



CITY OF BEND

# **Affordable Housing Development and Public Services Activities in 2025-2026**

**Mellissa Kamanya, Affordable Housing Coordinator**

September 9, 2024

# Virtual Meeting Guidelines



- You will be on mute when you first join the meeting.
- If you have a question, please use the **raise hand** function by clicking on the ***Raise Hand*** icon to raise your hand. A staff member will call on your name and provide you the ability to unmute your microphone based on the order that hands are raised. Please click on the hand icon again to lower your hand when you are done asking your questions.

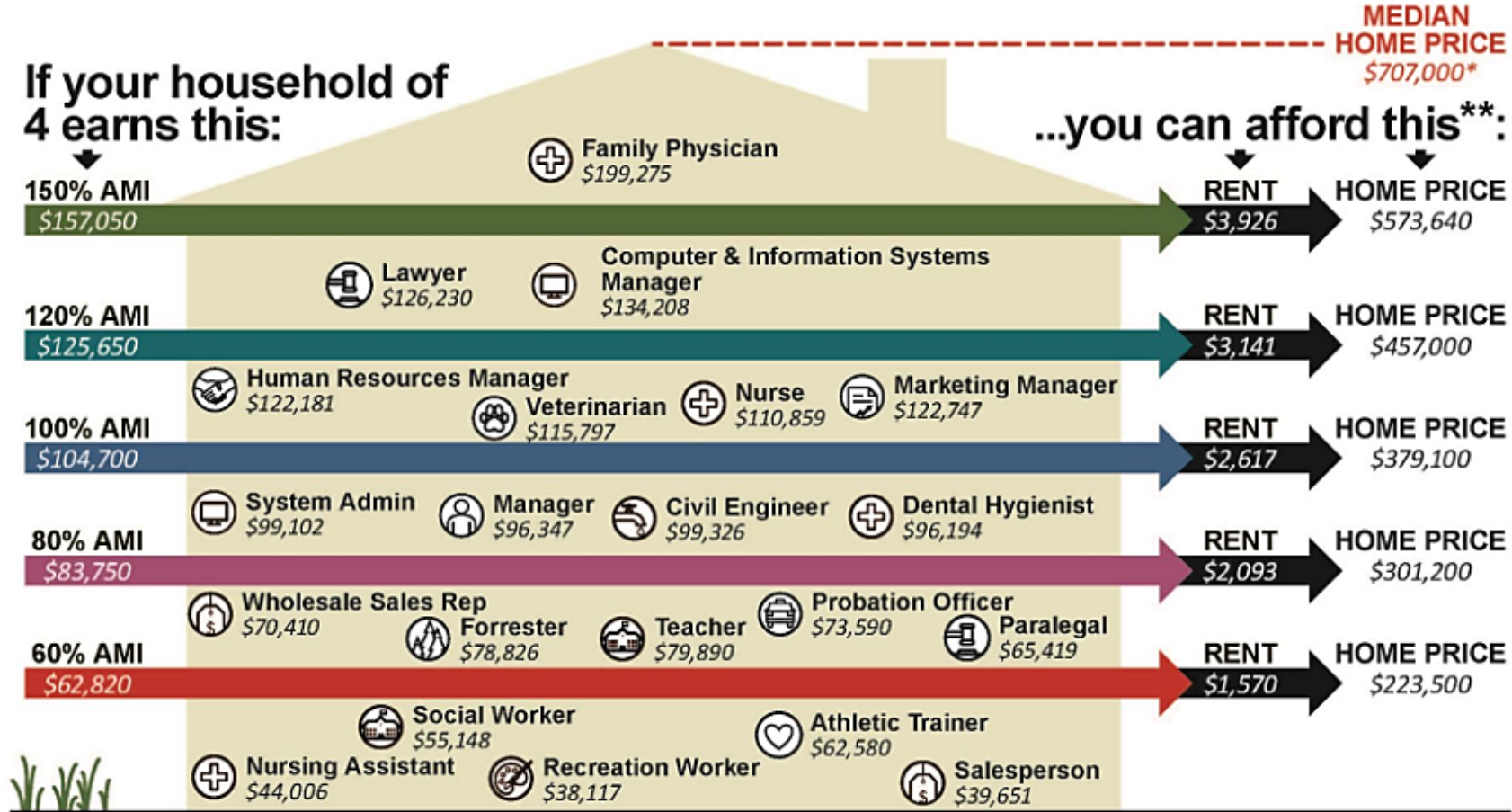
# Affordable Housing in Bend

- City of Bend’s Comprehensive Plan, Housing Chapter, Section 5-20 defines affordable housing for purposes of City policy or code

