I. NEIGHBORHOOD REVITALIZATION PROGRAM — OBJECTIVES & RESOURCES

The City of Salisbury partners with the Federal government, Salisbury Community Development Corporation, Inc. (CDC) and other agencies to increase affordable housing opportunities and promote neighborhood revitalization within its jurisdiction.

Funds from the U.S. Department of Housing and Urban Development (HUD) enable these efforts, along with other federal, state and local resources and in-kind supports. HUD National Objectives of increasing the supply of affordable housing and helping to eliminate blight affecting neighborhood livability and sustainability are at the core of all local decision-making regarding the use of these funds. HUD has also determined that the primary beneficiaries of these funds are low and moderate income individuals and families with earnings below 80% of the area median income.

The City of Salisbury invests these resources in a range of housing and neighborhood revitalization activities to help carry out these national objectives at the local level and to improve quality of life for its citizens. Examples of past activities include: acquisition and rehabilitation of vacant or foreclosed property, new home construction, down payment assistance, owner-occupied rehabilitation and emergency repairs, investments in parks and community centers, sidewalks and other neighborhood improvements.



PRAN DEVEL

Federal Funding Sources

Affordable housing and neighborhood revitalization programs in Salisbury are largely supported by the following HUD programs:

- Community Development Block Grants (CDBG)
- HOME Investment Partnership (or HOME program)
- Community Development Block Grants Recovery (CDBG-R)

Salisbury is designated by HUD as an *Entitlement* area for the CDBG program and receives an annual allocation under this program. The City receives HOME program funds through its participation in the Cabarrus/Iredell/Rowan HOME Consortium. Participating jurisdictions (PJ) provide a 25% local match in order to receive HOME Program funds.

Cabarrus/Iredell/Rowan HOME Consortium

City of Salisbury (PJ)
City of Concord (PJ) (* lead agency)
City of Kannapolis (PJ)
City of Davidson (PJ)

City of Statesville
City of Mooresville (PJ)

Rowan County (PJ) Iredell County Cabarrus County (PJ)

Salisbury Community Development Corporation, Inc. (CDC)

The Salisbury Community Development Corporation (CDC) is a key partner in the City's neighborhood revitalization programs. The CDC is a non-profit organization dedicated to assisting low and moderate income individuals and families with housing needs, developing attractive, quality affordable housing and promoting partnerships among other organizations with similar goals.



The Salisbury CDC office is conveniently-located in the West End neighborhood, an area designated by the City of Salisbury for revitalization.

Salisbury CDC Programs:

- Homebuyer Education Classes
- Down Payment Assistance
- Owner-Occupied Housing Rehabilitation
- Acquisition & Rehabilitation of Vacant or Foreclosed Homes
- Foreclosure Prevention

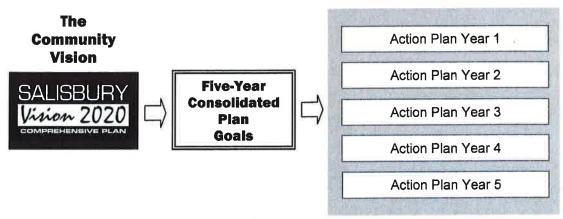
Planning Framework: Vision 2020, Consolidated Plan and Action Plans

The city's long range community development goals originate from the *Vision 2020 Comprehensive Plan*. Developed in the late 1990s through an extensive public participation process and adopted by City Council in 2001, this plan expresses the community's vision for new development as well as reinvestment in existing neighborhoods, infrastructure and downtown. It calls out the community-building strategies and improvements that are essential elements of vibrant, livable neighborhoods – parks, sidewalks & pedestrian features, street lighting, meeting places, public transportation, appropriately-scaled stores, services and infill development.

Building on the Vision 2020 framework, the five-year *Consolidated Plan* outlines priority needs and geographic areas that will be the focus of community development activities. This plan is the "compass" for year-to-year decisions regarding the use of federal CDBG and HOME program dollars.

