



# 5 Year Strategic Plan

This document includes Narrative Responses to specific questions that grantees of the Community Development Block Grant, HOME Investment Partnership, Housing Opportunities for People with AIDS and Emergency

Shelter Grants Programs must respond to in order to be compliant with the Consolidated Planning Regulations.

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## Executive Summary

*The Executive Summary is required. Include the objectives and outcomes identified in the plan as well as an evaluation of past performance, a summary of the citizen participation and consultation process (including efforts to broaden public participation) (24 CFR 91.200 (b)), a summary of comments or views, and a summary of comments or views not accepted and the reasons therefore (24 CFR 91.105 (b)(5)).*

### **Part I Context of the Plan**

The Consolidated Plan is a plan required by Congress every five years and is designed to encourage jurisdictions to shape the goals and strategies for expending the Community Development Block Grants [CDBG] they are eligible to receive. The context in which these 5 year plans are developed affect the elements of the plan but at each year in the five year period, there is an Annual Action Plan which can also be used to change the five year plan. In 2005 the pressing context was the escalation in housing prices and how these were affecting low income households. Late 2007, that issue began to fade as the housing bubble burst and as the economy began to deteriorate.

In 2010, our communities are facing a continuing and massive correction in the housing market but also a dramatic decline in the economy, which is especially severe for low income households, the potential beneficiaries of the CDBG program. Since November 2007, the number of employed workers nationally has declined by 9 million; the number of unemployed has doubled and the number of under-employed has also doubled. But as recent studies have documented:

*"The broadest measure of unemployment and underemployment (which includes people who want to work but have stopped actively searching for a job, along with those who want full-time jobs but can find only part-time work) reached 17.4 percent in October, which appears to be the highest figure since the 1930s. And for large swaths of society—young adults, men, minorities—that figure was much higher (among teenagers, for instance, even the narrowest measure of unemployment stood at roughly 27 percent). One recent survey showed that 44 percent of families had*

*experienced a job loss, a reduction in hours, or a pay cut in the past year".<sup>1</sup>*

Another recent study has documented,

*"a disproportionate share of the losses in jobs and the increases in open unemployment were borne by males, the young (under 30, especially teenagers), the less well educated, blue collar workers especially those in the construction trades, and Black men".<sup>2</sup>*

To put this phenomenon into numbers, the Atlantic Monthly article notes:

*"Late last year [2009], unemployment among black teens ages 16 to 19 was nearly 50 percent, and the unemployment rate for black men age 20 or older was almost 17 percent."<sup>3</sup>*

What is particularly noteworthy is how this loss of jobs amongst low income persons contrasts with the experience of those who are above median income.

White collar, professional and college educated classes have been somewhat insulated from job losses and severe reductions in income. The related problem of underemployment also disproportionately impacts low income households.

*"the incidence of underemployment problems in the fourth quarter of 2009 was 13 times higher among those workers in the bottom household income decile as opposed to those residing in the top decile of the income distribution (20.6% vs. 1.6%)."<sup>4</sup>*

The average underemployed person works only 22-23 hours per week versus 43 hours for those employed full-time.<sup>5</sup>

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<sup>1</sup> "How a New Jobless Era Will Transform America", Don Peck, The Atlantic Monthly March 2010

<sup>2</sup> See: Andrew Sum, Ishwar Khatriwada, and Sheila Palma, Labor Underutilization Problems of U.S. Workers Across Household Income Groups at the End of the Great Recession: A Truly Great Depression Among the Nation's Low Income Workers Amidst Full Employment Among the Most Affluent. Center for Labor Market Studies, Northeastern University, 2010

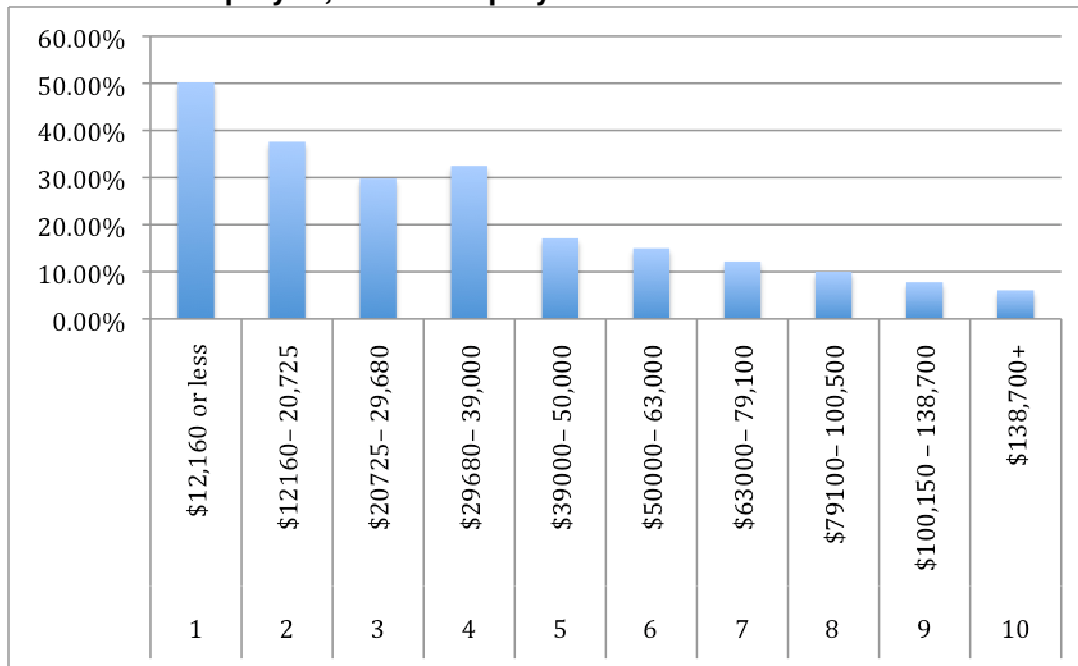
<sup>3</sup> Peck, *ibid.*

<sup>4</sup> *Ibid.* The lowest decile nationally was \$12,160 or less and the highest was \$138,700 or more.

<sup>5</sup> *Ibid.*

If one adds to the unemployed and the underemployed, those who are in reserve (persons who are not actively participating in the labor force but who have expressed a desire for immediate employment, (such as students graduating from high school or college), we then have what Andrew Sum calls an 'underutilized labor' rate.<sup>6</sup> In the last quarter of 2009, this rate was starkly different for low income compared with middle income families, as Sum's data shows in the chart below.

**Chart 1: Unemployed, Under-Employed and In Labor Reserves<sup>7</sup>**



Note that for Haverhill, low income is a household with an income of \$52,709 or less (group 7); very low income households earn \$32,999 or less (group 6); and extremely low income households earn \$19,799 or less (group 4).

By analyzing this data, it is apparent that a substantial percentage of the low income population is struggling with employment and income. This is particularly true for those earning below \$40,000/year.

The impact of the economic changes during the past two years differs significantly, depending upon the income group. Data and studies confirm this. This is further confirmed by reports from service

<sup>6</sup> Ibid.

<sup>7</sup> Ibid.



organizations and agencies that provide financial and social services to the local population.

According to economists, the consequences of this recession will be felt for a decade or more based on prior recessions.

In summary, Sum put it best:

*"At the end of calendar year 2009, as the national economy was recovering from the recession of 2007-2009, workers in different segments of the income distribution clearly found themselves in radically different labor market conditions. A true labor market depression faced those in the bottom two deciles of the income distribution, a deep labor market recession prevailed among those in the middle of the distribution, and close to a full employment environment prevailed at the top. There was no labor market recession for America's affluent."*

HUD and the Census Bureau had already reported and documented negative trends. The current economic environment as reported in 2010 further confirms these difficulties. These issues and the ramifications are discussed more fully in the following individual sections of the Plan. However, we want to draw attention to the key trends.

Housing cost burdens affect all owners and renters, but they affect some much more than others. Households that have a severe cost-burden are defined as those who spend more than 50% of their income on their housing. Households with a moderate cost-burden spend between 30% and 50% of their income on housing. Households categorized as not having a cost-burden, spend no more than 30% of their income on housing.

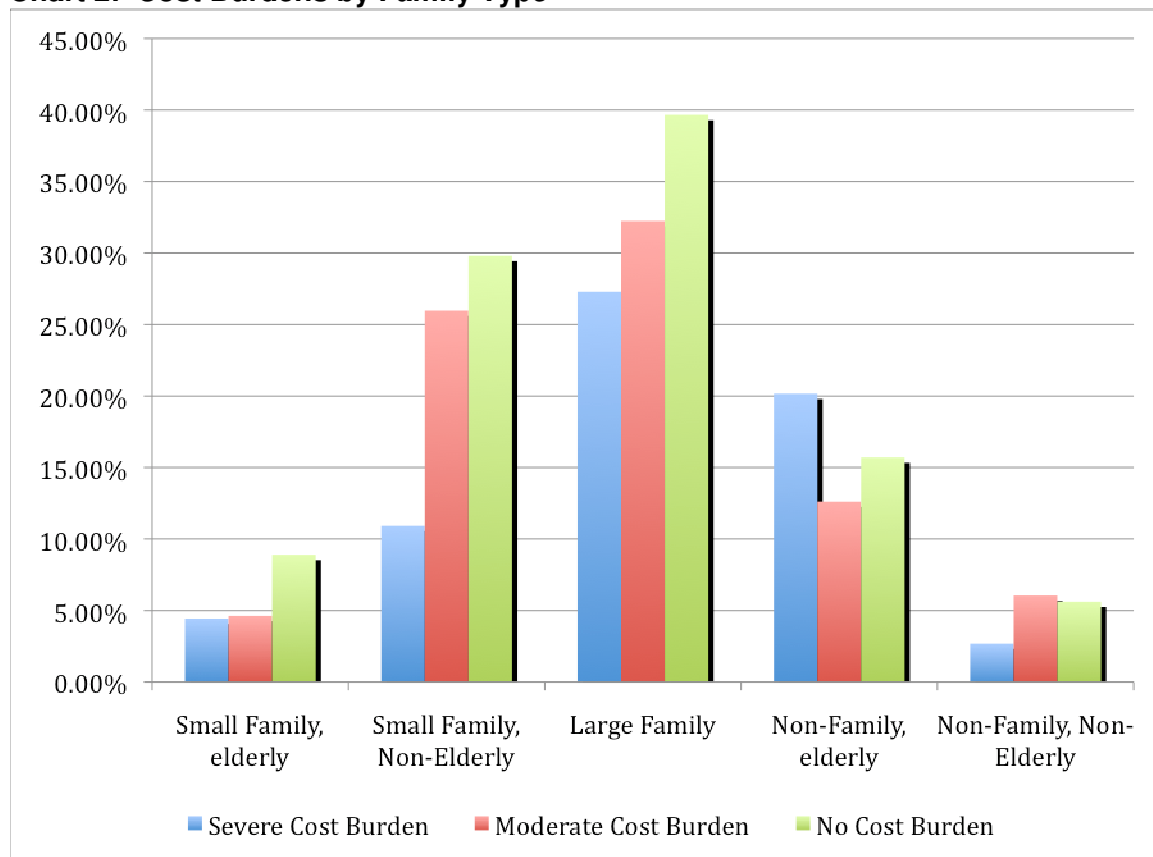
Although the cost of housing affects those households above 80% of median income, they still have sufficient income for other basic needs and usually have enough resources to manage some income reduction for a period of time. In housing economics, we refer to this phenomenon as **income elasticity**. Low-income families have less elasticity than higher income families. Thus for lower income households, spending 50% of income on housing results can result in neglect of other basic needs and certainly constrains the ability of the family to weather an economic storm.

To put this in real dollar terms, 62% of the families in Haverhill, earning less than \$19,799 in 2008 were paying more than \$9,900 for housing alone.

This impacts their ability to meet other critical expenditures. For example, several day care experts noted that fee income is down at day care centers, as households struggle economically. Either these agencies begin to terminate participants or they begin to run deficits. Yet this service is critical to many working families, especially one parent households.

The following chart illustrates how cost burdens affect different types of households:

**Chart 2: Cost Burdens by Family Type<sup>8</sup>**



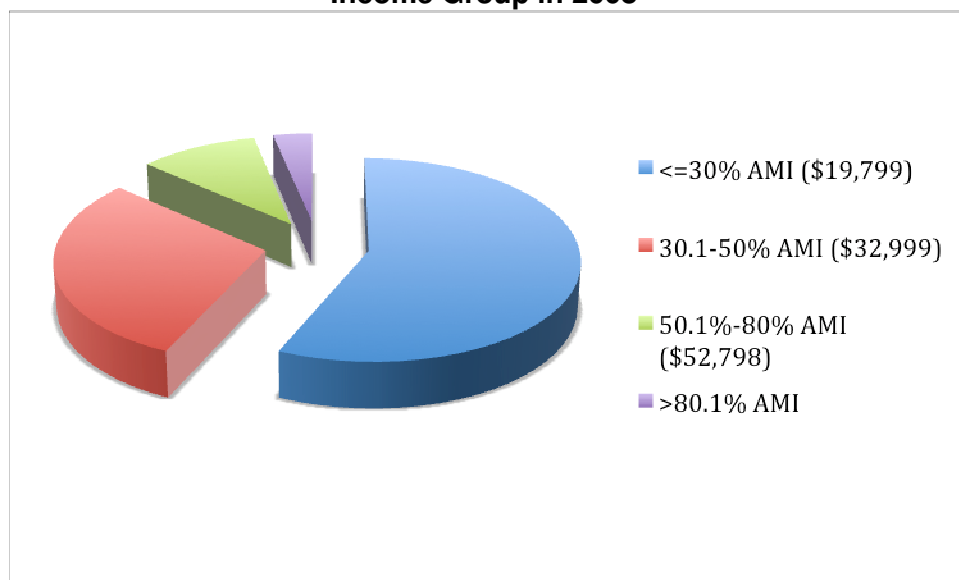
Large families at all income levels experience the most significant cost burden.

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<sup>8</sup> CHAS/ACS 2009 Table 7

If we examine severe cost burdens in terms of which income group they belong to, we see that extremely low income households which numbered 1,955 in Haverhill in 2008, are bearing the full brunt of this problem as evidenced in the chart below. Unfortunately the CDBG budget is quite small (it represents .05% of the total City budget) and yet the depth or amount of subsidy needed for extremely low income families is large and thus places the City on the horns of a dilemma – decrease the number of extremely low income households served and serve more households between 60% and 80% of median or help more families in that upper band at the expense of the very poor. It is a difficult strategy decision which also affects Haverhill families of all levels of income.

**Chart 3: % of Households Paying More Than 50% of Income for Housing by Income Group in 2008<sup>9</sup>**



Many agencies in Haverhill have noted that low income families are struggling to survive. It is extraordinarily difficult for a typical Haverhill family to live on \$825 a month for all other expenses.

The fact that these housing costs are impacting a large number of owners is ominous. 21% of all owners and 22% of all renters are paying between 30% and 50% of their income for housing and 11% of all owners and 24% of all renters paying more than 50% of their income. These highly cost burdened renters are in danger of not being able to meet their rental obligations and thus losing their housing. The highly cost burdened owners are likely to fall behind on paying taxes and mortgages and ultimately at risk of foreclosure. If the trends in

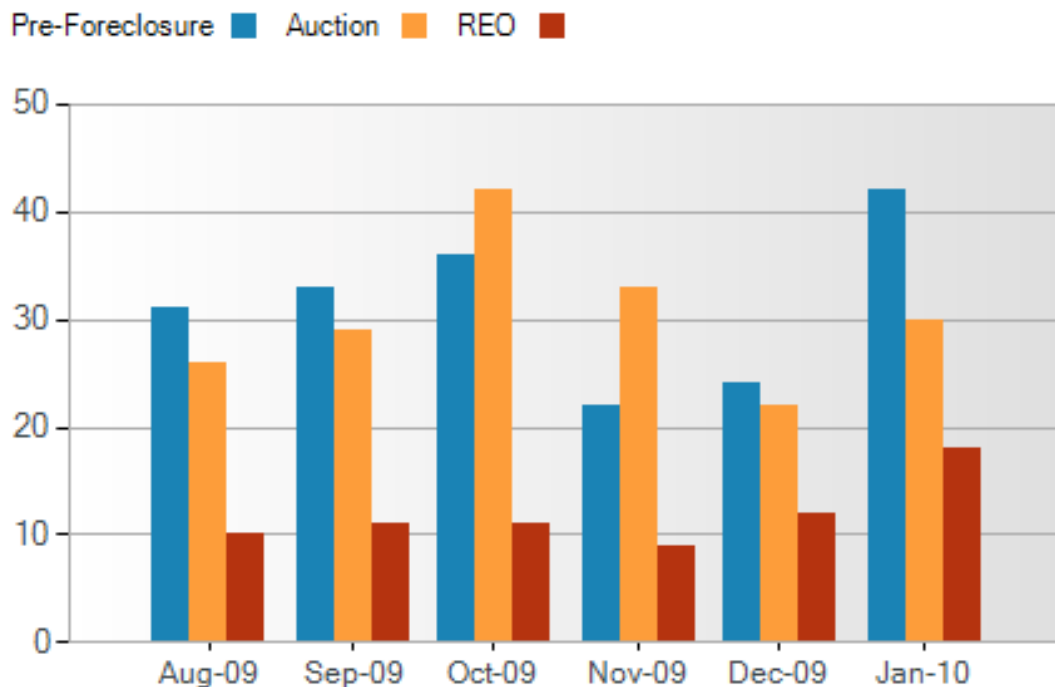
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<sup>9</sup> Ibid.

the labor market continue, it is highly likely that we will see a continued delinquency and foreclosure problem.

Recent data shows continued delinquency filings and a growth in completed foreclosures. See the following graph.

**Chart 4: Foreclosure Trends in Haverhill<sup>10</sup>**



Currently (April 15) there are 181 bank-owned properties, 107 in default and 99 scheduled for auction in Haverhill. This represents a continuing increase in all categories since January 1<sup>st</sup> 2010. Haverhill has a foreclosure rate of .37% compared with .21% for Essex County and .17% for Massachusetts as a whole<sup>11</sup>.

The impact of the recession upon families is significant. It is already leading to doubling up. For example, *"the percentage of 26-year-olds living with their parents reached 20 percent [in 2005], nearly double what it was in 1970."*<sup>12</sup> Research documents that *"physical health tends to deteriorate during unemployment."*<sup>13</sup> There is also some growth in domestic violence with even more growth in familial tensions.

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<sup>10</sup> RealtyTrac 2-22-10

<sup>11</sup> The rate for the US as a whole is .25%

<sup>12</sup> Peck Ibid.

<sup>13</sup> Peck Ibid.

Within Haverhill, these and other special populations are the focus of different agencies. These are organized by HUD into two classifications: the homeless and the non-homeless special needs.

In documenting the needs of and service to the non-homeless, organizations working with these populations and data analysis indicates that in terms of key issues confronting the special non homeless populations (including elderly, disabled and victims of domestic abuse among others), several trends and issues arise, that will impact planning and programs for the next five years. The elderly population overall will have increased 8% between 2000-2014. The most significant increase is in the population over the age of 85, which is expected to increase 15% in the same time period. It is this group that is most frail and will require support services and appropriate housing. 65% of the elderly population has incomes less than 80% of median and of those 30% are extremely low income.

The disabled population in Haverhill represents 10% of the population, but is disproportionately low income (82%). Furthermore, 55% of this group have housing problems. Affordable housing needs are at a crisis level. Young disabled have been stuck in nursing homes and shelters, because there is no affordable accessible housing. There have been no group homes built since 1992, because costs allowed by the State, do not reflect housing costs in Haverhill and code requirements make construction and rehabilitation that much more prohibitive.

Issues of domestic violence are on the rise. 63% of homeless women have experienced domestic violence in their lives. Direct services such as counseling, hotline and legal advocacy were provided to over 7,000 individuals in the North Shore communities, including Haverhill.

Based on the 2010 point-in-time count conducted by the Continuum of Care, there were 1195 homeless in the Continuum area that includes Haverhill. The most common reasons for homelessness among adults in families were rent problems, evictions and domestic violence.

It is expected that with the continuing unemployment and underemployment, the risk and reality of homelessness will be increasing. Confirmation of this has been provided through numerous examples by agencies, which are providing various social and financial services to local households at risk of homelessness.

At the same time, the chronically homeless, a population that frequently suffers also from substance abuse and/or mental illness, continues to constitute a significant portion of the homeless population. At the point in time count, 47% of sheltered adults and 44% of unsheltered adults were considered chronically homeless. The Continuum of Care continues to prioritize permanent supported housing as the key element in alleviating chronic homelessness.

The challenge over the next five years will be to continue to assist those who are chronically homeless to be able to achieve independence and at the same time, address a new homeless population, who are recent victims of economic hardship related to the foreclosure crisis and unemployment.

### Conclusions

If you are a member of an average low income family in Haverhill, i.e., with an income of less than 80% of median in 2009 (\$52,798) then it is likely that you have experienced or are experiencing the following:

- reduced household income
- increased underemployment and/or unemployment
- increased family disturbances
- increased emotional stress
- increased demand for essentials of daily living
- increased cost of housing
- increased likelihood of a foreclosure

These impacts are being documented everyday by organizations working with Haverhill children, youth, adults and seniors.

To address these problems, there are three major strategies that may be used by the City. The City has limited CDBG funds. The CDBG program resources of approximately \$1.1m represents only .05% of the total City budget. It also is expended in an economy which was valued in 2008 at \$7.7 billion. It has a nominal impact on the entire City, but when focused on low income families with appropriate strategies, it can have a more significant impact. After reviewing the needs and the strategies which have been used in the past and those which have been suggested or proposed by agencies throughout Haverhill, the priority themes being recommended for the next 5 years are the following:

- 1) Preserve current housing

- 2) Increase the availability of affordable housing
- 3) Improve the quality of life through neighborhood improvements and public service agencies
- 4) Ensure equal opportunity in housing
- 5) Promote self-sufficiency of families and individuals
- 6) Promote preservation of historical properties

## **Part II Summary of the Plan Items**

The following Part II of this Executive Summary, outlines the responses of the City of Haverhill, to the HUD requirements for the Executive Summary.

### **Introduction**

The Community Development Block Grant [CDBG] program was initiated by the Housing and Community Development Act (HCDA) of 1974. The statutory objectives of this program stated by Congress are to develop viable urban communities by creating and supporting:

### **DECENT HOUSING**

- assisting homeless persons obtain affordable housing;
- assisting persons at risk of becoming homeless;
- retention of affordable housing stock;
- increasing the availability of affordable permanent housing in standard condition to low-income and moderate-income families, particularly to members of disadvantaged minorities without discrimination on the basis of race, color, religion, sex, national origin, familial status, or disability;
- increasing the supply of supportive housing which includes structural features and services to enable persons with special needs (including persons with HIV/AIDS) to live in dignity and independence; and
- providing affordable housing that is accessible to job opportunities.

### **A SUITABLE LIVING ENVIRONMENT**

- improving the safety and livability of neighborhoods;
- increasing access to quality public and private facilities and services;
- reducing the isolation of income groups within areas through spatial de-concentration of housing opportunities for lower

- income persons and the revitalization of deteriorating neighborhoods;
- restoring and preserving properties of special historic, architectural, or aesthetic value; and
- conservation of energy resources.

#### EXPANDED ECONOMIC OPPORTUNITIES

- job creation and retention;
- establishment, stabilization and expansion of small businesses (including micro- businesses);
- provision of public services concerned with employment;
- provision of jobs to low-income persons living in areas affected by those
- programs and activities, or jobs resulting from carrying out activities under programs covered by the plan;
- availability of mortgage financing for low-income persons at reasonable rates using non-discriminatory lending practices;
- access to capital and credit for development activities that promote the long-term economic and social viability of the community; and
- empowerment and self-sufficiency for low-income persons to reduce generational poverty in federally assisted housing and public housing.

The U.S. Department of Housing and Urban Development (HUD) administers the funds appropriated by Congress and transmits them to the City of Haverhill for this wide range of community development activities as outlined in the Five Year Consolidated Plan and Annual Action Plan. Regulations governing the CDBG program require that each activity undertaken with CDBG funds meet one of the following three broad national objectives:

- Benefit people with low and moderate incomes
- Aid in the prevention or elimination of slums and blight
- Meet an urgent need (such as earthquake, flood, or hurricane relief)

#### **Description of City**

The City of Haverhill is located in northeastern Massachusetts in Merrimack Valley, and is divided by the Merrimack River. It's industrial history is rooted in the century mills, with the century tanneries, boat yards, and shoe manufacturing its leading industry for 180 years. Located on the Merrimack River, it began as a farming community that



would evolve into an important industrial center, beginning with sawmills and gristmills run by water power. In the 18th century, Haverhill developed tanneries, shipping and shipbuilding. The town was for many decades home to a significant shoe-making industry, earning it the title of the "Queen Slipper City of the World." The city was also known for the manufacture of hats. Incorporated as a city in 1870, Haverhill annexed the town of Bradford in 1897.

Downturns in the economy at the end of that century and into the next caused widespread unemployment, and a community-wide decline greatly affecting the social, housing and economic climate of the community. Following the Great Depression and WWII, Haverhill's shoe industry faded with new businesses soon appearing. Haverhill has several industrial parks and has seen a resurgence in housing in the downtown area, with over 450 units in converted factory buildings in the last three years. An additional 146 units of mixed income housing in a former factory building will be completed by 2011. Although the City as a whole has fared better than some surrounding cities by combining a good mix of residential living with a good business and technology base, the low-income population found in the urban areas in downtown and adjacent to the commercial centers are in much the same predicament as they were in the past decade.

**Executive Summary Response: Include the objectives and outcomes identified in the plan**

The City, under the leadership of the Mayor and City Council, administers community development block grant funds through the Department of Community Development (CDD).

The City has identified a number of pressing needs through input from agencies and residents; data collection and analysis. The City's plans to focus efforts for the coming year (2010) and the next five years (2010-2014) on the following areas:

**Housing**

- Preservation of Existing Affordable Housing
- Affordable Housing Production
- Affordable Homeownership
- Public Housing Improvements
- Foreclosed and Abandoned Property Renewal

**Public Facilities**

- Street Paving and Sidewalk Improvements

- Parks and Tree Planting
- Accessibility Projects

### **Economic Development**

- “Gateway” Area Improvements to facades and vacant land redevelopment

### **Public Services**

- Programs to Improve the Quality of Life
- Programs to Help the Homeless
- Programs for Educational Improvement

**Table 1: CDBG 5 Year Objectives and Outcomes**

	Estimated Outcomes 2010-2014	Priority
<b>PRIORITY GOALS</b>		
<b>GOAL 1A: MAINTAIN AND PRESERVE HOUSING STOCK</b>		
<b>Objectives:</b>		
1. Rehabilitation of owner occupied inner city target housing units in one to four family dwellings.	75	High
2. Support and provide financing for multi-family housing developments, expedite city approval process.	25	High
3. Lead Abatement activities in one to four family dwellings and reduction in childhood lead hazards.	40	High
4. Lead Abatement activities in investor owned multi-family properties.	13	High
5. Rehabilitation of structures for homeless and special needs populations.	30	High
6. Rehabilitation of rental housing projects with the cooperation of MHP programs.	12	High
7. Provide for Heating Assistance to eligible households.	150	High
<b>GOAL 1B: EXPAND THE SUPPLY AND TYPE OF AFFORDABLE HOUSING</b>		
<b>Objectives:</b>		

PRIORITY GOALS	Estimated Outcomes 2010-2014	Priority
1. Build the capacity of area non-profit housing developers to further affordable housing production goals.	TBD	High
2. Update city ordinances that mandate inclusionary housing goals for new market-rate housing development.	40	High
3. Provide homebuyer counseling and downpayment and closing cost assistance to low and moderate income first time homebuyers with city and privately provided financing.	50	High
4. Assess city owned properties for the potential to be converted to affordable housing.	20	High
<b>GOAL 1C: PROVIDE BASIC SHELTER AND SERVICES FOR HOMELESS INDIVIDUALS AND THEIR FAMILIES</b>		
<b>Objectives:</b>		
1. Improve outreach and access to supportive services.	25	High
2. Increase coordination among Haverhill service providers of resources.	5	High
3. Stabilize the number of individuals and families at risk of becoming homeless.	50	High
4. Reduce the number of individuals who are hungry and without shelter.	500	High
5. Increase access to child care and transportation services.	50	High
6. Increase individuals completing job training programs for employment.	100	High

### **Executive Summary Response: Evaluation of Past Performance**

The City of Haverhill, through the Community Development Department, worked with local service providers, agencies and state and federal government offices and made considerable progress on the Strategic Priority Goals set forth in the current Consolidated Plan.

The City used the following objectives in evaluating our past performance, which correspond to our Strategic Priority Goals:

1. Provide basic shelter and service needs for homeless individuals and their families
2. Expand the supply and types of affordable housing
3. Maintain and preserve present housing stock
4. Promote neighborhood stabilization
5. Provide needed public safety and services
6. Encourage economic development activity in inner city neighborhoods.

The Community Development Department has made substantial progress toward achieving the goals of the Five Year Consolidated Plan. Of significant note, the Community Development Department has:

- Rehabilitated 131 housing units of low and moderate income households, primarily in the CDBG Target Area, consisting of the urban core of the city
- Provided Down Payment Assistance to 27 households through the HOME program funds, using \$159,000 and leveraging over \$3.2 million in private investment
- Assisted in development of a 40B housing project, consisting of over 40 units of affordable housing at The Cordovan, a project by the Beacon Communities LLC with HOME funding
- Assisted in the development of Hamel Mill Lofts, a 305 mixed income housing development with over 20% of the units deed restricted as affordable units
- Provided HOME funding to the Planning Office for Urban Affairs to develop 57 units of mixed income housing in close proximity to the commuter rail station, the majority of units which will be low and moderate income units
- Worked with the Haverhill Housing Authority to implement rehabilitation of 18 units of very low income housing for residents of Haverhill
- Completely updated its policies and procedures for rehabilitation of housing units resulting in the streamlining of projects that, in turn, has more than doubled our annual output of households served
- Conducted a series of foreclosure prevention workshops that have been increasingly well-attended and directly assisted numerous individuals in private consultation
- Received a Gateway Action Plus grant from the state of Massachusetts for planning and housing in the CDBG target area
- Began work with the state's Attorney General's office to address blighting influences of abandoned and foreclosed properties that devalue and deteriorate the surrounding area
- Provided funding for the Haverhill Boys and Girls Club to renovate their facility that serves low and moderate income youth in the CDBG Target Area

- Provided funding to plan for the renovation of the Haverhill Citizens Center, acting as an informational and recreational resource to Haverhill elders
- Provided HOME funding for a 21-unit formerly-homeless elder housing development in the CDBG Target Area
- Funded improvements to area streets in the CDBG Target Area, benefitting low and moderate income residents
- Established the groundwork for a Façade Improvement Program
- Worked with MassHousing agency on developing an innovative program to rehabilitate foreclosed housing with NSP funds for purchase by first-time homebuyers

**Executive Summary Response: Summary of Citizen Participation and Consultation Process (including efforts to broaden public participation) (24 CFR 91.200 (b))**

The citizens of Haverhill were advised of CDBG planning and procedures through ads posted in The Eagle Tribune and available at the Community Development Department and the City of Haverhill website home pages at [http://www.ci.haverhill.ma.us/departments/comm\\_development/index.htm](http://www.ci.haverhill.ma.us/departments/comm_development/index.htm) and [www.ci.haverhill.ma.us](http://www.ci.haverhill.ma.us). and through Haverhill cable television. The CDD underscores the importance of citizen participation and uses multiple modes of communication to communicate with the public about the CDBG program.

In addition, various organizations active in housing and services were surveyed. The survey was supplemented by public meetings and hearings which were conducted for public input. In addition several interviews were conducted with organizations, seeking more specific ideas and priorities.

The advertised area public meetings for public input were conducted at the following locations:

Haverhill: December 14<sup>th</sup> 2009  
Haverhill: January 21<sup>st</sup> 2010  
Haverhill: February 18<sup>th</sup> 2010

The advertised public hearings were conducted at the following locations:

Haverhill: March 18<sup>th</sup> 2010  
Haverhill: April 27<sup>th</sup> 2010

At the meetings attendees were invited to submit data and comments by email.

The draft Plans were made available on April 23, 2010 and the draft Plan was also available online at [www.ci.haverhill.ma.us](http://www.ci.haverhill.ma.us) and at the Haverhill Public Library and by request during the 30 day public comment period.

The City of Haverhill received oral testimony during the preparation of the 5 Year and Annual Action Plans. Input was received from seniors, community residents, public housing and public service agencies and beneficiaries.

Representatives from several public service agencies and City Departments attended, informing staff of the changing services needed and responding to questions about priorities for the CDBG program.

To ensure inclusion by underserved populations, agencies and groups that serve housing and public service needs were invited to participate in the process to identify goals. Many of the organizations serving the low income population of the area specifically who were surveyed and attended meetings, represent the underserved and thus were able to verify underserved needs as identified in the plan.

The City also invited proposals for specific uses of CDBG funds.

**Executive Summary Response: A Summary of Comments or Views and a Summary of Comments or Views not Accepted and the Reasons therefore (24 CFR 91.105 (B)(5)).**

Prior to the publication of the draft of the Consolidated Plan, meetings were held and consultations conducted to secure input concerning the needs, priorities and strategies. The organizations responding and the comments made, are attached in sections below.

No comments were received during the public comment period.



## Strategic Plan

*Due every three, four, or five years (length of period is at the grantee's discretion) no less than 45 days prior to the start of the grantee's program year start date. HUD does not accept plans between August 15 and November 15.*

### **Mission:**

*The City of Haverhill is committed to meeting the needs of its residents through a broad range of activities that provide decent housing, a suitable living environment and expanded economic opportunities. The City of Haverhill responds to the multiple public needs of its citizenry through its municipal departments and non-profit service providers.*

The FY2010-FY2014 Haverhill Consolidated Plan outlines the housing and economic development strategy for the City. The five-year Strategic Plan is the centerpiece of the Consolidated Plan which sets forth the City's general plan of action to address the goals, objectives and measurement benchmarks necessary to address the needs identified in the needs assessment.

The 2010 Annual Action Plan is the specific detailed plan and budget for the coming year of that 5 year plan. In this case, it is the first year (2010) of the five year plan (2010-2014).

The overall strategic framework for the Consolidated Plan is consistent with a number of important elements, including:

- the Department of Community Development's prior experience and recommendations;
- the citizen and community consultation process;
- the specific requests for funding from organizations and agencies; and
- the market context of the plan

### **Housing Needs Analysis and Market Analysis**

The Housing Needs Analysis and the Market Analysis section analyzes the forces shaping the housing needs and resources of the City.

