

City of Bend 2005-2006 Action Plan

As a Community Development Block Grant (CDBG) direct entitlement community, the City of Bend will receive an annual allocation of CDBG funds from the US Department of Housing and Urban Development (HUD). The City of Bend 2004-2009 Consolidated Plan is a 5-year housing and community development strategy that has been prepared to assess and identify community needs and to establish priorities for the use of the city's CDBG funding and other resources. One component of the Consolidated Plan is the Strategic Plan, which guides the city's use of its CDBG funding for the 2004-2009 Consolidated Planning period.

The City of Bend 2005-2006 Action Plan lists the specific activities the city will undertake during the 2005-2006 Program Year to meet the goals and objectives outlined in the Strategic Plan. The Plan details how the city will use CDBG funds, as well as other available resources, to address the city's outstanding housing and community development needs.

Available Resources.

For the 2005-2006 CDBG Program Year, the city will receive \$471,520 in 2005 CDBG funds. One project is canceled because it is ineligible for CDBG funds. The funds allocated to this project in 2004 are re-programmed in the 2005 Plan. In addition, \$13,000 in unprogrammed CDBG funds are included in the 2005 Plan. The additional \$113,000 is added to the 2005 allocation. Total funding available in 2005 for new projects is \$584,520. In addition to CDBG funds, affordable housing developers in the city can access Low Income Housing Tax Credits, state HOME funds and a variety of other funding sources. Until projects are underway, it is difficult to assess the likely magnitude of these other funds. A detailed description of the resources that are expected to be available to the City – and to other organizations and agencies working on housing and community development issues in Bend – is included in this plan.

The city's 2005-2006 Action Plan allocates CDBG funds as follows:

Project Activities:	\$ 419,495
Public Service Activities:	\$ 70,725
Program Administration:	<u>\$ 94,300</u>
	\$ 584,520

Actions to be Undertaken.

The following describes the program activities that will be undertaken with the City of Bend's 2005-2006 CDBG allocation. Priority levels are based on the evaluation of needs outlined in the Strategic Plan. The city considered the research findings from the entire Consolidated Plan process, as well as the results of the extensive public participation process, to prioritize needs. In determining which projects to fund, the city considered the priority of the need addressed by each proposed project, as well as the feasibility of the proposed projects and the ability of the organizations to successfully undertake the proposed projects.

2004-2005 ANNUAL PLAN PROJECTS:

These projects were approved in the 2004-2005 Annual Plan. They will continue in the 2005-2006 program year unless otherwise noted. The amounts originally approved will be budgeted in the 2005-2006 City Budget if the project has not begun. In the case of partial expenditures, the amount remaining as of April 1, 2005 will be budgeted in the 2005-2006 City Budget. The carryover amounts are shown below.

Action #1: SILVER LAKE DEVELOPMENT, 2004

Project description: Assist with a project that will result in the development of five homes to be purchased and occupied by low-income households (households earning 25% to 50% of Area Median Income).

Agency implementing activity: Bend Area Habitat for Humanity

Goal addressed by this project: Goal #1 – Produce and preserve renter and owner-occupied affordable housing.

Objective addressed by this project: Objective #1 – Aid in the production, rehabilitation, and/or preservation of renter-or owner-occupied housing.

Priority level of the objective addressed by this project: High Priority

Way in which activity will address priority need: Increases the supply of affordable housing that is available to low-income households.

Estimated number of beneficiaries: Five families

Timeframe for implementation: Land to be purchased in July 2004; homes to be built from July 2004 through January 2006.

CDBG funding amount: 2005 Carryover – \$72,600 loan (2004 Allocation \$105,000 loan)

Other funding: No other funding is required to assist with the non-construction components of the project. However, Habitat for Humanity expects to receive \$240,000 in private funding (churches, corporations, private foundations, individuals, special events, mortgage income, and ReStore sales) and \$250,000 in volunteer hours for the development of homes on the site.

Project location: Southwest Silver Lake Road, Southwest Bend off of the Bend Parkway

Action #2: MOUNTAIN LAUREL LODGE - CANCELED

Project description: Partial funding for the purchase of a land parcel for the development of a 54-unit rental housing complex for low-income seniors (seniors with household incomes at or below 60% of Area Median Income). The Department of Housing and Urban Development determined that this project is ineligible for CDBG funding.

Action #3: RUNAWAY & HOMELESS YOUTH SHELTER AND SERVICES, 2004

Project description: Purchase a building to provide shelter and support services for runaway and homeless youth.

Agency implementing activity: J Bar J Youth Services / Cascade Youth and Family Services

Goal addressed by this project: Goal #4 – Maintain the City’s ability to support the provision of services to homeless and special needs populations.

Objective addressed by this project: Objective #2 – Support needed services to homeless and special needs populations with urgent needs.

Priority level of the objective addressed by this project: High/Low Priority (see below).

Way in which activity will address priority need: Provides shelter and support services to homeless youths, most of whom have substance abuse issues. Though homeless youths have not been identified as a high priority subpopulation (relative to homeless families), assisting the city’s homeless is one of the goals outlined in the 2004-2009 Consolidated Plan. Persons with substance abuse issues have been identified as high priority for CDBG funding.

Estimated number of beneficiaries: 230 homeless youths and 6 to 8 homeless families per year

Timeframe for implementation: Building to be purchased upon the completion of a capital campaign; purchase estimated to take place between July and December 2004; programs are currently operating and will be at full operational capacity in January 2004.

CDBG funding amount: 2005 Carryover \$105,700 (2004 Allocation-\$105,700 grant)

Other expected funding:

Match:	\$120,000 (secured)
Private Funds:	
J Bar J Horse Show Event:	\$ 20,000 (secured)
Duck Race Event:	\$ 5,000 (secured)
Sagebrush Classic:	\$ 10,000 (secured)
Bend Foundation:	\$ 10,000 (secured)
Brooks Resources:	\$ 10,000 (secured)
Bill & Melinda Gates Foundation:	\$120,000 (committed)
Gala at the Riverhouse:	\$ 40,000 (committed)
P.G. Allen Foundation:	<u>\$120,000 (applied for)</u>
TOTAL:	\$455,000

In addition to the funding secured for the purchase of the building, Cascade Youth and Family Services has secured \$20,425 from private sources (business and non-profit organizations) to renovate the facility.

