

## CR-05 - Goals and Outcomes

### Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a)

This could be an overview that includes major initiatives and highlights that were proposed and executed throughout the program year.

This Consolidated Annual Performance Evaluation Report (CAPER) reviews the Community Development Block Grant (CDBG) funded activities undertaken by the City of Bend between July 1, 2023, and June 30, 2024. It is an annual report describing the City's progress.

The City of Bend receives an annual entitlement allocation of CDBG funds directly from the U.S. Department of Housing and Urban Development (HUD). In 2023, the City received \$606,136 of CDBG funds from HUD and \$158,574.83 in loan repayments (program income – "PI") and funds returned to the local CDBG account. This year's recommended allocation included approximately \$393,900 for programs and \$111,040.70 for public services. Up to 15% of the entitlement can be spent on public services as well as 15% of prior year program income. Up to 20% of the funds are eligible for administrative costs, which enables the City to pay for staff support and program administration. Public services and programs were selected through a competitive Request for Proposals process under the review of the Affordable Housing Advisory Committee and then approved by City Council.

The 2023 CAPER evaluates the progress towards achieving the goals and strategies established to address the affordable housing, human services, and community development needs of low- and moderate-income households in Bend. Below, Table 1 identifies the 2023-2027 Consolidated Plan adopted Priority Needs, Affordable Housing Strategies, and Community Development Strategies. The following document summarizes progress under each of the identified strategies. Electronic copies of the City of Bend CAPER(s), annual Action Plans, and the 2023-2027 Consolidated Plan are available at the City of Bend's Affordable Housing webpage, [www.bendoregon.gov/affordablehousing](http://www.bendoregon.gov/affordablehousing).

Major initiatives of 2023 continued to be related to affordable housing production, services for vulnerable communities including those experiencing houselessness and home ownership opportunities for moderate- and low-income households. Housing insecurity and houselessness grew significantly during the pandemic and the City has attempted to best meet the emergent needs of the community by opening the Stepping Stone Shelter on Division St., in addition to supporting Shepherd's House in managing the Lighthouse Navigation Center at 2nd Street and the former Rainbow Motel on Franklin Ave. Several Safe Parking sites were opened in Bend, creating additional shelter beds with case management support through local nonprofits. The Housing Department staff consulted frequently with subrecipients serving our community including the local housing authority, potential subrecipients, City staff in other departments, City committees, the City Council,

State representatives, and government agencies.

**Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)**

Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee’s program year goals.

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
Assist Homeless with Shelter and Services	Homeless	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	0	0	-	0	0	-
Assist Homeless with Shelter and Services	Homeless	CDBG: \$	Homeless Person Overnight Shelter	Persons Assisted	1000	2719	271.90%	285	2719	954.04%
Assist Homeless with Shelter and Services	Homeless	CDBG: \$	Overnight/Emergency Shelter/Transitional Housing Beds added	Beds	50	0	0.00%	0	0	-
Assist Homeless with Shelter and Services	Homeless	CDBG: \$	Homelessness Prevention	Persons Assisted	0	0	-	0	0	-

Assist Homeless with Shelter and Services	Homeless	CDBG: \$	Housing for Homeless added	Household Housing Unit	0	0	-	0	0	-
Create and Preserve Affordable Rental Housing	Affordable Housing Public Housing Homeless Non-Homeless Special Needs	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	0	0	-	0	0	-
Create and Preserve Affordable Rental Housing	Affordable Housing Public Housing Homeless Non-Homeless Special Needs	CDBG: \$	Public service activities for Low/Moderate Income Housing Benefit	Households Assisted	0	0	-	0	0	-
Create and Preserve Affordable Rental Housing	Affordable Housing Public Housing Homeless Non-Homeless Special Needs	CDBG: \$	Rental units constructed	Household Housing Unit	200	0	0.00%	0	0	-
Create and Preserve Affordable Rental Housing	Affordable Housing Public Housing Homeless Non-Homeless Special Needs	CDBG: \$	Rental units rehabilitated	Household Housing Unit	25	0	0.00%	0	0	-

Create and Preserve Affordable Rental Housing	Affordable Housing Public Housing Homeless Non-Homeless Special Needs	CDBG: \$	Homelessness Prevention	Persons Assisted	0	0	-	0	0	-
Provide Support to Necessary Public Services	Affordable Housing Public Housing Homeless Non-Homeless Special Needs Non-Housing Community Development	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	500	0	0.00%	0	0	-
Provide Support to Necessary Public Services	Affordable Housing Public Housing Homeless Non-Homeless Special Needs Non-Housing Community Development	CDBG: \$	Public service activities for Low/Moderate Income Housing Benefit	Households Assisted	500	0	0.00%	0	0	-

