

ORDINANCE NO.

FILE OF CITY COUNCIL

BILL NO. 90 - 2021

OCTOBER 6, 2021

AN ORDINANCE

An Ordinance providing for the expenditure of Two Hundred Eighty-Two Thousand Five Hundred Twelve Dollars and Ten Cents (\$282,512.10) in Community Development Block Grant Program (CDBG), unspent funds for the January 1, 2021 to December 31, 2021 grant year, for housing and community development programs pursuant to the approved Consolidated Plan, appropriate Federal Law and United States Department of Housing and Urban Development (HUD) regulations. The monies are received by the City of Allentown under Title I of the Housing and Community Development Act of 1976, as amended; The Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009; and Title II of the National Affordable Housing Act of 1990, as amended; for the purpose of undertaking programs of housing and community development within the City.

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

SECTION ONE: That the Mayor is authorized to expend Two Hundred Eighty-Two Thousand Five Hundred Twelve Dollars and Ten Cents (\$282,512.10) in Community Development Block Grant Program (CDBG), unspent funds for the January 1, 2021 to December 31, 2021 grant year, for housing and community development programs pursuant to the approved Consolidated Plan, appropriate Federal Law and United States Department of Housing and Urban Development (HUD) regulations.

SECTION TWO: That the Mayor is directed to establish and maintain any and all accounts and records as are necessary and to make such transfers as may be required to expend and account for said CDBG Funds in accordance with the approved Consolidated Plan, appropriate Federal law, and HUD regulations.

SECTION THREE: That this act of the Council of the City of Allentown is undertaken pursuant to Act 292 of 1976 in accordance with the opinion of the Pennsylvania Attorney General (Opinion 72-76) which holds that CDBG, HOME, and ESG Funds are General Municipal Funds for the purpose of Act 292 of 1976.

SECTION FOUR: That, in accordance with the Action Plan, the Council of the City of Allentown authorizes the appropriation of Two Hundred Eighty-Two Thousand Five Hundred Twelve Dollars and Ten Cents (\$282,512.10) in unspent funds in the following manner:

NEIGHBORHOOD STABILIZATION (CDBG)

700-01-7704-0208 Neighborhood Public Improvements/Facades Walnut Street..... \$282,512.10

SECTION FIVE: That this Ordinance will take effect ten (10) days after final passage.

SECTION SIX: 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?**

The Consolidated Grants Program (CGP) legislation consists of one ordinance and one resolution and originates in the Department of Community and Economic Development.

The attached legislation, from the Department of Community and Economic Development serves as the template for the City of Allentown's application for federal Community Development Block Grant Program (CDBG). Each piece of legislation serves a specific purpose, which when combined, contain all the recommended regulatory steps need to apply for these federal funds. These are the same types of legislation presented to City Council every year. However, this is an amendment to allocate unspent funds.

- **Summary and Facts of the Bill**

Establish a new CDBG account.

Summary: This legislation is required to establish expenditure accounts for the City budgeting system, in addition to listing all the activities/programs which will be funded for the 2021 Consolidated Grants Program year. It provides the basis for an amendment of the Action Plan which is submitted to HUD as the application for the CDBG, HOME and ESG program funds which the City receives every year.

- **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 provides the City with the second step needed to allow the City to apply for and then access \$282,512.10 in unspent funds for the January 1, 2021 to December 31, 2021 program year. All activities funded comply with the CDBG regulations as promulgated by HUD and allow the City to further its Community and Economic Development Initiatives. This bill provides the second step in the process which forms the basis to complete the strategies of the second year of the City of Allentown's Consolidated Plan for the period January 1, 2020 to December 31, 2025.

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

This ordinance provides the City the ability to expend \$ 282,512.10 in unspent federal funds to complete some neighborhood improvements This legislation has no adverse financial impact on the City and the General Fund.

- **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.**

The funding sources for this ordinance are the federal Community Development Block Grant Program (CDBG).

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

This bill has a high priority status. Failure to submit the amendment to the Action Plan application to HUD could result in the loss of this money.

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

The City has again followed the public notice process approved by Council and used in the past to develop its budget. In addition, funding decisions were made by complying with HUD's regulations, which require the City to address concerns/needs noted in its five year Consolidated Plan.