	CATEGORY	PRIORITY LEVEL	GEOGRAPHIC DISTRIBUTION
t Plan EEDS	HOUSING	HIGH	Revitalization Areas and Citywide
2014 ted	INFRASTRUCTURE & PUBLIC FACILITIES	HIGH	Revitalization Areas
010-2 olida RTIN	PUBLIC SERVICES (Subject to a 15% CAP)	HIGH	Citywide
2(onsc	HOMELESS & SPECIAL NEEDS	MEDIUM	Citywide
C	OTHER NEIGHBORHOOD REVITALIZATION	MEDIUM	Revitalization Areas

For each year of the five-year plan, an annual **Action Plan** outlines a program of investments tailored to meet the needs and residents' expectations for designated revitalization areas. These annual activities are measurable, targeted tasks that are carefully aligned with the five-year goals.



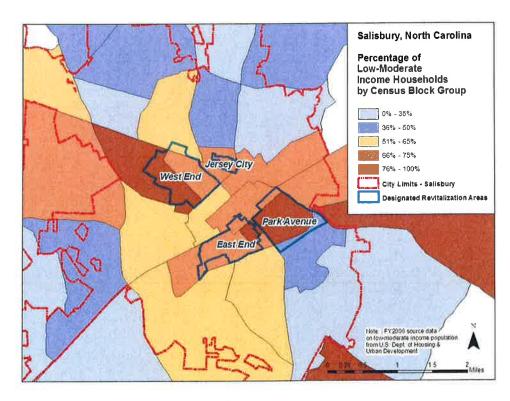
<u>Designated Revitalization Areas:</u> West End, Jersey City, Park Avenue & East End

HUD encourages communities to focus revitalization efforts to the extent needed to achieve tangible benefits for neighborhoods. Investments should be aimed at reducing concentrations of poverty and alleviating the effects of concentrated poverty. HUD regulations further specify that public facility improvements, such as sidewalks, parks or community center upgrades may only be located in a census tract where at least 51% of the population earns less than 80% of the area median income.

The City of Salisbury recognizes the following four revitalization areas:

- West End Neighborhood
- Park Avenue Neighborhood
- Jersey City Neighborhood
- East End Neighborhood

These neighborhoods meet HUD income specifications and have had persistent issues with housing deterioration and long-term vacancy that impact property values, livability and neighborhood stability. The concentration of minority population in these areas is also higher than the local average, ranging from 73%-86% Black or African - American, while the city average is 38%.



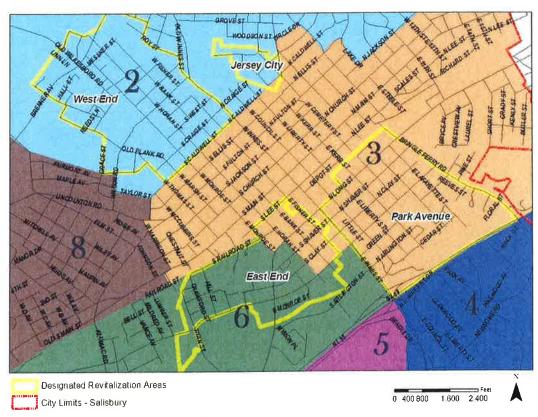
II. PROGRAM SUMMARY- FY 2010-2011

Geographic Areas & Types of Activities

Revitalization activities this year were focused in West End, Jersey City (Planning District 2) and scattered sites in Salisbury. Housing rehabilitation was by far the primary activity.

The range of activities included:

- Housing acquisition & rehabilitation
- New construction
- Down payment assistance
- Owner-occupied rehabilitation
- Emergency owner-occupied rehabilitation
- Multi-family housing
- Homebuyer Education program
- West End infrastructure project— Hall Gym
- Jersey City park improvements
- Public service activities



Funding Sources

The 2010-2011 budget was based on anticipated CDBG & HOME dollars, including program income from the sale of new or rehabilitated housing, estimated at \$519,413. Salisbury also received a special allocation of \$82,747 in federal CDBG stimulus funds under the American Recovery and Reinvestment Act (ARRA) of 2008. The funds became available during the 2009-2010 fiscal year.