The broad themes of the market are:

- Possible continued deterioration of family income due to unemployment and under-employment;
- Although physical housing problems exist in the City, cost-burden is the biggest housing issue for households in the City;
- Modest population growth but an increase in minority populations proportions;
- Proportions of low and extremely low income households while projected by the US Census to remain the same, may in fact increase due to the economic recession;
- Decreases in housing production as the housing market continues with its deteriorated values.

### **Assignment of Priorities and Selection of Action Programs**

City staff evaluate and recommend priorities and activities for Mayoral approval from proposals submitted for the upcoming action year, based on the following statutory and CDD criteria:

- a. Meeting a HUD national objective;
- b. Project eligibility;
- c. Income and/or area eligibility of beneficiaries;
- d. Number of affordable units or jobs;
- e. Consolidated plan priorities;
- f. Reasonable timeframe for project/activity;
- g. Reasonable amount of funding requested;
- h. Leveraged funds;
- i. Organizational capacity;
- j. Effectiveness of activities based on project outputs and outcomes;
- k. Readiness to proceed;
- l. Harmony with the ConPlan priorities

Over the past year, the City of Haverhill has conducted a survey of organizations and service providers and of low-income households who participated in the very successful Home Improvement Program through the Community Development Department. The Citizens Affairs Advisory Board has also been involved in recommending planning priorities for the department as part of the Strategic Plan.

Through this survey as well as anecdotal evidence gathered by meeting directly with the boards of directors, executive directors and staff of the aforementioned organizations, the Community



Development Department has put forth a plan to serve the lower income residents of Haverhill for the next Five Year Consolidated Plan.

### **Community Development**

The City of Haverhill's traditional Target Area, according to the Census of 2000, is the downtown and residential sections of the city just north of the Merrimack River. This area encompasses several neighborhoods, the Lower Acre, the Highlands, Mount Washington and parts of the Riverside and Broadway areas. It is in this area that the vast majority of the city's eligible residents live (below 80% of AMI) and it is in these areas that the great preponderance of CDBG funds is expended. The City's non-housing portion of the Consolidated Plan is directed to addressing the physical, social (quality of life) and economic issues within the city's Target Area. This strategy includes studying the adaptation of a Neighborhood Revitalization Strategy Area (NRSA).

### **Public Services**

The City of Haverhill is known in the Merrimack Valley and beyond for offering the most vulnerable of its citizens a panoply of services in the areas of housing, supportive services, food and workforce training. The Community Development Department is very supportive of the work that many private and public organizations do to further the lives of lower income residents of Haverhill. To that end, the Community Development Department and the Citizens Affairs Advisory Board has consistently voted to financially support the work of these organizations through the Public Services activity (570.201)(e) of the CDBG regulations.

### **Housing**

The City of Haverhill has a commitment to providing affordable, safe and decent housing to residents of the CDBG Target Area and counts housing among its highest priorities. A housing survey was conducted of the relevant housing provider organizations in the city and the results were tabulated and included in this plan.

Non-profit developers play a significant role in the development of the City's housing policy and coordination between the Community Development office and those providers is crucial to successful strategy and implementation procedure. With the latest consolidated plan, the City of Haverhill will be able to more directly target the CDBG funds to the most needy of the populations in concert with the area's

housing providers and supportive service providers (some of who are one and the same).

Among the highest of the housing-related priorities is the continuation of the successful Homeowner Improvement Program (HIP), administered by Community Development staff. The HIP program has been reorganized and efficiencies incorporated that make the revised program simpler for applicants and easier for staff to administer. Qualifying residents are eligible for deferred payment loans. This program has been a successful aspect of our CDBG plan for many years and is used to great effect to correct building code and health and safety violations occurring within the four walls of their living quarters. All loans are deferrable until a sale or transfer of the property occurs and the funds returned to the department as Program Income. The CDD has found this program to be critical in maintaining neighborhood stability by allowing area residents to remain in homes that may otherwise become inhabitable due to neglected repairs.

Additionally, the City continues its close collaboration with the City of Lowell and their lead abatement funds through the Office of Healthy Homes and Lead Hazard Control. The Community Development Department also works closely with Community Action, Inc of Haverhill to offer heating assistance to low-income households in Haverhill. Our program allows for those between 61% and 80% of AMI to take advantage of this program, as the Community Action program has a maximum income limit of 60% of AMI. The CDD refers people through Community Action to a sister agency in Gloucester, MA that weatherizes and insulates homes of low-income households. Again, the CDD grants the population falling between 61% and 80% of AMI to participate in these programs. The CDD also offers down payment assistance through its HOME program allocation, administered by the North Shore HOME Consortium in Peabody, MA.

### **Foreclosed and Abandoned Property**

The additional concern appearing in this plan, absent from the previous plan, is dealing with an abundance of foreclosed and abandoned properties, mainly residences. The foreclosure problem is exacerbated by the current economic recession and also by the resetting of adjustable rate mortgages that remains a market concern.

## General Questions

1. *Describe the geographic areas of the jurisdiction (including areas of low income families and/or racial/minority concentration) in which assistance will be directed.*
2. *Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA) (91.215(a)(1)) and the basis for assigning the priority (including the relative priority, where required) given to each category of priority needs (91.215(a)(2)). Where appropriate, the jurisdiction should estimate the percentage of funds the jurisdiction plans to dedicate to target areas.*
3. *Identify any obstacles to meeting underserved needs (91.215(a)(3)).*

### 5 Year Strategic Plan General Questions response:

1. *Describe the geographic areas of the jurisdiction (including areas of low income families and/or racial/minority concentration) in which assistance will be directed.*

The geographic distribution of allocated funds will be to the Community Development Block Grant (CDBG) "target areas," as defined by the 2000 U.S. Census. The target areas are inner city neighborhoods with an average of 51% low-moderate income, about 12% minority population, medium to high population density, and housing of which 65% is pre-1940. These include the areas known as the **Acre** (CT 2601, BG 1, 2, 3, and CT 2606 BG 2, 3), **Mt. Washington** (CT2608, BG 1, 2, and CT 2609 BG 2, 3), **Highlands** (CT2602, BG 1, 2) and the **Hilldale/Broadway** area (CT 2607 BG 2).

These areas, the Target Areas, display the greatest influences of blighting conditions, including distressed housing, disinvestment, comparatively higher crime rates, gang activity, concentrations of low income residents, overcrowding, and high levels of code enforcement issues.

The Community Development Department does not, at this time, know the specific locations for allocating funds through its Housing Improvement Program (HIP) as these funds are expended as eligible projects become available. Both Economic Development and HIP

initiatives target residents and business owners in Haverhill's CDBG target area described above.

Haverhill will continue to concentrate resources that benefit low-income residents in the CDBG eligible areas where the highest concentration of low and moderate-income residents reside. However, the Community Development Department does emergency repair work to homes of low-income residents outside of the CDBG target area, primarily roof repair. The Community Development Department also does repair work for special needs populations (elderly & disabled) and some of these projects are outside of the geographic borders of the Target Area. We estimate that in excess of ninety percent (90%) of funds are dedicated to the CDBG target area. For affordable rental and homeownership projects and public service programs, we will support projects in all areas of the city however we make every effort to concentrate the funds to the target areas.

The Target Area has been defined by the 51% rule from HUD as follows (designated in yellow):

**Table 2: HUD Defined Low Mod Percentages by Census Tract and Block<sup>14</sup>**

<b>Tract</b>	<b>Block Group</b>	<b>Low Mod #</b>	<b>Universe</b>	<b>Low Mod %</b>
260100	2	809	977	82.8
260900	3	768	1011	76
260200	2	1199	1600	74.9
260800	2	1660	2331	71.2
260100	3	716	1059	67.6
260100	1	1160	1869	62.1
260900	2	642	1077	59.6
260800	1	1462	2474	59.1
260600	3	689	1184	58.2
260700	2	1181	2095	56.4
260600	2	589	1109	53.1
260200	1	861	1644	52.4
260302	1	229	446	51.3
261000	2	961	1896	50.7
260900	4	848	1814	46.7
260900	1	402	913	44
261102	2	499	1203	41.5
260600	1	259	640	40.5
260301	2	718	1820	39.5
261000	1	381	986	38.6

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<sup>14</sup> HUD Low-Mod Census Tracts 2007

Tract	Block Group	Low Mod #	Universe	Low Mod %
260401	2	496	1313	37.8
260500	2	480	1299	37
261101	1	529	1462	36.2
260301	1	613	1742	35.2
261101	2	377	1102	34.2
261102	1	1197	3565	33.6
261000	3	411	1240	33.1
260401	1	646	1963	32.9
260302	2	437	1332	32.8
260302	1	166	520	31.9
260700	1	696	2234	31.2
260500	1	423	1525	27.7
260301	3	280	1098	25.5
260402	2	575	2297	25
260402	3	192	858	22.4
260402	1	511	2376	21.5
261101	3	250	1241	20.1
260500	3	100	535	18.7
260401	3	96	536	17.9
261101	3	65	380	17.1
260302	2	126	804	15.7

*Note: The highlighted Blocks are eligible for area benefit designation of CDBG funds.*

Summarizing the areas by census tract, we have the following:

**Table 3: Census Tract Low-Mod %**

Tract	Low Mod %
260100	68.76%
260200	63.50%
260301	34.57%
260302	30.88%
260401	32.48%
260402	23.11%
260500	29.86%
260600	52.40%
260700	43.36%
260800	64.97%
260900	55.24%
261000	42.53%
261101	29.18%
261102	35.57%

The following table lists the census tracts in terms of racial concentration.

**Table 4: Haverhill Minority Concentration by Census Tract<sup>15</sup>**

Tract	% Minority Estimate
260100	35.8%
260200	21.0%
260301	5.0%
260302	4.3%
260401	8.6%
260402	6.7%
260500	6.5%
260600	18.5%
260700	18.4%
260800	34.6%
260900	20.2%
261000	10.0%
261101	6.2%
261102	13.4%

The significant information here, is that in two census tracts over 30% of the population is minority and in another two it is over 20%.

*2. Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA) (91.215(a)(1)) and the basis for assigning the priority (including the relative priority, where required) given to each category of priority needs (91.215(a)(2)). Where appropriate, the jurisdiction should estimate the percentage of funds the jurisdiction plans to dedicate to target areas.*

The CDBG program identifies low-mod census tracts within the City and designates a Target Area based on this geographic boundary. The vast majority of funding is allocated to public improvements, public facilities, housing rehabilitation and down payment assistance in this area. The City also uses income and need as factors in choosing which programs to fund outside of the Target Area. The following Census Block Groups constitute Haverhill's CDBG Target Area:

**Table 5: Haverhill Census Block Groups in CDBG Target Area**

Tract	Block Group	Low Mod #	Universe	Low Mod %
260100	2	809	977	82.8

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<sup>15</sup> ESRI 2009

Tract	Block Group	Low Mod #	Universe	Low Mod %
260900	3	768	1011	76
260200	2	1199	1600	74.9
260800	2	1660	2331	71.2
260100	3	716	1059	67.6
260100	1	1160	1869	62.1
260900	2	642	1077	59.6
260800	1	1462	2474	59.1
260600	3	689	1184	58.2
260700	2	1181	2095	56.4
260600	2	589	1109	53.1
260200	1	861	1644	52.4
260302	1	229	446	51.3

N.B.: The City of Haverhill recognizes the 2010 decennial Census figures will become active sometime within the next two years. At that point, the City will adjust the borders of the Target Area to reflect the 51% of low-income residents who reside within that future boundary.

*3. Describe actions that will take place during the next year to address obstacles to meeting underserved priorities:*

The primary obstacle to meeting the underserved housing needs of low-income and moderate-income populations continues to be the availability of funds. Except for special populations unable to work (some elderly, some disabled and those institutionalized), the critical need is jobs. When working with agencies to develop this plan, many agencies noted that a shift in clients had occurred. Previously many of the clients had no employment or sporadic employment histories. Now, individuals, who previously were fully employed are seeking help.

Organizations serving these populations continue to experience significant reductions in funding from both governmental and private sources. Reductions in state aid to local budgets have increased the funding shortfall, leaving many worthy and valuable programs unfunded or underfunded.

While this may be beyond the capacity of the local jurisdiction to address satisfactorily, the City is committed to continuing to work with and support public non-profit agencies such as the Haverhill Housing Haverhill, human service department, elder service organizations, homeless providers and other special needs providers in their mission to meet the needs of the underserved population of the area.

The City will continue to communicate with these groups as their needs change and/or the demand dramatically increases over the next year. Wherever possible, the City will provide technical assistance and support to providers in their pursuit of federal, state and other funding sources.

Moreover, the City actively works with Haverhill organizations and citizens about ways to remove barriers to the development of affordable housing and promotes proven programs. It will continue these efforts in the future.

### Managing the Process (91.200 (b))

- 1. Lead Agency. Identify the lead agency or entity for overseeing the development of the plan and the major public and private agencies responsible for administering programs covered by the consolidated plan.*
- 2. Identify the significant aspects of the process by which the plan was developed, and the agencies, groups, organizations, and others who participated in the process.*
- 3. Describe the jurisdiction's consultations with housing, social service agencies, and other entities, including those focusing on services to children, elderly persons, persons with disabilities, persons with HIV/AIDS and their families, and homeless persons.*

\*Note: HOPWA grantees must consult broadly to develop a metropolitan-wide strategy and other jurisdictions must assist in the preparation of the HOPWA submission.

#### 5 Year Strategic Plan Managing the Process response:

- 1. Lead Agency. Identify the lead agency or entity for overseeing the development of the plan and the major public and private agencies responsible for administering programs covered by the consolidated plan.*

The City of Haverhill has developed its Five Year Consolidated Plan, facilitated with its Community Development Department serving as the lead agency in collaboration with the volunteer board, the Community Affairs Advisory Board (CAAB) as authorized by the Citizen Participation Plan. This Consolidated Plan identifies priority needs and proposed activities that the City will undertake to provide a suitable living environment, strengthen infrastructure, protect the



environment, provide decent affordable housing, guarantee fair housing for all persons, help the homeless in a continuum of care, provide economic development tools to microenterprises and businesses servicing the low-income residents and generally improve targeted neighborhoods. Most proposed spending of HUD dollars will occur in the lowest income census block groups (see Table 2), referred to as the CDBG Target Area.

*2. Identify the significant aspects of the process by which the plan was developed, and the agencies, groups, organizations and others who participated in the process.*

During the Citizen's Participation part of the planning process, the City of Haverhill held three public meetings specifically tailored to hear presentations of local service providers seeking funds from the current Action Plan Year. These meetings were held on January 21, February 18 and March 18, 2010. The Community Affairs Advisory Board was present and based its decisions for funding on these meetings. All meetings were open to the public. Additionally, the March 18, 2010 meeting served as a public hearing where public input was sought. The second of the two public hearings was held on April 27, 2010 in City Hall, Haverhill before the Haverhill City Council. The draft plan was advertised for a 30 day review and made available to the public via the city website and through the reference desk at the Haverhill Public Library.

The City solicited the input of various private and non-profit groups who work in the housing and local services sector by mailing a written survey to these organizations. Agencies, groups, organizations and others who participated in the Consolidated Planning process include those that responded to the written survey sent out or that attended the public meeting held with the specific purpose of soliciting their opinion on the Consolidated Plan at the Haverhill City Hall on December 14<sup>th</sup>, 2009 and on February 25, 2010. The CDD, as the lead agency, contacted representatives of each agency via a mailed letter and requested that they and/or a representative from the organization attend this meeting.

*3. Describe the jurisdiction's consultations with housing, social service agencies, and other entities, including those focusing on services to children, elderly persons, persons with disabilities, persons with HIV/AIDS and their families, and homeless persons.*

The consultations are also described in the Citizen Participation section below.

Haverhill's approach to securing input consisted of the following:

Organizations serving low income people in Haverhill, whether they were based in Haverhill or were regional organizations serving Haverhill, were sent a survey by the North Shore HOME Consortium inquiring about whom they serve and what priorities would they set for a number of areas. The following is an outline of the major topics of the survey.

- *Unmet Needs of the Homeless*
- *Homeless Needs by Population and Sub-population*
- *Non-Homeless Special Needs Populations*
- *Rental Housing Needs by Household Type*
- *Rental Housing Needs by Income Level*
- *Homeownership Housing Needs by Household Type*
- *Homeownership Housing Needs by Income Level*
- *Non-Housing Needs: Economic Development*
- *Non-Housing Needs: Public Facilities*
- *Non-Housing Needs: Public Services*
- *Non-Housing Needs: Infrastructure*
- *Non-Housing Needs: Planning & Administration*

In addition, organizations were contacted by email and telephone and more specific questions were asked about the number and characteristics of the populations the organization or agency was serving.

Departments of the City were also asked about what needs in the community they had documented.

Meetings were held as follows:

December 14<sup>th</sup> 2009 - Service organizations input meeting City Hall.

During interviews and meetings the discussion was framed around the following questions:

- Changes in the clientele requesting services. "What changes (if any), have you seen in the past year or two in the persons trying to access your services?"
- Changes in your priorities. "Have you changed your priorities recently or plan on changing your priorities in the coming year, in terms of who you serve?"
- Changes in your approach. "Have you seen any need to change your strategies or methods of doing business?"

- Observations on other issues in the Consortium. “Do you see anything which the Consortium should address in the next few years, which while outside your organizational program, you believe is of high importance?”

In addition attendees were invited to submit data and comments by email after the meetings and interviews.

The public hearing is to receive proposals for CDBG funding. Various departments, social service agencies, nonprofit organizations, City boards and commissions and citizens of the general public present proposals for programs or projects they believe would serve a need in the community.

Public Hearings were held in handicapped accessible sites in low/mod income areas of the city as follows:

March 18<sup>th</sup> 2010 6:30 PM Haverhill City Hall  
April 27<sup>th</sup> 2010 6:30 PM Haverhill City Hall

Multiple organizations serving different areas and constituents were consulted. These included:

**Table 6: Organizations Consulted**

<b><u>City Offices and Departments</u></b>
School Dept
Public Works
Engineering Office
Mayor’s Office
Planning Department
<b><u>Other Public Organizations</u></b>
Haverhill Housing Authority
Haverhill Public Library
Haverhill Police Department
<b><u>Nonprofit Organizations and Agencies</u></b>
Emmaus, Inc.
Bethany Homes
Career Resources Corporation
Catholic Charities
Open Hearts Ministries
Salvation Army of Haverhill
Rebuilding Together of Greater Haverhill
Elder Services of the Merrimack Valley
North Shore YMCA, Haverhill location
Haverhill Boys & Girls Club

In addition, the City is involved in the planning process of the North Shore HOME Consortium. This planning process also provided specific detail about the housing needs and the needs of special populations including the homeless.

### Citizen Participation (91.200 (b))

- 1. Provide a summary of the citizen participation process.*
- 2. Provide a summary of citizen comments or views on the plan.*
- 3. Provide a summary of efforts made to broaden public participation in the development of the consolidated plan, including outreach to minorities and non-English speaking persons, as well as persons with disabilities.*
- 4. Provide a written explanation of comments not accepted and the reasons why these comments were not accepted.*

\*Please note that Citizen Comments and Responses may be included as additional files within the CPMP Tool.

#### 5 Year Strategic Plan Citizen Participation response:

- 1. Provide a summary of the citizen participation process.*

### **Statement of Policy**

The City of Haverhill has a thorough and extensive community process that is employed for all projects undertaken with CDBG funds. The City consistently seeks to include the input of Haverhill residents in all aspects of its community development initiatives, from the initial planning, to project and program implementation to reporting and assessment of accomplishments. The effectiveness of this process is pivotal to the delivery of needed services and programs while also ensuring that the overarching direction of the Community Development Department's work is consistent with residents' expectations and is responsive to neighborhood concerns.

The City encourages resident participation at all stages of the planning process. From the drafting of the Consolidated Plan to the filing of the annual Performance Evaluation Report the City hosts public meetings, provides draft copies of the Plan prior to submission, accepts and

incorporates resident input, and holds special hearings when, and if, substantial amendments are necessary.

The City works in an on-going basis with local nonprofits and community partners in encouraging the participation of the residents they work with directly, including many low and moderate- income residents who are the primary targets of HUD funded programs.

The focused planning and resident participation component of the Plan takes place within a comprehensive framework at the local level. Housing and homeless needs assessment, the continuum of care process, and housing market analysis are strategic components of the Plan. The collaborative process for a unified Plan is accomplished by consistent consultation and coordination with numerous agencies and individuals representing service and housing fields as further detailed below.

Several public hearings are conducted throughout the CDBG funding cycle. The advertisements for these hearings are published in the local newspaper and posted in various public places as well as distributed to current CDBG recipients and placed on the City of Haverhill's web site to motivate all interested persons to attend the public hearings.

The City of Haverhill also encourages citizens of the City to participate in the development of any substantial amendments to the Consolidated Plan and required Consolidated Annual Performance and Evaluation Report (CAPER).

### **Public Meetings in Development of the 5 Year Consolidated and Annual Action Plan**

The planning and citizen participation activities for these plans generally begin in December of the preceding fiscal year, utilizing community outreach meetings. These meetings are conducted for the purpose of soliciting public comment and include information for project proposals relative to community needs and program priorities for the first annual plan. Groups active in areas which use or could use resources were made aware of the process, by advertisements and public notices. Many different organizations and agencies were sent a survey, seeking input on their perception or knowledge of needs and their priority ranking of those needs, for the purposes of planning.

The meetings, advertised throughout the City, and on the City's website included three significant agenda items:

1. Brief explanation of the Consolidated Plan process, including the role of the Plan in making allocations and guiding the selection of projects to be funded.
2. Report on prior year activities and progress on 5 year goals.
3. Forum for the general public to brainstorm and discuss priority needs for the City for the coming years.

Public hearing minutes are available upon request and comments received (if any) are summarized in the section below. In addition to these broader public forums, additional technical assistance is provided to assist organizations with the preparation of proposals for funding.

Meetings were held as follows:

The public meetings conducted were as follows:

The advertised area public meetings for public input were conducted at the following locations:

Haverhill: December 14<sup>th</sup> 2009

Haverhill: January 21<sup>st</sup> 2010

Haverhill: February 18<sup>th</sup> 2010

The first public hearing was held immediately following the final CAAB meeting at Haverhill City Hall on March 18, 2010 at Haverhill City Hall. Various departments, social service agencies, nonprofit organizations, and citizens of the general public presented proposals for programs or projects they believe would serve a need in the community.

The second public hearing occurred on April 27, 2010 before the Haverhill City Council and was intended to solicit input on the draft Annual Action Plan and the Five Year Consolidated Plan as compiled by the CDD.

Each proposal received is reviewed and tested against HUD's eligibility criteria. CDD staff evaluate the requests for funding and make recommendations based upon eligibility, need, past performance, and consistency with the City's goals. The proposals are then presented to the Citizens Affairs Advisory Board and reviewed by the eight presiding members. A summary of the proposals and a preliminary budget is prepared and brought before the Mayor to be finalized and adopted.

The plan, including a detailed description of all projects to be funded along with the proposed budget is used to prepare the 5 Year Consolidated Plan and the Annual Action Plan. These Plans are made available at the offices of the Department of Community Development, room 309 in the Haverhill City Hall Center, as well as online at [www.ci.haverhill.ma.us](http://www.ci.haverhill.ma.us) and at the Haverhill Public Library. They are also available upon request during the 30 day public comment period. During the 30 day public comment period, another advertised public hearing was held at Haverhill City Hall on April 27<sup>th</sup> 2010 to receive comments about the draft plan and to again advise people that written comments could also be mailed to the Community Development office.

### **Organizations and Municipal Departments Contacted and Consulted in Preparation of the Plans**

In addition to meetings, organizations were contacted through surveys and interviews as described in the prior section – *Managing the Process*.

Organizations contacted, interviewed or attending meetings were:

#### City Offices and Departments

School Dept  
Public Works  
Engineering Office  
Mayor's Office  
Planning Department

#### Other Public Organizations

Haverhill Housing Authority  
Haverhill Public Library  
Haverhill Police Department

#### Nonprofit Organizations and Agencies

Emmaus, Inc.  
Bethany Homes  
Career Resources Corporation  
Catholic Charities  
Open Hearts Ministries  
Salvation Army of Haverhill  
Rebuilding Together of Greater Haverhill  
Elder Services of the Merrimack Valley  
North Shore YMCA, Haverhill location  
Haverhill Boys & Girls Club

2. *Provide a summary of citizen comments or views on the plan.*

During the public hearings and planning process prior to the draft being issued, the City received many comments, which were used to shape the priorities. The CDD took the proactive approach of mailing a survey to the clients of the Homeowner Rehabilitation Program (HIP) in order to gauge their satisfactions with the results of the program for their household and also to solicit their opinions on other city priorities. The CDD mailed this information to clients of HIP in the last five years. The response was very encouraging for our program and helped the department shape this plan.

After the draft was issued and advertised, no comments either oral or written were received at the public hearing or at the CDD offices, prior to the completion of the final Plan.

3. *Provide a summary of efforts made to broaden public participation in the development of the consolidated plan, including outreach to minorities and non-English speaking persons, as well as persons with disabilities.*

A concerted effort is made to increase the participation of low and moderate-income persons through email outreach to service organizations, flyers placed in supermarkets and places of business and inclusion of the plan in the Haverhill Public Library. Particular efforts are made to encourage participation by residents of the City's predominantly low and moderate income neighborhoods, what the City refers to as the CDBG Target Area.

If, at any time, it is anticipated that a significant number of non-English speaking residents can be reasonably expected to participate in public meetings or participate in the planning and evaluation process of the Consolidated Plan, an interpreter will be secured. Also, the hearings will be held at times and locations convenient to potential and actual beneficiaries, and with the accommodations for persons with disabilities.

A key strategy is to work closely with social service, housing and economic agencies in the City. These agencies serve as communication conduits to many of these populations, due to their established relationships with their clients and other agencies which serve minority, disabled and non-English speaking persons. The CDD has worked very closely with these agencies throughout the years and has



found this method to be the best way to keep in touch with the target population of low income individuals and households.

The City has always involved local organizations which have specific ties to or whose members comprise minority, non-English speaking or disabled persons. Sources utilized for this plan which fall into these categories are as follows:

1. All City non-profit organizations;
2. Most jurisdiction-based public service agencies;
3. The City's CHDO organization, Emmaus, Inc.;
4. Haverhill Housing Authority;
5. City social service departments;
6. Faith-based organizations;
7. Haverhill Public Library;
8. Municipal Web Sites;
9. Posted Public Notices in Haverhill City Hall.

Outreach to the general public is made via legal ads placed in the City's local paper, broadcasting on the City's local cable station and postings to the City's web page.

*4. Provide a written explanation of comments not accepted and the reasons why these comments were not accepted.*

The City of Haverhill has made a good faith effort to incorporate the comments received during the preparation and submission of the plan. Financial resources are limited, therefore not all needs identified will be addressed. The cap of 15% for public services, also further restricts the City from providing resources to necessary, valuable public services to low and moderate income and special needs populations. The citizen participation process including the schedule of meetings, consultations throughout the year, and public hearings were conducted and publicized to maximize participation. All comments were considered in the preparation of these plans.

As there were no comments made orally or in writing to the available draft plan, no responses have been documented.

As noted in item 2 above, the public hearing and meeting comments received were addressed and/or incorporated into the Plan.

## Institutional Structure (91.215 (i))

1. *Explain the institutional structure through which the jurisdiction will carry out its consolidated plan, including private industry, non-profit organizations, and public institutions.*
2. *Assess the strengths and gaps in the delivery system.*
3. *Assess the strengths and gaps in the delivery system for public housing, including a description of the organizational relationship between the jurisdiction and the public housing agency, including the appointing authority for the commissioners or board of housing agency, relationship regarding hiring, contracting and procurement; provision of services funded by the jurisdiction; review by the jurisdiction of proposed capital improvements as well as proposed development, demolition or disposition of public housing developments.*

5 Year Strategic Plan Institutional Structure response:

1. *Explain the institutional structure through which the jurisdiction will carry out its consolidated plan, including private industry, non-profit organizations, and public institutions.*

The Department of Community Development is the designated department of the City of Haverhill responsible for planning and managing the CDBG program. It reports to the Mayor and City Council. Funds are distributed to other departments of the City such as the Department of Human Services, the Building Department and to public agencies such as the Haverhill Housing Authority and other private housing and service agencies. All these departments and organizations manage and expend funds based on approved plans submitted to the CDD.

In the case of Haverhill City Departments, the plans and budgets are developed jointly with the CDD and submitted to the Mayor for approval.

Once the City has received its funding for the year, it advertises that CDBG monies are available and invites proposals from any interested organization. Proposals are reviewed and awards are made based on the established needs and priorities.

Additionally, many non-profit organizations receive CDBG funds for affordable housing and public services. Those organizations are run by boards of directors with deep roots in the community.

Effective program delivery has been made possible through the efforts of the CDD and many other local, state, federal and private partners.

The institutional structure established to develop and manage the City CDBG funds is broadly based and integrates the talents of key organizations.

In addition recipients receiving funds, work with and utilize services and resources from other government agencies, private lenders, non-profit and for-profit organizations.

Federal, state and local government agencies provide a major portion of gap funding and support for affordable housing and community development activities. They guide these activities through their policies, program guidelines, and in the case of the local housing authority, through the direct provision of housing units and services. The various government agencies typically act as “investors” in the housing and community development services provided by nonprofit and for-profit organizations.

The nonprofit and for-profit developers and service providers, in turn, develop affordable housing projects, offer supportive services and influence the type of affordable housing projects built and the services offered.

Private lenders also play an important institutional role within the delivery system by providing primary financing and by acting as a conduit for the delivery of housing services to low and moderate-income households.

The relationship among these groups of stakeholders forms the basis of the housing and community development delivery system and plays a significant role in the housing and community development efforts.

## *2. Assess the strengths and gaps in the delivery system.*

The Community Development Department staff administering the CDBG funds for the City of Haverhill acts as a conduit to citizens seeking assistance. In order to have a more robust service provider network, and because there is not a central agency for the distribution

of services, the CDD acts as that central resource agency, soliciting information from a number of service providers in the area. As financial resources have dwindled over the years, these providers have consolidated their services, so there is very little overlap. The primary gap to meeting the unmet needs is the limited funds received through the CDBG program. The CDD is looking toward another local service provider to act as the information repository.

- 3. Assess the strengths and gaps in the delivery system for public housing, including a description of the organizational relationship between the jurisdiction and the public housing agency, including the appointing authority for the commissioners or board of housing agency, relationship regarding hiring, contracting and procurement; provision of services funded by the jurisdiction; review by the jurisdiction of proposed capital improvements as well as proposed development, demolition or disposition of public housing developments.*

There is a legal relationship between the City and the Haverhill Housing Authority. The HHA is a semi-independent agency governed by a Board of Commissioners. One member of the Board is appointed by the Governor of Massachusetts and the other four members are appointed by the Mayor. The authority to budget funds and expend them is contained within the statutes permitting the establishment of the HHA and also in the regulations published by the Federal Government through HUD and/or those published by the Commonwealth of Massachusetts through DHCD. Operating funds from DHCD are provided by formula and expenditure decisions are made by the HHA Board. Capital funds from DHCD have been provided by competition in the past and are now in transition to a formula system and expenditure decisions are made by the local Board with approval from DHCD. The HHA also receives funding for Housing Choice Vouchers (HCV – Section 8) and for the Massachusetts Rental Voucher Program (MRVP). The operation of these programs is managed by the HHA. It should be noted that DHCD receives additional HCV funding which it then distributes to 5 regional agencies, which in turn make them available to eligible households in the area. The regional agency serving Haverhill is Community Teamwork, Inc. (CTI).

The City does not involve itself in the hiring, contracting and procurement practices and processes of the HHA. Nor does it review proposed capital improvements. If there were plans to develop, demolish or dispose of public housing, it would become involved, as

such actions would affect the supply of affordable housing in the region. Moreover such actions should be consistent with the Consolidated Plan.

As a matter of regulation and of practice, if the HHA was planning major changes to its housing stock, it is required to consult with local government. The HHA would need City approval for demolition, development or other major changes to its housing stock.

### Monitoring (91.230)

- 1. Describe the standards and procedures the jurisdiction will use to monitor its housing and community development projects and ensure long-term compliance with program requirements and comprehensive planning requirements.*

#### 5 Year Strategic Plan Monitoring response:

The City of Haverhill's accomplishments are reported in the HUD required Consolidated Annual Performance and Evaluation Report (CAPER) due on October 1 of each program year. The CAPER is available for public comment and is advertised in local newspapers.

The City performs an ongoing monitoring process in compliance with HUD regulations. The purpose of the monitoring process is to evaluate performance with regard to: meeting goals and objectives; compliance with HUD rules, regulations and administrative requirements; timely use of funds; and prevention of fraud and abuse of funds.

The Community Development Department oversees all CDBG funds. The CDD allocates CDBG funds on a project specific basis and on a geographic basis.

The funds allocated geographically are for economic development activities of businesses low to moderate income areas and to assist micro-enterprises.

In the case of Homeowner Improvement Program (HIP) funds, low and moderate income residents are the sole eligible applicants to the program. The program will assist elderly residents city-wide on an emergency basis to replace a component of their house that would otherwise make the home uninhabitable. The HIP also works with disabled residents of the City to fund repairs and upgrades that make the home accessible to their needs.

In concert with the internally-run HIP, the CDD provides funds to the local chapter of Rebuilding Together in order to further the mission of allowing homeowners to remain in their homes by repairing health and safety violations as well as building code corrections.

For all funds, organizations are invited to submit proposals, which are then evaluated in terms of the Five Year Plan priorities and community needs.

For the HOME Program, the North Shore HOME Consortium selects projects, some of which are in Haverhill. The CDD, which is the local administrative arm for the Consortium, provides mid-year and year end monitoring for each of its sub-recipients under the HOME Program. Haverhill works closely with the sub-recipients collecting information on tenant incomes annually, and inspecting properties once every second or third year, depending on the size of the project.

During the process of monitoring, the City will review the process and make necessary changes over the next five years. The city is currently working to monitor the prior Program Year and hopes to have the current program year monitoring begun by this summer.

The City continues to generate geographically coded data such as property values, home sales prices, foreclosure rates, employment data, the number of derelict properties or other blighting influences in certain sections of the City and makes this data available to its sub-recipients. The City also collects data from the sub-recipients when those sub-recipients generate data that is specific to a population, such as homelessness and the number of emergency shelter beds needed on a seasonal basis. These data are used in the context of monitoring for a particular sub-recipient based upon their contract and their performance measurements.

Each year when the City accepts applications for new CDBG funds, applicants are required to complete a form, which requests specific information on primary beneficiaries of the intended project, number of minority persons served, target population/s and service needs.