2024-25 AMI Chart for Deschutes County

INCOME THRESHOLD	1 PERSONS	2 PERSONS	3 PERSONS	4 PERSONS	5 PERSONS	6 PERSONS
Area Median Income (AMI)	\$73,290	\$83,760	\$94,230	\$104,700	\$113,076	\$121,452
Moderate Income (80% AMI)	\$58,650	\$67,000	\$75,400	\$83,750	\$90,450	\$97,150
(60% AMI)	\$43,980	\$50,280	\$56,520	\$62,820	\$67,860	\$72,900
Low Income (50% AMI)	\$36,650	\$41,900	\$47,100	\$52,350	\$56,550	\$60,750
Extremely Low Income (30% AMI)	\$22,000	\$25,150	\$28,300	\$31,400	\$33,950	\$36,450

# Area Median Income in Bend



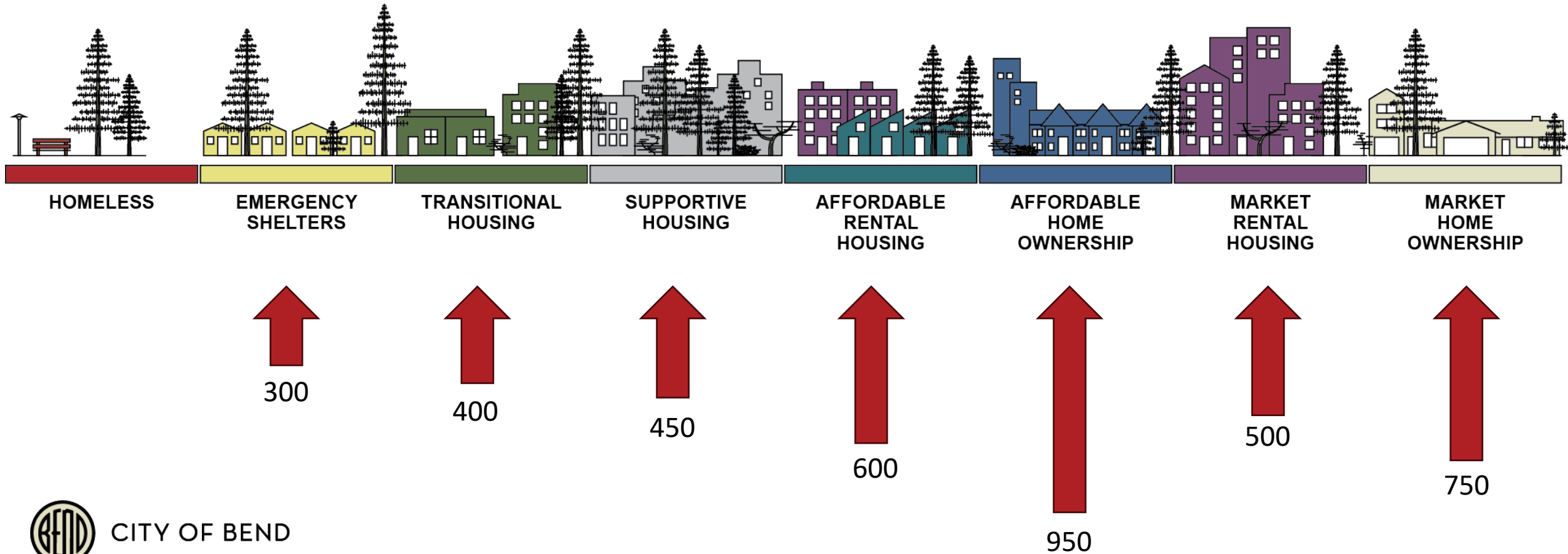
\*Beacon Report April 2024  
 \*\*Numbers based on 10% down payment, 6.75% interest over 30 years, no mortgage insurance, no HOA, good credit, and no debt. Median Wages from State of Oregon Employment Department 2023 Wages for Deschutes County

