

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 2022 program year adjusting to the lingering effects of the COVID-19 pandemic. The Department of Community Development (DCD or the Department) worked closely with our grantees to provide assistance and move the various funded programs forward, while addressing remaining issues caused by the pandemic.

The Recreation Department assisted 93 low- to moderate-income (LMI) residents with special needs and offered sporting activities to 318 Passaic LMI youth and children. Bella Channel provided mentoring for 20 LMI children and youth; Certified Angels administered an after-school program for 302 LMI children and youth; Parish Nursing operated their stay home, stay safe program for 276 LMI seniors; the Passaic Senior Center provided services to 81 LMI seniors; Jewish Family Services and Children Center (JFSCC) offered job coaching and vocational training to 34 LMI residents; and, New Jersey Citizen Action assisted 360 LMI residents with fair housing issues. The City served 30 homeless individuals at Dignity House with outreach and referral services as well as showers, mailboxes and laundry. The City implemented our community engagement activity during the 2022 program year after two years of inactivity due to the pandemic.

The City committed 2022 CDBG funds to the Streets Department to perform emergency sewer/street improvements at Oak and Main Streets and Gregory Avenue and Kruger Place. Both locations are in LMI neighborhoods. This project has completed the design phase and is out to bid. The Streets Department also is out to bid to perform improvements at nine locations in LMI neighborhoods using the City's 2021 CDBG funds. They are behind in spending their CDBG funds due to cost increases and supply chain shortages caused by the pandemic. The Passaic Library went out to bid for the roof replacement at their main facility with CDBG funds provided in 2021. The contract was awarded and the Library is anticipating that they will complete this project during the second quarter of the 2023 program year. The City also committed CDBG funds to implement additional park improvements at Colonel Johnson Park during the 2022 program year. This project is still in the planning stages; however, they completed the improvements at Columbia Park using 2021 CDBG funds. The City also provided CDBG funds to Paterson Habitat for Humanity (Habitat) to develop a new VFW facility for veterans. This project was started in 2021 and is still under construction. The scheduled completion is by the end of the second quarter of 2023. The City began our Homeowner Rehab Program using CDBG funds during the 2022 program year. We have completed one house and have six houses under construction.

During the 2021 program year, DCD used the third round of CDBG-CV funds to acquire a site where we intend to develop a multi-function facility

where the City will provide COVID-19 and other health related services. The City spent the bulk of the 2022 program year developing the plans for this site. After receiving multiple bids to rehab the existing structure that were significantly higher than expected, the City decided to demolish the building and redevelop the site with a new more efficient single-story building. This project is in the final planning stages and is expected to begin construction during the 2023 program year.

The City used HOME funds to assist two area LMI resident under the First-Time Homebuyer program (FTHB), falling short of our goal due to the higher cost of housing in the City and higher interest rates. A third house also closed during the 2022 program year but was not completed in IDIS so it will be reported during the 2023 program year. The City provided CHDO funds to Habitat to develop four homeownership units above the VFW facility. This project began construction during the 2021 program year and is still under construction. The City completed the planning associated with our HOME-ARP program. These funds will be used to develop a 56-unit rental housing development that will have eleven units for HOME-ARP Qualifying Populations. The project has been underwritten and we are waiting for the final environmental clearance before moving forward with the development. The City is also in discussions with a developer to utilize our HOME resources to develop five units of affordable rental housing in an 18-unit rental housing building.

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	721	360.50%	100	360	360.00%

Increase and Preserve Affordable Housing	Affordable Housing Public Housing	CDBG: \$150000 / HOME: \$	Rental units constructed	Household Housing Unit	40	0	0.00%	4	0	0.00%
Increase and Preserve Affordable Housing	Affordable Housing Public Housing	CDBG: \$150000 / HOME: \$	Homeowner Housing Added	Household Housing Unit	5	3	6.00%	1	0	0.00%
Increase and Preserve Affordable Housing	Affordable Housing Public Housing	CDBG: \$150000 / HOME: \$	Homeowner Housing Rehabilitated	Household Housing Unit	10	1	10.00%	5	1	20.00%
Increase and Preserve Affordable Housing	Affordable Housing Public Housing	CDBG: \$150000 / HOME: \$	Direct Financial Assistance to Homebuyers	Households Assisted	30	7	23.33%	5	2	40.00%
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	221242	340.37%	10900	8357	76.69%
Public Services	Non-Housing Community Development	CDBG: \$ / CDBG-CV: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	30000	7119	23.73%	2800	1737	62.04%

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.