In particular, applicants are asked to disclose information regarding techniques used to identify, assess and reach target populations as well as commenting on the goals and objectives of the proposed project/s. All applicants are required to closely match their project to one of the Priority Goals that the City has set out in its Consolidated

Plan. Module forms reporting race and ethnicity and number of people served are required along with invoices before payment.

Internal auditing of Community Development Block Grant projects also provides a system for performance measurement. Project directors and sub-recipients are asked to relay information on anticipated goals of the project and identify actual measurable accomplishments including timeliness of expenditures.

The CDD performs sub recipient monitoring on an annual basis, either by desk audit or by site visit to ensure that funds are used in accordance with all CDBG program requirements. Program agreements are sent out to the sub-recipients prior to the beginning of the fiscal year and signed by representatives of the sub recipient and the CDD. A Scope of Work is appended to the agreement to delineate the proposed number of clients for each activity. The CDD determines adequacy of performance under the sub recipient agreements and procurement contracts and takes appropriate action to address performance problems.

CDD staff, in concert with review by the Community Affairs Advisory Board conduct an annual risk assessment of sub recipient organizations and programs. Factors considered during the review include:

- Performance – indicators include low production, excessive staff turnover and significant change in agency goals.
- Program complexity - organizations that receive a large amount of CDBG funds are given priority for on-site visits.
- Recent problems - complaints or inability to perform services as outlined in the program agreement.
- Previous Monitoring- Findings or concerns are not addressed.

Based on an evaluation of the above factors, agencies are selected for site visits which are conducted by CDD staff.

All sub-recipients will be completed with the monitoring of their contracts by the beginning of the new program year. Prior to any monitoring visit, the monitor reviews all documentation such as application for CDBG funding, written sub recipient agreement, beneficiary reports, invoices and previous monitoring letters. During the monitoring visit, sub recipients' administrative, financial and programmatic operations are reviewed. Following the visits, findings



are summarized in a monitoring letter to the sub recipient from the CDD.

Previous sub recipient performance is a major factor in CDD recommendations for city decisions regarding award of funding.

The City has a process which uses sophisticated outcome measures as recommended by HUD. The City requires sub-recipients, to provide some of the required HUD data. Currently all sub-recipients are required to provide quarterly beneficiary reports. Individual surveys of program participants are sometimes done to verify that specific activities produced promised or desired results.

Already the City requires applications for new CDBG funds, to include specific information on primary beneficiaries of the intended project, number of minority persons served, target population and service need. In particular, applicants are asked to disclose information regarding techniques used to identify, assess and reach target populations as well as commenting on the goals and objectives of the proposed project.

Internal auditing of Community Development Block Grant projects also provides a system for performance measurement. Project directors are asked to relay information on anticipated goals of the project and identify actual measurable accomplishments.

#### Specific Elements of Monitoring

As part of its performance assessment, the City of Haverhill will review the following:

- Progress towards Goals: An audit of individual activities funded with CDBG funds will be conducted. Results will be reviewed by staff to determine if the agency is operating its programs in accordance with generally accepted accounting principles.
- Timeliness of Expenditures: The City of CDD has worked diligently to meet the timeliness requirement. All projects underway or completed and expenditures are reviewed for timeliness. The City will continue to review this and other program requirements to ensure compliance.
- Consolidated Plan/One Year Action Plan. In developing the plan a review of the City's goals and objectives will be undertaken.
- Code Compliance: To insure long-term compliance with housing codes, for CDBG funded projects, the staff will annually perform any certifications or on-site inspections necessary.



### Monitoring Schedule

- Quarterly beneficiary data reports from sub-recipients that include:
  - Number of people served during the quarter
  - Number that meet income guidelines
- Annual site visit, includes:
  - Examination of Sub-recipient records
  - Reviewing accuracy of written reports
  - Verifying compliance with CDBG requirements
  - Verifying compliance with program goals
  - Conformance of properties to building codes both short and long term
  - Conformance to the relevant OMB circular

### On-Site Monitoring Process

The CDBG staff will notify each sub recipient when it will be monitored with an on-site visit. This process will consist of the following steps:

1. The agency will be notified of the upcoming visit. A date and time will be mutually established.
2. Prior to the visit, the staff will review the agency's past monitoring reports; audits and responses; and any performance reports submitted by the agency.
3. During the review, the staff will inspect a representative sampling of program files and relevant financial documents including ledgers, invoices and disbursements for compliance with CDBG requirements. The staff will review the following areas to ensure that:
  - i. Program guidelines are in place and are being followed.
  - ii. Accounting and financial management procedures, including internal control systems, are in place.
  - iii. Personnel policy & procedures are in place.
  - iv. Project goals and objectives are being met and if the project is on schedule. The project is serving the projected number of people and the intended client group.
  - v. Eligibility determinations are in place. Selected households are income eligible and a system is in place to maintain personal privacy and confidentiality.
  - vi. Required reports are accurate and submitted on a timely basis.

The monitoring visit is also an opportunity to provide technical assistance to sub recipients.

### Monitoring Report

The monitoring staff person will prepare a written response if there are areas of concern after the visit. Areas needing improvements will be discussed and specific deadlines will be set for any necessary responses.

Following the site visit, a monitoring letter is sent to the sub-recipient within 30 days providing feedback about their performance. The monitoring letter identifies the areas monitored, conclusions reached and actions required, along with dates when a resolution is expected. If sub-recipients are found to be out of compliance, staff from the CDD will work with the service provider to bring them into compliance. If issues are identified that need attention, a follow-up site visit will be scheduled within 90 days.

Staff ensures that evidence of these reviews is maintained on file and available for HUD staff to examine.

### Performance Measurement System

The City of Haverhill's CDBG Performance Measurement System provides the Department of Housing and Urban Development (HUD) and citizens of the community with an accounting for the results of the expenditures of public funds towards achieving the strategic goals and objectives of the CDBG program. These accomplishments are reported to HUD on the Integrated Disbursement Information System (IDIS) and annually in the Consolidated Annual Performance and Evaluation Report (CAPER).

The components of the City's Performance Measurement System have been developed with the guidance of CPD Notice 03-09, Development of State and Local Performance Measurement Systems for Community Planning and Development Formula Grant Programs and HUD Final Rule 24 CFR Parts 91 and 570 Consolidated Plan Revisions and Updates.

The City's CDBG Performance Measurement System is outlined in the following steps.

1. A needs assessment is initiated during the development of the Five Year Strategic Plan. Long term, multi-year goals and objectives are established to address these needs. Short-term, annual goals and objectives are stated in the Annual Action Plans developed during the each year's planning process.

2. Inputs such as funding, staff, equipment and supplies, are the resources allocated to and utilized by the proposed programs to accomplish the objectives. Inputs and the budget are detailed in the Narratives Section, Statements of Objectives, Needs Tables and Projects Sections of the Plans.
3. Activities are what the program does with the inputs to meet the objectives of the program or fulfill its mission.
4. Outputs are the products of a program's activities. Outputs are usually measured in terms of number of units as the number of low and moderate income households served, number of units rehabilitated, linear feet of curb and sidewalk installed, or the number of jobs created or retained.
5. Outcomes are benefits that result from an activity. Indicators that are used to measure outcomes include improved quality of life for program participants, neighborhood revitalization, increase in affordable housing, reduced energy costs as a result of implementing Energy Star building standards or the number of businesses utilizing the storefront improvement programs. Activities, outputs and outcomes are described in tables in the Plan Narratives, Needs Tables and under the Projects section of the Plans.

#### Davis Bacon Compliance

In addition, staff oversee federally funded projects which require Davis Bacon compliance. City agreements include all necessary information that must be included in a sub-recipient's contract for construction projects including:

- HUD Form 4010 – Federal Labor Standards Provisions
- U.S. Department of Labor Payroll forms
- the appropriate wage determination
- a copy of the "Notice to All Employees" poster, to be posted at job site
- a copy of the "Contractor's Guide to Prevailing Wage Requirements for Federally-Assisted Construction Projects", which is to be provided to the prime contractor

Staff conduct site visits, conduct employee interviews and check the weekly payroll forms for accuracy and compliance.

#### Section 3 Compliance

The purpose of Section 3 of the Housing and Urban Development Act of 1968, is to provide economic and employment opportunities to low

and very-low income individuals to the “greatest extent feasible” and businesses that are majority owned by Section 3 residents or whose permanent, full-time employees are 30% Section 3 residents or are businesses that contract in excess of 25% of subcontracts to such Section 3 businesses. Recipients of HUD funds in excess of \$200,000 and individual contracts or subcontracts in excess of \$100,000 are subject to Section 3.

If the CDD issues a contract in excess of \$100,000 it will require a Section 3 plan from the contractor and will monitor that plan to ensure that businesses used and individuals hired, are used to the greatest extent possible as delineated in that plan.

#### Fair Housing Compliance

The City’s Fair Housing Officer enables residents and/or property owners with questions, issues or complaints associated with applicable Fair Housing laws and requirements to access the technical services of the Fair Housing officer. The Fair Housing Officer is charged with ensuring that education about fair housing is conducted and to manage complaints which might be received. In addition, in its monitoring of providers, the CDD reviews Fair Housing procedures.

#### Priority Needs Analysis and Strategies (91.215 (a))

1. *Describe the basis for assigning the priority given to each category of priority needs.*
2. *Identify any obstacles to meeting underserved needs.*

#### 5 Year Strategic Plan Priority Needs Analysis and Strategies response:

1. *Describe the basis for assigning the priority given to each category of priority needs.*

The goals and needs are articulated via community input, research and discussion. Staff and consultant then draft priorities based upon this understanding of community needs. These priorities are then translated into strategies which are then integrated into this Plan’s narrative sections and into the required HUD tables.

The Department of Community Development has undertaken a three-part strategy to assemble the informational foundation of the new Consolidated Plan, including the identified needs of the City.

First and foremost, the CDD has attempted to meet directly with the community stakeholders, obtaining input from organizations and community leaders and asking:

- Have the previous 5 year priorities changed?
- What are the changing needs of the low and moderate-income community?
- What sources of information do people and organizations use to document changed priorities and needs?
- What changes have the organizations and agencies already introduced due to changed circumstances?
- What needs to be done in the immediate and next 5 years?

The needs assessment was completed through a cooperative effort with public and private agencies concerned with the needs of the community and included input from public meetings.

Secondly, the CDD has reviewed a range of other data from sources such as HUD and the census as well as state organizations and also plans and reports detailing the needs of low and moderate income individuals in the City. These are presented in the Lead Based Paint, Housing Needs Analysis and Housing Market Analysis sections above and the Needs of Public Housing following.

Thirdly, assessments of past achievements and review of evaluations of the impact of various programs have also been incorporated into the planning process and contributed to the setting priorities.

The needs of the target population of those below 80% of median were so large and varied, that no one priority stood out as being the highest. Many were equally high and thus with limited resources available, actions were not possible for some of them.

As the needs were analyzed, the following general categories of priorities were established:

**1. Decent Housing:**

- A. Maintain and Preserve Present Housing Stock
- B. Expand the Supply and Type of Affordable Housing

- C. Provide Basic Shelter and Service Needs for Homeless Individuals and their Families
- 2. Suitable Living Environment:**
  - A. Make Neighborhood Improvements
  - B. Provide Social Services
- 3. Creating Economic Opportunity:**
  - A. Promote Economic Development

The proposed strategies to address these priority needs are as follows:

Priority 1: Decent Housing – A. Maintain and Preserve Present Housing Stock

Achieving this objective will require the implementation of rehabilitation, redevelopment and preservation strategies.

**Strategies:** The City will preserve the supply of housing by utilizing the following strategies:

1. Rehabilitation of owner occupied inner city target housing units in one to four family dwellings.
2. Support and provide financing for multi-family housing developments, expedite city approval process.
3. Lead Abatement activities in one to four family dwellings and reduction in childhood lead hazards.
4. Lead Abatement activities in investor owned multi-family properties.
5. Rehabilitation of structures for homeless and special needs populations.
6. Rehabilitation of rental housing projects with the cooperation of MHP programs.
7. Provide for Heating Assistance to eligible households.

Priority 1: Decent Housing – B. Expand the Supply and Type of Affordable Housing

**Strategies:** The City will endeavor to increase the supply of affordable housing by using the following strategies:

1. Build the capacity of area non-profit housing developers to further affordable housing production goals.
2. Update city ordinances that mandate inclusionary housing goals for new market-rate housing development.
3. Provide homebuyer counseling and downpayment and closing cost assistance to low and moderate income first time homebuyers with city and privately provided financing.
4. Assess city owned properties for the potential to be converted to affordable housing.

Priority 1: Decent Housing – C. Provide Basic Shelter and Service Needs for Homeless Individuals and their Families

**Strategies:** The City will support efforts to promote fair housing so that all people have equal access to all types of housing in all locations:

1. Improve outreach and access to supportive services.
2. Increase coordination among Haverhill service providers of resources.
3. Stabilize the number of individuals and families at risk of becoming homeless.
4. Reduce the number of individuals who are hungry and without shelter.
5. Increase access to child care and transportation services.
6. Increase individuals completing job training programs for employment.

Priority 2: Suitable Living Environment – A. Improve the quality of life through neighborhood improvements

**Strategies:** The City will ensure that the neighborhoods in which significant percentages of low income people reside have an

environment which is conducive to healthy living and improved life styles:

1. Improvement in infrastructure including drainage, sewers, sidewalks, lighting, shade trees serving the CDBG Target Area population.
2. Installation of ADA-compliant facilities throughout the City.
3. Overall strategy for improving the lives of the youth in the CDBG Target Area, including health and wellness initiatives.
4. Foreclosure prevention and reduction initiatives for low-mod households offered by and through the Community Development Department.
5. Rehabilitate blighted buildings and sites to improve appearance and public health and safety.
6. Renovation of area parks and facilities that serve the low income populations of the CDBG Target Area.

Priority 2: Suitable Living Environment – B. Improve people’s lives by promoting social services

**Strategies:** The City will support and fund services which support self-sufficiency and independence of low income residents:

1. Improve outreach and access to supportive services for homeless individuals and their families.
2. Increase coordination among Haverhill services providers of resources.
3. Increase access to child care and transportation services.
4. Increase individuals completing job training programs for employment.
5. Reduction in the number of gang related activities.
6. Informational resource on housing and services to low-income residents of the Target Area.



Priority 3: Creating Economic Opportunity – A. Promote economic development and linkages

**Strategies:** The City will take a pro-active approach to addressing economic development and support the development and retention of jobs:

1. Assist for-profit businesses and non-profit organizations where appropriate to create or retain jobs for low/moderate income people.
2. Creation of a storefront and façade program to enhance the residential and business areas of the City, where the population of the Target Area shop and congregate.
3. Develop economic development projects and micro-enterprise activities in the Target Area.
4. Provide improvements in inner city infrastructure.
5. Create sites suitable for business expansion and available for development.
6. Conduct assessment for hazardous substances and petroleum on identified Brownfield sites.

*2. Identify any obstacles to meeting underserved needs.*

*[The following answer is referred to in all future sections regarding "obstacles to meeting underserved needs."]*

The City notes that there are obstacles to addressing these priorities, the greatest of which is the need for greater subsidy amounts in order to make housing affordable to those households with very low incomes.

The obstacles to addressing under-served needs are a lack of money and resources as well as the mechanisms to do so. The most obvious and powerful obstacle to meeting underserved needs in the community remains lack of decent paying jobs and the supply of affordable housing needed to meet growing needs. The economic turmoil emerged in the citizen planning process, as the background reality for almost every other need which was mentioned.

Complicating efforts, will be the shrinkage of City funds, which are usually used in conjunction with CDBG funds, when doing infrastructure and facility improvements and enhancing economic development. This will likely result in phasing of these types of projects.

### Lead-based Paint (91.215 (g))

- 1. Estimate the number of housing units that contain lead-based paint hazards, as defined in section 1004 of the Residential Lead-Based Paint Hazard Reduction Act of 1992, and are occupied by extremely low-income, low-income, and moderate-income families.*
- 2. Outline actions proposed or being taken to evaluate and reduce lead-based paint hazards and describe how lead based paint hazards will be integrated into housing policies and programs, and how the plan for the reduction of lead-based hazards is related to the extent of lead poisoning and hazards.*

#### 5 Year Strategic Plan Lead-based Paint response:

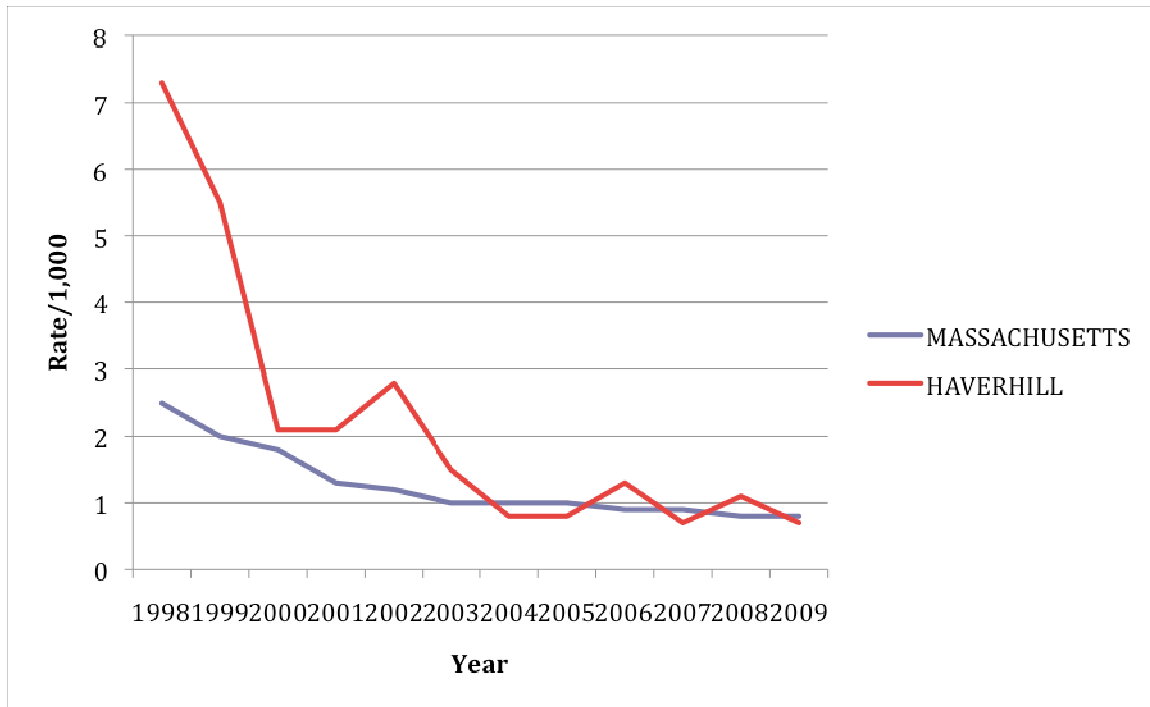
- 1. Estimate the number of housing units that contain lead-based paint hazards, as defined in section 1004 of the Residential Lead-Based Paint Hazard Reduction Act of 1992, and are occupied by extremely low-income, low-income, and moderate-income families*

Lead paint was commonly used in construction before 1950 and was not banned until 1978. Older houses, such as those built before 1950, are usually the source of lead based paint poisoning. The number of old houses, coupled with the number of low income and moderate income households is a good indicator of how many families are likely to be at risk for lead-based paint poisoning. In Haverhill 72% of the housing units were built before 1980 and 48% before 1950. In the state of Massachusetts 44% of the housing units were built before 1950 and 81% were built before 1980. The fact that the majority of Haverhill's housing units were built before 1980 emphasizes the importance of continuing to identify lead hazards and de-lead older homes throughout the City. Not only does the presence of lead contamination restrict housing choices for families with children who are younger than six years of age, but it greatly increases costs to home-owners. For the low and moderate-income homeowners in the City this is an ongoing concern. Since 1998 the incidence of lead in children has decreased in both Haverhill and the State (see chart).

Haverhill was listed as one of the high risk communities in Massachusetts for child lead poisoning in 2006, but has been removed in recent years as the incidence rate has dropped. Despite this decrease, the risk of poisoning from lead-based paint still exists.

In 2009 40% of households in Haverhill earned below 80% of median income and 14% of households were below poverty levels and earned less than 30% of median income. These low- moderate income households are at risk for lead-based paint exposure as they are likely to occupy old houses built before 1980. Low-income households who are under the poverty line are thought to be at particular risk. While we do not know the exact number of households that actually occupy houses with lead paint contamination, there is ongoing evidence that the problem has not been eradicated. We estimate that 82% of households in poverty in Haverhill occupy old homes built before 1980, putting 8% of Haverhill's households at risk for lead-based paint poisoning. This is evidenced in a continuation of elevated blood levels (including poisoning), showing up in the mandatory testing of children under the age of six (see chart). It should be noted however, that the testing includes immigrants who may have been poisoned in other localities prior to their residency in Haverhill. It is important for the City to help households, especially those with low or moderate incomes, take measures to remove lead-based paint from old houses that are possibly at risk. The number of households in Haverhill who earn low to moderate incomes is expected remain constant in the future, and this implication puts more families at risk for lead-based paint poisoning.

**Chart 5: Incidence of Elevated Rate (over 15 mcg/dl) of Lead in Tested Children - Massachusetts vs Haverhill**



**Table 7: Households at Risk for Lead-Based Paint Poisoning, 2000**

	Haverhill				Massachusetts			
	Owning		Renting		Owning		Renting	
	#	%	#	%	#	%	#	%
Population Proportions	13,838	60.23%	9,138	39.77%	1,508,248	61.72%	935,332	38.28%
HHs In Poverty	444	3.21%	1,796	7.82%	54,345	2.22%	186,552	7.63%
HHs in pre-1980 Housing also below poverty line	304	68%	1,523	84.80%	45,989	84.62%	159,446	85.47%
<b>At Risk</b>	<b>304</b>	<b>2.20%</b>	<b>1,523</b>	<b>16.67%</b>	<b>45,989</b>	<b>1.88%</b>	<b>159,446</b>	<b>6.53%</b>

*2. Outline actions proposed or being taken to evaluate and reduce lead-based paint hazards and describe how lead based paint hazards will be integrated into housing policies and programs, and how the plan for the reduction of lead-based hazards is related to the extent of lead poisoning and hazards*

A new regulation promulgated by the U.S. Environmental Protection Agency takes effect on April 22, 2010 that will require contractors working in homes built prior to 1978 be certified in the safe handling of lead containing materials. Additionally, before contractor begins work on a project that contractor must test the surface to be disturbed

for lead or assume the materials contain lead. Lead safe work practices must be employed whenever lead surfaced or materials will be disturbed. This regulation covers all contractors including carpenters, painters, electricians, plumbers, HVAC personnel, property maintenance personnel and any other professional working in a residential structure. This should further ensure that lead is removed from older houses.

Other strategies for addressing the problem during the next year are as follows:

1. Work with the State Department of Public Health, the local Board of Health and Building Department, to provide information booklets and outreach programs to make residents aware of lead based paint hazards and to generate referrals for lead based paint identification and abatement.
2. Making residents aware of the MassHousing "Get the Lead Out" program which has been available to low and moderate income homeowners and investors who need financial assistance with lead based paint abatement.
3. Work closely with the City of Lowell to offer funds from Lowell's OHHLHC grant to homeowners in Haverhill.
4. Encourage code enforcement, which often identifies lead contamination in homes and leads them being de-lead.
5. CDD arranges for and removes lead contamination during the course of its rehabilitation activities, an activity which it will continue during the coming years.
6. Partner with organizations that receive lead testing and abatement funds, such as the HHA.

## HOUSING

### Housing Needs (91.205)

\*Please also refer to the Housing Needs Table in the Needs.xls workbook

1. *Describe the estimated housing needs projected for the next five year period for the following categories of persons: extremely low-income, low-income, moderate-income, and middle-income families, renters and owners, elderly persons, persons with disabilities, including persons with HIV/AIDS and their families, single persons, large families, public housing residents, victims of domestic violence, families on the public housing and section 8*

*tenant-based waiting list, and discuss specific housing problems, including: cost-burden, severe cost- burden, substandard housing, and overcrowding (especially large families).*

2. *To the extent that any racial or ethnic group has a disproportionately greater need for any income category in comparison to the needs of that category as a whole, the jurisdiction must complete an assessment of that specific need. For this purpose, disproportionately greater need exists when the percentage of persons in a category of need who are members of a particular racial or ethnic group is at least ten percentage points higher than the percentage of persons in the category as a whole.*

#### 5 Year Strategic Plan Housing Needs response:

This chapter of the Consolidated Plan presents an overall assessment of the housing and community development needs in the City. In addition to the community outreach results, the needs assessment provides the foundation for establishing priorities and allocating resources to address the identified needs.

1. *Describe the estimated housing needs projected for the next five year period for the following categories of persons: extremely low-income, low-income, moderate-income, and middle-income families, renters and owners, elderly persons, persons with disabilities, including persons with HIV/AIDS and their families, single persons, large families, public housing residents, victims of domestic violence, families on the public housing and section 8 tenant-based waiting list, and discuss specific housing problems, including: cost-burden, severe cost- burden, substandard housing, and overcrowding (especially large families).*

*In addition, it should be noted, that for the most part our analysis in this section is based on published CHAS 2009 data, which in turn is based on the US Census American Community Survey (ACS) conducted 2006-2008. This ACS data is generated from random surveys and has larger error rates than the Decennial Census. Moreover, some of the definitions are different from the CHAS data of 2000 and some of the data which would be helpful is not available at all.*

The following tables outline the housing needs of groups such as extremely low-income, very low-income, low-income, moderate income, mid-level income, disabled, elderly, extra-elderly and family.

## **Housing Problems**

**Definition:** A household is classified by HUD/US Census as experiencing housing problems when one or more of the following four housing unit problems exist:

- the unit lacks complete kitchen facilities,
- lacks complete plumbing facilities,
- more than one person per room,
- a cost burden greater than 30%.

### **Housing Problems by Income**

**Definition:** Renters and owners of extremely low-income, very low-income and low-income households in the City are all at a risk of suffering from one or more of the housing problems described above.

**Observation:** In the discussion below of housing problem severity, the overwhelming problem is excessive housing costs.

As can be seen in the Table 7a below, more than half of renter and owner households with incomes < 80% AMI, have housing problems.

**Table 8a: Housing Problems by Income Level<sup>16</sup>**

<b>Housing Problems</b>	<b>&lt;=30% AMI</b>		<b>30.1-50% AMI</b>		<b>50.1%-80% AMI</b>		<b>Total &lt;=80% AMI</b>		<b>Total</b>
	Owner	Renter	Owner	Renter	Owner	Renter	Owner	Renter	<=80% AMI
HHs with Housing Problems	720	1,745	815	1,020	1,125	915	2,660	3,680	6,340
HHs without Housing Problems	90	475	450	290	895	1,045	1,435	1,810	3,245
HHs N/A <sup>17</sup>	20	110	0	60	0	55	20	225	245
<b>Total</b>	<b>830</b>	<b>2,330</b>	<b>1,265</b>	<b>1,370</b>	<b>2,020</b>	<b>2,015</b>	<b>4,115</b>	<b>5,715</b>	<b>9,830</b>

**Table 8b: Housing Problems by Income Level<sup>18</sup>**

<b>Housing Problems</b>	<b>80.1%-95%AMI</b>		<b>95.1%-120% AMI</b>		<b>120.1%+ AMI</b>		<b>Total</b>
	Owner	Renter	Owner	Renter	Owner	Renter	All

<sup>16</sup> CHAS/ACS 2009 Table 11

<sup>17</sup> N/A means that the status of these households could not be determined

<sup>18</sup> CHAS/ACS 2009 Table 11

HHs with Housing Problems	780	65	700	20	605	0	8,510
HHs without Housing Problems	705	395	1,160	970	6,490	745	13,710
HHs N/A	0	0	0	0	0	25	270
<b>Total</b>	<b>1,485</b>	<b>460</b>	<b>1,860</b>	<b>990</b>	<b>7,095</b>	<b>770</b>	<b>22,490</b>

As is evident from Table 7c, approximately one-third of ELI owners and two-thirds of ELI renters with housing problems are below 20% of AMI (which approximates the poverty level).

**Table 8c: Housing Problems by Income <20% AMI Level<sup>19</sup>**

Housing Problems	<20% AMI		% of ELI Group	
	Owner	Renter	Owner	Renter
HHs with Housing Problems	280	1,085	39%	62%
HHs without Housing Problems	0	250	0%	53%
HHs N/A	20	75	100%	68%

### Housing Problems for the Disabled

**Definition:** *Disabled households contain at least one or more persons with a mobility or self-care limitation.*

**Observation:** Among the City's disabled population, a total of 55% have housing problems. Low and extremely low-income disabled households with housing problems risk being forced into temporary relocation or homelessness. While there are housing problems for disabled owners in income groups above 80% of AMI, the largest population (95%) is below 80% of AMI and 52% is below 30% of AMI.

**Table 9a: Housing Needs of the Disabled<sup>20</sup>**

Housing Problems	<=30% AMI		30.1-50% AMI		50.1%-80% AMI		Total <=80% AMI		Total
	Owner	Renter	Owner	Renter	Owner	Renter	Owner	Renter	<=80% AMI
Disabled	250	390	170	230	45	75	465	695	1,160
Not-Disabled	470	1,355	645	795	1,080	845	2,195	2,995	5,190
Total	720	1,745	815	1,025	1,125	920	2,660	3,690	6,350

<sup>19</sup> CHAS/ACS 2009 Table 11

<sup>20</sup> CHAS/ACS 2009 Table 6



	<=30% AMI		30.1-50% AMI		50.1%-80% AMI		Total <=80% AMI		Total
No Housing Problems	Owner	Renter	Owner	Renter	Owner	Renter	Owner	Renter	<=80% AMI
Disabled	0	220	170	60	100	50	270	330	600
Not-Disabled	90	260	280	230	795	995	1,165	1,485	2,650
Total	90	480	450	290	895	1,045	1,435	1,815	3,250
<b>ALL DISABLED HHs</b>	250	640	340	320	145	125	735	1,085	1,820
<b>% of Disabled HHs with Housing Problems</b>	100%	61%	50%	72%	31%	60%	63%	64%	64%
<b>Disabled with Housing Problems as a % of Owner or Rental Population</b>	30%	17%	13%	17%	2%	4%	11%	12%	12%

**Table 9b: Housing Needs of the Disabled<sup>21</sup>**

	80.1%+ AMI		Total
Housing Problems	Owner	Renter	All
Disabled	45	20	1,225
Not-Disabled	2,040	60	7,290
Total	2,085	80	8,515
No Housing Problems	Owner	Renter	All
Disabled	235	90	925
Not-Disabled	8,120	2,020	12,790
Total	8,355	2,110	13,715
<b>TOTAL ALL DISABLED HHs</b>	280	110	2,210
<b>% of Disabled HHs with Housing Problems</b>	16%	18%	55%
<b>Disabled with Housing Problems as a % of Owner or Rental Population</b>	0%	1%	5%

### Housing Problems of the Elderly

Definition: *Elderly are aged 62-74 and extra-elderly are 75 and older.*

Observation: Elderly residents in the City face housing problems regardless of tenure status and income level. Since 2000 the elderly

<sup>21</sup> CHAS/ACS 2009 Table 6

population in the City has stayed the same, but is expected to increase 9% in the next five years<sup>22</sup>.

**Table 10: Profile of Elderly in Haverhill<sup>23</sup>**

		% of Elderly Group	% of Elderly group <=80%
<b>Elderly Profile - Haverhill</b>			
Total Elderly (62-74)	2,930		
Total Elderly (62-74) <80%	1,690		
Total Elderly (62-74) <80% With Housing Problems	750	26%	44%
Total Elderly (62-74) <30%	395	13%	23%
Total Extra-Elderly (75+)	1,865		
Total Extra-Elderly (75+) <80%	885		
Total Extra-Elderly (75+) <80% with Housing Problems	675	35%	47%
Total Extra-Elderly (75+) <30%	1,865	27%	36%
Total all Elderly (62+)	5,450		
Total all Elderly <=80% Median	3,555	65%	
Total all elderly <80% with housing problems	1,635	30%	

At this time 34% of the City's elderly and extra-elderly population have housing problems, but those at or below 80% of median, represent 87% of those elderly with housing problems. As can also be seen in the table below, both elderly owners and renters earning less than 30% of median income have high rates of housing problems whereas elderly owners earning 30% of the median income and above have housing problems more frequently than renters.

**Table 11: Housing Problems for the Elderly and Extra-Elderly<sup>24</sup>**

	Extremely Low-Income (<=30% AMI)		Very Low-Income (30.1-50% AMI)		Low-Income (50.1%-80% AMI)		Moderate Income (80.1%-95% AMI)		Mid-Level Income(95.1%-120% AMI)		Total
With Housing Problems	Own	Rent	Own	Rent	Own	Rent	Own	Rent	Own	Rent	All
Elderly 62-74	35	105	290	120	145	55	100	0	90	0	940
Extra Elderly 75+	270	210	180	95	110	20	15	20	15	0	935
Total Elderly with Housing Problems by Income Level	140		410		200		100		90		940

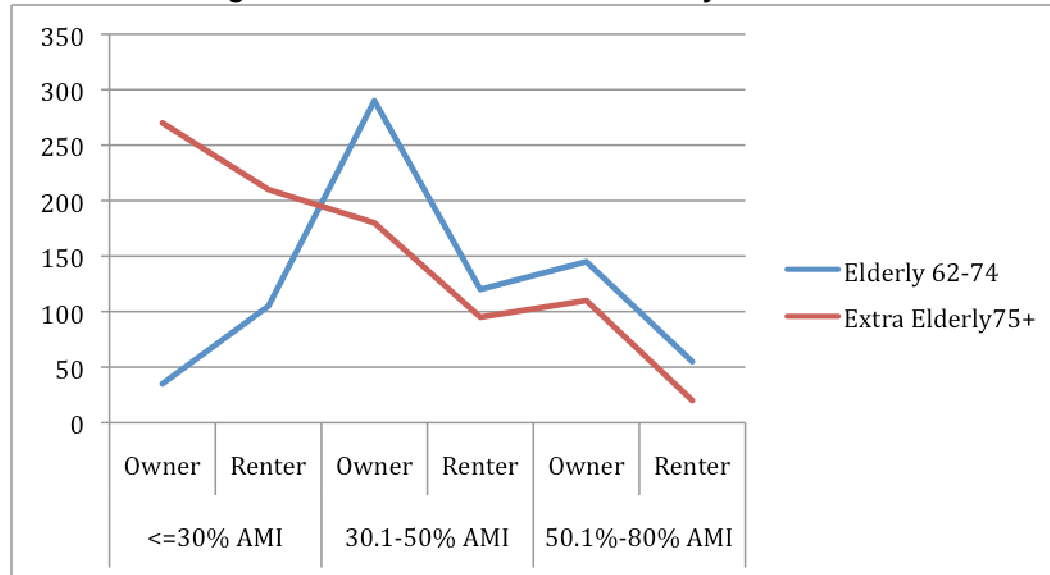
<sup>22</sup> ESRI Ibid.

