CITY OF BETHLEHEM

Department of Community and Economic Development Interoffice Memorandum

Date: June 25, 2025

To: Michael G. Colón, President of City Council

From: Robert G. Vidoni, Housing and Community Development Administrator

Re: July 1, 2025 CDBG/HOME Hearing: Proposed Allocations; HUD Submissions

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The United States Department of Housing and Urban Development (HUD) recently announced the City of Bethlehem's program year (PY) 2025 Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) allocations. For PY 2025, HUD will grant the City $1,418,306.00 in CDBG funds and $417,183.96 in HOME funds. Our 2025 CDBG allocation increased approximately $3,000 over the prior year and our HOME grant increased approximately $26,000 from 2024. The City generally accepts CDBG applications for the next program year each winter and evaluates applications in the spring. HOME applications are reviewed throughout the year, on a rolling basis.

The Department of Community and Economic Development (DCED) convened an inter-departmental evaluation committee to review 2025 CDBG/HOME funding applications. The committee generated funding recommendations after scoring external applications using a standardized system, and assessing application quality, prior funding, consolidated planning goals, financial liability and risk considerations, applicant compliance history, beneficiary numbers, and other factors. Following scoring and evaluation, the committee recommendations were reviewed by the Mayor.

CDBG grants are particularly competitive and it is impossible to fund every applicant, especially for CDBG public service projects, which are subject to a HUD cap equal to 15% of the City's applicable CDBG allocation. The PY 2025 public service cap is $212,746. Subject to future funding availability, DCED generally encourages unfunded applicants to re-apply during the next funding cycle and to investigate eligibility for other sources of potential City funding, such as Community Recovery Fund grants.

The Administration submits the attached materials to Council in connection with the July 1st public hearing on the Administration's recommended CDBG and HOME allocations for inclusion in the City's PY 2025 Annual Action Plan and 2025-2029 Consolidated Plan documents for submission to HUD. Please see the attached spreadsheet summarizing the Administration's proposed CDBG and HOME funding recommendations. Please note, the spreadsheet shows proposed PY 2025 CDBG funding in a separate column from a "Reallocated Other Funding" column, which includes proposed reallocations of prior-year funds.

At the July 15, 2025 Council meeting, the Administration will submit a resolution for Council consideration requesting authorization to submit the City's CDBG/HOME allocations and referenced planning documents to HUD as part of the City's consolidated planning submissions. Thank you and please let me know if you have any questions or desire additional information.

Robert G Vidoni

Robert G. Vidoni
Housing and Community Development Administrator
Department of Community and Economic Development

cc: Laura Collins, DCED Director
Sara Satullo, DCED Deputy Director

ATTACHMENT

PUBLIC HEARING DOCUMENT(S)
July 1, 2025 Public Hearing - City Council

Summary of the Administration's Proposed Program Year 2025/Other Year CDBG and HOME Allocations

SUMMARY - PY 2025 CDBG/HOME FUNDING RECOMMENDATIONS (ACTION PLAN/CONSOLIDATED PLAN ALLOCATIONS)

City of Bethlehem, PA - Program Year 2025

CDBG

2025 CDBG Award to City (from HUD): $1,418,306

CDBG Program Admin Cap (20%):	$283,661
Pub. Service Cap (15%):	$212,746

Ref. No.	Type	Organization	Description	PY 2025 CDBG Funding	Reallocated Prior-year Funding
1	A	City Program Administration and Planning PY2025	CDBG Program Administration and Planning Costs	283,661	0
2	PS	Community Action Development Corporation of Bethlehem	Tenant Advocacy Program (tenant education and engagement; landlord-tenant mediation; housing referrals)	15,000	0
3	PS	Bethlehem Emergency Sheltering, Inc.	Emergency homeless shelter and services running November - April	67,746	0
4	PS	Hogar CREA International of Pennsylvania, Inc.	Substance abuse counseling and treatment services (in-patient treatment for women)	20,000	0
5	PS	Lehigh Valley Center for Independent Living	PLACE Program (housing counseling services for elderly and disabled individuals at-risk of homelessness)	15,000	0
6	PS	ShareCare Faith in Action	Volunteer caregiving and other services to elderly and disabled individuals and their caregivers	10,000	0
7	PS	Hispanic Center Lehigh Valley	Food pantry services (culturally-appropriate emergency food services to individuals and families)	20,000	0
8	PS	New Bethany Inc.	Representative Payee Program (fiduciary/banking/payment services for disabled individuals)	50,000	0
9	PS	North Penn Legal Services	Fair housing programs and related legal services for income-qualified beneficiaries	15,000	0
10	H	Community Action Lehigh Valley	Administration of Bethlehem Homebuyer Assistance Program (BHAP) (Financial Counseling; down payment/closing assistance)	25,000	0
11	H	Community Action Development Corporation of Bethlehem	Exterior Rehabilitation and Weatherization Program - owner-occupied facade improvements	66,000	0
12	H	City Housing Rehab Grants and Loans	Rehabilitation, including emergency repairs, of owner-occupied, LMI, households in the City	300,000	58,658
13	H	City Housing Rehab Program Delivery	Program delivery salary and delivery costs for City Housing Rehabilitation program	241,500	0
14	C	New Bethany Inc.	Drop-in Center Improvements (facilities improvements and rehabilitation related to kitchen)	50,900	24,100
15	C	Holy Family Manor	Life-safety/Fire system improvements for facilities serving LMI nursing home patients and supporting staff	0	75,000
16	C	City Goepp St Corridor Improvements	Street corridor improvements along Goepp St from Main St. to New St and from Center St. to High St (northside)	199,990	0
17	C	City West 4th St Corridor Improvements	Street corridor improvements along W 4th St from S New St to Broadway (southside)	0	100,000
18	O	City Future Projects/Grants	Funding available for allocation to fund completion of existing projects, new projects, or program contingencies	38,509	14,595
19	A/NRSA	Northside Alive/NRSA Strategy	Update Neighborhood Revitalization Strategy Area (NRSA) strategy document in connection with HUD-designated zone	0	24,710
20	H	RDA Blight program Administration	Bethlehem Redevelopment Authority (RDA) blight prevention and elimination program administration	0	30,641
			Total CDBG Allocations:	**$1,418,306**	**$327,704**

HOME

2025 HOME Award to City (from HUD): $417,184

HOME Program Admin Cap (10%):	$41,718
CHDO Minimum (15%):	$62,578

Ref. No.	Type	Organization	Description	HOME Funding
21	A	City HOME Program Administration and Planning PY2025	HOME Investment Partnerships Program (HOME) Administration and Planning Costs	41,718
22	CHDO	Community Action Lehigh Valley	Community Housing Development Organization (CHDO) Set Aside (affordable housing development and eligible CHDO activities)	62,578
23	H	City of Bethlehem	Affordable Housing Project Opportunities: potential homebuyer, rental, rehabilitation, or other HOME-eligible housing projects	312,888
			Total 2025 HOME Allocations:	**$417,184**

Community Development Block Grant (CDBG) - United States Department of Housing and Urban Development (HUD) funding

HOME Investment Partnerships Program (HOME) - HUD funding directed toward housing projects

Project Types	
A	Administration
CHDO	CHDO Set-Aside
H	Housing
NRSA	NRSA / Other - Northside 2027
PS	Public Service
C	Construction; Facilities; Infrastructure
O	Other