Project location: 19 SW Century Drive, North of SW Knoll Avenue, Southwest Bend

Action #4: REGIONAL HOMEOWNERSHIP CENTER, 2004

Project description: Programs to assist low- and moderate-income people to become homeowners or to maintain homeownership.

Agency implementing activity: Central Oregon Community Action Agency Network

Goal addressed by this project: Goal #1 – Produce and preserve renter- and owner-occupied affordable housing.

Objective addressed by this project: Objective #2 – Support homeownership for Bend’s workforce through direct assistance to low- and moderate-income home buyers.

Priority level of the objective addressed by this project: Medium Priority

Way in which activity will address priority need: Provides education and financial assistance to low- and moderate-income residents to enable them to purchase homes and/or maintain homeownership.

Estimated number of beneficiaries: 142 persons per year

Timeframe for implementation: Start date to be upon receipt of CDBG funds (approximately April 2004); funding is for program operation for one year.

CDBG funding amount: 2005 Carryover (2004 Allocations-\$22,200 grant)

Other expected funding:

Other public funds:

Oregon Housing & Community Services – Housing Center: \$ 86,000

Private funds:

Neighborhood Reinvestment Corporation: \$ 73,775

Neighborhood Partnership Fund \$ 10,000

TOTAL: \$169,775

The Homeownership Center serves the Central Oregon region. While the OHCS funds will support the center’s services, the State requires that none of these funds be used to assist residents within the City of Bend. Only 1/3 of the funding from the private sources is allowed to assist Bend residents. The sub-recipient will track the use of their various funding sources to ensure that the above requirements are met, and to ensure that the CDBG funds are used only to assist Bend residents.

Project location: City-wide

Action #5: HORIZON HOUSE – COMPUTER INTERNET ACCESS, 2004

Project description: Provision of computer and internet access for residents of Horizon House (an apartment complex for persons with mental illness).

Agency implementing activity: Central Oregon Regional Housing Authority

Goal addressed by this project: Goal #4 – Maintain the City’s ability to support the provision of services to homeless and special needs populations.

Objective addressed by this project: Objective #2 – Support needed services to homeless and special needs populations with urgent needs.

Priority level of the objective addressed by this project: High Priority

Way in which activity will address priority need: Project will serve persons with severe, persistent mental illness – a population identified in the Consolidated Plan as high priority for CDBG funding – by assisting clients in the development of job and other life skills.

Estimated number of beneficiaries: 35 to 70 individuals over a five-year period

Timeframe for implementation: Installation of wiring and computer equipment to be completed in June 2004.

CDBG funding amount: 2005 Carryover \$17,500 (2004 Allocation-\$17,500 grant)

Other expected funding:

Match: \$5,500

In addition to the funds required for the computer and internet access, \$1,255,000 has been secured from Oregon Housing and Community Services for the construction of the facility, \$30,000 has been secured from the Oregon Mental Health Department for pre-development costs, and \$219,354 has been secured from St. Charles Medical Center for the land lease.

Project location: Purcell Boulevard, North of Neff Road, near St. Charles Medical Center in Northeast Bend.

Action #6: HOMELESS ASSISTANCE PROJECT, 2004

Project description: Assist homeless households to access permanent housing by providing move-in assistance.

Agency implementing activity: Central Oregon Community Action Agency Network (Bend-Aid)

Goal addressed by this project: Goal #4 – Maintain the City’s ability to support the provision of services to homeless and special needs populations.

Objective addressed by this project: Objective #2 – Support needed services to homeless and special needs populations with urgent needs.

Priority level of the objective addressed by this project: High Priority

Way in which activity will address priority need: Provides assistance to homeless families – a population identified in the Consolidated Plan as high priority for CDBG funding – in accessing permanent housing.

Estimated number of beneficiaries: 75 households

Timeframe for implementation: Start date to be upon receipt of CDBG funds (approximately April 2004); funding is for program operation for one year.

Funding amount: 2005 Carryover \$25,000 (2004 Allocation-\$25,000 grant)

Other expected funding:

Other public funds:

Oregon Housing & Community Services:	\$ 7,926 (secured)
Housing Stabilization Program:	\$15,687 (secured)
Oregon Food Bank:	\$ 3,130 (secured)
Federal Emergency Management Agency:	\$ 9,878 (applied for)

Private funds:

United Way:	\$34,500 (applied for)
Other grants (Americorps volunteer):	<u>\$ 4,700 (applied for)</u>
TOTAL:	\$75,821

While the above funds will be used for operations and homeless prevention activities, the CDBG funds will be used exclusively for homeless prevention activities.

Project location: City-wide

Action #7: HELP TO OTHERS (H₂O), 2004

Project description: Assist low- and moderate-income people to pay their water/sewer bills on limited, emergency basis.

Agency implementing activity: St. Vincent de Paul

Goal addressed by this project: Goal #4 – Maintain the City’s ability to support the provision of services to homeless and special needs populations

Objective addressed by this project: Objective #2 – Support needed services to homeless and special needs populations with urgent needs.

Priority level of the objective addressed by this project: None. (while assisting the homeless is identified as a goal in the Consolidated Plan, homeless prevention activities are not specifically identified as high, medium, or low priority in the Strategic Plan).

Way in which activity will address priority need: Enables low- and moderate-income persons to stay in their homes in financial crisis situations – thereby avoiding homelessness – by assisting them to pay their water/sewer bill payments. The Strategic Plan states that the city will support homeless prevention activities during the five-year Consolidated Plan period.

Estimated number of beneficiaries: 150-200 households over the program year

Timeframe for implementation: Start date to be upon receipt of CDBG funds (approximately April 2004); funding is for program operation for one year.