CDBG Entitlement Grant	\$ 335,518.00
HOME Program Funds	113,895.00
Program Income	70,000.00
CDBG/HOME TOTAL	\$ 519,413.00
CDBG-R Recovery Funds	\$ 82,747.00

❖ A copy of the CDBG and HOME program budget for FY2010-2011 is included in Appendix A.

Performance Report, Notice of Availability & Public Hearing

The Consolidated Annual Performance and Evaluation Report (CAPER) provides a summary of the activities the City has undertaken using CDBG and HOME program funds for the fiscal year beginning July 1, 2010 and ending June 30, 2011. The report includes information about types of activities and their location so that citizens, city officials and HUD will have a complete picture of the accomplishments that have been made during the year and the areas that have benefited from the funding. The document also illustrates how the funding has been used to carry out the annual plan and to further the goals of the City's Five-Year Consolidated Plan.

A public hearing regarding the CAPER was held on Tuesday, September 2, 2011, at a regularly-scheduled meeting of the Salisbury City Council. A non-legal, display ad to make the public aware of the CAPER was published on Sunday, September 4, 2011, in the Salisbury Post, a newspaper with a wide general circulation area which includes Salisbury and Rowan County, North Carolina. The report was made available for review at public locations and on the City's website. The notice provided at least eighteen (18) days for public comment on the report prior to its submission to HUD before September 28, 2010. HUD requires a minimum of fourteen (14) days for public comment on the performance report.

❖ A copy of the public hearing notice is included in Appendix A.

Summary of Citizen Comments

No comments were received on the performance report.

Successes, Failures & Actions Taken to Improve Programs

III. PROGRAM ACTIVITIES

Housing

CON. PLAN PRIORITY LEVEL: HIGH

Acquisition/Rehabilitation/Resale

Under this activity, a vacant or deteriorated structure may be purchased and rehabilitated, or it may be demolished if conditions dictate in order to construct a new home on the lot. The home will then be sold to an eligible low or moderate income first-time homebuyer. While these efforts are

HUD Performance Management System		
Activity:	Acquisition / Rehabilitation for Resale / New Construction	
HUD <i>Objective</i> Performance Measure	Create suitable living environment Provide decent housing Create economic opportunities	
HUD <i>Outcome</i> Performance Measure	Availability/accessibility Affordability Sustainability	

concentrated in designated revitalization neighborhoods (West End, Jersey City, park Avenue and East End), they may also be completed at scattered sites within the Salisbury City Limits.

Willow Road (CDBG-R)

- o Scattered site
- 4 bedroom 2 ½ baths, formal dining with eat-in kitchen, family room and den
- Foreclosed vacant property
- House was evaluated for lead which was found only in mini blinds
- Work activities included: new roof, siding, carpet and wood floors, windows, landscaping
- o Completed in May 2011 currently for sale

Willow Road home - After rehabilitation





Willow Road home - Before rehabilitation



Torrence Street (CDBG & HOME)

- o West End neighborhood
- o 3 bedroom / 2 bath with family room and den on a large lot
- o Foreclosed vacant property
- o Lead assessment was conducted with no lead-based paint found
- o Work activities included: new roof, energy star windows installed, replace garage door, installed new light fixtures, remove and replace flooring on first floor, all rooms repainted, kitchen updated with appliances and cabinets
- Mixed funding: Rehab work and purchase was done utilizing City and CDC HOME funding; work write up and lead-based paint assessment were done with CDBG funds
- o Completed December 2010 currently for sale

Torrence Street home – After rehabilitation





Torrence Street home – Before rehabilitation



Laura Springs Drive (HOME)

- o Scattered site
- 3 bedroom home with walk out basement with large lot
- o Foreclosed vacant property
- o No lead assessment has been requested yet
- Work activities to date: plumbing work necessary for the City water and sewer hook ups to be completed
- o Project is approximately 5% complete
- NOTE: This purchase was made with HOME Funds. Rehab on this house will be done utilizing HOME funds as well.