# Affordable housing tools

- Policy & Code Updates
- Surplus Land
- Property Tax Exemption
- Affordable Housing Fund
- State and Federal Funding

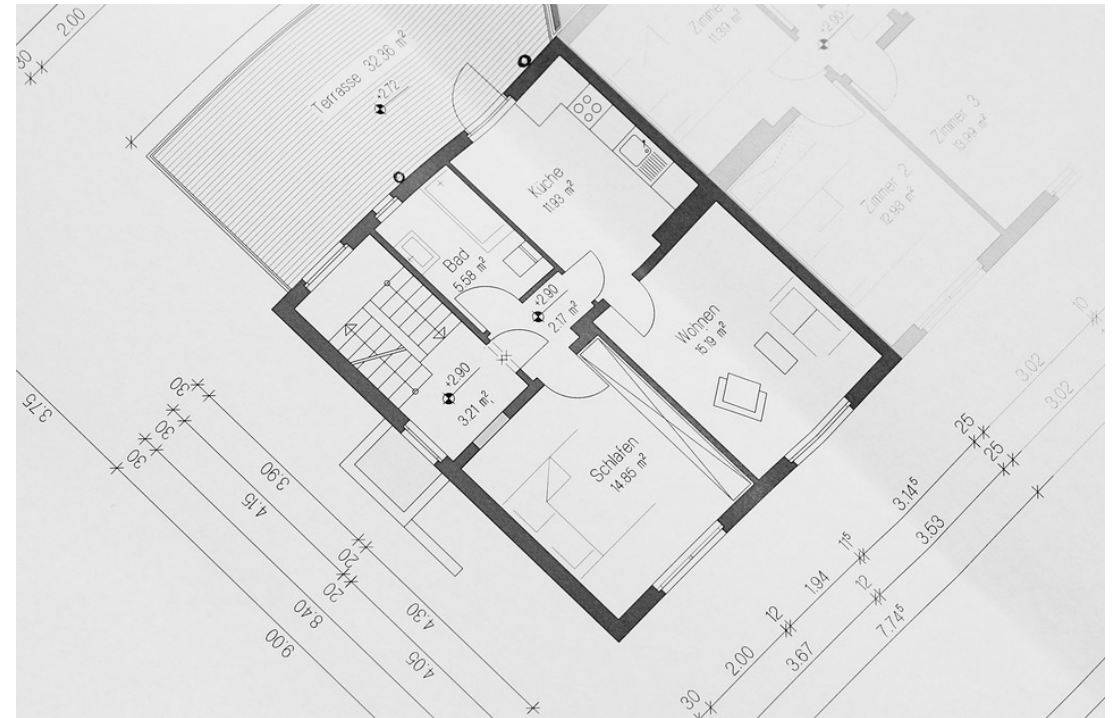


# Housing Continuum



# Expedited review and permitting

- Planning Division
  - For Type I development actions, a decision will be written within 2 weeks of the date of submittal
  - For Type II development actions, a decision will be written or the first public hearing will be held within 6 weeks of the date of submittal
- Building Division
  - Preliminary review will be completed within 3 working days of the date of submittal.
  - Once any deficiencies have been addressed, permits will be issued within 10 working days.



# System Development Charges (SDC) exemption

- Bend, like several cities in Oregon, including Portland, Salem and Eugene allow for certain classes of housing to be exempted from having to pay Systems Development Charges. Affordable Housing is one such class.
- Bend City Council adopted a blanket SDC exemption for all deed restricted affordable (<80% AMI) developments, Bend Code 12.10.120 – Exemptions.





