table 3 - Resources Made Available**

### Narrative

Although DCD worked hard to administer funding for the various programs and projects we committed CDBG and HOME funds, we are behind in our expenditures for the year. The COVID-19 pandemic caused delays in several of our social services programs and we spent much of the 2020 program year completing projects funded with older CDBG funds. The City is also still in the planning stages of many of our facility improvement projects. We are still waiting for HUD to approve the Release of Funds for the 100 Steps project. DCD completed one HOME funded project during the 2020 program year; however, this project was funded with older HOME funds. The City has allocated 2020 HOME funds to Habitat for the development of four new housing units, which are getting ready to start construction; however, we are waiting for the approval of the Release of Funds. DCD has had success in expending the first round of CDBG-CV funds with the TBRA program and medical training. The City is still trying to finalize our plans for the third round of CDBG-CV funds with the purchase and development of a multi-purpose facility to address the needs created by the COVID-19 pandemic

### Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description
East Side Redevelopment Plan Area			
PASSAIC	100	100	
Ward 2			

**Table 4 – Identify the geographic distribution and location of investments**

### Narrative

Most of the City's resources, especially CDBG, are spent on projects that assist residents throughout the City. There are a few instances where HOME funds are used to assist outside residents who are purchasing homes in the City.



## Leveraging

**Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.**

The City has an exemption from HUDs match requirements for the HOME program; however, the City leveraged our HUD funding with resources from private and non-Federal public sources that the City secured to address the needs identified in the Consolidated Plan. Federal sources other than HUD entitlement programs were available. Progress in obtaining these various resources is reported below.

- For CDBG-assisted projects:--To provide additional street improvements and in support of the overall CDBG Program, the City's Urban Enterprise Program provided State UEZ funds for needed curb, sidewalk and roadway improvements.
- The City also uses resources from our capital budget for street repairs, park improvements and other improvements to public facilities.
- In addition the City has utilized funding from Green Acres and Passaic County Open Space funding to match the CDBG funds used for park improvements.
- Projects of the Passaic Enterprise Zone Development Corp. (PEZDC) are funded through half of the New Jersey sales tax collections by (UEZ) Qualified Businesses in the City. Several UEZ projects have addressed needs identified in the Consolidated Plan.
- The City leverages HOME dollars through construction and permanent financing, developer equity and other sources of Federal, State and local subsidy funding to provide affordable housing. Habitat leveraged \$289,795 in HOME funds with \$300,000 in mortgage financing and over \$36,000 in other funds.
- The three first-time homebuyer projects leverage \$76,748 in HOME funds with \$648,000 in permanent mortgages and homeowner equity.

The City improved public parks and public streets as well as the City-owned public land to redevelop the 100 Steps. All of these activities were undertaken with CDBG funds.

<b>Fiscal Year Summary – HOME Match</b>	
1. Excess match from prior Federal fiscal year	0
2. Match contributed during current Federal fiscal year	0
3. Total match available for current Federal fiscal year (Line 1 plus Line 2)	0
4. Match liability for current Federal fiscal year	0
5. Excess match carried over to next Federal fiscal year (Line 3 minus Line 4)	0

**Table 5 – Fiscal Year Summary - HOME Match Report**



Match Contribution for the Federal Fiscal Year								
Project No. or Other ID	Date of Contribution	Cash (non-Federal sources)	Foregone Taxes, Fees, Charges	Appraised Land/Real Property	Required Infrastructure	Site Preparation, Construction Materials, Donated labor	Bond Financing	Total Match
0	0	0	0	0	0	0	0	0

Table 6 – Match Contribution for the Federal Fiscal Year

**HOME MBE/WBE report**

Program Income – Enter the program amounts for the reporting period				
Balance on hand at beginning of reporting period	Amount received during reporting period	Total amount expended during reporting period	Amount expended for TBRA	Balance on hand at end of reporting period
\$	\$	\$	\$	\$
\$0	\$0	\$0	\$0	\$0

