

ORDINANCE NO. 14986

FILE OF CITY COUNCIL

BILL NO. 20 - 2012

APRIL 4, 2012

AN ORDINANCE

Providing for the expenditure of certain monies received by the City of Allentown under Title I of the Housing and Community Development Act of 1974, as amended; The Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009; and Title II of the National Affordable Housing Act of 1990, as amended; for the purpose of undertaking programs of housing and community development within the City.

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

SECTION ONE: That the Mayor is authorized to expend Three Million Three Hundred Forty-nine Thousand Six Hundred Seventy-five (\$3,349,675) Dollars in Community Development Block Grant Program (CDBG), HOME Investment Partnerships Program (HOME), and Emergency Solutions Grants Program (ESG) funds for the July 1, 2012 to June 30, 2013 grant year, for housing and community development programs pursuant to the approved Consolidated Plan, appropriate Federal Law and United States Department of Housing and Urban Development (HUD) regulations.

SECTION TWO: That the Mayor is directed to establish and maintain any and all accounts and records as are necessary and to make such transfers as may be required to expend and account for said CDBG, HOME and ESG Funds in accordance with the approved Consolidated Plan, appropriate Federal law, and HUD regulations.

SECTION THREE: 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 72-75) which holds that CDBG, HOME, and ESG Funds are General Municipal Funds for the purpose of Act 292 of 1974.

SECTION FOUR: That, in accordance with the Action Plan, the Council of the City of Allentown authorizes the appropriation of Three Million Three Hundred Forty-nine Thousand Six Hundred Seventy-five (\$3,349,675) Dollars in the following manner:

CODE ENFORCEMENT AND REHABILITATION (CDBG)

700-01-7801-0102	Code Enforcement (Salaries Only)	
700-01-7801-0104	Acquisition.....	\$140,123
700-01-7801-0106	Property Disposition and Management.....	40,134
700-01-7801-0107	Site Clearance	100,000

700-01-7801-0108	Homesteading (Salaries Only)	
700-01-7801-0109	Focus Area Rehabilitation (DPL).....	25,947
700-01-7801-0112	Hazard Elimination Program	100,000
700-01-7701-0114	Lead Grant Rehabilitation	45,000
700-01-7801-0115	Program Delivery (Includes Salaries to be Apportioned)	<u>950,603</u>

TOTAL \$1,401,807

PUBLIC SERVICES (CDBG)

700-01-7802-0101	Allentown YMCA and YWCA.....	\$10,000
700-01-7802-0102	Lehigh Valley Center for Independent Living.....	10,000
700-01-7802-0103	Adult Literacy Center	10,000
700-01-7802-0104	Lehigh County Conference of Churches – Daybreak	10,000
700-01-7802-0105	Grace Episcopal Church – Grace Montessori School	10,000
700-01-7802-0107	The Baum School of Art	7,500
700-01-7802-0109	Community Action Committee of the Lehigh Valley – Community Action Financial Services	10,000
700-01-7802-0110	Neighborhood Housing Services of the Lehigh Valley – HOOP	10,000
700-01-7802-0111	Boys and Girls Club of Allentown	10,000
700-01-7802-0112	St. Luke's Neighborhood Center	10,000
700-01-7802-0113	Mosser Village Family Center.....	10,000
700-01-7802-0114	Community Bike Works	10,000
700-01-7802-0115	Embrace Your Dreams	9,267
700-01-7803-0102	Family Answers – Ways to Work	10,000
700-01-7803-0103	Allentown Public Library	10,000
700-01-7803-0104	Lehigh Carbon Community College.....	9,363
700-01-7803-0106	Syrian Arab American Charity Association	10,000
700-01-7803-0107	Program for Women and Families	10,000
700-01-7803-0108	Allentown Economic Development Corporation – Securing Industrial/Commercial Properties	10,000
700-01-7803-0111	Bureau of Health – Alliance Summer Recreation	<u>5,500</u>

TOTAL \$191,630

NEIGHBORHOOD STABILIZATION (CDBG)