# City Code incentives

- ADUs
- Parking bonus
- Cottage code
- Density bonus
- Multi-family property tax exemption



# Surplus property disposition

- City has completed inventory of surplus property.
- Make purchasing fund whole and sell at set price with criteria related to best project. Sold for cost of preparing land for sale (e.g., street vacation) and titling.



# Bend Affordable Housing Fund (AHF)

- Adopted by Council in 2006, a fee 1/3 of 1% of the total Building Permit Valuation Fee to address lack of workforce housing, low vacancy rates and increase in home prices



# Federal and state resources for affordable housing

- Community Development Block Grant (CDBG) funds housing and community development programs, including service providers. (Only available for non-profit organizations.)
- Low-Income Housing Tax Credit (LIHTC) is administered through Oregon Housing and Community Services and is a highly competitive RFP process for tax credits of affordable housing investments.
- Local Innovation and Fast Track Housing Program (LIFT) is administered through Oregon Housing and Community Services (OHCS) through another competitive RFP process.



# Affordable Housing Loan Policy

## Grants

- The City shall provide assistance in the form of grants to Public Services projects selected for funding through the CDBG Program.

## Loans

- The City shall provide assistance in the form of loans to selected projects other than those falling into the Public Services category.

# 2023-2027 Consolidated Plan GOALS

## 1. Assist Homeless with Shelter and Services

Increase homeless and transitional units, while preserving and enhancing existing facilities, and provide services to the homeless population

## 2. Create and preserve affordable rental housing

Including creation of rental units, land acquisition for development of rental units, rental assistance, and obtaining rental units to keep them affordable

## 3. Provide Support to Necessary Public Services

Support services to public service providers and increase community capacity for Permanent Supportive Housing and “Housing First” models

## 4. Create and Preserve Affordable Home Ownership

Including creation of new homes, land acquisition for development of new homes, homeownership financial assistance, and obtaining homes to keep them affordable

## 5. Infrastructure

In conjunction with affordable housing development or for economic development in low to moderate-income neighborhoods



# National objectives

- Low-Moderate Income (LMI) Housing
  - 42 USC §5302(a)(20)(A), “means families and individuals whose incomes do not exceed 80 percent of the median income of the area involved, as determined by the Secretary with adjustments for smaller and larger families.”
- LMI Benefit (Economic Development)
- LMI Limited Clientele
- Slum/Blight, Urban Renewal, and Urgent Needs
  - All require a designation or declaration that currently does not apply.



# Questions?



# Low-moderate income housing

- Rents in CDBG-assisted rental projects must be set at levels which are affordable to LMI persons
  - Households pay not more than 30% of income for rent and utilities (standard)
  - Each project must be undertaken in such a manner as to ensure that rents are truly affordable to LMI persons
- LMI household must occupy any one unit-structure, one LMI household must occupy any two-unit structure, and 51% of any structure with greater than three units must be occupied by LMI households



# Low-moderate benefit (economic development)

- Job training and placement, peer counseling, childcare and transportation included if at least 51% of persons benefiting from the activity are LMI
- Economic activities designed to create or retain permanent jobs, at least 51% of which (computed on a full-time equivalent basis ) will be made available to or held by LMI persons



# Public benefit standards (economic development)

- The amount of CDBG assistance cannot exceed \$50,000 per full-time equivalent (FTE) or \$1000 per LMI person to which goods and services are provided by the activity.
- Create or retain at least one FTE, permanent job per \$35,000 of CDBG funds used
- Provide goods and services to an area where the number of LMI persons served by the assisted business amounts to at least one LMI person per \$350 of CDBG funds used



# Low-moderate income limited clientele

- 51% of served must be LMI
- Activity must benefit clientele presumed to be principally LMI
- Abused children, battered spouses, elderly persons, severely disabled adults, homeless persons, illiterate adults, persons living with AIDS and migrant farm workers; or
- Document family size and income
- Have income eligibility requirements limiting to LMI persons only; or
- Be of such a nature and in such a location that it can be concluded that clients are primarily LMI
- Owner of microenterprise activity is LMI



# Questions?

# CDBG Project

- Project Summary
- Statement of the Work
- Time of Performance
- Project Schedule/Milestones
- Budget



# CDBG Project records

- National Objectives
- Financial
- Progress Reports
- Final report, including leverage information
- Records maintained for four (4) years after final payment and all other pending matters are closed.



