



**HDC**  
MidAtlantic

October 19, 2022

Allentown City Council  
435 Hamilton Street  
Allentown, PA 18101

RE: Public Comment re: Request ARPA Funding for Affordable Housing – 1528 West Hamilton Street

Dear Council President Mota and Members of City Council:

Thank you for the opportunity to speak to you today. My name is Dana Hanchin. I am the President & CEO of HDC MidAtlantic (HDC). HDC is a nonprofit affordable housing development organization, headquartered in Lancaster, PA. HDC builds hope and opportunity for all residents to reach their full potential by creating, preserving, and strengthening affordable housing communities. We own/manage over 3,400 apartments, providing housing that is safe and affordable to those with lower incomes, focusing on seniors, families, and individuals living with disabilities. We serve over 5,000 residents in seventy-three communities located in urban, suburban, and rural areas across Pennsylvania, Delaware, and Maryland.

Across our 50-year history we have provided affordable housing to over 50,000 residents, invested \$325 million in building and preserving affordable housing, which has collectively resulted in \$1 billion in local economic impact. We are passionate about our mission because we believe housing is a human right and a cornerstone for household stability and growth.

We have two planned affordable rental housing developments underway here in Allentown –1528 West Hamilton Street and 332 North Front Street, which include 49 apartments for lower-income seniors and adults with intellectual and developmental disabilities on Hamilton Street, and between 24-39 apartments for either general occupancy or seniors planned for North Front Street. Please know that we do not see ourselves solely as a developer, but as a long-term partner – owner, property manager and provider of supportive services in our affordable housing communities – providing affordable housing for generations to come.

Over the past four years, we have been collaborating closely with our partners, Alliance for Building Communities and Eastern PA Down Syndrome Center, to bring affordable housing to 1528 West Hamilton Street. In 2021, we were successful in receiving an allocation of low-income housing tax credits from the Pennsylvania Housing Finance Agency (PHFA) for this development. However, we are struggling with the economic impact of the pandemic on this \$19 million project and now face a significant funding gap due to escalating construction costs, inflation, labor shortages and supply chain disruption.

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We have requested \$4 million from PHFA in development cost relief funding to keep this project moving forward; however, it will take more than PHFA resources to get this project across the finish line. We are respectfully requesting \$1.2 million from the City of Allentown's ARPA allocation to close the gap. If we fail to close the funding gap, the impact could be substantial, causing significant delays and potential reduction in the number of apartments.

In closing, I want to recognize and acknowledge the personal story of Councilor Ce-Ce Gerlach, which she shared last week in "The Morning Call." The most devastating fact provided was that nearly 90% of people who experienced homelessness in the Allentown area and called for help did not get housing. This is not unlike HDC's experience. We receive over 100 inquires a day for affordable housing from people who are in crisis now, but it is rare that HDC can provide immediate assistance. Often it takes anywhere from six months to two years for an apartment to become available. And it typically takes four years to move a planned affordable housing development from concept to completion. You can see that we are already in a difficult situation and on a long road to achieve success. Meanwhile, the need continues to grow.

Please know that HDC stands ready to collaborate with the City of Allentown and others to provide more permanent affordable housing, leveraging our expertise and resources creatively to ensure that everyone in Allentown has a safe, welcoming affordable place to call home.

We thank you for your time and consideration, and we welcome further conversation with members of City Council and the administration to help advance 1528 West Hamilton Street and bring more affordable housing to Allentown.

Sincerely,

A handwritten signature in black ink, appearing to read "Dana Hanchin", with a long horizontal line extending to the right.

Dana Hanchin  
President & CEO  
HDC MidAtlantic

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