

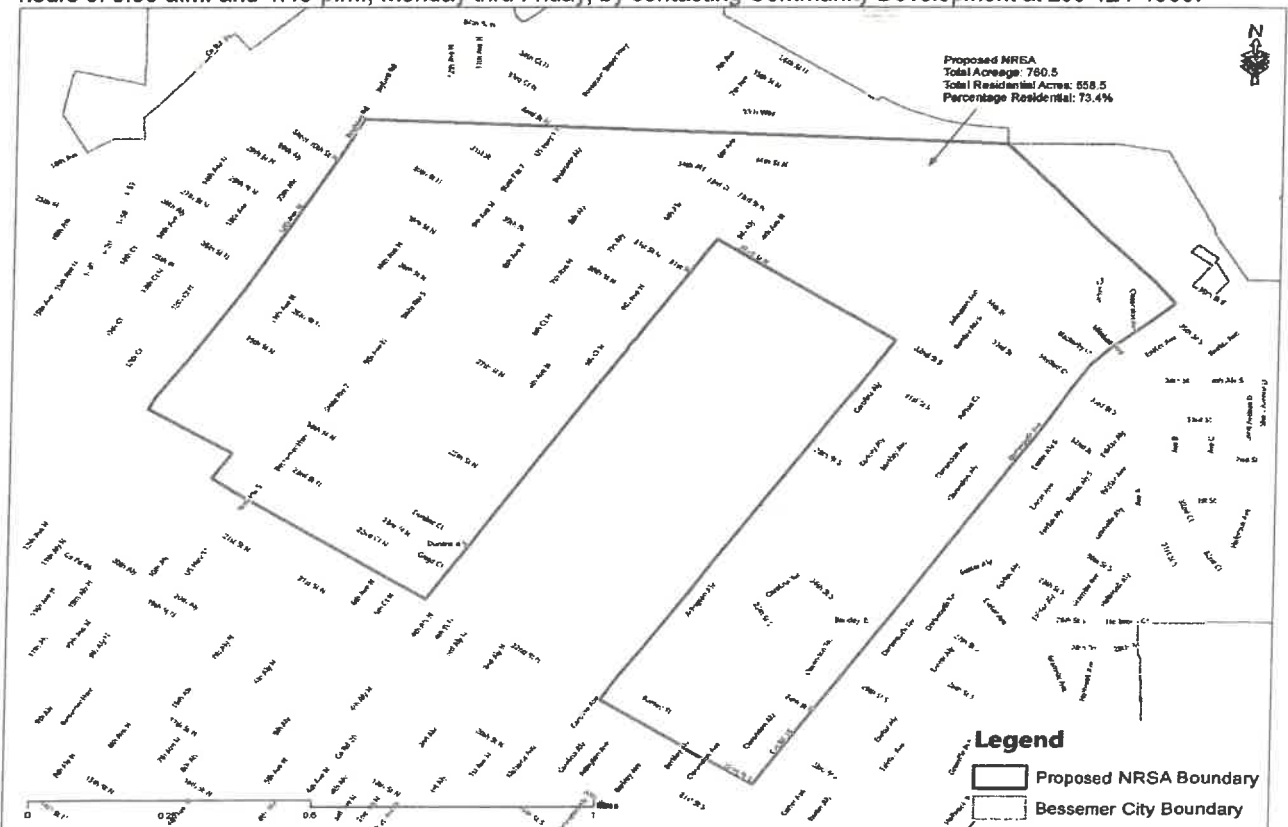


City of Bessemer

Economic & Community Development Department

As a recipient of Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development Office (HUD), the City of Bessemer is planning to use a CDBG tool to support community revitalization. The city is preparing to submit a Neighborhood Revitalization Strategy Area (NRSA) application to HUD for a defined target area within the city. The NRSA will provide additional affordable housing and economic opportunities and new and innovative ways to increase investments through the city's CDBG funds and attracting other public and private funding. The boundaries of the target area are 12th Avenue to the west, 22nd Street N to the south, Dartmouth Avenue to the east, and 35th Street N to the north.

The city of Bessemer's Office of Economic and Community Development is seeking public comment on the proposed NRSA application to HUD between July 1, 2022 and July 15, 2022. The detailed NRSA application can be found at <https://www.bessemeral.org/community-development-announcements>. A copy is also available at the Economic and Community Development suite on the second floor of Bessemer City Hall. Written comments can be sent to the Economic and Community Development Department, c/o Mr. Toraine A. Norris at 1700 Third Avenue North, Bessemer, AL 35020 or via email at tnorris@bessemeral.org. Oral comments will also be accepted between the hours of 8:30 a.m. and 4:45 p.m., Monday thru Friday, by contacting Community Development at 205-424-4060.





CITY OF BESSEMER, AL NEIGHBORHOOD REVITALIZATION STRATEGY AREA (NRSA)

June 2022

Department of Community
Development
City of Bessemer, AL



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I. Executive Summary

The City of Bessemer's (COB) amendment to its 2020-2024 Consolidated Plan for using federal housing funds includes strategies to create a Neighborhood Revitalization Strategy Area (NRSA).

The NRSA approach is to focus its federal Community Development Block Grant (CDBG) funds, deploy them more flexibly than possible, and leverage them for a more significant impact. Job creation would be more manageable, and public service funding and housing activities would be less restrictive under the CDBG program. The CDBG national objective of principally benefitting low- and moderate-income persons will still be met.

Maps of the area covered, details of the proposed NRSA program, and NRSA demographics are contained in the following Plan. As required in the NRSA rule, the City's Department of Community Development (DOCD) conducted a robust community participation process. DOCD received community input through public meetings and surveys and included residents, businesses, nonprofits, institutional partners, the private sector, and governmental entities. DOCD published the draft plan for a 15-day comment period. DOCD staff also consulted with HUD field office staff in preparing the NRSA application. The criteria for the NRSA are low-income and primarily residential, levels of existing and planned investments, a business corridor, partners working in the neighborhoods, neighborhood assets, and the availability of community-based development organizations to help implement the NRSA strategy. Below is a summary of the goals and benchmarks the city plans to provide in the Bessemer NRSA.

GOAL 1: Affordable Housing. *Benchmarks:* Build 25 affordable housing units and repair 40 owner-occupied single-family houses to increase the housing supply for residents and improve the housing stock. Acquire and rehabilitate 15 vacant properties for homebuying and rental. Pursue interest in creating a land bank to acquire properties, reduce speculation and retain affordability.

GOAL 2: Economic and Human Capital Development. *Benchmarks:* Create/retain 16 F/T jobs through assistance to 3 small businesses/microenterprises. Support Business District through funding for neighborhood businesses in the commercial corridor. Increase workforce development in the NRSA by training 75 persons for jobs to meet increased demands from recent business investments.

GOAL 3: Neighborhood Improvements and Capacity Building. *Benchmarks:* Increase public services through assisting 7 community-based development organizations (CBDOs) and non-profits to support the NRSA strategies. Demolition of 25 unsafe structures and developing a working group coordinated by DOCD staff to assist with implementation in the Bessemer NRSA. Beautify the NRSA by creating 4 public spaces such as pocket parks, community gardens and tree planting. Design and implement at least 2 community safety programs.

II. Introduction

The City of Bessemer, AL, is an “entitlement” recipient of formula grant funds from the U.S. Department of Housing and Urban Development (HUD) under the Community Development Block Grant (CDBG). To receive CDBG grant funds, the City must prepare a Consolidated Plan every five years to assess the City’s housing and community development needs; analyze the City’s housing market; establish housing and community development priorities, goals, and strategies to address the identified needs; identify the resources to address them and stipulate how the allocation of funds to housing and community development activities. The City must update the Consolidated Plan by preparing an Annual Action Plan to use the formula grant funds received from HUD. The city is amid its FY2020-2024 Consolidated Plan period and anticipates receiving \$2.8 million in total CDBG funding grants over the five years.

The City’s five-year priority needs, and goals based on data analysis and community and stakeholder participation were to:

- Increase housing affordability through owner-occupied home repair and down payment assistance
- Improve neighborhoods by investing in public infrastructure, including parks and playground improvements and the Multi-Use Trail Extension.
- Provide economic opportunity for low-and-moderate income families through support of job creation and retention programs and assistance to small and medium enterprises.
- Transportation needs
- Offer technical assistance for small business entrepreneurs who want to establish a new microenterprise or business and for owners seeking to strengthen or expand their existing small business.
- Street Improvements in areas where at least 51% of the population are low-to-moderate-income households.

Many of the City’s neighborhoods have experienced significant decline and disinvestment with older housing stock, slum and blighted conditions, vacant properties, and high-cost burden for both renters and homeowners. Due to high construction costs, availability of land, and incomes not keeping pace with rent and home prices, affordable housing is limited. The federal grants received by the city are not enough to meet the needs of the City’s neighborhoods.

One of the tools available under the CDBG program to focus the scarce federal resources and attract and leverage other public and private sector funding is the designation of a geographic area as a Neighborhood Revitalization Strategy Area (NRSA) per 24 CFR 91.215(g) and 24 CFR 570 Subpart C.

III. History of the Community

The City of Bessemer is currently undergoing significant steps in revitalizing. Investment from private industry and improvements in city services is fostering change in the jurisdiction's economic character and conditions. The following is a breakdown of significant private investment within the City of Bessemer since 2011 or the end of the Great Recession. The city has experienced job growth, with 7,000 new jobs added in the past ten years. More employment growth is expected as industries take advantage of the city's advantageous location, low property taxes, and state incentives, which is remarkable considering Bessemer's history. Bessemer was founded in 1887 as an iron and steel community, and grew exponentially, earning it the nickname "The Marvel City." The rapid growth and opportunity for a better living during the Industrial Revolution caused a population boom as rural blacks and whites migrated to Bessemer to find work. Bessemer became Alabama's 8th largest City by 1900. Bessemer became a majority African American city by 1950 and has been so for the past 70 years.

The 1980s and 1990s were not as kind to the city as declines in the iron and steel industry caused declines in the City's tax base. This decline in job opportunities led to a population decline in Bessemer. By 2000, the City's population had dropped to 29,672, led partly by an exodus of the City's white population. The City's white population has decreased by 56 percent from 1980 to the present day.

The population loss coincides with blacks assuming political power in Bessemer as well. The 1980s saw the election of African Americans to the city government for the first time due in part to a lawsuit that changed the City's Commission form of government to a Mayor-Council form. The first black city councilors were elected in 1986, and the City's first black Mayor, Quitman Mitchell, was elected in 1990.

Pullman Standard shut its doors in the mid-1990s. Estimates show Bessemer's unemployment rate peaked during the iron and steel collapse above 30%. As the plant borders the proposed NRSA, the subsequent loss of jobs and opportunities undoubtedly impacted neighborhood conditions, including retail and commercial placement.

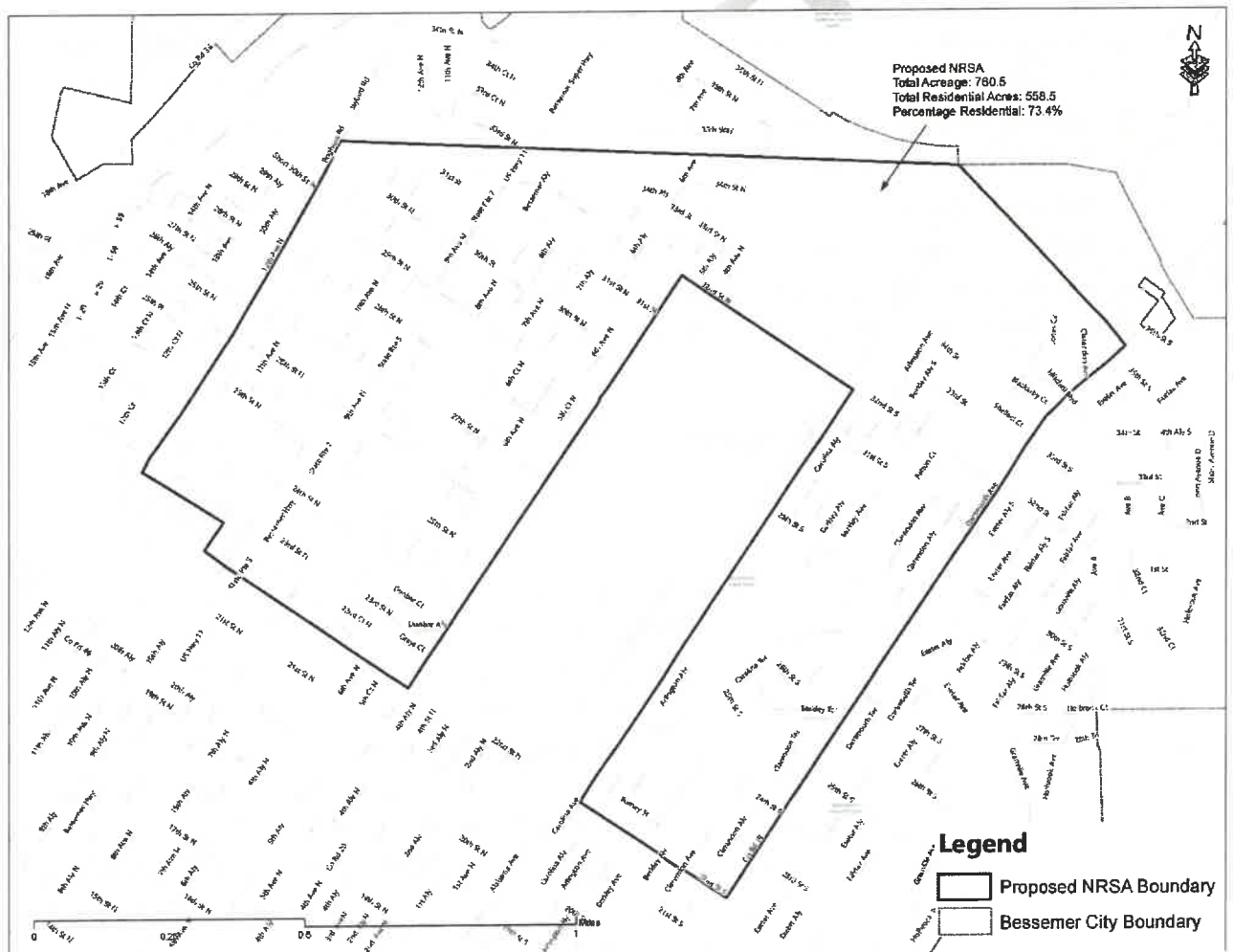
The NRSA neighborhoods, which are in Census Tracts 101.0 and 103.02, have struggled mightily due to these factors. Commercial and retail fled the area due to population and income loss. Housing conditions have deteriorated, and slum and blight conditions are evident. In addition, there is concern about crime, the impacts of drug and alcohol addiction, and concerns regarding mental health within the neighborhood. In addition, recent housing and commercial development in the city has shifted south, away from these neighborhoods, leaving a feeling of isolation. The Bessemer Housing Authority has proposed revitalizing its communities within the NRSA, but concentration of poverty was identified as a concern in the approval process necessitated by HUD. Nevertheless, there is great pride among the people living in these communities. City leaders have invested in parks, lighting, and street improvements, when possible, as Bessemer is a city of 44 square miles. There is a general sense these communities can be revitalized.

IV. NRSA Approval Request and Boundaries

The City of Bessemer hereby requests approval of a geographic area of the City as a designated NRSA over five years with the following boundaries:

The boundaries of the target area are 12th Avenue to the west, 22nd Street N to the south, Dartmouth Avenue to the east, and 35th street N to the north. See map with streets below.

NRSA BOUNDARY MAP



V. NRSA REQUIREMENTS

According to HUD guidance in the Community Planning and Development Notice CPD-16-16, a Neighborhood Revitalization Strategy Area (NRSA) designation must meet the criteria below to receive HUD's approval. The City of Bessemer's proposed NRSA meets all the required criteria.

- Identified neighborhood boundaries of the NRSA must be contiguous.
- Identified neighborhoods must be primarily residential and have a low/mod percent equal to the "upper quartile percentage" or 70% for Bessemer.
- The selection of areas must be based on documented input from area stakeholders, including residents, business operators, nonprofits, and community groups. DOCD included a description of outreach methods and incorporated the needs and concerns of stakeholders.
- The selection of the NRSA must be based on an assessment of economic conditions, opportunities for economic development, and anticipated barriers and challenges.
- The implementation plan must promote the area's economic progress, focusing on activities that will create economic opportunities for low- to moderate-income residents of the NRSA.
- The NRSA Plan must identify achievable benchmarks throughout the designation; and
- The NRSA Plan must be submitted as part of the Consolidated Plan. The subject NRSA request is submitted as an amendment to the City's prior approved F.Y. 2020-2024 Consolidated Plan.

VI. Demographic and Primarily Residential Criteria

Demographic Criteria

An NRSA must have a percentage of low- and moderate-income (LMI) residents that are equal to the community's "highest quartile percentage" as computed by HUD per 24 CFR 570.208(a)(1)(ii) or 70 percent, whichever is less, but not less than 51 percent. The City's highest quartile percentage is over 70% LMI, so 70% LMI determines the LMI eligibility. Calculating the total LMI population within the NRSA boundary using the Census tracts and block group tables, the NRSA is eligible if the number of residents who qualify as LMI is at or above 70%. If the boundary cuts across a block group, the data from any block group the boundary touches is included in the LMI calculation. See Attachment B for census block groups and calculations.

Primarily Residential

The CPD Notice states that the designated area must be documented as *primarily residential* but does not define a standard percentage. DOCD used the HUD Guide to National Objectives & Eligible Activities for Entitlement Communities, Appendix E, pages -11 through 3-13 (particularly the "Tips" on pages 3-12) to guide what is *primarily residential*. Also, Chapter 3 – "Basically CDBG" Handbook, pages 3-6 notes that for an LMI service area, "*the activity must be primarily residential, and the activity must meet the identified needs of LMI persons. – An activity with a service area that is not primarily residential*

may not qualify under the LMI area benefit category even if the activity benefits all residents in the service area and 51 percent of the residents are LMI persons.

To arrive at the primarily residential criteria, the city determined the percentage of the land area classified as residential as a proportion of the total land area in the NRSA. Commercial, recreational, and industrial uses are included in the total area. The city used 60% or more of residential land as its definition of “primarily residential.” Vacant land zoned as residential may be included in the “primarily residential” calculation if there is a specific plan or actual projects in the pipeline for the redevelopment of the land into housing.

One of the primary uses of the NRSA is the benefit to individual beneficiaries (single-family homeowners, LMI limited clientele for public services, and LMI employees who qualify for jobs created) rather than an area benefit. The city wishes to balance the housing and economic development opportunities within the NRSA by including job creation and business assistance activities such as commercial corridors that benefit LMI residents. An example could be projects that benefit elderly or senior citizens (“presumed” LMI under CDBG), such as a Senior Day Care facility located in a business district due to demand for the service and the convenience of a location close to public transit.