<sup>23</sup> CHAS/ACS 2009 Table 5

<sup>24</sup> CHAS/ACS 2009 Table 5

Total Extra-Elderly with Housing Problems by Income Level	480	275	130	35	15	935
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**Chart 6: Housing Problems for Low Income Elderly**



### Housing Problems for Families

**Definition:** Families are households with at least one child under the age of 18. Non-family households are composed of unrelated individuals.

**Observations:** Both small and large households in the City are at some risk for having housing problems, with the dominant problem being cost burden. The table below shows the impact of housing problems on families of different types. Small households (families of four or fewer persons) dominate the landscape. The table also shows that overall the proportion of families who are owners tend to have more housing problems than those who are renters. In particular, small owner families with 2 parents have significantly more housing problems than renters in the same group.

**Table 12: Housing Problems by Family Type<sup>25</sup>**

	Family, 1 Parent		Family, 2 Parents		Non-Family		Total Family		Total
Family Size with Housing Problems									
	Own	Rent	Own	Rent	Own	Rent	Own	Rent	All
Small - 4 or fewer	720	1,115	1,745	495	1,660	1,950	2,465	1,610	7,685

<sup>25</sup> CHAS/ACS 2009 Table 4

Large - 5 or more	145	75	470	90	0	40	615	165	820
<b>Total</b>	865	1,190	2,215	585	1,660	1,990	3,080	1,775	8,505
<b>Family Size with No Housing Problems</b>									
	Own	Rent	Own	Rent	Own	Rent	Own	Rent	All
Small - 4 or fewer	1,270	775	5,305	1,180	2,365	1,825	6,575	1,955	12,720
Large - 5 or more	70	120	775	20	0	0	845	140	985
<b>Total</b>	1,340	895	6,080	1,200	2,365	1,825	7,420	2,095	13,705
<b>Family Size with Housing Problems as a % of All Families in Type</b>									
	Own	Rent	Own	Rent	Own	Rent	Own	Rent	All
Small - 4 or fewer	16.72%	25.90%	17.31%	4.91%	20.51%	24.09%	17.14%	11.19%	34.19%
Large - 5 or more	3.37%	1.74%	4.66%	0.89%	0.00%	0.49%	4.28%	1.15%	3.65%

### **Housing Problem Severity**

**Definition:** *Housing problem severity is defined as a housing unit which is substandard: lacking complete plumbing or kitchen facilities, severely over-crowded: with 1.51 or more persons per room, or severely cost-burdened: housing cost-burden over 50%.*

**Observation:** Home renters and owners who are at income levels below 80% of median income face housing problems such as sub-standard housing, severe over-crowding and severe cost-burden. 62% of the City's ELI population is severely cost burdened. 76% of extremely low-income renters are severely cost burdened, compared to 23% of very low-income renter households and 1% of low-income renter households. As the table shows clearly, the major problem facing Haverhill is the severe cost burden for extremely low income rental households (paying more than 50% of household income for housing). The City needs to assist these households in any way that it can. The major resource available is public housing and HCV vouchers. To some extent, HOME and other affordable housing programs could help, but they tend to target households above 30% of median.

**Table 13a: Housing Problem Severity<sup>26</sup>**

	Extremely Low Income <=30% AMI	Very Low Income 30.1-50% AMI	Low Income 50.1%-80% AMI	Total <=80% AMI	Total All <=80% AMI

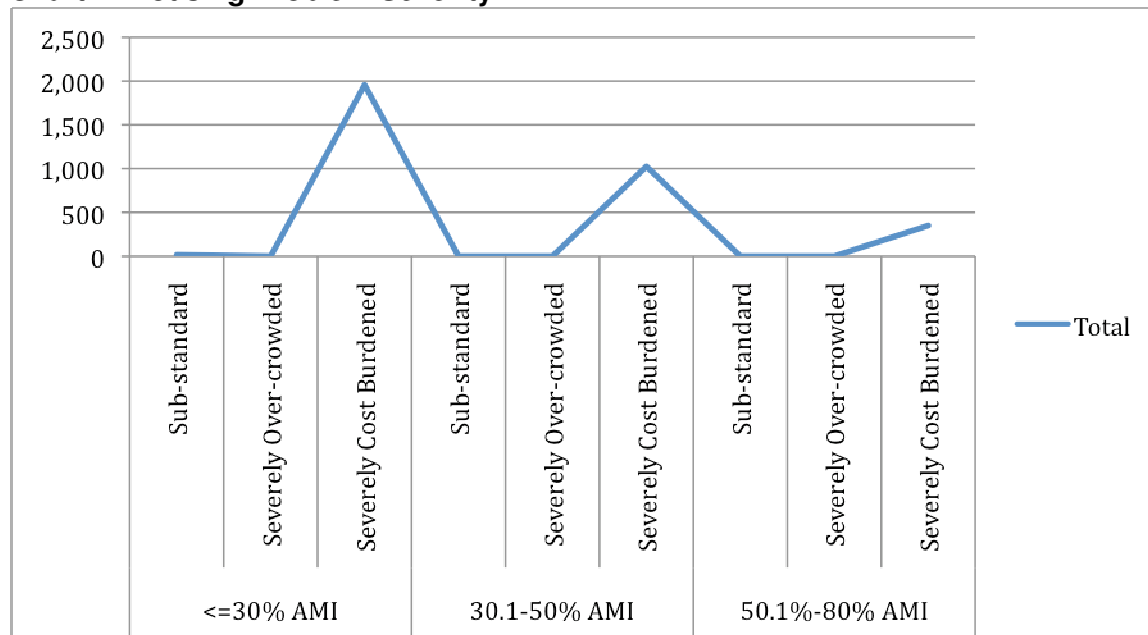
<sup>26</sup> CHAS/ACS 2009 Table 3

Severe Housing Problems	Sub-standard	Severely Over-crowded	Severely Cost Burdened	Sub-standard	Severely Over-crowded	Severely Cost Burdened	Sub-standard	Severely Over-crowded	Severely Cost Burdened	Sub-standard	Severely Over-crowded	Severely Cost Burdened	
Own	0	0	490	0	0	590	0	0	330	0	0	1,410	1,410
Rent	15	0	1,465	0	0	435	0	0	20	15	0	1,920	1,935
Total	15	0	1,955	0	0	1,025	0	0	350	15	0	3,330	3,345

**Table 13b: Housing Problem Severity<sup>27</sup>**

	Moderate Income (80.1%-95% AMI)			Mid-Level Income (>95.1% AMI)			Total All >80.1% AMI	Total All HHs with Severe Housing Problems
Severe Housing Problems	Sub-standard	Severely Over-crowded	Severely Cost Burdened	Sub-standard	Severely Over-crowded	Severely Cost Burdened	<=80% AMI	
Owner	0	0	95	20	0	20	115	1,525
Renter	0	0	0	0	0	0	0	1,920
Total	0	0	95	20	0	20	115	3,445

**Chart 7: Housing Problem Severity<sup>28</sup>**



### **Cost-Burden and Severe Cost-Burden**

Definition: As noted above, households which suffer severe cost-burden have a housing cost burden of greater than 50%. Moderate

<sup>27</sup> CHAS/ACS 2009 Table 3

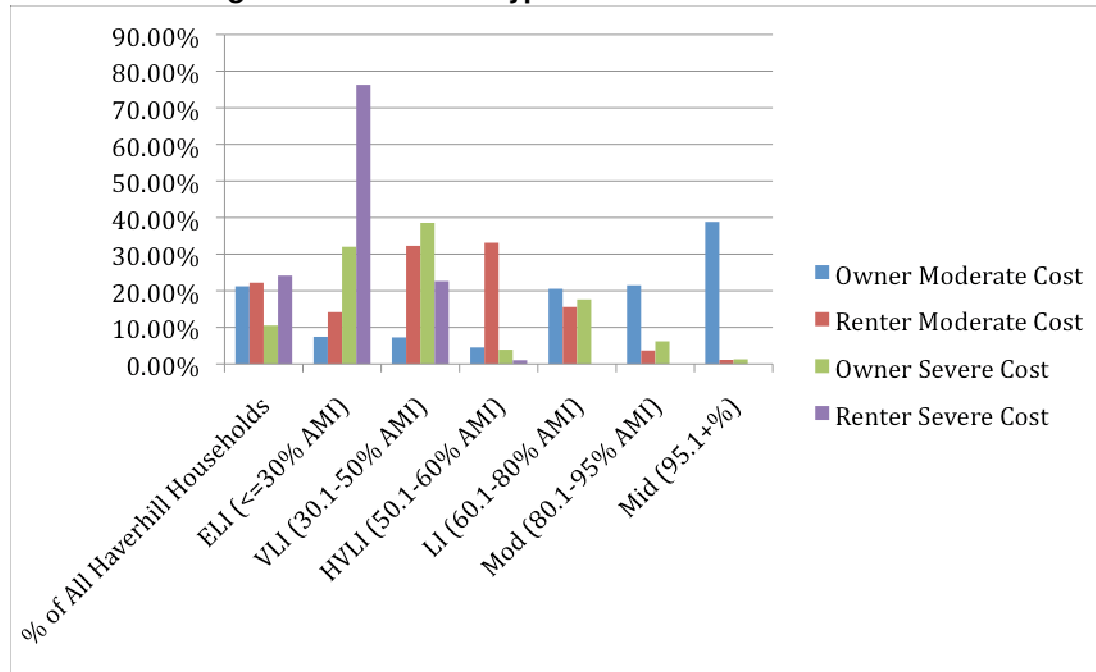
<sup>28</sup> CHAS/ACS 2009 Table 3

*cost-burden is considered to be a housing cost burden that is greater than 30% but less than or equal to 50%. Households that do not have a cost-burden have housing costs that are less than or equal to 30% of their monthly gross income.*

**Observations:** As noted above, the dominant housing problem facing Haverhill residents, is housing cost-burden. 15% of all households have severe cost burdens and renters are more commonly afflicted than owners. 22% have moderate cost burdens with almost 65% of these being owners. The proportion of households with no cost burden is predominantly (71%) owners. Overall renters have a slightly higher rate of severe and moderate cost burden across the different households types. The following chart illustrates the cost burdens for all owners and renters in Haverhill in 2008. It is likely than any changes since then will have resulted in higher instances of both moderate and severe cost burden, given the further downturn in the economy.

The following chart illustrates the housing cost burdens for both owners and renters at the various income levels. Further documentation is provided in a series of tables that follow this chart.

**Chart 8: Housing Cost Burdens of Types of Households in Haverhill**



**Table 14a: Cost-Burden by Household Type<sup>29</sup>**

	<b>Small Family, elderly</b>		<b>Small Family, Non-Elderly</b>		<b>Large Family</b>		<b>All Other HHs</b>		<b>Total</b>		<b>Total</b>
	Own	Rent	Own	Rent	Own	Rent	Own	Rent	Own	Rent	All
Severe Cost Burden	180	60	530	945	145	0	690	925	1,545	1,930	3,475
Moderate Cost Burden	200	110	1,630	530	315	90	965	1,065	3,110	1,795	4,905
No Cost Burden	1,445	140	5,165	1,895	900	100	2,370	1,825	9,880	3,960	13,840
Total	1,825	310	7,325	3,385	1,360	190	4,045	4,050	14,555	7,935	22,490

The following table analyzes the cost burden distribution in more detail.

The first table shows the moderate cost burden distribution and indicates that renters earning less than 80% of median income and low, moderate, and middle income owners comprise the greatest proportion of those paying between 30 and 50% of their income for housing.

**Table 14b: Moderate Cost Burden by Tenure<sup>30</sup>**

	<b>Own</b>	<b>%</b>	<b>Rent</b>	<b>%</b>	<b>All</b>	<b>%</b>
<b>All HH</b>	14,550		7,945		22,495	
<b>All Moderate Cost Burden (30-50% of HH Income)</b>	3,090	21.24%	1,765	22.22%	4,855	21.58%
<b>ELI (&lt;=30% AMI)</b>	230	7.44%	250	14.16%	480	2.13%
<b>VLI (30.1-50% AMI)</b>	225	7.28%	570	32.29%	795	3.53%
<b>HVLI (50.1-60% AMI)</b>	140	4.53%	585	33.14%	725	3.22%
<b>LI (60.1-80% AMI)</b>	635	20.55%	275	15.58%	910	4.05%
<b>Mod (80.1-95% AMI)</b>	665	21.52%	65	3.68%	730	3.25%
<b>Mid (95.1+%)</b>	1,200	38.83%	20	1.13%	1,220	5.42%

The second table shows the severe cost burden distribution and indicates that extremely low and low income owners and renters comprise the greatest proportion of those paying over 50% of their income for housing. Low income owners also have an elevated rate of severe housing cost burden, however, extremely low income renters have the highest rate of severe cost burden in the City.

**Table 14c: Severe Cost Burden by Tenure<sup>31</sup>**

	<b>Own</b>	<b>%</b>	<b>Rent</b>	<b>%</b>	<b>All</b>	<b>%</b>
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<sup>29</sup> CHAS/ACS 2009 Table 7

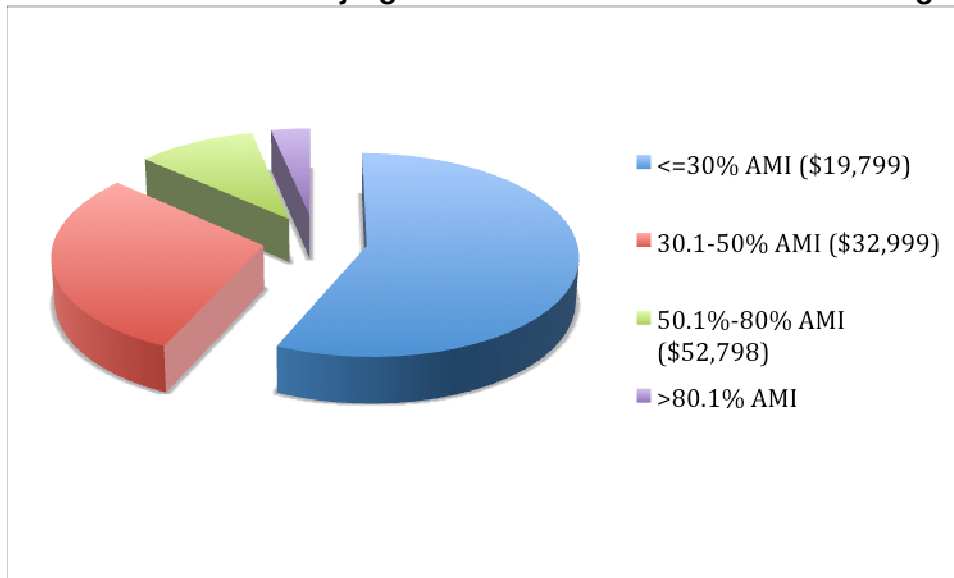
<sup>30</sup> Ibid Table 3

<sup>31</sup> Ibid Table 3

	Own	%	Rent	%	All	%
All HH	14,550		7,945		22,495	
All Severe Cost Burden (>50% of HH Income)	1,530	10.52%	1,920	24.17%	3,450	15.34%
ELI (<=30% AMI)	490	32.03%	1,465	76.30%	1,955	8.69%
VLI (30.1-50% AMI)	590	38.56%	435	22.66%	1,025	4.56%
HVLI (50.1-60% AMI)	60	3.92%	20	1.04%	80	0.36%
LI (60.1-80% AMI)	270	17.65%	0	0.00%	270	1.20%
Mod (80.1-95% AMI)	95	6.21%	0	0.00%	95	0.42%
Mid (95.1+% AMI) as a % of all Moderate Cost HHs	20	1.31%	0	0.00%	20	0.09%

The following chart illustrates this cost burden distribution.

**Chart 9: Households Paying more than 50% of Income for Housing<sup>32</sup>**



### **Substandard Housing**

**Definition:** *Substandard housing, another housing problem, is when a housing unit lacks complete kitchen or plumbing facilities. Standard housing is when the housing unit has both complete kitchen and complete plumbing facilities.*

**Observations:** The following table describes the households, by income level, who suffer severe, moderate, or no cost burden while living in substandard housing. While housing-cost burden is a problem for all income levels, it is clear that there are very few households with cost burdens living in substandard housing. There is a very small proportion of extremely low income renters that are experiencing

<sup>32</sup> Ibid. Table 3



severe cost burden and live in substandard housing. This further underscores the need to focus on cost relief rather than on housing conditions.

**Table 15: Cost Burden by Income<sup>33</sup>**

	<=30% AMI		30.1-50% AMI		50.1%-80% AMI		Total <=80% AMI		Total	80.1%+ AMI		Total
Sub-standard	Own	Rent	Own	Rent	Own	Rent	Own	Rent	<=80% AMI	Own	Rent	All
Severe Cost Burden	0	15	0	0	0	0	0	15	15	0	0	15
Moderate Cost Burden	0	0	0	0	0	0	0	0	0	0	0	0
No Cost Burden	0	0	0	0	20	0	20	0	20	20	0	20
<b>Total</b>	0	15	0	0	0	0	0	15	15	20	0	35
Standard	Own	Rent	Own	Rent	Own	Rent	Own	Rent	Own	Own	Rent	All
Severe Cost Burden	490	1,465	590	435	350	20	1,430	1,920	3,350	115	0	3,465
Moderate Cost Burden	230	250	225	590	775	875	1,230	1,715	2,945	1,880	85	4,910
No Cost Burden	90	495	455	350	895	1,120	1,440	1,965	3,405	8,420	2,140	13,965
<b>Total</b>	830	2,325	1,270	1,375	2,020	2,015	4,120	5,715	9,835	10,415	2,225	22,475

### **Overcrowding**

**Definition:** *No overcrowding is when there is one person or less per room. Moderate overcrowding occurs when there is more than one person per room but less than or equal to 1.5 people. Severe overcrowding occurs when there are more than 1.5 people per room in the housing unit. A one-family household is a family household with no subfamilies. However a 2+ family household is a multi-family household composed of more than one family or subfamily. Non-family households are composed of unrelated individuals.*

**Observations:** The following three tables document overcrowding by tenure status, household income level, and family status. In the City, one family households are not at particular risk for moderate or severe

<sup>33</sup> CHAS/ACS 2009 Table 8

overcrowding, regardless of household income level. In general, 2+ families and non-family households do not face overcrowding risk either. It should be noted that since 2008, when this data was developed, there has been some loss of jobs, some loss of income and some loss of housing. It would not be surprising for the Census 2010 to show a rise in over-crowding as families “double up”, which has been reported anecdotally by local service and housing organizations.

**Table 16: Overcrowding<sup>34</sup>**

	<=30% AMI		30.1-50% AMI		50.1%-80% AMI		Total <=80% AMI		Total	80.1%+ AMI		Total
<b>1 Family Structure</b>	Own	Rent	Own	Rent	Own	Rent	Own	Rent	<=80 % AMI	Own	Rent	All
<b>1 Family HH</b>												
No Overcrowding	325	1,120	580	455	1,375	980	2,280	2,555	4,835	7,875	1,240	13,950
Moderate Overcrowding	0	0	0	20	20	40	20	60	80	65	0	145
Severe Overcrowding	0	0	0	0	0	0	0	0	0	0	0	0
Total	325	1,120	580	475	1,395	1,020	2,300	2,615	4,915	7,940	1,240	14,095
<b>2+ Family HH</b>	Own	Rent	Own	Rent	Own	Rent	Own	Rent	<=80 % AMI	Own	Rent	All
No Overcrowding	0	0	0	20	15	0	15	20	35	225	0	260
Moderate Overcrowding	0	15	0	0	0	0	0	15	15	20	0	35
Severe Overcrowding	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	15	0	20	15	0	15	35	50	245	0	295
<b>Non-Family HH</b>	Own	Rent	Own	Rent	Own	Rent	Own	Rent	<=80 % AMI	Own	Rent	All
No Overcrowding	500	1,195	685	880	605	1,000	1,790	3,075	4,865	2,250	985	8,100
Moderate Overcrowding	0	0	0	0	0	0	0	0	0	0	0	0
Severe Overcrowding	0	0	0	0	0	0	0	0	0	0	0	0
Total	500	1,195	685	880	605	1,000	1,790	3,075	4,865	2,250	985	8,100

*2. To the extent that any racial or ethnic group has a disproportionately greater need for any income category in comparison to the needs of that category as a whole, the jurisdiction must complete an assessment of that specific need. For this purpose, disproportionately greater need exists when the percentage of persons in a category of need who are members of a particular racial or ethnic*

<sup>34</sup> CHAS/ACS 2009 Table 10

group is at least ten percentage points higher than the percentage of persons in the category as a whole.

Utilizing CHAS/ACS data from HUD (2009) we have developed the following information about the housing needs of racial and ethnic groups:

The City's Hispanic population in 2009 is estimated to be 14% and is expected to grow 99% between 2000 and 2014. As the largest minority group in the City it should be examined in terms of need and prospective demand on the limited CDBG resources of the City.

**Table 17: Race and Ethnicity in Haverhill 2000, 2009, 2014<sup>35</sup>**

	2000	2009	2014	Change 2000-2014
White Alone	89.7%	85.1%	82.0%	-5.93%
Black Alone	2.4%	3.1%	3.5%	51.37%
American Indian Alone	0.2%	0.3%	0.3%	31.78%
Asian Alone	1.4%	2.1%	2.6%	94.13%
Pacific Islander Alone	0.0%	0.0%	0.0%	66.67%
Some Other Race Alone	4.3%	6.8%	8.6%	104.69%
Two or More Races	2.0%	2.6%	3.0%	55.05%
Hispanic Origin (Any Race)	8.8%	13.6%	17.0%	99.38%

The following table examines housing unit problems by income level and race. As a whole, White and Hispanic renters and owners have comparable housing problems.

**Table 18: Housing Needs by Race<sup>36</sup>**

	<=30% AMI		30.1-50% AMI		50.1%-80% AMI		Total <=80% AMI		Total
Race with Housing Problems									
	Own	Rent	Own	Rent	Own	Rent	Own	Rent	<=80% AMI
White	670	1,195	775	775	995	790	2,440	2,760	5,200
Black	0	95	0	0	95	0	95	95	190
Asian	0	0	15	0	0	0	15	0	15
American Indian	0	0	0	0	0	0	0	0	0
Pacific Islander	0	0	0	0	0	0	0	0	0
Hispanic	55	450	20	250	35	130	110	830	940
Other	0	0	0	0	0	0	0	0	0
Total	670	1,195	775	775	995	790	2,440	2,760	5,200

<sup>35</sup> ESRI Ibid

<sup>36</sup> CHAS/ACS 2009 Table 1

	<=30% AMI		30.1-50% AMI		50.1%-80% AMI		Total <=80% AMI		Total
Race with No Housing Problems									
	Own	Rent	Own	Rent	Own	Rent	Own	Rent	<=80% AMI
White	90	350	440	255	850	720	1,380	1,325	2,705
Black	0	0	0	0	0	0	0	0	0
Asian	0	15	4	0	0	0	4	15	19
American Indian	0	0	10	0	0	65	10	65	75
Pacific Islander	0	0	0	0	0	0	0	0	0
Hispanic	0	110	0	15	45	260	45	385	430
Other	0	0	0	20	0	0	0	20	20
Total	90	475	454	290	895	1,045	1,439	1,810	3,249
Total All	835	2,330	1,264	1,375	2,020	2,020	4,119	5,725	9,844
% of Owner or Renter Population									
	Own	Rent	Own	Rent	Own	Rent	Own	Rent	<=80% AMI
	5.74%	29.33%	8.69%	17.31%	13.88%	25.42%	28.31%	72.06%	43.76%

<b>80.1%+ AMI</b>			
<b>Race with Housing Problems</b>			
	Own	Rent	All
White	1,875	85	7,160
Black	50	0	240
Asian	20	0	35
American Indian	0	0	0
Pacific Islander	0	0	0
Hispanic	90	0	1,030
Other	45	0	45
<b>Total</b>	2,080	85	8,510
<b>Race with No Housing Problems</b>			
	Own	Rent	All
White	7,715	1,820	12,240
Black	160	0	160
Asian	95	80	194
American Indian	25	0	100
Pacific Islander	0	0	0

80.1%+ AMI			
Hispanic	220	155	805
Other	135	60	215
<b>Total</b>	8,350	2,115	13,714
<b>Total All</b>	10,430	2,225	22,499
% of Owner or Renter Population			
	Own	Rent	All
	71.68%	28.01%	100.00%

The table below shows the proportion of housing problems by income group for each racial and ethnic group in the City. Housing problems exist across households, regardless of race. The only group with a disproportionate share of housing problems is that of extremely low income Hispanic renters. 19% of Hispanic ELI renters have housing problems, compared to the threshold of 18%.

**Table 19: Percentage of HHs with Housing Problems by Race<sup>37</sup>**

Race with Housing Problems	<=30% AMI		30.1-50% AMI		50.1%-80% AMI		Total <=80% AMI		Total
	Owner	Renter	Owner	Renter	Owner	Renter	Owner	Renter	<=80% AMI
White	80.24%	51.29%	61.31%	56.36%	49.26%	39.11%	59.24%	48.21%	52.82%
Black	0.00%	4.08%	0.00%	0.00%	4.70%	0.00%	2.31%	1.66%	1.93%
Asian	0.00%	0.00%	1.19%	0.00%	0.00%	0.00%	0.36%	0.00%	0.15%
American Indian	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Pacific Islander	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Hispanic	6.59%	19.31%	1.58%	18.18%	1.73%	6.44%	2.67%	14.50%	9.55%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Race with Housing Problems	80.1%- 95% AMI		95.1%+ AMI	
	Owner	Renter	Owner	Renter
White	50.00%	14.13%	12.68%	1.13%
Black	2.36%	0.00%	0.17%	0.00%
Asian	0.00%	0.00%	0.22%	0.00%
American Indian	0.00%	0.00%	0.00%	0.00%

<sup>37</sup> HUD CHAS/ACS Table 1

Pacific Islander	0.00%	0.00%	0.00%	0.00%
Hispanic	0.00%	0.00%	1.01%	0.00%
Other	0.00%	0.00%	0.50%	0.00%

The impact of severe housing problems including substandard housing, severe overcrowding and severe cost-burden affect all ethnicities in Haverhill. When examined closer by race and ethnic group, the distribution of severe housing problems by race and ethnic group does not vary from that of the overall population.

**Table 20: Severe Housing Needs by Race<sup>38</sup>**

% of Total	<=30% AMI		30.1-50% AMI		50.1%-80% AMI		Total <=80% AMI		Total
Race with Severe Housing Problems	Own	Rent	Own	Rent	Own	Rent	Own	Rent	<=80% AMI
White	54.22%	45.06%	46.64%	27.01%	12.87%	0.99%	31.59%	25.17%	27.86%
Black	0.00%	4.08%	0.00%	0.00%	2.72%	0.00%	1.34%	1.66%	1.53%
Asian	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
American Indian	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Pacific Islander	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Hispanic	4.82%	14.16%	0.00%	4.74%	1.73%	0.00%	1.82%	6.91%	4.78%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

	80.1%- 95% AMI		95.1%+ AMI	
Race with Housing Problems	Owner	Renter	Owner	Renter
White	6.42%	0.00%	0.45%	0.00%
Black	0.00%	0.00%	0.00%	0.00%
Asian	0.00%	0.00%	0.00%	0.00%
American Indian	0.00%	0.00%	0.00%	0.00%
Pacific Islander	0.00%	0.00%	0.00%	0.00%
Hispanic	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%

As we noted above, housing cost-burden proved to be the most significant housing problem in the City for low income households.

<sup>38</sup> CHAS/ACS Table 2

**Table 21a: Cost Burden by Race (Numbers)<sup>39</sup>**

Race	Severe Cost Burden		Moderate Cost Burden		No Cost Burden		Total Moderate and Severe		Total
	Owner	Renter	Owner	Renter	Owner	Renter	Owner	Renter	
White	1,420	1,440	2,855	1,365	9,135	3,190	4,275	2,805	19,660
Black	55	95	90	0	160	0	145	95	400
Asian	0	0	15	0	125	95	15	0	235
American Indian	0	0	0	0	35	65	0	0	100
Pacific Islander	0	0	0	0	0	0	0	0	0
Hispanic	70	395	100	435	290	535	170	830	1,840
Other	0	0	45	0	135	80	45	0	260
<b>Total</b>	<b>1,545</b>	<b>1,930</b>	<b>3,105</b>	<b>1,800</b>	<b>9,880</b>	<b>3,965</b>	<b>4,650</b>	<b>3,730</b>	<b>22,495</b>

As mentioned previously, extremely low income Hispanic renters have a disproportionate share of housing problems. The table below shows that Hispanic renters also have a disproportionate share of households with severe and moderate housing cost burdens. 20% of Hispanic renter households have severe cost burden, and 24% have moderate cost burden, both of which are above the threshold of 18%.

**Table 21b: Cost Burden by Race (Percentages)<sup>40</sup>**

Race	Severe Cost Burden		Moderate Cost Burden		No Cost Burden		Total Moderate and Severe		Total
	Owner	Renter	Owner	Renter	Owner	Renter	Owner	Renter	<=80% AMI
White	91.91%	74.61%	91.95%	75.83%	92.46%	80.45%	91.94%	75.20%	87.40%
Black	3.56%	4.92%	2.90%	0.00%	1.62%	0.00%	3.12%	2.55%	1.78%
Asian	0.00%	0.00%	0.48%	0.00%	1.27%	2.40%	0.32%	0.00%	1.04%
American Indian	0.00%	0.00%	0.00%	0.00%	0.35%	1.64%	0.00%	0.00%	0.44%
Pacific Islander	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Hispanic	4.53%	20.47%	3.22%	24.17%	2.94%	13.49%	3.66%	22.25%	8.18%
Other	0.00%	0.00%	1.45%	0.00%	1.37%	2.02%	0.97%	0.00%	1.16%

### **Summary Conclusion**

The attached CPMP data tables and the tables in this document, quantify the estimated number of households who have housing problems, especially rent and ownership burdens.

Housing problems are large for very low and extremely low income

<sup>39</sup> CHAS/ACS Table 9

<sup>40</sup> CHAS/ACS Table 9

renters and then skew towards low income owners between 50% and 80% of median. Nearly two thirds of the extremely low income renters with housing problems have incomes below 20% of median. This is a challenge.

Looking more closely at sub-populations, we know that almost all of the disabled with housing problems are below 80% median. Of these 1,160 households more than 50% are below 30% median.

The picture is similar for the elderly, where 87% of the elderly with housing problems are below 80% median. The total number of elderly households with housing problems is 1,870, with more extra-elderly (75+) households with housing problems than elderly.

Small families rather than large families dominate the housing problems in the City.

The Housing Needs Analysis shows that the most dominant problem facing households in Haverhill is the cost burden of housing. 15% of the City's households are paying more than 50% of their income for housing – an astonishing percentage. If one looks at those with incomes below 30% median, the percentage rises to 62%.

Therefore the preservation of existing rental units which are subsidized, as well as those affordable rental units provided by private landlords, is a critical strategy for the City. Rehab and other preservation approaches are also important. Lowering utility costs through retrofitting of energy and water improvements, can assist low income owners and renters. Assistance with repairs to properties, especially those occupied by low income elderly, can also be effective.

Finally, the disproportionate share of housing problems faced by extremely low income (<30% median income) Hispanic renters requires special consideration. Also Black renters in the City have disproportionate share of severe housing cost burden (more than 50% of income) and moderate housing cost burden (between 30% and 50% of income). The City will address these significant problems in its strategies.

### Priority Housing Needs (91.215 (b))

1. *Identify the priority housing needs and activities in accordance with the categories specified in the Housing Needs Table (formerly Table 2A). These categories correspond with special tabulations of U.S.*



*Census data provided by HUD for the preparation of the Consolidated Plan.*

- 2. Provide an analysis of how the characteristics of the housing market and the severity of housing problems and needs of each category of residents provided the basis for determining the relative priority of each priority housing need category.*

*Note: Family and income types may be grouped in the case of closely related categories of residents where the analysis would apply to more than one family or income type.*

- 3. Describe the basis for assigning the priority given to each category of priority needs.*
- 4. Identify any obstacles to meeting underserved needs.*

#### 5 Year Strategic Plan Priority Housing Needs response:

- 1. Identify the priority housing needs and activities in accordance with the categories specified in the Housing Needs Table (formerly Table 2A). These categories correspond with special tabulations of U.S. Census data provided by HUD for the preparation of the Consolidated Plan.*

The priorities and specific objectives were developed from the 2009 CHAS data supplied by HUD from the ACS census of 2006-2008, with additional data sources from national data collection organizations, from state agencies and from local data sources.

In addition, the City conducted a survey of and interviews with organizations and departments which provide housing and other services in the area and also conducted meetings with many of these to discuss needs and priorities from their perspective. These are listed in the Priority Needs Analysis and Strategies Section above.

The City's experience over the last five years has provided a detailed understanding of the needs in the City and what strategies have been most effective.

The following indicates how the High, Medium and Low descriptors were assigned to the Objectives or Strategies.

**Table 22: Priority Housing Needs and Activities**

HOUSING ACTIVITY	PRIORITY	TARGET POPULATION
<b>GOAL 1A: MAINTAIN AND PRESERVE HOUSING STOCK</b>		
<b>Objectives:</b>		
1. Rehabilitation of owner occupied inner city target housing units in one to four family dwellings.	High	All ELI, VLI and LI HHs
2. Support and provide financing for multi-family housing developments, expedite city approval process.	High	All ELI, VLI and LI HHs
3. Lead Abatement activities in one to four family dwellings and reduction in childhood lead hazards.	High	All ELI, VLI and LI HHs
4. Lead Abatement activities in investor owned multi-family properties.	High	All ELI, VLI and LI HHs
5. Rehabilitation of structures for homeless and special needs populations.	High	All ELI, VLI and LI HHs
6. Rehabilitation of rental housing projects with the cooperation of MHP programs.	High	All ELI, VLI and LI HHs
7. Provide for Heating Assistance to eligible households.	High	All ELI, VLI and LI HHs
<b>GOAL 1B: EXPAND THE SUPPLY AND TYPE OF AFFORDABLE HOUSING</b>		
<b>Objectives:</b>		
1. Build the capacity of area non-profit housing developers to further affordable housing production goals.	High	All ELI, VLI and LI HHs
2. Update city ordinances that mandate inclusionary housing goals for new market-rate housing development.	High	All ELI, VLI and LI HHs
3. Provide homebuyer counseling and downpayment and closing cost assistance to low and moderate income first time homebuyers with city and privately provided financing.	High	All ELI, VLI and LI HHs

HOUSING ACTIVITY	PRIORITY	TARGET POPULATION
4. Assess city owned properties for the potential to be converted to affordable housing.	High	All ELI,VLI and LI HHs
<b>GOAL 1C: PROVIDE BASIC SHELTER AND SERVICES FOR HOMELESS INDIVIDUALS AND THEIR FAMILIES</b>		
<b>Objectives:</b>		
1. Improve outreach and access to supportive services.	High	All ELI,VLI and LI HHs
2. Increase coordination among Haverhill service providers of resources.	High	All ELI,VLI and LI HHs
3. Stabilize the number of individuals and families at risk of becoming homeless.	High	All ELI,VLI, LI, and homeless HHs
4. Reduce the number of individuals who are hungry and without shelter.	High	All ELI,VLI, LI, and homeless HHs
5. Increase access to child care and transportation services.	High	All ELI,VLI, LI, and homeless HHs
6. Increase individuals completing job training programs for employment.	High	All ELI,VLI and LI HHs

2. *Provide an analysis of how the characteristics of the housing market and the severity of housing problems and needs of each category of residents provided the basis for determining the relative priority of each priority housing need category*

Although the City is committed to the production of both rental and home ownership units, it also recognizes the need to ensure that existing units provide a decent and safe living environment. To this end, the City uses local housing rehab programs funded from CDBG and other funds. Additionally, the City of Haverhill will support programs which acquire and rehabilitate foreclosed properties.

