ORDINANCE NO. 14791

FILE OF CITY COUNCIL

BILL NO. 19 - 2010

INTRODUCED BY

APRIL 7, 2010

AN ORDINANCE

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 Seventy Nine Thousand ($79,000) 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 Seventy Nine Thousand ($79,000) Dollars in the following manner:

HUD Supplemental Grants
Chart of Accounts

700-01-7609-0101	Rental Rehabilitation Program Income	$79,000
	Total	$79,000

SECTION SIX: That all Ordinances inconsistent with the above provisions are repealed to the extent of their inconsistency.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		
Ray O'Connell	X	
Michael Schlossberg	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 on May 5th and signed by the Mayor on March 10th, 2010.

Michael P Hale

CITY CLERK

LEGISLATIVE TEMPLATE

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

Consolidated Grants Program 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 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.

- **Summary and Facts of the Bill**

  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.

- **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 $4,461,933 in grant funds for the July 1, 2010 to June 30, 2011 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 first 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 $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.**

  Repayment of Rental Rehabilitation 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, 2010 could result in the loss of this money.

  Priority Status- High. 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?**

  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.

- **Committee Action**

- **Public Comments**

- **Body/Text of the Bill**

- **Exhibits**

- **Vote**