VII. Benefits of a HUD-APPROVED NRSA

Amendments to the Community Development Block Grant (CDBG) regulations at 24 CFR 570, which were published in the Federal Register on January 5, 1995, and updated in the final rule changes published in the November 9, 1995, Federal Register, described the NRSA benefits. They include:

1. **Job Creation/Retention as Low/Moderate Income Area Benefit:** Job creation/retention activities undertaken under the strategy may be qualified as meeting area benefit requirements, thus eliminating the need for a business to track the income of persons that take or are considered for such jobs (24 CFR 570.208(a)(1)(vii) and (d)(5)(i).
2. **Aggregation of Housing Units:** Housing units assisted under the strategy can be a part of a single structure to apply the low and moderate-income national objective criteria. The strategy provides greater flexibility to conduct housing programs that revitalize a neighborhood (24 CFR 570.208(a)(3) and (d)(5)(ii).
3. **Aggregate Public Benefit Standard Exemption:** Economic development activities conducted under the strategy may, at the grantee's option, be exempt from aggregate public benefit standards, thus increasing a grantee's flexibility for program design as well as reducing record-keeping requirements related to the public benefit standard (24 CFR 570.209(b)(2)(v)(L) and (M).
4. **Public Service Cap Exemption:** Public services conducted under the strategy by a Community Based Development Organization (CBDO) are exempt from the 15% public services cap (24 CFR 570.204(b)(2)(ii).

VIII. Demographics and Economics - NRSA

Demographics

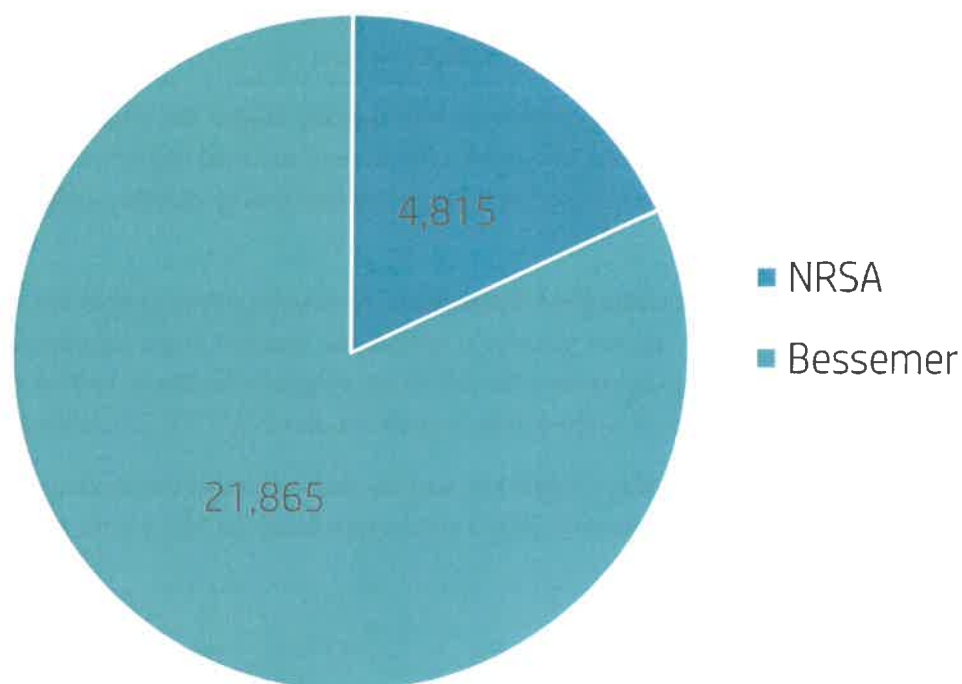
The City of Bessemer's demographic and economic composition has changed significantly over the last 50 years as the city experienced a decline in traditional mining, manufacturing, and production industries. The consequences of these changes have led to many externalities, which the city is currently trying to address in this neighborhood through the designation of an NRSA. Demographic shifts such as population loss, racial and ethnic composition, and a growing population of younger and older residents are explored in this report section.

POPULATION

The designated NRSA in Bessemer contains 18 percent of the City's population. Figure 1 shows the relative size of the NRSA's population to the city total. The proposed NRSA boundary is home to approximately 4,815 residents. The composition of this area reflects broader citywide proportions of residents by race, ethnicity, and housing tenure. However, it represents households that earn almost \$10,000 less than the citywide median annual household income of \$32,301. The poverty rate in Bessemer (29.7%) is almost double the statewide average (18%). Within each census block group that comprises the NRSA, 40% or more of residents fall below the poverty line.

Figure 1: Total Population NRSA and Bessemer Comparison

Source: ACS 5-Year Estimates



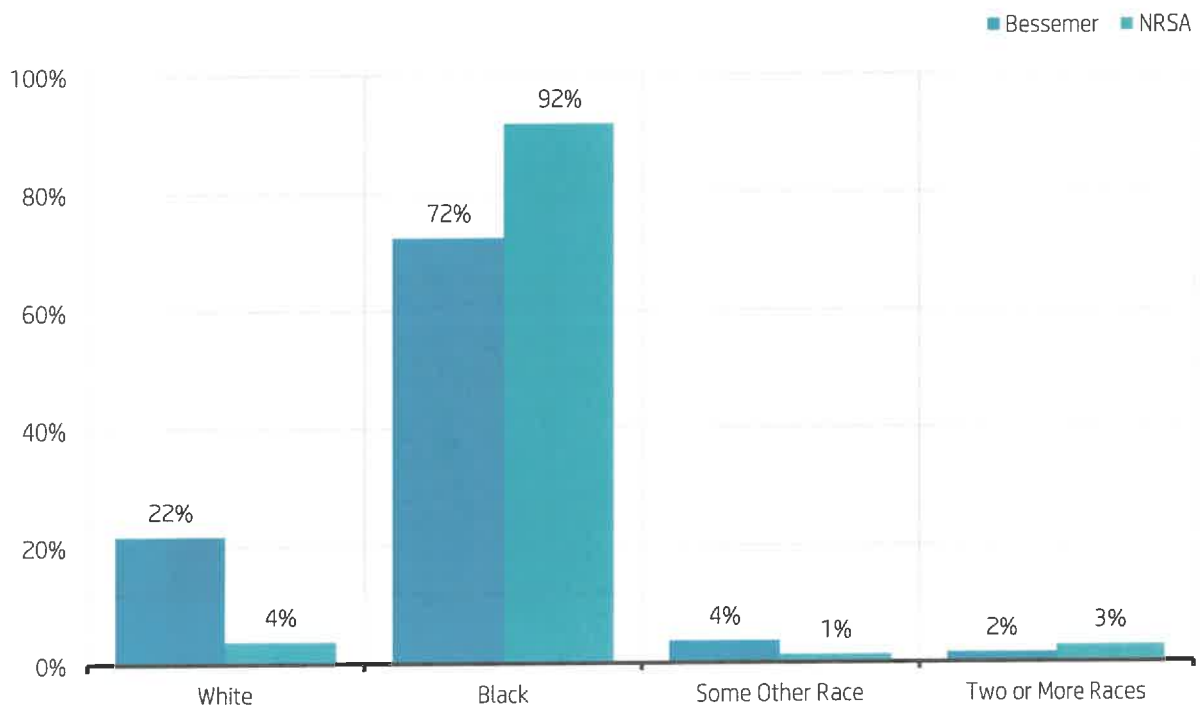
In addition, the identified NRSA has experienced population declines over the past decade like other neighborhoods across the city. The resulting population decline has led to an increase in residential vacancy and further disinvestment in the housing stock within the NRSA.

POPULATION BY RACE

Black and African Americans comprise about 72 percent of Bessemer's total population. Based on data provided by HUD and the U.S. Census American Community Survey (ACS), census block groups in the central parts of the city running north through the NRSA are composed of over 60 percent Black and African American residents. Figure 2 compares the racial composition of the NRSA to the rest of the City of Bessemer. Comparing the NRSA to the rest of the city, the NRSA population is composed of 92 percent Black and African American and 4 percent White residents. For the rest of the city, the population totals 72 percent Black and African American and 22 percent White. These differences in proportion highlight that most central city neighborhoods are Black and African American. In contrast, outer suburbs and periphery neighborhoods along the City's boundaries have higher percentages of White residents.

Figure 2: Population by Race

Source: ACS 5-Year Estimates



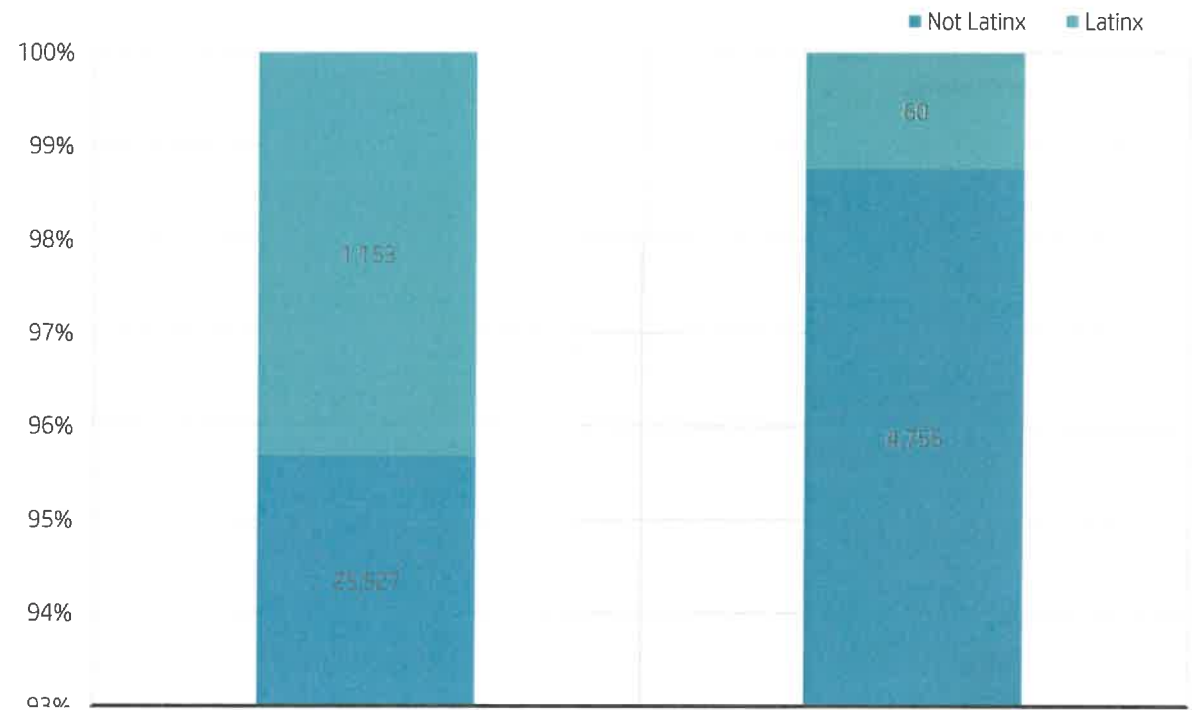
Over the past decade, the City of Bessemer experienced a 1 percent net decrease in total population (363). Across race and ethnicity, Bessemer has seen a net decrease of 862 White residents and a net increase of 352 Black and African American residents. These population shifts indicate that the population composition in Bessemer continues to be driven by growth in Black and African American

households. The demographics of Bessemer are very striking because there is a stark contrast in racial and ethnic composition across its geography. As previously mentioned, central neighborhoods like those along 9th Avenue North and Brickyard Junction, Broadmoor, and New Hill are Black and African American neighborhoods (>80%). In contrast, neighborhoods to the east and far west of the city are White such as New Village, Lacey's Chapel, Hopewell, and Hilltop.

POPULATION BY ETHNICITY

Across Bessemer, the Latinx population accounts for about 4 percent of the population. Within the NRSA, this percentage is even smaller at 1.2 percent of the total population. The City of Bessemer is composed of residents who identify as Black and African American or White; Latinx residents hold the next largest share at 4 percent of the total population. Residents identifying as Asian American, some Other Race, or Two or More total less than 3 percent of the total population.

Figure 3: Population by Ethnicity
Source: ACS 5-Year Estimates



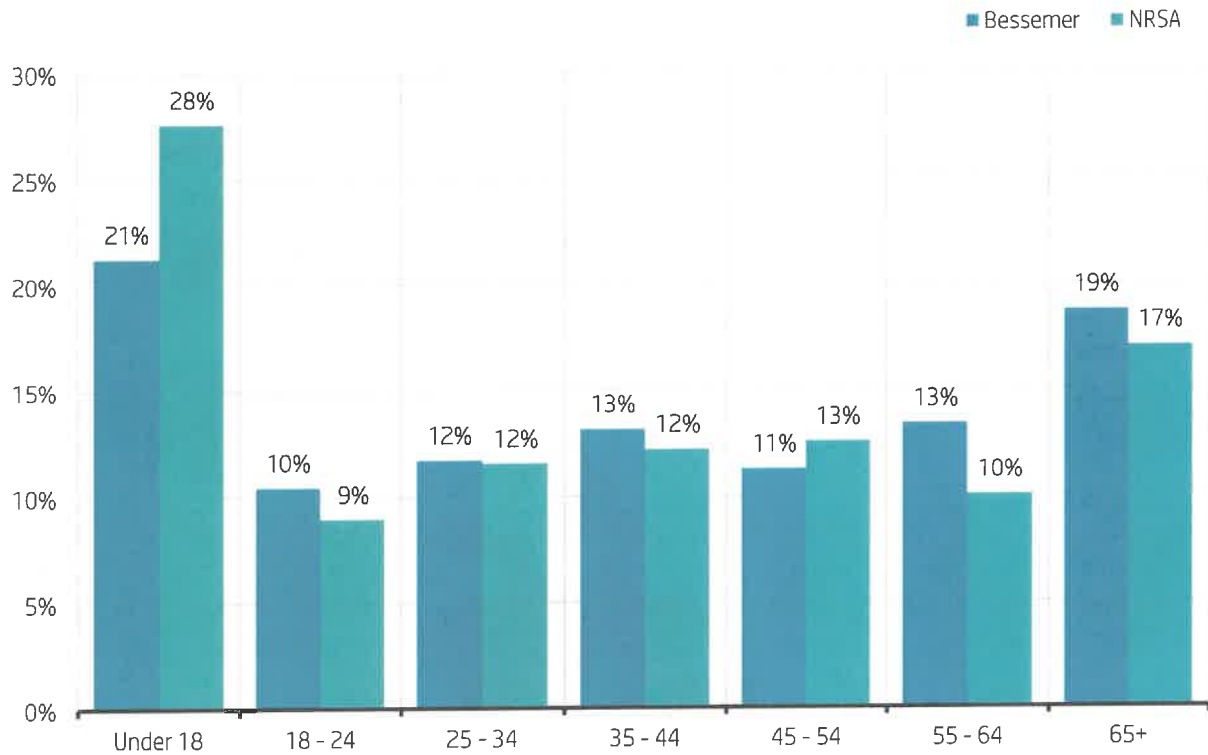
POPULATION BY AGE

Population by age is one way to look at the demographic makeup of a community and assess potential housing, employment, and service needs. A large youth population could be an asset, as younger workers may have an easier time adapting to a changing economic ecosystem and are often exposed to a range of college education, apprenticeships/internships, and training. In Bessemer, about 21

percent of the population is under 18. At the other end of the age spectrum, seniors (those older than 65) make up 19 percent of the population and tend to be in the latter part of their working years or retirement. In Bessemer, about 24 percent of the population is between the ages of 35 and 54, which can be considered a large portion of the City's working-age population and those more likely to be part of a family household. These individuals are more likely to own homes and have school-aged children.

Figure 4: Population by Age

Source: ACS 5-Year Estimates



The NRSA has a similar age distribution of residents between 18 and 64. However, the higher proportions of people under 18 and 35 – 54 suggest higher percentages of families living in the NRSA compared to citywide percentages. The NRSA has a higher proportion of residents under 18 than the city, meaning that a notable portion of the City's children resides in this area. In contrast, the NRSA has lower percentages of populations ages 18 – 24 and 55 and older.

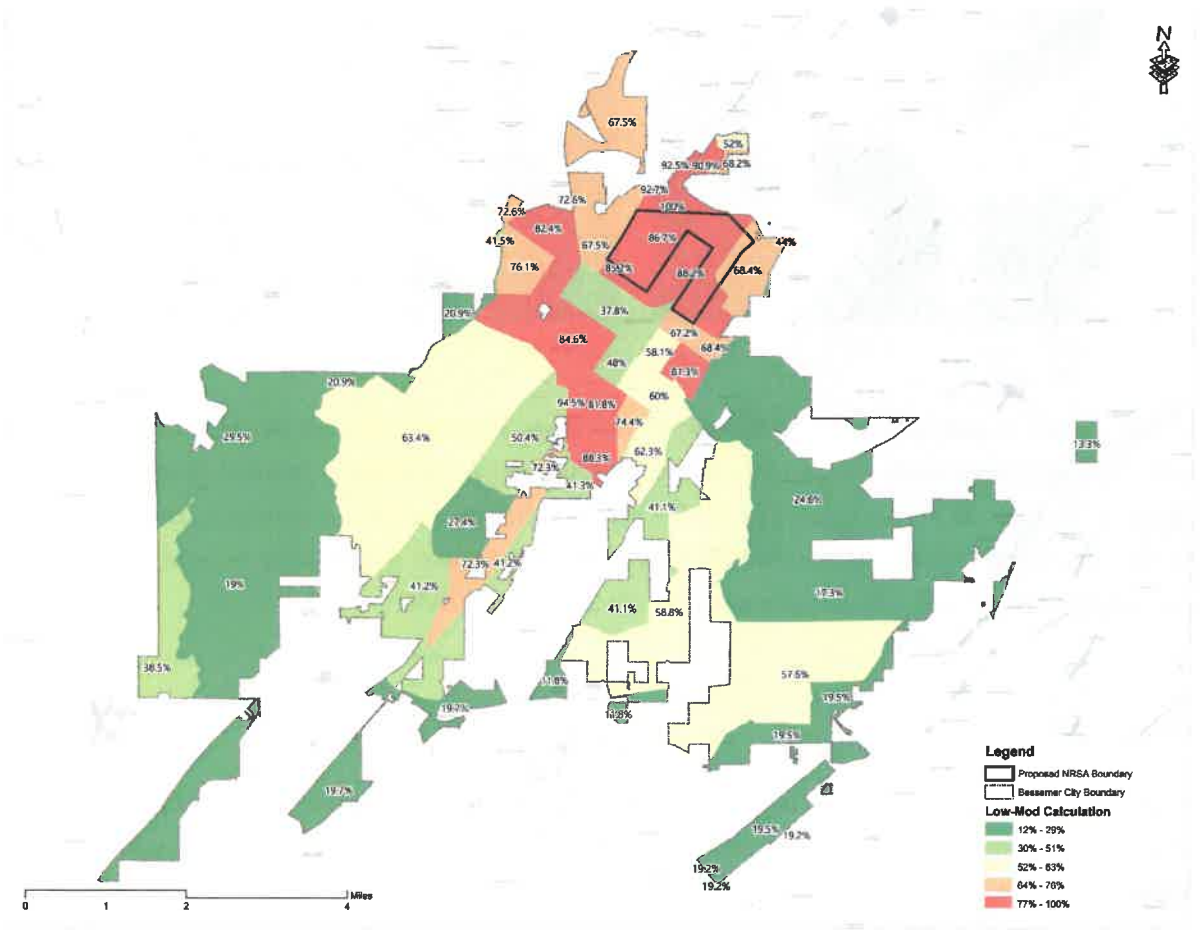
Households

This section examines households in the NRSA from an income perspective. Key data points explored in this section include low-and-moderate households, median household income, and relative income distribution across the NRSA and the City of Bessemer.

