

# City of Salem, Oregon

## HOME-ARP Allocation Plan

**Participating Jurisdiction:** City of Salem, Oregon

**Date:** 03/2/2022

### Consultation

*Before developing its plan, a PJ must consult with the CoC(s) serving the jurisdiction's geographic area, homeless and domestic violence service providers, veterans' groups, public housing agencies (PHAs), public agencies that address the needs of the qualifying populations, and public or private organizations that address fair housing, civil rights, and the needs of persons with disabilities, at a minimum. State PHs are not required to consult with every PHA or CoC within the state's boundaries; however, local Pjs must consult with all PHAs (including statewide or regional PHAs) and CoCs serving the jurisdiction.*

### Summarize the consultation process:

Addressing homelessness is the first priority in the City's *Strategic Plan 2021-2026*, which is developed in consultation with community partners and has numerous opportunities for public participation. City Council held 4 public meetings prior to adoption of *Strategic Plan 2021-2026*. The City conducts annual, statistically valid community surveys to gauge progress. *Strategic Plan 2021-2026* declared that expanding affordable housing—including Permanent Supportive Housing for the chronically homeless—is a Year 1 Activity in the Strategic Plan (City of Salem 2021-2026 Strategic Plan).

The City of Salem is part of the Mid-Willamette Valley Homeless Alliance, Salem/Marion-Polk CoC. City of Salem Federal Programs staff attends Mid-Willamette Valley Homeless Alliance Continuum of Care (CoC) meetings regularly, and the CoC's Gaps Analysis has guided project and population service decisions. Many of the community programs and projects that were awarded HOME-ARP funds are members of the CoC and participate in meetings, work groups and trainings regularly. The City's 2020-2024 Consolidated Plan—also a product of consultation with the CoC and other community partners—was published in June 2020 and identified homelessness as the City's top use of HUD funds. The CoC has been fully briefed on the City's preferred population choices and the project allocation plan. Information on the CoC and annual PIT count data are available through the Mid-Willamette Valley Community Action Agency (MWVCAA) the Mid-Willamette Valley Homeless Alliance Continuum of Care (CoC) respective websites.

[mwvaaa.org](http://mwvaaa.org) and [mwvhomelessalliance.org](http://mwvhomelessalliance.org)

City staff have many established relationships with for-profit and non-profit organizations serving the City's homeless population. The City Manager's Office has a 1 FTE devoted to homeless issues. The Urban Development Department has three (3.5) FTE devoted to managing HUD grants. The City's Diversity, Equity, and Inclusion Coordinator (DEI) and the City's Human Rights Commission also interact and have established internal and external relationships within the community that provide awareness regarding inclusion for all persons and groups. Consultations with these programs and entities occur on a regular basis.

Salem Housing Authority (SHA) and Marion County Housing Authority have long term and on-going established relationships with the City. The Salem Housing Authority (SHA) as well as West Valley Housing Authority operate housing developments serving qualifying populations in the City. As the responsible entity, the City conducts environmental reviews for the PHA's, reviews each PHA's five-year plan, and coordinates housing activities to meet community needs. The City's Urban Development Director is the direct supervisor of SHA's Administrator. The Housing Administrator at SHA meets regularly with the Urban Development team to discuss priorities and programs, including the need to develop more low-income housing and permanent supportive housing units. The Salem Housing Authority's wait list for housing is currently over 1000 individuals and has an estimated 3-5 year wait time. (Interview with SHA Housing Administrator)

Permanent supportive housing units play an important role in the progression of the homeless from the streets to housed. The use of low barrier shelters, transitional shelters, following with long term shelters and transitioning into low income and permanent supportive housing for individuals and families is an important progression. The current estimated length it takes to achieve secured housing status in Salem is 3-5 years. Without a substantial increase in permanent supportive housing, the unhoused population will remain in current numbers and likely increase.

The City of Salem has one Domestic Violence program- Center for Hope Safety (CHS) and Federal Programs staff communicate with CHS staff regularly. Regular meetings are held to discuss projects, plans, and construction of the new HOPE Plaza building using HOME-ARP funding.

Long standing relationships exist with many of the shelter programs- consultations and connection with the Union Gospel Mission (UGM) men's shelter, Family Promise family shelter, West Care Veteran shelter, The Salvation Army which shelters single men and women, Women at the Well Grace House for single women as well as HOST and HOME, both youth shelters in Salem and St. Francis Shelter providing shelter for families facing homelessness. Many of these agencies have or have had City of Salem federal program funds for many years. West Care currently provides Veteran services and has utilized Federal funds for building rehabilitation. Northwest Human Services, Mid-Willamette Valley Community Action Agency and 211 information hotlines have established data systems that are connected to the City of Salem and all of Marion County. They hold and update information for the public's use for reaching out to services when in need. These services include a crisis hotline, information on where to find emergency housing, warming shelters, food, and other emergency services that will ease the caller's moment of crisis.

