



Bend City Council
May 2, 2007 Council Meeting

Issue Summary

Department: Economic Development
Staff Member: Jim Long

Public Hearing on the 2007 Community
Development Block Grant (CDBG) Annual Action
Plan

Staff Review and Recommendation to Council: Staff recommends that the City Council approve the 2007 CDBG Annual Action Plan

History: Presented for action: May 2, 2007

Background: As an Entitlement City for Community Development Block Grant (CDBG) funds through the U.S. Department of Housing and Urban Development (HUD), the City of Bend is required to submit an annual action plan that allocates the City's entitlement funds for the fiscal year. This plan is based upon the goals identified in the five year Consolidated Plan. The Consolidated Plan was created in 2004 with extensive community input. The Consolidated Plan identifies long term goals and strategies for addressing the needs of low and moderate income people in Bend, according to the National Objectives identified by Congress for the CDBG program.

Discussion of the Issue and Alternatives Explored: The Council-appointed Affordable Housing Advisory Committee has met on several occasions from September through March, and carefully reviewed a number of applications. Due to the interest in funds from the community, a number of worthwhile programs were not funded at the full amount they requested, though several did receive requested allocations from the committee.

Following its evaluation of the applications, the committee held a public meeting and each applicant described their proposals to the committee. The committee recommended funding for the programs at the levels identified in the draft Action Plan, based upon the priorities established in the Consolidated Plan. The draft Action Plan has been available for public review for thirty days.

For FY 2007 – 2008 the City of Bend was awarded \$431,156 in CDBG funds. One of the limitations with CDBG funding is that only 15% of the annual allocation can be utilized for Public Services. Applications for this limitation were slightly under that amount, totaling \$61,550. The remaining \$288,175 was allocated for project activities.

Applicant	Application	Award
Habitat for Humanity Mortgage Assistance	\$100,000	\$75,000
Central Oregon Veteran's Organization	146,939	146,939

*Bethlehem Inn Lease/Rent & Transitional Housing	26,550	26,550
*Housing Rights Project of Bend	10,000	10,000
Bend's Community Center Roof Replacement	11,531.25	11,531
*NeighborImpact Downpayment Assistance Counseling	25,000	25,000
NeighborImpact Downpayment Assistance	150,000	50,000
Administration		86,136
Total:	\$470,020.25	\$431,156.00

*Public Service Project

Staff Review and Recommendation to Council: Staff recommends that the City Council approve the 2007 CDBG Annual Action Plan.

Budgetary Considerations: Adoption of the Annual Action Plan, upon approval by HUD, will entitle Bend to receive approximately \$431,156 in CDBG funds this year. It is anticipated that the funds will be available at the beginning of the next fiscal year (July, 2007). Up to 20% of the funds can be used for administrative costs, which enables staff support to the committee and program administration.