The City has developed its priorities from the data analysis described above including the information in the *Market Analysis, Lead Based*

*Paint, Homeless and Non-Homeless Special Needs* sections in this Plan, where the analysis and characteristics are detailed.

In addition, during the time this Plan was developed (November 2009 – April 2010), it has become clear that the communities and households are continuing to experience major changes in their incomes and housing costs. In general housing values continue to decline, which makes it likely that acquisition, purchasing assistance and rehabilitation may be more effective strategies than new construction.

However, this same economic crisis is resulting in stagnant incomes and in many cases, loss of jobs and reduced job opportunities. While one cannot assume that these conditions will continue for the next 5 years, they will affect the environment for this plan.

*3. Describe the basis for assigning the priority given to each category of priority needs.*

Based on the data analyses and supported by information from service providers, the households with the greatest cost burdens (households paying more than 50% of income for housing), are for those whose income is less than 30% of median income. This group makes up 9% of all households in Haverhill. This group is 25% owners and 75% renters. For those with incomes between 50% and 80% of median income, it is comprised of more owners than renters. Overall, (even though housing's physical conditions are a minor issue compared with housing costs), elderly owners and renters and small family owners have the greatest proportion of physical housing problems. Finally, the analysis shows that there is a disproportionate share of extremely low income Hispanic renters with housing problems, as well as a disproportionate share of Hispanic renters who are experiencing severe and moderate cost burden.<sup>41</sup>

The basis for assigning priorities is that analysis.

These problem areas identified, will be the focus of funding in the next 5 years unless new census 2010 and other data justify changes.

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<sup>41</sup> HUD Definition: "To the extent that any racial or ethnic group has a disproportionately greater need for any income category in comparison to the needs of that category as a whole, the jurisdiction must complete an assessment of that specific need. For this purpose, disproportionately greater need exists when the percentage of persons in a category of need who are members of a particular racial or ethnic group is at least ten percentage points higher than the percentage of persons in the category as a whole"

*4. Identify any obstacles to meeting underserved needs.*

As noted elsewhere in other sections of this plan, the major obstacle to meeting underserved needs is the disproportion between the need and the resources available, which is being further exacerbated by the declining economy, loss of jobs, declining state revenues for housing subsidies and the collapse of the mortgage market. In meetings with agencies to prepare this plan, it became apparent that people who normally do not access the services of the housing and social service organizations, have been doing so in increasing numbers because of the economic crisis. The CDD has been working to allocate resources effectively but this increased demand places particular pressure on the City to provide support to prevent family disintegration and loss of housing. Although the CDD assists multiple organizations through public service funding and public facilities projects, the need has increased over the last few years to .

### Housing Market Analysis (91.210)

\*Please also refer to the Housing Market Analysis Table in the Needs.xls workbook

- 1. Based on information available to the jurisdiction, describe the significant characteristics of the housing market in terms of supply, demand, condition, and the cost of housing; the housing stock available to serve persons with disabilities; and to serve persons with HIV/AIDS and their families. Data on the housing market should include, to the extent information is available, an estimate of the number of vacant or abandoned buildings and whether units in these buildings are suitable for rehabilitation.*
- 2. Describe the number and targeting (income level and type of household served) of units currently assisted by local, state, or federally funded programs, and an assessment of whether any such units are expected to be lost from the assisted housing inventory for any reason, (i.e. expiration of Section 8 contracts).*
- 3. Indicate how the characteristics of the housing market will influence the use of funds made available for rental assistance, production of new units, rehabilitation of old units, or acquisition of existing units. Please note, the goal of affordable housing is not met by beds in nursing homes.*

5 Year Strategic Plan Housing Market Analysis responses:

*1. Based on information available to the jurisdiction, describe the significant characteristics of the housing market in terms of supply, demand, condition, and the cost of housing; the housing stock available to serve persons with disabilities; and to serve persons with HIV/AIDS and their families. Data on the housing market should include, to the extent information is available, an estimate of the number of vacant or abandoned buildings and whether units in these buildings are suitable for rehabilitation.*

### **Overview**

"Need" is difficult to define. The market forces of supply and demand have been the engines that have created disparities from time to time. For example, Massachusetts encountered an economic recession in 1990-1993 which resulted in a decline in housing production and an actual decline in market rents and housing prices. The opposite was true in the period 1998-2007. Now we have entered a period seemingly worse than the downturn in 1990-1993 and according to some labor economists, rivaling that of the Great Depression for certain income groups. The City has seen a decline in residential construction, as financing has declined and housing foreclosures have increased.

When one examines more closely who benefited from the recent housing 'boom' and who is now being impacted by its decline, it is clear that many households who had been priced out of the market or who had been faced with increasing the proportion of income they had to set aside for housing, are in mortgage trouble. Moreover, as compensation is stagnant (7% decrease in real wages in the last 3 years) or even cut and as many household members have lost their jobs, it has become difficult to maintain mortgage payments. The first wave of foreclosures were of houses purchased in many cases with sub-prime mortgages. The latest wave are for houses which had adjustable rate mortgages and liberal underwriting standards (so called alt-A mortgages). Rental housing has been impacted by foreclosures. In some cases, rental properties have been abandoned.

For those households above median income, although the cost of housing rose, they still had sufficient income for other basic needs. In housing economics, we refer to this phenomenon as **income elasticity**. Low- income families have less elasticity than higher income families. Thus when the lower income households spend 50%

of income on housing, this results in the neglect of other more basic needs.

### **General Population Characteristics**

The population in Haverhill has been increasing since 2000. However, the rate of growth is expected to slow between 2009 and 2014. The population in Massachusetts is also anticipated to increase marginally between 2009 and 2014.

The following tables summarize the basic characteristics of the City's population.

**Table 23: Population Characteristics<sup>42</sup>**

<b>2000 Total Households</b>	<b>2009 Total Households</b>	<b>2014 Total Households</b>
22,976	23,487	23,651

**Table 24: 2000-2009 & Estimated 2014 Population Change<sup>43</sup>**

	<b>2000 Total Population</b>	<b>2009 Total Population</b>	<b>% Change 2000-2009</b>	<b>2014 Total Population</b>	<b>% Change 2009-2014</b>
Haverhill	58,969	60,345	2.33%	60,677	0.55%
Massachusetts	6,349,097	6,499,354	2.37%	6,543,317	0.68%

### **Housing Characteristics**

The following tables show housing trends between 2000 and 2014. As mentioned previously, Haverhill's population is expected to plateau. The proportions of low and extremely low income households are also expected to remain the same.

**Table 25: Overview of Population and Housing Characteristics<sup>44</sup>**

<b>Summary</b>	<b>2000</b>	<b>2009</b>	<b>2014</b>
Population	58,969	60,345	60,677
Households	22,976	23,487	23,651
Low Income	9,133	9,280	9,267
Extremely Low Income	3,329	3,251	3,205
Families	14,858	15,104	15,166
Average Household Size	2.51	2.51	2.51
Owner Occupied Housing Units	13,823	14,309	14,386

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<sup>42</sup> ESRI forecasts for 2009 and 2014

<sup>43</sup> ESRI *ibid.*

<sup>44</sup> ESRI *ibid.*

<b>Summary</b>	<b>2000</b>	<b>2009</b>	<b>2014</b>
Renter Occupied Housing Units	9,153	9,178	9,265
Median Age	35.5	37.4	37.2
<b>Trends: 2009-2014 Annual Rate</b>	<b>Haverhill</b>	<b>State</b>	<b>National</b>
Population	2.33%	1.30%	0.91%
Households	2.22%	1.73%	0.94%
Families	1.66%	1.40%	0.74%
Owner Households	3.52%	1.90%	1.19%

**Table 26: Racial/Ethnic Composition<sup>45</sup>**

	<b>2000</b>	<b>2009</b>	<b>2014</b>
White Alone	89.7%	85.1%	82.0%
Black Alone	2.4%	3.1%	3.5%
American Indian Alone	0.2%	0.3%	0.3%
Asian Alone	1.4%	2.1%	2.6%
Pacific Islander Alone	0.0%	0.0%	0.0%
Some Other Race Alone	4.3%	6.8%	8.6%
Two or More Races	2.0%	2.6%	3.0%
Hispanic Origin (Any Race)	8.8%	13.6%	17.0%

Haverhill has less diversity than the US as a whole. The Diversity Index summarizes racial and ethnic diversity. The index shows the likelihood that two persons, chosen at random from the same area, belong to different race or ethnic groups. The index ranges from 0 (no diversity) to 100 (complete diversity). For example, the diversity score for Haverhill is 44, which means there is a 44 percent probability that two people randomly chosen from the Haverhill population would belong to different race or ethnic group. The US has a diversity rating of 61.

### **Ownership and Rental Housing**

The table below indicates that while there has been a decline in owner occupied units, some of it can be accounted for by the increase in vacant units. It may be due to the 2007-2009 spate of foreclosures but might also include unsold units of new construction and families who have voluntarily moved out of their homes without selling them.

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<sup>45</sup> ESRI Ibid.



**Table 27: Trends in Tenure for Haverhill<sup>46</sup>**

	<b>2000</b>	<b>2009</b>	<b>2014</b>
Occupied	96.8%	95.2%	95.1%
Owner	58.2%	58.0%	57.9%
Renter	38.6%	37.2%	37.3%
Vacant	3.2%	4.8%	4.9%

**Table 28: Tenure Characteristics<sup>47</sup>**

	<b>2009 Total Housing Units</b>	<b>2009 Owner Occupied HU</b>		<b>2009 Renter Occupied HU</b>		<b>2009 Vacant Housing Units</b>	
		#	%	#	%	#	%
<b>Haverhill</b>	<b>24,671</b>	<b>14,309</b>	<b>58%</b>	<b>9,178</b>	<b>37%</b>	<b>1,184</b>	<b>5%</b>
Massachusetts	2,760,287	1,564,891	57%	952,083	34%	243,313	9%
Total US	131278867	77088155	59%	39435001	30%	14755711	11%

*Note: The data in this table does not reflect the changes which have been occurring since early 2009.*

The table above shows that in general the vacancy rate was less than the national and state average. Generally, housing economists state that a 7% vacancy rate is necessary for an efficient rental market. It is not possible to generate current (2009) data separately for renters versus owners. Renter and owner occupancy rates for the City fluctuated slightly between 2000 and 2009. Renter occupancy experienced a 0.27% increase and owner occupancy a 3.52% increase.

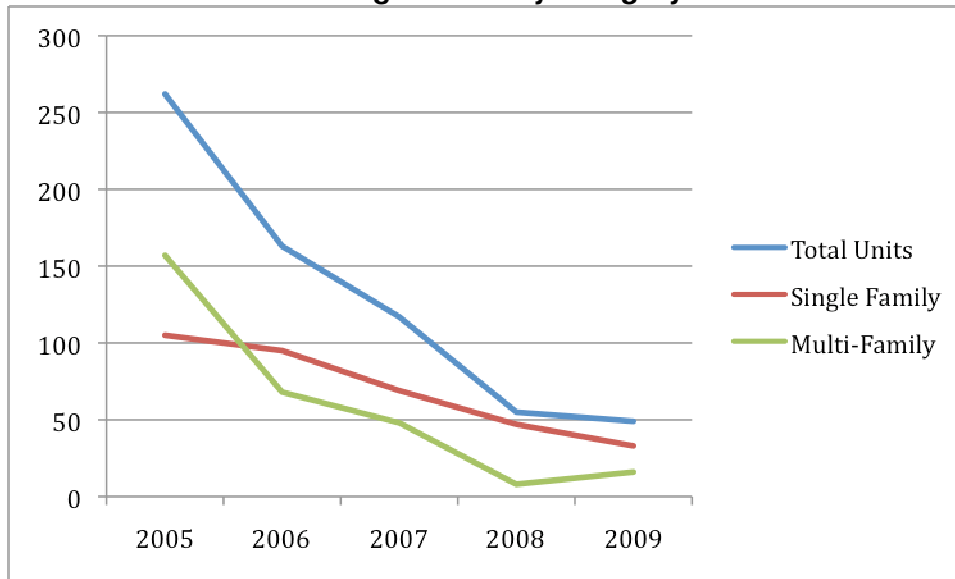
### ***Housing Supply***

There has been a significant decline in the annual rate of housing production over the last 5 years, which has the potential of causing a tightening of the housing market.

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<sup>46</sup> ESRI Ibid.

<sup>47</sup> ESRI Ibid.

**Chart 10: Haverhill Building Permits by Category** <sup>48</sup>

**Table 29 Haverhill Building Permits by Category** <sup>49</sup>

	2005	2006	2007	2008	2009
<b>Total Units</b>	262	163	117	55	49
<b>Units in Single-Family Structures</b>	105	95	69	47	33
<b>Units in All Multi-Family Structures</b>	157	68	48	8	16

### **Affordable Housing Production**

The City's total year round housing unit base is increasing slowly, however, according to an interview with the City's planning department, there are currently no affordable housing units expected to be added to the housing stock in the next five years. This may result in the supply of affordable housing to fall further below the 10% threshold. In order to offset this trend, a series of strategies and specific housing recommendations are offered in the two following sections.

The following tables summarize the formally subsidized housing base in the City along with the floating vouchers which in effect add to the affordable housing supply.

The State indicates that its list of subsidized housing totals 2,086 units, most of which are in fact affordable (but not all, due to the definitions of how units are classified in the SHI list).

<sup>48</sup> OKM Associates Barriers to Affordable Housing Survey, 11/2009, HUD Building Permits Database

<sup>49</sup> OKM Associates Survey Ibid.

**Table 30: Chapter 40B Subsidized Housing Inventory<sup>50</sup>**

<b>2000 Census Year Round Housing Units</b>	<b>ESRI est. 2009 Year Round Housing Units</b>	<b>Recent Potential SHI Units (through Dec 2010)</b>	<b>Total 2010 SHI Units</b>	<b>Total SHI Units</b>	<b>% est. SHI Units 2009 Base</b>
23,675	24,609	0	24,609	2,086	8.48%

There are also public housing units, which are included in the lists.

There are other affordable units in the City due to the supply of Vouchers (HCV, MRVP, VASH), which are being used to occupy housing which, for the most part, is not subsidized.

**Table 31: Public Housing and Voucher Lists**

<b>Agency</b>	<b>Federal Public Housing Units</b>	<b>State Public Housing Units</b>	<b>Federal Vouchers</b>	<b>State Vouchers</b>	<b>Total</b>
Haverhill Housing Authority	0	440	0	62	502
DHCD - CTI				215	215
Total	0	440	0	277	717

The CHAS/ACS survey of 2008 analyzed the occupancy characteristics of households in Haverhill. The focus of this analysis was to determine the extent to which there were mismatches between the cost of the housing and incomes of the occupant families.<sup>51</sup> In an ideal world, households would be occupying housing whose cost was such that they were neither over-paying or underpaying (although underpaying is not a critical problem).

The following tables show how households are distributed in terms of income and in terms of whether the cost of that unit being occupied is affordable to a household in that income bracket. For example, if a house which is affordable to a low income household (50.1%-80%

<sup>50</sup> ESRI Ibid., DHCD Subsidized Housing Inventory (DATE?)

<sup>51</sup> The creation of the Owner Affordability dimension requires a series of assumptions, in order to determine the relationship between a housing unit's value and the monthly mortgage payment required to purchase it.<sup>51</sup> HUD assumed a 31% monthly payment standard, 96.5% loan-to-value rate, a 5.5% interest rate, a 1.75% upfront insurance premium, a .55% annual insurance premium, and 2% annual taxes and insurance. Based on these assumptions, HUD estimated value to income ratio of 3.36 for an "affordable" home. Renter Affordability assumes that a 30% monthly payment standard is the threshold for affordability.

AMI) was being occupied by anyone whose income was extremely low income ( $\leq 30\%$  AMI), then one would say, that that extremely low income family was being cost burdened because they are living in a house which is NOT affordable to them (see green highlighted cells below). Conversely, if that house was being occupied by someone above 80.1% AMI, that household is under-burdened (see yellow highlighted cells below).

**Table 32a: Number of Owner Housing Units with and without Mortgages Affordable to Households in 2008<sup>52</sup>**

	Occupied by HHs $\leq 30\%$ AMI	Occupied by HHs 30.1-50% AMI	Occupied by HHs 50.1-80% AMI	Occupied by HHs $> 80.1\%$ AMI	Total Occupied
Affordable to HHs $\leq 30\%$ AMI	80	4	70	170	324
Affordable to HHs 30-50% AMI	60	245	280	760	1,345
Affordable to HHs 50-80% AMI	295	385	675	2,850	4,205
Affordable to HHs $> 80\%$ AMI	390	635	990	6,625	8,640
<b>Total</b>	825	1,269	2,015	10,405	14,514

The same analysis is repeated for rental units below.

**Table 32b: Number of Rental Housing Units Affordable to Households in 2008<sup>53</sup>**

	Occupied by HHs $\leq 30\%$ AMFI	Occupied by HHs 30.1-50% AMFI	Occupied by HHs 50.1-80% AMFI	Occupied by HHs $> 80.1\%$ AMFI	Total Occupied
Affordable to HHs $\leq 30\%$ AMFI	910	255	105	55	1,325
Affordable to HHs 30-50% AMFI	410	340	505	295	1,550
Affordable to HHs 50-80% AMFI	945	765	1,375	1,560	4,645
Affordable to HHs $> 80\%$ AMFI	55	15	30	320	420
<b>Total</b>	2,320	1,375	2,015	2,230	7,940

75% of owner and 31% of renter occupied houses that are affordable to households below 30% AMI, are occupied by households who earn above 30% AMI. Similarly, 64% of owner and 25% of renter occupied housing units that are affordable to households below 80% of median

<sup>52</sup> HUD ACS Tables 15A, 15B and 15C

<sup>53</sup> Ibid.

income in the City are occupied by households earning above 80% of median.

Households move in and out of the non-subsidized housing stock, so that at any one time, mismatch analysis such as we have done above, is just a snapshot in time. During the period of 1995 through 2007, when housing prices soared, there was significant conversion of rental housing to ownership and also a rise in rental rates. This became a loss of affordable housing. HUD conducted a study in 2007.<sup>54</sup> This study concluded that the three most affordable categories—non-market units, extremely low rent units, and very low rent units—posted large decreases in the number of units between 2005 and 2007. The three categories combined declined by between 1.5 and 2.0 million units nationally.

The study above, showing how many affordable units there are in Haverhill, including subsidized and unsubsidized housing units. There are two categories of subsidies – deep subsidies such as Public Housing, that ensure a household is not cost burdened, while other subsidy mechanisms, such as Tax Credits and HOME typically reduce housing cost, but do not ensure that the household is limited to paying 30% of their income.

At this time Haverhill's subsidized housing units of all types account for 9.8% of the total housing stock. These total approximately 2,050 rental units and 80 owner units. There are 277 other units in the City which have been made affordable, due to the use of vouchers (HCV and VASH), which are used to occupy housing units which are not subsidized.

The analysis of the tables above, indicate that in 2008 there were approximately 1,270 owners and 1,170 renters below 80% of median who were occupying houses affordable to them and yet receiving no subsidy.

A preservation strategy would therefore be entirely appropriate, as it could enable these households to continue to reside in that affordable housing.

If we do the same analysis as above, but for housing units which were vacant in 2008, there are 110 vacant rental housing units in standard condition that are not subsidized but are affordable to households

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<sup>54</sup> HUD PD&R:

Rental Market Dynamics: 2005-2007

below 30% of the median. There were 125 vacant owner housing units in standard condition affordable to households below 80% of the median.

**Table 33a: Number of Vacant Owner Units Affordable to Households in 2008<sup>55</sup>**

<b>Vacant Ownership Units - Standard Condition</b>	<b>Bedroom #</b>			<b>Total</b>
	<b>0 or 1</b>	<b>2</b>	<b>3+</b>	
<b>Affordability</b>				
Affordable to HHs at 50% AMI	0	0	0	0
Affordable to HHs at 80% AMI	0	80	45	125
Affordable to HHs at 100% AMI	0	65	20	85
Affordable to HHs above 100% AMI	0	325	0	325
Total	0	470	65	535
Substandard Vacant Units				0

**Table 33b: Number of Vacant Renter Units Affordable to Households in 2008<sup>56</sup>**

<b>Vacant Rental Units - Standard Condition</b>	<b>Bedroom #</b>			<b>Total</b>
	<b>0 or 1</b>	<b>2</b>	<b>3+</b>	
<b>Affordability</b>				
Affordable to HHs at 30% AMFI	0	75	35	110
Affordable to HHs at 50% AMFI	85	250	65	400
Affordable to HHs at 80% AMFI	180	45	120	345
Affordable to HHs above 80% AMFI	45	0	0	45
Total	310	370	220	900
Substandard Vacant Units				0

Matching these severely cost-burdened rental households to these affordable units, could help ameliorate problems for them. A similar approach could be taken for low income owner households with severe cost burdens.

### **Ownership Affordability**

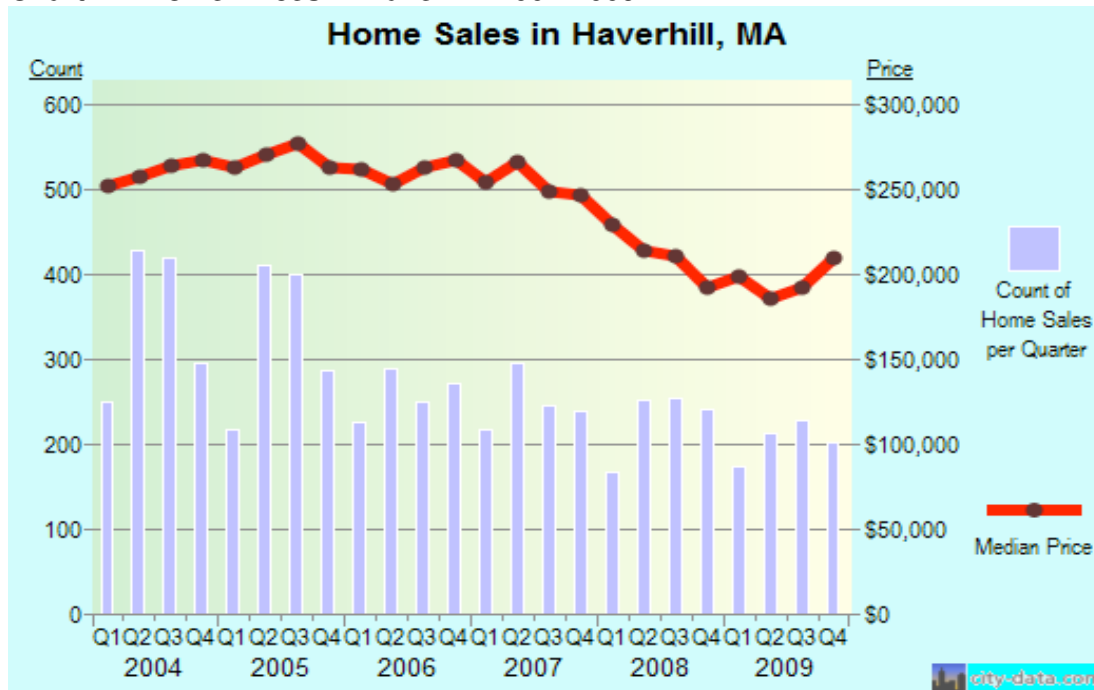
Since 2006 there has been a decline in housing values, but this decline is hard to analyze in terms of how it has affected the target CDBG population – namely, households below 80% of median income.

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<sup>55</sup> Ibid.

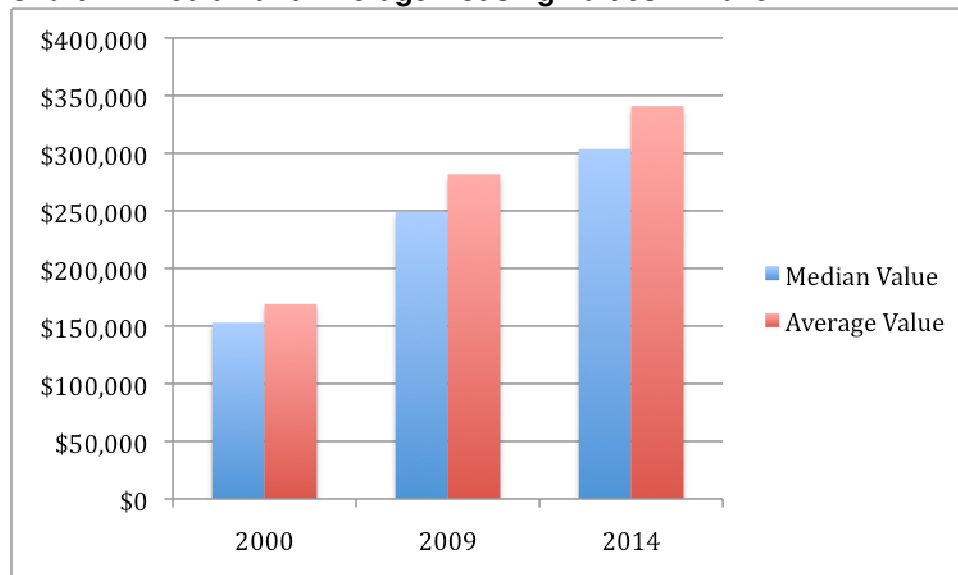
<sup>56</sup> Ibid.

**Chart 11: Home Prices in Haverhill 2004-2009<sup>57</sup>**



Whether one looks at medians (which can be distorted by extreme pricing differentials) or averages, the trend is similar, as the chart below illustrates.

**Chart 12: Median and Average Housing Values in Haverhill<sup>58</sup>**



<sup>57</sup> City Data.com

<sup>58</sup> ESRI Ibid.

Another illustration of housing affordability is to look at the cost of housing divided by household income, which generates an indicator ratio which illustrates the growing cost burden of ownership housing.

**Table 34: Median Housing Price as a Multiple of Median Household Income<sup>59</sup>**

	<b>1980</b>	<b>1990</b>	<b>2000</b>	<b>2009</b>
US	2.79	2.64	2.66	2.97
Massachusetts	2.75	4.24	3.62	4.35

**Table 35: Median and Average Housing Values as a Multiple of Median and Average Household Income for Haverhill<sup>60</sup>**

<b>Haverhill</b>	<b>2000</b>	<b>2009</b>	<b>2014</b>
Median Housing Value to Median Income Ratio	3.07	3.77	4.36
Average Housing Value to Average Income Ratio	2.87	3.71	4.29

The tables above, show the multiple of household income divided into the value or cost of housing in the City and compares the resultant ratios. Historically the US average has been around 2.75, but after 1980 it rose significantly to a value of 2.97 in 2009. Meanwhile the ratio in Haverhill in 2009 was much higher, at 3.77. The ratio is a better measure of housing affordability, in that it accounts for differences in income and housing costs in any city or town. These ratios illustrate that households entering the homeownership market in 2009 needed substantially more of their income to purchase a home than they did in 2000. Most importantly, it illustrates the higher relative cost of housing in Haverhill.

If the median housing value for the City dropped by about \$53,000, then the ratio would equal that of the US as a whole.

This has and will continue to have significant implications for the future of businesses in the area, which rely on or employ middle and lower income people.

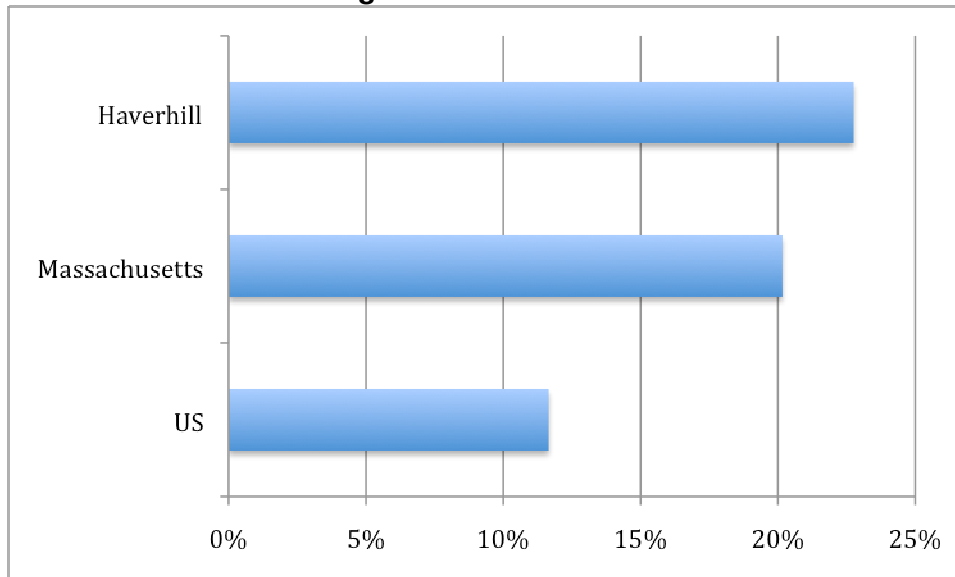
The Chart below shows how the relative cost of housing in terms of income rose substantially between 2000 and 2009 in Haverhill. In the US the ratio rose 12%, while Haverhill's rose 23%, and Massachusetts' rose 20%. This has severe consequences for homebuyers as home prices are rising steeply whereas the residents' incomes are not.

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<sup>59</sup> ESRI Ibid.

<sup>60</sup> ESRI Ibid.



**Chart 13: Median Housing Value as a Ratio of Median Household Income<sup>61</sup>**


When one examines households that are at or below 80% of median income, it becomes clear that the number of affordable housing units (either single-family homes or condominiums) available is seriously limited. For a family of four in Haverhill to pay 31% of its income for housing, the cost of the home cannot exceed \$177,403. Currently, only 17 of the 158 single family homes for sale in Haverhill meets the criteria. 84 of the 158 condominiums available are in an acceptable price range, however, only five have more than two bedrooms.

**Table 36: 2009 Monthly Owner Maximums for Low Income HHs<sup>62</sup>**

	Median HH Income	Group Median Income	Monthly Max at 31% of Income	HUD Affordable Unit at HUD's 3.36 Income to Value Ratio
<b>ELI</b>	\$65,998	\$19,799	\$511	\$66,526
<b>VLI</b>	\$65,998	\$32,999	\$852	\$110,877
<b>LI</b>	\$65,998	\$52,798	\$1,364	\$177,403

In addition, we examined home sales prices in the City to see what was available as of March 8<sup>th</sup>, 2010.

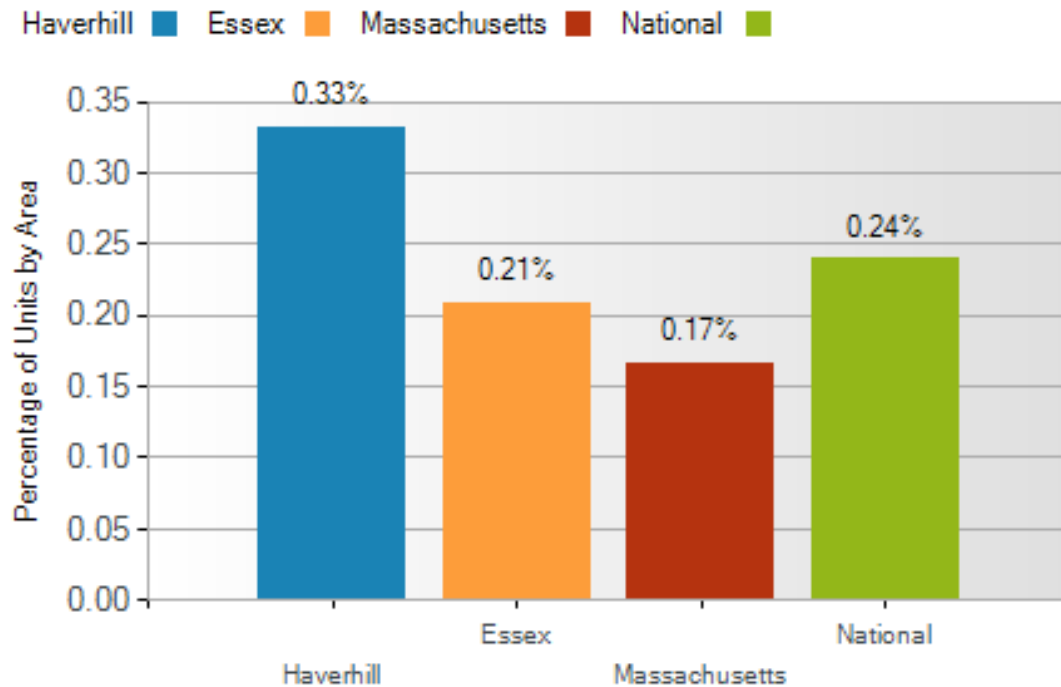
<sup>61</sup> ESRI Ibid.

<sup>62</sup> ESRI Ibid

Table 37: Home Sales Listings at 3/8/2010<sup>63</sup>

Income Group	Number of Listings below Maximum	Lowest Single Family Home Offered	Lowest Single Family Home as a % of HUD Affordable HU	Affordable to HH with Income of —	Percentage of Median
<b>Extremely Low Income (&lt;=30% AMI)</b>	0	0	N/A	N/A	N/A
<b>Very Low Income (30.1% -50% AMI)</b>	2	\$79,900	72.06%	\$21,478	65.09%
<b>Low Income (50.1% -80% AMI)</b>	15	\$118,300	66.68%	\$31,801	60.23%

The high cost of housing relative to income led many buyers to take out questionable loans with “teaser” rates and adjustable rate mortgages. This in turn was a key factor in the recent real estate troubles, evidenced by the rising rate of *lis pendens* (mortgages being placed into the process of foreclosure) and in foreclosure.