Table 7 – Program Income

<b>Minority Business Enterprises and Women Business Enterprises – Indicate the number and dollar value of contracts for HOME projects completed during the reporting period</b>						
	Total	Minority Business Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
<b>Contracts</b>						
Number	3	0	0	0	0	3
Dollar Amount	116,000	0	0	0	0	116,000
<b>Sub-Contracts</b>						
Number	0	0	0	0	0	0
Dollar Amount	0	0	0	0	0	0
	Total	Women Business Enterprises	Male			
<b>Contracts</b>						
Number	3	1	2			
Dollar Amount	116,000	45,000	71,000			
<b>Sub-Contracts</b>						
Number	0	0	0			
Dollar Amount	0	0	0			

**Table 8 - Minority Business and Women Business Enterprises**

<b>Minority Owners of Rental Property – Indicate the number of HOME assisted rental property owners and the total amount of HOME funds in these rental properties assisted</b>						
	Total	Minority Property Owners				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	0	0	0	0	0	0
Dollar Amount	0	0	0	0	0	0

**Table 9 – Minority Owners of Rental Property**

<b>Relocation and Real Property Acquisition – Indicate the number of persons displaced, the cost of relocation payments, the number of parcels acquired, and the cost of acquisition</b>		
Parcels Acquired	0	
Businesses Displaced		

Nonprofit Organizations Displaced	<b>0</b>	
Households Temporarily Relocated, not Displaced		

Households Displaced	Total	Minority Property Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Cost	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Table 10 – Relocation and Real Property Acquisition**

## CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

	One-Year Goal	Actual
Number of Homeless households to be provided affordable housing units	0	155
Number of Non-Homeless households to be provided affordable housing units	14	5
Number of Special-Needs households to be provided affordable housing units	0	0
<b>Total</b>	<b>14</b>	<b>160</b>

Table 11 – Number of Households

	One-Year Goal	Actual
Number of households supported through Rental Assistance	0	155
Number of households supported through The Production of New Units	6	2
Number of households supported through Rehab of Existing Units	3	0
Number of households supported through Acquisition of Existing Units	5	3
<b>Total</b>	<b>14</b>	<b>160</b>

Table 12 – Number of Households Supported

### Discuss the difference between goals and outcomes and problems encountered in meeting these goals.

The City used our COVID-19 funds to assist 151 households with tenant based rental assistance to prevent homelessness and an addition 4 households with mortgage payment assistance. The City assisted three households purchase their first home with our FTHB program, which was much less than our goal. This was due in part to the COVID-19 pandemic, which limited our ability to work with local residents. During the 2020 program year, two staff members were out on family leave, including our FTHB staff person, which made it difficult to administer many of our programs. There is still some interest in the FTHB program but many families are struggling with loss of employment and reduced wages. Now that the COVID pandemic is under control, the City is making plans to increase our production with this program. The City also provided HOME resources to Habitat to develop two affordable housing units in the City. This project was completed and the units sold in December 2020.

This was below our goal; however, we have four homeownership units for veterans getting ready to start construction. The City fell short of our goal of delivering rehab services to existing homeowners. The consultant retained to undertake this work has experienced challenges in moving the project forward for several years. The City continues to have issues with the consultant hired to undertake these services and has been seeking another contractor for this program.

**Discuss how these outcomes will impact future annual action plans.**

The COVID-19 pandemic has negatively impacted our ability to deliver our affordable housing services. Staff turnover has also hindered our delivery of services. The City also continues to have issues with the performance of the homeowner rehab program. The consultant retained to undertake this work has experienced challenges over the past few years in moving the project forward. As a result, we are in the process of assessing changes in our delivery system and future goals may be reduced.

**Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.**

<b>Number of Households Served</b>	<b>CDBG Actual</b>	<b>HOME Actual</b>
Extremely Low-income	1,252	0
Low-income	412	2
Moderate-income	198	3
<b>Total</b>	<b>1,862</b>	<b>5</b>

**Table 13 – Number of Households Served**

**Narrative Information**

**CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)**  
**Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:**

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

The City did not receive HESG funds during the 2020 program year to fund any programs that perform outreach services. During the 2019 program year, the City opened the new Dignity House facility, funded with \$1.1 million in CDBG funding, which provides space for homeless individuals to access information on programs and services as well as obtain meals. We are using this facility as a vehicle to reach out to homeless individuals and develop a relationship with them. During the 2020 program year, the City assisted 42 homeless individuals at the new facility. We also used the Dignity House facility for COVID-19 tracing, testing and vaccinations for homeless individuals.

The City continues to work with the CoC to perform outreach services to the homeless in the area. 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. Additionally, Catholic Families and Community Services (CFCS) and Community Hope are partners that connected 32 homeless veterans through their SSVF outreach programs during the 2020 program year.

The City refers unsheltered homeless persons to NJ-211 First Call for Help. NJ-211 is the virtual Coordinated Assessment access point accessible to the community via telephone availability 24 hours a day 7 days a week. NJ-211 strives to make materials and phone conversations accessible to persons with limited English proficiency through translation. NJ-211 is a key partner in conducting point of entry referrals into shelters, permanent housing, and services for homeless persons in the City. During the 2020 program year, NJ-211 performed assessments on 2,661 households in the County. Of these, only two were identified as residents of the City.

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

There are no emergency shelters or transitional housing facilities in the City. Historically, the City has placed homeless individuals in shelters outside of the City. The City allocated 2017 and 2018 CDBG resources to develop Dignity House, which assists homeless individuals with a place for showers, meals and social services provided by the Department of Health and Human Services.

The City utilizes the 24/7 hotline single point of entry system managed through NJ-211 to connect homeless person in need to emergency shelters and hotel/motel placements. 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. NJ-211 referred 504 households to



emergency shelters and 464 households were placed in a permanent residence. These are County-wide statistics.

Additionally, the City continues to seek additional housing opportunities to quickly rehouse people and reduce their length of time homeless. The City is collaborating with the Housing Authority of the City of Passaic (HACP) and others throughout the County to connect sheltered homeless persons to permanent housing vouchers recently made available. By using the single point of entry system, those most vulnerable in the area will have access to these long-term housing vouchers and supportive services.

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after 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); and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs**

The City did not receive an allocation of HESG funds during the 2020 program year to fund new programs. During the 2020 program year, the City used our CDBG-CV funds to assist 155 households avoid homelessness with tenant based rental assistance and mortgage payment assistance. The City continues to work with HACP to identify public housing units for homeless and at-risk homeless households.

The City also 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 NJ-211 are organizations that are available to connect patients to services and temporary hotel vouchers while they are being reintegrated into the community. CFCS provided supportive services to six households in the City during the 2020 program year. Persons who are at risk of homelessness are also referred to the County Board of Social Services for prevention assistance. Additionally, City residents have accessed homeless prevention funds provided through the County's Emergency Rental Assistance Program (ERAP). With these funds, 532 households in the County have been able to avoid homelessness and maintain permanent housing in the County.

**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**

We did not receive an allocation of HESG funds during the 2020 program year to fund new programs. The City works with HACP to identify public housing units for homeless individuals and households. None of the City's historic HESG grantees reported on assisting chronically homeless individuals and families, veterans or unaccompanied youth. Jewish Family Services assisted individuals with securing permanent housing. United Passaic Organization assisted individuals with residential assistance. The City does not have HESG resources to fund these organizations.

As a member of the CoC, the City of Passaic works collaboratively with organizations that assist homeless residents with transitioning to and maintaining permanent housing. Several partners, offer to provide supportive services and address the unique challenges homeless people face. The River Drive YMCA provided permanent housing for nine households in 2020. An additional 100 households are in various programs sponsored by the YMCA. The Center for Family Services provides case management and other wrap-around services needed by people who are experiencing homelessness. In addition to veteran services, CFCS have been a prominent partner with providing services to households who are approved for rapid rehousing vouchers provided through the State of NJ. During the 2020 program year, they assisted 82 households in the County. These are the few resources homeless residents in the City can access to obtain assistance for housing and services.