Laura Springs Drive home – Before rehabilitation



W. Fisher Street (CDBG)

- o West End neighborhood
- o 3 bedrooms / 2 baths with fenced back yard
- o Foreclosed vacant property
- o No lead assessment required for this house
- Work Activities included: removal and replacement of carpet and vinyl flooring, replace kitchen counters and refrigerator, replace exhaust fans in bathrooms, replace china water closets, paint all walls, pressure wash and clean exterior, remove handicap ramp and repair railings and spindles, have all plumbing and electrical systems inspected
- o Project was completed May 2010 and is available for sale







New Construction

W. Cemetery Street (HOME)

- o Jersey City neighborhood
- o Project began during the last reporting period
- o Completed September 2010 and sold October 2010
- Household characteristics: African American-Female head of household; 50-80% income range; 1 adult with 2 children

W. Cemetery Street home



Home Ownership Assistance

The Homeownership Assistance Program is designed to assist individuals and families in becoming homebuyers by providing down payment and closing cost assistance for the purchase of a single-family dwelling. This reduces up-front costs for the homebuyer and reduces the amount of principal financed, thereby

HUD Performance Management System		
Activity:	Home Ownership Assistance	
HUD Objective Performance Measure	Create suitable living environment Provide decent housing Create economic opportunities	
HUD <i>Outcome</i> Performance Measure	Availability/accessibility Affordability Sustainability	

making the mortgage affordable over the long term. Participants of the program are required to complete a comprehensive Homebuyer Education Program offered by the Salisbury CDC. Eligible participants can receive up to \$10,000 toward closing costs and down payment assistance in the form of a deferred second mortgage. Closing cost assistance may not exceed \$2,500. This loan is forgiven after five years. Down payment assistance up to \$7,500 is offered as a low interest 3% loan which is repaid after the end of the fifth year of the first mortgage.

West End Neighborhood (HOME)

o Two-person African-American household in the 30-50% income range received down payment assistance to purchase a home in the West End neighborhood. The home was constructed by the CDC and has been on the market for more than a year.

Jersey City Neighborhood (HOME)

 Three-person household in the 50-80% income range, female head-of-household with two children, received down payment assistance to purchase a home in the Jersey City neighborhood.

Owner-Occupied Rehabilitation

The Housing Rehabilitation Program provides assistance to eligible homeowners for rehabilitation to their principal residence. Assistance may be provided in the form of a direct low interest loan or deferred loan. Funds may be used for housing improvements necessary to correct

HUD Performance Management System		
Activity:	Owner-Occupied Rehabilitation	
HUD <i>Objective</i> Performance Measure	Create suitable living environment Provide decent housing Create economic opportunities	
HUD <i>Outcome</i> Performance Measure	Availability/accessibility Affordability Sustainability	

violations of Minimum Housing Code, handicap accessibility improvements and other rehabilitation necessary to improve overall safety and livability of the property.

W. Cemetery Street (CDBG)

- o Jersey City neighborhood
- o Two story house required considerable lead abatement for the exterior work
- Work consisted of: roof and dormer was structurally repaired and a new roof was installed; new energy efficient windows were installed throughout the house; masonry repairs to the foundation and porch areas were made; non-working chimney was taken down; side porch was cleaned and had new supports columns added, etc.
- Homeowner went to visit family for two days while the lead abatement work took place and while the windows were being removed and installed
- Project completed in November 2010
- Household characteristics: African-American elderly woman as head of household lives with one handicapped adult child; income was in the 30-50% range so this was done as a grant.