Chart 14: Foreclosure Rates in Peabody and Surrounding Geographies<sup>64</sup>

<sup>63</sup> ESRI Ibid, Raveis Real Estate

<sup>64</sup> RealtyTrac 3-16-2010

One of the factors driving these high housing prices over recent years has been the increase in the size of the average house. In 1970 the average home was 1,500 square feet. In 2001 it was 2,527 square feet. Moreover, the number of bathrooms, kitchen appliances and other amenities has also increased. Construction costs have also escalated, so that the combination of rising land costs, increasing size of homes, multiplication of amenities and the rising cost of construction, have been reflected in the rising value of housing.

**Table 38: Average Total Square Footage and 1993-2001 Change for U.S.<sup>65</sup>**

	<b>Total Square Footage</b>		<b>Percentage Change</b>
	<b>1993</b>	<b>2001</b>	
All Housing Units	1,875	2,066	10.6
Single-Family Housing Units	2,278	2,527	10.9
-Single-Family Detached	2,337	2,553	9.2
-Single-Family Attached	1,799	2,373	31.9
Apartments	972	1,043	7.3
-In 2-4 Unit Buildings	1,198	1,393	16.3
-In 5 or more Unit Buildings	861	847	-1.6
Mobile Homes	975	1,062	8.9

In addition, those who secured their homes prior to 1995 were able to lock in lower housing costs. Purchasers since then have seen (until late 2007), a large growth in housing costs. One of the key factors in this has been the required revaluation of property by tax assessors to regularly reassess all property at full market value. The adjustments made to all housing valuations since 1995 (when courts nation-wide began forcing cities and towns to go to full market valuation for assessment purposes), have particularly impacted owners whose assessed housing values were artificially low.

Any increase in housing valuation would result in an increase in taxes and insurance (which tends to track housing valuations). This impacts poorer households disproportionately, because it increases their cost of housing as a percentage of income and they benefit less financially from income deductions available to homeowners.

The group most impacted are those on fixed or declining incomes, of which the elderly form the most significant segment. Although, in the last year, the recession has caused loss of jobs and in some cases reduction in salaries, wages and benefits, impacting the non-elderly in the workforce. The most recent CHAS/ACS data from 2009

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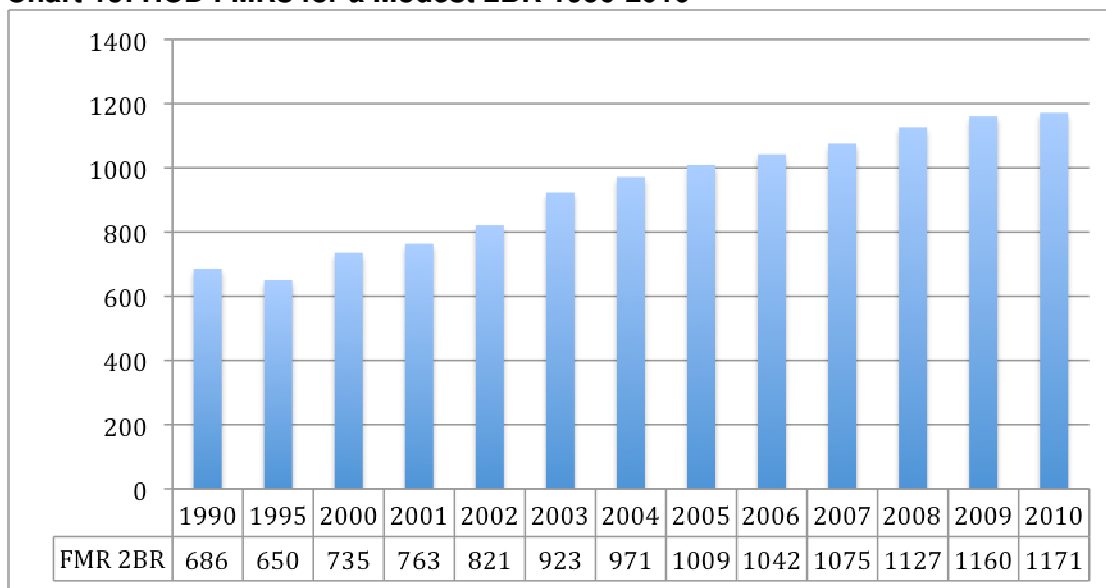
<sup>65</sup> Department of Energy

demonstrates that the number of elderly and family households paying more than 30% of their monthly income for housing is high, particularly amongst small families. A significant proportion of the low-income elderly households in the City are also troubled by housing problems.

### **Rental Affordability**

The real estate changes over the past 5 years are also reflected in the rental market. The following table illustrates HUD's own analysis of rent levels for modest housing affordable to households with incomes at or below 80% of median income.

**Chart 15: HUD FMRs for a Modest 2BR 1990-2010<sup>66</sup>**



**Table 39: 2009 Monthly Rental Maximums for Low Income HHs<sup>67</sup>**

Median HH Income	80% Median Income	Monthly Max at 30% of Income	HUD FMR 2BR 2009	% Above/Below HUD 2BRFMR
\$65,998	\$52,798	\$1,320	\$1,160	12.12%

*\*As the largest group of people on PHA Waiting lists in the region are people requiring a 2 bedroom unit, we have used the 2 bedroom as the comparative value.*

In addition, we examined the rental listings in a selection of the communities to see what was available as of March 8<sup>th</sup>, 2010.

<sup>66</sup> HUD FMR Database

<sup>67</sup> NSHC Cities ESRI DemographicandIncome.xls

**Table 40: Rental Listings at 3/8/2010<sup>68</sup>**

<b>Listings 3-8-10 below Monthly max at 80% Median</b>	<b>Lowest 2 Bedroom Unit Rent Offered</b>	<b>HUD FMR 2BR 2010</b>	<b>Lowest rent available as a % of HUD FMR</b>	<b>Affordable to HH with Income of</b>	<b>Percentage of Median</b>
11	\$665	\$1,160	57.32%	\$26,600	40.30%

*\*Note that available units had to be within jurisdictional boundaries for this analysis, even though Federal vouchers can be used anywhere in the US.*

The change in the economic climate which has been sweeping over the area since late 2007, has only exacerbated the ownership and rental difficulties. We should take note of unemployment in the City, as it directly impacts the ability of households to retain or access housing. In 2009, Haverhill had a higher unemployment rate than the US average of 9.26%.

**Table 41: Unemployment in the City, 2005-2009<sup>69</sup>**

2005	2005	2007	2008	2009
5.3	5.0	4.8	5.9	9.4

*2. Describe the number and targeting (income level and type of household served) of units currently assisted by local, state, or federally funded programs, and an assessment of whether any such units are expected to be lost from the assisted housing inventory for any reason, (i.e. expiration of Section 8 contracts).*

The following table tabulates the subsidized units at risk of conversion to market rate units, in the next 5 years. These units are in six developments.

**Table 42: Expiring Use<sup>70</sup>**

<b>Total Units</b>	<b>Original Subsidized Units</b>	<b>Units at risk through 2014</b>	<b># of Projects at risk</b>
1,236	1,026	494	6

<sup>68</sup> ESRI Ibid, MyApartmentMap

<sup>69</sup> Mass.gov, Labor and Workforce Development

<sup>70</sup> CEDAC Expiring Use 9/2009

As noted in the Housing supply section above, there are other affordable units in the City due to the supply of Vouchers (HCV, MRVP, VASH), which are being used to occupy housing which, for the most part, is not subsidized. In that these vouchers are not attached to a property, they are vulnerable to changes in the marketplace and in where households with the vouchers want to live.

In terms of public housing, there are programs which could be used to demolish some of these, but generally the State and HUD are careful to only approve revitalization programs which have a strategy of keeping the same number of affordable units.

*3. Indicate how the characteristics of the housing market will influence the use of funds made available for rental assistance, production of new units, rehabilitation of old units, or acquisition of existing units. Please note, the goal of affordable housing is not met by beds in nursing homes.*

The profile of the Haverhill population and estimates of those with housing problems and needs show that the housing cost burden has increased and is expected to remain the same through 2014. This housing cost burden, stabilization of the proportion of owner-occupied housing units and increased vacancy rate shows the need for more home-buyer assistance programs and efforts to reduce housing cost burdens for low and moderate-income homeowners.

The City can also take measures to preserve existing rental units that are subsidized, as well as affordable rental units provided by landlords. Rehab and other preservation tactics can also be effective.

Measures that can benefit both renter and owner households include the City adopting affordable housing incentive zoning, such as inclusionary zoning or density bonuses, that will help provide more housing choices for low and moderate income households.

Although Haverhill's population is forecasted to plateau by 2014, this does not mean that the number of households with housing problems and needs will also stay the same or even decrease. Efforts to provide more and better affordable housing options and incentives to increase the rate of home-ownership in the City will not only create a better housing climate, but also attract new households to possibly combat the leveling-off in the population.

## Specific Housing Objectives (91.215 (b))

1. Describe the priorities and specific objectives the jurisdiction hopes to achieve over a specified time period.
2. Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by the strategic plan.

## 5 Year Strategic Plan Specific Housing Objectives response:

1. Describe the priorities and specific objectives the jurisdiction hopes to achieve over a specified time period.

The priorities and specific objectives for the 5 Year Plan 2010-2014 in the table below are estimates.

**Table 43: Priorities, Strategies and Specific Objectives**

	Estimated Outcomes 2010-2014
<b>PRIORITY GOALS</b>	
<b>GOAL 1A: MAINTAIN AND PRESERVE HOUSING STOCK</b>	
<b>Objectives:</b>	
1. Rehabilitation of owner occupied inner city target housing units in one to four family dwellings.	275
2. Support and provide financing for multi-family housing developments, expedite city approval process.	25
3. Lead Abatement activities in one to four family dwellings and reduction in childhood lead hazards.	40
4. Lead Abatement activities in investor owned multi-family properties.	13
5. Rehabilitation of structures for homeless and special needs populations.	30
6. Rehabilitation of rental housing projects with the cooperation of MHP programs.	12

PRIORITY GOALS	Estimated Outcomes 2010-2014
7. Provide for Heating Assistance to eligible households.	150
<b>GOAL 1B: EXPAND THE SUPPLY AND TYPE OF AFFORDABLE HOUSING</b>	
<b>Objectives:</b>	
1. Build the capacity of area non-profit housing developers to further affordable housing production goals.	?
2. Update city ordinances that mandate inclusionary housing goals for new market-rate housing development.	40
3. Provide homebuyer counseling and downpayment and closing cost assistance to low and moderate income first time homebuyers with city and privately provided financing.	50
4. Assess city owned properties for the potential to be converted to affordable housing.	20
<b>GOAL 1C: PROVIDE BASIC SHELTER AND SERVICES FOR HOMELESS INDIVIDUALS AND THEIR FAMILIES</b>	
<b>Objectives:</b>	
1. Improve outreach and access to supportive services.	25
2. Increase coordination among Haverhill service providers of resources.	5
3. Stabilize the number of individuals and families at risk of becoming homeless.	50
4. Reduce the number of individuals who are hungry and without shelter.	500
5. Increase access to child care and transportation services.	50
6. Increase individuals completing job training programs for employment.	100



2. *Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by the strategic plan.*

The City makes special efforts to identify federal and state programs that can be used in conjunction with CDBG funds.

The City has a number of private for-profit and non-profit agencies it works with who have always been active in accessing other resources often using CDBG as matching or leveraging funds. The City expects these collaborations to continue in the next five years.

CDD staff work with developers and affordable housing groups to encourage affordable housing through use of CDBG funds, often in conjunction with HIOME, HCV, HSF and HIF funds.

However there has been a significant reduction in state and local revenues and programs which in turn has led to a reduction of funding. Moreover the decline of loans from financial institutions, especially for low and moderate income households and developers, makes the next 5 years uncertain and difficult for leveraging resources.

At this time, it is almost impossible to determine what funds will likely be available over the next 5 years. In the Annual Action Plan for 2010-2011 we have identified likely funding and its sources.

### Needs of Public Housing (91.210 (b))

*In cooperation with the public housing agency or agencies located within its boundaries, describe the needs of public housing, including the number of public housing units in the jurisdiction, the physical condition of such units, the restoration and revitalization needs of public housing projects within the jurisdiction, and other factors, including the number of families on public housing and tenant-based waiting lists and results from the Section 504 needs assessment of public housing projects located within its boundaries (i.e. assessment of needs of tenants and applicants on waiting list for accessible units as required by 24 CFR 8.25). The public housing agency and jurisdiction can use the optional Priority Public Housing Needs Table (formerly Table 4) of the Consolidated Plan to identify priority public housing needs to assist in this process.*

## 5 Year Strategic Plan Needs of Public Housing response:

The housing market analysis of the Haverhill Housing Authority is in the CPMP *needs.xls* file and is also described below.

The Haverhill Housing Authority provides project-based and tenant-based housing resources to households in Haverhill. The HHA does not have Federal public housing but directly manages 9 developments of State public housing as follows:

**Table 44: HHA State Developments<sup>71</sup>**

<b>Project Name</b>	<b># of State PH Elderly Units</b>	<b># of Other Family Units</b>	<b># of Disabled Only Units</b>
667-1	52		
667-2	80		
667-3	92		
667-4	72		
200-1		36	
200-2		68	
705-1		10	
705-2		24	
689-1			4
<b>Total</b>	<b>296</b>	<b>138</b>	<b>4</b>

**Table 45: Summary of HHA Housing<sup>72</sup>**

<b>Federal Public Housing</b>	<b>Federal HCV</b>	<b>State Public Housing</b>	<b>State MRVP</b>
0	349	440	62

The HHA is required to submit a 5 year and an annual PHA Plan to HUD each year, after a public planning and hearing process. One of the requirements of the process is that the PHA Plan has to be coordinated with and approved by the local Consolidated Plan agency. Additionally this Consolidated Plan has to be developed with the assistance of the HHA.

In a survey of the Haverhill Housing Authority, the capital and operating needs of the agency's State public housing were documented by it as in the table below.

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<sup>71</sup>OKM Survey: PHA Declared Agency Needs 2010

<sup>72</sup>HUD PIH Database and OKM Survey: PHA Declared Agency Needs 2010

**Table 46: HHA Declared State Public Housing Needs<sup>73</sup>**

<b>Category &amp; Description</b>	<b>Needs</b>	<b>Resources Needed</b>
<i>General Physical Improvements</i>		
	Bradford Terrace	\$240,000
	Kennedy Circle	\$305,000
	Julian Steele	\$80,000
	25 Washington Square	\$850,000
	Summer St/Mt Vernon	\$800,000
	8 So Warren St	\$60,000
	16 Highland Ave	\$20,000
	Total	\$2,355,000
<i>Section 504 Corrections</i>	None	
<i>Social Service Needs</i>	Social Services coordinator	\$50,000
<i>Homeownership Assistance Needs</i>	Part of Social Service coordinator duties	
<i>Other Critical Needs Including Management and Operations</i>	None	

In addition, the HHA provided responses on the supportive housing supportive service needs of the populations it serves as follows:

**Table 47: Housing Authority Special Needs Survey<sup>74</sup>**

<b>Category</b>	<b>Number</b>
<b>Elderly</b>	
Total Elderly Units	296
Est # in Need of SH	5
Est # in Need of SS	100
Est # of these receiving SS	60
<b>Disabled</b>	
Total Disabled Units	4
Est # in Need of SH	0
Est # in Need of SS	0
Est # of these receiving SS	4
<b>Family</b>	
Total Family Units	138
Est # in Need of SH	0
Est # in Need of SS	1
Est # of these receiving SS	??

<sup>73</sup> OKM Survey: PHA Declared Agency Needs 2010

<sup>74</sup> OKM Associates Survey: Housing Authority Special Needs 2010

Notes: SH = Supportive Housing (as compared with independent living) e.g. an elderly person who should be in congregate housing  
SS = Supportive Services. These could be delivered by the PHA or by some other organization

## Public Housing Strategy (91.210)

1. *Describe the public housing agency's strategy to serve the needs of extremely low-income, low-income, and moderate-income families residing in the jurisdiction served by the public housing agency (including families on the public housing and section 8 tenant-based waiting list), the public housing agency's strategy for addressing the revitalization and restoration needs of public housing projects within the jurisdiction and improving the management and operation of such public housing, and the public housing agency's strategy for improving the living environment of extremely low-income, low-income, and moderate families residing in public housing.*
2. *Describe the manner in which the plan of the jurisdiction will help address the needs of public housing and activities it will undertake to encourage public housing residents to become more involved in management and participate in homeownership. (NAHA Sec. 105 (b)(11) and (91.215 (k))*
3. *If the public housing agency is designated as "troubled" by HUD or otherwise is performing poorly, the jurisdiction shall describe the manner in which it will provide financial or other assistance in improving its operations to remove such designation. (NAHA Sec. 105 (g))*

### 5 Year Strategic Plan Public Housing Strategy response:

1. *Describe the public housing agency's strategy to serve the needs of extremely low-income, low-income, and moderate-income families residing in the jurisdiction served by the public housing agency (including families on the public housing and section 8 tenant-based waiting list), the public housing agency's strategy for addressing the revitalization and restoration needs of public housing projects within the jurisdiction and improving the management and operation of such public housing, and the public housing agency's strategy for improving the living environment of extremely low-income, low-income, and moderate families residing in public housing.*

Needs: The major focus of the agency has been on quality management of its programs, whether it is properties or vouchers and especially to ensure that turnover time is fast, so that vacancies are reduced and families on the waiting list can be housed quickly. The public housing waiting lists have 1,056 persons on the lists as of 3/1/2010. 71% of the households on the list are extremely low income; 72% are families with children; 28% are elderly. The HCV waiting list is centralized and the information pertaining to applicants from the City of Haverhill are unavailable.

2. *Describe the manner in which the plan of the jurisdiction will help address the needs of public housing and activities it will undertake to encourage public housing residents to become more involved in management and participate in homeownership. (NAHA Sec. 105 (b)(11) and (91.215 (k)).*

The City has an active working relationship with the Haverhill Housing Authority that includes cooperative ventures in the implementation of ongoing *McKinney Shelter Plus Care* programs and participation in the Haverhill Housing Partnership. For the purposes of the Consolidated Plan, the City has consulted with the Haverhill Housing Authority to address mutual concerns, and has included some of the resulting remedial activities outlined in this document. The City provided assistance to the Haverhill Housing Authority in the development of its Annual Plan.

#### NSP Project With HHH For The Stabilization Of 18 Units

The Neighborhood Stabilization Program has given the City the opportunity to act as a funding source for the stabilization of 18 units of subsidized state funded housing located in the CDBG Target Area. These project based units are in desperate need of repair. Repairs performed will allow families and individuals to once again occupy the units for a safe and suitable living environment.

The City continues to support the HHA's residents and participants who apply for homeownership assistance, focusing on those coming out of Family Self Sufficiency programs.

The Haverhill Housing Authority is permitted to award up to 20% of its 349 Section 8 tenant-based vouchers, or 68 vouchers, as project-based assistance to support the acquisition, rehabilitation and construction of additional affordable housing units in the City of Haverhill. The HHA is open to project applications from community-based housing developers or other potential affordable housing

development partners. In addition the State has the potential to create several hundred project based housing units through its vouchers managed by CTI in the region.

3. *If the public housing agency is designated as "troubled" by HUD or otherwise is performing poorly, the jurisdiction shall describe the manner in which it will provide financial or other assistance in improving its operations to remove such designation. (NAHA Sec. 105 (g))*

The HHA has not been designated as troubled by HUD and there are no indications that it has been performing poorly in its State management responsibilities.

#### Barriers to Affordable Housing (91.210 (e) and 91.215 (f))

1. *Explain whether the cost of housing or the incentives to develop, maintain, or improve affordable housing are affected by public policies, particularly those of the local jurisdiction. Such policies include tax policy affecting land and other property, land use controls, zoning ordinances, building codes, fees and charges, growth limits, and policies that affect the return on residential investment.*
2. *Describe the strategy to remove or ameliorate negative effects of public policies that serve as barriers to affordable housing, except that, if a State requires a unit of general local government to submit a regulatory barrier assessment that is substantially equivalent to the information required under this part, as determined by HUD, the unit of general local government may submit that assessment to HUD and it shall be considered to have complied with this requirement.*

#### 5 Year Strategic Plan Barriers to Affordable Housing response:

1. *Explain whether the cost of housing or the incentives to develop, maintain, or improve affordable housing are affected by public policies, particularly those of the local jurisdiction. Such policies include tax policy affecting land and other property, land use controls, zoning ordinances, building codes, fees and charges, growth limits, and policies that affect the return on residential investment.*

In general, public policies affecting the cost and production of

affordable housing are modified by specific zoning by-laws. Production is enhanced in Massachusetts through the following:

- inclusionary zoning (a percentage of housing developed in the marketplace being set aside for affordable use and usually placed within mixed income developments);
- accessory apartments (particularly effective in enabling low income elderly owners to continue living in the community);
- overlay districts permit increased density and state funding support and enable affordable units within mixed income developments;
- Chapter 40R is a state law, which encourages and provides incentives for the development of transit related housing;
- Chapter 40B is a state law which permits it to override local zoning if local government does not have the zoning tools to permit affordable housing production. There is a voluntary process known as LIP [Local Initiative Plan] which a local government can use and thus not invoke state override of zoning.

The City is utilizing features such as 40R enhances the public welfare through increasing the production of housing affordable to persons of very low, low and moderate income. The City requires at least 20% of the housing developed if over 12 units to be affordable to households earning at or below 80% of the area median income. Accordingly, the provisions of this section are designed to:

- increase the supply of rental and ownership housing in the City of Haverhill that is available and affordable to low and moderate income households;
- limit the impact on available municipal infrastructure
- exceed the 10% affordable housing threshold established by the Commonwealth in M.G.L. Chapter 40B, Section 20;
- encourages greater diversity and distribution of housing to meet the needs of families and individuals of all income levels.

Promising solutions to local affordable housing development include a greater willingness to plan for affordable housing. The City has illustrated its readiness to take steps in that direction.

The Table below summarizes the current state of the initiatives in the City.



**Table 48: Status of Major Initiatives Affecting Affordable Housing<sup>75</sup>**

<b>Inclusionary Zoning</b>	<b>Accessory Apartment</b>	<b>Overlay Districts such as 40R</b>	<b>Chapter 40B LIP</b>	<b>Other Affordable Housing Incentive Zoning</b>
No	Yes	Yes	Yes	No

In addition to zoning initiatives, many land use policies have a potential effect on housing affordability. For example, lot size and frontage requirements can directly affect the cost of and eventually rents or sales price of housing developments, as high costs increase cost and decrease affordability. The following table provides information on lot size and frontage requirements for the communities of the City. The disallowance of certain types of multi-family housing can increase barriers to affordable housing.

("sf" means square feet, and "pu" means per unit.)

**Table 49: Lot Size and Frontage Requirements<sup>76</sup>**

<b>Minimum lot single family</b>	<b>Minimum lot 2 family</b>	<b>Minimum lot multi-family</b>	<b>Frontage single family</b>	<b>Frontage 2 family</b>	<b>Frontage multi-family</b>
7,500-8,000 sf	9,000-9,600 sf	20,000 + 1000 each addl. unit	75-200 ft	80 ft	100 ft

*2. Describe the strategy to remove or ameliorate negative effects of public policies that serve as barriers to affordable housing, except that, if a State requires a unit of general local government to submit a regulatory barrier assessment that is substantially equivalent to the information required under this part, as determined by HUD, the unit of general local government may submit that assessment to HUD and it shall be considered to have complied with this requirement.*

As noted above, there is a state law [Chapter 40B] that requires local governments to have at least 10% of its housing stock subsidized and dedicated to households below 80% of median, in order to retain full control over the zoning permit process when affordable units are proposed. The nature of that affordability is defined by the state and generally must be for at least 15 years for homeownership and 30 years for rental units. The law gives the state the power to override local decisions regarding affordable housing projects, whether those

<sup>75</sup> OKM Associates Barriers to Affordable Housing Survey, 11/2009

<sup>76</sup> OKM Associate Barriers Survey Ibid.



decisions are based on zoning by-laws, or other arguments such as impact on schools, environmental issues, infrastructure limitations etc. A local community can amend its by-laws and procedures for a specific project and gain exemption from this law under what is known as and what is controlled by state regulations – Local Initiative Plan or LIP.

## HOMELESS

### Homeless Needs (91.205 (b) and 91.215 (c))

\*Please also refer to the Homeless Needs Table in the Needs.xls workbook

*Homeless Needs— The jurisdiction must provide a concise summary of the nature and extent of homelessness in the jurisdiction, (including rural homelessness and chronic homelessness where applicable), addressing separately the need for facilities and services for homeless persons and homeless families with children, both sheltered and unsheltered, and homeless subpopulations, in accordance with Table 1A. The summary must include the characteristics and needs of low-income individuals and children, (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered. In addition, to the extent information is available, the plan must include a description of the nature and extent of homelessness by racial and ethnic group. A quantitative analysis is not required. If a jurisdiction provides estimates of the at-risk population(s), it should also include a description of the operational definition of the at-risk group and the methodology used to generate the estimates.*

#### 5 Year Strategic Plan Homeless Needs response:

Haverhill is a member of the **Gloucester/Haverhill/Salem/Essex County Continuum of Care** [Continuum of Care], which has established the **Continuum of Care Alliance** as the primary decision making group. The lead organization which manages the overall planning and submissions to HUD, is the Peabody Department of Community Development (CD). The communities served by the CoC are the same as the thirty communities included in the North Shore Home Consortium, of which Haverhill is the largest City. This includes all Essex County with the exception of the entitlement communities of Lawrence and Lynn. The Continuum also encompasses Wilmington and North Reading, cities located within Middlesex County. The

information generated by the Continuum of Care includes Haverhill as part of the area covered. The agencies and programming are utilized by residents of Haverhill, along with the population residing in the other CoC areas.

The problems of homelessness are complex, but the state Departments of Transitional Assistance (DTA), the Division of Housing Stabilization (DHS) within the Department of Housing and Community Development , and the division of the Executive Office of Health and Human Services (EOHHS) which fund services for many homeless families and individuals, categorize the root causes as:

- *structural issues* such as high housing costs or low household income
- *personal issues* such as mental illness, substance abuse or other physical and mental disabilities, and/or
- *social policies* such as the availability and effectiveness of assisted housing, mental health programs, substance abuse treatments, and other service interventions.

For virtually all homeless individuals and families, decent, safe, affordable housing is a critical step in ending homelessness. In some cases, this is their only need. However, often, in addition to affordable housing, homeless families and individuals also need supportive services to make the transition to independent living or to deal with other problems, including substance abuse or mental illness. Finally, in order to maintain themselves, these individuals and families may require assistance with childcare, transportation, life skills, job training and other basic life skills.

In addition, the continuing loss of affordable housing, the foreclosure crisis, in conjunction with the significant growth in unemployment, underemployment and low paying jobs, has exacerbated the problem of at-risk homeless individuals and families. In situations reported by service providers, the lowest income households frequently are living in overcrowded and substandard conditions that are likely to be providing short-term housing solutions. Young families and young adult individuals are living with other family members and are likely to be displaced due to family issues or the need of the primary occupant to rent the room that the at-risk household is living in. The foreclosure problem, which continues to grow, lead to homelessness of families who can no longer afford their ownership costs. It also forces tenants from multi-family homes that are foreclosed or simply

abandoned. The increase in unemployment and underemployment has caused a significant rise in the homelessness among individuals and families with long-term work histories. Haverhill has a significant immigrant population, whose lack of English speaking skills causes further hardships in finding employment that will provide the income necessary to secure housing. Finally, expiring use properties continue to increase the risk of homelessness for existing tenants as well as remove a source of future affordable units from the market. In addition to those properties in the City that have already been removed through expiring use, additional expiring use properties that will come into play over the next five years, contain 502 units.

From a financial standpoint, the households most susceptible to becoming homeless are households who are at less than 30% median income and are severely cost-burdened (paying more than 50% of their income for rent). With severely limited financial resources, they are forced to make choices between housing, food and other basic needs. Other populations disproportionately at risk of becoming homeless are those struggling with domestic violence, substance abuse, those with severe mental health problems and people exiting incarceration.

In order to address this at-risk population, there is a need for long-term permanent affordable housing and supportive transitional and permanent housing for the sub-populations that are over-represented among the at-risk and homeless. Counseling, health-care, life-skills training and sustainable employment at an adequate wage are all critical to reducing homelessness within the Consortium.

On January 27, 2010, The Continuum of Care Alliance in accord with its Continuum of Care planning process, conducted its annual point-in-time survey of its homeless population. All figures are for the CofC area. Based on this census, it was determined that the number of homeless individuals and adults with children, sheltered and unsheltered, totaled 1195. This is an increase of from the number reported in the previous year (2009), which was 984. The data on the homeless is in the CPMP file *needs.xls*.

### Priority Homeless Needs

1. *Using the results of the Continuum of Care planning process, identify the jurisdiction's homeless and homeless prevention priorities specified in Table 1A, the Homeless and Special Needs*

*Populations Chart. The description of the jurisdiction's choice of priority needs and allocation priorities must be based on reliable data meeting HUD standards and should reflect the required consultation with homeless assistance providers, homeless persons, and other concerned citizens regarding the needs of homeless families with children and individuals. The jurisdiction must provide an analysis of how the needs of each category of residents provided the basis for determining the relative priority of each priority homeless need category. A separate brief narrative should be directed to addressing gaps in services and housing for the sheltered and unsheltered chronic homeless.*

2. *A community should give a high priority to chronically homeless persons, where the jurisdiction identifies sheltered and unsheltered chronic homeless persons in its Homeless Needs Table - Homeless Populations and Subpopulations.*

#### 5 Year Strategic Plan Priority Homeless Needs response:

1. *Using the results of the Continuum of Care planning process, identify the jurisdiction's homeless and homeless prevention priorities specified in Table 1A, the Homeless and Special Needs Populations Chart. The description of the jurisdiction's choice of priority needs and allocation priorities must be based on reliable data meeting HUD standards and should reflect the required consultation with homeless assistance providers, homeless persons, and other concerned citizens regarding the needs of homeless families with children and individuals. The jurisdiction must provide an analysis of how the needs of each category of residents provided the basis for determining the relative priority of each priority homeless need category. A separate brief narrative should be directed to addressing gaps in services and housing for the sheltered and unsheltered chronic homeless.*

The annual 'point-in-time' update serves as the data source for completion of the "Current Inventory in 2010" section of the *HsgNeeds* Table in *needs.xls*. This update was coordinated by the planning group. The methods used to collect the data were on the ground counting by volunteers and the police and surveys of providers. The day of the point-in-time count, January 27, 2010, staff and other participating agencies conducted a follow-up phone survey to verify that all information concerning shelter, transitional and permanent supportive housing inventory was accurate for the night of the count.

Follow up calls were also made to law enforcement in any member community that did not report back on their count for unsheltered homeless. Additional information on housing units under development was gathered as part of the PITC survey, through calls, and during reporting done at CoC regular monthly meeting.

The CofC will conduct an annual inventory, based upon a 'point-in-time' survey in the last week of each January from 2010 through 2014. The CofC will use the same methodology each year, to gather information about the inventory of housing data and service data.

The CPMP *needs.xls Table* documents the status of homeless individuals and families in accord with the annual 'point-in-time' survey and details the choice of priority needs and priorities for allocation based on acceptable HUD standards.

The Continuum of Care Alliance identified individuals and families (both sheltered and unsheltered), who were chronically homeless on January 27, 2010 using a one night census of both sheltered and unsheltered homeless people, along with documentation from administrative records. The Continuum of Care process identified 399 homeless individuals who were sheltered and 86 individuals who were unsheltered. Furthermore, it identified 315 chronically homeless individuals who were sheltered and 47 chronically homeless individuals who were unsheltered at a single point in time based on the one-night census of both sheltered and unsheltered homeless conducted in 2010, with further documentation from administrative records. During the count, 262 families were counted as homeless.

As part of the count, households living in motels in Haverhill and the other communities within the CofC area are included. However, it should be noted that the community in which they most recently resided is not identified; similarly households living outside of the area may have most recently resided in Haverhill or one of the other CofC communities.

The analysis of the preceding data combined with the comments and input from providers and others has led the CoC to establish relative priorities of need as follows:

- Addressing the chronically homeless due to the high number of individuals identified and the HUD priority to serve this population. This is the highest priority

- The crisis in family homelessness, with a shortage of shelter units leading to sheltering families in hotels, has also led the CoC to prioritize families in its process.

The full results of the census and records analysis are in Tables 1 and 2 of the CPMP file *needs.xls homeless tab/sheet* in the NSHC Consolidated Plan.

The Continuum used the following definitions for emergency and transitional housing, as defined by relevant HUD legislation:

Emergency Shelter: "Any facility with overnight sleeping accommodations, the primary purpose of which is to provide temporary shelter for the homeless in general or for specific populations of homeless persons. The length of stay can range from one night up to as much as three months."

Transitional Housing: "A project that is designed to provide housing and appropriate support services to homeless persons to facilitate movement to independent living within 24 months." *For purposes of the HOME program, there is not a HUD-approved time period for moving to independent living.*

2. *A community should give a high priority to chronically homeless persons, where the jurisdiction identifies sheltered and unsheltered chronic homeless persons in its Homeless Needs Table - Homeless Populations and Subpopulations.*

As is evident from the Continuum of Care count of January 27, 2010 as discussed above, there is a significant chronically homeless population in the area that includes Haverhill. There were 315 chronically homeless sheltered individuals and 47 unsheltered chronically homeless individuals. Additional data are included in the numbers above are in *tables 1 and 2 of the homeless tab/sheet* in the *needs.xls* file.

In addressing the needs of the chronically homeless, there is a multi-pronged approach:

- prevention
- aggressive outreach
- assessment and case management
- connection to mainstream benefits and resources
- access to and assistance for housing.

Housing must be linked to stabilization and community-based services that will ensure successful tenancies. Permanent supportive housing is a high priority for the chronically homeless population.

### Homeless Inventory (91.210 (c))

*The jurisdiction shall provide a concise summary of the existing facilities and services (including a brief inventory) that assist homeless persons and families with children and subpopulations identified in Table 1A. These include outreach and assessment, emergency shelters and services, transitional housing, permanent supportive housing, access to permanent housing, and activities to prevent low-income individuals and families with children (especially extremely low-income) from becoming homeless. The jurisdiction can use the optional Continuum of Care Housing Activity Chart and Service Activity Chart to meet this requirement.*

#### 5 Year Strategic Plan Homeless Inventory response:

A summary of the existing facilities and services that assist homeless persons and families with children and the subpopulations are provided in the homeless tab in the CPMP *needs.xls* where we have used the *Housing Activity Table 3* and the *Service Activity Table 4*, to meet this requirement.