Provide Support to Necessary Public Services	Affordable Housing Public Housing Homeless Non-Homeless Special Needs Non-Housing Community Development	CDBG: \$	Homeless Person Overnight Shelter	Persons Assisted	0	0	-	0	0	-
Create and Preserve Affordable Home Ownership	Affordable Housing Non-Homeless Special Needs	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	0	0	-	0	0	-
Create and Preserve Affordable Home Ownership	Affordable Housing Non-Homeless Special Needs	CDBG: \$	Homeowner Housing Added	Household Housing Unit	50	19	38.00%	40	19	47.50%
Create and Preserve Affordable Home Ownership	Affordable Housing Non-Homeless Special Needs	CDBG: \$	Homeowner Housing Rehabilitated	Household Housing Unit	10	0	0.00	0	0	-
Create and Preserve Affordable Home Ownership	Affordable Housing Non-Homeless Special Needs	CDBG: \$	Direct Financial Assistance to Homebuyers	Households Assisted	50	12	24.00%	4	12	306.00%

Infrastructure	Affordable Housing Public Housing Homeless Non-Homeless Special Needs Non-Housing Community Development	CDBG: \$	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	30	0	0.00%	0	0	-
Infrastructure	Affordable Housing Public Housing Homeless Non-Homeless Special Needs Non-Housing Community Development	CDBG: \$	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit	Households Assisted	30	0	0.00%	0	0	-

Table 1 - Accomplishments – Program Year & Strategic Plan to Date

**Assess how the jurisdiction’s use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.**

The City of Bend has numerous housing needs, but the two most identified issues, based on input received from community agencies and citizens and supported by available data, are houselessness and the lack of affordable rental housing. Bend has significant challenges to meet the demand for housing to serve low-to-moderate wage earners. The lack of buildable land for development has increased land prices, which in turn is also pricing many low and moderate-income individuals out of the homeownership market. The scarcity and cost of available land combined with supply chain issues and the expense of building materials, hinders all development. The City’s most successful affordable housing

developers are often unable to utilize CDBG funds. Several of the City's local developers are for-profit businesses, others typically set up private LLCs for each development to ensure that the agency stability despite market fluctuation or unforeseen events. Only 18 of the 100 City-funded affordable homes that became available during the program year utilized CDBG funds, and all were all a result of multiple partnerships with both for-profit and non-profit developers that utilized Bend's Affordable Housing Fund resources, the City's Tax Increment Financing (TIF) funds, and available SDC exemptions. The City anticipates the development of 55 more affordable housing units this upcoming program year.

CDBG funds are utilized for local activities that meet the goal to create and preserve affordable homeownership and provide public services.

With the scarcity of available housing, the City's 2023-24 CDBG-funded public service programs focused mainly on maintaining and/or expanding services to persons experiencing homelessness. The City applied CDBG funding toward maintaining and/or building the capacity of three high-barrier overnight shelters. These funds supported case management services for 56 teenagers experiencing homelessness through J Bar J's Living Options for Teens (LIFT) program, 55 houseless pregnant and/or parenting teens and their babies through J Bar J's Grandma's House, and 974 houseless persons through Bethlehem Inn. In addition, Shepherd's House utilized \$157,104.16 in 2020-21 CDBG funds for the continuing operation of the Lighthouse Navigation Center, a low-barrier emergency overnight shelter. The Lighthouse Navigation Center has been undergoing renovation since September 2023 and has a temporarily reduced bed count. However, by utilizing space at the shelter on Franklin Avenue, Shepherd's House was able to maintain its usual bed count of 100, thereby serving a total of 1,634 persons this year.

## CR-10 - Racial and Ethnic composition of families assisted

Describe the families assisted (including the racial and ethnic status of families assisted).

91.520(a)

	CDBG
White	1,823
Black or African American	118
Asian	43
American Indian or American Native	166
Native Hawaiian or Other Pacific Islander	4
Multi-Racial	625
<b>Total</b>	<b>2,779</b>
Hispanic	257
Not Hispanic	2,522

Table 2 – Table of assistance to racial and ethnic populations by source of funds

### Narrative

The percentage of black, indigenous, and persons of color (prioritized populations) served has remained statistically consistent to the 2021 and 2022 CAPER, suggesting sustained outreach efforts and diversification of the community. The only exception is the percentage identifying as multi-racial has increased from 4% in 2021 and 2022 to 22% in 2023. This is in direct alignment with national data from the same time periods. Considering that 2000's Census was the first opportunity for respondents to choose more than one race category, this is likely due to respondent or reporter familiarity with category options, a generally diversifying population, or some combination of both.

The City of Bend is committed to monitoring racial, ethnic, and socioeconomic compositions. Bend will continue to implement inclusive actions to prevent concentrations of housing for prioritized populations and concentrations of poverty.

## CR-15 - Resources and Investments 91.520(a)

### Identify the resources made available

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG	public - federal	764,710.83	1,468,762.03

Table 3 - Resources Made Available

### Narrative

Usually, adjustments and discrepancies in the accompanying PR26 are explained here. However, IDIS will not allow adjustments.

### Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description

Table 4 – Identify the geographic distribution and location of investments

### Narrative

City of Bend does not identify target areas. CDBG funds are available for activities throughout City of Bend.