W. Cemetery Street home



Kenly Street (CDBG)

- Scattered Site
- o Lead inspection indicated a few areas of painted surface with unsafe levels of lead. This was abated before work began.
- Work consisted of: roof replacement; energy efficient windows installed; sub-flooring repairs and new flooring installed; low threshold water saver shower unit and water saver ADA height china water closet installed in the bathroom.
- o Project is currently 70% complete
- Household characteristics: Two-person, elderly, African-American household in the 50-80% income bracket.

Emergency Owner-Occupied Rehabilitation

This program assists eligible homeowners with financing rehabilitation costs to correct emergency situations. Eligible activities include damaged or leaking roofs, electrical, plumbing or other problems that might pose an immediate health or safety risk. Assistance is provided in the form of a direct low interest loan or deferred loan.

HUD Performance Management System	
Activity:	Emergency Rehabilitation
HUD <i>Objective</i> Performance Measure	Create suitable living environment Provide decent housing Create economic opportunities
HUD <i>Outcome</i> Performance Measure	Availability/accessibility Affordability Sustainability

The program is provided to low and moderate income homeowners whose annual family income does not exceed 80% of the area median income.

Holmes Street (CDBG)

- o Jersey City neighborhood
- Work consisted of: major floor repairs including new girders and sub flooring repairs;
 new vinyl flooring; painting kitchen and bathroom; brick repairs at the front porch.
- Lead paint inspection showed minor lead paint in the home that was not disturbed during the course of work.
- o Project completed April 2011
- o Household characteristics: Female head of household, African-American with disability in the 30-50% income range.

Vance Avenue (CDBG)

- o Scattered Site
- Work consisted of emergency replacement of HVAC system
- o No lead inspection required
- Project completed December 2010
- Household characteristics: African-American, female head of household who qualified in the 50 - 80% income bracket.

Vance Avenue home



Heilig Avenue (CDBG)

- o Scattered site
- O Work consisted of removal of a tin roof and replacement with a shingled roof
- o No lead abatement required
- o Project is currently 95% complete
- o Household characteristics: Caucasian female head of household whose income is betwen 30 50% of median.

Heilig Avenue home – Before rehabilitation



Heilig Avenue home - After rehabilitation



W. Horah Street (CDBG)

- o West End neighborhood
- o Work consisted of: Replacement of lateral sewer line
- No lead inspection required
- o Project completed February 2011
- o Household characteristics: Male, African-American head of household who qualified in the 30-50% income bracket.

Homebuyer Education Program (City & CDC Administrative Funds)

The Salisbury CDC continued its Homebuyer Education Program to assist first-time homebuyers. The program consists of four modules for a total of twenty hours of training in the following topics: money management (6 hours); pre-homeownership (10 hours); home maintenance (2 hours); and landscaping (2 hours). The series of classes is repeated each spring and fall and is a prerequisite to receiving down payment and closing cost assistance. Post-purchase counseling is also provided as needed.

- 25 total participants;
- o 5 participants were residents of public housing;
- Classes Offered:

Monica Poole, B&R Realty – Choosing a Realtor & Purchasing a Home Lisa Houston, First Bank – How to Obtain a Mortgage Jay Dees, Ketner & Dees Attorneys At Law – Closing Documents Fred Atkins, Adkins Home Inspections – Home Maintenance Team Chevrolett

Home Maintenance Plan (Non-HUD Funding Source)

The Salisbury CDC developed its Home Maintenance Plan to help motivate homeowners to save for basic repairs and future home maintenance expenses. Under this program, first-time homeowners who have purchased a home from the CDC are eligible to receive grants totaling 50% of their project costs. The maximum grant is \$500 which can be used to pay for lawn equipment, basic home maintenance tools or many types of home improvements. In order to qualify, homeowners must save a minimum of \$25 per month. The program was funded by a \$10,000 grant from the Robertson Foundation.