The CoC area includes various housing types dedicated to the different groups within the homeless population. Haverhill has permanent supported housing, transitional housing, and emergency shelter units.

There has been an increase of close to 100 percent in the need for emergency shelter beds over last year. This has been due mainly to the downturn in the economy, which has forced the Commonwealth of Massachusetts to increase the utilization of local motels funded by the State. At the same time, several local organizations have added additional emergency shelter units to their programs to attempt to reduce the number of families being warehoused in motel rooms.

Additional transitional housing units have also been added by agencies within the region to try to offer additional resources for homeless persons.

The total number of permanent housing beds increased by 13% between 2008 and 2009. Much of this increase was a result of the



issuance of VASH vouchers. Additional VASH vouchers have come into play since January 2010. This will have resulted in a further increase in the number of permanent housing beds in 2010.

For additional detail, please see the Housing Activity and Service Activity Charts, as excerpted from the Continuum of Care Submission

### Homeless Strategic Plan (91.215 (c))

1. *Homelessness— Describe the jurisdiction's strategy for developing a system to address homelessness and the priority needs of homeless persons and families (including the subpopulations identified in the needs section). The jurisdiction's strategy must consider the housing and supportive services needed in each stage of the process which includes preventing homelessness, outreach/assessment, emergency shelters and services, transitional housing, and helping homeless persons (especially any persons that are chronically homeless) make the transition to permanent housing and independent living. The jurisdiction must also describe its strategy for helping extremely low- and low-income individuals and families who are at imminent risk of becoming homeless.*
2. *Chronic homelessness—Describe the jurisdiction's strategy for eliminating chronic homelessness by 2012. This should include the strategy for helping homeless persons make the transition to permanent housing and independent living. This strategy should, to the maximum extent feasible, be coordinated with the strategy presented Exhibit 1 of the Continuum of Care (CoC) application and any other strategy or plan to eliminate chronic homelessness. Also describe, in a narrative, relationships and efforts to coordinate the Conplan, CoC, and any other strategy or plan to address chronic homelessness.*
3. *Homelessness Prevention—Describe the jurisdiction's strategy to help prevent homelessness for individuals and families with children who are at imminent risk of becoming homeless.*
4. *Institutional Structure—Briefly describe the institutional structure, including private industry, non-profit organizations, and public institutions, through which the jurisdiction will carry out its homelessness strategy.*



5. *Discharge Coordination Policy—Every jurisdiction receiving McKinney-Vento Homeless Assistance Act Emergency Shelter Grant (ESG), Supportive Housing, Shelter Plus Care, or Section 8 SRO Program funds must develop and implement a Discharge Coordination Policy, to the maximum extent practicable. Such a policy should include "policies and protocols for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent such discharge from immediately resulting in homelessness for such persons." The jurisdiction should describe its planned activities to implement a cohesive, community-wide Discharge Coordination Policy, and how the community will move toward such a policy.*

#### 5 Year Homeless Strategic Plan response:

1. *Homelessness— Describe the jurisdiction's strategy for developing a system to address homelessness and the priority needs of homeless persons and families (including the subpopulations identified in the needs section). The jurisdiction's strategy must consider the housing and supportive services needed in each stage of the process which includes preventing homelessness, outreach/assessment, emergency shelters and services, transitional housing, and helping homeless persons (especially any persons that are chronically homeless) make the transition to permanent housing and independent living. The jurisdiction must also describe its strategy for helping extremely low- and low-income individuals and families who are at imminent risk of becoming homeless.*
1. Prevention: Both the federal and state governments have recognized prevention as a key element in the fight against homelessness. At the federal level, The Homeless Prevention and Rapid-Rehousing Program (HPRP) has been developed as a critical tool in this initiative. Although no communities in the Consortium received direct funding, a number of Consortium communities and service organizations are utilizing HPRP funds received and administered by the state. At the state level, based on recommendations from the Commission to End Homelessness, Massachusetts has created and funded the Interagency Council on Housing and Homelessness(ICHH), which in turn has funded multiple regional housing networks across the state to deal with the spectrum of homeless issues, beginning with the at-risk population.

2. Coordination: Maximize the cooperation and participation among the communities involved in the Continuum of Care Process. In addition to working closely with its member representatives, Haverhill is a member of the Merrimack Valley Regional Network, funded through the Interagency Council on Housing and Homelessness (ICHH). As mentioned above, as one of its primary responsibilities, ICHH has funded regional housing networks as of December, 2008. Their mandate is to help better coordinate, integrate and implement innovative services focused on securing permanent housing options for homeless individuals and families and ultimately lessen the need for emergency shelters. The Merrimack Valley Regional Network includes Methuen, Haverhill, West Newbury, Andover, North Andover, Salisbury, Amesbury, Merrimac and Newburyport. Goals and objectives as they relate to specific components of homelessness activities are described in the individual sections below.
3. Data Collection: Improve the accuracy of counting the chronically homeless and their demographic characteristics so that the resulting planning and programming accurately addresses the most critical needs.
4. Housing: Increase the supply of permanent supportive housing option for the chronically homeless through efforts to secure available local, state and federal funding.
5. Services: Improve the system of treatment and services for homeless individuals with multiple diagnoses. Ensure that clients are assessed correctly and connected to appropriate services.

The ultimate goal in providing shelter for homeless households is to prevent homelessness whenever possible through intervention with at-risk individuals and families. For those who require emergency shelter, the intent is to limit their stay and be able to provide supportive housing and services at the earliest juncture. Placement in transitional housing will be the objective for those who are not capable of living independently. However, the ultimate goal is to provide permanent supported housing so that formerly homeless households will be able to maintain themselves in a traditional housing environment for the long term. In order for this goal to be achieved, there must be an adequate supply of appropriate, affordable housing and an adequate stabilization services. The resources for this housing are a combination of actual units created and rental subsidies which include mobile vouchers, project-based subsidies and/or vouchers for

defined populations.(i.e., VASH). These are typically administered through local PHA's and regional agencies.

See the Continuum of Care Submission for further detail.

2. *Chronic homelessness—Describe the jurisdiction's strategy for eliminating chronic homelessness by 2012. This should include the strategy for helping homeless persons make the transition to permanent housing and independent living. This strategy should, to the maximum extent feasible, be coordinated with the strategy presented Exhibit 1 of the Continuum of Care (CoC) application and any other strategy or plan to eliminate chronic homelessness. Also describe, in a narrative, relationships and efforts to coordinate the Conplan, CoC, and any other strategy or plan to address chronic homelessness.*

The strategies identified are central to the focus of addressing chronic homelessness. Chronically homeless individuals are likely to also suffer from the effects of substance abuse and/or mental illness. A national homeless study conducted by the National Coalition for the Homeless indicated that 25 percent of the homeless suffer from mental illness and that 60 percent of homeless individuals are drug dependent.

The Continuum of Care has as one of its key objectives, the provision of permanent housing for chronically homeless. Its planning process includes outreach to the local governments of the cities that are part of the Continuum of Care. As mentioned above, Haverhill is part of the Merrimack Valley Regional Network of homeless providers that has been designated by the ICCH. Community Teamwork, Inc. (CTI) is the convener of the Merrimack Valley Regional Network. This group has specifically identified a need to address the problems of chronic homelessness as one of its objectives. Regional information, cooperation and new innovative strategies are expected to be particularly effective in impacting this problem. Improved data collection procedures will ensure that this population is correctly counted so that planning can be optimized. Appropriate discharge planning by mental health facilities, medical hospitals, substance abuse treatment centers and prisons are all key in assisting chronically homeless. Members of the CofC participate in advocacy at the state level to insure that monitoring and discharge protocols are given ongoing priority. In conjunction with this outreach, every effort is made to connect the chronically homeless with benefits and resources with the goal of achieving economic self-sufficiency.

A cornerstone in the eradication of chronic homelessness is the provision of permanent supportive housing. Services required may include personal case management, job training, and life skills preparation. For long term success, the CofC realizes that it must increase the capacity of current homeless housing providers to create and operate housing for this population. The second way to achieve success is to engage the larger affordable housing community to incorporate chronically homeless housing in their own housing plans. In addition to regular HCV's, there are a number of vouchers limited to special populations. In 2008, HUD provided funding to assist chronically homeless veterans through VASH Vouchers. The funding continues in place. These vouchers combine Section 8 rental assistance for homeless veterans, with case management and clinical services provided through the Veteran's administration. Veterans must already be homeless in accord with HUD's definition of homelessness. CTI administers the VASH vouchers in the Consortium area. According to CTI, 59 VASH vouchers for formerly homeless veterans are currently active in the area. Haverhill continues to work with the Northeast Veteran's Outreach Center, providing it with assistance from NSHC HOME funds as it develops a continuum of supported housing.

3. *Homelessness Prevention—Describe the jurisdiction's strategy to help prevent homelessness for individuals and families with children who are at imminent risk of becoming homeless.*

The breadth of the population dealing with the potential of homelessness has grown dramatically. Agencies throughout the area have seen a dramatic increase in those with long-term work histories at significant risk of losing their housing, due to unemployment and underemployment. Hundreds of households have been at risk of foreclosure, either as part of the sub-prime loan crisis or due to economic hardship. This impacts both owners and tenants of rental properties that have either been foreclosed and, in some cases, abandoned. As of April 15, 2010, there were 181 bank-owned properties, 107 in default and 99 scheduled for auction. This number has continued to grow since the beginning of the year. The unemployment rate for Haverhill was 10.5% as of January 1<sup>st</sup> 2010, higher than that of 9.1% for Massachusetts<sup>77</sup> and for those under the age of 25 it has also grown. The City continues to work closely with Community Action, Inc. (CAI), the local community action agency, to mitigate the foreclosure crisis

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<sup>77</sup> BLS Ibid

as it impacts both homeowners and tenants. CAI received funding directly under ARRA, to be used for rental assistance. It also has received HPRP funds that it is using to provide assistance for arrearages(both rents and mortgage payments) and utilities. Emmaus, Inc., provider of emergency, transitional and supported housing, is also using HPRP funds to provide temporary financial assistance and relocation and stabilization services.

To combat those at risk of homelessness, the City of Haverhill will continue to support prevention related programs and services in an effort to minimize the number of Haverhill residents who become homeless. This includes supporting the operation of Mitch's Place, a year round 30-bed shelter for homeless individuals where guests receive extensive services until they can be placed in temporary or permanent housing and the meals programs of various service providers, the largest of which is the Salvation Army's meals program.

One of the highest priority needs that has been identified for Haverhill is to provide housing for one of the fastest growing segments of the homeless population, namely elders. The Community Development Department is working with various non-profits throughout Haverhill to increase the amount and the quality of housing for elders. The Wadleigh House, a project of the YMCA of the North Shore, expects to break ground this year on a development increasing the living standards for 22 elderly men by expanding an SRO facility to efficiencies. The Community Development Department will be helping this organization with funding from the North Shore Home Consortium.

CDBG funds also support the operation of the fuel assistance program operated by CAI. Income support services that are CDBG funded include a number of meal and pantry services offered through Bethany Community Services, Open Hand Food Pantry, Mother/ Child Food and Clothing Program and the Salvation Army Meals Program. In addition, the City of Haverhill funds programs which increase resident's skills and provide employment assistance including Community Services Training and an Adult Learning Program.

The City, in collaboration with Community Action, Inc. funds a Tenant Based Rental Assistance Program through use of its HOME funds. This program is designed to link rental assistance with Community Action Inc.'s Certified Nurses Aid Training Program.

The program offers up to 12 months of rental subsidy to defray the cost of housing as participants transition from public assistance to full-time employment.

Finally, Haverhill has continued to actively participate in the Continuum of Care process and has advocated for renewals for ongoing homeless programs and for new programs provided by Emmaus, Inc., the Veterans Northeast Outreach Center and Housing Support Inc. These include both transitional and permanent supported housing for families and individuals.

4. *Institutional Structure—Briefly describe the institutional structure, including private industry, non-profit organizations, and public institutions, through which the jurisdiction will carry out its homelessness strategy.*

As noted above and repeated here, the Gloucester/Haverhill/Salem/Essex County Continuum of Care, commonly known as The Continuum of Care Alliance, is the primary decision making group. The lead organization which manages the overall planning and submissions to HUD is Peabody Community Development. The communities served by the CofC are the same as those included in the NSHC.

The CofC has done extensive outreach to encourage participation from a wide representation of agencies throughout the geographic area, including stakeholders from the public and private sectors and those agencies providing mainstream services. Any agency that wants to participate in the CoC as a member is welcomed and encouraged to join various CoC committees. When making decisions, the CoC uses a democratic process, with each participating agency having one vote. For membership in the Proposal Review Committee, participants cannot be from agencies that have a vested interest in the outcome; however, that committee's recommendations are ratified by the entire group.

The Proposal Review Committee meets multiple times each month immediately before the submission of the annual NOFA since that is when the decisions have to be made regarding the funding priorities for that years submission. Since the CofC is in Hold Harmless Needs status, the majority of the funding is for renewing effective programs, which are reviewed annually by this Committee. For new projects, if funds are made available, concept papers are requested, proposals are reviewed, and decisions are made by this Committee



in the months before the application is due. It would not be feasible or efficient to meet and make any final decisions before HUD issues its NOFA including the criteria for new funding.

For a list of participating groups, please refer to the Continuum of Care submission.

5. *Discharge Coordination Policy—Every jurisdiction receiving McKinney-Vento Homeless Assistance Act Emergency Shelter Grant (ESG), Supportive Housing, Shelter Plus Care, or Section 8 SRO Program funds must develop and implement a Discharge Coordination Policy, to the maximum extent practicable. Such a policy should include "policies and protocols for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent such discharge from immediately resulting in homelessness for such persons." The jurisdiction should describe its planned activities to implement a cohesive, community-wide Discharge Coordination Policy, and how the community will move toward such a policy.*

The Continuum of Care which serves the homeless in the area, has adopted formal discharge protocols for facilities discharging people from foster care, health care, mental health care and correctional facilities.

**Foster Care:**

It is the responsibility and charge of the State Department of Children and Families to ensure that all youth with a discharge plan are discharged to appropriate and stable housing. There is a formal policy in place and implemented that ensures that youth are not routinely discharged into homelessness (including homeless shelters, the streets, or other homeless assistance programs). The DCF Standards for Independent Living Services specifically state that in no case may youth be placed in inappropriate housing. If appropriate housing is not available, the youth is not eligible for discharge from the States system of care. Appropriate housing is defined as all housing except shelters, hotels/motels, and dwellings that fail to meet government health and building code standards. Youth are routinely discharged through reunification with their families or, for those youth whose age allows, to another age appropriate independent housing option.

**Health Care:**

The Executive Office of Health and Human Services (EOHHS), the state agency with oversight of publicly-funded health care, has developed and implemented a formal policy in place that ensures that people are not routinely discharged into homelessness (including homeless shelters, the streets, or other homeless assistance programs) from state-funded health care facilities. EOHHS has established Discharge Planning Standards, which are part of every Request for Proposal. These standards are reviewed during monitoring site visits, annual reports, review of the Department of Public Health (DPH) discharge and admission data, analysis of billing data, and Risk Management analysis. Programs that are funded by EOHHS/DPH are required to submit admission and discharge data on all clients, not just clients funded through EOHHS/DPH dollars, as well as billing and invoice data on all clients. EOHHS/DPH funded detoxification programs routinely discharge from their programs to state funded residential recovery programs or to state funded transitional support services.

**Mental Health:**

The State Department of Mental Health (DMH) has developed and implemented a formal policy in place (see regulation 104 CMR 27.09) that ensures that people are not routinely discharged into homelessness (including homeless shelters, the streets, or other homeless assistance programs) from state-funded mental health facilities. The Department of Mental Health routinely discharges clients to their state-funded system of group homes. All state-funded mental health facilities are required to arrange for the necessary post-discharge support and clinical services needed to facilitate a smooth reentry to the community. Such measures must be documented in the clients medical record. All mental health facilities are required to make every effort to avoid discharge to the streets or shelters. All facilities are required to take steps to identify and offer alternative options to patients and must document such measures, including all competent refusals of alternative options by a patient, in the medical record. In the case of such a discharge the mental health facility must arrange for or, in the case of a competent refusal, identify post-discharge support and clinical services. The facility shall keep a record of all discharges to a shelter or the street in the approved form and submit such information to the Department of Mental Health on a quarterly basis.

**Corrections:**

The State Department of Corrections (DOC) has taken a proactive approach to discharge planning and has targeted resources towards



specialized housing with services to prevent inmates from reentering the corrections system and/or becoming homeless again. There is a formal policy in place and implemented that ensures that ex-offenders are not routinely discharged into homelessness (including homeless shelters, the streets, or other homeless assistance programs). DOC routinely discharges inmates to traditional residential placement in the community. These include reunification with family, rental housing or state funded half way houses. The Department of Corrections issued a new policy in 2002 regarding the release preparation of inmates in their facilities. The policy includes three components:

1. Developing individualized risk reduction plans.
2. Participation in transition workshops (minimum of five per year) initiated as the inmate approaches release which are designed to establish a comprehensive treatment plan.
3. Post-release planning and supervision to promote continuity between reentry plans and supervision and community services accessed upon release. The transition plan includes a Living Arrangements section where inmates outline the specifics of their housing reentry plan. DOC has formed unique partnerships with local jails to assist local communities with the release of ex-offenders from the larger system back into their community.

### Emergency Shelter Grants (ESG)

*(States only) Describe the process for awarding grants to State recipients, and a description of how the allocation will be made available to units of local government.*

5 Year Strategic Plan ESG response:

**N/A**

## COMMUNITY DEVELOPMENT

### Community Development (91.215 (e))

\*Please also refer to the Community Development Table in the Needs.xls workbook

1. *Identify the jurisdiction's priority non-housing community development needs eligible for assistance by CDBG eligibility category specified in the Community Development Needs Table (formerly Table 2B), – i.e., public facilities, public improvements,*

*public services and economic development.*

2. *Describe the basis for assigning the priority given to each category of priority needs.*
3. *Identify any obstacles to meeting underserved needs.*
4. *Identify specific long-term and short-term community development objectives (including economic development activities that create jobs), developed in accordance with the statutory goals described in section 24 CFR 91.1 and the primary objective of the CDBG program to provide decent housing and a suitable living environment and expand economic opportunities, principally for low- and moderate-income persons.*

NOTE: Each specific objective developed to address a priority need, must be identified by number and contain proposed accomplishments, the time period (i.e., one, two, three, or more years), and annual program year numeric goals the jurisdiction hopes to achieve in quantitative terms, or in other measurable terms as identified and defined by the jurisdiction.

## 5 Year Strategic Plan Community Development response:

### Introduction to Haverhill Economic Conditions

The following table summarizes the employment in Haverhill. It should be noted that 34% of all jobs in Haverhill are held by Haverhill residents.<sup>78</sup>

As can be seen from this table, the services industry has the most businesses and employees in Haverhill. However, the retail trade industry combined is the second largest trade group.

**Table 50: Business and Employees in Haverhill 2009 – Organized by Trade Group<sup>79</sup>**

	BUSINESSES		EMPLOYEES	
	Number	Percent	Number	Percent
Agriculture & Mining	41	2.1%	81	0.4%
Construction	199	10.2%	1,311	6.4%
Manufacturing	104	5.3%	1,838	9.0%
Transportation	47	2.4%	562	2.8%
Communication	8	0.4%	51	0.3%
Utility	9	0.5%	51	0.3%
Wholesale Trade	92	4.7%	941	4.6%

<sup>78</sup> ESRI forecast for 2009

<sup>79</sup> ESRI Ibid.

	BUSINESSES		EMPLOYEES	
	Number	Percent	Number	Percent
Retail Trade Summary	399	20.4%	3,840	18.8%
Home Improvement	34	1.7%	449	2.2%
General Merchandise Stores	16	0.8%	147	0.7%
Food Stores	46	2.4%	768	3.8%
Auto Dealers, Gas Stations, Auto Aftermarket	50	2.6%	593	2.9%
Apparel & Accessory Stores	13	0.7%	40	0.2%
Furniture & Home Furnishings	34	1.7%	150	0.7%
Eating & Drinking Places	114	5.8%	1,218	6.0%
Miscellaneous Retail	92	4.7%	475	2.3%
Finance, Insurance, Real Estate Summary	162	8.3%	1,045	5.1%
Banks, Savings & Lending Institutions	27	1.4%	559	2.7%
Securities Brokers	15	0.8%	37	0.2%
Insurance Carriers & Agents	29	1.5%	101	0.5%
Real Estate, Holding, Other Investment Offices	91	4.7%	348	1.7%
Services Summary	792	40.5%	9,774	47.9%
Hotels & Lodging	5	0.3%	225	1.1%
Automotive Services	78	4.0%	226	1.1%
Motion Pictures & Amusements	48	2.5%	621	3.0%
Health Services	124	6.3%	2,927	14.4%
Legal Services	55	2.8%	178	0.9%
Education Institutions & Libraries	48	2.5%	2,412	11.8%
Other Services	434	22.2%	3,185	15.6%
Government	77	3.9%	885	4.3%
Other	26	1.3%	9	0.0%
Totals	1,956	100.0%	20,388	100.0%

The table below illustrates the current employers by type and by occupation. As can be seen, the services industry dominates the employment scene. This has implications for education and business development.

**Table 51: Number of Businesses by Industry Group 2009 Sorted by Size<sup>80</sup>**

Number of Businesses by Industry Group	Number
Other Services	434
Construction	199
Health Services	124
Eating & Drinking Places	114
Manufacturing	104
Wholesale Trade	92
Miscellaneous Retail	92
Real Estate, Holding, Other Investment Offices	91

<sup>80</sup> ESRI Ibid.

<b>Number of Businesses by Industry Group</b>	<b>Number</b>
Automotive Services	78
Government	77
Legal Services	55
Auto Dealers, Gas Stations, Auto Aftermarket	50
Motion Pictures & Amusements	48
Education Institutions & Libraries	48
Transportation	47
Food Stores	46
Agriculture & Mining	41
Home Improvement	34
Furniture & Home Furnishings	34
Insurance Carriers & Agents	29
Banks, Savings & Lending Institutions	27
Other	26
General Merchandise Stores	16
Securities Brokers	15
Apparel & Accessory Stores	13
Utility	9
Communication	8
Hotels & Lodging	5

**Table 52: Employment by Industry 2009 Sorted by Size<sup>81</sup>**

<b>Total Employees by Industry Group</b>	<b>Number</b>
Other Services	3185
Health Services	2927
Education Institutions & Libraries	2412
Manufacturing	1838
Construction	1311
Eating & Drinking Places	1218
Wholesale Trade	941
Government	885
Food Stores	768
Motion Pictures & Amusements	621
Auto Dealers, Gas Stations, Auto Aftermarket	593
Transportation	562
Banks, Savings & Lending Institutions	559
Miscellaneous Retail	475
Home Improvement	449
Real Estate, Holding, Other Investment Offices	348
Automotive Services	226
Hotels & Lodging	225
Legal Services	178
Furniture & Home Furnishings	150

<sup>81</sup> ESRI Ibid.

<b>Total Employees by Industry Group</b>	<b>Number</b>
General Merchandise Stores	147
Insurance Carriers & Agents	101
Agriculture & Mining	81
Communication	51
Utility	51
Apparel & Accessory Stores	40
Securities Brokers	37
Other	9

The following table analyzes employers in order of the ratio of employees to business. The higher the ratio, the more leverage the City can get if that type of business establishment can be retained or attracted to Haverhill. As the ratio table shows, education and hospitality businesses have the highest ratio of employees per business. This would argue for a twin strategy of attracting and retaining these two types of industry. The professional degrees needed for the education sector are very high and for the most part tertiary level; a high level of education and training is also required for hotel and lodging jobs.

**Table 53: Type of Industry by Ratio of Employees per Business<sup>82</sup>**

<b>Employees per Business by Industry Group</b>	<b>Ratio</b>
Education Institutions & Libraries	50.25
Hotels & Lodging	45.00
Health Services	23.60
Banks, Savings & Lending Institutions	20.70
Manufacturing	17.67
Food Stores	16.70
Home Improvement	13.21
Motion Pictures & Amusements	12.94
Transportation	11.96
Auto Dealers, Gas Stations, Auto Aftermarket	11.86
Government	11.49
Eating & Drinking Places	10.68
Wholesale Trade	10.23
General Merchandise Stores	9.19
Other Services	7.34
Construction	6.59
Communication	6.38
Utility	5.67
Miscellaneous Retail	5.16
Furniture & Home Furnishings	4.41
Real Estate, Holding, Other Investment Offices	3.82
Insurance Carriers & Agents	3.48

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<sup>82</sup> ESRI Ibid.

<b>Employees per Business by Industry Group</b>	<b>Ratio</b>
Legal Services	3.24
Apparel & Accessory Stores	3.08
Automotive Services	2.90
Securities Brokers	2.47
Agriculture & Mining	1.98
Other	0.35

A recent study by the Center for Labor Market Studies at Northeastern University, states that the employment picture in the nation and in the region is quite disturbing.<sup>83</sup> There has been a growing gap between the available jobs in industry and the unemployed.

*As the Northeastern report states: "The existence of these large labor surpluses, especially for blue collar workers, reduces real output, employment, earnings, and incomes, and contributes to fiscal problems at the local, state, and national level. Jobless workers do not pay social security, federal income, or state income taxes; they pay less in sales taxes, and frequently require large transfer payments in the form of unemployment insurance benefits, disability payments, food stamps, and health care assistance. A variety of short-term and long-term job creation and re-training strategies will be needed to reduce the size of these problems and improve their future employability and the state's economic competitiveness. Our nation's main strategy thus far has been to extend the length of their unemployment benefits with little to no efforts to create new job prospects for them. Long unemployment spells have adverse physical and mental health effects on these jobless workers that can lead to their exit from the labor force".<sup>84</sup>*

A recent compilation of studies noted the following:

*"The unemployment rate hit 10 percent in October [2009], and there are good reasons to believe that by 2011, 2012, even 2014, it will have declined only a little. Late last year, the average duration of unemployment surpassed six months, the first time that has happened since 1948, when the Bureau of Labor Statistics began tracking that number. As of this writing, for every open job in the U.S., six people are actively looking for work.*

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<sup>83</sup> The Depression in Blue Collar Labor Markets in Massachusetts and the U.S.: Their Implications For Future Economic Stimulus and Workforce Development Policies. Prepared By: Andrew Sum With Joseph McLaughlin Misha Trubsky Center for Labor Market Studies Northeastern University Boston, MA  
December 2009

<sup>84</sup> Ibid

*All of these figures understate the magnitude of the jobs crisis. The broadest measure of unemployment and underemployment (which includes people who want to work but have stopped actively searching for a job, along with those who want full-time jobs but can find only part-time work) reached 17.4 percent in October, which appears to be the highest figure since the 1930s. And for large swaths of society— young adults, men, minorities—that figure was much higher (among teenagers, for instance, even the narrowest measure of unemployment stood at roughly 27 percent). One recent survey showed that 44 percent of families had experienced a job loss, a reduction in hours, or a pay cut in the past year”.*<sup>85</sup>

This has implications for the City as it plans for the use of CDBG resources for economic development.

The current educational characteristics of the population, indicate that residents of Haverhill have a range of educational achievements which may match the current business demand. However, it would be important to determine whether this will be the case in the future, especially in light of the foregoing discussion.

**Table 54: Educational Achievements 2009**<sup>86</sup>

<b>% of 25+ Population Graduated High School Only 2009</b>	<b>% of 25+ Population with Some College Only 2009</b>	<b>% of 25+ Population Graduated College and/or Post-College 2009</b>	<b>Total % with Post High School Education</b>
31.9%	18.5%	37.1%	55.6%

The table above shows that 32% of Haverhill’s residents have no more than a high school diploma. This poses a challenge to Haverhill to support efforts to get more people through high school and into post secondary education. The City has supported some youth enrichment programs in past years, which are aimed at improving graduation rates especially for low income youth. These should be continued.

However, as the discussion above shows, there will be a need to review the financial health of existing employers and the prospect for not only retaining them in Haverhill but also enticing new businesses to locate in the City. The Census Bureau notes that 87% of all

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<sup>85</sup> “How a New Jobless Era Will Transform America”, Don Peck, The Atlantic Monthly March 2010

<sup>86</sup> ESRI Ibid.

businesses employ less than 20 people; that 10% of all employment is by these small businesses; and that these same small businesses only account for 7% of the nation's payroll.<sup>87</sup> However, other studies have shown that the real growth of employment comes with start-up businesses. So there is a strong argument for fostering the establishment of new or start-up businesses. However, preservation of the larger employers will likely sustain higher payrolls and strengthen the purchasing power of residents.

When we examine the income characteristics of Haverhill, we can see that through 2008, the percentage of middle and upper income households had increased. However, the continued unemployment and stagnant wages the economy is experiencing at this time likely portends a downward shift in these projections.

**Table 55: Haverhill Income Distribution 2000-2014<sup>88</sup>**

Households by Income	2000		2009		2014	
	#	%	#	%	#	%
< \$15,000	3,329	14.5%	2,394	10.2%	2,285	9.7%
\$15,000 - \$24,999	2,411	10.5%	1,786	7.6%	1,566	6.6%
\$25,000 - \$34,999	2,235	9.7%	1,913	8.1%	1,699	7.2%
\$35,000 - \$49,999	3,558	15.5%	2,625	11.2%	2,632	11.1%
\$50,000 - \$74,999	5,211	22.7%	5,025	21.4%	4,784	20.2%
\$75,000 - \$99,999	3,174	13.8%	3,421	14.6%	4,473	18.9%
\$100,000 - \$149,999	2,327	10.1%	4,686	20.0%	4,348	18.4%
\$150,000 - \$199,999	385	1.7%	1,099	4.7%	1,248	5.3%
\$200,000+	369	1.6%	538	2.3%	616	2.6%

*Note: The green shaded cells above indicate the income range in which 80% median income falls and the blue shaded cells indicate the income range in which 30% median income falls.*

As noted in prior sections of the plan, there has been a very slight decrease from 2000 to 2009 in the proportion of low-income households [less than 80% median] as well as a decline in extremely low-income households [less than 30% median]. Census projections

<sup>87</sup> US Census 2000

<sup>88</sup> ESRI Ibid.



for 2014 suggest that the City's proportion of extremely low-income households may experience a small decline, but given the economic conditions, especially as they impact households below 80% of median, this is unlikely.

*1. Identify the jurisdiction's priority non-housing community development needs eligible for assistance by CDBG eligibility category specified in the Community Development Needs Table (formerly Table 2B), – i.e., public facilities, public improvements, public services and economic development.*

Priority community development needs are shown in the Community Development sheet in *needs.xls* in CPMP and below.

Community development priorities were based on the City's ongoing evaluation of public infrastructure and programmatic needs among low and moderate income households, slums and blight in targeted areas and key initiatives designed to improve quality of life and economic opportunities. In addition, the Consolidated Plan planning process has engaged Haverhill residents and public service providers, experts and other officials to identify priority community development needs. Neighborhoods in the CDBG Target Area have outdated and aging infrastructure in need of repairs. Initiatives completed in this last program year, such as a pavement management plan, have been completed and are underway to improve neighborhoods through drainage, sewer, sidewalk, lighting improvements, improved appearance through shade trees and actions to remove blighted structures. Such area improvements serve to enhance privately available services, expand employment and improve community life.

The City is placing a renewed emphasis on Target Area improvements and the revitalization of inner city parks. These parks are a core component in keeping youth of the City occupied during out of school months and are a key resource for the children of the Target Area. The City places a high priority on continued support to public service agencies and organizations which provide essential services. Additionally, the City has seen hundreds of mixed-income housing units come online in the last two years in downtown Haverhill, spurring economic growth of that area. Concomitantly, the City has a continued strategy to improve the infrastructure of the downtown area, now home to many new low-income residents, that is commensurate with the surrounding and more traditional residential areas.

The City has also engaged in extensive, collaborative and public planning to improve economic opportunity by assisting businesses which create or retain jobs for low income people. The envisioned community improvements and investments will be hastened by a façade and storefront improvement program, economic development projects including micro-enterprise activities in the target areas.

The priority community development needs were developed from the process described elsewhere in the document and reflects the City's best judgment of what should be the priorities during the coming five years. Clearly the economic climate will change and these may change as well.

**Table 56: Priority Non-Housing Community Development Needs**

COMMUNITY DEVELOPMENT PRIORITY OBJECTIVES	PRIORITY	TARGET POPULATION
<b>GOAL 2A: MAKE NEIGHBORHOOD IMPROVEMENTS</b>		
<b>Objectives:</b>		
1. Improvement in infrastructure including drainage, sewers, sidewalks, lighting, shade trees serving the CDBG Target Area population.	High	ELI-VLI-LI All Types of HHs
2. Installation of ADA-compliant facilities throughout the City.	High	ELI-VLI-LI All Types of HHs
3. Overall strategy for improving the lives of the youth in the CDBG Target Area, including health and wellness initiatives.	High	ELI-VLI-LI All Types of HHs
4. Foreclosure prevention and reduction initiatives for low-mod households offered by and through the Community Development Department.	High	ELI-VLI-LI All Types of HHs
5. Rehabilitate blighted buildings and sites to improve appearance and public health and safety.	High	ELI-VLI-LI All Types of HHs
6. Renovation of area parks and facilities that serve the low income populations of the CDBG Target Area	High	All ELI-VLI-LI HHs
<b>GOAL 2B: PROVIDE SOCIAL SERVICES</b>		
<b>Objectives:</b>	<b>Priority</b>	<b>Target Population</b>

COMMUNITY DEVELOPMENT PRIORITY OBJECTIVES	PRIORITY	TARGET POPULATION
1. Improve outreach and access to supportive services for homeless individuals and their families.	High	ELI-VLI-LI All Types of HHs
2. Increase coordination among Haverhill services providers of resources.	High	All LI Families with HIV/AIDS
3. Increase access to child care and transportation services.	High	All LI Families
4. Increase individuals completing job training programs for employment	High	ELI-VLI-LI All Types of HHs
5. Reduction in the number of gang related activities.	High	All HHs facing gang violence
6. Informational resource on housing and services to low-income residents of the Target Area.	High	ELI-VLI-LI All Types of HHs
<b>GOAL 3A: PROMOTE ECONOMIC DEVELOPMENT</b>		
<b>Objectives:</b>	<b>Priority</b>	<b>Target Population</b>
1. Assist for-profit businesses and non-profit organizations where appropriate to create or retain jobs for low/moderate income people.	Medium	ELI-VLI-LI All Types of HHs
2. Creation of a storefront and façade program to enhance the residential and business areas of the City, where the population of the Target Area shop and congregate.	Medium	ELI-VLI-LI All Types of HHs
3. Develop economic development projects and micro-enterprise activities in the Target Area.	High	ELI-VLI-LI All Types of HHs
4. Provide improvements in inner city infrastructure.	High	ELI-VLI-LI All Types of HHs
5. Create sites suitable for business expansion and available for development.	High	ELI-VLI-LI All Types of HHs
6. Conduct assessment for hazardous substances and petroleum on identified Brownfield sites.	High	ELI-VLI-LI All Types of HHs

*2. Describe the basis for assigning the priority given to each category of priority needs.*

Based on the data analyses and supported by feedback from service providers during the 2010 FY CDBG public service grant application rounds, households have exceedingly high cost burdens. Labor market analyses cited in this plan, note that the overriding issue facing the community is the recession and lack of employment. To address this is difficult for a City and especially difficult for a CDBG agency with its limited resources, representing less than 1% of the City budget and a fraction of the total value of the Haverhill economy.