## Leveraging

**Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.**

Bend leveraged \$12,163,943.00 with CDBG, the City's own Affordable Housing Fund, and Bend's Tax Increment Financing resources. The City generated approximately \$1.5 million through a construction excise tax on residential development, called the Affordable Housing Fund (AHF). Because this fund has been active since 2006, approximately 1/3 of the funding each year is made up from repayment of loans issued in prior years.

For every dollar expended (or not collected from SDCs), the City leveraged its resources an additional 8 dollars on services and developments completed in the 2023 Program Year. Multiple completed and future developments secured and were committed funding from state and private partners. Future leveraged dollars will be included in following years' reports.

When City Council recommends to surplus a property, staff prepares a request for proposals (RFP), which is distributed to affordable housing providers and developers. Responses are scored by the Affordable Housing Advisory Committee (AHAC) and recommendations are forwarded to City Council for decision. Affordable Housing staff compiles and maintains a list of potential surplus properties which is regularly updated. City surplus properties are sold for the cost of titling plus the cost the City paid for the land—typically, this is far below current market value. Surplus land often carries a permanent deed restriction to ensure that the land and eventual homes will be available to those making no more than 80% AMI.

In 2023 the City offered two (2) surplus properties for the purpose of developing Affordable Housing: sites known as Bear Creek and Franklin. Bend-Redmond Habitat for Humanity and Thistle & Nest were selected in two competitive application processes. Both agencies will complete the land transactions in 2024, ultimately to build affordable homeownership units by 2027, including a total of four (4) units designed for persons living with disabilities.

Finally, the City supports a System Developments Charge (SDC) exemption program that currently exempts all City SDCs for affordable housing. This is revenue that is not replaced with other funding. The SDC ordinance became final in December of 2017, and the City exempted \$2,228,709.70 in the 2023 program year.

## CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

	One-Year Goal	Actual
Number of Homeless households to be provided affordable housing units	0	0
Number of Non-Homeless households to be provided affordable housing units	4	18
Number of Special-Needs households to be provided affordable housing units	0	0
<b>Total</b>	<b>4</b>	<b>18</b>

Table 5 – Number of Households

	One-Year Goal	Actual
Number of households supported through Rental Assistance	0	0
Number of households supported through The Production of New Units	40	0
Number of households supported through Rehab of Existing Units	0	0
Number of households supported through Acquisition of Existing Units	0	0
<b>Total</b>	<b>40</b>	<b>0</b>

Table 6 – Number of Households Supported

**Discuss the difference between goals and outcomes and problems encountered in meeting these goals.**

While the data shows that zero homeownership housing units were produced for the 2023 program year, a total of 18 affordable homeownership housing units came available from developers utilizing CDBG funds from funding years 2021 and 2022. In addition, 72 affordable rental units and nine homeownership units came available in the City because of AHF funds. Presently, the City has an overall total of 408 affordable housing units in the pipeline. Projects that encountered significant delays in timelines due to residual impacts from COVID-19 are beginning to reach completion as the impacts on

funding and the availability and cost of construction are addressed or resolved. In addition, the lack of available and affordable land combined other expense related costs consistently impact developer’s ability to meet the timelines associated with the goals.

**Discuss how these outcomes will impact future annual action plans.**

The land acquisitions from CDBG and Affordable Housing Fund resources between 2020 and 2023 will continue to meet the goals set in the 2023-2027 Consolidated Plan. Some of these developed rental units may not be a result of any CDBG funding and will likely leverage the City’s other funding resources and state funding. Pursuing affordable rental housing development will need to be maintained in future annual action plans according to Oregon’s Regional Housing Needs Analysis under House Bill 2003 (RHNA).

This assessment also identifies a need for greater housing development of units for households at or below 30 percent Area Median Income (AMI). It is best practice to provide services with housing for households at this extremely low-income level to maintain stability and avoid houselessness. Deschutes County awarded American Rescue Plan Act of 2021 (ARPA) funding in combination with Bend’s Affordable Housing Fund resources and Oregon Housing and Community Development Permanent Supportive Housing (PSH) Award for the development of Cleveland Commons. This future PSH, projected to open to residents at the start of 2025, will offer thirty-three units to formerly chronically homeless persons.

While one-time funding under the CARES Act and other resources allowed Bend to address this need in response to COVID-19, sustained funding to maintain services for such permanent supportive housing will need to be identified in the future. Additionally, the City will need to partner with more permanent supportive housing developers to increase the number of PSH units needed under Oregon’s RNHA.

Additionally, Tax Increment Financing (TIF) development is underway in historically low- and moderate-income Bend neighborhoods. This may improve the economic vitality of the area but could also gentrify the community. It is important that Affordable Housing resources safeguard housing choice for community members in these neighborhoods.

**Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.**

Number of Households Served	CDBG Actual	HOME Actual
Extremely Low-income	0	0
Low-income	0	0
Moderate-income	18	0
<b>Total</b>	<b>18</b>	<b>0</b>

**Table 7 – Number of Households Served**

## Narrative Information

Bend is fortunate to have additional affordable housing development resources outside of CDBG. The Affordable Housing Program aims to create 100 housing units per year. Developments that received CDBG funds in previous years came into the market. Rental and mortgage assistance funds expensed through CICT funds allowed many community members to maintain housing.

A total of nineteen households achieved homeownership with CDBG funds from previous program years. Bend-Redmond Habitat for Humanity used 2022 CDBG funds to serve 12 households at 27<sup>th</sup> Street Townhomes, and RootedHomes used 2021 CDBG funds to serve seven families at Poplar. These two subrecipients applied CDBG funds for home sales for five female-headed moderate-income households and three elderly households, utilizing CDBG for either land acquisition or homebuyer assistance. In addition, nine households achieved homeownership with AHF funds from previous program years. Bend-Redmond Habitat for Humanity used 2019 AHF funds to serve one family at Logan, and Thistle & Nest used 2024 AHF funds to serve eight families at Woodhaven. Six of these households are female-headed households and one is an elderly household (over 62 years of age).

AHF funds and TIF benefited 72 households with an affordable rental apartment at Stillwater Crossing, a Low-Income Tax Credit community which completed 168 units in the previous two program years. Of the Stillwater Crossing community members, all 72 households identified from low-income households, 53 households were female-headed, and five were elderly households.

Far more renters benefited from City of Bend affordable housing resources than homeowners. Bend prioritizes resources for creating and preserving affordable rental opportunities because 24.60 percent of Bend's community members are severely rent burdened. Data trends show low-income households are shifting away from spending more than 30 percent of their income on housing to spending more than 50 percent of their income on housing, both in renters and owners. This trend is also seen in the elderly population, suggesting that the elderly have greater cost burden as their fixed incomes now cover less of rising housing costs.

When completing the 2023-2027 Consolidated Plan, data trends over time showed that the number one increase in housing problems for low-income renters is substandard housing. Moderate-income households see the greatest impact, with a 288 percent increase in substandard housing problems since the last Consolidated Plan. Using CHAS data to determine the age of housing where low- to moderate-income households live, 42 percent live in homes built in 1980 or earlier. This may suggest 2 things: older properties have already been repaired, or newer construction is now need of repair (20+ years old). All of this suggests that the lower income renters are paying more for less quality of housing. City Council has made it a priority to address persons precariously housed or homeless. A high priority for Council is safe shelter for our community members experiencing homelessness. Council adopted multiple strategies to this effort including (1) code changes for safe overnight parking with services to transition back into housing, (2) code changes and funding for outdoor shelters with services to

transition back into housing, and (3) code changes which allowed emergency shelters in more areas of Bend and purchasing hotels to rehabilitation into emergency shelters.

In addition to addressing Bend's vulnerable houseless community members, City Council has made it a priority to address accessibility for our senior and disabled community members. Throughout the year, the City's Accessibility Advisory Committee recommends infrastructure needs for our physically disabled community members.

DRAFT

## **CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)**

**Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:**

### **Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs**

In the 2023 Program Year, the City of Bend invested significant time and resources into reaching houseless community members and identifying their individual needs. The City of Bend is committed to providing resources and support to individuals and families facing houselessness and to the community partners that provide services to vulnerable people. The City of Bend has created a webpage to provide updates and resources to the community:

<https://www.bendoregon.gov/government/departments/housing/houselessness-solutions> .

As an active supporter and participant of the Homeless Leadership Coalition, which is the local Continuum of Care organization, the City actively engaged in communicating with a wide spectrum of local service providers. City staff interacted with its community members experiencing homelessness at the Family Kitchen, at Cascade Youth and Families Center, and at shelters known as the Lighthouse Navigation Center, Stepping Stone, and Franklin Avenue Shelter.

Bend also participates in the Coordinated Houseless Response Office (CHRO) with Deschutes County and the Cities of La Pine, Sisters, and Redmond. The CHRO seeks to provide a framework and support for the region to pool resources, increase shelter and provider capacity, and coordinate services for individuals and families experiencing houselessness in Deschutes County.

### **Addressing the emergency shelter and transitional housing needs of homeless persons**

Houselessness continues to grow in the City of Bend and so does the need for emergency shelter and transitional housing.

According to Bend's 2024 Point-in-Time (PIT) count, 959 persons identified as living unsheltered in Bend. During the 2022 program year, Bend City Council committed to a goal of increasing shelter beds to 500. To reach this goal, the City allocated ARPA funds, created two staff positions, and applied for a myriad of funding through state agencies. At the end of 2022 program year, the total shelter capacity across the City of Bend was 505 beds. On July 1, 2024, Bend shelters and Safe Parking sites have 522 shelter beds and seven more in development.