700-01-7804-0102	Seventh Street Façade – Commercial (Salaries Only)	
700-01-7804-0109	Focus Area Façade Grants – Residential.....	\$150,000
700-01-7804-0110	Voluntary Relocation	20,000
700-01-7804-0112	Neighborhood Housing Services of the Lehigh Valley – Community Partnership Program.....	<u>50,000</u>

TOTAL \$220,000

ADMINISTRATION, PLANNING AND ECONOMIC DEVELOPMENT (CDBG)

700-01-7805-0101	Redevelopment Authority of the City of Allentown.....	\$60,000
700-01-7805-0102	Community Action Development Corporation of the Lehigh Valley	25,000

700-01-7805-0103	Allentown Economic Development Corporation – Economic Development Activity	100,000
700-01-7805-0107	Administration	315,000
700-01-7805-0108	Fair Housing	30,000
700-01-7805-0109	Community Development Planning	<u>25,000</u>
TOTAL	\$ 555,000

HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)

700-01-7807-0101	Focus Area Rehabilitation (DPL)	\$499,053
700-01-7807-0102	Housing Association and Development Corporation – CHDO Activity	114,997
700-01-7807-0103	Housing Association and Development Corporation – CHDO Operating	15,000
700-01-7807-0104	Administration	<u>66,769</u>
TOTAL	\$695,819

EMERGENCY SOLUTIONS GRANTS PROGRAM (ESG)

700-01-7808-0101	Community Action Committee of the Lehigh Valley - Sixth Street Shelter	\$50,222
700-01-7808-0102	Lehigh County Conference of Churches – Linkage	20,018
700-01-7808-0103	Salvation Army	50,222
700-01-7808-0104	Administration	16,278
700-01-7808-0105	Lehigh County Conference of Churches – Homeless Prevention	55,019
700-01-7808-0106	Lehigh County Conference of Churches – Rapid Re-Housing	<u>25,289</u>
TOTAL	\$217,048

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

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

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

I hereby certify that the foregoing Ordinance was passed by City Council on April 18, 2012 and signed by the Mayor on April 25, 2012.



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**

Ordinance CGP #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, 2012 to June 30, 2013). These accounts represent activities which have been completed with funds remaining, or activities which were later deemed to be not feasible.

Ordinance CGP #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 2012-2013 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.

Ordinance CGP #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.

Resolution CGP #1

Summary: With this resolution, City Council is authorizing the City of Allentown to submit its One Year Action Plan for the period July 1, 2012 to June 30, 2013 for the use of federal CDBG, HOME and ESG dollars.

- **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**

These three bills and one resolution allow the City to apply for and then access \$3,349,675 in grant funds for the July 1, 2012 to June 30, 2013 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. These bills provide the basis to complete the strategies of the third 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)**

Ordinance CGP#1

This ordinance allows for \$ 307,110 to be re-programmed as part of the funds available for the 2012-2013 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, or an alternative funding source may have been identified. 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.

Ordinance CGP #2

This ordinance provides the City the ability to expend \$ 3,349,675 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.

Ordinance CGP #3

This legislation will allow the City to expend \$79,000 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.**

Ordinance #1 Federal Community Development Block Grant Program funds.

Ordinance #2: Federal CDBG, HOME and ESG dollars, rollover funds and anticipated program income

Ordinance #3: Repayment of Rental Rehabilitation funds

Resolution : authorizes the submission of the One Year Consolidated Plan Action Plan along with the grant application for CDBG, HOME and ESG funds

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

These three bills and one resolution have a high priority status. Failure to submit the application to HUD by May 15, 2012 could result in the loss of this money.

Ordinance #1 Priority Status: High Priority. Needed to submit application for federal funds to HUD.

Ordinance # 2 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.

Ordinance #3 Priority Status- High. this resolution allows for the budgeting of funds to be used for the rehabilitation of rental units within the City.

Resolution- Priority Status- High-With this resolution, City Council is authorizing the City of Allentown to submit its Consolidated Plan and One Year Action Plan for the use of federal CDBG, HOME and ESG dollars.

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

Ordinance #1: Why Should Council unanimously 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 Why Should Council unanimously 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

Ordinance #3: 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: Why should Council unanimously support ? This resolution allows us to submit our One Year Action Plan- application to bring additional grant dollars into the City.