Funding amount: 2005 Carryover \$3,500 (2004 Allocation-\$7,000 grant)

Other expected funding:

Match: \$1,000

All funds will go directly to the payment of water/sewer bills for St. Vincent de Paul clients.

Project location: City-wide

2005-2006 ANNUAL PLAN PROJECTS:

These projects are proposed for the 2005-2006 program year.

Action #05-1: SILVER LAKE DEVELOPMENT-PHASE TWO, 2005

Project description: Habitat will provide down payment assistance to purchase Habitat homes to be occupied by low-income households (households earning 25% to 50% of Area Median Income).

Agency implementing activity: Bend Area Habitat for Humanity

Goal addressed by this project: Goal #1 – Produce and preserve renter- and owner-occupied affordable housing.

Objective addressed by this project: Objective #1 – Aid in the production, rehabilitation, and/or preservation of renter-or owner-occupied housing.

Priority level of the objective addressed by this project: High Priority

Way in which activity will address priority need: Increases the supply of affordable housing that is available to low-income households.

Estimated number of beneficiaries: Five Households

Timeframe for implementation: July 1, 2005 to June 30, 2006

CDBG funding amount: \$105,000 loan

Other funding: No other funding is required to assist with the non-construction components of the project. However, Habitat for Humanity expects to receive \$370,000 in private funding (churches, corporations, private foundations, individuals, special events, mortgage income, and store sales), \$85,000 in other public funds (FHLB and SHOP), and \$250,000 in volunteer hours for the development of homes on the site.

Project location: Southwest Silver Lake Road, Southwest Bend off Bend Parkway.

Action #05-2: CASCADE HOME PURCHASE ASSISTANCE LOAN, 2005

Project description: Cascade Community Development will assist first-time homebuyers with down payment assistance and closing costs for home purchase. Loans will range from \$1,500 to \$3,000 depending on need, readiness to proceed, and other resources.

Agency implementing activity: Cascade Community Development (CCD)

Goal addressed by this project: Goal 4: Produce and preserve both renter and owner-occupied affordable housing.

Objective addressed by this project: Objective 2: Support homeownership for Bend's workforce through direct homebuyer assistance such as down payment assistance, homebuyer counseling, or low interest second mortgages for low income homebuyers.

Priority level of the objective addressed by this project: Medium Priority

Way in which activity will address priority need: The activity provides partial funding for home purchase.

Estimated number of beneficiaries: 20 Persons

Timeframe for implementation: July 1, 2005 to June 30, 2006

CDBG funding amount: \$50,000 loan

Other expected funding:

Public funds: Anticipated private funds include SAM loans from CDD/Diamond Built Homes (\$150,000) and HOOP loans from COCAAN (\$300,000).

Private funds: Private funds will be provided in the form of loans from private lenders. Based on the lowest price home in the South Village Homes development, the amount of funds leveraged with CDBG funds would exceed \$2,800,000.

Project location: South Village Homes and other locations in the City of Bend.

Action #05-3: CORHA LAVA COURT LAND ACQUISITION, 2005

Project description: Acquisition of property on Lava Street for the development of Lava Court Workforce Housing.

Agency implementing activity: Central Oregon Regional Housing Authority (CORHA)

Goal addressed by this project: Goal 1: Produce and preserve both rental and owner-occupied affordable housing.

Objective addressed by this project: Objective 1: Aid in the production/rehabilitation/preservation of renter or owner-occupied housing through such strategies as property acquisition, establishment of a land trust, or low-interest rehabilitation financing for low and moderate income residents.

Priority level of the objective addressed by this project: High Priority

Way in which activity will address priority need: CORHA will purchase land for construction of affordable workforce housing.

Estimated number of beneficiaries: 44 Households

Timeframe for implementation: July, 2005 to June 30, 2006 (land acquisition)

CDBG funding amount: \$ 136,800 loan

Other expected funding: Other anticipated funding sources include Low-Income Housing Tax Credits (LITHC), Oregon Department of Energy, Kresge Foundation (some LEED project activities).

Match: \$ 500,000 (BURA)

Total project cost is \$8,082,237

Project location: The corner of Lava Road and Oregon Street adjacent to the public parking garage.

Action #05-4: AFFORDABLE HOUSING LAND ACQUISITION, 2005

Project description: Acquisition of 5.3 acre parcel for development of affordable housing.

Agency implementing activity: A Request for Proposals (RFP) will be published to obtain a developer to develop housing affordable to households at 80% of Area Median Income on the property.

Goal addressed by this project: Goal 1: Produce and preserve both rental and owner-occupied affordable housing.

Objective addressed by this project: Objective 1: Aid in the production/rehabilitation/preservation of renter or owner-occupied housing through such strategies as property acquisition, establishment of a land trust, or low-interest rehabilitation financing for low and moderate income residents.

Priority level of the objective addressed by this project: High Priority

Way in which activity will address priority need: The selected developer will purchase land for construction of affordable workforce housing.

Estimated number of beneficiaries: 35 Households

Timeframe for implementation: July 1, 2005 to June 30, 2006

CDBG funding amount: \$ 77,695

Other expected funding: Other funding will be specified in the RFP including the balance of the parcel cost. Total parcel cost is \$608,000.

Project location: The Northeast (NE) Corner of 27th and Butler Market bordered on the West by the Empire/27th Street Extension.

Action #05-5: OMEN MICRO-ENTERPRISE, 2005

Project description: The Bend Micro-Enterprise Project will provide education, technical assistance, long-term support and help in accessing capital. The project will increase eligible participant's income and assets through starting and/or growing a business.

Agency implementing activity: Oregon Micro-Enterprise Network (OMEN)

Goal addressed by this project: Goal 3: Support economic development activities that create living wage jobs for low income residents.

Objective addressed by this project: Objective 2: Provide business assistance such as business recruitment, job training and other business assistance activities that result in the creation of living wage jobs.

Priority level of the objective addressed by this project: Medium Priority

Way in which activity will address priority need: The project will provide training and technical assistance to eligible entrepreneurs.