- 15 participants
- No grants were extended during this reporting period

Foreclosure Prevention Program (Non-HUD Funding Sources)

The Salisbury CDC has been extensively involved in foreclosure prevention since 2003 when it was one of several agencies identified to provide assistance to unemployed textile workers under the North Carolina Housing Pilot Protection Program. Since then, the trend in manufacturing cutbacks, plant closures and job losses has skyrocketed and the Salisbury CDC has been at the forefront offering housing and credit counseling to affected workers throughout Rowan County as well as Davidson County. The CDC has received sizeable grants from the Foundation for the Carolinas, the United Way, the N.C. Commissioner of Banks, Neighborworks and funding from local churches to help displaced workers avoid foreclosure. This funding has been used to provide one-time mortgage payment or short-term loans to families to help keep their mortgages current. CDC housing counselors have worked closely with homeowners, contacting banks and mortgage companies to arrange reduced interest rates and to reduce or eliminate late fees.

o _____ persons received counseling;

{expand this section}

Rental Housing

Westridge Village (HOME, LIHTC or tax credits, RPP or Rental Production Program and other sources)

- Scattered site
- City of Salisbury will loan a total of \$150,000 HOME funds for the development of Westridge Village, an affordable rental housing community
- Project will consist of 48 units (two and three bedrooms)
- 12 units affordable for households at 40% median income, 12 units at 50% of median and 24 units at 60% of median
- Environmental review completed and all development permits have been obtained during the reporting period
- o Loan agreement executed July 1, 2011



INFRASTRUCTURE & PUBLIC FACILITIES CON. PLAN PRIORITY LEVEL: HIGH

The City of Salisbury invests CDBG funds in designated revitalization areas (West End, Jersey City, Park Ave and East End neighborhoods) to retrofit and upgrade sidewalks, parks, community centers and similar types of public facilities in order to enhance overall neighborhood livability.

HUD Performance Management System		
Activity:	Infrastructure & Public Facilities	
HUD <i>Objective</i> Performance Measure	Create suitable living environment Provide decent housing Create economic opportunities	
HUD <i>Outcome</i> Performance Measure	Availability/accessibility Affordability Sustainability	

West End Infrastructure Project (CDBG)

- Project consisted of: Replace crumbing, deteriorated parking lot (approximately 40 parking spaces) at the Hall Gym in the West End neighborhood; driveway modifications to improve pedestrian safety and traffic flow.
- o Project was approximately 10% complete at the end of June 2010
- Additional funding of \$45,000 was provided by City of Salisbury Capital funds



Jersey City Park - New Play Structure (CDBG)

- Replacement of playground structure that was more than ten years old and did not meet current safety specifications
- o Work completed in May 2011



PUBLIC SERVICES CON. PLAN PRIORITY LEVEL: HIGH

The City of Salisbury may contribute up to 15% of its annual CDBG allocation from HUD to local public agencies that serve low and moderate income families. This funding helps provide emergency shelter, food, health care and other basic needs of low wealth households in the community.

Summary of Public Service Beneficiaries		
Agency	CDBG Funding	Number of Persons Served
Rowan Helping Ministries	\$22,500	384
Family Crisis Council	\$14,000	157
Community Care Clinic	\$10,000	712
Youth Employment Program	\$7,603*	5
West End Community Garden	\$910	23
TOTAL	\$55,013	1,281

^{*}amount includes some carry-over funds from 2009-2010

Rowan Helping Ministries

- Agency provides overnight emergency shelter for homeless and chronically homeless population in Salisbury
- CDBG helped fund the Overnight Shelter Supervisor position
- O Agency also provides meals, clothing, case management, employment assistance, counseling and other supports for the homeless population program

 Opportunities

 Availability/accessibility
 Affordability
 Sustainability

 Affordability
 Sustainability

 and operates a transitional housing

HUD Performance Ma	anagement System
Activity: Rowan Helping Ministrie	
	Create suitable living
HUD Objective	environment
Performance	Provide decent housing
Measure	Create economic
	opportunities
HUD Outcome	Availability/accessibility
Performance	Affordability
Measure	Sustainability

