

ORDINANCE NO. 14828

FILE OF CITY COUNCIL

BILL NO. 58 – 2010

INTRODUCED BY

SEPTEMBER 15, 2010

AN ORDINANCE

Amends the Revolving Loan Fund in the 2010 Budget and, in addition, provides a supplemental appropriation of One Hundred Fifty Thousand (\$150,000) Dollars in Housing Redevelopment Assistance (HRA) funding from the Pennsylvania Department of Community and Economic Development. These funds will be loaned to provide funding opportunities for development projects throughout the City. Initially, these funds will be utilized for the purpose of rehabilitating blighted properties for our Homesteading Program.

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

SECTION ONE: That the City Council authorizes an increase in the unappropriated balance of the Revolving Loan Fund in the amount of One Hundred Fifty Thousand (\$150,000) Dollars reflecting receipt of HRA funding from the Pennsylvania Department of Community and Economic Development.

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

SECTION THREE: That all Ordinances inconsistent with the above provisions are repealed to the extent of their inconsistency.

	Yea	Nay
W. Michael Donovan	X	
Jeanette Eichenwald	X	
Julio A. Guridy	X	
Ray O'Connell	X	
Michael Schlossberg	X	
Peter G. Schweyer	X	
Michael D'Amore, President	X	
TOTAL	7	0

I hereby certify that the foregoing Ordinance was passed by City Council on November 3, 2010 and signed by the Mayor on November 5, 2010.

Michael P. Hark

CITY CLERK

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

Bureau of Building Standards and Safety Housing Rehabilitation

- **Summary and Facts of the Bill**

Grant approval for Homesteading program

- **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**

The Homesteading Program should be established within the City of Allentown. "Homesteading Program" shall mean a program whereby property acquired by the Redevelopment Authority may be occupied and built upon or rehabilitated for housing purposes by a person or family found to be in the 80% of the median income.

Mission Statement

The prime mission is to offer home ownership opportunities to qualified persons who might not obtain such an opportunity in the private sector due to the requirements for down payment and or not being eligible for conventional financing.

Second is to utilize the acquisition funding available to acquire vacant problem buildings that are declining in areas in which the homesteader may be currently located.

Third is to reverse the decline in the percentage of home ownership in rental properties as well as reduce the density, buying these properties for homesteading rather than allowing these properties to be sold to investment buyers.

Fourth build a community

- **Financial Impact – Please include the following in your explanation:**
 - **Cost (Initial and ongoing)**
 - **Benefits (initial and ongoing)**

There are no initial cost, the costs are apart of the rehabilitation and the incurred costs are passed on to the customer as closing cost like any other loan closing.

Benefits are listed above

- **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.**

Funds are being provided by (DCED) Housing Redevelopment Assistance (HRA)

- **Priority status/Deadlines, if any**
- **Why should Council unanimously support this bill?**

For the elimination of blight and adding properties back on the tax roll.