

ORDINANCE NO. 15073

FILE OF CITY COUNCIL

BILL NO. 21 - 2013

APRIL 3, 2013

AN ORDINANCE

Providing for the expenditure of certain monies received by the City of Allentown from the repayment of loans made through the Rental Rehabilitation Program.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF ALLENTOWN:

SECTION ONE: That the Mayor is authorized to expend Eighty-Four Thousand (\$84,000) Dollars received from the repayment of loans made through the Rental Rehabilitation Program in accordance with regulations issued by the United States Department of Housing and Urban Development (HUD).

SECTION TWO: That the Mayor is directed to establish and maintain any and all such accounts and records as are necessary and to make such transfers as may be required to expend and account for said funds in accordance with HUD regulations.

SECTION THREE: That the funds be used for eligible HOME Investment Partnerships Program activities.

SECTION FOUR: That this act of the Council of the City of Allentown is undertaken pursuant to Act 292 of 1974 in accordance with the opinion of the Pennsylvania Attorney General (Opinion 75-23) which holds that Rental Rehabilitation Program Funds and its program income are General Municipal Funds for the purpose of Act 292 of 1974.

SECTION FIVE: That the Council of the City of Allentown authorizes the appropriation of Eighty-Four Thousand (\$84,000) Dollars in the following manner:

HUD Supplemental Grants
Chart of Accounts

700-01-7909-0101-50	Rental Rehabilitation Program	<u>\$84,000</u>
	Total	<u>\$84,000</u>

SECTION SIX: That this Ordinance will take effect ten (10) days after final passage.

SECTION SEVEN: That all Ordinances inconsistent with the above provisions are repealed to the extent of their inconsistency.

	Yea	Nay
Joe Davis	X	
Jeanette Eichenwald	X	
Jeff Glazier	X	
Cynthia Y. Mota		
Ray O'Connell, VP	X	
Peter G. Schweyer	X	
Julio A. Guridy, Pres.	X	
TOTAL	6	0

I hereby certify that the foregoing Ordinance was passed by City Council on May 1, 2013 and signed by the Mayor on May 3, 2013.

Michael P. Harlan

CITY CLERK

- **What Department or bureau is Bill originating from? Where did the initiative for the bill originate?**

The Consolidated Grants Program (CGP) legislation consists of three ordinances and one resolution and originates in the Department of Community and Economic Development.

The attached legislation, from the Department of Community and Economic Development serves as the template for the City of Allentown's application for federal Community Development Block Grant Program (CDBG), HOME Investment Partnerships Program (HOME) and Emergency Solutions Grants Program (ESG) funds. Each piece of legislation serves a specific purpose, which when combined, contain all the recommended regulatory steps need to apply for these federal funds. These are the same types of legislation presented to City Council every year. However, the actual dollar amounts, list of activities and funds available are different every year.

- **Summary and Facts of the Bill**

39 Ordinance #3 Rental Rehabilitation

This legislation will allow the City to expend \$84,000 in funds on the rehabilitation of rental units in the City. This legislation has no adverse financial impact on the City and the General Fund.

- **Purpose – Please include the following in your explanation:**

- **What does the Bill do – what are the specific goals/tasks the bill seek to accomplish**
- **What are the Benefits of doing this/Down-side of doing this**
- **How does this Bill related to the City's Vision/Mission/Priorities**

This ordinance provides the City with the third step needed to allow the City to apply for and then access \$3,393,709 in grant funds for the July 1, 2013 to June 30, 2014 program year. All activities funded comply with the CDBG, HOME and ESG regulations as promulgated by HUD and allow the City to further its Community and Economic Development Initiatives. This bill provides the third step in the process which forms the basis to complete the strategies of the fourth year of the City of Allentown's Consolidated Plan for the period July 1, 2010 to June 30, 2015.

- **Financial Impact – Please include the following in your explanation:**

- **Cost (Initial and ongoing)**
- **Benefits (initial and ongoing)**

This legislation will allow the City to expend \$84,000 in funds on the rehabilitation of rental units in the City. This legislation has no adverse financial impact on the City and the General Fund.

- **Funding Sources – Please include the following in your explanation:**

- **If transferring funds, please make sure bill gives specific accounts; if appropriating funds from a grant list the agency awarding the grant.**

The funding source for this ordinance is the repayment of Rental Rehabilitation loan funds

- **Priority status/Deadlines, if any**

This bill has a high priority status.

This resolution allows for the budgeting of funds to be used for the rehabilitation of rental units within the City.

- **Why should Council unanimously support this bill?**

Allows for additional funds to be budgeted/spent to provide low interest loans to rehabilitate rental properties in the City.