## **CR-30 - Public Housing 91.220(h); 91.320(j)**

### **Actions taken to address the needs of public housing**

The Housing Authority of the City of Passaic (HACP) continues in striving to meet its mission of providing safe, sanitary and suitable housing for low income families. HACP continues to make structural and aesthetic improvements throughout their portfolio of properties in the City. Improvements include curb appeal, roof replacement, siding and landscaping upgrade. Planning is underway for the 2022 Agency Plan. Given the health concerns still in effect as a result of the COVID-19 pandemic, HACP is implementing safe protocols. We conducted our first public meeting virtually on June 30, 2021 via Zoom. The current status of our housing portfolio and some of the challenges HACP is facing were presented and reviewed. An information email has been provided for residents to submit their ideas to the Agency. Currently, the largest project facing HACP is its remaining public housing complex, Alfred Speer Village. There are many possibilities to be reviewed for the existing 384 units; however, lack of funding has presented many challenges. HACP continues to improve this housing complex utilizing our capital fund money and we have prepared a RAD application to move forward with more substantial improvements.

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

The COVID-19 pandemic has presented quite a few obstacles as it relates to tenant involvement in our management and engaging residents in homeownership opportunities. Public health is still our number one concern. HACP continues to inform residents through meetings, HACP website and public advertisements. We are exploring different mechanisms to keep residents informed virtually, until it is safe to conduct in person meetings.

### **Actions taken to provide assistance to troubled PHAs**

HACP is not a troubled housing authority.

## **CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)**

**Actions taken 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. 91.220 (j); 91.320 (i)**

There are potential barriers that adversely affect the City's capacity to realize its vision. An obvious restraint is the shortfall in resources available to address the City's community development needs. Availability of financing has been a barrier to entry for many perspective homebuyers. To combat this barrier, the City each year uses HOME funds for our First Time Homebuyer program in an effort to assist residents with down payment and closing costs assistance. This program would be more appealing to residents if HUD raised the \$15,000 maximum subsidy for the five-year affordability period to \$25,000 or \$30,000.

The COVID-19 pandemic has also put a significant constraint in the City's ability to effectively carry out the FT HB program. For several months residents had exited the housing market and practicing safety precautions has made the search process more difficult. Also, DCD found that the willingness of lenders to lend decreased during the pandemic due to greater numbers of unemployed, furloughed and laid off workers. This has been alleviated and we are seeing more FT HB activity.

Another major barrier is the lack of vacant land available in the City. There is very little vacant land available for new construction. Repurposing vacant structures and demolishing obsolete buildings has been cost prohibitive; however, the City is working with several developers to consider these strategies to find new development sites.

Additional restraints are regulatory in nature. At the local level, the City's high real estate tax rate provides a strong disincentive for property owners to maintain and improve the housing stock. To address this issue, the City is in the process of reevaluating property taxes with the hopes that it would result with an improved housing stock. The tax rate also stymies the development of affordable housing. Land use, zoning, and subdivision controls have an impact upon the quality of the City's housing stock, but they also discourage the development of affordable housing. Rent controls may limit rental rates to affordable levels, but they adversely affect the quality of the housing stock by limiting incentives for landlords to improve their properties. State regulations mandating building and fire controls also provide disincentives to the development of affordable housing and businesses. While safety of the structures is paramount, the regulations discourage developers from new construction and extensive rehabilitation projects. Building materials and techniques must meet standards. Fees are required for building permits. Inspections related to building permits can create delays. Multi-family dwellings must have automatic fire suppression systems. Major improvements to existing structures may trigger requirements for sprinkler systems and handicapped accessibility. High real estate taxes and land use, zoning, and subdivision controls also discourage the development and retention of businesses.