- CDBG funds provided 10% of the total \$229,249.10 spent on shelter salaries during the fiscal year.
- Direct Benefit Report:
 - > 384 persons received 14,884 nights of shelter services
 - > All presumed to earn less than 30% median income
 - > 23% African-American
 - ➤ Less than 1% Latino or Hispanic
 - > 11 female heads of household
 - > 5 disabled (not elderly)
 - > 18 single parents

Family Crisis Council

- Agency provides shelter for victims of domestic abuse
- CDBG helped fund the Overnight Advocate on Duty position
- Agency also provides counseling, transportation, advocacy and referrals for employment, housing, health issues and legal issues

HUD Performance Management System		
Activity:	Family Crisis Council	
HUD Objective Performance Measure	Create suitable living environment Provide decent housing Create economic opportunities	
HUD <i>Outcome</i> Performance Measure	Availability/accessibility Affordability Sustainability	

- o Direct Benefit Report:
 - > 157 persons affected by domestic abuse or sexual assault were sheltered
 - > All presumed to earn less than 30% median income
 - ➤ 62% African-American
 - > 8% two-races
 - > 87 female heads of household + 70 children
 - > 14 were disabled (not elderly)
 - > 87 single parents

Community Care Clinic

- Agency provides free medical care, dental care and prescription medications to uninsured residents of Salisbury and Rowan County
- CDBG helped fund Dental Hygienist position
- Care received included 423 x-rays, 240 fillings, 223 extractions and 71 cleanings
- Direct Benefit Report:
 - > 712 persons received dental care
 - > 279 earned less than 30% median income and 651 earned 31-50% of median
 - > 33% were African-American
 - > 2% multi-racial
 - > 91 female heads of household
 - 39 were disabled (not elderly)
 - 2 homeless
 - > 49 elderly

HUD Performance Management System		
Activity: Community Care Clinic		
HUD	Create suitable living	
Objective	environment	
Performance	Provide decent housing	
Measure	Create economic opportunities	
HUD	Aveilebility/sessesibility	
Outcome	Availability/accessibility	
Performance	Affordability	
Measure	Sustainability	

Summer Youth Employment Program

- Coordinated jointly by the City of Salisbury Parks and Recreation and Human Resources Departments to place youth from low-moderate income families in various summer jobs with the city.
- All funding goes toward paying the student's salaries

HUD Performance Management System		
Activity:	Youth Employment Program	
	Create suitable living	
HUD Objective	environment	
Performance	Provide decent housing	
Measure	Create economic	
	opportunities	
HUD Outcome	Availability/accessibility	
Performance	Affordability	
Measure	Sustainability	

- Students receive job skill coaching, interview experience and mentoring
- Direct Benefit Report:
 - > 5 students received six weeks of summer employment (20 hours per week)
 - > 5 African-American
 - ➤ All were from families earning 51-80% median income
 - 2 lived with a single parent and 3 resided with grandparents

West End Community Garden

- Demonstration garden located in the West End neighborhood
- Maintained by Rowan County Master Gardeners and visited by seniors, adults and youth through Miller Recreation Center programs
- O Due to changes with the Master
 Gardener program this year
 resulting in a reduction in
 volunteers, fewer programs were held than normal

Activity:	West End Community Garden
HUD <i>Objective</i> Performance Measure	Create suitable living environment Provide decent housing Create economic opportunities
HUD <i>Outcome</i> Performance Measure	Availability/accessibility Affordability Sustainability

- o Garden continues as an amenity to benefit the West End neighborhood
- Direct Benefit Report:
 - 23 persons benefited from garden programs with unknown number of additional visitors who enjoyed the garden independently
 - > Majority served can be presumed low or moderate income due to demographics of the West End neighborhood and area