LOW-AND-MODERATE INCOME HOUSEHOLDS

Globalization and the decline of mining, steelmaking, and rail car manufacturing impacted the City of Bessemer over the last 50 years and have resulted in changes to the City's economy and resultant household income. Over the past decade, the transportation and warehousing and the advanced manufacturing industries have begun to remerge as the backbone of the City's economy after numerous changes in technology, supply chains, competition, and consumer preferences. Despite the recent growth, the more significant, more long-term impacts of the City's economic contraction have resulted in higher unemployment and out-migration of residents. These economic conditions have resulted in high numbers of households qualifying as low-or-moderate income (LMI). Moderate-income households have an annualized family income between 50% and 80% of the HUD area median income (AMI). In comparison, low-income households have an annualized family income of less than 50% of the HUD area median income.

Figure 5: Low-and-Moderate Income Persons
Source: HUD, ACS 5-Year Estimates



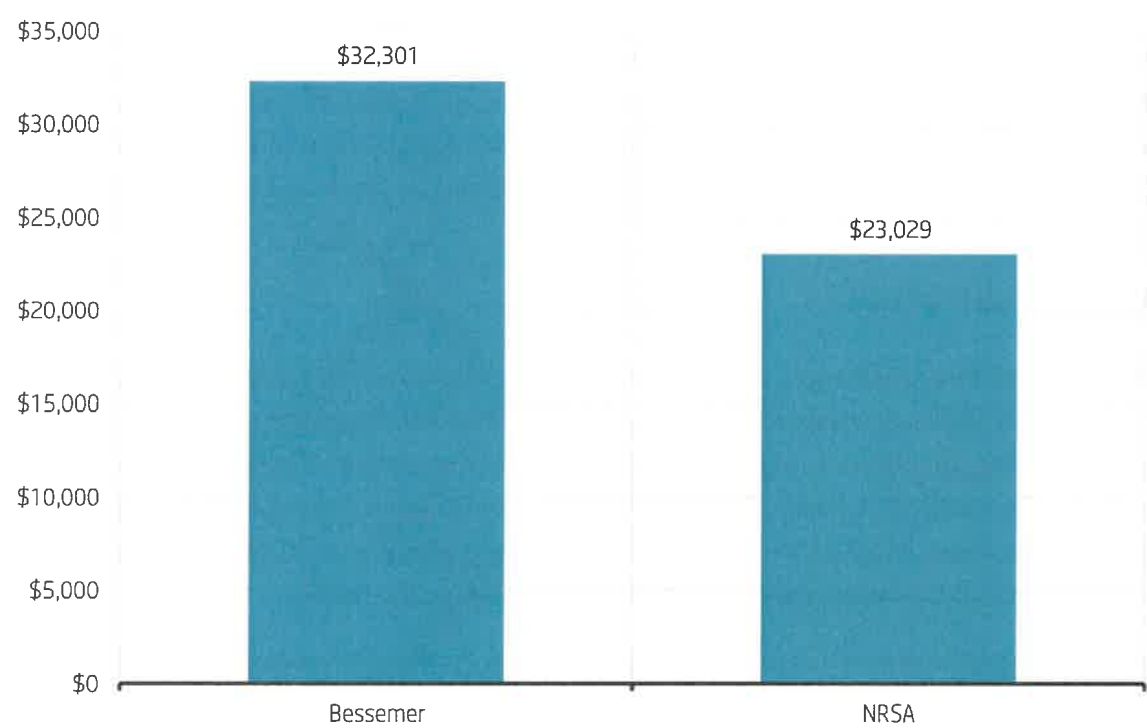
In Bessemer, about 65 percent of the population is classified as LMI, illustrating some residents' economic and income challenges. Households that qualify as LMI may have difficulty finding and securing safe and affordable housing. Additionally, these households have limited disposable incomes for necessities beyond housing. The identified NRSA has LMI populations much higher than the citywide figure of 65 percent, with an LMI population of around 89.5 percent. Comparing the NRSA to the City, the NRSA has a 30 percent higher LMI population and is a Black and African American neighborhood, with over 90% of residents identifying as Black and African American.

MEDIAN HOUSEHOLD INCOME

While the City still faces challenges, capital investment and economic development projects continue to leverage key industries to strategically position Bessemer for attracting new businesses, particularly in the warehousing, distribution, and advanced manufacturing sectors. The most notable examples are the Dollar General and Amazon distribution centers which have created an estimated 6,000 jobs over the past ten years. Within the NRSA itself, BLOX, a modular construction firm, serves as an anchor employer and has begun making housing investments in the NRSA.

Even with the changes observed across the city over the last decade, the median household income in Bessemer remains low. In 2019, the median household income was \$32,301, half the nationwide median. Furthermore, median household incomes in the neighborhoods of the NRSA are below the citywide median, at \$23,029.

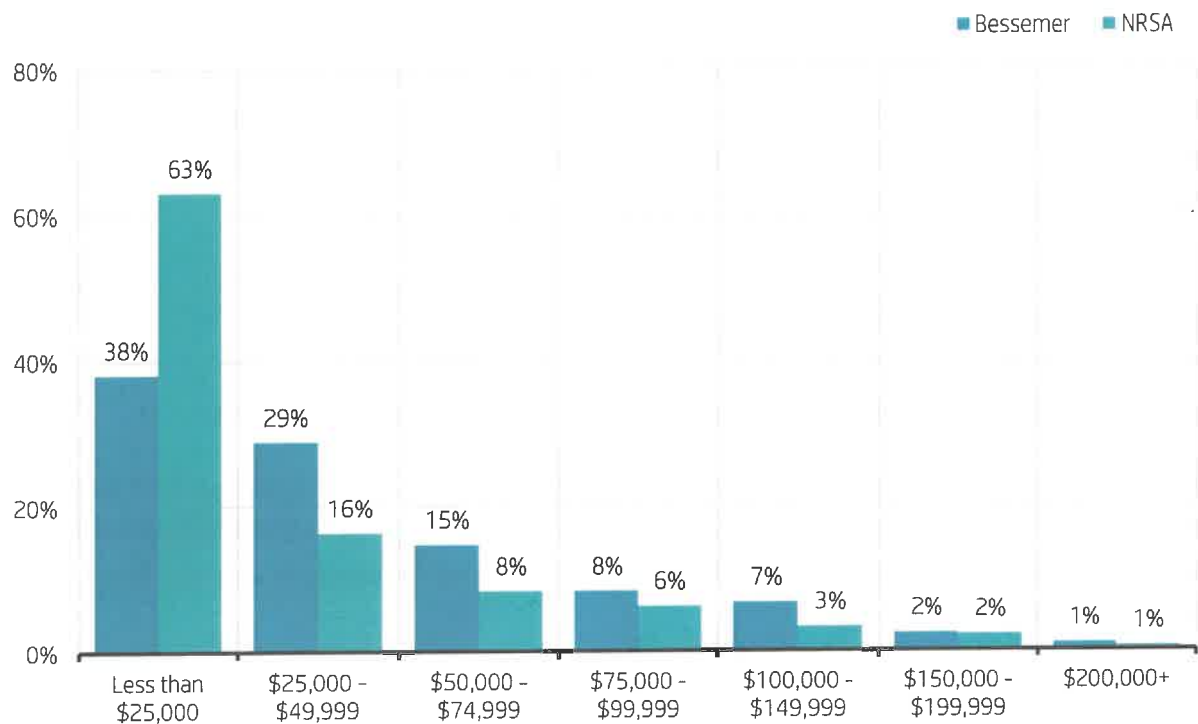
Figure 6: Median Household Income Bessemer and the NRSA
Source: ACS 5-Year Estimates



The distribution of household incomes within the NRSA shows the degree to which households may be struggling, particularly those currently in housing priced higher than what they may be able to afford realistically. Across the NRSA, 63% of households earn less than \$25,000 per year. Between 55 and 65 percent of households are earning at or below the federal poverty line placing tremendous pressure on individuals and families to balance housing costs with other daily needs like healthcare, education, transportation, food security, and more.

Figure 7: Household Incomes NRSA and Bessemer

Source: ACS 5-Year Estimates



Economics

Local economic conditions are an essential factor when identifying strategies for NSRAs and how to provide better outcomes for the LMI population. Understanding the existing employment landscape can help in targeting specific policies and programs. This section describes labor participation, employment, occupations, wages, and establishments across the selected NRSA.

Planning for the Future

In August 2020, the City Council approved a contract with STRADA Professional Services to assist the City with developing a 2040 Comprehensive/Strategic Master Plan. This Plan will center on revitalizing the city and its neighborhoods to bolster revitalization efforts and take advantage of designations such as the Opportunity Zone, Historic District, and HUB Zone. Strategically direct resources to needed areas This Plan will center on revitalizing the city and its neighborhoods to bolster revitalization efforts, take advantage of designations such as the Downtown Opportunity Zone, Historic District, and HUB Zone, and strategically direct resources to needed areas to anticipate growth patterns connected with the influx of new job opportunities. The project officially kicked off on October 1, 2020, but a draft of the Plan has not been created yet.

Bessemer officials have created a partnership involving the City's Industrial Development Board, the state of Alabama, the Jefferson County Commission, the Birmingham Business Alliance, U.S. Steel, and others to focus on recruiting new industries to the area. Some 6,800 jobs have been created in the city due to this partnership. With abundant land and access to regional transportation networks, the city will continue to work with relevant partners to recruit jobs and industry to the area, as demonstrated by the success in recruitment of Amazon, Dollar General, and Carvana and the expansion of many current industries in the city.

Healthcare/Social Service Investments

Nonprofits in the area are helping provide social and health services in the NRSA.

Alethia House, a nonprofit, operates the Bessemer Neighborhood Health Center at 2201 Arlington Avenue. The center provides medical care, counseling services, and care for individuals with addictions to heroin and opioids. The center places a particular emphasis on assisting those experiencing homelessness.

The Clay House Children's Center, a child advocacy center, opened on Dartmouth Avenue in 2001 and has remained in the location. The center offers advocacy and support, mental health services, and community education as part of its services to abused and neglected children in Bessemer and the surrounding communities.

UAB Minority Health and Health Disparities Research Center (MHRC), generates and disseminates research knowledge from biomedical, behavioral, and social sciences to reduce health disparities experienced by vulnerable populations and disadvantaged communities locally, regionally, and nationally. MHRC was established in 2002 and received funding from the National Institutes of Health. It supports three programs: Research, Training, and Outreach, which align with the University's broad strategic goals and make it an enabling platform for UAB's research, teaching, and service missions.

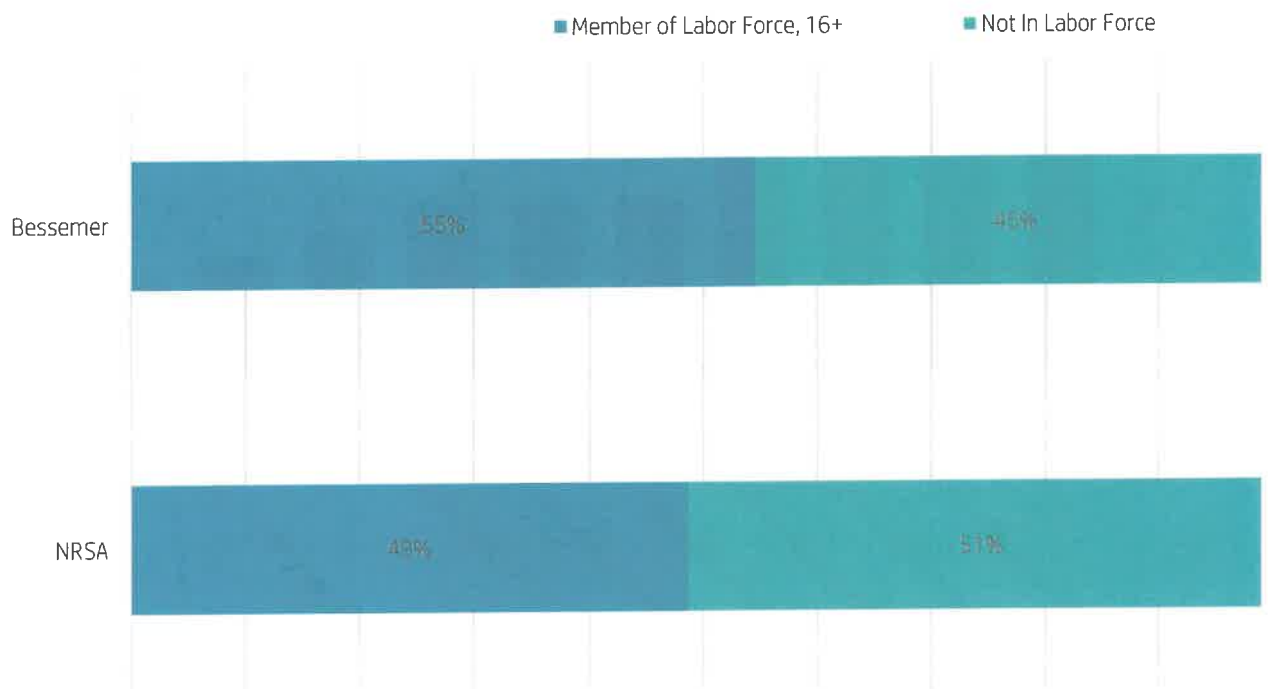
Cahaba Medical Care is an accredited Community Health Center providing comprehensive primary care services, including treatment of management of chronic and acute diseases, preventative care and cancer screenings, pediatric care, women's health services, prenatal care and obstetrics, dermatological services, geriatrics, sports medicine services, mental healthcare, dental services and more to residents at the Bessemer center location. Cahaba also operates multiple health centers and clinics in local schools throughout the Birmingham area. Cahaba Medical Care provides high-quality health services regardless of a patient's ability to pay by offering a discounted, sliding fee schedule based on income and family size. Since the clinic's founding, the mission has been to continue serving all patients facing hardships, whether medical, social, financial, or emotional, and grow as a nonprofit, Federally Qualified Health Center.

LABOR PARTICIPATION AND UNEMPLOYMENT

Over the last few decades of the 20th century, the declines in historic manufacturing industries such as iron, steel, and rail cars and the mining sector resulted in job loss and declining household incomes for many in Bessemer. The periods of economic decline due to industrial restructuring and

Figure 8: Labor Participation Rate

Source: ACS 5-Year Estimates



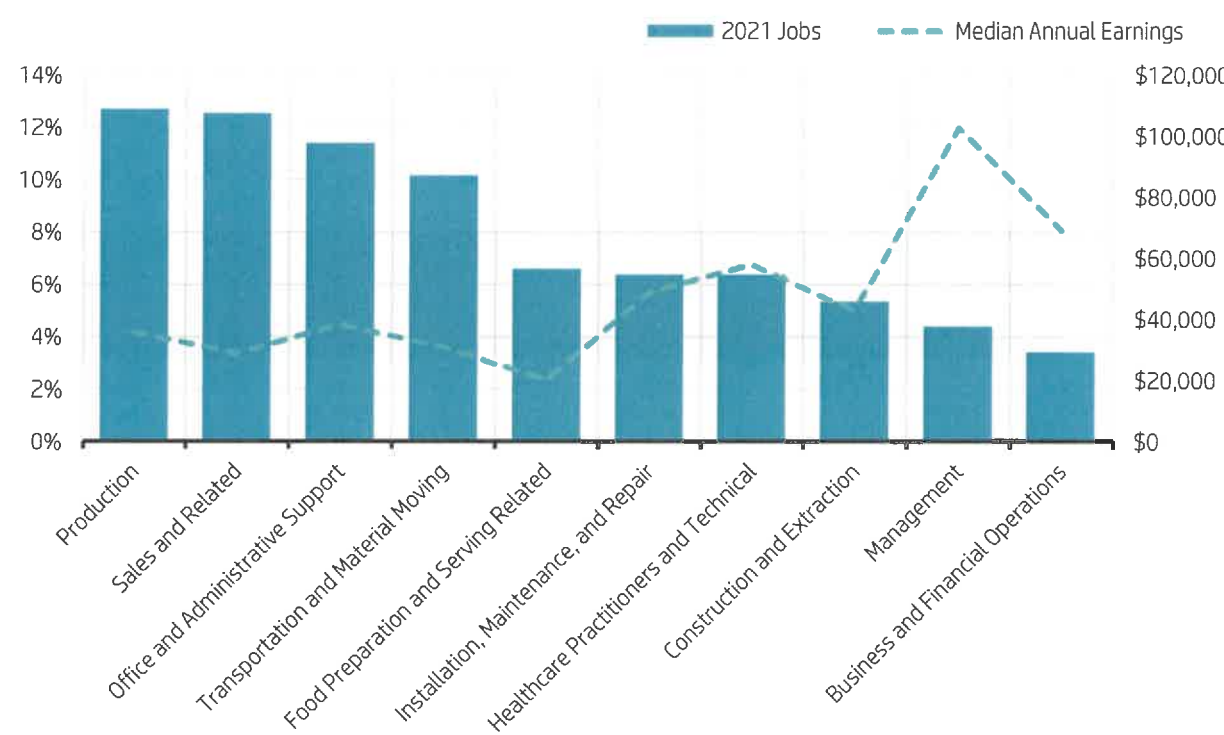
globalization have resulted in a prolonged trend of population declines and a lower labor force participation rate for working-age residents. Across the City, labor force participation varies across census tracts ranging from 40 percent and 58 percent. Figure 8 shows the labor force participation rates throughout the city and within the NRSA. Comparing the NRSA to citywide rates, the proportion of the population not in the labor force is over 6 percent higher in the NRSA (51 percent) compared to the city (45 percent).

BESSEMER OCCUPATIONS AND WAGES

The decline of jobs in several competitive sectors over the last few decades, including mining and manufacturing, has played a role in Bessemer's population decline from a peak of almost 33,663 residents in the 1970s. Today, the City's predominant industries include manufacturing, retail, distribution, and health care. Examples of the major employers include the U.S. Pipe and Foundry's

Ductile Iron Pipe Plant, distribution centers like Dollar General and Amazon, and the UAB West hospital. From an occupational standpoint, the most significant occupations include production, sales, office support, transportation and material moving, food service, maintenance and repair, and healthcare-related occupations. Figure 9 presents the top ten occupations and wages for Bessemer.