Estimated number of beneficiaries: 22 Enterprises

Timeframe for implementation: July 1, 2005 to June 30, 2006.

CDBG funding amount: \$ 50,000

Other expected funding: Other anticipated funding sources include COCAAN (\$7,000), COIC (\$3,664), COCC (\$5,670), and RSVP (\$1,540) for a total of \$17,874.

Project location: City-Wide

Action #05-6: RUNAWAY & HOMELESS YOUTH SHELTER AND SERVICES, 2005

Project description: The Runaway and Homeless (RHY) Substance Abuse Intervention Coordinator (RHY Coordinator) will provide case management services including substance abuse screening, referral to the Department of Mental Health for full assessment, referral to treatment and supportive follow-up counseling.

Agency implementing activity: J Bar J Youth Services for Cascade Youth and Family Services Center

Goal addressed by this project: Goal #4 – Maintain the City’s ability to support the provision of services to homeless and special needs populations.

Objective addressed by this project: Objective #2 – Support needed services to homeless and special needs populations with urgent needs.

Priority level of the objective addressed by this project: High Priority

Way in which activity will address priority need: Provides support services to homeless youths, most of whom have substance abuse issues. Though homeless youths have not been identified as a high priority subpopulation (relative to homeless families), assisting the city’s homeless is one of the goals outlined in the 2004-2009 Consolidated Plan. Persons with substance abuse issues have been identified as high priority for CDBG funding.

Estimated number of beneficiaries: 50 Persons

Timeframe for implementation: July 1, 2005 to June 30, 2006

CDBG funding amount: \$ 13,850

Other expected funding: Other operational funds are anticipated for government grants, Cascade Youth fundraising projects, financial contributions to the agency, foundations, United Way, and shelter income.

Private Funds: J Bar J has committed \$ 6,862 from in-kind sources and volunteer hours.

Project location: City-Wide

Action #05-7: REGIONAL HOMEOWNERSHIP CENTER, 2005

Project description: Assists low and moderate-income people to become homeowners or to maintain homeownership.

Agency implementing activity: Central Oregon Community Action Agency Network (COCAAN)

Goal addressed by this project: Goal #1 – Produce and preserve renter and owner-occupied affordable housing.

Objective addressed by this project: Objective #2 – Support homeownership for Bend’s workforce through direct assistance to low- and moderate-income homebuyers.

Priority level of the objective addressed by this project: Medium Priority

Way in which activity will address priority need: Provides education and financial assistance to low- and moderate-income residents to enable them to purchase homes and/or maintain homeownership.

Estimated number of beneficiaries: 200 Persons

Timeframe for implementation: July 1, 2005 to June 30, 2006

CDBG funding amount: \$ 19,025

Other expected funding:

Other public funds: \$277,755

Private funds: \$280,000

The Homeownership Center serves the Central Oregon region. CDBG funds can be used only to assist residents of Bend. Only 1/3 of the funding from the private sources is available to assist Bend residents. COCAAN will track the use of their various funding sources to ensure that eligibility requirements are met, and to ensure that the CDBG funds are used only to assist Bend residents. Other potential funding sources include Neighborhood Investment Corp., Homeownership and Lending Capital, US Treasury Award, and Bank of the Cascades.

Project location: City-wide

Action #05-8: HOMELESS ASSISTANCE PROJECT, 2005

Project description: Assists homeless households to access permanent housing by providing move-in assistance.

Agency implementing activity: Central Oregon Community Action Agency Network (COCAAN-Bend-Aid)

Goal addressed by this project: Goal #4 – Maintain the City’s ability to support the provision of services to homeless and special needs populations.

Objective addressed by this project: Objective #2 – Support needed services to homeless and special needs populations with urgent needs.

Priority level of the objective addressed by this project: High Priority

Way in which activity will address priority need: The activity assists homeless families – a population identified in the Consolidated Plan as high priority for CDBG funding – in accessing permanent housing.

Estimated number of beneficiaries: 25 Households

Timeframe for implementation: July 1, 2005 to June 30, 2006

Funding amount: \$ 17,000

Other expected funding:

Other public funds: \$22,928

Private funds: \$40,646

While the above funds will be used for operations and homeless prevention activities, the CDBG funds will be used exclusively for homeless prevention activities. Other potential funding sources include FEMA EHA, ESG, and United Way.

Project location: City-wide

Action #05-9: HELP TO OTHERS (H₂O), 2005

Project description: Assists low and moderate-income people to pay their water/sewer bills on limited, emergency basis.

Agency implementing activity: St. Vincent de Paul

Goal addressed by this project: Goal #4 – Maintain the City’s ability to support the provision of services to homeless and special needs populations

Objective addressed by this project: Objective #2 – Support needed services to homeless and special needs populations with urgent needs.

Priority level of the objective addressed by this project: Assisting the homeless is identified as a goal in the Consolidated Plan. Homeless prevention activities can be considered part of that high priority objective.

Way in which activity will address priority need: Enables low- and moderate-income persons to stay in their homes in financial crisis situations – at risk of becoming homeless, thereby avoiding homelessness – by assisting them to pay their water/sewer bill payments. The Strategic Plan states that the city will support homeless prevention activities during the five-year Consolidated Plan period.

Estimated number of beneficiaries: 315 households

Timeframe for implementation: July 1, 2005 to June 30, 2006

Funding amount: \$ 7,000 grant

Other expected funding:

All funds will go directly to the payment of water/sewer bills for low-income households.

Project location: City-Wide

Action #05-10: BETHLEHEM NEXT STEPS COORDINATOR

Project description: The project will provide case management services for clients for the Bethlehem Inn Homeless Shelter.

Agency implementing activity: Bethlehem Inn

Goal addressed by this project: Goal 4 - The City’s ability to support services to homeless and special needs populations.

Objective addressed by this project: Objective 1 - Work to tie homeless and special needs services to affordable housing and/or job creation for homeless and special needs populations, particularly individuals with substance abuse problems including persons with severe, persistent mental health problems and homeless families. Prioritize activities that help individuals move to self-sufficiency.

