

**Housing and Community Services Department
Project Reinvest**

On February 27th, the Transportation and Economic Development Subcommittee recommended approval of the submission of a federal grant application by the Housing and Community Services Department to NeighborWorks America for a Project Reinvest Financial Capability grant in the amount of \$1,575,000. The grant will support counseling services related to financial literacy, pre-purchase homebuyer education and counseling, and asset building through financial action plans provided by seventeen homeownership assistance centers under contract with the department.

NeighborWorks America is a public non-profit organization established by Congress. The source of the grant funds is federal legal settlement dollars from Bank of America secured by the United States Department of Justice. There was concern expressed in Subcommittee that two counties may not be eligible for funding. However, the agency has since clarified that all homeownership centers providing the requisite services who applied for grant funds will receive funding if the grant is awarded; the two counties in question just won't contribute additional points to NeighborWorks' scoring of the agency's grant application.

Grant funds are not eligible to supplant existing pre-mediation or other foreclosure prevention counseling services provided through the Oregon Foreclosure Avoidance program or the National Foreclosure Mitigation Counseling program. Instead, the funds are intended to improve the financial resiliency of communities that have been impacted by foreclosure and economic downturn by improving individual financial acumen and coaching to achieve financial goals. No matching funds are required and Housing and Community Services does not anticipate needing additional staff to administer grant funds.

The Transportation and Economic Development Subcommittee recommends approval.