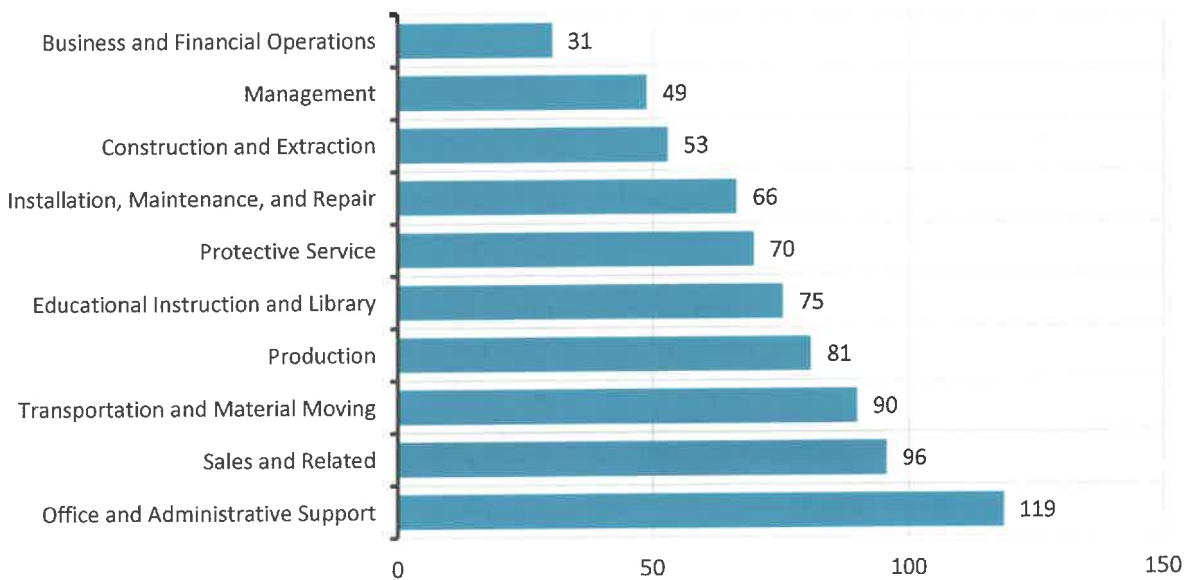
Figure 9: Top Ten Occupations and Wages in Bessemer
Source: EMSI 2022.1 – QCEW Employees



Many top occupations, outside those requiring advanced degrees, computer, or technical skills, are low-wage jobs. The importance of education cannot be understated, as workers with low levels of education will find it more challenging to compete for living-wage jobs. Existing industries such as health care and the re-emerging manufacturing and distribution jobs now require workers to have

Figure 10: Top Ten Occupations in NRSA

Source: EMSI 2022.1 – QCEW Employees



higher levels of education, technical skills, and the ability to adapt to technological change, particularly for middle to higher-wage jobs. Investment in human capital is necessary to ensure everyone in Bessemer has an opportunity to be gainfully employed. Compared to Figure 9, Figure 10 highlights the top ten occupations by employment within the NRSA. Like the citywide statistics, most of the working population in the NRSA fall within occupations related to office support, sales, transportation, and production.

LOCAL BUSINESS COMPOSITION

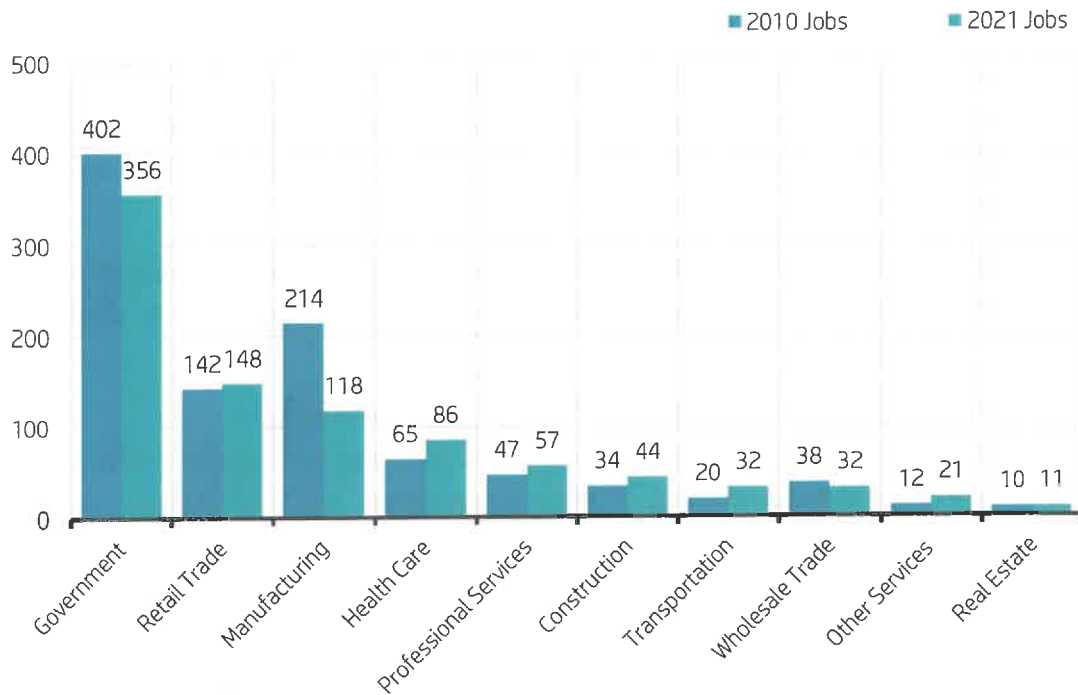
Table 1 presents business listing data for the NRSA. Based on the local data, Retail Trade and Other Service firms make up 51 percent of businesses found in the NRSA. These types of businesses may rely on a workforce that has lower levels of education and technical skills. Additionally, businesses such as these may also have higher turnover, offer lower wages, and are at greater risk of opportunity loss in the face of economic shocks such as the COVID-19 pandemic.

Table 1. NRSA Based Establishments by Industry, 2021		
Establishments by Industry NAICS	Businesses	Percent
Other Services (except Public Administration)	21	36%
Retail Trade	9	15%
Health Care & Social Assistance	6	10%
Manufacturing	3	5%
Construction	3	5%
Wholesale Trade	3	5%
Accommodation & Food Services	3	5%
Transportation & Warehousing	2	3%
Professional, Scientific & Tech Services	2	3%
Real Estate, Rental & Leasing	2	3%
Educational Services	1	2%
Information	1	2%
Finance & Insurance	1	2%
Arts, Entertainment & Recreation	1	2%
Unclassified Establishments	1	2%
Total Establishments	59	100%
Source: ESRI Business Analyst. 2022		

The employment distribution by industry sector within the NRSA presents an interesting picture of their relative industry advantage. Figure 11 shows the change in total jobs over the past decade by industry sector within the NRSA. Jobs related to government and manufacturing have declined over the past decade, while health care, professional services, and transportation jobs have increased. These changes in the industry sector reflect the changes in major employers over the last decade. In conjunction with Table 1, Figure 11 indicates that for the number of jobs in the NRSA, there are few firms related to each sector except for Other Services, meaning that a few employers provide most jobs within the NRSA.

Figure 11: NRSA Employment by Industry

Source: EMSI 2022.1 – QCEW Employees



IX. Community Consultation

Community participation is a critical component of the NRSA development process. Per CPD Notice 16-16, the NRSA strategy was developed in consultation with various stakeholders and started with the City's F.Y. 2020-2024 Consolidated Planning process in October 2019. The City's Citizen Participation Plan (CPP) establishes the framework for determining how all changes or amendments to the Consolidated Plan must include opportunities for citizen participation in the process. The policies and procedures in the CPP are designed to maximize opportunities for citizen participation with particular emphasis on encouraging persons of low and moderate-income, residents of blighted neighborhoods, and residents of areas where community development funds are utilized. The CPP can be viewed at:

[Community Development Reports and Action Plans – The City of Bessemer \(bessemeral.org\)](https://bessemeral.org/)

The City took a comprehensive approach and consulted with key stakeholders representing nonprofit organizations, government agencies, housing providers, professional associations, neighborhood groups, the local public housing authority, colleges and universities, and many other regional and local organizations engaged in housing, health, and community and economic development. The

ongoing collaborations associated with the City's Vision 2040 Plan further enhanced the consultation process.

The remnants of the COVID-19 pandemic, the resultant shut down of services, closure of businesses, and social distancing elongated the planning process. Initially, DOCD used a virtual format for the public meetings, and participation increased as a result. Further citizen participation will continue as the Plan moves into implementation and the management and coordination of the NRSA during the five-year designation period.

With its FY2020-2024 Consolidated Plan, DOCD introduced the Neighborhood Revitalization Strategy Area (NRSA) concept to residents and other stakeholders. The following criteria were used to select the NRSA area:

- The proposed neighborhood/area met the 70% LMI population criteria.
- At least 60% of the geographic area of the proposed NRSA had a primarily residential area.
- Stakeholders were already working in those communities and opportunities to leverage philanthropic, private sector, and other government investments in the areas.
- The area had at least one commercial corridor.
- DOCD can capitalize on solid community leadership to drive neighborhood improvements.

DOCD consulted with the Birmingham HUD Field Office regarding the NRSA as required in the CPD Notice 16-16 through letters, emails, and meetings. As a result of the various consultations with the HUD Field Office and clarifications established regarding the review criteria, an area was selected as the proposed NRSA.

The consultation process also included a broader outreach through social media, the City's website, and a newspaper of general circulation for interested and engaged residents, public service providers, affordable developers, the business community, advocacy organizations, ecumenical community, local institutions, City staff, local law enforcement to offer comments and feedback on the proposed NRSA. See attached newspaper ad proof of publication and link to the City's website for NRSA information. DOCD also conducted interviews with stakeholders that work in and have existing and planned investments in the NRSA or investments in the city that could benefit the NRSA. See list of planned investment in the Section XVI, Leveraged Resources in the NRSA.

PUBLIC MEETINGS

- DOCD conducted two virtual public meetings on Tuesday, April 29, 2022, at 6 pm, and Thursday, June 9, 2022, at 6:00 pm. DOCD educated the participants on the NRSA tool, the application process, and citizen participation rules. The discussion included the proposed NRSA boundaries and benefits, the proposed strategies, housing and economic development data, and community feedback. The meeting presentations were posted on the City's website. See web link: [Community Development Announcements – The City of Bessemer](#)

- The Bessemer Public Housing Authority and its developer partner, Sepia Transformation Partners, conducted a virtual public meeting on March 2, 2022, to discuss their planned housing projects in the NRSA.

STAKEHOLDER CONSULTATIONS

In addition to the public meetings, DOCD consulted with the community through online surveys and individual consultation meetings with public and private sector representatives as noted below.

- DOCD launched two online surveys through links on the City's website and social media. One survey was for residents, property owners, and other community stakeholders, and the other was for businesses operating within the NRSA. Eight residents and two business operators responded to the online surveys.
- DOCD conducted stakeholder interviews with representatives of 12 local organizations and agencies that are operating in or providing services to the NRSA. A list of the organizations is provided below.

Name of Organization	Type of Service/Business
Bessemer Housing Authority	Affordable Housing Agency
Sepia Transformation Partners, Inc.	Developer/Affordable Housing
Bessemer Redevelopment Corporation	Non-Profit Organization
Habitat for Humanity of Greater Birmingham	Non-Profit Organization
Lawson State University	Education
UAB Minority Health and Disparities Research Center	Health Services/Education
Cahaba Medical	Health Services
Create Birmingham	Small Business Assistance
Bessemer Police Department	Community Safety
Bessemer City Schools	Education/Youth Activities
New Hope Baptist Church	Ecumenical Services
Bethel Baptist Church	Ecumenical Services

- DOCD published the NRSA draft plan for a comment period of 15 days from 07/_01_/2022 to 07/_15_/2022 with printed copies at City Hall and a pdf copy on the City's website.

Public comments from the stakeholder consultations are incorporated in the NRSA Plan and are summarized in Attachment C.

X. Assessment of Economic and Neighborhood Characteristics

Below is information on Bessemer's job growth and private investment since 2010.

In 2011, the city attracted a \$100 Million General Distribution Center. The center created 650 new jobs, of which Bessemer residents hold 15 percent. Since then, nearly two billion dollars in economic development projects have been taking place in Bessemer. A review of recent employment data supplied by these companies shows that about 10 to 15 percent of their workforce is comprised of Bessemer residents. Below is a breakdown of recent economic expansion in the city and its proximity to the NRSA:

Project	Year	Cost	Jobs created	Proximity to NRSA
Dollar General Distribution Center	2011	\$100 million	900	4.4 miles
Milo's Tea	2014-2018	\$1.5 million	60	3.9 miles
American Minerals Three (AM3)	2014	\$34 million	40	>1 mile
Carvana Distribution Center	2021	\$47 million	450	4.3 miles
Amazon Fulfillment Center	2020	\$325 million	5,000	5.9 miles
FedEx Distribution Logistics	2021	\$40 million	285 (projected)	4.3 miles
Lowe's Distribution Center	2022-23	\$40 million	200	4.2 miles
BLOX	2014	N/A	300	>1 mile
J.D. Smuckers Facility	2022-2025	\$1.1 billion	750	11.8 miles
Totals		\$1.687 billion	7,985	4.3 miles average distance

The City's current strategy in terms of job growth is simple. Bessemer officials have created a partnership involving the City's Industrial Development Board, the state of Alabama, the Jefferson County Commission, the Birmingham Business Alliance, U.S. Steel, and others to focus on recruiting new industries to the area. The city is ideally situated for growth because of Bessemer's location, an abundance of land for development, and accessibility to major transportation networks.

A goal of the city in the coming years will be to connect current residents to new employment opportunities while pursuing new housing opportunities for current residents and those coming to Bessemer for employment opportunities.

The influx of job opportunities is expected to result in increased housing demand. In anticipation of this demand, the city has entered into a development agreement with Wisconsin-based Scott Crawford Inc. to renovate the former Bessemer City Hall into a 50-unit, mixed-use development. Scott Crawford's partner on the project is Cardinal Capital Management, Inc., which has a portfolio of 9,500 housing units in Wisconsin, Iowa, Colorado, Arizona, and Georgia.

The project will be based in Downtown Bessemer, one mile from the proposed NRSA. The mixed-use project will cost an estimated \$10-\$12 million and is the first project proposed in Bessemer. Downtown Bessemer is a designated Opportunity Zone and includes a nationally recognized Historic District. Adding residents to the downtown district will accentuate the area's current retail and job growth.

The city is also working with a newly formed nonprofit, Habitat for Humanity, Navigate Affordable Housing, the Housing Affordability Trust, and Build Up Ensley on a housing initiative to revitalize the Northside neighborhood. This project is in the planning phase, and 60 new homes are proposed in the initial phase of the project. The partnership investigates designating the area as an Urban Renewal/Neighborhood Revitalization area.

These two projects alone indicate a desire for private investment in the City's housing market, especially with the addition of new employment opportunities.

In addition, the City plans to allocate \$100,000 to \$125,000 annually through 2024 in CDBG funds to make emergency repairs and upgrades to homes of seniors and those with disabilities in its LMI neighborhoods including the proposed NRSA.

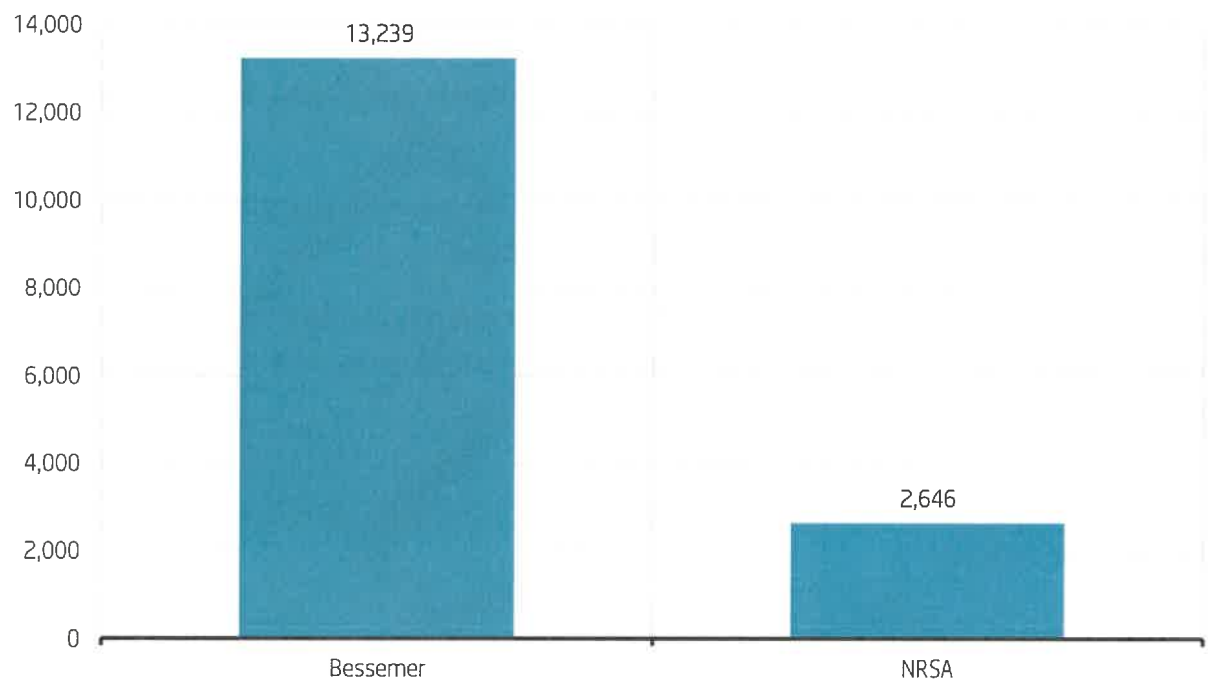
Housing Conditions

The composition and condition of housing are essential considerations within an NRSA. Programs and funding can and should be targeted to improve the quality of existing housing and encourage investment in new housing to meet the needs and affordability of residents. This section describes the housing stock, median values, and median gross rents across the NRSA.

Total Housing Units

The designated NRSA area within the City of Bessemer accounts for almost 20 percent of the City's total housing stock. As of 2019, Bessemer had 13,329 housing units, while the NRSA has 2,646 units.

Figure 12: Total Housing Units
Source: ACS 5-Year Estimates

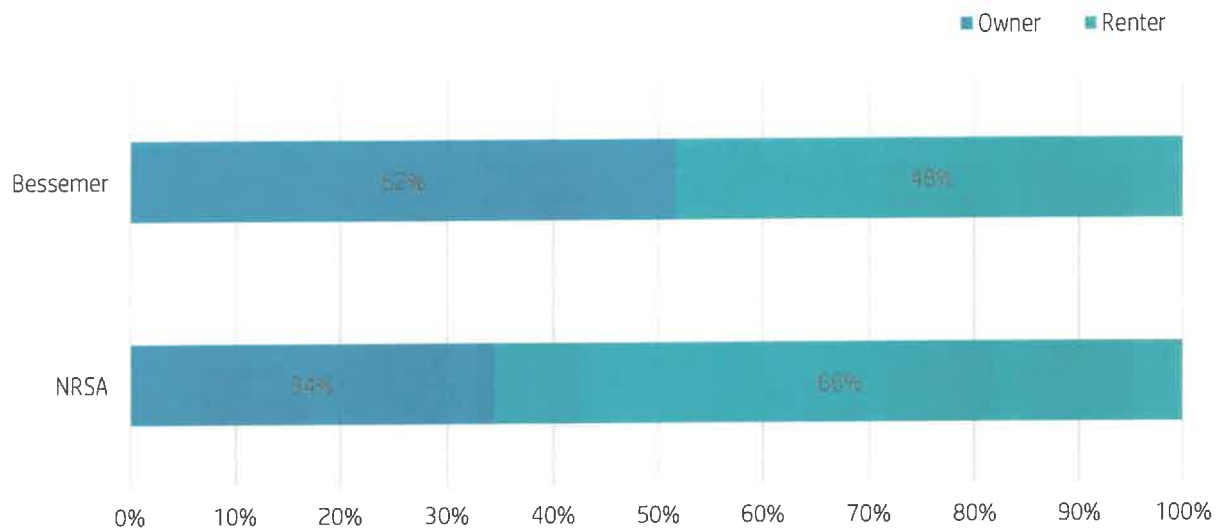


HOUSING TENURE

Within the City of Bessemer, approximately 52 percent of all residents live in an owner-occupied housing unit compared to 48 percent of residents living in a renter-occupied unit. The graph below shows how the NRSA area compares to the rest of the city. In the NRSA, the percentage of residents living in renter-occupied housing exceeds that of the rest of the city by 18 percent, suggesting that a high portion of the City's renters reside within the NRSA area.