The City continued to use our CDBG resources to assist LMI residents and households improve their quality of life with job training and placement, after school programs, community building activities and assistance with the City's LMI special needs population including seniors, the homeless and individuals with special needs. Park improvements continue to enhance the physical environment in neighborhoods where the majority of the City's LMI households reside. This year the City completed the improvements to Columbia Park in an LMI area. Based on overwhelming request for more improvements to the City's parks, the City is allocating additional resources to these endeavors. Street improvements in LMI neighborhoods also serve to improve the physical landscape and also demonstrate to private investors that these neighborhoods are vibrant and thriving communities. The City plans to continue these projects based on community support. The City provided CDBG funds to the Library for improvements to the roof. Based on the success of the City's Homeowner Rehab Program using CDBG resources (one house completed and six under construction), we have allocated additional funds to this program to assist LMI households.

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	556	2
Black or African American	345	0
Asian	29	0
American Indian or American Native	7	0
Native Hawaiian or Other Pacific Islander	2	0
Total	939	2
Hispanic	1,070	0
Not Hispanic	667	2

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

Narrative

The table above outlines the racial composition of those individuals assisted with the City’s CDBG and HOME resources. The racial composition reflects the high concentrations of low income minorities in the City. Using CDBG funds, the City served an additional 696 individuals who identified as multi-racial and an additional 102 who identified as other. These individuals are not reflected in the above table as there is no category for them.

The City assisted two residents with our FTHB program using HOME funds during the 2022 program year. A third unit closed during 2022 but was not closed out in IDIS until 2023 and will be reported in the 2023 CAPER.

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	1,245,167	311,061
HOME	public - federal	1,034,787	33,552
Other	public - federal	0	0

Table 3 - Resources Made Available

Narrative

Although DCD worked hard to administer funding for the various programs and projects to which 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 are still recovering from the negative effects of the pandemic. The City is also still in the planning stages of many of our facility improvement projects. DCD assisted two households with our FTHB program and is under construction with four HOME-assisted units; however, all of this activity is being funded with older HOME funds. The City is in discussions with a developer to construct a new mixed-income housing complex in the City; however, this project is still in the planning stages. The City spent a portion of the third round of CDBG-CV funds with the purchase of a site where we intend to develop a multi-purpose facility to address the needs created by the COVID-19 pandemic. We will be using the balance of the CDBG-CV funds to develop the facility. The City completed the planning associated with our HOME-ARP program. These funds will be used to develop a rental housing development that will have eleven units for HOME-ARP Qualifying Populations; however, the project has not started construction.

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 LMI 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 is leveraging \$700,000 in HOME funds with \$430,000 in mortgage financing.
- The FTHB program leverage \$44,638 in HOME funds with \$708,362 in permanent mortgages and homeowner equity.
- The new HOME and HOME-ARP projects will levergae the City's funds with commercial debt and developer equity.

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

Fiscal Year Summary – HOME Match	
1. Excess match from prior Federal fiscal year	0

Fiscal Year Summary – HOME Match	
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

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

Minority Business Enterprises and Women Business Enterprises – Indicate the number and dollar value of contracts for HOME projects completed during the reporting period						
	Total	Minority Business Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Contracts						
Dollar Amount	85,000	0	0	0	0	85,000
Number	2	0	0	0	0	2
Sub-Contracts						
Number	0	0	0	0	0	0
Dollar Amount	0	0	0	0	0	0
	Total	Women Business Enterprises	Male			
Contracts						
Dollar Amount	85,000	50,000	35,000			
Number	2	1	1			
Sub-Contracts						
Number	0	0	0			
Dollar Amount	0	0	0			

Table 8 - Minority Business and Women Business Enterprises

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						
	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

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						
Parcels Acquired		0		0		
Businesses Displaced		0		0		
Nonprofit Organizations Displaced		0		0		
Households Temporarily Relocated, not Displaced		0		0		
Households Displaced	Total	Minority Property Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	0	0	0	0	0	0
Cost	0	0	0	0	0	0

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	0
Number of Non-Homeless households to be provided affordable housing units	11	3
Number of Special-Needs households to be provided affordable housing units	0	0
Total	11	3

Table 11 – Number of Households

	One-Year Goal	Actual
Number of households supported through Rental Assistance	0	0
Number of households supported through The Production of New Units	5	0
Number of households supported through Rehab of Existing Units	1	1
Number of households supported through Acquisition of Existing Units	5	2
Total	11	3

Table 12 – Number of Households Supported

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

The City assisted only two households purchase their first home with our FTHB program, which was much less than our goal. This was due in part to the rising costs of housing units in the City along with higher interest rates making homeownership less affordable for LMI households. There is still some interest in the FTHB program and the the City is trying to increase our production with this program. During the 2022 program year, the City replaced one of the two staff members who resigned during 2021. Staff turnover has made it difficult to administer many of our programs, including our HOME-assisted programs.