In fact in the past 35 years, the CDD has been able to use CDBG funds to enhance neighborhoods and promote economic growth. This experience also informed the process of establishing the priorities.

*3. Identify any obstacles to meeting underserved needs.*

The major obstacle which the CDD faces at this time and probably for several years, is the impact of the recession on private and public capital budgets and the decline in investment. Generally, the City combines and leverages its funds with those of the City and/or private developers. As these investments have dried up, the CDD will be forced to phase its own CDBG investments accordingly. The CDD will be looking toward state grants, such as the Community Development Action Grant to supplement planning and implementation funds, targeted to the heart of the CDBG Target Area and intermeshed with the Gateway Area, researched and analyzed during the 2009 calendar year.

*4. Identify specific long-term and short-term community development objectives (including economic development activities that create jobs), developed in accordance with the statutory goals described in section 24 CFR 91.1 and the primary objective of the CDBG program to provide decent housing and a suitable living environment and expand economic opportunities, principally for low- and moderate-income persons.*

Table 57: Long Term (2010-2014) Community Objectives

<b>PRIORITY GOALS</b>	<b>Estimated Outcomes 2010-2014</b>
<b>GOAL 2A: MAKE NEIGHBORHOOD IMPROVEMENTS</b>	
<b>Objectives:</b>	
1. Improvement in infrastructure including drainage, sewers, sidewalks, lighting, shade trees serving the CDBG Target Area population.	14
2. Installation of ADA-compliant facilities throughout the City.	5
3. Overall strategy for improving the lives of the youth in the CDBG Target Area, including health and wellness initiatives.	15
6. Foreclosure prevention and reduction initiatives for low-mod households offered by and through the Community Development Department.	15
7. Rehabilitate blighted buildings and sites to improve appearance and public health and safety.	7
8. Renovation of area parks and facilities that serve the low income populations of the CDBG Target Area	8
<b>GOAL 2B: PROVIDE SOCIAL SERVICES</b>	
<b>Objectives:</b>	
1. Improve outreach and access to supportive services for homeless individuals and their families.	10
2. Increase coordination among Haverhill services providers of resources.	5
3. Increase access to child care and transportation services.	5
4. Increase individuals completing job training programs for employment	100
5. Reduction in the number of gang related activities.	5
6. Informational resource on housing and services to low-income residents of the Target Area.	10
<b>GOAL 3A: PROMOTE ECONOMIC DEVELOPMENT</b>	
<b>Objectives:</b>	

PRIORITY GOALS	Estimated Outcomes 2010-2014
1. Assist for-profit businesses and non-profit organizations where appropriate to create or retain jobs for low/moderate income people.	3
2. Creation of a storefront and façade program to enhance the residential and business areas of the City, where the population of the Target Area shop and congregate.	10
3. Develop economic development projects and micro-enterprise activities in the Target Area.	4
4. Provide improvements in inner city infrastructure.	14
5. Create sites suitable for business expansion and available for development.	3
6. Conduct assessment for hazardous substances and petroleum on identified Brownfield sites.	2

### Antipoverty Strategy (91.215 (h))

- 1. Describe the jurisdiction's goals, programs, and policies for reducing the number of poverty level families (as defined by the Office of Management and Budget and revised annually). In consultation with other appropriate public and private agencies, (i.e. TANF agency) state how the jurisdiction's goals, programs, and policies for producing and preserving affordable housing set forth in the housing component of the consolidated plan will be coordinated with other programs and services for which the jurisdiction is responsible.*
- 2. Identify the extent to which this strategy will reduce (or assist in reducing) the number of poverty level families, taking into consideration factors over which the jurisdiction has control.*

#### 5 Year Strategic Plan Antipoverty Strategy response:

The City's economic development position and strategy is being restored after having been vacant for a short time. The strategies which support and nurture the City's economic infrastructure and promote its viability to compete as a city of the 21<sup>st</sup> century are the

goals of the renewed strategy. The approach is comprehensive and seeks to ensure the inclusion of all residents, including the low skilled, the unemployed and the economically disadvantaged person. Given the downtown renaissance that has taken place during the last decade and the new residential character of converted factory buildings in this area, many of them housing a substantial number of low-income households, the city needs a comprehensive economic development strategy. This new strategy will assist this new residential population in finding and maintaining employment.

The new Economic Development strategy includes Haverhill's "Gateway Area" along Winter St. and north of downtown in what is known as the Lower Acre residential neighborhood. The CDD has initiated a planning process for the Gateway Area in the last year, facilitated by a grant from Massachusetts' Department of Housing and Community Development to study the needs of the area's residents as they relate to health, safety, housing and transportation. The City's Consolidated Plan will align with the City's overall economic development strategy in order to foster the following elements:

- Increasing economic opportunity for Target Area residents
- Income enhancement
- Energy cost containment
- Health and Wellness initiatives
- Preservation and expansion of housing for low-mod households
- Tutoring and educational support for low-mod youth
- Job interview training for low-mod people

CDBG programs which will be used to directly impact the poverty problems are as follows:

- Funding of affordable housing development
- Funding of homeless shelters
- Funding of meals programs
- Interim assistance to low-mod households after natural disasters

CDBG programs can be used and can indirectly influence those at or below the poverty level, include reducing other costs such as expanding affordable housing, improving energy efficiency, providing access to public transportation and increasing health care assistance.

CDBG programs which will be used to indirectly impact poverty are as follows:

- Health and wellness services
- Repair of foreclosed and abandoned property in order to stem blight in the Target Area neighborhoods
- Homeowner Improvement Program to repair health, safety and building code violations in order to keep low-mod families intact and living in their homes
- Improvement and expansion of public service activities that directly benefit low-mod individuals

The estimates of poverty for the City based on the 2000 census are as follows:

**Table 58: Poverty Percentage<sup>89</sup>**

Total Population in poverty 2000	Poverty % Census 2000	Total Population in poverty ACS 2008	Poverty % ACS 2008
5,243	9.10%	6,103	10.53%

The HUS CHAS/ACS for 2009 has calculated the number of households at or below 20% of median income as 1,170 or 7.6% of all households in Haverhill<sup>90</sup>. This number, although it represents households instead of total population, is much lower than the 2000 Census and 2008 ACS poverty estimates for the City. The published HUD poverty guidelines for 2009 are in the table below:

**Table 59: The 2009 Poverty Guidelines for the 48 Contiguous States and the District of Columbia<sup>91</sup>**

Persons in family	Poverty guideline
1	\$10,830
2	14,570
3	18,310
4	22,050
5	25,790
6	29,530
7	33,270
8	37,010
For families with more than 8 persons, add \$3,740 for each additional person.	

In 2009, ESRI estimated that 3,287 households had incomes at or below \$20,000, representing 14% of the households. This varies

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<sup>89</sup> US Census 2000 SF3 and ACS 2008

<sup>90</sup> HUD CHAS/ACS 2009 Table 11

<sup>91</sup> HUD Database 2009



significantly from the CHAS 2009 and ACS 2008 projections.

If we use HUD low-mod area data, we can see how the City has especially needy areas (in terms of poverty) and could benefit from focused CDBG funds.

**Table 60 HUD Defined Low Mod Percentages by Census Tract and Block<sup>92</sup>**

Tract	Low Mod #	Universe	Low Mod %	Low Mod Blocks
260100	2685	3905	68.76%	3
260800	3122	4805	64.97%	2
260200	2060	3244	63.50%	2
260900	2660	4815	55.24%	2
260600	1537	2933	52.40%	2
260700	1877	4329	43.36%	1
261000	1753	4122	42.53%	0
261102	1696	4768	35.57%	0
260301	1611	4660	34.57%	0
260401	1238	3812	32.48%	0
260302	958	3102	30.88%	1
260500	1003	3359	29.86%	0
261101	1221	4185	29.18%	0
260402	1278	5531	23.11%	0

*Note: The highlighted Census Blocks are eligible for area benefit designation of CDBG funds.*

The following table shows the more information about the Census tracts in Haverhill from the 2000 Census.

**Table 61: Haverhill Tract Level Poverty<sup>93</sup>**

	Poverty Rate (2008)	Child Poverty Rate (2008)	Elderly Poverty Rate (2008)
<b>Haverhill Tracts</b>			
260100	23.58%	8.38%	3.30%
260200	16.19%	5.08%	3.02%
260301	3.73%	0.34%	1.07%
260302	4.44%	0.77%	2.45%
260401	3.42%	1.42%	0.24%
260402	3.37%	0.36%	0.63%
260500	7.83%	1.67%	2.66%
260600	6.52%	2.71%	0.00%

<sup>92</sup> HUD Low-Mod Census Tracts

<sup>93</sup> ACS 2008

	<b>Poverty Rate (2008)</b>	<b>Child Poverty Rate (2008)</b>	<b>Elderly Poverty Rate (2008)</b>
260700	7.42%	3.12%	0.16%
260800	21.94%	10.71%	0.46%
260900	14.49%	6.75%	1.15%
261000	6.74%	2.76%	1.11%
261101	2.55%	0.95%	0.00%
261102	5.13%	0.57%	1.37%

From the table, it is apparent that Tracts 2601 and 2608 represent the area of the City most impacted by poverty. Based on the low-mod percentages, Tract 2601 has the highest percentage of low-mod residents. Tracts 2608 and 2602 have the next highest low-mod percentages.

### Low Income Housing Tax Credit (LIHTC) Coordination (91.315 (k))

1. *(States only) Describe the strategy to coordinate the Low-income Housing Tax Credit (LIHTC) with the development of housing that is affordable to low- and moderate-income families.*

5 Year Strategic Plan LIHTC Coordination response:

The City will work with the state and developers when and if Low Income Housing Tax Credit funding is issued for projects in this area. There may be some LIHTC projects proposed for the City of Haverhill in the next 5 years, although the market for the LIHTC program is not currently supportive of such initiatives.

### NON-HOMELESS SPECIAL NEEDS

#### Specific Special Needs Objectives (91.215)

1. *Describe the priorities and specific objectives the jurisdiction hopes to achieve over a specified time period.*
2. *Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used*

*to address identified needs for the period covered by the strategic plan.*

5 Year Non-homeless Special Needs Analysis response:

1. *Describe the priorities and specific objectives the jurisdiction hopes to achieve over a specified time period.*

Throughout the City, there are households in various subpopulations who are not homeless but have specific housing needs and may also require special attention due to their current or prospective service needs. These subpopulations include: elderly, frail elderly, persons with severe mental illness, victims of domestic violence, developmentally disabled, physically disabled, substance abusers, persons with HIV/AIDS and veterans.

The City of Haverhill is aware of the needs of special populations and is committed to supporting initiatives which target these populations. As part of its strategy, the City is committed to provide assistance to emergency, transitional and permanent supported housing programs and related services offered through local non-profit organizations such as Emmaus, Inc. These housing programs provide shelter and support services to low income households, who also have either health issues, substance abuse and/or mental health concerns, are victims of domestic violence or are physically or developmentally disabled. The City has also worked closely with Northeast Veterans Outreach Centers which provides a continuum of housing and support services to veterans.

2. *Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by the strategic plan.*

The approach to addressing the needs posed by these populations has changed over the past 20 years. In response, a variety of public and private sector resources are available to address some of the current approaches to housing and service needs for these groups. These resources are limited and insufficient to meet all the needs identified. The members of these subpopulations frequently require assistance from multiple sources, in order to succeed in daily life.

In addition to the availability of federal public housing and other federally assisted housing programs for the elderly (primarily Section

202) and for the disabled (primarily Section 811 and Section 8 Project Based Assistance), Massachusetts is one of the few states which provides state-aided public housing for the elderly, for the frail elderly and for the non-elderly disabled through DHCD. The Haverhill Housing Authority owns six disabled only units funded under State Chapter 689. Monies for development for clients of DMH and DDS are also available to non-profits through the Facilities Consolidation Fund. Other state agencies serving the elderly in the City include EOEA and the EOHHS. Massachusetts also has a variety of community-based programs serving the elderly. The Haverhill Council on Aging has an extensive set of services focused in its senior center. The City is also serviced by Elder Services of the Merrimack Valley, its Area Agency on Aging. Programs implemented to meet the needs of elderly residents include subsidized housing; adult day care; home care; congregate housing; nutrition; guardianship; legal services; transportation; assistance with health care administration; social activities and coordination services for the disabled elderly.

In addition to affordability, a key issue for the physically disabled has been the inaccessibility of housing units. Funds from the HOME Consortium have been available to create accessibility, through physical rehabilitation and to adapt housing to meet the needs of the physically disabled, as well as meeting ADA and Section 504 requirements. Rebuilding Together, a national organization, has established a local presence, providing free housing rehabilitation services to low-income elderly and disabled households.

The number of adults with mental illness or developmental disabilities who are treated in institutions, has continued its dramatic decline. Correspondingly, the number receiving community-based services has significantly increased. DMH and DDS, are the primary service systems for providing services and housing (through the use of state and private housing providers), to these populations.

At the level of local government, the City has the Haverhill Housing Authority, Human Services departments, Veteran's Agent and a Council on Aging, as mentioned above, all of which concentrate at least some of their services on these populations, utilizing funds from various private, state and federal sources. HOME funds from the Consortium have been made available for providing assistance in the acquisition, development and rehabilitation of supported housing. HOME funds also assist through the provision of tenant-based rental assistance. In addition, non-profit organizations, including CHDOs within Haverhill typically administer programs targeted to these

populations, some of which are funded through the state agencies listed above and others which are funded with federal resources or through public and private grants or a combination of these sources.

The City does not receive HOPWA funds directly.

### Non-homeless Special Needs (91.205 (d) and 91.210 (d)) Analysis (including HOPWA)

\*Please also refer to the Non-homeless Special Needs Table in the Needs.xls workbook.

1. *Estimate, to the extent practicable, the number of persons in various subpopulations that are not homeless but may require housing or supportive services, including the elderly, frail elderly, persons with disabilities (mental, physical, developmental, persons with HIV/AIDS and their families), persons with alcohol or other drug addiction, victims of domestic violence, and any other categories the jurisdiction may specify and describe their supportive housing needs. The jurisdiction can use the Non-Homeless Special Needs Table (formerly Table 1B) of their Consolidated Plan to help identify these needs.*

*\*Note: HOPWA recipients must identify the size and characteristics of the population with HIV/AIDS and their families that will be served in the metropolitan area.*

2. *Identify the priority housing and supportive service needs of persons who are not homeless but may or may not require supportive housing, i.e., elderly, frail elderly, persons with disabilities (mental, physical, developmental, persons with HIV/AIDS and their families), persons with alcohol or other drug addiction by using the Non-homeless Special Needs Table.*
3. *Describe the basis for assigning the priority given to each category of priority needs.*
4. *Identify any obstacles to meeting underserved needs.*
5. *To the extent information is available, describe the facilities and services that assist persons who are not homeless but require supportive housing, and programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing.*

6. *If the jurisdiction plans to use HOME or other tenant based rental assistance to assist one or more of these subpopulations, it must justify the need for such assistance in the plan.*

5 Year Non-homeless Special Needs Analysis response:

1. *Estimate, to the extent practicable, the number of persons in various subpopulations that are not homeless but may require housing or supportive services, including the elderly, frail elderly, persons with disabilities (mental, physical, developmental, persons with HIV/AIDS and their families), persons with alcohol or other drug addiction, victims of domestic violence, and any other categories the jurisdiction may specify and describe their supportive housing needs. The jurisdiction can use the Non-Homeless Special Needs Table (formerly Table 1B) of their Consolidated Plan to help identify these needs.*

See the Needs.xls Table in the CPMP. In summary, these tables indicate a significant need for housing and a significant need for supportive services.

2. *Identify the priority housing and supportive service needs of persons who are not homeless but may or may not require supportive housing, i.e., elderly, frail elderly, persons with disabilities (mental, physical, developmental, persons with HIV/AIDS and their families), persons with alcohol or other drug addiction by using the Non-homeless Special Needs Table.*

**Elderly** include persons who are 65 or older, except where noted otherwise.<sup>94</sup> From 2000-2014, the elderly population proportionate to the overall population of Haverhill will remain stable. At the same time there will be an overall reduction of approximately 7.5% increase in the overall percentage in the elderly population. A percentage increase in those between 65-74 will be similar to the decrease in percentage of those between 75, At the same time the elderly population over age 85 will have substantially increased by 13%. This age group is the one most likely to require supportive services from the community. Although many elderly households require no supportive services to live independently, housing costs continue to be excessive for a large percentage of elderly. In 2009, 65% of elderly households in the City had incomes at less than 80% of AMI. Even

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<sup>94</sup> Note that the HUD CHAS ACS data for 2009 define elderly as 62 years old or older.

more significant is that of those < 80%, 36% are extremely low-income, at less than 30% of AMI. The elderly housing waiting list in the PHA is currently 296 which is equal to the number of PHA elderly units. In terms of supportive services, it is estimated that of the estimated 7494 elderly in the City in 2009, 3200 are being served through the Council on Aging. Communities find it difficult to determine how many elderly who require services are not receiving them. This is in part due to the fact that there are elderly individuals in need, who may have not been identified. However, the City does have an extensive network of services and activities available to elders.

**Frail elderly** are defined as those elderly with mobility or self-care limitations in the Census 2000. Typically, this population requires some assistance in daily living. This assistance may include adaptive housing and/or supportive services. However, the CHAS/ACS 2009 data, which is being used for the following analysis, (since it is current data) is based on a HUD definition of frail elderly as including all extra elderly (>75 years old). HUD has defined this population as most likely to require 'extra care'. The Council on Aging estimates that 10% of the population that it serves, are frail elderly. For the purposes of the remainder of this analysis, frail elderly include whose incomes are less than 80 percent of median income. There are 1,865 frail elderly households at less than 80 percent of median income, which is 74% of all frail elderly households, half of whom have also reported housing problems. It is estimated that there are frail elderly persons who are not receiving, but need supportive services. It is not possible to reliably determine the numbers of frail elderly in this situation.

*Please note that in Haverhill, the Council on Aging was able to provide unduplicated counts. This is important in obtaining an accurate census for the numbers of elderly being served. Agencies conduct multiple programs, providing a range of services which are not mutually exclusive and it is likely that in many cases, an individual utilizes more than one service.*

**Physically Disabled** Disabled households<sup>95</sup> in the City are disproportionately low income. The 2009 CHAS/ACS census reports that the overall percentage of disabled households is 10%. However, 82% of all disabled households in the City are low income. 64% of these low-income disabled households also report housing problems, the primary problem being the housing cost burden. Affordable and

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<sup>95</sup> One person in the household is disabled



accessible housing is identified as a critical need for these households. The ILI (Independent Living Center of the North Shore and Cape Ann), has reported numerous instances of physically disabled individuals remaining in nursing homes (many middle-aged and young) or being housed in shelters because of the lack of adequate affordable housing.

**Mentally ill** are typically treated through the State Department of Mental Health (DMH), that currently services adults through its residential programs. In general, virtually all individuals who apply and meet the clinical criteria of DMH, are receiving at least one mental health service. However, this does not mean that all mentally ill are accounted for through the DMH system, nor that those in the system are able to have all their needs met. The overwhelming majority of DMH clients are very low income, relying on Supplemental Security Income and/or Social Security. Over 90% of clients on the wait list across the state require rental assistance. There are currently a limited number of units of DMH subsidized or affiliated housing in Haverhill. In addition, DMH consumers may live in private housing, with the assistance of rental vouchers. In addition to traditional HCV's. Bridgewell Inc. provides services to adults with disabilities in the North Shore and Merrimac Valley administers CHOICE vouchers that can be used in the City of Haverhill. Included in the vouchers that CTI administers, a specific number are available specifically for clients of DMH. Regardless of their housing setting, consumers receive services through DMH, to support their tenure in accordance with their individual needs. The continuing shift from institutionalization to community based services and living options, has placed an increasing need to create additional affordable housing, in a setting that provides an opportunity for supervision and service provision.

Approximately 24% of the individuals who were determined to meet DMH's clinical criteria also had a substance abuse disorder diagnosis. This further complicates the provision of housing and other support services

**Developmentally Disabled** are serviced through the Department of Developmental Services (DDS). DDS works with housing providers to develop community-based housing for its clients, ranging from group homes to independent apartments. DDS estimates that 80 percent of its consumers are below the poverty line. The statewide waiting list for housing continues to grow and is exacerbated by an increasing number of individuals who have lived with parents who are now elderly and no longer able to provide care for them. Employment is also an increasing concern. With the increase in unemployment, jobs that are appropriate



for the developmentally disabled have become more and more subject to competitive bidding from the unemployed in the general population. Workshops that traditionally provided employment and activity for older developmentally disabled persons, have been reduced with the reduced volume of work available from local employers.

The following table provides a summary of housing resources currently available to this population, located in Haverhill and surrounding communities.

**Table 62: Supportive Housing Resources in the Region<sup>96</sup>**

<b>Community</b>	<b>Group Home Residents</b>	<b>Private Rent Subsidies</b>	<b>Supported Housing Units</b>
Amesbury	30	3	
Andover	18		
Beverly	20		
Boxford	4		
Danvers	54		
Georgetown	24		
Gloucester	10		
Hamilton	4		
<b>Haverhill</b>	<b>44</b>	<b>22</b>	<b>9</b>
Merrimac	10		5
Methuen	6	1	
Middleton	10		
No. Andover	4	2	
No. Reading	28		
Peabody	106	5	
Salem	50		
Salisbury	8		
Swampscott	17		
Wenham	8		
Wilmington	4		
	459	33	14

### **Substance Abuse:**

Households with substance abuse problems are at a high risk of homelessness. They are often dually diagnosed with mental illness as well as substance abuse, exacerbating their ability to successfully access services and shelter independently. Those who undergo treatment for

<sup>96</sup> DDS

addiction, frequently require a transitional setting and supportive services in order to fully recover. According to the Department of Public Health, there were 824 admissions for substance abuse in the City's population in 2007.

**Victims of Domestic Violence:**

When a person leaves an abusive relationship, she often has nowhere to go. This is most commonly the case for women with few resources. Lack of affordable housing and long waiting lists for assisted housing mean few choices for these families. Approximately 63% of homeless women have experienced domestic violence in their adult lives (National Coalition for the Homeless, 2009). In a national survey of homeless people, domestic violence was the second most frequently stated cause of homelessness for families. (National Alliance to End Homelessness, 2007). Emergency shelters are an important safe haven for domestic violence victims.

Ultimately, these victims and their families need safe, sanitary affordable housing. Only with this option, can these domestic violence victims leave the shelter system and minimize the risk of returning to their abuser.

The Women's Resource Center is part of the Haverhill YWCA and works with women experiencing domestic violence. There are two major domestic violence organizations servicing communities in the Haverhill area: Healing Abuse Working for Change (HAWC) in Salem and Jeanne Geiger Crisis Center of Newburyport(formerly the Women's Resource Center of Newburyport).

During 2009, these organizations provided direct services, including hotline, counseling, legal advocacy, case management, and support groups to over 3,000 individuals. In addition, both organizations have emergency shelter units. Within Haverhill, there are a small number of emergency, transitional and permanent units of housing for individuals and families who have been victims of domestic violence. Clearly, based on the numbers seeking assistance, there is an unmet need.

**HIV/AIDS:**

A previous study of HIV/AIDS by North Shore Community Action Programs (NSCAP) found that the primary need of persons with AIDS is access to affordable housing. Other studies have echoed this finding. Frequently, those with HIV/AIDS find themselves unemployed and dependent on disability income. When working with persons with AIDS counselors have found that once an individual has adequate housing, he/she is much more likely to successfully use other services and maintain a healthy lifestyle with proper nutrition. The need for housing ranges from independent living to a supportive environment for those who are sickest. The Massachusetts Department of Public Health maintains reports on all communities with more than five cases of

HIV/AIDS. As of July, 2008, there are 95 individuals in Haverhill living with HIV/AIDS. Within Essex County, there are 1,373 individuals living with AIDS. 54% of those individuals reside in Lawrence or Lynn. Salem and Haverhill follow with each representing approximately 7% of the HIV/AIDS population in the County. There is limited affordable housing available for persons with AIDS in the greater Haverhill area. Two AIDS specific programs are in place. *Serenity Housing* in Topsfield provides permanent or transitional housing for twelve men and women. Applicants must be homeless or at risk of homelessness. They must also have been clean and sober for ninety days. Supportive services are included in the program. Action, Inc., the community action agency in Gloucester has 10 TBRA's available to assist persons with AIDS. Strongest Link AIDS services offers a case management program to residents throughout Essex County with HIV/AIDS who are facing homelessness, poverty, health care costs, substance abuse and mental illness. The majority of these individuals are low-income and typically receiving SSI, SSDI, or MA Health.

**Veterans:**

The last ten years has seen an increasing number of veterans in need of shelter, transitional and permanent supported housing. With the current numbers of returning veterans, it is expected that this need will increase further. In addition, based on local statistics, for the first time, there is a growing number of women, both individual and with families who need assistance. There is supported housing in Haverhill, that was assisted with NSHC HOME funds. These projects all have waiting lists. As discussed in the Homeless section, VASH vouchers, which combine rental subsidies (similar to HCVs and counseling (provided through the VA) have been made available through CTI. The entire allocation of VASH, servicing 59 households, has been used.

*3. Describe the basis for assigning the priority given to each category of priority needs.*

The basis for assigning priorities has been delineated in earlier sections of the plan. They have been based on data from the HUD CHAS/ACS 2009 census data set, from state databases, from recent data generated from surveys and from hearings. The needs are overwhelming in relation to the available resources. The City of Haverhill and its non-profit organizations have solicited funds for housing and services for the special needs population from the North Shore HOME Consortium whenever practicable. The funds assist in developing low and moderate income housing, including supported, transitional and permanent housing for the non-homeless special

needs populations. Haverhill continues to use its public services funds to support programs that provide assistance to residents, elderly and non-elderly, who have physical and/or mental disabilities, along with victims of domestic violence.

*4. Identify any obstacles to meeting underserved needs.*

Adequately serving the needs of elderly and frail elderly is a substantial challenge. Affordability is an issue for both owners and renters. Based on market rents, there are almost no apartments available for households at less than 80% of area median income. Many elderly homeowners are on fixed incomes and, although the asset value of their homes may be significant, they are unable to make necessary repairs, pay utilities or taxes. In addition, their housing is no longer appropriate for an aging household. Availability of supportive services is increasingly limited, both in scope and in the population served. In Haverhill, as in the surrounding communities, transportation is noted as a problem. The demand for transportation, in terms of frequency and locations served, is greater than the programs can meet. Transport to medical appointments is a critical problem. Assistance in navigating the health benefits network is a significant need that has increased with changes in the prescription program.

Disabled households, including the physically disabled, developmentally disabled and those with mental health challenges, face many obstacles in their efforts to access adequate housing and supportive services. Affordability is a key barrier, since the majority of these households are low and very low income. Their dependence on rental assistance and its limited availability exacerbates this problem. Availability of accessible housing units poses a further challenge. The stigma attached to a range of disabilities also impacts the ability of this population to secure housing in locations which are safe and convenient to the services that are required. As more of these individuals continue to be mainstreamed into the community, the services themselves have continued to be reduced because of funding cutbacks and are inadequate to meet the needs of this population.

*5. To the extent information is available, describe the facilities and services that assist persons who are not homeless but require supportive housing, and programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing.*

There are a variety of governmental and non-profit agencies which service the housing and supportive needs of the non-homeless populations described above.

***Association for Retarded Citizens (ARC) of Northern Essex County***, is a grass roots non-profit association, serving individuals with developmental disabilities and their families. They are a local affiliate of a statewide and national advocacy organization formed in 1959 by a small group of parents concerned about the quality of life for their family members with disabilities. The ARC services are flexible and varied to meet each individual's and family needs. ARC of Northern Essex County serves Haverhill along with other local communities.

***Bridgewell, Inc.***, provides services to adults with disabilities in the North Shore and Merrimac Valley, including supportive social services and housing assistance (both actual units and housing vouchers) in seven of the consortium communities.

***Community Action, Inc.*** provides services for children and families, fuel assistance, First Time homebuyers, educational and workforce development and training.

***Elder Services of the Merrimack Valley, Inc.***, is an aging service access point and area agency on aging servicing multiple communities, including Haverhill. It provides multiple services to seniors ranging from personal care to legal to home repair, nutrition, transportation and emergency assistance.

***Emmaus, Inc.***, provides housing and services to homeless and disabled adults and families in Haverhill.

***Haverhill Council on Aging (COA)***, provides numerous programs that include nutrition, fuel assistance, transportation, recreation, assistance in preparation of taxes and health benefits forms and adult day health care. The Senior Center serves as focus for the community.

***Haverhill Housing Authority***, The Haverhill Housing Authority provides housing for the elderly and disabled and rental subsidies for special populations.

**Healing Abuse, Working for Change (HAWC)**, works with victims of domestic violence and their families, providing support, outreach and shelter services.

**Independent Living Center of the North Shore and Cape Ann**, is a service and advocacy center run by and for people with disabilities. It provides self-advocacy services and community action.

**Jeanne Geiger Crisis Center, Inc.**, provides direct services, shelter and educational programs to victims of domestic violence in communities on the North Shore. (formerly Women's Resource Center of Newburyport).

**Rebuilding Together Greater Haverhill, Inc.**, is a national nonprofit with a network of over 200 affiliates across the United States, whose mission is to preserve affordable housing by bringing volunteers and communities together to rehabilitate the homes of low-income homeowners.

**Strongest Link**, meets the needs of individual infected with and affected by HIV/AIDS in Essex County through case management, wellness program and related services.

**Turning Point, Inc., Newburyport**, provides human services program for a variety of populations including adults with mental retardation, women and their children who are victims of domestic violence and/or substance abuse, and individuals in need of substance abuse counseling.

**Veterans Northeast Outreach Center**, provides services to Veterans in the Merrimack Valley. Services include transitional housing, advocacy, education, training, support service programming.

**YWCA, Women's Resource Center** works with victims of domestic violence and their families, providing support, outreach and shelter services

6. *If the jurisdiction plans to use HOME or other tenant based rental assistance to assist one or more of these subpopulations, it must justify the need for such assistance in the plan.*

Haverhill, in collaboration with Community Action, Inc. (CAI), has continued to fund a Tenant Based Rental Assistance Program through the NSHC HOME program. This program is designed to link rental

assistance with CAI's Certified Nurses Aid Training Program. The program offers up to twelve months of rental subsidy to defray the cost of housing as participants transition from public assistance to full time employment.

#### OTHER NARRATIVE

*Include any Strategic Plan information that was not covered by a narrative in any other section.*

## ATTACHMENT A

### **Federal**

- Federal Low-Income Housing Tax Credit Program
- HUD HOME funds administered by the state Department of Housing and Community Development (DHCD).
- Federal HUD Section 8 Moderate Rehabilitation Program for SRO's.
- Federal Housing Administration (FHA) Insured Rehabilitation Loans (Section 203k)
- HUD's Lead Paint Demonstration Program
- HUD's Lead Hazard Control Program
- Federal Veteran's Affairs Specially Adapted Housing Programs
- HUD's Supportive Housing for the Elderly Program (Section 202)
- HUD's Section 811 Supportive Housing Program for Persons with Disabilities
- Federal Department of Energy/DHCD Weatherization Assistance Program
- Federal National Mortgage Association (Fannie Mae) Community Homebuyer's Programs
- Federal Home Loan Mortgage Corporation (Freddie Mac) Mortgage and Rehabilitation Programs
- Freddie Mac's Affordable Housing Program
- Freddie Mac's Community Investment Program and New England Fund
- McKinney-Vento Homeless Assistance Funds (Apply for Competitive funds)
- American Recovery & Reinvestment Act (ARRA) Funds
  - Neighborhood Stabilization Program (NSPI) Funds
  - HPRP Funds
- Federal Public Housing Operating Funds
- Federal Public Housing Capital Fund Program
- Federal HC Vouchers

### **State and Other Resources**

- State Public Housing Operating Funds
- State Public Housing Modernization Funds
- State MRVP Vouchers
- State (DHCD) Housing Innovation Funds
- State DHCD Housing Stabilization Funds
- State DHCD Local Initiative Program



- State DHCD Municipal Incentive Grant Program
- State DHCD Community Action Grant
- Massachusetts Housing Partnership (MHP) Permanent Rental Housing Financing Program
- State MHP's Bridge Financing Program
- State MHP's Technical Assistance and Pre-development Assistance Programs
- State MHP's Lead Paint Abatement Loan Guaranty and interest Subsidy Program
- State DHCD/MPH Soft Second Homebuyer Program
- State DHCD Purchaser Assistance Program
- State DHCD Project-Based Homebuyer Assistance Program
- Massachusetts Home of Your Own Program for People with Disabilities
- MassHousing (formerly Massachusetts Housing Finance Agency (MHFA) - Tax Exempt Bonds for Multi-Family Housing Program
- State MHFA Elder 80/20 Rental Housing program
- DHCD/MHFA's "Get the Lead Out" Loan Program
- DHCD/HUD's Gap filler Lead Abatement Program
- MassHousing (formerly MHFA) First-Time Homebuyer Mortgage Program
- MassHousing Purchase and Rehabilitation Mortgage Program
- MassHousing Home Improvement Loan Program
- MassHousing Septic Repair Program
- State Community Economic Development Assistance Corporation (CEDAC) Pre-development Loan Program
- CEDAC Acquisition Loan Fund
  - CEDAC's Capacity Building Program
  - Massachusetts Rehabilitation Commission (MRC) Home Modification Grant and Loan Programs
- MRC's Vocational Rehabilitation Program
- MRC's Housing Program through Independent Living Division
- Massachusetts Department of Mental Health (DMH) Housing and Service Programs
  - Massachusetts Department of Mental Retardation (DMR) Housing and Service Programs
  - State MHFA/Facilities Consolidation Fund – Options for Independence Program which funds DMR and DMH facility development
- Massachusetts Department of Public Health Housing Programs
- Massachusetts Commission for the Blind Home Modification Program

### **Local Resources**