Figure 13: Housing Tenure

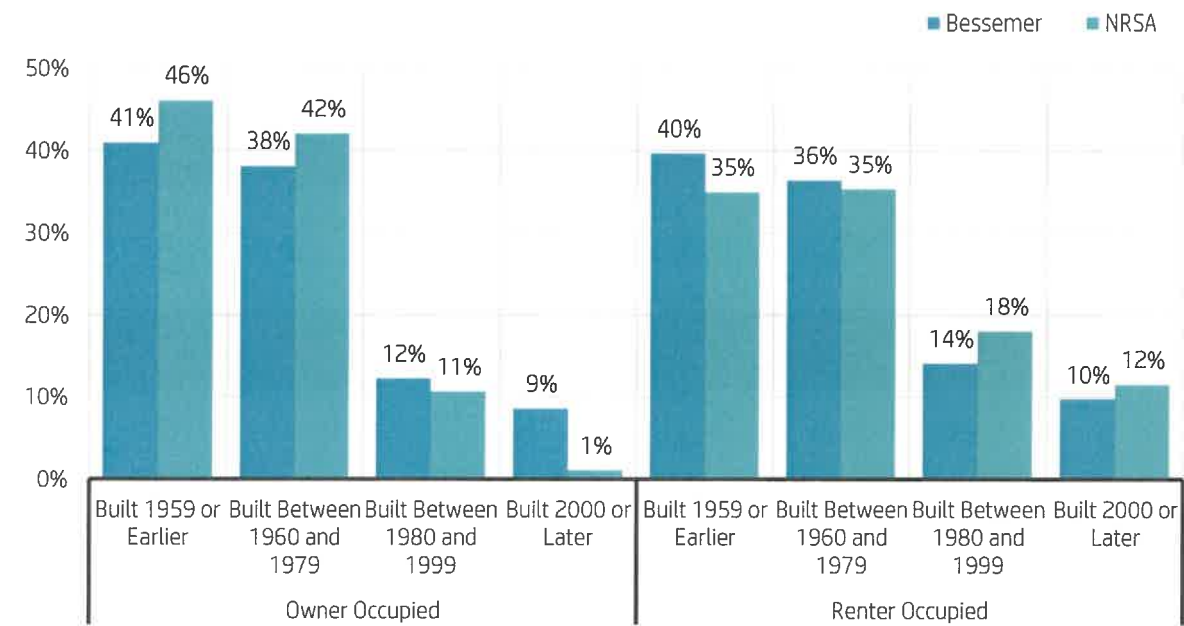
Source: ACS 5-Year Estimates



RESIDENTIAL STRUCTURES - YEAR BUILT

Bessemer's housing stock primarily consists of residential structures built before 1980, with over half built-in 1959 or earlier and about 40 percent built between 1960 – 1979. Like the rest of the city, in the NRSA, about 88% of owner-occupied housing was built before 1980, and 70% of renter-occupied housing was built before 1980. Across tenure, more than half of those housing units were built before 1960. Less than 10 percent of the City's structures were built after 2000. Within the NRSA, that percentage amounts to 8 percent, all of which have been rental units. Older housing stock challenges property owners and tenants around ongoing maintenance and rehabilitation of residential structures, particularly with the lower household incomes of many Bessemer residents.

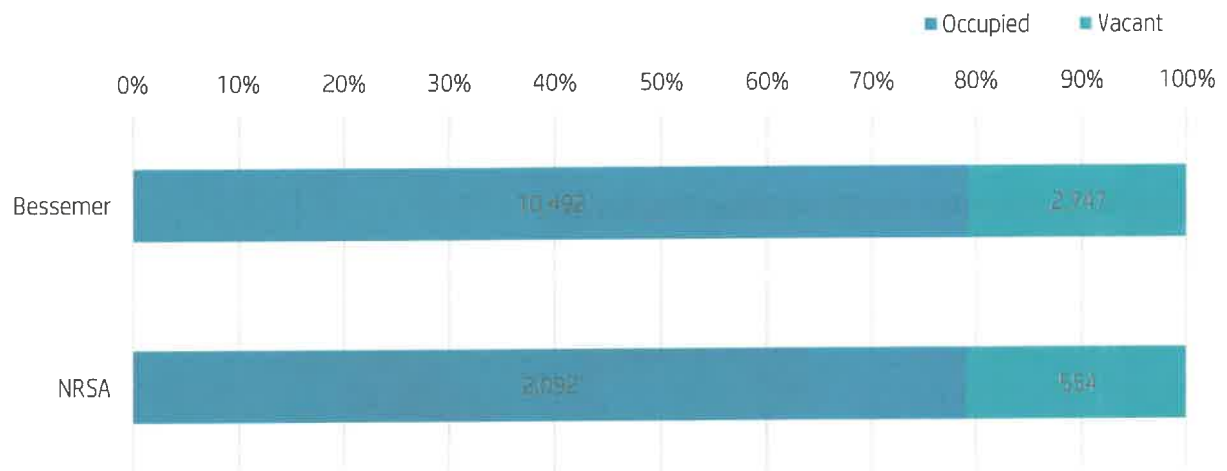
Figure 14: Residential Structures, Year Built
Source: ACS 5-Year Estimates



VACANCY

Local housing conditions are a contributor to housing values and an influencer of market forces. There are 2,747 vacant housing units in the city, accounting for about 20.7 percent of the entire housing stock. From 2015 to 2019, vacancy rates increased by 27 percent (579 units). This growing number of vacant properties also tends to occur in census tracts with higher percentages of renter households. With such an old housing stock, vacancy rates may continue to increase if structures are not maintained over time and conditions are not conducive to occupying the unit(s). Figure 15 illustrates that across the NRSA, vacancy rates reflect the rest of the city at around 20 percent vacant.

Figure 15: Residential Vacancy
Source: ACS 5-Year Estimates



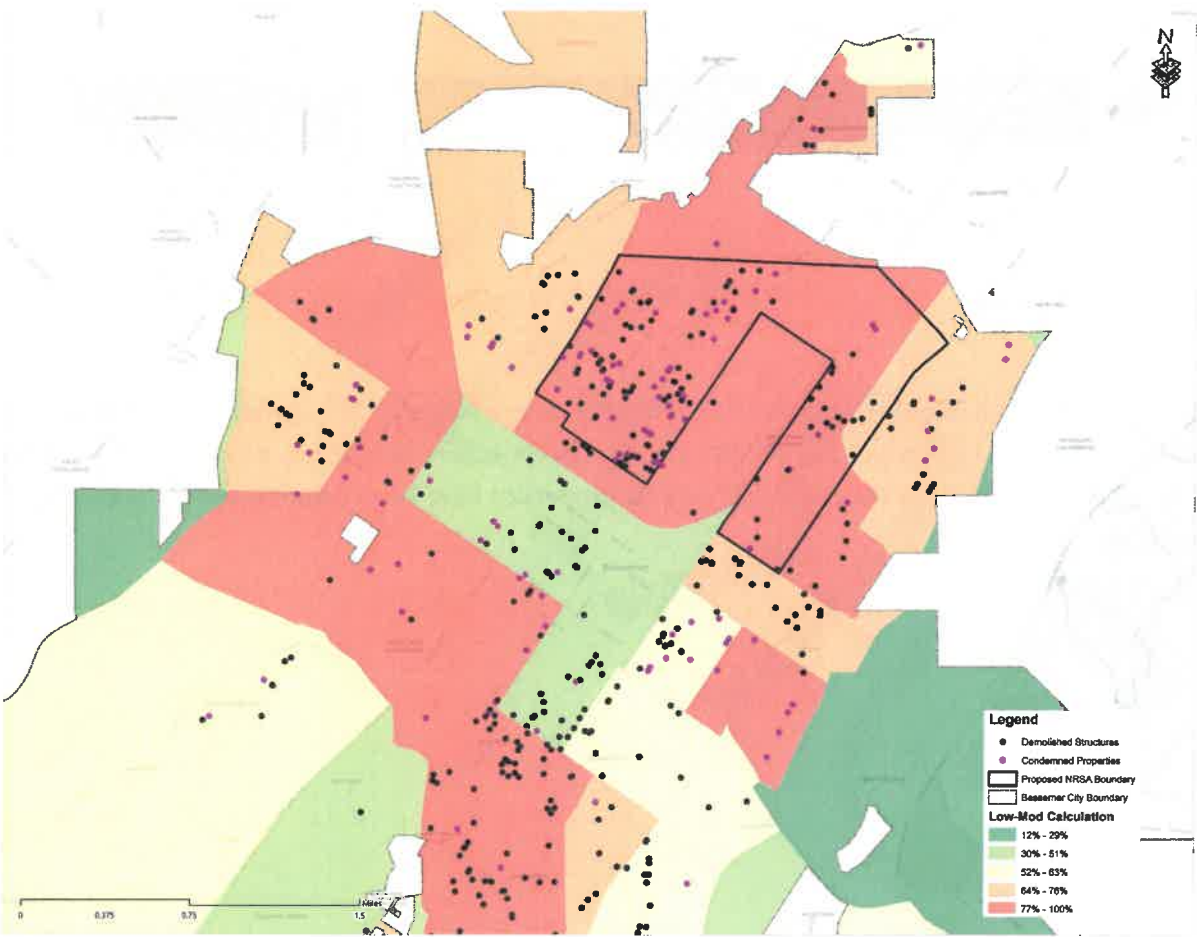
BUILDING ACTIVITY

Over the past five years, Bessemer has recorded approximately 379 building demolitions and condemned about 143 properties. Within the neighborhoods of the NRSA, 91 buildings have been demolished (24 percent of the city total), and 63 properties have been condemned (44 percent of the city total).

MEDIAN HOME VALUE

The median value of homes in Bessemer was \$86,500 in 2019, which is a little more than half the value of homes across Jefferson County, and \$154,000 less than the median value across the United States (2019). Median home values in the NRSA are \$26,525 less than the citywide median. The age of the housing stock, median household incomes, and impacts of both the Great Recession and COVID-19

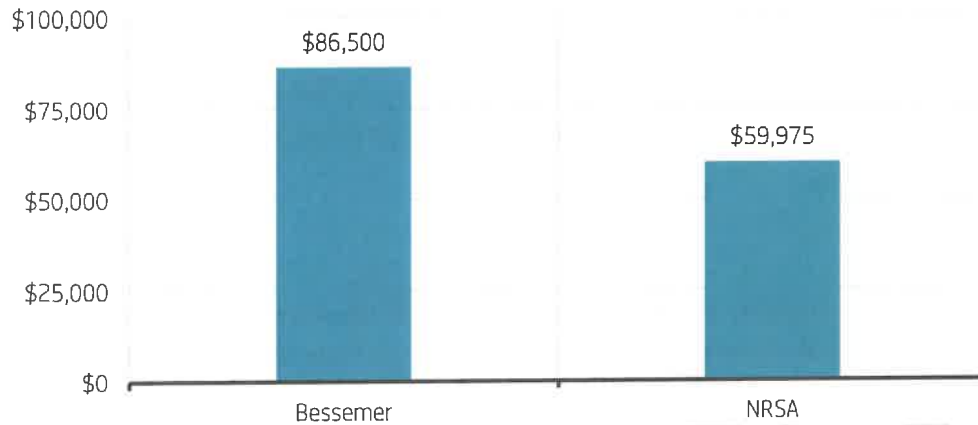
Figure 16: Condemned and Demolished Properties
Source: City of Bessemer



have created a significant housing challenge for many of Bessemer's neighborhoods. Owner-occupants may find it challenging to keep up with ongoing maintenance and rehabilitation needs given current incomes and what may be available to a household to maintain homes over time.

Figure 20: Median Home Value

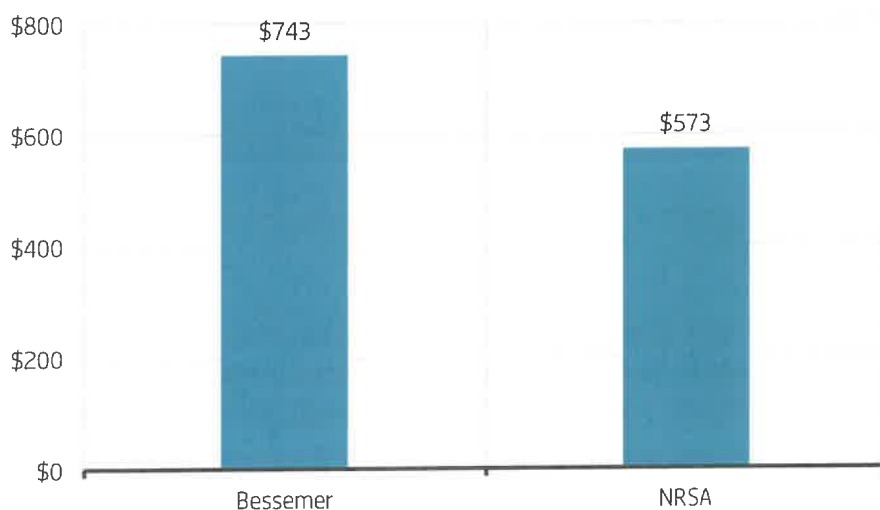
Source: ACS 5-Year Estimate

**MEDIAN GROSS RENT**

In 2019, the median gross rent for a unit in Bessemer was \$743 per month which was lower than the median for Jefferson County (\$900). By comparison, median gross rent in the United States was \$1,097 per month. Neighborhoods in the NRSA fall below the Bessemer median gross rent with rent around \$573 per month which is slightly under \$200 below the citywide median.

Figure 21: Median Gross Rent

Source: ACS 5-Year Estimates



Quality of Life

In addition to demographic, economic, and housing conditions, the improvements within the NSRA should also consider quality of life. These issues and opportunities go hand in hand with NRSA changes and can also be factors the City focuses on in addition to the physical changes to housing and business development in each area.

EDUCATION

Education strongly correlates to income, prosperity, and quality of life. One way to measure the educational opportunity is to look at the educational attainment of residents 25 years and older. Data in Table 2 from the Census provides a detailed snapshot of the education of residents within the NRSA and the City of Bessemer. Overall, the NRSA tracks very closely to the city, with a little over one-third of residents having a high school diploma and another third having some college education. Between 10 and 15 percent of residents across the City and NRSA have earned a bachelor's degree or higher. Aside from those who earned a bachelor's degree or higher, the NRSA and the City also have comparable rates of residents with no high school diploma.

Table 2. Educational Attainment		
	Bessemer	NRSA
No High School	17%	16%
High School Graduate	38%	44%
Some College	31%	30%
Bachelor's or Higher	14%	10%
Source: ACS 5-Year Estimates		

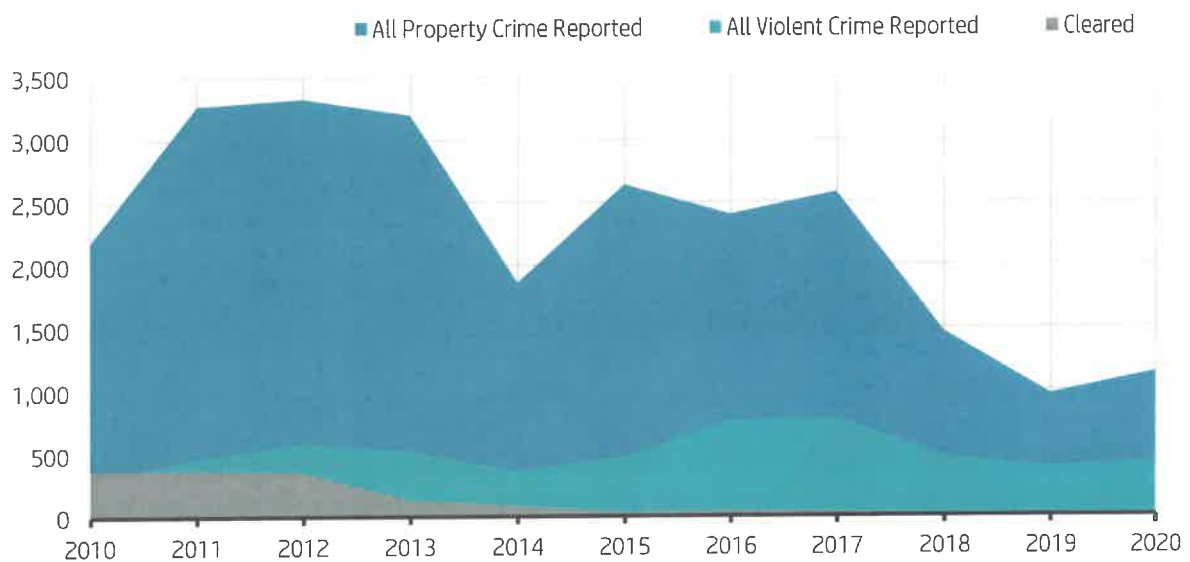
CRIME RATE

Incidents of crime can be a major contributor to quality of life and feeling of safety in a neighborhood or City. Higher incidents of crime can also be tied back to the opportunities a neighborhood or City has to offer its residents such as access to jobs, the quality of the educational system, safe and secure housing, quality of the built environment, and access to before and after school activities for students. According to the Reported Summary Reporting System (SRS) data from the Bessemer Police Department (aggregated by FBI Data Program), between 2010 and 2020, incidents of crime in Bessemer were related to property crimes (see Figure 19).

Across that same timeframe, instances of property crime decreased while the instances of all violent crimes remained consistent year over year. In the more recent years, 2019 and 2020 saw less reported crime than every year prior over the last decade. Utilizing the NRSA strategy can help bring added investment in housing, infrastructure, and jobs to these neighborhoods to help create more opportunities for residents and improve the places they live and reduce the likelihood of crime

Figure 19: Summary Crime Reported by Bessemer Police 2010 – 2020

Source: FBI Uniform Crime Reporting Program, Crime Data Explorer



VACANT LAND

An ongoing challenge in the City of Bessemer is the presence of vacant and dilapidated structures across many neighborhoods. To combat the visual and physical impacts of these vacant structures, the city is pursuing the creation of a land bank to acquire vacant properties, reduce speculation and retain housing affordability. As was noted above, about 419 buildings have been demolished over the past three years in and around the NRSA. Table 4 compares the types of properties within the NRSA and the City, because of the 2014-2015 Community Conditions Report. It should be noted that the number of vacant lots has increased from these metrics based on the ratio of demolitions to home repairs as stated above.