The City also provided HOME resources to Habitat to develop four homeownership units which are still under construction. The City met our goal of delivering rehab services to existing homeowners under the Homeowner Rehab Program using CDBG resources. The City hired a new consultant to implement this program and they have been actively working with local LMI homeowners; however, only one unit was completed during the 2022 program year. Our consultant is currently working with six LMI households to rehab their houses. The Homeowner Rehab Program has been so successful that during the 2023 program year, the City allocated additional resources to it.

We also are in discussions with two housing developers, one to utilize the City’s allocation of HOME-ARP funds to develop 11 units of housing for HOME-ARP Qualifying Populations in a 56-unit building. The other developer will be using our HOME funds to develop a mixed-income housing development with five affordable housing units in an 18-unit building.

Discuss how these outcomes will impact future annual action plans.

While the City has recovered from the COVID-19 pandemic, we are still working through some of the activities that were delayed. As a result, we are allocating our resources to projects where the City has success in the past. The City also recently redesigned our Homeowner Rehab Program and hired a new consultant so now the program is producing results. Based on the success of this program, we have allocated additional CDBG funding to the Homeowner Rehab Program in 2023.

The City is also having internal discussions about how to improve the delivery of new affordable housing units. Our relationship with Habitat is moving forward and growing; however, there are only so many units Habitat can undertake in the City each year. The City is built out and; therefore, there are very few suitable sites for new housing developments. We have been reaching out to existing developers to try and secure new development partners.

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.

Number of Households Served	CDBG Actual	HOME Actual
Extremely Low-income	960	0
Low-income	621	0
Moderate-income	154	2
Total	1,735	2

Table 13 – Number of Households Served

Narrative Information

The bulk of the City's CDBG resources are used to assist extremely low-income and low-income households. HOME funds are used to assist very low-income to moderate-income households. The

proposed housing development under the HOME-ARP program will enable the City to assist extremely low-income households.

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 2022 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 2022 program year, the City assisted 30 homeless individuals with outreach and referral services at Dignity House, including 12 homeless individuals during the Code Blue Season.

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 connects homeless veterans through their SSVF outreach programs.

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. NJ211 strives to make materials and phone conversations accessible to persons with limited English proficiency through translation. The CoC has expanded its coordinated entry system by funding Eva's Village Coordinated Assessment Navigation program to reach unsheltered households in the community through case management and housing navigation. These efforts continue to improve access to housing and services for the most vulnerable. NJ-211 and Eva's Village CAN are key partners in conducting point of entry referrals into shelters, permanent housing, and services for homeless persons in 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 2017-18 and 2018-19 CDBG resources to develop Dignity House, which assists homeless individuals with a place for showers, meals, laundry services, mailboxes, and social services provided by the Department of Health and Human Services. Dignity House is also used as a warming/cooling center during extreme weather months.

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. . During the 2022 program year, NJ-211 referred 9 households to emergency shelters.

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 2022 program year to fund new programs. The City works 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 implements the Homelessness Diversion Program funded through New Jersey Department of Consumer Affairs (NJDCA). This program assists households at imminent risk to retain a safe & secure living situation & avoid becoming homeless. Having this program allows shelter placements to be available for clients who truly need them especially those who are unsheltered while keeping families & individuals from having to enter the shelter system. 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). 22 households have been assisted through the Prevention and Diversion programs funded by NJDCA.

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 did not receive an allocation of HESG funds during the 2022 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. JFSCC 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.

The City's local housing authority and the coordinated entry program collaborated to approve 29 Emergency Housing Vouchers for at risk and homeless households during the 2022 program year. This program provides permanent housing for households in the community.

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 stable permanent housing for 92 households during the 2022 program year. 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 has been a prominent partner with providing services to households who are approved for rapid rehousing vouchers provided through the State of NJ. 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

HACP continues its purpose and mission to provide safe, sanitary and suitable housing for low- income families. HACP meets regularly with resident groups and leaders to complete needs assessments and to determine solutions to issues arising from regular and ordinary tenancy. They will continue to work collectively with residents to provide adequate safety and security, provide upgrades to apartments and the housing complex and provide for other quality of life improvements. HACP recently completed a major upgrade and rehabilitation to the basketball court at the Alfred Speer Village Housing Complex which had been in state of disrepair for a number of years.

