



Minutes - Final

Community and Economic Development Committee

Wednesday, August 16, 2023

5:45 PM

Council Chambers

Roll Call: Chair Mota, Napoli, Affa

Present: 1 - Cynthia Mota

[15-6111](#)

Bill 77

Amending the 2023 General Fund Budget to provide for a supplemental appropriation of Two-Million-Dollars (\$2,000,000.00) grant funding from the U.S. Department of Housing and Urban Development to address housing related hazards including radon remediation, asbestos abatement, and electrical and plumbing repairs.

The 2023 Federal Healthy Homes Production Grant is a reimbursable grant which will be spent over the course of 42 months to fund repairs up to \$10,000 per home for 135 qualified Allentown homeowners and tenants/landlords. Additionally, it is requested to amend the 2023 General Fund budget to create two (2) new fully grant funded positions in the Department of Community & Economic Development's (DCED) Community Housing program and provide supplemental grant funding to two (2) existing positions. The funds for these positions were awarded as a grant from the Federal Healthy Homes Production (HHP).

Attachments: [Bill 77 Grant Funded PAHHP0110-23](#)
[Ordinance #15938](#)

Ms. Vicky Kistler stated that Kelly Westerman oversees this program, but she wants to make sure Heidi makes comments and why they are so excited about this funding.

Ms. Heidi Westerman stated that they are really excited. They just was awarded this \$2 million grant. It is to do Healthy Home Repairs in the house of qualified rental and owner-occupied properties. This team has been doing an excellent job. They just recently on Tuesday had someone from HUD came down to audit the files for the Lead Program that they been running. Everybody was really nervous and she told them that they got this. They should not have a problem and he came in and after reviewing everything, he said to her that the city is a model for every other city and municipality out there. He stated that they are going to start recommending people to the city so they can be coached through their

grants. it made them feel good to create a dynamic that is succeeding. She stated that they are excited because of the good work that they have been doing, this is another grant that has been given to the city for \$2 million and they hope it will continue from there. In taking on this \$2 million, they currently have five people who run this whole program. With this additional money, the way that the funding works, you can only have your Program Manager 75 percent committed to a program. They are asking along with this package tonight to be able to hire a new Program Manager and a Project Manager that will be 100 percent funded by this grant to do this work.

Ms. Vicky Kistler stated that this is a whole new grant because there is owner - occupied money as well as rental. The fact that Council passed years ago a Lead Ordinance has given us the power to be able to get a much better response rate and a much higher compliance rate than other townships and municipalities has because they don't have an Ordinance forcing landlords or owners to obey. She stated that they do need to acknowledge the fact that they do have a Lead Abatement Ordinance. It does give them a funnel. Every child who tests positive gets recorded and then the city can then evaluate if they are income eligible and gives a senior program into this. They also have excellent management staff in this department. Tanya Allison is away on vacation. They just celebrated the 155th home that is lead safe.

Ms. Cynthia Mota asked if there were any comments from this dais.

Mr. Daryl Hendricks complimented Ms. Westerman for the accolades that were bestowed on you. It is not often enough that we hear what the great employees do and he hopes to hear a lot more. He stated congratulations and let everyone else know. He stated that they are certainly appreciative of getting that honor. It reflects on everybody.

Ms. Vicky Kistler stated that she will certainly tell Ms. Allison.

Mr. Santo Napoli stated that it is great to hear. With all the free time you have, you can coach other municipalities. He asked about folks that want to receive these grants, can the city require that for the rentals if they are inspected prior to receiving grant money. Is this almost a prerequisite?

Ms. Heidi Westerman stated that one of the things that they do when they are doing the background check on the property itself is making sure that the rental registration is paid. That they don't have any open violations. If they go in and start to see things that are a little questionable, they will also take a Code Inspector along with them. They make sure they write it up in the scope of work that is going to repairs with the grant. IF there is a

plumbing leak or electrical problems or a roof leak, that will all be covered by the grant.

Mr. Santo Napoli asked if the grant is structured in a way that half of it has to go to rentals and half are owner occupied. At this point, is that to be determined.

Ms. Heidi Westerman stated that it is actually it is not a cap on either one. It is kind of open to whoever is in need.

Mr. Santo Napoli stated that his only feedback is to try to market it to owner occupied. They are the ones that really need it the most. He had radon done at his house and knows how expensive it is. He dealt with remediation with asbestos on a project that he is working on right now. He knows how expensive that is. Having this program geared to owner occupied will be more beneficial to residents. He suggested that they really message that and get the message out to homeowners versus the investment property owners.

Ms. Cynthia Mota asked how are you going to do this. How are you planning to tell the community about this grant.

Ms. Heidi Westerman stated that since the Lead Program has really been taking off now, we have a long list of people applying. They already have a pipeline of people coming in to apply for different grants. They also get the recommendations from and when they get the properties called in for code violations or problem properties. Sometimes they will get a phone call and homeowners calling in and asking if there are funds available for a roof leak. They also plan on advertising and try to promote it to the homeowners in the city.

Ms. Cynthia Mota stated that you already have a form that people can apply. She asked if it is based on income.

Ms. Heidi Westerman stated yes.

Ms. Vicky Kistler stated that it is a very strict income eligibility. There is a Financial Specialist who works with every applicant to make sure they can gather the documents they need and have verified. What is unique about these programs that come through HUD is that they interconnect. For example, the city has a standing relationship with CACLV because they do weatherization. CACLV will refer to the city's program for the Lead piece, the city will refer to their program for grants for the weatherization to try to get as many services as we can into a property that they had numerous complaints or that the homeowner reached out to them and said they

simply can't handle this, is there any help out there. That stringent income eligibility, plus the cooperation from people. With the many homes, the city is dealing with one that Heidi and her team helped an owner-occupied home, and she is not letting the construction workers in. She stated that the city can't help her, but has to take the services as they come in the queue because many of these contractors are working for other clients at the same time. They do a lot in managing services. They also call the county if they get to a home and find there are some mental health issues. The simple fact that the home is falling into disrepair. They will get other services and get a ton of referrals to help the family as well.