Table 4. Type of Property						
					Bessemer #	Bessemer %
Vacant Lots					14,626	12.0%
Residential Homes					95,437	78.3%
Non-Residential					10,608	8.7%
Garage					1,176	0.9%
Source: The Bessemer Survey: Community Conditions Report 2014-2015						

ACCESS TO TRANSPORTATION

Transportation is a key component of an individual or family's quality of life. Transportation provides access to jobs, school, healthcare, childcare, grocery stores, parks, recreation, and much more. Nearly 60 percent of Bessemer residents are over the age of sixteen and in the workforce. 76.5 percent of which drove to work alone in a personal vehicle, while 16.9 percent carpooled. Only 1.15 percent of Bessemer's working residents utilized public transportation to get to work. The large majority, 96 percent, of Bessemer resident workers had access to at least one personal vehicle for commuting purposes. About 4.02 percent of resident workers did not have access to a vehicle and are primarily concentrated in the neighborhoods within the NRSA boundaries which pose challenges and limits access to jobs for residents.¹ The need for a vehicle is driven by both the car-centric development of the city, and the concentration of jobs located in spread-out industrial districts. This necessitates access to a vehicle as many transit routes may not connect to outside employment centers or the commute time plus transit frequency makes the trip less convenient.

Based on the maps in Figure 20, and the Bessemer Impediments to Fair Housing Community needs assessment², public transportation remains an area of need within the city. Public transit in Bessemer is administered by the Birmingham-Jefferson County Transit Authority which operates two routes (1 & 45) through the City of Bessemer. Route 1 provides bus services to South Bessemer and makes stops

¹ ACS 2015, Table B08141.

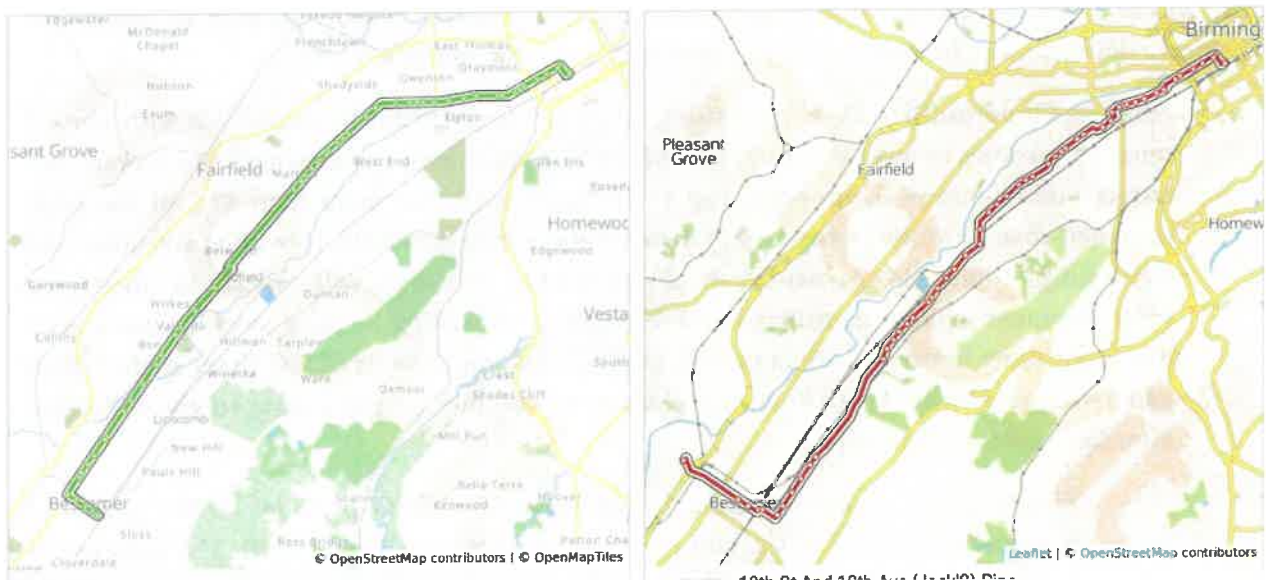
² <https://www.bessemeral.org/wp-content/uploads/2020/08/Analysis-of-Impediments.pdf>

downtown, in the pipe shop community and the Bessemer Wal-Mart. Route 45 services stop in the City's downtown as well as the Ninth Avenue Business corridor and into Birmingham. Both buses also provide services to the Amazon Fulfillment Center which is one of Bessemer's largest employers.

Residents participating in the community needs assessment indicated that there were not enough shelters on the bus stops and there is a high need for more public transit services as residents depend on the buses to access employment, medical services, and social services as well as shopping for basic needs.

Figure 20: Birmingham-Bessemer 1 & 45 Route Bus Lines

Source: Moovit Urban Mobility App, Birmingham MaxTransit



Source: City of Bessemer

XI. Housing And Economic Opportunities/Empowerment Strategy

Empowerment Strategy

For the NRSA, the City of Bessemer, through DOCD will conduct an economic empowerment strategy with housing and economic development components that will facilitate economic progress through the flexibility provided by the NRSA rule. One of the objectives of the NRSA designation is to attract other non-CDBG governmental investments and county, state, and private sector investments. A quantifiable increase in affordable housing, small business development, neighborhood stabilization, and job creation/contracting opportunities will measure economic progress for low- and moderate-income (LMI) individuals and households. With the projected increase in investments in the NRSA, there will be a need for additional social services to support program design and implementation for workforce development, homeownership counseling, and other initiatives.

- **Housing Opportunities:** Develop housing opportunities available to households with a broad range of incomes to meet the needs of LMI (80% AMI or less) homeowners and renters and attract middle-income households (up to 120% of AMI). No more than 49% of the units provided shall be for households with incomes more than 80% AMI. Providing subsidies and controlling equity in owner-occupied affordable housing will assist in managing redevelopment without gentrification. Preservation of existing housing stock is also a need due to the older housing stock in the NRSA. The City will focus its CDBG funds in the NRSA and leverage it with other financing sources to conduct or participate in the following affordable housing activities:
 1. **Single-family owner-occupied home repairs** – DOCD provides CDBG grants to homeowners whose household incomes are at 80% or less of AMI. The category of beneficiaries will be expanded up to 120% of AMI in the NRSA.
 2. **Acquisition and rehabilitation of vacant properties for sale and rental** – DOCD may provide CDBG funds to support the purchase and repair of single-family houses and small multi-family housing for households with incomes of up to 120% of AMI.
 3. **New construction of housing on vacant lots** – The City may use CDBG funds to redevelop vacant lots through new construction of houses for sale or rental. CDBG funds cannot be used for new construction of housing unless by a certified eligible community-based development organization (CBDOs). So, the city will identify, designate, and use CBDOs for CDBG-funded new construction of housing.
 4. **Lead abatement grants** – For CDBG-funded home repair, the City spends \$15,000 annually to address lead hazards in homes built before 1978 and households with children under six years of age who either live in or frequently visit the property.
 5. **Assistance to increase homeownership**- DOCD may provide down payment and closing cost assistance to households for homeownership in the NRSA.

- **Economic Opportunities:** The City's NRSA plan will help to improve the economic self-sufficiency of NRSA residents through an economic development strategy aimed at job creation/retention, financing, and technical assistance for small businesses and microenterprises that benefit low-to-moderate-income households. These strategies will contribute to the economic stability and self-sufficiency of LMI households and persons. The City will focus its CDBG funds in the NRSA and leverage it with other financing sources to conduct or participate in the following economic development activities:
 1. **Small Business Development** – DOCD may provide CDBG funding to assist new and expanding businesses in the NRSA through financial and technical assistance. DOCD currently provides small business grants of up to \$6,000 per business for façade improvements citywide.
 2. **Workforce Development Services** – DOCD may provide CDBG funding for public services to conduct training and workforce development activities for low-to-moderate income residents of the NRSA to take advantage of job created. The City will take advantage of the NRSA benefit of the waiver of the CDBG 15% public services cap to fund CBDOs that facilitate workforce development services.
 3. **HUD Section 3** - Recipients of CDBG and other federal grants are required under Section 3 of the Housing and Urban Development Act of 1968, to provide training, employment, contracting and other economic opportunities, to the greatest extent possible, to low- and very low-income persons, especially recipients of government housing assistance, and to businesses that provide economic opportunities to low- and very low-income persons. Also, HUD requires that grantees make efforts to do outreach to minority-owned, women-owned, and disadvantaged businesses to increase equity and inclusion. The City could also establish or use existing small business lending programs for residents to take advantage of Section 3 economic opportunities. Public infrastructure, housing, and commercial real estate projects are anticipated to generate construction and related jobs over the five years of the NRSA.

XII. 2022-2026 Performance Management Benchmarks

This section establishes benchmarks for the key activities in this NRSA Plan, and the City's accomplishments against its benchmarks which DOCD will report in the HUD Integrated Disbursement and Information System (IDIS) on a quarterly basis.

DOCD will meet with stakeholders and residents at least once annually to solicit input in assessing the previous year's NRSA accomplishments versus the proposed goals. The DOCD will assess variances or delays in meeting goals and make program design or implementation changes, as needed.

Over the five-year period of the NRSA, DOCD will work to accomplish the following benchmarks:

Priority Goal Area #1: Affordable Housing Creation and Preservation

Benchmarks

- 1.1 Produce 25 affordable housing units through construction and homebuyer assistance.
- 1.2 Repair 40 owner-occupied single-family houses to preserve the affordable housing stock.
- 1.3 Acquire & rehabilitate 15 vacant properties for homebuying & rental.
- 1.4 Pursue previous interest in land banks and consider feasibility of that strategy to acquire properties and reduce speculation.

Priority Goal Area #2: Economic and Human Capital Development

Benchmarks

- 2.1 Create/retain 16 jobs through assistance to 3 small businesses/micro-enterprises in the NRSA.
- 2.2 Prepare 75 persons in the NRSA for jobs through workforce development and training services.
- 2.3 Improve the City's HUD Section 3 programs outcomes for hiring and subcontracting, and work with the Public Housing Authority to actively promote and encourage Section 3 hires.

Priority Goal Area #3: Neighborhood Improvements and Capacity Building

Benchmarks

- 3.1 Increase to 7 the number of community-based development organizations (CBDOs) and non-profit agencies carrying out eligible public services to support the NRSA strategies.
- 3.2 Demolition of 25 unsafe structures and increase code enforcement activities.
- 3.3 Beautify 4 public spaces including pocket parks, community gardens, and tree planting.
- 3.4 Reduce crime through the development of at least two community safety programs.
- 3.5 Develop a working group coordinated by DOCD staff to assist with NRSA implementation and build neighborhood capacity.

Performance Management Benchmarks –

Topic	Goals	Strategy	Benchmark	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Affordable Housing Creation and Preservation	Produce affordable housing units	Construction & homebuyer assistance	Houses added	0	4	5	7	9	25
	Repair owner-occupied S/F houses to preserve affordability	Home repair grant program	Houses repaired	2	3	8	12	15	40
	Acquire/rehabilitate vacant properties for sale & rental	Acquisition & rehabilitation	Houses preserved	0	3	4	4	4	15
	Conduct feasibility & plan land bank, if feasible	Property acquisition	Houses/lots acquired	0	0	3	3	4	10
Economic and Human Capital Development	Create/retain jobs through assistance to small businesses and micro enterprises	Small business loans & grants	Jobs created	2	3	3	4	4	16
	Prepare residents for NRSA jobs	Workforce dev. /training	Persons trained	5	10	25	25	10	75
Neighborhood Improvements and Capacity Building	Increase in public services in the NRSA through CBDO	Public services Certify CBDO	Agencies CBDO	0	1	1	2	3	7
	Code enforcement, public facilities & crime reduction	Demolition Beautification	Demos. Parks	5 0	5 1	5 1	5 1	5 1	25 4
	Crime reduction	Community safety progs	CS programs	0	0	1	1	0	2

XIII. NRSA Coordination Strategy

The projected investments and activities that the NRSA will attract will generate the need for supportive services and partnerships, which must be coordinated to achieve a clear implementation plan to help ensure the strategy's success. The City's DOCD will be responsible for NRSA implementation and grant compliance. The city will use the following strategies to develop and provide support services to the NRSA:

- The DOCD will use an NRSA Working Group which will be comprised of city staff representing related departments, residents, non-profits, for-profits, developers, service providers, and other key community stakeholders to assist with implementation.
- The DOCD will designate a staff person as the NRSA Coordinator to manage the implementation of the NRSA program. The roles and responsibilities of the NRSA Coordinator are as follows:
 1. Recruit and coordinate the NRSA Working Group.
 2. The NRSA Coordinator and the NRSA Working Group will work with non-profit and for-profit organizations to implement City-funded NRSA activities.
 3. Certify community-based development organizations (CBDOs).
 4. Ensure that subrecipient and contractor agreements contain the required funding agreements and NRSA goals and requirements.
 5. Conduct orientation and training of staff from other departments and subrecipients.
 6. Work with the NRSA Working Group, City departments, partner agencies, and stakeholders to understand and collect information on completed projects in the NRSA, CDBG funds that were used for those projects, and the amount leveraged for each project.
 7. Collect program output data from program participants and ensure input into IDIS.
 8. Coordinate and participate in at least an annual public meeting to report on goals and receive public input.
- Identify and assess potential CBDOs to assist in the implementation of the NRSA. The use of a CBDO allows the city to invest CDBG funds as an additional funding source for new housing construction and increased public services in the NRSA by waiving the 15% public services cap.
- Build nonprofit and CBDO capacity to implement NRSA strategies and long-term sustainability.
- Build local developer capacity and create developer incentives.
- Survey area businesses to gauge post-pandemic availability and need for services.
- To prepare community residents for jobs created by investments, collaborate with a workforce partnership for employment training and workforce development. Partner with other agencies to provide access to childcare, transportation, and workforce-related services.
- Provide and leverage CDBG financing and technical assistance with other private and public sources to facilitate activities in the NRSA.

XIV. Monitoring and Reporting

The DOCD staff will monitor the performance of subrecipients, and developers undertaking activities in the NRSA and compare that to the NRSA's objectives and goals in the FY 2022 – 2026 NRSA Application. The first part of the City's NRSA monitoring plan will consist of ensuring that the NRSA requirements are outlined in each CDBG agreement related to the NRSA. The city will also identify the NRSA benchmarks that it expects to achieve for each program year in its Annual Action Plan. The following steps will be used to track progress and manage the NRSA strategy:

- At least semi-annually, the NRSA Coordinator and NRSA Working Group will review the progress and performance of NRSA activities. The purpose of the review is to identify and address potential issues and challenges with implementing the NRSA strategy.
- All records related to the NRSA, including the NRSA plan, reports, and meeting minutes, will be maintained by the NRSA Coordinator.
- Each subrecipient, CBDO, or contractor that undertakes work in an NRSA with CDBG funds will be responsible for reporting on projects completed to the DOCD every quarter using a data form provided by the DOCD. The reports will be sent to the NRSA Coordinator no later than the (15th) day of each quarter as follows:
 - January 01 – March 30; Report due no later than April 15th
 - April 01 – June 30; Report due no later than July 15th
 - July 01 – September 30; Report due no later than October 15th
 - October – December 31; Report due no later than January 15th
- The quarterly reporting will allow the DOCD to review the proposed activities under the NRSA Plan and assess whether the activities are meeting the goals of the NRSA Plan. Each year during the Annual Action Plan planning process, the NRSA Coordinator will ensure that the NRSA goals and objectives are reasonable and on track to meet the overall goals in this Plan. If the quarterly outputs show variances in the number of people served, the city will address this in the CAPER as well as adjust the Annual Action Plan and share the NRSA information with HUD.
- The city will report its NRSA progress at the end of each program year in its HUD Consolidated Annual Performance Evaluation Report (CAPER). The NRSA Coordinator will review the IDIS Online Report **PR84: CDBG Strategy Area Report** and activity-specific information on the **PR03: CDBG Activity Summary Report** to ensure IDIS accurately reflects information submitted by subrecipients and City staff. Any inaccuracies or omissions will be forwarded to the IDIS input staff for correction in IDIS.

Documenting Impact

- The NRSA Coordinator, in conjunction with the NRSA Working Group, will prepare a report that compares accomplishments to proposed goals and evaluate the City's progress in terms of meeting the proposed goals, including:
 1. A list of the investments leveraged and benefits each year, including those in the NRSA plan.
 2. A summary of numeric accomplishments (outputs) for each goal is included in the City's NRSA proposal.
 3. A narrative description of how the accomplishments address the overall outcomes of the NRSA; and
 4. A summary of the consultation and participation with the NRSA stakeholders throughout the program year.
- The NRSA Coordinator will hold a meeting with stakeholders and residents of the NRSA target area to review the NRSA annual report and evaluate the performance of the funded projects (*depending on timing, this meeting could be combined with the Annual Action Plan or the Consolidated Performance and Evaluation Report*).

Each NRSA entity receiving CDBG funds may be monitored using a desktop review each time a reimbursement request is submitted; however, monitoring will take place no less than quarterly. The HUD NRSA Monitoring Checklist (see attached) will be used as a guide when monitoring subrecipients. Training on NRSA compliance and monitoring will be conducted to ensure the data collection is streamlined. The city will use **HUD Exhibit 3-16 titled Guide for, Review of Subrecipient/Community-Based Development Organization (CBDO Management)** when performing, on-site monitoring on an annual basis. See link to C Monitoring Handbook: [CPD Monitoring Handbook- HUD Exchange](#). See Chapter 3-15 for the HUD Monitoring Checklist Guide for implementation assessments in the annual CAPER and will be posted on City's Website as well.

The DOCD will use data collection and tracking to ensure that progress is being made in the efforts to revitalize the target area. Collecting and tracking data is critical to ensure that the city is making progress with the NRSA designation and revitalizing the target area. The Consolidated Planning framework provides the city with a way to evaluate the NRSAs during the five-year designation period. The data gathered will be shared with the NRSA residents and stakeholders. Impacts will be assessed on an ongoing basis and will be documented as follows:

- GOAL: What do we want to accomplish?
- STRATEGY: How are we going to accomplish that goal?

- **METRICS:** What will we measure to know that we are making progress? Are there specific milestones we aim to meet? Over what timeframes?
- **OUTCOMES:** How much progress have we made toward our goal at a given time?

Please see Attachment D for the NRSA impact matrix.

XV. Strategic Partnerships

The available resources provided through the CDBG, and other federal grant programs are usually insufficient to meet the needs of the communities for which they are intended. Community revitalization strategies are successful when the community takes advantage of partnerships among federal and local governments, the private sector, community organizations, and neighborhood residents. Leveraging financing, technical skills, and capacity are critical to the City of Bessemer's ability to carry out the activities described in Section XI and achieve the identified performance measures and outcomes in Section XII. Dependent on the partner capacity in the NRSA, the DOCD will use an implementation framework that includes a working group that is coordinated by City staff. The city maintains current relationships with many stakeholders in the community and during the five years of the NRSA plan, will continue to identify and recruit other partners.

Community-Based Development Organizations (CBDOs)

As outlined in HUD Notice CPD-96-01 and using the criteria for CBDO designation at 24 CFR 570.204 and 570.207(b)(3)(iii), the City may certify and use CBDOs to support certain public services, new construction of housing, homeownership assistance, and community economic development activities in the designated NRSA. The use of CBDOs in the approved NRSA allows the city to provide additional public services to support the increased public and private sector investments in the NRSA by removing the CDBG 15 percent public service activity cap limitations. Also, some otherwise ineligible CDBG activities such as the new construction of housing may be done by CBDOs in the NRSA. CBDOs are not considered subrecipients but may be designated as such by the City and all the subrecipient rules will apply to CBDOs, including the requirement for the reversion of assets.

