

ORDINANCE NO.

FILE OF CITY COUNCIL

BILL NO. 39 - 2022

June 1, 2022

AN ORDINANCE

Amending the 2022 ARPA Fund Budget to provide for a transfer of One Million Five Hundred Thousand (\$1,500,000) Dollars to Da Vinci Science City, LLC.

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

SECTION ONE: That City Council authorizes a supplemental appropriation from the unappropriated balance of the ARPA Fund in the amount of One Million Five Hundred Thousand (\$1,500,000) Dollars as follows:

**ARPA Fund
General and Civic**

019-01-0609-0001-40

Civic Contributions

\$ 1,500,000

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SECTION THREE: That all Ordinances inconsistent with the above provisions are repealed to the extent of their inconsistency.

AMENDMENT: Change the \$1.5m allocation to \$1m. 7-0

LEGISLATIVE TEMPLATE

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

Department of Finance

- **Summary and Facts of the Bill**

Transfers funds from the unappropriated balance of the ARPA Fund to support Da Vinci Science City, LLC.

Da Vinci Science City, LLC (DSC), a subsidiary of The Da Vinci Discovery Center of Science and Technology, Inc. (parent dba Da Vinci Science Center), respectfully requests \$1.5 million to support the development of its new 67,292 square-foot science center in downtown Allentown. Funding will be used for enhancements to the HVAC system in the new facility to help mitigate the spread of COVID-19 and for the construction and outfitting of the Da Vinci STEAM Learning Center to provide educational programs which address the disproportionate impact of the pandemic on Allentown students.

This bill appropriates \$1,500,000 from ARPA fund balance to the ARPA fund's civic expenditures to support Da Vinci Science City, LLC. The appropriation will be transferred to Da Vinci Science City, LLC, which will be treated as a subrecipient and execute a subrecipient agreement. The aforementioned corporate body will not be required to repay the subaward.

- **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 will appropriate ARPA funds to help with the Da Vinci Science City, LLC funding will be used for enhancements to the HVAC system.

The proposed HVAC investment in a system that provides ventilation, filtration, and air cleaning will reduce visitor exposure to airborne pathogens and provide a downtown Allentown venue where visitors feel safe and return often, thus ensuring a steady stream of visitors to activate downtown businesses. The proposed investment in the Da Vinci STEAM Learning Center will support the construction and outfitting of work-shop laboratory and training spaces for educational programming during and outside of school hours.

To date, DSC has raised \$64 million for the overall project from public and private sources, with over \$40 million from outside the region to be invested in Allentown.

PA Gaming & Economic Development Tourism Fund - \$20 million

PA RACP - \$11.0 million

ANIZDA - \$5.8 million

HUD Section 108 Loan - \$5.6 million

Lehigh Co. - \$0.5 million

US Community Funded Project - \$3.0 million

Private - \$18.1 million

An additional \$8 million is needed to fully develop the new science center. These dollars are critical to provide guest experiences that will attract visitors from a 100-mile radius to Allentown and provide access to potentially life changing experiences for Allentown youth. City investment in the HVAC system and STEAM Learning Center, estimated to cost over \$10 million, will help fill this funding gap.

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

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

Funding will be used for enhancements to the HVAC system in the new facility to help mitigate the spread of COVID-19 and for the construction and outfitting of the Da Vinci STEAM Learning Center to provide educational programs which address the disproportionate impact of the pandemic on Allentown students.

This will not affect the General Fund. This contribution falls within the guidelines of The American Rescue Plan Act.

The use of ARPA funds for this purpose fits within the eligible uses described in and the Final Rule 31 C.F.R. 35.6(b)(3)(ii)(C): “Assistance to non-profit organizations including programs, services, or capital expenditures, including loans or grants to mitigate financial hardship such as declines in revenue or increased costs...”.

- **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.**

Funding will come from the unappropriated balance of the ARPA fund.

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

The new science center will open in 2024.

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

This project provides the City with the opportunity to provide key funding for an important project.