Priority level of the objective addressed by this project: High Priority

Way in which activity will address priority need: The Next Steps Coordinator will assist homeless individual in obtaining services and employment.

Estimated number of beneficiaries: 30 Households

Timeframe for implementation: July 1, 2005 to June 30, 2006.

CDBG funding amount: \$ 13,850

Other expected funding: Bethlehem Inn will raise the required additional funds from the community to fund a full-time position.

Project location: City-Wide

Goal Summary

Three projects address Goal #1, the production or preservation of affordable housing. No projects will be funded in 2005-2006 addressing Goal #2, infrastructure, because the Bend City Council chose not to fund infrastructure projects for the 2005-2006 program year. One project will be funded that meet Goal #3 (economic development). This project will support micro-enterprise (5 employees or less) business development. Four projects address Goal #4, homeless and special needs public services. City staff is considering Goal #5, Section 108, study issues.

Geographic allocation of funds. The Silver Lake Development (Habitat for Humanity) is located in the southwest quadrant of Bend. This is significant because incomes and housing prices are higher in west Bend, and there is relatively little affordable housing on the west side. The CORHA – Lava Court, 2005 and the Affordable Housing, 2005 projects are in the downtown area.

The public services projects that include the Runaway & Homeless Youth Shelter (Cascade Youth and Family Center), the Regional Home-Ownership Center (COCAAN), the Homeless Assistance Project (COCAAN – Bend-Aid), St. Vincent de Paul Help to Others [H₂O], and Bethlehem Next Steps will provide services City-wide.

Homelessness and Special Needs Populations

An important component of the City of Bend 2005-2006 Action Plan is the city's strategy to assist special needs populations. Specifically, during the 2005-2006 Program Year, the City of Bend intends to address gaps in service for special needs populations through the following:

- Providing funding to projects that can leverage additional dollars;
- Supporting programs for homeless and special needs populations connected to affordable housing development, particularly supportive services for individuals with severe and persistent mental illnesses, individuals with substance abuse problems, and/or homeless families.
- Supporting programs for homeless and special needs populations that are tied to job creation and long-term self-sufficiency.
- Addressing the most urgent needs of homeless and special needs populations as they emerge given state budget cuts or other shifts in the service environment.

- Coordinating with other organizations and agencies, including attending Homeless Leadership Council meetings and the Central Oregon Community Action Agency, to maintain awareness of the needs of homeless and other special needs populations, and to identify and assist with the identification of solutions to address these needs.
- Supporting HUD Section 202 and 811 projects (providing housing for the elderly and people with disabilities), as well as homebuyer education, financial counseling, needs identification, and other programs.
- Supporting job creation through Micro-enterprise business development.

The specific projects the City will fund during the 2005-2006 CDBG Program Year that will benefit homeless and special needs populations are listed below:

- **Runaway and Homeless Youth Shelter and Services**, providing shelter and other assistance to homeless youths.
- **Homeless Assistance Project**, assisting homeless households to access permanent housing by providing move-in assistance.
- **Help to Others (H2O)**, assists low and moderate-income people at risk of homelessness to pay their water/sewer bills on limited, emergency basis.
- **Bethlehem Inn Next Steps**, provides case management services for clients of the Bethlehem Inn Homeless Shelter.

In general, these items are addressed through coordination with local providers and funding of activities related to needs identified in the Consolidated Plan. This may include both construction of facilities and public service funding for the various agencies.

Anti-Poverty Strategy

The low-incomes of many Bend citizens have left them with insufficient means for decent, affordable living, and the city is cognizant of the needs of those living in poverty. The goals, objectives and actions outlined in the 2004-2009 Consolidated Plan and in this Action Plan are intended, in all cases, to assist those currently living in poverty by providing them with resources to move out of poverty, or to assist those in danger of moving into poverty to remain out of poverty.

The city's immediate goal is to ensure services are provided throughout the city to address the needs of these populations. In addition to directing CDBG funds to meet the goals and objectives outlined in the Consolidated Plan, the city intends to address the issue of poverty by supplementing resources to ensure an acceptable standard of living, and this will be accomplished through a number of programs and goals. These programs and goals include: low interest loans to qualified projects for housing rehabilitation, no interest loans to Habitat for Humanity for down payment assistance, and support and services of other types for low-income persons. All of these activities support housing for low-income families, as well as transportation, safety, and the provision of other basic needs.

In addition, the city will continue to support and coordinate with local agencies that operate programs providing assistance to those living in poverty in Bend. Examples of such programs include Head Start and the Central Oregon Housing Stabilization Program operated by the Central Oregon Community Action Agency Network, the Family Self-Sufficiency Program and the Section 8 Program operated by the Central Oregon Regional Housing Authority, and various adult and youth employment and training programs offered by the Central Oregon Intergovernmental Council.

Foster and Maintain Affordable Housing

Through a number of activities, the city will seek to foster and maintain affordable housing. Efforts will include coordination with Low Income Housing Tax Credit projects, removing barriers to affordable housing, fostering public housing improvements and other actions. In addition to allocating CDBG funding to affordable housing projects, the city will undertake the following actions in 2005-2006 to address affordable housing issues in Bend.

Coordination with Low-Income Housing Tax Credit (LIHTC). In pursuing its affordable housing activities, the city will coordinate with and be supportive of LIHTC projects within its limits. This will include evaluating opportunities to support LIHTC projects with land subsidies, regular assessments of LIHTC awards in Oregon and consideration of LIHTC activity in promoting other affordable housing projects.

