

ORDINANCE NO.

FILE OF CITY COUNCIL

BILL NO. 64 - 2023

---

June 28, 2023

---

AN ORDINANCE

Amending the 2023 ARPA Fund Budget to provide for a transfer of Two Million Dollars (\$2,000,000.00) to Cortex Residential. These funds will be used for an affordable housing project in the Walnut Square Apartments at 40 South 8<sup>th</sup> Street.

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

SECTION ONE: That City Council authorizes a supplemental appropriation from the unappropriated balance of the ARPA Fund in the amount of Two Million Dollars (\$2,000,000.00) as follows:

**ARPA Fund  
General and Civic**

<b>019-01-0609-0001-40</b>	<b>Civic Contributions</b>	<b>\$ 2,000,000.00</b>
----------------------------	----------------------------	------------------------

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SECTION THREE: That all Ordinances inconsistent with the above provisions are repealed to the extent of their inconsistency.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 this bill originating from? Where did the initiative for the bill originate?

City Council/Administration.

- Summary and facts of the bill.

Cortex Residential is requesting \$2,000,000 (two million dollars) of ARPA funding for use in the Walnut Square Apartments at 40 South 8<sup>th</sup> Street. This project will be affordable housing and qualifies under acceptable use for ARPA funding.

Proposed is a total of 52 units – Sponsor has requested 8 will vouchers from the Housing Authority pending formal approval.

7 one-bedroom place based, 1 two-bedroom place based

13 one bedrooms that are 60% AMI, 23 one bedrooms that are 80%AMI

4 two bedrooms that are 60% AMI, 2 two bedrooms that are 80% AMI

- Purpose – Please include the following in your explanation:
  - a. What does the bill do? What are the specific goals or tasks the bill seeks to accomplish?

The bill fills a gap in funding for the developer to use to construct the units.

- b. What are the benefits of doing this? What are the drawbacks?

The City of Allentown is in need of affordable housing for single individuals and families. This project provides units for that purpose.

- c. How does this bill relate to the City's vision/mission/priorities?

Vision 2030 clearly identifies the lack of affordable housing as a priority. It has also been stated as a priority by City Council and citizens as well.

- Financial Impact – Please include the following in your explanation:

- a. Cost (initial and ongoing)

\$2,000,000 (two million dollars), one time funding

- b. Benefits (initial and ongoing)

Additional housing units for low to moderate income individuals

- Funding Sources – Please include the following in your explanation:

- a. If transferring funds, please make sure to give specific account names and numbers. If appropriating funds from a grant, please list the agency awarding the grant.

A multitude of funding sources will be used for this project however the unfilled gap is \$2,000,000 – account to be specified by Finance.

- Priority status – Are there any deadlines to be aware of?

Yes, commitment of funds is needed in order for tax credit award by mid June/July.

- Why should Council unanimously support this bill?

It is a worthwhile project meeting a well established need in the city and it meets ARPA eligibility.