The City of Salem holds a contractual agreement with the Fair Housing Council of Oregon for fair housing compliance. They offer trainings on an annual basis for the recipients of federal funding as well as any Oregon landlord that may need information. They have an established website with many details, forms and templates, history of Oregon's laws, a calendar for on-going training as well as a hotline for tenants that may be experiencing discrimination. City federal program staff regularly send email invitations to grantees to attend these trainings. The FHCO makes quarterly reports to the City on intake calls and work performed by the FHCO.

The City of Salem continues to work with multiple partners and agencies to address any gaps in homeless service needs:

"In an ongoing effort to bridge the gap of programs and activities, the city has developed partnerships and collaborations with local service providers and City departments that have been instrumental in meeting the

needs and demands of the homeless, low-income individuals and families, and other special needs. The city will continue to expand on developing partnerships with public service organizations throughout FY 2023.”

Source: City of Salem Annual Action Plan 2022

The City has had, over the years, at the CoC and other community meetings regarding creation of more low-income housing, creation of more affordable housing as well as permanent supportive housing. Developers from outside the Salem area have recently come to the Salem area and submitted prospectuses for funding. In short, the City consults regularly with community partners, public housing authorities and service delivery providers to ascertain needs and plan projects to fill unmet needs.

**List the organizations consulted, and summarize the feedback received from these entities.**

Agency/Org Consulted	Type of Agency/Org	Method of Consultation	Feedback
<b>Salem Housing Authority (SHA)</b>	Public Housing Authority	Public meetings, notices, and individual consultations	The HOME-ARP will be used for the newest project that is for Permanent Supportive Housing for chronically homeless. This funding is imperative to close the funding gap for successful project completion.
<b>Northwest Human Services</b>	Youth Shelter, Homeless service provider	Public meetings, notices, and individual consultations	Northwest Humans Services Host Youth program is a youth shelter and young adult shelter program. The program is in need of case management funding for youth experiencing homelessness, operating costs of supportive housing development and operations, and shelter rehabilitation.
<b>St. Francis Shelter</b>	Family Shelter, Homeless service provider	Public meetings, notices, and individual consultations	St. Francis is currently using federal dollars for TBRA assistance and expects to continue its program. They see the need for new supportive housing developments for families, as opposed to other populations. St. Francis Shelter supports HOME ARP funds for Supportive Services
<b>Women at the Well Grace House</b>	Women’s Shelter, Homeless service provider	Public meetings, notices, and consultations	Women at the Well have identified a growth in their program and the need for more staffing and case management. Supportive services are important for the success of program participants, but more funding is required.

<b>Center for Hope and Safety</b>	Domestic Violence Shelter and Counseling, homeless service provider	Public meetings, notices, and consultations	Center for Hope needs continued funding for case management and hotline services due to increased volume of calls in. HOME ARP funds are needed to complete the package of funding in building for the new shelter that will house domestic violence survivors.
<b>Mid-Willamette Valley Community Action Agency (MWVCAA)</b>	Community Action Agency	Public meetings, notices, and consultations	MWVCAA is the community action agency that operates the Coordinated Entry system, HMIS, annual PIT count, day shelters, warming shelters, youth services and a TBRA program. They are a collaborative partner to many of the agencies in the community that utilize the Coordinated Entry data. HOME-ARP for Supportive Services is greatly needed for low-income and permanent supportive housing inventory.
<b>Kosti Efstathion</b>	City of Salem DEI Coordinator	Public meetings, notices, and consultations	The City of Salem’s Diversity Equity Inclusion (DEI) Coordinator for perspective on internal operations and outside community connections. He will speak about the NOFA and refer people to the City’s website for application details.
<b>West Care</b>	Veterans Shelter, Veterans group; Homeless services provider	Public meetings, notices, and consultations	West Care’s focus is for homeless veterans. They are not utilizing any of the HOME-ARP funds but have utilized federal funds in the past to update and rehabilitate the shelter. They are a current recipient of HOME funds for a new facility. Supportive services are important for the success of program participants, but more funding is required.
<b>Fair Housing Council of Oregon</b>	Civil rights and fair housing organization	Public meetings, notices, consultations, and City contract	FHCO is the City’s contracted agency for trainings both for city staff and HUD grantees. Education and supportive services are key to program and program participants success.

<b>Mid-Willamette Valley Homeless Alliance The Continuum of Care (COC) for the Marion-Polk Region</b>	The collaborative organization that coordinates and aligns resources to prevent homelessness	Public meetings, notices, consultations, and presentation at a COC meeting by City Staff	Funded agencies and programs align with the service providers and needs of the community. Supportive service needs are at an all-time high and greatly needed to support the participants.
<b>Marion County Health and Human Services</b>	Public agency that addresses the needs of qualifying populations	Public meetings	More accessible and affordable housing units are required. Supportive services like vouchers play a large part in our client's success.