Remove barriers to affordable housing. The city will continue to implement an Affordable Housing Strategy. Opportunities to address affordable housing in 2005-2006 include:

- **Analysis of impediments to fair housing.** The city completed an Analysis of Impediments to Fair Housing. This study will assist identification of needs and obstacles and implementation of projects to address such needs and obstacles.
- **Subsidize land costs.** Land costs were identified as the single largest barrier to affordable housing in Bend. The city will support the implementation of a land trust to assist both affordable housing and economic development.
- **System Development Charge (SDC) Loan Program.** In interviews and public meetings, SDCs were identified as a significant barrier to the production of affordable housing. While SDCs cannot be subsidized with CDBG dollars, the city could use other funds to subsidize these charges and promote affordable housing. The city has established a loan program to facilitate affordable housing project SDC payments.
- **Provide incentives to developers for the creation of affordable housing.** The City of Bend has recently implemented a Developer Incentive Program to assist affordable housing developers by removing some of the obstacles to creating affordable housing. Incentives currently offered include expedited processing, no-interest SDC deferrals, and planning and building fee exemptions for affordable housing projects.
- **Explore and implement additional developer incentives.** The city will explore additional incentives that could be offered to developers, including incentives that

address financial barriers, land use issues, and other obstacles to building affordable housing.

- **Provide property tax exemption for low-income rental housing.** In order to assist developers of affordable housing, the City of Bend has recently adopted a policy to provide property tax exemption for multi-family housing developments that are affordable to households earning up to 60% of Area Median Income. The exemptions are provided for 20 years, if approved by City Council.
- **Examine land use issues.** The city is currently revising its land use code, and city staff are developing recommendations for land use policy changes to facilitate the development of affordable housing. During the 2005-2006 Program Year, city staff will continue to work with the code update process to ensure that affordable housing issues are considered and addressed in the new zoning code.
- **Examine city policies.** The city will examine its existing policies to identify where city policies pose obstacles to affordable housing. In addition, the city will explore policy revisions or new policies that could be pursued to facilitate the development of affordable housing and the prevention of homelessness.
- **Pursue/support property acquisition and disposition for affordable housing.** As CDBG and other funds are available, the city will pursue property acquisition to support the creation or preservation of affordable housing in Bend. The city will also explore the development of a policy on disposition of land that would require the city to consider affordable housing needs prior to disposing of city-owned land.
- **Work with affordable housing and service providers.** Numerous organizations produce affordable housing or provide supportive services to affordable housing properties in Bend. These include COCAAN, CORIL, Cascade Community Development and others. The city will pursue increased communication and coordination with these nonprofit organizations and will work closely with them to remove barriers to affordable housing.

Foster public housing improvements. The city will work with the Central Oregon Housing Authority (or “Housing Authority”) to identify ways in which the city can assist with public housing development, upgrades and activities. The city will encourage the involvement of public housing residents in the management of the facilities and the transition of public housing residents to homeownership. Currently, residents of CORHA properties take part in voluntary family self-sufficiency activities as well as holding a position on CORHA’s governing board.

Other Actions to Address Community Needs

During the 2005-2006 CDBG Program Year, the city will undertake the following actions to address community needs identified in the City of Bend Consolidated Plan:

Address obstacles to meeting underserved needs. Generally, the obstacles to meeting underserved needs are the lack of funding and the lack of information regarding available resources. Individual city departments actively monitor and pursue funding opportunities for a broad range of project areas, including housing and community development. In addition, the

City has established a CDBG/Housing Coordinator position. The duties of this position include staying apprised of and pursuing funding opportunities specifically in the areas of housing and community development.

During the 2005-2006 Program Year, the city will direct CDBG dollars where they are most needed by targeting funds to projects and activities that meet the priority needs identified in the 2004-2009 Consolidated Plan. In addition, the city will continue to seek ways to expand and refine the means by which those whose needs are underserved are informed about the financial and informational resources available to them in the community.

Evaluate and reduce lead-based paint hazards. The city will continue research on the lead-based paint hazard in Bend and will explore options for funding lead-based paint evaluation and abatement projects. In particular, the City will work with the Oregon Department of Human Services to seek Lead Hazard Control funding through HUD.

Reduce the number of poverty level families. The city will actively work with housing and community development providers to help families move out of poverty through the funding and implementation of public service activities, especially those that promote self-sufficiency, and job attainment and retention skills. This also includes those community development activities that assist the homeless and the near homeless to become active members of the community.

Develop institutional structure. The city will offer technical assistance to agencies implementing projects with CDBG funds. This may include incorporating specific language from federal regulations into grant contracts, encouraging strategic plan development, providing staff training assistance, and implementing a City Risk Assessment and Monitoring Plan.

The Risk Assessment and Monitoring Plan outlines procedures the City will use to determine an organization's capacity to undertake a CDBG funded project. Project monitoring requirements for both city staff and the organization monitored are clearly outlined within this Plan. The results of the risk assessment will assist the organization in identifying ways to improve its capacity, efficiency, and service area analysis (markets), and to improve project performance.

Many of the actions identified in this Action Plan will serve to improve Bend's institutional structure by enhancing coordination with housing developers and service providers in the community, thereby improving the capacity of the city and collaborating organizations to meet the community's needs.

Enhance coordination between agencies. The city recognizes the importance of coordination among the city and the community's housing and social service providers in meeting the community's priority needs. Many of the actions outlined in this Action Plan call for the city to coordinate with local housing and social service providers in the identification, documentation and mitigation of community needs. This will result in a more streamlined and effective service delivery system. The City CDBG/Housing Coordinator serves as a point of contact and to coordinate the city's role in addressing housing and community development needs. A CDBG & Housing Advisory Committee reviews all CDBG applications. The Committee – which is composed of housing developers, social service professionals, and individuals with experience in addressing

housing and community development issues – provides valuable expertise to city staff and the city council and will serve to enhance the coordination of service delivery in the broader community.

Other Resources Available to Address Community Needs

The following resources are expected to be available to the City of Bend and other agencies and organizations in Bend during the 2005-2006 CDBG Program Year to address the goals and objectives identified in the City of Bend’s 2004-2009 Consolidated Plan.

Federal Funding Resources

The following federal funding programs are expected to be available to the **City of Bend** in 2005-2006 to address community needs identified in the City’s 2004-2009 Consolidated Plan:

Community Development Block Grant (CDBG) Program. For the 2005-2006 CDBG Program Year, the City of Bend will be receiving approximately \$478,000 in CDBG funds. The intended use of these funds is described in the “Actions to be Undertaken” section of the City’s 2005-2006 Action Plan.