HACP is presently working with redevelopment consultants regarding a potential demolition rehabilitation of their largest family site. Alfred Speer Village is the last family public housing complex in the HACP portfolio. This complex is made up of six (6) high-rise buildings with sixty-four (64) units in each building. The site was built in the 1950's and the high-rise configuration of the units is not conducive to the standards for quality housing in the modern era. The site is prime for a major rehabilitation. HACP will be seeking funding for this redevelopment and is coordinating their efforts with the City.

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

The monthly HACP meetings are back in session. Residents are notified of the meetings and are encouraged to attend and become actively involved in their resident advisory committees. The Passaic Affordable Housing Coalition (PAHC), which manages their RAD converted family sites, has begun holding quarterly meetings with residents to address the needs and concerns of the residents residing at these developments.

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 FTHB 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 and the \$40,000 maximum subsidy for the ten-year affordability period.

The dramatic rise in property values and the recent rise in interest rates have negatively impacted our ability to effectively carry out the FTHB program as housing affordability is now even more difficult for many LMI first-time buyers. The City is hopeful that the housing market will stabilize during the 2023 program year and we can increase production under this program.

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 in 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.

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. The City also produces and distributes The Lead-Safe Guide to Renovate Right, a publication of the U.S. Environmental Protection Agency, to housing developers and families of housing units built prior to 1978.

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 2022 program year, the City used our CDBG funds to assist 18 LMI individuals to receive job training. The City also provided CDBG resources to JFSCC to provide job

coaching, vocational counseling and job development skill building services to 34 LMI residents. Additional training programs are planned for the 2023 program year.

The City works with our development partners to encourage local hiring, especially hiring of low-income City residents. The Municipal Council approved a resolution encouraging businesses who are awarded federal funds to hire and train City residents. The City is working to implement these policies in our grant agreements and through our reporting process. During the 2022 program year, the City was not able to track our progress but has revised our quarterly report to better capture the local hiring practices of our grantees. The City funded JFSCC and the City's Job Training program to provide job training and placement services to a total of 52 LMI residents. The City's MBE and WBE reporting is provided in section CR-15 of this report.

The FTHB program assists first-time homebuyers to achieve homeownership. The City targets the program to low- and moderate-income homebuyers. This program assists low-income and moderate-income households build wealth through the equity in their homes. The City is working with a local developer to construct eleven new affordable housing units for Qualifying Populations under the HOME-ARP program. Eight of these units will be for households that are formerly homeless.

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, 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, JFSCC 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. During the 2022 program year, the City revised our standard grant agreement for the HOME program to incorporate specific language to ensure the developer is following all of the rules, regulations and requirements at 24 CFR 92. All of these efforts are designed to assist us in adhering to HUD's requirements. Recent staff turnover, including the departure of the Director during the 2022 program year, has somewhat impacted our work in this area; however, we have identified new staff to work with the HOME program and the Director position has been filled. The City will be looking to hire additional staff during the 2023 program year.

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- to 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 partner with social service agencies and to provide for the highest quality of life for our residents. HACP continues to work closely with the City providing for opportunities to upgrade our complexes such as the rehab of the basketball court at Speer Village, hosting overnight campout weekends for our residents in coordination with the Recreation Department of the City. HACP shares information with our residents on the City's Covid-19 vaccination opportunities which are available to all City Residents. HACP continues its shared services partnership with the City in providing security and police coverage at our housing complexes. In addition, we work closely with other housing authorities in providing families with opportunities through HCV's to relocate to another community or to relocate to Passaic becoming a member of the Passaic Community. HACP plans to upgrade and enhance its social media capabilities in an effort to improve our coordination between our public and private partners.

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 360 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 360 LMI residents with fair housing issues during the 2022 program year.

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

CDBG subrecipients were asked to complete quarterly progress reports in formats proscribed by DCD. Staff conducted monitoring of some subrecipients during the 2022 program year. Monitoring procedures include all three principal phases: in-house preparation, on-site review, and follow-up. The City skipped 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 feedback and to specify any necessary corrective actions. Where corrective actions are required, the Department follows up to assure appropriate actions are taken. 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. 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. More rigorous project oversight is provided on all active development projects. 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 and examinations of housing product. The Department maintains program files and file checklists to assure that all required documentation is produced, reviewed and on hand. 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, 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. During the affordability period, the City 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 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 15 days and copies are made available to the public in DCD's offices located at City Hall. The 2022 CAPER was made available for public comment from September 1, 2023 through September 15, 2023. 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.