## Public Participation

*PJs must provide for and encourage citizen participation in the development of the HOME-ARP allocation plan. Before submission of the plan, PJs must provide residents with reasonable notice and an opportunity to comment on the proposed HOME-ARP allocation plan of **no less than 15 calendar days**. The PJ must follow its adopted requirements for "reasonable notice and an opportunity to comment" for plan amendments in its current citizen participation plan. In addition, PJs must hold **at least one public** hearing during the development of the HOME-ARP allocation plan and prior to submission.*

*For the purposes of HOME-ARP, PJs are required to make the following information available to the public:*

- *The amount of HOME-ARP the PJ will receive,*
- *The range of activities the PJ may undertake.*

## Describe the public participation process, including information about and the dates of the public comment period and public hearing(s) held during the development of the plan:

On October 22, 2021 City of Salem Federal Programs staff posted on the City website <https://www.cityofsalem.net/Pages/salem-federal-funding-applications-open-october-22.aspx> the Notice of Funding Availability for the HOME ARP grant. The notice provided information and instructions about the available funds, eligible activities, when and where to apply, and deadlines. A link to the application portal was provided for applicants to enter, register, and complete their applications.

City leadership had discussions with local social service providers and the Public Housing Authority to gather their input on priority needs and gaps in services that could benefit from being funded by the HOME-ARP funds. Many of these agencies are funded annually with the City's federal grants and this input concluded with prioritization for the following eligible activities:

- Provide capital investment for permanent rental housing
- Provide tenant-based rental assistance and supportive services

The public comment period notice was advertised in the local Statesman Journal. The notice was also posted at the Salem Public library, the Urban Development office and placed on the City's website.

The eventual allocation of HOME-ARP funds for the City of Salem was informed after public meetings with stakeholders and partners via Zoom and emails with input from City leadership. This included a final presentation for the COC.

**Public comment period:** Start date 04/01/2022, End date 04/18/2022

**Public hearing:** 04/25/2022

**Describe any efforts to broaden public participation:**

City Council’s public hearing was broadcast live on Facebook, Comcast Cable CCTV, CCTV Salem, and YouTube with simultaneous ASL and Spanish language interpretation. The City maintains a contract with a language interpreter service that provides for 25 different languages with advanced notice.

A PJ must consider any comments or views of residents received in writing, or orally at a public hearing, when preparing the HOME-ARP allocation plan.

No individual or group signed up for public comment. No comments were received in writing.

**Summarize the comments and recommendations received through the public participation process:**

No comments or recommendations were received through the public participation process.

**Summarize any comments or recommendations not accepted and state the reasons why:**

No comments or recommendations were not accepted.

**Needs Assessment and Gaps Analysis**

*PJs must evaluate the size and demographic composition of qualifying populations within its boundaries and assess the unmet needs of those populations. In addition, a PJ must identify any gaps within its current shelter and housing inventory as well as the service delivery system. A PJ should use current data, including point in time count, housing inventory count, or other data available through CoCs, and consultations with service providers to quantify the individuals and families in the qualifying populations and their need for additional housing, shelter, or services.*

**Describe the size and demographic composition of qualifying populations within the PJ’s boundaries:**

The City of Salem straddles Marion County and Polk County Oregon, and is the primary metropolitan area for both counties. In 2020 the combined population of the two counties was 428,742 people, and Salem’s population was 175,535 (41%).

- *Homeless people, as defined by 24 CFR 91.5;*

The most recent report by the Mid-Willamette Valley Homeless Alliance, the GAP analysis states that “In August 2021, Alliance staff prepared the second regional Gaps Analysis. Updated findings and data were aligned with the region’s priority areas identified in the Alliance Strategic Plan.” It goes on to say that “Local Coordinated Entry data (June 2021) illustrates the number of the region’s homeless population and chronic homeless prevalence, ...”

TABLE 1—LOCAL PREVALENCE OF HOMELESS AND CHRONIC HOMELESSNESS, JUNE 2021, MARION/POLK REGION

	Prevalence	Chronic homeless	% Chronic homeless
Total homeless	811	352	43%
Single individuals	592	331	56%
Number of families	76	27	36%

Number of individuals in families	301	-	-
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Source: Mid-Willamette Valley Homeless Alliance, <https://mwvhomelessalliance.org/>.

Of particular note are the numbers of chronically homeless as defined by 42 USC 11302.(a).(6) for whom permanent supportive housing is essential. The percentages of chronically homeless that are in the Marion-Polk CoC system are far greater than either the national average or the state average. (Mid Willamette Valley Alliance.org, Fast Facts October 2020).

The 2022 Point in Time Count reflected a 15% increase in homeless persons contacts in the two counties. There were 879 unsheltered persons contacted and 926 temporarily sheltered persons. (Mid Willamette Valley Homeless Alliance.org, June 16, 2022).

