

ORDINANCE NO. 14580

FILE OF CITY COUNCIL

BILL NO. 21 - 2008

APRIL 2, 2008

AN ORDINANCE

Amending the Consolidated Plan One Year Action Plan for the Twenty-sixth, Twenty-ninth, Thirtieth, Thirty-first and Thirty-second years of the Community Development Block Grant Program (CDBG), which re-programs Four Hundred Seventeen Thousand Three Hundred Twenty-Six (\$417,326) Dollars of Unexpended Funds.

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

SECTION ONE: Federal Regulations require the City of Allentown to amend a Consolidated Plan One Year Action Plan whenever it decides not to carry out an activity, to add an activity, or to substantially change an activity. This legislation provides for the reprogramming of unexpended funds from the Twenty-sixth, Twenty-ninth, Thirtieth, Thirty-first and Thirty-second years of the CDBG program.

SECTION TWO: That the Mayor is authorized to reprogram the amounts in the accounts listed below.

700-01-7604-0009	Old Allentown Preservation Association	\$20,948
700-01-7904-0003	Wheelchair Ramp Program	36,059
700-01-7904-0011	First Ward Residential Facade Grant Program	4,695
700-01-7001-0003	Lead Abatement SFL Program	4,402
700-01-7001-0012	Hazard Elimination Program	2,522
700-01-7001-0014	Focus and Rehabilitation Area Rehab (MPL)	6,040
700-01-7003-0011	Community Music School	5
700-01-7004-0012	First Ward Commercial Facade Grant Program	965
700-01-7101-0003	Lead Abatement SFL Program	101
700-01-7101-0009	Focus and Rehabilitation Area Rehab (SFL)	2,168
700-01-7101-0012	Hazard Elimination Program	19,887
700-01-7101-0015	Program Delivery	24,390
700-01-7102-0005	City Limits Assembly of God Church	10,000
700-01-7102-0013	St. Luke's Neighborhood Center	6,405
700-01-7103-0001	AIDS Outreach	833
700-01-7103-0002	United Way	2,165
700-01-7105-0007	Administration	65,976
700-01-7201-0007	Demolition	100,000
700-01-7201-0005	Jordan Creek Public Improvements	50,000
700-01-7201-0003	Lead Abatement SFL	13,479
700-01-7201-0015	Program Delivery	35,124
700-01-7203-0001	AIDS Outreach	10,994
700-01-7203-0010	Community Music School	<u>168</u>

TOTAL

\$417,326

SECTION THREE: That the amount of Four Hundred Seventeen Thousand Three Hundred Twenty-six (\$417,326) Dollars be added to the amount of funds available for the Thirty-fourth Year of the CDBG program.

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

SECTION FIVE: That all Ordinances inconsistent with the above provisions are repealed to the extent of their inconsistency.

	Yea	Nay
Michael Donovan	X	
Jessie Eichenwald	X	
Julio A. Guridy		
David M. Howells, Sr.	X	
Tony Phillips	X	
Peter G. Schweyer	X	
Michael D'Amore, President	X	
TOTAL	6	0

I hereby certify that the foregoing Ordinance was passed by City Council and signed by His Honor the Mayor on the 18th day of April, 2008.

CITY CLERK

Legislative Template for Consolidated Grants Program Legislation

Consolidated Grants Program Legislation consists of three ordinances and one resolution

The attached legislation, from the Department of Community 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 Shelter Grants (ESG) Program funds, including rollover and anticipated program income. Each piece of legislation serves a specific purpose, which when combined, contain all the recommended regulatory steps needed 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.

The legislation needs to be introduced at City Council's April 2th meeting, with passage anticipated on April 16th. The City must submit the completed Action Plan to HUD by May 15, 2008.

Ordinance #1

Summary: This legislation is required to close unspent CDBG accounts and "roll the funds" over to be used for the upcoming program year (July 1, 2008 to June 30, 2009).

Financial Impact: This ordinance allows for \$417,326 to be re-programmed as part of the funds available for the 2008-2009 program year. Funds are rolled over for a variety of reasons, but mainly because the program/activity is complete and costs were not as great as originally anticipated. At times, agencies decide to refuse their allocation if they have difficulty raising the additional funds necessary to run their program/activity. This legislation has no adverse financial impact on the City and the General Fund.

Funding Source: federal Community Development Block Grant Program funds.

Priority Status: High Priority. Needed to submit application for federal funds to HUD.

Reason Council should support this bill: This legislation allows additional funds to be available to complete the myriad of activities described in Ordinance #2. Furthermore, this allows old accounts, which are no longer active, to be closed.

Ordinance #2

Summary: This legislation is required to establish expenditure accounts for the City budgeting system, in addition to listing all the activities/programs which will be funded for the 2008-2009 Consolidated Grants Program year. It provides the basis for the creation of the Action Plan which is submitted to HUD as the application for the CDBG, HOME and ESG program funds which the City receives every year.

Financial Impact: This ordinance provides the City the ability to expend \$5,368,721 in federal funds to complete a variety of activities including housing rehabilitation, homeownership, public services, administration of the programs, etc. This legislation has no adverse financial impact on the City and the General Fund.

Funding Source: Federal CDBG, HOME and ESG dollars, rollover funds and anticipated program income

Priority Status: High, application needs to be submitted to HUD by May 15th and the Action Plan cannot be completed until City Council approves this ordinance, which approves the programs and activities to be funded during the upcoming program year. City staff then use this information to develop the actual Action Plan following HUD's very specific protocols.

Reason Council Should Support this Bill: The City has again followed the scoring process approved by Council and used in the past to develop this budget. In addition, funding decisions were made by complying with HUD's regulations, which require the City to address

concerns/needs noted in its five year Consolidated Plan (approved by Council and HUD in 2005).

Ordinance #3

Summary: This ordinance allows for the budgeting of payments received from the Rental Rehabilitation Program (a HUD program no longer in existence). The funds are budgeted each year to be used for other rental rehabilitation activities which comply with HOME program regulations.

Financial Impact: This legislation will allow the City to expend \$60,489 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 Source: Repayment of Rental Rehabilitation funds

Priority Status: High

Why should Council Unanimously support: Allows for additional funds to be budgeted/spent to provide low interest loans to rehabilitate rental properties in the City.

Resolution #1

Summary: With this resolution, City Council is authorizing the City of Allentown to submit its Action Plan for the use of federal CDDB, HOME and ESG dollars.

Financial Impact: Allows for the application of grant funds so the City can receive and expend \$5,368,721. This legislation has no adverse financial impact on the City and the General Fund.

Funding Source: Federal CDBG, HOME and ESG dollars, rollover funds and anticipated program income

Why should City Council unanimously support: These funds bring additionally dollars into the City to further housing and community development goals/activities without placing an undue burden on City taxpayers.

Please contact Heidi Baer at x7761 if you need additional information.