CDBG Funds may be used in urban communities to address:

- Neighborhood revitalization
- Economic development
- Housing activities
- Provision of improved community facilities
- Prevention and elimination of slums or blight
- Activities aiding low- and moderate-income families

There is no match required for these funds.

Lead Hazard Control (LHC) Funding The City of Bend will investigate and consider joining with the Oregon Department of Human Services to apply for Lead Hazard Control funding through the federal Department of Housing and Urban Development (HUD). The program aims to reduce the exposure of young children to lead-based paint hazards in their homes through funding of community education programs, inspections and risk assessment, training on lead safe maintenance practices, and other activities.

The following federal funding programs are expected to be available to **other organizations and agencies** in Bend in 2005-2006 to address community needs identified in the City’s 2005-2006 Consolidated Plan (*note*: federal funding that is administered through the State of Oregon is listed in the “Other Resources” section of this Appendix):

Section 8 Rental Voucher Program A HUD program that provides funding for rental assistance payments to private owners who lease their units to low-income families; administered through the Central Oregon Regional Housing Authority (CORHA).

Section 8 Moderate Rehabilitation Program A HUD program that provides funding for the provision of rental assistance in connection with the rehabilitation and operation of SRO dwellings; administered through CORHA.

Public Housing Development Program A HUD program that provides funding to local public housing authorities for the construction, acquisition and/or rehabilitation of affordable housing, as well as rental assistance and other supportive services.

Supportive Housing for the Elderly (Section 202) Program HUD program that provides funding to non-profit sponsors to finance the development of housing and supportive services for low-income seniors.

Supportive Housing for Persons with Disabilities (Section 811) Program HUD program that provides funding to non-profit sponsors for the development of group homes, independent living facilities and intermediate care facilities for persons with disabilities.

Comprehensive Grant Program A HUD program that provides funding to public housing authorities to correct physical and management deficiencies and keep their units safe and desirable places to live.

Surplus Housing for Use to Assist the Homeless A HUD-administered program that makes surplus federal properties available to non-profit organizations and government agencies for the purpose of assisting homeless individuals and families; the organizations/agencies must pay operating and repair costs.

Family Self-Sufficiency Program A HUD program that provides funding to public housing authorities to give participating families the skills and experience to enable them to obtain employment and develop independence and self-sufficiency; administered through the Central Oregon Regional Housing Authority.

Other Non-Federal Resources

The following non-federal public and private funding sources can reasonably be expected to be available to local organizations and agencies in 2005-2006 to address the community needs outlined in the City's 2004-2009 Consolidated Plan.

State Programs

The State of Oregon administers a variety of programs with federal "pass through" funds and state appropriated funds. The programs listed below are available to project sponsors in Bend to address priority housing and community development needs in Bend:

Housing Programs

Rental Housing Assistance Programs The State's *Low-Income Rental Housing Assistance Program* and HUD's *HOME Tenant-Based Rental Assistance Program* allocate funding to local public housing authorities and local public service agencies to provide rental assistance to very low-income households.

Home Ownership Programs The *Home Ownership Assistance Grant Program* provides state grant funds to non-profit organizations and local government entities for down payment assistance, homeownership training and activities that foster homeownership for low-income families and individuals. The *Residential Loan Program (Single Family Mortgage Program)* provides assistance to private lending institutions to provide below-market loans to low- and moderate-income first-time homebuyers.

Housing Development Programs HUD's *HOME Investment Partnerships Program* and the *State's Housing Development Grant ("Trust Fund") Program* are programs that provide funding in the form of loans or grants to local non-profits, for-profits, and government entities for the development and provision of affordable housing for low-income individuals and families.

Emergency Housing Shelter Programs The *Housing Stabilization Program*, the *Emergency Housing Account Program*, the *State Homeless Assistance Program*, the *Emergency Shelter Grant Program*, and the *Continuum of Care (Supportive Housing Grant Program)* allocate federal and state funds to local Community Action Agencies to provide emergency shelter, transitional housing services, and supportive services to households who are homeless or at risk of becoming homeless.

HELP Program A HUD program that provides funding to local non-profits, for-profits and government entities for the provision of decent, safe, and sanitary housing that is affordable to the homeless, victims of domestic violence, and farm workers.

Housing Opportunities for People with AIDS (HOPWA) Program Allocates HUD grant funds to local agencies to address long-term housing and supportive services needs for persons with HIV/AIDS and their families.

Projects for Assistance to Transition from Homelessness (PATH) Grants Program A grant program through the US Department of Health and Human Services that provides funds to local agencies through state mental health departments to serve homeless persons who have serious mental illnesses, including those with concurrent substance abuse disorders.

Manufactured Home Park Purchase Program Provides technical and financial support to non-profit organizations to assist mobile home park residents with the purchase of mobile homes.

Low-Interest Loan and Tax Credit Programs

Elderly and Disabled Housing Loan Program A state-funded program that provides below-market interest rate permanent mortgage loans to for-profit, non-profit and government entity borrowers for construction or rehabilitation of housing for elderly and/or mentally and physically disabled persons.

Risk Sharing Program Multi-Family Rental Housing A partnership between HUD and Oregon Housing and Community Services to provide permanent first mortgage

financing to non-profit, for-profit, or government entity borrowers for the construction or rehabilitation of affordable multi-family rental housing.

Pass-Through Revenue (Conduit) Bond Program Provides flexible financing options to fund the construction, rehabilitation or acquisition of affordable housing for low-income individuals and families.

Predevelopment Loan Program A partnership between Fannie Mae and Oregon Housing and Community Services to provide below-market financing and flexible terms to non-profit, for-profit, and government entity borrowers for site acquisition and predevelopment costs related to the development of low-income multi-family rental housing.

Seed Money Advance Loan Program A state-sponsored revolving loan fund used to provide loans to for-profit and non-profit housing developers for predevelopment costs associated with the production of housing for low-income households.