- *Those at-risk of homelessness, as defined in section 401(1) of the McKinney-Vento Homeless Assistance Act ([42 U.S.C. 11360\(1\)](#));*

Poverty is a leading cause of putting people at risk of homelessness and the City has roughly 25,050 (15.3%) residents from 0-50% of the poverty line (monthly income of \$1,092 for a family of four). Of those 25,050 residents, 7,985 (20%) are under the age of 18 and 3,787 (10.9%) are over the age of 60. (U.S. Decennial Census and American Community Survey 2020; census.gov)

A recently completed Tenant Based Rental Assistance project run by the Salem Housing Authority reported 59% (264 persons) receiving security deposit assistance went to new applicants who made between 0-30% of the Average Median Income. 100% of assistance went to those who were between 0-50% of AMI. (SHA Security Deposit Project 2019-2021 Outcome Report)

- *Fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, as defined by the Secretary*

In 2020 the Salem Police Department reported 2,182 domestic violence offenses of which there were 583 arrests. Seven hundred ninety-four (794) of those offenses constituted serious crimes such as rape, aggravated assault, simple assault, vandalism, and intimidation. (Oregon State Police Report of Domestic Violence 2020)

“Local Coordinated Entry data from July 2018 indicated of the 1,657 people assessed in Marion County, 44% reported a history of domestic violence (733). Of those 733 individuals, 331 (19.9% of the total; 45% of reported DV) stated that they were fleeing from their last intimate partner relationship. In Polk County, 164 individuals were assessed, and of those, 48% reported a history of DV (79) and 40 (24% of the total, and 50.6% of reported DV) stated that they were fleeing.” (Mid Willamette Valley Homeless Alliance Gaps Analysis, August 2021)

Applying an averaged 22 percent from the 2018 Coordinated Entry assessment to the 2022 PIT count would yield a potential population of 400 persons who could be attempting to flee domestic violence.

- *In other populations where providing supportive services or assistance under section 212(a) of the Act ([42 U.S.C. 12742\(a\)](#)) would prevent the family's homelessness or would serve those with the greatest risk of*

*housing instability*

Disability is also a factor to at risk of homelessness, and the City has roughly 25,000 (15%) residents who report a disability. Of those 25,000, 6272 (25%) report income in the last 12 months below the poverty level. (American Community Survey 2020, census.gov)

- *Veterans and families that include a veteran family member that meet one of the preceding criteria.*

Approximately 7% of the City’s residents are veterans as reported by the American Community Survey (175,535 x 7% = 12,287). Six hundred fifty-one (651) veterans report income below the poverty line in the prior 12 months. (ACS, 2020)

**Describe the unmet housing and service needs of qualifying populations, including but not limited to:**

- **Sheltered and unsheltered homeless populations;**
- **Those currently housed populations at risk of homelessness;**
- **Other families requiring services or housing assistance or to prevent homelessness; and,**
- **Those at greatest risk of housing instability or in unstable housing situations:**

June 2021 local data was collected by the CoC and Mid-Willamette Valley Homeless Alliance, and was used to prepare the GAP Analysis report. The City of Salem utilizes the information found in this report, along with the Housing Inventory Count (HIC) to identify the unmet housing needs of qualifying populations. The HIC was updated May 17, 2021, based on beds available the night of the PIT Count conducted 1/26/21.

The Mid-Willamette Valley Homeless Alliance reported that, “The 2021 HIC shows 1,186 year-around beds, and 85 seasonal beds for a total of 1,271 beds to address homelessness in Marion and Polk counties. The addition of 91 temporary beds, added with COVID funding, helped offset the beds lost due to social distancing requirements and brought the total up to 1,362.” It goes on to say, “The number of market-based beds fluctuates with available resources for hotel/motel stays and rental assistance (rapid re-housing and most permanent housing). Year-around facility-based beds are comprised of permanent shelters, transitional housing, and some permanent housing.”

The 2022 HIC paints a similar picture from the January 2022 PIT count:

Type	Year-round beds		Total seasonal beds		Other Permanent Housing		PIT Count 2022	Utilization rate	
	2022	2021	2022	2021	2022	2021		2022	
Emergency shelter	572	277	176	85			663	87.9%	
Transitional Housing	285	382					263	92.3%	
Permanent Housing	473	618			6	6	470	99.4%	
<b>Totals</b>	<b>1,330</b>	<b>1,277</b>	<b>176</b>	<b>85</b>	<b>6</b>	<b>6</b>	<b>1,396</b>	<b>92.3%</b>	

Source: Mid-Willamette Valley Homeless Alliance, <https://mwvhomelessalliance.org/>.



Salem Housing Authority recently opened Redwood Crossings August 2020. Redwood Crossings is a permanent supportive housing facility with 36 beds. The Mid-Willamette Valley Community Action Agency also opened the Tanner Project November of 2020. The Tanner Project is a Veteran focused low-barrier transitional housing facility with 36 beds for men and women. Although these examples demonstrate the proactive actions being taken to create supportive housing for Salem's vulnerable populations, more low-barrier and transitional service shelters are needed.

The MWV Homeless Alliance Gaps Analysis included Coordinated Entry Data as of June 2021 and determined the largest unmet need at 43% (320) of 738 assessed households required Permanent Supportive Housing. From the chart above the inference can be drawn that the City's highest need is Permanent Housing. Both Emergency Shelters and Transitional Housing were undersubscribed during the PIT count, though the number of unsheltered persons far exceeds the emergency shelter beds. This type of shelter availability is expected to improve with the opening of a Navigation Center in 2023 to provide no/low barrier sheltering. However, permanent housing (both market and facility based) is fully subscribed both years, and the City is in dire need of more Permanent Supportive Housing to allow transition from unhoused to independent and fully housed.