Houseless individuals consistently report to City staff that there is a lack of shelter beds to meet their needs. Many people advocated for campgrounds geared to tent and RV camping with basic services. People reported the desire to use their own tents and vehicles in a professionally managed site with

services like water, electricity, and bathrooms rather than facilities that did not meet their needs due to capacity or other programmatic requirements.

The Lighthouse Navigation Center provides low-barrier emergency congregate shelter for up to 100 overnight beds and comprehensive daytime services, including assessment and referral for health care, case management, and the tools needed to acquire more permanent housing. Prior to June 30, 2022, the site was a warming shelter offering only overnight shelter. The Lighthouse and warming shelter were / are both operated by Shepherd's House Ministries through a contract with the City of Bend. The Lighthouse Navigation Center is currently undergoing rehabilitation to transform the former open-concept thrift store into a fully functional navigation center, offering showers, access to laundry, a commercial kitchen and larger, updated bathrooms.

During FY 2022, the Stepping Stone Shelter (Formerly the Bend Value Inn) underwent major rehabilitations and opened at full capacity in February 2023. This site is a 56-bed low-barrier non-congregate shelter operated by NeighborImpact.

In May 2022, the City purchased the 50-room Franklin Avenue Shelter (formerly the Rainbow Motel). During the Stepping Stone renovations, NeighborImpact, through a contract with the City, temporarily operated a low-barrier, non-congregate shelter at this location. After the Stepping Stone renovations were completed, the City was awarded grant funds. In May 2023, the City signed an 18-month contract with Shepherd's House Ministries for operations of this site as a 60-bed low-barrier emergency shelter.

Central Oregon Villages (COV) is a 20-bed Temporary Outdoor Shelter. The COV program is high barrier and includes case management, full bathrooms, a kitchen trailer, office space, and open space.

The City continues to seek resources and participate in conversations around the increased need to keep community members housed. Legislative changes to address the need statewide also prompted City staff to create an application that streamlines development of shelters and other solutions supported in the State legislation. Furthermore, the City extensively revised shelter and building code to allow for additional housing types and shelter types throughout Bend.

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs**

The City provided CDBG funding for a continuum of services that assist individuals and families in providing shelter or transitioning out of homelessness. Both J Bar J's LOFT and Grandma's House provided shelter to unhoused teens, supporting them as they transfer out of homelessness and into

more stable situations. Bethlehem Inn provided additional program delivery personnel to expand case management capacity for persons experiencing houselessness.

Additionally, the City provided guidance and assistance as needed to the Homeless Leadership Coalition in their continuing efforts to address homelessness in all populations.

In 2023 Bend awarded \$218,000.00 CICT funds toward the operational services of the City's first permanent supportive housing project. Cleveland Commons will support at least 33 of the hardest-to-house chronically homeless community members. The City will need more permanent supportive housing developments to support our community members transitioning from public institutions.

**Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again**

The City works with various agencies and community partners to address the needs of individuals and families transitioning into housing. Most of this work is done through providing CDBG funding support to the Lighthouse Navigation Center, J Bar J's LOFT and Grandma's House, and Bethlehem Inn. Case management at the Lighthouse Navigation Center, Franklin Avenue Shelter, Stepping Stone, Central Oregon Villages, and Safe Parking, provides homeless individuals and families with assistance and education necessary to transition into permanent housing and maintain housing stability. At the Navigation Center, more than 30 partner organizations provide reach in connections to move individuals and families into more permanent housing.

## **CR-30 - Public Housing 91.220(h); 91.320(j)**

### **Actions taken to address the needs of public housing**

Housing Works assists Central Oregon families and individuals in obtaining quality, affordable housing options and more. They provide access to well-maintained rental communities, homeownership opportunities, and rental assistance. Housing Works leverages public and private funding obtained through innovative partnerships to create housing opportunities that fill community-defined needs.

While Housing Works does not own “public housing” as defined by HUD, Housing Works operates a significant portfolio of 616 units in Bend (an increase from 546 units in the previous Consolidated Plan submitted in 2019). These consist of 1) affordable housing developed using funding mechanisms such as housing authority bond issuances or low-income Housing Tax Credits which serve a particular target market; and 2) housing that is subsidized on an ongoing monthly basis through various government programs, aimed at serving the lowest income community members. Housing Works maintains their properties in excellent condition. Each Housing Works property maintains its own waiting list for prospective tenants. These lists vary by property and program.

Housing Works is a viable, competent, and valued partner of the City of Bend in addressing the needs of affordable housing. In addition to the numerous projects done over the years with Housing Works, the City fully expects this collaboration to continue. Housing Works will be an integral partner in addressing Bends current rental housing crisis. They are the most experienced and successful developer of large-scale affordable housing projects in the region and are the owners of the largest portfolio of affordable housing east of the Cascades.

### **Actions taken to encourage public housing residents to become more involved in management and participate in homeownership**

Currently, residents of Housing Works properties take part in voluntary family self-sufficiency activities and a resident holds a position on Housing Works governing board. The City encourages the involvement of affordable housing residents in the management of the facilities and the transition of public housing residents to homeownership.