The city is considering the following strategies to engage CBDOs in its investment strategy:

- **Certify non-profit organizations as CBDOs that currently have target areas that include or are coterminous with the NRSA:** The CBDO provisions at 570.203(c) require that a CBDO must have a defined geographic area of operation that includes the NRSA.
- **Certify HOME community housing development organizations (CHDOs) as CBDOs, as applicable:** Existing HOME CHDOs may qualify as CBDOs and only automatically qualify as CBDOs if they serve a single neighborhood. The DOCD must review and certify CBDOs.
- **Recruitment of CBDOs—**CBDOs may be identified to partner with the city in several ways such as applying on a rolling basis for CBDO approval and through an annual NRSA CDBG funding cycle. At the beginning of each calendar year, DOCD staff will review the approved CBDO list

and check for compliance by reviewing the board makeup of the organization, discussions with organization staff, and obtaining LMI certifications (if applicable) for board members. If the CBDO still qualifies after the compliance check, it will continue to be on the approved CBDO list for the city. This does not guarantee an organization CDBG funding – however, this allows organizations to apply for CDBG that is otherwise capped or restricted per HUD regulations.

Strategic Partnerships

The COB currently works with or plans to develop relationships with the following organizations that are in or serve the NRSA:

Bessemer Housing Authority (BHA) – The Bessemer Housing Authority has been serving low-income citizens in the city since 1960. Its mission is to increase the supply of affordable rental housing for families who cannot afford market rents, provide educational opportunities, and improve the quality of resident’s lives by promoting self-sufficiency and economic independence. BHA offers a variety of resident services through the Resident Opportunity for Self-Sufficiency Program including adult education, life skills, job training and others. BHA has multiple properties and units within or adjacent to the NRSA and is pursuing Rental Assistance Demonstration (RAD) approvals for new multi-unit properties, as well as mixed income developments within the proposed NRSA.

Sepia Transformation Partners, LLC – Sepia Transformation Partners, LLC was procured by the Bessemer Housing Authority to provide specialized “turn-key” development services related to the Rental Assistance Demonstration Program (RAD) projects currently being pursued through USHUD. The company has a strong background working with housing authorities to achieve local redevelopment goals and affordable housing objectives.

Bessemer Redevelopment Corporation (BRC) – Formed in August of 2020, the Bessemer Redevelopment Corporation, a 501(c)(3), began its mission to lead the effort to revitalize Bessemer’s northside through the elimination of vacant and blighted housing, reducing poverty, unemployment, food insecurity and other factors necessary to improve the overall quality of life. BRC’s vision is to bring resources, jobs, and investments to the City of Bessemer. ~~Led by Brian Giattina, owner of one of the neighborhood’s largest employers,~~ the BRC Board is made up of individuals who were born and raised in Bessemer and others who bring the expertise and commitment to ensure success. The primary objectives are to increase the supply of decent, safe affordable housing, expand workforce development opportunities, create community garden space, and assist small businesses. BRC has partnered with Habitat for Humanity to transfer ten acquired properties for newly constructed affordable housing already and has plans to develop 20 modular housing units in their first new housing construction phase. The city anticipates significant contributions through a partnership and a CBDO relationship with BRC in the future.

Habitat for Humanity of Greater Birmingham – Habitat for Humanity is a well-known and respected non-profit housing organization working in Bessemer and the surrounding communities. Its vision is a world where everyone has a decent place to live. The local affiliate of Habitat for Humanity, located

in Fairfield, AL, has been building new homes on scattered sites within the proposed Bessemer NRSA for some time. New efforts to invest in the community has led to more partnering between the city, RDC and Habitat. RDC and Habitat have recently completed four new homes with six additional ones planned soon and RDC is presently working to obtain up to fifty additional lots over the coming months, many of which will be developed in partnership with Habitat.

Navigate Affordable Housing Partners – Navigate Affordable Housing Partners is a non-profit organization with headquartered in nearby Birmingham and has other locations in Connecticut, Virginia, and Mississippi. Its mission is threefold: to stabilize neighborhoods by removing barriers to social and economic investment; to spur catalytic redevelopment to improve the overall perception of investors and gain support for community development projects; and, to revitalize areas so that local investors who reinvest in the economy of the city results in success for everyone involved. They are a premier Performance-Based Contract Administrator (PBCA) for USHUD, offering professional services to state and local housing authorities as well. New investments in Bessemer by many large, national companies provide an attractive opportunity for this non-profit to expand services to the area and the city plans to pursue a partnership with this group.

Lawson State University – Lawson State University, also known as Lawson State Community College (LSCC), is a comprehensive two-year college that provides educational opportunities which promote economic growth and enhance the quality of life for persons living in the city of Bessemer. The college is committed to providing affordable and accessible lifelong learning opportunities to prepare students for employment and career advancement and provides customized training needs for businesses and local industry sectors. The college draws several students from Bessemer and the proposed NRSA and surrounding areas.

UAB Minority Health and Health Disparities Research Center – UAB Minority Health and Health Disparities Research Center (MHRC) generates and disseminates research knowledge from biomedical, behavioral, and social sciences to reduce health disparities experienced by vulnerable populations and disadvantaged communities locally, regionally, and nationally. MHRC was established in 2002 and receives funding from the National Institutes of Health. It supports three programs: Research, Training, and Outreach which align with the University's broad strategic goals and make it an enabling platform for UAB's research, teaching, and service missions.

Cahaba Medical Care – Cahaba Medical Care is an accredited Community Health Center providing comprehensive primary care services, including treatment of management of chronic and acute diseases, preventative care and cancer screenings, pediatric care, women's health services, prenatal care and obstetrics, dermatological services, geriatrics, sports medicine services, mental healthcare, dental services and more to residents at the Bessemer center location. Cahaba also operates multiple health centers and clinics in local schools throughout the Birmingham area. Cahaba Medical Care provides high-quality health services regardless of a patient's ability to pay by offering a discounted, sliding fee schedule based on income and family size. Since the founding of the clinic, the mission has been to continue serving all patients facing hardships, whether medical, social, financial, or emotional and grow as a non-profit, Federally Qualified Health Center.

Bessemer Police Department – The Bessemer Police Department (BPD), led by Chief Michael Roper, serves the city of nearly 30,000 residents with law enforcement services through its various policing divisions including the Patrol Division, Jail Division, Traffic Motor Scouts, Criminal Investigation Division, Administrative Division, Training Division, Special Operations Division, Community Service/Crime Prevention Division, Environmental Unit, Special Response Team, Parking Enforcement, and Internal Affairs Division. The BPD has 115 sworn Police Officers and a 40-person professional staff all dedicated to preserve life, safeguard property, enforce the law and bring to justice those who violate the law, and enhance the peace and quality of life in the City of Bessemer.

Bessemer City Schools – Bessemer City Schools has an enrollment of over 3,500 students and is charged with producing informed, responsible, productive citizens who will be lifelong learners and successful contributors to society and is committed to carrying out this mission in cooperation with parents and the community, by providing a dedicated staff, a diverse and challenging curriculum, within a clean, safe, and caring environment. Bessemer City Schools are comprised of five elementary schools, one middle school, one high school, one alternative and one technical school. More than ever before, Bessemer City Schools face the current demands brought on by several major regional and national enterprises locating in and near the city. These companies include a wide range of high-tech manufacturing firms, an increasing number of service industries, higher educational needs in the form of state universities and private colleges, and a growing convention industry that places high expectations on the local school system.

Create Birmingham – Create Birmingham is the only local agency exclusively focused on Birmingham's creative industries and plays a unique role in growing the creative sector, including performing arts, visual arts and crafts, culture and heritage, media and film, design, and culinary arts. Its mission is to invest in imagination and invention and offer programs to construct and support diverse avenues for commercial and non-profit creative success. Recently, Create Birmingham received grant funds to extend its unique services to the City of Bessemer and has provided start-up small business grants to sixteen innovative and creative residents. Ninety percent of these new business owners are Black/African American females. Create Birmingham also offers hands-on training through an 11-week course on how to start and operate a small business. Long-term plans include doing more loans and assisting more small start-ups in the future.

Bessemer Area Chamber of Commerce – Bessemer Area Chamber of Commerce is a working partnership of business and professional people dedicated to the growth and betterment of the economy in the Bessemer Area and serves as a catalyst for energizing and vitalizing the stakeholders in the Area. Its mission is to promote the economic well-being of regional businesses and represent the business community in the economic, political, civic, educational, and cultural development of the region. The various divisions of the Chamber include business development, community building, membership, and tourism.

New Hope Baptist Church – New Hope Baptist Church, led by Pastor Jessie McAlpine is currently in the process of forming a new non-profit arm of the church to expand its community outreach activities and is working closely with a group of other pastors in the community. Many of the activities were postponed due to the coronavirus pandemic and the church stands ready to return to providing

services, particularly to the younger residents of the community through such activities as providing school supplies, backpacks, tutoring services, day, and after-school care for working mothers. Other needs the church would like to become involved in include recreational activities to provide an outlet for the young boys and girls, as well as nutritional counseling to promote good health habits.

Bethel Baptist Church – In addition to serving as a pastor of Bethel Baptist Church, Pastor Calvin Bell also serves on the Board of Directors of the Bessemer Redevelopment Corporation. Bethel Baptist Church is a pillar of the community, providing services to help the surrounding community for many decades. Members of the congregation volunteer for a wide range of community service activities to help the less fortunate.

Key Strategic Stakeholders and Partnership Organizations

Stakeholder Role/Contribution	Partnership Organizations
Leadership/support	District 2 City Council
Leadership/support	District 3 City Council
Housing/Services	Bessemer Housing Authority
Housing	Sepia Transformation Partners, LLC
Housing/Job Training/Community Projects	Bessemer Redevelopment Corporation
Housing	Habitat for Humanity of Greater Birmingham
Housing/Neighborhood Revitalization	Navigate Affordable Housing
Education/Workforce Training	Lawson State University
Healthcare	UAB MHRC
Healthcare	Cahaba Medical Care
Safety/Security/Law Enforcement	Bessemer Police Department
Education	Bessemer City Schools
Economic Development/Cultural Arts	Create Birmingham
Community/Economic Development	Bessemer Area Chamber of Commerce
Counseling/Youth and Senior Services	New Hope Baptist Church
Counseling/Youth and Senior Services	Bethel Baptist Church

XVI. Current and Future Leveraged Resources in the NRSA

The NRSA strategy intends to attract non-CDBG public and private sector resources to the target area. There are several current and future projects and programs that the City's NRSA investment will leverage. These include government initiatives, capital improvements, foundation-funded programs, and private investment. This section identifies some of the current key non-federal governmental and private sector funding and projects in the NRSA that will benefit low-to-moderate-income individuals and households.

The amount of federal funding is unable to address the housing and community development needs of the NRSA. The City of Bessemer has proactively sought out other public and private sector partnerships and resources to expand the impact of its grant-funded activities. The table below, labeled *Leveraged Resources and Intended Outputs*, identifies initiatives, and intended outputs based on the area (City Wide and NRSAs) that the city intends to leverage within the NRSA.

City Agency or Organization	Project Description(s)	Project Type(s)	Investment \$	Period	Outputs	NRSA Location	Website, if applicable
Private Investment Projects							
Bessemer Redevelopment Corporation	Purchases homes/lots, demolition, new homes, neighborhood improvements	Single-family lot purchases, new home construction on in-fill lots, area beautification	\$18 million	2022-2027	Acquire multiple complete new home builds in 5 years	All efforts located within NRSA	https://brcal.org
Habitat for Humanity	Acquire vacant lots, build, and finance new homes, homeowner repair program	Single-family new homes and comprehensive homeowner repairs/financing	\$3-4 million	2022-2027	30+ new homes with financing; 3-4 major home rehabs per year	LMI areas of the city with a focus on NRSA	https://habitatbrirmingham.org
Create Birmingham,	Small business grants and economic development training/technical assistance to minority businesses	Grants of \$5,000 and training to help new minority business owners start a small business	\$100,000 foundation grant	2021-2022	16 grants for small minority-owned businesses with an 11-week intensive training course	Within or adjacent to NRSA	https://createbrirmingham.org
BLOX Corporation	Expansion of manufacturing facilities						
Bessemer Housing Authority & Sepia Transformation Partners	Southside Homes Three-Phase Development Master Planned Community	Rental housing – HUD-RAD development	\$85 million	2021-2026	300 units	Within the NRSA	www.besha.org
Bessemer Redevelopment Corporation	Tree plantings along 5 th Avenue North	Beautification	\$200,000	2022	Trees planted	Within the NRSA	https://brcal.org

City Agency or Organization	Project Description(s)	Project Type(s)	Investment \$	Period	Outputs	NRSA Location	Website, if applicable
City Government Projects							
Bessemer Public Improvements Dept.	Street paving – 24 th St., 30 th street, 32 nd St., 5 th Ave N, 24 th St, 26 th St, 27 th St, 28 th St,	Road improvements	\$1,344,778 \$1.26 million	2021 2022 to 2024	TBD	Within the NRSA	
Bessemer Water	System-wide water and electric meter replacement	New water meters New electric meters	\$425,000 \$675,000	2022-24 2022-24	TBD	Within the NRSA	
Bessemer Parks & Recreation Dept.	Various upgrades to Abrams Park Upgrades to Southside Community Park	Parks & Recreational Facilities	\$10,000	2022- 2023	TBD	Within the NRSA	
Bessemer Parks & Recreation Dept.	Bessemer Recreation Center	Parks & Recreational	\$15 million	2016	TBD	Near the NRSA	
Bessemer Parks & Recreation Dept.	Enoch Brown Park upgrades	Public Improvements	\$82,000	2016- 2022	TBD	Near the NRSA	
Bessemer Public Improvements Dept.	Dartmouth Avenue resurfacing and ADA improvements.	Public Improvements	\$535,000	2017- 2022	TBD	Within the NRSA	
Bessemer Parks & Recreation Dept.	Southside Community Park upgrades	Public Improvements	\$80,000	2017- 2022	TBD	Within the NRSA	
Bessemer Economic and Community Dev.	Proposed Bus Shelter	Public Improvements	\$6,500	2020- 2024	TBD	Within the NRSA	
Bessemer Electric.	LED lighting upgrades with Alabama Power and Bessemer Electric	Public Improvements	TBD	2022 to 2026	TBD	Near & within the NRSA	

City Agency or Organization	Project Description(s)	Project Type(s)	Investment \$	Period	Outputs	NRSA Location	Website, if applicable
Other Government Projects							
Jefferson County Public Improvements	Road resurfacing - Berkeley, 25 th Place, 26 th St, 28 th street	Sewer and road improvements	\$8 million	2020 to 2028	TBD	Within the NRSA	
Federal, State, City	Bessemer Rail Trail	Public Facilities	\$1 million	2018-2022	TBD	Near the NRSA	
Federal, State, City	Arlington, Berkeley Avenue Safe Routes to School Sidewalk project	Community Safety	\$252,776	2019-2022	TBD	Near & within the NRSA	

XVII. Financing Sources for Housing, and Economic Development

Below is an analysis of capital sources that can be used to further the NRSA objectives and goals. The sources can be used to leverage CDBG resources indirectly through partner relationships.

Public Sector

- **Historic Tax Credits**

The federal historic rehabilitation tax credit (HTC) program is an indirect federal subsidy to finance the rehabilitation of historic buildings with a 20 percent tax credit for qualified expenditures. Before the enactment of tax reform legislation at the end of 2017, there was also a 10 percent non-historic rehabilitation tax credit for pre-1936 buildings. These federal tax incentives are used to stimulate private investment in the rehabilitation and reuse of historic structures that can provide affordable rental housing.

- **The Alabama Low-Income Housing Tax Credit Program (LIHTC)**

The Low-Income Housing Tax Credit (LIHTC) Program is an investment vehicle created by the federal Tax Reform Act of 1986 to increase and preserve affordable rental housing for low-to-moderate-income households. Administered in Alabama by the Alabama Housing Finance Authority (AHFA), this program permits investors in affordable rental housing to potentially claim a credit against their tax liability annually for a period of 10 years, bringing much-needed private investment to affordable housing projects. The city provides funding for projects receiving low-income housing tax credits from AHFA. This consists of HOME-assisted projects receiving 9% competitive tax credits and a non-competitive allocation of 4% credits. See link to AHFA: [Alabama Housing Finance Agency Tax Credits](#).

- ❑ **Section 108 Loan Guarantee Funds**

Federal entitlement grantees such as the City of Bessemer can leverage five times their annual CDBG funding to guarantee private-sector loans for eligible CDBG-funded projects. Available loan authority Bessemer as of FY2021 is \$2.45 million. Please click on the following link: [Current-Availability-of-Section-108-Financing-CDBG-Grantees](#).

- ❑ **Federal Home Loan Bank System:** The Federal Home Loan Bank (FHLB) System is a consortium of eleven regional banks across the U.S. that provides cash to other banks for lending to individuals and organizations. Fund uses can include grants and loan advances for affordable housing for developing housing and homebuyer assistance. The FHLB of Atlanta serves the State of Alabama. Please click the link here: [Federal Home Loan Bank of Atlanta](#). FHLB offices such as Atlanta often must recapture affordable housing funding or cannot find enough suitable projects. Ongoing discussions with FHLB officials could unearth capital. Investment products for non-profit and for-profit developers include Affordable Housing Program (AHP) - annual grants to subsidize the acquisition, new construction, and/or rehabilitation of affordable rental or owner-occupied housing. AHP subsidies will be limited to \$750,000 per project. First-time home buyer grants of up to \$7,500 per household and up to

\$10,000 per household for current or retired law enforcement officers, educators, health care workers, and other first responders. Subsidies must be sponsored by a member bank.

- ❑ **New Market Tax Credits (NMTCs) for Affordable Housing** – NMTCs involve the sale of credits to investors and use the capital to invest in entities in qualified low-income communities using debt or equity. Although used for commercial projects, NMTCs can be used for housing including for-sale. Habitat for Humanity is a best practices example of this type of use. Habitat for Humanity affiliates in Memphis, Nashville, St. Louis, and Tucson each used \$1,552,296 in NMTTC financing to construct new affordable, single-family homes in distressed communities for low-income households.
- ❑ **Community Housing Funds** – Community CDFIs such as community development financial institutions (CDFIs) can aggregate federal block grants, state, philanthropic, and private sector commitments to create a community fund to support and unlock other investments to affordable housing and homebuyer assistance. The fund can consist of products such as predevelopment grants and credit enhancements and include City CDBG grants with low-interest tax-exempt bonds and low-interest loans, and philanthropy-backed soft debt.
- ❑ **Public Housing Homeownership (Section 32)** – Public Housing Authorities (PHAs) can sell public housing individual units and developments to low-income families, with preference given to current residents to give them access to an affordable homeownership opportunity and the advantages it brings. These are units that are deemed more suitable for homeownership than for rental housing. Down payment assistance can be provided through the PHA's family self-sufficiency program where a savings account is set up for the buyer. CDC could assess the feasibility of partnering with the three PHAs.
- ❑ **U.S. Treasury CDFI Capital Magnet Fund** - Through a competitive process the CDFI Fund awards funds to CDFIs and qualified non-profit housing organizations to finance affordable housing, related economic development activities, and community service facilities, to attract private capital for economically distressed communities. The City can work with a non-profit organization operating with the principal purpose of developing or managing affordable housing solutions, to apply for funds through the Fund. Click on the following link to the Capital Magnet Fund website.
- ❑ **Tax foreclosed properties** – Tax foreclosed properties are available in the region. The City of Bessemer could seek out foreclosed properties through the County's property appraiser that could be acquired for the development of affordable housing.
- ❑ **Small Business Administration (SBA)** – Promote and educate the various grant and loan programs available through the SBA and develop working relationship with the Greater Birmingham Small Business Service Center located 11.3 miles from the NRSA. Two examples of programs include the Program for Investors in Microentrepreneurs (PRIME), which provides funding for non-profit microenterprise development organizations to build capacity and provide training, technical assistance and guidance to disadvantaged microentrepreneurs, as well as faith-based organizations that meet the eligibility requirements

and the Minority Business Development Assistance (MBDA) Program, which prepares new minority businesses with the necessary tools and essentials to compete for funding opportunities through Grants.gov (the federal government central storehouse on information regarding more than 1,000 grant opportunities for over \$500 million in annual funding).