**Identify and consider the current resources available to assist qualifying populations, including congregate and non-congregate shelter units, supportive services, TBRA, and affordable and permanent supportive rental housing:**

The City of Salem utilizes federal resources to work collaboratively with its community partners to address the needs of the unhoused.

"The Salem City Council recognizes homelessness as a critical problem in our community. We're actively working with partners to reduce hardships that lead to homelessness and increase access to affordable housing for our residents and families with children who are unsheltered or at-risk of becoming homeless. We're taking a collaborative approach and adapting multiple best practices to fit our community."

Source: City of Salem website, <https://www.cityofsalem.net/Pages/city-efforts-to-address-homelessness.aspx>

The City of Salem currently has many diverse shelters and transitional services. The United Gospel Mission recently (summer 2021) opened a new 284 bed men's shelter which significantly increased the number of beds available and closing a gap in non-congregate bed shortage. In addition, Mid-Willamette Valley Community Action Agency opened the Arches Inn hotel December 2021. The Arches Inn provides 80 rooms of emergency transitional shelter and plans are in place to expand to 125 rooms by spring 2022. Another new project is the Tanner Project which provides veterans transitional housing for men and women. The Tanner Project is a 36-bed facility and is fully occupied. The United Way of the Mid-Willamette Valley also offers a Safe Sleep United program. The program consists of a 19-bed, women's overnight shelter. They also recently increased their daytime hours to provide more case management. Church at the Park is a program that opened managed safe parking sites and pallet shelter sites throughout Salem. Currently there are two open, and a third site is in the works. The Salem Warming Network opened again this winter season and had 16,500 bed nights that served 636 person/582 households. During the 2021 heat wave, the cooling centers served 138 persons with cooling services.

Redwood Crossing is a Salem Housing Authority project that provides permanent supportive housing.

Redwood Crossing opened August 2020 and offers 37 private rooms with 6 of those for medical respite.

Many of the City's community partners continue to run and serve Tenant Based Rental Assistance (TBRA) programs which provide vouchers for security deposit and rental assistance. Some of the organizations providing TBRA services include:

- Salem Housing Authority- security deposit
- Family Promise- security deposit and rental assistance
- Mid-Willamette Valley Community Action Agency- rental assistance
- St Francis Shelter- rental assistance

**Identify any gaps within the current shelter and housing inventory as well as the service delivery system:**

The City of Salem has made many improvements towards service delivery and the number of available shelter beds. However, even with these improvements, there are still roughly a 30% gap according to the 2021 PIT count.

The 2021 Housing Inventory Count, the MWVCAA supports this by reporting that, "Each year, a regional Housing Inventory Count (HIC) is submitted to HUD. This snapshot represents beds in existence on the night of the annual Point-In-Time Count (January 26, 2021). The 2021 HIC shows 1,186 year-around beds, and 85 seasonal beds for a total of 1,271 beds to address homelessness in Marion and Polk counties. The addition of 91 temporary beds, added with COVID funding, helped offset the beds lost due to social distancing requirements and brought the total up to 1,362."

The 2022 PIT Count made contact with 1,805 unhoused persons. With a total inventory of 1,330, it leaves a gap of 475 beds needed of all kinds.

Source: Mid-Willamette Valley Homeless Alliance, <https://mwvhomelessalliance.org/>.

The MWVCAA Housing Inventory Count report is further supported by the State of Oregon's Homeless Management Information System (HMIS) July 2021 report which states, "Over the past year, the Alliance expanded the number of housing providers using HMIS from 25% to 80% as of July 2021. The coverage rate for year-around beds reported in HMIS was 43% in 2020, which rose to 68% in 2021. The following chart shows how many of the region's inventoried beds are represented in HMIS. 100% of permanent supportive housing providers and seasonal shelters utilize HMIS, 75% of rapid rehousing, 46% of transitional housing, and 68% of emergency shelter beds. Since organizations providing shelter for survivors of domestic violence do not use HMIS, data is calculated without those 72 beds for a total of 1,290 beds." Source: Oregon.GOV: <https://www.oregon.gov/ohcs/for-providers/Pages/hmis.aspx>.

**Identify the characteristics of housing associated with instability and an increased risk of homelessness if the PJ will include such conditions in its definition of "other populations" as established in the HOME-ARP Notice:**

The area's housing market contributes to the increased risk of homelessness. At the end of 2021, the area's vacancy rate for rentals was just 2.5% (typical average is 5%). The average sales price of new homes in 2021 was up 14% from the year previously. Ten years ago, Salem was in the top 25% of all housing markets for affordability. It's now in the bottom 10%.