### **Actions taken to provide assistance to troubled PHAs**

There are no troubled PHAs in Central Oregon.

### **CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)**

**Actions taken to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. 91.220 (j); 91.320 (i)**

Housing staff regularly work with all other City departments to streamline code and processes affecting affordable housing developments throughout Bend, so that all Bend community members can find housing in the neighborhood of their choice.

In the last year, the City of Bend evaluated and changed the methodology for calculating System Development Charges (SDCs). The updates reflect the project lists of recent master planning efforts, bring calculations current with more recent data, enhance consistency across SDC fee structures, support Council goals related to housing, and incorporate state best practices and feedback heard from stakeholders throughout the 2023 SDC methodology update process. Following the update process, Council adopted the methodology and SDC fee structure that exempts payment of SDCs for affordable housing developments intended for households at or below 80% and shelters for persons experiencing houselessness.

Current policy changes under development are the master permit reissue pilot. The changes will allow for exact duplicates of approved one- and two-family dwelling plans to be reissued for a permit. This typically reduces the time needed for issuing a building permit by limiting the plan review required to non-structural site-related issues, such as setbacks and lot coverage.

Looking ahead, the City of Bend is evaluating Site Specific Tax Increment Financing. Tax increment financing is not a new tax on property and does not increase the amount a property owner pays in property taxes; it is a financing mechanism used throughout Oregon to implement city plans in designated areas. Tax increment financing makes investments that spur private development that would otherwise not have occurred. Revenue for a tax increment financing plan is generated by the growth in assessed property value from new development and/or redevelopment within the area. Property owners do not receive an increase in taxes from tax increment financing. The proposal Site Specific Tax Increment Financing under consideration would offer housing production incentives for multifamily rental developments to enter into a deed restriction that at a minimum 15 percent of the dwelling units' rental rates would be affordable to households at 90 percent AMI or less.

**Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)**

Bend will continue to inquire of low- and moderate-income households and, specifically those experiencing homelessness, regarding their experience with access to computers and the internet.

Lessons learned from the Covid-19 Pandemic demonstrated the importance of in-home access to the internet. For Bend's community members without a home, access is only available to them in public spaces during hours of operation. Housing staff outreach asked those experiencing homelessness, regarding their experience with access to computers and the internet. For Bend's community members without a home, access is only available to them in public spaces during hours of operation. Primarily those that identified as houseless reported difficulties charging their phones for access to the internet.

Extreme weather instances in the region in recent years also taught valuable lessons. Partnerships between homeless service providers and the City enabled expanding places to sleep and hours of operation at emergency shelters for persons experiencing homelessness to escape winter cold or summer smoke and heat. In the Summer, the City of Bend funded hygiene and cooling stations with water to identified areas where community members were living outdoors. Bend created an Extreme Weather Preparation operating procedure for preparation of further extreme weather occurrences.

Deschutes County updates its Natural Hazards Mitigation Plan (NHMP) pursuant to the Disaster Mitigation Act of 2000 with participation of the municipalities within the county, including Bend. Approval of the NHMP and its Bend Addendum ensures the City's eligibility for disaster mitigation project grants. On November 3, 2021, City Council adopted the City of Bend Addendum to the 2021 Deschutes County Natural Hazards Mitigation Plan. The Addendum addresses potential natural hazards and the potential actions the City can take with Deschutes County.

In 2023, Bend hired its Director of Emergency Management to further its work in planning responses to disasters and major emergencies. The City will be better prepared for natural hazards and climate change risks as the newly hired Director implements a program to respond to these risks and mitigate any potential harm to the community.

#### **Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)**

City of Bend staff annually reviews data made available through the Oregon Health Authority's Monthly Communicable Disease Surveillance Report, which includes case counts of Lead Poisoning by month. Deschutes County consistently contains fewer cases than is required to report, suggesting that Lead Poisoning is not a significant concern or health risk here.

The potential exposure to lead-based paint in Bend is lower than many areas, with more than two-thirds of the existing housing stock built in 1980 or later. Any housing developed before 1978 has some risk of lead-based paint, and approximately 26 percent of Bend's housing stock was built before 1979. However, the risk of lead-based paint in these units is far lower than for older housing units.

The City continues research on the lead-based paint hazard in Bend and will explore options for funding lead-based paint evaluation and abatement projects as needed. Additionally, the City acts as a resource to agencies and individuals regarding Lead Based Paint questions and the City can provide both Risk Assessment assistance and consultation regarding hazard abatement and project management.

### **Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)**

The City actively works 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-reliance, as well as job attainment and retention skills. The Lighthouse Navigation Center, Stepping Stone, Bethlehem Inn, the LOFT, and Grandma's House provide coordinated services directed at moving individuals and families into permanent housing and stabilization.