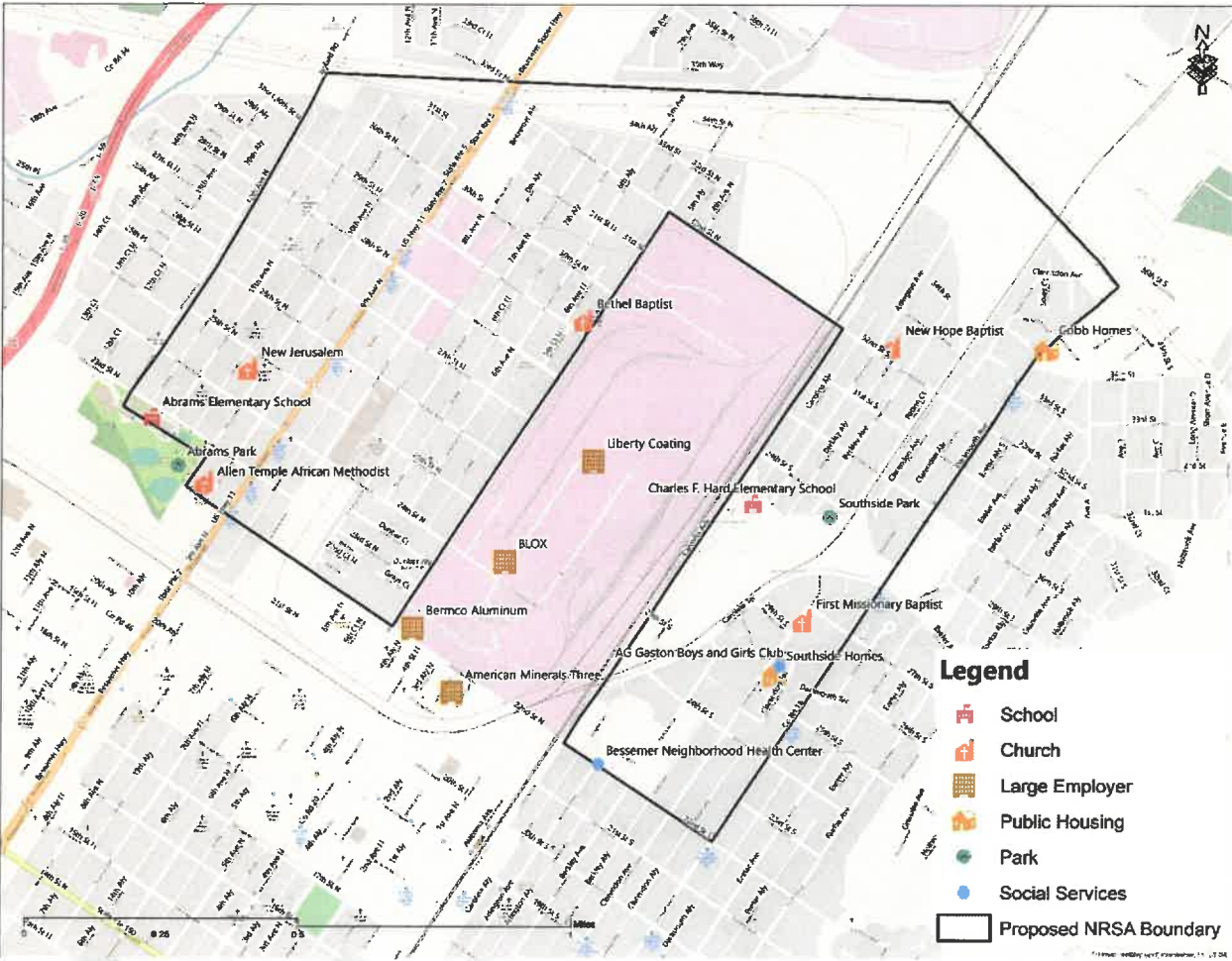
- ❑ **Local Banks and Credit Unions** – The city has several local branches associated with regional or national banks including PNC, Regions, Trust, Wells Fargo and BBVA banks. Interest in partnering with the city and local organizations regarding activities within the NRSA has been expressed by two major banks. The city also is home to two community-based credit unions serving residents of the NRSA and surrounding neighborhoods which are America's First Federal and Jefferson Credit Unions. These credit unions have served the community for 85 and 81 years respectively.

XVIII. Appendices

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Attachment A: NRSA Community Assets Map

Map 2: NRSA Community Assets Map – City of Bessemer



Attachment B: NRSA Demographic and Primarily Residential Criteria

Demographic Criteria: Per HUD Notice CPD-16-16, The Designated Area(S) Must Be Documented as Primarily Residential and Contain A Percentage Of Low- And Moderate-Income Residents That Is Equal To A Community's "Highest Quartile Percentage" (As Computed By HUD Pursuant To 24 CFR 570.208(A)(1)(ii)) Or 70 Percent, Whichever Is Less, But, In Any Event, Not Less Than 51 Percent. The City's highest quartile percentage is over 70% LMI; so, 70% LMI was used to determine the LMI eligibility. the following are the calculations for the Bessemer NRSA.

Low-to-moderate-income Demographic Criteria By NRSA: Bessemer- NRSA

CITY OF BESSEMER, AL NRSA			
Block Groups	LOWMOD	LOWMODUNIV	LOWMOD_PCT
10730101001	590	590	100.0%
10730101003	520	600	86.7%
10730101002	375	440	85.2%
10730103022	1,725	1,955	88.2%
10730103023	1,005	1,470	68.4%
AREA AVERAGE	4,215	5,055	83.4%

Primarily Residential By NRSA: The primarily residential criteria was calculated by taking the total number of parcels and dividing by number of residential parcels (not including vacant parcels). Below is the breakdown for the proposed NRSA.

Proposed NRSA Residential Calculation

Total Acreage: 760.5

Total Residential Acres: 558.5

Percentage Residential: 73.4%

Attachment C: NRSA Public Notices and Public Comments

See attached and below copies of public notices, web page links and comments received.

- Please click on the following internet link for 1st virtual public meeting: [City-of-Bessemer-NRSA-Community-Meeting-Flyer-March-15-2022.pdf \(bessemeral.org\)](https://bessemeral.org/City-of-Bessemer-NRSA-Community-Meeting-Flyer-March-15-2022.pdf)
- Please click on the following internet link for 2nd virtual public meeting presentation: [Bessemer NRSA 2nd Public Hearing Presentation -June 9, 2022 \(bessemeral.org\)](https://bessemeral.org/Bessemer-NRSA-2nd-Public-Hearing-Presentation-June-9-2022.pdf)

Public Notice Newspaper Ad on the proposed Bessemer NRSA – Western Star:

Western Star
1709 3rd Avenue North, Bessemer, AL 35020
PROOF OF PUBLICATION

Before me, Michelle Lambert, a notary, in and for said State and County above listed, personally appeared Matthew Bryant, who, by me duly sworn, deposes and says that "Western Star." The newspaper published the attached legal notice in the issue(s) of: June 3, 2022. The sum for the publication due is \$184.00. The sum charged by the newspaper for said publication does not exceed the lowest classified rate paid by commercial customers for an advertisement of similar size and frequency in the same newspaper in which public notices appear.

**THE CITY OF
BESSEMER NEEDS
YOUR INPUT
AGAIN!**

As a recipient of Community Development Block Grant (CDBG) funds from the U. S. Department of Housing and Urban Development Office (HUD), the City of Bessemer is planning to use a CDBG tool to support community revitalization. The city is proposing to submit a Neighborhood Revitalization Strategy Area (NRSA) application to HUD for a defined target area within the city. The NRSA will provide additional affordable housing and economic opportunities and new and innovative ways to increase investments through the

city's CDBG funds and attracting other public and private funding. NRSA can significantly impact communities by constructing new housing, expanding home repairs, improving neighborhood conditions, creating, and retaining jobs and businesses in the area.

The boundaries of the target area are 12th Avenue to the west, 22nd Street N to the south, Dartmouth Avenue to the east, and 36th Street N to the north. Please check the City's website for more information. [Bessemer Community Development](https://www.bessemeral.org/Community-Development)

We have been getting input from community residents, groups, and organizations in the target area. We have de-

veloped strategies and activities for consideration and need your input. Please JOIN US for a second virtual NRSA public meeting on Thursday, June 9, 2022, starting at 6:00 pm Central Time.

Please click on the meeting link below to enter the meeting. If you do not have a computer or smart phone, dial into the teleconference number provided below.

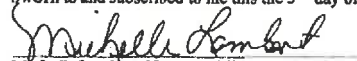
Join Zoom Meeting: <https://us02zoom.zoom.us/j/85217294178>

Teleconference: Dial 301-715-8582, enter meeting ID: 85217294178 followed by #

May 27 and June 3, 2022
Western Star
#7096


Matthew Bryant

Sworn to and subscribed to me this the 3rd day of June 2022


Michelle Lambert, Notary Public
My Commission expires: 08/17/2023

Public Notice Newspaper Ad on the proposed Bessemer NRSA – The Birmingham News, Page #1:



AL Legal Linc

The Birmingham News

LEGAL AFFIDAVIT

AD#: 0010336768

Total

\$115.50

State of Alabama,) ss

County of Jefferson)

Catherine Copas being duly sworn, deposes that he/she is principal clerk of Alabama Media Group; that The Birmingham News is a public newspaper published in the city of Birmingham, with general circulation in Jefferson County, and this notice is an accurate and true copy of this notice as printed in said newspaper, was printed and published in the regular edition and issue of said newspaper on the following date(s):

The Birmingham News 06/05/2022

Catherine Copas

Principal Clerk of the Publisher

Sworn to and subscribed before me this 6th day of June 2022

Julanita DePuy
Notary Public



THE CITY OF BESSEMER
NEEDS YOUR INPUT AGAIN!

As a recipient of Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development Office (HUD), the City of Bessemer is planning to use a CDBG tool to support community revitalization. The city is proposing to submit a Neighborhood Revitalization Strategy Area (NRSA) application to HUD for a defined target area within the city. The NRSA will provide additional affordable housing and economic opportunities and new and innovative ways to increase investments through the city's CDBG funds and attracting other public and private funding. NRSA's can significantly impact communities by constructing new housing, expending home repairs, improving neighborhood conditions, creating, and retaining jobs and businesses in the area.

The boundaries of the target area are 12th Avenue to the west, 22nd Street N to the south, Dartmouth Avenue to the east, and 35th Street N to the north. Please check the City's website for more information. Bessemer Community Development

We have been getting input from community residents, groups, and organizations in the target area. We have developed strategies and activities for consideration and need your input. Please JOIN US for a second virtual NRSA public meeting on Thursday, June 9, 2022, starting at 6:00 pm Central Time.

Please click on the meeting link below to enter the meeting. If you do not have a computer or smart phone, dial into the teleconference number provided below.

Join Zoom Meeting:

<https://us02web.zoom.us/j/85217294176>

Teleconference: Dial 301-765-8592, enter

meeting ID: 85217294176 followed by #

Bham News June 5, 2022

Public Notice Newspaper Ad on the proposed Bessemer NRSA – The Birmingham News, Page #2:

Alabama Media Group
P O Box 2488
Mobile, AL 36652-2488



The Birmingham News

CITY OF BESSEMER CITY HALL
1700 3RD AVE N
BESSEMER, AL 35020

AD#:0010336788

Sales Rep: Nancy Bridgman
Account Number:2000836
AD#: 0010336788

FOR QUESTIONS CONCERNING THIS AFFIDAVIT,
PLEASE CALL NANCY BRIDGMAN AT 205-325-3306 OR EMAIL LEGALS@AL.COM

Remit Payment to:
Alabama Media Group
Dept 77571
P.O. Box 77000
Detroit, MI 48277-0571

Page 1 of 2

Date	Position	Description	P.O. Number	Costs
06/05/2022	Legals AL	THE CITY OF BESSEMER NEEDS YOUR INPUT AGAIN!! As a recipient of	Public Notice	
				Ad Size 1 x 42 L
				Basic Ad Charge - 06/05/2022 \$115.50
				Total \$115.50

Public Comments and Feedback – Stakeholder Interviews

A total of twelve key stakeholder interviews with persons representing a broad cross-section of local organizations and agencies serving the area were completed by telephone and through virtual meetings (approximately one hour in length). The interview questions were designed to collect the following valuable information:

- Role of the organization/agency in the area
- Planned (current and future) investments and the sources of funding for those investments
- Identify potential bank/lending partners
- Experience assembling volunteers
- Top three most pressing needs in the area
- Crime and security concerns

Comments and feedback received through the stakeholder interviews include:

- Consensus that there is a high degree of interest in establishing an NRSA
- Community leaders and key stakeholders expressed a strong commitment to fostering positive change in the area.
- Conveyed the importance of timing the NRSA with current economic momentum
- Articulated a profound level of community pride and commitment to the area
- Demonstrated a strong belief that conditions can significantly improve with a coordinated plan
- Efforts to locate and attract funding will expand following the NRSA designation
- Communicated as the five most pressing challenges: crime reduction, housing conditions, lack of public facilities/parks, small business support, and food access

Public Comments and Feedback – Surveys and Public Meetings

DOCD received survey responses from seven residents and two business owners. Fifty-five Bessemer residents responded to the Consolidated Plan survey. DOCD combined NRSA and 2020 Consolidated Plan survey results to determine needs. Summary of the responses are:

- Majority (over 80%) of respondents were homeowners and residents of zip code 35020.
- Most respondents required major repairs in their homes.
- Most residents felt that drugs and alcohol, domestic violence, robbery & burglary, and gang activities had a major impact on the NRSA. Most residents felt that vehicle traffic problems had a moderate impact.
- The overall condition of the neighborhood was judged by most as fair.

Priority Needs from Surveys:

- Substandard housing and major repairs to owner-occupied houses, accessibility repairs
- Rental, affordable and workforce housing, down payment and closing cost assistance
- Maintenance, drainage, and flooding for infrastructure improvements
- Public services for seniors, adults, youth, substance abuse, crime, and safety, transportation
- Job creation, business assistance, and street improvements

Attachment D: Documenting Impact

Bessemer NRSA

	Goals to Address Aggregate Root Cause (Why)	Strategy Buckets (How Part)	Beneficiaries/Partners (Who)	Outcomes (Progress/Impact)
Affordable Housing - Creation and Preservation	Build 25 units of affordable housing with a mix of 2, 3, and 4 bedrooms to increase the supply of adequate and healthy housing options	<ul style="list-style-type: none"> Real Estate development Local and national developer partnership Use a community-based development organization (CBDO) for CDBG funding 	<ul style="list-style-type: none"> CBDOs Non-profit and for-profit developers Families Public housing authority Up to 120% AMI households 	<ul style="list-style-type: none"> Increase affordable housing by 25 units Create model for co-developers Increase use of CDBG funds for new construction Create opportunities for funder partnerships Mixed of income served
	Preserve 40 units of existing single-family housing for existing and future homeowners, and small multi-family housing for renters to improve the quality of affordable housing stock	<ul style="list-style-type: none"> Specialty repair programs i.e., disability retrofits, lead, elderly, emergency repairs Leveraging CDBG with other funding sources and facilitating developer partnerships Early acquisition through land bank to reduce speculation Use of tax foreclosed properties 	<ul style="list-style-type: none"> CBDOs Homeowners (up to 120% AMI) Special needs population No-profit and for-profit developers County property appraisers 	<ul style="list-style-type: none"> Create opportunities for partnerships with funders Improved affordable housing Mix of incomes served Special needs housing Elderly homeowners to remain in their homes Reduced slum and blighted conditions Preserve 40 units of affordable housing

	Goals to Address Aggregate Root Cause (Why)	Strategy Buckets (How Part)	Beneficiaries/Partners (Who)	Outcomes (Progress/Impact)
Economic and Human Capital Development	Create/retain 16 F/T jobs through assistance to 3 small businesses & microenterprises	<ul style="list-style-type: none"> • Create program design • Market job creation program to existing & new businesses • Work with SBA and other business development agencies 	<ul style="list-style-type: none"> • Small businesses & microenterprises in the NRSA • SBA and minority business centers • Unemployed residents in the NRSA 	<ul style="list-style-type: none"> • Eliminate need for businesses to track income & reduce paperwork • Reduce business eligibility requirements by waiving public benefit standards • Expanded economic base • Provide financial assistance to 3 businesses to create/retain 16 jobs
	Prepare 75 residents for new jobs	<ul style="list-style-type: none"> • Outreach to M/W/DBEs • Survey NRSA business needs • Work with workforce training agencies 	<ul style="list-style-type: none"> • Unemployed NRSA residents • M/W/DBEs 	<ul style="list-style-type: none"> • Improved commercial corridor • 75 residents with better job skills • Attraction of employers • Expanded economic base • Diversity, equity, & inclusion (DEI)
Neighborhood Improvements and Capacity Building				
	Improve infrastructure by allocating \$500,000 in funding over five years in the NRSA	<ul style="list-style-type: none"> • Identify and budget • Leverage with CDBG funds 	<ul style="list-style-type: none"> • NRSA residents • Contractors • M/W/DBEs 	<ul style="list-style-type: none"> • Improved neighborhood conditions • Expanded economic base
	Demolitions of 25 unsafe structures and code enforcement. Improve 4 community spaces	<ul style="list-style-type: none"> • Identify properties • Code enforcement inspections • Assess and develop land bank 	<ul style="list-style-type: none"> • Property Owners • Residents • Land Bank • M/W/DBEs 	<ul style="list-style-type: none"> • Improved neighborhood conditions • Expanded economic base • Reduction of crime
	Increase in public services to 7 agencies serving persons to support the NRSA strategies Develop two community safety programs	<ul style="list-style-type: none"> • Assess existing capacity of social services and build capacity • Benefit from public service waiver for NRSA • Research community safety best practices • Develop NRSA working group 	<ul style="list-style-type: none"> • Renters • Homeowners • Social Service Providers 	<ul style="list-style-type: none"> • Increased neighborhood capacity • Implementation of NRSA strategies • Reduction of crime