Source: Salem Reporter, February 10, 2022, <https://www.salemreporter.com/posts/6019/high-housing-costs-low-rental-inventory-are-making-salem-less-affordable>

Median rent in the City is \$1,034/month and 51.9% of renters in the City are identified as cost burdened (rent greater than 30% of income). The City has roughly 25,050 (15.3%) residents from 0-50% of the poverty line (monthly income of \$1,092 for a family of four). The difference between the median rent and the monthly income of a family of four at 50% of the poverty line is only \$58. At current minimum wage, an individual would have to work 255 hours/month just to pay the median rent.

There are not enough housing units and those that are available are increasing in cost. The City's current Public Housing inventory is full, with a 3-5 year wait list. The City is in dire need of Permanent Supportive Housing for homeless individuals and families as defined by 42 USC 11302.(a).(6), as evidenced by the 100% utilization rate of current PSH units.

Other factors:

- Family changes—
  - Children under the age of 18 living in poverty account for more than 25% of Marion County's under-18 years old population, and more than 17% in Polk County. The Marion-Polk Community Health Needs Assessment also indicates nearly 34% of all children in Marion County and 26% of all children in Polk County under 18 live in a single-parent household. The Salem-Keizer School District reported 1,118 homeless students during the 2019-2020 school year. (MWV Homeless Alliance Gaps Analysis)
  - Of those, nearly 76% of those householders are female single parents in Marion County and 72% in Polk County. Children receiving SNAP benefits account for nearly 57% of all households with children under age 18 in Marion County and nearly 49% of all households with children under age 18 in Polk County—both rates above the state rate of 45% (CHA, 2019).
- Medical conditions-- Disability is also a factor to at risk of homelessness, and the City has roughly 25,000 (15%) residents who report a disability. Of those 25,000, 6272 (25%) report income in the last 12 months below the poverty level. (American Community Survey 2020, census.gov)
- Job changes—job losses result in loss of income and destabilized housing.
- Addictions—The MWV Homeless Alliance identified 24% of those experiencing homelessness suffer from serious mental illness and 26% suffer from chronic substance abuse. (MWV Homeless Alliance Gaps Analysis)

#### **Identify priority needs for qualifying populations:**

The biggest need is for Permanent Supportive Housing to support low income, chronically homeless individuals with tailored services for their needs. The evidence for this is the high percentage of chronically homeless, the high percentage of homeless with addiction and mental issues coupled with 100% utilization of existing PSH. The second priority need is for those touched by domestic violence. In the recent GAP Analysis report, the CoC and The Mid-Valley Homeless Alliance, found that there is still a gap in affordable rental housing. They point out that additional affordable housing is needed for seniors age 58+, farmworkers, and Transitional age youth (ages 18-24).

Source: Mid-Willamette Valley Homeless Alliance, GAP Analysis August 2021,  
<https://mwvhomelessalliance.org/>.

**Explain how the level of need and gaps in its shelter and housing inventory and service delivery systems based on the data presented in the plan were determined:**

The gaps in shelters, housing inventory and service delivery were mapped out in the CoC, and The Mid-Valley Homeless Alliance reports. In the City's Con Plan 2020-2024 along with the 2021 GAP analysis and the 2022 PIT count, the city addresses the need for expansion of services. Many partners are coming together to identify how and where they can help close the gap.

The Mid-Willamette Valley Homeless Alliance also provided the following information addressing the number of available beds:

#### INVENTORY EXPANSION

The number of facility-based beds is anticipated to increase further as the region is able to continue current services, utilize federal CARES ACT funding, leverage additional resources, and bring the following new programs online.

- Managed Camps (ES)
- Project Turnkey Hotels (ES)
- Union Gospel Mission expansion (ES)
- Salem Housing Authority, Yaquina Hall (PSH)
- Salem Housing Authority, Sequoia Crossings (PSH)
- Center for Hope and Safety, HOPE Plaza (permanent low-income housing)

Source: Mid-Willamette Valley Homeless Alliance, <https://mwvhomelessalliance.org/>

#### HOME-ARP Activities

**Describe the method for soliciting applications for funding and/or selecting developers, service providers, subrecipients and/or contractors and whether the PJ will administer eligible activities directly:**

On October 22, 2021 City of Salem Federal Programs staff posted on the City website <https://www.cityofsalem.net/Pages/salem-federal-funding-applications-open-october-22.aspx> the notice of available HOME ARP funds. The notice provided information and instructions about the available funds, eligible activities, when and where to apply, and deadlines. A link to the application portal was provided for applicants to enter, register, and complete their applications.

After all applications were reviewed, funding recommendations were made to City leadership for approval and in April the recommendations were presented to City Council at a public hearing for approval.

The City will administer eligible activities directly by granting to community partners.

