

CITY OF BETHLEHEM

Department of Community and Economic Development Interoffice Memorandum

Date: July 13, 2026
To: Rachel Leon, President of City Council
From: Laura Collins, Director of Community and Economic Development
Re: Proposed PY 2026 CDBG/HOME Allocations and Action Plan Resolution

The United States Department of Housing and Urban Development (HUD) announced the City of Bethlehem's program year (PY) 2026 Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) federal formula grant allocations. For the 2026 program year, the City's formula grant allocations from HUD are \$1,370,309.00 in CDBG funds and \$388,308.10 in HOME funds. The City's CDBG and HOME formula allocations are determined based on a variety of weighted community indicators such as population, people in poverty, overcrowded housing units, population growth lag since 1960, and pre-1940 housing units. The congressional appropriation for HUD community development programs also affects our annual allocations.

The Department of Community and Economic Development (DCED) convened an evaluation committee to review funding applications. The committee prepared CDBG and HOME funding recommendations after evaluating and scoring applications and discussing them in context with considerations related to capital project planning, procurement requirements and timelines, compliance risk, financial risk, and other factors. The funding recommendations were subsequently reviewed by the Mayor.

In connection with the City's proposed PY 2026 CDBG and HOME annual action plan (the "Plan"), please see the attached spreadsheet of proposed Plan activities and allocations ([Attachment A](#)) for discussion at the July 21, 2026, City Council hearing. Additionally, we respectfully request that City Council consider the attached proposed resolution at the July 21, 2026, City Council meeting related to the referenced Plan and proposed CDBG and HOME projects and allocations. The proposed resolution is [Attachment B](#) to this memorandum. The resolution would authorize DCED to submit the proposed action plan allocations, projects, and related materials to the United States Department of Housing and Urban Development (HUD) to receive our PY 2026 CDBG and HOME allocations.

Thank you and please let us know if you have any questions or would like additional information.



Laura Collins, Esq.
Director of the Department of Community and
Economic Development

Cc: Sara Satullo, Deputy Director, DCED
Robert G. Vidoni, Housing and Community Development Administrator, DCED

Attachment A
Proposed PY 2026 Action Plan
CDBG and HOME Projects and Allocation Summary Spreadsheet

SUMMARY - PY 2026 CDBG/HOME FUNDING PROPOSALS - JULY 21, 2026 PUBLIC HEARING

City of Bethlehem, PA - Program Year 2026

Community Development Block Grant (CDBG) Activities				
2026 CDBG Award to City (from HUD):		\$1,370,309.00		
				CDBG Program Admin Cap (20%): \$274,061.80
				Pub. Service Cap (15%): \$205,546.35
Ref.	Type	Organization/Recipient	Description	
1	A	City of Bethlehem	CDBG program admin. and planning costs for personnel cots, professional fees, studies, and other eligible administration costs	229,061.800.00
2	PS	Community Action Development Corp. of Bethlehem	Tenant Advocacy Program (tenant education and engagement; landlord-tenant mediation; housing referrals)	15,000.000.00
3	PS	Bethlehem Emergency Sheltering, Inc. (BES)	Emergency homeless shelter and services running November - April	50,546.350.00
4	PS	Hogar CREA International of Pennsylvania, Inc.	Substance abuse counseling and treatment services (in-patient treatment for women)	20,000.000.00
5	PS	Lehigh Valley Center for Independent Living	PLACE Program (housing counseling services for elderly and disabled individuals at-risk of homelessness)	15,000.000.00
6	PS	ShareCare Faith in Action	Volunteer caregiving and other services to elderly and disabled individuals and their caregivers	10,000.000.00
7	PS	Hispanic Center Lehigh Valley	Food pantry services (culturally-appropriate emergency food services to individuals and families)	20,000.000.00
8	PS	New Bethany Inc.	Representative Payee Program (fiduciary/banking/payment services for disabled individuals)	50,000.000.00
9	PS	Community Action Lehigh Valley	Administration of Housing Counseling Bethlehem Homebuyer Assistance Program (BHAP)	25,000.000.00
10	A	North Penn Legal Services	Housing Stability Project; legal services for beneficiaries facing eviction and other housing-related legal needs	20,000.000.00
11	H	Community Action Development Corp. of Bethlehem	Exterior Rehabilitation and Weatherization Program - owner-occupied facade improvements	66,000.000.00
12	H	City Housing Rehab Grants and Loans	Rehabilitation, including emergency repairs, of owner-occupied, LMI, households in the City (\$150,000 total)	100,000.0050,000.00
13	H	City Housing Rehab Program Delivery	Program delivery salary and delivery costs for City Housing Rehabilitation program	200,000.000.00
14	H	New Bethany Inc.	Wyandotte Apartment Renovations: Improvements to Section 8 rental unit and safety fence installation	50,000.000.00
15	C	Bloom for Women	Heather House Improvements (women transitional group home): facility expansion, roof replacement, bathroom addition	80,000.000.00
16	C	Via of the Lehigh Valley, Inc.	Vocational Training Workshop Facility Upgrades: purchase and installation of generator and sump pump replacement (\$299,000 total)	168,919.00130,081.00
17	C	City; BES; Christ Church UCC	Emergency homeless shelter rehabilitation project; design and engineering soft costs	215,781.850.00
18	O	City - Future Projects/Grants	Funding available for allocation to fund completion of existing projects, new projects, or program contingencies	10,000.000.00
19	O	City - Department of Public Works	Site Clean-up and safety improvements at site of unhouesed encampment located off of Center St.-south of City Hall	0.0050,000.00
20	A	Bethlehem Redevelopment Authority	Blight prevention and elimination program administration	25,000.000.00
			Total PY 2026 CDBG Allocations:	1,370,309.00230,081.00

HOME Investment Partnerships (HOME) Activities				
2026 HOME Award to City (from HUD):		\$388,308.10		
				HOME Program Admin Cap (10%): \$38,830.81
				CHDO Minimum (15%): \$58,246.22
Ref.	Type	Organization/Recipient	Description	
21	A	City of Bethlehem	HOME Investment Partnerships Program (HOME) Administration and Planning Costs	38,830.81
22	CHDO	Community Action Lehigh Valley	Community Housing Development Organization (CHDO) Set Aside (affordable housing development and eligible CHDO activities)	58,246.22
23	H	Pennrose entity	Gateway on 4th multi-family rental new construction (60 units, mixed income). Total funding in action plan: \$1,488,173.14	291,231.071,196,942.07
			Total PY 2026 HOME Allocations:	388,308.101,196,942.07

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

Attachment B
Proposed PY 2026 Action Plan
Approval Resolution

RESOLUTION NO. 2026 - _____

WHEREAS, Federal regulations require the City of Bethlehem, Pennsylvania (the “City”), as a U.S. Department of Housing and Urban Development (HUD) entitlement community, to prepare a program year 2026 Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) Annual Action Plan (the “Plan”); and

WHEREAS, the City held the required community development public hearings related to the Plan on May 29, 2026, and July 21, 2026, and posted it for public review and comment, online at www.bethlehem-pa.gov, and in paper format, for the required comment period.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BETHLEHEM:

1. That the City's program year 2026 Annual Action Plan (January 1, 2026, through December 31, 2026), is hereby approved for submission to HUD.
2. That the Mayor of the City of Bethlehem is hereby authorized to submit the above-referenced document(s) to HUD with any necessary assurances, certifications, and required ancillary documents.

Sponsored by: /s/ _____

/s/ _____

ADOPTED by Council this day of July 2026.

/s/ _____
President of Council

ATTEST:

/s/_____
City Clerk