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 every three years. During the 2022 program year, the City completed on-site inspections and tenant recertifications at all four buildings in July and August of 2022. Needed repairs were cited in two HOME-assisted units at 224-232 Hope Avenue and in two HOME-assisted units at 73-79 Van Winkle Street. Both property owners were notified of the outstanding repair issues and were asked to complete the necessary repairs prior to reinspection, which took place on August, 15 and 16 and September 12 and 16. All required repairs were completed by the reinspection date. The City completed a report regarding the inspections which is in our files.

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 2022 program year, DCD worked with Habitat to ensure they have a marketing strategy in place to comply with the City's requirements with regard to affirmative marketing the four affordable housing units under construction with HOME funds. Habitat is following 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 2021 program year, the City received repayments of four FTHB activities and one Homeowner Rehab activity in the amount of \$115,726.50. The City drew down \$28,191.30 to assist a home buyer purchase a house under the FTHB program. In the 2021 CAPER the City inaccurately reported this as Program Income with \$87,535.20 on hand at the end of the year. These funds should have been classified as HP (Reclassified from the Homebuyer Program). During the 2022 program year, the City reclassified these funds to correct this issue. The City realized no Program Income from either the HOME or CDBG programs during the 2022 program year. The City did realize \$103,888.60 in repaid HOME funds from a failed activity and drew down \$108,926.30 in prior year resources leaving a balance of \$109,948.80 in additional HOME funds that have been allocated to new affordable housing development in the 2023 Annual Action Plan. After the end of the 2022 program year, the City received

\$5,222.89 in program income resulting from interest payments on the funds received. These funds will be allocated to future CDBG projects.

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 2022 program year, DCD enforced the residency requirement during the affordability period for our FTHB program and monitored our four rental housing developments funded with HOME funds to recertify the tenants in the HOME-assisted units. The City is also working with Habitat to ensure that long-term affordability deed restriction documents are recorded with the County for the four homeownership housing units that are currently under construction.

CR-58 – Section 3

Identify the number of individuals assisted and the types of assistance provided

Total Labor Hours	CDBG	HOME	ESG	HOPWA	HTF
Total Number of Activities	0	0	0	0	0
Total Labor Hours					
Total Section 3 Worker Hours					
Total Targeted Section 3 Worker Hours					

Table 14 – Total Labor Hours

Qualitative Efforts - Number of Activities by Program	CDBG	HOME	ESG	HOPWA	HTF
Outreach efforts to generate job applicants who are Public Housing Targeted Workers					
Outreach efforts to generate job applicants who are Other Funding Targeted Workers.					
Direct, on-the job training (including apprenticeships).					
Indirect training such as arranging for, contracting for, or paying tuition for, off-site training.	52				
Technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance, coaching).					
Outreach efforts to identify and secure bids from Section 3 business concerns.					
Technical assistance to help Section 3 business concerns understand and bid on contracts.					
Division of contracts into smaller jobs to facilitate participation by Section 3 business concerns.					
Provided or connected residents with assistance in seeking employment including: drafting resumes, preparing for interviews, finding job opportunities, connecting residents to job placement services.					
Held one or more job fairs.					
Provided or connected residents with supportive services that can provide direct services or referrals.					
Provided or connected residents with supportive services that provide one or more of the following: work readiness health screenings, interview clothing, uniforms, test fees, transportation.					
Assisted residents with finding child care.					
Assisted residents to apply for, or attend community college or a four year educational institution.					
Assisted residents to apply for, or attend vocational/technical training.					
Assisted residents to obtain financial literacy training and/or coaching.					
Bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns.					
Provided or connected residents with training on computer use or online technologies.					
Promoting the use of a business registry designed to create opportunities for disadvantaged and small businesses.					
Outreach, engagement, or referrals with the state one-stop system, as designed in Section 121(e)(2) of the Workforce Innovation and Opportunity Act.					
Other.					

Table 15 – Qualitative Efforts - Number of Activities by Program

Narrative

During the 2022 program year, the City used our CDBG funds to assist 18 LMI individuals to receive job training. The City also provided CDBG resources to JFSCC to provide job coaching, vocational counseling and job development skill building services to 34 LMI residents.

Attachment

Public Outreach

PR-26 CDBG Financial Summary Report

PR-22 Status of HOME Activities