The following programs have been selected by Salem City Council for HOME-ARP funding:

- Salem Housing Authority- Sequoia Crossings -New construction- 60 units for permanent supportive housing
- Center for Hope and Safety- HOPE Plaza- New construction for domestic violence victims- 20 units for low income housing
- Center for Hope and Safety- Services for Victims of Domestic and Sexual Violence- Case Management and Crisis hotline.
- Women at the Well Grace House- Case Management
- Northwest Human Services- Youth- Case Management
- St. Francis Shelter- Homeless families- Case Management

If any portion of the PJ's HOME-ARP administrative funds were provided to a subrecipient or contractor prior to HUD's acceptance of the HOME-ARP allocation plan because the subrecipient or contractor is responsible for the administration of the PJ's entire HOME-ARP grant, identify the subrecipient or contractor and describe its role and responsibilities in administering all of the PJ's HOME-ARP program:

N/A

PJs must indicate the amount of HOME-ARP funding that is planned for each eligible HOME-ARP activity type and demonstrate that any planned funding for nonprofit organizations operating assistance, nonprofit capacity building, and administrative costs is within HOME-ARP limits. The following table may be used to meet this requirement.

**Use of HOME-ARP Funding**

	Funding Amount	Percent of the Grant	Statutory Limit
Supportive Service	\$242,965		
Acquisition and Development of Non-Congregate Shelters	\$0		
Tenant Based Rental Assistance (TBRA)	\$0		
Development of Affordable Housing	\$1,754,000		
Non-Profit Operating	\$0	#%	5%
Non-Profit Capacity Building	\$0	#%	5%
Administration and Planning	\$352,406	15%	15%
Total HOME-ARP Allocation	\$2,349,371		

**Additional narrative, if applicable:**

Below is a table of the project funding allocations.

<b>Total HOME ARP Funds Available</b>			<b>\$2,349,371</b>	
		Category	Amount Funded	Percent
<b>Center for HOPE and Safety</b>	HOPE Plaza Low Income Housing	Development of Affordable Housing	\$250,000	.11
<b>Center for HOPE and Safety</b>	Services for Victims of Domestic Violence	Supportive Services	\$100,000	.04
<b>Women at the Well Grace House</b>	Case Management	Supportive Services	\$47,000	.02
<b>NW Human Services</b>	HOST Youth Program	Supportive Services	\$35,965	.02
<b>St. Francis Shelter</b>	Case Management	Supportive Services	\$60,000	.03
<b>Salem Housing Authority</b>	Sequoia Crossings Permanent	Development of Affordable Housing	\$1,504,000	.64

	Supportive Housing			
<b>Admin (15%)</b>	Admin	Admin	\$352,406	.15
<b>Total</b>			\$2,349,371	

Below is a table of expected outcomes.

<b>Program</b>	<b>Program Description</b>	<b># New housing units</b>	<b># Of people served</b>
<b>Center for HOPE and Safety</b>	HOPE Plaza low-income housing for affordable housing with supportive services. Will produce many needed units for families fleeing domestic violence.	20	TBD
<b>Center for HOPE and Safety</b>	24-hr Crisis hotline, and Case management for victims of domestic violence.		2,200
<b>Women at the Well Grace House</b>	Case management and emergency shelter with services for women experiencing homelessness.		20
<b>NW Human Services</b>	The HOST program assists youths (18-24 yrs old) experiencing homelessness through case management and other emergency services.		15
<b>St. Francis Shelter</b>	Navigating to Home program provides case management to families experiencing homelessness.		55
<b>Salem Housing Authority</b>	Sequoia Crossings is a new construction low-income apartment complex. Preference for PSH services of individual or families	60	TBD

Describe how the characteristics of the shelter and housing inventory, service delivery system, and the needs identified in the gap analysis provided a rationale for the plan to fund eligible activities:

The gap analysis demonstrated that there was a gap in the affordable housing inventory and the number of beds available for homeless individuals. The programs selected for HOME-ARP will all serve to increase the number of affordable housing units. Additionally, Federal Programs staff communicate with service providers regularly to check in and review program progress and needs. The need continues for public services such as the crisis hotline, case management, housing for victims escaping domestic violence and human trafficking, homeless youth, and families experiencing homelessness. Through effective communication with partners, the City has elected to fund these types of activities with HOME-ARP funds, because there continues to be a strong need for these programs, they are eligible through HOME-ARP, and they align with the City's Consolidated Plan goals.

### **HOME-ARP Production Housing Goals**

#### **Estimate the number of affordable rental housing units for qualifying populations that the PJ will produce or support with its HOME-ARP allocation:**

The City of Salem currently has two large scale affordable housing construction projects that have been recommended to receive HOME-ARP funding. First is Sequoia Crossings which is a 60-unit complex aimed at providing housing to vulnerable individuals experiencing chronic homelessness. Second, is HOPE Plaza which is a 20-unit complex which will provide housing to survivors of domestic violence, sexual assault, stalking, and human trafficking.

Total, there will be 80 units of new low income and permanent supportive housing built using HOME-ARP funds.

#### **Describe the specific affordable rental housing production goal that the PJ hopes to achieve and describe how it will address the PJ's priority needs:**

The affordable housing stock in Salem continues to be in short supply and funding is also limited. The goal for this amendment to the PY 2021 plan is to provide enough funding to fill budget gaps that resulted from pandemic related materials cost increase which caused budget shortfalls. Funding both HOPE Plaza and Sequoia crossing will result in the successful completion of these projects and production of 80 new units (combined) of affordable housing. Currently the City of Salem's top Con Plan priority is Ending Homelessness. Funding and completing these two affordable housing projects target that priority and will remove many individuals from homelessness.