At the Federal level, monitoring our HOME-assisted developments consumes administrative resources at an increasing rate and is diverting resources that could otherwise be used for new projects. Also, HUD's administrative requirements for entitlement grant programs do not take into account the large relative differences in funds available to eligible jurisdictions. A smaller grantee such as the City of Passaic does not have the same financial resources to administer its Consolidated Plan programs as does a larger grantee. In addition, new federal regulations regarding lead-based paint have dramatically increased project costs for the Housing Rehabilitation program.

### **Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)**

One primary obstacle in meeting the needs of the underserved in the City is language barriers due to the large number of Spanish speaking residents. Further, the immigrant population often has some distrust of government that must be overcome before DCD can properly evaluate eligibility for programs and begin delivering services. To address this obstacle, DCD has increased its coordination with local community groups that provide outreach to and advocacy for the Hispanic community in Passaic. Further, DCD promotes 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. Such services are focused on providing meaningful access to our programs, services and/or benefits. Any individual eligible for programs/services within the Department 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. All our applications and program flyers are disseminated in both English and Spanish.

### **Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)**

The City is in compliance with the guidelines in the housing programs and the latest lead-based paint regulations. The City continues to identify, evaluate and educate residents across the City about the dangers and hazards of lead-based paint. The Health Department conducts City-wide fairs to educate the citizens as well as conducts lead inspections throughout the City.

### **Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)**

A number of activities have strived to reduce the number of poverty-level families, including housing rehabilitation; Summer Camp Employment and Training Program; job creation; job training and other assistance to businesses, especially those that hire low-income households. The City Summer Camp Training Program targets low-income youth in the City to provide job readiness skill building.

The City has also implemented several successful employment training programs for LMI unemployed and underemployed individuals. During the 2020 program year, the City used our CDBG-CV funds to assist 13 LMI individuals to receive medical technician training. Additional training programs are planned for the 2021 program year.

The City works with our development partners to encourage local hiring, especially hiring of low-income City residents. Although the Municipal Council has approved a resolution encouraging

businesses who are awarded federal funds to hire and train City residents, the City did not report anur last report. The report for the 2020 program year is not due until October. We are working with Habitat to determine if they were successful in hiring and local residents in their last development.

The FTHB program assists first-time homebuyers to achieve homeownership. The City targets the program to low-income homebuyers. This program assists low-income households build wealth through the equity in their homes.

### **Actions taken to develop institutional structure. 91.220(k); 91.320(j)**

DCD has increased its coordination with community groups that serve the City's Hispanic population to develop structures that help identify needs in the community and connect people with services that the City funds. Further, as a former HESG recipient, the City has a relationship with the CoC on issues of special needs and homelessness. We coordinate the delivery of services to the homeless with the CoC.

The City also has supportive services for the homeless and other persons in need of emergency housing through partnerships with various City and County agencies. Services include emergency food, utility assistance, and assistance for non-payment of rent. The United Passaic Organization, Jewish Family Services and Passaic Alliance are partners in these endeavors.

In addition, the Department has been working to improve the service delivery of our community development programs. Training of DCD staff has enabled us to provide improved oversight of projects, activities and programs funded by CDBG and HOME. We are also enhancing our internal controls with improvements to our policy and procedures manuals. All of these efforts are designed to assist us in adhering to HUD's requirements. Our staff being out on family leave during the 2020 program year and subsequent staff turnover has negatively impacted our work in this area.

### **Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)**

The East Side Redevelopment Plan includes comprehensive revitalization of the City's East Side, which is an area of the City with high concentrations of low and extremely low income households. This plan is fostering significant public and private investment that requires intense coordination. The Department is using this opportunity to build even stronger relationships with the private sector.

HACP continues to keep lines of communication open between the various social service providers including the many agencies operated by the City. We have become increasingly more successful in using social media to further our outreach efforts. The COVID-19 pandemic has forced us to be more inventive in conducting our outreach virtually, through Zoom, email and power point presentations. We are exploring ways to incorporate many of these tools after the pandemic has subsided.