# National objectives – Measures, outcomes and indicators

- Performance Measures
  1. Creating suitable living environments
  2. Providing decent housing
  3. Creating economic opportunities
- Outcomes
  1. Availability/Accessibility (services, infrastructure, public services, public facilities, housing, or shelter available or accessible to LMI people)
  2. Affordability (affordability to persons of LMI, including housing, infrastructure, or services)
  3. Sustainability (improving livability to persons of LMI)
- Indicators
  1. Leveraged funding
  2. Number of persons, households, businesses, units or beds assisted
  3. Income levels of persons assisted
  4. Race, ethnicity, and disability data





# Program Management standards

- Internal Controls
- Accounting Records - All accounting records must be supported by source documentation
- Allowable Costs
- Loan Servicing
- Cash Depositories - Obtain information on bank ratings before depositing CDBG funds with financial institution
- CDBG – Acquired Real Property



# Program management internal controls

- Organizational chart, definition of duties
- System of authorization and supervision
- Adequate separation of duties
- Hiring and compensation policies to ensure that staff qualifications are commensurate with job responsibilities
- Secure storage of accounting records in limited access areas
- Periodic review of financial records to actual assets and liabilities (reconciliation)
- A policy for personally identifiable information and how you protect it



# Program management accounting records

- Get familiar with 2 CFR 200, and audit requirements or exceptions
- Chart of accounts
- Cash receipts journal
- Cash disbursements journal
- Payroll journal
- General ledger
- Capacity requirement



# Questions?

# Program management allowable costs

- Necessary, reasonable, and directly related to the CDBG funding
- Authorized by the City of Bend
- Consistently treated expenditure
- Cost allocable to the CDBG
- Cost is net of all applicable credits – sub cannot make a profit from costs charged to CDBG
- Not prohibited under Federal, state, or local laws or regulations



# Ineligible costs

- buildings used for the general conduct of government, general government expenses
- purchase of construction equipment
- purchase of personal property, furnishings, fixtures, or motor vehicles
- operating and maintenance expenses
- new housing construction
- income payments (different than emergency payments for housing, food, and clothing)
- The purchase of gift cards.
- Cash payments / grants to individuals.
- Car-related expenses, including gas cards, gas vouchers, car repairs.
- political activities



# Program management – Loan Servicing

- Loan agreements with clear repayment terms and default definitions, descriptions of how defaults can be resolved, what actions will be taken if a loan is in default, and what is pledged as security for each loan
- Collection procedures that provide for recognition of all current amounts due and when past payments were received, notification when payments are overdue, as well as a procedure for taking further action to collect overdue amounts and criteria for writing off bad debts



# Program Management – CDBG – Acquired Real Property

- Procedures required to ensure ongoing compliance with National Objective associated with real property acquired or improved with CDBG funds in excess of ***\$25,000.00***.
- Program income from sales or rental of property is property recorded and reported.





# Legal Compliance

- Procurement and Contracting
- Property Management and Disposition
- Fair Housing and Equal Opportunity
- Compliance
- Labor Standards
  - Davis-Bacon prevailing wage requirements >\$2,000
- Lead-Based Paint
- Political Activity (prohibited)
- Conflict of Interest



# Legal compliance - Environmental Review

- Historic Preservation
- National Flood Insurance Program
- Floodplain Management
- Coastal Area Protections and Management
- Airport Runway Clear Zone
- Wetland Protections
- Water Protections (safe drinking water, and wild rivers)
- Air Quality
- Endangered Species
- Acceptable Noise Levels
- Hazardous Materials Protections
- Solid Waste Management
- Farmlands Protections
- Environmental Justice



# Legal compliance - Uniform Relocation act

- Relocation
- Real Property Acquisition
- One-For-One Housing Replacement



# Monitoring

The City of Bend will make site visits and review program files as necessary to fulfill that all CDBG funds under its oversight are used in accordance with all program requirements.