Ms. Cynthia Mota thanked Ms. Kistler and asked Ms Gerlach if she had a question.

Ms. Ce Ce Gerlach stated that as someone who dished out \$10,000 to horrible contractors fixing things. She asked is there a list for folks to call that are the reliable, reputable contractors.

Ms. Heidi Westerman stated that the city has an open RFQ right now for example for the Lead Abatement Program. They have to be qualified contractors with the right certifications. The city does bring them on board, but they do have a very stringent policy where they can them for doing any further work if they were to do anything wrong if they are not following the regulations like with the EPA and HUD and if they are not following those things, the city will bar them from being able to do any more work on our properties.

Ms. Vicky Kistler stated that the person does not call their own contractor, the city sends the contractor.

Ms. Ce Ce Gerlach stated for the radon and the asbestos.

Mr. Vicky Kistler stated that the city has certification classes that the department offers to contractors that want to become favored on the city's list so they can get those certifications.

Ms. Ce Ce Gerlach asked if the income limits 80 percent AMI or the federal poverty.

Ms. Heidi Westerman stated the 80 percent.

Ms. Cynthia Mota asked what does that mean.

Ms. Heidi Westerman stated that you have to be 80 percent below the income level. If you are a landlord of a property, the city will qualify the

tenants, not the landlord. If you are the owner of the property, you have to be below that 80 percent.

Ms. Ce Ce Gerlach stated that AMI is the Area Median Income. In speaking about landlords, she has seen a lot with landlords especially the ones that are multi-property (investment landlords) will get some type of grants, some type of help from the city then jack up their rents and all their tenants have to leave. Are there any stipulations so that any property owners have to be smaller property owners. With the home repairs, they have to be smaller property owners and they have to maintain rent. They may increase it with the rate of inflation. Is that in there or not so much?

Ms. Heidi Westerman stated that currently for the city's Lead Program and they will put something similar into place with this program as well. They do have stipulations that for three years they are not allowed to increase. That was the recommendation from HUD for three years. That is what they have them sign when they are filling out the application.

Ms. Ce Ce Gerlach stated that is real good. She stated that she is on the Wait List for Whole Home. She is sure that there are hundreds of people. She asked if there are type of cross pollination between the people that are on the Whole Home Wait List and they said what they need is plumbing and there is a grant for plumbing.

Ms. Heidi Westerman stated that the city is in partnership right now, working with Habitat and CACLV and are utilizing all the different grants. It limits the work that they would have to do for their grant so they can put some of their money in and can do more houses if they have the ability to utilize all the different funds in different places. They are working like that. She stated that she does not know that sometimes there is a rule that certain HUD grants go into a property and other types of grants can't be used in the same property. They would have to watch the guide lens on that and make sure they are not commingling any money that can't be crossed.

Ms. Ce Ce Gerlach stated she got them and that's all she had.

Ms. Cynthia Mota stated that she thinks it is great that the city has its own contractors to do those kinds of works. With all honesty, when they see a female, they tend to take advantage and they do not finish the work. She stated that she has been there. That is one of the good things too, the Lead Program and why they implemented those set pricings so they can't be price gouging. The city controls the amount of each of the projects is according to the current pricing in the area so there is no opportunity for things like that to happen.

Ms. Vicky Kistler stated just to give Council a point of reference, the 2022 80 percent AMI in Lehigh County is \$50,755 for a family of one, \$65,750 for a family of three. It gives you an idea of the income you have to fall at or below in order to apply for the program.

Mr. Santo Napoli stated that he has one more. He stated that Ms. Gerlach said something that got him thinking, is there an opportunity to maybe have a smaller cap for rentals, but if they exceed that they would have to work on more affordable housing approach. For instance, if they get \$5,000, but the city ends up doing \$10,000 - \$15,000, they are mandated to lowering their rents to a certain number based on bedrooms to meet affordable housing because of the grant money they received for so many years. He stated that he knows that there are a lot of moving parts for you. He is just curious maybe there is an angle with the more money they received from the grant, and they pass it on to a tenant and affordable housing method.

Ms. Heidi Westerman stated that is something that they can look into, but she is not sure if they can do something along that line. One of the other answers to the question that she forgot was and he asked previously. You can't do a grant for a building that has over four units. You talked about the multiple unit buildings and are scaled towards that smaller form. If there is a six unit building, the city can't do a building like that.

Ms. Ce Ce Gerlach stated that would eliminate the big Nat Hyman buildings and all that.

Ms. Vicky Kistler stated that it eliminates any large buildings, and they should have mentioned that. She did not think of that either. This is really geared to the smaller properties. The other piece to this is that, you also have to think about the fact that some of our landlords, this is not necessarily a blessing to them. They don't care. So often, the city is trying to go through the tenant to get the landlord to agree and try to make life better for the tenant. Obviously, the city needs the landlord to sign on and agree and any stipulation that they give them makes them close the door. The city can certainly look into trying to find some reasonable solution, but her bigger thought is that they try to attack some of those owner - occupied and some of responsible landlords that they had cooperation with do to the Lead Program and those things to try to use this to beef up properties that they know don't need a ton of work, but needs some work to get into compliance.

Ms. Cynthia Mota asked if there are any other comments from the dais or the public.

A motion was made by Santo Napoli, seconded by Candida Affa, that this Bill be forwarded to full Council.

Yes: 3 - Cynthia Mota, Santo Napoli and Candida Affa

Updates

Adjournment: 6:02 PM