### **Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)**

The City completed an Analysis of Impediments to Fair Housing and Language Access Plan in October 2020, which concluded that impediments do exist in the City. Barriers include the impact of high cost housing and the lack of affordable housing units in the City. Further, the City identified that limited English proficiency of the City's large Hispanic population is an impediment to the population's access to fair, affordable housing and other services in the City. Language barriers create situations that may result in discrimination and may deter the reporting of discrimination when it occurs.

The City implemented the following actions to address these needs:

1. The New Jersey Citizen Action, our new fair housing group has been retained to provide fair housing services to LMI households on a contractual basis for the City. Additionally, they are working with our Passaic veteran's to assist all who are interested in meeting income eligibility for the purchase of one of the four homeowner units that are currently being developed for veterans.
2. The City participates in voluntary partnerships with public and private organizations, locally and/or regionally, to promote fair housing choice and affirmative marketing plans.
3. To Increase the supply of affordable housing the City has been focusing our efforts on the production of new or renovated housing units and assisting first-time homebuyers.
4. To develop a resource inventory regarding existing supportive housing services, that include persons who are not homeless but require supportive housing (i.e., elderly, frail elderly, persons with mental, physical, developmental disabilities, persons with substance abuse issues, persons with HIV/AIDS and their families and public housing residents, the County Department of Human Services and the County CEAS have identified existing services available County-wide.
5. The Passaic County Needs Assessment is a project of the Board of Chosen Freeholders, the County Department of Human Services, United Way of Passaic County, and the Passaic County Policy and Planning Committee.
6. The City and the County are working together to determine the relative responsibilities of the City versus Passaic County in meeting the supportive housing needs of persons who are not homeless but require supportive services or special housing.
7. The City maintains and expands existing resources of partner organizations each year through our annual planning process for the City's Annual Action Plan submitted to HUD.

DCD has partnered with the New Jersey Citizen Action, in the delivery of fair housing counseling sessions for City residents. The City has a very large Hispanic population and so it's important to provide opportunities for Spanish-speaking residents to learn about fair housing rights as well. The New Jersey Citizen Action, served seven LMI residents with fair housing issues during the 2020 program year. This is a new relationship for the City so their performance was down from the City goal.

## **CR-40 - Monitoring 91.220 and 91.230**

**Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements**

Subrecipients, which operate several CDBG-assisted activities were asked to complete quarterly progress reports in formats proscribed by DCD. Staff conducted monitoring of some subrecipient during the 2020 program year. Due to the COVID-19 pandemic, many of our scheduled on-site monitoring of our subrecipients, normally scheduled for the fourth quarter of the year were postponed until a safer environment exists for our staff. Typical monitoring procedures include all three principal phases: in-house preparation, on-site review, and follow-up. The City was forced to skip the in-house review and instead conducted more intense desk reviews. During in-house preparation, City personnel reviews written data on hand, such as the application for funding, the written agreement, progress reports, drawdown requests, previous monitoring reports, and copies of audits. The on-site review includes an entrance conference with appropriate personnel, documentation and data analysis to answer the questions included in a written checklist, and an exit conference. Follow-up includes a monitoring letter to give formal feedback and to specify any necessary corrective actions. Where corrective actions are required, the Department has been following up to assure the appropriate actions are taken. As a last resort, remedies for noncompliance are applied, per the written agreement.