### **Actions taken to develop institutional structure. 91.220(k); 91.320(j)**

The City continued technical assistance to agencies implementing projects with CDBG funds. Utilizing Neighborly Software as a case management system allows the City greater access to virtual desk monitoring. Virtual desk monitoring determined organizations' capacity to undertake a CDBG funded project. The results of the virtual desk monitoring assisted organizations in identifying ways to improve capacity, efficiency, and service area analysis (markets), and to improve project performance.

Project requirements for both City staff and the subrecipient organization are monitored and clearly outlined in grant agreements, and 100% of current awardees were monitored in this last program year. Grant agreements with subrecipients incorporated specific language from federal regulations. City staff supported strategic plan development of its subrecipients. Finally, City staff provided regular subrecipient training through the year. The results of the risk assessment 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 over the program year improved 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 needs.

### **Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)**

In the 2020 program year, the City Council recognized the need for additional services operational funding and created a Commercial and Industrial Construction Fund through a commercial and industrial construction tax (CICT) on commercial and industrial development. Any funds generated through the CICT program will be applied to housing and services for persons at or below 30 percent AMI. During the 2022 program year, \$100,000 in CICT funds were paired with \$400,000 in ARPA funds. Six (6) agencies were awarded funds through a competitive application process. In 2023 and 2024, awardees have provided supports to the community through rental and mortgage assistance, medical care for uninsured residents, houseless resident supports, and the rehabilitation of Bend's Senior Services HUB building. PSH at Cleveland Commons is anticipated to begin in 2025.

Through its involvement with the Homeless Leadership Coalition, the City of Bend partners with organizations providing services to the homeless population. The City assists in coordinating and funding programs with Central Oregon FUSE, NeighborImpact, Volunteers in Medicine, Shepherd's House,

Thrive, and other providers of services to the chronically homeless.

The Affordable Housing Advisory Committee serves in an on-going capacity. The Committee is composed of housing developers, social service professionals, the public-at-large, representatives from local home builders and the real estate industry, and the Chamber of Commerce. Together, they provide valuable expertise to City staff and the City Council and serve to enhance the coordination of service delivery in the broader community.

The City recognizes the importance of coordination and has taken an active leadership in the County and across the state to enhance coordination between public and private housing and social service agencies. Through the Emergency Homelessness Task Force and the future Collaborative Office, the actions of City will further 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's Housing Department has doubled staff and capacity. The Affordable Housing Manager serves as a point of contact and to coordinate the City's role in addressing housing and community development needs.

The Affordable Housing Advisory Committee reviews all CDBG applications. The Committee, which is composed of housing developers, social service professionals, affordable housing tenants, realtors, lenders, 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.

**Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)**

Impacts of COVID-19 brought attention to inequities for Bend community members. In 2021, City staff presented to Council and the community the affirmatively furthering fair housing basis for code changes (See the City staff presentation at <https://youtu.be/h4dC1NAldzY>). Council adopted the City codes changes for more middle housing in single-family zoned areas, such as duplexes, triplexes, quadplexes, townhomes, and cottage clusters. Since these code changes, the Bend community added 378 townhomes, 254 duplexes, and 193 Accessory Dwelling Units (ADUs).

In 2024 Bend revised the Analysis of Impediments to Fair Housing document. Community participation occurred over six months and included eight public events, a Fair Housing Online Survey available in English and Spanish, two open houses at affordable apartment communities, and consultations with thirteen community and/or government agencies. Based on data and public input gathered and reviewed in this analysis, five fair housing impediments were identified. The analysis evaluated criteria by census tract to identify areas of possible concentration and areas with opportunity for social mobility. The full report explains the impediments and associated recommendations in extensive detail. A total of five impediments were identified, resulting in 20 recommendations to be addressed in the next five years.

Transportation developments this past program year included street and sidewalk infrastructure that served areas of Bend with greater diverse populations, greater poverty populations, greater non-English speaking populations, greater disabled populations, and emergency homeless shelters. When the Lighthouse Navigation Center moved locations temporarily for building rehabilitation, the City added a crosswalk and flashing lights to the area for the community members safety while accessing the temporary overnight location and the day services location. Additional sidewalk improvements, bike lanes, and sidewalk improvements occurred in census tracts identified in need of greater community investment under the current Analysis of Impediments to Fair Housing.

Finally, the City requires CDBG applicants for affordable housing development funding provide an affirmatively furthering fair housing marketing plan and applicants for public services funding provide an equity and inclusion policy for the customers it serves.

DRAFT

## **CR-40 - Monitoring 91.220 and 91.230**

**Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements**

In 2023, all CDBG awardees for the program year were monitored with either a desktop audit or an in-person monitoring event. Subrecipients were provided with technical assistance, when appropriate, and provided with formal monitoring responses.

In May 2023, report PR-56 (CDBG Timeliness Report) showed that Bend's 2022 program year was untimely, with an adjusted draw ratio of 1.70. A Workout Plan was drafted but was later determined to not be required by HUD. Regardless, elements of the Workout Plan were implemented in the 2023 program year, including moving from quarterly to monthly reporting, quarterly Subrecipient Timeliness Letters, and a formalized Risk Assessment process. Subrecipients were notified of these changes during in-person monitoring as well as in post-award orientation meetings for the next program year. In April 2024, report PR-56 showed that Bend was no longer untimely, now with an adjusted draw ratio of 0.76.