### **Preferences**

#### **Identify whether the PJ intends to give preference to one or more qualifying populations or a subpopulation within one or more qualifying populations for any eligible activity or project:**

- *Preferences cannot violate any applicable fair housing, civil rights, and nondiscrimination requirements, including but not limited to those requirements listed in 24 CFR 5.105(a).*
- *PJs are not required to describe specific projects to which the preferences will apply.*

Based on input from stakeholders and importance of having permanent housing options available for homeless individuals and families transitioning from the many shelters and emergency resources in Salem, City of Salem has chosen permanent supportive housing and domestic violence as preference for these funds. Use of HOME -ARP to partially fund the construction of HOPE Plaza for the Center for Hope and Safety that will help address the unmet needs for individuals or families having fled domestic violence. A second preference is

a new build project for the Salem Housing Authority that will provide up to 60 units for permanent supportive housing (PSH) for low-income families or individuals

In conversations with Center for HOPE and Safety as well as the Housing Authority for the City of Salem, it is known low-income and permanent housing units are greatly needed for these special populations. In order to complete the funding packages required during the pandemic, both agencies reached out to City leadership and Federal Programs staff to discuss the use of HOME-ARP funds.

**If a preference was identified, explain how the use of a preference or method of prioritization will address the unmet need or gap in benefits and services received by individuals and families in the qualifying population or category of qualifying population, consistent with the PJ's needs assessment and gap analysis:**

Information solicited from the Mid-Willamette Valley Homeless Alliance showed City the need for a preference and the use of HOME-ARP for new construction builds, particularly for the funding gaps that arose due to the pandemic and supply chain issues.

- Oregon Housing and Community Services (OHCS), the state housing agency, is again prioritizing development of Permanent Supportive Housing (PSH) and family-size units through its 3-year Qualified Allocation Plan (QAP) approved in January 2022, which identifies funding priorities for 9% Low-Income Housing Tax Credit developments for 2022-2024. OHCS has also prioritized additional funds for PSH developers that participate in a training program

- 2019-2023 GOAL: OHCS will increase our commitment to permanent supportive housing by funding the creation of 1,000 or more additional supportive housing units to improve the future long-term housing stability for vulnerable Oregonians.

Source: Summarized from <https://www.oregon.gov/ohcs/Documents/swhp/facts-swhp-psh-priority.pdf> and <https://www.oregon.gov/ohcs/development/Documents/PSH/PSH-Services-Framework-2.0.pdf>

With the outstanding need for low income and affordable housing units along with the need for permanency, HOPE Plaza and Sequoia are identified as a preference for these funds. HOPE Plaza is being considered for some matching CDBG funds from Marion County. Sequoia Crossings was awarded PSH Capital (OHCS) in the amount of \$3,518,550.00 and will be able to utilize the HOME-APR funds to complete the budget for building.

Using a large portion of the HOME-ARP funds for these two construction projects, the 80 units will close a gap for the much needed affordable and permanent housing needs in the Salem area.

**If a preference was identified, describe how the PJ will use HOME-ARP funds to address the unmet needs or gaps in benefits and services of the other qualifying populations that are not included in the preference:**

Unmet housing needs and services that are not funded with HOME-ARP have been addressed through the annual funding sources of General Fund, regular CDBG and HOME funds. These funds support other programs such as Marion Polk Food Share-Meals on Wheels, Marion and Polk Food Share Youth Program, Northwest Human Services hotline, and Housing Authority of Salem's Outreach Navigator staff position, to support case management and food services for the vulnerable populations in Salem. HOME funds have historically supported TBRA voucher programs for Mid-Willamette Valley Community Action Agency, Family Promise, St. Francis Shelter and Housing Authority of the City of Salem alongside new construction of affordable homes and affordable rental housing developments. This includes a new building for Veterans and their families and low moderate-income families of the BIPOC communities of Salem.



## HOME-ARP Refinancing Guidelines

If the PJ intends to use HOME-ARP funds to refinance existing debt secured by multifamily rental housing that is being rehabilitated with HOME-ARP funds, the PJ must state its HOME-ARP refinancing guidelines in accordance with 24 CFR 92.206(b). The guidelines must describe the conditions under which the PJ will refinance existing debt for the HOME-ARP rental project, including:

- Establish a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing to demonstrate that rehabilitation of HOME-ARP rental housing is the primary eligible activity.

N/A

- Require a review of management practices to demonstrate that disinvestment in the property has not occurred; that the long-term needs of the project can be met; and that the feasibility of serving qualified populations for the minimum compliance period can be demonstrated.

N/A

- State whether the new investment is being made to maintain current affordable units, create additional affordable units, or both.

N/A

- Specify the required compliance period, whether it is the minimum 15 years or longer.

N/A

- State that HOME-ARP funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG.

N/A

- Other requirements in the PJ's guidelines, if applicable:

N/A