For the HOME program, the Department staff conducts on-site monitoring according to a schedule developed in accordance with governing HOME regulations. In addition to the annual monitoring, the Department may schedule additional on-site monitoring of HOME assisted rental housing to determine compliance with the property standards and affordability requirements of 24 CFR 92.251 and 92.252. Project oversight is provided on all active development projects and is generally more rigorous than ongoing monitoring. Ongoing monitoring consists of an analysis of regular reports, reports from in-house or third-party inspections and documents submitted for review as projects are developed and managed. In addition, periodic reviews of market data and cost data may be undertaken. This desk monitoring will be supported by field visits to funded organizations and examinations of housing product. To document our monitoring, the Department will maintain program files and file checklists to assure that all required documentation is produced, reviewed and on hand as needed. The documents to be maintained in the City's electronic and paper files include: project checklists, IDIS reports, correspondence, previous monitoring reports and audits by the developer, project budgets and contractual agreements, deed restrictions and mortgage agreements, current and HOME income, rent, subsidy and sale price/valuation limits from HUD. The City places priorities on projects in the predevelopment/development and sale/lease up phases. After that, our priority will be focused on projects that are sponsored by new developers or have new staff, projects that have special circumstances or complex issues such as complexity, size or other factors. During the affordability period, the City's program monitor will monitor and inspect a sample of units in completed projects to ensure compliance with HUD's affordability requirements. All of the households assisted with HOME



funds under the FTHB program and our developer funded homeownership program are required to submit proof of residency to the City each year during the affordability period.

### **Citizen Participation Plan 91.105(d); 91.115(d)**

#### **Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.**

The City places notices in the local newspapers, including Spanish newspapers, notifying the public of the availability to inspect, review and comment on the performance report . Copies of the notices in English and Spanish are attached to this document. The notices are also placed on the City's web site in English and Spanish. The notices can be found on the City's web site and attached to this report.

The CAPER report is posted on the City's web site for a minimum of 5 days and copies are made available to the public in DCD's offices located at City Hall. Due to the COVID-19 pandemic, the City erroneously thought we had been granted a waiver from the 15-day public comment period. This was our mistake. In addition, DCD makes the CAPER report available to members of the Municipal Council and the City's grantees to comment and distribute to their constituents during the comment period prior to submission to HUD. The CAPER report can be found on the City's website <https://www.cityofpassaic.com>.

**CR-45 - CDBG 91.520(c)**

**Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.**

No changes have been made to the City's program objectives.

**Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?**

No

**[BEDI grantees] Describe accomplishments and program outcomes during the last year.**

N/A

## **CR-50 - HOME 91.520(d)**

### **Include the results of on-site inspections of affordable rental housing assisted under the program to determine compliance with housing codes and other applicable regulations**

Please list those projects that should have been inspected on-site this program year based upon the schedule in §92.504(d). Indicate which of these were inspected and a summary of issues that were detected during the inspection. For those that were not inspected, please indicate the reason and how you will remedy the situation.

The City currently has four rental housing developments which are subject to on-site housing quality standard inspections. No on-site inspections were scheduled to be performed during the 2020 program year. During the 2019 program year, the City performed the on-site inspections and tenant recertifications for the HOME-assisted projects at 224-232 Hope Avenue and 73-79 Van Winkle Street. No issues were identified. The next on-site inspection is scheduled for May 2022.

### **Provide an assessment of the jurisdiction's affirmative marketing actions for HOME units. 92.351(b)**

The City has adopted a resolution that encourages any organization that secures a contract with the City to implement an affirmative marketing policy. This includes all of the housing developers assisted with the City's HOME funds. During the 2020 program year, DCD worked with Habita to ensure they complied with the City's requirements with regard to affirmative marketing the two affordable housing units completed with HOME funds. Habitat followed the City's affirmative marketing requirements.

### **Refer to IDIS reports to describe the amount and use of program income for projects, including the number of projects and owner and tenant characteristics**

During the 2020 program year, the City did not receive any program income from either the HOME or CDBG programs.

### **Describe other actions taken to foster and maintain affordable housing. 91.220(k) (STATES ONLY: Including the coordination of LIHTC with the development of affordable housing). 91.320(j)**

During the 2020 program year, DCD enforced the residency requirement during the affordability period for our FTHB program. The City is also working with our development partners to ensure that long-term affordability deed restriction documents are recorded with the County for the completed homeownership housing units developed by Habitat during the 2020 program year.