# Questions?

# Available Funding



\$1.2M  
≤ 100% AMI



\$415K (AH)  
\$95K (PS)  
≤ 80% AMI



~ \$241K (AH)  
~ \$241K (PS)  
≤ 30% AMI

# H. Budget



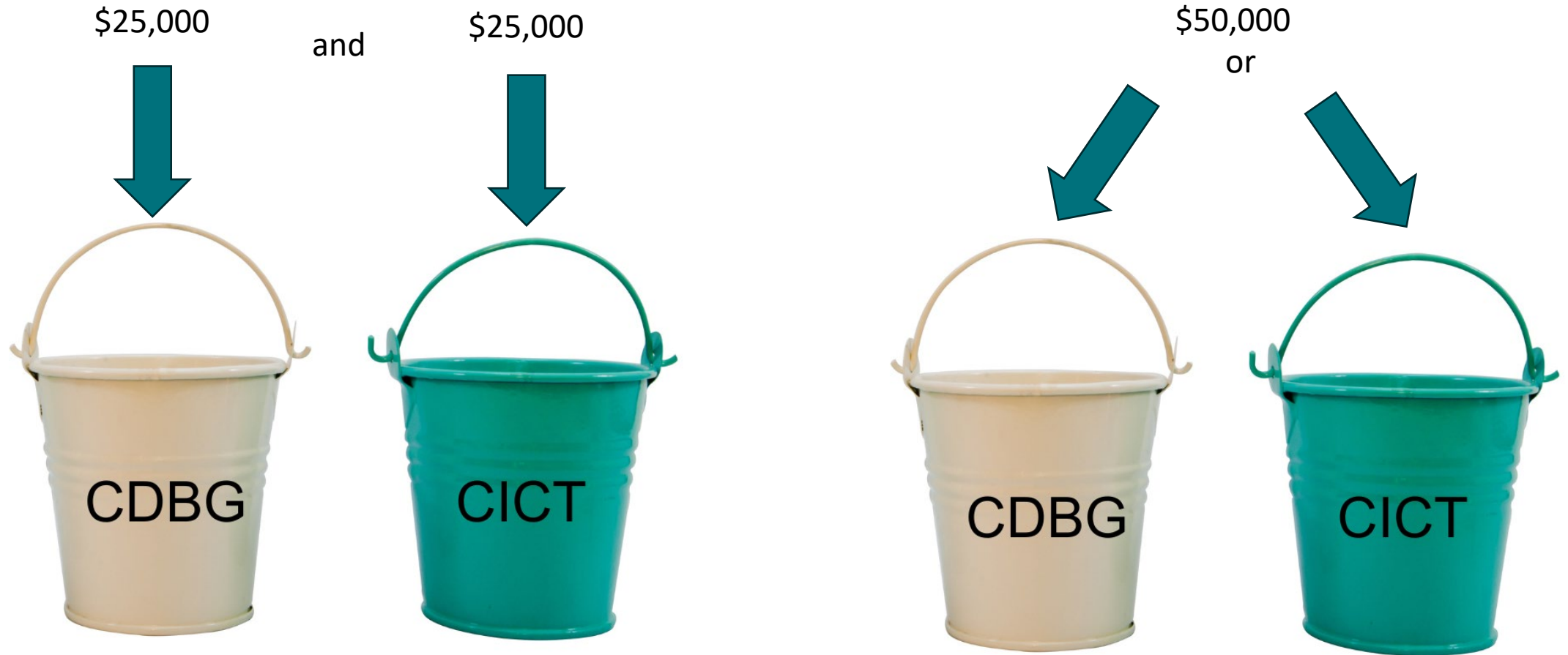
Please provide the following information.

