

ORDINANCE NO.

FILE OF CITY COUNCIL

BILL NO. 11 - 2022

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FEBRUARY 16, 2022

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AN ORDINANCE

Amending the 2022 ARPA Fund Budget to provide for a transfer of Two Million Seven Hundred Thousand (\$2,700,000) Dollars for the Little Lehigh Project.

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

SECTION ONE: That the City Council authorizes a supplemental appropriation from the unappropriated balance of the ARPA Fund in the amount of Two Million Seven Hundred Thousand (\$2,700,000) Dollars as follows:

**ARPA Fund  
General and Civic**

<b>019-01-0609-0001-40</b>	<b>Civic Contributions</b>	<b>\$ 2,700,000</b>
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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SECTION THREE: That all Ordinances inconsistent with the above provisions are repealed to the extent of their inconsistency.

- **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 the Little Lehigh Project being developed by the Allentown Housing Authority.

The Allentown Housing Authority is redeveloping the public housing project originally constructed in the early 1970's. Since then the building exterior and interiors have experience significant wear and tear and are in need of rehab. Not only will the development replace the existing deteriorating units, but it will also revitalize the neighborhood and provide much needed high quality affordable housing for the community.

The development of affordable housing to increase supply of affordable and high quality living units is an eligible use of ARPA funds per 42 U.S.C. 803.603(c)(1)(A), and the interim final rule 31 C.F.R. 35.6(b)(12)(ii)(B). The Final Rule states that "Treasury will presume that any projects that would be eligible for funding under either the [HTF] or...the Home Investment Partnership Program (HOME) are eligible uses of SLFRF funds.

- **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 fill the funding gap for this Little Lehigh Project which was caused by supply chain disruptions caused by COVID 19 and significant increase in the Davis Bacon wage rates for Lehigh County.

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

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

- **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 (first tranche).

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

The project must be operational by December, 2023 or the Allentown Housing Authority risks losing the tax credits and without the tax credits the project cannot be completed and the site would remain blighted and vacant for the foreseeable future.

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

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