Loan Guarantee Program Provides guarantees to lenders to assist in financing the construction or rehabilitation of housing for low-income families.

Tax Credit Programs The *Low-Income Housing Tax Credit Program* and the *Oregon Affordable Housing Tax Credit Program* are the federal and state tax credit programs that offer tax credits to for-profit and non-profit organizations as an incentive for the construction or rehabilitation of housing that is affordable to low-income households.

Other Programs

Community Services Block Grant Program Provides federal funds from the Department of Health and Human Services to public and private non-profit organizations for programs that alleviate the causes and effects of poverty and to assist low-income Oregonians achieve self-reliance.

Food Programs Various programs provide federal and state funds through the Oregon Food Bank to local agencies for the provision of food assistance to low-income families and individuals.

Energy and Weatherization Programs Various programs provide funding to local community organizations to assist low-income households with home utility costs and weatherization and energy conservation services.

Local Resources

In addition to local use of the federal and state programs identified above, other local resources that are available to address the goals and objectives outlined in the 2004-2009 Consolidated Plan include:

Low-income Rental Housing Tax Exemption. The City of Bend has adopted the provisions of the ORS 307.515 to 307.537 allowing exemptions from City property taxes for qualifying low-income rental housing projects. Under this program, property taxes

are exempted for 20 years for rental housing projects that are affordable to residents earning 60% or less of area median income. If other taxing districts agree to allow tax exemption under the statute, projects may receive tax exemptions on their entire annual tax bill for the 20-year exemption period.

System Development Charge (SDC) Deferrals. The City of Bend adopted a program allowing one-year, interest-free SDC deferrals for qualifying housing projects that are affordable to low- and moderate-income residents.

Expedited Permitting and Review Processing. The City of Bend offers expedited land use and building review processes for qualified affordable housing projects. Through this program, permitting and review processes are completed in as much as half the usual time, shortening financing periods and translating into a direct cost savings for developers of affordable housing.

Volunteer Labor. Area providers of affordable housing, economic development opportunities, and public services and facilities have been successful in utilizing volunteer labor in their work. It is anticipated that volunteer labor will continue to be an important resource for non-profits and other providers of services and facilities for Bend's low- and moderate-income populations.

Private Resources. Cash and materials have been contributed in the past by private businesses, corporations, and foundations to assist with economic development opportunities, access to affordable housing, and the delivery of services for low- and moderate-income Bend residents. It is expected that future contributions from private sources will continue to provide needed assistance.

Measurable Goals and Objectives

The following table shows the goals that the City of Bend hopes to achieve in 2005-2006 through the implementation of the actions identified in this Action Plan, including the projects that will be funded with CDBG dollars and the other actions that will be undertaken by the city. The specific objectives listed in the table correspond with those listed in Exhibit VI-3 (HUD Table 2C) in Section VI of the City of Bend's 2004-2009 Consolidated Plan.

Measurable Goals and Objectives

Goal #	Objective #	Specific Objectives	Performance Measure	2005-2006 Goals
Affordable Housing Objectives				
1	1	Aid in the production/rehabilitation/preservation of affordable housing	Units created Units rehabilitated Units preserved	84 0 0
1	2	Support homeownership for Bend's workforce through homebuyer assistance	Persons assisted	220
1	3	Limit projects that require permanent displacement or relocation of occupants	Projects requiring displacement	0
Infrastructure Needs				
2	1	Support infrastructure projects to aid in the development/preservation of affordable housing	Units created or preserved	0
2	2	Support infrastructure projects to aid in the creation of living wage jobs	Jobs created	0
2	3	Provide assistance to homeowners who are required to purchase water meters	Households assisted	0
Economic Development Activities				
3	1	Support infrastructure and property acquisition / rehabilitation projects to aid projects that result in the creation of living wage jobs	Jobs created (infrastructure) Jobs created (property acquisition / rehab)	0 0
3	2	Provide business assistance that results in the creation of living wage jobs	Jobs created	22
3	3	Ensure that economic development projects result in the creation of living wage jobs	System designed	N/A
Homeless and Special Needs Services				
4	1	Support projects that tie services to affordable housing development and/or job creation	Persons served (affordable housing) Persons served (job creation)	0 0
4	2	Support services to homeless and special needs populations, especially those with the most urgent needs	Total persons served Persons served with substance abuse or mental illness Homeless families served	420 50 370
4	3	Ensure that programs utilize and do not duplicate existing services	System designed	System designed
Leveraging Allocation				
5	1,2,3	Analyze the value and feasibility of utilizing Section 108 funds	Completion of study	Study complete

Note: The City is providing non-CDBG assistance to households required to purchase water meters.

Monitoring

The city's staff will monitor all projects by means of project site visits and through project reports provided by the organizations whose projects are funded by the city's CDBG funds. Specifically, the city's CDBG/Housing Coordinator will programmatically review the records of all sub-recipients. This review will include analysis of goals, objectives, client files where appropriate, accuracy of reports and supporting documentation. Any deficiencies noted will be reported to the organization in writing. The organization will be required to remedy the deficiencies and provide documentation of the remedy to the CDBG/Housing Coordinator in a timely manner. The city's financial staff also will review and monitor sub-recipients' fiscal compliance with applicable guidelines and regulations.

In order to close out a project funded with CDBG funds, a final report, and an audit report, if applicable, will be required from the organization. The city will conduct an on-site monitoring visit and provide a final report to the organization.

The city will also obtain information on the number and categories of households served by HUD-assisted projects within its jurisdiction for inclusion in its annual performance report.

In order to monitor its own performance in meeting the goals and objectives outlined in the Consolidated Plan, the city will regularly review the Plan and assess the city's progress toward meeting these goals and objectives. In addition, in order to ensure the city's compliance with all CDBG program requirements, city staff will apply the same analysis to the city's use of funds and operation of the CDBG program as it does to the analysis of sub-recipient files, including review of project files and records, assessment of compliance with federal requirements, and documentation of the city's performance in meeting program regulations.