## H.1. Project Budget

PROJECT ACTIVITIES	CDBG FUNDS REQUESTS	AHF FUNDS REQUESTED	CICT FUNDS REQUESTED	OTHER PUBLIC FUNDS	PRIVATE FUNDS	ACTIVITY TOTAL
<b>TOTAL</b>	\$ 0.00	\$ 0.00	\$ 0.00			\$ 0.00
<a href="#">Add Row</a>						

# Example #1 – Public Services for Clients < 30% AMI

Total request = \$50,000





# Example #2 – Public Services - up to 80% AMI

Total request = \$50,000

\$45,000

and

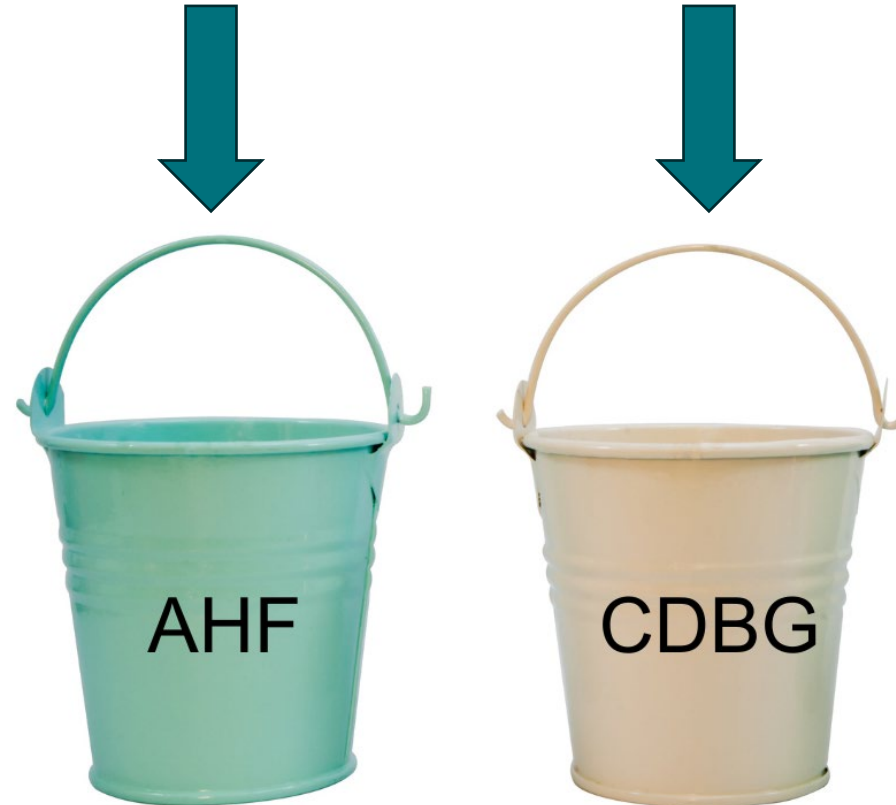
\$5,000

\$50,000



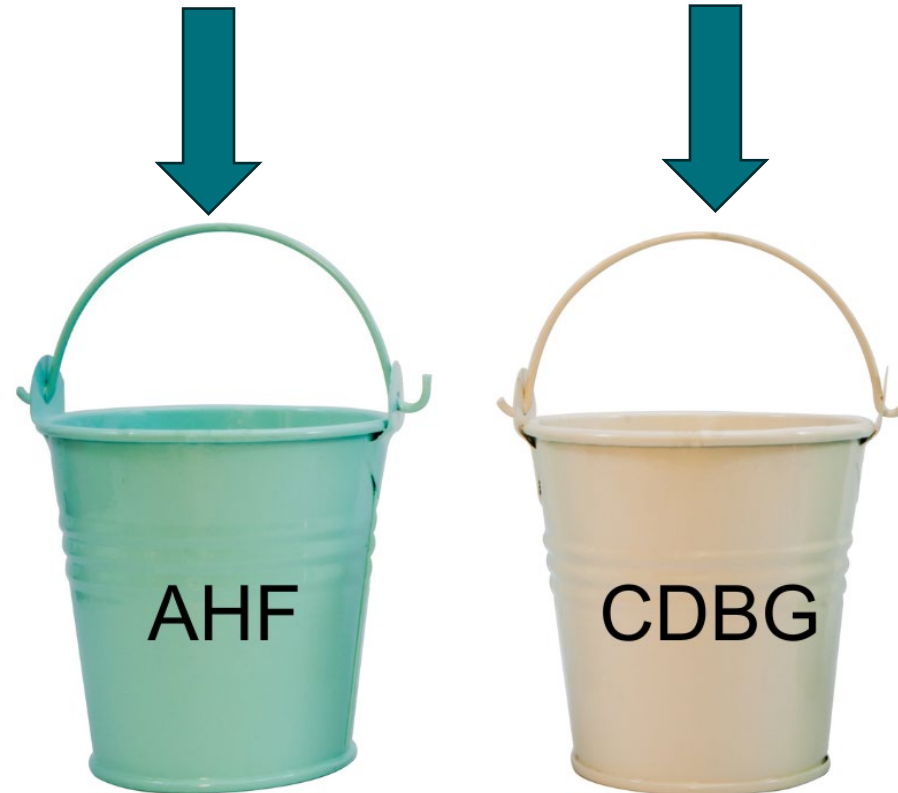
# Example #3 – Land Acquisition - 60% AMI