Prior to opening the 2024 program year application cycle, initial potential applicant training provided a general overview of program management requirements, financial standards, and community interaction expectations. If needed, additional training occurred to introduce or reinforce Neighborly Software's case management system. The case management system allows case file documents to be easily shared between city staff and its CDBG subrecipients. The City's Affordable Housing Coordinator reviewed the records of all subrecipients, including goals, objectives, client files (where appropriate), accuracy of reports and supporting documentation.

Housing Department staff provided regular subrecipient performance updates to the Affordable Housing Advisory Committee (AHAC). Consequently, AHAC continued to fund programs that perform timely and met benchmarks.

In order to monitor its own performance in meeting the goals and objectives outlined in the Consolidated Plan, the City regularly reviews the Plan and assesses the City's progress toward meeting the goals and objectives in the annual plan. The Annual Plan includes an extensive community process to allocate the CDBG funds.

City staff continue to reach out to minority businesses and population specific service providers for funding opportunities. Those discussions will need to continue because the largest barrier for minority businesses and population specific organizations to utilize such funding is capacity to navigate the requirements of the funding.

### **Citizen Participation Plan 91.105(d); 91.115(d)**

**Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.**

Similar to the process of the Consolidated Plan and Annual Action Plan, public comment is encouraged for the CAPER, which is placed online for public to review and assess. The Affordable Housing Advisory Committee evaluates the CAPER and provides staff with feedback to Housing Department staff. While the City's website can be translated into multiple languages, public notices now include information on translation and any documents posted on the website will be translated in accordance with the Four Factor Analysis as outlined in Executive Order 13166. Fortunately, all hybrid (in-person and virtual) public meetings provide captioning in multiple languages. Finally, a copy of the CAPER is sent to the Affordable Housing Advisory Committee for input.

### **CR-45 - CDBG 91.520(c)**

**Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.**

No changes have been necessary in the last several years. The goals of Bend's Consolidated Plan appear to be valid even in the hyper-charged housing market that is Bend.

**Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?**

No

**[BEDI grantees] Describe accomplishments and program outcomes during the last year.**

**CR-45 - CDBG 91.520(c)**

**Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.**

No changes have been necessary in the last several years. The goals of Bend's Consolidated Plan appear to be valid even in the hyper-charged housing market that is Bend.

**Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?**

No

**[BEDI grantees] Describe accomplishments and program outcomes during the last year.**

DRAFT

### CR-58 – Section 3

Identify the number of individuals assisted and the types of assistance provided

Total Labor Hours	CDBG	HOME	ESG	HOPWA	HTF
Total Number of Activities	0	0	0	0	0
Total Labor Hours	0				
Total Section 3 Worker Hours	0				
Total Targeted Section 3 Worker Hours	0				

Table 8 – Total Labor Hours

Qualitative Efforts - Number of Activities by Program	CDBG	HOME	ESG	HOPWA	HTF
Outreach efforts to generate job applicants who are Public Housing Targeted Workers	0				
Outreach efforts to generate job applicants who are Other Funding Targeted Workers.	0				
Direct, on-the job training (including apprenticeships).	0				
Indirect training such as arranging for, contracting for, or paying tuition for, off-site training.	0				
Technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance, coaching).	0				
Outreach efforts to identify and secure bids from Section 3 business concerns.	0				
Technical assistance to help Section 3 business concerns understand and bid on contracts.	0				
Division of contracts into smaller jobs to facilitate participation by Section 3 business concerns.	0				
Provided or connected residents with assistance in seeking employment including: drafting resumes, preparing for interviews, finding job opportunities, connecting residents to job placement services.	0				
Held one or more job fairs.	0				
Provided or connected residents with supportive services that can provide direct services or referrals.	0				
Provided or connected residents with supportive services that provide one or more of the following: work readiness health screenings, interview clothing, uniforms, test fees, transportation.	0				
Assisted residents with finding child care.	0				
Assisted residents to apply for, or attend community college or a four year educational institution.	0				
Assisted residents to apply for, or attend vocational/technical training.	0				
Assisted residents to obtain financial literacy training and/or coaching.	0				
Bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns.	0				
Provided or connected residents with training on computer use or online technologies.	0				
Promoting the use of a business registry designed to create opportunities for disadvantaged and small businesses.	0				
Outreach, engagement, or referrals with the state one-stop system, as designed in Section 121(e)(2) of the Workforce Innovation and Opportunity Act.	0				

Other.	0				
--------	---	--	--	--	--

**Table 9 – Qualitative Efforts - Number of Activities by Program**

**Narrative**

There were no Section 3 activities awarded funds or utilized from previous awards in 2023.

DRAFT