

CITY OF ALLENTOWN

No. ___

RESOLUTION

R68 – 2021

Introduced by the Administration on February 3, 2021

Approves the Submission of an application to obtain a HUD 108 Loan for The Da Vinci Science Center in the amount of \$5,605,000

Resolved by the Council of the City of Allentown,

WHEREAS, the City of Allentown is desirous of obtaining a HUD 108 for The Da Vinci Science Center for future development in the amount of Five Million Six Hundred Five Thousand (\$5,605,000) Dollars.

WHEREAS, the project is being undertaken by the DaVinci Science Center, an established 501(c)(3) not-for-profit entity that has been delivering educational programs through the Lehigh Valley for more than 20 years.

WHEREAS, the HUD 108 loan fund will flow from the City of Allentown to the Da Vinci Science Center as a pass-through loan and will be repaid by the Da Vinci Science Center in accordance with the repayment plan submitted at time of application.

NOW, THEREFORE, BE IT RESOLVED that the appropriate officer of the City of Allentown is directed to execute a certificate attesting to the adoption of this Resolution and to furnish a copy of this Resolution to the U.S. Department of Housing and Urban Development.

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

Department of Community and Economic Development

- **Summary and Facts of the Bill**

This is to acknowledge that the City of Allentown has filed an application for a HUD 108 Loan for the future development for the Da Vinci Science Center in the amount of \$5,605,000.00.

- **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**

The project is being undertaken by The Da Vinci Science Center, an established 501(c)(3) not-for-profit entity that has been delivering educational programs throughout the Lehigh Valley for more than 20 years. Funds are expected to flow from the City of Allentown to the Da Vinci Science Center. This is the same way in which all public and private funds are anticipated to flow to the project.

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

There is no cost to the city. This is a loan to the Da Vinci Science Center in which they have submitted a plan of repayment

- **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.**

These funds will be held at HUD and will be drawn on a reimbursement basis. this program will work exactly like the CDBG, HOME and ESG programs

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

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

Public Benefit Standards

The benefit standard for this project will be greatly exceeded as it is projected that the Science Center will provide services to an estimated 150,000 or more persons of low or moderate income annually. The HUD standard for a Section 108 loan guarantee using this particular standard requires a minimum

of one LMI person served per \$1,000 of the loan or 5,000 persons in the aggregate for a loan in the amount of \$5 million.