Total request = \$550,000



# Example #4 – Homebuyer Assistance

Total request = \$250,000



# AFFORDABLE HOUSING DEVELOPMENT AND PUBLIC SERVICES

## Program Funding Schedule

### PRE-APPLICATION WEBINAR



**SEPTEMBER 9, 2024**

- webinar on Zoom at 11:00 a.m.
- Training FAQ posted on website

### APPLICATIONS OPEN



**SEPTEMBER 30, 2024**

- applications open

**OCTOBER 7, 2024**

- FAQ #2 posted on website

**OCTOBER 21, 2024**

- FAQ #3 posted on website, if needed

### APPLICATIONS DUE



**OCTOBER 28, 2024**

- Applications due by 2:00 p.m.

### PRESENTATIONS TO AHAC



**NOVEMBER 13, 2024**

- Housing Development applicant presentations to AHAC

**JANUARY 8, 2025**

- Public Services applicant presentations to AHAC

### AHAC DELIBERATIONS



**DECEMBER 11, 2024**

- AHAC deliberations on Housing Development award recommendations

**FEBRUARY 12, 2025**

- AHAC deliberations on Public Services award recommendations

## Request for Proposals (RFP) ▼

### Funding Availability

The 2024-2025 application cycle includes three funding sources. Applicants may apply for multiple sources as appropriate for the proposed project. Funding amounts are estimates and subject to change. They include:

#### Affordable Housing Fund (AHF)

- \$1.2 million for the development of affordable housing.

#### Commercial and Industrial Construction Tax (CICT)

- at least \$241,000 for affordable housing, and
- up to \$241,000 for support, services, and programs for people making up to 30 percent of area median income.

#### Community Development Block Grant (CDBG)

- \$415,000 for affordable housing and community development projects, and
- \$95,000 for social services.

### Schedule

#### [Affordable Housing Development and Public Services Schedule](#)

All applications must be submitted to

<https://portal.neighborlysoftware.com/BENDOR/Participant> before 2:00 p.m. on Monday, October 28, 2024.



# Neighborly Online Application



A screenshot of a web browser showing the login page for the City of Bend Participant Portal. The browser's address bar displays 'portal.neighborlysoftware.com/BENDOR/Participant'. The page features a scenic background image of Bend, Oregon. On the left, the City of Bend logo is centered above the text 'CITY OF BEND' and 'Welcome to the City of Bend, OR Participant Portal'. Below this, a message states: 'New users must first register their account before signing in to the portal'. On the right, there are two tabs: 'Sign In' (active) and 'Register'. The 'Sign In' section contains two input fields: 'Email Address' and 'Password', each with a placeholder text. A blue 'Sign in' button is located below the fields. Below the button are two links: 'Forgot your password?' and 'Data Privacy'. The browser's tab bar shows 'Deschutes Cty Reco...' and 'Amortization Sched...'. The bottom left of the screenshot shows the text 'Neighborly Software'.



To obtain this information in an alternate format such as Braille, large print, electronic formats, etc. please contact Mellissa Kamanya at [mkamanya@bendoregon.gov](mailto:mkamanya@bendoregon.gov) or (541) 382-5615; Relay Users Dial 7-1-1.

